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Congressional Record

PROCEEDINGS AND DEBATES OF THE 96th CONGRESS, FIRST SESSION

SENATE—*Monday, May 21, 1979*

(Legislative day of Monday, April 9, 1979)

The Senate met at 11:15 a.m., on the expiration of the recess, and was called to order by Hon. MAX BAUCUS, a Senator from the State of Montana.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

O God, we lift our hearts to Thee in gratitude for life and health, for love and friendship, for Thy goodness and mercy which daily follow us, for the beauty and wonder of Thy creation and for all things true, just, pure, lovely, and of good report. We thank Thee for this good land, for its heritage of freedom, for its democratic institutions, for its generous service to humanity, and its place of honor among the nations. In the spirit of thanksgiving grant us wisdom and grace to use each hour and all our faculties to serve the present age.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 21, 1979.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MAX BAUCUS, a Senator from the State of Montana, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. BAUCUS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROGRESS ON CYPRUS

Mr. ROBERT C. BYRD. Mr. President, a very encouraging development occurred over the weekend in Nicosia, when leaders of the Greek and Turkish communities on Cyprus agreed to resume negotiations on the future of that nation.

This is a hopeful sign—that we may see genuine progress toward a just and lasting settlement of the long-deadlocked Cyprus dispute.

The meeting in Nicosia was under the auspices of U.N. Secretary General Waldheim, and was supported by the U.S. Government.

The Greek Cypriot President, Mr. Kyprianu, and the Turkish Cypriot leader, Mr. Denktash, agreed to a 10-point joint communique which provides a foundation for regular intercommunal talks, which will begin on June 15.

Although this is a positive and promising agreement, I do not underestimate the difficulties that lie ahead as the two parties try to reach a settlement of the issues that divide them.

The United States has a strong interest in seeing this issue resolved. It has impeded relations between two of our important allies, Greece and Turkey, and has had the effect of seriously weakening the southern flank of NATO.

Last year when the Senate passed an amendment I introduced to lift the embargo on U.S. arms to Turkey, a condition of that amendment was that the President certify that Turkey was acting in good faith to achieve a just and lasting settlement of the Cyprus problem.

During a visit to Turkey last year, I urged Prime Minister Ecevit and other Turkish leaders to do all they could to encourage movement on the Cyprus question. I am pleased by the indications of progress at the Nicosia meeting, and I hope it will lead to a viable settlement of this perplexing issue.

I would hope, for example, that the resettlement of the city of Varosha will take place soon. I believe this could be a key element in working out a satisfactory solution.

The vote last year to lift the Turkish embargo was an important step in revitalizing our relations with Turkey. This evidence of favorable developments on Cyprus is an indication, I believe, that Turkey is acting in good faith to help achieve a settlement on Cyprus.

But Turkey itself remains beset by critical economic difficulties and military inadequacies. Tomorrow, when the Senate begins consideration of the security assistance bill, I will be joined by a number of Senators in offering an amendment to further assist Turkey. Specifically, the amendment would convert $50 million in military sales credits for Turkey to $50 million in military assistance grant funds. The action we are proposing would be consistent with President Carter's request for $50 million in grant funds as part of an emergency aid package of Turkey.

REACTION IN IRAN

Mr. ROBERT C. BYRD. Mr. President, the Government of Iran has reacted strongly to the resolution passed by the Senate last week (S. Res. 164) expressing its abhorrence of the summary executions without due process and other actions by the Iranian revolutionary courts.

I am glad that Iran has taken note of the Senate's action. I believe that it indicates that Iran is not insensitive to international reaction against what has been occurring in that country and I would hope that there would be other countries that would speak out, especially Islamic countries.

I was pleased to join the senior Senator from New York (Mr. JAVITS), who is the ranking Republican member of the Committee on Foreign Relations, in sponsoring that resolution. I had spoken out on a number of previous occasions in opposition to the summary trials and executions in Iran and to the statements calling for the assassination of former Iranian officials now living outside Iran.

That resolution was cosponsored by a number of other Senators, including the distinguished minority leader, Mr. BAKER, and the distinguished chairman of the Committee on Foreign Relations, Mr. CHURCH.

Mr. President, the Senate action is not interference in Iran's internal affairs. When a government allows systematic executions without due process, that cannot be looked upon as purely an internal matter. And certainly when officials of the Iranian court issue what they

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

call an order to assassinate former leaders of that country who now reside in other countries, and even suggest that such acts be immune from punishment—it then becomes an international affair. Iran has made this into an international issue.

No government, no matter how lofty its pronouncements, is immune from international criticism. No government should expect to have such immunity. Certainly the United States has endured considerable criticism from abroad.

I was pleased to learn last week that the leadership in Iran has said that capital punishment will be restricted to those who have participated in the crime of murder and will be based on proof presented during trials. I hope that the courts will adhere to these restrictions.

The United States and Iran have a tradition of close relations and I want to see good relations between our two countries once more. However, such relations should not require that we pay the price of silence when faced with this pattern of executions and international calls for assassination.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, I would wish this RECORD to show that our concern for the situation in Iran is truly a bipartisan concern, and that the concerns expressed by the distinguished majority leader are concerns that have been expressed on this side of the aisle, by this speaker and others, on many occasions. I share with the majority leader my pleasure at learning that the actions of this body in adopting the resolution have attracted the notice and indeed the energetic reaction of the Government of Iran.

Mr. ROBERT C. BYRD. I suppose it touched a raw nerve.

Mr. BAKER. I suspect it did touch a raw nerve. It was meant to touch a raw nerve. I hope it produces a humane and generous result.

Mr. President, I have no intention of creating animosity and conflict between the United States and the Government of Iran, but I have no apology to make for this statement of human principles, and I hope now we can set about the business of improving relations between our countries and extending the value of human life in the judicial systems of both countries.

Mr. President, I think that the majority leader has done a valuable thing in repeatedly bringing these matters to the attention of the Senate. I would add my voice to his. I reiterate the call I have made on at least two previous occasions that in this matter of heeding the call of the Government in Iran in respect to the former Shah, we should permit him, at his own expense and furnishing his own protection, to enter this country, thereby saying that while we recognize the new Government of Iran, we also recognize and acknowledge our friendship and obligation to old friends.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield on that point?

Mr. BAKER. I will.

Mr. ROBERT C. BYRD. I ask unanimous consent that the resolution which was adopted last week, to which the leaders of Iran have reacted, be printed in the RECORD at this point.

There being no objection, the resolution (S. Res. 164), was ordered to be printed in the RECORD, as follows:

Whereas the people of Iran represent one of the oldest and most distinguished civilizations in the world, and have a history of close and friendly relations with the people of the United States;

Whereas there have been reports of widespread resort to secret trials and summary executions which offend basic principles of justice and humanity and due process of law;

Whereas the chief of the revolutionary courts in Iran is reported to have called for the assassination of the Shah of Iran, members of his family and others loyal to him in any country where found, notwithstanding that international law strictly forbids the carrying out of even criminal punishments or of terrorism by one country within the territory of another; and

Whereas the prospects for the continuation of close and friendly relations between the people of Iran and the people of the United States and the rest of the world would be seriously harmed by the prolongation of these violent and offensive actions;

Therefore, be it

Resolved, That it is the sense of the Senate that the United States:

(1) expresses its abhorrence of summary executions without due process, and welcomes the recent statement of the Ayatollah Khomeini that executions for crime in Iran shall hereafter be limited to the crime of murder and be based upon proof of guilt; and

(2) will act to prevent and to punish any attempts to carry out criminal or terrorist actions against persons in the United States whatever their alleged offenses in other countries.

IS BAKER MOTTA?

Mr. BAKER. Mr. President, in lighter vein, and just for a brief moment, I usually scan the editorial pages of certain newspapers in the morning before I come to work. Today I happened to observe, on the so-called op-ed page in the Washington Post, an interesting article by a distinguished columnist, Mr. Roger Rosenblatt.

The Washington Post has discovered, according to Mr. Rosenblatt, that Dick Motta and HOWARD BAKER are the same person.

Mr. President, I had hoped to conceal that allegation from general public attention at least through the NBA playoffs, and maybe through next year's election. But since the cat is out of the bag, I suppose that I should remark on that circumstance today.

Some of my colleagues may remember a TV series that ran not long ago, entitled "I Led Three Lives." It was about the true-life espionage adventures of Herbert Philbrick.

But obviously, Mr. President, since I am moderate in all things, I am content to lead only two lives, that of a U.S. Senator and that of a basketball coach. I confess to adding 2 inches to my height, not as a sop to my ego, but because it is easier to contend with my colleagues in the Senate in terms of the number of decibels we emote than it is to contend with a bunch of 8-foot basketball players.

It is not true, I am sure, as is often said, that upon questioning, Dick Motta, in a previous incarnation, when asked, "What is the toughest part of coaching a basketball team, if you are 5 foot 9 inches tall," is alleged to have replied, "It is speaking to the bellybuttons of the players."

Sometimes I feel that way in this Chamber, but once again, I must say that investigative reporting and responsible journalism have disclosed one of the great secrets of our age.

I will be, this week, putting things in their proper perspective.

The story is told that recently I was walking through the corridors of this Capitol building when a young man came up to me and said, "Sir, may I have your autograph?"

Flattered as I always am at such requests, I said, "Of course," and wrote, "HOWARD BAKER" on his autograph page.

He looked down at it and said, "That's not Dick Motta. Who are you?"

Which has a burdening effect on the ego.

So may I express my apologies to Coach Motta, and express to him the further concern that those of us who are not tall are often loud and truly effective.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. BAKER. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I congratulate my good friend from Tennessee on his remarks. I think they are rather threatening, however, to us as Democrats. Dick Motta in his role as coach—I should say HOWARD BAKER in his role as Dick Motta, coach of the Bullets—has had smashing success. Last year, as we all know, he led that team to a world championship, and this year seems virtually certain to do the same.

I plead with Dick Baker, or Howard Motta, to have a little mercy on us Democrats that when he makes his pitch to the Republican bellybuttons, he does not make it so strongly that it gives them the kind of energy we might have if the Motta in BAKER prevails, and we suffer the kind of Republican victories that the great Bullet teams have inflicted this year.

Mr. BAKER. Or that the BAKER in Motta does not lead him to the minority status we enjoy in the NBA playoffs.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. STEVENS. I want to warn the Senator that he has probably lost the opera vote, because they read the article too.

For those who did not notice, the Motta playing Baker at that time said the opera was not over until the fat lady sings. I am not sure that is going to help my colleague. That is all I can say.

Mr. RIEGLE. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. RIEGLE. I am wondering if there is any truth to the rumor that Senator BRADLEY has been assigned to cover Senator BAKER.

Mr. BAKER. It is a hopeless match.

Mr. President, if I have any time remaining I yield it to the assistant minority leader.

THE GAS PRICE FIXERS

Mr. STEVENS. Mr. President, I want to call attention to an article in Harper's which I think is most important as we face the whole problem of gas and oil decontrol. This article entitle "The Gas Price Fixers," by Tom Bethell, who is the Washington editor for Harper's, is one of the best I have seen. It is not partisan. Its subheadline is "Washington Designed, Built and Ran an Energy Crisis." This article points out that the problem of gas pricing is not a political problem. It arose under the administration of President Eisenhower when the President vetoed a bill which would have clarified the decision of the Supreme Court in the landmark case of Phillips Petroleum against Wisconsin.

It also points out that the problems of price control that effect both oil and gas pricing now, primarily the oil pricing, arose at the time that President Nixon in 1971 imposed price controls, and the price controls on oil remain in effect today. It further points out that President Ford failed to use the opportunity he had in 1975 to remove those price controls.

Most importantly, this article is factually correct. It tells the layman, and all of us, that 1,000 cubic feet of natural gas is about the equivalent of one-sixth of a barrel of oil, and if oil is selling for $12, natural gas would normally sell at $2. The problem is that the Government has had one price control program as it applied to gas and another applied to oil.

The ACTING PRESIDENT pro tempore. The time of the Senator from Tennessee has expired.

Mr. ROBERT C. BYRD. Mr. President, I have an order for 15 minutes. I ask unanimous consent that I may yield 5 minutes of that time to the distinguished assistant minority leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. I thank the majority leader.

I wish to quote from this article. It states:

> According to the Pitts Energy Group (of independent producers) in Dallas, "vast supplies" of natural gas remain to be produced (the word produced in the gas industry parlance means "taken out of the ground"). The Pitts study reports that over "20 years of low prices have left 98 percent of prospective sediments untouched by drilling." Writing in a recent issue of The Public Interest, Representative David Stockman of Michigan noted that 97 percent of the natural-gas resource base "has yet to be disturbed by a production well bore."

The impact, Mr. President, of this article is that the diametrically opposed price control programs of the Federal Government as they affect gas and oil have led us to a situation where we truly have lost the competition between gas producers and oil producers, and had the gas market not been controlled as it has been since the 1950's, as the price of oil increased the price of gas would have increased, and stimulated the production of additional gas resources.

That failure to produce additional natural gas has led to our increasing dependence on foreign oil.

It is a most interesting and articulate article, and I commend it to the attention of every Senator as we approach this problem. From this Senator's point of view, to deal with the President's request to deregulate the price of oil without also deregulating the price of gas would totally reverse this situation and put us in an incongruous position position of stimulating consumption of the commodity which is decreasing in supply.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GAS PRICE FIXERS—WASHINGTON DESIGNED, BUILT, AND RAN AN ENERGY CRISIS

(By Tom Bethell)

From time to time, American politicians assume the responsibilities of businessmen by adjudicating the price at which this or that commodity shall be sold. We can be grateful that this does not happen more often. When politicians decide to wrest control of the market, they are inclined to discover in themselves great funds of virtue and compassion, in consequence of which they decide to set a "fair" price, a "just" price, which usually turns out to be a low price. This is because the consumers of a given commodity will always heavily outnumber the producers of it, while all alike have one vote. The resulting low price tends to discourage the producers, who may well go into a new line of business—preferably one that has been overlooked by the politicians. A shortage of the original commodity results.

The foregoing is a brief history of natural-gas production in the United States in the past quarter-century. Some may notice that the description equally applies to apartments in cities where rent control has been enacted; it applies also to numerous other commodities in various centuries and countries. Robert Schuettinger and Eamonn Butler, in their recent book Forty Centuries of Wage and Price Controls, demonstrate that time and again price controls have led to shortage. In the United States this began with the American Revolution, when a food shortage at Valley Forge was brought about by regulated prices that had, according to the historian Albert Bolles, "precisely the opposite effect to that intended, for prices were increased rather than diminished by the adoption of the measure."

At first sight an arid topic, no doubt of interest only to legal specialists and fine-print readers, natural-gas pricing turns out upon examination to be among the most ideological issues of our time; the subject (according to one estimate) of the most protracted and heated Congressional debate since World War II (the voting on this issue alone constitutes a fairly accurate litmus test of the ideological composition of Congress); its history offering an unrivaled glimpse of the way good legislative intentions can turn into a nearly insoluble bureaucratic muddle. It is the regulatory case history par excellence.

PRODUCTION AND PRICING

Natural gas—methane, in its most common form—is an efficient, high-Btu (British thermal unit) fuel, used in industrial boilers and, to a lesser extent, for domestic consumption (space heating and cooking). It is similar to, but not to be confused with, old-fashioned low-energy coal gas (used to light streetlamps in Sherlock Holmes's London). On a Btu-equivalent basis, natural gas accounts for about 30 percent of U.S. energy use, and is distributed through 200,000 miles of pipelines, representing assets of $26 billion. It is by far the most desirable source of energy from the point of view of environmental cleanliness. For this reason, the deregulation of natural-gas prices has been supported by the Sierra Club and other environmental groups, on the theory that higher prices would force conservation of the fuel. About 20 trillion cubic feet (Tcf) of natural gas is consumed annually in the United States.

In discussing price, the unit normally used is 1,000 cubic feet (MCF), an amount of gas with the same energy as one-sixth of a barrel of oil. Thus, the energy in a barrel of oil selling for $12 could be replaced at the same cost by natural gas if the gas were sold for $2 per Mcf. The question of natural gas "reserves" will be taken up later, but suffice it to say that according to almost all estimates, it is now believed that there is more natural gas still underground than anyone imagined a few years ago.

According to the Pitts Energy Group (of independent producers) in Dallas, "vast supplies" of natural gas remain to be produced (the word produced in gas industry parlance means "taken out of the ground"). This Pitts study reports that "over 20 years of low prices have left 98 percent of prospective sediments untouched by drilling." Writing in a recent issue of The Public Interest, Rep. David Stockman of Michigan noted that 97 percent of the natural-gas resource base "has yet to be disturbed by a production well bore."

Natural gas was first discovered in conjunction with oil-well drilling after the first world war, primarily in Texas, Oklahoma, and Kansas; but it did not become an important source of energy until after World War II. In the early years it was simply "flared off" at the wellhead, because without pipelines and a system of distribution, there was no way the gas could be used. Toward the end of the 1930s, however, such a distribution system was under construction, and in 1938 Congress passed the Natural Gas Act, which brought interstate pipelines under the control of the Federal Power Commission (FPC). Since consumers obviously could not easily switch to a different utility company, the FPC was empowered to regulate pipeline and utility prices. But the wellhead price—the price of the gas coming out of the ground—was not regulated.

NATURAL GAS PRICES: INTERSTATE AND INTRASTATE MARKET

	Interstate price[1] (cents)	Intrastate: Texas[2]
1960	14.0	$0.10
1965	16.0	.14
1970	18.0	.20
1972	19.8	.60
1974	26.7	1.50
1976	44.6	2.10
1978	63.9	1.90

[1] Average of total range in which gas sold at old contract prices is "rolled in" with new, more expensive gas.

[2] Approximate price paid for new gas.

This changed in 1954, with the *Phillips Petroleum Co.* v. *Wisconsin* case, a landmark decision embedded in the consciousness of oil- and gasmen everywhere. Phillips Petroleum wanted to raise the price of natural gas to 4 cents per Mcf—up from 3 cents (an almost unbelievably low price, showing how Americans easily became accustomed to the idea of energy as a practically free commodity). The city of Milwaukee objected to this increase, however, and appealed to the FPC. The commission ruled that it could not control well-head prices, but this decision was appealed to the U.S. Supreme Court, which reversed the finding and ruled that the FPC did indeed have the authority to control the wellhead price.

Almost immediately, there was a move in Congress to amend the Natural Gas Act specifically to exempt the gas producers—i.e., those who were out in the field drilling for oil and gas—from price regulation. The desired amendment, called the Harris-Fulbright bill, duly passed Congress in 1956. Then came another development that the gas industry looks back on with a good deal of wistfulness. President Eisenhower vetoed the bill. The problem was that the Republican Senator from South Dakota, Francis Case, told the Senate that he had been offered a $2,500 campaign contribution by a representative of the Superior Oil Company of Texas—payable on the understanding that he would vote for the bill.

Eisenhower liked the idea of natural-gas deregulation, he emphasized, but he nevertheless vetoed it, pointing out as he did so that "a body of evidence has accumulated indicating that private persons, apparently representing only a very small segment of a great and vital industry, have been seeking to further their own interest by highly questionable activities."

In the next twenty-two years, attempt after attempt would be made to deregulate natural-gas prices, in almost every Congress. But never again would the measure pass both Houses.

In Senate debate of the Harris-Fulbright bill, Sen. Thomas C. Hennings of Missouri, who opposed deregulation along with thirty-seven others, including Sen. John F. Kennedy, pointed out that "the greatest enemy within the country of a truly competitive free enterprise is the creeping, and hidden, and camoflaged monopolist who, year in and out, has sought to fix prices. . . . That is what the real originators, within the big oil companies, of the pending measure aim to do. . . ."

There was a double irony here, and indeed there still is, because much of the same "big oil monopolist" rhetoric is heard today, and in fact has never ceased being a part of public oratory ever since oil companies came into existence. The irony was that to avoid an alleged monopoly, that of "big oil," the Senator urged refuge in a true monopoly. that of government pricing.

The other irony, and it is a sad one, is that natural-gas production never was anything remotely resembling a monopoly, nor is it today (even if it is true—as it is—that the largest natural-gas producers are also oil companies). It is important to clarify this because the image that we all semiconsciously tend to share when the words "natural gas" are uttered is the cartoon image of . . . the hand on the valve. A pipeline is heading off into the distance, a cactus beside it, perhaps, or a sand dune, and in the foreground there is big wheel valve, and standing nearby there is a large Texan smoking a cigar (or more likely, these days, an Arab wearing a burnoose)—with his hand on the valve. And you understand that he is shutting it off. Then he will wait for the price to go up. (Similar fantasies have long been entertained about shipping magnates ordering their freighters to wait offshore for a month or two.)

Now, as far as the Arab countries are concerned, where monarchs with medieval power run the whole show, the hand-on-the-wheel image undoubtedly has a good deal of truth to it. But for Texas—or Louisiana, which is now the most important natural gas-producing state—the image of the single pipeline with the strategically placed valve is utterly wrong. It would be more accurate to think of the pipeline systems in the Gulf-states area as resembling the diagram of the New York subway system metastasized a hundredfold: shut one valve off and there are still a thousand alternative ways the gas can flow to its destination.

It is instructive that no one knows exactly how many natural-gas producers there are in the United States—there are so many of them. It is estimated that in the 1950s, however, before the wellhead price was effectively regulated, there were 20,000 independent producers. With price regulation, this number dropped to about 10,000 in the early 1970s; today the number is up again, to perhaps 12,000 independents (defined as companies that produce less than 10 billion cubic feet annually).

The industry is highly competitive, with an entry cost that is low compared with that of many industries—$4 or $5 million, according to David Foster, president of the Natural Gas Supply Association in Washington, D.C. "All you need," he said, "is enough capital to buy a lease, hire a geologist, a rig, and a drilling crew." By 1960, there were 5,600 producers selling gas to the interstate pipeline system. The twenty-two largest sellers in 1961 sold 55 percent of interstate gas, which is a lower level of concentration than is found in the average manufacturing industry. Sales by the largest producer have never exceeded 9.2 percent of the market (achieved by the Humble Oil Company in 1971).

Despite these facts, the Federal Power Commission (following orders from the Supreme Court) set about the task of regulating the wellhead price of gas, and was so successful that the price of new gas contracts actually was somewhat lower in 1968 than it had been in 1960. The inevitable result of rigid price controls was soon felt.

By September, 1968, Robert B. Helms noted, in a booklet entitled *Natural Gas Regulation: An Evaluation of FPC Price Controls,* that "the commission was slowly becoming aware of a looming shortage of natural gas. In fact, 1968 was the first year, the American Gas Association reserve data showed annual consumption to be larger than additions to reserves. . . . By 1971 the FPC had gone to great lengths to document the shortage situation brought about by declining exploratory drilling and growing demand."

But there was another element to the story, and it is what has made natural gas a favorite topic for students of government regulation. As long as the gas did not leave the state in which it came out of the ground, it was not subject to price controls. This was called intrastate gas: produced, for example, in Morgan City, Louisiana, and sold in Baton Rouge, Louisiana. Thus, by the late 1960s a dual market had developed: a market for gas that crossed state lines (regulated); and a free market for gas that did not. Until the mid-Sixties, the interstate price of gas was about 2 cents per Mcf higher than the intrastate price (16 cents and 14 cents per Mcf respectively). This ensured that new gas discoveries were constantly committed to the interstate market—i.e., were "signed up" for delivery to the big consuming areas of the Northeast. The critically important changeover occurred in about 1970, when, because of growing demand in the producer states (especially the movement of many petrochemical companies to Texas and Louisiana), the free-market price of gas (by then about 20 cents) moved above the regulated price (18 cents). At that point, new gas was rarely committed to the interstate market. It was kept in its home state whenever possible. That was really the beginning of the "energy crisis."

This dual market is of particular interest because it has in addition had the unintended effect of creating a "controlled experiment" in the realm of government regulation. The effect of price regulation in the interstate market could be compared with the behavior of a free market in the same commodity.

THE DUAL MARKET

The threatening energy crisis of the early 1970s was hastened along because many of the long-term contracts that interstate pipeline companies had signed with the gas producers in the 1950s were beginning to expire as the '70s progressed. The dual market meant that the pipeline companies began to encounter considerable difficulty in buying new gas to replace the old—not because it wasn't there to be had, but because the gas producers did not want to sell it to the interstate pipelines at a low price when they could sell it within the state at a high price. By 1974, for example, the disparity between the two markets was equivalent to a factor of four: 26 cents per Mcf interstate; more than $1 in the free market. Less gas began to flow through the interstate pipelines, therefore, and shortages developed. Demand for the fuel nevertheless remained high because of its artifically low price.

In the realm of natural gas, then, this dual market and its inevitable economic effect simply became the "energy crisis." That was all there was to it. But this was rarely understood, because whenever someone began to suggest that the energy crisis was not "real"—as in a way it was not if it was merely the product of government folly—then many people would interpret this to mean that the crisis was unreal in the sense that the gas producers were "withholding" the fuel from markets. This was perfectly true, of course, but not in quite the way that the skeptics imagined. But before examining these two senses of "withholding," it is important to realize that there was another cause of the energy crisis as it affected natural gas: the quadrupling of prices in 1973 by OPEC.

Many people have failed to understand the psychological effect of this, because they have imagined that whatever oil and natural gas is still underground in this country is no doubt "owned" by some half-dozen huge oil companies. (People are inclined to believe this, because when they say "fill 'er up" at the gas station, they are likely to be dealing with Exxon or Texaco or any one of a small handful of large companies.) But, in fact, oil and natural gas "in place" are owned by a combination of landowners and those who own mineral rights to these lands. Many of these rights are indeed leases owned by "big oil." But many are not. It is estimated that as many as 1.2 million Americans are "royalty owners" of oil and gas: people who own the geologically appropriate land or have leased such land (about one-third of these royalty owners are in Texas).

The effect of the OPEC price increase was for these landowners and leaseholders—often lawyers or otherwise fairly wealthy people who were not in desperate need of ready cash—to mentally join OPEC. They knew that their own oil and gas, even though still under the ground, was now "worth" the new high price.

There was, however, a strong incentive for them to keep it under the ground, because the government in its wisdom was telling them that they could sell it only for a fraction of what they perceived its true value to be. (They perceived correctly, too, in view of the subsequent failure to produce "alternative energy" below OPEC prices; this is another way of saying that OPEC's price increase itself was not, as some seem to think, "excessive.")

This outlook—mentally joining OPEC—applied to oil as well as gas, of course, because oil's price had been frozen domestically in the wage-price controls imposed by President Nixon in 1971, and these price controls were still in effect at the time of the OPEC price increase. Precisely because of this price increase, it then became politically difficult to remove the domestic price controls on oil, which remain in effect to this day—President Ford, having refused to avail himself of an opportunity to remove them in 1975 (perhaps the most serious economic error of his Presidency). President Carter has now promised to decontrol oil over the next two years. He also wants to tax away much of the "windfall profits," on the particular theory that Americans will feel better about paying more for oil if the money goes to the government rather than to oil companies.

Government policy has therefore skewed the oil market in favor of foreign rather than domestic production (there are additional, complex reasons for this), but government policy even more seriously skewed natural-gas production in favor of the free rather than the regulated market. Leaseholders and landowners who wanted to sell their wares were quite happy to do so—as long as the pipeline to which the well was connected did not cross a state line. For example, in 1973 Gov. Edwin Edwards announced that a large natural-gas field had been discovered in Plasquemines Parish, in southern Louisiana. It contained enough gas to fill all of New Orlean's energy needs for fifty years. The problem was that the only pipeline anywhere near the field went heading straight off to Washington and New York. The governor announced that the field would not, therefore, be developed until it could be reached by an intrastate pipeline. Why send the gas to the very people who were ordering that it be sold at a fraction of its value?

The South had lost the other war between the states, but this skirmish they were determined not to lose. Since the most important producing states were in the South, government policy had indeed created new hostilities. The way many residents of Texas, Oklahoma, and Louisiana saw it—and not just oilmen in those states but almost anyone who read the newspapers—the people up there in New York and Washington and Boston were reluctant to look for oil and gas themselves, especially offshore, because to do so might spoil their view or pollute the beach or make the air dusty. "Thanks, but no thanks," the northerners were perceived as saying to the South. "You go on drilling up your bayous or swamps or whatever it is you have down there, and go on sending us the stuff at one-eighth of its true value!"

One might interpolate here the basic point that the energy crisis has often not been understood because people find it hard to believe that quite ordinary economic incentives (sometimes disparaged as "lemonade-stand economics") apply on the large scale of the natural-gas industry just as much, and in precisely the same way, as on the small scale of the individual. The problem has been that a number of quite influential people—Congressmen, for example—believe this ought not to be the case, even if in fact it is. Pro-regulation liberals in Washington—people who may in some instances have arrived in the capital during the Kennedy Administration, bought a house there in 1961, and since seen the value of that house increase by a factor of eight—would perfectly well understand that a "housing shortage" would result if President Carter, taking pity on newcomers, were somehow to decree that no house in the capital could be sold above a certain (low) price. Houses would not be sold, and a "housing crisis" would ensue. In the same way—just the same way—there was an energy crisis. With energy, however, the advocate of regulation is inclined to say that things ought to be different. Perhaps he is right, but in reality they are not different. Nor will they be until the day comes when the government passes laws compelling landowners to extract their natural gas, compelling them to sell it on the interstate market, and so on. Perhaps, then, the problem has been that some lawmakers have not fully appreciated how much the economic system depends on—and is at the mercy of—voluntary behavior.

As a result, bumper stickers began appearing in the South recommending that Yankees should be allowed to "Freeze in the Dark." Congressmen, "consumer advocates," and a new breed of "energy activists" from the big consuming regions of the Northeast then began retaliating with accusations that natural gas was being "withheld" from the market. Perpetual confusion has surrounded this point, since there are two senses in which "withholding" can occur. To their own detriment, the oil and gas companies have not done a satisfactory job of explaining the difference between the two.

"1001 YEARS OF NATURAL GAS"

The confusion arises because the companies have denied (truthfully, as far as anyone has been able to show) that any illegal withholding of gas resulted—that is to say, "shutting in" wells that were already delivering gas under contract. But there was another sense in which of course withholding occurred, in which newly discovered gas was committed to the intrastate market (as nearly all new gas was) or simply was never taken out of the ground at all. Gas industry spokesmen call this "economic withholding," and it has been widely practiced ever since the disparity between the two prices opened up in the early 1970s.

NATURAL GAS RESERVES AND CONSUMPTION

Year	Proved reserves (TCF)	Consumption (TCF)	Years' supply
1967	292.9	18.2	15.9
1968	287.3	19.6	14.8
1969	275.1	21.0	13.3
1970	290.7	22.0	13.2
1971	278.8	22.5	12.6
1972	266.1	22.7	11.8
1973	249.9	22.5	11.0
1974	237.1	21.4	11.1
1975	228.2	19.2	11.6
1976	216.0	20.2	11.1
1977	208.9	19.6	10.7

Source: American Gas Association "Gas Facts."

The moral here seems to be that as long as government has only a tenuous or partial grip over an industry (as was the case, of course, with the FPC's control over the natural-gas industry) the result is likely to be chaotic. Better to have a complete grip (which in this case would involve the power to order people to take oil and gas out of the ground), or no grip at all (which would have entailed deregulation of the wellhead price).

The deregulation "option" was continually resisted, however, by many Congressmen and consumerists, who had by this time become falsely persuaded that we were "running out" of natural gas (in which case rationing, not the free market, became the moral imperative).

To many people, the conclusion that we were running out of fossil fuel has always seemed reasonable, because it is based on a premise that is self-evident although misleading. Natural gas is "finite" and "nonrenewable" (so the argument runs), therefore we are running out of it. No one seems to have pointed out what a coincidence it was that we should find ourselves to be "running out" of natural gas just at the time when a large gap opened up between the regulated and the free-market price.

Again, the industry did not help its own cause here by casually releasing figures dealing with "natural-gas reserves"—figures that the industry understood, but that journalists, many of them grappling with "energy" for the first time, did not. Typical of many such cases was a cover story in Newsweek in January, 1973, complete with photographs, headlined: U.S. Fuel Reserves: How Long Will They Last? Superimposed on a picture of a natural-gas pipeline was the figure: Eleven Years. (In the main text, the reader was admonished that "with but 6 percent of the world's population, the United States guzzles 33 percent of the globe's energy.") The reader was not told what the word reserves meant, however. The problem with it is that it suggests to the unwary a known quantity, arrived at after every conceivable subterranean cavity has been reconnoitered, measured, and its content quantified.

That are three categories of reserves—"proved," "probable," and "possible"—and the figures that we hear whenever the energy crisis is discussed are proved reserves: very conservative figures that describe a working inventory of natural gas in wells that have already been drilled. As the cost of drilling a gas well is now more than a quarter of a million dollars, on average, and as with any given bore there is only a one-in-ten chance of finding gas, it does not come as a surprise to learn that the vast majority of potential gas-bearing sediments have not been drilled at all. The misleading nature of the figure given in Newsweek (and in many other journals at that time) becomes apparent when one considers that now, six years later, U.S. proved reserves amount not a 5-year supply but to a 10.74-year supply.

The point is that, as with any other commodity, producers and sellers do not need to keep more than a certain amount of "inventory" on hand. It is not economical to do so. Reserve figures therefore tell us not so much about what is underground so much as about what projected future demand will be; this results in the producers' drilling only enough to have a sufficient supply "in reserve," just as A&P managers must decide how large a supply of Yuban or Maxwell House they shall have "in reserve." When all of this is taken into account, and especially when the incentive provided by market prices is included, the Wall Street Journal's 1977 estimate of "1001 years of natural gas" seems closer to the mark.

THE CONGRESSIONAL DEBATE

This, then, was the situation when the Carter Administration came to Washington: a lot of natural gas available—at a price—in the producing states; a growing scarcity in the consuming states. In 1976 Carter had made a campaign promise to deregulate natural gas, but in retrospect it seems clear that he just said that because he was in Oklahoma that day. Most probably be didn't understand the issue at all—the world of oil independents, roughnecks, and wildcatters being about as remote from his safe little squared-away, government-regulated, government-subsidized world of peanut storage as it is possible to imagine. And to the extent that Carter might have understood the oil and gas industry he would have thoroughly disapproved of it as a manifestation of enterpreneurial recklessness very much akin to gambling: fortuners made or lost at the turn of a drill—a fundamentally immoral world, not at all like the safely incremental climate of civil servitude (5 percent per annum increase for everyone) in which he had spent his entire life. Not surprising, then, that he soon perceived the energy crisis to be the moral equivalent of war. He smote the oil companies hip and thigh, denounced the special interests, and vowed to veto anything resembling a deregulation bill that might come out of Congress.

He brandished a National Energy Plan, in which the intention was to do away with the dual natural-gas market by extending price controls to the intrastate market. Professor Edward Mitchell, a frequently consulted expert on energy matters, has called this a "shortage policy." Carter, of course, was by this time surrounded by advisers for whom shortages were a dream come true: nice shortages. (Now you see why this is such an ideological issue!) With shortages, people could be exhorted to make sacrifices; taxes could be imposed to encourage conservation; and then these taxes could be repaid to the needy or the worthy—people who insulated their houses, for example. At any rate, the Carter team would have a lot of tax money to redistribute, by way of favors. In short, energy could be made into another income redistribution program.

There were, it was true, one or two clouds on the horizon, such as the director of the U.S. Geological Survey, Dr. Vincent McElvay, who did a naughty thing, giving a speech in Boston in which he said that domestic natural-gas reserves were huge ("about ten times the energy value of all [previous] oil, gas, and coal reserves of the United States combined"). He was fired shortly after that (they implied he was too old), as was Dr. Christian Knudsen, the author of a study released by the Energy Research and Development Administration concluding that at $2.25 per Mcf the nation would be "awash" with natural gas.

The only problems remaining were to get Congress to approve the taxes, and to pass a bill extending price controls to the intrastate market. Sen. Russell Long put a stop to the taxes after the House had gone a long way toward approving Carter's plan: the nation will remain permanently in the Louisiana Senator's debt for this achievement—a rare instance in which Congressional seniority was actually put to good purpose.

As for the extension of price controls, this turned out to be difficult, too. The price in the intrastate market had by now risen to about $2 per Mcf, and at this price more and more drilling and more drilling rigs were being set up—in fact there weren't enough rigs to go around—and more and more gas was being found. More states were becoming "producer" states, too—not just in the South. Several Western states were finding a lot of gas: Montana, Colorado, and Wyoming, for example. Thus, political support for deregulation was inevitably growing with time.

Nevertheless, the House of Representatives took Speaker Thomas P. ("Tip") O'Neill's advice and passed the natural-gas bill as the Administration had proposed it. The Senate went in the opposite direction, however, despite tremendously delaying tactics by Sens. James Abourezk of South Dakota and Howard Metzenbaum of Ohio, who kept the Senate up all night at one point, so fearful were they that a deregulation bill would pass. But pass it did. Thus, the House-Senate conference committee would have to reconcile two bills that wholly opposed each other: one removing price controls, the other extending them nationwide.

Meanwhile, there, was an interesting development in Texas. By the end of 1977, the high intrastate price had produced so much new gas that the price "turned around" and started to drop well below the $2 mark. The market system was working exactly as it was supposed to, in other words, but this had its alarming aspect, as Congress by this time was debating a compromise bill that would unify the two markets at a regulated price of $1.75 (as of April 20, 1977, the price would be adjusted for inflation so that by 1979, when such a bill would become law, the price would run to approximately $2 per Mcf). If, however, the free market price fell much below this, there would be a danger that Congress would perceive it was now setting the regulated price too high: a "floor" price, in other words, rather than a "ceiling" price. There would inevitably be a move by the liberals in Congress to lower the legislated price below the new intrastate level. (Indeed, there was such a move.)

The Texas Railroad Commission, which has authority over oil and gas production rates in the state, came to the rescue at this crucial hour, putting into effect a "conservation" measure limiting output of gas, thus shoring up the price. (The rationale for this, as natural-gas industry spokesmen never tire of explaining, is that for obscure geological reasons more gas can in the long run be extracted from a well if it is taken out of the ground slowly.)

Be that as it may, the intrastate price then held steady at about $1.95, and the Congressional debate continued undisturbed by distant price fluctuations. A coalition of centrists led by Sen. Henry Jackson of Washington supported the new Natural Gas Policy Act, which was in turn opposed by an unusual alliance of conservatives from the producing states (who didn't want the government interfering with their—compartively—free markets), and those on the ideological Left, such as Senators Metzenbaum and Edward F. Kennedy (who thought the proposed new regulated price was too high).

CONSUMER VERSUS PRODUCER

The transcript of the natural-gas debate in the 95th Congress covers hundreds of pages of the Congressional Record. But one frequently heard argument deserves to be rescued from the archives and examined before it is entirely lost from view. This is the claim by those who opposed deregulation—and Senator Kennedy was typical in this respect—that they were looking out for the interests of "consumers" by preventing the price from climbing.

The significant point is that when a customer in Massachusetts, for example. buys natural gas, only 20 percent of this bill pays for gas; the rest helps to pay for the pipeline that brought the gas almost 2,000 miles to his home. Thus, an increase in the wellhead price of gas adds only a small fraction to domestic gas bills. But—because the pipeline must be amortized anyway—if gas supplies are interrupted or reduced, as they were in the 1970s (because of the diversion of new supplies to the intrastate market), then the consumer's bill will rise considerably because the constant pipeline costs must be "loaded" onto a diminished number of customers. Therefore, regulated prices have hurt the consumer, not helped him.

This was pointed out by Warren T. Brookes in a column in the Boston Herald-American. He described a case in which "the total price of gas to the consumers rose in two years from $1.72 to $3.38, while the price of the raw fuel went up only 20 cents. Of the $1.66 increase, $1.44 was in the rising cost of the pipeline service. The main reason for this rise was the decline in the flow of natural gas through the nation's major pipeline. . . . This is why a study done for Brooklyn Union Gas Company in 1975 showed that if new natural gas were deregulated, and the pipelines were kept full by new gas costing $2.50, Brooklyn Union's cost to the consumer would be $3.98; but if regulation remained and the downward trend in natural gas production from the West continued, the consumer price would be $4.45."

Despite uncontroverted arguments such as this, Senator Kennedy persisted in his denunciation of higher wellhead prices, saying that they have been "burdening consumers directly and indirectly with billions of dollars in higher costs. I could not vote to saddle them with additional billions of dollars in still higher costs." A typical statement by someone favoring regulation, with the dollar-and-cents reality obscured by the rhetoric of billions.

Similar arguments were made by Senator Kennedy's former aide James Flug (who runs a well-financed antioil company operation out of Washington), Ralph Nader, Reps. Toby Moffett and Rev. Robert Drinan, and many others, all of whom alleged that they had the consumers at heart. This may legitimately be doubted, however, in view of the facts about pipeline costs. If only these men had taken more interest in the price paid by the consumers, rather than the price charged at the wellhead, it would be so much easier to believe their consumerist rhetoric. As it is, one is left with the distinct impression that they are more interested in making life difficult for the producers than easy for the consumers.

In any event, the "conference report" compromise passed the Senate by a vote of 57–42 on September 27, 1978, and the House later concurred by a margin of 231–168. President Carter signed the Natural Gas Policy Act into law on November 9, 1978. It extended price controls to the intrastate market, with the distant promise of deregulation in 1985—but, of course, by then a new Congress would be in Washington, and one in no way bound by the actions of its predecessors.

The new act is a lawyer's dream and a legal nightmare—sixty-two pages of fine print establishing twenty-four different categories of gas. Here is Category 6, for example:

"New Onshore Production Wells Deeper than 5000 feet: gas from new wells in an old reservoir within 2½ miles of an old well provided that new well is outside existing proration unit (applied to well begun 2/19/77 and thereafter capable of commercial production)."

As Sen. Ernest Hollings of South Carolina said in the course of the debate, "We all could become gas lawyers." According to one report, some of the independents, unable to afford the necessary legal advice, have given up in disgust and gone into other lines of business—bowling alleys, for instance. The majors, of course, can easily afford the lawyers, and so one undoubted effect of the bill, as with so much of what Congress does, will be to make life harder for the small-business enterpreneur. At the same time, of course, it will make life relatively easier for the majors, all of which have plenty of lawyers on their payrolls and which will therefore be in a position to pick up any pieces of the market abandoned by the independents.

Earl Turner, executive vice-president of the Texas Independent Producers and Royalty Owners Association, says that as of March, 1979, the new gas act has been "a little short of disastrous." There has been a 15 percent decline in drilling, he said, "because of confusion in meeting requirement obligations," i.e., red tape. He said that there were 300 unused drilling rigs "stacked up," with "about 250 new rigs coming on line from the manufacturers." Before the bill was passed, of course, rigs had been hard to find. Independents, Turner explained, drill 90 percent of the exploratory wells in the United States. Most of these companies employ only half-a-dozen to a dozen people most of the time. "Now they've been asked to look at a complex law," Turner said, "and most of them simply threw up their hands."

Another fear is that it will take a long time for the new, higher regulated prices allowed under the act to take effect. By a 3-2 decision earlier this year, the Federal Energy Regulatory Commission (which has now replaced the old FPC) ruled that the price-escalator clauses written into old natural-gas contracts, would not be automaitcally "triggered" by the new ceiling prices now allowed. "What this means," said David Foster, of the Natural Gas Supply Association, "is that the decision wiped out what some say is 70 percent of the price incentives we thought we were getting. The matter then came up for rehearing, and Energy Secretary James Schlesinger sent over some testimony saying that Chairman Curtis of FERC had been wrong. Then the commission, by a 4–1 vote, did modify its interpretation somewhat. But lawyers believe it will take three years of legal maneuvering for ceiling prices to be applied to existing contracts."

The interesting thing is that if and when these "ceiling prices" are arrived at, they very probably will turn out to be higher than the free-market price would have been. Then and only then will Senator Kennedy and his friends come out for deregulation, just as they did last year with the airlines.

There are already indications that the wellhead prices under the new act are turning out to be higher than the free-market price. The Oklahoma legislature, for example, has now passed a bill keeping the price of some gas sold within the state below the price ceiling allowed by the new act. Cal Hobson, the Oklahoma state legislator who introduced this bill, says that under the Natural Gas Policy Act "price ceilings are turning out to be price floors, because whenever they can, the producers have been claiming the highest price." There is little incentive for the state regulatory agencies responsible for ruling on these price claims to turn them down, because the higher the prices are (in some cases) the higher the state "severance" taxes are—taxes on oil and gas taken out of the ground. Most people seem to agree that this is the eventual fate of the regulated price; it becomes a price that no producer has any incentive to undercut. In the end, then, prices turn out to be higher than they would have been without regulation.

Meanwhile, there is still another provision of the new act that seriously disturbs the gas industry. This is the so-called incremental-pricing requirement, which is a plan to charge large industrial users of gas more than domestic users. A few years ago, of course, this seemed like a good idea. We were then still mesmerized by the Club of Rome and the "era of limits." But after the inter- and intrastate markets were unified, a "bubble" of one trillion cubic feet of excess supply was discovered in the intrastate market. At that point, Energy Secretary Schlesinger tried to get the industrial market back. Schlesinger urges shift to gas use was the surprising *New York Times* headline in January this year. But the act was passed by this time, the damage was done, and plans go ahead to charge industries using natural gas a higher price.

The fear is that many industries may already have turned to oil—fed up as they are with interrupted gas supplies, low priority if it is short, and now the threat of higher prices. Rush Moody, a former FPC commissioner, spoke before the Gas Men's Roundtable of Washington in November, 1978, and he said: "I have an intuitive feeling that a substantial portion of the traditional natural-gas industrial market has already disappeared and is not likely to return even though more gas has now become available." He attributed the surplus gas "bubble" to a fall-off in demand resulting from this "pressure against the industrial gas user," adding: "Though the commission is oft-times accused of inconsistency, I would have to say the one consistent philosophic guidepost which has remained steady through changes in commission personnel over the past eight years has been the very simple notion that boiler fuel consumption of natural gas is inherently immoral and must to the maximum extent of the commission's abilities be eliminated."

The result of this policy has been to force the industrial user into the market for imported crude oil. Petroleum has moved from 21.9 percent of the industrial market in 1973 to a 26.7 percent share in 1977. "How ironic," Moody concluded, "that a government avowedly dedicated to reducing U.S. dependence on imported fuels is engaged in policies which have had as their only result a greater U.S. dependence on imported fuels."

The worst effect of a continued shift of industrial users away from natural gas, however, will be once again to force domestic consumers to pay greatly increased prices for the diminished quantities of gas traveling in the pipeline. (At present, only one-third of the natural gas consumed is put to domestic use.) In effect, then, households rather than indsutries will be compelled to amortize the enormous cost of pipeline construction, which, incidentally, has gone up from $120,000 per mile in 1965 to $1.7 million per mile in 1977. It was for this reason, then, that James Schlesinger recently urged industries to go on burning natural gas in their boilers.

It may be seen, then, that the government involvement in natural-gas pricing has been a disaster. It is particularly discouraging to consider how much larger the natural-gas market might have grown, as a percentage of U.S. energy needs, if the rigid price controls of the 1960s had not been in place, resulting frequently in the shunning of new gas customers. And if the market had grown, we would now be that much less dependent on foreign oil. A large part of the problem, it is now apparent, stems from the clamorous activism inherent in the word policy. Time and again, in recent years, we have been told that the United States must adopt an "energy policy." Somebody must do something about energy, and nobody seems to have appreciated that for years and years thousands of people in the oil and gas industry have been doing something, namely delivering oil and gas to U.S. consumers at the lowest price in the world. But small, and then larger, interferences in the market resulted in inequalities of supply and demand, which in turn led to the appeal that government should do even more. A Department of Energy was formed, thus creating jobs for a lot of people who had been crying out for an "energy policy," and these policymakers will be almost bound to introduce further distortions in the market. Because of their high salaries, they will not be content to do nothing, although that would probably be the best energy policy the government could adopt.

When one reads the protracted legislative debate on natural-gas pricing, it becomes apparent that the main reason legislators are unable to do anything useful in this realm is that they do not know what they are talking about. They do not have enough information at their disposal; they do not understand the business they are attempting to regulate, they are unable to act quickly enough in response to movements in the market. By no means all legislators are to blame. Many Representatives and Senators—and in recent years this has meant almost exactly half of each body—instinctively realize their shortcomings, and these are the ones who vote to deregulate. Having satisfied themselves that the industry in question is competitive, they are then prepared to let it get on with the job.

But the other half, the dangerous half, is really of a more totalitarian cast of mind, believing in their hearts that a monopoly indeed is a good thing: a government monopoly. They don't know as much as the oil and gas men, they may concede, but they are possessed of purer motives and therefore deserve to prevail. They are concerned about consumers, not profits. They have good intentions, they know, and characteristically they find it very, very hard to believe that good intentions can produce anything but excellent results. And so they vote themselves the power to interfere—just enough to keep supply and demand out of whack.

The evidence is by now overwhelming that self-interested producers competing with one another end up serving the customer far more handsomely than idealistic legislators ever can, but unfortunately it has been difficult to persuade voters of the truth of this in recent years—especially voters with a college education. This really is the "crisis of capitalism": until we can perceive that the independent driller whose goal in life is to become a millicnarie works to our advantage more effectively than the selfless "consumer advocate" in Washington, whose true goal surely is the attainment of personal power (even if he does call it "fairness"), then we will always have an energy crisis on our hands.

TIME LIMITATION AGREEMENT—S. 241

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, and this agreement has been cleared all around, that on Calendar 150, S. 241, the LEAA authorization bill which will be before the Senate today, there be a time agreement of 2 hours equally divided on the bill between Mr. Kennedy and Mr. Thurmond; there be a time limitation on any amendment of 30 minutes; a time limitation on any amendment in the second degree also of 30 minutes; a time limitation on any debatable motion, appeal, or a point of order if such is submitted to the Senate for its consideration or debate of 20 minutes, and that the agreement be in the usual form.

Mr. STEVENS. There is no objection, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I change that from 30 minutes on amendments in the second degree to 20 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Wisconsin such time as he desires from my allotment.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

EXPORT-IMPORT BANK LOAN TO IRELAND

Mr. PROXMIRE. Mr. President, I call to the attention of my colleagues a communication I have received from the Export-Import Bank pursuant to section 2(b) (3) (i) of the Export-Import Bank Act of 1945, as amended, notifying the Senate of a proposed Eximbank loan to assist in financing the export from the United States of goods and services to be used in a thermal power plant in the Shannon Estuary area in Ireland. Section 2(b) (3) (i) of the act requires the Bank to notify Congress of proposed loans and financial guarantees in an amount of $100,000,000 or more at least 25 days of continuous session of Congress prior to taking final action on such proposals. Upon expiration of this period, the Bank may give final approval to the transaction unless Congress adopts legislation to preclude such approval.

In this case, the Bank proposes to extend a direct credit of $56,100,000 to the Electricity Supply Board (ESB), an entity of the Republic of Ireland, to assist in the export from the United States of coal-fired boilers and related goods of U.S. manufacture for use in two 300-megawatt power plants. The Exim credit will cover 85 percent of the total cost of goods and services to be exported from the United States. The Eximbank loan will bear interest at the rate of 8 percent per annum and be repayable in 24 semi-annual installments beginning September, 1986, payments to be unconditionally guaranteed by the Government of Ireland. In addition to the loan, the Bank intends to offer a preliminary commitment for a future Exim credit in the same amount, $56.100,000, on the same terms to assist the purchase of U.S. goods and services which would be used in a future expansion of the plant to double its size.

Mr. President, I ask unanimous consent that the letter from Eximbank pertaining to this transaction be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK OF THE
UNITED STATES,
Washington, D.C., May 14, 1979.

Hon. WALTER F. MONDALE,
President of the Senate,
U.S. Capitol,
Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b) (3) (i) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits the following statement with respect to a transaction involving the purchase of United States goods by the Electricity Supply Board (E.S.B.) of the Republic of Ireland (Ireland) for use in a thermal power plant in the Shannon Estuary area in Ireland.

A. DESCRIPTION OF TRANSACTION

1. Purpose

The transaction to which this statement relates is the sale by the Foster Wheeler Energy Corporation and other, as yet unspecified, United States suppliers of coal-fired boilers and related goods of United States manufacture for use in two 300-megawatt power plans in Ireland. Eximbank is prepared to extend to E.S.B. a direct credit of $56,100,000 to assist in financing the purchase of this equipment, which has a total U.S. export value of 66,000,000. Repayment of the Eximbank credit will be unconditionally guaranteed by the Government of Ireland.

In addition to the subject transaction, Eximbank proposes to issue a preliminary commitment to E.S.B. in which it will indcate the terms and conditions under which it will be prepared to extend a further direct credit to E.S.B. of $59,500,000 to assist in financing the purchase of additional coal-fired boilers and related goods of United States manufacture, with total U.S. costs of $70,000,000, in connection with a possible future expansion of the plan. The proposed expansion will double the size of the plant. The financing offered in the preliminary commitment will be the on same terms and conditions as the credit discussed below, including the guarantee of the Government of Ireland.

The Eximbank credit for the subject transaction, together with the Eximbank financing contemplated in the preliminary commitment, will amount to approximately $115,000,000, and hence would fall within the purview of cases to be referred to Congress under Section 2(b) (3) of the Eximbank Act.

2. Identity of the borrower

The E.S.B. is an entity of the Government of Ireland. Established in 1927, its purpose is to ensure the generation, transmission, and distribution of electricity throughout Ireland.

3. Nature and use of goods and services

The Shannon Estuary Plant, with an initial estimated cost of $800 million, will consist of two 300-megawatt power stations fueled by either coal or oil. (If the proposed future expansion should be realized, the total estimated cost of the plant will be approximately $1,500,000,000, and there will be two additional 300-megawatt coal or oil fueled power stations.)

The boilers to be supplied by Foster Wheeler for the currently planned stage of the plant will be of the drum-type and are valued at about $46,000,000. In addition, there will be provided from as yet undesignated sources approximately $20,000,000 in ancillary equipment such as precipitators and instrumentation. The U.S. equipment will be delivered beginning in 1982, and plant start-up is estimated for 1985 and 1986.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The proposed Eximbank credit of $56,100,000 will result in the export of United States goods valued at $66,000,000. If the proposed preliminary commitment to E.S.B. is offered by Eximbank and is converted to a direct credit, the value of the United States exports supported by the overall financing will be approximately $136,000,000. This will have a favorable impact not only on the United States balance of payments, but also on income and employment in the areas where the suppliers of the United States goods are located. Major employment benefits will be realized particularly in upstate New York and northern Pennsylvania where most of the Foster Wheeler equipment will be manufactured. All totaled, as many as 2,200 man years of employment can be expected to result from the order resulting from the initial Eximbank credit alone. Conversion of the proposed preliminary commitment to a direct credit should approximately double the favorable effect of the initial financing on U.S. employment.

United States exporters obtained this order contingent on satisfactory financing arrangements, despite competition from a large number of suppliers in the United Kingdom, Germany, France, and Canada. In view of the availability to Ireland of long-term government supported financing, and the magnitude and repayment term of the transaction, Eximbank's loan is necessary to enable United States manufacturers to secure this sale.

No adverse impact upon the United States economy is foreseen as a result of these exports.

2. Financing plan

The total estimated contract price of United States goods to be purchased by E.S.B. in connection with this transaction is $66,000,000. E.S.B. will make a fifteen percent cash payment and the remainder of the United States costs will be financed by a direct credit from Eximbank, as follows:

15 percent Cash Payment	$9, 909, 000
85 percent Eximbank Credit	56, 100, 000
Total	66, 000, 000

With respect to the proposed preliminary commitment, the total estimated contract price of United States goods is $70,000,000. The same fifteen percent cash/eighty-five percent Eximbank credit will apply, as follows:

15 percent Cash Payment	$10, 500, 000
85 percent Eximbank Credit	59, 500, 000
Total	70, 000, 000

(a) Eximbank charges

Disbursements under the Eximbank credit will bear interest at the rate of 8% per annum. Eximbank will charge a commitment fee of ½ of 1% per annum on the undisbursed portion of the Eximbank credit. Interest and fees will be payable semiannually.

(b) Proposed repayment terms

The Eximbank credit will be repaid in 24 equal semiannual installments, the first of which will be due and payable in September 1986. The credit which would be offered under the proposed preliminary commitment would also be repaid in 24 equal semiannual installments, the first of which would be due and payable in October 1989.

Sincerely,

H. K. ALLEN.

UNIVERSITIES STUDY GENOCIDE

Mr. PROXMIRE. Mr. President, recently I came across an article in the New York Times outlining some of the approaches taken by our higher educators to inform students about the context of the Nazi holocaust, the genocide. These methods include the study into the particular circumstances under which Hitler came into power; a broad analysis of totalitarian regimes and their methods of silencing dissenters; investigation into Jewish history in order to better understand the Jewish response; a study into the behavior of those who refused to become involved; and an analysis of the dynamics of political evil as illustrated by the progression from detention or major political opponents to the systematic extermination of 6 million Jews.

Mr. President, I am delighted to see such a thorough and penetrating analysis of the holocaust being offered in our universities. It shows that we are not averting our eyes from one of the darkest moments of contemporary history, and it gives me hope that we may yet be able to learn something from this hideous event. Prof. Henry Friedlander of Brooklyn College and other scholars in this area are to be highly commended for their efforts.

Mr. President, it is most laudable that our universities should be working so hard to provide us with new insights into the tragedy of the genocide. But the genocide was not an academic event.

There were no courses or seminars on mass murder offered in German universities. The roots of the holocaust were not merely intellectual, and education alone is not enough to insure that such an event never occurs again.

Mr. President, we in the Senate have an opportunity to work through another sphere to prevent future holocausts. For the past 30 years we have had pending before this body a treaty designed to prevent and punish the crime of genocide. The Genocide Convention represents a concrete political statement on the international level intended to once and for all abolish the most heinous of crimes. To our country's embarrassment, the Senate has not seen fit to ratify this treaty.

Mr. President, we have no reason to delay any further. Our universities are doing their part. We must do ours. We must ratify the Genocide Convention.

Mr. President, I ask unanimous consent that an article appearing in the New York Times on May 15 be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

About Education—Educators Seek To Teach Context of the Holocaust

(By Fred M. Hechinger)

"Our generation, the generation of survivors, will never permit that lesson to be forgotten," said President Carter during the recent memorial services for the six million victims of the Holocaust. But many educators and historians are not convinced that the implications of even such unimaginable horrors will be fully understood and remembered unless the lessons of what happened, and why and how it could happen, are taught from generation to generation.

Prof. Henry Friedlander, associate professor of Judaic Studies at Brooklyn College, challenges those who want to "elevate the subject to the level of sacred history" and thus stifle discussion of the Holocaust to protect the purity of its memory among a select circle of experts.

"The Holocaust is not sacred history," Professor Friedlander writes in the current issue of Teachers College Record. "The Holocaust is a public event." Beyond emotions and commemoration, there must be discussion, analysis and learning. If its past horror is to be an integral part of what is taught in school and college, and even in professional schools, then the focus cannot be kept narrow, as if the terrible event had been a unique aberration, the professor contends. The focus must be expanded, he believes, to permit a better comprehension of human pathology that otherwise could recreate similar horrors in the future.

Those who want to teach about the Holocaust insist that it must be seen as part of an understanding of the darkest recesses in man and society. They point to the psychiatric work done by Bruno Bettelheim, Elie Cohen, Robert Jay Lifton and others. They call for a study of the intellectual, historical and political milieu that made genocide possible—of the way in which totalitarian ideologies emerge and dictatorial fanatics motivate their followers, dehumanizing ordinary men and women so that they commit acts of inhumanity on a vast scale. They point out that the death camps were conceived, built and often administered by Ph. D's.

These educators want, at the same time, to help students grasp the dynamics of anti-Semitism, which the Nazis, with the silent or active complicity of much of the civilized world, turned into a collective fantasy from which emerged the giant witch-hunt fed by the insane myth of a Jewish world conspiracy.

Crucial to such teaching, in the view of many experts, is the creation of a better understanding of how the systematic dehumanization of the citizenry was accomplished by the use of three key instruments—ritual, language and technology. All three are even more readily available to political manipulators today.

Ritual culminated in pageantry illustrated by Leni Riefentstahl's "Triumph of the Will," the documentary film that elevated hypnotic mass hysteria to such a frenzy that it made ordinary citizens ready to die—but preferably to kill.

The perversion of the German language into a tool of Hitler's psychopathic cult is considered by many educators a particularly important lesson at a time when reliance on language has become part of the image-building political arsenal, even in democratic societies. The Nazi phenomenon has been studied by many experts. Even battle-hardened American soldiers who dealt with captured German documents in World War II were shocked by routine regimental reports that used such antiseptic terms as Einsatzkommandos (special service groups) to designate extermination squads; provided neatly typed lists of thousands who had been shot or gassed, or used the word Aktion (action) to describe torture and killing. It is a way of transforming the unspeakable into routine reality.

Educators who find in the Holocaust a universal lesson see a link between such abuses of the language by Hitler's propagandists and resort by the American military forces in the Vietnam War to such terms as "protective reaction strikes" for aggressive bombing attacks or "wasting" to describe the killing of civilians.

The third ingredient of a policy that gave a new dimension to mass murder was an efficient technology, supported by an obedient bureaucracy. Only modern technology, says Professor Friedlander, could have accomplished the identification, registration, isolation and transport of six million Jews before they could be killed with technological precision. "Technicians, not ideologues," he adds, "were needed to make genocide work."

In any systematic teaching of the lessons of the Holocaust, educators suggest the following topics:

Analysis of the history that produced Hitler and the Nazi movement and transformed Prussian nationalism into German totalitarianism.

A broader study of all examples of totalitarianism and their capacity to subdue all possible dissent by means of imprisonment, torture and death in concentration or labor camps.

A study of Jewish history toward a better understanding of victims and their response.

A study of the behavior of the bystanders, including the reasons the United States military remained deaf to repeated appeals to bomb the gas chambers and the rail lines leading to them.

The dynamics of political evil as illustrated by the progression from the detention of leading political enemies of the regime to the concentration camp as the staging area for genocide.

Educators still argue about the pedagogical reasons for teaching about the Holocaust. Professor Friedlander suggests what might be acceptable as a universal goal—to help teach "civic virtue" by showing "how the only defense against persecution and extermination is citizens prepared to oppose the power of the state and to face the hostility of their neighbors to aid the intended victims."

Mr. PROXMIRE. Mr. President, I thank the majority leader. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, if the distinguished assistant Republican leader feels that Senator Baker would be willing to yield back his time, I shall ask unanimous consent that not to exceed that amount of time be utilized for the transaction of routine morning business.

Mr. STEVENS. Mr. President, I am informed that the minority leader does not wish to have that time. We are agreeable to that procedure.

Mr. ROBERT C. BYRD. I ask unanimous consent that Senators may speak up to 3 minutes each during that period.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia is recognized for a period of not to exceed 10 minutes.

ORDER FOR RECESS TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, is there a meeting hour set for tomorrow?

The ACTING PRESIDENT pro tempore. The Chair informs the Senator that there is not yet, except for the standard 12 o'clock meeting time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 o'clock tomorrow.

The ACTING PRESIDENT pro

tempore. Without objection, it is so ordered.

ORDER FOR CONVENING OF SENATE ON WEDNESDAY, MAY 23, 1979, AND THURSDAY, MAY 24, 1979, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the meeting hour for Wednesday and Thursday of this week be 10 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF MR. STEWART FOLLOWING RECOGNITION OF THE TWO LEADERS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow Mr. STEWART be recognized for not to exceed 15 minutes after the two leaders are recognized under the standing order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LAW ENFORCEMENT ASSISTANCE REFORM ACT OF 1979

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 241, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 241) to restructure the Federal Law Enforcement Assistance Administration, to assist State and local governments in improving the quality of their justice systems, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. ROBERT C. BYRD. Mr. President, I am about to suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FORD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on the Judiciary be granted privilege of the floor during consideration of S. 241: Paul Summitt, Marc Gittenstein, Harry Wiles, and Tom Connolly. Also the same privilege for Ken Feinberg of my office staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

There are 2 hours on the bill, with 30 minutes on each amendment in the first degree, 20 minutes on amendments in the second degree, debatable motions or appeals, with the agreement in the usual form.

Mr. KENNEDY. Mr. President, I understand that there are eight minor printing errors in the bill as reported that do not affect the substance of the bill as amended by the committee or detract from adopting the bill as reported for the purposes of further amendment.

For example, in one instance, language adopted by the committee was erroneously printed in italics.

Since an amendment in these instances would be superfluous to consider the bill as reported, I ask unanimous consent that S. 241 as reported and printed be adopted for purposes of further amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The committee amendments as agreed to are as follows:

On page 2, line 1, strike "Justice System Improvement" and insert "Law Enforcement Assistance Reform";

On page 2, beginning with line 3, insert the following:

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended to read as follows:

TABLE OF CONTENTS

"Sec. 2. Title I—Justice system improvement.

"PART A—LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

"Sec. 101. Establishment of Law Enforcement Assistance Administration.
"Sec. 102. Duties and functions of Administrator.
"Sec. 103. Office of Community Anti-Crime.

"PART B—NATIONAL INSTITUTE OF JUSTICE

"Sec. 201. Establishment of National Institute of Justice.
"Sec. 202. Duties and functions.
"Sec. 203. Authority for 100 per centum grants.
"Sec. 204. National Institute of Justice Advisory Board.

"PART C—BUREAU OF JUSTICE STATISTICS

"Sec. 301. Establishment of Bureau of Justice Statistics.
"Sec. 302. Duties and functions.
"Sec. 303. Authority for 100 per centum grants.
"Sec. 304. Bureau of Justice Statistics Advisory Board.

"PART D—FORMULA GRANTS

"Sec. 401. Purposes and funding authority.
"Sec. 402. (a) Eligible jurisdictions.
"(b) Establishment and functions of State Criminal Justice Council.
"(c) Establishment and functions of local criminal justice advisory boards.
"(d) Establish Judicial Coordinating Committee.
"(e) Actions on applications, open meeting, access to records.
"(f) Citizen and community participation.
"Sec. 403. Application requirements.
"Sec. 404. (a) Application review.
"(b) Fund suspension.
"(c) Limitation on fund use.
"(d) Hearing and appeal rights.
"Sec. 405. (a) Allocation and distribution of formula funds.
"(b) State legislative review.
"(c) Limitation on award of funds.
"(d) Reallocation of funds.
"(e) Eligibility of private nonprofit organizations.
"(f) Applications under the Juvenile Justice and Delinquency Prevention Act.
"(g) Use of regional planning units.

"PART E—NATIONAL PRIORITY GRANTS

"Sec. 501. Purpose.
"Sec. 502. Percentage of appropriation for national priority grant program.
"Sec. 503. Procedure for designating national priority programs.
"Sec. 504. Application requirements.
"Sec. 505. Criteria for award.

"PART F—DISCRETIONARY GRANTS

"Sec. 601. Purpose.
"Sec. 602. Percentage of appropriation for discretionary grant program.
"Sec. 603. Procedure for establishing discretionary programs.
"Sec. 604. Application requirements.
"Sec. 605. Criteria for award.
"Sec. 606. Period of award.

"PART G—TRAINING AND MANPOWER DEVELOPMENT

"Sec. 701. Purpose.
"Sec. 702. Training of prosecuting attorneys.
"Sec. 703. Training State and local criminal and juvenile justice personnel.
"Sec. 704. FBI training of State and local criminal justice personnel.
"Sec. 705. Law enforcement education program.

"PART H—ADMINISTRATIVE PROVISIONS

"Sec. 801. (a) Establishment of Office of Justice Assistance, Research and Statistics.
"(b) Functions of the office.
"(c) Establishment of Justice Assistance, Research and Statistics Advisory Board.
"Sec. 802. (a) Consultation, establishing rules and regulations.
"(b) Evaluation of programs.
"(c) Antiredtape provision.
"Sec. 803. Notice and opportunity for hearing on grant denials/terminations.
"Sec. 804. Finality of determinations.
"Sec. 805. Appellate court review.
"Sec. 806. Delegation of functions.
"Sec. 807. Subpena power, authority to hold hearings.
"Sec. 808. Amendments to 5 U.S.C. 5314.
"Sec. 809. Amendments to 5 U.S.C. 5108, 5315, and 5316.
"Sec. 810. Employment of hearing officers.
"Sec. 811. Authority to use available services.
"Sec. 812. Consultation with other Federal, State, and local officials.
"Sec. 813. Reimbursement authority.
"Sec. 814. Advisory Committee, Expert and Consultant Authority.
"Sec. 815 (a) Prohibition of Federal control over State or local criminal justice agencies.
"(b) Prohibition against quota system.
"(c) Discrimination prohibition.
"Sec. 816. Report to President and Congress.
"Sec. 817. Recordkeeping requirement.
"Sec. 818. Amendment to Demonstration Cities and Metropolitan Development Act.
"Sec. 819. (a) Confidentiality of research information.
"(b) Security and privacy of criminal history information.
"(c) Sanctions for violation.
"(Sec. 820. Authority to accept voluntary services.
"Sec. 821. Administration of juvenile delinquency programs.
"Sec. 822. District of Columbia matching fund source.
"Sec. 823. Prohibition on land acquisition.
"Sec. 824. Prohibition on use of CIA services.
"Sec. 825. Indian liability waiver.
"Sec. 826. National Institute of Corrections.

"PART I—DEFINITIONS

"PART J—FUNDING

"Sec. 1001. Authorization of appropriations.
"Sec. 1002. Maintenance of effort.
"Sec. 1003. Authorization of appropriations for Office of Community Anti-Crime.

"PART K—CRIMINAL PENALTIES

"PART L—PUBLIC SAFETY OFFICER'S DEATH BENEFITS

"PART M—TRANSITION—EFFECTIVE DATE

"Sec. 1301. (a) Continuation of regulations.
"(b) Continuation of prior research and development programs.
"(c) Continuation of statistical programs.
"(d) Continuation of LEAA programs.
"(e) Suits against the Government.
"(f) Audit and investigations of prior grants.
"(g) Transfer of personnel and functions.
"(h) No match for prior year funds.
"(i) Continuation of prior provisions—juvenile justice.
"(j) Previously established planning agencies.
"(k) Construction continuation.

On page 4, line 2, insert "DECLARATION OF PURPOSE";

On page 5, beginning with line 10, insert the following:

"Congress further finds that the victims of crime should be made a more integral part of the criminal justice system.

On page 5, beginning with line 16, strike through and including line 20, and insert in lieu thereof the following:

"Congress further finds that crime is essentially a State and local and community problem that must be dealt with by State and local governments. Congress further finds that the financial and technical resources of the Federal Government should be made available to support such State and local and community-based efforts.

"Congress further finds that the financial and technical resources of the Federal Government should be utilized by applying such resources to State and local efforts to address selected problems of fundamental importance to the criminal justice system.

"Congress further finds that the role of the private security industry in the prevention and control of criminal activities is important and encourages improved cooperation and coordination between public law enforcement agencies and the private security industry.

On page 6, line 23, after "criminal" insert "and juvenile";

On page 7, line 9, after "system;" insert "(7) support victim-witness assistance efforts;";

On page 7, line 10, strike "(7)" and insert "(8)";

On page 7, line 12, strike "(8)" and insert "(9)";

On page 7, line 16, after "criminals" insert "and delinquents";

On page 7, line 17, strike "(9)" and insert "(10)";

On page 7, line 19, strike "and (10)" and insert "(11)";

On page 7, line 20, after "efforts" insert a semicolon and the following:

(12) provide for a financial assistance program to the families of public safety officers killed in the line of duty; (13) support total resources oriented approaches to the problems of courts and the criminal and juvenile justice system; and (14) encourage programs to educate the public in the areas of civil, criminal, and juvenile law and justice system operation.

On page 9, line 10, strike "under the direct authority of the Attorney General,";

On page 8, line 15, strike "other";

On page 8, line 19, strike "The Administrator shall report to the Director of the Office of Justice Assistance, Research, and Statistics established under section 801 of this title." and insert in lieu thereof, "Pursuant to section 801 of this title, the Administrator shall report to the Director of the Office of Justice Assistance, Research, and Statistics.";

On page 9, line 2, strike "in order to finance programs approved in accordance with the provisions of this title";

On page 9, line 5, after "criminal" insert "and juvenile";

On page 9, line 10, after "funds" insert "and technical assistance";

On page 9, line 17, after "criminal" insert "and juvenile";

On page 9, line 18, strike "and" and insert a semicolon;

On page 9, line 24, after "criminal" insert "and juvenile";

On page 10, line 1, strike "(d)" and insert "(e)";

On page 10, line 4, after "criminal" insert "and juvenile";

On page 10, beginning with line 5, insert the following:

"(f) cooperate with and render technical assistance to States, units of local government, and other public and private organizations or agencies involved in victim-witness assistance activities and the post-arrest identification and prosecution of career criminals;

"(g) provide funds and technical assistance to eligible jurisdictions under this title for the development of operational information and telecommunications systems;

On page 10, line 15, strike "(e)" and insert "(h)";

On page 10, line 16, after the semicolon, insert "and";

On page 10, line 17, strike "(f)" and insert "(i)";

On page 11, line 6, after "criminal" insert "and juvenile";

On page 11, line 6, after "activities" insert "including educational activities";

On page 12, line 14, strike "prevent" and insert "prevention";

On page 12, line 17, after "prevention," insert "educational,";

On page 13, line 4, after "civil," insert "administrative, regulatory, legal education,";

On page 13, line 12, after "civil," inert "administrative, regulatory, legal education,";

On page 13, line 22, after the period, insert "In carrying out the provisions of this part, the Institute shall give primary emphasis to the problems of State and local justice systems and shall insure that there is a balance between basic and applied research.";

On page 14, line 2, strike ", under the direct authority of the Attorney General,";

On page 15, line 3, after "civil," insert "administrative, regulatory, legal educational,";

On page 15, line 6, after "goals," insert "including programs authorized by section 103 of this Act,";

On page 15, line 7, after "to" insert "analyze the correlates of crime and juvenile delinquency and";

On page 15, line 9, after "crime" insert "and juvenile delinquency";

On page 15, line 11, after "criminal" insert "and juvenile";

On page 15, line 13, after "crime," insert "the prevention and reduction of juvenile delinquency,";

On page 15, line 15, after "criminal" insert "and juvenile delinquency,";

On page 15, line 16, after "cases," insert "conduct research into the problems of victims and witnesses of crime, with special emphasis on the relationship between preconviction crimes and post-conviction crimes on the victims of crime, the feasibility and consequences of allowing victims to participate in criminal justice decisionmaking; and the feasibility and desirability of adopting procedures and programs whch increase the victim's participation in the criminal justice process,";

On page 16, line 7, strike "part" and insert "title";

On page 16, line 8, after "where" insert "the Institute deems";

On page 16, line 9, after "under" insert "other parts of";

On page 16, line 11, after "civil," insert "administrative, regulatory, legal education,";

On page 16, line 12, after "justice" insert "systems";

On page 16, line 16, after "government" insert "and other public and private organizations and individuals";

On page 16, line 21, after "civil," insert "administrative, regulatory, legal education,";

On page 17, line 9, strike "of" and insert "for";

On page 17, line 21, after "be" insert "sufficiently";

On page 17, line 23, after "criminal" insert "and juvenile";

On page 17, line 23, after "system," insert "to merit";

On page 17, line 24, strike "D" and insert "E";

On page 17, line 25, strike "and";

On page 18, line 4, after "civil," insert "administrative, regulatory, legal education,";

On page 18, line 6, strike the period, insert a semicolon and "and";

On page 18, beginning with line 7, insert the following :

"(12) publish or arrange for the publication of scientific and technical information so as to further the full dissemination of information of scientific value consistent with the national interest, without regard to the provisicns of section 87 of the Act of January 12, 1895 (28 Stat. 622), and section 11 of the Act of March 1, 1919 (40 Stat. 1270; 44 U.S.C. 111).

On page 18, line 14, after "civil," insert "administrative, regulatory, legal education,";

On page 19, line 8, after "civil," insert "administrative, regulatory, legal education,";

On page 19, line 20, after the parenthesis, insert "Hereinafter referred to in this section as";

On page 19, line 24, after "civil," insert "administrative, regulatory, legal education,";

On page 20, line 1, strike the comma and "but not limited to,";

On page 20, line 2, after "police," insert "prosecutors, defense attorneys,";

On page 20, line 3, after "corrections," insert "experts in the area of victim and witness assistance,";

On page 20, line 7, after the period, insert, "A majority of the members of the Board, including the Chairman and Vice Chairman, shall not be full-time employees of Federal, State, or local governments.";

On page 20, line 13, strike "and stead";

On page 20, line 14, after "a" insert "nonvoting";

On page 20, line 15, strike "but" and insert "and";

On page 20, line 25, after "as" insert "nonvoting";

On page 21, line 1, strike "but" and insert "and";

On page 21, line 2, after the period, insert "Except as otherwise provided herein, no more than one additional full-time Federal officer or employee shall serve as a member of the Board.";

On page 21, line 12, strike "that" and insert "the first composition of the Board which shall have one-third of these members appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; and";

On page 21, line 21, after the period, insert "Such members shall be appointed within ninety days after the date of enactment of this Act.";

On page 22, line 4, after "No" insert "voting";

On page 23, line 5, after the period, insert "The Bureau shall utilize to the maximum extent feasible State governmental organizations and facilities responsible for the collection and analysis of criminal justice data and statistics. In carrying out the provisions of this part, the Bureau shall give primary emphasis to the problems of State and local justice systems.";

On page 23, line 12, strike ", under the direct authority of the Attorney General,";

On page 23, line 14, after "as" insert "the";

On page 25, beginning with line 6, insert the following:

"(6) collect and analyze statistical information concerning the impact of pre-conviction crimes and post-conviction crimes on the victims of crime;

On page 25, line 9, strike "(6)" and insert "(7)";

On page 25, line 14, strike "in the Nation and";

On page 25, line 16, strike "(7)" and insert "(8)";

On page 25, line 20, after "States" insert "without regard to the provisions of section 87 of the Act of January 12, 1895 (28 Stat. 622), and section 11 of the Act of March 1, 1919 (40 Stat. 1270; 44 U.S.C. 111)";

On page 26, line 1, strike "(8)" and insert "(9)";

On page 26, line 4, strike "(9)" and insert "(10)";

On page 26, line 10, strike "(10)" and insert "(11)";

On page 26, line 13, strike "(11)" and insert "(12)";

On page 26, line 15, strike "(12)" and insert "(13)";

On page 26, line 19, strike "(13)" and insert "(14)";

On page 26, line 22, strike "(14)" and insert "(15)";

On page 27, line 1, strike "(15)" and insert "(16)";

On page 27, line 3, strike "(16)" and insert "(17)";

On page 27, line 13, after "confer" insert "and cooperate";

On page 27, line 13, strike "and avail itself of the cooperation, services, records, and facilities of";

On page 27, line 15, strike "or of";

On page 27, line 18, strike "and the agencies shall provide such information to the Bureau as required to carry out the purposes of this section";

On page 27, line 22, strike "civil" and insert "criminal";

On page 27, line 23, strike "criminal" and insert "civil";

On page 27, beginning with line 25, insert the following:

"(e) Federal agencies requested to furnish information data, or reports pursuant to subsection (d)(3) shall provide such information to the Bureau as required to carry out the purposes of this section."

On page 28, line 3, strike "(e)" and insert "(f)";

On page 28, line 14, after the parenthesis, insert "hereinafter referred to in this section as";

On page 28, line 17, strike "shall represent the public interest and";

On page 28, line 19, after "police," insert "prosecutors, defense attorneys,";

On page 28, line 20, after "corrections," insert "experts in the area of victim and witness assistance,";

On page 29, line 2, strike "and stead";

On page 29, line 3, after "a" insert "nonvoting";

On page 29, line 4, strike "but" and insert "and";

On page 29, line 15, after "as" insert "nonvoting";

On page 29, line 17, after the period, insert "Except as otherwise provided herein, no more than one additional full-time Federal officer or employee shall serve as a member of the Board.";

On page 30, line 2, strike "(e)" and insert "(a)";

On page 30, line 3, strike "that" and insert "the first composition of the Board which shall have one-third of these members appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; and";

On page 30, line 9, after the period, strike "Terms of the members appointed under subsection (a) shall be staggered so as to establish a rotating membership according to such method as the Attorney General may devise.";

On page 30, line 19, after "No" insert "voting";

On page 31, line 14, after "functioning" insert "and coordination";

On page 31, line 15, after "criminal" insert "and juvenile";

On page 31, line 18, strike in its entirety;

On page 31, line 20, strike "neighborhood-based" and insert "neighborhood";

On page 31, line 21, strike "designed to reduce the rate of local neighborhood crime; and" and insert "to deal with crime and delinquency";

On page 31, line 25, after "agencies" insert "including programs which are designed to disrupt illicit commerce in stolen goods and property, including the recruiting and training of special investigative and prosecuting personnel, and the development of systems for collecting, storing, and disseminating information relating to the control of organized crime";

On page 32, beginning with line 7, insert the following:

"(3) developing programs to combat organized crime, arson, public corruption, white collar crime, and fraud against the Government;

On page 32, line 10, strike "(b) Developing" and insert "(4) developing";

On page 32, line 12, strike "but not limited to";

On page 32, line 14, strike "(1)" and insert "(A)";

On page 32, line 16, strike "(2)" and insert "(B";

On page 32, line 18, strike "(3)" and insert "(C)";

On page 32, line 20, strike "and";

On page 32, line 21, strike "(4)" and insert "(D)";

On page 32, beginning with line 23, insert the following:

"(E) aid in the post-arrest identification of career criminals and their prompt prosecution; and

"(F) aid and encourage the cooperation of victims, witnesses, and jurors;

On page 33, line 3, strike "(c) Developing" and insert "(5) developing";

On page 33, line 5, strike "but not limited to";

On page 33, line 6, strike "advanced practices,";

On page 33, beginning with line 9, insert the following:

"(6) developing and implementing programs providing for assistance to crime victims and witnesses, including programs to encourage and promote restitution by the offender, official victim-witness assistance programs, programs to encourage and promote victim and witness participation in the criminal justice process, and programs designed to prevent crimes involving victims;

On page 33, line 17, strike "(6)" and insert "(7) developing";

On page 33, line 21, after "of" insert criminal,";

On page 33, line 22, strike "other";

On page 33, line 23, strike "(d) Devising" and insert "(8) devising";

On page 33, line 24, strike "but not limited to";

On page 34, line 1, strike "without violating civil and constitutional rights of individuals,";

On page 34, beginning with line 5, insert the following:

"(9) coordinating the various components of the criminal and juvenile justice system to improve the overall operation of the system, assisting in legislative development, establishing criminal justice information systems, and supporting and training of criminal and juvenile justice personnel; and

"(10) administering grants received under this title for operating criminal justice councils, judicial coordinating committees and local offices pursuant to part D.

On page 34, beginning with line 15, strike through and including line 17, and insert in lieu thereof the following:

"(b) The Federal portion of any grant made under this part may be up to 100 per centum of the cost of the program or project specified in the application for such grant, except for any funds used for the purposes set forth under paragraph (a)(10). Except for funds allocated under paragraph (a)(10), a grant recipient shall assume the cost of improvements funded under this part after a reasonable period of Federal assistance unless the Administrator determines that the recipient is unable to assume such cost because of State or local budgetary restraints.

"(c) The Administration shall allocate from the grant provided for in section 401(a) $200,000 to each of the States as defined in section 402(a)(1) for the purposes set out in paragraph (a)(10) and an additional amount of at least $50,000 shall be made available by the Administration for allocation by the State to the judicial coordinating committee. These foregoing sums shall be available without a requirement for match. The Administration shall allocate additional funds from the grant to a State for use by the State and its units of local government in an amount that is 7½ per centum of the total grant of such State. Any of the additional funds shall be matched in an amount equal to any such expended or obligated amount. An amount equal to at least 7½ per centum of the allocation of an eligible jurisdiction as defined in section 402(a) (2), (3), or (4), or of a judicial coordinating committee, must be made available by the State to each such jurisdiction or judicial coordinating committee from these additional funds for purposes set out in paragraph (a)(10). The eligible jurisdiction or combination thereof shall match the amounts passed through in an amount equal to any such amount expended or obligated by the eligible jurisdiction or combination thereof for the purposes of paragraph (a)(10) for all Federal funds in excess of $25,000 for each eligible jurisdiction.

"(1) Any funds allocated to States or units of local government and unexpended by such States or units of local government for the purposes set forth in paragraph (a)(10) shall be available to such States or units of local government for expenditure in accordance with paragraphs (a)(1–9).

"(2) The State may allocate at its discretion to units of local government or combinations of such units which are not eligible jurisdictions as defined in section 402(a) (2), (3), and (4) funds provided under this section in accordance with paragraph (a)(10).

On page 36, line 22, strike "but shall not include the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific

Islands, and the Commonwealth of the Northern Mariana Islands";

On page 37, line 1, after "municipality" insert "which has no less than .15 per centum of total State and local criminal justice expenditures and";

On page 37, line 7, after "county" insert which has no less than .15 per centum of total State and local criminal justice expenditures and";

On page 37, line 10, after the semicolon, insert "a county which does not have two hundred and fifty thousand persons, but has no less than one hundred thousand persons and an eligible jurisdiction under subsection (a) (2); and a county which has a population in excess of one hundred thousand, a population density of at least five thousand persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of Census. Population will be calculated";

On page 37, line 22, strike "contiguous";

On page 38, line 4, strike "contiguous";

On page 38, line 10, after "criminal" insert "and juvenile";

On page 38, line 11, after "input" insert "and data";

On page 38, line 14, strike "for expenditure of funds";

On page 38, line 14, after "analysis" insert "and assuring that these priorities are published and made available to affected criminal and juvenile justice agencies prior to the time required for application submission";

On page 38, line 19, strike "developing," and reviewing";

On page 38, line 20, strike "priorities" and insert statewide goals, objectives, priorities, and projected grant programs";

On page 38, line 23, after "(C)" insert "(i)";

On page 39, line 3, strike "and" and insert a semicolon;

On page 39, at the beginning of line 4, insert "(ii)";

On page 39, line 7, after the semicolon, insert "and";

On page 39 beginning with line 8 insert the following:

"(iii) providing funding incentives to those units of general local government as defined in section 402(a) (5) that coordinate or combine criminal or juvenile justice functions or activities with other units for the purpose of improving criminal and juvenile justice system performance;

On page 39 line 20 strike "said" and insert "these";

On page 39 line 21 strike "said" and insert "these";

On page 39 line 22 strike "said" and insert "these";

On page 40 line 1 after "criminal" insert "and juvenile";

On page 40 line 7 after "crime" insert "and criminal and juvenile";

On page 40 line 14 after "criminal" insert "and juvenile";

On page 40 line 17 after "criminal" insert "and juvenile";

On page 40 line 19 after "agencies" insert "community-based crime prevention programs,";

On page 40, line 22, after semicolon, insert "and";

One page 40, beginning with line 22, insert the following:

"(1) assuring fund accounting, auditing, and evaluation of programs and projects funded under this part to assure compliance with Federal requirements and State law and regulations.

On page 41, line 6, strike "and provide professional, and clerical staff to serve the council";

On page 41, line 7, after the period, insert "The chief executive shall also designate a State office in order to assure that there is adequate staff for the performance of the responsibilities set forth under section 402(b) (1).";

On page 41, line 13, strike "of" and insert "nominated by";

On page 41, line 18, after the semicolon, insert "such representation should include law enforcement and correctional agency personnel exercising authority in such eligible jurisdiction;";

On page 42, line 2, after "delinquency" insert a comma and "and representatives of police, courts, corrections, prosecutors, and defense attorneys";

On page 42, line 24, after "committee" insert a comma and "or, in the absence of a judicial coordinating committee, from a list of no less than three nominees for each positions submitted by the chief judicial officer of the court of last resort";

On page 43, line 12, strike "should conform to the overall priorities, unless the eligible jurisdiction for good cause determines that such priorities are inconsistent with" and insert "must conform to uniform administrative requirements for submission of applications. Such requirements must be consistent with guidelines issued by the Administration. Applications or amendments should conform to the overall priorities, unless the eligible jurisdiction's analysis of its criminal and juvenile justice system demonstrates that such recommended priorities are inconsistent with";

On page 43, line 22, strike "amendments" and insert "amendment";

On page 44, line 1, strike "is in noncompliance" and insert "does not comply";

On page 44, line 5, strike "or";

On page 44, line 9, strike the period and insert a semicolon and "or";

On page 44, beginning with line 10, insert the following:

"(iv) proposes a program or project that is substantially similar to or is a continuation of a program or project which has been evaluated and found to be ineffective.

On page 44, line 17, strike "shall" and insert "may";

On page 44, line 17, after "within" insert "no more than";

On page 44, line 18, after "pursuant to" insert "subparagraph";

On page 44, line 22, after "under" insert "subparagraph";

On page 44, line 24, strike "thirty" and insert "sixty";

On page 45, beginning with line 1, strike through and including line 19, and insert in lieu thereof the following:

"(D) If an applicant states in writing disagreement with the council's written findings as specified in section 402(b) (3) (A), the findings shall be considered appealed. The appeal shall be in accordance with a procedure developed by the council and reviewed and agreed to by the eligible jurisdiction. If any eligible jurisdiction in a State fails to agree with the council appeal process prior to application submission to the council, the appeal shall be in accordance with procedures developed by the Administration. The Administration appeal procedures shall provide that if the council's action is not supported by clear and convincing evidence or if the council acted arbitrarily or capriciously, the council shall be directed to reconsider or approve the application or amendment.

On page 46, line 19, strike "is in compliance" and insert "does not comply";

On page 46, line 23, strike "or";

On page 47, line 2, after the semicolon, insert "or";

On page 47, beginning with line 3, insert the following:

"(D) proposes a program or project that is substantially similar to or is a continuation of a program or project which has been evaluated and found to be ineffective;

On page 47, line 15, after "application" insert "and assuring that such application complies with Federal requirements, State law, fund accounting, auditing and the evaluation of programs and projects to be funded under the application";

On page 41, line 21, strike "title" and insert "section";

On page 47, line 23, strike "advising the council" and insert "analyzing the criminal and juvenile justice problems within the eligible jurisdiction and advising the council and chief executive of the eligible jurisdiction";

On page 48, line 5, strike "acting" and insert "advising";

On page 48, line 6, strike "and";

On page 48, line 7, after "assuring" insert "that there is";

On page 48, line 8, strike "401(b)" and insert "401(a) (4)";

On page 48, line 10, strike "subgrant";

On page 48, line 11, strike "subgrant";

On page 48, beginning with line 15, insert the following:

"(5) assuring that there is an adequate allocation of funds for correction programs as defined in section 401(a) (5), (7), and (8) based on that portion of the eligible jurisdiction's expenditures for correction programs which contributes to the jurisdiction's eligibility for funds.

On page 50, line 17, after "sources" insert "or from any other jurisdiction which is applying for funds for court services. The committee shall report to the council and the applicant its findings of consistency and inconsistency";

On page 51, line 2, after the period, insert "The council shall make such arrangements as it deems necessary to provide that at least $50,000 of the Federal funds granted to the council under this part for any fiscal year will be available to the judicial coordinating committee.";

On page 51, line 13, strike "applicant" and insert "application";

On page 51, line 14, after "of" strike "such";

On page 51, line 14, after "receipt" insert "of the application";

On page 51, line 16, strike "the purposes of this title" and insert "submission to the Administration";

On page 51, line 22, strike "offices' and insert "boards";

On page 52, line 5, strike "officers" and insert "boards";

On page 52, line 17, strike "or";

On page 52, line 18, after the comma, insert "or section 401(d),";

On page 52, line 23, beginning with "application" strike through and including page 53, line 2, and insert in lieu thereof the following:

eligible jurisdiction has provided satisfactory assurances to the Administration that the applicant has—

On page 53, line 10, strike "held public hearings after advance public notice to obtain the views of" and insert "provided";

On page 53, line 12, strike "concerning the merits of the proposed programs or projects to be" and insert "an opportunity to consider and comment on priorities";

On page 53, beginning with line 16, strike through and including line 20;

On page 53, line 21, strike "(4)" and insert "(3)";

On page 54, line 1, strike "(5)" and insert "(4)";

On page 54, line 2, after "criminal" insert "and juvenile";

On page 54, line 2, strike "participate in the development of" and insert "consider and comment on";

On page 54, line 4, strike "or projects prior to the preparation of" and insert "to be set forth in";

On page 54, line 5, after "application" insert "or amendments";

On page 54, line 13, after "(403)." insert "(a)";

On page 54, line 13, after "made" insert "(1) by the Administration to a State, or (2) by a State to an eligible recipient";

On page 54, line 16, strike "and projects";

On page 54, line 19, strike "or projects";

On page 54, line 20, strike "or projects";

On page 55, line 2, strike "or projects";

On page 55, line 4, after "meet the" insert "identified crime";

On page 55, line 4, after "and" insert "Criminal and juvenile justice";

On page 55, line 6, strike "or projects";

On page 55, line 7, strike "or projects";

On page 55, line 14, after "committee," insert "nongovernmental grantee,";

On page 55, line 16, strike "(i)" and insert "(A)";

On page 55, line 18, strike "(ii)" and insert "(B)";

On page 56, line 3, after "assurance" insert "where the applicant is a State or unit or combination of units of local government";

On page 56, line 5, after "courts" insert "and corrections, police,";

On page 56, line 17, after the semicolon, insert "and";

On page 56, line 18, strike "or projects";

On page 56, line 20, after the comma, insert "that there has been appropriate coordination with affected agencies,";

On page 57, beginning with line 4, insert the following:

"(b) Applications from judicial coordinating committees, State agencies, and other nongovernmental grantees do not have to include the crime analysis required by subsection (a)(1) of this section but may rely on the crime analysis prepared by the council.

On page 57, line 12, strike "or projects";

On page 57, line 14, strike "thereof" and insert "thereto";

On page 57, line 16, strike "thereof" and insert "thereto";

On page 57, line 22, strike "thereof" and insert "thereto";

On page 58, line 8, beginning after the period, strike through and including line 10;

On page 58, line 18, strike "802(b)" and insert "403";

On page 58, line 20, strike "802(b)" and insert "403";

On page 59, line 9, strike "an improvement program or project" and insert "a program offering high probability of improving the functioning of the criminal justice system";

On page 59, line 16, strike "the payment of" and insert "programs which have as their primary purpose";

On page 59, line 17, strike "increases" and insert "payments";

On page 59, line 19, after "jurisdiction" insert a comma and "except for the compensation of personnel for time engaged in conducting or undergoing training programs or the compensation of personnel engaged in research, development, demonstration, or short-term programs";

On page 59, line 24 ,after "projects" insert "unless the project involves prison or jail construction and provides advanced techniques in the design of institutions or facilities";

On page 60, line 7, strike "be ineffective" and insert "offer a low probability of improving the functioning of the criminal and juvenile justice system";

On page 60, line 14, strike "thereof" and insert "thereto";

On page 60, line 19, strike "70" and insert "80";

On page 60, line 23, strike "Funds shall first be allocated among" and insert "The sum of $300,000 to";

On page 60, line 25, after "402(a)(1)" insert "and the balance";

On page 61, line 3, strike "total" and insert "remaining";

On page 61, line 17, strike "from their own sources";

On page 62, line 1, strike "total" and insert "remaining";

On page 62, line 8, after the period, insert "Formula allocations under this section will utilize relative population data only for the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.";

On page 63, line 5, strike "according to their respective populations" and insert "in accord with section 405(a)(1)(B)";

On page 63, at the beginning of line 3, insert "(3) From the amount made available to each State pursuant to";

On page 63, line 9, strike "subsections" and insert "paragraphs";

On page 63, line 16, strike "subsections" and insert "paragraphs";

On page 63, line 21, strike "expenditure from all sources" and insert "expenditures";

On page 63, line 23, strike "equally";

On page 63, line 24, strike "subsections" and insert "paragraphs (1) and (2)";

On page 63, line 25, strike "among the four purposes specified in section 401 of this title";

On page 64, line 4, after "four" insert "equal";

On page 64, line 6, strike "for combating crime as specified in section 401(a),"

On page 64, line 10, strike "from all sources";

On page 64, line 11, strike "for improving court administration as specified in section 401(b),";

On page 64, line 16, strike "from all sources";

On page 64, line 17, strike "for improving correctional services as specified in section 401(c),";

On page 64, line 21, strike "from all sources";

On page 64, line 23, strike "for devising effective alternatives to the criminal justice system as specified in section 401(d)";

On page 65, line 3, after "local" insert "criminal justice";

On page 65, line 3, strike "from all sources";

On page 66, line 22, after "criminal" insert "and juvenile";

On page 67, line 5, strike "or project";

On page 67, line 6, strike "or project";

On page 67, line 14, strike "or section 1003 of this title,";

On page 67, beginning with line 24, strike through and including page 68, line 6;

On page 68, line 7, strike "(g)" and insert "(f)";

On page 68, line 14, strike "(h)" and insert "(g)";

On page 69, line 23, after "Justice," insert "Bureau of Justice Statistics, Law Enforcement Assistance Administration,";

On page 68, line 25, strike "public" and insert "Federal, State, local, or";

On page 69, line 1, strike ", have been shown to be effective in improving and strengthening the administration of justice" and insert "or agencies have been shown to meet the criteria of section 503(a)";

On page 69, line 6, strike "20" and insert "10";

On page 69, line 16, after "criminal" insert "and juvenile";

On page 69, line 19, after "criminal" insert "and juvenile";

On page 69, line 22, after "a" insert "reasonable";

On page 69, line 24, strike "but not to exceed three years from the time of such determination";

On page 70, line 1, before "Such" insert "(b)";

On page 70, line 5, strike "(b)" and insert "(c)";

On page 70, line 12, strike "promulgates";

On page 70, line 15, after the period, insert the following:

In establishing priorities, the Office shall give special emphasis to programs and projects dealing with corrections and alternatives to incarceration, to programs and projects dealing with the prevention, detection, and control of organized crime, programs and projects designed to reduce court congestion and to improve the fairness and efficiency of the judicial system, programs and projects providing prosecutors and courts with computerized case control and management systems, programs and projects providing assistance to victims or witnesses, programs and projects demonstrating how community-based citizen activity can further crime prevention and reduce the fear of crime within neighborhoods, and programs of proven effectiveness such as those involved with post-arrest identification and prosecution of career criminals.

On page 71, line 20, after the period, insert the following:

The Office of Justice Assistance, Research, and Statistics shall furnish to the Director of the Office of Management and Budget in accordance with section 4(b)(1) of the Federal Program Information Act, such information regarding assistance programs to be conducted under this part as the Director may determine to be necessary for inclusion in the Federal Assistance Program Retrieval System and the catalog of Federal Domestic Assistance Programs. Such priorities shall include some programs and projects responsive to each type of section 402 eligible jurisdiction.

On page 73, beginning with line 8, insert the following:

"(c) Each application must be submitted for review to the criminal justice council in whose State the applicant is located. The council shall have thirty days to comment to the Administration upon the application. Any recommendation shall be accompanied by supporting rationale.

"(d) States and units of local government may utilize the services of private, nonprofit organizations for purposes consistent with this part.

On page 74, line 12, after "made" insert "except allocations made pursuant to section 405(a)(2), which may be made in an amount equal to 100 per centum of the cost of the funded program";

On page 75, line 7, after "goals" insert the following:

", or offers the potential for improving the functioning of the criminal and juvenile justice system. A recipient shall assume the cost of any program assisted under this part after the period of Federal assistance unless the Administrator determines that the recipient is unable to assume such cost because of State or local budgetary restraints";

On page 75, line 22, after "criminal" insert "and juvenile";

On page 75, line 22, after "system" insert "including educational programs";

On page 75, line 25, after "criminal" insert "and juvenile";

On page 76, line 1, strike "and," and insert "especially coordination between city and county jurisdictions";

On page 76, beginning with line 6, insert the following:

"(d) to support modernization and improvement of State and local court and corrections systems and programs;

"(e) to support organized crime programs, programs to prevent and reduce crime in public or private places and programs which are designed to disrupt illicit commerce in stolen goods and property; and "(f) to support community and neighborhood anti-crime efforts";

On page 76, line 24, strike "subsection" and insert "section";

On page 77, line 4, strike "(1)" and insert "(a)";

On page 77, line 9, strike "(2)" and insert "(b)";

On page 77, line 19, strike "(3)" and insert "(c)";

On page 77, line 21, insert the following:

"(d) to stimulate, improve, and support victim-witness assistance programs";

On page 78, line 9, strike "criteria, terms, and conditions";

On page 79, line 2, after "part" insert "at least sixty days";

On page 79, line 5, after the period, insert the following:

The Office of Justice Assistance, Research, and Statistics shall furnish to the Director of the Office of Management and Budget in accordance with section 4(b)(1) of the Federal Program Information Act, such information regarding assistance programs to be conducted under this part as the Director may determine to be necessary for inclusion in the Federal Assistance Program Retrieval System and the catalogue of Federal Domestic Assistance Programs.

On page 80, beginning with line 14, insert the following:

"(c) Each application must be submitted for review to the criminal justice council in whose State the applicant is located, except that review shall not be required for applications having national impact. The council shall have thirty days to comment to the Administration upon the application. Any recommendation shall be accompanied by supporting rationale.

On page 81, line 2, after "consider" insert "the need for continuing programs which would not otherwise be continued because of the lack of adequate part D funds and";

On page 81, line 5, after "criminal" insert "and juvenile";

On page 81, line 13, after the period, insert the following:

In distributing funds under this part among the States, the Administration shall assure that the problems and needs of all of the States are taken into account and shall fund some programs and projects responsive to each type of section 402 eligible jurisdiction.

On page 82, line 1, after "goals" insert "; or offer the potential for improving the functioning of the criminal and juvenile justice system";

On page 82, line 4, strike "and" and insert "or";

On page 82, line 9, after the period, insert the following:

Funding for the management and the administration of national nonprofit organization under section 692(a) of this part is not subject to the funding limitations of this section.

On page 82, line 16, after "new" insert "or improved";

On page 82, line 18, after "criminal" insert "and juvenile";

On page 83, line 14, after "criminal" insert "and juvenile";

On page 83, line 18, after "crime" insert "or delinquency";

On page 83, line 24, after the semicolon, strike through and including page 84, line 5;

On page 84, line 8, after "criminal" insert "and juvenile";

On page 84, line 13, after "criminal" insert "and juvenile";

On page 84, line 15, after "criminal" insert "and juvenile";

On page 85, line 6, strike "or";

On page 85, line 6, after "subsistence" insert ", or travel";

On page 85, line 14, after "criminal" insert "and juvenile";

On page 85, line 22, after "criminals" insert "or delinquents";

On page 86, line 20, after "criminal" insert "and juvenile";

On page 87, line 12, after "criminal" insert "or juvenile";

On page 87, line 16, after "criminal" insert "or juvenile";

On page 87, line 17, after "criminal" insert "or juvenile";

On page 87, line 20, after "criminal" insert "or juvenile";

On page 88, line 15, after "criminal" insert "and juvenile";

On page 88, line 18, "law enforcement and";

On page 88, line 19, after "criminal" insert "and juvenile";

On page 88, line 21, after "criminal" insert "and juvenile";

On page 89, beginning with line 13, strike through and including line 16;

On page 89, line 19, after "the" insert "general";

On page 89, line 19, after "authority" insert "and policy control";

On page 90, line 7, after the parenthesis insert "hereinafter referred to in this section as";

On page 90, line 13, after "police," insert "prosecutors, defense attorneys,";

On page 90, line 14, after "corrections," insert "experts in the area of victim and witness assistance,";

On page 90, line 21, strike "and stead';

On page 91, beginning with line 9, insert the following:

Except as otherwise provided herein, no more than one additional Federal officer or employee shall serve as a member of the Board.

On page 92, beginning with line 20, insert the following:

"(b) Not later than four years after the date of enactment of this Act, the Director of the Office of Justice Assistance, Research, and Statistics, after consultation with the Administrator of the Law Enforcement Assistance Administration, the Director of the National Institute of Justice, the Director of the Bureau of Statistics, and the Administrator of the office of Juvenile Justice and Delinquency Prevention, with respect to the receipt and compilation of evaluations, statistics and performance reports required by this Act, shall submit to the Judiciary Committees of the Senate and the House of Representatives a report, which shall be used by them to assist in determining whether the purposes of parts D, E, and F have been fulfilled and whether to recommend continued authorization of appropriations for such parts after expiration of this Act. The report shall set forth comprehensive statistics which, together with the Director's analysis and findings, shall indicate whether grants made to States or units of local governments under parts D, E, and F have made a substantial contribution toward—

"(1) improving and strengthening law enforcement agencies, as measured by arrest rates, incidence rates, victimization rates, the number of reported crimes, clearance rates, the number of patrol or investigative hours per uniformed officer, or any other appropriate objective measure;

"(2) improving the police utilization of community resources through support of joint police-community projects designed to prevent or control neighborhood crime;

"(3) disrupting illicit commerce in stolen goods and property;

"(4) combating arson;

"(5) developing investigations and prosecutions of white collar crime, organized crime, public corruption related offenses, and fraud against the government;

"(6) reducing the time between arrest or indictment and disposition of trial;

"(7) increasing the use and development of alternatives to the prosecution of selected offenders;

"(8) increasing the development and use of alternatives to pretrial detention that assure return to court and a minimization of the risk of danger;

"(9) increasing the rate at which prosecutors obtain convictions against habitual, nonstatus offenders;

"(10) developing and implementing programs which provide assistance to victims and witnesses, including restitution, programs encouraging victim and witness participation in the criminal justice system, and programs designed to prevent retribution against or intimidation of witnesses by persons charged with or convicted of crimes;

"(11) providing competent defense counsel for indigent and eligible low-income persons accused of criminal offenses;

"(12) developing projects to identify and meet the needs of drug dependent offenders;

"(13) increasing the availability and use of alternatives to maximum-security confinement of convicted offenders who pose no threat to public safety;

"(14) reducing the rates of violence among inmates in places of detention and confinement;

"(15) improving conditions of detention and confinement in adult and juvenile correctional institutions, as measurd by the number of such institutions administering programs meeting accepted standards;

"(16) training criminal justice personnel in programs meeting standards recognized by the Director of the Office of Justice Assistance, Research, and Statistics;

"(17) revision and recodification by States and units of local government of criminal statutes, rules, and procedures and revision of statutes, rules, and regulations governing State and local criminal and juvenile justice agencies; and

"(18) developing statistical and evaluative systems in State and units of local government which assist the measurement of indicators in each of the areas described in paragraphs (1) through (17).

Such report shall identify separately, to the maximum practicable extent, such contribution according to the parts under which such grants are authorized and made.

"(c) Not later than two hundred and seventy days after the date of enactment of this Act, the Director of the Office of Justice Assistance, Research, and Statistics shall transmit to the Committees on the Judiciary of the Senate and of the House of Representatives a plan for the collection, analysis, and evaluation of any data relevant to measure, as objectively as is practicable, progress in each of the areas described in subsection (b). In developing such plan, the Director of the Office of Justice Assistance, Research, and Statistics shall consult with the Administrator of the Law Enforcement Assistance Administration, the Director of the National Institute of Justice, the Director of the Bureau of Justice Statistics, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, and the Committees on the Judiciary of the Senate and House of Representatives. After such consultation and at any time prior to the submission of such plan as required by this subsection, the Director may recommend to such committees reporting areas in addition to those described in subsection (b) which, in his judgment, will aid such committees in making the determinations required by section (b). Such plans shall include the Director's recommended definitions of the terms 'comprehensive statistics' and 'substantial contribution' as used in subsection (b), which take into account the total amount of funds available for distribution to States and units of local government under parts D, E, and F, as compared to the total amount of funds available for expenditure by States and units of local government for criminal justice purposes. Such plan shall be used by the Director in preparing the report required by subsection (b) and shall be used by such committees in making the determinations required by subsection (b).

"(d) The report required by subsection (b) shall be considered by the President and the Congress to assist in determining whether or not parts D, E, and F should be continued after expiration of this Act. The report shall address whether—

"(1) parts D, E, and F should be continued if the Director, in his report, finds no 'substantial contribution' in a majority of the areas described in subsection (b) and any added by the Director under subsection (c); and

"(2) expenditures in any area described in subsection (b) and any added by the Director under subsection (c) should be continued where—

"(A) there is no 'substantial contribution' in such areas; or

"(B) there is evidence that States or units of local government are unwilling or unable to continue to fund programs for which grants are made under part D.

On page 98, line 5, strike "(b)" and insert "(e)";

On page 98, line 10, after "evaluation of" strike "the" and insert "selected";

On page 99, line 1, insert "Evaluations shall be in addition to the requirements of sections 403 and 404.";

On page 99, line 10, after "shall" insert "also";

On page 99, line 21, strike "(c)" and insert "(f)";

On page 100, line 10, strike "and" and insert "or";

On page 100, line 13, beginning with "they" strike through and including line 23, and insert in lieu thereof the following:

they, until satisfied that there is no longer any such failure to comply, shall terminate payments to the recipient under this title, reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

On page 101, line 10, after "discontinued," insert "terminated,";

On page 101, line 11, strike "that" and insert "than";

On page 101, line 21, after "including" insert "at its sole discretion";

On page 102, line 2, after the period, insert the following:

For grant application denials other than those under part D, the National Institute of Justice, Bureau of Justice Statistics, or the Law Enforcement Assistance Administration are authorized to take final action without a hearing if after an administrative review of the denial it is determined that the basis for the appeal, if substantiated, would not establish a basis for reconsideration or approval of the grant application. Under such circumstances, a more detailed statement of reasons for the agency action should be made available, upon request, to the applicant.

On page 103, line 6, strike "or,";

On page 103, line 7, after "804" insert ", or section 815(c)";

On page 103, line 24, after "before" insert "the Office of Justice Assistance, Research, and Statistics,";

On page 105, line 8, strike "certifications" and insert "certification";

On page 106, line 19, strike "5316" and insert "5315";

On page 106, line 21, strike "(133)" and insert "(113)";

On page 106, line 24, strike "(10)" and insert "(11)";

On page 106, line 25, strike "word 'twenty' " and insert "words 'Law Enforcement Assistance Administration' ";

On page 107, line 1, strike "word 'twenty-two' " and insert "words 'Office of Justice Assistance, Research, and Statistics.' ";

On page 109, beginning with line 19, insert the following:

"(c) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administration, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the joint resolution entitled 'Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. sec. 551).

On page 110, line 7, after "criminal" insert "or juvenile";

On page 110, line 17, after "criminal" insert "or juvenile";

On page 113, line 15, strike "caused" and insert "cause";

On page 118, line 17, strike "816(c) (1)" and insert "815(c) (1)";

On page 119, line 4, strike "(1)" and insert "(a)";

On page 119, line 6, strike "(2)" and insert "(b)";

On page 119, line 11, strike "(3)" and insert "(c)";

On page 118, line 14, strike "(4)" and insert "(d)";

On page 119, line 20, strike "(5)" and insert "(d)";

On page 119, line 21, strike "reducing and preventing crime recommended" and insert "improving criminal and juvenile justice";

On page 120, line 3, strike "(6)" and insert "(f)";

On page 120, line 8 ,strike "(7)" and insert "(g)";

On page 120, line 11, strike "(8)" and insert "(h)";

On page 120, line 15, strike "(9)" and insert "(i)";

On page 120, line 20, strike "(10)" and insert "(j)";

On page 121, line 15, after the period, insert the following:

The Director may withhold funds otherwise payable under part D in order to recover any amounts expended in violation of any provision of this Act or any term or condition of assistance under this Act.

On page 123, beginning with line 6, insert the following:

"(f) There is hereby established a revolving fund for the purpose of supporting projects that will acquire stolen goods and property in an effort to disrupt illicit commerce in such goods and property. Notwithstanding any other provisions of law, any income or royalties generated from such projects together with income generated from any sale or use of such goods or property, where such goods or property are not claimed by their lawful owner, shall be paid into the revolving fund. Where a party establishes a legal right to such goods or property, the Administrator of the fund may in his discretion assert a claim against the property or goods in the amount of Federal funds used to purchase such goods or property. Proceeds from such claims shall be paid into the revolving fund. The Administrator is authorized to make disbursements by appropriate means, including grants, from the fund for the purpose of this section.

On page 124, line 16, strike "date" and insert "data";

On page 125, beginning with line 19, strike through and including line 23;

On page 125, line 24, strike "822" and insert "821";

On page 126, line 1, after "administered" insert "by";

On page 126, beginning with line 10, insert the following:

"Sec. 822. Funds appropriated by the Congress for the activities of any agency of the District of Columbia government or the United States Government performing law enforcement functions in and for the District of Columbia may be used to provide the non-Federal share of the cost of programs or projects funded under this title.

On page 127, beginning with line 1, insert the following:

On page 127, line 13, strike ", but not limited to,";

On page 127, line 15, after "crime" insert "and juvenile delinquency";

On page 127, line 16, strike ", including juveniles," and insert "and juvenile delinquents,";

On page 127, line 18, strike "but not limited to";

On page 127, line 23, after "criminal" insert "and juvenile";

On page 128, line 1, strike "and juvenile delinquency";

On page 128, line 16, strike "and funds appropriated by the Congress for the activities of such agencies may be used to provide the non-Federal share of the cost of programs or projects funded under this title";

On page 128, line 22, strike "(but not including renovation, repairs, or remodeling)";

On page 128, line 23, strike "building" and insert "buildings";

On page 129, line, after "thereof" insert ", but does not include renovation, repairs, or remodeling";

On page 129, line 6, strike "law enforcement" and insert "criminal or juvenile justice";

On page 129, line 15, after "criminal" insert "and juvenile";

On page 129, line 16, after "Comprehensive" insert "State application' ";

On page 129, line 17, strike "that the" and insert "an";

On page 129, line 17, strike "must be";

On page 129, line 17, strike "a total and" and insert "an";

On page 129, line 18, after "criminal" insert "and juvenile";

On page 129, line 19, strike "that" and insert "in which";

On page 129, line 20, strike "methods, organization, and operation performance" and insert "human resources, physical resources, and management and operations requirements";

On page 129, line 22, strike "must be" and insert "are";

On page 129, line 23, strike "in the application";

On page 130, line 11, strike "Neighborhood" and insert "Citizen, neighborhood,";

On page 129, line 12, strike "-based organizations" and insert "organization";

On page 129, line 13, strike "organizations" and insert "an organization";

On page 129, line 14, strike "are" and insert "is";

On page 120, line 15, strike "communities" and insert "community";

On page 133, line 3, after "functions of" insert "the National Institute of Justice (part B) and";

On page 133, line 5, strike "the National Institute of Justice";

On page 133, line 9, strike "and";

On page 133, line 10, after "1983" insert ", and $50,000,000 for the fiscal year ending September 30, 1984";

On page 133, line 12, after "H," insert "and";

On page 133, line 12, strike "and L,";

On page 133, line 14, after "Administration" insert "under this title other than part L";

On page 133, line 19, strike "and";

On page 133, line 20, after "1983" insert "; and $750,000,000 for the fiscal year ending September 30, 1984";

On page 133, line 22, after the period, insert "There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part L.";

On page 134, beginning with line 7, strike through and including page 136, line 2;

On page 136, line 3, strike "1004" and insert "1003";

On page 136, line 8, strike "and";

On page 136, line 9, after "1983" insert "; and $25,000,000 for the fiscal year ending September 30, 1984";

On page 136, line 11, insert "Funds appropriated for any fiscal year may remain available for obligation until expended.";

On page 139, line 5, strike "but shall be reduced by" and insert "except";

On page 139, beginning with line 6, insert the following:

"(1) benefits authorized by section 12(k) of the Act of September 1, 1976, as amended (D.C. Code, sec. 4–531(1)); and

On page 139, beginning with line 9, strike through and including line 10, and insert in lieu thereof the following:

"(2) benefits authorized by section 8191 of title 5, United States Code, Eligible beneficiaries under section 8191 shall only receive benefits under that section that are in excess of the benefits received under this part.

On page 141, line 14, after "Puerto Rico," insert "the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands,";

On page 142, line 20, strike "—REPEALER";

On page 142, line 23, strike "and the National Institute of Corrections";

On page 142, line 3, strike "or";

On page 142, line 4, after "the" insert "Director of the";

On page 142, line 5, strike "and" and insert "or";

On page 142, line 14, after "Act," insert "and title II(c) of the Juvenile Justice and Delinquency Prevention Act,";

On page 142, line 16, strike "that Act" and insert "those Acts";

On page 143, beginning with line 19, strike through and including page 144, line 3;

On page 144, line 4, strike "(d)" and insert "(c)";

On page 144, line 6, strike "previously" and insert "funds";

On page 144, line 7, strike "unused or reversionary funds" and insert "for fiscal years prior to 1980";

On page 144, line 8, strike "the continuation of";

On page 144, line 11, strike "and the provisions of sections 4351 to 4353 of title 18, United States Code,";

On page 144, line 13, strike "these Acts" and insert "this Act";

On page 144, line 16, strike "(e)" and insert "(d)";

On page 144, line 20, strike "previously" and insert "funds";

On page 144, line 20, after "appropriated" insert "for fiscal years prior to 1980";

On page 144, line 21, strike "unused or reversionary funds or funds" and insert "and";

On page 144, line 23, strike "the continuation of" and insert "programs or";

On page 144, line 23, after "projects" insert "to be expended";

On page 144, line 24, strike "sections 4351 to 4353 of title 18, United States Code, and";

On page 145, line 4, strike "(f)" and insert "(e)";

On page 145, line 7, strike "(g)" and insert "(f)";

On page 145, line 13, strike "or under sections 4351 to 4353 of title 18, United States Code";

On page 145, line 18, strike "and sections 4351 to 4353 of title 18, United States Code,";

On page 145, line 22, strike "(h)" and insert "(g)";

On page 145, line 24, strike "and the National Institute for Corrections";

On page 146, line 6, after the period, strike through and including line 10;

On page 146, line 11, strike "(i)" and insert "(h)";

On page 146, line 17, strike "(j)" and insert "(i)";

On page 147, line 4, strike "(k)" and insert "(j)";

On page 147, line 9, strike the colon and "*Provided*, That they meet" and insert ". Within two years of the effective date of this Act, all such agencies must meet";

On page 147, line 12, strike "within two years of the effective date of this Act";

On page 147, beginning with line 14, strike through and including line 15;

On page 147, beginning with line 16, insert the following:

"(k) Notwithstanding the provision of section 404(c)(3), any construction projects which were funded under Title I of the Omnibus Crime Control and Safe Streets Act in effect prior to the effective date of this Act and which anticipated receiving additional Federal funding for such construction may continue for two years to be funded under this Act."

Mr. KENNEDY. I yield myself such time as I may use.

Mr. President, S. 241, the Law Enforcement Assistance Reform Act of 1979, would reauthorize the Law Enforcement Assistance Administration for an additional 5-year period. But more importantly, it makes long overdue reforms in the structure and administration of the LEAA program. S. 241 constitutes the most ambitious effort yet undertaken by the U.S. Senate to reform an agency which has often been sharply criticized.

This program is of critical importance to the American people; LEAA remains the major Federal vehicle to assist localities in their struggle against crime. S. 241 has enjoyed broad bipartisan support, was unanimously reported out of the Senate Judiciary Committee, and has the personal endorsement of President Carter, Attorney General Bell, and this administration. A companion bill—sponsored by Chairman RODINO—was favorably reported out of the House Judiciary Committee last week.

S. 241 is the culmination of a decade of debate over the nature and scope of the LEAA program. This bill is designed to deal with the problems which have plagued the agency and limited its impact. Band-Aid reforms have been rejected; major surgery has been performed. I am convinced that S. 241 will go a long way in making LEAA the type of Federal agency contemplated by the Congress when it first enacted the LEAA program over 10 years ago.

The major reforms proposed in S. 241 include:

Reduced redtape.—Burdensome annual planning requirements are eliminated and replaced by simplified 3-year applications.

Greater local flexibility.—Earmarking of funds in all but a few areas is eliminated, thus allowing more flexibility in dealing with unique State and local needs.

Strengthened role for local governments.—Large cities and counties are guaranteed a fixed allotment of funds and localities are granted greater control over the use of LEAA funds in their communities.

Elimination of match requirements.—Funds for criminal justice use no longer require any State or local matching contribution.

New grant formulas.—Designed to target LEAA funds to urban, rural and suburban areas of greatest need.

More effective use of funds.—Limitations are placed on the use of LEAA funds for administrative or equipment costs. Use of fund for general salary payments and construction costs is sharply curtailed.

Greater community and neighborhood involvement.—Citizen, neighborhood, and community groups are assured opportunities to participate in the priority setting process and to be represented on State and local advisory boards.

Emphasis on Courts.—Special recognition of judicial needs is continued.

Improved Research.—A National Institute of Justice, with its own grant and contract making authority, is established with new independence.

Improved Statistics.—A Bureau of Justice Statistics, with grant and contract-making authority, is established to collect, analyze and disseminate reliable and uniform statistics on criminal and civil justice.

National Priority Grant Program.—Provides an opportunity for States and localities to invest in programs which, on the basis of research and evaluation, have been shown to be particularly effective in improving and strengthening the administration of justice. Under this approach, the Federal Government suggests, but does not mandate, certain LEAA priorities; local governments are encouraged, but not forced, to participate in these programs.

Finally, Mr. President, the Judiciary Committee unanimously accepted an amendment of critical importance offered by Senator BIDEN. This amendment would mandate the type of careful evaluation and priority-setting that has for too long been absent from the LEAA program. The amendment is designed to focus LEAA spending practices on eighteen long-standing, measurable problems confronting our criminal justice systems. The Biden amendment goes a long way in answering widespread criticism that LEAA's grant activities have been excessively diffuse, misguided, and undirected. Although a straight-forward categorical grant program as a solution to these problems was considered by the committee to be too rigid to take into account the varying needs of different localities, the Biden amendment requires an evaluation, an explanation of the effectiveness of LEAA assistance in 18 specific problem areas itemized in the bill.

Mr. President, the Senate Judiciary Committee conducted 8 days of hearings on the reauthorization and reform of the LEAA program. S. 241 reflects the type of input and oversight which LEAA lacked in the past. The bill reaffirms the Federal Government's commitment to assist States and localities in improving their criminal justice systems. It builds on past strengths, while eliminating weaknesses. It provides comprehensive reforms to deal with the problems that have plagued LEAA and limited its impact and value. I am convinced that a point has now been reached where effective reform of LEAA is nearing reality after more than a decade of delay. S. 241 makes the fundamental changes necessary if LEAA is to provide important leadership in the struggle to improve our local criminal justice systems. It incorporates structural and administrative changes that I and others have long urged.

As I have often stated—rather than throwing out the good with the bad; rather than sacrificing LEAA's potential for achievement and success on the basis of a past record of poor performance in some limited areas; rather than simply throwing up our hands about the Nation's crime problem and saying, like we do about the weather, "While we care there's not much that we can do," we must reshape and restructure LEAA to fulfill the Nation's objectives and expectations. S. 241 goes a long way in achieving that reform.

Mr. President, the results of this legislative effort reflect the good judgment of Members of the majority and Members of the minority. This measure is offered on behalf of myself and the distinguished ranking minority Member, Senator THURMOND, and with the unanimous vote of the members of the Judiciary Committee.

Mr. THURMOND. Mr. President, I am most pleased to join with the distinguished Chairman of the Committee on the Judiciary in support of S. 241, as reported. This bill is the result of extensive discussions among members of the committee and representatives of the Department of Justice. It was reported from committee without objection, truly a demonstration that this important measure has bipartisan support.

The first function of government is to protect its people. Crime still ranks very high among the concerns of Americans, particularly those in our cities. We need a Defense Department to protect us against our external enemies. We need good law enforcement to protect us against internal enemies, those who would take the lives of and commit crimes against their fellow citizens. We still continue to recognize that crime is essentially a local matter that must be dealt with by the State and local governments if it is to be controlled effectively. Federal leadership, in the form of financial and technical assistance and development of innovative approaches, can do much to support States and localities to carry out this all important responsibility.

The Law Enforcement Assistance Reform Act builds upon the past successes of LEAA. While the old law is being completely rewritten, it is drafted in such a way as to retain the positive aspects of the program. I am very pleased that S. 241, while streamlining the program and making it even more responsive to the needs of the governments it assists, has many similarities to the program we first enacted in 1968.

Mr. President, in order to assist those involved with LEAA in the transition from the current program to that which would be established by S. 241, I turn now to a discussion of some of the legislation's major features.

PERIOD OF AUTHORIZATION

As reported by the committee, S. 241 authorizes programs under the Law Enforcement Assistance Reform Act through fiscal year 1984. Because the nature of the programs ultimately funded by the States will be determined by the length of the reauthorization of LEAA, the committee agreed with the American Bar Association and others that 5 years would provide the continuity and stability necessary to achieve the objectives of the legislation.

One of the key features of the LEAA program has been the comprehensive planning process. To be effective, this planning must necessarily have long-range implications. S. 241 places the planning process on a 3-year cycle. Many States are currently in the midst of a 3-year planning period administratively adopted by LEAA. Time is needed to make the transition from planning under the previous law to that promoted by S. 241. A short reauthorization period would be disruptive of effective planning and encourage States to give consideration only to short-term needs.

An abbreviated LEAA program and the uncertainty as to future assistance which a short authorization period would entail would mean a change from innovative long-term improvement projects to projects supporting normal operational activities. Developing and demonstrating systemwide programs, then monitoring and evaluating the outcome of such efforts require substantial time, effort, and funding commitments.

The LEAA program has been revised by Congress on a number of occasions. It is only commonsense that the program be implemented in a setting that will allow long-range comprehensive planning to be conducted meaningfully.

LEAA AND OJARS

Under current law, LEAA is established in the Department of Justice "under the general authority, policy direction, and general control of the Attorney General." Within LEAA are located offices responsible for research and statistics. As originally introduced, S. 241 would have placed LEAA, the National Institute of Justice, performing research, and the Bureau of Justice Statistics, gathering data, "under the direct authority of the Attorney General." This language has been deleted. Each organization is merely placed in the Justice Department, reporting to the Director of a new Office of Justice Assistance, Research, and Statistics. OJARS is subject to the "general authority and policy control" of the Attorney General, but the head of each of the three bureaus has final authority over the award of grants, cooperative agreements and contracts and will have authority to act in such matters as appointment of personnel.

Since its inception, LEAA has operated semiautonomously within the Department of Justice. The Attorney General does not not have, nor will he or the Director of OJARS have under S. 241, authority to control the day-to-day operations of the Agency. Under S. 241, the Attorney General will exercise only general authority and policy control over OJARS and thereby will be able to have an impact on the functioning of the three bureaus. However, the very fact that the three bureau directors have final sign-off authority, and are thereby insulated from other activities of the Department of Justice, recognizes that the primary responsibility of LEAA and its components is to serve State and local, rather than Federal, criminal, and juvenile justice interests. As the chief Federal law enforcement official the Attorney General should not be too intricately involved in the administration of a program of assistance for States and localities, lest Federal and State interests and responsibilities become confused.

Similarly, the exercise of this sign-off authority will necessarily mean that the role of the Director of OJARS will largely be one of coordination and facilitating communication among the three bureaus, not the setting of policy regarding the award of grants of development of programs. OJARS is most properly viewed as a management tool.

ACTION FUND FORMULAS

Under current law, LEAA funds are allocated among the States according to their relative populations. Local jurisdictions then receive grants to implement projects from a State planning agency. In some instances, larger jurisdictions or regional planning units are provided a population-based share of particular States' allocation to administer and award. Otherwise, decisions on particular projects are made by the State planning agencies, based on priorities included in comprehensive criminal justice improvement plans.

S. 241 as reported contains new funding formulas for LEAA action grant moneys. If the LEAA budget is low, funds will continue to be distributed according to population. If, however, increased funding is available, funds are allocated among the states according to a formula which takes into account not only population, but crime rates, criminal justice expenditures, and levels of taxation.

Where application of the section 401 (a)(1) formula for the allocation and distribution of funds results in a supplemental award of part E National Priority grant funds under section 405(a)(2), a committee amendment provides that the national priority grant funds need not be matched by the recipient State. Such funds shall be used in the same manner as if they were originally Formula Grants funds. It is intended by the committee that National Priority program funds be distributed equitably among the States in a manner similar to that utilized in allocating formula grants funds. The committee intends that each National Priority and Discretionary Fund application shall be submitted to the criminal justice council for the State from which the application emanates for the council's review and comment.

Within each State, cities of 100,000 population or over, counties of 250,000 population or over, and combinations of jurisdictions of 250,000 population or over will be entitled to a share of the funds going into each State. The share is determined by another formula which takes into account total criminal justice expenditures and expenditures weighted specifically for police, judicial and correctional services.

As can be seen from this brief discussion, Mr. President, S. 241 will mean a field day for statisticians. However, when the computers stop calculating and it becomes time to implement the program, I think we will find that things have not changed as much as the complicated language of the bill implies. Instead of State planning agencies, there will be State criminal justice councils. These councils will analyze criminal and juvenile justice problems, set priorities and objectives, review applications, and award funds. These are all items SPA's must do now.

States now have the option of establishing regional planning units and making miniblock grants to larger jurisdictions. The new bill encourages regional and cooperative planning, and encourages larger jurisdictions to go off on their own by entitling them to a share of the States' funds. These provisions have been written into S. 241 because only 42 of 331 eligible "miniblock" jurisdictions were found to participate in this program. S. 241, however, will probably not have its intended effect in this regard.

State councils establish statewide goals, objectives, priorities, and projected grant programs. Larger entitlement jurisdictions may ignore these priorities, though, if they are inconsistent with the localities' needs. This will result in a great deal of intergovernmental friction, not only between the larger localities and the States, but among large areas, States and smaller areas. These nonentitlement jurisdictions will see the large areas "doing their own thing," so to speak, while they must do what the State council wants.

Another factor inhibiting full implementation of this bill will be the increased responsibilities placed on larger localities as a cost of their receiving an entitlement. They will have to establish their own criminal justice advisory boards to do for themselves what the State used to do. Not only will they have to perform their own analysis of problems, but they will have to exercise the administrative functions and follow the guidelines of LEAA which used to be handled for them. To function effectively, new layers of bureaucracy must be established, thus diverting badly needed action funds to overhead. While it is the intent of the committee that entitlement jurisdictions will be subjected to less red tape, local governments will have to follow closely Federal and State guidelines and will be held accountable for the performances of the new duties which they may undertake.

Another problem I foresee is that of meeting the special needs of larger jurisdictions. If an area receives an entitlement, but then experiences a serious problem, extra funding will be requested from the State. The State, however, may resist this request because the area is already getting a "fair share." State programs and smaller jurisdictions will certainly not want to see their share diminished. Thus, there will be more intergovernmental friction.

The Justice System Improvement Act does not force large jurisdictions to take their entitlement. They have the option of throwing in with the State and operating under what is essentially the current system. Given the limited amount of entitlement funds many jurisdictions will get, the reduced administrative requirements, and the increased flexibility, I believe that most areas will stay with the status quo. After 10 years of experience, this is a familiar process. Cities and counties have developed comfortable working relationships with the States and know that they will be treated fairly. We will be looking closely at how these provisions work, especially the intergovernmental relationships which develop.

I note, Mr. President, that S. 241, as reported, permits an entitlement to combinations of units of local government with populations of 250,000 or more. A requirement that these units be contiguous, included in the bill as introduced, has been deleted. This does not mean, however, that diverse geographical locations can form compacts and become a combination solely for the purpose of receiving an entitlement. Combining units must be reasonably close to each other, such as neighboring cities, or cities adjoining counties. Artificial conglomerations created just to obtain funds will not be permitted.

The provisions allowing combinations of units of local government with populations of 250,000 or more persons to receive funds on an entitlement basis is intended to provide funds to those combinations of jurisdictions which share criminal justice services and conduct joint or common criminal justice functions. It is not intended merely to provide funds to jurisdictions which combine only for the purpose of receiving entitlement grants.

SECTION 802(b)

An amendment was agreed to at full committee mark-up of S. 241 which adds a new section 802(b) to the legislation. Within 4 years, the Director of OJARS has to submit to the Judiciary Committees a report on whether the purposes of the LEAA program have been achieved. Statistics have to be presented indicating whether grants to State and local governments have made substantial contributions toward 18 different areas. A plan for measuring progress in these areas must be submitted within 270 days of enactment of the bill. This report will be used to judge the effectiveness of the program.

The effect of the amendment, offered by Senator BIDEN, is to identify 19 priority areas on which Congress wishes LEAA to focus and report back the results of this attention. Monitoring the results of the Law Enforcement Assistance Reform Act through an approach that closely involves those committees which have oversight jurisdiction should be beneficial. Through this amendment, however, we do not intend to place on LEAA and OJARS the burden of analyzing in detail the state-of-the-art for all of these areas and then reporting back in 4 years how the state-of-the-art has been advanced by LEAA funding on a grant-by-grant basis. To attempt this would be prohibitively expensive and could result in misleading reports, since it would be impossible to attribute advances in some of these areas to the LEAA program. In S. 241, we are not "asking the tail to wag the dog."

It is true that LEAA has not been able thus far to provide a continuing, adequate and reliable assessment of the contribution of its programs to the improvement of criminal and juvenile justice systems in the States. The new section 802 (b), together with other provisions of the bill encouraging reporting and evaluation, could lead to accomplishment of this objective.

The Brookings Institution uses a Government program monitoring approach for General Revenue Sharing, Community Development Block Grants, and the CETA Public Service Employment programs. This well developed system of focusing on whether legislative objectives are being accomplished is really what section 802(b) is all about, Mr. President, although we do not mean to limit the selection of a consultant to perform the analysis to the Brookings Institution. A number of organizations are potentially qualified. Contracting this function out would, however, eliminate the possibility of self-serving analyses performed by the very agency that is being evaluated. If a single contractor were used, it could perform all of the tasks contemplated by section 802(b) or could serve as an umbrella organization if special technical expertise is needed.

The ability of OJARS to answer the questions of interest to principal policymakers and decisionmakers requires their involvement in planning the questions and indicators to be used in the section 802(b) report. We expect that OJARS and LEAA will consult with Congress in developing this material.

Section 802(b) is also intended to overcome another difficulty with which LEAA has been faced over the past several years. While Congress has been demanding accountability from LEAA and more accurate and reliable data, the Office of Management and Budget has prohibited LEAA from developing a system capable of tracking funds allocated and awarded through block grants to both the subgrant award and expenditure stages. The Agency's requests to include subgrant information in the LEAA grant program file (PROFILE) system have been denied on the basis that this does not comply with the requirements of OMB Circular A–102, "Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments." Without this information, section 802(b) will be meaningless. It is therefore our specific intention that these provisions of Circular A-102 not be applied to the LEAA program.

Mr. President, there are several questions about section 802(b) that I hope we will be able to resolve through this discussion when we go to conference with the House. S. 241 has as a primary aim the reduction of redtape. Section 802(b), if interpreted incorrectly, could result in the imposition of greater reporting requirements on States and localities, with much more paperwork the result. Every effort must also be made to utilize existing data where possible, instead of generating extensive new data which will be used for a limited purpose. We also need to resolve the relationship of section 802 (b) with section 816 of S. 241. The latter provision is the annual report carried over from current law. It is expected that LEAA will be able to combine these two efforts into one report, rather than provide two duplicative documents. Finally, we need to resolve the question of which of the section 802(b) indicators will be used in what circumstances. The formula program of part D of S. 241 is permissive. In keeping with this flexible spirit, LEAA should have the ability to indicate which indicators will be used to evaluate which programs and define under which circumstances various factors should be applied.

Committee emphasis within the Law Enforcement Assistance Reform Act of 1979 has been directed toward producing "end product" information through a series of result-related required reports—not a "front-end" comprehensive plan. The act requires submission of a multiyear application with annual application amendment or program change report, performance measure report, and impact assessment indicator report. An annual report to the Governor and State legislature will be required of the Criminal Justice Council. The Criminal Justice Council will be further required to participate in assisting the administration in developing the findings under section 816 on an annual basis and participate in information required to assist in future evaluation data reporting procedures. It is the intent of the committee that there should not be separate reports but, where it is possible, to combine them, thereby reducing paperwork and duplication of effort. Also, wherever possible, a process of certified assurances should be utilized rather than submission of the traditional masses of paper. Compliance should be determined through a program audit process.

STATE PLANNING

One of the strengths of the LEAA program is the comprehensive planning it has fostered. Before 1968 it was unlikely that different agencies representing components of the criminal justice system would talk to each other about mutual problems, let alone sit down at the same table to plan constructively to deal with identified problems. Now it is recognized that what one component does will affect the others. Not only are they talking, but they are working together with an eye toward future needs. This has set LEAA aside from other programs.

As introduced, S. 241 would have almost totally eliminated the central role of the States in comprehensive criminal justice planning. As reported, however, at my initiative, the committee continues to encourage the type of total resource planning that would not have been possible without LEAA assistance. Language has been added to S. 241 to assure that planning continues to receive significant emphasis under the LEAA program.

The Agency is specifically authorized to make grants for the purpose of coordinating the various components of the criminal and juvenile justice system. Each State must have a criminal justice council for the purpose of analyzing problems, establishing statewide goals, objectives, priorities, and grant programs, and providing financial assistance. Incentives are included for units of general local government which coordinate or combine criminal or juvenile justice functions or activities. The council will also be expected to be the responsible State agency for such items as civil rights compliance under the LEAA program, audit, administration, and evaluation. In sum, these are functions which are quite similar to those exercised by State planning agencies under current law.

The importance of planning is also recognized in part F of S. 241, where it is stated that a purpose of the discretionary grant program is improvement of comprehensive planning and coordination of State and local activities, especially coordination between city and county jurisdictions. All of these provisions are outgrowths of innovations under the current LEAA program. The activity should not be downplayed in any way.

Section 401(c) of S. 241 gives the States the option of using a sum equal to 7½ percent of their formula grant allocation for planning and administrative functions. We will look very closely at the exercise of this option by States as well as localities. These functions are too important for the participating jurisdiction not to give them adequate attention. While match for administrative activities is 50 percent, this is offset by the elimination of match for action projects. It is expected that planning and administration will continue to receive adequate support, for without them the program will certainly fail.

Under paragraph 401(c) the administration is required to allocate specified sums of money to States, entitlement jurisdictions and judicial coordinating committees from formula funds. A State criminal justice council shall receive $200,000 match free and an additional amount of 7½ percent of its formula award matched on a dollar-for-dollar basis. The State shall make available $50,000 match free to the Judicial Coordinating Committee for Judicial Administration and Planning. It is intended that the Judicial Coordinating Committee need not receive more than that amount. In the instance that a State does not have a Judicial Coordinating Committee or the Judicial Coordinating Committee chooses not to receive or use its allocation, then the $50,000 match free funds may be used by the criminal justice council for purposes of performing court planning and administration. The State shall make available to entitlement jurisdictions on amount equal to 7½ percent of their formula awards for administration. Up to the first $25,000 received by the entitlement jurisdictions shall be provided without a matching contribution while additional funds above this amount must be matched dollar for dollar. Money allocated for administration may be used for purposes set forth in section 401(a) (1)-(9). If money is used for those purposes, then no match for those funds is required.

POLICE PROGRAMS

LEAA has been criticized for placing too much emphasis on police and hardware programs. The committee, however, does not feel that the direction taken by the Agency has seriously deviated from that orginally intended by Congress.

The LEAA program was established as one of the 12 titles of the Omnibus Crime Control and Safe Streets Act of 1968. Aspects of that legislation were largely a response to the riots and violent civil disorders of the 1960's. The public demanded that action be taken by law enforcement authorities. Congress itself mandated the emphasis given by LEAA to certain areas, then provided special appropriations for purchasing police riot control equipment. As the committee report notes, notable progress has been achieved in such areas as police communications, education and training, police-community relations, investigative techniques, and crime analysis as a result of the LEAA program.

As times have changed, so has LEAA police fundings. The States and localities which actually make most decisions regarding the use of LEAA funds recognized other needs and have focused resources on other areas of the criminal justice system. Expenditures for police programs no longer predominate, but compete with projects to improve court systems, correction facilities, and efforts to combat juvenile delinquency. S. 241 recognizes the important contributions of the law enforcement community and calls for full policy agency participation in the LEAA and OJARS programs.

Except for the first year of LEAA's existence, the Agency investment in hardware has never exceeded 10 percent of total action funds available. Furthermore, most hardware purchases have primarily involved communications and information systems. We do not intend that LEAA cease its support for these activities.

Section 404(c)(1) of S. 241 as reported precludes the use of grant funds awarded under part D for the purchase of equipment or hardware, or the payment of personnel costs unless incurred as an incidental and necessary part of a program offering high probability of improving the functioning of the criminal justice system. This does not mean that there has to be a $100,000 program in order to justify the purchase of $10,000 of equipment. It is intended to prevent a subsidy of operational budgets. We recognize that equipment itself can be the essential element of a program with a high probability of improving criminal justice. This is particularly true with regard to communications and computer systems.

The limitation on salaries is derived from the one-third salary limitation which has been included in LEAA's enabling legislation since the Agency was first established. A prime concern of Congress has been that the Federal Government not assume control of State and local law enforcement, a process that could have as its end result the creation of a national police force. For this reason, the committee has also retained in S. 241 a specific directive prohibiting Federal supervision or control of State and local justice agencies.

CORRECTIONS

S. 241 includes several provisions relating to corrections. Specific authorization is given to LEAA to make grants for developing and implementing programs and projects designed to improve corrections services and practices. While new construction and land acquisition is restricted, programs and projects involving the operations, renovation, repair, or remodeling of correctional institutions and facilities are encouraged. The National Institute of Justice is authorized to develop new methods for the development of adequate corrections facilities and effective programs of corrections. National priority programs designated by OJARS must include programs and priorities dealing with corrections and alternatives to incarceration. In establishing priorities, OJARS is required to give special emphasis to corrections. The importance of modernization and improvement of State and local corrections systems and programs is also recognized in part F, authorizing discretionary grants.

Corrections has been one of the most neglected areas of State and local criminal justice activities. That is why, Mr. Chairman, I lament the passing of part E of current law, which provides special focus on corrections. As a recent feature article in Corrections Magazine pointed out, professionals in the field believe that without the LEAA part E program it would have been virtually impossible to institute many of the reforms and improvements that have changed the face of American corrections so drastically in the last few years. There is, for example, hardly a State in the Nation where LEAA funds have not been used to help set up community-based corrections programs. Common LEAA-funded activities have included pretrial diversion projects, work- and education-release groups homes, youth service bureaus, greater use of probation and parole officers, alcohol and drug treatment, and bringing facilities up to minimum standards.

LEAA-funded programs have worked as a catalyst for change in the field of corrections. At a time when inmate populations are dramatically increasing, as judges get tougher on career criminals, and legislators review criminal laws to emphasize stiffer penalties. States will continue to allocate a major portion of LEAA funds for correctional improvement efforts. Simple humanity, combined with constitutional protections, requires that conditions of incarceration meet certain minimum standards. We will be carefully scrutinizing the State's use of LEAA and OJARS resources to assure that funds are allocated to the corrections area and help insure that more humane conditions prevail in jails and prisons.

NATIONAL INSTITUTE OF CORRECTIONS

As introduced, S. 241 would have transferred the functions of the National Institute of Corrections to the National Institute of Justice. The rationale for this move was management efficiency. The bill as reported, however, rejects this approach and retains the National Institute of Corrections as a separate entity.

The National Institute of Corrections serves as a Center of correctional knowledge for Federal, State, and local correctional agencies and administrators. It supports development of national policies, educational and training programs, research, evaluation, and technical assistance. NIC has been particularly active under its present Director, Allen Breed.

Prior to its statutory establishment in 1974, the idea of a National Institute of Corrections had been discussed in correctional circles for many years. A firm proposal for the establishment of such an Institute was recommended by the National Conference on Corrections held at Williamsburg, Va. in December 1971, and attended by a cross-section of some 350 correctional practitioners and educators from all parts of the Nation. The proposal was strongly endorsed by the National Advisory Commission on Criminal Justice Standards and Goals in its 1973 corrections report.

By 1974, the need for a National Institute of Corrections had become acute. The field of corrections had traditionally lacked adequate budgetary support. This neglect resulted in many deficiencies and a general lack of effectiveness among the various components of the correctional system. The National Institute of Corrections was established to provide coordination of effort and direction.

William D. Leeke, commissioner of the South Carolina Department of Corrections, put the case for continuation of NIC well. "Where practitioners are concerned," he stated in a February 15, 1979, statement to the Judiciary Committee, "the National Institute of Corrections has done much to renew faith in Federal Government." "The NIC," he continued, "is staffed by professionals who have concentrated on providing practical assistance quickly and with the least possible redtape."

The existence of the NIC has given correctional agencies and personnel a place to seek the many different kinds of assistance they require. Problems can be identified and solutions suggested. There remains a need to be filled by such an Institute. A separate identity for this effort should be maintained to highlight the important role played. The NIC must continue to provide coordination, stimulus, and leadership.

COURTS

S. 241 as reported retains provisions to insure the participation and representation of State and local court officials in the LEAA program. In 1976, a major new initiative was established to increase the role of the courts in planning, evaluation, and action activities. This initiative was incorporated into law through the leadership of the National Conference of Chief Justices. Senator Heflin, former chairman of the Federal-State Relations Committee of the Conference, has continued to work to assure that the needs and requirements of courts are given appropriate attention in S. 241.

S. 241 retains judicial coordinating committees, formerly called judicial planning committees, to work in conjunction with State criminal justice councils. The committees, which are reasonably representative of the various courts exercising criminal jurisdiction in each State, establish priorities for the improvement of the courts of the State, develop programs and projects, and prepare the court component of the State application for LEAA funds. At least $50,000 of each State's administrative funds are reserved for these committees.

The bill also continues the requirement of judicial anticipation on State criminal justice councils. Mandatory judicial membership on the councils insures an appropriate voice on behalf of the court systems in preparation of State applications and should result in a fairer allocation of funding. Virtually every State has seen its judiciary taking advantage of the authority first provided in 1976. This successful effort should be retained and built upon.

Courts, prosecutors, and defenders have been a major beneficiary of LEAA discretionary programs. Major innovations have resulted from this support. Juror utilization practices have been improved, with a resulting saving of hundreds of thousands of dollars. Court and prosecution management systems have brought these efforts into the automated era and greatly increased their efficiency. Many States have unified their court systems with LEAA support and have recodified their criminal codes. Reforms have been undertaken in career criminal prosecution, reduction of trial delays, and revision of sentencing practices. Many court system professionals have received training supported by LEAA. We expect that the Agency will continue these efforts under its discretionary authority included in part F of S. 241.

ORGANIZED CRIME

Under the Omnibus Crime Control Act, LEAA was required to give emphasis to the development of strategies and programs to prevent and control organized crime. The committee heard testimony from the Acting Administrator of LEAA and a number of law enforcement and prosecutorial officials regarding the importance of this provision and some of the accomplishments of the agency in this area. Accordingly, language has been included in S. 241 retaining the priority focus on programs and projects dealing with the prevention, detection, and control of organized crime.

Special attention to organized crime is important because of the sophistication with which organized criminal activities are planned, committed, and concealed. Detection is exceedingly difficult by even the most aggressive law enforcement agencies. State and local operational agencies generally lack the resources with which to pursue the often lengthy and complex investigations necessary to successfully prosecute organized crime cases.

State and local agencies share with their Federal counterparts the responsibility to control organized crime. Often, organized crime involved interstate activities. Individual jurisdictions at the State or local level have limited impact in addressing the overall scope of a conspiracy. Thus, jurisdictional problems can be a major barrier to successful investigation and prosecution.

These and other problems can result in organized crime cases being assigned a low priority by State and local agencies. Leadership from LEAA in the form of coordination and financial support is essential to development of an effective response to organized crime.

PRIVATE SECURITY

Mr. President, S. 241 gives special recognition to the role of the private security industry as a key resource in the prevention and reduction of crime in the Nation. Public law enforcement agencies need assistance from every quarter in their constant battle with the lawless.

Private security forces at least equal the number of public peace officers. Crime, and the fear of crime, would certainly increase dramatically if private security services were eliminated or drastically reduced. For many citizens, organizations, and corporations, private security represents the first line of defense. Protection is provided in many areas frequented by the public.

If public law enforcement agencies are to be expected to prevail against the crime and violence in the country, they must be relieved of the responsibility to investigate the thousands of unnecessary burglaries, larcenies, breaking and enterings, and most other crimes against property that occur daily. Cost-effective, sophisticated systems of detection should be developed which will frustrate unlawful intruders. Such systems will not only detect, but actually deter crimes against property, and law enforcement will be assisted greatly.

Increased cooperation and coordination between public and private police and security is badly needed. We strongly feel that the LEAA program should serve as a catalyst toward this end.

STING AND CAREER CRIMINAL PROGRAMS

An important consideration in the extension of the LEAA program is to insure that the proven successes are built upon. In 2 days of hearings on S. 241, numerous witnesses appeared to support continuation of LEAA initiatives to combat illicit commerce in stolen goods and to prosecute repeat serious offenders.

Property claims continue to be the most pervasive type of criminal activity in the country. Reported crimes have increased dramatically. The criminal receiver of stolen goods, or fence, has been identified as the initiator or financier of a significant portion of property crimes. The fence provides the thief isolation from detection and apprehension and a ready outlet for the disposal of stolen goods.

LEAA initiated its anti-fencing program, popularly called "sting" operations, in 1974. Over 100 such projects have been funded, with Federal, State, and local cooperation an important component of most. Tens of millions of dollars worth of stolen property have been recovered and hundreds of criminals convicted and sentenced as a direct result of this program.

At a time when the LEAA budget is declining and local governments are facing a period of fiscal restraint, it is important that cost-effective activities such as "Sting" projects be utilized. The value of goods recovered far exceeds the amount of "buy money" spent in the projects. Section 817(f) of S. 241 as reported continues a provision of current law which would extend the ability of LEAA to fund these programs even further. A special revolving fund is established to support anti-fencing programs. The proceeds of unclaimed property returns to LEAA for disbursement to support additional projects.

The revolving fund has, I feel, been underutilized by LEAA. Only about $100,000 has been returned to the revolving fund, and very little of this had been reawarded. I discussed this matter with Mr. Dogin, the Administrator of LEAA, at a committee hearing on February 15. Mr. Dogin supported continuing the revolving fund and indicated he was discussing use of these funds with appropriate individuals. This is a positive development.

Analyses of "Sting" projects, as well as numerous other studies, have shown that a disproportionate amount of serious and violent crime has been committed by a relatively few habitual offenders. These career criminals have been able to elude proper attention by the criminal justice system in the past, despite the seriousness of charges against them and their criminal history. Familiarity with the criminal justice system is used to avoid apprehension, identification, prosecution, and punishment.

LEAA's career criminal program was developed to deal with these habitual offenders. It is based on the premise that identification, expeditious prosecution, and appropriate incarceration of repeat offenders can reduce crime. Indeed, evidence presented to the committee indicates this to be true. Special units of prosecutors funded by LEAA have focused on career criminals with encouraging results.

Because of their proven worth, both the "Sting" antifencing prgram and the Career Criminal Program have been given special recognition in S. 241. Specific authority for continued funding of such projects has been given to LEAA to assure that emphasis given these program areas is not diminished.

INFORMATION SYSTEMS AND COMMUNICATIONS

Part C of S. 241 as reported established a Bureau of Justice Statistics to provide for and encourage the collection and analysis of statistical information concerning crime and justice. Throughout part C, the emphasis is on data and statistics. In part D, LEAA is given authority in several instances to support systems for the collecting, storing, and disseminating of information and establishing criminal justice information systems. Criminal justice councils in each State must analyze justice problems based on input and data from participating jurisdictions, and develop and publish information. Under part F, LEAA is given a broad mandate to support programs and projects which will improve and strengthen the criminal and juvenile justice system. Certainly information and communications improvements would be a valid use of funds.

It is important, Mr. President, that we differentiate the authority to be exercised by BJS and LEAA under S. 241 as reported. Specific roles are envisioned, which are best discussed in the context of current law. LEAA has established a National Criminal Justice Information and Statistics Service (NCJISS) with two separate divisions. The Statistics Division supports national efforts to collect, analyze, and disseminate criminal justice statistics and assists State efforts to derive statistics from operational information systems. The Statistics Division will become the core of the new BJS.

The second division of NCJISS is the Systems Development Division, which develops, tests, evaluates, and transfers information and communication systems which hold potential for improving the efficiency and effectiveness of criminal justice operations. It is our intention that these functions will remain with LEAA. Such efforts as communications systems, automated criminal identification systems, and information systems for police, court, and corrections agencies, are more of a system improvement nature than purely statistical. Development of the means of generating and managing information, supported by LEAA, is quite different from the collection and analysis of data, the role of BJS. It is also important that this role remain with LEAA because these information systems are intricately tied to the formula program of Part D. It should also be noted that LEAA will have the authority to collect, analyze, and publish certain statistics when doing such will advance the purposes of parts D, E, and F of S. 241. The committee intends that State statistical analysis centers shall continue to be funded by LEAA but shall coordinate their activities with the BJS.

LAW ENFORCEMENT EDUCATION PROGRAM AND PUBLIC SAFETY OFFICER'S BENEFITS

As reported, S. 241 rejects administration suggestions that the Law Enforcement Education Program (LEEP) and Public Safety Officers' Benefits Program (PSOB) be transferred out of LEAA to either a new Department of Education or the Department of Labor.

Under LEEP, tens of thousands of criminal justice personnel have received financial assistance in obtaining a higher education. Criminal justice education has become highly professionalized as the number of institutions offering degree programs has increased dramatically. LEEP is more than just an educational assistance program, however: LEAA has been effectively using it as a manpower development tool. The importance of keeping LEEP within LEAA was highlighted by the findings of the national criminal justice manpower survey. This survey was performed by LEAA as the result of an amendment to the Crime Control Act sponsored by Mr. BIDEN, a member of the committee. Future criminal justice manpower needs were analyzed. It would not be appropriate to remove this valuable program from LEAA and prohibit the agency from effectively molding the LEEP program to address the findings of the survey.

The Public Safety Officers' Benefits Program is an outstanding example of efficient government. Under the PSOB Act, the surviving dependents of State and local public safety officers killed in the line of duty as the result of a personal injury are entitled to a $50,000 gratuity. LEAA has taken a very pro-active role in meeting the needs of the families of these officers. It generally takes less than 2 months from the time a claim is filed until a final determination is made. This is impressive given the amount of investigation frequently needed and the limited number of staff in the PSOB Office.

Transfer of the PSOB program to the Labor Department would not be in the best interest of the families of these officers. That Department presently administers the Federal Employees Compensation Act and other benefits programs. It has been widely criticized on account of the time taken for determination of relatively clear-cut claims. It would indeed be unfortunate to take action which might impede the effectiveness of this operation.

NONSUPPLANTATION AND ASSUMPTION OF COSTS

S. 241 as reported includes a provision similar to that of current law which requires participating jurisdictions to assume the costs of projects after a reasonable period of time. The Administrator is permitted to waive this requirement where a recipient is unable to assume the cost because of budgetary restraints.

It is the oft-repeated declared belief of Congress that crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively. One of the purposes of LEAA is to encourage the development of new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals. Federal funds are to be used to support innovative efforts which could not have otherwise been attempted with only State and local support. For this same reason, language is included in S. 241 to assure that Federal funds supplement, rather than supplant State or local efforts already underway.

Through Federal leadership, new approaches which have been proven successful are supposed to be adopted by participating jurisdictions, while other, less positive efforts, are abandoned. LEAA could not be expected to provide continuation funding for all of the projects supported. There would very quickly be no room left for innovation at the national, State, or local level. LEAA would become locked in to supporting the normal operating activities of criminal justice agencies. It is thus crucial to the overall effectiveness of the program that States and localities be willing to assume the costs of these improvements after a reasonable trial period.

MATCHING SHARE

I am concerned, Mr. President, that S. 241 has reduced those occasions when a matching share will be required from participants in the LEAA program. In the past, the Federal share of programs and projects supported by LEAA has been a maximum of 90 percent of the cost of each project.

Requiring States and localities to contribute to projects receiving Federal support has four purposes. First, State and local legislative oversight is insured, thus guaranteeing some degree of political control over federally assisted programs. Second, matching requirements bring into play State and local fiscal controls to minimize the changes of waste. Third, the commitment of participating jurisdictions to fighting crime and improving the criminal justice system is underscored by their willingness to contribute to improvements which are mainly federally supported. Finally, where a jurisdiction is required to assume the cost of projects after a reasonable period of time, participation of the benefiting government from the start of a program will ease the integration of an activity into the normal operational budget. All of these considerations are valid as related to the LEAA program.

NATIONAL INSTITUTE OF JUSTICE

The National Institute of Justice is authorized to conduct research in the area of civil justice as well as criminal justice. To consider criminal justice improvement in a vacuum without taking into account the relationship of civil cases would not make much sense. The focus of this act is on bringing about criminal justice improvements. Therefore, the committee expects that the major focus of assistance will be provided to deal with criminal matters.

TRANSITION PERIOD

There are many advantages of the transition period features in the act. A number of States will want to accelerate the implementation of the new provisions of the act. If a State has validly appropriated fiscal year 1980 matching funds to meet the existing provisions of the Crime Control Act and has a State procedure for transferring these funds to meet the matching requirements of the new act, then it should be able to implement the new provisions of the act in fiscal year 1980. Administrative flexibility within the limits of State law is needed since it would be obviously impractical to call a special session of a State legislative body just to meet new act requirements in the fiscal year 1980 transition year. It is also our intent that the present LEAA administrators retain their offices until candidates for the new positions created by this legislation have been nominated and confirmed by the Senate.

TEN YEARS OF LEAA

Mr. President, as I reported when S. 241 was introduced earlier this year, Senator James Eastland indicated shortly before his retirement that he was "very proud of LEAA and its many contributions of America." I share his feelings and strongly believe that LEAA must continue to play its vital role of assisting States and localities solve their law enforcement and criminal justice problems.

Those who testified before the Committee on the Judiciary regarding S. 241 reflected quite positively on the program. The committee report on the bill provides a discussion of the accomplishments of the LEAA prgram which I believe will be useful to deliberations on this measure. I therefore ask unanimous consent that the pertinent excerpt from pages 8 through 13 be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ACCOMPLISHMENTS OF THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION PROGRAM

Evaluation of the success or failure of the LEAA program has been difficult because there has been no generally agreed-upon standard by which to measure the effectiveness of the Agency. Some observers, noting that LEAA was widely touted as part of a "war against crime," have criticized the program because crime increased despite the assistance provided to State and local governments. The committee, however, rejects that standard.

When LEAA was established in 1968, it was intended to be a catalyst for the development and implementation of new ideas in the field of law enforcement and criminal justice. The block grant approach to providing financial assistance was experimental. In fact, the entire LEAA program has been experimental in nature. The concept underlying the program is the exercise of Federal leadership and the utilization of Federal resources to promote new techniques in crime control and reduction. If successful, these techniques were intended to become permanent aspects of the law enforcement and criminal justice agencies.

Any attempt to innovate is difficult. The very nature of experimentation means that some failures will occur. Certainly this has been the case with the LEAA program. However, misguided expectations regarding the LEAA program have caused some of the failures to overshadow the successes. Discussion of LEAA funding levels in terms of total dollars expended has been allowed to distract attention from the fact that LEAA spending comprises a very small percentage of the total national expenditures for law enforcement and criminal justice each year.

Professor Lloyd Ohlin, in testimony presented to the committee, effectively described some of the barriers to recognition of positive LEAA activities.[5]

"The real problems lie elsewhere in areas this bill seeks to address. They encompass such issues as the lack of achievable mandates and relevant orders of priority, excessive political solutions to complex crime

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Footnotes at end of article.

problems, vacillation in goals and strategies of crime control, basic deficiencies in knowledge of crime causation or effective programs and policies, unworkable organizational arrangements, excessive regulation, and failure to support sustained local community initiatives in crime control."

The committee held extensive hearings on S. 241. Testimony and statements were received from more than 50 individuals, including public officials and private citizens. Helpful perspectives on the bill were presented by representatives of the Nation's Governors, State legislatures, city and county officials, and criminal justice planners. Witnesses actively involved in the operation of State and local courts, corrections systems, prosecutors' offices, and law enforcement agencies also appeared. Nearly all of these groups, while having varied recommendations as to what should be included in the legislation, presented evidence to the committee as to the positive accomplishments of the LEAA program.

The committee is convinced that the accomplishments of the LEAA program are real and should be recognized—accomplishments which, in many instances are substantial. It is further felt that there is a standard by which LEAA can be measured. That standard is the extent to which the experimental programs which LEAA funds have initiated have been accepted and replicated by various jurisdictions and have become a part of normal operational activities. By this standard, the LEAA program has been a success.

The committee heard testimony, from the district attorney of Manhattan, Robert Morgenthau, who reported on a number of innovative projects initiated with LEAA funds.[6] Nearly all of these projects were continued with local resources after the period of Federal funding had expired. Reports from the States pursuant to new requirements continued in the Crime Control Act of 1976 indicate that New York's experience is not isolated. The nationwide assumption rate of more than 60 percent for LEAA programs is impressive and clearly indicative of the value of the program in terms of fostering permanent improvements in the criminal justice systems.

The Advisory Commission on Intergovernmental Relations (ACIR) has been a close observer of the LEAA program over its entire history. The Commission has made a number of important recommendations which are reflected in the reported bill. Dr. David Walker and Dr. Carl Stenberg of ACIR reported to the committee that the LEAA record has been mixed. While the agency was felt to be "neither as bad as many of its critics have claimed, nor as good as its supporters have stated," their evaluation was fairly positive.[7] Among the positive accomplishments of the LEAA program, they cited the following:

(1) There is a better understanding of the complexity of the crime problem and of the fact that the different components of the criminal justice system play only a part of our society's effort to curb crime.

(2) A process has been established for coordination efforts to reduce crime and improve the administration of justice; this is no small accomplishment in light of the centuries old pattern of independence and fragmentation among the components of the "system."

(3) Crime control funds have supported many law enforcement and criminal justice activities that recipients otherwise would have been unable or unwilling to undertake. Despite their relatively small size, LEAA funds have served predominantly innovative, not conventional, support purposes.

(4) A generally balanced pattern now has evolved in the distribution of block grants to jurisdictions having serious crime problems as well as among the functional components of the criminal justice system. This is in marked contrast to earlier distributional patterns.

(5) State and local governments have assumed the costs of a substantial number of activities initiated with Federal dollars, a basic goal of the original program.

(6) Many elected chief executives and legislators as well as criminal justice officials believe that the availability of block grant funds, to some degree, has helped curb crime.

Several days of the committee's hearings on S. 241 focused on LEAA programs which criminal justice professionals felt to be particularly successful. Testimony was received on programs to combat organized crime, antifencing activities, victim-witness assistance programs, career criminal programs, and others.

E. W. Chapman, director of police in Memphis, Tenn., presented testimony on the success which that city had experienced under LEAA antifencing and organized crime grants. He expressed to the committee the feeling "that these grants are vital in assisting local law enforcement with new and innovative ideas to combat the type of crime that has plagued our community over the years and has previously been untouched."[8] Mr. Chapman further indicated that "the support that is furnished by the Federal Government, through LEAA, is a necessity and should be continued in the future."[9] Technical assistance was noted as particularly helpful.

Dr. Hubert M. Clements, deputy commissioner of the South Carolina Department of Corrections, told the committee how that State had used LEAA funds to renovate correctional facilities to bring them up to acceptable levels and improve living conditions for inmates.[10]

Dr. Peter P. Lejins, director of the Institute of Criminal Justice and Criminology of the University of Maryland expressed his belief that the law enforcement education program has been the most important part of LEAA in terms of impact on the system of criminal justice in the country. He reported that LEEP had "provided an opportunity for well over 100,000 persons to profit by partaking of higher education in the general area of criminal justice and criminology," thus improving their potential for better service.[11]

Edward C. Cosgrove of Buffalo, New York, district attorney of Erie County, specifically detailed some of the benefits which had accrued to agencies in that part of his State as a result of LEAA grants.[12] These benefits included the ability to develop and manage quality informants, the capacity to utilize new surveillance techniques, improved management of sophisticated and complex operations, appreciation and utilization of the investigative grand jury, solution and prosecution of organized crime homicides, reduction and deterrence of criminal activity, and greater competence and professionalism among police.

Governor James B. Hunt, Jr., of North Carolina, testified before the Subcommittee on Criminal Laws and Procedures[13] after the Justice System Improvement Act (S. 3270) had been introduced in the 95th Congress. Governor Hunt listed 25 North Carolina programs initiated through State criminal justice, planning and supported with LEAA block grant funds. The committee was most impressed with the scope of these activities, as well as the significance which the Governor placed on coordinated criminal justice planning in his State.

This testimony, as well as other testimony materials submitted to the committee, permit the identification of a number of national efforts supported by LEAA which have made a clear, definable, tangible impact on crime reduction or improvement of the criminal justice system. Many activities supported with block grant funds were well received by the implementing communities. Some of these programs include the following:

"Sting" Antifencing Projects.—Undercover enforcement operations involving LEAA, local police and FBI agents which establish phony fencing operations to purchase stolen property and obtain evidence necessary to convict the thieves, robbers, and burglars involved. Thus far, 69 operations have been completed in 39 cities. They have already resulted in arrest warrants for 6,479 persons on 8,463 charges. $160 million in stolen poperty and savings has been realized.[14] The conviction rate is 98 percent.

The Career Criminal Program.—This program enables prosecutor's offices in large and medium-size cities throughout the country to identify and fully prosecute individuals who are called "career" criminals because they repeatedly commit serious and violent crimes. Prosecutors screen all felony charges and identify individuals charged with serious felonies as career criminals by analysis of their criminal records; their cases are thoroughly prepared and expeditiously presented to the court, without resorting to plea bargaining. The 24 units which have been closely monitored by LEAA have convicted 6,289 repeat offenders who have received an average of 15.4 years in prison. There are now over 36 units supported with LEAA funds and 10 or more supported by local funds. Generally, after 2 years of LEAA funding, unit support is borne entirely by State and local funds.[15] There are now over 65 units operating in the country.

The Economic Crime Project.—This project operated through the National District Attorneys' Association has assisted the creation or expansion of economic crime prosecutorial units in 15 cities. Technical assistance and informational services are provided to other jurisdictions. Over 50 prosecutors' offices around the country now have special programs to combat embezzlement, bad checks, home improvement and auto repair fraud, securities and land fraud, welfare and medical fraud, and public corruption. Over 2,100 convictions have been obtained to date. Restitution and fines of over $24 million have been ordered.[16]

The Victim-Witness Assistance Program.—Victim-witness programs work to remedy the indifference, delay, and lack of information which often confront victims of and witnesses to crimes. Procedures have been changed, information provided, and the sensitivity of prosecutors heightened. Significant savings in time and lost wages have also been realized.[17]

The Treatment Alternatives to Street Crime (TASC) Program.—The Treatment Alternatives program was designed as a response to a rapidly increasing property crime rate caused, in part, by drug offenders. Pretrial, probation, and parole clients are placed in treatment programs under close supervision to prevent their return to illicit drug use and crime. Over 29,000 drug-abusing offenders have participated in LEAA's 53 TASC programs. Savings have been realized from the program due to decreased correctional, court, prosecutorial, and probation workloads.[18]

LEAA's Civil Disorder and Antiterrorism Program.—This program has led to the development and implementation of a number of training courses related to combating terrorist activities. Nearly 2,000 bomb disposal experts have been trained. An airport security training program is operational in 28 cities. Other sessions have dealt with potential hostage-taking situations.[19]

LEAA has been a leader in the development of a *Model Procurement Code* to help States reduce white collar crime and help eliminate financial waste through efficient procurement methods. The National Association of

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Footnotes at end of article.

State Purchasing Officials and the American Bar Association are working to implement the Code in pilot jurisdictions. The Code was recently enacted in the first State, Kentucky.[20]

PROMIS, the Prosecutor's Management Information System, was designed as a response to common experience in large urban areas that courts are being overwhelmed by the high volume of criminal cases. PROMIS is an automated system which identifies high priority cases, alerts officials to multiple offenders, develops statistical reports illustrative of court and prosecutorial problems and needs, and aggregates data about court process, crime trends, and social-legal problems. Significant time and cost savings have been documented in participating jurisdictions.

Unification of State Court Systems has received assistance from LEAA in more than half the States. Most of the offices of State Court administrators now active in 47 States and territories were created and supported in part by LEAA initiatives. Court rules, practices, and procedures and actual criminal codes have been revised with LEAA help in a number of jurisdictions. The result of these efforts is a reduction in inconsistency in decisions and enhancement of fundamental fairness. Court operations have been improved throughout the country.[21] In Massachusetts, for example, LEAA has been instrumental in assisting State and local officials completely restructure and reorganize an archaic and outmoded judicial system.

Crime Prevention Through Environmental Design has shown that design of living, working, teaching and other environments is correlated to rates of crime. The identification and specification of urban and environmental design principles relate to crime prevention and important developments in the discovery of what works in efforts to reduce crime.

FOOTNOTES

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[5] *Hearings*, testimony of Prof. Lloyd Ohlin, Feb. 9, 1979.

[6] *Id*, testimony of Robert M. Morgenthau, Feb. 9, 1979.

[7] *Id.*, testimony of Drs. David Walker and Carl Stenberg, Feb. 9, 1979.

[8] *Id.*, testimony of E. W. Chapman, Feb. 15, 1979.

[9] *Id.*, testimony of E. W. Chapman, Feb. 15, 1979.

[10] *Id.*, testimony of Dr. Hubert M. Clements, Feb. 15, 1979.

[11] *Id.*, testimony of Dr. Peter P. Lejins, Feb. 15, 1979.

[12] *Id.*, testimony of Edward C. Cosgrove, Feb. 15, 1979.

[13] *I Hearings*, pp. 30–54.

[14] LEAA Antifencing Program Results Update, Apr. 17, 1979 (in Committee files).

[15] See *Hearings*, testimony of Henry M. Dogin, Mar. 7, 1979; and *II Hearings*, pp. 72–73.

[16] Hearings before the Senate Committee on the Judiciary of the Department of Justice Budget Authorization, 95th Cong., 2d sess., p. 543 (1979).

[17] *Id*. at 543.

[18] *Id*. at 543.

[19] *Id*. at 543.

[20] *Id*. at 543–44

Mr. THURMOND. Mr. President, at a very difficult time in the Agency's history, there was a vacancy in the Administrator's position for over 2 years. I am pleased that on March 21, 1979, Henry S. Dogin was finally confirmed as LEAA Administrator. While the Carter administration's support for the LEAA program has been half-hearted, at best, appointment of Mr. Dogin is a positive sign.

Mr. Dogin brings to his job a wealth of experience as an administrator and criminal justice professional. He is highly regarded and should provide the Agency crucial leadership during the transition from the Crime Control Act to the Law Enforcement Assistance Refrom Act of 1979. He has thus far demonstrated a willingness to work with Congress to improve the Agency. His presence at LEAA after a long leadership vacuum is certainly welcomed.

THE FUTURE OF LEAA AND OJARS

Enactment of the Law Enforcement Assistance Reform Act of 1979 will give the LEAA program needed stability. I am concerned, however, about the weakness of the support for the Agency within the Carter administration and the Justice Department.

When the time came for decisions on the fiscal year 1980 budget in the Justice Department, LEAA came in last. The Office of Management and Budget told the Department that it would have to take some cuts, but left it to Justice officials where the cuts would come. As it turned out, LEAA took the brunt of the Department's budget ax. The same administration which sent to Congress an $825 million reauthorization package last summer, requested only $546 million. It astounds me that the reason given for such deep cuts to LEAA was the fact that the Justice Department's main focus is Federal law enforcement. Assistance to States and localities is far down on the priority list. Educational assistance for criminal justice personnel is no where to be found on the list.

As incredible as this situation is, it is outdone by the fact that administration officials were not even willing to make a commitment last month on the President's requested budget for LEAA until after the Senate had considered the first target resolution. People from the White House on down were hesitant to say to us that they supported the President. Without this guidance, the program suffered and a recommendation was made that the budget be reduced by nearly one-third from last year. I certainly hope that this action will be rectified by the Committee on Appropriations. We have worked hard and long on S. 241. If enacted, steps must be taken to assure it will be effectively implemented.

Mr. President, State and local law enforcement and criminal justice agencies are looking to us for leadership. They are not supporting this bill because they want a handout. Far from it. These professionals recognize that without LEAA support, justice in the Nation would not have advanced anywhere near as far as it has over the last 10 years. Many agencies are only now beginning to come out of the "Dark Ages" of law enforcement practices. New technology and refinements to out-dated personnel practices are permitting improvements by leaps and bounds. S. 241 has been drafted to induce continuation of this type of progress. We can ill afford to negate these documented achievements, especially when the safety of the public is at stake.

LEAA SHOULD BE ABOLISHED

Mr. PROXMIRE. Mr. President, we have a serious crime problem in this country. No one disputes that.

But the Federal agency with major responsibility for helping to solve this problem has not done its job. I refer, of course, to LEAA, the Law Enforcement Assistance Administration.

I have long advocated that LEAA be abolished. I was one of only two U.S. Senators to vote against LEAA's reauthorization in 1976.

I will also vote against S. 241, which is now before us and which would reauthorize LEAA for another 5 years.

Why do I continue to favor the abolition of LEAA? Because LEAA has failed miserably to meet its responsibilities for reducing crime and improving the criminal justice system.

LEAA has spent over $7 billion since its inception in 1969. But over that same time span, according to the latest FBI statistics, the crime rate has increased an alarming 50 percent. Clearly, LEAA has been woefully ineffective in trying to solve the problem of crime and violence in America.

WASTEFUL APPROACH

One example can illustrate LEAA's inept and wasteful approach to crime reduction. Last year, I gave LEAA my Golden Fleece award for a $2 million prototype police patrol car. Because its load of problems exceeded even its load of gadgets, plans for field testing the model car were halted. But this welcome relief came only after $2 million had been drained from the Federal Treasury to pay for this gold-plated disaster.

Unfortunately, LEAA has done no better in its efforts to improve the criminal justice system. Consider these facts:

State and local courts, with few exceptions, remain overcrowded;

Jails and prisons remain run down and overcrowded; and

Many legal procedures, including sentencing, probation, and parole, remain sorely in need of reform.

Again, one example can illustrate LEAA's ill-conceived and wild-spending approach to improvement of our criminal justice system. In 1977, I gave LEAA another one of my Golden Fleece awards, this time for spending nearly $27,000 to determine why inmates want to escape from jail. Since it should be obvious to one and all why someone in jail would want to get out, this expenditure was, in my view, a flagrant waste of the taxpayers' money.

WORSENING PUBLIC PERCEPTION

Finally, I should point out that the public's perception of the crime problem has worsened during the life of LEAA.

A Gallup poll last year, for example, found that 20 years ago, less than one urban dweller in 20 mentioned crime as the city's most important problem, but today 2 in 10 cite crime as the most important problem, with the proportion rising to 4 in 10 in central city areas of the Nation's largest cities.

Again, last year, Louis Harris found that 23 percent of the American people give a top priority to controlling crime. Most people, Harris reported, are not convinced that crime has been brought under control in the United States. Very significant, too, was the Harris finding that only economic and pocketbook issues take precedence over crime control as a priority concern of the American people.

What all this adds up to is the plain and simple truth that LEAA has failed in its mission.

LEAA NOT THE ANSWER

LEAA is not the answer to this Nation's crime problem. It has not worked. And it has cost the taxpayers billions of dollars.

Now we are on the brink of authorizing another $840 million for LEAA for each of the next 5 fiscal years.

The time is now to bring an end to this wasteful and ineffective program. The American people want a balanced budget and a reduced Federal bureaucracy. Abolishing LEAA could help achieve both objectives while not hindering in the least our Nation's effort to reduce crime and improve the criminal justice system.

UP AMENDMENT NO. 166

Mr. KENNEDY. Mr. President, there are some technical amendments, and I send to the desk the technical amendments and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) for himself and Mr. THURMOND proposes certain technical amendments to S. 241, unprinted amendment No. 166.

The amendment is as follows:

(1) On page 15, line 4, strike "(i)" and insert in lieu thereof "(A)".

(2) On page 15, line 7, strike "(ii)" and insert in lieu thereof "(B)".

(3) On page 15, line 10, strike "(iii)" and insert in lieu thereof "(C)".

(4) On page 15, lines 21 and 22, strike "decisionmaking; and the" and insert in lieu thereof "decisionmaking, the".

(5) On page 27, line 15, insert a comma following the word "State".

(6) On page 36, line 22, insert a semicolon following the word "title".

(7) On page 38, line 19, delete the comma following the word "preparing".

(8) On page 52, line 21, strike the comma following the word "neighborhood".

(9) On page 67, line 14, insert a comma following the word "part".

(10) On page 70, line 12, insert a comma following the word "regulations".

(11) On page 133, line 14, strike "under this title other than part L and" and insert in lieu thereof "under this title, other than part L, and".

The PRESIDING OFFICER. The question is on argeeing to the technical amendments en bloc.

The amendment was agreed to.

UP AMENDMENT NO. 167

Mr. KENNEDY. Mr. President, I send to the desk an amendment to S. 241 and offer it for the distinguished Senator from Indiana, Senator BAYH, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY), for Mr. BAYH, proposes an unprinted amendment numbered 167.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, in lines 22 and 23, strike out the words "Attorney General" and insert in lieu thereof the word "President".

(2) On page 21, line 20, strike out the words "Attorney General" and insert in lieu thereof the word "Director".

(3) On page 133, strike out lines 4 through "1984." in line 11 and insert in lieu thereof the following:

"Institute of Justice (part B) $28,000,000 for the fiscal year ending September 30, 1980; $28,000,000 for the fiscal year ending September 30, 1981; $28,000,000 for the fiscal year ending September 30, 1982; $28,000,000 for the fiscal year ending September 30, 1983; and $28,000,000 for the fiscal year ending September 30, 1984. There are authorized to be appropriated for the purposes of carrying out the functions of the Bureau of Justice Statistics (part C) $22,000,000 for the fiscal year ending September 30, 1980; $22,000,000 for the fiscal year ending September 30, 1981; $22,000,000 for the fiscal year ending September 30, 1982; $22,000,000 for the fiscal year ending September 30, 1983; and $22,000,000 for the fiscal year ending September 30, 1984.".

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Bayh amendments to S. 241 be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. KENNEDY. Just a brief explanation, Mr. President.

Amendment No. 1 provides for Presidential rather than Attorney General appointment of the National Institute of Justice Advisory Board.

Amendment No. 2 provides that the Director of the National Institute of Justice, rather than the Attorney General, set the method for staggering the terms of the members of the National Institute of Justice Advisory Board.

Amendment No. 3 amends the bill to split the $50 million a year, for 5 years, for the National Institute of Justice and the Bureau of Justice Statistics into a $28 million authorization for the National Institute of Justice and $22 million for the Bureau of Justice Statistics.

These amendments are satisfactory to the managers of the bill. They provide greater clarification in the establishment of both the panel and the way the terms will be staggered. Finally, the amendment assures the distribution of funds for two very important functions.

The amendment is useful, helpful, and completely consistent with the other provisions of the legislation, and I urge the Members of the Senate to adopt those amendments.

Mr. THURMOND. Mr. President, I have no objection to these amendments.

The distinguished Senator from Indiana (Mr. BAYH) has offered three amendments to S. 241, which are acceptable to the minority.

The first amendment would have the National Institute of Justice Advisory Board appointed by the President rather than the Attorney General. The intent of the amendment, as I understand it, is to give increasing prestige and standing to this Board. LEAA already has a Presidentially appointed Juvenile Justice Advisory Board in which Senator BAYH has long had a very active interest. This change will place the two advisory boards on the same level.

The second amendment to this Board provides that the Director of NIJ set the method for staggering the Advisory Board's members terms.

The third amendment divides the $50 million authorization for the National Institute of Justice and the Bureau of Justice Statistics so that $28 million would be available per year for each of the 5 fiscal years to the National Institute of Justice and the remaining $22 million per year would be authorized for the Bureau of Justice Statistics. In my view both sums are reasonable and adequately provide for the funding needs of both Bureaus.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from South Carolina yield back his time?

Mr. THURMOND. Yes, I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendments en bloc of the Senator from Indiana.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 168

Mr. KENNEDY. Mr. President, I send to the desk an amendment on behalf of the distinguished Senator from Ohio, Mr. METZENBAUM, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) for the Senator from Ohio (Mr. METZENBAUM) proposes unprinted amendment numbered 168.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 16, strike "conduct research" and insert in lieu thereof "the improvement of police and minority relations, the conduct of research".

Mr. KENNEDY. Mr. President, this amendment authorizes the National Institute of Justice to authorize research directed at developing new methods for the improvement of police-minority relations.

This has been an area of particular interest to the Senator from Ohio. It is completely consistent with the purposes of the National Institute of Justice and does underline and stress this extremely important area of public policy.

There is no objection to this amendment by the members of the committee, and I certainly urge its favorable consideration by the Senate.

Mr. THURMOND. Mr. President, the amendment offered by the distinguished Senator from Ohio (Mr. METZENBAUM), through the able chairman of the committee, amends the authorizing language for the National Institute of Justice to conduct research and development into new methods for improving relations between police and minority groups, as I understand it.

Mr. KENNEDY. That is correct.

Mr. THURMOND. In fact, existing authority of the National Institute of Law Enforcement already provides for this kind of research activity, and NILE has conducted several successful projects. This amendment will carry forth this existing line of research, and I have no objection.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. THURMOND. I yield back my time.

The PRESIDING OFFICER. All time having yielded back, the question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 169

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposed an unprinted amendment numbered 169.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 137, line 24, following "the Administration shall", insert the phrase "subject to availability of funds".

On page 138, line 16, strike "entitled" and insert "who is likely".

On page 139, insert the following new subsection between lines 20 and 21:

"(g) The authority to make payment under this part shall be effective only to the extent provided for in advance by appropriation acts.".

Mr. KENNEDY. Mr. President, the public safety officers' death benefits payments program (part L) can be construed as an "entitlement" bill in the absence of the language inserted by this amendment. The amendment therefore solves some budget problems that would otherwise delay consideration of the bill. A similar provision was also inserted into the original Public Safety Officers' Benefits Act passed in 1976.

To respond to the Budget Committee's concerns, we have offered this amendment with the clear understanding that it has absolutely no effect on the benefits which the public safety officers would qualify for or the procedures to be followed in securing these benefits. It is basically a budgetary recommendation. It is completely satisfactory to the members of the committee. It has been made at the request of the Budget Committee.

I urge the Senate to accept that language.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, the Budget Committee has offered amendments to the public safety officers' benefits program, which would clarify congressional intent that the program not be construed as an "entitlement" program. The amendment is acceptable to me because it avoids problems of interpretation that might otherwise delay consideration of the pending legislation.

I have no objection.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. THURMOND. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 170

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 170.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 145, line 23, after the word "personnel" insert ", including the Administrator and Deputy Administrators,".

On page 146, line 6, after the period insert the following sentence:

"Determinations as to specific positions in an acting capacity to be filled by the Administrator and Deputy Administrators employed on the date of enactment of this Act may be made by the Attorney General notwithstanding any other provision of law.".

Mr. KENNEDY. Mr. President, a technical amendment is made to allow the President to appoint the current Administrator and Deputy Administrator of LEAA to serve as the Director of the Office of Justice Assistance, Research and Statistics, the Administrator of LEAA, or other advice and consent positions created under this title. These appointments would be acting appointments pending Senate confirmation and assure that LEAA will continue to be staffed during the transition period required under S. 241.

What we are basically dealing with is the transition period, and this amendment would permit the continued employment of certain personnel who are involved in the program now. It is obviously necessary and desirable to protect the employment of those who are currently involved in the program, pending Senate confirmation.

Obviously, Senate confirmation would be the final judgment needed; this amendment is a temporary measure and a necessary one.

I hope the Senate will accede to the request of the Justice Department.

Mr. THURMOND. Mr. President, I concur with the amendment offered by the distinguished Chairman of the Committee (Mr. KENNEDY) which provides for the Attorney General to make interim appointments of the Administrator and Deputy Administrator of LEAA to serve as Director of the Office of Justice Assistance Research and Statistics and other positions created under the provisions of S. 241, without seeking further advice and consent of the Senate.

In my prepared remarks I have already expressed my view that the current LEAA Administrators should be able to retain their position at LEAA during the transition period. This amendment allows them to continue in both capacities.

Since both LEAA Administrators have been recently confirmed by the Senate for their present positions and since Mr. Dogin has been confirmed twice in the past 6 months, I feel confident that he can serve more than adequately until a new Director has been appointed and confirmed.

Therefore, I support the amendment.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. THURMOND. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. KENNEDY. I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mary Jolly of Senator BAYH's staff be granted floor privileges during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 171

Mr. PERCY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes an unprinted amendment numbered 171.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, insert between lines 14 and 15 the following new paragraph—

"(1) encouraging the development of pilot and demonstration projects for prison industry programs at the state level with particular emphasis on involving private sector enterprise either as a direct participant in such programs, or as purchasers of goods produced through such programs, and aimed at making inmates self-sufficient, to the extent practicable, in a realistic working environment."

On page 127, between lines 8 and 9, insert the following new section:

"Section 827. Prison Industry Enhancement

"(a) Section 1761 of Title 18, United States Code, is amended by adding thereto a new subsection (c) as follows—

"'(c) In addition to the exceptions set forth in part (b) of this section, this Chapter shall also not apply to goods, wares, or merchandise manufactured, produced, or mined by convicts or prisoners who—

"'(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows:

"'(A) taxes (Federal, State, local);

"'(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief State correctional officers;

"'(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"'(D) contributions to any fund established by law to compensate the victims of crime or not more than 20 per centum but not less than 5 per centum of gross wages:

"'(2) have not solely by their status as offenders. been deprived of the right to participate in benefits made available by the Federal or State government to other individuals on the basis of their employment, such as workmen's compensation. However, such convicts or prisoners shall not be qualified to receive any payments for unemployment compensation while incarcerated, not withstanding any other provision of the law to the contrary;

"'(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this Act, and all other financial arrangements as a result of participation in such employment.'

"(b) Section 35 of Title 41, United States Code, is amended by adding to the end of subsection (d) thereof, before "; and", the following:

"', except that this section, or any other law or Executive Order containing similar prohibitions against purchase of goods by the Federal government. shall not apply to convict labor which satisfies the conditions of Section 1761 (c) of Title 18, United States Code.'

"(c) The provisions of this section creating exemptions to Federal restrictions on marketability of prison made goods shall not apply unless—

"(1) Representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project qualifying of any exemption created by this section;

"(2) Such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services;"

Mr. PERCY. Mr. President, last summer in Pontiac, Ill., our worst fears about conditions in the Nation's prisons erupted into a nightmarish reality. The Pontiac prison riot of 1978 ended with three guards dead, three others seriously wounded, and $4 million in property damage. By all accounts, it was lucky indeed that the toll was not much higher.

The shopping list of problems and deficiencies in our prison system is long and well known. Overcrowding, old and obsolete facilities, lack of training or educational programs, crime within prison walls, frustration on the part of guards and inmates, are all part of the dreary picture. As of December 1977, there were some 290,800 adult inmates in the custody of American correctional systems, with the overall national corrections cost in excess of $2.5 billion per year. As return on this investment, we see a recidivism rate at between 30 percent and 50 percent. Recidivism is now a substantial element in our overall crime rate, and prisons are often accurately characterized as a "school for crime," rather than a deterrent to crime.

Certainly, the Cook County Prison is one of the greatest examples that we have, and a problem we have struggled with over a period of years.

It is against this background that I am offering an amendment to S. 241 to strengthen prison industries at the State level, a proposal which would do much to improve conditions in our Nation's prisons without increasing the expenditure of taxpayer dollars.

My amendment would do two basic things: First, it would authorize the Law Enforcement Assistance Administration to encourage development of pilot and demonstration projects for prison industry at the State level, involving private sector industry. A growing number of States, including Minnesota. Washington and Massachusetts. the State represented by the distinguished floor manager of the bill today, have already adopted State laws involving the private sector in these programs with positive results. Under this approach. prison programs benefit from the expertise of private business. develop access to new markets, and attract needed capital. The goal of these pilot projects would be to create as realistic a working environment as possible within the prison walls, while enabling an inmate to become more self-sufficient, to the benefit of himself, the prison system, and the taxpayer.

Secondly, my amendment creates partial exemptions to two Federal laws which severely restrict the ability of State prison industry programs to market their goods: a Federal ban against interstate commerce of convict labor, and a Federal ban against sales to the Federal Government by State prison programs. While strides have been made in recent years to loosen these restrictions with regard to work release, parole, and other prison work programs, State prison industries themselves remain subject to the full burdens.

When these laws were enacted decades ago, they represented significant reforms against exploitation of prison labor. Over the years, however, they have developed into heavy-handed roadblocks to growth among even the most progressive prison industry programs.

My amendment would provide limited exemptions to these two restrictions where inmates have been paid a wage comparable to that paid for similar work in the private sector in the locality, subject to deductions for reasonable prison room and board, support for families, contributions to funds for restitution of victims of crime, and Federal, State and local taxes. In no case could these deductions total more than 80 percent of an inmate's total salary, and any such employment must be voluntary on the part of the inmate, with all deductions from pay agreed to in advance.

Under my amendment, prison industry programs would have a greater opportunity to expand and employ a greater proportion of prison inmates, and earn funds for their own subsistence. Further, inmates would become self supporting, and develop invaluable experience toward obtaining employment once their period of incarceration is over, a significant hedge against recidivism.

Finally, I have added a provision to my amendment aimed at concerns of some members of the labor community that expanded prison industries might unfairly compete with private sector jobs. Essentially, this provision would require consultation with local labor representatives prior to the initiation of projects qualifying for the marketability exemptions of the amendment, to assure that paid prison employment will not result in the displacement of employed workers; will not be applied in skills, crafts or trades where there is a labor surplus; and will not impair existing service contracts.

While my amendment represents only a modest step toward reforming our Nation's prison systems, I believe it is a significant one which deserves the support of my colleagues.

I move its adoption.

I ask unanimous consent that a summary of my amendment, and a series of articles by Chicago Tribune columnist Bob Wiedrik, discussing how the lack of prison industry programs played a major contributory role to the Pontiac Prison riot of last summer, be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

AMENDMENT TO S. 241

SUMMARY

The Amendment:

1. authorizes the Law Enforcement Assistance Administration (LEAA) to encourage development of pilot and demonstration projects for state prison industries involving private sector industry. Involvement of the private sector in prison industries is already provided for law in a growing num-

ber of states, including Minnesota, Washington, and Massachusetts. Such programs allow prison industries to benefit from the expertise of the private sector, expand potential markets, and attract valuable capital. The intent of these programs would be to provide inmates a wage comparable to that of private sector employees, out of which inmates would provide support both for their own maintenance in prison, for family, contribute to any fund established to compensate victims of crime, pay taxes, and save for their own future. To promote this goal, LEAA would provide technical assistance to state agencies, liaison between state agencies and potential private sector participants, and other assistance. It is expected that implementation of this authority by LEAA would involve only existing resources not otherwise allocated.

2. creates a partial exemption to current Federal law which largely prohibits the transportation in interstate commerce of goods produced by inmate labor. Such laws were originally enacted for the purpose of protecting against exploitation of prison labor, as well as ensuring against unfair prison competition with private industry, but have now become obsolete roadblocks to economic viability of prison programs. The amendment would allow prison industry goods to travel in interstate commerce where inmate employees have been paid a wage not less than that paid for similar work in the locality in the private sector, subject to deductions, not to exceed 80 percent, for family support, reasonable prison room and board, contribution to any fund for restitution of victims of crime, and taxes. In any such situation, the inmate must have entered into such employment voluntarily, and have agreed in advance to any deductions from salary. State law would continue to govern the marketability of goods once they have entered a state. In determining wage levels comparable for work of a "similar nature" in the private sector, state authorities would be allowed to consider the unusual overhead costs incident to the prison environment, such as costs due to excessive security, or loss of production due to institutional scheduling.

3. creates a partial exemption to Federal law which now largely prohibits goods produced by state prison industries from being purchased by the Federal Government. The amendment would allow such purchases to take place where the same conditions have been met as are established under the interstate commerce exemption. It is intended that this provision will supercede current restrictions contained in Executive Orders 325A and 11755 to the extent that they ban sale of goods produced by state prison industry programs to the Federal Government.

[From the Chicago Tribune, Aug. 7, 1978]

Why Convicts Get Away With Murder

(By Bob Wiedrich)

With 42 years of law enforcement and prison work under his belt, Undersheriff Ross Randolph of Cook County qualifies as an expert.

Based on that expertise, Randolph believes that not enough criminals are going to jail and not enough of them are staying behind bars long enough.

That position will not sit well with those penologists and sociologists who believe even a hardened criminal deserves a break from the society he has plundered.

However, Randolph maintains that the victims of crime have been forgotten in the rush to protect prisoner rights. And that the need to protect society against antisocial acts also has become lost in the shuffle, along with the premise that punishment is intended to deter crime.

Randolph believes that extending that soft philosophy inside prison walls has helped foster the rash of prison riots in recent years that have taken a heavy toll of guard and inmate lives.

And he is convinced that what Illinois and many other states need are more prisons—modernized and enlightened institutions, but nonetheless.

In 1935, Illinois had 12,000 prisoners in adult institutions and a population of about 8 million, Randolph said.

"By 1975, 40 years later, the adult prison count had dropped to 6,000, while the state's population had climbed to 12 million, even though the crime rate had increased.

"In 1940, Chicago and Cook County had about 200 murders. In 1975, they had about 900 murders. With all the crime on the outside, people weren't going to jail.

"It was clear that proportionately not as many criminals were being sentenced to prison and that such efforts as half-way houses and work release programs were getting others out of jail much sooner.

"Illinois prisons are overcrowded. But they are overcrowded because the state should have been building new institutions all along.

"Somebody should have made the hard decisions a long time ago and constructed new prisons closer to the urban centers where a majority of the criminals originate.

"That's why I think Gov. Thompson is wrong in insisting that two new state correctional institutions be built hundreds of miles from Chicago."

Randolph offered his views in the wake of the July 22 riot at Pontiac Prison in which three guards were murdered by inmates and three others injured.

Randolph knows Pontiac well. He served there first as education director in 1935–37, then returned as warden in 1952–53. Later, he was warden at Menard State Prison for 13 years and headed all corrections institutions as state public safety director.

"The Pontiac riot was planned," he charged. "It reflected largely a grudge against the guards.

"You don't have to have riots. You have to have discipline. I admit the inmates are worse today. But a majority of them like discipline. They like cleanliness. But what's the use of keeping a cell clean when the dining room isn't?

"They want to be free to use the yard and not get ganged up on. However, if you don't have discipline, that happens, too.

"Better than 85 per cent of the prisoners just want to do their time and get out. They'll be on your side if you're firm but decent with them. You have to gain respect. You can't order them to respect you.

"When a guard is insulted, the inmates expect the prisoner to be punished. When he isn't, they lose respect.

"When I was warden at Menard, the inmates stood up when I walked by. There are some prisons in Illinois where the warden is afraid to walk through his institution alone.

"The secret is discipline, cleanliness, and good food. Some wardens only clean up the place when a VIP is coming."

Randolph recalled that Pontiac used to have a third more prison industries than now.

"But somebody persuaded the state that prisoners should not have to work because that was slave labor," he said. "They rented out the 450 acres of farmland at Pontiac and over 1,000 arces at Stateville Prison.

"The farms kept the men busy. There is therapy in being out of doors, planting seeds, and watching things grow. And because of the farms, we fed the inmates better.

"We grew thousands of cantaloupe. Some of the inmates had cantaloupe for the first time in their lives.

"We canned hundreds of gallons of fresh green beans, corn, peas, and other fresh vegetables. And we did it all at virtually no cost to the taxpayers.

"They closed the rock quarry. I know, that immediately sounds like inhuman work for prisoners. But that wasn't true. We had a rock-crushing machine. And the work got the men out of their cells and into the open. It was healthy.

"As for the officers, the state has been underpaying them for years. Cook County pays its jail guards about $300 more a month, plus fringe benefits. The state correctional officers know that and it demoralizes them.

"And if a guard is demoralized, the prisoners know it. And that's when the trouble starts."

[From the Chicago Tribune, Aug. 14, 1978]

The Day Troopers Faced Jail Rioters

(By Bob Wiedrich)

The midday sun was beating down and the 60 Illinois state troopers were sweating, but not from the heat nor the heavy riot gear they wore as they prepared to enter Pontiac Prison.

Inside the walls, an estimated 1,100 of the institution's 2,000 prisoners were milling in the yard following a bloody riot by 200 rebellious inmates.

Three guards were dead, murdered by the rioters. Three others had been seriously wounded. And the flames and smoke from fires in three prison buildings blackened the blue skies above nearby corn fields.

"We were scared, but we had discipline," recalls one of the troopers who was there that day last June 22.

"We lined up and we marched in counting cadence. We were all scared. No doubt about that. But the prisoners were scared, too, or too impressed by our show of discipline to try to back us down.

"We drew an imaginary line along a sidewalk in the yard and told the inmates that anybody who crossed that line would buy the garden.

"Every eighth man was armed with a shotgun. And they had orders to shoot if anybody bolted across the line toward us.

"The inmates didn't know quite what to do or what to make of it. They had never before been faced by a determined band of disciplined police officers.

"So despite the bloodshed that had occurred only a few hours earlier, the inmates recognized authority and accepted it.

"We never had an actual confrontation with them. We never had to lay a hand on them. We took a lot of verbal abuse, especially the black officers. There was a lot of foul-mouthed cursing directed at us.

"But we had absolutely no problem. We took two women state troopers in with us and they were as professional as the rest. I was especially proud to be a trooper that day.

"We carried side arms and wore riot helmets and carried riot batons. We were badly outnumbered. But it was the display of discipline that carried the day.

"The bottom line is that there was no repetition of Attica with 43 inmates and guards killed.

"The fact is, we were out of there by 5:15 p.m. and having a beer in town. That's how fast things moved once discipline took hold."

The officer who delivered this narrative of events at Pontiac Prison has been a state trooper for nearly a quarter of a century.

He has seen prison riots before. He probably will be called with his colleagues to suppress others. He also has a special insight into the prisoner mentality after having studied the problem for years.

So I offer his views this morning, three weeks after the Pontiac riot, as another perspective of a shocking incident which authorities have yet to sort out.

The trooper is convinced that the riot

happened because the inmates wanted to reassert their authority within the prison walls.

He believes that the inmate leaders were running the institution, not the corrections authorities, and that they staged the insurrection as a reminder to their jailers that the inmates were the actual bosses of the 107-year-old prison.

And he declared that that sorry state of affairs was reached when prison authorities reduced the amount of work available to keep inmates busy so inmates had more time available in which to scheme and prey upon one another.

"Somebody's got to have the guts to say, let's get them back to work," the trooper said.

"It's not the fault of any particular governor or state administration. It's the whole philosophical approach to running prisons today.

"The state should have been building new facilities every year so that there never would be overcrowding. The state should have maintained the facilities it already had. Some of those places are so old they're falling apart.

"At Stateville, they bring in outside contractors to paint the cells instead of using inmate help. They use civilian painters when they've got thousands of idle hands capable of handling a brush.

"The inmates want work. They want discipline. They beg for it. It's discipline that they never had on the street. So somebody has to instill it in them while they're in prison.

"Nobody told them that it is wrong to steal somebody else's property. Or that when you write a check, you have to have that amount of cash in your account.

"That's why they're in jail—no discipline in their personal lives."

(Mr. BRADLEY assumed the chair.)

Mr. PERCY. Mr. President, I introduced some years ago a similar amendment involving all Federal prisons, developed working with the Director of Federal Prisons at the time, who fully supported the concept. We have moved in this direction in the Federal system. Today, I feel that we should move forward into the State systems.

I recognize full well the concerns of organized labor. But I would say to them that if their job is to arrest the decline they are now having—and there is a steady decline in the proportion of workers and the absolute number of workers who have joined the ranks of organized labor—they had better look to the new interests of members of organized labor today, who are just as concerned about crime, just as concerned about the cost of crime to society, as any other segment of our society, and perhaps even more so.

We can well recognize that in days past, when crime was at a much lesser level than it is today, organized labor's primary concern was to protect its own turf and not have prison labor compete with its members in the marketplace.

Today, however, the cost of crime is so great, and a large part of it is borne by the working men and women of this country.

In the legislation we make provision for there to be full comparable pay for the inmate, with payment into a fund to pay for the cost of crime, payment into a fund to pay for the cost of his own housing, room and board, and the cost of maintaining his own family, all of whom are eligible for relief, and he gets free room and board. Let us say Caterpillar Tractor in my State, the largest single union employer, set up and made provision for prison inmates to work in a factory they would maintain for that purpose. If inmates were paid union wages, if they reduced the public cost by actually earning their keep and paying into a fund to repay those who have been the victims of crime, if they took their own families off of welfare, all paid for by the public, and by the wage earners, and had a little something to boot, and a union card when they came out of prison, the transition into a job in the private sector would be so much easier. They would have a work record with the company that has been established and organized, in this case Caterpillar by UAW.

I would very much look forward to working with labor's leadership and ask them to take another look at this problem, to see how much potential competition there would be with organized labor and with private industry on the one hand, as compared with the tremendous benefits and cost savings that could be effected on the other.

So, for a period of testing this idea in areas in addition to the three States I have mentioned, including Massachusetts, that now have provision for such a program, trying it out in other States—and I would hope that Illinois would step forward and ask for the opportunity to participate in this program—I would trust that the floor managers of the bill would take a look at this amendment, and I would hope they could look favorably upon it.

Mr. KENNEDY. Mr. President, the Senator from Illinois has an imaginative, creative, and I think constructive amendment before the Senate. One of the most difficult problems that we face in the whole criminal justice system is the issue of rehabilitation. Our committee has focused on this issue in past bills for recodification of the criminal code, and hopefully will have some recommendations in the not too distant future. We have dealt with the issues of sentencing, we are coming to grips with juvenile delinquency, we are trying to deal with the problem of bail, but the issues involved in rehabilitation have been some of the most complex and most difficult that we have been faced with. The Senator from Illinois has made a useful and I think constructive suggestion in this particular amendment.

One reason, however, I am reluctant to support this particular amendment, is that we have seen a dramatic reduction in the funding of the appropriation for the whole LEAA program. We have gone from some $880 million in 1975 to $450 million in the recently adopted budget resolution.

So, with the limited funds available, we have tried to target on programs that have a proven degree of success. Although I, too, think this program offers some degree of hope in terms of the future—it does have the attraction of being a modest voluntary program in which the income would be used to offset losses by victims of crime, to offset some of the housing burdens of the State, and to provide support for the prisoner's family. If my distinguished colleague on the committee, the Senator from South Carolina (Mr. THURMOND) would consider it, I suggest limiting this proposal to a pilot program for a period of time, and ask that we try it in a number of different sites for the next few years.

I was wondering if the Senator would modify his amendment, for example, to start this program at five different sites. Based upon that experience, it seems to me that we could move ahead later and build upon that experience.

We have in this legislation, because of the criticisms of the past, targeted the limited resources now available on programs of proven success.

This is well worth exploring on a pilot program basis. I am reluctant to accept the amendment without some limitation. It does seem to me if we permit a pilot program of five, hopefully in a short period we could build upon a record of success.

I commend the Senator from Illinois for the idea and welcome his reaction to my suggestion.

Mr. PERCY. Mr. President, I would be very happy to hear from my distinguished colleague from South Carolina. However, I would like to respond to the suggestion.

First, I ask unanimous consent that Senators BAKER and DURENBERGER be added as cosponsors to my amendment. I also ask unanimous consent that Mr. Arthur Rose of my staff be granted the privileges of the floor during votes on this bill and discussions thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. And also Mr. Ken Ackerman.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. With respect to questions posed by the distinguished floor manager of the bill, Senator KENNEDY, the Senator from Illinois is very receptive to the idea of pilot running in certain areas. Senator KENNEDY and I have worked together in the past on certain programs that have proven out in pilot, and have then been expanded. They can be expanded with greater assurance of their success, or potential failure if we have done that. We did that with nutrition feeding programs for the elderly at noontime. From a modest $1,800,000 program years ago, it has now grown to over a quarter billion dollars, one of the finest cost-effective programs we have ever instituted.

I have only one question with respect to picking five States, a question of how we might select those States. With respect to Senator KENNEDY's specific concern about adding any additional funding, the pending amendment does not provide for any additional funding nor even additional earmarking. LEAA is currently funding such programs, so we have not provided any additional funds for that purpose.

I would ask the question as to how we might select the five different States that we might authorize under this amendment.

Mr. KENNEDY. As I understand the principal prohibition for the development of such a program at the present time is the restriction on the transportation of these goods in interstate commerce. The States, with their block grant funds, could move ahead with a simpler program. Basically, the concern that I have is that we would be providing an exemption from existing statutes prohibiting the movement of these goods in interstate commerce. It seems to me that the States that want to develop such programs obviously can and should develop. If they are going to move goods in interstate commerce they could apply to participate in one of the five project programs.

Mr. PERCY. In addition to the restrictions which are lifted under this amendment, we also lift the restriction which now is a prohibition on the sale of any of these products to the Federal Government. We should open up the Federal Government as a potential market for those products in order to have a full experiment.

Mr. KENNEDY. I see no objection to that.

If it is agreeable to the Senator, I have some language which would achieve that, provide for five pilot projects, if the Senator would like to modify his amendment.

Mr. PERCY. I would find the suggested amendment to this amendment acceptable providing that it does apply to marketing restrictions as well as LEAA funding.

In other words, under the suggestion of Senator Kennedy, we would add the wording, "participating in a program of not more than five pilot projects designated by the administrator of the Law Enforcement Assistance Administration."

Mr. KENNEDY. As I understand it, that would achieve what we have talked about here.

Mr. PERCY. Mr. President, I ask unanimous consent that the modifying language be incorporated as part of the amendment offered by myself and Senators Baker and Durenberger.

The PRESIDING OFFICER. The Senator has the right to modify his amendment. Will the Senator send the modification to the desk?

Mr. PERCY. Yes.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 34, insert between lines 14 and 15 the following new paragraph—

"(11) encouraging the development of pilot and demonstration projects for prison industry programs at the state level with particular emphasis on involving private sector enterprise either as a direct participant in such programs, or as purchasers of goods produced through such programs, and aimed at making inmates self-sufficient, to the extent practicable, in a realistic working environment."

On page 127, between lines 8 and 9, insert the following new section:

"Section 827. Prison Industry Enhancement.

"(a) Section 1761 of Title 18, United States Code, is amended by adding thereto a new subsection (c) as follows—

"'(c) In addition to the exceptions set forth in part (b) of this section, this Chapter shall also not apply to goods, wares, or merchandise manufactured, produced, or mined by convicts or prisoners participating in a program of not more than five pilot projects designated by the Administrator of the Law Enforcement Assistance Administration and who—

"'(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows:

"'(A) taxes (Federal, State, local);

"'(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief State correctional officer;

"'(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"'(D) contributions to any fund established by law to compensate the victims of crime of not more than 20 per centum but not less than 5 per centum of gross wages;

"'(2) have not solely by their status as offenders, been deprived of the right to participate in benefits made available by the Federal or State government to other individuals on the basis of their employment, such as workmen's compensation. However, such convicts or prisoners shall not be qualified to receive any payments for unemployment compensation while incarcerated, not withstanding any other provision of the law to the contrary;

"'(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this Act, and all other financial arrangements as a result of participation in such employment.'

"(b) Section 35 of Title 41, United States Code, is amended by adding to the end of subsection (d) thereof, before "; and", the following:

"', except that this section, or any other law or Executive Order containing similar prohibitions against purchase of goods by the Federal government, shall not apply to convict labor which satisfies the conditions of Section 1761 (c) of Title 18, United States Code.'

"(c) The provisions of this section creating exemptions to Federal restrictions on marketability of prison made goods shall not apply unless—

"(1) Representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project qualifying of any exemption created by this section;

"(2) Such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services;"

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I am pleased to support the Percy amendment. It seems to me that this will be a helpful program. It will allow seven pilot programs in different States to be carried on to determine just how the program will work. It really builds on successful industries improvement programs which the LEAA has conducted over the past 4 years, and it would give statutory authorization to the current LEAA discretionary program in the field.

As originally proposed, I believe the first draft of this amendment would have transferred this program to the National Institute of Corrections. Although I strongly favor the retention of NIC in its current form and organizational location, I believe it is appropriate for LEAA to continue its highly successful effort. The original program would also have freed up existing restrictions on the interstate shipment of prison-made goods. In recent years there have been modest exceptions made to the total ban on these shipments.

Mr. President, as stated, I think the Percy amendment would be helpful and would encourage many prisoners. I am very pleased to support it, and I congratulate the able Senator from Illinois for offering this amendment.

Mr. President, I ask unanimous consent that a statement by LEAA, entitled "LEAA's Free Venture Prison Industries Program," be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

LEAA's Free Venture Prison Industries Program

History of program activity:

The Office of Criminal Justice Program's Free Venture Prison Industries program was initiated in FY 76 as a direct result of research financed by LEAA's National Institute which assessed the economic and rehabilitative aspects of prison industries. The Institute's research, conducted by Econ, Ind. of Princeton, New Jersey, produced a model which basically attempts to replicate real world working conditions in a correctional environment. The fundamental assumption is that a work experience which closely replicates the real world will provide the inmate with an opportunity to prepare himself for successful transition to the community and will provide the state with self-supporting industries.

Three states (Minnesota, Illinois and Connecticut) were selected to demonstrate and test the Free Venture model in FY 76, and a technical assistance effort targeted at the participating states was initiated in FY 77. Awards for the original three states totalled $1.4 million and the FY 77 technical assistance grant totalled $500,000.

In FY '78 the three original states were awarded continuation grants and four new states (Iowa, Colorado, South Carolina and Washington) were added to the program. Funding for the FY 78 effort totaled $1.8 million. In FY 79 a cluster project evaluation was funded at a cost of $200,000 and the technical assistance effort was continued at a cost of $200,000.

No grants or contracts associated with this program have been terminated or suspended because of poor performance or other problems.

Accomplishments and Progress Toward Achieving Objectives:

Prison industries have traditionally been characterized by weak administration and a philosophy that is not profit-oriented. Production is largely conducted on a reactive basis and responsibilities for plant operations are not formally and clearly defined. A typical prison industry has short work hours and low wages. Feather bedding is common, quality control absent, and work assignments are made on the basis of security risk rather than skill or experience. Equipment is often obsolete and does not provide the inmate with a work experience transferrable to the outside world.

It is the purpose of this program to develop prison industries that will duplicate the conditions of private industry as closely as possible. The Free Venture Model includes the following points:

a. A full work week

b. Inmate wages based on worker output

c. Real world productivity standards

d. Hire and fire authority at the shop supervisor level and within the limits of due process

e. Self-supporting or profit-making business operations

f. Post release job placement mechanism

The long range objective of the program is to effect a change in the role that work has traditionally played in the prison and, concomitantly, to move the institution as a whole toward a more humane posture. The Free Venture program creates a richer and more realistic work experience for the inmate than has been the case in the past; he is expected to function as a responsible adult member of the work force and he is regarded accordingly. The institution is no longer able to view its industry programs simply as a solution to idleness—it must now attempt to provide a productive work experience in a profitable industrial setting which more closely resembles the outside work world. In order to implement the model, an institution must make basic changes in its attitudes, policies and procedures.

The Free Venture program has various levels and measurements of success. For example, in strict measurable terms the three original states have been successful in upgrading shop equipment; increasing hours worked by inmates; revising and automating prison industry accounting systems; increasing the number of inmates employed; developing and operating supervisory training programs; increasing inmate wages; and increasing gross sales. All of the above measures are quantifiable and are collected on a quarterly basis for the seven participating states.

Some of the measures which are not as easily quantifiable will be addressed in one of the two ongoing Free Venture evaluation efforts. The first evaluation, which is being conducted by the University City Science Corporation and monitored by OCJP, will address the issues of (1) quality of the prison industry goods produced; (2) increased worker motivation (productivity); (3) effects on institutional management, i.e., scheduling changes; (4) increased/decreased inmate incident levels; (5) and the economic viability of various prison industry operations. Preliminary results of the evaluation will be available in October 1979.

The second evaluation, which is being conducted by the Minnesota Department of Corrections and monitored by NILECJ, will address the issues of inmate outcome as well as institutional management. Free Venture participant inmates will be measured against non-participant inmates in the areas of (1) initial post-release employment; (2) length of employment; (3) income; and (4) recidivism. In addition, income earned outside the institution will be tracked to identify the amount of taxes, room and board and welfare payments paid over a one year period. Although Free Venture has been operating in Minnesota for less than three years, estimates are that inmates working in it have paid $65,000 in taxes and have returned $150,000 to the state in board and room. Preliminary results of the Institute's study are due October 1979 and a final report July 1980.

In addition to the ongoing data collection and evaluations, the American Foundation, LEAA's technical assistance grantee for the Free Venture program is in the process of finalizing a series of technical monographs which will be made available to participating and non-participating states. The topics of the monographs include (1) Cost Accounting for Prison Industries; (2) Ex-Offender Job Placement; (3) Marketing Analysis for Prison Industries; (4) Industrial Engineering for Prison Industries; (5) Industrial Relations for Prison Industries; and (6) Creating Inmate Compensation Plans.

Program Plans:

a. FY 1980 Plan: The Free Venture program will expand beyond the current participating states and fund an additional sixteen long-term adult institutional industries operations. It is anticipated that between 400–600 employed inmates will benefit from the program. The state will receive a better quality prison industry product, and institutions will be more manageable because of decreased incidents and an increased number of inmate work assignments. Financial assistance at a level of $1.2 million will allow for modernization of existing shops, and start-up of new shops in the sixteen institutions. An additional $300,000 will be allocated for technical assistance in order to transfer state-of-the-art management and production principles.

The Corrections Division will continue to monitor the seven state cluster project evaluation, and coordinate with NILECJ regarding its Minnesota evaluation through FY 80. In addition, information, which will allow LEAA to monitor grantee compliance with Free Venture principles will be collected throughout the life of the grants.

The staff requirement for FY 80=.75 person year.

b. FY 81 Projections: Any continuation funding request will depend on the results of the two evaluations and ongoing monitoring of the Free Venture states. If the evaluations prove the program to be successful, Free Venture may be nominated for consideration as a National Priority Program.

c. Resource Estimates:

1. Fiscal year 1979 allocations: Budget, $400,000; staff, .75 person year.

2. Fiscal year 1980 estimates: Budget, $1.5 million; staff, .75 person year.

3. Fiscal year 1981 estimates: $1.5 million; staff, .75 person year.[*]

Mr. PERCY. I have one question of Senator KENNEDY. Would it be possible to state that there shall be not less than five rather than put on an absolute ceiling? If there are no additional funds and there is no additional earmarking, if this program gets under way and there are seven or eight States which make application for it and they are approved, we would not want to have an absolute limitation on it. At least the pilot would be insured by encouraging not less than five. Application would have to be made by the States, of course, to enact it.

Mr. KENNEDY. I would prefer to leave it as it is. We do not know how many States will have a bona fide application.

I would be glad to indicate in the legislative history that LEAA should certainly move ahead with these five. We have seen a $200 million reduction in the available LEAA resources. There are many programs which are ongoing and continuing, and which are having a constructive impact on the problems of crime.

They are going to be very heavily squeezed. I just want to make sure that, with very limited resources, we give this program a try, but not require the administrator to meet a quota regardless of the merits of an application. I might say that, if the Administrator has to do five, perhaps some applications might not be as good as they should be. But if he just takes three or four and they are great successes, it seems to me that will provide a stronger case in support of the program.

As I say, there is nothing in this that prohibits the States from developing these programs in the States themselves. This is only dealing with the interstate commerce issue, In terms of moving in this area, it seems to me a provision for five pilot programs would give at least a reasonable opportunity to try out the idea. Then we can evaluate the program and move from there.

Mr. PERCY. I agree with my distinguished colleague. In making legislative history. I would like to take into account what we actually have as a practical matter now. I would be quite willing to indicate that this is not an attempt to force LEAA to do something that they might be reluctant to do. Certainly, I would be willing to put the proviso in that five States with adequate programs must actually apply. In practical effect, we now have seven States which are taking steps to ready themselves for this. Then it is a question that if we limit it to five, what do we do with the other two? The Senator from Illinois does not know of any other States beyond the seven, but there are more than five, at least right now, taking steps to ready themselves and, hopefully, move into this.

The Senator from Illinois would be perfectly willing to accept the proviso that this is not a forcing mechanism that requires LEAA to do anything, but would simply authorize them to move into a pilot program, giving consideration only to those States that have adequate programs that have actually applied to move ahead in this area.

Mr. KENNEDY. I would be more inclined to rise the limit from five to seven, rather than demand that they have to do five, if that is agreeable with the Senator.

Mr. PERCY. Could we compromise on 10? That is one-fifth of the States.

Mr. KENNEDY. Let us stay with seven. We shall fight hard for seven in the conference. This is a new program. It may be entirely worthwhile or may have implications that we have not examined.

I would be glad to ask that the amendment be modified to include seven.

Mr. PERCY. The Senator from Illinois would like to be perfectly clear as to what his intentions are to make it a matter of record today. The Senator from Illinois only knows of seven cases, but there may be others. I had hoped to get 10 to provide for that extra leeway. But if it is determined that there may be, truly, a practical level of 10, and if such an amendment is offered on the House side and accepted and incorporated in the House legislation, it would be the hope of the Senator from Illinois that the conferees then, taking that into account, would look favorably upon it.

At this stage, I express my appreciation to my distinguished colleagues for their approval of this amendment, subject to a limitation of seven.

The PRESIDING OFFICER. Does the Senator from Illinois wish to make that further modification?

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[*] Contingent upon results of evaluation efforts.

Mr. PERCY. The Senator from Illinois asks unanimous consent that that modification be added.

The PRESIDING OFFICER. The Senator has that right.

The amendment was so modified.

Mr. PERCY. I yield back the remainder of my time.

Mr. President, I ask unanimous consent that a letter dated May 18, from the American Correctional Association, supporting the pending amendment, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN CORRECTIONAL ASSOCIATION,
College Park, Md., May 18, 1979.

Hon. CHARLES H. PERCY,
U.S. Senate
Washington, D.C.
Attention.: Ken Ackerman

DEAR SENATOR PERCY: The American Correctional Association (ACA) has recently become aware of the Amendment to S. 241 that you have authored addressing the development of prison industry programs at the state level.

The ACA strongly supports the principles and concepts encompassed by the proposed Amendment and notes that it builds upon the "Free Venture" program developed by the Law Enforcement Assistance Administration.

Efforts such as the experimental programs you propose in the Amendment, when supported at adequate funding levels with appropriate evaluations, are long overdue and essential to the improvement of corrections nationally.

The Association thanks you for your continued interest and support of the field of corrections.

Peace,

ANTHONY P. TRAVISONO,
Executive Director.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back his time?

Mr. KENNEDY. I yield back my time.

Mr. THURMOND. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment as modified.

The amendment, as modified, was agreed to, as follows:

On page 34, insert between lines 14 and 15 the following new paragraph—

"(11) encouraging the development of pilot and demonstration projects for prison industry programs at the state level with particular emphasis on involving private sector enterprise either as a direct participant in such programs, or as purchasers of goods produced through such programs, and aimed at making inmates self-sufficient, to the extent practicable, in a realistic working environment."

On page 127, between lines 8 and 9, insert the following new section:

"Section 827. Prison Industry Enhancement

"(a) Section 1761 of Title 18, United States Code, is amended by adding thereto a new subsection (c) as follows—

"'(c) In addition to the exceptions set forth in part (b) of this section, this Chapter shall also not apply to goods, wares, or merchandise manufactured, produced, or mined by convicts or prisoners participating in a program of not more than seven pilot projects designated by the Administrator of the Law Enforcement Assistance Administration and who—

"'(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows:

"'(A) taxes (Federal, State, local);

"'(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief State correctional officer;

"'(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"'(D) contributions to any fund established by law to compensate the victims of crime of not more than 20 per centum but not less than 5 per centum of gross wages;

"'(2) have not solely by their status as offenders, been deprived of the right to participate in benefits made available by the Federal or State government to other individuals on the basis of their employment, such as workmen's compensation. However, such convicts or prisoners shall not be qualified to receive any payments for unemployment compensation while incarcerated, notwithstanding any other provision of the law to the contrary;

"'(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this Act, and all other financial arrangements as a result of participation in such employment.'

"(b) Section 35 of Title 41, United States Code, is amended by adding to the end of subsection (d) there of, before "; and", the following:

"', except that this section, or any other law or Executive Order containing similar prohibitions against purchase of goods by the Federal government, shall not apply to convict labor which satisfies the conditions of Section 1761(c) of Title 18, United States Code.'

"(c) The provisions of this section creating exemptions to Federal restrictions on marketability of prison made goods shall not apply unless—

"(1) Representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project qualifying of any exemption created by this section;

"(2) Such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services;"

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which that amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PERCY. Mr. President, I ask unanimous consent that Connie Evans, of the Governmental Affairs Committee staff, be accorded the privilege of the floor during votes and discussion on the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT 172

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Delaware (Mr. BIDEN) proposes unprinted amendment numbered 172.

Mr. BIDEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(1) On page 31, beginning with line 12, strike out all through line 14 on page 34 and insert in lieu thereof the following:

"SEC. 401. (a) It is the purpose of this part to assist States and units of local government in carrying out specific programs which are of proven effectiveness, have a record of proven success, or which offer a high probability of improving the functioning of the criminal and juvenile justice system. The Administration is authorized to make grants under this part to States and units of local government for the purpose of—

"(1) establishing or expanding community and neighborhood programs that enable citizens to undertake initiatives to deal with crime and delinquency;

"(2) improving and strengthening law enforcement agencies, as measured by arrest rates, incidence rates, victimization rates, the number of reported crimes, clearance rates, the number of patrol or investigative hours per uniformed officer, or any other appropriate objective measure;

"(3) improving the police utilization of community resources through support of joint police-community projects designed to prevent or control neighborhood crime;

"(4) disrupting illicit commerce in stolen goods and property and training of special investigative and prosecuting personnel, and the development of systems for collecting, storing, and disseminating information relating to the control of organized crime;

"(5) combating arson;

"(6) developing investigations and prosecutions of white collar crime, organized crime, public corruption related offenses, and fraud against the government;

"(7) reducing the time between arrest or indictment and disposition of trial;

"(8) implementing statewide court reforms;

"(9) increasing the use and development of alternatives to the prosecution of selected offenders;

"(10) increasing the development and use of alternatives to pretrial detention that assure return to court and a minimization of the risk of danger;

"(11) increasing the rate at which prosecutors obtain convictions against habitual, nonstatus offenders;

"(12) developing and implementing programs which provide assistance to victims, witnesses, and jurors, including restitution by the offender, programs encouraging victim and witness participation in the criminal justice system, and programs designed to prevent retribution against or intimidation of witnesses by persons charged with or convicted of crimes;

"(13) providing competent defense counsel for indigent and eligible low-income persons accused of criminal offenses;

"(14) developing projects to identify and meet the needs of drug dependent offenders;

"(15) increasing the availability and use of alternatives to maximum-security confinement of convicted offenders who pose no threat to public safety;

"(16) reducing the rates of violence among inmates in places of detention and confinement;

"(17) improving conditions of detention and confinement in adult and juvenile correctional institutions, as measured by the number of such institutions administering programs meeting accepted standards;

"(18) training criminal justice personnel in programs meeting standards recognized by the Director of the Office of Justice Assistance, Research, and Statistics;

"(19) revision and recodification by States and units of local government of criminal statutes, rules, and procedures and revision of statutes, rules, and regulations governing State and local criminal and juvenile justice agencies;

"(20) coordinating the various components of the criminal and juvenile justice system to improve the overall operation of the system, establishing criminal justice information systems, and supporting and training of criminal and juvenile justice personnel;

"(21) develop statistical and evaluative systems in States and units of local government which assist the measurement of indicators in each of the areas described in paragraphs (1) through (20); and

"(22) any other program which is of proven effectiveness, has a record of proven success, or which offers a high probability of improving the functioning of the criminal and juvenile justice system."

(2) On page 132, between lines 10 and 11, insert the following paragraphs:

"(18) 'Proven effectiveness' means that a program, project, approach, or practice has been shown by analysis of performance and results to make a significant contribution to the accomplishment of the objectives for which it was undertaken or to have a significant effect in improving the condition or problem it was undertaken to address.

"(19) 'Record of proven success' means that a program, project, approach, or practice has been demonstrated by evaluation or by analysis of performance data and information to be successful in a number of jurisdictions or over a period of time in contributing to the accomplishment of objectives or to improving conditions identified with the problem to which it is addressed.

"(20) 'High probability of improving the criminal and juvenile justice system' means that a prudent assessment of the concepts and implementation plans included in a proposed program, project, approach, or practice, together with an assessment of the problem to which it is addressed and of data and information bearing on the problem, concept, and implementation plan, provides strong evidence that the proposed activities would result in identifiable improvements in the criminal and juvenile justice system if implemented as proposed.

(3) On page 13, line 7, strike the word "and"; in line 9, strike "forums." and insert in lieu thereof "forums; and"; and between lines 9 and 10 insert the following subsection:

"(d) identifying programs of proven effectiveness, programs having a record of proven success, or programs which offer a high probability of improving the functioning of the criminal and juvenile justice system."

(4) On page 98, line 15, insert before the semicolon the following:

", are of proven effectiveness, have a record of proven success, or offer a high probability of improving the criminal and juvenile justice system".

(5) Technical Amendments:

Page 34, line 21—delete the word "paragraph" and insert the following "subparagraph (c) of this section."

Page 34, line 22—delete "(a)(10)" first occurrence.

Page 34, line 22—delete the words "paragraph (a)(10)" and insert in lieu thereof the following: "subparagraph (c) of this section."

Page 35, lines 5 and 6—delete the words "set out in paragraph (a)(10)" and insert in lieu thereof the following: "of administering grants received under this title for operating criminal justice councils, judicial coordinating committees, and local offices pursuant to Part D."

Page 35, line 20—delete the words "in paragraph" and insert in lieu thereof the following: "above".

Page 35, line 21—delete "(a)(10)".

Page 35, line 24—delete the words "of paragraph" and insert in lieu thereof "set forth above".

Page 36, line 1—delete "(a)(10)".

Page 36, lines 5 and 6—delete the words "in paragraph (a)(10)" and insert "above" in lieu thereof.

Page 36, line 8—delete "(1-9)" and insert in lieu thereof "(1-21)".

Page 36, delete line 13 and insert in lieu thereof "subsection."

Page 48, lines 8 and 9—delete the words "as defined in section 401(a)(***)."

Page 48, lines 16 and 17—delete the words "as defined in section 401(a)(5), (7) and (8)".

Page 59, line 9, after the word "of" insert the following: "a program of proven effectiveness, a program having a record of proven success, or".

Mr. BIDEN. Mr. President, I shall be brief today. The amendment which I have sent to the desk is intended to strengthen further the provisions of LEAA and enhance its working capability. As some on the floor may know, and as the chairman of the full committee and the ranking member know, I have been, I think properly, characterized as a critic of the Law Enforcement Assistance Administration. I have been of the view that, unless something substantial be done to correct what I believe to be the inefficiency of the program and the lack of direction, the program would be better eliminated than continued in its present form. That view, in part, at least, was shared by many on the committee, not the least of whom was the chairman of the full committee, who took it upon himself and his staff to get together and draft what I believe to be a significant improvement to the LEAA legislation.

In committee, I introduced an amendment which was further designed to tighten down the direction and the control of LEAA, and it was referred to by me, at the time, and subsequently by others, as requiring a sunset report. The amendment which was adopted would accomplish three important objectives.

It would require LEAA to assemble a comprehensive, intelligible analysis of the state of criminal justice in 18 central aspects;

It would require the LEAA administration and the program participants to apply LEAA resources to essential—not peripheral—uses; and

It would require vigorous evaluation of LEAA funded programs.

The fact that this report would analyze LEAA's impact in 18 quantifiable areas does not mean that these are the only problems in criminal justice or that all criminal justice problems are quantifiable.

It does, however, allow Congress to point with some degree of specificity to a congressional intent and a statement of the intent that is much more specific than what LEAA's guiding rule has been to date, which was "improving the criminal justice system." Anything that improved the system and anything that anybody said improved the system would be an area that LEAA funds could be spent on.

It would mean that, in spite of many complexities and intangibles of criminal justice, we could at least begin to account for LEAA's performance in these 18 areas.

The amendment I send to the desk today goes one step beyond what I offered in committee. My committee amendment indirectly focused the LEAA grant-in-aid moneys by creating an incentive for program participants to concentrate LEAA grants in those areas by which Congress would measure the performance of the program. However, the "sunset report" amendment did not restrict the areas in which LEAA grants could be spent, and did not indicate that funding would be terminated if not used in those specific areas, and merely stated that grant activities would be terminated if there were not a substantial contribution made in a majority of the 18 areas.

Since the time when the committee adopted my amendment, there has been additional evidence of Congress' desire to reduce funding for this program. The House budget conferees have receded to the Senate position on the LEAA budget cutting the figure down to $450 million range.

With the budget below a half billion dollars, I believe that it is essential that we address the focusing issue directly as well as indirectly. Therefore, the amendment I place before my colleagues this morning would specify 22 categories in which formula grant money could be expended with a limited authority by the director to expand that number. This list of 22 includes 4 categories in addition to the 18 under which the program would be evaluated by the Congress at the end of 4 years. These additional categories are necessary to provide more flexibility to local officials to expend Federal money on pressing issues not covered by the sunset list. However, narrowly construed by the Director and that the Director of "OJARS"—it almost sounds indecent—use his authority to expand the list with extreme caution.

I ask unanimous consent, Mr. President, that a written "legislative history" which explains my intent with respect to certain provisions in the amendment be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BIDEN. Mr. President, I believe that by better articulating the program and addressing selected problems we can make LEAA easier to administer, improve its stature, and increase its chances of success. It will enable us to tell taxpayers precisely what the agency is for and in what ways they should hold it accountable.

In a sobering period of fiscal conservatism and public disillusionment with the Federal Government, we have no other rational choice. With the adoption of this amendment, LEAA is out of the business of general support of States and local criminal justice. We will only fund programs that have proven to be effective. I feel proud that instead of giving up, instead of throwing the problem to someone else, we have developed legislation to combat a nationwide problem of great urgency, and maximize the effectiveness of limited amount of Federal dollars available for this purpose.

This bill has gone through many changes. Because it now includes not only my amendment but amendments offered by my colleagues on the Judiciary Committee which provide a clearer focus to the program, I urge enactment of this bill.

Given the pervasive plague of crime and urgent problems of the criminal justice system, I feel strongly that this bill is well worth our Federal dollars.

I hope, Mr. President, that by doing this, we not only increase its chances of success, but we once again will increase the chances for additional funding for LEAA here on this floor and in the Congress.

I have in the past, as I said, been critical of LEAA, not because of the amount of money we are spending, but because of the lack, in my opinion, of the direction and focus of the program, and, in turn, what I believe to be some waste of that money.

Crime, law enforcement, if the polls are to be taken as having any validity, is the only area where the American people in their budget-cutting, tax-cutting attitudes, and frame of mind today, are willing to spend more money.

So that it is my hope that a message will go out to the State directors of the LEAA programs and the law enforcement agencies that if they tighten down and very strictly construe this legislation, if in fact this amendment is adopted, that that is their best way to insure that next year it is not $450 million, but $750 million, and that the following year it continues to increase so we really can begin to make an additional dent in some of the good work that has already been completed by LEAA on our so-called war on crime.

It is in that spirit, Mr. President, that I introduce this amendment. I ask that the chairman of the full committee and the ranking member seriously consider the possibility of accepting this amendment. It is my understanding that they are sympathetic to this approach. I hope that the amendment can be accepted.

I thank the Chair.

EXHIBIT 1

LEGISLATIVE HISTORY

1. Legislative History for the term "proven effectiveness"; The standard for use in making a determination of proven effectiveness shall be: That significant and desirable change has occurred in the condition or conditions identified or described in the objectives or in a statement of the problem for which the program or project was undertaken, and that pertinent data and information demonstrate at a high level of confidence that the program or project made a direct and substantial contribution to such change. Because effectiveness is a relative concept, and because the complexity of the interrelated factors involved frequency makes precise attribution of cause and effect difficult for evaluation and analyses in the criminal and junvenile justice environment, the standard will be applied to require convincing evidence of contribution to significant improvement, but will not require either proof of sole responsibility for changes that occur or precise measurement of the amount of change attributable to the program or project that is assessed. Further, because the effects of different types of programs or projects inherently require different periods of time before they can reasonably be expected to occur, the standard will apply appropriate periods of time, based on current knowledge, in making each determination.

2. Legislative History for the term "record of proven success": The standard for use in making a determination of a record of proven success shall be: That significant and desirable change has occurred in a number of jurisdictions or over a period of time in the condition or conditions identified or described in performance objectives of the program or project or in a statement of the operational problem which is addressed, and that analyses of performance data and information demonstrate a high level of confidence that the activities assessed have made a direct and substantial contribution to improved performance. Such success shall have been demonstrated in a minimum of three jurisdictions and successful performance shall have been maintained over a period of two years of operations with the implementation of the essential elements of the program.

3. Legislative History for the term "offers a high probability of improving the criminal and juvenile justice system": The standard for use in making a determination that a proposed program, or project, offers a high probability of improving the criminal and juvenile justice system shall be: That the clear balance of evidence pertaining to proposed activities, organization, and procedures indicates a high probability of successful performance, or that a reasonable analysis of the logic upon which the program or project is based indicates a high probability of "proving successful" and developing a "record of proven success" as those terms have been defined above. This standard would allow for and would be so applied as to encourage experimentation and innovation but would require that such activtites be logically conceived and be supported by logical analyses and interpretations of available knowledge, information, and data.

4. Legislative History describing the types of specific, concrete programs that might be funded under the Biden amendment to section 401:

Prosecutor Management Information Systems.
Career Criminal (Prosecution)
State-wide judicial planning.
(Court) unification.
Economic Crime Units.
Jury Management.
Improved Indigent Defense Services.
Training of Court Professionals.
Uniform sentencing guidelines.
Anti-Fencing.
Anti Theft.
Airport Security.
Law Enforcement Standards.
Police Executive Training.
Sheriff Training.
Bomb Specialist Training.
Bomb (and Drug) Dogs and Handlers Training.
Organized Crime Training.
White Collar Crime Training.
Health Care in Jails.
Legal Services for (Prison) Inmates.
Correctional Institution (Renovation and) Construction.
Correctional standards and accreditation.
Drug and Alcohol Diversion (From Criminal Justice System).
Equal Employment Opportunities in Criminal Justice Agencies.
Security and Privacy of Criminal History Information.
Private Security (Standards).
Housing Design to Reduce Crime.

Mr. KENNEDY. Mr. President, I yield such time as I may need.

Mr. President, I commend the Senator from Delaware for an extremely constructive and helpful amendment to the LEAA program.

During the course of our markup in the judiciary committee, he made an important contribution to the legislation in developing an amendment to require effective evaluation of LEAA programs, something which all of us in the Senate have felt was long overdue.

We have seen a dramatic difference in recent years in the number of programs started with LEAA funds which have been later adopted by local communities—even those local communities hard-pressed in terms of financial resources.

But the Senator from Delaware made an excellent suggestion for evaluation of these programs, which was accepted unanimously by the members of the committee.

Now we are faced with limited resources at the Federal level. The Senator from Delaware, as a result of extensive hearings, proposes an amendment to target the areas in which there has been the greatest LEAA success. The purpose of the amendment is to target limited resources to these programs that can make a difference in criminal and juvenile justice and law enforcement.

In looking over his priorities, it seems to me they have been thoughtfully selected and will be extremely helpful in tightening the administration of this program. Rather than scattering limited LEAA resources into broad areas, the Biden amendment is very precise in targeting those areas which can make—indeed, already have made—an important difference in the area of crime.

But he also, in paragraph 21, gives some degree of flexibility to this tight standard by mentioning the possibility of additional programs if they have a record of proven success, or offer a high probability of improving the function of the criminal and juvenile justice system.

And his amendment defines these terms to avoid too broad a loophole. He has obviously spent a good deal of time in considering each one of his criteria.

It is a tightly drawn amendment. It seems to me to be completely consistent with his earlier amendment, providing evaluation, and I think it really is helpful to the legislation.

At an earlier period of time we had greater flexibility in the LEAA program, because of the amount of resources that were available; perhaps we were somewhat more ambitious in trying different alternatives in trying to deal with the problems of crime, than we should have been. We saw a number of different programs developed, some with very considerable success, others not so.

The Senator, as a result of his experience as chairman of the Criminal Law Subcommittee and his thoughtful study of this program, has provided an excellent road map for LEAA in targeting limited resources in areas that can make a significant difference.

I commend the Senator from Delaware and thank him for his contribution. I urge my colleagues to support the amendment.

Mr. THURMOND. Mr. President, I support the amendment offered by the distinguished Senator from Delaware, (Mr. BIDEN). This amendment is consistent with a series of amendments that Senator BIDEN offered in the committee which have as their objective the definition of specific goals for the LEAA program.

As originally drafted, the Biden amendment would have stricken all of section 401(a), including paragraph 2. This language is similar to existing provisions of the Omnibus Crime Control and Safe Streets Act and was included in the new legislation at my request.

Section 401(a)(2) specifically authorizes "sting" and organized crime control projects. These are among the most successful and cost-effective activities which LEAA has conducted to date. However, Senator BIDEN has now agreed to retain this provision in his amendment. I am pleased to support it.

Mr. BIDEN. Mr. President, I thank my colleagues for their kind references to me, and I appreciate very much their support.

At this time, I should like to move to amend my amendment by deleting a single word on page 2 of the amendment. Section 8 now reads "implementing statewide court reform." I wish to delete the word "statewide," so the sentence will read: "Implementing court reform."

The distinguished Senator from Alabama (Mr. HEFLEN) has pointed out that a strict reading of that might very well preclude court reform measures which are needed and which would be worthwhile in major cities or in counties or in jurisdictions that are other than a statewide court system.

I concur with that, and it is my understanding that the Senator from Massachusetts and the Senator from South Carolina concur as well.

With that, I ask unanimous consent to so amend my amendment.

The PRESIDING OFFICER (Mr. LEVIN). The Senator has a right to modify his amendment, and the amendment is so modified.

Mr. BIDEN. Mr. President, I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

Mr. THURMOND. Mr. President, I have no objection to the amendment being modified, and I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. KENNEDY. Mr. President. I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I send to the desk an unprinted amendment.

Mr. KENNEDY. Mr. President, the distinguished Senator from Alabama wanted to make a brief statement and had asked me earlier to yield some time to him. Will the Senator withhold for 3 or 4 minutes?

Mr. WALLOP. I am happy to yield, and I withdraw my request for recognition.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. I thank the Senator from Wyoming and the Senator from Massachusetts for allowing me to speak at this time, in order that I may attend another function.

Mr. President, in my judgment, Congress, in bringing the LEAA program into being, did not really approach the LEAA program from a basis of stopping crime or greatly slowing it down. In my judgment, a program that is designed to slow down crime or to stop crime has to have an emphasis in the home, in the schools, and in the churches; because these institutions are the molders of values and attitudes, and I think that crime has its origin and wellspring in values and in attitudes.

However, the LEAA program has been of immense value in improving the administration of criminal justice in this Nation.

I should like to direct my remarks primarily to the court systems, the State judicial systems, and the improvement that has occurred in those systems. There has been a vast amount of improvement in the judicial systems of this Nation as a result of the LEAA program.

During my term as chief justice of Alabama, I was fortunate enough to travel the length and breadth of this country and I was able to talk to judges and court administrators from most of the States. Their voices were in unison in their support of the LEAA program. Many States—as has Alabama—have undertaken actions to completely revise their court systems. The catalyst for this court reform and modernization effort was none other than "seed money" provided under the auspices of the Law Enforcement Assistance Administration. In Alabama, for example, we were able to pass a totally new judicial article to our State constitution which completely revamped our State court system and brought our court system into the 20th century and prepared it for service to the people on into the 21st century. These results could not have been achieved had it not been for the LEAA program. The experience in other States demonstrates that Alabama is not alone in its effort to wisely utilize the funds available under this program.

Admittedly, Mr. President, in some cases during the early years the money was not spent wisely. Yet State and local governments learned as they went along; and after some initial problems, the investment began to bear fruit. In Alabama and in other States, our police departments, which had been largely underfunded, undermanned, undertrained, an unprofessional, developed into well disciplined and professionalized organizations. Juvenile justice programs have been established in my State and other States under the auspices of the LEAA program. Our corrections systems have been improved and the corrections staffs have become better trained and more effective. All these efforts, in my judgment, have had a significant impact on our criminal justice system.

Mr. President, focusing on the improvement of the State court systems, the area with which I am most familiar, the rationale for continued Federal assistance to the State judiciaries is most convincing. The Conference of Chief Justices, of which I was a member, commissioned a task force on State court improvement. This task force has reported to the conference and identified a number of reasons why we must continue to aid our State court systems. Although much will be heard with respect to this task force report in the days to come, I would like to just highlight some of the reasons the task force identified as to why it is imperative that Congress continue to support our State court systems.

First, there is a Federal interest in the quality of justice, just as there is a Federal interest in the health care and quality of the educational systems of our people. In fact, fairness and equity in a system of justice, be it criminal or civil, are essential characteristics of our democratic society. The LEAA has continued and will continue to help achieve this end.

In addition Mr. President, State courts share with the Federal courts the obligation under the U.S. Constitution to uphold and enforce the Constitution and laws of the United States made pursuant to the U.S. Constitution. To do so they must be well trained and properly staffed. This is another area where the LEAA has given assistance.

Third, Congress has imposed additional specific burdens on State judiciaries which must be effectively carried out if important national policy objectives are to be achieved. For example, enforcement of the 55-mile-per-hour speed limit which was introduced by the Congress as a condition to the receipt of Federal highway money falls primarily on the State criminal court systems. Virtually every Federal aid program is subject to some condition and the condition usually requires that a State pass and enforce legislation. It is not uncommon for this enforcement to generate litigation in the State courts.

Fourth, the effort to maintain high quality justice in the Federal courts has led to an increasing effort to limit the caseload of Federal courts by giving increased responsibility to the State courts. Even now both Houses of this Congress are considering the abolition of the diversity jurisdiction. If this bill passes, certainly a significant amount of litigation will be transferred from the Federal courts to the State courts and this increased workload certainly will be translated into strains upon the resources available at the State level to absorb the workload. Here again the LEAA can be of assistance.

The congressional mandate to achieve prompt justice in the Federal courts through implementation of the Speedy Trial Act, which becomes fully effective as of July 1 of this year, has resulted in a limiting of the number of criminal and civil cases being disposed of in Federal courts with a consequent increase in criminal and civil caseload in the State courts.

Finally, decisions of the U.S. Supreme Court very greatly increased the procedural due process protections which must be afforded a criminal defendant, thus making it increasingly important that State judiciaries are equipped to implement those decisions, if the important liberty interests are to be achieved.

All of these factors, Mr. President, illustrate even in the narrow area of court reform and court administration why it is necessary that the LEAA reauthorization bill be expeditiously passed by this body. Like arguments could be made in the area of corrections, juvenile justice, and law enforcement programs.

Mr. President, in my judgment, we cannot afford to turn our backs on our State and local governments in their battle against crime at this critical juncture. Great strides have been made in many States and in my State and I would say in every State in the Union and these programs must be allowed—no, encouraged—to go forward.

Mr. President, I urge my fellow Senators to give their support to this bill so that our State and local governments can continue their efforts to improve their criminal justice programs across the board.

Mr. President, during the debate on the budget resolution it was pointed out that only 3 percent of the total State and local criminal justice expenditures were related to LEAA funding.

I challenge any Member of this body to point out a Federal program where a 3-percent investment has yielded such a significant return.

Again, I support S. 241 and urge each Member of this body to join in this effort to continue the LEAA program.

Thank you.

Mr. THURMOND. Mr. President, I commend the able and distinguished Senator from Alabama for the splendid statement he has just made. I hope every Member of this body will take time to read that statement.

The Senator from Alabama has been a distinguished chief justice of the supreme court of that State. He has had experience in legal matters and criminal and civil matters and in the administration of justice. What he had to say is worth listening to.

Mr. KENNEDY. Mr. President, I yield myself such time as I may require.

I also join in commending the Senator from Alabama.

As he well remembers, those provisions to strengthen the court system were accepted by the Judiciary Committee and by Congress basically on the recommendation of the distinguished Senator from Alabama. Those provisions have made a very significant difference in LEAA's treatment of the courts in the States around this country. The remarks of the Senator from Alabama are enormously valuable and helpful to the Senate, pointing out several important areas of significance, importance, and success.

I thank the Senator from Alabama for those comments.

We welcome now the amendment of the Senator from Wyoming who had sought recognition earlier.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. WALLOP. Mr. President, I thank the Chair. I was advised some 40 minutes ago that my presence was urgently needed in the Chamber to continue this debate. I am glad such sense of urgency still remains.

UP AMENDMENT NO. 173

(Purpose: Research and development by National Institute of Justice of programs to combat child-snatching)

Mr. WALLOP. Mr. President, I send to the desk an unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wyoming (Mr. WALLOP) proposes unprinted amendment numbered 173.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At page 15, line 14, after the first comma, insert the following:

"The prevention and reduction of parental kidnapping, including the development of programs to facilitate cooperation and coordination among the States and units of local government,"

Mr. WALLOP. Mr. President, this amendment is designed to focus attention on the child-snatching problem, on which the chairman so graciously worked with me last year and which has become a topic of greater and greater discussion.

Simply stated, this amendment adds language to section 202(c) (2) (iv) to authorize the National Institute of Justice to develop new methods for the prevention and reduction of parental kidnappings, including the development of programs to facilitate cooperation and coordination among the State and units of local government to deal effectively with interstate child snatchings.

It is a problem that has risen to epidemic proportions as witnessed by the increasing national attention that is focused on it by television, magazines, and other kinds of articles appearing regularly now. There are, indeed, an estimated 25,000 to 100,000 of these parental kidnapings occurring every year. This figure, as one can only guess, is bound to increase as the number of divorces in America increases.

The problem of child snatching is one which particularly warrants Federal attention because of the inherent difficulties of individual States in dealing effectively with a problem which by its nature is predominantly interstate. A large portion of the child-snatching cases involves flight across State boundaries, resulting in multiple interstate conflicts and a limited ability on the part of individual States to provide assistance to parents in locating and obtaining the return of their children.

It is my intent in offering this amendment that the National Institute of Justice will focus attention on this problem which causes immeasurable emotional injury to its child victims. Through the efforts of the National Institute of Justice, States and local governments will be able to work together to deter and some day perhaps eliminate this grievous problem of child snatchings in America.

It is my understanding that the amendment has been cleared with both of the bill's managers and that it is in fact acceptable to them.

Mr. KENNEDY, Mr. President, the Senator is quite correct.

We talked about this matter last year in the criminal recodification legislation. It is an area of important public policy. It is a heart rendering situation in many instances. The general reluctance that we had last year and part of the reluctance we still have this year is traced to the sole fact that this is really not a criminal law issue. It probably should be more directed toward HEW.

Many of the States have attempted to work out compacts in this area. This problem results because of divorce, of children being assigned to different members of the family. We have seen actions taken by members of the family with tragic consequences for their own children.

The real question is the extent to which we should have the Law Enforcement Assistance Agency focus on this situation.

I think it more appropriate that we get action from HEW rather than LEAA. But it is an area where not enough is being done. It does seem to me that if we provide this urging to the Institute we will get research recommendations about how best to work out the problem.

Clearly we need to pay attention to this issue. The Senator from Wyoming has been tireless in his pursuit of this issue using every vehicle imaginable to continue to press this issue, an issue of importance and tragedy.

So I would be willing to accept this amendment, and have the Institute study the problems and make recommendations. Then, maybe, we will be able to respond to those recommendations in a way which will be in the best interests of the children and the parents who are involved.

One of the great concerns I have is whether we want the FBI or other police agencies involved in domestic issues, as opposed to other issues of crime. That is my principal reluctance. It is really my only reluctance that I have about this amendment.

But I urge the Senate to accept it, and I will pledge my help to the Senator from Wyoming. There is a parent locator service in the Department of HEW which attempts to deal with some aspects of this, although not to the extent the Senator from Wyoming would hope.

So I am willing to urge the Senate to accept it and to work with the Senator from Wyoming to try to find the best way and the best means to reach what is a matter of tragedy.

The Senator is quite correct that it is an increasing problem. But I did not want to accept the amendment without expressing some degree of concern about getting LEAA involved in this area.

Mr. WALLOP. Mr. President, if the Senator will yield on that, I certainly do not have the intention of offering this amendment in lieu of Senate consideration of S. 105. Child-snatching is a complex, multifaceted problem. There are a host of actions Congress can and should take to deter this injurious activity. This amendment embodies one attack on the problem; S. 105 presents a still more comprehensive solution to the child-snatching epidemic. Adoption of this amendment does not obviate the need for hearings and action on S. 105. Rather, it serves to focus our attentions on a problem we must do much more to solve.

This amendment is designed to direct the Institute of Justice to develop programs to prevent and reduce the incidence of child-snatching, and to facilitate cooperation and coordination between and among the States to deal more effectively with interstate child-snatching. It is certainly not intended to take the national focus away from a problem that exists because a question may well be in the chairman's mind of whether it belongs in HEW or Justice.

It is the opinion of the Senator from Wyoming that it belongs in both. The Department of Justice and HEW should work together to reduce the child-snatching problem. While you refer to interstate compacts, it is essential to point out that the Uniform Child Custody Jurisdiction Act has been adopted by a significant number of States, the problem remains that it is not enforceable in the States that have not adopted it.

So this is really not meant as a means of reducing pressure on S. 105. I hope that is not the condition upon which the amendment is being accepted.

Mr. KENNEDY. The point I would make to the Senator from Wyoming is that we have seen a significant reduction in LEAA resources. I am sure there are many areas of concern that could be loaded upon LEAA's back, but there is only so much money available.

If I can finish my remarks, then I will yield.

The point, quite frankly, is that this is an issue of domestic relations. The Senator makes the point that child-snatching is close to the issue of kidnaping, and that is a violation of the criminal law. We understand that kind of correlation. And it is of some value to do a study and, hopefully, get some recommendations.

The point is we accept the Senator's amendment and we look forward to trying to work with him.

Mr. WALLOP. I thank the Senator.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Wyoming for offering this amendment. I think it is an amendment of merit. This amendment would amend section 202(c) which would authorize the National Institute of Justice to engage in child-snatching research.

The distinguished Senator from Wyoming is to be commended for his leadership in introducing comprehensive legislation to deal with this growing problem.

This particular amendment furthers his interest in the field and encourages NIJ to take a hard look at the problem.

I feel that it is a worthy cause. It is a problem that needs research, and I hope more important solutions can be found in the future than have been found up to this time.

Again I commend the Senator from Wyoming for his amendment.

Mr. WALLOP. I thank my colleague.

Mr. KENNEDY. I yield back the remainder of my time.

Mr. WALLOP. I move the adoption of the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. THURMOND. I yield back my time.

The PRESIDING OFFICER. Does the Senator from Wyoming yield back his time?

Mr. WALLOP. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I have three other amendments which, I believe will be acceptable to the managers of the bill. Does the Senator from Oklahoma have an amendment? I wanted to inquire.

Mr. BELLMON. I will be glad to wait until the Senator finishes with his amendments.

UP AMENDMENT NO. 174

Mr. WALLOP. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming (Mr. WALLOP) proposes an unprinted amendment numbered 174.

Mr. WALLOP. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At page 88, line 19, delete the semi-colon and add the following:

"And for law-related education in the public schools;"

Mr. WALLOP. Mr. President, this is an amendment directed to law-related education in the public schools. It makes an important addition to the provisions of section 705(e) dealing with training and manpower development.

As it is presently drafted, section 705(e) allows the Administration to make grants to institutions of higher education to further undergraduate and graduate programs dealing with criminal and juvenile justice.

It is also important, in my estimation, Mr. President, to encourage the institutions of higher education to develop and expand programs for use at the elementary and junior high school and senior high school levels to teach children and young people about the law, about their civic responsibilities and about their rights—all of which fall within the definition of "law-related education."

This amendment will have the effect of reducing the incidence of juvenile delinquency through the development and implementation of law-related education programs in the public schools.

It is in keeping with six law related education projects that are currently receiving LEAA funds.

And I might note in closing, Mr. President, that the University of Wyoming has been a leader in this Nation in the field of law-related education curriculum development, much to the credit of Dr. Robert Points.

Mr. KENNEDY. Mr. President, I am very familiar with these street law programs. They have begun a program of that nature in Boston. There were some three university law schools that were asked to submit volunteers. They expected 30 or 40 volunteers, and they got 500 volunteers from among law school students who wanted to work in local high schools.

One benefit is that it brings about an increasing understanding of the practical effect of the law. In a number of different communities they have had very successful programs, as for example the one here in the District of Columbia, which has been going on for about 5 years.

These programs have begun to spring up in other communities as well. With a small amount of seed money and some initiative by LEAA, there is no reason why this program could not be developed in a number of different communities, in rural as well as urban areas. It has a record of great success and acceptability on the part of the students and the law schools, and has also helped many of our law students become sensitive to the problems and concerns of those students in the high schools of our Nation.

I welcome the amendment, and urge that it be accepted.

Mr. THURMOND. Mr. President, I rise in support of the amendment. This amendment expressly authorizes law-related education for LEAA funding. In the past LEAA has supported six successful discretionary projects which encouraged citizens, and especially our young people, to learn about their responsibilities as well as their rights, under our constitutional system.

I feel that this is an important function, and that the funds could well be used for such a purpose. For those reasons, I am pleased to support the amendment.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. THURMOND. I yield back the remainder of my time.

Mr. WALLOP. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 174) of the Senator from Wyoming (Mr. Wallop).

The amendment was agreed to.

UP AMENDMENT NO. 175

Mr. WALLOP. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wyoming (Mr. Wallop) proposes an unprinted amendment numbered 175: At page 67, line 18—

Mr. WALLOP. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At page 67, line 18, delete the period and insert the following:

"Provided that all states shall be considered equally for reallocated funds."

Mr. WALLOP. Mr. President, this amendment simply adds a nondiscrimination clause to section 405(d) to insure that the administration shall give consideration to all States on an equal basis when determining how to reallocate funds. We simply want small States to be considered at the same level as the larger States in competition for those funds which can, in the legislation before us, be legitimately reallocated.

Mr. KENNEDY. Mr. President, I have no objection. Clearly there should be a fair and equitable allocation of the funds which are not otherwise used among all States—big and small, urban and rural. It is entirely consistent with the purpose of the legislation, and I consider it acceptable.

I yield back the remainder of my time.

Mr. THURMOND. Mr. President, I rise in support of this amendment by the Senator from Wyoming. It authorizes the reallocation of LEAA formula funds so that all States may be considered equally if so-called reversionary funds become available. As I understand it, the intent is to provide an additional funding source for the smaller States whose population and reported crime numbers would otherwise mean that they would receive a very small amount of formula funds. It has been LEAA's practice in the first decade of the program's existence to provide these supplements from discretionary funds. However, in a time when the LEAA funding levels will apparently be very significantly reduced, it is questionable whether additional discretionary funding can be made available for this most worthwhile purpose. The amendment would fill this gap. For that reason, I support it.

Mr. WALLOP. Mr. President, I yield back the remainder of my time.

Mr. THURMOND. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 175) of the Senator from Wyoming (Mr. Wallop).

The amendment was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 176

Mr. WALLOP. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wyoming (Mr. Wallop) proposes an unprinted amendment numbered 176: At page 60, line 16, add the following new subsection.

The amendment is as follows:

At page 60, line 16, add the following new subsection (e):

"(e) The prohibitions on the expenditure of part D formula grant funds enumerated in paragraphs (1), (2) and (3) of subsection (c) shall not apply where, in the judgment of the council and the Administrator such expenditures are necessary to develop criminal and juvenile justice programs in energy impact areas and such programs offer high probability of improving the functions of the criminal justice system."

Mr. WALLOP Mr. President, I ask unanimous consent that Senator Simpson be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, this is an amendment which has now been negotiated with the responsible floor managers of the bill, dealing with the problem of expenditures of formula grant funds for hardware, personnel, and construction in energy impact areas.

While I can understand the reluctance to allow the expenditure of formula grant funds on hardware, personnel, and buildings in States with relatively static conditions, conditions of dramatic population increases in short periods of time in certain of the Western States necessitates a limited exception to the rule. With the new pressure on coal and energy development, communities in Wyoming and other energy-rich States have been growing at mind boggling rates.

Since 1970, Hanna, Wyo., has increased its population by 391 percent. Gillette has experienced an 80 percent increase in its population; Saratoga, 128 percent; Rawlins, 78 percent; Wheatland, 100 percent; Rock Springs, 114 percent; and so forth. (These statistics are from the official roster published by the Wyoming Association of Municipalities for 1979.)

The criminal and juvenile justice systems in these impacted communities have not kept pace with the rapidly growing population. LEAA formula grant money is badly needed to build up the law enforcement, criminal and juvenile justice systems to deal adequately with the problems facing these boom towns. Money is needed for hardware, personnel and construction.

My amendment would allow expenditure of formula grant funds for hardware, personnel and construction in energy impact areas provided that the State Criminal Justice Council and the administrator determine that these expenditures are necessary to develop criminal and juvenile justice programs in energy impact areas and that such programs offer a high probability of improving the functions of the criminal justice system.

What this boils down to is allowing the States to determine how funds should be spent within the State taking into consideration situations unique to that State, in this case, energy impacts.

Energy impact is felt by Wyoming as well as a handful of other States. These States are bearing the social costs of providing energy to this Nation. This amendment would share some of the costs of providing an adequate criminal and juvenile justice system in energy impact areas between the State and Federal governments.

The question may well be asked: Why should we address the problems of energy impact in this legislation when there are already across-the-board energy impact assistance programs in place? Will this not be duplicating those programs? The answer, simply stated, is "No."

There are two energy impact provisions already written into Federal law. However, Congress and the administration have refused to use the first, and the second is directed at entirely different goals.

The first provision would allow impacted communities to receive interest bearing loans on the amount of Federal mineral royalties they are expected to receive in the future because of the mineral development. This provides the front-end-money mechanism that is so needed in impact areas. However, the administration has not recommended funding for this provision. (It is section 317(c) of the Federal Land Policy and Management Act of 1976.)

The second is section 601 of the Fuel Use Act which provides assistance to areas adversely affected by the act's coal conversion goals. However, the funds may only be used for growth management and housing related needs. Funds cannot be used for criminal justice purposes.

The administration has also proposed comprehensive legislation on energy impact. However, that legislation has not received hearings to date, and similar legislation in the last Congress was only narrowly reported to the floor and not acted upon by either House. I would not pin my hopes on it this year.

For all of the reasons stated above, I move the adoption of this amendment.

It is my understanding that our two staffs have agreed to a solution of the problem in the amendment as originally reported.

Mr. KENNEDY. Mr. President, we have agreed that this would be acceptable. What it does is take the State council of the local State and, together with the administrator, allow certain additional purposes for LEAA funds to be considered. It also has a requirement that the proposed improve the criminal justice system, which is the language we have used in the other provisions of the bill.

The way the Senator has proposed the amendment tracks other provisions of this legislation. He has made the case in terms of certain geographical areas which have very special burdens, and it seems to me that the way he has described it is satisfactory. I am willing to urge the Senate to accept the amendment.

Mr. WALLOP. Mr. President, I thank the chairman. I am happy he recognizes that this is consistent with the goals of LEAA.

I do wish to make a point of clarification that the amendment we have negotiated at staff level does not have the 2-year figure, but rather the ordinary LEAA grant period of time.

Mr. KENNEDY. Mr. President, I think the language of the other parts of the bill would incorporate our intent, and certainly the legislative history would show it; so I think there is no reason for further modification of the amendment.

Mr. WALLOP. I thank the Senator.

Mr. THURMOND. Mr. President, I am willing to support this amendment. The amendment provides relief from the restrictions in S. 241 dealing with acquisition of police hardware in those States which are experiencing very rapid growths of their police departments because of increased industrial activity brought about by the energy crisis.

I believe that is correct, is it not?

Mr. WALLOP. That is correct.

Mr. THURMOND. In my view, there should be no restrictions on the use of LEAA funds for hardware acquisitions, and, therefore, I support the amendment.

Mr. WALLOP. Mr. President, I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I offer my thanks to the distinguished chairman and the distinguished ranking member for the cooperation they have given me and my staff in the preparation of this amendment. I thank the Senators very much.

Mr. THURMOND. Mr. President, I yield 5 minutes to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BELLMON. Mr. President, the bill before us today would authorize appropriations of $825 million in each of fiscal years 1980 through 1984. This is $300 million above the level requested by the administration for fiscal year 1980, and $400 million above the level contemplated in the first budget resolution passed by this body and approved on Friday last by the House and Senate conferees.

The Budget Committee does not line item, but it must make certain assumptions with regard to funding for major Federal programs. This is the only way the committee can arrive at spending targets for each of the budget functions. In function 750, the administration of justice function of the budget, the committee assumed a significant reduction—and I emphasize that—in funding for the LEAA program. This assumption was approved by the Senate in rejecting an amendment to increase the function 750 ceilings to accommodate an LEAA funding increase.

The level authorized by S. 241, if fully funded, would exceed the first budget resolution ceilings, unless corresponding reductions are made in other function 750 programs. I intend to work through the Appropriations' Committee to insure that appropriations' action will be consistent with the budget restraint implied in the first budget resolution for fiscal year 1980.

Thus, Mr. President, I do not intend to offer an amendment to cut the authorization, but I think it is unfortunate that the signal we will be sending to constituents of this bill does not accurately reflect the level at which these activities will be ultimately funded.

Mr. President, Senator Muskie, chairman of the Budget Committee, is necessarily absent from the Senate today. I ask unanimous consent that his statement commenting on S. 241 be printed in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR MUSKIE

● Mr. MUSKIE. Mr. President, I would like to comment briefly on the budgetary impact of S. 241, the Law Enforcement Assistance Reform Act.

Senator Kennedy has informed us that S. 241 provides for a comprehensive revision of LEAA through major program reforms. We have been assured that our colleagues on the Judiciary Committee have devised solutions to the Federal Government's criminal justice assistance programs which will succeed in eliminating the abuses and inadequacies of the past. These reforms would affect both the administration and substance of the program.

I do not dispute the Judiciary Committee's judgment in proposing these reforms. Certainly, major changes in LEAA are overdue. I do question, however, whether the committee's legislation is consistent with the Congress mandate to exercise responsible budgetary restraint.

The funding levels authorized in S. 241 as reported are more than twice the level assumed for these programs in the first budget resolution for fiscal year 1980 which has been agreed to by the conference and on which the Senate will conclude action this week. As the Senate is aware, mission 2, function 750 of that resolution provides spending targets for all Federal criminal justice assistance programs of $0.4 billion per year for fiscal year 1980 through fiscal year 1982.

The Law Enforcement Assistance Reform Act, however, provides over $0.8 billion for just those programs within the newly created Office of Justice Assistance, Research and Statistics. Thus, even excluding consideration of authorizations for other criminal justice programs, the authorizations in this bill alone, if fully funded, would break the congressional budget targets by roughly $0.4 billion in each of the next 3 years.

The Budget Committees are faced each year with the need to balance competing national needs in their funding recommendations. This year, the conferees of the House and Senate Budget Committees have recommended the imposition of rigorous restraint, spread across the gamut of Federal activity. We were not confronted solely with the task of separating worthy Federal programs from those that are unworthy. It was also necessary to choose among the good ones and attempt to allocate funds in a manner reflecting national needs and priorities, while meeting the goal of balancing the budget as soon as possible.

The budget resolution targets would permit continued funding for LEAA, but with reasonable and responsible reductions necessitated by the need for budgetary restraint. During the Senate's debate on the budget resolution, it was noted that LEAA provides only about 3 percent of total State and local criminal justice expenditures. Because Federal grants represent such a small share of total expenditures, the funding restraint recommended by the congressional budget would not severely hinder present State and local criminal justice operations.

I would like to remind the Senate, also, that the congressional budget targets for LEAA were explicitly supported by the full Senate on April 25th. On that date the Senate sustained the function 750 spending targets recommended by the Budget Committee and defeated an amendment by Senator Kennedy that would have increased the targets by $100 million to accommodate higher funding levels for the Law Enforcement Assistance Administration.

It is unfortunate that the committee has chosen to report legislation that carries with it the suggestion that the Congress is in a mood to provide unreasonable funding increases for the programs of the LEAA. Clearly this is not the case. And to suggest otherwise sends false signals to LEAA program beneficiaries.

I would hope, therefore, that those who have an interest in the Congress likely funding level for LEAA will take note of the spending targets in the congressional budget. I am confident that those targets provide a more accurate indication of congressional intent.

In view of this, I believe the Senate should consider that a vote for S. 241 is in fact a vote for the reorganization and reform of LEAA. The funding level for the program will be decided by the Committee on Appropriations. Further, I am confident that under the able leadership of Senators Magnuson and Hollings, that that funding level will be consistent with the congressional budget. On this basis, we are not seeking to amend the levels authorized by S. 241. We must be prepared, however, to vote for lower levels this summer when the State, Justice, Commerce, the Judiciary, and related agencies appropriation bill comes before the Senate.●

● Mr. DECONCINI. Mr. President, I am pleased to speak today in support of the legislation to reorganize the Law Enforcement Assistance Administration. The bill is the product of several years of excellent work by Senators Kennedy and Thurmond and my other colleagues on the Judiciary Committee.

Mr. President, the legislation has been carefully and skillfully drafted to provide both sufficient Federal control of grant funds to prevent the waste that has been notorious in past LEAA efforts, and to provide sufficient local autonomy so that the needs of the community can be met. An important part of the legislation for more rural States such as Arizona is the structure under which county and local governments and combinations thereof can qualify for direct funding of grants. In these States the needs of the individual rural communities are often diverse, and a statewide plan does not fulfill the unique needs that exist in each area.

Mr. President, this bill is the product of months of study and compromise upon the often conflicting goals of Federal assistance to local law enforcement. I am firmly convinced it is the best bill we can get, and I believe I speak for my colleagues on the committee.●

● Mr. MATHIAS. Mr. President, I think that every person in this country recognizes that our Nation faces a serious crime problem. I expect that every person involved in law enforcement in this country would add that today's criminals are more cunning and more sophisticated than ever before. Our overburdened State and local criminal justice agencies desperately need Federal help. And the only source of comprehensive Federal assistance for criminal justice improvements at the State and local level is the Law Enforcement Assistance Administration.

LEAA has been the target of considerable criticism in the past. Those who have studied the track record of the agency, however, conclude that the results of LEAA's efforts in recent years have been neither as bad as its opponents charge nor as good as its proponents claim. Certainly there have been problems: excessive redtape and ineffective use of funds, to name two. But there have also been some notable successes:

Career criminal programs, which involve the postarrest identification and prosecution of repeat offenders who use their familiarity with the criminal justice system to beat the system;

Victim-witness assistance programs, which focus attention on the crime victim and witness, often ignored by our criminal justice system;

Programs providing prosecutors and courts with computerized case control and management systems that promote efficient handling of case loads; and

Cost-effective sting programs, through which millions of dollars worth of property are recovered for a relatively small outlay of money.

Today we are considering S. 241, which reauthorizes and restructures the Law Enforcement Assistance Administration. During several days of hearings in the 95th Congress and in the past few months, the Senate Judiciary Committee has carefully studied this legislation as well as the strengths and weaknesses of LEAA.

I am convinced that this bill is a good one. It reduces significantly the redtape which has clogged the channels of communication between the States and LEAA in the past. Local governments will have greater control over the disposition of funds, while large cities and counties will be guaranteed a fixed share of funds. And equally important, programs which have proven to be effective will be given greater emphasis than in the past.

I am particularly pleased with the emphasis given to career criminal programs under the national priority grant program. In March of this year I chaired a hearing at which witnesses testified to the effectiveness of career criminal programs. They were concerned that some programs have been abandoned, despite outstanding accomplishments, because State and local governments were unable to fund the programs after Federal assistance terminated. As a result of this hearing, the bill was amended to provide that in the event of severe State and local budgetary restraints, Federal assistance may be continued beyond the established cost assumption period. This provision demonstrates the committee's commitment to LEAA-supported programs of proven effectiveness.

As a result of these and other major reforms, State and local criminal and juvenile justice systems can expect more effective financial and technical assistance from the Federal Government. This is precisely what they need in order to make any real progress toward a solution to America's crime problem.●

● Mr. BAYH. Mr. President, I am pleased to offer three National Institute of Justice amendments to S. 241, the Law Enforcement Assistance Reform Act of 1979, which would assure greater independence for the National Institute of Justice (NIJ). These amendments would:

First, require Presidential appointment of the Director of the NIJ;

Second, provide that the Director, rather than the Attorney General, stagger the terms of the National Advisory Board members; and,

Third, make $28 million available for the NIJ and $22 million for the Bureau of Justices statistics out of the total $50 million available.

Our distinguished chairman of the Judiciary Committee, Senator Edward M. Kennedy, and our distinguished ranking minority member, Strom Thurmond, and the Department of Justice, all support these legislative efforts. I urge my colleagues to vote in the affirmative on these vital amendments.

The Judiciary Committee already has approved a number of my amendments to the NIJ which are in S. 241, as reported on May 14, 1979. Those amendments would:

First, allow the NIJ to improve at the Federal, State, and local levels, not only the criminal, civil, and juvenile justice systems, but also the administrative, regulatory and legal education systems;

Second, allow NIJ to evaluate the effectiveness of projects or programs carried out under the NIJ, instead of under the entire act;

Third, allow the President to nominate the National Advisory Board members, instead of being appointed by the Attorney General and give more independence to the NIJ;

Fourth, authorize the Board to make such rules respecting its organization and procedures as it deems necessary; and,

Fifth, take the NIJ out of the role of determining how LEAA's national priority grants would be spent.

Mr. President, several State and local bar associations, Governors and other State officials and hundreds of individual lawyers, judges, and lay persons already have strongly supported this proposal.

It is gratifying that our support of the independent NIJ has resulted in such an extraordinary spirit of constructive cooperation between such diverse groups as the United Auto Workers, the Communication Workers of America, the American Bar Association, the American Judicature Society, the Institute for Court Management, the National Juvenile Detention Association, the National Conference of Commissioners on Uniform State Laws, the National Legal Aid and Defender Association, the Salvation Army, the Volunteers of America, and the Native American Rights Fund, to mention only a few.

The extremely able and dedicated staff of the ABA has played a particularly helpful role in the development of the act. I wish to personally acknowledge the efforts of Robert D. Evans, Esq., on the ABA staff and the Honorable Robert H. Hall, chairman of the ABA Commission on a National Institute of Justice, and presently Justice of the Supreme Court of Georgia.

Further, my admiration and respect is given to Bert H. Early, the executive director of the American Bar Association for his foresight, persistence, and suggestion for the creation of an independent agency to fund and coordinate justice system research efforts. These amendments were as a result of Mr. Early's forebearance and the ABA, to which I am grateful.

In focusing on the NIJ programs and activities, we have become aware of two things: First, we know very little about the functioning of the justice system in this country; and second, the present efforts to learn more about these systems are meager and distressingly uncoordinated.

The National Institute of Justice Act has been developed over the years by the ABA with the involvement of many Senators and Representatives. As I mentioned, Leon Jaworski, as president of the ABA, created a 22-member interdisciplinary commission in 1972 to consider the creation of such an NIJ. The commission held a national conference to consider the concept in December 1972, which was attended by 150 national leaders from a variety of fields. The commission thereafter worked for several months preparing its proposal and sent two versions of the proposal to over 12,000 lawyers, judges, and lay persons for their comments and reactions.

The commission also held public hearings in five cities around the country in the spring of 1974 to receive further public response. Thus, the final proposal reflects the collective thinking and ideas of a great number of people from throughout the country. Our highly esteemed late colleague, Senator Hubert Humphrey, introduced a similar version of this bill in the 92d and 93d Congresses.

Among the cosponsors during the 92d and 93d Congresses, in addition to Senator Hubert Humphrey and myself, were Senators BAKER, Bible, INOUYE, MONDALE, Moss, NUNN, Pastore, PELL, PERCY, RANDOLPH, and STEVENSON. In light of former Senator Hubert Humphrey's support and leadership for an independent NIJ, I was especially pleased to have Senator Muriel Humphrey join with Senators Eastland, BAKER, MATHIAS, Paul Hatfield, RIBICOFF, INOUYE, and Abourezk in reintroduction of this bill in the 95th Congress.

This act would create an independent division within the Department of Justice to fund research and pilot projects aimed at making the justice systems in this country more responsive and more efficient. The proposed Institute would provide badly needed funding and coordination to the few already-existing public and private efforts in this area. A Presidentially appointed Board of Trustees would establish overall research priorities; the Institute would then contract with existing organizations knowledgeable in the particular subject area to conduct research or pilot projects. The range of the NIJ would include constitutional rights, civil and criminal law and procedure, as well as juvenile rights and administrative and regulatory matters at the Federal, State, and local levels. The new agency would be authorized to evaluate the effectiveness and quality of justice and the administration of law.

Mr. President, I would like to note that I joined my friend, colleague, and Judiciary Committee chairman, Senator KENNEDY, along with several other Members of this body, in cosponsoring the administration's proposal for the restructuring of LEAA. This act was given careful study. I joined in cosponsorship of the administration's proposal because I believe it represents a needed legislative vehicle for the improved operation of LEAA and it presents suggestions which deserve our careful consideration. I look forward to the House-Senate conference.

The political needs of the Department and the State and local governments who receive LEAA grant funds should not dictate the research programs which will be undertaken. These problems have plagued the current LEAA research institute, and I see little possibility of change unless the NIJ is independent.

The Institute should conduct a balanced research program covering constitutional, criminal, civil, juvenile, administrative, and regulatory matters. By placing an institute under the complete control of the Department of Justice, the administration's proposal may help, with my amendments, to address major areas of our justice system other than criminal justice.

Mr. President, in its present form, the Federal justice research effort is not adequate and must be improved if it is to play a meaningful role in the national anticrime and justice system improvement effort. The goals of my NIJ, as reported, including these floor amendments, are to place greater emphasis on research—increase the quality of research programs generally, and strengthen the autonomy of the program.

The NIJ amendments are designed to create an environment for research, free from political pressures and short-term solutions.

The autonomy afforded NIJ under this act is the first step in upgrading the quality of the Federal research effort.

Mr. President, once again I wish to thank Senator KENNEDY, Senator THURMOND, and their respective staffs, along with the Department of Justice, who labored diligently along with my staff on working out these NIJ amendments for this initial progress in our Federal Justice system research efforts.●

Mr. BAUCUS. Mr. President, I rise in support of S. 241, the Law Enforcement Assistance Administration reauthorization bill. I wish to briefly comment on this bill because of Montana's general experience with the LEAA program and because of my own work on this legislation as a member of the Senate Judiciary Committee.

There appears to be general consensus in my own State and among law enforcement officials around the country that the Montana State Crime Control Board has been one of the Naton's best examples of how cooperation among all parts of the State's law enforcement system can lead to a higher quality criminal justice system. The State crime control board has been a focal point for people throughout the State of Montana involved in various kinds of law enforcement activities to come together and discuss their common problems. This, in and of itself, has been invaluable.

In addition, LEAA funds have been used in Montana to bring 20th century law enforcement techniques to law enforcement officials who would otherwise not have had access to them. The Law Enforcement Training Academy in Bozeman has received $1 million over the past 9 years from LEAA, and the academy has brought all types of law enforcement officials from Montana, neighboring States, and from Canada to Bozeman so they could be given the most up-to-date information and assistance. In addition, regional trainers have been hired to enable law enforcement officials who are not able to leave their counties for any extended period of time to receive training in a nearby town.

In addition, the State crime control board has aided rural law enforcement officials by putting together cooperative law enforcement arrangements so that county and town law enforcement officials could back each other up. LEAA funds have been used to enhance Montana's criminal information and communication systems, and to substantially fund crime prevention and community awareness programs which have brought information about crime prevention to our schools and other civic groups in Montana communities.

Finally, LEAA funds have been used for the first time to establish a court administrator for Montana State courts, and to aid various aspects of our State corrections system. As one can see, the LEAA program has been utilized in a number of very constructive ways in my own State.

Having said this, Mr. President, I do want to address the issue of the level of LEAA funding. I wish the record to indicate that I support a cut in the LEAA program. I support a cut for two basic reasons: First, I believe that the only way we can bring the Federal budget under control is if Senators and Congressmen alike are willing to vote for cutting programs, even those programs that they believe are doing a reasonably good job in their States; and second, I support the elimination of excessive redtape. There is consensus that within the LEAA program there has been an extra level of planners and requirements for unneeded comprehensive plans that has cost taxpayers unnecessary dollars. I support S. 241 because it addresses this problem head on and attempts to eliminate needless redtape now required by LEAA.

President Carter has proposed a $100 million cut in the current $640 million program. This represents a cut of more than 15 percent in the LEAA program, most of which will be taken from excesses in bureaucracy. I think that this proposed cut is justified and appropriate. However, I do not support a budget cut beyond this. I think that further reductions in the budget would in fact debilitate the LEAA program. A 15-percent budget cut is substantial. If all Federal programs would be subject to a 5-percent budget cut this year we would have a balanced budget. That will not happen, and I think those of us who support LEAA are doing more than our fair share for law enforcement by supporting the President's cut. But an additional $100 million cut, to my mind, is unjustified.

One of the reasons I am able to support the President's budget cut is the new funding formula contained in S. 241. Each State will receive a $300,000 base allocation before the remainder of funds are divided according to a formula to provide each State with a block grant allocation. The $300,000 base is an amendment to the original version of S. 241 which I proposed to Chairman KENNEDY, and he agreed to accept. I am very grateful to the chairman for his acceptance of my proposal and thank him for his openmindedness and for his cooperative spirit in pursuing a consensus piece of legislation. It is important to keep in mind that particularly in the face of significant LEAA budget cuts proposed by President Carter that all States will experience a decrease in LEAA funds coming from Washington. My amendment insures that all States share the burden equally. I am convinced that the formula now contained in the bill is a good one and treats States more fairly.

In addition to the block grant allocation formula, S. 241 sets up, for the first time, a national priority grant program. The purpose of this program is to establish certain criminal justice programs that will be funded in all the States. For example, witness protection programs, career criminal programs, or other kinds of special programs that tend to be effective in addressing the problem of crime and helping to substantially reduce it. The committee believed that it is important to insure that these new national priority grants are also available to less populous States. Therefore, I was concerned that language be included in this section to insure that this would be the case, and I am grateful to Senator KENNEDY for being more than willing to make sure that such language is contained in the bill.

Finally, it is extremely important that discretionary grants which have been in the program for years and will continue to be under S. 241, are also available to the less populous States. Where as previously the 10 smallest States received 3 percent of the block grant moneys, they have traditionally received 5 percent of the discretionary grant funds. Therefore, it is apparent that discretionary grants are critical to an effective, less populous State program. Therefore, I propose to Chairman KENNEDY and his staff that language be included that would insure that discretionary grants continue to be available to States such as Montana. This language is contained in the bill and I am grateful to the chairman for having agreed to it.

In conclusion, I think that S. 241 is a very fair piece of legislation. It addresses the bureaucratic problems with LEAA and establishes formulas and programs which will address the needs of all the States. I commend the chairman on this legislation and I urge my colleagues to vote in favor of it.

Mr. FORD. Mr. President, I rise in support of S. 241, the law Enforcement Assistance Reform Act of 1979. This legislation would reauthorize the Federal criminal justice improvement program for a 5-year period, restructure LEAA, and assist State and local governments in improving the quality of their justice system.

Crime is a problem which touches every one of us. It has inflated governmental expenditures at all levels of government, the brunt of which States and localities have had to bear.

The Omnibus Crime Control and Safe Streets Act of 1968 created the LEAA program as it is known today. The basic purpose of the legislation was to assist State and local governments in strengthening and improving law enforcement and criminal justice at every level.

During the past 10 years, law enforcement assistance funds have been invaluable to Kentucky. These funds have allowed Kentucky, and particularly the rural counties to develop and institute new and novel approaches to improving the State's criminal justice system. Moreover, the LEAA program has enabled many jurisdictions to undertake various projects that they could not have funded without Federal assistance.

The LEAA program has been successful in bringing about a wide range of crime prevention programs. Throughout its ten year life, the LEAA program has provided Kentucky with planning, academic and research assistance, along with financial and technical assistance. All of these areas of Federal aid to State and local government must of course continue, as they are important to the improved quality and effectiveness of the criminal justice system.

From the outset, the LEAA program has successfully allowed State and local governments to experiment with new programs. Besides being the main catalyst for innovation in the area of law enforcement and criminal justice, the LEAA program has led to interjurisdictional cooperation in multicounty settings.

Crime control and the administration of criminal justice remain primarily responsibilities of the State and local governments. However, if these objectives are going to be met, the States and localities will need continued Federal financial and technical assistance.

The level of funding for LEAA activities has been an important issue recently. The President recommend $546 million for LEAA programs in fiscal year 1980, $110 million below the current level of funding. Then the Senate Budget Committee voted to cut an additional $100 million.

Less than a month ago the Senate defeated a Kennedy amendment to the second concurrent budget resolution which sought to restore the $100 million. I voted in favor of that amendment because I believe that the LEAA budget is already quite lean.

Even though we were unsuccessful, I hope that LEAA will continue to be a viable program. I am most concerned that decreases in the LEAA budget might seriously undermine State and local efforts to improve this country's criminal justice system.

The reduced budget could cause an erosion of this Nation's law enforcement and criminal justice system. Such programs as the law enforcement education program (LEEP), under which nearly 100,000 law enforcement officers receive higher education degrees each year, are seriously threatened by these budget cuts.

I am extremely pleased to see this program included in S. 241. As Governor of Kentucky, I found this program to be invaluable in the training of law enforcement personnel who otherwise would not have had such opportunities. The LEEP program has been invaluable to Kentucky in the past, and I strongly endorse the continuation of this program.

In summary, I believe that the crime problem in this country is serious, and that the law enforcement agencies should be properly supported by LEAA.

Mr. DOLE. Mr. President, I am in support of the legislation and I commend the distinguished Senator from Massachusetts and the distinguished Republican leader (Mr. THURMOND).

Mr. President, today we consider legislation that would restructure the Federal Law Enforcement Assistance Administration. As a cosponsor of this legislation I am enthused about the positive changes that this legislation will generate. This bill will dramatically decrease the amount of bureaucratic red tape, provide innovative formulas and criteria for the channeling of LEAA funds to the areas of greatest need and reorganize the agency.

THE MANDATE OF LEAA

The mandate of LEAA is to help local communities combat crime and to improve the criminal justice systems in those communities. During the 10 years that LEAA has been in existence this mandate has been successfully fulfilled. Creative programs have been developed, underfinanced criminal justice agencies have been granted the required resources and personnel has been improved through innovative training programs.

KANSAS AND LEAA

In my own State of Kansas, small police departments and sheriffs' offices have benefitted considerably from the LEAA's aid to local law enforcement units. Without this aid there probably would be no up-to-date radio and teletype communications systems linking the outlying jurisdictions. LEAA grants have paid for much of the equipment in that vital network. Much needed legal and investigative training has been conducted with LEAA's help that smaller law enforcement agencies could not have afforded any other way. Presently there is a move toward better organized, more uniform criminal records systems that can be traced back to LEAA assistance.

Although the Senator from Kansas recognizes the achievements of LEAA, it must be noted that LEAA can be improved. S. 241 provides the necessary improvements by removing statistical and justice research programs from the

LEAA and creating two new agencies within the Justice Department—the National Institute of Justice, and the Bureau of Justice Statistics. These two agencies along with the LEAA, would make up the Office of Justice Assistance, Research and Statistics. The National Institute of Corrections would be transferred from the Federal Prison System to Office of Justice Assistance, Research and Statistics.

CHANGE OF PRIORITY

Mr. President, S. 241 will improve the nature and administration of criminal justice and change the prevailing perception that criminal justice is a low priority item in both the States and the Federal Government. The Senator from Kansas eagerly anticipates the passage of this necessary legislation.

● Mr. CRANSTON. Mr. President, I intend to vote for S. 241, the Law Enforcement Assistance Act of 1979. The bill makes a number of substantial improvements over the present program which has been wasteful and ineffective. The bill reduces redtape and provides greater control to counties and cities over the uses of LEAA funds in their communities. In addition, the bill establishes priorities for those programs proven to be effective in combatting crime. One such notable success is the career criminals prosecuting program which was pioneered in California.

It is unfortunate that the bill authorizes $750 million in spending for fiscal year 1980. I am concerned at authorizing this high level of spending. The Senate, in approving the budget resolution for fiscal year 1980, assumed a much lower figure—$400 million—for LEAA.

I share the concern expressed by Senator Bellmon that the bill by incorporating unrealistically high authorization figures, may persuade State criminal justice councils into thinking there will be more money available from LEAA than Congress is likely to appropriate—given the commitment to balance the budget.

Therefore, I am pleased to pledge my support for the efforts of the chairman of the Budget Committee (Mr. Muskie) and the ranking minority member (Mr. Bellmon) in working with the Appropriations Committee to keep spending by LEAA within the targets assumed in the budget resolution for fiscal year 1980 substantially what the present bill proposes.

Given the history of waste in LEAA programs, I believe strict spending limits will promote the improvements sought by S. 241, the LEAA Reform Act of 1979. Only in this way can the necessary hard decisions contemplated by the bill be made by program administrators.●

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I know of no further amendments. I do not have any further amendments, Mr. President.

Mr. THURMOND. Mr. President, I have no further amendments.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. THURMOND. I yield back the remainder of my time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma (Mr. Boren), the Senator from Iowa (Mr. Culver), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Melcher), the Senator from Maine (Mr. Muskie), the Senator from Rhode Island (Mr. Pell), the Senator from Tennessee (Mr. Sasser), the Senator from Massachusetts (Mr. Tsongas), the Senator from New Jersey (Mr. Williams), and the Senator from Kentucky (Mr. Huddleston) are necessarily absent.

I further announce that the Senator from Idaho (Mr. Church) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pell) and the Senator from Tennessee (Mr. Sasser) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Missouri (Mr. Danforth), the Senator from Arizona (Mr. Goldwater), the Senator from Utah (Mr. Hatch), the Senator from California (Mr. Hayakawa), the Senator from New York (Mr. Javits), the Senator from Iowa (Mr. Jepsen), the Senator from Kansas (Mrs. Kassebaum), the Senator from Illinois (Mr. Percy), the Senator from South Dakota (Mr. Pressler), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. Hatch) and the Senator from Illinois (Mr. Percy) would each vote "yea."

The PRESIDING OFFICER. Are there any Senators wishing to vote?

The result was announced—yeas 67, nays 8, as follows:

[Rollcall Vote No. 102 Leg.]

YEAS—67

Armstrong
Baker
Baucus
Bayh
Bentsen
Biden
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Cranston
DeConcini
Dole
Domenici
Durenberger
Durkin
Eagleton
Exon
Ford
Garn
Glenn
Hatfield
Heflin
Heinz
Jackson
Johnston
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Magnuson
Mathias
Matsunaga
Metzenbaum
Morgan
Moynihan
Nunn
Packwood
Pryor
Randolph
Ribicoff
Riegle
Roth
Sarbanes
Schmitt
Schweiker
Simpson
Stafford
Stennis
Stevens
Stevenson
Stewart
Stone
Talmadge
Thurmond
Wallop
Warner
Young
Zorinsky

NAYS—8

Bellmon
Byrd,
  Harry F., Jr.
Hart
Helms
Humphrey
McClure
Nelson
Proxmire

NOT VOTING—25

Boren
Church
Culver
Danforth
Goldwater
Gravel
Hatch
Hayakawa
Hollings
Huddleston
Inouye
Javits
Jepsen
Kassebaum
McGovern
Melcher
Muskie
Pell
Percy
Pressler
Sasser
Tower
Tsongas
Weicker
Williams

So the bill (S. 241), as amended, was passed, as follows:

S. 241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Law Enforcement Assistance Reform Act of 1979".

Sec. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended to read as follows:

"TABLE OF CONTENTS

"Sec. 2. Title I—Justice system improvement.

"Part A—Law Enforcement Assistance Administration

"Sec. 101. Establishment of Law Enforcement Assistance Administration.
"Sec. 102. Duties and functions of Administrator.
"Sec. 103. Office of Community Anti-Crime.

"Part B—National Institute of Justice

"Sec. 201. Establishment of National Institute of Justice.
"Sec. 202. Duties and functions.
"Sec. 203. Authority for 100 per centum grants.
"Sec. 204. National Institute of Justice Advisory Board.

"Part C—Bureau of Justice Statistics

"Sec. 301. Establishment of Bureau of Justice Statistics.
"Sec. 302. Duties and functions.
"Sec. 303. Authority for 100 per centum grants.
"Sec. 304. Bureau of Justice Statistics Advisory Board.

"Part D—Formula Grants

"Sec. 401. Purposes and funding authority.
"Sec. 402. (a) Eligible jurisdictions.
  "(b) Establishment and functions of State Criminal Justice Council.
  "(c) Establishment and functions of local criminal justice advisory boards.
  "(d) Establish Judicial Coordinating Committee.
  "(e) Actions on applications, open meeting, access to records.
  "(f) Citizen and community participation.
"Sec. 403. Application requirements.
"Sec. 404. (a) Application review.
  "(b) Fund suspension.
  "(c) Limitation on fund use.
  "(d) Hearing and appeal rights.
"Sec. 405. (a) Allocation and distribution of formula funds.
  "(b) State legislative review.
  "(c) Limitation on awards of funds.
  "(d) Reallocation of funds.
  "(e) Eligibility of private nonprofit organizations.
  "(f) Applications under the Juvenile Justice and Delinquency Prevention Act.
  "(g) Use of regional planning units.

"PART E—NATIONAL PRIORITY GRANTS

"Sec. 501. Purpose.
"Sec. 502. Percentage of appropriation for national priority grant program.
"Sec. 503. Procedure for designating national priority programs.
"Sec. 504. Application requirements.
"Sec. 505. Criteria for award.

"PART F—DISCRETIONARY GRANTS

"Sec. 601. Purpose.
"Sec. 602. Percentage of appropriation for discretionary grant program.
"Sec. 603. Procedure for establishing discretionary programs.
"Sec. 604. Application requirements.
"Sec. 605. Criteria for award.
"Sec. 606. Period of award.

"PART G—TRAINING AND MANPOWER DEVELOPMENT

"Sec. 701. Purpose.
"Sec. 702. Training of prosecuting attorneys.
"Sec. 703. Training State and local criminal and juvenile justice personnel.
"Sec. 704. FBI training of State and local criminal justice personnel.
"Sec. 705. Law enforcement education program.

"PART H—ADMINISTRATIVE PROVISIONS

"Sec. 801. (a) Establishment of Office of Justice Assistance, Research and Statistics.
"(b) Functions of the office.
"(c) Establishment of Justice Assistance, Research and Statistics Advisory Board.
"Sec. 802. (a) Consultation, establishing rules and regulations.
"(b) Evaluation of programs.
"(c) Antiredtape provision.
"Sec. 803. Notice and opportunity for hearing on grant denials/terminations.
"Sec. 804. Finality of determinations.
"Sec. 805. Appellate court review.
"Sec. 806. Delegation of functions.
"Sec. 807. Subpena power, authority to hold hearings.
"Sec. 808. Amendments to 5 U.S.C. 5314.
"Sec. 809. Amendments to 5 U.S.C. 5108, 5315, and 5316.
"Sec. 810. Employment of hearing officers.
"Sec. 811. Authority to use available services.
"Sec. 812. Consultation with other Federal, State, and local officials.
"Sec. 813. Reimbursement authority.
"Sec. 814. Advisory Committee, Expert and Consultant Authority.
"Sec. 815 (a) Prohibition of Federal control over State or local criminal justice agencies.
"(b) Prohibition against quota system.
"(c) Discrimination prohibition.
"Sec. 816. Report to President and Congress.
"Sec. 817. Recordkeeping requirement.
"Sec. 818. Amendment to Demonstration Cities and Metropolitan Development Act.
"Sec. 819. (a) Confidentiality of research information.
"(b) Security and privacy of criminal history information.
"(c) Sanctions for violation.
"Sec. 820. Authority to accept voluntary services.
"Sec. 821. Administration of juvenile delinquency programs.
"Sec. 822. District of Columbia matching fund source.
"Sec. 823. Prohibition on land acquisition.
"Sec. 824. Prohibition on use of CIA services.
"Sec. 825. Indian liability waiver.
"Sec. 826. National Institute of Corrections.
"Sec. 827. Prison industry enhancement.

"PART I—DEFINITIONS

"PART J—FUNDING

"Sec. 1001. Authorization of appropriations.
"Sec. 1002. Maintenance of effort.
"Sec. 1003. Authorization of appropriations for Office of Community Anti-Crime.

"PART K—CRIMINAL PENALTIES

"PART L—PUBLIC SAFETY OFFICER'S DEATH BENEFITS

"PART M—TRANSITION—EFFECTIVE DATE

"Sec. 1301. (a) Continuation of regulations.
"(b) Continuation of prior research and development
"(c) Continuation of statistical programs.
"(d) Continuation of LEAA programs.
"(e) Suits against the Government.
"(f) Audit and investigation of prior grants.
"(g) Transfer of personnel and functions.
"(h) No match for prior year funds.
"(i) Continuation of prior provisions—juvenile justice.
"(j) Previously established planning agencies.
"(k) Construction continuation.

"TITLE I—JUSTICE SYSTEM IMPROVEMENT

"DECLARATION AND PURPOSE

"The Congress finds and declares that the high incidence of crime in the United States is detrimental to the general welfare of the Nation and its citizens, and that criminal justice efforts must be better coordinated, intensified, and made more effective and equitable at all levels of government.

"Congress further finds that juvenile delinquency constitutes a growing threat to the national welfare requiring immediate and comprehensive action by the Federal Government to reduce and prevent delinquency by developing and implementing effective programs to improve the quality of juvenile justice in the United States.

"Congress further finds that the victims of crime should be made a more integral part of the criminal justice system.

"Congress further finds that there is an urgent need to encourage basic and applied research, to gather and disseminate accurate and comprehensive justice statistics, and to evaluate methods of preventing and reducing crime.

"Congress further finds that crime is essentially a State and local and community problem that must be dealt with by State and local governments. Congress further finds that the financial and technical resources of the Federal Government should be made available to support such State and local and community-based efforts.

"Congress further finds that the financial and technical resources of the Federal Government should be utilized by applying such resources to State and local efforts to address selected problems of fundamental importance to the criminal justice system.

"Congress further finds that the role of the private security industry in the prevention and control of criminal activities is important and encourages improved cooperation and coordination between public law enforcement agencies and the private security industry.

"Congress further finds that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable and effective justice systems which require (1) systematic and sustained action by Federal, State, and local governments; (2) greater continuity in the scope and level of Federal assistance; and (3) continuing efforts at all levels of government to streamline programs and upgrade the functioning of agencies responsible for planning, implementing and evaluating efforts to improve justice systems.

"It is therefore the declared policy of the Congress to aid State and local governments in strengthening and improving their systems of criminal and juvenile justice by providing financial and technical assistance with maximum certainty and minimum delay. It is the purpose of this title to (1) authorize funds for the benefit of States and units of general local government to be used to strengthen their criminal justice and juvenile justice systems; (2) develop and fund new methods and programs to enhance the effectiveness of criminal justice agencies; (3) support the development of city, county, and statewide priorities and programs to meet the problems confronting the justice system; (4) reduce court congestion and trial delay; (5) support community anti-crime efforts; (6) improve and modernize the correctional system; (7) support victim-witness assistance efforts; (8) encourage the undertaking of innovative projects of recognized importance and effectiveness; (9) encourage the development of basic and applied research directed toward the improvement of civil, criminal, and juvenile justice systems and new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals and delinquents; (10) encourage the collection and analysis of statistical information concerning crime, juvenile delinquency, civil disputes, and the operation of justice systems; (11) support manpower development and training efforts; (12) provide for a financial assistance program to the families of public safety officers killed in the line of duty; (13) support total resource oriented approaches to the problems of courts and the criminal and juvenile justice systems; and (14) encourage programs to educate the public in the areas of civil, criminal, and juvenile law and justice system operation. It is further the policy of the Congress that the Federal assistance made available under this title not be utilized to reduce the amount of State and local financial support for criminal justice activities below the level of such support prior to the availability of such assistance.

"PART A—LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

"SEC. 101. There is hereby established within the Department of Justice a Law Enforcement Assistance Administration (hereinafter referred to in this title as the 'Administration'). The Administration shall be under the direction of an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and such Deputy Administrator as may be designated by the Attorney General. The Administrator shall have final authority over all grants, cooperative agreements, and contracts awarded by the Administration. Pursuant to section 801 of this title, the Administrator shall report to the Director of the Office of Justice Assistance, Research, and Statistics.

"SEC. 102. The Administrator shall—

"(a) provide funds to eligible States and units of local government pursuant to part D of this title;

"(b) recognize national criminal and juvenile justice priorities established by the Office of Justice Assistance, Research, and Statistics in accordance with parts E and F of this title, inform States and units of local government concerning such priorities and award and allocate funds and technical assistance among the eligible States, units of local government, and public and private nonprofit organizations according to the criteria and on the terms and conditions determined by the Administration to be consistent with parts E and F of this title;

"(c) publish and disseminate information on the condition and progress of the criminal and juvenile justice system;

"(d) establish and carry on a specific and continuing program of cooperation with the States and units of local government designed to encourage and promote consultation and coordination concerning decisions made by the Administration affecting State and local criminal and juvenile justice priorities;

"(e) cooperate with and render technical assistance to States, units of local government, and other public and private organizations or international agencies involved in criminal and juvenile justice activities;

"(f) cooperate with and render technical assistance to States, units of local government, and other public and private organizations or agencies involved in victim-witness assistance activities and the post-arrest identification and prosecution of career criminals;

"(g) provide funds and technical assistance to eligible jurisdictions under this title for the development of operational information and telecommunications systems;

"(h) exercise the powers and functions set out in part H; and

"(i) exercise such other powers and functions as may be vested in the Administrator pursuant to this title.

"SEC. 103. (a) There is established in the Law Enforcement Assistance Administration the Office of Community Anti-Crime Programs (hereinafter in this section referred to as the 'Office'). The Office shall be under the direction of the Administrator and shall—

"(1) provide appropriate technical assistance to community and citizens groups to enable such groups to—

"(A) apply for grants which encourage community and citizen participation in crime prevention and criminal and juvenile justice activities including educational activities; and

"(B) participate in the formula grant application process pursuant to section 402(f) of this title;

"(2) coordinate its activities with ACTION and with other Federal agencies and programs, including the Community Relations Service of the Department of Justice, which are designed to encourage and assist citizen participation in criminal justice activities;

"(3) for technical assistance designed to encourage neighborhood and community participation in crime prevention, educational, and public safety efforts.

"(4) review, at its discretion, formula grant applications submitted under section 403 of this title in order to assure that the requirements for citizen, neighborhood, and community participation in the application process have been met; and

"(5) make recommendations, after consultation with citizen, neighborhood, and community organizations, to the Director of the Office of Justice Assistance, Research, and Statistics for the designation of effective community anticrime programs for funding as national priority grants under part E and discretionary grants under part F.

"(b) The Administration is authorized to make grants to be administered by the Office of Community Anti-Crime Programs—

"(1) for the encouragement of neighborhood and community participation in crime prevention and public safety efforts and for program development and technical assistance designed to encourage such participation;

"(2) for the development of comprehensive and coordinated crime prevention programs; and

"(3) for technical assistance designed to encourage neighborhood and community participation in crime prevention, educational, and public safety efforts.

"(c) In carrying out the functions under this part the Administrator shall make appropriate provisions for coordination among neighborhoods and for consultation with locally elected officials.

"PART B—NATIONAL INSTITUTE OF JUSTICE

"SEC. 201. It is the purpose of this part to establish a National Institute of Justice, which shall provide for and encourage research and demonstration efforts for the purpose of—

"(a) improving Federal, State, and local criminal, civil, administrative, regulatory, legal education, and juvenile justice systems;

"(b) preventing and reducing crimes and unnecessary civil disputes;

"(c) insuring citizen access to appropriate dispute-resolution forums; and

"(d) identifying programs of proven effectiveness, programs having a record of proven success, or programs which offer a high probability of improving the functioning of the criminal and juvenile justice system.

The Institute shall have authority to engage in and encourage research and development to improve and strengthen criminal, civil, administrative, regulatory, legal education, and juvenile justice systems and to disseminate the results of such efforts to Federal, State, and local governments, to develop alternatives to judicial resolution of disputes, to evaluate the effectiveness of programs funded under this title, to develop new or improved approaches and techniques, to improve and strengthen the administration of justice, and to identify programs or projects carried out under this title which have demonstrated success in improving the quality of justice systems and which offer the likelihood of success if continued or repeated. In carrying out the provisions of this part, the Institute shall give primary emphasis to the problems of State and local justice systems and shall insure that there is a balance between basic and applied research.

"SEC. 202. (a) There is established within the Department of Justice a National Institute of Justice (hereinafter referred in this part as the 'Institute').

"(b) The Institute shall be headed by a Director appointed by the President by and with the advice and consent of the Senate. The Director shall have had experience in justice research. The Director shall have final authority over all grants, cooperative agreements, and contracts awarded by the Institute. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Institute makes any contract or other arrangement under this Act. The Director shall report to the Director of the Office of Justice Assistance, Research, and Statistics established under section 801 of this title.

"(c) The Institute is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with, public agencies, institutions of higher education, private organizations, or individuals to conduct research, demonstrations, or special projects pertaining to the purposes described in this part, and provide technical assistance and training in support of tests, demonstrations, and special projects;

"(2) conduct or authorize multiyear and short-term research and development concerning all parts of the criminal, civil, administrative, regulatory, legal education, and juvenile justice systems in an effort (A) to identify alternative programs for achieving system goals, including programs authorized by section 103 of this Act, (B) to analyze the correlates of crime and juvenile delinquency and provide more accurate information on the causes and correlates of crime and juvenile delinquency, (C) to improve the functioning of the criminal and juvenile justice system, and (D) to develop new methods for the prevention and reduction of crime, the prevention and reduction of juvenile delinquency, the prevention and reduction of parental kidnaping, including the development of programs to facilitate cooperation and coordination among the States and units of local government, the detection and apprehension of criminals, the expeditious, efficient, and fair disposition of criminal and juvenile delinquency cases, the improvement of police and minority relations, the conduct of research into the problems of victims and witnesses of crime, with special emphasis on the relationship between preconviction crimes and postconviction crimes on the victims of crime, the feasibility and consequences of allowing victims to participate in criminal justice decisionmaking, the feasibility and desirability of adopting procedures and programs which increase the victim's participation in the criminal justice process, the reduction in the need to seek court resolution of civil disputes, and the development of adequate corrections facilities and effective programs of correction. In carrying out the provisions of this subsection the Institute may request the assistance of both public and private research agencies;

"(3) evaluate the effectiveness of projects or programs carried out under this title;

"(4) evaluate, where the Institute deems appropriate, the programs and projects carried out under other parts of this title to determine their impact upon the quality of criminal, civil, administrative, regulatory, legal education, and juvenile justice systems and the extent to which they have met or failed to meet the purposes and policies of this title, and disseminate such information to State agencies and, upon request, to units of general local government and other public and private organizations and individuals;

"(5) make recommendations for action which can be taken by Federal, State, and local governments and by private persons and organizations to improve and strengthen criminal, civil, administrative, regulatory, legal education, and juvenile justice systems;

"(6) provide research fellowships and clinical internships and carry out programs of training and special workshops for the presentation and dissemination of information resulting from research, demonstrations, and special projects including those authorized by this part;

"(7) collect and disseminate information obtained by the Institute or other Federal agencies, public agencies, institutions of higher education, or private organizations relating to the purposes of this part;

"(8) serve as a national and international clearinghouse for the exchange of information with respect to the purposes of this part;

"(9) submit a biennial report to the President and Congress on the state of justice research. This report shall describe significant achievements and identify areas needing further study. Other Federal agencies involved in justice research shall assist, upon request, in preparation of this report;

"(10) after consultation with appropriate agencies and officials of States and units of local government, make recommendations to the Director of the Office of Justice Assistance, Research, and Statistics for the designation of programs or projects which will be sufficiently effective in improving the functioning of the criminal and juvenile justice system, to merit funding as national priority grants under part E and discretionary grants under part F;

"(11) encourage, assist, and serve in a consulting capacity to Federal, State, and local justice system agencies in the development, maintenance, and coordination of criminal, civil, administrative, regulatory, legal education, and juvenile justice programs and services; and

"(12) publish or arrange for the publication of scientific and technical information so as to further the full dissemination of information of scientific value consistent with the national interest, without regard to the provisions of section 87 of the Act of January 12, 1895 (28 Stat. 622), and section 11 of the Act of March 1, 1919 (40 Stat. 1270; 44 U.S.C. 111).

"(d) To insure that all criminal, civil, administrative, regulatory, legal education, and juvenile justice research is carried out in a coordinated manner, the Director is authorized to—

"(1) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(2) confer with and avail itself of the cooperation, services, records, and facilities of State or of municipal or other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this section, and the agencies shall provide such information to the Institute as required to carry out the purposes of this part;

"(4) seek the cooperation of the judicial branches of Federal and State Government in coordinating criminal, civil; administrative, regulatory, legal education, and juvenile justice research and development; and

"(5) exercise the powers and functions set out in part H.

"SEC. 203. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Institute shall require, whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"SEC. 204. (a) There is hereby established a National Institute of Justice Advisory Board (hereinafter referred to in this section as the 'Board'). The Board shall consist of twenty-one members who shall be appointed by the President. The members shall represent the public interest and should be experienced in the criminal, civil, administrative, regulatory, legal education, or juvenile justice systems, including representatives of States and units of local government, representatives of police, prosecutors, defense attorneys, courts, corrections, experts in the area of victim and witness assistance, and other components of the justice system at all levels of government, members of the academic and research community, officials of neighborhood and community organizations. and the general public. A majority of the members of the Board, including the Chairman and Vice Chairman, shall not be full time employees of Federal, State, or local governments. The Board, by majority vote shall elect from among its members a Chairman and Vice Chairman. The Vice Chairman is authorized to sit and act in the place of the Chairman in the absence of the Chairman. The Director shall also be a nonvoting member of the Board and shall not serve as Chairman or Vice Chairman. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment. The Chairman shall be provided by the Institute with at least one full-time staff assistant to assist the Board. The Administrator of the Law Enforcement Assistance Administration, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, and the Director of the Bureau of Justice Statistics shall serve as nonvoting ex officio members of the Board and shall be ineligible to serve as Chairman or Vice Chairman. Except as otherwise provided herein, no more than one additional full-time Federal officer or employee shall serve as a member of the Board.

"(b) The Board, after appropriate consultation with representatives of State and local governments, may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the Board assents.

"(c) The term of office of each member of the Board appointed under subsection (a) shall be three years except the first composition of the Board which shall have one-third of these members appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; and any such member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term. Terms of the members appointed under subsection (a) shall be staggered so as to establish a rotating membership according to such method as the Director may devise. Such members shall be appointed within ninety days after the date of enactment of this Act. The members of the Board appointed under subsection (a) shall receive compensation for each day engaged in the actual performance of duties vested in the Board at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses. No voting member shall serve for more than two consecutive terms.

"(d) The Board shall—

"(1) review and make recommendations to the Institute on activities undertaken by the Institute and develop in conjunction with the Director the policies and priorities of the Institute;

"(2) recommend to the President at least three candidates for the position of Director of the Institute in the event of a vacancy; and

"(3) undertake such additional related tasks as the Board may deem necessary.

"(e) In addition to the powers and duties set forth elsewhere in this title, the Director shall exercise such powers and duties of the Board as may be delegated to the Director by the Board.

"PART C—BUREAU OF JUSTICE STATISTICS

"SEC. 301. It is the purpose of this part to provide for and encourage the collection and analysis of statistical information concerning crime, juvenile delinquency, civil disputes and the operation of civil, juvenile, and criminal justice systems; and to support the development of information and statistical systems at the Federal, State, and local levels to improve the efforts of these levels of government to measure and understand the levels of crime, juvenile delinquency and civil disputes and the operation of the civil, juvenile, and criminal justice systems. The Bureau shall utilize to the maximum extent feasible State governmental organizations and facilities responsible for the collection and analysis of criminal justice data and statistics. In carrying out the provisions of this part, the Bureau shall give primary emphasis to the problems of State and local justice systems.

"SEC. 302. (a) There is established within the Department of Justice a Bureau of Justice Statistics (hereinafter referred to in this part as the 'Bureau').

"(b) The Bureau shall be headed by a Director appointed by the President by and with the advice and consent of the Senate. The Director shall have had experience in statistical programs. The Director shall have final authority for all grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this Act. The Director shall report to the Director of the Office of Justice Assistance, Research, and Statistics established under section 801.

"(c) The Bureau is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with public agencies, institutions of higher education, private organizations, or private individuals for purposes related to this part; grants shall be made subject to continuing compliance with standards for gathering justice statistics set forth in rules and regulations promulgated by the Director;

"(2) collect and analyze information concerning criminal victimization and civil disputes;

"(3) collect and analyze data that will serve as a continuous and comparable national social indication of the prevalence, incidence, rates, extent, distribution, and attributes of crime, juvenile delinquency, and civil disputes, and other statistical factors related to crime, juvenile delinquency, and civil disputes, in support of national, State, and local justice policy and decisionmaking.

"(4) collect and analyze statistical information, concerning the operations of the criminal, juvenile, and civil justice systems at the Federal, State, and local levels;

"(5) collect and analyze statistical information concerning the prevalence, incidence, rates, extent, distribution, and attributes of crime, juvenile delinquency, and civil disputes at the Federal, State, and local levels;

"(6) collect and analyze statistical information concerning the impact of preconviction crimes and post-conviction crimes on the victims of crime;

"(7) analyze the correlates of crime, juvenile delinquency, and civil disputes by the use of statistical information, about criminal, juvenile, and civil justice systems at the Federal, State, and local levels, and about the extent, distribution, and attributes of crime, juvenile delinquency, and civil disputes at the Federal, State, and local levels;

"(8) compile, collate, analyze, publish, and disseminate uniform national statistics concerning all aspects of justice, crime, juvenile delinquency, civil disputes, criminal offenders, and juvenile delinquents in the various States without regard to the provisions of section 87 of the Act of January 12, 1895 (28 Stat. 622), and section 11 of the Act of March 1, 1919 (40 Stat. 1270; 44 U.S.C. 111);

"(9) establish national standards for justice statistics and for insuring the reliability and validity of justice statistics supplied pursuant to this title;

"(10) maintain liaison with the judicial branches of the Federal and State Governments in matters relating to justice statistics, and cooperate with the judicial branch in assuring as much uniformity as feasible in statistical systems of the executive and judicial branches;

"(11) provide information to the President, the Congress, the judiciary, State and local governments, and the general public on justice statistics;

"(12) conduct or support research relating to methods of gathering or analyzing justice statistics;

"(13) provide financial and technical assistance to the States and units of local government relating to collection, analysis, or dissemination of justice statistics;

"(14) maintain liaison with State and local governments and governments of other nations concerning justice statistics;

"(15) cooperate in and participate with national and international organizations in the development of uniform justice statistics;

"(16) insure conformance with security

and privacy regulations issued pursuant to section 819; and

"(17) exercise the powers and functions set out in part H.

"(d) To insure that all justice statistical collection, analysis, and dissemination is carried out in a coordinated manner, the Director is authorized to—

"(1) utilize, with their consent, the services, equipment, records, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(2) confer and cooperate with State, municipal, or other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this title; and

"(4) seek the cooperation of the judicial branch of the Federal Government in gathering data from criminal, juvenile, and civil justice records.

"(e) Federal agencies requested to furnish information, data, or reports pursuant to subsection (d)(3) shall provide such information to the Bureau as required to carry out the purposes of this section.

"(f) In establishing standards for gathering justice statistics under this section, the Director shall consult with representatives of State and local government, including, where appropriate, representatives of the judiciary.

"SEC. 303. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Bureau shall require, whenever feasible as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"SEC. 304. (a) There is hereby established a Bureau of Justice Statistics Advisory Board (hereinafter referred to in this section as the 'Board'). The Board shall consist of twenty-one members who shall be appointed by the Attorney General. The members should include representatives of States and units of local government, representatives of police, prosecutors, defense attorneys, courts, corrections, experts in the area of victim and witness assistance, and other components of the justice system at all levels of government, members of the academic, research, and statistics community, officials of neighborhood and community organizations, and the general public. The Board, by majority vote, shall elect from among its members a Chairman and Vice Chairman. The Vice Chairman is authorized to sit and act in the place of the Chairman in the absence of the Chairman. The Director shall also be a non-voting member of the Board and shall not serve as Chairman or Vice Chairman. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment. The Chairman shall be provided by the Bureau with at least one full-time staff assistant to assist the Board. The Administrator of the Law Enforcement Assistance Administration, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, the Director of the National Institute of Justice, and the Director of the Bureau of Justice Statistics shall serve as non-voting ex officio members of the Board but shall be ineligible to serve as Chairman or Vice Chairman. Except as otherwise provided herein, no more than one additional full-time Federal officer or employee shall serve as a member of the Board.

"(b) The Board, after appropriate consultation with representatives of State and local governments, may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the Board assents.

"(c) The term of office of each member of the Board appointed under subsection (a) shall be three years except the first composition of the Board which shall have one-third of these members appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; and any such member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term. The members of the Board appointed under subsection (a) shall receive compensation for each day engaged in the actual performance of duties vested in the Board at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses. No voting member shall serve for more than two consecutive terms.

"(d) The Board shall—

"(1) review and make recommendations to the Bureau on activities undertaken by the Bureau and formulate and recommend to the Director policies and priorities for the Bureau;

"(2) recommend to the President at least three candidates for the position of Director of the Bureau in the event of a vacancy; and

"(3) carry out such additional related functions as the Board may deem necessary.

"(e) In addition to the powers and duties set forth elsewhere in this title, the Director shall exercise such powers and duties of the Board as may be delegated to the Director by the Board.

"PART D—FORMULA GRANTS

"DESCRIPTION OF PROGRAM

"SEC. 401. (a) It is the purpose of this part to assist States—and units of local government in carrying out specific programs which are of proven effectiveness, have a record of proven success, or which offer a high probability of improving the functioning of the criminal and juvenile justice system. The Administration is authorized to make grants under this part to States and units of local government for the purpose of—

"(1) establishing or expanding community and neighborhood programs that enable citizens to undertake initiatives to deal with crime and deliquency;

"(2) improving and strengthening law enforcement agencies, as measured by arrest rates, incidence rates, victimization rates, the number of reported crimes, clearance rates, the number of patrol or investigative hours per uniformed officer, or any other appropriate objective measure;

"(3) improving the police utilization of community resources through support of joint police-community projects designed to prevent or control neighborhood crime;

"(4) disrupting illicit commerce in stolen goods and property and training of special investigative and prosecuting personnel, and the development of systems for collecting, storing, and disseminating information relating to the control of organized crime;

"(5) combating arson;

"(6) developing investigations and prosecutions of white collar crime, organized crime, public corruption related offenses, and fraud against the government;

"(7) reducing the time between arrest or indictment and disposition of trial;

"(8) implementing court reforms;

"(9) increasing the use and development of alternatives to the prosecution of selected offenders;

"(10) increasing the development and use of alternatives to pretrial detention that assure return to court and a minimization of the risk of danger;

"(11) increasing the rate at which prosecutors obtain convictions against habitual, nonstatus offenders;

"(12) developing and implementing programs which provide assistance to victims, witnesses, and jurors, including restitution by the offender, programs encouraging victim and witness participation in the criminal justice system, and programs designed to prevent retribution against or intimidation of witnesses by persons charged with or convicted of crimes;

"(13) providing competent defense counsel for indigent and eligible low-income persons accused of criminal offenses;

"(14) developing projects to identify and meet the needs of drug dependent offenders;

"(15) increasing the availability and use of alternatives to maximum-security confinement of convicted offenders who pose no threat to public safety;

"(16) reducing the rates of violence among inmates in places of detention and confinement;

"(17) improving conditions of detention and confinement in adult and juvenile correctional institutions, as measured by the number of such institutions administering programs meeting accepted standards;

"(18) training criminal justice personnel in programs meeting standards recognized by the Director of the Office of Justice Assistance, Research, and Statistics;

"(19) revision and recodification by States and units of local government of criminal statutes, rules, and procedures and revision of statutes, rules, and regulations governing State and local criminal and juvenile justice agencies;

"(20) coordinating the various components of the criminal and juvenile justice system to improve the overall operation of the system, establishing criminal justice information systems, and supporting and training of criminal and juvenile justice personnel;

"(21) develop statistical and evaluative systems in States and units of local government which assist the measurement of indicators in each of the areas described in paragraphs (1) through (20);

"(22) encouraging the development of pilot and demonstration projects for prison industry programs at the state level with particular emphasis on involving private sector enterprise either as a direct participant in such programs, or as purchasers of goods produced through such programs, and aimed at making inmates self-sufficient, to the extent practicable, in a realistic working environment; and

"(23) any other program which is of proven effectiveness, has a record of proven success, or which offers a high probability of improving the functioning of the criminal and juvenile justice system.

"(b) The Federal portion of any grant made under this part may be up to 100 per centum of the cost of the program or project specified in the application for such grant, except for any funds used for the purposes set forth under subparagraph (c) of this section. Except for funds allocated under subparagraph (c) of this section, a grant recipient shall assume the cost of improvements funded under this part after a reasonable period of Federal assistance unless the Administrator determines that the recipient is unable to assume such cost because of State or local budgetary restraints.

"(c) The Administration shall allocate from the grant provided for in section 401(a) $200,000 to each of the States as defined in section 402(a)(1) for the purposes of administering grants received under this title for operating criminal justice councils, judicial coordinating committees, and local offices pursuant to part D and an additional amount of at least $50,000 shall be made available by the Administration for allocation by the State to the judicial coordinating committee. These foregoing sums shall be available without a requirement for match. The Administration shall allocate additional funds from the grant to a State for use by the State and its units of local government in an amount that is 7½ per centum of the total grant of such State. Any of the additional funds shall be matched in an amount equal to any such expended or obligated amount. An amount equal to at least 7½ per centum of the allocation of an eligible jurisdiction as defined in section 402(a) (2), (3), or (4), or of a judicial coordinating committee, must be made available by the State to each such jurisdiction or judicial coordinating committee from these additional funds for purposes set out above. The eligible jurisdiction or combination thereof shall match the amounts passed through in an amount equal to any such amount expended or obligated by the eligible jurisdiction or combination thereof for the purposes set forth above, for all Federal funds in excess of $25,000 for each eligible jurisdiction.

"(1) Any funds allocated to States or units of local government and unexpended by such States or units of local government for the purposes set forth above shall be available to such States or units of local government for expenditure in accordance with subsection (a).

"(2) The State may allocate at its discretion to units of local government or combination of such units which are not eligible jurisdictions as defined in section 402(a) (2), (3), and (4) funds provided under this subsection.

"ELIGIBILITY

"SEC. 402. (a) The Administration is authorized to make financial assistance under this part available to an eligible jurisdiction to enable it to carry out all or a substantial part of a program or project submitted and approved in accordance with the provisions of this title. An eligible jurisdiction shall be—

"(1) a State, as defined in section 901(a) (2) of this title;

"(2) a municipality which has no less than .15 per centum of total State and local criminal justice expenditures and which has a population of one hundred thousand or more persons on the basis of the most satisfactory current data available on a nationwide basis to the Administration;

"(3) a county which has no less than .15 per centum of total State and local criminal justice expenditures and which has a population of two hundred and fifty thousand or more persons; a county which does not have two hundred and fifty thousand persons, but has no less than one hundred thousand persons and an eligible jurisdiction under subsection (a)(2); and a county which has a population in excess of one hundred thousand, a population density of at least five thousand persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of Census. Population will be calculated on the basis of the most satisfactory current data available on a nationwide basis to the Administration;

"(4) any combination of units of local government which has a population of two hundred and fifty thousand or more persons on the basis of the most satisfactory current data available on a nationwide basis to the Administration; or

"(5) a unit of local government, or any combination of such units without regard to population, which are otherwise ineligible under the other paragraphs of this subsection.

"(b)(1) Each State shall establish or designate and maintain a criminal justice council (hereinafter referred to in this title as the 'council') for the purpose of—

"(A) analyzing the criminal and juvenile justice problems within the State based on input and data from all eligible jurisdictions, State agencies, and the judicial coordinating committee and establishing priorities based on the analysis and assuring that these priorities are published and made available to affected criminal and juvenile justice agencies prior to the time required for application submission;

"(B) preparing a comprehensive State application reflecting the statewide goals, objectives, priorities, and projected grant programs;

"(C)(i) receiving, reviewing, and approving (or disapproving) applications or amendments submitted by State agencies, the judicial coordinating committee, and units of local government, or combinations thereof, as defined in section 402(a)(5) of this title, pursuant to section 405(a)(5) of this title;

"(ii) providing financial assistance to these agencies and units according to the criteria of this title and on the terms and conditions established by such council at its discretion; and

"(iii) providing funding incentives to those units of general local government as defined in section 402(a)(5) that coordinate or combine criminal or juvenile justice functions or activities with other units for the purpose of improving criminal and juvenile justice system performance;

"(D) receiving, coordinating, reviewing, and monitoring all applications or amendments submitted by State agencies, the judicial coordinating committee, units of local government, and combinations of such units pursuant to section 403 of this title, recommending ways to improve the effectiveness of the programs or projects referred to in these applications, assuring compliance of these applications with Federal requirements and State law and integrating these applications into the comprehensive State application;

"(E) preparing an annual report for the Governor and the State legislature containing an assessment of the criminal and juvenile justice problems and priorities within the State; the adequacy of existing State and local agencies, programs, and resources to meet these problems and priorities; the distribution and use of funds allocated pursuant to this part and the relationship of these funds to State and local resources allocated to crime and criminal and juvenile justice system problems; and the major policy and legislative initiatives that are recommended to be undertaken on a statewide basis;

"(F) assisting the Governor, the State legislature, and units of local government upon request in developing new or improved approaches, policies, or legislation designed to improve criminal and juvenile justice in the State;

"(G) developing and publishing information concerning criminal and juvenile justice in the State;

"(H) providing technical assistance upon request to State agencies, community-based crime prevention programs, the judicial coordinating committee, and units of local government in matters relating to improving criminal and juvenile justice in the State; and

"(I) assuring fund accounting, auditing, and evaluation of programs and projects funded under this part to assure compliance with Federal requirements and State law and regulations.

"(2) The council shall be created or designated by State law and shall be subject to the jurisdiction of the chief executive of the State who shall appoint the members of the council, and designate the chairman. The chief executive shall also designate a State office in order to assure that there is adequate staff for the performance of the responsibilities set forth under section 402(b) (1). The council shall be broadly representative and include among its membership—

"(A) representatives nominated by eligible jurisdictions as defined in section 402(a) (2), (3), and (4), who shall comprise at least one-third of the membership of the council where there are such eligible jurisdictions in the State and where they submit applications pursuant to this part; such representation should include law enforcement and correctional agency personnel exercising authority in such eligible jurisdictions;

"(B) representatives of the smaller units of local government defined in section 402 (a)(5);

"(C) representatives of the various components of the criminal justice system, including representatives of agencies directly related to the prevention and control of juvenile delinquency, and representatives of police, courts, corrections, prosecutors, and defense attorneys;

"(D) representatives of the general public including representatives of neighborhood and community-based organizations of the communities to be served under this part; and

"(E) representatives of the judiciary including, at a minimum, the chief judicial officer or other officer of the court of last resort, the chief judicial administrative officer or other appropriate judicial administrative officer of the State, and a local trial court judicial officer; if the chief judicial officer or chief judicial administrative officer cannot or does not choose to serve, the other judicial members and the local trial court judicial officer shall be selected by the chief executive of the State from a list of no less than three nominees for each position submitted by the chief judicial officer of the court of last resort within thirty days days after the occurence of any vacancy in the judicial membership; additional judicial members of the council as may be required by the Administration shall be appointed by the chief executive of the State from the membership of the judicial coordinating committee, or, in the absence of a judicial coordinating committee, from a list of no less than three nominees for each position submitted by the chief judicial officer of the court of last resort.

Individual representatives may fulfill the requirements of more than one functional area or geographical area where appropriate to the background and expertise of the individual.

"(3)(A) Applications from eligible jurisdictions as defined in section 402(a) (2), (3), and (4) may, at the discretion of such eligible jurisdiction, be in the form of a single application to the State for inclusion in the comprehensive State application. Applications or amendments must conform to uniform administrative requirements for submission of applications. Such requirements must be consistent with guidelines issued by the Administration. Applications or amendments should conform to the overall priorities, unless the eligible jurisdiction's analysis of its criminal and juvenile justice system demonstrates that such recommended priorities are inconsistent with their needs. Such application or amendment shall be deemed approved unless the council, within ninety days of the receipt of such application or amendment, finds that the application or amendment—

"(i) does not comply with Federal requirements or with State law or regulations;

"(ii) is inconsistent with priorities and fails to establish, under guidelines issued by the Administration, good cause for such inconsistency;

"(iii) conflicts with or duplicates programs or projects of another applicant under this title, or other Federal, State, or local supported programs or applications; or

"(iv) proposes a program or project that is substantially similar to or is a continuation of a program or project which has been evaluated and found to be ineffective.

Where the council finds such noncompliance, inconsistency, conflict, or duplication, it shall notify the applicant in writing and set forth its reasons for the finding.

"(B) The applicant may within no more than thirty days of receipt of written findings of the council pursuant to subparagraph (A) submit to the council a revised application or state in writing the applicant's reasons for disagreeing with the council's findings.

"(C) A revised application submitted under subparagraph (B) shall be treated as an original application except that the council shall act on such application within sixty days.

"(D) If an applicant states in writing disagreement with the council's written findings as specified in section 402(b)(3)(A), the findings shall be considered appealed. The appeal shall be in accordance with a procedure dtveloped by the council and reviewed and agreed to by the eligible jurisdiction. If any eligible jurisdiction in a State fails to agree with the council appeal process prior to application submission to the council, the appeal shall be in accordance with procedures developed by the Administration. The Administration appeal procedures shall provide that if the council's action is not supported by clear and convincing evidence or if the council acted arbitrarily or capriciously, the council shall be directed to reconsider or approve the application or amendment.

"(E) Approval of the application of such eligible local jurisdiction shall result in the award of funds to such eligible jurisdiction without requirement for further application or review by the council.

"(4) Applications from State agencies and eligible jurisdictions as defined in section 402(a)(5) must be in the manner and form prescribed by the council. Where the council determines under section 402(b)(1) (C) and (D) that an application or amendment from a State agency or an eligible jurisdiction as defined in section 402(a)(5):

"(A) dces not comply with Federal requirements or with State law or regulation;

"(B) is inconsistent with priorities, policy, organizational or procedural arrangements, or the crime analysis;

"(C) conflicts with or duplicates programs or projects of another applicant under this title or other Federal, State, or local supported programs or applications; or

"(D) proposes a program or project that is substantially similar to or is a continuation of a program or project which has been evaluated and found to be ineffective;

the council shall notify the applicant in writing of the finding and the reasons for the finding and may deny funding or recommended appropriate changes. Appeal of the council's action shall be in accord with procedures established by the council for such matters.

"(c) The chief executive(s) of an eligible jurisdiction as defined in section 402(a)(2) (3), and (4) shall create or designate an office for the purpose of preparing and developing the jurisdiction's application and assuring that such application complies with Federal requirements, State law, fund accounting, auditing and the evaluation of programs and projects to be funded under the application to be submitted to the council pursuant to section 403 of this title. Each eligible jurisdiction shall establish or designate a local criminal justice advisory board (hereinafter referred to in this section as the 'Board') for the purpose of—

"(1) analyzing the criminal and juvenile justice problems within the eligible jurisdiction and advising the council and chief executive of the eligible jurisdiction on priorities;

"(2) advising the chief executive of the eligible jurisdiction pursuant to this title;

"(3) advising on applications or amendments by the eligible jurisdiction;

"(4) assuring that there is an adequate allocation of funds for court programs based upon that proportion of the eligible jurisdiction's expenditures for court programs which contributes to the jurisdiction's eligibility for funds and which take into account the court priorities recommended by the judicial coordinating committee; and

"(5) assuring that there is an adequate allocation of funds for correction programs based on that portion of the eligible jurisdiction's expenditures for correction programs which contributes to the jurisdiction's eligibility for funds.

Such board shall be established or designated by the chief executive of the eligible jurisdiction and shall be subject to the jurisdiction of the chief executive who shall appoint the members and designate the chairman. Such board shall be broadly representative of the various components of the criminal and juvenile justice system and shall include among its membership representatives of neighborhood and community-based organizations. In the case of an eligible jurisdiction as defined in section 402(a)(4) of this title, the membership of the board shall be jointly appointed in such manner as the chief executive of each unit of local government shall determine by mutual agreement. Decisions made by the board pursuant to this subsection may be reviewed and either be accepted or rejected by the chief executive of the eligible subgrant jurisdiction, or in the case of an eligible jurisdiction as defined in section 402(a)(4) of this title in such manner as the chief executive of each unit of local government shall determine by mutual agreement. Where an eligible jurisdiction as defined in section 402(a) (2) or (3) chooses not to combine pursuant to section 402(a) (4) and chooses not to exercise the powers of this subsection, it shall be treated as an eligible jurisdiction under section 402(a)(5).

"(d) The court of last resort of each State may establish or designate a judicial coordinating committee (hereinafter referred to in this title as the 'Committee') for the preparation, development, and revision of a three-year application or amendments thereto reflecting the needs and priorities of the courts of the State. For those States where there is a judicial agency which is authorized by State law on the date of enactment of this subsection to perform this function and which has a statutory membership of a majority of court officials (including judges and court administrators), the judicial agency may establish or designate the judicial coordinating committee. The committee shall—

"(1) establish priorities for the improvement of the various courts of the State;

"(2) define, develop, and coordinate programs and projects for the improvement of the courts of the State;

"(3) develop, in accordance with part D of this title, an application for the funding of programs and projects designed to improve the functioning of the courts and judicial agencies of the State.

The committee shall submit its three-year application or amendments to the council. The committee shall review for consistency with the court priorities, applications, or amendments from any jurisdiction which has incurred expenditures for court services from its own sources or from any other jurisdiction which is applying for funds for court services. The committee shall report to the council and the applicant its findings of consistency and inconsistency. The council shall approve and incorporate into its application in whole or in part the application or amendments of the committee unless the council determines that such committee application or amendments are not in accordance with this title, are not in conformance with, or consistent with, their own application made pursuant to section 403 of this title or do not conform with the fiscal accountability standards of this title. The council shall make such arrangements as it deems necessary to provide that at least $50,000 of the Federal funds granted to the council under this part for any fiscal year will be available to the judicial coordinating committee.

"(e)(1) The council will provide for procedures that will insure that all applications or amendments by units of local government or combinations theerof or judicial coordination committees shall be acted upon no later than ninety days after being first received by the council. Final action by the council which results in the return of any application or amendments to an application must contain specific reasons for such action within ninety days of receipt of the application. Any part of such application or amendments which is not acted upon shall be deemed approved for submission to the Administration. Action by the council on any application or part thereof shall not preclude the resubmission of such application or part thereof to the council at a later date.

"(2) The council, the judicial coordinating committee, and local boards, established pursuant to section 402(c), shall meet at such times and in such places as they deem necessary and shall hold each meeting open to the public, giving public notice of the time and place of such meeting, and the nature of the business to be transacted if final action is to be taken at the meeting on the State application or any application for funds or any amendment thereto. The council, the judicial coordinating committee, and local boards, pursuant to section 402(c), shall provide for public access to all records relating to their functions under this title, except such records as are required to be kept confidential by any other provision of local, State, or Federal law.

"(3) The council shall, at a time designated in regulations promulgated by the Administration, submit its application made pursuant to this part to the Administration for approval. Its application shall include funding allocations or applications which were submitted by State agencies, the judicial coordinating committee, and units of local government, or combinations thereof, and which were first reviewed and approved by the council pursuant to section 402(b)(3), section 402(b)(4), or section 402(d), as appropriate.

"(f) To be eligible for funds under this part all eligible jurisdictions shall assure the participation of citizens, and neighborhood and community organizations, in the application process. No grant may be made pursuant to this part unless the eligible jurisdiction has provided satisfactory assurances to the Administration that the applicant has—

"(1) provided citizens and neighborhood and community organizations with adequate information concerning the amounts of funds available for proposed programs or projects under this Act, the range of activities that may be undertaken, and other important program requirements;

"(2) provided citizens and neighborhood and community organizations an opportunity to consider and comment on priorities set forth in the application or amendments;

"(3) provided for full and adequate participation of units of local government in the performance of the analysis and the establishment of priorities required by section 402(b)(1)(A);

"(4) provided an opportunity for all effected criminal and juvenile justice agencies to consider and comment on the proposed programs to be set forth in the application or amendments.

The Administrator, in cooperation with the Office of Community Anti-Crime Programs, may establish such rules, regulations, and procedures as are necessary to assure that citizens and neighborhood and community organizations will be assured an opportunity to participate in the application process.

"APPLICATIONS

SEC. 403. (a) No grant may be made (1) by the Administration to a State, or (2) by a State to an eligible recipient pursuant to part D of this title unless the application sets for criminal and juvenile justice programs covering a three-year period which meet the objectives of section 401 of this title. This application must be amended annually if new programs are to be added to the application or if the programs contained in the original application are not implemented. The application must include—

"(1) an analysis of the crime problems and criminal justice needs within the relevant jurisdiction and a description of the services to be provided and performance goals and priorities, including a specific statement of how the programs are expected to advance the objectives of section 401 of this title and meet the identified crime problems and criminal and juvenile justice needs of the jurisdiction;

"(2) an indication of how the programs relate to other similar State or local programs directed at the same or similar problems;

"(3) an assurance that following the first fiscal year covered by an application and each fiscal year thereafter, the applicant shall submit to the Administration, where the applicant is a State, and to the council where the applicant is a State agency, the judicial coordinating committee, non-governmental grantee, or a unit or combination of units of local government—

"(A) a performance report concerning the activities carried out pursuant to this title; and

"(B) an assessment by the applicant of the impact of those activities on the objectives of this title and the needs and objectives identified in the applicant's statement;

"(4) a certification that Federal funds made available under this title will not be used to supplant State or local funds, but will be used to increase the amounts of such funds that would, in the absence of Federal funds, be made available for criminal justice activities;

"(5) an assurance where the applicant is a State or unit or combination of units of local government that there is an adequate share of funds for courts, and corrections, police, prosecution, and defense programs;

"(6) a provision for fund accounting, auditing, monitoring, and such evaluation procedures as may be necessary to keep such records as the Administration shall prescribe to assure fiscal control, proper management, and efficient disbursement of funds received under this title;

"(7) a provision for the maintenance of such data and information and for the submission of such reports in such form, at such times, and containing such data and information as the Administration may reasonably require to administer other provisions of this title; and

"(8) a certification that its program meet all the requirements of this section, that all the information contained in the application is correct, that there has been appropriate coordination with affected agencies, and that the applicant will comply with all provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Administration and shall be executed by the chief executive officer or other officer of the applicant qualified under regulations promulgated by the Administration.

"(b) Applications from judicial coordinating committees, State agencies, and other nongovernmental grantees do not have to include the crime analysis required by subsection (a)(1) of this section but may rely on the crime analysis prepared by the council.

"REVIEW OF APPLICATIONS

SEC. 404. (a) The Administration shall provide financial assistance to each State applicant under this part to carry out the programs submitted by such applicant upon determining that—

"(1) the application or amendment thereto is consistent with the requirements of this title;

"(2) the application or amendment thereto was made public prior to submission to the Administration and an opportunity to comment thereon was provided to citizens and neighborhood and community groups; and

"(3) prior to the approval of the application or amendment thereto the Administration has made an affirmative finding in writing that the program or project is likely to contribute effectively to the achievement of the objectives of section 401 of this title.

Each application or amendment made and submitted for approval to the Administration pursuant to section 403 of this title shall be deemed approved, in whole or in part, by the Administration within ninety days after first received unless the Administration informs the applicant of specific reasons for disapproval.

"(b) The Administration shall suspend funding for an approved application in whole or in part if such application contains a program or project which has failed to conform to the requirements or statutory objectives of this Act as evidenced by—

"(1) the annual performance reports submitted to the Administration by the applicant pursuant to section 403 of this title;

"(2) the failure of the applicant to submit annual performance reports pursuant to section 403 of this title;

"(3) evaluations conducted pursuant to section 802(b);

"(4) evaluations and other information provided by the National Institute of Justice.

The Administration may make appropriate adjustments in the amount of grants in accordance with its findings pursuant to this subsection.

"(c) Grant funds awarded under part D shall not be used for—

"(1) the purchase of equipment or hardware, or the payment of personnel costs unless the cost of such purchases or payments is incurred as an incidental and necessary part of a program of proven effectiveness, a program having a record of proven success, or a program offering high probability of improving the functioning of the criminal justice system. In determining whether to apply this limitation, consideration must be be given to the extent of prior funding from any sources in that jurisdiction for substantially similar activities;

"(2) programs which have as their primary purpose general salary payments for employees or classes of employees within an eligible jurisdiction, except for the compensation of personnel for time engaged in conducting or undergoing training programs or the compensation of personnel engaged in research, development, demonstration, or short-term programs;

"(3) construction projects unless the project involves prison or jail construction and provides advanced techniques in the design of institutions or facilities; or

"(4) programs or projects which, based upon evaluations by the National Institute of Justice, Law Enforcement Assistance Administration, Bureau of Justice Statistics, State or local agencies, and other public or private organizations, have been demonstrated to offer a low probability of improving the functioning of the criminal and juvenile justice system. Such programs must be formally identified by a notice in the Federal Register after opportunity for comment.

"(d) The Administration shall not finally disapprove any application submitted to the Administrator under this part, or any amendments thereto, without first affording the applicant reasonable notice and opportunity for a hearing and appeal pursuant to section 803 of this title.

"(e) The prohibitions on the expenditure of part D formula grant funds enumerated in paragraphs (1), (2), and (3) of this subsection shall not apply where, in the judgment of the council and the Administrator, such expenditures are necessary to develop criminal and juvenile justice programs in energy impact areas and such programs offer high probability of improving the functions of the criminal justice system.

"ALLOCATION AND DISTRIBUTION OF FUNDS

"SEC. 405. (a) Of the total amount appropriated for parts D, E, and F of this title in any fiscal year, 80 per centum shall be set aside for part D and allocated to States, units of local government, and combinations of such units as follows:

"(1) The sum of $300,000 to each of the participating States as defined in section 402(a)(1) and the balance according to one of the following two formulas, whichever formula results in the larger amount:

"(A) Of the remaining amount to be allocated pursuant to this part:

"(i) 25 per centum shall be allocated in proportion to the relative population within the State as compared to the population in all States;

"(ii) 25 per centum shall be allocated in proportion to the relative number of index crimes (as documented by the Department of Justice) reported within the State as compared to such numbers in all States;

"(iii) 25 per centum shall be allocated in proportion to the relative amount of total State and local criminal justice expenditures within the State as compared to such amounts in all States; and

"(iv) 25 per centum shall be allocated in proportion to the relative population within the State, weighted by the share of State personal income paid in State and local taxes, as compared to such weighted populations in all States; or

"(B) The remaining amount to be allocated pursuant to this part shall be allocated in proportion to the relative population within the State as compared to the population, in all States;

except that no State which receives financial assistance pursuant to section 405(a)(1)(A) shall receive an amount in excess of 110 per centum of that amount available to a State pursuant to section 405(a)(1)(B). Formula allocations under this section will utilize relative population data only for the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(2) If the fund allocation to each of the States pursuant to section 405(a)(1) results in a total amount in excess of the amount appropriated for the purposes of this part, additional funds shall be allocated by the Administration from part E or F to the States for purposes consistent with those parts so that the total amount equals the total amount allocated under section 405(a)(1). No State shall receive an allocation pursuant to section 405(a)(1) which is less than the block grant allocation received by such State for fiscal year 1979 pursuant to parts C and E of the Omnibus Crime Control and Safe Streets Act as amended (42 U.S.C. 3701, et seq.), except that if the total amount appropriated for part D for any fiscal year subsequent to fiscal year 1979 is less than the total block grant appropriation for parts C and E during fiscal year 1979, the States shall receive an allocation in accord with section 405(a)(1)(B).

"(3) From the amount made available to each State pursuant to paragraphs (1) and (2), the Administration shall determine basic allocations to be made available to the State, to eligible jurisdictions as defined in section 402(a) (2), (3), or (4) and to eligible jurisdictions as defined in section 402(a)(5). Such allocations shall be determined:

"(A) by distributing 70 per centum of available funds allocated under paragraphs (1) and (2) to the State and those eligible units of local government within the State as defined in section 402(a) in a proportion equal to their own respective share of total State and local criminal justice expenditures; and

"(B) by dividing the remaining 30 per centum of available funds allocated under paragraphs (1) and (2) and distributing to the State and to those eligible units of local government within the State as defined in section 402(a), in four equal shares in amounts determined as follows:

"(i) a proportion of the available funds equal to their own respective share of total State and local expenditures for police services;

"(ii) a proportion of the available funds equal to their own respective share of total State and local expenditures for judicial, legal, and prosecutive, and public defense services;

"(iii) a proportion of the available funds equal to their own respective share of total State and local expenditures for correctional services; and

"(iv) a proportion of the available funds equal to their own respective share of total State and local criminal justice expenditures.

"(4) All allocations under subsection (3) shall be based upon the most accurate and complete data available for such fiscal year or for the most recent fiscal year for which accurate data are available. Eligible jurisdictions as defined in section 402(a)(4) may not receive an allocation based upon the population of eligibible cities and counties as defined in section 402(a) (2) and (3) unless such cities and counties participate in activities under this title as part of a combination of units of local government as defined in section 402(a)(4). In determining allocations for the eligible units as defined in section 402(a), an aggregate allocation may be utilized where eligible jurisdictions as defined in section 402(a) combine to meet the population requirements of section 402(a)(4).

"(5) The amount made available pursuant to subsection (3) to eligible units of local government within each State, as defined in section 402(a)(5), and to eligible jurisdictions, as defined in section 402(a) (2) or (3), which choose not to combine pursuant to section 402(a)(4) and choose not to exercise the powers of section 402(c), shall be reserved and set aside in a special discretionary fund for use by the council pursuant to section 402 of this title, in making grants (in addition to any other grants which may be made under this title to the same entities or for the same purposes) to such units of local government or combinations thereof. The council shall allocate such funds among such local units of government or combinations thereof which make application pursuant to section 403 of this title, according to the criteria of this title and on the terms and conditions established by such council at its discretion. If in a particular State, there are no eligible units of local government, as defined in section 402(a)(2), 402(a)(3), or 402(a)(4) of this part, the amount otherwise reserved and set aside in the special discretionary fund shall consist of the entire amount made available to local units of government, pursuant to this section.

"(b) At the request of the State legislature while in session or a body designated to act while the legislature is not in session, general goals, priorities, and policies of the council shall be submitted to the legislature for an advisory review prior to its implementation by the council. In this review the general criminal and juvenile justice goals, priorities, and policies that have been developed pursuant to this part shall be considered. If the legislature or the interim body has not reviewed such matters forty-five days after receipt, such matters shall then be deemed reviewed.

"(c) No award of funds that are allocated to the States, units of local government, or combinations thereof under this part shall be made with respect to a program other than a program contained in an approved application.

"(d) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State, unit of local government, or combination thereof for that fiscal year will not be required, or that the State, unit of local government, or combination thereof will be unable to qualify or receive funds under the requirements of this part such funds shall be available for reallocation to the States, or other units of local government and combinations thereof within such State, as the Administration may determine in its discretion; *Provided,* That all States shall be considered equally for reallocated funds.

"(e) A State may award funds from the State allocation to private nonprofit organizations. Eligible jurisdictions as defined in section 402(a) (2) through (5) may utilize the services of private nonprofit organizations for purposes consistent with this title.

"(f) In order to receive formula grants under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, a State shall submit a plan for carrying out the purposes of that Act in accordance with the provisions of this title and section 223 of that Act. Such plan may at the direction of the Administrator be incorporated into the State application to be submitted under this part.

"(g) Eligible jurisdictions which choose to utilize regional planning units shall utilize, to the maximum extent practicable, the boundaries and organization of existing general purpose regional planning bodies within the State.

"Part E—National Priority Grants

"Sec. 501. It is the purpose of this part, through the provision of additional Federal financial aid and assistance, to encourage States and units of local government to carry out programs which, on the basis of research, demonstration, or evaluations by the National Institute of Justice, Bureau of Justice Statistics, Law Enforcement Assistance Administration, by State or local governments, or by other Federal, State, local, or private organizations or agencies, have been shown to meet the criteria of section 503(a).

"Sec. 502. Of the total amount appropriated for parts D, E, and F of this title in any fiscal year, 10 per centum shall be reserved and set aside pursuant to this part as funding incentives for use by the Administration in making national priority grants (in addition to any other grants which may be made under this title to the same entities or for the same purpose) to States and units of local government.

"Sec. 503. (a) The Office of Justice Assistance, Research, and Statistics shall periodically designate national priority programs and projects which through research, demonstration, or evaluation have been shown to be effective or innovative and to have a likely beneficial impact on criminal and juvenile justice. Such national priorities may include programs and projects designated to improve the comprehensive planning and coordination of State and local criminal and juvenile justice activities. Priorities established by the Office of Justice Assistance, Research, and Statistics shall be considered priorities for a reasonable period of time determined by the Office of Justice Assistance, Research, and Statistics.

"(b) Such priorities shall be designated by the Office of Justice Assistance, Research, and Statistics according to criteria, and on such terms and conditions, as the Office of Justice Assistance, Research, and Statistics may determine.

(c) The Office of Justice, Assistance, Research and Statistics shall annually request the National Institute of Justice, the Bureau of Justice Statistics, the Law Enforcement Assistance Administration, State and local governments, and other appropriate public and private agencies to suggest national priority programs and projects. The Office of Justice Assistance, Research, and Statistics shall then, pursuant to regulation, annually publish proposed national priority programs and projects pursuant to this part and invite and encourage public comment concerning such priorities. In establishing priorities, the Office shall give special emphasis to programs and projects dealing with corrections and alternatives to incarceration, to programs and projects dealing with the prevention, detection, and control of organized crime, programs and projects designed to reduce court congestion and to improve the fairness and efficiency of the judicial system, programs and projects providing prosecutors and courts with computerized case control and management systems, programs and projects providing assistance to victims or witnesses, programs and projects demonstrating how community-based citizen activity can further crime prevention and reduce the fear of crime within neighborhoods, and programs of proven effectiveness such as those involved with post-arrest identification and prosecution of career criminals. Such priority programs and projects shall not be established or modified until the Office of Justice Assistance, Research, and Statistics has provided at least sixty days advance notice for public comment and shall encourage and invite recommendations and opinion concerning such priorities from apropriate agencies and officials of State and units of local government. After considering any comments submitted during such period of time, the Office of Justice Assistance, Research, and Statistics shall establish priority programs and projects for that year (and determine whether existing priority programs and projects should be modified). The Office of Justice Assistance, Research, and Statistics shall publish in the Federal Register the priority programs and projects established pursuant to this part prior to the beginning of fiscal year 1981 and each fiscal year thereafter for which appropriations will be available to carry out the program. The Office of Justice Assistance, Research, and Statistics shall furnish to the Director of the Office of Management and Budget in accordance with section 4(b)(1) of the Federal Program Information Act, such information regarding assistance programs to be conducted under this part as the Director may determine to be necessary for inclusion in the Federal Assistance Program Retrieval System and the catalog of Federal Domestic Assistance Programs. Such priorities shall include some programs and projects responsive to each type of section 402 eligible jurisdiction.

"SEC. 504. (a) No grant may be made pursuant to this part unless an application has been submitted to the Administration in which the applicant—

"(1) identifies the priority program to be funded and describes how funds allocated pursuant to this part and pursuant to part D will be expended to carry out the priority program;

"(2) describes specifically what percentages of funds allocated for the upcoming year pursuant to part D of this title will be spent on priority programs and projects pursuant to this part;

"(3) describes specifically the priority programs and projects for which funds are to be allocated pursuant to part D of this title for the upcoming fiscal year;

"(4) describes what percentage of part D funds were expended on national priority projects during the preceding fiscal year; and

"(5) describes specifically the priority programs and projects for which funds were allocated pursuant to part D of this title during the preceding fiscal year and the amount of such allocation.

"(b) Each applicant for funds under this part shall certify that its program or project meets all the requirements of this section, that all the information contained in the application is correct, and that the applicant will comply with all the provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Administration.

"(c) Each application must be submitted for review to the criminal justice council in whose State the applicant is located. The council shall have thirty days to comment to the Administration upon the application. Any recommendation shall be accompanied by supporting rationale.

"(d) States and units of local government may utilize the services of private, nonprofit organizations for purposes consistent with this part.

"SEC. 505. (a) The Administration shall, after appropriate consultation with representatives of State and local governments and representatives of the various components of the justice system at all levels of government, establish reasonable requirements consistent with this part for the award of national priority grants. Procedures for awards of national priority grants shall be published in the Federal Register and no national priority grant shall be made in a manner inconsistent with these procedures. The Administration in determining whether to award a priority grant to an eligible jurisdiction shall give consideration to the criminal justice needs and efforts of eligible jurisdictions, to the need for continuing programs which would not otherwise be continued because of the lack of adequate part D funds, and to the degree to which an eligible jurisdiction has expended or proposes to expend funds from part D or other sources of funds, including other Federal grants, for priority programs and projects. No jurisdiction shall be denied a priority grant solely on the basis of its population.

"(b) Grants under this part may be made in an amount equal to 50 per centum of the cost of the priority program or project for which such grant is made except allocations made pursuant to section 405(a)(2), which may be made in an amount equal to 100 per centum of the cost of the funded program. The remaining costs may be provided from part D funds or from any other source of funds, including other Federal grants, available to the eligible jurisdiction.

"(c) Amounts reserved and set aside pursuant to this part in any fiscal year, but not used in such year, may be used by the Administration to provide additional financial assistance to priority programs or projects of demonstrated effectiveness in improving the functioning of the criminal justice system, notwithstanding the provisions of section 505(b) of this title.

"(d) The Administration may provide financial aid and assistance to programs or projects under this part for a period not to exceed three years. Grants made pursuant to this part may be extended or renewed by the Administration for an additional period of up to two years if an evaluation of the program or project indicates that it has been effective in achieving the stated goals, or offers the potential for improving the functioning of the criminal and juvenile justice system. A recipient shall assume the cost of any program assisted under this part after the period of Federal assistance unless the Administrator determines that the recipient is unable to assume such cost because of State or local budgetary restraints. The Administration shall assure that the problems and needs of all of the States are taken into account in distributing funds under this part among the States.

"PART F—DISCRETIONARY GRANTS

"SEC. 601. It is the purpose of this part, through the provision of additional Federal financial assistance, to encourage States, units of local government, combinations of such units, or private nonprofit organizations to—

"(a) undertake programs and projects to improve and strengthen the criminal and juvenile justice system including educational programs;

"(b) improve the comprehensive planning and coordination of State and local criminal and juvenile justice activities, especially coordination between city and county jurisdictions;

"(c) provide for the equitable distribution of funds under this title among all segments and components of the criminal and juvenile justice system;

"(d) to support modernization and improvement of State and local court and corrections systems and programs;

"(e) to support organized crime programs, programs to prevent and reduce crime in public or private places and programs which are designed to disrupt illicit commerce in stolen goods and property; and

"(f) to support community and neighborhood anticrime efforts.

"SEC. 602. Of the total amount appropriated for parts D, E, and F of this title in any fiscal year 10 per centum shall be reserved and set aside pursuant to this part in a special discretionary fund for use by the Administration in making grants (in addition to any other grants which may be made under this title to the same entities or for the same purposes) to States, units of local government, combinations of such units, or private nonprofit organizations, for the purposes set forth in section 601 of this title. The Administrator shall assure that funds allocated under this section to private nonprofit organizations shall be used for the purpose of developing and conducting programs and projects which would not otherwise be undertaken pursuant to this title including programs and projects—

"(a) to stimulate and encourage the improvement of justice and the modernization of State court operations by means of financial assistance to national nonprofit organizations operating in conjunction with and serving the judicial branches of State governments;

"(b) to provide national education and training programs for State and local prosecutors, defense personnel, judges and judicial personnel, and to disseminate and demonstrate new legal developments and methods by means of teaching, special projects, practice, and the publication of manuals and materials to improve the administration of criminal and juvenile justice. Organizations supported under this subsection will assist State and local agencies in the education and training of personnel on a State and regional basis;

"(c) to support community and neighborhood anticrime programs;

"(d) to stimulate, improve, and support victim-witness assistance programs.

"SEC. 603. (a) The Office of Justice Assistance, Research, and Statistics shall periodically establish discretionary programs and projects for financial assistance under this part. Such programs and projects shall be considered priorities for a period of time not to exceed three years from the time of such determination.

"(b) The Office of Justice Assistance, Research, and Statistics shall annually request the National Institute of Justice, the Bureau of Justice Statistics, the Law Enforcement Assistance Administration, State and local governments, and other appropriate public and private agencies to suggest discretionary programs and projects, criteria, terms, and conditions. The Office of Justice Assistance, Research, and Statistics shall then, pursuant to regulations, annually publish the proposed priorities pursuant to this part and invite and encourage public comment concerning such priorities. Priorities shall not be established or modified until the Office of Justice Assistance, Research, and Statistics has provided at least sixty-days advance notice for such public comment and it shall encourage and invite recommendations and opinion concerning such priorities from appropriate agencies and officials of State and units of local government. After considering any comments submitted during such period of time and after consultation with the Attorney General and appropriate agencies and officials of State and units of local government, the Office of Justice Assistance, Research, and Statistics shall determine whether existing established priorities should be modified. The Office of Justice Assistance, Research, and Statistics shall publish in the Federal Register the priorities established pursuant to this part at least sixty days prior to the beginning of fiscal year 1981 and each fiscal year thereafter for which appropriations will be available to carry out the program. The Office of Justice Assistance Research, and Statistics shall furnish to the Director of the Office of Management and Budget in accordance with section 4(b)(1) of the Federal Program Information Act, such information regarding assistance programs to be conducted under this part as the Director may determine to be necessary for inclusion in the Federal Assistance Program Retrieval System and the catalogue of Federal Domestic Assistance Programs.

"SEC. 604. (a) No grant may be made pursuant to this part unless an application has been submitted to the Administration in which the applicant—

"(1) sets forth a program or project which is eligible for funding pursuant to this part;

"(2) describes the services to be provided, performance goals and the manner in which the program is to be carried out;

"(3) describes the method to be used to evaluate the program or project in order to determine its impact and effectiveness in achieving the stated goals and agrees to conduct such evaluation according to the procedures and terms established by the Office of Justice Assistance, Research, and Statistics; and

"(4) indicates, if it is a private nonprofit organization, that it has consulted with appropriate agencies and officials of State and units of local government to be affected by the program and project.

"(b) Each applicant for funds under this part shall certify that its program or project meets all the requirements of this section, that all the information contained in the application is correct, and that the applicant will comply with all the provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Administration.

"(c) Each application must be submitted for review to the criminal justice council in whose State the applicant is located, except that review shall not be required for applications having national impact. The council shall have thirty days to comment to the Administration upon the application. Any recommendation shall be accompanied by supporting rationale.

"SEC. 605. The Administration shall, in its discretion and according to the criteria and on the terms and conditions it determines consistent with this part, provide financial assistance to those programs or projects which most clearly satisfy the priorities established by the Office of Justice Assistance, Research, and Statistics. In providing such assistance pursuant to this part, the Administration shall consider the need for continuing programs which would not otherwise be continued because of the lack of adequate part D funds and whether certain segments and components of the criminal and juvenile justice system have received a disproportionate allocation of financial aid and assistance pursuant to other parts of this title, and, if such a finding is made, shall assure the funding of such other segments and components of the criminal justice system as to correct inequities resulting from such disproportionate allocations. Federal funding under this part may be up to 100 per centum of the cost of the program. In distributing funds under this part among the States, the Administration shall assure that problems and needs of all of the States are taken into account and shall fund some programs and projects responsive to each type of section 402 eligible jurisdiction.

"SEC. 606. The Administration may provide financial aid and assistance to programs or projects under this part for a period not to exceed three years. Grants made pursuant to this part may be extended or renewed by the Administration for an additional period of up to two years if—

"(a) an evaluation of the program or project indicates that it has been effective in achieving the stated goals, or offers the potential for improving the functioning of the criminal and juvenile justice system; and

"(b) the State, unit of local government, or combination thereof, or private nonprofit organizations within which the program or project has been conducted agrees to provide at least one-half of the total cost of such program or project from part D funds or from any other source of funds, including other Federal grants, available to the eligible jurisdiction. Funding for the management and the administration of national nonprofit organizations under section 602(a) of this part is not subject to the funding limitations of this section.

"PART G—TRAINING AND MANPOWER DEVELOPMENT

"SEC. 701. It is the purpose of this part to provide for and encourage training, manpower development, and new or improved personnel practices for the purpose of improving the criminal and juvenile justice system.

"SEC. 702. (a) The Administration is authorized to establish and support a training program for prosecuting attorneys from State and local agencies engaged in the prosecution of white collar and organized crime. The program shall be designed to develop new or improved approaches, techniques, systems, manuals, and devices to strengthen prosecutive capabilities against white collar and organized crime.

"(b) While participating in the training program or traveling in connection with participation in the training program, State and local personnel may be allowed travel expenses and a per diem allowance in the same manner as prescribed under section 5703(b) of title 5, United States Code, for persons employed intermittently in the Government service.

"(c) The cost of training State and local personnel under this section shall be provided out of funds appropriated to the Administration for the purpose of such training.

"SEC. 703. (a) The Adminstration is authorized—

"(1) to assist in conducting local, regional, or national training programs for the training of State and local criminal and juvenile justice personnel, including but not limited to those engaged in the investigation of crime and apprehension of criminals, community relations, the prosecution, defense, or adjudication of those charged with crime or delinquency, corrections, rehabilitation, probation, and parole of offenders. Such training activities shall be designed to supplement and improve rather than supplant the training activities of the State and units of general local government and shall not duplicate the training activities of the Federal Bureau of Investigation;

"(2) to carry out a program of planning development, demonstration, and evaluation of training programs for State and local criminal and juvenile justice personnel;

"(3) to assist in conducting programs relating to recruitment, selection, placement, and career development practices of State and local law enforcement and criminal and juvenile justice personnel, and to assist State and local governments in planning manpower programs for criminal and juvenile justice; and

"(4) to carry out a program of planning, development, demonstration, and evaluation of recruitment, selection, and placement practices.

"(b) The amount of a grant or contract under this section may be up to 100 per centum of the total cost of a program, but the total financial support may not exceed 80 per centum of the total operating budget of any funded institutions or programs.

"(1) Institutions funded under this section shall assure that to the maximum extent feasible efforts shall be made to increase the non-Federal share of the total operating budgets of such institutions or programs with the objective of becoming self-sustaining.

"(2) To the greatest extent possible funds appropriated for the purposes of this section shall not be utilized to provide per diem subsistence, or travel for State and local officials receiving such training.

"SEC. 704. (a) The Director of the Federal Bureau of Investigation is authorized to—

"(1) establish and conduct training programs at the Federal Bureau of Investigation National Academy at Quantico, Virginia, to provide, at the request of a State or unit of local government, training for State and local criminal and juvenile justice personnel;

"(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen criminal justice; and

"(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local criminal justice personnel engaged in the investigation of crime and the apprehension of criminals or delinquents. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs, and their deputies, and other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit.

"(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

"SEC. 705. (a) Pursuant to the provisions of subsections (b) and (c) of this section, the Administration is authorized, after appropriate consultation with the Commissioner of Education, to carry out programs of academic educational assistance to improve and strengthen criminal and juvenile justice.

"(b) The Administration is authorized to enter into contracts to make, and make payments to institutions of higher education for loans, not exceeding $2,200 per academic year to any person, to persons enrolled on a full-time basis in undergraduate or graduate programs approved by the Administration and leading to degrees or certificates in areas directly related to criminal justice or suitable for persons employed in criminal or juvenile justice, with special consideration to police or correctional personnel of States or units of general local government on academic leave to earn such degrees or certificates. Loans to persons assisted under this subsection shall be made on such terms and conditions as the Administration and the instituton offering such programs may determine, except that the total amount of any such loan, plus interest, shall be canceled for service as a full-time officer or employee of a criminal or juvenile justice agency at the rate of 25 per centum of the total amount of such loan plus interest for each complete year of such service or its equivalent of such service, as determined under regulations of the Administration.

"(c) The Administration is authorized to enter into contracts to make, and make payments to institutions of higher education for tuition, books, and fees, not exceeding $250 per academic quarter or $400 per semester for any person, for officers of any publicly funded criminal or juvenile justice agency enrolled on a full-time or part-time basis in courses included in an undergraduate or graduate program which is approved by the Administration and which leads to a degree or certificate in an area related to criminal or juvenile justice or an area suitable for persons employed in criminal or juvenile justice. Assistance under this subsection may be granted only on behalf of an applicant who enters into an agreement to remain in the service of a criminal or juvenile justice agency employing such applicant for a period of two years following completion of any course for which payments are provided under this subsection, and in the event such service is not completed, to repay the full amount of such payments on such terms and in such manner as the Administration may prescribe.

"(d) Full-time teachers or persons preparing for careers as full-time teachers of courses related to criminal or juvenile justice or suitable for persons employed in criminal or juvenile justice, in institutions of higher education which are eligible to receive funds under this section, shall be eligible to receive assistance under subsections (b) and (c) of this section as determined under regulations of the Administration.

"(e) The Administration is authorized to make grants to or enter into contracts with institutions of higher education, or combinations of such institutions to assist them in planning, developing, strengthening, improving, or carrying out programs or projects for the development or demonstration of improved methods of criminal and juvenile education, including—

"(1) planning for the development or expansion of undergraduate or graduate programs in criminal and juvenile justice and for law-related education in the public schools;

"(2) education and training of faculty members;

"(3) strengthening the criminal and juvenile justice aspects of courses leading to an undergraduate, graduate, or professional degree; and

"(4) research into, and development of, methods of educating students or faculty, including the preparation of teaching materials and the planning of curriculums. The amount of a grant or contract may be up to 75 per centum of the total cost of programs and projects for which a grant or contract is made.

"(f) The Administration is authorized to enter into contracts to make, and make payments to institutions of higher education for grants not exceeding $65 per week to persons enrolled on a full-time basis in undergraduate or graduate degree programs who are accepted for and serve in full-time internships in criminal or juvenile agencies for not less than eight weeks during any summer recess or for any entire quarter or semester on leave from the degree program.

"Part H—Administrative Provisions

"Sec. 801. (a) There is established within the Department of Justice, under the general authority and policy control of the Attorney General, an Office of Justice Assistance, Research, and Statistics. The chief officer of the Office of Justice Assistance, Research, and Statistics shall be a Director appointed by the President by and with the advice and consent of the Senate.

"(b) The Office of Justice Assistance, Research, and Statistics shall directly provide staff support to, set broad policy guidelines for, and coordinate the activities of the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration.

"(c) There is hereby established a Justice Assistance, Research, and Statistics Advisory Board (hereinafter referred to in this section as the 'Board'). The Board shall consist of twenty-one members who shall be appointed by the Attorney General. The members shall represent the public interest and should be experienced in the criminal, civil, or juvenile justice systems, including but not limited to representatives of States and units of local government, representatives of police, prosecutors, defense attorneys, courts, corrections, experts in the area of victim and witness assistance, and other components of the justice system at all levels of government, members of the academic and research community, officials of neighborhood and community organizations, and the general public. The Board, by majority vote, shall elect from among its members a Chairman and Vice Chairman. The Vice Chairman is authorized to sit and act in the place of the Chairman in the absence of the Chairman. The Director shall also be a member of the Board but may not serve as Chairman or Vice Chairman. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment. The Administrator of the Law Enforcement Assistance Administration, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, the Director of the Bureau of Justice Statistics, and the Director of the National Institute of Justice shall serve as ex officio members of the Board but shall be ineligible to serve as Chairman or Vice Chairman. Except as otherwise provided herein, no more than one additional Federal officer or employee shall serve as a member of the Board.

"(1) The Board, after appropriate consultation with representatives of State and local governments, may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the Board assents.

"(2) The term of office of each member of the Board appointed under subsection (c) shall be three years except that any such member appointed to fill a vacancy occurring prior to the expiration of the term for which its predecessor was appointed shall be appointed for the remainder of such term. Terms of the members appointed under subsection (c) shall be staggered so as to establish a rotating membership according to such method as the Attorney General may devise. The members of the Board appointed under subsection (c) shall receive compensation for each day engaged in the actual performance of duties vested in the Board at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses. No member shall serve for more than two consecutive terms.

"Sec. 802. (a) The Office of Justice Assistance, Research, and Statistics, the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, and the National Institute of Justice are authorized, after appropriate consultation with representatives of States and units of local government, to establish such rules, regulations, and procedures as are necessary to the exercise of their functions, and as are consistent with the stated purpose of this title.

"(b) Not later than four years after the date of enactment of this Act, the Director of the Office of Justice Assistance, Research, and Statistics, after consultation with the Administrator of the Law Enforcement Assistance Administration, the Director of the National Institute of Justice, the Director of the Bureau of Statistics, and the Administrator of the Office of Juvenile Justice and Delinquency Prevention, with respect to the receipt and compilation of evaluations, statistics and performance reports required by this Act, shall submit to the Judiciary Committees of the Senate and the House of Representatives a report, which shall be used by them to assist in determining whether the purposes of parts D, E, and F have been fulfilled and whether to recommend continued authorization of appropriations for such parts after expiration of this Act. The report shall set forth comprehensive statistics which, together with the Director's analysis and findings, shall indicate whether grants made to States or units of local governments under parts D, E, and F have made a substantial contribution toward—

"(1) improving and strengthening law enforcement agencies, as measured by arrest rates, incidence rates, victimization rates, the number of reported crimes, clearance rates, the number of patrol or investigative hours per uniformed officer, or any other appropriate objective measure;

"(2) improving the police utilization of community resources through support of joint police-community projects designed to prevent or control neighborhood crime;

"(3) disrupting illicit commerce in stolen goods and property;

"(4) combating arson;

"(5) developing investigations and prosecutions of white collar crime, organized crime, public corruption related offenses, and fraud against the government;

"(6) reducing the time between arrest or indictment and disposition of trial;

"(7) increasing the use and development of alternatives to the prosecution of selected offenders;

"(8) increasing the development and use of alternatives to pretrial detention that assure return to court and a minimization of the risk of danger;

"(9) increasing the rate at which prosecutors obtain convictions against habitual, nonstatus offenders;

"(10) developing and implementing programs which provide assistance to victims and witnesses, including restitution, programs encouraging victim and witness participation in the criminal justice system, and programs designed to prevent retribution against or intimidation of witnesses by persons charged with or convicted of crimes;

"(11) providing competent defense counsel for indigent and eligible low-income persons accused of criminal offenses;

"(12) developing projects to identify and meet the needs of drug dependent offenders;

"(13) increasing the availability and use of alternatives to maximum-security confinement of convicted offenders who pose no threat to public safety;

"(14) reducing the rates of violence among inmates in places of detention and confinement;

"(15) improving conditions of detention and confinement in adult and juvenile correctional institutions, as measured by the number of such institutions administering programs meeting accepted standards;

"(16) training criminal justice personnel in programs meeting standards recognized by the Director of the Office of Justice Assistance, Research, and Statistics;

"(17) revision and recodification by States and units of local government of criminal statutes, rules, and procedures and revision of statutes, rules, and regulations governing State and local criminal and juvenile justice agencies; and

"(18) developing statistical and evaluative systems in States and units of local government which assist the measurement of indicators in each of the areas described in paragraphs (1) through (17).

Such report shall identify separately, to the maximum practicable extent, such contribution according to the parts under which such grants are authorized and made.

"(c) Not later than two hundred and seventy days after the date of enactment of this Act, the Director of the Office of Justice Assistance, Research, and Statistics shall transmit to the Committees on the Judiciary of the Senate and of the House of Representatives a plan for the collection, analysis, and evaluation of any data relevant to measure, as objectively as is practicable, progress in each of the areas described in subsection (b). In developing such plan, the Director of the Office of Justice Assistance, Research, and Statistics shall consult with the Administrator of the Law Enforcement Assistance Administration, the Director of the National Institute of Justice, the Director of the Bureau of Justice Statistics, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, and the Committees on the Judiciary of the Senate and House of Representatives. After such plan as required by this subsection, the Director may recommend to such committees reporting areas in addition to those described in subsection (b) which, in his judgment, will aid such committees in making the determinations required by section (b). Such plans shall include the Director's recommended definitions of the terms 'comprehensive statistics' and 'substantial contribution' as used in subsection (b), which take into account the total amount of funds available for distribution to States and units of local government under parts D, E, and F, as compared to the total amount of funds available for expenditure by States and units of local government for criminal justice purposes. Such plan shall be used by the Director in preparing the report required by subsection (b) and shall be used by such committees in making the determinations required by subsection (b).

"(d) The report required by subsection (b) shall be considered by the President and the Congress to assist in determining whether or not parts D, E, and F should be continued after expiration of this Act. The report shall address whether—

"(1) parts D, E, and F should be continued if the Director, in his report, finds no 'substantial contribution' in a majority of the areas described in subsection (b) and any added by the Director under subsection (c);

"(2) expenditures in any area described in subsection (b) and any added by the Director under subsection (c) should be continued where—

"(A) there is no 'substantial contribution' in such areas; or

"(B) there is evidence that States or units of local government are unwilling for unable to continue to fund programs for which grants are made under part D.

"(e) The Law Enforcement Assistance Administration shall, after consultation with the National Institute of Justice, the Bureau of Justice Statistics, State and local government, and the appropriate public and private agencies, establish such rules and regulations as are necessary to assure the continuing evaluation of selected programs or projects conducted pursuant to parts D, E, and F of this title, in order to determine—

"(1) whether such programs or projects have achieved the performance goals stated in the original, are of proven effectiveness, have, a record of proven success, or offer a high probability of improving the criminal and juvenile justice system; application;

"(2) whether such programs or projects have contributed or are likely to contribute to the improvement of the criminal justice system and the reduction and prevention of crime;

"(3) their cost in relation to their effectiveness in achieving stated goals;

"(4) their impact on communities and participants; and

"(5) their implication for related programs.

Evaluations shall be in addition to the requirements of sections 403 and 404. In conducting the evaluations called for by this subsection, the Law Enforcement Assistance Administration shall, when practical, compare the effectiveness of programs conducted by similar applicants and different applicants, and shall compare the effectiveness of programs or projects conducted by States and units of local government pursuant to part D of this title with similar programs carried out pursuant to parts E and F of this title. The Law Enforcement Assistance Administration shall also require applicants under part D of this title to submit an annual performance report concerning activities carried out pursuant to part D of this title together with an assessment by the applicant of the effectiveness of those activities in achieving the objectives of section 401 of this title and the relationships of those activities to the needs and objectives specified by the applicant in the application submitted pursuant to section 403 of this title. The administration shall suspend funding for an approved application under part D of this title if an applicant fails to submit such an annual performance report.

"(f) The procedures established to implement the provisions of this title shall minimize paperwork and prevent needless duplication and unnecessary delays in award and expenditure of funds at all levels of government.

"Sec. 803. (a) Whenever, after reasonable notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, either the National Institute of Justice, the Bureau of Justice Statistics, or the Law Enforcement Assistance Administration finds that a recipient of their respective assistance under this title has failed to comply substantially with—

"(1) any provision of this title;

"(2) any regulations or guidelines promulgated under this title; or

"(3) any application submitted in accordance with the provisions of this title, or the provisions of any other applicable Federal Act, they, until satisfied that there is no longer any such failure to comply, shall terminate payments to the recipient under this title, reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

"(b) If a State grant application filed under part D or if any grant application filed under any other part of this title has been rejected or a State applicant under part D or an applicant under any other part has been denied a grant or has had a grant, or any portion of a grant, discontinued, terminated, or has been given a grant in a lesser amount than such applicant believes appropriate under the provisions of this title, the National Institute of Justice, the Bureau of Justice Statistics, or the Law Enforcement Assistance Administration, as appropriate, shall notify the applicant or grantee of its action and set forth the reason for the action taken. Whenever such an applicant or grantee requests a hearing, the National Institute of Justice, the Bureau of Justice Statistics, the Law Enforcement Assistance Administration, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations, including at its sole discretion hearings on the record in accordance with section 554 of title 5, United States Code, at such times and places as necessary, following appropriate and adequate notice to such applicant; and the findings of fact and determinations made with respect thereto shall be final and conclusive, except as otherwise provided herein. For grant application denials other than those under part D, the National Institute of Justice, Bureau of Justice Statistics, or the Law Enforcement Assistance Administration are authorized to take final action without a hearing if after an administrative review of the denial it is determined that the basis for the appeal, if substantiated, would not establish a basis for reconsideration or approval of the grant application. Under such circumstances, a more detailed statement of reasons for the agency action should be made available, upon request, to the applicant.

"(c) If such recipient is dissatisfied with the findings and determinations of the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, or the National Institute of Justice, following notice and hearing provided for in subsection (a) of this section, a request may be made for rehearing, under such regulations and procedures as the Office of Justice Assistance, Research, and Statistics may establish, and such recipient shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved.

"Sec. 804. In carrying out the functions vested by this title in the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, or the National Institute of Justice, their determinations, findings, and conclusions shall, after reasonable notice and opportunity for a hearing, be final and conclusive upon all applications, except as otherwise provided herein.

"Sec. 805. (a) If any applicant or recipient is dissatisfied with a final action with respect to section 803, section 804, or section 815(c) of this part, such applicant or recipient may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such applicant or recipient is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the action. A copy of the petition shall forthwith be transmitted by the petitioner to the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, or the National Institute of Justice and the Attorney General of the United States, who shall represent the Federal Government in the litigation. The Law Enforcement Assistance Administration, the Bureau of Justice Statistics, or the National Institute of Justice, as appropriate, shall thereupon file in the court the record of the proceeding on which the action was based, as provided in section 2112 of title 28, United States Code. No objection to the action shall be considered by the court unless such objection has been urged before the Office of Justice Assistance, Research, and Statistics, the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, or the National Institute of Justice, as appropriate.

"(b) The court shall have jurisdiction to affirm or modify a final action or to set it aside in whole or in part. The findings of fact by the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, the National Institute of Justice, or the Office of Justice Assistance, Research, and Statistics, if supported by substantial evidence on the record considered as a whole, shall be conclusive, but the court, for good cause shown, may remand the case of the Law Enforcement Assistance Administration, the National Institute of Justice, the Bureau of Justice Statistics, or the Office of Justice Assistance, Research, and Statistics to take additional evidence to be made part of the record. The Law Enforcement Assistance Administration, the Bureau of Justice Statistics, the National Institute of Justice, or the Office of Justice Assistance, Research, and Statistics may thereupon make new or modified findings of fact by reason of the new evidence so taken and filed with the court and shall file such modified or new findings along with any recommendations it may have for the modification or setting aside of its original action. All new or modified findings shall be conclusive with respect to questions of fact if supported by substantial evidence when the record as a whole is considered.

"(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Law Enforcement Assistance Administration, the Bureau of Justice Statistics, the National Institute of Justice, or the Office of Justice Assistance, Research, and Statistics or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon writ of certorari or certification as provided in section 1254 of title 28, United States Code.

"Sec. 806. The Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, or the Law Enforcement Assistance Administration may delegate to any of their respective officers or employees such functions as they deem appropriate.

"Sec. 807. In carrying out their functions, the Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, or the Law Enforcement Assistance Administration, or upon authorization, any member thereof or any hearing examiner or administrative law judge assigned to or employed thereby shall have the power to hold hearings and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States they may designate.

"Sec. 808. Section 5314 of title 5, United States Code, is amended as follows:

"(a) by adding at the end thereof—

" '( ) Director, Office of Justice Assistance, Research, and Statistics.'

"(b) by deleting—

" '(55) Administrator of the Law Enforcement Assistance Administration.'

"Sec. 809. Title 5, United States Code, is amended as follows:

"(a) Section 5315 (90) is amended by deleting 'Deputy Administrator for Policy Development of the Law Enforcement Assistance Administration' and by adding at the end thereof—

"'( ) Administrator of Law Enforcement Assistance.

"'( ) Director of the National Institute of Justice.

"'( ) Director of the Bureau of Justice Statistics.'

"(b) Section 5315 of title 5, United States Code, is amended by deleting at the end thereof the following:

"'(113) Deputy Administrator for Administration of Law Enforcement Assistance Administration.'

"(c) Section 5108(c)(11) is amended by deleting the words 'Law Enforcement Assistance Administration' and inserting in lieu thereof the words 'Office of Justice Assistance, Research, and Statistics'.

"SEC. 810. Subject to the Civvil Service and classification laws, the Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration are authorized to select, appoint, employ, and fix compensation of such officers and employees as shall be necessary to carry out their powers and duties under this title and are authorized to select, appoint, employ, and fix compensation of such hearing examiner or administrative law judge or to request the use of such administrative law judges selected by the Civil Service Commission pursuant to section 3344 of title 5, United States Code, as shall be necessary to carry out their powers and duties under this title.

"SEC. 811. The Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration are authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of Federal, State, and local agencies to the extent deemed appropriate after giving due consideration to the effectiveness of such existing services, equipment, personnel, and facilities.

"SEC. 812. In carrying out the provisions of this title, including the issuance of regulations, the Office of Justice Assistance, Research, and Statistics shall consult with other Federal departments and agencies and State and local officials.

"SEC. 813. (a) The Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of its functions under this title.

"(b) The National Institute of Justice, the Bureau of Justice Statistics, the Law Enforcement Assistance Administration, and the Office of Justice Assistance, Research, and Statistics in carrying out their respective functions may use grants, contracts, or cooperative agreements in accordance with the standards established in the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501).

"SEC. 814. (a) The Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code.

"(b) The Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration are authorized to appoint, without regard to the civil service laws, technical or other advisory committees to advise them with respect to the administration of this title as they deem necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising or attending meetings of the committees, shall be compensated at rates to be fixed by the Offices but not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5 of the United States Code, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

"(c) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administration, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the joint resolution entitled 'Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. 551).

"SEC. 815. (a) Nothing contained in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other criminal or juvenile justice agency of any State or any political subdivision thereof.

"(b) Notwithstanding any other provision of law, nothing contained in this title shall be construed to authorize the National Institute of Justice, the Bureau of Justice Statistics, or the Law Enforcement Assistance Administration—

"(1) to require, or condition the availability or amount of a grant upon the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance in any criminal or juvenile justice agency; or

"(2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system, or other program.

"(c)(1) No person in any State shall on the ground of race, color, religion, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under or denied employment in connection with any programs or activity funded in whole or in part with funds made available under this title

"(2)(A) Whenever there has been—

"(i) receipt of notice of a finding, after notice and opportunity for a hearing, by a Federal court (other than in an action brought by the Attorney General) or State court, or by a Federal or State administrative agency (other than the Office of Justice Assistance, Research, and Statistics under subparagraph (ii)), to the effect that there has been a pattern or practice of discrimination in violation of subsection (c)(1); or

"(ii) a determination after an investigation by the Office of Justice Assistance, Research, and Statistics (prior to a hearing under subparagraph (F) but including an opportunity for the State government or unit of general local government to make a documentary submission regarding the allegation of discrimination with respect to such program or activity, with funds made available under this title) that a State government or unit of general local government is not in compliance with subsection (c)(1);

the Office of Justice Assistance, Research, and Statistics shall, within ten days after such occurrence, notify the chief executive of the affected State, or the State in which the affected unit of general local government is located, and the chief executive of such unit of general local government, that such program or activity has been so found or determined not be in compliance with subsection (c)(1), and shall request each chief executive, notified under this subparagraph with respect to such violation, to secure compliance. For purposes of subparagraph (i) a finding by a Federal or State administrative agency shall be deemed rendered after notice and opportunity for a hearing if it is rendered pursuant to procedures consistent with the provisions of subchapter II of chapter 5, title 5, United States Code.

"(B) In the event the chief executive secures compliance after notice pursuant to subparagraph (A), the terms and conditions with which the affected State government or unit of general local government agrees to comply shall be set forth in writing and signed by the chief executive of the State, by the chief executive of such unit (in the event of a violation by a unit of general local government), and by the Office of Justice Assistance, Research, and Statistics. On or prior to the effective date of the agreement, the Office of Jutice Assistance, Research, and Statistics shall send a copy of the agreement to each complainant, if any, with respect to such violation. The chief executive of the State, or the chief executive of the unit (in the event of a violation by a unit of general local government) shall file semiannual reports with the Office of Justice Assistance, Research, and Statistics detailing the steps taken to comply with the agreement. Within fifteen days of receipt of such reports, the Office of Justice Assistance, Research, and Statistics shall send a copy thereof to each such complainant.

"(C) If, at the conclusion of ninety days after notification under subparagraph (A)—

"(i) compliance has not been secured by the chief executive of that State or the chief executive of that unit of general local government; and

"(ii) an administrative law judge has not made a determination under subparagraph (F) that it is likely the State government or unit of local government will prevail on the merits; the Office of Justice Assistance, Research, and Statistics shall notify the Attorney General that compliance has not been secured and cause to have suspended further payment of any funds under this title to that program or activity. Such suspension shall be limited to the specific program or activity cited by the Office of Justice Assistance, Research, and Statistics in the notice under subparagraph (A). Such suspension shall be effective for a period of not more than one hundred and twenty days, or, if there is a hearing under subparagraph (G), not more than thirty days after the conclusion of such hearing, unless there has been an express finding by the Office of Justice Assistance, Research, and Statistics after notice and opportunity for such a hearing, that the recipient is not in compliance with subsection (c)(1).

"(D) Payment of the suspended funds shall resume only if—

"(i) such State government or unit of general local government enters into a compliance agreement approved by the Office of Justice Assistance, Research, and Statistics and the Attorney General in accordance with subparagraph (B);

"(ii) such State government or unit of general local government complies fully with the final order or judgment of a Federal or State court, or by a Federal or State administrative agency if that order or judgment covers all the matters raised by the Office of Justice Assistance, Research, and Statistics in the notice pursuant ot subparagraph (A), or is found to be in compliance with subsection (c)(1) by such court; or

"(iii) after a hearing the Office of Justice Assistance, Research, and Statistics pursuant to subparagraph (F) finds that noncompliance has not been demonstrated.

"(E) Whenever the Attorney General files a civil action alleging a pattern or practice of discriminatory conduct on the basis of race, color, religion, national origin, or sex in any program or activity of a State government or unit of local government which State government or unit of local government receives funds made available under this title, and the conduct allegedly violates the provisions of this section and neither party within forty-five days after such filing has been granted such preliminary relief with regard to the suspension or payment of funds as may be otherwise available by law, the Office of Justice Assistance, Research, and Statistics shall cause to have suspended further payment of any funds under this title to that specific program or activity alleged by the Attorney General to be in violation of the provisions of this subsection until such time as the court orders resumption of payment.

"(F) Prior to the suspension of funds under subparagraph (C), but within the ninety-day period after notification under subparagraph (C), the State government or unit of local government may request an expedited preliminary hearing on the record in accordance with section 554 of title 5, United States Code, in order to determine whether it is likely that the State government or unit of local government would, at a full hearing under subparagraph (G), prevail on the merits on the issue of the alleged noncompliance. A finding under this subparagraph by the administrative law judge in favor of the State government or unit of local government shall defer the suspension of funds under subparagraph (C) pending a finding of noncompliance at the conclusion of the hearing on the merits under subparagraph (G).

"(G)(i) At any time after notification under subparagraph (A), but before the conclusion of the one-hundred-and-twenty-day period referred to in subparagraph (C), a State government or unit of general local government may request a hearing on the record in accordance with section 554 of title 5, United States Code, which the Office of Justice Assistance, Research, and Statistics shall initiate within sixty days of such request.

"(ii) Within thirty days after the conclusion of the hearing, or, in the absence of a hearing, at the conclusion of the one-hundred-and-twenty-day period referred to in subparagraph (C), the Office of Justice Assistance, Research, and Statistics shall make a finding of compliance or noncompliance. If the Office of Justice Assistance, Research, and Statistics makes a finding of noncompliance, the Office of Justice Assistance, Research, and Statistics shall notify the Attorney General in order that the Attorney General may institute a civil action under subsection (c)(3), cause to have terminated the payment of funds under this title, and, if appropriate, seek repayment of such funds.

"(iii) If the Office of Justice Assistance, Research, and Statistics makes a finding of compliance, payment of the suspended funds shall resume as provided in subparagraph (D).

"(H) Any State government or unit of general local government aggrieved by a final determination of the Office of Justice Assistance, Research, and Statistics under subparagraph (G) may appeal such determination as provided in section 805 of this title.

"(3) Whenever the Attorney General has reason to believe that a State government or unit of local government has engaged in or is engaging in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in an appropriate United States district court. Such court may grant as relief any temporary restraining order, preliminary or permanent injunction, or other order, as necessary or appropriate to insure the full enjoyment of the rights described in this section, including the suspension, termination, or repayment of such funds made available under this title as the court may deem appropriate, or placing any further such funds in escrow pending the outcome of the litigation.

"(4)(A) Whenever a State government or unit of local government, or any officer or employee thereof acting in an official capacity, has engaged or is engaging in any act or practice prohibited by this subsection, a civil action may be instituted after exhaustion of administrative remedies by the person aggrieved in an appropriate United States district court or in a State court of general jurisdiction. Administrative remedies shall be deemed to be exhausted upon the expiration of sixty days after the date the administrative complaint was filed with the Office of Justice Assistance, Research, and Statistics or any other administrative enforcement agency, unless within such period there has been a determination by the Office of Justice Assistance, Research, and Statistics or the agency on the merits of the complaint, in which case such remedies shall be deemed exhausted at the time the dtermination becomes final.

"(B) In any civil action brought by a private person to enforce compliance with any provision of this subsection, the court may grant to a prevailing plaintiff reasonable attorney fees, unless the court determines that the lawsuit is frivolous, vexatious, brought for harassment purposes, or brought principally for the purpose of gaining attorney fees.

"(C) In any action instituted under this section to enforce compliance with section 815(c)(1), the Attorney General, or a specially designated assistant for or in the name of the United States, may intervene upon timely application if he certifies that the action is of general public importance. In such action the United States shall be entitled to the same relief as if it had instituted the action.

"Sec. 816. On or before March 31 of each year, the Director of the Office of Justice Assistance, Research, and Statistics shall report to the President and to the Committees on the Judiciary of the Senate and House of Representatives on activities pursuant to the provisions of this title during the preceding fiscal year. Such report shall include—

"(a) a description of the progress made in accomplishing the objectives of this title:

"(b) a description of the national priority programs and projects established by the Office pursuant to part E of this title, including all programs or projects providing financial or technical assistance to victims or witnesses;

"(c) the amounts obligated under parts D, E, and F of this title for each of the components of the criminal justice system;

"(d) the nature and number of jurisdictions which expended funds under part D of this title on national priority programs or projects established pursuant to part E of this title, and the percentage of part D funds expended by such jurisdictions on such programs or projects;

"(e) a summary of the major innovative policies and programs for improving criminal and juvenile justice by the Administration during the preceding fiscal year in the course of providing technical and financial aid on the Judiciary of the Senate and House of Representatives on activities pursuant to the provisions of this title during the preceding fiscal year. Such report shall include—

"(a) a description of the progress made in accomplishing the objectives of this title;

"(b) a description of the national priority programs and projects established by the Office pursuant to part E of this title, including all programs or projects providing financial or technical assistance to victims or witnesses;

"(c) the amounts obligated under parts D, E, and F of this title for each of the components of the criminal justice system;

"(d) the nature and number of jurisdictions which expended funds under part D of this title on national priority programs or projects established pursuant to part E of this title, and the percentage of part D funds expended by such jurisdictions on such programs or projects;

"(e) a summary of the major innovative policies and programs for improving criminal and juvenile justice by the Administration during the preceding fiscal year in the course of providing technical and financial aid and assistance to State and local governments pursuant to this title;

"(f) a description of the procedures used to audit, monitor, and evaluate programs or projects to insure that all recipients have complied with the Act and that the information contained in the applications was correct;

"(g) the number of part D applications or amendments approved by the Administration without recommending substantial changes;

"(h) the number of part D applications or amendments in which the Administration recommended substantial changes, and the disposition of such programs or projects;

"(i) the number of programs or projects under part D applications or amendments with respect to which a discontinuation, suspension, or termination of payments occurred together with the reasons for such discontinuation, suspension, or termination; and

"(j) the number of programs or projects under part D applications or amendments which were subsequently discontinued by the jurisdiction following the termination of funding under this title.

"Sec. 817. (a) Each recipient of funds under this Act shall keep such records as the Office of Justice Assistance, Research, and Statistics shall prescribe, including records which fully disclose the amount and disposition by such recipient of the funds, the total cost of the project or undertaking for which such funds are used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Office of Justice Assistance, Research, and Statistics or any of its duly authorized representatives, shall have access for purpose of audit and examination of any books, documents, papers, and records of the recipients of funds under this title which in the opinion of the Office of Justice Assistance, Research, and Statistics may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title. The Director may withhold funds otherwise payable under part D in order to recover any amounts expended in violation of any provision of this Act or any term or condition of assistance under this Act.

"(c) The Comptroller General of the United States or any of his duly authorized representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for the purpose of audit and examination to any books, documents, papers, and records of recipients of Federal funds under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(d) Within one hundred and twenty days after the enactment of this subsection, the Office of Justice Assistance, Research, and Statistics shall review existing civil rights regulations and conform them to this title. Such regulations shall include—

"(1) reasonable and specific time limits for the Office of Justice Assistance, Research, and Statistics to respond to the filing of a complaint by any person alleging that a State government or unit of general local government is in violation of the provisions of section 815(c) of this title; including reasonable time limits for instituting an investigation, making an appropriate determination with respect to the allegations, and advising the complainant of the status of the complaint; and

"(2) reasonable and specific time limits for the Office of Justice Assistance, Research, and Statistics to conduct independent audits and reviews of State governments and units of general local government receiving funds pursuant to this title for compliance with the provisions of section 815(c) of this title.

"(e) The provisions of this section shall apply to all recipients of assistance under this act, whether by direct grant, cooperative agreement, or contract under this act or by subgrant or subcontract from primary grantees or contractors under this act.

"(f) There is hereby established a revolving fund for the purpose of supporting projects that will acquire stolen goods and property in an effort to disrupt illicit commerce in such goods and property. Notwithstanding any other provisions of law, any income or royalties generated from such projects together with income generated from any sale or use of such goods or property, where such goods or property are not claimed by their lawful owner, shall be paid into the revolving fund. Where a party establishes a legal right to such goods or property, the Administrator of the fund may in his discretion assert a claim against the property or goods in the amount of Federal funds to purchase such goods or property. Proceeds from such claims shall be paid into the revolving fund. The Administrator is authorized to make disbursements by appropriate means, including grants, from the fund for the purpose of this section.

"Sec. 818. Section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting 'law enforcement facilities,' immediately after 'transportation facilities'.

"Sec. 819. (a) Except as provided by Federal law other than this title, no officer or employee of the Federal Government, nor any recipient of assistance under the provisions of this title shall use or reveal any research or statistical information furnished under this title by any person and identifiable to any specific private person for any purpose other than the purpose for which it was obtained in accordance with this title. Such information and copies thereof shall be immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial, legislative, or administrative proceedings.

"(b) All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein. The collection, storage, and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein; the Office of Justice Assistance, Research, and Statistics shall assure that the security and privacy of all information is adequately provided for and that information shall only be used for law enforcement and criminal justice and other lawful purposes. In addition, an individual who believes that criminal history information concerning him contained in an automated system is inaccurate, incomplete, or maintained in violation of this title, shall, upon satisfactory verification of his identity, be entitled to review such information and to obtain a copy of it for the purpose of challenge or correction.

"(c) Any person violating the provisions of this section, or of any rule, regulation, or order issued thereunder, shall be fined not to exceed $10,00 in addition to any other penalty imposed by law.

"Sec. 820. The Office of Justice Assistance, Research, and Statistics, the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration are authorized to accept and employ, in carrying out the provisions of this Act, voluntary and uncompensated services notwithstanding the provisions of section 367(b) of the Revised Statutes (31 U.S.C. 655(b)). Such individuals shall not be considered Federal employees except for purposes of chapter 81 of title 5 with respect to job-incurred disability and title 28 with respect to tort claims.

"Sec. 821. (a) All programs concerned with juvenile delinquency and administered by the administration shall be administered by or subject to the policy direction of the office established by section 201(a) of the Juvenile Justice and Delinquency Prevention Act of 1974.

"(b) The Director of the National Institute of Justice and the Director of the Bureau of Justice Statistics shall work closely with the Administrator of the Office of Juvenile Justice and Delinquency Prevention in developing and implementing programs in the juvenile justice and delinquency prevention field.

"Sec. 822. Funds appropriated by the Congress for the activities of any agency of the District of Columbia government or the United States Government performing law enforcement functions in and for the District of Columbia may be used to provide the non-Federal share of the cost of programs or projects funded under this title.

"Sec. 823. No funds under this title shall be used for land acquisition.

"Sec. 824. Notwithstanding any other provision of this title, no use will be made of services, facilities, or personnel of the Central Intelligence Agency.

"Sec. 825. Where a State does not have an adequate forum to enforce grant provisions imposing liability on Indian tribes, the Administration is authorized to waive the State liability and may pursue such legal remedies as are necessary.

"Sec. 826. The National Institute of Corrections established under title 18 of the United States Code shall not duplicate the activities of the National Institute of Justice, the Bureau of Justice Statistics, or the Law Enforcement Assistance Administration and shall assure that its activities are coordinated with those of the National Institute of Justice, the Bureau of Justice Statistics, and the Law Enforcement Assistance Administration.

"Sec. 827. (a) Section 1761 of title 18, United States Code, is amended by adding thereto a new subsection (c) as follows—

"'(c) In addition to the exceptions set forth in part (b) of this section, this chapter shall also not apply to goods, wares, or merchandise manufactured, produced, or mined by convicts or prisoners participating in a program of not more than seven pilot projects, designated by the Administrator of the Law Enforcement Assistance Administration and who—

"'(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows:

"'(A) taxes (Federal, State, local);

"'(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief State correctional officer;

"'(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"'(D) contributions to any fund established by law to compensate the victims of crime of not more than 20 per centum but not less than 5 per centum of gross wages;

"'(2) have not solely by their status as offenders, been deprived of the right to participate in benefits made available by the Federal or State Government to other individuals on the basis of their employment, such as workmen's compensation. However, such convicts or prisoners shall not be qualified to receive any payments for unemployment compensation while incarcerated, notwithstanding any other provision of the law to the contrary;

"'(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this Act, and all other financial arrangements as a result of participation in such employment.'

"(b) Section 35 of title 41, United States Code, is amended by adding to the end of subsection (d) thereof, before '; and', the following: ', except that this section, or any other law or Executive Order containing similar prohibitions against purchase of goods by the Federal government, shall not apply to convict labor which satisfies the conditions of section 1761(c) of title 18, United States Code.'

"(c) The provisions of this section creating exemptions to Federal restrictions on marketability of prison made goods shall not apply unless—

"(1) Representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project qualifying of any exemption created by this section;

"(2) Such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services;

"Part I—Definitions

"Sec. 901. (a) As used in this title—

"(1) 'Criminal and juvenile justice' means activities pertaining to crime prevention, control, or reduction or the enforcement of the criminal law, including police efforts to prevent, control, or reduce crime and juvenile delinquency or to apprehend criminals and juvenile delinquents, activities of courts having criminal and juvenile jurisdiction, and related agencies including prosecutorial and defender services, juvenile delinquency agencies and pretrial service or release agencies; activities of corrections, probation, or parole authorities and related agencies assisting in the rehabilitation, supervision, and care of criminal and juvenile offenders, and programs relating to the prevention, control, or reduction of narcotic addiction.

"(2) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands.

"(3) 'Unit of local government' means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State; an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior; or, for the purpose of assistance eligibility, any agency of the District of Columbia government or the United States Government performing law enforcement functions in and for the District of Columbia.

"(4) 'Construction' means the erection, acquisition, or expansion of new or existing buildings or other physical facilities, and the acquisition or installation of initial equipment therefor, but does not include renovation, repairs, or remodeling.

"(5) 'Combination' as applied to States or units of local government means any grouping or joining together of such States or units for the purpose of preparing, developing, or implementing a criminal or juvenile justice program or project.

"(6) 'Public agency' means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing.

"(7) 'Correctional institution or facility' means any place for the confinement or rehabilitation of offenders or individuals charged with or convicted of criminal or delinquent offenses.

"(8) 'Comprehensive State application' means an application based on an integrated analysis of the criminal and juvenile justice problems, and in which goals, priorities, and standards for human resources, physical resources, and management and operations requirements are established.

"(9) 'Criminal history information' includes records and related data, contained in an automated or manual criminal justice informational system, compiled by law enforcement agencies for the purpose of identifying criminal offenders and alleged offenders and maintaining as to such persons records of arrests, the nature and disposition of criminal charges, sentencing, confinement, rehabilitaiton, and release.

"(10) 'Evaluation' means the administration and conduct of studies and analyses to determine the impact and value of a project or program in accomplishing the statutory objectives of this title.

"(11) 'Citizen, neighborhood, or community organization' means an organization which is representative of a community or significant segments of the community.

"(12) 'Chief executive' means the highest official of a State or local jurisdiction.

"(13) 'Municipality' means—

"(i) any unit of local government which is classified as a municipality by the United States Bureau of the Census; or

"(ii) any other unit of local government which is a town or township and which, in the determination of the Administration—

"(a) possesses powers and performs functions comparable to those associated with municipalities;

"(b) is closely settled; and

"(c) contains within its boundaries no incorporated places as defined by the United States Bureau of the Census.

"(14) 'Population' means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

"(15) 'Attorney General' means the Attorney General of the United States or his designee.

"(16) The term 'court of last resort' means that State court having the highest and final appellate authority of the State. In States having two or more such courts, court of last resort shall mean that State court, if any, having highest and final appellate authority, as well as both administrative responsibility for the State's judicial system and the institutions of the State judicial branch and rulemaking authority. In other States having two or more courts with highest and final appellate authority, court of last resort shall mean the highest appellate court which also has either rulemaking authority or administrative responsibility for the States' judicial system and the institutions of the State judicial branch. Except as used in the definition of the term 'court of last resort' the term "court" means a tribunal recognized as a part of the judicial branch of a State or of its local government units.

"(17) 'Institution of higher education' means any such institution as defined by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)), subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

"(18) 'Proven effectiveness' means that a program, project, approach, or practice has been shown by analysis of performance and results to make a significant contribution to the accomplishment of the objectives for which it was undertaken or to have a significant effect in improving the condition or problem it was undertaken to address.

"(19) 'Record of proven success' means that a program, project, approach, or practice has been demonstrated by evaluation or by analysis of performance data and information to be successful in a number of jurisdictions or over a period of time in contributing to the accomplishment of objectives or to improving conditions identified with the problem to which it is addressed.

"(20) 'High probability of improving the criminal and juvenile justice system' means that a prudent assessment of the concepts and implementation plans included in a proposed program, project, approach, or practice, together with an assessment of the problem to which it is addressed and of data and information bearing on the problem, concept, and implementation plan, provides strong evidence that the proposed activities would result in identifiable improvements in the criminal and juvenile justice system if implemented as proposed.

"(b) Where appropriate, the definitions in subsection (a) shall be based, with respect to any fiscal year, on the most recent data compiled by the United States Bureau of the Census and the latest published reports of the Office of Management and Budget available ninety days prior to the beginning of such fiscal year. The Administration may by regulation change or otherwise modify the meaning of the terms defined in subsection (a) in order to reflect any technical change or modification thereof made subsequent to such date by the United States Bureau of the Census or the Office of Management and Budget.

"(c) One or more public agencies, including existing local public agencies, may be designated by the chief executive officer of a State or a unit of general local government to undertake a program or project in whole or in part.

"PART J—FUNDING

"SEC. 1001. There are authorized to be appropriated for the purposes of carrying out the functions of the National Institute of Justice (part B) $28,000,000 for the fiscal year ending September 30, 1980; $28,000,000 for the fiscal year ending September 30, 1981; $28,000,000 for the fiscal year ending September 30, 1982; $28,000,000 for the fiscal year ending September 30, 1983; and $28,000,000 for the fiscal year ending September 30, 1984. There are authorized to be appropriated for the purposes of carrying out the functions of the Bureau of Justice Statistics (part C) $22,000,000 for the fiscal year ending September 30, 1980; $22,000,000 for the fiscal year ending September 30, 1981; $22,000,000 for the fiscal year ending September 30, 1982; $22,000,000 for the fiscal year ending September 30, 1983; and $22,000,000 for the fiscal year ending September 30, 1984.

There is authorized to be appropriated for parts D, E, F, G, H, and J, and for the purposes of carrying out the remaining functions of the Law Enforcement Assistance Administration under this title, other than part L, and the Office of Justice Assistance, Research, and Statistics, $750,000,000 for the fiscal year ending September 30, 1980; $750,000,000 for the fiscal year ending September 30, 1981; $750,000,000 for the fiscal year ending September 30, 1982; $750,000,000 for the fiscal year ending September 30, 1983; and $750,000,000 for the fiscal year ending September 30, 1984. Funds appropriated for any fiscal year may remain available for obligation until expended. There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part L.

"SEC. 1002. In addition to the funds appropriated under section 261(a) of the Juvenile Justice and Delinquency Prevention Act of 1974, there should be maintained from appropriations for each fiscal year, at least 19.15 per centum of the total appropriations under this title, for juvenile delinquency programs.

"SEC. 1003. There are authorized to be appropriated for the purposes of carrying out the functions of the Office of Community Anti-Crime Programs $25,000,000 for the fiscal year ending September 30, 1980; $25,000,000 for the fiscal year ending September 30, 1981; $25,000,000 for the fiscal year ending September 30, 1982; $25,000,000 for the fiscal year ending September 30, 1983; and $25,000,000 for the fiscal year ending September 30, 1984. Funds appropriated for any fiscal year may remain available for obligation until expended.

"PART K—CRIMINAL PENALTIES

"SEC. 1101. Whoever embezzles, willfully misapplies, steals, or obtains by fraud or endeavors to embezzle, willfully misapply, steal, or obtain by fraud any funds, assets, or property which are the subject of a grant or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Law Enforcement Assistance Administration, the National Institute of Justice, the Bureau of Justice Statistics, or the Office of Justice Assistance, Research, and Statistics, or whoever receives, conceals, or retains such funds, assets or property with intent to convert such funds, assets or property to his use or gain, knowing such funds, assets, or property has been embezzled, willfully misapplied, stolen or obtained by fraud, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"SEC. 1102. Whoever knowingly and willfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in any application for assistance submitted pursuant to this title or in any records required to be maintained pursuant to this title shall be subject to prosecution under the provisions of section 1001 of title 18, United States Code.

"SEC. 1103. Any law enforcement or criminal or juvenile justice program or project underwritten, in whole or in part, by any grant, or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Law Enforcement Assistance Administration, the National Institute of Justice, or the Bureau of Justice Statistics shall be subject to the provisions of section 371 of title 18, Unite States Code.

"PART L—PUBLIC SAFETY OFFICERS' DEATH BENEFITS

"PAYMENTS

"SEC. 1201. (a) In any case in which the Administration determines, under regulations issued pursuant to this part, that a public safety officer has died as the direct and proximate result of a personal injury sustained in the line of duty, the Administration shall subject to availability of funds pay a benefit of $50,000 as follows:

"(1) if there is no surviving child of such officer, to the surviving spouse of such officer;

"(2) if there is a surviving child or children and a surviving spouse, one-half to the surviving child or children of such officer in equal shares and one-half to the surviving spouse;

"(3) If there is no surviving spouse, to the child or children of such officer in equal shares; or

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares.

"(b) Whenever the Administration determines upon a showing of need and prior to taking final action, that the death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person who is is likely to receive a benefit under subsection (a) of this section.

"(c) The amount of an interim payment under subsection (b) of this section shall be deducted from the amount of any final benefit paid to such person.

"(d) Where there is no final benefit paid, the recipient of any interim payment under subsection (b) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, considering for this purpose the hardship which would result from such repayment.

"(e) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, except—

"(1) benefits authorized by section 12(k) of the Act of September 1, 1976, as amended (D.C. Code, sec. 4–531(1)); and

"(2) benefits authorized by section 8191 of title 5, United States Code. Eligible beneficiaries under section 8191 shall only receive benefits under that section that are in excess of the benefits received under this part.

"(2) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4–531(1)).

"(f) No benefit paid under this part shall be subject to execution or attachment.

"(g) The authority to make payment under this part shall be effective only to the extent provided for in advance by appropriation Acts.

"LIMITATIONS

"Sec. 1202. No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer.

"DEFINITIONS

"SEC. 1203. As used in this part—

"(1) 'child' means any natural, illegitimate, adopted, or posthumous child or stepchild of a deceased public safety officer who, at the time of the public safety officer's death, is—

"(i) eighteen years of age or under;

"(ii) over eighteen years of age and a student as defined in section 8101 of title 5, United States Code; or

"(iii) over eighteen years of age and incapable of self-support because of physical or mental disability;

"(2) 'dependent' means a person who was substantially reliant for support upon the income of the deceased public safety officer;

"(3) 'fireman' includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department;

"(4) 'intoxication' means a disturbance of mental or physical faculties resulting from the introduction of alcohol, drugs, or other substances into the body;

"(5) 'law enforcement officer' means a person involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws. This includes, but is not limited to, police, corrections, probation, parole, and judicial officers;

"(6) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States, or any unit of local government, combination of such States, or units, or any department, agency, or instrumentality of any of the foregoing; and

"(7) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or as a fireman.

"ADMINISTRATIVE PROVISIONS

"SEC. 1204. (a) The Administration is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part. Rules, regulations, and procedures issued under this part may include regulations governing the recognition of agents or other persons representing claimants under this part before the Administration. The Administration may prescribe the maximum fees which may be charged for services performed in connection with any claim under this part before the Administration, and any agreement in violation of such rules and regulations shall be void.

"(b) In making determinations under section 1201, the Administration may utilize such administrative and investigative assistance as may be available from State and local agencies. Responsibility for making final determinations shall rest with the Administration.

"PART M—TRANSITION—EFFECTIVE DATE

"SEC. 1301. (a) All orders, determinations, rules, regulations, and instructions of the Law Enforcement Assistance Administration which are in effect at the time this Act takes effect shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Attorney General, the Director of the Office of Justice Assistance, Research, and Statistics, the Director of the Bureau of Justice Statistics, the Director of the National Institute of Justice or the Administrator of the Law Enforcement Assistance Administration with respect to their functions under this Act or by operation of law.

"(b) The Director of the National Institute of Justice may award new grants, enter into new contracts or cooperative agreements or otherwise obligate previously appropriated unused or reversionary funds for the continuation of research and development projects in accordance with the provisions of title I of the Omnibus Crime Control and Safe Streets Act, and title II(c) of the Juvenile Justice and Delinquency Prevention Act, as in effect prior to the date of enactment of this Act, based upon applications received under those Acts prior to the effective date of this Act or for purposes consistent with provisions of this Act.

"(c) The Director of the Bureau of Justice Statistics may award new grants, enter into new contracts or cooperative agreements or otherwise obligate funds appropriated for fiscal years prior to 1980 for statistical projects to be expended in accordance with the provisions of the Omnibus Crime Control and Safe Streets Act, as amended, prior to the date of enactment of this Act, based upon applications received under this Act prior to the effective date of this Act or for purposes consistent with provisions of this Act.

"(d) The Administrator of the Law Enforcement Assistance Administration may award new grants, enter into new contracts or cooperative agreements, approve comprehensive plans for the fiscal year beginning October 1, 1979, and otherwise obligate funds appropriated for fiscal years prior to 1980 and appropriated for the fiscal year beginning October 1, 1979, for programs or projects to be expended in accordance with the provisions of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as written in law prior to the date of enactment of this Act or for purposes consistent with provisions of this Act.

"(e) The provisions of this statute shall not affect any suit, action, or other proceeding commenced by or against the Government prior to the effective date of the Act.

"(f) Nothing in this Act would prevent the utilization of funds appropriated under this Act for all activities necessary or appropriate for the review, audit, investigation, and judicial or administrative resolution of audit matters for those grants or contracts that were awarded under the Omnibus Crime Control and Safe Streets Act of 1968, as amended. The final disposition and dissemination of program and project accomplishments with respect to programs and projects approved in accordance with the Omnibus Crime Control and Safe Streets Act as written in law prior to the date of enactment of this Act and which continue in operation beyond the effective date of this Act may be carried out with funds appropriated under this Act.

"(g) Except as otherwise provided in this Act, the personnel, including the Administrator and Deputy Administrators, employed on the date of enactment of this Act by the Law Enforcement Assistance Administration are transferred to the Office of Justice Assistance, Research, and Statistics, the Law Enforcement Assistance Administration, the National Institute of Justice, or the Bureau of Justice Satistics as appropriate considering the function to be performed by these organizational units and the functions previously performed by the employee.

"Determinations as to specific positions in an acting capacity to be filled by the Administrator and Deputy Administrators employed on the date of enactment of this Act may be made by the Attorney General notwithstanding any other provision of law.

"(h) Any funds made available under parts B, C, and E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, prior to the effective date of this Act which are not obligated by a State or unit of local government, may be used to provide up to 100 per centum of the cost of any program or project.

"(i) Notwithstanding any provision of this title all provisions of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, which were in effect prior to the effective date of this Act and which are necessary to carry out the provisions of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, remain in effect for the sole purpose of carrying out the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, and the State criminal justice council established under this Act shall serve as the State planning agency for the purposes of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

"(j) The functions, powers, and duties specified in this title to be carried out by State criminal justice councils or by local offices may be carried out by agencies previously established or designated as State, regional, or local planning agencies, pursuant to the Omnibus Crime Control and Safe Street Act of 1968, as amended. Within two years of the effective date of this Act, all such agencies must meet the representation requirement of section 402 of this Act.

"(k) Notwithstanding the provision of section 404(c)(3), any construction projects which were funded under title I of the Omnibus Crime Control and Safe Streets Act in effect prior to the effective date of this Act and which anticipated receiving additional Federal funding for such construction may continue for two years to be funded under this Act.".

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. THURMOND. I move to lay that motion on the table.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that S. 241 be printed as it has passed the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 241.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I thank my colleague, the Senator from South Carolina, for his help and assistance, the members of the minority for their assistance, and my colleagues on our side of the aisle.

We had a unanimous vote in the Judiciary Committee and strong support by the Members of the Senate. We are grateful to the membership.

Mr. President, I will include in the RECORD the names of the staff who have been most helpful in the preparation and processing of this important legislation: Mark Gittenstein, Tom Connolly, Ken Kay, Al Regnary, Keith O'Donnell, Mary Jolly, Richard Allen, Mike Klipper, Liz McNichol, Harry Wiles, Pete Velde, Ken Feinberg, Mable Downey, and Paul Summitt. In this regard, I would also like to mention Tom Madden, Charles Lauer, and Mark Davis, with the Law Enforcement Assistance Administration, who have provided us with many months of assistance and expert advice.

Mr. THURMOND. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. THURMOND. Mr. President, I extend my congratulations to the able Senator from Massachusetts for the outstanding leadership he provided in this LEAA bill. Both sides worked together in a nonpartisan manner. We came up with what I think is an excellent bill.

Several Senators addressed the Chair.

Mr. BAUCUS. Mr. President, I, too, thank the committee very much for its expeditious processing of the bill, their bipartisanship. It is a very substantive bill that addresses a lot of our country's needs.

STATUTE OF LIMITATIONS APPLICABLE TO WAR CRIMES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 204.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A resolution (S. Res. 99) to express the sense of the Senate that the Federal Republic of Germany abolish or extend its statute of limitations applicable to war crimes, reported without amendment.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CRANSTON. Mr. President, I submitted this resolution on March 13. It calls on West Germany to abolish or extend its statute of limitations concerning the prosecution of Nazi and other war criminals.

I am delighted the Foreign Relations Committee considered and passed unanimously Senate Resolution 99 last Thursday. I am equally pleased to note that Senators CHURCH, JAVITS, and LUGAR have joined as cosponsors of the resolution, bringing the total to 44.

I understand that Senator JAVITS will handle the resolution on the floor on behalf of the Foreign Relations Committee, but I wanted to make this opening statement since he was not able to be here at this moment and because I have to be in my office for another purpose.

At this point, I yield to the Senator from Maine.

Mr. COHEN. Mr. President, I join in commending the Senator from California for his leadership in submitting this resolution.

Mr. President, barring West German action before the end of 1979, thousands of Nazi war criminals may be able to surface, free of fear from prosecution, on New Year's Day 1980.

West Germany's statute of limitations governing the prosecution of war crimes expires on December 31, 1979. As the German magazine Der Spiegel said in an article last August:

> The Federal government realizes that * * * West Germany will become an arena for innumerable and until now undiscovered Nazi murderers who, without fear of being punished for their crimes, could disclose their deeds.

Famed Nazi hunter Simon Wiesenthal estimates that about 150.000 Germans committed war crimes, with 95 percent of them surviving the war. According to Wiesenthal, about 60,000 were brought to trial, and many have died. Still, he says, approximately 15,000 to 20.000 war criminals are living free throughout the world today.

About 7,000 Nazi war criminals have been convicted in West Germany since 1949. Another 5,000 are still under investigation. Among them is Dr. Josef Mengele, whose medical experiments at Auschwitz earned him the title "angel of death" and have made him the man Wiesenthal most wants to bring to justice.

Many Germans are appalled at the thought that after December 31, many war criminals would be legally freed from any responsibility for their crimes. Federal Justice Minister Hans-Jochen Vogel, who has referred to Germany's responsibility as "this terrible inheritance," last November became the first member of Chancellor Helmut Schmidt's cabinet to come out publicly for extending or abolishing altogether the statute of limitations on questions of murder.

Other nations have expressed their strong views on the issue. Israel, Poland, and France all have appealed to the German conscience, firmly stating that the statute should be extended or eliminated. The United States has not yet joined this appeal, though legislation pending in Congress would make our commitment clear.

The resolution before us urges the West German Government "to abolish its statute of limitations relating to the prosecution of war crimes or to amend such statute of limitations to allow a period of time sufficient for the prosecution of war criminals." A similar measure has been introduced in the House. Both resolutions have received broad, bipartisan support.

The administration, to this point, has not made a formal statement calling on the West Germans to take action. Last December, I wrote directly to President Carter to urge that the United States call for German action. As I noted in my letter, West German authorities are actively seeking the advice and counsel of interested parties throughout the world. I emphasized, "If the West German Government does not act * * *, unpunished participants in the holocaust will be able to seek open refuge in West Germany without fear of prosecution for serious crimes which they committed and which haunt the memories of holocaust survivors and the relatives of holocaust dead in this country and throughout the world."

Assistant Secretary of State Douglas Bennet responded for the President. His letter read, in part:

> I can assure you that the President is personally aware of this issue and that this Administration is carefully following the discussion concerning this important question in the Federal Republic of Germany. We believe, however, that any discussions we may have with the Federal Republic on this issue should take into account the fact that responsible Germans of the highest integrity, moral values, and democratic commitment differ strongly on this issue. . . .
>
> The Department of State has not taken a position on this issue which must be decided in accordance with the parliamentary process of the Federal Republic. Regardless of one's individual position on this important question, the Department believes it is important to remember that the Federal Republic has acknowledged and accepted this historical burden of responsibility for Germany's Nazi past and has actively investigated and prosecuted crimes committed during the Nazi period.

As Assistant Secretary Bennet pointed out, Germany has actively prosecuted Nazi war criminals. Further, it has twice extended the statute of limitations on war crimes. In 1965 and again in 1969, the West German Government took positive action. My strong hope is that it will do so again. The United States should encourage that action. That is why the congressional resolutions are so important.

Congress and the administration have also taken action on Nazis living in this country. As a member of the House Judiciary Committee on the last Congress, I was part of the legislative effort that has led to an upgrading of our efforts to seek out and bring to justice former Nazis in the United States.

The Justice Department has established a special litigation unit in the Immigration and Naturalization Service (INS) to investigate suspected war criminals. In late March of this year, the unit began to intensify its efforts.

Wiesenthal estimates there are more than 3,000 cases in the United States warranting INS action. To this point, he says, procedures have been taken against about 300. Most of the war criminals in the United States, according to Wiesenthal, are collaborators from the Baltic, Ukraine, and elsewhere in Eastern Europe. Wiesenthal views the offenses of many of them as more serious than those of many Germans, since they pointed out Jews living in their home areas who might otherwise have gone undetected by the Nazis. The stepped-up INS investigation is aimed at bringing more of these to justice.

This new effort, and the renewed debate in Germany on the statute of limitations, focuses attention on an issue that we must continue to press. It is not enough to know that the worst offenders, men like Dr. Mengele, will still be liable to prosecution because cases against them have been filed prior to any lapse in the statute. There are still thousands of others whose crimes, while smaller in scale, are no less heinous.

As Wiesenthal said in calling on society to speak out against the statute, "Justice for crimes against humanity must have no limitation * * * it is a moral obligation, a warning for future generations."

Mr. CRANSTON. Mr. President, unless the Federal Republic of Germany acts, prosecutions will not be permitted against those persons who committed war crimes prior May 8, 1945, once the statute of limitations runs out at the end of this calendar year.

West Germany has extended its statute of limitations on murder—which also applies to war crimes—twice before—in 1965 and 1969. In so doing, the West German Government has recognized its responsibility to see that all those who participated in the holocaust against the Jews or in other heinous war crimes should be brought to justice.

War criminals should not be permitted to go unpunished merely because a statute of limitations has expired. Nor should they be able to live freely and openly without fear of prosecution and punishment. Because of the enormity of their crimes, I believe there should be no limit on the time in which they may be apprehended and brought to justice.

A special litigation unit in the Justice Department was established in 1977 to direct investigations and prosecutions against suspected war criminals living in the United States. Failure to extend the statute of limitations would not only lessen the work of our own Government, but render futile any additional evidence discovered. The West German statute of limitations should not be allowed to run out when efforts both here and around the world have intensified to find and prosecute Nazi war criminals.

The decision to abolish or extend the statute of limitations involves important moral and legal questions, and I am aware that opinion in West Germany has been deeply divided. Responsible and respected leaders in West Germany have come down on opposite sides of this issue. Since the showing of "Holocaust" in West Germany, however, public opinion has been moving in favor of abolishing the statute of limitations for murder.

I am very encouraged that West German Chancellor Helmut Schmidt publicly supports lifting the statute of limitations for murder and also has sponsored a bill in the West German Parliament to abolish the statute entirely. The Bundestag could well consider and vote on this measure next month.

Mr. President, Chancellor Schmidt has said that he and others in the West German Parliament will listen to the advice and comments offered by Germany's friends in Israel and in other countries. Poland and Israel have already gone on record supporting either an extension or an outright abolition of the statute of limitations. The California State Assembly adopted a resolution this past January asking West Germany to repeal its statute of limitations. Congresswoman HOLTZMAN took the lead in the House and introduced a resolution urging West Germany to abolish or amend the statute of limitations on murder. And I am pleased to mention to my colleagues that the House passed the Holtzman resolution on May 9 by a resounding vote of 401 to 0. I now urge the U.S. Senate to make its voice heard in this call for justice. I hope Senate Resolution 99 will be adopted unanimously.

Mr. President, in the earlier days of my life, when I was in my early twenties, I lived for a time in Nazi Germany as a foreign correspondent. I was aware of many of the atrocities that were then occurring, though not all. I was aware of the harshness and the brutality of that dictatorship.

Having had that first-hand taste of perhaps the worst dictatorship in all the history of man, I am glad that it is my opportunity in the Senate of the United States to take this one step, along with others I have sought to take in the course of my life, to redress the injustices and the horrors that were committed, to the degree that that is possible, by proposing this action in the Senate.

Mr. President, I ask unanimous consent that the name of the distinguished Senator from Michigan (Mr. LEVIN), who is now presiding over the Senate, be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the name of the distinguished Senator from North Dakota (Mr. BURDICK) be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I understand that Senator JAVITS may or may not be able to come to the Chamber; but in order to have an opportunity to ascertain that fact, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

(Mr. BURDICK assumed the chair.)

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I will ask unanimous consent that at this time I be listed as a cosponsor of Senate Resolution 164, a resolution relating to human rights in Iran adopted by this Senate last Thursday. I was not here at the time this resolution was discussed or adopted.

I ask unanimous consent that I be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I thank the Chair.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, is the pending business Senate Resolution 99?

The PRESIDING OFFICER. That is correct.

Mr. JAVITS. Mr. President, I am very pleased to see this resolution unobjected to on the calendar today, of which I am a cosponsor with so many other Senators, which Senator CRANSTON for all of us has introduced. The Senator has already explained it, and I would just like to add one point respecting this matter.

We urge the Government of the Federal Republic of Germany to abolish its statute of limitations relating to the prosecution of war crimes of to amend the statute to allow a period of time sufficient for the prosecution of war criminals.

We are very friendly with the Government of the German Federal Republic, probably as friendly as we are with any government on Earth, Yet we are asking them, urging them, to use the words of the resolution, to do something which not only concerns them but which concerns us all, because the Holocaust was probably the greatest crime mankind knows in all of recorded history.

So we join in a common feeling of guilt that this has happened in our world, and we support and fortify our friends as they make what appears to be for them a decision of importance.

In our country, of course, there is only one State, I believe, that has a statute of limitations for murder. That leaves out the other 49 where there is no such statute.

But in Germany apparently that is not the situation. So benefiting from the fantastic work which has been done by Wiesenthal and his Viennese agency respecting the unearthing of Nazi criminals, and as it is a crime which really is laid at the door of all of the world, we appeal to our friends in the most friendly spirit.

I say that, Mr. President, because we have today and yesterday a very angry reaction from a people with whom we are also very friendly, the people of Iran, with whom we have been friendly for years. The fact that the Shah has gone by their will—and there is no doubt about that—does not change that friendship for me or for any other Senator or for the people of our country.

There, too, on an issue, a broad issue, of human rights and due process of law before people are deprived of their lives, we declared our views.

I know the reaction to this resolution, which is going to be adopted today, will be the reaction of friends, a common feeling of humanity respecting a very grave problem.

Mr. President, I hope that tomorrow and the day after and the day after that, too, this will be the reaction of the people of Iran, who are also very good friends of ours and, I hope, may remain so for decades.

Coming back to the Holocaust, Mr. President, it is a mark of our humanity that we will be unremitting in the search for justice as to those base enough to have been in any way involved in the perpetration of this heinous crime of genocide.

Finally, Mr. President, it is an urgent goad and reminder again to us, to adopt the words of the ancient Greek philosopher to "know thyself," that we have not even now, even all these decades, adopted or ratified the Genocide Treaty which still remains upon our calendar.

I again pay tribute to Senator PROXMIRE from Wisconsin who has indefatigably never let us forget that, and I hope never will so long as he lives and is here, and the same is true for me, until we do what we must do to recognize that elementary responsibility we have, just as we appeal to our friends in the most warm, friendly, and brotherly fashion, the people of the German Federal Republic, to do what they need to do in order to repair, as far as humanity can repair, such tragedy and the loss of so many martyrs by keeping at least alive the laws under which the guilty may be apprehended and punished.

Mr. MOYNIHAN. Mr. President, will the Senator from New York yield to me?

Mr. JAVITS. I yield.

Mr. MOYNIHAN. I thank my revered colleague.

I rise to join him in this matter. First, Mr. President, I ask unanimous consent that the present occupant of the chair, Senator BURDICK, be added as a cosponsor of Senate Resolution 99.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I would like simply to supplement the statements of my senior colleague and point with the greatest friendship to the German Federal Republic or to point out that the Senate speaks today from the basic legal tradition of our Nation which, with one single exception, as the Senator points out, has always held that there ought to be no statute of limitations on the crime of murder.

This is a moral as well as an ethical judgment which not all need share, but when we speak we speak from our experience here, and I would like in particular to suggest to our friends in the Federal Republic that there is a growing awareness in our Nation that we share a measure of responsibility for the Holocaust too.

Ours was one of the nations at that time, the democratic nations, which chose not to know what was fully knowable about the events under the Nazi regime. For the longest time we did nothing. In the Adriatic Conference in 1939, when there was a chance for the voices of decency, which we hear from inside Germany now as well as from anywhere else in the world, when there was a chance for those voices to be raised or for lives to be saved, we did nothing. We avoided that responsibility.

The Government of Germany at that time, as if to emphasize that fact, sent a ship full of German Jews to find refuge in the West. They found none, and were sent back. That implicates us in this matter; and we speak not from any vantage of moral superiority, but from a vantage of shared moral responsibility. We do not speak as a Nation that considers itself without fault in this matter in the least; and when we speak to the people and the Government of the Federal Republic of Germany, we speak to them as, in a sense, survivors ourselves of a period in which we have no claim for moral superiority, and express our sense of what is now our moral responsibility.

Mr. JAVITS. Mr. President, I thank my colleagues for calling attention to that tragic event to which he has referred, which marked such a tragic period in our history.

Mr. MOYNIHAN. Mr. President, I wonder if the Senator will allow me at this point also to note that the Senator, on Thursday last, relative to matters in the same category of human behavior, injustice, and horror, spoke with great courage and yet with compassion and restraint; and if the Government of Iran has chosen to respond in very different terms, I note that my revered colleague maintains that same posture of an informed moral concern and absolute serenity in the face of threat and even danger that can arise in situations where unwelcome truths have been told.

He has never been anything but a truth-teller in this body, and that is not least the origin and basis of his enormous authority in this body and the respect and affection in which he is held.

Mr. JAVITS. I thank my colleague very much. The Senate has spoken last Thursday, and it will speak shortly today. What the Senate says is for and of itself. When the Senate acts, each of us has a place in that action. It becomes a duty to the country and to the people whom we represent; and if we are not prepared to do it today and face its consequences, we have no business to be here.

I take the most enormous satisfaction in having been sent here so often by our people of New York, and that is my only response.

As for me, I have no anger, I have no feeling whatever except what the Senator describes as serenity with the posture of our country. When it is right, as it certainly is in these matters, its rightness is to be a matter of enormous national pride to me and every other American, and that is the way I feel about both of these matters.

Mr. President, we are ready for a vote on the resolution.

● Mr. DOLE. As the statute of limitation for Nazi war criminals expires in Demember 1979, the Senator from Kansas would like to share with his colleagues some thought on the matter of crime and punishment as it relates to the systematic murder of men, women, and children, on the basis of political ideologies, religious, beliefs, or ethnic and racial backgrounds.

We are all familiar with the argument that war criminals acted on orders from their superiors. Such an argument should neither absolve them from guilt, nor should it protect them from prosecution.

The hierarchy of killing that was established by Hitler not only legitimized crime, it also vested it with a patriotic and honorable cachet. By setting up a bureaucracy with the intent of systematically destroying human lives, Hitler was able to elicit from his hordes of killers the murder of over 10 million people. Their anonymity seemed to guarantee immunity for the murderers.

By subtitling her book "Eichman in Jerusalem," "A Report on the Banality of Evil," the late German historian Hannah Arendt succeeded, with these deceptively simple words, in capsulating the whole concept that lies behind the "I followed orders" syndrome, while pointing out how easily crime on a gigantic scale can be orchestrated.

There is no doubt that the Nazi regime drew its inspiration from the precedent set by the slaughter of the Armenian people in 1915 at the hands of their Turkish oppressors. The world watched—and remained mute. The killers killed—and remained unpunished.

The loss suffered by humanity because of lives that were cut off too soon can never be reversed. By allowing the statute of limitation to expire in December 1979, we would tacitly acknowledge that what is past is indeed forgotten, and thus forego Santayana's warning that "those who cannot remember the past, are condemned to repeat it."●

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 99

Whereas in the twentieth century there took place the most horrendous mass slaughter in the history of civilization wherein millions of human beings were sys-

tematically murdered on the basis of their political, racial, or religious backgrounds; and

Whereas the identification and the prosecution of Nazi war criminals would serve to bring to justice those individuals personally responsible for such crimes and also serve to remind the world of the enormity of those crimes and of the need to prevent any repetition of such crimes; and

Whereas worldwide efforts to locate and bring Nazi war criminals to justice recently have been intensified and could lead to the discovery of important new evidence against many suspected war criminals; and

Whereas the Government of the Federal Republic of Germany has recognized its responsibility in bringing all war criminals to justice by amending its statute of limitations in 1965 and 1969; and

Whereas the Federal Republic of Germany's statute of limitations applicable to war crimes will expire on December 31, 1979, and will prevent thereafter the prosecution of those people who committed war crimes prior to May 8, 1945, against whom proceedings have not already been initiated: Now, therefore, be it

***Resolved*, That the Senate urges the Government of the Federal Republic of Germany to abolish its statute of limitations relating to the prosecution of war crimes or to amend such statute of limitations to allow a period of time sufficient for the prosecution of war criminals.**

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the Government of the Federal Republic of Germany.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. I thank the Chair. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. EXON). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, at the moment leadership is attempting to develop some legislation to put into place for further action of the Senate this afternoon. While that is being done, I ask unanimous consent that there be a resumption of the period for the transaction of routine morning business; that statements by Senators may be made therein up to not to exceed 5 minutes each, and that the period not exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OFFICE OF FEDERAL PROCUREMENT POLICY AUTHORIZATIONS, 1980 THROUGH 1984

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 154.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 756) to authorize appropriations for the Office of Federal Procurement Policy for fiscal years 1980 through 1984.

Without objection, the bill was considered, ordered to be engrossed for a third reading, read a third time, and passed, as follows:

S. 756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11(2) of the Office of Federal Procurement Policy Act is amended by striking out "four" and inserting "nine".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 96-144), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

I. PURPOSE AND SUMMARY OF S. 756

The purpose of this bill is to authorize appropriations for the Office of Federal Procurement Policy (OFPP) for fiscal years 1980 through 1984.

The OFPP was initially established in 1974 by Public Law 93-400 and authorized for a period of 5 years. S. 756 will extend the life of this office for another 5 years.

II. HISTORY OF THE LEGISLATION

A. PUBLIC LAW 93-400

The creation of an Office of Federal Procurement Policy was set first of 149 recommendations of the Commission on Government Procurement. This Commission, which was established by statute, completed a 2½ year study of Federal procurement in December of 1972 and submitted its report to Congress. This was the most comprehensive study of Federal procurement ever undertaken, both in its scope and in terms of the number of people involved. There were at various times over 500 procurement experts from both Government and industry involved in the study. They considered every aspect of the Federal procurement process. The Commission concluded in 1972 that there was a void in policy leadership and responsibility as well as a fragmented and out-moded statutory base for procurement policy. The Commission noted that these shortcomings were the root cause of many problems in the procurement process. Virtually every Commission study group recommended (in one form or another) intense central policy direction.

The Commission's Recommendation No. 1 was to:

Establish by law a central Office of Federal Procurement Policy in the Executive Office of the President, preferably in the Office of Management and Budget, with specialized competence to take the leadership in procurement policy and related matters. If not organizationally placed in OMB, the Office should be established in a manner to enable it to testify before committees of Congress. It should develop and persistently endeavor to improve ways and means through which executive agencies can cooperate with and be responsive to Congress.

Throughout the balance of its four volume report, the Commission on Government Procurement made repeated references to the Office of Federal Procurement Policy, either in connection with specific recommendation or in the text accompanying these recommendations. This continued reference highlighted the potential role of the office and the importance that the Commission attached to such an office.

Legislation was introduced in both the Senate and the House in 1973 to establish an OFPP. Both Senate bill 2510 and H.R. 15233 were the subject of extensive hearings in the summer of 1973.

It was decided after the hearings to postpone the creation of such an Office to give the Office of Management and Budget and the procuring agencies an opportunity to see if they could establish administratively some high level coordinating mechanism for Federal procurement policy matters which would obviate the need for a statutory OFPP. By the summer of 1974, it became apparent that voluntary coordination between the procuring agencies and the Office of Management and Budget was not likely to become a reality. Congress therefore enacted Public Law 93-400 which became effective August 30, 1974 and established the Office of Federal Procurement Policy in the Office of Management and Budget.

Congress recognized the importance of the location of OFPP in enacting Public Law 93-400. The Procurement Commission had recommended that the Office be independent of any agency having procurement responsibility and that it be on a plan above the procurement agencies. Placing it in OMB not only accomplished these objectives but gives the Office a stature which has served it well.

Congress was most concerned about OFPP's authority, since the Office was being created as an agency to bring about long overdue fundamental reforms in the Federal procurement policy process. Accordingly, the statute gave the Administrator for Federal Procurement Policy directive authority over all procurement policy. It specifically stated that he shall "prescribe policies, regulations, procedures, and forms which shall be followed by executive agencies" in their acquisition. As demonstrated by the testimony during the hearings on the renewal of OFPP, this combination of authority and location have enabled OFPP to make significant improvements in the acquisition process in the first 4½ years of its existence.

SMITHSONIAN INSTITUTION DEVELOPMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 149.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 927) to authorize the Smithsonian Institution to plan for the development of the area south of the original Smithsonian Institution building adjacent to Independence Avenue at 10th Street, Southwest, in the City of Washington, reported without amendment.

Without objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board of Regents of the Smithsonian Institution is authorized to plan for the development of the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at Tenth Street, Southwest, in the city of Washington.

SEC. 2. Effective October 1, 1979, there is authorized to be appropriated to the Board of Regents of the Smithsonian Institution $500,000 to carry out the purposes of this Act.

SEC. 3. Any portion of the sums appropriated to carry out the purposes of this Act may be transferred to the General Services Administration which, in consultation with the Smithsonian Institution, is authorized to enter into contracts and take such other action, to the extent of the sums so transferred to it, as may be necessary to carry out such purposes.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96-140), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND BACKGROUND

The bill would not commit the Congress to any approval of an overall design or cost of a building program, as introduced and referred to the Committee on Rules and Administration. It would authorize the appropriation of $500,000 to further plan the development of the area south of the original Smithsonian Institution building, known as "The Castle", adjacent to Independence Avenue.

The regents have already provided $160,000 in nonrestricted funds (non-Federal) of the Smithsonian to develop initial plans which have been prepared by the Japanese architect, Junzo Yoshimura.

The program as advanced by the Smithsonian envisions multi-use of the so-called South Quadrangle by the construction of a new home for the Museum of African Art, an Oriental Art Center, and several other facilities, including a lower level parking garage with about 400 spaces for vehicles.

According to the Smithsonian, the proposed project is based on the Institution's needs to strengthen certain areas of its collections and exhibit programs and to provide additional services to the public.

The development, as proposed, would be on four levels, with the upper ground level being that of the Oriental Art Center, and the African Art Museum.

All of the activities would be connected at the underground levels. Included would be the Smithsonian's Rare Book Library and related library services, the Education Center, and the National and Resident Associate Program.

The Institution requires space for loan exhibitions and for housing collections of oriental art and other than that of its Freer Gallery of Art, which exhibits oriental art. Under the terms of the Freer gift and bequest, only the permanent collection of the Freer Gallery can be housed or exhibited in its building. The proposed new Oriental Center would be adjacent to the connected underground with the Freer.

In the last Congress, acquisition of the African Art Museum by the Smithsonian was authorized by Public Law 95-414, with the general thought expressed at the time that eventually the Museum should be housed elsewhere because of the general inadequacies of its present facilities.

The Smithsonian will sell the present complex of row houses which comprise the Museum of African Art on Capitol Hill, if a new home is found or constructed, with the exception of the historic Frederick Douglas House, for which appropriate provisions would be made. It is anticipated that the proceeds of such a sale would exceed $1 million to go toward relocation of the Museum.

The Smithsonian has assigned a high priority to providing proper environmental conditions for its rare book library. The expanding programs of the Smithsonian Associates, the absence of a central educational facility, and the ever-present public demand for parking on the Mall require, according to the Smithsonian, that it accelerate its planning in order to respond to the visiting public and scholarly community.

The Smithsonian at a hearing before the Rules Committee maintained it would expect to raise a substantial portion of the funds required, from a variety of sources outside the Government.

According to the Smithsonian, "at this time, however, it is anticipated that the facilities of the Oriental Gallery and the Museum of African Art would be a mix of funds from the Federal and non-Federal sources and that the parking facilities would be self-liquidating." Fees for parking would be charged.

All costs to complete the project are estimated at this time. The total projected for the overall program has been estimated at about $49 million, if all the facilities were to be incorporated.

Additional funding is needed to advance overall planning still further, with such final planning funds needed to be sought in the future. Construction of such a complex would be several years away.

It will not be known how much the program will cost until the additional planning has been completed. There is the expressed assurance that some non-Federal funds, including an announced gift from the Japanese government of $1 million for the oriental center, will be forthcoming through a program of funding raising and by gifts.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into Executive Session to consider the nomination on the Executive Calendar under Overseas Private Investment Corporation.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I reserve only to tell the majority leader that the nomination is cleared on our calendar and we have no objection to proceeding to its consideration and confirmation.

The PRESIDING OFFICER. Without objection, it is so ordered. The nomination will be stated.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The assistant legislative clerk read the nomination of William M. Landau, of New York, to be a member of the board of directors of the Overseas Private Investment Corporation.

The PRESIDING OFFICER. Without objection, the nomination is considered and cofirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ONE-HOUR RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 1 hour.

There being no objection, the Senate, at 3:32 p.m., recessed until 4:32 p.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. BAUCUS).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO HOLD H.R. 2805 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. RIBICOFF, I ask unanimous consent that the Committee on Governmental Affairs be discharged from any further consideration of H.R. 2805 and that the bill be held at the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VETERANS HEALTH CARE AMENDMENTS OF 1979

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. CRANSTON, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 7.

The ACTING PRESIDENT pro tempore (Mr. BAUCUS) laid before the Senate the amendment of the House of Representatives to the bill (S. 7) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans, and for other purposes.

(The amendment of the House is printed in the RECORD of March 21, 1979, in the proceedings of the House of Representatives.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate disagree to the House amendment, request a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Acting President pro tempore appointed Mr. CRANSTON, Mr. TALMADGE, Mr. RANDOLPH, Mr. STONE, Mr. DURKIN, Mr. MATSUNAGA, Mr. SIMPSON, Mr. THURMOND, Mr. STAFFORD, and Mr. HUMPHREY conferees on the part of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR CONSIDERATION TOMORROW OF S. 584, INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979

Mr. ROBERT C. BYRD. Mr. President, I have been authorized to call up Calendar No. 144, S. 584, a bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act. By order of the Senate, I have been authorized to call up that bill either on tomorrow, Tuesday, or on Wednesday; and on last Thursday I indicated that I would call it up tomorrow.

Therefore, I ask unanimous consent that when the orders for the recognition of Senators on tomorrow have been consummated, the Senate proceed to the consideration of that bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in adjournment of 1 second.

There being no objection, the Senate adjourned at 4:41 p.m. on Monday, March 21, 1979, until 4:41:01 p.m. the same day.

AFTER ADJOURNMENT

MONDAY, MAY 21, 1979

The Senate met at 4:41:01 p.m. pursuant to adjournment and was called to order by Hon. MAX BAUCUS, a Senator from the State of Montana.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO DISPENSE WITH MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NOTHING COME OVER UNDER THE RULE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that nothing come over under the rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the calendar under rule VII be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I believe that puts everything in order on the calendar, does it not?

The PRESIDING OFFICER. The Senator is correct.

ORDER OF BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, tomorrow, after the two leaders or their designees have been recognized under the standing order, what Senators have orders for recognition not beyond 15 minutes?

The PRESIDING OFFICER. Senator STEWART has an order for tomorrow.

Mr. ROBERT C. BYRD. Then what will will be the order of business, Mr. President?

The PRESIDING OFFICER. The order will be consideration of S. 584.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business——

The PRESIDING OFFICER. Will the majority leader indulge the Chair?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The bill S. 504 having been read once——

Mr. ROBERT C. BYRD. Will the Chair withhold for a moment?

AMENDMENT OF SECOND LIBERTY BOND ACT

The PRESIDING OFFICER. The bill S. 504 having been read once and on a previous legislative day, it will now have its second reading.

The legislative clerk read as follows:

A bill (S. 504) to amend section 21 of the Second Liberty Bond Act to require the President to submit an alternate balanced budget whenever the regular budget would result in an increase in the public debt limit or a deficit, to require the President to identify revenue increase attributable to inflation, and for other purposes.

Mr. STEVENS. Mr. President, what is the disposition of the bill?

The PRESIDING OFFICER. The bill has been read twice and is awaiting disposition.

Mr. STEVENS. If I object to further proceedings on that bill, will it go to the calendar?

The PRESIDING OFFICER. Under the Senate precedents, the Senator is correct.

Mr. STEVENS. I do object.

The PRESIDING OFFICER. Objection is heard. Objection having been heard and the bill having been read the second time, the bill will be placed on the calendar.

INTENT OF CONGRESS IN ENACTING AIRLINE DEREGULATION ACT OF 1978

Mr. STEVENS. Mr. President, my distinguished colleague and chairman of the Committee on Commerce, Science, and Transportation, Senator CANNON, recently wrote Civil Aeronautics Board Chairman Marvin Cohen regarding the intent of Congress in enacting the Airline Deregulation Act of 1978.

The distinguished Senator from Washington (Mr. MAGNUSON) and I have joined Senator CANNON in writing Chairman Cohen to urge that the Board interpret the term "standard industry fare level," included in section 37 of the Airline Deregulation Act of 1978, in accordance with congressional intent.

The statutory definition of "standard industry fare level" is "the fare level * * * in effect on July 1, 1977, for each interstate or overseas pair of points, for each class of service existing on this date * * *" Section 37 of the Airline Deregulation Act of 1978 provides that the Board will not have authority to find a carrier's fare for interstate or overseas passenger transportation unreasonable if that fare is not greater than 5 percent above or 50 percent below the "standard industry fare level."

As Senator MAGNUSON and I pointed out in our letter to Chairman Cohen, the purpose of allowing a zone of protected fare flexibility was to provide the airline industry a necessary degree of certainty regarding permissible fare levels following deregulation. That purpose would be defeated if the Board were to interpret the term "standard industry fare level" to mean something other than what Congress intended it to mean: the fare level actually in effect on July 1, 1977.

Mr. President, I ask unanimous consent that the letter from Senator MAG-

NUSON and me to Chairman Cohen be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 5, 1979.

Hon. MARVIN S. COHEN,
Chairman, Civil Aeronautics Board,
Washington, D.C.

DEAR CHAIRMAN COHEN: We understand that Senator Cannon has ,written the Board regarding a question which has arisen involving the legislative intent of Congress in enacting the Airline Deregulation Act. Specifically, we understand that the Board in an interim policy statement has taken the position that the statutory term "standard industry fare level" as used in section 37 of the Aviation Deregulation Act of 1978 could be different from the fares actually in effect on July 1, 1977. Since Senator Cannon's letter was sent to you, we understand that the Board in a proposed rulemaking concerning Mainland-Hawaii and Intra-Hawaii fares has again said that the statutory term "standard industry fare level' could be interpreted to mean something other than "fares in effect." We join Senator Cannon in expressing our view that our intent was and remains that the "standard industry fare level" in interstate and overseas markets is to be the July 1, 1977, fare actually in effect.

The Board declared in a statement of general policy, PS-82, that the Act does not provide a "ready definition" of the phrase "standard industry fare level." The Board then interpreted the statutory phrase "standard industry fare level" to be the fare level that would have been in effect on July 1, 1977, had the Board's DPFI fare formula been applied rather than the fare level actually in effect on July 1, 1977.

We are concerned with the Board's statements in PS-82 and PSDR-57 that "(n) either the Act nor legislative history provide a ready definition of 'standard industry fare level'" insofar as interstate and overseas markets are concerned.

In both interstate and overseas markets, our intention was and remains that the July 1, 1977, fares actually in effect be the benchmark for the statutory zone established by the Deregulation Act. The words "fare level in effect on July 1, 1977" were intended to mean exactly what they say and were not intended to encompass the retroactive establishment of a July 1, 1977, fare level different than the fare level actually in effect on that date in interstate and overseas markets.

It was to avoid just such an interpretation, i.e., that the July 1, 1977, fare level could be retroactively established by resorting to a DPFI-type fare formula, that S. 2493 was amended in Conference to add the phrase "for each interstate or overseas pair of points."

The addition of that phrase was intended to make clear the universal applicability in all interstate and overseas markets of the actual fare in effect on July 1, 1977, as the "standard industry fare level" benchmark.

There was a sound policy reason for the development of a statutory definition of "standard industry fare level." The drafters of the legislation, as well as most, if not all, of its supporters felt that a critical feature of a new regultaory structure was to provide the industry a zone in which carriers could raise or lower their fares with certainty. We urge that the Board not take any action which conflicts with Congress' clear intent that the "standard industry fare level" in interstate and overseas markets be interpreted as the July 1, 1977, fare actually in effect.

The Board in PSDR-55 and in PSDR-57 has requested comments on the Board's interim findings and we would ask that this letter be included among those comments.

Very truly yours,
WARREN G. MAGNUSON,
United States Senator.
TED STEVENS,
United States Senator.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, at 4:50 p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 4:51 p.m., when called to order by the Presiding Officer (Mr. BAUCUS).

ORDER FOR RESUMPTION OF PERIOD FOR TRANSACTION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a resumption of the period for transaction of routine morning business and Senators may speak up to 5 minutes each therein and the period not extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CAMBODIAN CONFLICT

Mr. HATCH. Mr. President, I submit a brief statement of my views on the dangerous situation created by events following the invasion of Cambodia by Vietnam. The Prime Minister of Thailand, General Kriangsak, has recently characterized the Cambodian conflict as one that very seriously threatens the security of Thailand and has accordingly placed the Thai army on full alert. The measure has been taken as a response to the constant shelling of Thai border territory by the Vietnam forces. It must also be pointed out that the Vietnamese have been acting in concert with Soviet and Cuban combat forces as verified by Thai intelligence. Such a maneuver is creating a situation similar to that existing in Africa.

Mr. President, the presence of Soviet and Cuban combat forces at the Thai border territory raises the specter of another American ally becoming the target of Soviet-backed expansionism. Yet how has the United States responded? There has been no response, although I am sure that the administration is aware of this development. One cannot escape the feeling that this is a part of a deliberate attempt to conceal from the Congress and hence the people of this country this grim scenario in order to sell the SALT II interim agreement. Mr. President, this tactic on the one hand is unworthy of our democratic traditions of being fully and adequately informed. On the other hand, the interests of the United States are grievously harmed by allowing or seeming to allow another ally to crumble before the might of Soviet expansionism. I do ask the question, how long are we to sit back and helplessly watch the destruction of the free world? I am personally of the opinion that the time has come for an appropriate response from the President and the State Department.

PRESIDENT TITO'S VISIT TO MOSCOW

Mr. HATCH. Mr. President, as it has been officially announced, Josif Broz Tito, President of Yugoslavia, will visit the Soviet Union on May 25. This visit, which is beclouded with skepticism both in Yugoslavia and other European countries, has enormous political significance for the future of Yugoslavia, the Third-World movement, and the strategic balance between the United States and the Soviet Union. This significance becomes clear when one considers Yugoslavia's longstanding resistance to a threatening Soviet hegemony, her efforts to call to life and to maintain the genuine vitality of the movement of nonalined countries, and her geopolitical situation in southeast Europe. All these factors indicate that it is of crucial importance for the United States and the other NATO countries to insure that Yugoslavia's status in Europe and with the Third World be maintained. On the other hand, one can understand how important, from Moscow's point of view, it would be to bring about a change in the status of this country. In this context the delicacy of Yugoslavia's position is obvious. Wedged between the two major political, military, and economic power systems, the maintenance of her relative independence has become a political necessity which in turn is vital for the security of our West European allies. Thus, when President Tito faces President Brezhnev in Moscow he will also be representing the basic interest of the entire free world. But do we realize the benefits that have accrued to the United States and West Europe from Yugoslavia's persistent and heroic opposition to the Soviet domination? More importantly, have we in any way supported this country in meeting the political, military, and economic problems which have been entailed in her political activities? Unfortunately, the answers to both questions must be a decisive "no." Despite repeated warnings from various Yugoslavian officials as to the hostile and even aggressive Soviet intentions against Yugoslavia, both the United States and our West-European allies have failed to render a significant military assistance to this country. Moreover, the Common Market has barred

Yugoslavia from participation in any significant economic cooperation. The United States has demonstrated the same insensitivity. Thus Yugoslavia has not only been neglected by the West politically and militarily, but has also been greatly underrated economically. Few people realize that, at present, Yugoslavia is purchasing three times more goods from the United States than we are buying from them. To deny this nonalined country access to the mainstream of Western economic life is politically self-defeating.

Mr. President, in the light of the previously mentioned contributions that Yugoslavia has made, I am urging the administration to open the door to a greater understanding and cooperation between our countries. I feel sure that this position, if taken by the United States, would also be welcomed by our West-European allies.

THE GREAT HIPPIE ENERGY CON JOB

Mr. HATCH. Mr. President, there is an enterprising magazine in Toronto, Canada, called Quest which has formed the habit of presenting to its 700,000 subscribers indepth and unusual analyses of various contemporary orthodoxies. Recently, it turned its attention to the current enthusiasm for solar energy, in an article by a young American journalist, John Dizard.

Dizard is writing for a Canadian audience, of course, but his arguments are entirely applicable here in this country. Much of the interest in solar power, he says, can be traced back to a seminal article by Amory B. Lovins in the October 1976, issue of Foreign Affairs magazine, the journal of the U.S. Council on Foreign Relations. This argued that a largely or wholly solar economy can be constructed in the United States with straightforward, soft technologies that are now demonstrated and are now economic, or nearly economic. Other soft technologies are wind power and biomass—alcohol distilled from vegetable matter.

Dizard demonstrates entertainingly that for a variety of practical and economic reasons these ideas cannot solve our energy problems, and are in fact playing a role in the current energy debate far beyond that which a rational consideration would assign to them. He concludes:

> So it's worth keeping an eye on the self-reinforcing network of consultants, activist volunteers, bureaucrats and grant-hustlers who are crowding around renewable energy. Some of the technologies are worth looking at—but from the same cool perspective as we'd examine nuclear power or Alberta tar-sands plants. As a religion, solar is fine. But like most religions, the main comfort is spiritual, rather than practical.

Mr. President, I commend this article to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GREAT HIPPY ENERGY CON JOB

(By John Dizard)

The speeches by the professional antinuclear people were over, and the theatricals began. Four lesbian mime players contorted themselves with gestures that showed the boundless evil of atomic energy and the virture of "natural" power. One of the more clumsy *artistes* sprained herself in a vain attempt to depict a waterwheel-driven factory.

It was a hot day in Boston, and the rest of the troupe seemed in more immediate danger from solar energy than from the invidious atom. But that didn't slow down the itinerant solar advocate in the train of the mime team. "You people in Canada should know better," she said. "I'm going up there next week to lecture on your nuclear program. You're even worse energy junkies than the Americans."

Yes, the sun is coming to Canada. You might have thought it had done so with regularity for the past few billion years; but to hear the sun people talk, the oil conglomerates and the international banks have conspired to keep solar energy out of the hands of the Canadian public. Until now, their pitch has been confined to the odd mimeographed pamphlet and obscure journal; but lately, solar has gone big-time. Recently, the federal government announced a $380-million, five-year solar program, in addition to the pile of grants and civil-service slots that have created an industry with all the growth potential of the youthcult of the '60s.

The Progressive Conservatives were a little miffed by the government's seizing upon the solar issue. "Solar has always been *our* program," sniffs one Tory. "They're just jumping on the bandwagon." It's clear that whoever wins the election, the solar people have won the battle of the Treasury Board. For their part, taxpayers in the U.S. are being treated to the spectacle of Congress and the president attempting to out-solar one another. In a year of supposed fiscal restraint, U.S. solar programs are having hundreds of millions in extra appropriations dumped on them.

What started it all? Much of the force behind solar comes, of course, with popular frustration with the higher energy prices that resulted from the 1973 oil crisis. Any energy alternative to oil got second and third looks. But it can be argued that the current political enthusiasm for solar can be traced to an article by Amory B. Lovins in the October, 1976, issue of *Foreign Affairs* magazine, the journal of the U.S. Council on Foreign Relations. *Foreign Affairs* had earned itself a somewhat stuffy reputation as the house organ of the U.S. foreign policy establishment, but the Lovins article had more of the tone of a campfire discussion in a rural B.C. commune. Lovins, an amateur British physicist, argued that "a largely or wholly solar economy can be constructed in the United States with straightforward, soft technologies that are now demonstrated and are now economic, or nearly economic." Note that phrase "soft technology." It has a nice ring to it—sophisticated, but pleasant.

The coining of the "soft technology" slogan represents the height of Lovins' achievements. His calculations about the economics of the solar technology turned out to be somewhat faulty; but his sense of public relations was unerring. As one cynical Ottawa bureaucrat puts it, "Of course Lovins' figures are complete nonsense—but the public support he generated made it possible to get on with the solar programs."

Essentially, the "soft path" argument is that we've developed a dangerous dependence on high-technology, capital-intensive energy sources that are fed by nonrenewable resources. The "hard path" energy programs will lead to a fascist society which will ultimately choke to death as its capital and fuel supplies run dry.

The alternative, Lovins and his disciples say, is to go for small-scale "locally controlled" energy projects that depend on renewable fuel sources such as solar radiation, hydro and plant matter. The whole domestic and industrial economy must be redesigned to reduce dependence on fossil and nuclear fuels. Too much of our electricity and fuel consumption, it is argued, goes to "inappropriate" (if convenient) uses. Yes, there would be some expenses in the changeover to a renewable society, but they'd be easily repaid over the long haul.

The biggest problem, the renewable people admit, would be that of replacing transportable fuels such as gasoline and kerosene. It's not really possible to run autos or airplanes with windmill power or solar collectors. The liquid-fuel replacements they'd prefer would be wood alcohol (methanol) and grain alcohol (ethanol). As Lovins trumpets, "Presently proved processes [for making alcohol from vegetable matter] already offer sizable contributions without the inevitable climatic constraints of fossil-fuel combustion." In other words, it's all just around the corner.

Even without examining the merits of the renewable position for the Canadian and U.S. economies, it's clear that industrialized areas of the world with high population densities just don't have the surplus farm or forest land to even think of using alcohols, especially if local self-sufficiency is to be emphasized. And even land- and resource-rich countries such as the U.S. and Canada depend for their trade and security on their links with the Japanese and Europeans.

Even in Canada, though, there would be severe problems inherent in the switchover to a renewable economy. Dr. Harry Swaine, former senior advisor on renewable energy in the federal department of energy, mines and resources, says, "An all-renewable economy would mean abandoning large amounts of our fixed capital-housing stock, cars, factories, you name it." Swaine was directing the federal government's renewable program, but even he sees some problems with the solar solution. "Right now, solar is roughly twice as expensive on a life-cycle basis as the cheapest conventional form." Much of that $380 million in federal renewable money will go to subsidizing the installation of solar-heating facilities on government buildings. Swaine hopes that as the Canadian industry is developed, the price of the equipment will drop.

Even if it does, though, the economics of solar heating depend on the continuance of high prices for conventional energy sources over a long period. Solar heating is expensive to buy and install, and it makes sense only if it can be paid for over a relatively long period of time. Few solar advocates note that solar heating has already been in and out of vogue in North America. In the 1920s and 1930s, houses in Florida and California were fitted with solar water-heating systems. They were abandoned as gas pipelines and fuel oil provided a cheaper alternative. In fact, faith in the viability of renewable sources rests wholely on the idea that there are no alternatives to high-cost and inconvenient energy sources. But the history of energy crises suggests otherwise.

Yes, there have been other energy crises, among them the wood crisis in 16th-century Britain, and the whale-oil crisis of the mid-19th century. The British wood crisis was brought on by the fuel requirements of rapid industrialization. Forests that had once seemed endless became suddenly finite, and Lovins' 16th-century counterparts despaired.

But, as is its wont, the market principle of supply and demand came to the rescue. For centuries, Europeans had noticed outcroppings of coal, and a few of these were exploited for fuel. Mining, however, was a dangerous, capital-intensive, and technically tricky industry. Sound familiar? Under the lash of necessity, though, ways of mining and using coal were found, and Britain was not restricted to the 16th-century level of development that a renewable strategy would have dictated.

A similar solution was found to the whale-oil crisis. The demand for whale oil that was generated by Europe and the Americas in the first half of the 19th century led to a depletion of the whale population. Again, a renewable strategy would presumably have led to the distilling and rationing of high-cost wood and grain alcohol. Fortunately, governments were smaller, and in most cases, not quite that ambitious. The whale-oil price rose to the point where greedy speculators started looking to petroleum that oozed out of the ground in places like southwestern Ontario, Russia and Pennsylvania. Soon, the price of fuel dropped below that of whale oil in its cheap days, and the supply has been sufficient to drive the Western industrial engine for the past century.

All this isn't to say that we can afford to be complacent about our energy supplies. Alternatives to cartel-priced oil are not going to come easily. But they will come if we let them. For better or for worse, though, many of the alternatives require the kind of technical and managerial skills that you find in large energy or manufacturing companies. And that just doesn't sit right with the renewable brigade.

"It's just not right," said the Toronto energy activist done up in correct denim overalls and wispy beard. "The big corporations are looking at solar now, and when they do, they'll be going at it for a profit and there won't be any room for us." Apparently, the sun people aren't really opposed to self-interest. It's all right when you're hustling for a grant, but not when you're hustling for a profit.

For all that, it's worth looking at the specifics of what the solar people want. It's generally agreed that the most sensible of the renewable energy sources is solar—used for space-heating in new buildings. In most cases, this means putting large, flat, collector places on the roof; pumping a liquid that is heated by the sun through the plates, and using the liquid to heat the interior of the building.

Even some solar advocates within the federal government believe that mass production is necessary to bring down the cost of solar space-heaters. But a study by the Central Mortgage and Housing Corporation (CMHC) concluded that "since the solar-heating equipment uses conventional technology, materials and installation techniques, the high material content of the equipment, which is mass-produced, precludes significant benefits from quantity production." In other words, you won't necessarily make them a great deal cheaper by making a lot of them.

The CMHC took the position that before solar heating can make sense in Canada, there will have to be real breakthroughs in the technology. "The present cost of solar space-heating equipment," the study said, "is about four times its real economic value." (Although, according to Dr. Swaine of the department of energy, mines and resources, that figure is now somewhat high.)

Our course, some solar advocates say that by using cheaper materials it would be possible to lower the total cost of the systems. But there are problems with that. One auto dealer, who went into the solar-heating business after the 1973 oil crisis, found that his low-cost, vinyl solar equipment fell apart after less than five years. Also, since there aren't that many mass-produced solar houses or apartments around, it's necessary to virtually custom-build each solar system—unless of course, you want to junk the existing housing stock and replace it with standardized solar boxes. Swaine predicts, however, that within five years, a combination of improved equipment and installation techniques and the predictable rise in conventional energy prices could bring a 20- to 30-percent drop in the cost of solar space-heaters.

Then there are windmills. They're rather cute machines, twirling away in the countryside, using all that "free" wind energy. And they have made sense in the past, for pumping water into cattle troughs and farmhouse tanks. You find the pages of back-to-the-land farming magazines crowded with ads for the gadgets. Wind power is featured prominently in the promotional literature for the Ark, a federally funded farm in Prince Edward Island, which is supposed to prove the virtues of self-sufficiency.

Again, there are a few minor drawbacks. As you may have noticed, wind tends to be intermittent and unpredictable. This means that if you want to generate electricity from windmills, you need to find some way to *store* energy when the wind is high, so you can use it when the wind is low. This is expensive—so far, prohibitively so. Nevertheless, under the aegis of an indulgent Congress, the Americans are experimenting with superwindmills, one of which recently blew over in Rocky Flats, Colorado. Oh, by the way, the windmills on the P.E.I. Ark farm are said (in the small print) to be in the "development" stage. Apparently the self-sufficiency of the Ark ends at its connection with the island's *electric* power grid.

All this isn't to say there aren't some promising solar technologies.

One of these is photovoltaics—the direct production of electricity from sunlight. On a commercial scale, this would be an extension of the "electric-eye" technology that runs automatic door openers in supermarkets and airports. It's still pretty expensive, with power production running at about $8 per installed watt, compared to $1.25 per watt for nuclear power. And, as wtih windmills, there needs to be some cheap method found for storing the electric power. The U.S. is funding a program that's aimed at bringing the cost down to 46 cents per watt by the late '80s—which would bring photovoltaics close to being a reality.

The renewable fanatics, though, aren't so keen on photovoltaics. The technology and capital required is somewhat beyond that available to most of the unemployable arts graduates in the movement. "That's the way Imperial Oil is going to grab control of the sun, man," as our Toronto sun-power person says.

Possibly the most dubious of the renewable movement's claims is that biomass (vegetable matter) can be distilled to provide us with our liquid-fuel needs. The white hope here is methanol, the wood alcohol we mentioned earlier. According to a spokesman for Energy Probe, a Toronto-based energy conservation movement that grew out of the old Pollution Probe, "technically, there's enough methanol in Canada to run a transport system. If we're careful, we can get away with using methanol and nothing else."

Well, when you're speaking technically, it's good to have some technical information available. Don Augenstein is an MIT-trained biochemical engineer who spent five years looking at the potential of biomass energy, and he has actually developed several simple methods for converting wood and agricultural waste to natural gas and liquid fuels. But he's a scientist—not a true believer.

As he recently explained, there is a problem with pure methanol, especially in a place like Canada, because it's hard to start methanol-fueled engines in cold weather. Then there's the obvious problem of wood availability. In the U.S.—and remember Canada and the U.S. have integrated transport systems—if you stripped all the forests, you'd get only between five precent and 15 percent of the total energy demand.

Renewable activists also like to talk about the possibilities for "energy farms" that would grow crops for alcohol-producing fermentation plants. But Augenstein points out that "farms like that would use up an enormous amount of our agricultural land. As a general rule, food production is far more valuable than energy production. Alcohol costs roughly four times as much per barrel as gasoline. It makes much more sense to go after sources like the tar sands and shale oil."

Augenstein has concluded that biomass energy can only be a part of the solution. "If we can use argicultural and wood waste to replace five percent of our natural-gas consumption, I'd think we were doing well. I've studied renewable energy from biomass, but as far as I'm concerned, the best energy investment we could make right now is to get on with a serious nuclear program."

Nuclear power is a cheap and reliable source of electricity, but it's not the only alternative to dwindling conventional oil supplies. Controlled thermonuclear fusion—a sort of contained hydrogen bomb—could provide safe electric power from nearly limitless supplies of fuel distilled from sea water, although the tremendous amount of research required would be costly. The Alberta tar sands, heavy oil and oil shales can provide enormous, if expensive, amounts of liquid fuel. As we've seen over the past couple of years, simply raising the price of natural gas resulted in an enormous increase in drilling, and consequent jumps in our gas reserves.

The renewable fanatics would say, though, that energy from these sources would lead to even greater centralization of supply. As the Energy Probe spokesman says, "If fusion works, then we'd have another source of electric power we don't need." Who doesn't need it? Perhaps the part-time, upper- or middle-class activist living on cheques from home and government. His family has already inherited its dividends from the industrial revolution. But the poor and working-class people in North America and throughout the world don't find rural poverty a charming diversion in between civil-service jobs. If they are going to get more of the world's goods, there needs to be more industrial production—and that means lots of energy.

Lovins and his Canadian followers don't buy that argument, of course. As Lovins himself says, the soft path would be an "understandable, neighborhood technology run by people you know, and who are at your own social level . . . [rather than] an alien, remote, and perhaps humiliatingly uncontrollable technology run by a faraway, bureaucratic elite." In other words, they equate a decentralized energy system with democracy and pluralism.

To put this philosophy in some sort of historical perspective (a commodity notably lacking in renewable-movement literature), let's look at a society with a highly decentralized energy system—Europe in the feudal era. Energy came from wood (owned by the lord), human muscle power (periodically expropriated by the lord) and animal power. It was all understandable, neighborly technology; but few of us ex-peasant families would exchange it for today's system.

And make no mistake about it, there's no such thing as free solar energy. It's owned by whoever owns the land it falls on—which means that we'd replace the power of machine owners with the power of landowners. That would be a reversal of the industrial revolution which, for all its faults, left most people better off than they were.

So it's worth keeping an eye on the self-reinforcing network of consultants, activist volunteers, bureaucrats and grant-hustlers who are crowding around renewable energy. Some of the technologies are worth looking at—but from the same cool perspective as we'd examine nuclear power or Alberta tar-sands plants. As a religion, solar is fine. But like most religions, the main comfort is spiritual, rather than practical.

TRIBUTE TO A. PHILIP RANDOLPH

Mr. MOYNIHAN. Mr. President, last week the community of Harlem in New York City gave up Mr. A. Philip Randolph, a man whose ideals, eloquence, and integrity shaped the experience of black America, the labor movement, and our national political life in ways that few of us who hold public office could ever hope to do. I rise to speak in sorrow at his passing, and to pay tribute to the purposes for which he lived and to the character and courage with which he conducted his life's work.

A. Philip Randolph's deepest passion was for equality for black people. It was through his work to end segregation in the labor movement that the CIO, the industrial union movement, became possible. It was through his leadership in ending discrimination in the war industries and in the Armed Forces that the great movement to end segregation in the Nation's schools was born. He lived, thankfully, to see the great changes wrought in the quarter century since the Supreme Court ruled that racially separate but nominally equal public school systems were unconstitutional—the court decision which had its justly celebrated 25th anniversary on the day we learned the news of his death.

Mr. Randolph's restless but disciplined mind took the experience of black people struggling to fulfill the American ideal of equality and out of it shaped a powerful philosophy and a tradition of social action that will long endure. He became a democratic socialist—but one with an uniquely American character, little concerned with fulfilling dogmatic prescriptions, wholly free of meanness and resentment, and remarkably effective in bringing his ideals of democracy and economic justice to bear through many instruments of protest and political action. He founded the Brotherhood of Sleeping Car Porters, a union of black workers which introduced a generation of blacks to the skills and ideals of industrial democracy, and which taught a generation of white trade unionists to respect and accept their black fellow workers. His object was to be effective, never to generate gratuitous publicity, but those who know the labor movement, especially its black leaders, know also how profoundly his efforts changed it. He helped to initiate the great march on Washington for jobs and freedom in 1963, a visible tide of popular feeling which carried in the Civil Rights Act of 1964 and the Voting Right Act of 1965. He helped, with his long-time coworker, Bayard Rustin, to found the A. Philip Randolph Institute, an organization of black trade unionists which carries on his tradition in all throughout our now integrated labor movement.

Mr. Randolph energetically supported democratic movements elsewhere in the world—the struggle against colonialism and apartheid in Africa, the struggle for Indian independence, the effort to create the State of Israel. Throughout he insisted that democracy required not only majority rule, but also minority rights.

Mr. President, A. Philip Randolph agreed to serve as the honorary chairman of my labor committee during my primary campaign for the Senate in 1976. At the public announcement of this undertaking, I said to those present:

> I know of no greater honor that could come to me in public life than an endorsement from A. Philip Randolph.

It is in that same spirit of awesome respect that I join today in paying tribute to the memory of A. Philip Randolph, and in mourning the loss to our Nation of this exemplary American.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under authority of the order of the Senate of May 17, 1979, the Secretary of the Senate, on May 17, 1979, and May 18, 1979, during the recess of the Senate, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on May 17 and May 18, 1979, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PROPOSED AMENDMENTS TO REORGANIZATION PLAN NO. 2 OF 1979—MESSAGE FROM THE PRESIDENT—PM 74

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers, which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

I herewith transmit amendments to Reorganization Plan No. 2 of 1979, which I transmitted to the Congress on April 10, 1979. Except as specifically amended hereby, Reorganization Plan No. 2 remains unmodified.

JIMMY CARTER.

THE WHITE HOUSE, *May 21, 1979.*

MESSAGES FROM THE HOUSE

At 12:11 p.m. a message from the House of Representatives delivered by Mr. Gregory, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3879. An act to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, and for other purposes.

At 3:11 p.m., a message from the House of Representatives delivered by Mr. Gregory, announced that the House has passed S. 7, to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 80. A joint resolution to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident.

HOUSE BILL PLACED ON THE CALENDAR

The following bill was read twice by its title and placed on the calendar:

H.R. 3879. An act to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, and for other purposes.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC-1445. A communication from the Associate Director, Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, the Air Force Report on the progress of the Reserve Officer's Training Corps Flight Training Program for calendar year 1978; referred to the Committee on Armed Services.

EC-1446. A secret communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, fifty selected acquisition reports and selected acquisition report summary tabels for the quarter ending March 31, 1979; referred to the Committee on Armed Services.

EC-1447. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, listings of contract award dates for the period May 15, 1979 through August 15, 1979; referred to the Committee on Armed Services.

EC-1448. A communication from the Secretary of the Navy, transmitting a draft of proposed legislation to expressly recognize the authority and responsibility of the Secretary of the Navy to issue the United States Navy Regulations and other regulations, and for other purposes; referred to the Committee on Armed Services.

EC-1449. A communication from the Secretary of Transportation, transmitting, pursuant to law, the second Urban Mass Transportation Administration Quarterly Report for fiscal year 1979; referred to the Committee on Banking, Housing, and Urban Affairs.

EC-1450. A communication from the Vice President for Governmental Affairs of the National Railroad Passenger Corporation, transmitting, pursuant to law, a report on the average number of persons per day on board each train operated and the on-time performance at the final destination of each train operated for the month of February 1979; referred to the Committee on Commerce, Science, and Transportation.

EC-1451. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the activities of the United States Travel Service, U.S. Department of Commerce, for fiscal year 1978; referred to the Committee on Commerce, Science, and Transportation.

EC-1452. A communication from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, notice of the receipt of a project proposal and application for a loan from the Central Nebraska Public Power and Irrigation District, Nebraska, in the amount of $10,368,000, under the Small Reclamation Projects Act; referred to the Committee on Energy and Natural Resources.

EC-1453. A communication from the Secretary of the Interior as the Chairman of the United States Water Resources Council, transmitting a draft of proposed legislation to provide for financing, cost, and revenue sharing of Federal Water resource development projects; referred to the Committee on Energy and Natural Resources.

EC-1454. A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Energy Policy and Conservation Act, as amended, to provide assistance to States and to political subdivisions within States to promote national energy objectives, and for other purposes; referred to the Committee on Energy and Natural Resources.

EC-1455. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, reports on sales of refined petroleum products and sales of retail gasoline; referred to the Committee on Energy and Natural Resources.

EC-1456. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Codisposal of Garbage and Sewage Sludge—A Promising Solution To Two Problems"; referred to the Committee on Environment and Public Works.

EC-1457. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to extend the Authorization Period for the Great Dismal Swamp National Wildlife Refuge; referred to the Committee on Environment and Public Works.

EC-1458. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize appropriations for the San Francisco Bay National Wildlife Refuge; referred to the Committee on Environment and Public Works.

EC-1459. A communication from the Secretary of Transportation, transmitting, pursuant to law, the fifth annual report on Railroad-Highway Demonstration Projects; referred to the Committee on Environment and Public Works.

EC-1460. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Annual Adjustments—The Key To Federal Executive Pay"; referred to the Committee on Governmental Affairs.

EC-1461. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on a new system of records in the Forest Service under the Privacy Act; referred to the Committee on Governmental Affairs.

EC-1462. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the annual report of the Commission regarding the implementation of the Government in the Sunshine Act; referred to the Committee on Governmental Affairs.

EC-1463. A communication from the Director of the United States Office of Personnel Management, transmitting, pursuant to law, copies of proposed new systems of records for the Office of Personnel Management, under the Privacy Act; referred to the Committee on Governmental Affairs.

EC-1464. A communication from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, a document entitled "General Notice for Joint Funding Simplification Act"; referred to the Committee on Labor and Human Resources.

EC-1465. A communication from the Director of the National Science Foundation, transmitting, pursuant to law, the annual report on the administration and enforcement of section 10 of the National Science Foundation Act for fiscal year 1978; referred to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

Mr. ROBERT C. BYRD (for Mr. MUSKIE), from the committee of conference, submitted a report of the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 107) setting forth the congressional budget for the U.S. Government for fiscal year 1980 and revising the congressional budget for the U.S. Government for fiscal year 1979 (Rept. No. 96-192).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted on May 17, 1979, after the recess of the Senate, under authority of the order of the Senate of May 17, 1979:

By Mr. CHURCH, from the Committee on Foreign Relations:

William M. Landau, of New York, to be a Member of the Board of Directors of the Overseas Private Investment Corporation.

(The above nomination from the Committee on Foreign Relations, was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LEAHY (for himself and Mr. STAFFORD) (on May 17, 1979):

S. 1180. A bill to amend section 103 of the Internal Revenue Code of 1954 to provide that the interest on certain mortgage revenue bonds will not be exempt from Federal income tax; to the Committee on Finance.

By Mr. DeCONCINI (for himself, Mr. McGOVERN, Mr. DOMENICI, Mr. BURDICK, Mr. McCLURE, Mr. HATFIELD, and Mr. LEVIN):

S. 1181. A bill to authorize the States and the Indian tribes to enter into mutual agreements and compacts respecting jurisdiction and governmental operations in Indian country; to the Select Committee on Indian Affairs.

By Mr. DeCONCINI:

S. 1182. A bill to amend the Federal Employees' Compensation Acts, title 5, United States Code, by adding a new section providing for work injury coverage of federal petit and grand jurors in the performance of their duties; to the Committee on Labor and Human Resources.

By Mr. BURDICK (for himself and Mr. YOUNG):

S. 1183. A bill to modify the authorization for the Burlington Dam, Souris River, North Dakota contained in the Flood Control Act of 1970, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN:

S. 1184. A bill to amend title XX of the Social Security Act to increase the entitlement ceiling, and for other purposes; to the Committee on Finance.

By Mr. RIBICOFF (for himself, Mr. DOLE, Mr. BENTSEN, and Mr. RANDOLPH):

S. 1185. A bill to amend title XVIII of the Social Security Act for the purpose of including comprehensive outpatient rehabilitation services among the benefits of the medicare program; to the Committee on Finance.

By Mr. NUNN (by request):

S. 1186. A bill to amend titles 10 and 37, United States Code, relating to the appointment, promotion, separation, and retirement of members of the armed forces, and for other purposes; to the Committee on Armed Services.

By Mr. DeCONCINI:

S. 1187. A bill to amend title 28 of the United States Code with regard to the appointment and compensation of counsel for jurors claiming a violation by their employers of certain rights guaranteed by such title; to the Committee on the Judiciary.

By Mr. CRANSTON (by request):

S. 1188. A bill to improve and modernize the vocational rehabilitation program provided service-disabled veterans under chapter 31 of title 38, United States Code, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HATCH:

S. 1189. A bill to maximize employment opportunities for all Americans in rural and urban poverty areas, and to alleviate structural unemployment among young people through bonus incentives to private and independent sector sponsors, and to achieve more efficient, productive, and cost-effective economic policymaking within the Federal Government; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER:

S. 1190. A bill to extend for an additional period the existing tax treatment of certain activities of certain private foundations; to the Committee on Finance.

S. 1191. A bill to amend the Tax Reform Act of 1969 to extend certain transitional rules for private foundations for one year; to the Committee on Finance.

By Mr. HATCH:

S. 1192. A bill for the relief of Howard B. Schmutz; to the Committee on the Judiciary.

By Mr. BAUCUS (for himself, Mr. Melcher, Mr. Magnuson, Mr. Jackson, Mr. McGovern, Mr. Church, and Mr. Boschwitz):

S.J. Res. 81. A joint resolution to require continuation of rail service by the Chicago, Milwaukee, St. Paul and Pacific Railroad for a period of 45 days; to the Committee on Commerce, Science, and Transportation.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY (for himself and Mr. Stafford) on May 17, 1979):

S. 1180. A bill to amend section 103 of the Internal Revenue Code of 1954 to provide that the interest on certain mortgage revenue bonds will not be exempt from Federal income tax; to the Committee on Finance.

MORTGAGE REVENUE BONDS

Mr. LEAHY. Mr. President, in the past several months issues of tax-exempt mortgage revenue bonds for the financing of single family housing have increased at a dramatic pace.

The virtually unrestricted use of these bonds—by States, by municipalities, and by political subdivisions—has been a source of growing concern to me.

Without sufficient restrictions, these bond issues hold the potential for wide abuse. In the absence of adequate controls, there is a growing danger that they will spawn an unaffordable and uncontrollable loss of Federal revenues.

At a time when the need to reduce the Federal deficit is paramount, we can ill afford to squander Federal revenues on mortgages subsidies for those who are wealthy enough to pay the going market rates.

Mortgage revenue bonds have in the past been the backbone of countless valuable housing assistance programs. In the majority of cases, they have been used to finance housing for deserving low and moderate income families.

It has become necessary, however, to restrict the use of mortgage revenue bonds. It has become necessary, because this bonding authority has been increasingly abused. Instances of lending to wealthy borrowers for the purchase of expensive homes have become all too prevalent.

Today I am introducing legislation that would provide these needed restrictions.

It will provide restrictions, but at the same time, it will preserve the authority of States and qualified housing authorities to issue bonds to finance housing for low and moderate income families.

There is a large and growing number of Americans who, without this type of mortgage assistance, simply could not afford to purchase decent housing.

My bill would restrict the tax exempt status of mortgage bonds to those issues which finance home loans for families with incomes less than 120 percent of their State's median income.

In addition to this family income restriction, my bill would place a limit on the purchase price of a qualified home—that limit being 300 percent of the State's median income.

It is my firm belief that these income and purchase price limitations will prevent the abuses which have prompted recent legislation in this area.

At the same time, it does not restrict the bonding authority of States and housing authorities which wish to initiate or maintain responsible low and moderate income housing assistance programs.

By Mr. DeCONCINI (for himself, Mr. McGovern, Mr. Domenici, Mr. Burdick, Mr. McClure, Mr. Hatfield, and Mr. Levin):

S. 1181. A bill to authorize the States and the Indian tribes to enter into mutual agreements and compacts respecting jurisdiction and governmental operations in Indian country; to the Select Committee on Indian Affairs.

TRIBAL-STATE COMPACT ACT OF 1979

● Mr. DeCONCINI. Mr. President, today Senators McGovern, Domenici, Burdick, McClure, Levin, Hatfield, and I are introducing the Tribal-State Compact Act of 1979. This bill, S. 2502, was introduced in the 95th Congress by Senator Abourezk. Extensive hearings were conducted by the Select Committee on Indian Affairs and S. 2502 was passed by the Senate last fall. Unfortunately, the House did not adopt similar legislation.

This bill is identical to S. 2502 and will provide legislative authority for Indian tribes and States, counties, and municipalities to enter into compacts and agreements allocating civil and criminal jurisdiction and other regulatory authority among themselves.

A great deal of time and attention was devoted by the American Indian Policy Review Commission (AIPRC) in its deliberations and in its report to the question of jurisdiction and governmental authority in a broad number of areas. The report also noted that there are significant tensions between States and tribes, at least some of which arise from these jurisdictional issues.

There are presently some 287 Federally recognized Indian tribes in the lower 48 States, plus numerous organized villages and tribes in the State of Alaska. There are vast differences in physical, economic, and human resources among these various governments, both State and tribal, and the concerns of each of these governmental units vary accordingly. It was the base line recommendation of the AIPRC that States and tribes enter into a dialogue with each other. These discussions might lead to agreements at the local level regarding some of these jurisdictional questions.

The discussion process between States and tribes which was advocated by the AIPRC should be implemented. The issues which cause tensions at the local level should be resolved at the local level wherever possible. Two events have occurred in the past several years that indicate a need for general "authorizing" legislation. Participants attending meetings of state and county organizations have expressed interest in discussing jurisdictional issues with the tribes, but have questioned their legal authority to enter into agreements. Also, recent court decisions have confirmed that there are legal questions relating to the authority of State, county, and other units of local government to enter into agreements relating to jurisdictional issues.

The heart of the problem lies in two legal tests that are employed to determine whether State action in Indian country can be sustained. The first test, formulated in *Williams* v. *Lee*, 358 U.S. 217 (1959), was whether the action of the State "infringed" on the power of the Indian people to be self-governing. In 1971, the Supreme Court, elaborating on Williams, said the true test was "Federal preemption." *Kennerly* v. *District Court*, 400 U.S. 423 (1971). Thus, in the absence of compliance by both the tribe and the State with some Federal enabling statute, the jurisdiction of the State over an Indian person in Indian country could not be sustained. In Kennerly it was held that a State could not exercise civil jurisdiction over a purchase and sale transaction between an Indian and a non-Indian on the Flathead Reservation, even though a tribal ordinance authorized State jurisdiction over civil matters within the reservation. In *Blackwolf* v. *District Court*, 158 Mont. 523 (1972), it was held that the State could not exercise jurisdiction over an Indian juvenile for conduct within a reservation, even though the child had been adjudicated delinquent in tribal court and remanded to State authorities for further proceedings in accordance with a tribal ordinance that provided for such a procedure. And, on September 12, 1977, the U.S. District Court for the district of South Dakota ruled that the State could not exercise jurisdiction over a mentally ill Indian who resided within a reservation, even though the tribal court had adjudicated her to be mentally ill and ordered her placed in the custody of her Indian health service psychiatric social worker for commitment to the State Human Resources Center. (*White* v. *Califano*, 437 F.Supp. 543 (1977)).

From these cases, it is clear that though State action does not infringe on the government of the tribe, and in fact may even be taken at the request of the tribe, that action will not be sustained unless both the State and the tribe have complied with some applicable Federal statute authorizing such action.

The only statute which currently allows States and tribes to enter into agreements respecting jurisdiction is Public Law 83-280 as amended by title IV of the 1968 Indian Civil Rights Act (25 U.S.C. 1321-26). There are substantial legal questions under this act, such as the right of a tribe to rescind a jurisdictional grant to a State and reassume authority itself; whether the jurisdiction granted to a State must necessarily be exclusive, thus precluding possible concurrent tribal-State jurisdiction; whether the statute permits piecemeal subject matter or geographic jurisdiction or whether such State assumption must be all inclusive; and, whether a State can assume any jurisdiction over an Indian in Indian country without first amending the State constitution.

There are other questions not addressed by Public Law 83-280. For example, can a State enter into an agreement with a tribe to enforce tribal laws relating to fish and game regulations, sale of alcoholic beverages within an Indian reservation, speed limits, and so forth.

Aside from these legal questions, the other impediment to agreements between States and tribes on jurisdictional issues is monetary support for the costs involved in necessary governmental operations. It was this problem which caused the State of South Dakota to retrocede jurisdiction to the Federal Government in 1964 that it had originally assumed under Public Law 83–280. It was partially this monetary burden which caused the State of Wisconsin to support restoration of the Menominee Tribe to federally recognized status in 1973. And it was this monetary burden which caused the State of South Dakota to resist jurisdiction over the mentally ill person in White against Califano, supra.

Presently, there are serious questions with respect to the authority of a tribe and a State to enter into an agreement which in any way involves a question of jurisdiction. There are also questions as to whether tribes can become members of a whole range of interstate agreements which have recently been developed: Uniform agreements on hot pursuit; child support; child placement; and so forth. Solutions to these "nonjurisdictional" agreements may involve full faith and credit, as well as Federal authorization.

As a result of these legal developments and the expressions received from State organizations, general Federal legislation authorizing tribes to enter into agreements with States, counties or municipalities needs to be developed. The Tribal-State Compact Act of 1979 will help to reduce the existing barriers between tribes and local governmental units thereby creating an atmosphere for cooperation between the various parties.

Mr. President, I ask unanimous consent that the bill and a summary of the bill's major provisions be printed in the Record.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 1181

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tribal-State Compact Act of 1979".

DECLARATION OF POLICY

Sec. 2. The Congress hereby declares that it is the policy of this Nation to continue to preserve and protect the tribes of the American Indian people. The policy of this Nation is premised on the status of tribal governments as a continuing part of the American political fabric. Accordingly, the United States has a responsibility to establish a legal framework which will enable the tribes and the States to achieve maximum harmony and facilitate their cooperative efforts in the orderly administration of their governments. Federal enabling authority for the establishment of viable intergovernmental agreements between the tribes and the States based on mutual consent must be established.

DEFINITIONS

Sec. 3. For purposes of this Act:

(a) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community exercising powers of self-government which is recognized as eligible for services provided by the United States to Indians because of their status as Indians, including any Alaska Native villages included in the Alaska Native Claims Settlement Act (85 Stat. 688, 697).

(b) "State" means any of the States of the United States, including cities, counties, municipalities, or other political subdivisons thereof.

(c) "Secretary" means the Secretary of the Department of the Interior unless otherwise designated in this Act.

(d) "Indian country" shall be defined in accordance with the provisions in section 1151 of title 18, United States Code.

TITLE I—AUTHORIZATION OF COMPACTS AND AGREEMENTS

Sec. 101. (a) Notwithstanding the Act of August 15, 1953 (67 Stat. 588), as amended, or any other Act transferring civil or criminal jurisdiction over Indians within Indian country from the United States to the various States, or establishing a procedure for such transfers, and notwithstanding the provisions of any enabling Act for the admission of a State into the Union, the consent of the United States is hereby given the States and the Indian tribes and the same are hereby authorized to enter into compacts and agreements between and among themselves on matters relating to (1) the enforcement or application of civil, criminal, and regulatory laws of each within their respective jurisdiction, and (2) allocation or determination of governmental responsibility of States and tribes over specified subject matters or specified geographical areas, or both, including agreements or compacts which provide for concurrent jurisdiction between the States and the tribes, and (3) agreements or compacts which provide for transfer of jurisdiction of individual cases from tribal courts to State courts or State courts to tribal courts in accordance with procedures established by the laws of the tribes and States.

(b) Such agreements and compacts shall be subject to revocation by either party upon six months written notice to the other unless a different period of time is agreed upon. No agreement may provide for a period for revocation in excess of five years unless first approved by a majority of the adult enrolled Indians within the affected area voting at a special election as prescribed in title IV, section 406 of the Act of April 11, 1968 (82 Stat. 80; 25 U.S.C. 1326), but such approval shall not curtail the right of the parties to revoke the agreement by mutual consent within a shorter period of time.

(c) Agreements or compacts entered into under the provision of this section must be filed with the Secretary within thirty days of consummation. In the event an agreement is not so filed, it shall be subject to immediate revocation by either party. The Secretary shall cause the jurisdictional provisions of any such agreement, compact, or revocation to be published in the Federal Register unless requested otherwise by all parties to the agreement or compact.

(d) Such agreements, compacts, or revocation thereof shall not affect any action or proceeding over which a court has already assumed jurisdiction and no such action or proceeding shall abate by reason of such agreement, compact, or revocation unless specifically agreed upon by all parties to any such action or proceedings and by the parties to the agreement or compact.

(e) Nothing in this Act shall be construed to: (1) enlarge or diminish the jurisdiction over civil or criminal matters which may be exercised by either State or tribal governments except as expressly provided in this Act; (2) authorize or empower State or tribal governments, either separately or pursuant to agreement or compact, to expand or diminish the jurisdiction presently exercised by the Government of the United States to make criminal laws for or enforce criminal laws in the Indian country; (3) authorize or empower the government of a State or any of its political subdivisions or the government of an Indian tribe from entering into agreements or exercising jurisdiction except as authorized by their own organizational documents or enabling laws; (4) authorize agreements or compacts which provide for the alienation, financial encumbrance, or taxation of any real or personal property, including water rights, belonging to any Indian or any Indian tribe, band, or community that is held in trust by the United States or is subject to a restriction against alienation imposed by the United States; or (5) to enter into agreements or compacts for the transfer of unlimited, unspecified, or general civil and criminal jurisdiction of an Indian tribe, except as provided under title IV, section 406 of the Act of April 11, 1968 (82 Stat. 80; 25 U.S.C. 1326).

FUNDING AND IMPLEMENTATION—FEDERAL ASSISTANCE

Sec. 102. (a) In any agreement or compact between an Indian tribe and a State authorized under this Act, the United States, upon agreement of the parties and the Secretary, may provide financial assistance to such party for costs of personnel or administrative expenses in an amount up to 100 per centum of costs actually incurred as a consequence of such agreement or compact, including indirect costs of administration which are clearly attributable to the services performed under the agreement or compact. In determining the amount of Federal assistance, if any, to be provided the Secretary may consider among other things:

(1) Whether or not the party assuming an obligation under the agreement or compact is already obligated or entitled to perform the function which is the subject of the compact.

(2) Whether or not the Federal assistance will cause or enable the contracting party to perform the function at a standard above that which it is already obligated to perform.

(3) The financial capacity of the contracting parties to underwrite the expenses without Federal assistance.

(4) The extent to which the success or failure of the compact may depend upon Federal assistance.

(5) The extent to which the proposed compact or agreement will contribute to fostering of community relations between Indian and non-Indian communities.

(6) The extent to which the proposed compact or agreement will enhance protection of resources of both Indian and non-Indian communities.

(7) The comparative costs if the function which is the subject of the compact or agreement were to be performed by the United States.

(8) The extent to which Federal funding is already supplied through revenue sharing, grants in aid, or other Federal program moneys.

(b) Whenever a party to such agreement or compact seeks financial assistance from the United States, to offset their costs, such party shall prepare a detailed statement of the projected costs; copy of such statement shall be supplied to the other party; and the original of such statement shall be supplied to the Secretary at the time said agreement or compact is tendered to him for his approval.

(c) In any agreement or compact in which one of the parties qualifies for Federal assistance, the other party shall be supplied with copies of all vouchers for payment at the time they are submitted and shall be fully informed of all payments made by the United States to the recipient party. In the event disputes arise between the parties, either party may request an audit. The books and records of the party receiving Federal assistance which are relevant to the agreement or compact shall be open to inspection by authorized representatives of the United States.

(d) In the funding of governmental operations authorized under this Act, the Secretary may enter into agreements or other cooperative arrangements with any and all other Federal departments, agencies, bureaus, or other executive branches for transfers of funds or contributions of funds appropriated for programs within the category of the functions to be performed by the parties under such agreements or compacts, and such departments, agencies, or bureaus are hereby authorized to use such funds in the implementation of this Act.

(e) All Federal departments, agencies, and other executive branches are authorized to provide technical assistance and material support and assign personnel to aid tribal and State authorities in the implementation of the agreements or compacts they may enter into under the terms of this Act.

(f) The Secretary is hereby authorized to promulgate such rules and regulations as may be necessary to carry out the purposes of this Act.

(g) There are authorized to be appropriated such sums as may be necessary during fiscal year 1981 not to exceed $10,000,000 and each subsequent fiscal year in order to carry out the agreements or compacts entered into pursuant to this title. Such funds shall be expended by the Secretary only after determination that there are no funds available from alternative sources as provided in subsection (d) of this section. The Secretary shall provide for such records as may be necessary for the accounting and justification of the funds expended under this authorization.

TITLE II—PLANNING AND MONITORING BOARDS

SEC. 201. (a) The Secretary is hereby authorized and directed to encourage the tribes and the States to establish councils, committees, boards, or task forces comprised of representatives of the States and individual tribes, or on a statewide or regional basis, to discuss and confer upon jurisdictional questions which exist between the parties, and to provide Federal representatives from his Department as may be used at such conferences.

(b) In furtherance of this objective, the Secretary is authorized and directed to provide adequate representation of tribal members at such conferences, and such further conferences among the tribes as may be necessary for their separate deliberations, and to participate in the payments of expenses in employment of reporters, transcription of statements, and preparation of reports as in his judgment may be appropriate.

(c) There are authorized to be appropriated not to exceed $1,000,000 during fiscal year 1981; and such sums thereafter as may be necessary during each subsequent fiscal year in order to carry out the purposes of this title.

TITLE III—JUDICIAL ENFORCEMENT

SEC. 301. The United States district courts shall have original jurisdiction of any civil action brought by any party to an agreement or compact entered into in accordance with this Act to secure equitable relief, including injunctive and declaratory relief, for the enforcement of any such agreement or compact, but no action to recover damages arising out of or in connection with such agreement or compact shall lie except as specifically provided for in such agreement or compact.

SUMMARY OF MAJOR PROVISIONS

Title I of this bill provides that notwithstanding Public Law 83-280 or any other jurisdictional act either transferring or retaining Federal jurisdiction over Indian affairs, the governing bodies of Indian tribes and the governments of States and their political subdivisions are authorized to enter into compacts or agreements between themselves on matters relating to the enforcement or application of the civil, criminal, and regulatory laws of each other, including transfers of jurisdiction over specific subject matters or geographic areas. Compacts providing for the orderly transfer of cases from the courts of one entity to the courts of another are also authorized.

A most important part of this title is that agreements entered into under the terms of this legislation will be revocable by either party and thus will be premised on the continuing consent of both. From the standpoint of an Indian tribe, if an agreement provides a period of time greater than 5 years in which to withdraw, then the agreement must be approved by a referendum as provided under existing law. (Act of April 11, 1978, title IV, sec. 406, 82 Stat. 80.) There is no requirement for approval of such agreements by the Secretary of the Interior unless Federal funds are sought to underwrite the costs of administration.

Title I also provides that the United States may, in the discretion of the Secretary of the Interior, pay up to 100 percent of any personnel or administrative costs assumed by a contracting party under the terms of a compact. Such costs must be agreed upon by the parties and by the Secretary of the Interior. Criteria is established for evaluation of providing Federal support funds.

A sum of up to $10 million is authorized to be appropriated to fund this program in its first year of operation. This fund is to be utilized as a secondary funding source, such funds to be utilized only after the Secretary has determined that no funds are available from alternative Federal sources. In addition, none of these funds are to be utilized for Federal administration purposes. The Secretary is directed to maintain separate records of the allocation of funds appropriated under this authority in order to assure congressional or executive monitoring capacity.

Title II of the bill authorizes appropriation of funds not to exceed $1 million in the first year of operation to pay expenses of Indian representatives at meetings with State and tribal planners, costs of transcripts, reports, etc. Title II contemplates the establishment of State or regional planning boards having full Indian representation and participation.

Finally, title III of the bill provides for enforcement of such compacts or agreements in the courts of the United States.●

By Mr. DECONCINI:

S. 1182. A bill to amend the Federal Employees' Compensation Acts, title 5, United States Code, by adding a new section providing for work injury coverage of Federal petit and grand jurors in the performance of their duties; to the Committee on Labor and Human Resources.

● Mr. DECONCINI. Mr. President, today I am introducing legislation which would provide Federal Employees' Compensation Act coverage under chapter 81 of title 5, United States Code, to all persons serving as jurors in the U.S. district courts. Such coverage would thus become applicable not only to Federal employees serving as Federal jurors, as at present, but as well for all other persons performing jury duty in Federal courts in fulfillment of a basic obligation of citizenship.

Although coverage for Federal employees who are serving as Federal jurors was provided in the act of September 7, 1974, Public Law No. 93-416, 88 Stat. 1143, adding 5 U.S.C. section 8101 (1) (F), the extension of such benefits to private citizens who are injured while serving as Federal jurors was not provided in that legislation. Nevertheless, the legislative history of this law in Senate Report No. 93-1081, 93d Congress, 2d sess., evidenced agreement at that time with a similar resolution of the Judicial Conference adopted in March, 1974 (see 1974 U.S. Code Cong. and Admin. News 5341, 5347).

Serious problems can arise when Federal jurors who do not happen to be employed by the U.S. Government are injured or disabled while in the performance of jury service. On several occasions prior to and since the enactment of Public Law 93-416, the U.S. Department of Labor has rejected Federal jurors' claims for injury compensation on the basis that jurors were not defined as "employees" of the Federal Government within the meaning of 5 U.S.C. section 8101(1). Since the enactment of Pubic Law No. 93-416, nothing has happened to indicate any change in this administrative interpretation relating to persons, not federally employed, who are serving as jurors in Federal courts. The purpose of this bill is to provide remedial legislation to specify that compensation benefits shall apply to all persons injured while serving as Federal jurors.

Strong policy reasons exist for bringing all Federal jurors within the coverage of the Federal Employees' Compensation Act. Jurors provide a valuable service to the Government. While in actual service as a petit or grand juror, the citizen-juror should rationally be accorded the benefit of protection in case of a "job-related" mishap. What begins as the fulfillment of a high duty of citizenship through public service to the Government could be turned into an economic catastrophe for the juror in the event of an accident or injury while serving.

Presently a person injured while serving as a juror cannot recover compensation unless he can bring his case under the Federal Tort Claims Act by proving negligence on the part of the Government or its agent, a difficult burden. Moreover, this inequity is compounded by the fact that a Federal employee in the same circumstances would now be covered by these compensation acts. It would also contribute to the juror's peace of mind, especially in a protracted case or in a situation where he must be transported to make a site inspection, to know that this benefit is available.

This aspect of the proposal might be especially reassuring to the head of a family or to the timorous juror sitting in a sensational criminal trial. While jurors are not frequently injured, we do have a number of such instances on record.

The bill would add a new section, section 8142a, to chapter 81 of title 5. Proposed section 8142a (a) and (b) define the protected juror to be one who is in actual attendance at court and specify when payments can commence. Proposed section 8142a(c) (1) defines the rate of pay that a Federal juror is deemed to be receiving for purposes of the compensation scheme provided in chapter 81.

This subsection also takes into account the situation of the Federal employee-juror and defines his compensation to be his normal, actual rate of pay while on court leave pursuant to 5 U.S.C. sections 5537 and 6322. Section 8142a(c)(2) limits and defines when the juror is deemed to be in the performance of duty, insuring that claims for compensation shall not be granted except for strictly duty-related mishaps.

Federal jurors would not by virtue of this legislation become actual employees of the Federal Government. This amendment is not to be construed to characterize jurors as employees for any other purpose than their compensation for injuries resulting from jury service. Existing section 8116(c) of title 5 would make recovery under the Federal Employees' Compensation Act the exclusive remedy of the juror against the United States for such injuries.

In view of the fact that the provisions of the Federal Employees' Compensation Act presently extend via 5 U.S.C. section 8101(1)(B) to "an individual rendering personal service to the United States similar to the service of a civil officer or employee of the United States, without pay or for nominal pay," it appears appropriate as a matter of fairness to offer this same financial protection to persons summoned by the U.S. district courts and required to perform jury service as an obligation imposed upon them by the Jury Selection and Service Act of 1968, 28 U.S.C. section 1861. Such a provision was passed by the U.S. Senate in the 95th Congress on April 27, 1978, as title III of S. 2074, but this portion of the bill was not acted upon by the House of Representatives.

It is my view and the view of the Judicial Conference of the United States that this bill would be an important and needed step toward improving the conditions of service imposed upon Federal jurors.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1182

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 81 of title 5, United States Code, is amended by inserting immediately after section 8142 thereof the following new section:

"8142a. Federal Petit and Grand Jurors

"(a) For the purpose of this section, 'federal petit or grand juror' means a person selected pursuant to chapter 121 of title 28 and summoned to serve as a petit or grand juror, who is in actual attendance in court such that he would be entitled to the fees provided for his attendance by section 1871 of title 28.

"(b) Subject to the provisions of this section, this subchapter applies to a federal grand or petit juror, except that entitlement to disability compensation payments does not commence until the day after the date of termination of his service as a juror.

"(c) In administering this subchapter with respect to a juror covered by this subsection—

(1) a juror is deemed to receive monthly pay at the minimum rate for GS–2 unless his actual pay as a government employee while serving on court leave is higher, in which case his monthly pay is determined in accordance with section 8114 of this chapter, and

(2) performance of duty includes an act of a juror while he is in attendance at court, pursuant to a summons, in deliberation or when sequestered by order of a judge, except that performance of duty shall not include his travel to and from the courthouse except under sequestration order or as necessitated by order of court, such as for the taking of a view."

Section 2. The chapter analysis of chapter 81 of title 5, United States Code, is amended by inserting immediately after the item referring to section 8142 the following new item:

"8142a. Federal Petit and Grand Jurors."●

By Mr. BURDICK (for himself and Mr. YOUNG):

S. 1183. A bill to modify the authorization for the Burlington Dam, Souris River, North Dakota contained in the Flood Control Act of 1970, and for other purposes; to the Committee on Environment and Public Works.

● Mr. BURDICK. Mr. President, today I am introducing legislation that will allow work to proceed on a vital flood control project in the State of North Dakota. The Burlington Dam on the Souris River has already been authorized. Planning is near completion and hopefully construction may soon begin. First, however, certain adjustments must be made in the original authorization that will enhance the project as originally specified to include further mitigation measures. The floods that afflicted North Dakota this spring can leave no doubt as to the great need for this project. Mr. President, we must act now to insure that all necessary modifications to the original authorization are finalized and in place so that work may commence as soon as possible to provide protection against further disaster in the future.●

By Mr. MOYNIHAN:

S. 1184. A bill to amend title XX of the Social Security Act to increase the entitlement ceiling, and for other purposes; to the Committee on Finance.

SOCIAL SERVICES AMENDMENTS OF 1979

● Mr. MOYNIHAN. Mr. President, I am today introducing a bill to increase the funds available to States under title XX of the Social Security Act, and to make certain necessary changes in that program.

As is well known, the permanent ceiling for title XX is $2.5 billion, divided among the several States on the basis of their populations. For several years, an additional $200 milion has been available for day care. In fiscal 1979, under provisions agreed to in last year's tax bill, the total national ceiling is raised to $2.9 billion, but it will revert to $2.5 billion in fiscal 1980 unless additional legislation is passed.

I have repeatedly expressed my discontent with the present title XX distribution formula which, though simple, is so inequitable with respect to the purposes of the program that I have been reluctant to make substantial additional sums available so long as that formula goes unchanged. The essential point is that title XX is intended to provide funds for social services to the poor, the needy and the dependent. The formula by which such funds are distributed should therefore reflect the presence of these categories of persons within a State's population, not the population as a whole.

I propose to raise the title XX ceiling in steps to $3.5 billion, beginning with the $400 million in fiscal 1980 that is required to avoid an actual reduction, and adding $100 million in each of the next 6 years. I further propose that these additional funds (although not the basic $2.5 billion) be distributed among the States according to a new formula that would assign equal weight to three factors: The population of young (under 5) and old (over 65) persons in a State; the welfare caseload (under the program of Aid to Families with Dependent Children) in a State; and the number of persons in a State whose incomes place them below the Federal "poverty line."

With respect to the third of these factors—the "poverty population" of a State—I propose an important change in our approach to this measurement, albeit one that cannot take effect for several years. The Commerce Department income data that are ordinarily used for determining the number of persons in poverty include welfare and other publicly funded income transfer payments as well as earned income.

Because it is within the power of a State to set high or low benefit levels for the major welfare programs—notably Aid to Families with Dependent Children and State supplements of SSI payments—a State which is relatively generous in this regard will naturally reduce its incidence of poverty and thus reduce its allotment of funds under other Federal programs keyed to the size of the poverty population. Similarly, a State that keeps benefits low and thereby keeps its poverty population large is, in effect, rewarded.

Fortunately, the 1980 census will include sufficient detail about individual and family incomes that it will be possible to end this inequity by excluding from income those cash transfer payments which are based on need and made from public funds. The resulting measure of the incidence of poverty in a State is far better suited to a determination of who is apt to be receiving social services in that State, and the Secretary of HEW is therefore instructed to make this adjustment as soon as possible.

This means he will disregard income from such programs as AFDC and SSI, although not in-kind income (such as food stamps) or transfer payments unrelated to need, such as social security.

This bill also makes three important changes in the provisions of title XX under which States receive Federal matching funds for social service training programs. It would, as the administration has proposed, place a "cap" on that program, which is currently open-ended, but unlike the administration's bill and the bill recently passed by the House Ways and Means Committee it would not arbitrarily cut back the funds to States that have developed solid programs in this area. It would require each State to develop a comprehensive plan for social services training, and would permit the acceptance by the State of restricted private matching funds for training purposes so long as the restrictions on the gift are consistent with the provisions of the State plan.

The bill would also establish an entitlement program for Puerto Rico, Guam, the Virgin Islands and the Northern Marianas at the levels proposed by the administration.

Finally, the bill makes several additional changes that have been proposed by the administration and others, such as permitting States to develop multiyear plans for title XX, and providing that title XX funds may be used to provide emergency shelter for adults.

These are all timely and needed provisions. I look forward to holding hearings on them, and related proposals in the Subcommittee on Public Assistance, and I would welcome the support of my colleagues. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

Section 1. This Act may be cited as the "Social Services Amendments of 1979".

ENTITLEMENT CEILING

SEC. 2. (a) Section 2002(a)(2) of the Social Security Act is amended to read as follows:

"(2) (A) No payment with respect to any expenditures other than expenditures for personnel training or retraining directly related to the provision of services may be made under this section to any State for any fiscal year in excess of the sum of the following amounts:

"(i) an amount which bears the same ratio to $2,500,000,000 as the population of that State bears to the total population of all the States;

"(ii) an amount which bears the same ratio to 33⅓ percent of the amount specified in subparagraph (B) as the number of individuals in such State receiving aid to families with dependent children under a State plan approved under part A of title IV of this Act bears to the total number of individuals receiving such aid in all the States;

"(iii) an amount which bears the same ratio to 33⅓ percent of the amount specified in subparagraph (B) as the total number of individuals in such State who are either under five years of age or over 65 years of age bears to the total number of such individuals in all the States; and

"(iv) an amount which bears the same ratio to 33⅓ percent of the amount specified in subparagraph (B) as the number of individuals in such State who are members of families with incomes below the national non-farm poverty line bears to the total number of such individuals in all the States.

"(B) The amount specified for purposes of subparagraph (A) is—

"(i) $400,000,000 for fiscal year 1980;

"(ii) $500,000,000 for fiscal year 1981;

"(iii) $600,000,000 for fiscal year 1982;

"(iv) $700,000,000 for fiscal year 1983;

"(v) $800,000,000 for fiscal year 1984;

"(vi) $900,000,000 for fiscal year 1985; and

"(vii) $1,000,000,000 for fiscal year 1986 and each fiscal year thereafter.

"(C) (i) The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this section prior to the first day of the third month of the preceding first year, on the basis of the most recent satisfactory data available from the Department of Commerce and the most recent satisfactory AFDC data available from the States.

"(ii) For purposes of making determinations under subparagraph (A)(iv) with respect to the number of individuals having incomes below the national poverty line, the Secretary shall exclude from income, to the extent feasible, all cash transfer payments which are based on need and made from public funds.

"(D) No payment with respect to expenditures for personnel training, or retraining directly related to the provision of services may be made under this section to any State for any fiscal year in excess of an amount equal to the greatest of—

"(i) 3 percent of the limitation applicable to such State under subparagraph (A);

"(ii) the amount paid under this section to such State for expenditures for such training in fiscal year 1978; or

"(iii) a percent of the limitation applicable to such State under subparagraph (A), which percent is equal to the amount that such State expended for such training in fiscal year 1978 as a percentage of such State's limitation under subparagraph (A) for fiscal year 1978, but only to the extent that such fiscal year 1978 training expenditures are verified by the Secretary through an audit.".

(b) Section 2003(b) of such Act is amended by striking out "2002(a)(2)" and inserting in lieu thereof "2002(a)(2)(A)".

(c) (1) The Secretary of Health, Education, and Welfare shall report to the Congress with respect to the adequacy of the income data available from the 1980 census for purposes of making determinations with respect to the number of individuals having incomes below the national poverty line on the basis of income determinations that exclude cash transfer payments which are based on need and made from public funds. Such report shall include an analysis of any problems encountered in making such determinations as required under section 2002(a)(2)(C)(ii) of the Social Security Act. The report shall be made not later than July 1, 1982.

(2) The requirements of section 2002(a)(2)(C)(ii) of such Act shall not be effective until such time as the Secretary, in consultation with the Secretary of Commerce, is able to make the required determinations based on available data.

STATE PLAN REQUIREMENT FOR TRAINING EXPENDITURES

SEC. 3. Section 2003(d)(1) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (I);

(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof "; and"; and

(3) by adding after subparagraph (J) the following new subparagraph:

"(K) in the case of a State that seeks payment under section 2002 for any expenditures for training or retraining, provides a comprehensive training plan which includes a description of such training and retraining and the relationship of the training and retraining to the provision of the services described in section 2002(a)(1).".

USE OF RESTRICTED PRIVATE FUNDS FOR TRAINING PROGRAMS

SEC. 4. Section 2002(a)(7)(D)(ii) of the Social Security Act is amended by striking out "and" at the end thereof and inserting in lieu thereof the following: "except that such funds may be donated with such restrictions as to use or geographical area if such funds are for the purpose of training or retraining as provided in subsection (a)(1), and such restrictions are consistent with the State's intended use of such funds as provided in the State's comprehensive training plan required under section 2003(d)(1)(K), and".

SOCIAL SERVICES FUNDING FOR TERRITORIES

SEC. 5. (a) Section 2002(a)(2) of the Social Security Act (as amended by section 2 of this Act) is further amended by adding at the end thereof the following new subparagraph:

"(E) (i) The Secretary shall pay to the jurisdictions of Puerto Rico, Guam, the Virgin Islands, and the Northern Mariana Islands such sums as may be necessary (not to exceed the limits specified in clause (ii) for purposes of matching the expenditures of such jurisdictions for services pursuant to sections 3(a) (4) and (5), 403(a)(3), 1003(a)(3) and (4), 1403(a) (3) and (4), and 1603(a)(4) and (5) of this Act. Such payments shall be in addition to the amounts available to such jurisdictions under section 1108 of this Act.

"(ii) Payments for any fiscal year under this subparagraph shall not exceed $15,000,000 to Puerto Rico, $500,000 to Guam, $500,000 to the Virgin Islands, and $100,000 to the Northern Mariana Islands.".

(b) Section 1108(a) of such Act is amended by striking out "2002(a)(2)(D)" and inserting in lieu thereof "2002(a)(2)(E)".

MULTIYEAR PLAN

SEC. 6. (a) Section 2004(1) of the Social Security Act is amended to read as follows:

"(1) for each services program period, the beginning of the fiscal year of either the Federal Government or the State government is established as the beginning of the State's services program period, and the end of such fiscal year, the succeeding fiscal year, or the second succeeding fiscal year is established as the end of the State's services program period; and".

(b) Section 2004 of such Act is further amended—

(1) by striking out "services program year" each place it appears and inserting in lieu thereof in each instance "services program period";

(2) by striking out "annual" in paragraph (2) (in the matter preceding subparagraph (A)) and in paragraph (4);

(3) by striking out "during that year" in paragraph (2) (in the matter preceding subparagraph (A)) and inserting in lieu thereof "during that period";

(4) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(5) by adding at the end thereof the following new paragraph:

"(6) in the case of a State that adopts a services program planning period of longer than one year, the State agency publishes and makes generally available such information concerning the comprehensive services program at such times as the Secretary may by regulation require.".

(c) Section 2003(b) of such Act is amended—

(1) by striking out "each services program year" and inserting in lieu thereof "each fiscal year (as selected by the State under section 2004 (1)) within each services program period"; and

(2) by striking out "any services program year" and inserting in lieu thereof "any services program period".

(d) Sections 2003(d)(1) and 2005 of such Act are each amended by striking out "services program year" and inserting in lieu thereof in each instance "services program period".

EMERGENCY SHELTER

SEC. 7.—Section 2002 (a) (11) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(E) any expenditure for the provision of emergency shelter, for not in excess of thirty days in any six-month period, provided as a protective service to an adult in danger of physical or mental injury, neglect, maltreatment, or exploitation.".

EFFECTIVE DATE

SEC. 8. Except as otherwise explicitly provided, the amendments made by this Act shall become effective on October 1, 1979.●

By Mr. RIBICOFF (for himself, Mr. DOLE, Mr. BENTSEN, and Mr. RANDOLPH):

S. 1185. A bill to amend title XVIII of the Social Security Act for the purpose of including comprehensive outpatient rehabilitation services among the benefits of the medicare program; to the Committee on Finance.

REHABILITATION SERVICES

● Mr. RIBICOFF. Mr. President, today I am introducing legislation to remedy an inequity and an inconsistency in the Medicare Act as it applies to rehabilitation services. I am joined in the sponsorship of this bill by Senators DOLE, BENTSEN, and RANDOLPH. It is a pleasure to work on this legislation with my colleagues on the Senate Finance Committee—Senator BOB DOLE, who is the ranking minority member of the committee, and Senator LLOYD BENTSEN. I am also honored that Senator JENNINGS RANDOLPH, chairman of the Subcommittee on the Handicapped and an expert in the field of rehabilitation is joining me in sponsoring this legislation.

This bill would amend title XVIII of the Social Security Act to establish comprehensive outpatient rehabilitation facilities as providers and would make comprehensive services covered under part B of medicare. The bill defines both the services to be covered and the basis for qualification of facilities.

I sponsored similar legislation in the last session of the Congress. The bill I am introducing today has been modified to be identical with a similar provision passed by the House of Representatives as section 8 of H.R. 13097 last fall. The Senate previously acted on this provision in a slightly different form by its inclusion in the Social Security Amendments of 1972. At that time this item was dropped in conference. Thus, both houses of the Congress have at different times recognized the need for amendment of the medicare program to provide coverage of comprehensive rehabilitation services rendered by outpatient facilities. I am hopeful that in this Congress both Houses will act together and we can write these provisions into law.

Today, medicare treats rehabilitation services differently according to where they are provided and by whom. Inpatient rehabilitation services are covered along with all other impatient services. Outpatient rehabilitation services provided by a center connected with a hospital are covered. But if a patient goes to a freestanding rehabilitation center, medicare covers only speech and physical therapy.

Today we force medicare beneficiaries who need long periods of comprehensive rehabilitation treatment to choose between going to a hospital or paying out of their own pocket. At a time of rising health care costs it makes no sense to disallow medicare coverage in facilities which can provide high quality care at a relatively low cost.

In Connecticut, we are most fortunate to have a strong network of outpatient facilities. In fact, a large portion of the capacity to provide high quality outpatient rehabilitation services rests with rehabilitation centers which are independent of hospitals. Through the seven comprehensive medical rehabilitation centers sponsored by the National Easter Seal Society, high quality care is provided not only in the centers but in the home and nursing homes as part of the Easter Seal outreach program.

In Connecticut, these centers are an integral part of our health care system and they have proved their effectiveness. They have enabled and assisted individuals in returning to their homes and gainful lives instead of being confined to nursing homes or hospitals. We recognize in our State that the traditional settings for medical care; for example, private doctors offices, hospitals, and nursing homes must be updated to include new modes of care.

Outpatient rehabilitation facilities are typically community based, nonprofit organizations similar in organization and governance to hospitals, but providing services on an outpatient basis. A number are affiliated with national organizations identified with physical restoration, such as the Easter Seal Society. Outpatient rehabilitation facilities are generally subject to State licensing and may be accredited by the Commission on the Accreditation of Rehabilitation Facilities.

To assure adequate standards of care, such a facility is defined by the bill as a public or private institution which is primarily engaged in providing a program of diagnostic, therapeutic, and restorative services under the direction of physicians to outpatients addressed to the rehabilitation of injured, disabled, or sick persons; provides at least physician services, physical therapy and social and psychological services; maintains adequate clinical records on all patients; has bylaws in effect with respect to its staff or physicians; has a requirement that every patient must be under the care of a physician; provides nursing services rendered or supervised by a registered professional nurse consistent with the needs of its patients; is licensed pursuant to such law, or is approved by the agency meeting the standard established for such licensing; meets such other requirements as the Secretary finds necessary in the interest of the health and safety of patients served by the institution.

By treating the rehabilitation center as an equal partner in the health care system, my bill will serve to stimulate additional alternatives for those needing long-term care. It will foster the provision of rehabilitation care by these community-based centers for those who need not be institutionalized but do need rehabilitation health care and need it to the degree that home health care is not appropriate or efficient. In the comprehensive center, a chronically ill or disabled medicare beneficiary may receive a physician's services, nursing services, physical therapy, speech therapy, occupational therapy, or medical social services.

In other centers, only a single service may be offered such as speech therapy, but the nature of the services and equipment may necessitate a visit to a center, rather than a home visit. By expanding such community based care, my bill will assist in developing the resources necessary to enable our elderly and disabled to remain in their homes with their families and in a setting they know rather than in institutional settings which are foreign to them, costly and encourage their dependency.

The cost of this legislation is reasonable. The Health Care Financing Administration's Office of Financial and Actuarial Analysis projects an initial annual cost to the social security system of only $4 million and $10 million upon full implementation. Even these figures may be high since the effect of this bill would be to shift services from more expensive settings.

Mr. President, this bill has been developed and is supported by a number of national organizations concerned with rehabilitation including the Association of Rehabilitation Facilities (ARF), the National Easter Seal Society for Crippled Children and Adults, the Connecticut Easter Seal Society and personnel from the Easter Seal Centers in Connecticut, the American Congress of Rehabilitation Medicine, and the Academy of Physical Medicine and Rehabilitation. These organizations and others in the field of rehabilitation care support this bill. Dr. Howard Rusk, the eminent leader in the field of rehabilitation, supports this bill, as do many other leaders in the field of rehabilitation such as Edmund McLaughlin, director of the Bridgeport, Conn., Easter Seal Rehabilitation Center, and former president of the Easter Seal Executive Association.

Mr. President, I ask unanimous consent that the text of this legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1832(a)(2) of the Social Security Act is amended by striking out "and" at the end of subparagraph (C), by striking out the period at the end of subparagraph (D), and inserting in lieu thereof "; and", and by inserting the following new subparagraph after subparagraph (D):

"(E) Comprehensive outpatient rehabilitation services."

(b) Section 1833(a)(3) is amended by inserting after "1832(a)(2)(D)" the following:

"and (E)"

(c) Section 1835(a)(2) of such Act is amended by striking out "and" at the end of subparagraph (C), by striking out the period at the end of subparagraph (D), and by inserting the following new subparagraph after subparagraph (D):

"(E) in the case of comprehensive outpatient rehabilitation services, (i) such services are or were required because the individual needed skilled rehabilitation services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such servces are or were furnished while the individual is or was under the care of a physician.

(d) Section 1861(u) of such Act is amended my inserting "comprehensive outpatient rehabilitation facility," immediately after "skilled nursing facility."

(e) Section 1861(z) of such Act is amended by inserting "comprehensive outpatient rehabilitation facility," after "extended care facility."

(f) Section 1861 of such Act is amended by adding the following new subsections at the end thereof:

"COMPREHENSIVE OUTPATIENT REHABILITATION SERVICES

"(bb) (1) The term 'comprehensive outpatient rehabilitation servces' means the following items and services furnished by a physician or other qualified professional personnel (as defined in regulations by the Secretary) to individual who is an outpatient of a comprehensive outpatient rehabilitation facility under a plan (for furnishing such items and services to such individual) established and periodically reviewed by a physician—

"(A) physicians' services;

"(B) physical therapy, occupational therapy, speech pathology services, and respirator therapy;

"(C) prosthetic and orthotic devices, including testing, fitting, or training in the use of prosthetic and orthotic devices;

"(D) social and psychological services;

"(E) nursing care provided by or under the supervision of a registered professional nurse;

"(F) drugs and biologicals which cannot, as determined in accordance with regulations, be self-administered;

"(G) supplies, appliances, and equipment, including the purchase or rental of equipment; and

"(H) such other items and services as are medically necessary for the rehabilitation of the patient and are ordinarily furnished by comprehensive outpatient rehabilitation facilities, excluding, however, any item or service if it would not be included under subsection (b) if furnished to an outpatient of a hospital.

"(2) The term 'comprehensive outpatient rehabilitation facility' means a public or private institution which—

"(A) is primarily engaged in providing (by or under the supervision of physicians) diagnostic, therapeutic, and restorative services to outpatients for the rehabilitation of injured, disabled, or sick persons;

"(B) provides at least the following comprehensive outpatient rehabilitation services: (i) physicians' services(rendered by physicians, as defined in section 1861(r) (1), who are available at the facility on a full- or part-time basis); (ii) physical therapy; and (iii) social or psychological services;

"(C) maintains clinicab records on all patients;

"(D) has policies established by a group of professional personnel (associated with the facility), including one or more physicians defined in subsection (r) (1) to govern the comprehensive outpatient rehabilitation services it furnished, and provides for the carrying out of such policies by a full- or part-time physician referred to in subparagraph (B) (i);

"(E) has a requirement that every patient must be under the care of a physician;

"(F) in the case of a facility in any State in which State or applicable local law provides for the licensing of facilities of this nature (i) is licensed pursuant to such law, or (ii) is approved by the agency of such State or locality, responsible for licensing facilities of this nature, as meeting the standard establishment for such licensing;

"(G) has in effect a utilization review plan in accordance with regulations presccribed by the Secretary;

"(H) has in effect an overall plan and budget that meets the requirements of subsection (z); and

"(I) meets such other conditions of participation as the Secretary may find necessary in the interest of the health and safety of individuals who are furnished services by such facility, including conditions concerning qualifications of personnel in these facilities." ●

By Mr. DECONCINI:

S. 1187. A bill to amend title 28 of the United States Code with regard to the appointment and compensation of counsel for jurors claiming a violation by their employers of certain rights guaranteed by such title; to the Committee on the Judiciary.

● Mr. DECONCINI. Mr. President, today I am introducing legislation that would authorize the taxing of juror attorney's fees against employers where the juror is claiming a violation by his employer of rights guaranteed by 28 U.S.C. 1875 and is proceeding by appointed counsel paid from Government funds.

The bill makes a technical amendment to section 1875(d) of title 28, United States Code. Section 1875 was recently added to title 28 by the Jury System Improvements Act of 1978, section 6, Public Law No. 95-572 (92 Stat. 2456).

Section 6 of the Jury System Improvements Act of 1978, enacting 28 U.S.C. 1875, was passed by the 95th Congress after having been strongly recommended by the Judicial Conference. Its purpose was to provide statutory assurance to Federal jurors that they would not be dismissed from their employment as a result of being called for jury service and that they would be protected from harassment, intimidation, or other interference by their employers with their right to serve as jurors when called upon to do so.

It is now provided by 28 U.S.C. section 1875 that an employer who violates the basic duty imposed upon him by this section shall be subject to legal action for damages, injunctive relief, and a civil penalty. The U.S. district courts are afforded original jurisdiction over civil actions brought for this purpose. Subsection (d) of section 1875 now provides that a juror claiming a violation of this section by his employer may apply to the district court for the appointment of an attorney to represent him in the redress of such a grievance and that the court, upon finding probable merit in such claim, shall appoint counsel for this purpose. Subsection (d) (2) further provides that, where the juror has retained his own attorney to pursue legal action against an employer instead of seeking court-appointed counsel, the court may award such an employee who ultimately prevails in the action a reasonable attorney's fee as part of the costs. This subsection in its present form fails to make provision for the taxing of attorney's fees against an employer in a situation where the juror's lawyer has been appointed by the court and compensated from Government funds, as authorized by section 1875(d) to the extent provided by 18 U.S.C. section 3006A.

Recently the Judicial Conference Committee on the Operation of the Jury System had occasion to review these statutory provisions on juror employment protection in order to advise the U.S. district courts on problems likely to be encountered in their implementation. On the basis of this review, it is the position of the Judicial Conference that the courts should be authorized to tax juror attorney's fees against employers where the juror is proceeding by appointed counsel paid from Government funds, as well as where the juror has retained an attorney at his own expense. The prospect of being taxed an attorney's fee as part of the costs would be a strong deterrent against employer misconduct under this section and violation of his employees' rights. Such a sanction should logically be available whether the juror has retained his own attorney or has been granted a court-appointed counsel. Nevertheless the prevailing view has been that the courts do not have discretion to tax attorney's fees as part of an award of costs except where there has been a specific legislative authorization to do so. *Alyeska Pipeline Service Co.* v. *Wilderness Society, et al.*, 421 U.S. 240 (1975).

Where an attorney's fees are being taxed against an employer in a situation in which the attorney has been compensated from Government funds rather than being paid by the juror himself, this bill provides that such fees shall be taxed as costs payable to the court rather than to be awarded to the juror. This bill further makes a minor change in the numbering of the subsections in section 1875(d) by correctly designating the first paragraph thereof as subsection (d) (1). The number (1) was inadvertently omitted from this paragraph when the Jury System Improvements Act of 1978 was enacted.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1187

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1875(d) of title 28, United States Code, is amended—

(1) by inserting "(1)" immediately after "(d)"; and

(2) by amending paragraph (2) to read as follows:

"(2) In any action or proceeding under this section, the court may award a prevailing employee who brings such action by retained counsel a reasonable attorney's fee as part of the costs. The court may tax a defendant employer, as costs payable to the court, the attorney fees and expenses incurred on behalf of a prevailing employee, where such costs were expended by the court pursuant to paragraph (1) of this subsection. The court may award a prevailing employer a reasonable attorney's fee as part of the costs only if the court finds that the action is frivolous, vexatious, or brought in bad faith.".●

By Mr. CRANSTON (by request):

S. 1188. A bill to improve and moderize the vocational rehabilitation program provided service-disabled veterans under chapter 31 of title 38, United States Code, and for other purposes; to the Committee on Veterans' Affairs.

DISABLED VETERANS REHABILITATION ACT OF 1979

Mr. CRANSTON. Mr. President, I am introducing today, at the request of the administration, S. 1188, the proposed Disabled Veterans Rehabilitation Act of 1979. I ask unanimous consent that the letter of transmittal, the text of the bill, and the section-by-section analysis be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disabled Veterans Rehabilitation Act of 1979".

TITLE I—VOCATIONAL REHABILITATION AMENDMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended to read as follows:

"Chapter 31—VOCATIONAL REHABILITATION

"Sec.
1500. Purpose.
1501. Definitions.
1502. Basic entitlement.
1503. Scope of services.
1504. Duration of services.
1505. Subsistence allowances.
1506. Counseling.
1507. Vocational rehabilitation plan.
1508. Leaves of absence.
1509. Regulations to promote satisfactory conduct and cooperation.
1510. Revolving fund loans.
1511. Vocational rehabilitation for hospitalized persons and veterans.
1512. Training outside the United States.
1513. Unpaid training and work experience.
1514. Rehabilitation resources.
1515. Development of employment and on-job training opportunities.
1516. Employment assistance.
1517. Staff training and development.
1518. Rehabilitation research and special projects.

"§ 1500. Purpose

"The Congress of the United States hereby declares that the program created by this chapter is for the purpose of providing all services necessary to enable veterans with service-connected disabilities to attain maximum independence, to become employable, and to obtain and maintain suitable employment.

"§ 1501. Definitions

"For the purposes of this chapter—

"(a) The term 'vocational rehabilitation' means those services which provide all assistance needed for the accomplishment of the stated purposes of this chapter including, but not limited to, diagnostic, medical, social, psychological, economic and vocational services as are determined by the Administrator to be needed to render a veteran with an employment handicap because of a service-connected disability employable and employed and to enable the veteran to achieve maximum independence.

"(b) The term 'employment handicap' means a disability the limiting effects of which impairs the veteran's ability to prepare for, obtain, or retain employment consistent with the veteran's abilities, aptitudes, and interests.

"§ 1502. Basic entitlement

"(a) A veteran shall be entitled to vocational rehabilitation if the veteran—

"(1) has a compensable service-connected disability incurred in service on or after September 16, 1940;

"(2) was released from active duty under conditions other than dishonorable or is hospitalized in a military hospital pending final discharge; and

"(3) is determined by the Administrator to be in need of vocational rehabilitation because of an employment handicap.

"(b) A previously rehabilitated veteran whose condition has changed to the extent that the veteran requires vocational rehabilitation to enter employment more suitable to the veteran's abilities and aptitudes may receive additional vocational rehabilitation under this chapter as the Administrator deems appropriate.

"§ 1503. Scope of services

"Services authorized under this chapter shall include:

"(1) Evaluation of rehabilitation potential, including diagonistic and related services to determine whether the service-connected disability causes a handicap to employment and whether a rehabilitation goal is feasible for the veteran, and to provide a basis for planning a suitable vocational rehabilitation program or a program of services to improve rehabilitation potential, as appropriate.

"(2) Educational, vocational and personal adjustment counseling.

"(3) A vocational rehabilitation plan as set forth in section 1507 of this chapter.

"(4) Vocational and other training services, including individualized tutorial assistance, personal adjustment and work adjustment training, tuition, fees, books, supplies, licensing fees and other training materials.

"(5) Treatment for mental and emotional disorders.

"(6) Medical diagnosis, care, treatment, and hospitalization.

"(7) Prosthetic appliances, eyeglasses, and other corrective devices.

"(8) Placement services to effect suitable placement in employment; postplacement services to insure satisfactory adjustment in employment.

"(9) Services to the veteran's family as necessary to the veteran's rehabilitation.

"(10) Special rehabilitation services, including services for the blind and deaf:

"(A) services such as language training, speech and voice correction, training in ambulation, one-hand typewriting;

"(B) orientation, adjustment, mobility and reader services for the blind, and interpreter and other services for the deaf; and

"(C) telecommunications, sensory and other technological aids and devices.

"(11) Subsistence allowance as authorized by section 1505 of this chapter.

"(12) For the most severely disabled veterans requiring homebound training and/or self employment, essential equipment, supplies, and minimum stocks of materials determined necessary to begin employment. The Administrator shall, by regulation, establish criteria and cost limitation.

"(13) Transportation, as authorized in section 111 of this title, plus a special transportation allowance during training, job seeking and the initial employment stage for veterans who, because of their handicap, have transportation expenses above those incurred by persons not so handicapped.

"(14) Work study allowance, as authorized by section 1685 of this title.

"(15) Loans as authorized by section 1510 of this chapter.

"(16) Other incidental goods and services, including but not limited to all necessary books, supplies, and equipment determined by the Administrator as necessary to accomplish vocational rehabilitation in the individual case.

"§ 1504. Duration of services

"Unless a longer period of time is prescribed by the Administrator—

"(1) the period of services to evaluate and improve rehabilitation potential of veterans for whom the feasibility of attainment of rehabilitation is indeterminate may not exceed 12 months; and

"(2) the period of vocational rehabilitation training and associated services authorized under this chapter following a finding of feasibility of vocational rehabilitation may not exceed 64 months.

"§ 1505. Subsistence allowances

"(a) Each veteran shall be paid a subsistence allowance during a certified period of (1) evaluation of vocational rehabilitation potential; (2) vocational rehabilitation training; and (3) postvocational rehabilitation training (not to exceed 2 months).

"(b) Except as otherwise provided in this section, the subsistence allowance paid to a veteran under this chapter shall be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of program being pursued as specified in column I:

Col. I: Type of program	Col. II: No dependents	Col. III: 1 dependent	Col. IV: 2 dependent	Col. V: More than 2 dependents[1]
Institutional training:				
Full-time	$241	$298	$351	$26
¾ time	181	224	263	19
½ time	120	149	176	13
Farm cooperative, apprentice or other on-job training:				
Full-time	210	254	293	19
Unpaid on-job training or work experience in Federal agency:				
Full-time	241	298	351	26
Evaluation and improvement of vocational rehabilitation potential:				
Full-time	241	298	351	26

[1] The amount in col. IV, plus the following for each dependent in excess of 2.

"(c) Where the vocational rehabilitation training consists of training on the job by an employer, such employer shall be required to submit monthly to the Administrator a statement in writing showing any wage, compensation, or other income paid by the employer to the veteran during the month, directly or indirectly. Based upon such written statements, the Administrator is authorized to reduce the subsistence allowance of such veteran to an amount considered equitable and just.

"(d) The Administrator shall define full-time and part-time status in the case of all eligible veterans undergoing vocational rehabilitation under this chapter.

"(e) Where the veteran pursues a program on a residential basis in a specialized rehabilitation facility, the Administrator is authorized to pay to such facility the full cost of the veteran's room and board and, in addition, to pay to the veteran that portion of the allowance for dependents payable, as determined by the veteran's dependency status, under subsection (b) of this section for a full-time institutional program.

"(f) During the 2 month period following a determination of employability, the veteran shall be paid at the rate provided in subsection (b) of this section for the full-time benefits payable for the type of vocational training pursued.

"(g) A veteran pursuing an unpaid program of vocational rehabilitation training or work experience in a Federal agency under the provisions of section 1513 of this chapter shall be paid the subsistence rate provided in subsection (b) of this section for a full-time institutional program.

"(h) A veteran pursuing a program of vocational rehabilitation while hospitalized in a Veterans Administration hospital, or other hospital or facility, or while resident in a Veterans Administration domiciliary, shall be paid the subsistence rate provided in subsection (b) of this section for the type of training pursued. Subsistence allowance to veterans resident in a Veterans Administration domiciliary shall be withheld and paid upon discharge under the same conditions as set forth in clauses (1) and (2) of subsection (i) of this section.

"(i) The subsistence allowance otherwise payable to a veteran pursuing vocational rehabilitation under this chapter, while incarcerated in a Federal, State, county, or local prison or jail, shall be paid as follows:

"(1) if the veteran has no dependents, the amount payable at the appropriate rate prescribed in column II of the table set forth in subsection (b) of this section shall be withheld by the Veterans Administration for payment to the veteran upon release from incarceration; or

"(2) if the veteran has dependents, the amount payable at the appropriate rate prescribed in column II of the table set forth in subsection (b) of this section shall be withheld by the Veterans Administration for payment to the veteran upon release from incarceration (unless the veteran advises the Veterans Administration in writing that the veteran releases any or all of such withheld funds to the veteran's dependents), and that portion of the allowance payable on account of the veteran's dependents as prescribed in such table shall be paid to the veteran's dependents.

"(j) Payment of subsistence allowance may be made in advance in accordance with the provisions of section 1780(d) of this title.

"§ 1506. Counseling

"Subject to regulations which the Administrator shall prescribe, each eligible veteran shall be provided initial counseling and necessary counseling during any period which the veteran is undergoing vocational rehabilitation evaluation, vocational rehabilitation training, or posttraining assistance. Such counseling may include vocational, educational, rehabilitation, psychological, personal adjustment, and employment. Where appropriate, family counseling may be provided.

"§ 1507. Vocational rehabilitation plan

"(a) Each veteran pursuing a program of vocational rehabilitation shall participate in the planning and decision process in formulating a comprehensive, individualized written rehabilitation plan. Such plan shall include (1) a statement of long range goals and intermediate objectives; (2) a statement of the specific services to be provided and a time schedule for the providing of such services; (3) a projected date for completion of necessary rehabilitation; and (4) objective criteria for evaluating the veteran's progress under the plan.

"(b) The plan shall be reviewed at least annually and, where determined necessary, modified to meet the needs of the veteran.

"§ 1508. Leaves of absence

"The Administrator shall prescribe such regulations as the Administrator deems necessary for granting leaves of absence to veterans pursuing vocational rehabilitation training. During authorized leaves of absence, a veteran shall be considered to be pursuing vocational rehabilitation training.

"§ 1509. Regulations to promote satisfactory conduct and cooperation

"The Administrator shall prescribe such rules and regulations as the Administrator deems necessary to promote satisfactory conduct and cooperation on the part of veterans who are receiving services under this chapter. If the veteran fails to maintain satisfactory conduct or cooperation in the rehabilitation process, and the Administrator determines that discontinuance of rehabilitation on that account is necessary, rehabilitation benefits and services will be terminated until such time as it is determined that the basis for the unsatisfactory conduct or lack of cooperation has been removed.

"§ 1510. Revolving fund loans

"The revolving fund established pursuant to part VII of Veterans Regulation Numbered 1(a) is continued in effect, and may be used by the Administrator, under regulations prescribed by the Administrator, for making advances, not in excess of $400 in any case, to veterans pursuing vocational rehabilitation. Such advances, and advances heretofore made, shall bear no interest and shall be repaid in such installments as may be determined by the Administrator, by proper deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retirement pay.

"§ 1511. Vocational rehabilitation for hospitalized persons and veterans

"(a) Vocational rehabilitation may be afforded under this chapter to any person who is hospitalized pending final discharge from the active military, naval, or air service, if such person is otherwise eligible. In such cases no subsistence allowance shall be payable.

"(b) Vocational rehabilitation may be afforded under this chapter to veterans who are hospitalized at Veterans Administration hospitals or domiciliaries or, where feasible, at any other hospital or medical facility.

"§ 1512. Training outside the United States

"Pursuant to such regulations as the Administrator shall prescribe, vocational rehabilitation training may be provided outside the United States where it is determined that such training is necessary in the particular case to provide the preparation needed to render the veteran employable in a suitable occupation and as is determined to be in the best interest of the veteran and the Federal Government.

"§ 1513. Unpaid training and work experience

"Notwithstanding any other provision of law, the facilities of any Federal agency may be used to provide unpaid training or work experience as part or all of a veteran's program of vocational rehabilitation when the Administrator determines such training or work experience is necessary to accomplish vocational rehabilitation. While pursuing such training or work experience, an uncompensated veteran shall be deemed an employee of the United States for the purposes of the benefits of chapter 81 of title 5, but not for the purposes of laws administered by the Office of Personnel Management.

"§ 1514. Rehabilitation resources

"(a) For the purpose of providing services under this chapter, the Administrator may—

"(1) use the facilities, staff and other resources of the VA;

"(2) employ additional personnel and experts, as the Administrator deems necessary; and

"(3) use the facilities and services of any Federal agency, agencies maintained by joint Federal and State contributions, private institutions and establishments, and private individuals. Such use may be procured through contract, agreement, or other cooperative arrangement.

"(b) A program of vocational rehabilitation (including individual courses) to be pursued by the veteran under this chapter shall be subject to the approval of the Administrator.

"§ 1515. Development of employment and on-job training opportunities

"(a) The Administrator shall actively promote the developmen and establishment of on-job training and employment opportunities for service-connected disabled veterans through direct Veterans Administration staff outreach to employers and through Veterans Administration coordination with the Federal, State, and local Governmental agencies and appropriate non-Governmental organizations.

"(b) Under regulations the Administrator may prescribe, payments may be made to employers for providing on-job training to veterans in individual instances when the Administrator determines payments to be necessary to obtain the needed on-job training.

"§ 1516. Employment assistance

"(a) A veteran, who is determined to be employable, shall be furnished assistance in obtaining employment suitable to the veteran's handicap, interests, and aptitudes. Such assistance may include (1) direct placement of the veteran in employment; and (2) utilization of placement services of (A) the Rehabilitation Services Administration, Department of Health, Education, and Welfare; (B) the State employment service and the Veterans Employment Service of the Department of Labor; (C) the Office of Personnel Management; and (D) any other public or nonprofit organization having placement services available.

"(b) If a veteran has trained for self-employment under this chapter, the Administrator shall cooperate with the Small Business Administration to assist the veteran to secure a loan for the purchase of equipment needed to establish the veteran's own business. The Administrator may provide license fees required by the veteran to operate the business as authorized by section 1503(4) of this chapter and, where deemed appropriate, may provide the initial tools and equipment required as authorized by section 1503(12) of this chapter.

"(c) The Administrator may furnish an eligible veteran who has trained under a State rehabilitation program with the objective of self-employment in a small business enterprise such supplementary equipment and initial stocks and supplies needed by the veteran but not supplied through the State program or other sources.

"§ 1517. Staff training and development

"(a) The Administrator shall provide a program of ongoing professional training and development for Veterans Administration counseling and rehabilitation staffs engaged in providing vocational rehabilitation services under this chapter. The objective of such training shall be to ensure that vocational rehabilitation services for veterans are provided in accordance with the most advanced knowledge methods and techniques available for the vocational rehabilitation of handicapped persons. For this purpose, the Administrator may employ the services of consultants and may make grants to and contract with public or private agencies (including institutions of higher learning) to conduct such training.

"(b) The Administrator shall coordinate with the Commissioner, Rehabilitation Services Administration, Department of Health, Education, and Welfare in planning and carrying out staff training in areas of joint program concern.

"§ 1518. Rehabilitation research and special projects

"(a) The Administrator shall carry out an ongoing program of activities to advance the knowledge, methods, techniques and resources available for use in veterans vocational rehabilitation. For this purpose, the Administrator shall conduct and provide support for the development and/or conduct of—

"(1) studies and research concerning the psychological, social, vocational, industrial, and economic aspects of vocational rehabilitation of handicapped veterans, including new methods of rehabilitation; and

"(2) projects which will provide increased resources and potential for accomplishing the vocational rehabilitation of handicapped veterans.

"(b) For the purpose specified in (a) above, the Administrator is authorized to make grants to or contract with public or nonprofit agencies, including institutions of higher learning.

"(c) The Administrator shall cooperate with the Secretary, Department of Health, Education, and Welfare, regarding vocational rehabilitation studies, research, and special projects of mutual agency concern."

SEC. 102. Chapter 34 of title 38, United States Code, is amended by—

(1) inserting after section 1686 the following new section:

"§ 1687. Rehabilitation services

"Any compensable service disabled veteran who is found in need of vocational rehabilitation under chapter 31 of this title may elect to pursue a chapter 31 approved vocational rehabilitation plan under this chapter and may be furnished those services set forth in section 1503(1), (2), (3), (5), (6), (7), (8), (9), (10), (12), and (13) of this title as necessary to carry out the individual's plan."; and

(2) amending the table of sections at the beginning of the chapter by inserting

"1687. Rehabilitation services."

below

"1686. Education loans.".

SEC. 103. Section 1795 of title 38, United States Code, is amended by—

(1) amending clause (4) to read as follows:

"(4) chapters 32, 34, 35, and 36 of this title, and the former chapter 33";

(2) strking out the comma immediately following "thereof)" and inserting in lieu thereof a period; and

(3) striking out "but this section shall not be deemed to limit the period for which assistance may be received under chapter 31 alone." and inserting in lieu thereof the following: "No person may receive assistance under chapter 31 of this title in combination with assistance under any of the provisions of law cited in clauses (1), (2), (3), and (4) of this section in excess of 64 months (or the part-time equivalent thereof) unless the Administrator determines that additional months of benefits provided by chapter 31 are required to accomplish the purposes of vocational rehabilitation as set forth in that chapter."

TITLE II—TECHNICAL AMENDMENTS—EFFECTIVE DATE

SEC. 201. Section 1685(b) of title 38, United States Code, is amended by deleting "30" and inserting in lieu thereof "10".

SEC. 202. Section 1781 of title 38, United States Code, is amended by inserting immediately after "36" the following: "or subsistence allowance granted under chapter 31".

SEC. 203. Section 1631(a)(1) of title 38, United States Code, is amended by adding at the end thereof the following: "The 36 month maximum shall be subject to the provisions of section 1795 of this title limiting the aggregate period for which any person may receive assistance under two or more programs of education administered by the Veterans Administration.".

SEC. 204. The provisions of this Act shall become effective on October 1, 1979, or the first day of the second calendar month following the date of enactment, whichever is later.

OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, D.C., May 11, 1979.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill entitled the "Disabled Veterans Rehabilitation Act of 1979" which we request be introduced and receive favorable consideration.

In the enactment of Public Law 95–202, the Veterans Administration was called upon to conduct a thorough study of the provisions of the veterans' vocational rehabilitation program with a view to making recommendations for legislative or administrative changes in the program. This study was completed and submitted to the President and the Congress on September 26, 1978 (Senate Committee on Veterans' Affairs Print No. 26, 95th Congress; House Committee on Veterans' Affairs Print No. 167, 95th Congress). This study found that the veterans' vocational rehabilitation program was essentially patterned after the original program in 1943 and was in need of substantial revision and modernization.

The findings and recommendations of this study were adopted by the President in his message to the Congress on the status of Vietnam era veterans submitted October 19, 1978, when he concluded that the current chapter 31 vocational rehabilitation program required "major updating." The proposed legislation submitted here contains the revisions the President pledged in order to "modernize and improve" that program. A general description of the major changes proposed in the draft bill is followed by a more detailed section-by-section analysis.

Our program of vocational rehabilitation was designed in 1943 when it was a progressive and responsible formulation and has generally served disabled veterans well for more than 30 years. Nevertheless, the program needed a review to take advantage of what has been accomplished in rehabilitation during the intervening three decades. Congress, in requiring the study, directed the VA to analyze its authority in comparison with that of the Rehabilitation Act of 1973, administered by the Department of Health, Education, and Welfare. Our study concluded that an updating of our own rehabilitation authority is necessary and appropriate.

Title I of the Disabled Veterans Rehabilitation Act of 1979 sets forth our proposed revision of existing chapter 31 of title 38, United States Code, substituting the new provisions we recommend to update and modernize this program.

Current law limits the purpose of the vocational rehabilitation program to restoring a veteran's employability lost by virute of a handicap due to a service-connected disability or disabilities. We firmly believe, and our study confirms, that the purpose of this program should encompass, not only the achievement of employability, but also entry into the adjustment in, suitable employment, including self-employment where appropriate. Such revision would be consistent with the generally accepted goal and criterion of vocational rehabilitation. It would also be consistent with concurrent practice under which the rehabilitive agency is seen as the most effective agent for carrying the process of vocational rehabilitation to its completion.

The present chapter 31 definition, which equates vocational rehabilitation with training, including educational and vocational counseling, tutorial assistance, and necessary incidental services, is incomplete in two important areas. First, it omits certain essential services. At present, it does not include employment placement and adjustment services necessary for the achievement of actual employment. In addition, the current definition equates vocational rehabilitation with training, and has been interpreted to mean that for veterans whose physical or emotional condition is such that training is not currently feasible, there is no provision for vocational rehabilitation services. Thus, under existing law, pretraining services have not been provided for veterans whose training and vocational goal is indeterminate.

Second, the current definition is a fragmented concept of vocational rehabilitation and, as such, is not consistent with current rehabilitation concepts and philosophy, which considers rehabilitation to be a unified, multidisciplinary process. Consequently, it promotes the provision of VA vocational rehabilitation services as separate services, rather than as integrated and coordinated components of an overall process. The proposed definition in the draft measure includes all services needed—pretraining, training, and posttraining—beginning with the identification of the handicapped service-disabled veteran and continuing with his or her rehabilitation into employment.

A third important area recognized in our study was the general time limitation imposed on the current program. We believe that time limits on eligibility should be eliminated for all service-disabled veterans who are otherwise eligible for, and in need of, vocational rehabilitation. We have, therefore, included in the draft proposal provisions for services at any time the disabled veteran needs them to obtain employment. This would allow us to extent assistance to those older veterans whose conditions may have worsened and affected their employability.

Two other areas identified as requiring improvement are counseling and guidance. In our draft proposal we have provided for the counseling needs of veterans throughout the vocational rehabilitation process. In addition, we have recognized the need to ensure the timely initiation of vocational rehabilitation counseling and planning services for service-disabled veterans in VA Medical Centers as well as the need to provide the continuity of assistance needed when the veteran returns to the community.

We further believe there is need to raise the present 48-month limit on training because of changed educational practices as to the number of semester credit hours constituting full-time study. Under current practice, 45 months, instead of 36, may be needed to complete an undergraduate program, and 18 months, instead of 12, may be needed to achieve a master's degree. Since the master's degree is needed for entry into many professional occupations, it is the appropriate level of training required for the complete restoration of employability in a number of chapter 31 cases. It is proposed, therefore, that the present 48-month limit be increased to 64 months.

We have also included in the draft bill new provisions for direct financial assistance to employers in individual veteran cases where payment of additional incentives is required to provide on-job training slots which, without such an incentive, would not be available. We have also provided that payment of the 2-month postrehabilitation subsistence allowance shall be made at full-time rates to provide sufficient benefits to allow the veteran to devote full time toward finding suitable employment in the objective for which rehabilitation has been provided. This is especially necessary for those veterans who had been training on a half-time basis. And, we have included authority to pay institutional rate benefits to those individuals in nonpay training in Federal agencies. The on-job rate presently provided is not sufficient in that it fails to recognize that, unlike other on-job training, this pursuit pays no wage. The Disabled Veterans Rehabilitation Act of 1979 would also raise the revolving fund loan maximum from $200 to $400 to aid the veteran meet emergency financial needs which may jeopardize his or her ability to begin or continue training.

We also believe that ongoing training and other staff development activities for VA counseling and rehabilitation staff are essential to ensure that the practices and methods utilized in the veterans' vocational rehabilitation program are in accord with the most modern concepts and advanced knowledge available in the field of rehabilitation. Such training is thus authorized by the measure. It is intended that the VA and State-Federal programs coordinate planning and execution of staff training in those areas of joint program concern.

Research is essential to the acquisition and development of new knowledge and improved techniques and methods for vocational rehabilitation of handicapped veterans, especially the most severely handicapped. We therefore have included authority in the proposed bill to permit us to carry out projects which would improve the quality of our program.

Additional changes in chapter 31 are discussed in the enclosed section-by-section analysis.

Title I also amends other provisions of title 38. In section 102 we have provided that when a veteran is eligible for chapter 31 assistance but elects to train under the GI Bill (chapter 34) that we can provide necessary rehabilitation services. Under the provisions of chapter 31 we pay the veteran's full tuition and fees plus a monthly subsistence allowance. Nevertheless, many disabled veterans attending State funded schools, where tuition and fees are fairly low and are, therefore, not a real factor, elect to train under the chapter 34 program because the assistance rate payable is higher, even though they must pay their own tuition and fees. This has the effect of denying them the additional services provided to a chapter 31 trainee. Since our goal is to ensure that all compensable service-disabled veterans benefit from the services provided under chapter 31, the change proposed here would allow the veteran appropriate services even though he or she is training under chapter 34.

Title II of the draft bill contains technical amendments to title 38 and sets the effective date for the measure.

Section 201 would make all compensable disabled veterans eligible for priority consideration for chapter 31 trainees under our work-study program. This provides consistency with eligibility requirements for vocational rehabilitation under our chapter 31 program. Section 202 would amend section 1781 of title 38 to bar receipt of subsistence benefits under chapter 31 concurrently with receipt of educational assistance benefits for those on active military duty or while training under the Government Employees Training Act. Section 203 proposes to amend section 1631(a) (1) of title 38 to reflect in the chapter 32 provisions the 48-month limitation discussed above. Section 204 establishes the effective date of the measure as October 1, 1979, or the first day of the second calendar month following the date of enactment, whichever is later.

It is estimated that enactment of the draft bill would result in additional direct benefits cost in Fiscal Year 1980 totalling $6,793,000 and $33,756,000 for the first 5 fiscal years. Enactment would also result in estimated additional administrative cost in Fiscal Year 1980 of $4,192,000 and $21,301,000 over the first 5 fiscal years. In addition, enactment would also require a one time budget authority request in Fiscal Year 1980 of $350,000 to implement the proposed increase in the loan revolving fund.

The Office of Management and Budget advises the enactment of the draft bill would be in accord with the program of the President.

Sincerely,

MAX CLELAND,
Administrator.

SECTION-BY-SECTION ANALYSIS OF PROPOSED DRAFT BILL

The draft bill provides that the Act may be cited as the "Disabled Veterans Rehabilitation Act of 1979."

TITLE I—VOCATIONAL REHABILITATION AMENDMENTS

Section 101 of this title replaces existing chapter 31 of title 38 with new provisions to carry out the recommendations of the Veterans Administration's study of the provisions of the veterans' vocational rehabilitation program as required by section 307 of Public Law 95–202 (Senate Committee Print No. 26, 95th Congress; House Committee Print No. 167, 95th Congress). The findings and recommendations of this study were adopted by the President in his message to Congress on the status of Vietnam era veterans (October 10, 1978) where he noted that the chapter 31 vocational rehabilitation program was based on a 1943 model which required "major updating." This draft bill is the legislation which the President pledged in that message to submit to "modernize and improve" that program. The provisions of new chapter 31 are as follows:

Section 1500. Purpose. This section revises the purpose of chapter 31. Current law does not contain a specific congressional mandate of the purpose for which vocational rehabilitation is being provided by the Veterans Administration. Existing section 1501 does state that the "purpose" is to restore employability lost by virtue of a handicap due to service-connected disability(ies). Nevertheless, the effect of such a narrowly drawn purpose has been to restrict the scope of services which the VA has been allowed to provide the veteran with such a disability and to restrict the category of veterans to be assisted. To be eligible, the veteran first had to be found capable of training to employability. However, many disabled veterans are so severely handicapped that training is not yet feasible. Further, merely restoring employability is not sufficient. The veteran must be assisted in gaining actual employment and maintaining it. For those veterans who are not able to reach employability, the goal is to assure that the individual shall be assisted to the point that he or she may attain maximum independence in the context of normal society. The new statement of purpose in section 1500 is, thus, intended to demonstrate congressional intent that the function of VA vocational rehabilitation is to accomplish those broader goals.

Section 1501. Definitions. This section defines two terms which are used in the revised chapter 31 and which are key concepts.

The first such term is "vocational rehabilitation." In keeping with the expanded intent for the purpose of vocational rehabilitation, as discussed in section 1500 above, the term is more broadly defined than is currently the case in section 1501(2) of title 38.

The new definition incorporates specific references to the categories of services which may be utilized to achieve the goal. This listing includes diagnostic, medical, social, psychological, economic, and vocational services. Such types of services have been routinely provided by the VA in the past where appropriate and their statutory inclusion in the definition is intended to stress their importance. Also the definition is expanded, as is the purpose, to indicate that, for those who can be rendered employable, the goal is to assure that the individual actually finds suitable employment and is assured the opportunity of maintaining it. These aspects of the definition represent an expanded scope of services. Heretofore the VA staff has focused on referral for, and coordination of, employment assistance with special emphasis on the seriously disabled veterans. It is contemplated that the primary role in job placement will still rest with the Department of Labor but, where appropriate to assist a veteran, the Administrator will now have explicit authority to assist directly as well. It is also contemplated that the VA followup procedures will be strengthened to provide the rehabilitated veteran with ongoing assistance in retaining suitable employment.

Finally, the definition reflects the expanded purpose of vocational rehabilitation in that assistance to the severely handicapped individual, who is not capable of training to employability, will be given. This individual will be assisted to reach that level of adjustment consistent with his or her capabilities that can best be described as maximum independence. That is, the individual will be assisted to exploit his or her capabilities to the fullest.

The second key term defined is "employment handicap." As is discussed below, vocational rehabilitation will be provided to a qualified person only if the individual has an employment handicap. The definition states that such a handicap means the individual has limitations imposed by a disability which impairs the veteran's ability to obtain and/or maintain suitable employment. The key elements of this concept are that the limitations must exist at present, there must be a disability which is service-connected (although this impairment to employment may result in combination with other factors such as prior education, work history, or nonservice-connected disabilities) and operate to prevent the person from being suitably employed (or once employed from remaining suitably employed). Such individuals, if otherwise qualified, may be also assisted by the VA through the provisions of chapter 17 of title 38.

Section 1502. Basic entitlement. This section enumerates the criteria for determining whether the veteran is eligible to receive vocational rehabilitation under chapter 31 of title 38. The criteria set out in section

1502(a) are essentially the same as those currently found in section 1502 of title 38 or elsewhere in chapter 31. Instead of limiting the period of service involved to service during World War II and defining that period, the new language merely states that the applicable service is that which occurred after September 16, 1940 (the beginning of the World War II draft).

The requirement of discharge under other than dishonorable conditions is currently contained in section 1503(b)(2) of title 38. The provisions in existing section 1502 regarding education outside of a State have been set forth in new section 1511; the provisions as to work study have been relocated in new section 1503(14); and advance payment has been placed in section 1505(j) in this proposal.

Section 1502(a)(3) indicates that the handicap" must be an employment" handicap in keeping with our new statement of purpose and definitions.

Section 1502(b) represents a statutory expansion of the role of the VA in the rehabilitative process. Existing chapter 31 makes no mention of followup services after the veteran is employed, but VA regulations [38 C.F.R. 21.290(D)] state that such services will be provided in individual cases, where necessary. The specific intent of new section 1502(b) goes even further to assure that, if a veteran reaches the point of being rehabilitated," he or she may receive further rehabilitative services, if new conditions warrant. Occupational requirements or conditions may change or a veteran may have an improved or reduced capacity to train or adjust due to a change in physical or mental condition. Even though he or she has already been trained and found employment, the VA will retrain or assist the veteran to find employment consistent with his or her present capacity and aptitudes. Under existing law such training would not normally be given, because the law only contemplates that the individual will be trained to employability, at which time further VA responsibility ends.

Section 1503. Scope of services. This section lists the various rehabilitative services to be provided by the VA. Some of these services are already being provided under chapter 31 or in cooperation with the Department of Medicine and Surgery under chapter 17 of title 38. However, others are new. In our recent study of chapter 31, "A Study of the Provisions for Veterans Vocational Rehabilitation," an analysis of the services provided under chapter 31 was made in comparison to those offered under the Rehabilitation Act of 1973. The latter is a program available to nonveterans. The analysis revealed that the VA program is more narrowly structured. As a result, some services available under the RSA program are not permitted under the VA program. This is due in part to the fact that chapter 31 is much less specific concerning the services to be provided, indicating only broad categories of service, such as training, medical care, and treatment. It has been necessary to specify the available services through VA regulations and one problem in this task has been to interpret the legislative intent of existing section 1501 with respect to the coverage of the phrase "other necessary incidental services" (i.e., incidental to training).

Therefore, the intent of new section 1503, on scope of services, is to more clearly indicate the full range of services contemplated and to show that they only need to be necessary for "rehabilitation," not training per se. For example, under the current chapter 31 provisions, if a veteran is found not to be feasible for training, no services are provided.

Under the new provisions of section 1503(1) the veteran's potential is to be evaluated and, if it is found that he or she is not feasible for training, services shall be provided to improve his or her potential for rehabilitation (including training). If the veteran is not found feasible for training, he or she will still be assisted to become as independent as possible. Similarly, section 1503(2) provides that counseling shall include not only vocational counseling but educational and personal counseling, since each form of assistance is an integral part of dealing with the veterans' rehabilitation needs.

Section 1503(3) provides for a mutually acceptable rehabilitation plan. While the goal and general plan of rehabilitation are established in counseling under present procedures, determination with the veteran of the specific training plan to be followed and implementation of the training plan are the responsibility of the vocational rehabilitation specialist. The new procedures stress the veteran's role in formulating the plan (see section 1507 discussion below).

In the process of providing training to the veteran, various aids and items are needed. Subsection 1503(4) enumerates those items which are routinely provided for the training phase of rehabilitation.

Existing section 1506 of title 38 gives authority for providing medical services and related services to rehabilitation recipients. New sections 1503 (5), (6), and (7) enumerate these services in a somewhat more detailed manner, although they are already being provided under the current program.

In keeping with the expanded purpose of rehabilitation, section 1503(8) specifically provides authority to effect job placement and to give postplacement services.

Section 1503(9) will permit family counseling in a limited number of instances where determined necessary.

Section 1503(10) deals with services including those needed by the blind or deaf. Current provisions of chapter 31 do not specifically provide for these special services for the blind and deaf. However, it does authorize the furnishing of necessary services incidental to training and, under this authority, reader service for the blind during training is provided as a vocational rehabilitation service (38 C.F.R. 21.279). Comprehensive adjustment programs, rehabilitation teaching services, orientation and mobility services for blinded veterans are provided as medical rehabilitation services at VA blind rehabilitation centers under the jurisdiction of the Department of Medicine and Surgery and are available to any blinded veteran who has a service-connected disability, including veterans under chapter 31. Where necessary for a veteran under chapter 31, such services may be obtained on a contract basis from an agency in the community.

No specific provision is made in law or VA regulations for interpreter services for the deaf, but in practice these services are provided under the same authority as reader service.

Section 1503(10)(C) provides telecommunication, sensory, and other technological aids and devices. The Rehabilitation Act of 1973 [section 130(a)(1)] specifies that these aids and devices will be provided as a vocational rehabilitation service. Chapter 31 currently contains no specific provision with regard to these aids, but they are furnished for purposes of vocational rehabilitation under the general authority in existing section 1509 of the chapter regarding the furnishing of equipment for training. When required for purposes of medical care and treatment, they are presently furnished under the authority of chapter 17 of title 38. Again, the new provisions merely codify long-standing services.

For a discussion of the intent of section 1503(11), see the analysis of section 1505 infra.

Section 1503(12) is intended to permit the Administrator to provide certain supplies to severely disabled veterans who either trained in the home or who are becoming self employed. It should be noted that these items are different from the similar items provided in section 503(4). The latter are intended to aid the veteran to train whereas the items in clause (12) are to enable him or her to actually begin a business enterprise. It should also be noted that the items available under clause (12) are only the minimum needed for start-up and are available to only a limited category of disabled veterans. It is intended that the Administrator will, by regulation, limit the costs and restrict the scope of these items to only those which are most necessary.

Section 1503(13) concerns transportation costs. The Rehabilitation Act of 1973 [section 103(a)(10)] specifies that transportation may be provided in connection with the rendering of any vocational rehabilitation service. This may include regular transportation to and from the place of training. Under the family services provision, transportation may also be provided for a family member when necessary in connection with the rehabilitation of the handicapped person. No specific provision is made concerning transportation in chapter 31, title 38, United States Code. However, chapter 1, title 38, United States Code (section 111) specifies that the costs of the veteran's travel expenses in connection with vocational rehabilitation and the travel expenses of an attendant, if one is necessary, may be paid. Under this authority, VA regulations (38 C.F.R. 21.266, 21.267, 21.268 and 21.274) provide for payment of the cost of travel in connection with medical treatment, counseling, and certain designated limited travel to and from the place of training.

The cost of daily transportation to and from the place of training has been paid by the veteran from the monthly subsistence allowance, even if costs above normal are involved because of special transportation problems associated with the disability. The client of the State rehabilitation agency, on the other hand, may get a transportation allowance, and transportation may be paid in connection with the rendering of any vocational rehabilitation service, for example, during the job placement and initial employment stages.

Subsection 1503(13) thus expands the scope of the service to accord with our broader purpose of providing full services including pre- and post-training services.

The other clauses in section 1503 are merely an enumeration of some of the services presently provided under chapter 31 as "other necessary incidental services." The material in section 1503(14) on work study, for example, is currently in section 1502 and the material in section 1503(15) references the loan program currently in section 1507 (now in section 1510 of this proposal).

Section 1504. Duration of services. This section details the duration of time during which services will be provided. The evaluation period following counseling to determine the veterans' rehabilitation potential may not exceed 12 months. Following the veteran's introduction into a program of rehabilitation, services are limited to a basic period of 64 months. In either case the Administrator may determine that the veteran shall be accorded services for a longer period where appropriate. The first provision is new, while the second is a liberalization of current law. The present basic period of benefits is limited to a maximum of 48 months and there is no provision for benefits prior to a determination of feasibility to train under existing section 1503 of title 38. The present basic period can be extended under specified circumstances. The new provisions continue to permit the Administrator to grant such extensions.

Enactment of this section establishes as the maximum, the length of training currently generally required for postsecondary education through the master's degree level. There is a need to raise the general limit on training time for two reasons. First, educational practices have changed so that 12 semester hours and 9 semester hours are generally accepted as constituting full time undergraduate and graduate course loads, respectively, but without a reduction in the number of credits required for graduation. As a result, 45 months, instead of 36, may be needed to complete an undergraduate program and 18 months, instead of 12, may be needed to achieve a master's degree. The latter is the qualification needed for entry into many professional occupations and is the level of training required for the restoration of employability in many chapter 31 cases. Second, the maximum training time under the GI Bill was previously extended from 36 months to 45 months to accord with the change in education practices. It is desirable to change chapter 31 to enable the veteran to obtain both an undergraduate degree (45 months) and a graduate degree (18 months). A total of 64 months of training accomplishes this goal and restores the previous comparative ratio to chapter 34 entitlement.

Authorization of the 12 months of services for the certified period of evaluation is to implement the expanded scope of rehabilitation discussed above.

It should be pointed out that in enacting the new provisions of this section, the time limitations for the utilization of the program have been removed.

Under current law, a veteran may receive vocational rehabilitation assistance within 9 years from the date of discharge. This basic period may be extended 4 years if the veteran was prevented from entering or completing vocational rehabilitation within the 9-year basic period because of medical infeasibility of training, late establishment of compensable service-connected disability, or late upgrading of discharge. In the case of blinded or otherwise seriously disabled veterans, vocational rehabilitation may be provided beyond the basic or extended termination date if the Veterans Administration determines this is necessary because of the veteran's disability and need for vocational rehabilitation.

We have found that this results in the denial of Veterans Administration vocational rehabilitation services and benefits to some veterans who are in need of, and otherwise entitled to, such rehabilitation. An example is the case of a veteran who was discharged in 1955, and received a zero percent disability award for a back condition. Since the disability was of less than compensable degree, the veteran was ineligible for consideration for vocational rehabilitation. In 1974, the veteran's rating was increased to 20 percent. The veteran applied for vocational rehabilitation benefits in 1977. The veteran had been employed in the heavy equipment field as a machine operator, but had to leave this employment because of the worsened condition and was unemployed at the time of application. No benefits could be granted this veteran since the veteran's 9-year period following discharge had long since expired as had the additional potential 4-year period based upon the worsening condition. Thus, this veteran, who was in need of vocational rehabilitation based upon a service-incurred disability was denied this benefit.

It should be pointed out that veterans vocational rehabilitation services and benefits differ radically from benefits granted for "readjustment" purposes as is the case under the GI Bill which allows a 10-year time period within which to use entitlement. Vocational rehabilitation should, we believe, be permitted to be utilized at any time that it is established it is needed and that the individual can profit from it in terms of achieving employability and employment. Thus, eliminating the termination date, as has been provided here, would have the advantage of greatly simplifying the administrative procedures required to determine eligibility and would make this valuable aid available to the veteran at any time it is established there is an employment handicap resulting from disability. It should be emphasized that the Veterans Administration intends, consistent with the goals of rehabilitation, to encourage disabled veterans to enter such training at the earliest appropriate time.

Section 1505. Subsistence allowances. This section (like current section 1504) prescribes the rate of subsistence allowance payable for veterans pursuing various programs of vocational rehabilitation under chapter 31. The basic rates are unchanged from those set forth in current law. However, two new categories have been inserted in the rate tables and certain other changes have been made.

Subsection (a) provides that subsistence allowances shall be payable during certified periods of evaluation and improvement of the veteran's potential for vocational rehabilitation and periods of training. Such allowance shall not exceed 2 months following the rehabilitation training program. This language is similar to that contained in current law except it provides for payment of benefits during any certified evaluation period—a period of time not included within the scope of present law.

Subsection (b) sets forth the table of rates payable for institutional, farm cooperative, on-job, unpaid on-job training or work experience in Federal agencies, and any necessary evaluation period. The rates payable for the first three categories are unchanged. However, as noted above, new provisions have been added to cover the two new areas involving the training period for those individuals performing unpaid on-job or work experience in the Federal Government and for the evaluation period.

Under current law, veterans may be provided unpaid training or work experience in Federal agencies when this is determined to be necessary to accomplish vocational rehabilitation. However, the law does not specify the rate of subsistence allowance to be authorized under these circumstances. Since the training is essentially of an on-job nature, it was determined these individuals should be paid the on-job rate. This does not appear to be appropriate, however, since these individuals are in an unpaid status—unlike regular on-job trainees who receive a wage while performing services. The lower rate of subsistence allowance thus serves as a deterrent for the use of this mode of training by many veterans for whom it would be very appropriate. Provision is made, therefore, for the payment to these individuals of the full-time institutional rate in lieu of the lower on-job rate.

Payment of subsistence allowance during the evaluation period (described earlier in this analysis) is also authorized.

Subsection (c) is virtually identical with current provisions of law. It requires an employer, where the program pursued is on-job training, to submit monthly statements to the Administrator showing the amount of wages being paid. This permits reduction of the subsistence allowance where determined appropriate.

Subsection (d) is similar to current law. It authorizes the Administrator to define full-time and part-time training in the case of veterans pursuing vocational rehabilitation.

Subsection (e) contains a new provision for the payment of expenses for those individuals pursuing programs of vocational training, on a residential basis, in a specialized rehabilitation facility.

The purpose of subsistence allowance under chapter 31 is to assist the veteran in meeting ordinary living expenses (food, clothing, lodging) while pursuing vocational rehabilitation. A special situation arises when the veteran is in a specal rehabilitation facility for purposes of special restorative training under chapter 31. Costs in such situations are paid by the Veterans Administration on the same basis as the cost of other training services—subsistence allowance at the institutional rate. The problem is that the cost of room and board at many of these centers providing comprehensive rehabilitation services is not comparable with costs of room and board during attendance at a regular educational institution. Thus, provision is made in the new section to authorize the Veterans Administration to pay the total cost of the room and board which the institution provides the veteran. In addition, subsistence allowance otherwise payable to the dependents of such a veteran would also be authorized.

Subsection (f) provides that during the 2-month period following a determination that the veteran is employable, the veteran shall be paid at the full-time rate for the type of vocational training being pursued. This provision will permit those veterans who are training on less than a full-time basis to be paid the full-time rate during the period following the determination of employability. For the veteran who has been in part-time training and working concurrently, the part-time subsistence allowance is not likely to be sufficient to allow the veteran to leave the job and devote full time to looking for suitable employment in the objective for which rehabilitation has been provided. In some cases, a veteran has been in full-time training for most of the training program and then reduces to part-time training because fewer courses are needed to complete training or for other reasons. This results in a lower rate of post training pay, thereby defeating the intent of the provision. Payment of subsistence allowance at the full-time rate in all cases appears to be the most equitable and administratively simple method of providing the assistance toward suitable employment for which posttraining pay is intended.

Subsection (g) merely sets forth the basis for the rate to be paid trainees in the table in subsection (b) when the individual is in unpaid training in a Federal agency. The justification for this rate of payment is set forth above in the discussion of that subsection.

Subsection (h) would permit the payment of subsistence allowances to veterans who are in Veterans' Administration hospitals, in other hospitals or facilities, and VA domiciliaries. Withholding and subsequent payment of benefits to those in the latter category would be limited by the conditions prescribed and discussed below in subsection (i)(1) and (2). Current law bars payment of subsistence allowance to veterans pursuing training while hospitalized pending final discharge from active military service and this would be continued by the bar which is contained in section 1511 of the proposed bill. Current practice has been to also prohibit the payment of subsistence to veterans in VA hospitals or domiciliaries who are enrolled in chapter 31 training. There are no comparable provisions barring payment of chapter 34 or 35 educational benefits to similarly situated veterans and dependents which results in an inequity. Thus, provision is made in this subsection for payment of subsistence allowance to those veterans in VA hospitals, other hospitals or facilities, or VA domiciliaries who are pursuing vocational rehabilitation. The rate would be based upon the type of pursuit.

Subsection (i) provides limitations on the payment of subsistence allowances otherwise payable in the case of veterans pursuing vocational rehabilitation while incarcerated in a Federal, State, county, or local prison or jail. There is presently in the law no established policy for the payment of subsistence allowance under these conditions. The new subsection would provide that where the veteran is incarcerated, the subsistence allowance of a veteran without dependents shall be withheld by the Veterans' Administration and paid to the individual upon release from incarceration. Where the veteran has dependents, the amount of subsistence allowance payable to a veteran without dependents would be withheld and paid upon release unless the veteran authorizes the Administrator, in writing, to pay all or part of such moneys to the veteran's dependents. That portion of the allowance payable on account of the veteran's dependents would, in either case, be paid to the veteran's dependents.

A number of complaints have been received from prison officials concerning excess funds paid to prisoners by the VA. They have advised that this additional money has caused problems with regard to narcotics, thefts, et cetera. This provision would help the family while the veteran is in prison, assist the veteran on release from incarceration, and alleviate some of the morale problems created by the availability of these funds to prisoners.

Subsection (j) provides that the payment of subsistence allowance may be made in advance if the veteran meets the requirements of section 1780(d) of title 38. That section prescribes the appropriate procedures to be followed in applying for advance payment. This is already permitted under current law.

Section 1506. Counseling. This section delineates the scope of counseling to be provided to the veteran. The provisions are in substance the same as those under the current law with two exceptions. First, as noted previously in the discussion of section 1503(2), the counseling may include personal adjustment counseling (not presently explicitly permitted in current section 1501(2) of title 38). Second, it permits counseling of veterans during the preliminary evaluation stage before feasibility for rehabilitation is determined, which is also not presently permitted by the statute. Family counseling, phychological counseling and employment counseling are also made explicitly available although such aid has been given to a limited extent as a part of vocational counseling under existing law. The general intent of this section is to make clear that the whole veteran must be considered in effecting rehabilitation and not just his or her educational or vocational needs, as might have been inferred from current satutory authority.

Section 1507. Vocational rehabilitation plan. This section sets forth the basic requirements for a rehabilitation plan and the minimum contents of it.

Under current practice, the vocational rehabilitation plan has been limited to the training services to be provided. As a result of the broadened scope of services which may be authorized under the new section 1502, all of these services necessary for the veteran's rehabilitation will be included, rather than only training.

An individual written program is not specifically required by current chapter 31, but is required by VA regulation (38 C.F.R. 21.212). The plan is detailed, showing the objective to be attained, the type of training to be pursued, the component elements of the training, their duration, et cetera. Under mandatory VA Procedures (M22-1, Part II, chapter 3), the veteran is given a copy of the program, and it is reviewed as necessary in the course of the vocational rehabilitation specialist's periodic contact with the veteran during training.

Section 1502 of title 38 currently provides that the veteran will be furnished such vocational rehabilitation as may be prescribed by the Administrator, but the process by which a veteran's program is developed is not one of "prescription." The veteran has the opportunity for full participation in the planning and decision process. The program may be said to be "prescribed" only in the sense that VA approval under chapter 31 will not be given to a program that is not judged by VA rehabilitation staff to hold reasonable promise of rendering the veteran suitably employable. When differences arise that cannot be resolved, the veteran has the right of appeal to the Board of Veterans' Appeals. New subsection 1503(3) makes explicit the present practice of providing a plan and emphasizes the veteran's need to have a voice in its determination. The plan is not, as might be implied by existing law, an ex parte determination of the VA.

Section 1508. Leaves of absence. This section defines the Administrator's authority in reference to leaves of absence. The new provisions permit the Administrator to have broader discretion in continuing benefits to the disabled veteran during periods of nontraining than the current provisions found in section 1505 of title 38. The latter section limits such leaves to no more than 30 days in one 12-monh period. The new provisions recognize that in some cases that limit is too restrictive, as where the severely disabled veteran is too ill to train temporarily.

Section 1509. Regulations to promote satisfactory conduct and cooperation. This section defines the rule to be applied as to the veteran's satisfactory progress and conduct. Existing chapter 31 contains no provision regarding unsatisfactory progress, but does provide (section 1508) that the veteran must adhere to rules and regulations promulgated by the Administrator to promote good conduct and cooperation on the part of trainees. It further provides that in the event of breach of such rules and regulations, the trainee may be required to forfeit 3 months of subsistence allowance otherwise payable or be permanently disqualified for further vocational rehabilitation.

Existing section 1508 penalties for unsatisfactory conduct and cooperation are harsher than those in the other chapters and thus should be modified. The forfeiture of 3 months of subsistence allowance, though intended as a lesser penalty than discontinuance of training, in reality may often be tantamount to the latter, because the resulting economic hardship on the veteran makes it impossible for him or her to remain in training. Permanent disqualification from vocational rehabilitation on the basis of unsatisfactory conduct or lack of cooperation has no counterpart in chapter 34 or chapter 35. Accordingly, as in the case of the latter chapters, chapter 31 is amended to allow for reentrance into training on elimination of the unsatisfactory conduct or lack of cooperation. The revised section 1509 removes this objectionable penalty and places the determination for discontinuance of benefits in the hands of the Administrator.

Section 1510. Revolving fund loans. This section replaces existing section 1507 regarding revolving fund loans and increases the amount of such loans to $400. Experience indicates that the chapter 31 veteran sometimes has economic problems in regard to maintenance while in training. The number of loans made from the revolving loan fund increased 50 percent (from 3,785 to 5,722) during the period 1972–77, while the number of chapter 31 trainees during that period increased only 5 percent (from 31,635 to 33,231). There is reason to believe that, had it not been for money stringencies affecting the resources in the fund, the number of loans made in 1977 might have been even greater. And, as reported by field stations, the $200 maximum loan is frequently not enough to meet the student's need.

Increasing the maximum amount of loan from the revolving fund will help to ameliorate financial problems in some cases.

Section 1511. Vocational rehabilitation for hospitalized persons and veterans. This section concerns vocational rehabilitation of persons hospitalized pending final discharge from the armed services and those hospitalized elsewhere after discharge. The provisions of subsection (a) are substantially the same as those found in existing section 1510 of title 38. Subsection (b) merely codifies longstanding VA practice as to beginning the vocational rehabilitative process while the veteran is still hospitalized for the disabilities and now permits this subsistence allowance to be given regardless of whether the hospital is VA or otherwise.

Section 1512. Training outside the United States. This section revises the rule regarding training outside the United States. Chapter 31 [section 1502(c)] currently provides that vocational rehabilitation may not be afforded outside of a State to a veteran on account of post-World War II service if the veteran, at the time of such service, was not a citizen of the United States. Since the only exclusion specified is post-World War II, noncitizen, the intent appears to be that training outside of a State may be authorized for all others; that is, post-World War II citizen, World War II citizen, and World War II noncitizen. However, VA regulation [38 C.F.R. 21-20(C)] further limits the availability of chapter 31 training in a foreign country other than the Philippines by specifying that such training may be authorized only if adequate training for the selected objective is not available in the United States or its possessions and if training is pursued under the direct supervision of a representative of the VA.

This regulatory restriction on foreign training is based on the fact that with few exceptions the training needs of veterans can be met in this country, and on the VA determination that the VA must be in a position to furnish assistance and monitor progress during the period of rehabilitation training. While the latter principle is sound, it has essentially ruled out the possibility of foreign training because the VA has no offices in foreign countries (other than the Philippines). The issue is a troublesome one, because as the number of Americans training abroad has increassed, an increasing (though small) number of chapter 31 veterans has requested approval to study outside the United States. Some of the cases are meritorious, as in the case of an archeology student or students in certain specialized art fields. In such cases, it is considered appropriate that the VA make arrangements through contract or otherwise for the necessary training assistance and supervision.

Consequently, new section 1512 removes the restrictions noted above and gives the Administrator greater flexibility in meeting the veteran's legitimate rehabilitation needs.

Section 1513. Unpaid training and work experience. This section restates and modifies the rules found in existing section 1511 of chapter 31, whereby veterans may be provided unpaid training or work experience in Federal agencies when this is determined to be necessary to accomplish vocational rehabilitation. However, the law does not specify the rate of subsistence to be authorized under this circumstance. In the absence of such specification, the VA by policy (DVB Circular 20-77-43), has determined that, under present law, the on-job training subsistence allowance rate must be paid, since the training is essentially of an on-job nature. However, this is inadequate because the amount of subsistence allowance established by law for regular on-job training is intended to cover situations where the trainee is also getting a wage from the employer. As such, the rate is lower than the institutional rate. As reported by VA counseling and rehabilitation staff, the low rate of subsistence currently authorized for nonpay Federal agency training is a serious deterrent to use of this mode of training by veterans for whom it would be very appropriate particularly since it offers the advantage of noncompetitive appointment to a Federal position. Removal of this deterrent is accomplished by the revised provisions of new section 1513 and the provision in section 1505(g) discussed previously. The latter provides that persons so training may be paid at full-time institutional rates.

Section 1514. Rehabilitation resources. This section is a restatement of the balance of the provisions presently found in section 1511 of title 38. Subsection (a), while similar in nature to existing subsections 1511(1)–(5), is somewhat broader in that the language intends to convey discretionary authority to the Administrator to utilize all appropriate resources, including VA staff and other resources, private sector resources, and services of Federal-State organizations. The latter resources are not specifically mentioned in current law. Subsection (b) makes explicit long-standing VA practice which has been to have the Administrator approve the training courses.

Section 1515. Development of employment and on-the-job training opportunities. This section is new. It provides that the Administrator shall assist in the development of on-job training opportunities for veterans. To that end, the VA may make incentive payments to employers to induce them to create more such opportunities.

Section 304(d) of the Rehabilitation Act of 1973 provides for the Secretary, DHEW to make contracts or jointly financed arrangements with employers and organizations to establish projects designed to prepare handicapped, for employment in the competitive labor market. Under these arrangements, handicapped individuals are provided training and employment in a realistic work setting. Individuals are provided necessary restorative services and training in skills required by a particular industry and it is expected that upon completion of training they will be employed within that industry. There is no authority today under chapter 31 for undertaking such programs.

This type of contractual arrangement with employers provides an opportunity for expanding on-job training (and employment) possibilities and represents one form of arrangement for paying employers for the costs of such training. While group training arrangements are not feasible for use in the veterans vocational rehabilitation program to the same extent as in the much larger State-Federal program, the authority to make such arrangements, where feasible, should be available to the VA.

Similar arrangements are allowed in the CETA program and recent tax legislation provides the employer with a tax credit for costs of such programs. It is contemplated that the VA effort will be implemented in a manner complimentary to those programs.

Section 1516. Employment assistance. This section is also new. In keeping with the expanded concept of the role of rehabilitation for the service disabled, it is necessary to give the Administrator an active role in the employment area in conjunction with the Department of Labor.

Vocational rehabilitation is not accomplished until the veteran has become a satisfactory and satisfied employee in a suitable occupation. Given the continuing high rates of unemployment, disabled veterans need all possible help in obtaining suitable jobs. Rehabilitation staff who have worked with the disabled veteran throughout the rehabilitation process are in the best position to serve as his or her advocate with prospective employers and to ensure proper selective placement in a suitable job.

The overriding consideration remains that employment placement and adjustment services are integral functions of rehabilitation and, as such, are the responsibility of the rehabilitation agency. The VA, in discharging this responsibility, should utilize all available job placement resources in a comprehensive effort on behalf of the client and should carry out its job development and placement activities in a coordinated effort with other concerned agencies, especially the Rehabilitation Services Administration of the Department of Health, Education, and Welfare, the Veterans Employment Service of the Department of Labor, the State employment services, and the U.S. Office of Personnel Management.

Section 1517. Staff training and development. This section provides explicit authority to the VA to devote resources to vocational rehabilitation staff training and development.

Staff development for VA counseling and rehabilitation staff should be expanded to insure that the practices and methods utilized in veterans vocational rehabilitation program are in accord with modern concepts and advanced knowledge in the field of rehabilitation. In this connection, in order to supplement the limited authority of the Government Employees Training Act, the Administrator is authorized to make grants to and contract with public or nonprofit agencies (including institutions of higher learning) to conduct training sessions. It is intended that there be cooperation between the VA and the State-Federal program in planning and carrying out staff training in areas of joint program concern.

Section 1518. Rehabilitation research and special projects. This section expands the Administrator's authority to engage in rehabilitation research and special projects. Under section 304(b)(2) of the Rehabilitation Act of 1973, grants may be made for the purpose of paying all or part of the cost of special projects and demonstrations and research and evaluation in connection with special projects and demonstrations for applying new types of patterns of services or devices, including opportunities for new careers for handicapped individuals. No special project grants are available under existing chapter 31.

The initial RSA special projects focused primarily on the following target populations: The older blind, the deaf who have not achieved their maximum vocational potential, and people with spinal cord injuries. The basic purpose of this category of RSA grants is to expand or otherwise improve vocational rehabilitation services for groups of severely handicapped persons. In view of these RSA grants, separate projects of this kind on behalf of veterans are not considered necessary, but a need for authority to make grants in other areas of value in veteran rehabilitation is recognized by this new provsion.

Section 102 of title I of this bill amends chapter 34 of title 38 to add a new section 1687. This new section has the effect of permitting a veteran, with a compensable service-connected disability, who is training under chapter 34, to receive vocational rehabilitation services authorized under chapter 31. That individual must be found in need of vocational rehabilitation, however, and must have an approved vocational rehabilitation plan. The individual would, subject to the normal limitations of chapter 34, receive monetary benefits at the higher chapter 34 rates prescribed in section 1682 of title 38. This will have the effect of removing the present incentive to utilizing the rehabilitation services provided under chapter 31.

Many disabled veterans attending State funded schools, where tuition and fees are fairly low and are, therefore, not a real factor, elect to train under the chapter 34 program because the assistance rate payable is higher even though they must pay their own tuition and fees. This has the effect of denying them the additional services provided to a chapter 31 trainee. Since our goal is to ensure that all compensable service-disabled veterans with an employment handicap receive such services, the proposed change allows the veteran to do so while training under chapter 34.

Section 103 would amend section 1795 of title 38 to provide that limitations on periods of educational assistance under two or more VA programs shall include chapter 32. In addition, the proposed revision limits the furnishing of benefits under other educational programs together with assistance under chapter 31 to a total of 64 months unless the Administrator determines that additional months of benefits under chapter 31 are required to accomplish the purpose of vocational rehabilitation under that chapter. A veteran could have a service-connected disability which is compensable, but does not present him or her with an employment handicap, and the individual trains under chapter 34 for 45 months. In subsequent years, the veteran's disability develops to a stage where the veteran is unable to remain employed. Such a veteran, under the change, could be granted additional months of training under chapter 31 for a minimum of 19 months or for a longer period of time if the Administrator determines in this particular instance that further chapter 31 training is required to aid this veteran.

Current section 1795 limits total entitlement accorded a person eligible under two or more VA educational programs to 48 months. However, clause (4), which was enacted earlier in time, fails to include the new chapter 32 program in this limitation. Thus, a veteran eligible for 36 months of benefits under chapter 32 could, under current law, if eligible, receive an additional 48 months of benefits under current chapter 31 and/or 45 months under chapter 35. The amendment, thus, includes chapter 32 to make it consistent with congressional intent to restrict multiple benefits and also recognizes the extension of the chapter 31 entitlement to 64.

TITLE II—TECHNICAL AMENDMENTS—EFFECTIVE DATE

Section 201 amends section 1685 of title 38 to make all compensable disabled veterans eligible for priority consideration under the work-study program. This is compatible with amendments to eligibility requirements for vocational rehabilitation benefits provided in Public Law 93–508.

Section 202 proposes to amend section 1781 of title 38 to bar the receipt of subsistence allowance under chapter 31 concurrently with active duty service or while training under the Government Employees Training Act. This is consistent with the limitations imposed in other education programs to bar the double payment.

Section 203 would amend section 1631(a)(1) of title 38 to reflect the limitation on the number of months of benefits an individual may receive under two or more education programs administered by the Veterans Administration provided under section 103 of the draft bill.

Section 204 sets the effective date of the measure as October 1, 1979, or the first day of the second calendar month following the date of enactment, whichever is later.●

By Mr. HATCH:

S. 1189. A bill to maximize employment opportunities for all Americans in rural and urban poverty areas, and to alleviate structural unemployment among young people through bonus incentives to private and independent sector sponsors, and to achieve more efficient, productive, and cost-effective economic policymaking within the Federal Government; to the Committee on Labor and Human Resources.

JOB OPPORTUNITY BONUS ACT OF 1979

Mr. HATCH. Mr. President, the current rate of national unemployment is 5.8 percent—substantially higher than any rate that most economists and businessmen would agree is "natural" in a free and productive society. Last month, the U.S. Census Bureau reported that the black dropout rate from high school declined by 10 percent. But while this black dropout rate falls, the jobless rate among young black citizens continues to steadily climb.

These facts coupled with increasing inflation and a sharp drop in the international exchange value of the dollar illustrate the continuing failure of national economic policy. Many of us have joined in previous dialogs about what this policy should be, or even if there is one or if there ought to be one. During the last Congress, there came to pass the Humphrey-Hawkins Full Employment Act, legislation intended to redefine the goals and practice of national economic policymaking. What I predicted at the time of its passage, last fall, I am sad to say, has since been realized. That is to say, that the Humphrey-Hawkins Act was not so much a piece of legislation as it was a poem. In the prose which is Senate legislation it recognized our general economic problems, but proposed little else. This is not to say that I bemoan the fact. In my opinion the bill was much worse before the legislation was "defanged," just prior to passage. But what the Humphrey-Hawkins legislation recognizes is something certainly all of us in this Chamber hold to be true. That is, that some 7½ million Americans out of a total civilian labor force of 96 million people are looking for jobs. that they are not able to find them, and that Federal policy has failed to make a significant move toward a solution.

This is why I have asked for this brief time, during which I would like to explain the highlights of legislation I am today introducing. Entitled, the Job Opportunity Bonus Act of 1979 (JOBS Act), it is similar to legislation I introduced during the 11th hour of the last Congress. It is not intended to displace the original Employment Act of 1946, or in other ways to "move mountains" as legislative policy. It is intended to solve a particular, concrete problem. It is intended to creat more jobs for more Americans, particularly those who are least able to find them and yet who remain the most promising additional resource to increase our general level of national productivity.

I am talking about the so-called structurally unemployed. That is, those people who for a complex of reasons do not have marketable skills of any kind or who need some form of job training before they can become gainful members of our economic community.

My legislation is intended to increase the job opportunities for these citizens by increasing use of the job training capabilities of the private sector. Structurally unemployed citizens in both the rural and urban areas of our country would be encouraged to participate in this program, one which would be administered by the Secretary of Labor. The Secretary through my bill would be authorized to provide for social bonus payments to private and independent or voluntary sector sponsors of up to $4,000 per job training employee; that is, for employee job applicants in a privately run job training program for up to 3 years or the minimum of 9 months.

The concept of my proposal was included as part of the amendments to last year's reauthorization of the Comprehensive Employment Training Act, a proposal sponsored in amendment form by Senator HAYAKAWA and myself in the Senate Labor and Human Resources Committee. Our amendment proposed 10 demonstration cities in which this social bonus job training proposal would be tested, while the legislation I am today introducing proposes a program, a version of the same principle on a more extended scale.

This program recognizes problems all of us perceive to be real, but its solution enables us to move beyond the public sector approach which remains largely ineffectual. I say this in part because this public sector approach—that is, putting people to work in purely public sector jobs—requires a lot of Government money, tax money which we do not have. The earlier Humphrey-Hawkins bill considered during the last Congress intended to reduce adult unemployment to the 3-percent level, requiring as the Congressional Budget Office concluded, to put some 3 million people to work in Government jobs. If each were to be paid $10,000 a year, the total cost to the American taxpayer would have been $30 billion. To raise the money by increasing taxes or printing additional paper money would defeat the purpose of improving the health of our general economy. Private purchasing power would be diminished, jobs in private business would decrease, the rate of capital formation would slow, and inflation would be stimulated by the deficits incurred by printing more money. In short, the public sector approach is at least found wanting.

I believe that the Jobs Act of 1979 represents a new, and a better approach. We can create more jobs for more Americans without having to further burden the already beleaguered American taxpayer or further discouraging increasing private investment in labor intensive industry. We can create more jobs using the available resources of the private and independent sectors of our economy. It is the mainspring of human progress, and it is the promise of an American economic recovery which will be lasting. Soliciting the cosponsorship and support of my colleagues, I ask unanimous consent that the text of my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the

JOB OPPORTUNITY BONUS ACT OF 1979

SEC. 2. It is the purpose of this Act to institute a program to reduce structural unemployment among our nation's citizens by providing incentives for private and independent sector sponsors to establish additional employment opportunities in rural and urban poverty areas.

DEFINITIONS

SEC. 3. For the purpose of this bill, the term—

(1) "business sponsor" means any type of business engaged in, by any person, for any commercial or other business related purpose, including the manufacture, production, processing or assemblage of any property; the distribution of property including the sale, leasage, storage, handling and transportation thereof, and for all other profit-related purposes.

(2) "independent sector sponsor" means any non-profit or not for profit, non-commercial or non-business enterprise engaged in any form of charitable, educational or other non-profit activity as defined and so designated under the 510 C provisions of the Internal Revenue Code.

(3) "industrial or commercial facility" means a fixed place of business in which a business enterprise is wholly or partly carried on including—

(A) a place of management or office,

(B) a factory, processing facility, plant or office workshop,

(C) a store or retail facility,

(D) a warehouse or sales outlet,

(E) a center for transportation, shipping or handling of property, or

(F) any other similar commercial facility;

(4) "Secretary" means the Secretary of Labor;

(5) "State" means each of the several States and the District of Columbia;

(6) "urban poverty area" means any area

of sufficient size and scope to comply with the provisions of this Act which the Secretary determines—

(A) has a rate of unemployment equal to or in excess of 15 per centum for twelve consecutive months prior to the selection of that area under this Act, and

(B) is located within a standard metropolitan statistical area having a population of at least two hundred and fifty thousand individuals;

(7) "rural poverty area" means any area located outside of the zoned jurisdiction of a metropolitan area and having a population of less than two hundred and fifty thousand individuals; and which has a rate of unemployment equal to or in excess of 15 per centum for twelve consecutive months prior to the selection of that area under this Act; and which complies with the provisions of this Act as so determined by the Secretary.

PROGRAM AUTHORIZED

SEC. 4. (a) The Secretary, in accordance with the provisions of this Act, is authorized from funds appropriated under Section 10 of this Act to make the payment of social bonuses to business and independent sector sponsors as employment incentives to encourage such sponsors to employ those eligible as defined in this Act in jobs located in such urban and rural poverty areas.

(b) In selecting the urban and rural poverty areas under subsection (a) of this section the Secretary shall give special consideration to urban and rural poverty areas located within States or, located within or containing municipalities, which show evidence of fully cooperating with any project assisted under this Act by providing beneficial tax treatment to an independent sector or business enterprise for any industrial or commercial facility to be located or expanded within the area as designated by this Act.

SOCIAL BONUS PAYMENTS

SEC. 5. (a) The Secretary is authorized, in accordance with the provisions of this Act, to conduct in each urban or rural poverty area selected under section 3 of this Act a program for the payment of social bonuses to any business or independent sector enterprise if the enterprise establishes—

(1) that the enterprise will employ individuals in compliance with the provisions of this Act, and that they be employed for not less than one year;

(2) that the enterprise has a manpower service or other similar education program in the case of an independent sector enterprise; and that such program include on-the-job training which will upgrade skills and enhance the productivity of those employed in it;

(3) that the enterprise will not discriminate on account of race, color, religion, sex or national origin in the employment of those eligible under the provisions of this Act; and

(4) that the enterprise will report to the Secretary such information and data as may be necessary to enable the Secretary to carry out his functions under this Act.

(b) The amount of the social bonus to be paid for each individual as eligible under this Act shall not be less than $2,500 nor more than $4,000 for each year of employment of any applicant by an enterprise or independent sector sponsor as determined by the Secretary.

(c) In determining priority for the payment of the social bonus authorized by this Act the Secretary may give preference to any business enterprise or independent sector sponsor establishing any new industrial or commercial facility or program, respectively, in a designated urban or rural poverty area.

(d) The Secretary may by regulation provide for a waiver of the provisions of clause (2) of subsection (a) upon a showing by the appropriate sponsor that the employment of the eligible applicant for a period of less than one year, but more than nine months, is warranted under special circumstances.

RESTRICTIONS

SEC. 6. (a) No payment of a social bonus on behalf of an eligible person may be paid to a business enterprise or independent sector sponsor under this Act unless the employment of the eligible persons—

(1) will result in an increase in employment opportunities which would otherwise be available;

(2) will not result in the displacement of currently employed workers (including partial displacement such as the reduction in the hours of nonovertime work or wages or employee benefits) in any industrial or commercial facility or enterprise;

(3) will not impair existing contracts for services or result in the substitution of such employees in connection with work that would be performed; or

(4) will not result in hiring such person to fill a job opening created by the action of the enterprise in laying off or terminating the employment of any regular employee in anticipation of filling the vacancy so created by hiring an employee to receive the social bonus under this Act.

(b) No payment for a social bonus may be made under the provisions of this Act for the employment of any eligible youth unless such a youth is paid not less than the hourly minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938.

(c) No payment may be made for a social bonus on behalf of any eligible employee for a period in excess of three years.

SOCIAL BONUS PAYMENTS

SEC. 7. (a) The Secretary as authorized to make a social bonus payment by this Act not less than or more often than once in each calendar year for those eligible as defined by this Act.

(b) No payment may be made to a business enterprise unless an application is made at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c) Payments made for the social bonus may be made in installments, or by way of reimbursement, with necessary adjustments on account of overpayment or underpayments, as the Secretary may determine.

ADMINISTRATION

SEC. 8. Except as otherwise specifically provided in this Act, the Secretary, in carrying out his functions under this Act, shall have the same powers and authority that he has under the Comprehensive Employment and Training Act of 1973 to carry out his functions under that Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. (a) There are authorized to be appropriated for the fiscal year 1980 for each of the two succeeding fiscal years such sums as may be necessary to carry out the provisions of this Act.

(b) Notwithstanding any other provisions of law, unless enacted in specific limitation to the provisions of this subsection, any funds appropriated to carry out this Act which are not obligated prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation during the succeeding fiscal year. Any such funds obligated in any fiscal year may be expended during a period of two years from the date of obligation.

By Mr. BAUCUS (for himself, Mr. MELCHER, Mr. MAGNUSON, Mr. JACKSON, Mr. MCGOVERN, Mr. CHURCH, and Mr. BOSCHWITZ):

S.J. Res. 81. Joint resolution to require continuation of rail service by the Chicago, Milwaukee, St. Paul and Pacific Railroad for a period of 45 days; to the Committee on Commerce, Science, and Transportation.

RESOLUTION TO REQUIRE THE MILWAUKEE RAILROAD TO CONTINUE SERVICE

Mr. BAUCUS. Mr. President, I have a resolution that would require the bankrupt Milwaukee Railroad to continue to provide service over its entire system for 45 days.

The resolution would give Congress the time it needs to study an employee and stock ownership plan for the Milwaukee.

Senators MELCHER, MAGNUSON, MCGOVERN, CHURCH, and BOSCHWITZ have joined me as cosponsors. Other colleagues have expressed tentative interest in cosponsoring, however, early adjournment today precludes me from adding their names.

During the 45 days of continued service, the Federal Government would provide necessary funds to keep the Milwaukee operating. These funds would come from the Emergency Rail Services Act Trust Fund.

Unlike directed services, the Federal outlay would not be a total loss under this resolution. Trustee certificates would be issued that require eventual payback by the railroad.

Creditors of the Milwaukee have objected to acceptance of ERSA funds on the grounds that the first lien currently required undermines their financial position. My resolution would remove that objection.

Mr. President, based on positive reaction by States, shippers, employees and Members of Congress to the concept of employee and shipper ownership, I would urge that the Senate speedily pass my resolution.

The bankruptcy trustee has proposed to abandon three-quarters of the Milwaukee system. This resolution must pass before the bankruptcy judge grants the trustee's request. Unless we act quickly, there will not be an opportunity to organize a shipper and employee-owned Milwaukee.

Mr. President, I want to discuss today the Milwaukee Road and its financial problems. Montana is one of the States that will be affected most if Milwaukee service stops.

There are two points I especially want to stress. First, railroad transportation is essential to the Northwest and to the Nation.

Second, the Milwaukee Road is not a "basket case." It could be profitable.

THE IMPORTANCE OF MILWAUKEE SERVICE

On the importance of the Milwaukee's service, let me make just a few comments.

First, railroads are the most energy-efficient means for transporting bulk commodities long distances. There is no other practical way to move the grain, coal, and forest products we produce in the Northwest.

Second, the Milwaukee's Pacific coast extension west of Minneapolis crosses the rich Fort Union coal deposits. Nearly half the Nation's strippable coal is in this area, and when it is developed, it will have to move by rail.

Third, more and more U.S. grain is being shipped West for export to Asia. This trend will accelerate as trade with China develops. Grain exports are crucial to the U.S. balance of trade.

Finally, the Milwaukee Road supports jobs and communities throughout its system. It directly employs 10,000 workers.

Many plants are entirely dependent on Milwaukee service. The economic effects of a shutdown would be far-reaching. Also, the railroad contributes to the tax base of every county and State it crosses.

EMPLOYEE AND SHIPPER STOCK OWNERSHIP

The question we should consider is, How can we take a railroad that is in bankruptcy and make it a profitable operation that provides vital transportation services? I think that employee and shipper ownership could be the solution.

I want to point out just one example of how employee ownership might help the Milwaukee.

Milwaukee officials have testified that coal has little potential for increasing the railroad's profits. But an official of Western Energy Co. told me he has never been contacted by Milwaukee sales people. His company operates the country's second largest strip mine at Colstrip, Mont.

Western Energy is visited frequently by representatives of the Chicago Northwestern Railroad, even though the Northwestern's tracks do not come close to Colstrip. The difference is that the Chicago Northwestern is employee owned. Unlike the Milwaukee, it aggressively competes for new business.

Last week I discussed employee and shipper ownership with State transportation officials in Chicago. I also met with Chairman Long and shippers and employee representatives here in Washington.

The general consensus of these meetings was that employee and shipper ownership may be the only way to save Milwaukee service. I see that Senator Long received telegrams today from a dozen major shippers supporting employee/shipper ownership.

We just do not have any alternatives left. I do not think Congress will provide funds to rehabilitate the Milwaukee system without a solid financial commitment from the employees and shippers.

DEVELOPING AN ESOP-SSOP

The question now is how do we put an employee and shipper stock ownership plan into effect? How do we continue the momentum we have developed so far?

First, we have to delay the trustee's proposal to abandon service on three-quarters of the Milwaukee system. Second, during the delay, we have to have a solid study to indicate how a shipper and employee ownership plan would work. My resolution would allow both of these events to occur.

PROBLEMS WITH DIRECTED SERVICE

The trustee's proposed abandonment would destroy chances of reorganizing the Milwaukee. If the bankruptcy judge approves the abandonment, the Interstate Commerce Commission will provide "directed service."

There are severe problems with directed service.

First, I frankly do not think the ICC can deal with the physical problems of directed service. ICC testimony in Chicago showed that—

They do not know how they will physically keep track of cars and billing;

The Milwaukee has not promised to provide equipment for directed service, and other carriers simply do not have any to spare;

No arrangements have been made to maintain track and equipment during the directed service period;

The ICC has not decided which carriers would be directed to provide service; and

Nobody knows how many employees would lose their jobs under directed service.

The ICC has only directed service once before. That was for 100 miles of track, not 7,000. They just do not have the expertise and manpower to handle all the problems directed service would involve.

A second problem with directed service is that directed carriers will make every effort to divert the Milwaukee's customers and upset established traffic patterns for their own benefit.

After several months of directed service, if we tried to develop a shipper and employee stock ownership plan, we would find that much of the traffic had disappeared.

Finally, directed service is enormously expensive for the Federal Government. The ICC must pay all the expenses of the directed carriers plus provide a 6-percent profit. Because traffic patterns will be upset, the costs will be very high. The ICC estimates that directed service will cost $25 million.

ESOP-SSOP STUDY

To move forward with an employee and shipper ownership plan, we need a comprehensive study to show how much a plan would operate and whether it would be viable.

We simply do not know enough about the economics of the Milwaukee Railroad.

The Booz-Allen report commissioned by the trustee indicates that in the long run all parts of the Milwaukee could return net operating income, but not enough for debt service.

Last October, Senator Melcher sponsored an amendment to the Local Rail Services Planning Act requiring the Federal Railroad Administration to quickly produce a study of the Pacific coast extension. Evidently, the study started in March, but there have not been any results so far.

An independent analysis of the Pacific coast extension by sore is quite optimistic. It shows a net profit within 5 years.

None of these studies considers the advances of employee and shipper ownership, such as higher productivity and shipper loyalty.

I have discussed a viability study of an employee and shipper owned Milwaukee with Secretary Adams and Chairman O'Neal. I think that the Department of Transportation could produce the necessary study within 45 days with help from the ICC.

DOT has access to an enormous amount of railroad data, they have the expertise, and they have done some work with the Milwaukee. Outside consultants who have experience with employee stock ownership plans might be required to produce the financial plan.

SUMMARY

I would like to summarize by emphasizing again the importance of the Milwaukee road's service and my belief that the system can be made viable.

Our best chance for continuing service is through employee and shipper stock ownership. The benefits of shipper loyalty and employee productivity could dramatically change the railroad's financial picture.

To develop an employee and shipper ownership plan, we must delay any abandonment of Milwaukee service. The resolution I have suggested will give us the time we need. I urge the committee to report the resolution as soon as possible.

Mr. President, I ask unanimous consent to have the resolution printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 81

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress hereby finds that—

(1) the proposed embargo of the freight operations of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the States of Washington, Montana, Idaho, North Dakota, South Dakota, Illinois, Iowa, Missouri, Michigan, and Indiana, which the trustee of the railroad has asked the Bankruptcy Court to authorize and to direct, would have crippling repercussions on the economies of these States;

(2) the threatened embargo of freight service extends over 7,000 miles of the track, or approximately 75 percent of the Milwaukee's rail system;

(3) the proposed embargo would result in the loss of many thousands of jobs of railroad workers and other workers whose employment is dependent upon uninterrupted rail service;

(4) coal shipments from the great coal deposits underlying Montana, Wyoming, North Dakota, and South Dakota are totally dependent upon continuing rail service;

(5) the agricultural producing and marketing activities in this tier of States is equally dependent upon continued service;

(6) cessation of essential transportation services by the railroad would endanger the public welfare;

(7) cessation of such services is imminent; and

(8) there is no other practicable means of obtaining funds to meet payroll and other expenses necessary to provide such services. Upon this basis the Congress declares that emergency measures must be taken to avoid the substantial damage to the economy of the region and of the Nation which the proposed embargo would otherwise cause.

Sec. 2. For a period of 45 days following the effective date of this joint resolution, the Chicago, Milwaukee, St. Paul and Pacific Railroad Company shall (a) maintain its entire railroad system, as it existed on May 1, 1979; (b) continue no less than the level of service provided by it at that time; and (c) not take any action to abandon or discontinue service over any part thereof unless it is authorized to do so by the Interstate Commerce Commission, and no affected State (or local or regional or transportation authority) opposes such action by the Commission.

Sec. 3. (a) The Secretary of Transportation shall provide financial assistance in an amount equal to the difference between (i) the total expenses incurred by the railroad in or attributable to the maintenance and continuation of service as required by section 2 and (ii) the direct revenues from the handling, routing and moving of traffic over such lines.

(b) In providing such assistance, the Secretary shall draw upon the trust fund established by the Emergency Rail Service Act of 1970 (Public Law 91-663): *Provided, however,* That section 3 of such Act shall not be applicable to financial assistance under this resolution. Financing provided by this section shall be in the form of securities described in section 506 of the Railroad Revitalization and Regulatory Reform Act (Public Law 94-210).

(c) The Secretary shall advance funds to the railroad in an amount sufficient to maintain its continuing operations as required by this resolution. The railroad shall submit promptly to the Secretary of Transportation its record of these expenses and revenues. The Secretary of Transportation shall certify to the Secretary of the Treasury the amount to be paid on the railroad.

Sec. 4. The actions prescribed by this joint resolution shall be taken notwithstanding any provision of any other Federal law, the constitution or law of any State, or the decision or order of, or pendency of any proceedings before, any Federal or State court, agency, or other authority.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. Levin, the Senator from Wyoming (Mr. Simpson) was added as a cosponsor of S. 15, to prohibit discrimination on the basis of geography in the issuance and use of credit cards.

S. 29

At the request of Mr. Hatch, the Senator from Wyoming (Mr. Simpson) was added as a cosponsor of S. 29, a bill to repeal the Davis-Bacon Act.

S. 35

At the request of Mr. Helms, the Senator from New Hampshire (Mr. Humphrey) and the Senator from Wyoming (Mr. Simpson) were added as cosponsors of S. 35, to repeal the Credit Control Act.

S. 266

At the request of Mr. Moynihan, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 266, to amend the Social Security Act with respect to the issuance of social security cards.

S. 267

At the request of Mr. Moynihan, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 267, to prohibit the counterfeiting and forgery of social security cards and the sale of such cards.

S. 378

At the request of Mr. Bellmon, the Senator from Arkansas (Mr. Pryor) was added as a cosponsor of S. 378, to authorize the Robert A. Taft Institute of Government Trust Fund.

S. 697

At the request of Mr. Sasser, the Senator from Utah (Mr. Hatch) was added as a cosponsor of S. 697, to reduce by $500 million the amount which may be obligated for travel and transportation of officers and employees in the executive branch during fiscal year 1980.

S. 711

At the request of Mr. Burdick, the Senator from Wyoming (Mr. Wallop) was added as a cosponsor of S. 711, to encourage Federal support of geriatric medical education.

S. 794

At the request of Mr. Levin, the Senator from Washington (Mr. Magnuson) was added as a cosponsor of S. 794, the Postal Supervisor Arbitration Act.

S. 873

At the request of Mr. Ribicoff, the Senator from California (Mr. Hayakawa) and the Senator from Idaho (Mr. Church) were added as cosponsors of S. 873, to amend the IRC to waive in certain cases the residency requirements for deductions or exclusions of individuals living abroad.

S. 913

At the request of Mr. Matsunaga, the Senator from Maryland (Mr. Sarbanes) was added as a cosponsor of S. 913, to amend the Social Security Act with respect to health programs, and for other purposes.

S. 936

At the request of Mr. Jackson, the Senator from Delaware (Mr. Biden), the Senator from Michigan (Mr. Levin), and the Senator from Massachusetts (Mr. Tsongas) were added as cosponsor of S. 936, to extend the authority under the Emergency Petroleum Allocation Act of 1973.

S. 955

At the request of Mr. Helms, the Senator from New Hampshire (Mr. Humphrey) was added as a cosponsor of S. 955, the Taxpayers Bill of Rights.

S. 982

At the request of Mr. Lugar, the Senator from Wyoming (Mr. Simpson) was added as a cosponsor of S. 982, the Amendments to the Food Stamp Act of 1977.

SENATE JOINT RESOLUTION 41

At the request of Mr. Burdick, the Senator from North Carolina (Mr. Morgan) and the Senator from Iowa (Mr. Jepsen) were added as cosponsors of Senate Joint Resolution 41, to authorize the President to proclaim National Family Week in the Month of November.

SENATE RESOLUTION 164

At the request of Mr. Levin, his name was added as a cosponsor of Senate Resolution 164, relating to human rights in Iran.

SENATE CONCURRENT RESOLUTION 27—SUBMISSION OF A CONCURRENT RESOLUTION TO ESTABLISH A COMMON ECONOMIC BOND OF ENERGY COOPERATION

Mr. DOLE submitted the following concurrent resolution which was referred to the Committee on Foreign Relations:

S. Con. Res. 27

Whereas the United States is dependent on foreign oil for one-half of its petroleum energy;

Whereas the dependence on foreign crude oil is adversely affecting the balance of payments, weakening the value of the dollar and exacerbating domestic inflation;

Whereas the United States imports most of its petroleum from politically unstable areas of the world and that the instability of supplies for the energy needs of the country is a threat to national security;

Whereas the price and production of oil are being artificially controlled by foreign countries making the United States and other nations susceptible to the use of oil as a political weapon;

Whereas the current exploration and development of petroleum and the refining and distribution of petroleum products are inadequate to meet the need for fuel in all segments of the country;

Whereas the United States and the countries of Mexico and Canada share many of the same problems and concerns regarding the exploration, development, distribution, and refining of their domestic petroleum and other energy resources;

Whereas the joint participation in research and development of alternative energy sources would be beneficial for the United States, Mexico, and Canada, because it would reduce the dependence on any single energy source; and

Whereas a joint effort by the countries to promote a continental energy policy, would improve diplomatic relations, reduce duplication of energy research and provide favorable marketing conditions among the countries: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That, it is the sense of the Senate and the House of Representatives of the United States that the United States, Mexico, and Canada should establish a common economic bond of energy cooperation and that the President of the United States should invite the leaders of Mexico and Canada to a summit meeting with the United States to discuss energy issues including the energy needs of the countries, the joint development of energy sources, energy marketing incentives, the balance between energy development and environmental protection and establishing a North American partnership between the countries.

● Mr. DOLE. Mr. President, I am submitting today a concurrent resolution which calls for closer cooperation with Mexico and Canada on energy issues. I am pleased to have Congressman Stangeland of Minnesota introduce the companion measure in the House today.

Mr. President, America has had a tradition of cooperation between our closest neighbors. Now, with the energy crisis upon us, it is more important than ever to pull together on issues of mutual concern.

Mr. President, the 1973 OPEC embargo signaled the end of inexpensive and abundant energy. Since that time, we have made little progress in escaping the grip of our dependence on foreign petroleum. Last year oil imports made up 47 percent of our domestic consumption, with 41½ percent of those imports coming from the politically unstable Middle East and 83 percent of the imports coming from the OPEC cartel.

The price of foreign energy continues to increase. Recently, Iran announced additional price hikes. Other countries are adding oil surcharges which have pushed the price of oil above $18 per barrel.

Mr. President, the dependence on foreign crude oil is adversely affecting our balance of payments and is continually weakening the value of our currency. The instability of our supplies of oil poses a threat to our national security.

The main causes of our increasing dependence on imports has been the governmental barrier to full development of domestic resources. The price control system on domestically produced oil has kept prices artificially low and, in fact, has acted as a subsidy on imports. There is no question that as long as price controls remain, the drilling activity will be concentrated in areas where oil has already been discovered in order to minimize the risk.

For these reasons I support belated action taken by the administration to decontrol domestically produced oil. In order to promote new domestic supplies, I also believe that Congress should enact the properly structured tax on the decontrolled revenues which encourages new domestic exploration.

Mr. President, Canada, Mexico, and the United States all have abundant energy resources. The United States has oil and gas reserves plus huge deposits of coal, oil shale, and geothermal energy. Mexico is rapidly developing its new oil resources and currently 85 percent of oil exports goes to the United States. Canada has reserves of oil and gas. The United States is a leader in energy technology, management, and finance.

Mr. President, a comprehensive national energy policy should include close cooperation with Mexico and Canada. It should be a policy based on mutual respect not intimidation. It should be a policy based on trust, not threats.

Canada and Mexico share many of our problems and concerns. I believe the United States should initiate a course of total cooperation with them on energy issues. A joint effort to accomplish common goals and promote a continental energy policy would be in the best interests of all the parties.●

AMENDMENTS SUBMITTED FOR PRINTING

INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979—S. 584

AMENDMENT NO. 205

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE submitted an amendment intended to be proposed by him to S. 584, a bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes.

Mr. PROXMIRE. Mr. President, I understand that shortly the Senate will take up S. 584, a bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act and for other purposes. I send an amendment to the desk to be printed so that it can be taken up when that bill is before the Senate. It would strike out our assistance to Syria. It makes no sense for us to be providing assistance to all sides in the Middle East, all sides. Syria, of course, has been a dedicated opponent of Israel and has been very critical of Egypt. For us to provide assistance under these circumstances to Syria is ridiculous.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, May 22, 1979, beginning at 2:30 p.m. to hold a markup session on S. 688, the DOE budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY REGULATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Energy Regulation Subcommittee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate today beginning at 2 p.m. to hold a hearing on the inventories of diesel fuel, gasoline, heating and crude oil.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF HEARING

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND FEDERAL SERVICES

Mr. GLENN. Mr. President, I would like to announce that the Subcommittee on Energy, Nuclear Proliferation, and Federal Services will hold hearings at 10 a.m. on Wednesday, May 23, in room 6202, Dirksen, concerning release of classified nuclear weapon information by Department of Energy Libraries.

ADDITIONAL STATEMENTS

RHODESIAN SANCTIONS

● Mr. HARRY F. BYRD, JR. Mr. President, last Friday I read in the Washington Star an excellent letter by Dr. Richard McCormack in which he states his support for the removal of economic sanctions against Rhodesia and the recognition of the government of Bishop Abel Muzorewa.

Mr. President, Dr. McCormack is well qualified to comment on American policy toward Rhodesia. He formerly served at the White House where he dealt primarily in foreign affairs. His field of academic work is African studies, and his Ph. D. dissertation analyzed the transition in Kenya from white minority rule to black majority rule. More recently, he was a member of an observer delegation at the Rhodesian election in April.

Dr. McCormack recommends that Congress put an end to the indecision at the White House and act directly to initiate trade with Zimbabwe-Rhodesia.

In my judgment, his recommendation is sound. Sooner or later, Congress will be required to correct explicitly by statute the present unacceptable and irrational policy of the administration.

Mr. President, I ask that Dr. McCormack's letter be printed in the Record.

The letter follows:

Carter's Sticky Rhodesia Policy

Cord Meyer's column suggesting that the United States continue economic sanctions against Zimbabwe-Rhodesia until the new government meets some rather vague litmus tests (*The Star*, May 12) seemed to me to be both ill-advised and faintly hypocritical.

Britain's Prime Minister Margaret Thatcher has already announced that in her view there is no present justification for continuing sanctions and that the recent elections in Rhodesia were fair and free.

Even a front-line state, Zambia, has itself quietly dropped economic sanctions against Zimbabwe-Rhodesia and is now involved in very large-scale trade with her neighbor—exporting copper and other products to Zimbabwe and importing agricultural commodities and other items. I personally watched this two-way trade taking place across the railroad bridge spanning the Zambezi River. Since front-line states have themselves dropped economic sanctions, they can hardly protest too convincingly if others outside the region now do likewise.

As for the value of these rather easily evaded economic sanctions as a pressure upon the new Zimbabwe government to negotiate with the guerrillas, they are insignificant compared with the real and important pressures generated by the destruction and violence of the guerrillas themselves.

In discussions I had with the country's new prime minister, Bishop Abel Muzorewa, I became convinced that he would continue to offer amnesty to the guerrillas and provide them a place in government if it can be done on terms which permit democracy and pluralism to survive. There are, of course, problems in including a deeply committed Marxist who favors one-party rule and a state-run economy in a cabinet which also includes individuals who are attracted to democracy, a free economy and pluralism as important values.

Moreover, to deny American recognition to the new government of Bishop Muzorewa while extending diplomatic recognition elsewhere to a wide variety of brutal regimes which came to power by coups and violence strikes me as both inconsistent and hypocritical.

Only unfortunate results are accomplished by the Carter administration's aloof and negative posture toward Bishop Muzorewa's new government, which seems to indicate that the administration feels the government is illegitimate. This posture detracts from the favorable momentum developed by the bishop's recent overwhelming victory at the polls, it encourages the Marxist guerrillas to hold out in the belief that international pressures may yet help unseat the bishop and open the way for their own triumph, and it gives the Soviets a virtual diplomatic hunting license to step up their own efforts to undermine the new Zimbabwe-Rhodesian government.

It also throws Bishop Muzorewa's government totally into the arms of the South Africans, whose help will now be necessary to stave off attacks by the guerillas armed by the Soviets. By pressing for an unattainable coalition government containing all the warring factions, the result is to weaken a potentially workable government of moderates.

This counterproductive policy appears so irrational that I have become convinced that President Carter has inadvertently glommed onto a political tar-baby. He may not be able to separate himself from his creature without antagonizing Ambassador Young and endangering his own survival at the primary elections next spring.

It would be an act of mercy for Congress to put an end to the president's political suffering and simply take the policy out of his hands. And apart from humanitarian reasons, this would also be an act of statesmanship.

RICHARD MCCORMACK.

WASHINGTON, D.C.●

CHINA LOOKS BLEAK TO MRS. ZORINSKY

● Mr. LUGAR. Mr. President, I would like to share with my colleagues some very thoughtful comments of Senator ZORINSKY's wife, Cece. Last month Mrs. Zorinsky visited China with a small party of Senators and their wives. She has returned with a number of illuminating observations which the Omaha World-Herald has correctly characterized as "perceptive and clear of vision." We all know that it is important to conduct our foreign policy upon a solid basis of realism rather than upon fantasies and wishful thinking. Cece Zorinsky's impressions of China—both favorable and unfavorable—help to provide a realistic view of that great and ancient nation which will be of increasing importance to all Americans. I commend her remarks to all Senators, and ask that the text of the following two articles be printed in full in the RECORD.

The articles follow:

CHINA LOOKS BLEAK TO MRS. ZORINSKY

(By Mary Kay Quinlan)

WASHINGTON.—Although you might not believe it from the number of congressional delegations and other groups traveling to China recently, a foreigner in the world's most populous nation is still rare enough to draw stares—especially if you're a blonde, like Cece Zorinsky.

The wife of Nebraska Sen. Edward Zorinsky said Tuesday that she and Jill Biden, the blond wife of Sen. Joe Biden, D.-Del., quickly noticed during their six days in China that the Chinese all have dark hair.

Mrs. Zorinsky and the wives of the five Senate Foreign Relations Committee members who spent the Easter recess in China and, briefly, in Japan, attended most of the meetings and activities scheduled for their husbands.

They saw and did so much, in fact, that Mrs. Zorinsky said it probably will take her some time to sort out her impressions. But a few vivid memories already stand out.

DRESSED ALIKE

Such as when the door of their aircraft—a converted tanker without windows—opened in Shanghai and the first thing the Americans saw was a big picture—"and I mean a BIG picture"—of Chairman Mao and people dressed identically in Mao suits, Mrs. Zorinsky said.

"It was the most incredible feeling," she said.

The sight was the first of what would turn out to be a pattern of sameness in appearance and behavior they saw throughout their stay in Shanghai and Peking.

Everyone wore baggy pants and Mao jackets. "At least they don't have to worry about what to put on in the morning," Mrs. Zorinsky said.

The visitors were routinely served green tea in cups with lids to keep it warm and adopted the Chinese practice of clapping politely to acknowledge welcoming introductions of their hosts.

"I've never clapped and smiled so much . . . and had so much tea . . . in my life," she said.

NO EQUIPMENT

The Americans' itinerary included visits to an agricultural commune, where, Mrs. Zorinsky said, "not one piece of equipment" was to be seen and each person had a tiny plot of his own to farm in addition to the communal fields.

The group also visited a factory where workers painstakingly assembled flashlight bulbs.

Signs reminding workers about the virtues of diligence and hard work were common, she said and rations apparently are distributed according to one's productivity.

The farms and factories were a good illustration of the equality between men and women, Mrs. Zorinsky said. "Chinese women work as hard as the men; their life just has to be very bleak."

UNUSUAL FOOD

The visitors also saw an acrobatic show, visited a middle school—where some of them played basketball with the children—went to a small private home, saw the Great Wall of China and became relatively proficient with chopsticks.

Mrs. Zorinsky said she was amazed by the banquets they attended. "You can't believe how they go on and on."

The food was served attractively and often elaborately, but it included many Chinese delicacies—jelly fish, ox tendons, sea slugs—"that are really strange to our tastes," she said.

"I'm not an adventuresome eater," Mrs. Zorinsky added. "Luckily they have lots of vegetables."

The graciousness of their Chinese hosts everywhere they went was to be expected, in a way, because the American senators were, after all, members of the powerful Foreign Relations Committee, Mrs. Zorinsky said.

BEST OF EVERYTHING

The group also was aware that the Chinese were allowing them to see only the best they had to offer.

But even at that, she said, it was clear that the Chinese "have so little. It's a very difficult, hard life."

"You feel gluttonous having so much," she said. "I just can't believe people live with so little and can be so cheerful."

Mrs. Zorinsky said she cannot figure out why some American visitors to China return singing its praises with such enthusiasm.

Americans could learn a few things from the Chinese, like self-discipline and emphasis on close family ties, she said, but other than that, she added, "My heart just went out to them."

Would she like to return?

"Not really," Mrs. Zorinsky said. "Isn't this awful to say?

"I'm glad I had the experience of seeing it, but I'm grateful we live here and not there.

"It was just like the tornado in Omaha: Hearing about tornadoes and seeing one is entirely different."

CECE SEES CHINA CLEARLY

We suggest that Americans' perspectives on foreign countries might be improved if more U.S. Senators' wives traveled abroad and reported on their findings—that is, if the wives were all as perceptive and clear of vision as Mrs. Ed Zorinsky.

Cece Zorinsky accompanied her husband, who is a member of the Senate Foreign Relations Committee, on a recent trip to the People's Republic of China.

She came back with a different and undoubtedly more realistic set of impressions than those routinely reported by many journalists and others seeing Red China for the first time.

Mrs. Zorinsky told Mary Kay Quilan of our Washington bureau that she can't figure out why some American visitors to China return singing its praises with such enthusiasm.

She was dismayed by the grimness of the Chinese way of life: "You feel gluttonous having so much. I just can't believe people live with so little and can be so cheerful . . . My heart just went out to them."

The life of Chinese women, she said, "just has to be very bleak."

"Bleak" is the word—for the regimentation, the poverty, the grinding discipline of hard work for little reward. It is a cruel tragedy that such a cheerful, civil, intelligent, industrious people, with such rich tradition and solid values, has been crushed into an ant-hill existence by the imposition of an alien ideology.

Many visitors who have not Mrs. Zorinsky's empathy report glowingly on the organization of Chinese life, the disciplined productiveness of the workers, the apparent spirit of national unity and so on. But few seem to notice the debasement of the human spirit which always characterizes a totalitarian society.

Cece Zorinsky has rendered a valuable service. We think she saw China more clearly than many have.●

THE DEATH OF A. PHILIP RANDOLPH

● Mr. BIDEN. Mr. President, the death of A. Philip Randolph at the age of 90 marks a major chapter in the history of the American civil rights movement. Just as his leadership was responsible for much that was constructive in that movement, his example will continue to inspire positive approaches to the problems of minorities in the United States and around the world.

From his 12-year battle to organize the International Brotherhood of Sleeping Car Porters, the first black union to receive an international charter from the American Federation of Labor, to his role in eliminating racial discrimination in World War II defense plants, the U.S. Armed Forces in the postwar period and finally in the AFL-CIO, Mr. Randolph was a major leader in improving the civil rights of minorities in this country.

As an activist, but nonviolent, civil rights leader he demonstrated time and again that a constructive persistence produces the greatest gains for minority members of American society who have been denied full participation in the life of that society. The benefits of his leadership, therefore, have been enjoyed by the whole of our society.

As the effort to maintain and broaden that participation continues, the standards of firm, intelligent, and compassionate leadership of A. Philip Randolph applied throughout his long life will continue to be the most productive in achieving the full civil and economic rights for all of our citizens.●

BALANCED BUDGET AMENDMENT

● Mr. HARRY F. BYRD, JR. Mr. President, on April 3, the Peninsula Chamber of Commerce, serving Hampton, Newport News, Poquoson and York County, Va., adopted a resolution endorsing Senate Joint Resolution 45, my proposal to amend the U.S. Constitution to require a balanced Federal budget.

I am gratified and encouraged by this action of the Peninsula Chamber.

The resolution approved by this fine business group attests once again to the widespread and growing demand in the Nation for fiscal responsibility in Washington. The people understand that until we cut the fantastic growth rate in Federal spending—from 9 to 14 percent a year over the last few years—and end our long string of large deficits, no real and permanent progress can be made in the war against inflation.

At the same time, it is recognized that emergency circumstances may arise in which a balanced budget cannot be achieved for a given year. My proposed amendment to the Constitution would permit a deficit to be incurred in an emergency if approved by a two-thirds vote of both Houses of the Congress. This affords needed flexibility.

I ask that the text of the April 3 resolution of the Peninsula Chamber of Commerce, together with the text of Senate Joint Resolution 45, be printed in the RECORD.

The material follows:

RESOLUTION

Be it resolved, That the Peninsula Chamber of Commerce endorses Senate Joint Resolution No. 45 submitted by the Honorable Harry F. Byrd, Jr.

The proposed S.J. Resolution No. 45 seeks to amend the Constitution of the United States of America through the procedure of concurrence from the United States Senate and House of Representatives followed by the ratification of the legislative bodies of the fifty respective States of the Union. The object of the proposed Constitutional Amendment is to balance the National Budget in that expenditures are not to exceed the amount of actual receipts except in those specific instances as may be authorized by the Congress.

This endorsement was concurred in by the Legislative Affairs Committee, Peninsula Chamber of Commerce, on the third day of April 1979 at Hampton, Virginia.

S.J. RES. 45

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid for all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within three years after its submission to the States for ratification:

"ARTICLE—

"SECTION 1. In exercising its powers under article I of the Constitution, and in particular its powers to lay and collect taxes, duties, imposts, and excises and to enact laws making appropriations, the Congress shall assure that the total outlays of the Government during any fiscal year do not exceed the total receipts of the Government during such fiscal year.

"SEC. 2. During the first fiscal year beginning after the ratification of this article, the total outlays of the Government, not including any outlays for the redemption of bonds, notes, or other obligations of the United States, shall not exceed total receipts, not including receipts derived from the issuance of bonds, notes, or other obligations of the United States.

"SEC. 3. In the case of a national emergency, Congress may determine by a concurrent resolution agreed to by a rollcall vote of two-thirds of all the Members of each House of Congress, that total outlays may exceed total receipts for the fiscal year designated in such concurrent resolution.

"SEC. 4. The Congress shall have power to enforce this article by appropriate legislation.".

A. PHILIP RANDOLPH

● Mr. BAYH. Mr. President, it is with great sadness that I rise on this occasion to pay my final respect to a great American. Last evening A. Philip Randolph died at his home in New York City. Over the years there have been a number of prominent leaders who symbolized the struggle against social and economic oppression. But no one man in modern history symbolized that struggle any more than Mr. Randolph.

Long before the civil rights struggle took place in the South, A. Philip Randolph was organizing black workers to peacefully confront discrimination. In 1925 he organized the Brotherhood of Sleeping Car Porters as a vehicle to fight discrimination within the labor unions. His struggle consummated in 1955 when the American Federation of Labor merged with the Congress of Industrial Organizations to form the AFL–CIO and the newly merged union banned discrimination within its ranks. Finally, in 1957, Mr. Randolph was named a vice president of the AFL–CIO.

His battle against racial, social, and economic discrimination did not end with the unions. He actively fought oppression against his people wherever and whenever it showed its ugly head. In 1941, when America was mobilizing for the war effort, he was bitterly criticized for his planned march on Washington, D.C. as a protest against job discrimination in factories. However, not shaken by such criticisms, Mr. Randolph retorted that it was hypocritical to fight nazism abroad, while racism still existed in America. He convinced President Roosevelt that if America expected an all out effort by blacks, then he must show good faith by banning discrimination. Mr. Roosevelt acknowledged the wisdom and the advice of this wise man and immediately signed a proclamation outlawing discrimination in the industries.

Not satisfied with his early victories in the unions and in the war industries, Mr. Randolph in 1948 convinced President Truman that a segregated army tainted the principles for which that very army stood. Mr. Truman also recognized the impeccable logic in his argument and immediately put an end to segregation in the U.S. Armed Forces.

As this country moved into the turbulent 1960's, Mr. Randolph was right out in front, helping to lead the battle against discrimination. He was one of the key organizers of the now famous 1963 March on Washington. Along with such other great black leaders as Dr. Martin Luther King, Jr., Bayard Rustin, and Clarence Mitchell, Jr., he articulated the dissatisfaction of black America during that historic time. He demanded that the principles of equality, justice and economic parity among all Americans become a reality. When such was not the case, he took his battle, peacefully, to the streets. He was, in essence, one of the greatest organizers for the oppressed in the history of this country.

Mr. President, in closing I concur with Bayard Rustin who said, "that no other living American has done more to seek justice for all the poor, the working classes and the minorities in our society and around the world than has A. Phillip Randolph." We all will miss this man of peace, this man dedicated to the principles in which we all believe.●

NORTH CAROLINA STATE AUDITOR HENRY L. BRIDGES HONORED

● Mr. HELMS. Mr. President, at a time when opinion polls indicate that the public is something less than enamored with public officials in general, it is both refreshing and encouraging when a dedicated public servant is recognized and honored by the people he serves.

The Honorable Henry L. Bridges has been North Carolina's State Auditor for 32 years. Recently he was recognized for his long and dedicated service by the North Carolina State Firemen's Association, State officials and many of his friends.

Mr. Bridges has set a standard for fiscal responsibility that is unexcelled in State governments.

His leadership and professionalism have been widely recognized. He has served as president of the National Association of State Auditors, Comptrollers, and Treasurers and he has held many other positions of high trust during his long tenure in public life.

Mr. President, I am honored to have Henry Bridges as a friend. I am exceedingly proud of his life of service to the people of my State.

I ask that remarks made at the recent ceremonies, held at the Capitol in Raleigh, N.C., honoring Mr. Bridges, be printed in the RECORD.

The remarks follow:

PRESENTATION OF PORTRAIT OF HENRY L. BRIDGES TO THE STATE OF NORTH CAROLINA

This portrait of the Honorable Henry L. Bridges is presented to the state of North Carolina by the North Carolina State Fire Association in recognition of the dedicated service rendered by him for over 32 years as State Auditor.

Henry Bridges is recognized both regionally and nationally as a leader among those who advocate efficiency and sound fiscal affairs to all levels of government. This advocacy of fiscal strength has played a significant part in the favorable financial climate now enjoyed by North Carolina and its citizens.

May his sterling character, his notable achievements and the unflinching integrity with which he conducted his duties be an inspiration to all who follow.

Portrait Committee: Horace Moore and George Barlett.

The portrait was painted by Henry Rood, Jr., Greensboro, noted North Carolina artist.

THE INVOCATION

(By Dr. T. L. Cashwell, Jr., Minister, Hayes Barton Baptist Church, Raleigh, N.C.)

Our Heavenly Father, we make quiet our hearts for prayer, asking that we might redeem these moments from being nothing more than a mere gesture. As citizens of this State, we have gathered in the atmosphere of the Capitol City to honor one of our choicest citizens, Henry L. Bridges who for 32 years has performed, as a solemn trust, the duties of the State Auditor. His specific functions have been administered with understanding, wisdom and integrity. His judgments have been tempered with justice, compassion and calm conviction. It is true that we honor the man, but we also commend his dedication to the measuring of the thoughts and actions of life with the rule and the square. His example has been an inspiration for all of us. Consecrate now the doings of this day so that they may be recorded as having been overshadowed with the power of your Spirit. In Thy name, Thou who art Father of us all, we make our prayer. Amen.

MR. GEORGE BARTLETT, EXECUTIVE BOARD, NORTH CAROLINA STATE FIREMEN'S ASSOCIATION

On behalf of the North Caroline State Firemen's Association and the portrait committee, I'd like to thank all of you for being with us today and sharing in this very special occasion. As many of you know, in the office just above us, there hang portraits of all the men who have served as State Auditor of this great State of ours since the year of 1901—with the exception of one—the present incumbent. He has served longer than any other elected State Auditor of the State of North Carolina. So it is especially appropriate at this time that the portrait of Henry L. Bridges be presented to the State. To make the formal presentation, I present to you Mr. Horace Moore, Chairman of the Portrait Committee of the North Carolina State Firemen's Association.

MR. HORACE MOORE, CHAIRMAN, PORTRAIT COMMITTEE

This is a proud day for those of us who are privileged to take part in this ceremony. We are here today to pay tribute to one of the finest citizens the State of North Carolina has ever produced. We believe the presentation of this portrait is most appropriate in recognition of his 32 years of service as State Auditor. Henry L. Bridges has been a great friend to the firemen of this State, but more importantly, he has been, and continues to be, a great friend to all of the people of North Carolina. This friendship is reflected in many ways. Chief among these is his outstanding devotion to duty since that February day in 1947 when he first took the oath of office. In the 32 years since, his record of achievements are known to all.

He insisted on developing a highly qualified staff of professional auditors and accountants. He formulated and installed internal control policies to safeguard the assets of the State. He developed and implemented a statewdie uniform accounting system to reflect the State's financial condition on a consistent and understandable basis. He initiated performance auditing to help make State government more economical, efficient and more accountable for its use of the people's resources. The list goes on and on . . .

He has served with nine governors on the Council of State and, for over 30 years, he was Chairman of the Board of Law Enforcement Officers' Benefit and Retirement Fund. He is now Chairman of the Firemen's Pension Fund.

His talents and abilities have not gone unnoticed outside the boundaries of North Carolina. Regional and national honors have come his way by virtue of the esteem and respect with which he is held by his counterparts. He has been president of the National Association of State Auditors, Comptrollers and Treasurers. He was Executive Director of that same organization for over eleven years. He has served as the Southeastern states representative to the National Intergovernmental Audit Forum and has been recognized on several occasions by the United States General Accounting Office for his contributions to the auditing profession.

His dedication and service in civil and religious activities are also in keeping with his character. He has been active in the Masonic Order, the American Legion and the Lions Club, among others. He is a man of great faith and is a life deacon of the Hayes Barton Baptist Church. He has given unselfishly of his time and effort. He has served 20 years on the Board of Trustees of Wake Forest University, and just recently, he completed a 10 year term of service on the Board of Southeastern Baptist Theological Seminary.

North Carolina has enjoyed a proud record of honesty of its public servants. We have never been embarrassed by serious fraud. The people have confidence in the fiscal affairs of their government—its financial condition and stability. We have laws that prohibit deficit spending and we have established systems of checks and balances to insure internal control. But no law and no system can be effective unless you have people of the highest character and complete integrity to administer the fiscal offices of this State. Our State Auditor possesses these attributes to the highest degree and I submit to you, Governor Hunt and assembled friends, that no one in the history of this State has had more to do with this high standard of fiscal responsibility, that we enjoy in North Carolina, than Henry Bridges.

At this point in the program Mrs. Henry L. Bridges was asked to unveil the portrait and the following members of Mr. Bridges' family were presented: Mr. and Mrs. Joseph H. Bridges, Mr. and Mrs. George H. Bridges and grandchildren, John Henry Bridges, Janet Lynn Bridges and James Edward Bridges.

Mr. Moore: Thank you very much. It is with much pleasure and gratitude that we present this likeness of Henry Bridges to the people of the State of North Carolina. And Governor Hunt, we respectfully request that you accept it in their behalf; requesting that it be hung in the office of State Auditor to serve as an inspiration to those who follow him.

HON. JAMES B. HUNT, JR., GOVERNOR OF NORTH CAROLINA

Thank you very much, my good friend Horace Moore, Mr. and Mrs. Bridges, Mr. Bartlett, Dr. Cashwell, members of the General Assembly, the presiding officers, our Lieutenant Governor and our Speaker, members of the Council of State, who are so close to Mr. Bridges, members of the Cabinet, and all of you who are his co-workers and friends. I'll bet everybody in this audience today would like to be up here to accept this portrait, but I have the honor of doing it as Governor of the State. It is one of the highest honors I will have as Governor of North Carolina. This is a man that I believe in so deeply, personally, and as an office holder. I hope you noticed those things that Horace Moore was talking about a few minutes ago. They are truly exceptional!

Henry and I both have been involved in our national organizations—as have Thad Eure, Jim Graham, Rufus Edmisten and all of the members of the Council of State.

We have several State officers who are presidents of their respective national associations right now. But Henry and I have talked on many occasions about the kinds of innovative things that are being done in North Carolina, and I would submit to you that in no department of our State government—and we ought to say that carefully—our State government (it belongs to the people), not to those of us who happen to be in office in any particular time) have we done more than has been done in his department, under his leadership. Recall . . . "formulating and installing internal control policies to safeguard the assets of the State" . . . excellent ones that let us know exactly where we stand. No surprises and shocks where, all of a sudden, you find out you are in trouble. He knows at every minute, and thus, we know where we are. "Developing and implementing a statewide, uniform accounting system, initiating performance auditing to make State government more fiscally responsible." Performance auditing is, perhaps, something that department heads would not choose if they had a choice. They should not have a choice! It should be required—it is—and it's being done in an excellent way under the leadership of our State Auditor. He has the strong support of our State legislative leaders and fiscal leaders who are here today!

I'm so proud of the leadership that Henry Bridges has given to the people who serve us in the many communities of North Carolina! I think particularly of our law enforcement officers, where he served as Chairman of the Board of their retirement fund, and, of course, our firemen throughout this State . . . both those who serve full time and those who serve in less than full time capacities. I think that it is so appropriate that the North Carolina State Firemen's Association is presenting this portrait today. This isn't government doing it . . . this is the people doing it! And who could speak more for the people in our communities than the thousands of firemen who serve us so well

I'm so proud that this man has given in all of the private ways that he has . . . as a life deacon at the Hayes Barton Baptist Church, and the various civic endeavors . . . Wake Forest University and Southeastern Baptist Theological Seminary. Again, just think! The life of Henry Bridges is intertwined and a part of the goods things that are happening in our State to which he has given leadership.

He served under nine governors, as Horace indicated. Governors have different personalities; they have different priorities; and fortunately, in our State, there has been a constant stream of progress with caution. During all of this time, he has been a vital part of this leadership team. And that's what you need to understand, leadership isn't given just by one person—or two, or three or seventeen—it's given by all of the people who work together! Certainly the governors of this State (and I'm sure that Governor Moore would say this as strongly as anyone in this room) would say Henry has been a strong part of that leadership team. Henry Bridges is, perhaps most importantly the kind of person who causes the people to have faith in their government . . . in how they run their society—because Henry Bridges is honest; he is dedicated; he is practical and we have learned through the years under his leadership. With him watching, with him insisting that we do it in the right way and that we account to the people regularly and clearly in an understandable way, the faith of our people has continued to be built and North Carolina is the good State that it is today, with a great reputation for honest government. This is true, in a large measure, because of him and his leadership!

Henry Bridges, with the help of his wonderful wife and their great partnership for North Carolina, has proved to be a public servant of the very highest caliber. The people of this State, today and those who will come in the years ahead, are indebted to him. As Governor of the State of North Carolina, I am very proud to accept this portrait on behalf of the State. It will help us in all future generations remember him and all that he has done to make a better North Carolina!

HON. HENRY L. BRIDGES, NORTH CAROLINA STATES AUDITOR

Thank you very much, George, Governor Hunt, Lieutenant Governor Green, members of the Board, members of the Council of State and friends.

The events taking place today are of historical significance. Baxter Durham held the office of State Auditor for 16 years. Your present State Attorney has held the office twice as long as any one in the history of the State.

North Carolina is second in the nation in the length of continuous service of its State Auditor. Stafford King of Minnesota was State Auditor for 38 years. I have surpassed the number three, who is Cliff Yelle of the State of Washington. He was State Auditor for 32 years.

I have a great deal of difficulty in expressing my deep feeling of appreciation for the generosity of the North Carolina State Firemen's Association. I am indeed grateful for the kind remarks which have been made on this occasion. They shall be long remembered as I reflect on the 32 years of public service that I have given the State. My gratitude is beyond measure.

There are a lot of people here that I would like to recognize. First, I would like to recognize Mrs. Bridges, who has been so much help to me in so many ways. My son, Joe, and his wife Susie. I regret very much that my son George of Charlotte could not get here with the three grandchildren. Not only is he tied up by the ice, but he also has a broken leg. We are quite honored today by the presence of Chief Justice Susie Sharp and the other Justices of the Supreme Court. Will all of you stand up? I wish to recognize the members of the Council of State . . . I will start off with Lieutenant Governor Jimmy Green, Secretary of State Thad Eure and Minta, Harlan Boyles. Did he get here? I haven't seen him. Rufus Edmisten, Craig Phillips, Jim Graham, John Ingram and John Brooks. John Ingram called me and said that he was going to Washington today and would send a representative.

Henry Rood, who painted the portrait, called me about ten o'clock this morning and said that he was ice-bound in Greensboro. If he could get out to the highway, he could make it, but from where he lives, there is no way to get out. He is completely snow and ice-bound. As a matter of historical significance, Mr. Rood painted the portrait of George Ross Pou 30 years ago. All that he had then to work from was a portrait; he did have a little more to work with on this one.

All of you are special guests. I consider your presence here today as a special honor, and I do appreciate your coming.

Mr. BARTLETT. Talking about your State Firemen's Association . . . I have belonged to the Fire Department in Spruce Pine ever since 1932. I don't want to tell my age, but that's the truth. I have never in my life met a man of Mr. Bridges caliber. He has always had time to take with a small volunteer department like we've got . . . he spends just as much time with us as he does with the City of Charlotte. He gives us the same advice as he does these big cities. These volunteer men, the rural men, the paid men . . . Mr. Bridges, I don't know how we would ever get along without you. He has been the backbone for the firemen of the State of North Carolina and I am sure that I am speaking for every fireman over the State of North Carolina. I really have enjoyed being down here and, I said, I just couldn't miss coming.

At this time I would like for the Executive Board of N.C. State Firemen's Association to please stand. We have with us:

Chief Ball, Asheville.
Chief Jernigan, past president.
Ty Bissett, our statistician.
Bobby Joyner, adviser.
Curtis Flanagan, our secretary.
Rev. Sharpe, our good chaplain.
Horace Moore, our treasurer.
Mr. Parsons, our vice president.

HORACE MOORE. Chief Bartlett, I have one more thing that I would like to say. I've already said a lot, probably too much, but you know Mr. Bridges, everybody couldn't be here. I have a list of over 500 names of firemen across the State from the mountains to the coast that have sent their best wishes to you on his occasion of your 32nd anniversary. These people really meant that, too, because along with their best wishes, they sent the money to buy you the new car that we have parked out there.

Mr. BRIDGES. I want you to convey to all of those firemen, my deep appreciation. To tell you the truth, I have never been more flabbergasted in my life! I did not know a thing in the world about this list or this car until this minute. I am most grateful for all of the courtesies you have extended to me, not only today, but over many, many years. I just wish that I could recognize every one present, but it is impossible to do so. You honor me by your presence.

THE BENEDICTION

(By Rev. Wallace Parham, Minister of Education, Hayes Barton Baptist Church)

Oh Lord, our God, we rejoice in this occasion with these our friends. How grateful we are that we live in a land where integrity, good character, honesty and hard work are recognized and honored. We thank Thee for Henry Bridges and for the long service which he has rendered to this State. Continue your blessing upon him and upon his dear wife, Clarice and upon other members of his family. As we depart from this significant hour, bless, we pray, this Governor and all who work with him as they lead and direct the work of this great State. For we make our prayer in the name of Jesus Christ, our Lord. Amen.●

S. 1039 WOULD REDUCE VETERANS' BENEFITS

● Mr. HUMPHREY. Mr. President, I want to inform my colleagues today of a bill ordered reported last week by the Senate Veterans' Affairs Committee, S. 1039. Senators will soon be making a decision whether to support this bill. I urge, however, that we think carefully about some of the provisions in S. 1039.

Let there be no misinterpretation of what S. 1039 contains. S. 1039 means reduced benefits for thousands of needy veterans.

While there are many good provisions in this bill, such as the new chiropractic section which will provide this needed service to our Nation's veterans, I must point out the cuts which will be a hardship on many veterans. These cuts are in the areas of travel reimbursement, 1-year dental care after service discharge, and over-the-counter—OTC—drugs.

The travel reimbursement limitation section would require even the poorest veterans to pay the first $25 for travel to VA facilities during the year, 50 percent of the next $150 in travel expenses, and the VA would pay for travel expenses above that. This means that veterans in difficult financial circumstances—except the very poorest—$3,550 or less— will have to pay up to $100 per year for travel to VA facilities. Is this any way to treat the veterans who served this country so well? Cutting travel reimbursement will be a great hardship to many veterans.

S. 1039 also proposes to eliminate free nonprescription drugs to nonpensioned veterans. Veterans who are poor—except the very poorest—those earning less than $3,550—will no longer be eligible for free OTC drugs. This removal of an existing benefit is a cruel betrayal of those who have risked their lives and limbs in this country's defense. In these inflationary times, when the prices of drugs are climbing, elimination of the free OTC drugs benefit is a callous action.

Yet another cut is proposed in S. 1039. Currently, a veteran is eligible for necessary dental services from a civilian dentist for 1 year after discharge. Section 203 would limit this dental care to 6 months rather than 1 year. The small savings that would result from this cut in an existing benefit does not equal the unfairness in such a cut. A veteran who has served his country should not be denied an existing benefit just to cut costs.

The veterans' organizations are clear in their message to the Senate on these cuts. The American Legion opposes them. The Disabled American Veterans opposes them. The Veterans of Foreign Wars opposes them. The Paralyzed Veterans of America opposes them. Let us be fair to the Nation's veterans and not go back on our promise to them.

I will soon be introducing an amendment to S. 1039 which will delete these three benefit-cutting provisions. I urge my colleagues to support my amendment. By supporting my amendment, we will be honoring our debt to our Nation's veterans.

We can afford to fund existing veterans' benefits, if we order our priorities properly. Clearly, the debt we owe our veterans should be a high priority.●

MURDER IN IRAN

● Mr. DOLE. Mr. President, after a drumhead trial last week, an Iranian named Habib Elghanian was executed by a revolutionary firing squad. Of course, he was not the only one killed that day. And unfortunately it appears he will be far from the last: Such legalized murders have become commonplace.

What makes this particular incident different is that Mr. Elghanian was a highly respected Jewish businessman whose crime—and it is now apparently a crime in the Islamic Republic—was to contribute and raise money for Israel. If such philanthropy were a capital crime in the United States, millions of Americans of all faiths would be in jeopardy.

In Iran, his execution on this preposterous charge has intensified the fears of the religious minorities—not only the 100,000 Jews, but the 230,000 Christians and the 200-odd thousands of Baha'is as well. They see his death as an ugly portent of the Ayatollah's intentions and as the activation of the bitter hostility he expressed while in exile against Jews, members of the Baha'i sect and Christians.

THE AYATOLLAH'S MESSAGE

In a typical lecture, the Ayatollah stated:

> In Teheran, Christian, Zionist, and Baha'i missionary centers issue their publications in order to mislead people and to alienate them from the teaching and principles of religion. Is it not our duty to demolish these centers?

This religious intolerance is coupled with a desire to inflict what civilized people consider extraordinarily cruel and unusual punishment on those he considers enemies of his brand of Islam. Thus, flogging has been revived and he advocates cutting off the hands of minor criminals and even of President Anwar Sadat of Egypt, because he has made peace with Israel.

It is as if Iran has been wrenched backward in time to the medieval religious wars. In the name of Allah, a reign of terror has been unleashed that is piling corpse upon corpse as one murder follows another.

We are thousands of miles away from this bloody carnage, but that does not mean that we can be indifferent to what is taking place. The holocaust has taught us that silence is acquiescence. More than that, silence is participation.

A MESSAGE FOR IRAN

Therefore, we must speak out. The revulsion and horror of the American people must be expressed. The policies of the Khomeini tragedy—its abrogation of human rights, its trampling on human dignity, its disdain for human life—must be condemned utterly by every civilized person.

Iran's violations transcend political and religious differences. The United States must send a message to the new Iran.

We cannot, we must not, remain mute.

Mr. President, I have sent a letter on this matter to the Secretary General of the United Nations, Mr. Kurt Waldheim, requesting that he do all in his power to influence this disturbing trend, made even more dangerous by Iran's recent attempts to stifle the disgusted protests of those not under their immediate military control. I refer to the personal attack made on our distinguished colleague from New York, Mr. JAVITS, and his wife Marion, and on the President and others, by the diabolical fabricator of the present Iranian system of government—Ayatollah Ruholla Khomeini. The freedom to dissent is the essential element of how the U.S. Government succeeds. America will not mean anything in the world if it does not uphold that principle for everyone, everywhere, and to speak out against morally reprehensible acts anywhere. I commend Senator JAVITS for his courage as I am sure we all do, and join him in speaking out against such tyranny and terrorism. Mr. President, I ask that the text of my letter to Mr. Waldheim be printed in the RECORD.

The letter follows:

WASHINGTON, D.C.,
May 21, 1979.

Hon. KURT WALDHEIM,
Secretary General,
The United Nations,
New York, N.Y.

DEAR MR. WALDHEIM: I should like to communicate to you my deep concern over the series of events that have been taking place in Iran in recent weeks, and have culminated in the drumhead trial last week of an Iranian named Habib Elghanian.

I am quite aware of the fact that Habib Elghanian was not the only victim of the firing squads activated by the revolutionary regime of the new Iran. Judging from the development of events, he will unfortunately not be the last. Such legalized murders have become common place in a regime whose leaders had previously proclaimed with great fanfare that they would pursue justice and righteousness.

What makes this particular incident different from previous murders is that Mr. Elghanian was a highly respected businessman whose crime was to contribute and raise money for Israel. The execution of Mr. Elghanian has intensified the fears of the religious minorities, the 70,000 Jews still in Iran, remnant of a community which goes back hundreds of years, as well as the 230,000 Christians and the 200,000 Baha'is. All see the death of Habib Elghanian as the activation of the bitter hostility expressed against Jews, members of the Baha'i sect and Christians by the Ayatollah Khomeini while in exile.

The Ayatollah's incendiary statements preaching religious intolerance, and advocating cruel and unusual punishment on those he considers enemies of his brand of Islam, are more reminiscent of medieval religious wars than of the enlightenment of civilized nations of the 20th century.

As one murder follows another, I am increasingly puzzled by the silence that the United Nations Organization has been observing. I cannot comprehend why the situation in Iran has not elicited vigorous action on the part of the United Nations' Commission on Human Rights. Was this organism not set up to deal with such flagrant violations as the ones committed in Iran?

You will surely agree with me that the Holocaust has taught us the grave lesson that to remain silent is not only to acquiesce, but to participate.

Iran's violations transcend political and religious differences. Our duty, as members of a civilized world, is to cry out. I am therefore asking you to use all the influence that the United Nations Commission on Human Rights can yield, and express our outrage and our revulsion towards the murders committed in Iran, in the name of Islam.

I should appreciate receiving a response from you to this letter.

Sincerely yours,

BOB DOLE,
U.S. Senator.●

SENATOR HART REVIEWS THREE MILE ISLAND ACCIDENT: DISCUSSES SENATE INVESTIGATION IN NATIONAL PRESS CLUB ADDRESS

● Mr. RANDOLPH. Mr. President, on May 8, Senator GARY HART, chairman of our Subcommittee on Nuclear Regulation, addressed the National Press Club on some of the problems that are evolving because of the recent experience at Three Mile Island.

Senator HART's subcommittee has legislative jurisdiction over the regulation and control of civilian nuclear energy projects. It is a part of the Environment and Public Works Committee I chair.

The remarks of the able Senator emphasize that the Three Mile Island incident has raised significant questions concerning the advocacy of licensing procedure, the Nuclear Regulatory Commission's inspection and enforcement program, and the training of reactor operators in emergency procedures, should another accident be forthcoming. We are not yet locked into a nuclear future. The Three Mile Island accident has accentuated this point.

Mr. President, I urge my colleagues to read these remarks by Senator HART and judge for themselves whether or not our past national policy on nuclear energy ought not to be reformed. Citizens have a right to expect any future policy on nuclear energy will guarantee that their safety and health will be protected. I ask that Senator HART's address be printed in the RECORD.

The address follows:

THE MEANING OF THREE MILE ISLAND

The nuclear accident at Three Mile Island was the most serious on our history—in fact, in the history of the peaceful nuclear program throughout the world.

Clearly, this accident has had a profound effect on the way people think about nuclear power. It is central to the future of nuclear power, to the viability of energy programs in the United States and other industrialized countries, to people's confidence in high technology everywhere.

The accident hangs like a cloud over what was only recently considered our most promising source of energy.

But this cloud has a silver lining. It is causing us to reassess painfully the degree of risk which nuclear energy entails, the increasingly complicated economics of the industry, and the seductive and subtle addiction we have developed for nuclear power.

This painful reassessment cannot be carried out overnight. Our addiction will not be cured "cold-turkey." There are no easy answers.

Nevertheless, lessons are beginning to emerge from the Three Mile Island Plant.

First and foremost, Three Mile Island has dramatically demonstrated that serious nuclear accidents can happen and that we are ill-prepared to deal with them.

Second, the accident at Three Mile Island has brought the American people into the nuclear debate for the first time.

Third, the political fallout from Three Mile Island is touching the central institutions of our society, and placing those institutions on trial.

Fourth, given the depth of our addiction to nuclear power, immediate shut-down of nuclear plants is not a realistic option—unless we are willing to make drastic changes in our life-style.

And, fifth, the economics of nuclear energy will be profoundly restructured by the costs of this accident.

I want to briefly discuss each of these lessons.

1. SERIOUS NUCLEAR ACCIDENTS CAN HAPPEN

To my mind, the most incredible aspect of the accident at Three Mile Island is not that it was more serious than anticipated, but that it was not anticipated at all. In nuclear jargon, this was a "Class 9 accident"—meaning that the reactor was not designed to prevent it or to contain it.

I asked the Library of Congress to calculate the probabilities of the sequence of events that brought the nuclear reactor core to the threshold of a meltdown—using the standards contained in the Rasmussen report. Yesterday, the library told me the chances were less than 1 in 10 million per reactor year.

Neither the Rasmussen report, nor any other probability studies or computer codes, had predicted the formation of the infamous hydrogen bubble that contributed heavily to the reactor damage. The appearance of the hydrogen bubble in the reactor vessel was a surprise. Its disappearance was a surprise. In other words, we were lucky.

The accident demonstrated the smooth workings of a nuclear power plant can be jolted by complex and unpredictable interaction among design defects, mechanical failures, and operator errors. At Three Mile Island, a routine tripping of the turbine, which should have brought the reactor to a rapid, automatic shutdown, instead triggered a chain of events imagined only by Hollywood film makers:

Pressure relief valves stuck open while control-room gauges indicated they were closed;

Emergency feedwater pumps were blocked by valves that had been manually closed;

Water-level indicators showed the nuclear core to be covered when in fact it was uncovered. This, in turn, led to premature shut-off of the Emergency Core Cooling System.

Highly radioactive water that should have been held in the sealed containment building was pumped automatically into an unsealed auxiliary building.

Radioactive gases from this water were vented into the atmosphere because the auxiliary building was pressed beyond its capacity to contain them.

The hydrogen bubble blocked the flow of coolant water through the nuclear core because the reactor vessel had no valve for drawing off the gas.

The experts were dumfounded and scared. It took them two days to figure out what had happened and to conclude the core was badly damaged. This, despite the fact that control-room records told the full story at the time of the accident.

There was a very serious breakdown in communications among nuclear officials in Washington, utility operators at the plant site and state officials in Harrisburg.

Off-site monitoring of radiation was incomplete and erroneous.

There were conflicting versions of what was happening and strong disagreements on the level of danger.

In this chaotic setting, critical decisions were being made on how to bring the reactor under control and whether to order an evacuation.

This capsulized summary of the crisis at Three Mile Island is based on facts as we know them now. Clearly, we were unprepared to deal with the crisis. The American people, having accepted nuclear power development because they were told it could be done safely, deserve better. And now they are demanding it.

2. OPENING UP THE NUCLEAR DEBATE

Which leads to the second major lesson of Three Mile Island. The accident has brought ordinary Americans into the nuclear debate.

Until this accident, the nuclear debate was a dialogue of the deaf. Zealous supporters and opponents of nuclear energy spoke at each other, without hearing, and spoke in language that the average American could not understand.

Consequently, most Americans tuned out of the debate. They assumed that nuclear power was safe and left it to the nuclear promoters to work out differences with the nuclear critics. All of which left the public in the dark as to what was happening inside nuclear power plants. But this darkness has been lifted—hopefully permanently—by the drama of Three Mile Island.

3. OUR INSTITUTIONS ARE ON TRIAL

And this leads to the third lesson arising from the accident. Our most important institutions are on trial. Americans in their roles as citizens and consumers have a right to demand excellence of these institutions and to hold accountable those responsible for poor performance.

The industry is on trial: can it safely design, site, construct and operate nuclear power plants and all other elements of the nuclear fuel cycle?

The Presidency is on trial: can it plan and execute public policy for the safe development of nuclear power, or if not, promote the search for safer energy alternatives and conduct an orderly phasing out of nuclear power?

Regulatory agencies are on trial: can they protect public health and safety, and provide information of sufficient straight forwardness and candor to deserve public confidence?

Congress is on trial: can it perform its role as overseer of the nuclear program?

State and local governments are on trial: can they provide adequate emergency-response and evacuation plans?

And finally, the press is on trial: can it provide fair and accurate reporting of a subject that can easily be sensationalized? Further, can it continue to provide adequate coverage of nuclear safety issues even after the drama of Three Mile Island fades?

How each of these institutions performs will have much to do with the ultimate answer to the question most frequently heard in the wake of the Three Mile Island accident: "What is the future of nuclear power?"

I cannot adequately respond to that question until our investigation is completed, sober judgments are rendered, and the verdict of the people is heard.

But I am prepared to discuss some of the critical elements of this issue, which I believe are raised by the other lessons of Three Mile Island.

4. OUR ADDICTION TO NUCLEAR GENERATED ELECTRICITY

The fourth lesson of Three Mile Island is that we can't have it both ways—we can't have our energy-extravagant lifestyle and do without nuclear energy now or in the near future.

Just how deeply dependent we are on nuclear power today, and in the foreseeable future, can be seen in these statistics—the energy facts of life.

The United States consumed 78 quads of energy during 1978 (quadrillion British thermal units). In the year 2000, the Department of Energy estimates our total energy demands will have grown by 50 or 75 percent—to between 123 to 136 quads. Consequently nuclear power forecasts for year 2000 range between 255 and 395 gigawatts electric.

Assuming the lower estimate of 123 quads per year, total nuclear energy is expected to provide 13 percent of total energy demand (or 16 quads). The higher estimate of 136 quads assumes nuclear power will provide about 18 percent of the total demand (or 25 quads).

The nuclear industry itself estimates that electricity in the year 2000 will account for about 40 percent of our total energy needs (120 quads), and that about half that amount will come from nuclear energy—requiring approximately 500 plants to be in operation.

And even the Council on Environmental Quality, estimating a much more Spartan energy demand of 85 to 90 quads in the year 2000, anticipates that 10 percent of that supply (8 quads) would come from nuclear power. Even this austere energy budget would require the continued operation of all 70 nuclear plants already built and operation of all 94 plants for which construction permits have been issued.

By comparison to all this, nuclear energy today contributes 3 quads or about four percent of our total energy consumption.

These are the energy facts of life. And unless Americans are willing to undertake drastic revisions in lifestyle, demands for immediate rejection of nuclear energy seem, in this light, to be at best misinformed and at worst misleading.

Which leads to the final lesson of Three Mile Island.

5. ECONOMIC JUSTIFICATION OF NUCLEAR POWER MUST BE COMPLETELY REVISED

The fifth lesson of Three Mile Island is that the costs associated with the accident—like the costs of waste disposal—were never anticipated or factored into the economic justification for nuclear power. And consequently, to borrow a phrase from nuclear jargon, the economic foundation of nuclear power has suffered an "energetic rapid disassembly"—in other words, an explosion.

The new economics of nuclear were demonstrated when the executives of General Public Utilities, the holding company which owns Three Mile Island, testified before our subcommittee, that the fuel savings of the nuclear plant at Three Mile Island was $8[illegible] million a year, compared to what they would have paid for oil.

But these also testified that the accident will force them to spend $24 million a *month* to buy replacement power from other utilities and another $7 million a month to cover repair operations—assuming it can be repaired. Annually, that's $372 million.

This is just the most dramatic example of what is being paid for nuclear energy's savings. Nationwide, of the 70 nuclear power plants licensed to operate, some 17 are now shut down for safety-related reasons.

The assumptions which have made nuclear power competitive with more conventional supplies have already begun to be questioned in the financial community.

The financial journals have increasingly reported problems for the nuclear industry in borrowing for plant construction.

Investor attitudes, both individual and institutional, are evidencing increased skepticism.

Inevitably, increased safety regulation and monitoring will increase construction costs.

Reforms in siting nuclear plants, requiring reactors to be located away from urban or densely populated areas, will inevitably increase transmission costs for nuclear-generated electricity.

Finally, and most importantly, if state utility commissions and the Federal government determine that corporate utilities are at least partially liable for replacement costs of energy, clean-up costs, and like damages, this will seriously affect the economics of nuclear power. Yet, it is also the best incentive for assuring that these plants are operated in the interest of public health and safety.

If we limit the liability of the nuclear industry, or of any high-technology industry whose product has a real potential for catastrophe, we sacrifice society's primary economic and legal incentive for careful performance.

Obviously, no industry can assume risks

of catastrophic accidents that could result in billions of dollars in damages. Yet, the best way to ensure good performance is to make an industry liable for bad performance.

Further, by insulating the nuclear industry from the full risks of nuclear power, we are removing a powerful incentive for the application of considerable technical skills to exploring safer alternative energy technologies—principally solar.

Some formula must be found which will prevent bankruptcy of the nuclear industry—and perhaps the oil and gas industries as well with respect to oil spills and liquid natural gas accidents—but which will not eliminate liability for careless performance.

Obviously, the economic equation on which nuclear energy is based must be recalculated. Upon that recalculation—as much as anything else--rests the answer to the question of the nuclear industry.

Clearly, from this discussion of the lessons of Three Mile Island, the national response to this accident becomes one of the most critical issues before our society today.

Therefore, our Subcommittee's investigation, which will be the principal Senate inquiry into the accident, takes on special meaning.

The Subcommittee's effort will take one year. The first six months will be devoted to an investigation of the accident; the last six months will be devoted to completing a series of studies that will be conducted concurrently with the investigation of major issues arising from the accident.

Our investigation will:

Determine how the accident happened;

Determine whether early-warning indicators of the accident were missed at the plant or at plants of similar design;

Evaluate the response of the NRC and other Federal agencies to the emergency; and

Evaluate the decision-making and the preparedness for evacuation.

The Subcommittee studies will:

Explore the Nuclear Regulatory Commission's safety and inspection programs, as they relate to nuclear plant design, siting, construction, and operation;

Consider whether no new plants should be sited in urban areas;

Consider what additional authority the NRC and other Federal agencies need to manage a nuclear crisis;

Examine closely the qualifications and capabilities of utilities to operate nuclear plants and to respond to emergencies;

Determine the costs and risks of repairing or decommissioning a damaged reactor, including guidelines for deciding whether to repair or retire such a plant; and

Evaluate state emergency response and evacuation plans.

However, Federal action to deal with the most serious aspects of the Three Mile Island accident, and of nuclear power development generally, cannot await the outcome of this and other inquiries. There are fundamental reforms that should be undertaken or given serious consideration prior to completion of our work.

First, there should be a moratorium on the issuance of operating licenses for any additional nuclear plants until a comprehensive emergency evacuation plan has been prepared by the state involved and given final approval by the NRC.

Second, a system of permanent radiation detection devices should be located at appropriate distances from every nuclear reactor in the country and be monitored by the NRC.

Third, a system of continuous on-site inspection by the NRC, initially proposed by our Subcommittee two years ago, should be implemented at the earliest possible date.

Fourth, the existing system authorized by the NRC for the training and licensing of nuclear reactor operators should be substantially revised and improved, particularly to require more training on computerized accident simulators.

Fifth, we should immediately implement a system for the remote monitoring of the key instruments on each reactor in the country. The monitoring would be carried out by licensed NRC employees at regional centers or national headquarters, or both, This would enable the NRC to make immediate judgments as to whether or when an emergency exists.

Sixth, communications systems linking nuclear power plants to the NRC should be drastically and immediately updated and approved.

Seventh, Congress should move to clarify the Nuclear Regulatory Commission's authority to assume control over and to manage any reactor in the country once the Commission deems an emergency to exist. This capability could be carried out through specially trained and licensed elite nuclear SWAT teams.

Eighth, the Congress should clarify the legal responsibility and liability for replacement costs of energy, as well as clean-up costs, for any reactor that is shut down or damaged.

Finally, the Administration and nuclear industry should be given a deadline, no later than 1985, to present to the Congress an acceptable nuclear waste disposal plan. This plan should address all pertinent technical, economic, and political issues related to waste disposal. If such a plan cannot be developed in the next five years, at the very least nuclear reactors should be substantially downrated in power output, or at the most, a complete moratorium on nuclear energy production should be imposed. If the word "scandal" can be attached to nuclear power, it is that this industry has been permitted to expand for two and a half decades without an acceptable solution for waste disposal.

In closing, we must consider the larger meaning of the Three Mile Island accident. To me, it is a metaphor for our age. Can we control our technology? Or will it control us?

Nuclear energy represents the most highly technical and sophisticated industry modern science can produce. It is difficult for the ordinary American to understand. It is ordered and constructed by remote industrial power and controlled by equally remote economic interests. For all practical purposes, this energy source has developed with little or no grass roots citizen participation. It is extremely expensive and heavily subsidized. It is the product of distant nuclear laboratories, Wall Street, and Washington.

As the saying goes: We all live in Harrisburg.

We cannot as a society determine the future of nuclear energy without seriously evaluating our definition of the quality of life.

We cannot resolve the future of nuclear energy without addressing the issue of what constitutes acceptable risks to our society.

We cannot determine the future of nuclear energy without fully applying man's genius to devising new energy supplies and perfecting old ones.

We cannot finally determine the role of nuclear energy without examining our fundamental values.

We cannot evaluate the future of nuclear energy without defining the nature of our moral obligation to future generations.

Surely, we must not move faster into the technological century than our human capacity for proper control, else we risk losing human lives, doing incalculable damage to future generations and, at the very least, risking the citizen's confidence in the structure of his own society and his ability to control his own destiny.●

OREGON AND TOM McCALL: ENERGY TRAILBLAZERS

● Mr. PACKWOOD. Mr. President, in recent weeks, more Americans are bemoaning the high cost of gasoline and petroleum products. Each day, as the price on the pump inches upward, the concern grows. But more than concern for the price, many drivers fear whether gasoline will be available at all, at any price. Many have not forgotten the energy shortages of 5 years ago.

In 1973 and 1974, we recall how the Arab oil embargo gave birth to the phenomenon of "topping off a tank" and how short tempers grew during long gas station lines. Shortages, both real and fabricated by panic, popped up across the Nation.

Never before has the American dependence on the automobile been shown so dramatically. Gasoline-hungry drivers, it was found, do not ordinarily respond to cajoling and simple persuasion.

The job or getting Americans to deal rationally with a gasoline shortage is a tough one. It takes both a creative mind and a strong will. Fortunately for Oregon, we found both in Tom McCall when he served as Governor of our State from 1966 to 1974.

When the energy crisis became a reality in 1974, Oregonians were among the first to feel it. In his autobiography published 2 years ago, entitled "Maverick" Governor McCall described the tension:

> Oregon had the longest gas-station lines and the earliest. Harassed dealers increasingly referred to their business routine as "hand-to-hand combat." There were reports of people chasing service-station operators with tire irons.

Without question, the contest for reduced supplies of fuel had tried the patience of the most even-tempered drivers. If there was a workable answer, it had to be found and found quickly.

Governor McCall worked with the best minds on his staff and finally agreed on what has become a very simple idea. The idea of allocating gasoline by setting aside certain days of the week for specific buyers. On one day, all automobiles with license plates ending in odd numbers would be permitted to buy; the next day, even-numbered plates would have their chance. In this manner, each driver would compete with merely half the drivers he had contended with before.

The idea worked, as McCall reported:

> Odd-even cut the lines almost in half, attracting increasing interest as much of the nation followed Oregon into the noose of strangulating gasoline supplies.

With the Oregon system in place and succeeding, it was not long before the rest of the Nation took note.

McCall describes what happened next.

> With the Federal Energy Office publicizing the Oregon Plan, besiegned states would turn to Oregon for the formula. One governor up against it, Tommy Meskill of Connecticut, thought about putting it in as a last resort before coupon rationing.
>
> "Can you guarantee it will work?" he asked me on the telephone.
>
> "What are you doing now?"
>
> "Nothing."
>
> "You're damned right it works a lot better than just wringing your hands and whining."

The McCall idea, which took root in

Oregon, did not produce any more gasoline than there was before. It could not guarantee any driver any more gasoline than he had before. It frankly did not impose conservation on Oregonians. It did, however, insure that scarce supplies would be distributed in a rational, logical manner, while reducing the hardships and inconveniences to individuals. In short, it was a classic Oregon response to a difficult situation.

Throughout the energy crisis, McCall's innovations were implemented and copied. Oregon was among the Nation's most vigorous States in urging voluntary conservation measures and in its government's example of cutting back on unnecessary energy uses. Speed limits were reduced and enforced. Austerity, thanks to the Governor, became a widely imitated virtue.

In recent days, California drivers have adopted an odd-even system of allocating gasoline. If you listen to their pronouncements, Governor Brown of California and other observers with short memories evidently believe California is a pioneer in adopting this system. As I have already demonstrated, nothing could be further from the truth. Like always it seems, if it is a good idea, it must have been borrowed from Oregon. Long ago, Oregon earned its reputation as a leader in social, political and environmental reforms. We are just not afraid to try.

As the United States stares into its own future of dwindling energy resources, let us keep looking to Oregon. With leadership like Tom McCall's and the inherent ingenuity of Oregonians, chances are we will find a lot of our answers there. Oregon is still home for the trailblazers.●

TAX CREDIT FOR TAXPAYERS WHO CONVERT THEIR AUTOMOBILES TO USE AN ALCOHOL FUEL—S. 851

● Mr. HELMS. Mr. President, I am pleased to join the distinguished Senator from Arkansas (Mr. BUMPERS) in the cosponsorship of legislation designed to encourage motorists to convert their automobiles to use alcohol fuels. The legislation, would amend section 44C of the Internal Revenue Code of 1954 to allow a tax credit of up to $500 per vehicle, equal to 50 percent of the amount spent by the taxpayer in converting the engine of an automobile to use alcohol.

The two related compounds that are chemically classified as alcohols are known as methanol (wood alcohol) and ethanol (grain alcohol). The technology for making alcohol is as old as the hills. Methanol, currently made primarily from natural gas, can also be made from coal, wood, and urban wastes. Ethanol, currently made primarily from petrochemicals, can also be made from agricultural products such as corn, wheat, sugar cane, and sugar beets.

The concept of using alcohol as an automotive fuel has been around for quite a while. In fact, Nikalaus Otto, a developer of the internal combustion engine; is said to have run his first engine on pure ethanol. Since that time, alcohol has often been used in automobiles, particularly when there were shortages of petroleum products.

Both methanol and ethanol have been proven effective as additives to or substitutes for gasoline as an automotive fuel. Certain engine modifications are necessary, but otherwise engine performance is as good as, if not better than, with gasoline. In fact, I am told that the high-performance racing cars used in the Indianapolis 500 use pure alcohol as fuel.

Private industry has demonstrated a desire to develop and market alcohol fuels. The best thing government can do to encourage the use of alcohol fuels is simply to permit entrepreneurs to continue their efforts unencumbered by excessive rules and regulations, and useless redtape. If we truly believe in the free enterprise system that made this country great, then we ought to let it function.

The one way government can actively help is by removing barriers to production and use. Tax credits and loan guarantees are the most effective means of encouragement. S. 851 is just the type of approach I believe we should employ.

Skeptics have argued against promoting alcohol as a fuel source. They argue that we do not have the facilities to produce and distribute enough alcohol to offset even a small percentage of our gasoline consumption. They argue that it takes more energy to make alcohol than the alcohol itself can provide. They argue that the costs of producing alcohol render it commercially unfeasible. And they go on and on.

My research indicates that there is a tremendous disparity among the various arguments for and against the use of alcohol, depending upon which processes, raw materials, and financial premises are considered. But there are many reasons why we should encourage the use of alcohol as an automotive fuel. It can make a significant contribution toward relieving the energy crisis. It can help provide expanded markets for agricultural products, and perhaps even contribute to reducing farm subsidies. It can give us a use for municipal wastes. But most important of all, it can be produced from renewable resources that we can grow here at home. Every gallon of alcohol we produce for fuel represents a gallon of foreign oil that we will not have to buy.

S. 851 encourages the use of alcohol fuels. I strongly urge its support.●

HOUSING—NOT WAREHOUSING—THE ELDERLY

● Mr. DOLE. Mr. President, throughout human history, great cultures have revered and respected their elders. In our own time, we have been less generous toward the elderly in our midst; we tend to consider them irrelevant. We claim to "retire" them; in fact, we relegate them to odd and distant corners of our society.

Until recent times when this country began to truly worship youth, this negative image did not exist. In early America there was a place for the old: helping with business or farm, taking care of the children, an integral part of the family unit. With the technological revolution, greater mobility, and the separation of family members, that place has disappeared for many.

In the thirties Americans decided that the Federal Government should help provide for those who, after all, had pioneered in building the Nation. The Social Security Act of 1935 and subsequent Government programs recognized that need and met that obligation. These programs were and are essential; but in at least one way they enabled younger Americans to forget the old. "They have their social security checks," is a common phrase, uttered with little understanding and even less compassion.

HOUSING IS TODAY'S ISSUE

A great many issues confront the older citizens of our country. One which is the most frightening and must be addressed most quickly is the crisis in housing.

To lose a spouse or move from one's home is said to be one of the most traumatic events in any life; yet often they happen simultaneously. The death of a spouse or a divorce means that the old habits of living and the old neighborhood are forever gone. This is a problem that confronts many because contrary to public impressions, only about 5 percent of persons over 65 live in institutions. A majority of men live in family settings, while an even larger majority of women live alone or with nonrelatives.

When seeking new housing arrangements, the elderly find that the costs of housing and the costs of nursing home care, which is frequently the only option available to them, are growing at an increasing rate while the quality of the care and the housing are decreasing in many instances just as rapidly.

OUR RESPONSIBILITY

Housing requirements are being addressed by private organizations. Nonprofit groups such as churches are making significant efforts to build residences that combine independent living units with intermediate and nursing care units, often with innovative designs. We have a responsibility to assist in such efforts.

We must also examine what efforts need to be made in the area of ongoing quality assessment of existing facilities.

Last week, the Washington newspapers gave the details on the most recent fire involving senior citizens residing in a group residential environment. This was the sixth such major fire in this city in the last 2 months—an intolerable record.

BIPARTISAN AND HOUSE/SENATE EFFORT

My distinguished colleague in the House of Representatives, Congressman CLAUDE PEPPER, has shown his leadership in our fight against inadequate and unsafe living conditions for the elderly time and time again.

It is the intention of the Senator from Kansas to join Congressman PEPPER in this effort. We must seek solutions that fit the problems—solutions that are realistic and offer honest help to those who look to us for assistance.

Over the years the Senator from Kansas has become committed to helping to resolve problems of the elderly. Today I urge you to make them your priority.

In America we are committed to the proposition that each individual counts—but too often we fail to carry out that promise to the elderly. We will have an easier conscience when we can see that they are able to enjoy the fullness of their years.

And, after all, the aging are not only our parents, but ourselves, and our children. When we discuss the elderly in the year 2025—we are discussing today's high school seniors.

I should like to conclude by acknowledging the observation made by noted sociologists Matilda Riley and Joan Waring that we are entering a new era in aging. As they have pointed out, the problems of aging have been taken for granted as immutable or wholly attributable to biology.

Currently, however, these problems are being recognized as social phenomena: Molded by human beings, rooted in human history, and susceptible to social intervention and change. To understand their social character is to open all the possibilities for directing social change to improve the quality of life for people at every age.

The challenge and responsibility in this endeavor belong to all of us. There is no higher endeavor than service to improve family and community life. As Woodrow Wilson once remarked as he called his fellow citizens to community service:

> Someday when we are all dead, men will come and point at the distant upland with a great shout of joy and triumph and thank God that there were men and women who undertook to lead in the struggle. What difference does it make if we ourselves do not reach the uplands? We have given our lives to the enterprise. The world is made happier and humankind better because we have lived.●

AMBASSADOR KONSIN C. SHAH

● Mr. McCLURE. Mr. President, May 14 marked the beginning of a new era in relations between the United States and the Republic of China. On this day Ambassador Konsin C. Shah, the first head of the Coordination Council for North America Affairs, arrived in Washington to assume his new position.

Although statutes outlining our basic policy toward the Republic of China on Taiwan were adopted weeks ago, that was only the beginning of rebuilding our relationship. It is events in the next few years, and most particularly these initial months, which will shape our relations with Free China and reestablish that country's viability as a free and independent nation in the eyes of the world.

For the delicate work ahead the ROC Government has selected one of the most distinguished members of its diplomatic corps. Ambassador Shah was most recently its Consul General in New York; prior to that he was senior official at the ROC Ministry of Foreign Affairs and Ambassador to New Zealand. During his early career he was an aide to President Chiang Kai-shek, served as a squadron commander in the Chinese Air Force and was part of the Chinese Government Procurement Mission to this country. He was educated at Georgetown University and the Central Military Academy of the Republic of China.

I know I speak for my colleagues and the American people in extending a warm welcome to Ambassador Shah. The bonds uniting our countries are many and long-standing. Our sincere wish, I am confident, is that our relationship with this important trading partner—and, most importantly, good friend—will grow in depth, and be characterized by a renewed commitment to the welfare of both our nations.

I wish Ambassador Shah all possible success.●

MEMORIAL GATHERING FOR MARY MURTAGH

● Mr. KENNEDY. Mr. President, the death of Mary Murtagh last week was a heavy loss to her many friends in the Congress and throughout this city. A member of my staff for 8 years, and a liaison officer for the Office of Technology Assessment for the past 2 years, Mary was one of the finest aides and most loyal friends I ever had. I grieve for her family, and I will miss her greatly.

For the benefit of Mary's many friends on the Hill and in the executive branch, I want to announce that there will be a gathering rememberance of her this Wednesday at 1 p.m. in St. Joseph's Church, Second and C Streets NE., Mary's mother, Mrs. Anna Murtagh, and her sister and brother-in-law, Margaret Ann and Tom Barylski, will be in attendance, as will other family members from Detroit and Toronto. The family has requested that memorials to Mary be made in the form of contributions to the Community for Creative Non-Violence, 1329 N Street NW., Washington, D.C. 20005, an organization whose work among the poor and homeless of Washington Mary deeply believed in and shared.

Mr. President, I ask that several of the tributes to Mary which have appeared during the past week in newspapers in Boston and in her hometown of Detroit be printed in the RECORD. They provide a glimpse of the extraordinary character and vibrancy of Mary Murtagh, and convey a sense of why those of us who knew and loved her feel her loss so deeply.

The material follows:

[From the Detroit (Mich.) News, May 18, 1979]

MARY MURTAGH, A KENNEDY AIDE

(By Ric Bohy)

Mary Catherine Murtagh, a former Detroiter who worked for eight years as an aide to Sen. Edward M. Kennedy, died Monday in George Washington University Hospital, Washington, D.C. She was 38.

A co-worker said Miss Murtagh suffered a brain aneurism at about 4 p.m. Sunday while cleaning her apartment in southwest Washington. She lost consciousness about an hour later and died Monday.

A 1962 graudate of the University of Detroit, Miss. Murtagh worked for the Social Security Administration as a claims representative in Dearborn from 1962 to 1969, and as a claims examiner in Baltimore, Md., from 1969 to 1970.

Shortly after arriving in Baltimore, she volunteered to work for Sen. Kennedy, and was accepted for a mailroom job. She drove to Washington from Baltimore to work a 5 p.m.-to-midnight shift every weekday.

In eulogizing his friend and former aide on the floor of the Senate on Tuesday, Kennedy said of Miss Murtaugh:

"Her ability was as impressive as her commitment, and in 1970 she joined my staff as a legislative assistant.

"She was brilliant at her work, as skillful at organizing others as she was in analyzing the dozens of difficult issues she handled."

"She had a gentle manner that belied her boundless energy," he said. "In the midst of her demanding Senate responsibilities, she enrolled at night at Georgetown University Law Center. As in everything she did, she excelled, earning an invitation to join the Law Review and achieving an outstanding academic record while earning her degree."

In 1977, Miss Murtagh accepted a post as liaison officer for the Office of Technology Assessment of the Congress and served in that job until her death.

"Everything that Mary touched she left better than she found it," Kennedy said. "She was one of the finest aides and most loyal friends I ever had. I mourn her tragic death today as do her many, many friends."

An avid jogger, Miss Murtagh was also active as a volunteer at the Community for Creative Non-Violence in Washington.

A funeral mass will be celebrated at 1:30 p.m. tomorrow in St. Maurice Catholic Church, 32765 Lyndon, Livonia. Burial will be in Holy Sepulchre Cemetery, Southfield. A memorial service will be held May 23 in Washington.

Survivors include her mother, Mrs. Anna Murtagh of Southfield, and one sister.

Memorials may be sent to the Community for Creative Non-Violence, 1329 N Street, NW, Washington, D.C. 20005.

[From the Boston Herald-American May 16, 1979]

HER TOO-BRIEF MOMENT BROUGHT HER FRIENDS A WEALTH OF RICHES

(By George Higgins)

A couple of years ago there was an open deck on the south side of the Sail Loft in Nantucket. It verged on the catwalks of the Boat Basin. On sunny days the courageous among Sail Loft patrons chose to have their lunch out there, sitting at wooden picnic tables, eating hot dogs and hamburgers and drinking cold beer in reckless enjoyment of the most delightful island in the world at the most satisfactory season of the year.

Not suprisingly, people tended to linger over their food and drink, telling war stories and exaggerating various adventures, embroidering actual occurrences beyond recognition but into vertiable narrative tapestries. This practice did not improve the odds against some mishappening during luncheon, because, as I have said, the deck was not enclosed and it was built close to the water.

One sunny afternoon, on a break from work on the Islands Trust Bill then in preparation in the office of Sen. Edward M. Kennedy, Atty. Mary Murtagh joined friends for lunch on that deck. Mary had gotten herself out of Detroit, through college, law school and the bar exam without much help from anybody else, and into a position of considerable responsibility, on her own merits. Those she refused to acknowledge. Instead she developed a routine—it was far too elaborate and intricate to be considered mere conversation—which began with the declaration that through no fault of her own she had become a completely worthless person whose opinions would be of possible interest to no one.

She began with the admission that she was a 32-year-old virgin and knew exactly why. It was her red hair, among other things, which refused to behave as she wished it to. This was mostly because she refused to visit some salon where her hair would be disciplined properly, as she freely admitted, but she remained displeased with its conduct and did not hesitate to say so.

She was also inclined to disapprove of her skin. It included a significant number of freckles, a condition which is reportedly not uncommon among red-headed people with names like Murtagh. It did not tan evenly, she said. In fact, she said indignantly, it did not tan at all. If she sat out in the sun for any length of time, as she was doing at that very instant, she suffered sunburn. This generally persuaded her to stay indoors until her skin had healed, whereupon she went outdoors again, and burned it again. She was lavishly descriptive of the blisters raised by the burns, and the way that the skin peeled off during the recovery process.

She believed that her figure could stand some improvement. She allowed as how that particular matter was warranted by her terrible taste in clothing. She observed that she had no sense of style, always bought the wrong thing and then compounded the felony be wearing it. She complained that she had never met a decent cleaner in her life, but invariably selected a shop which smashed buttons, destroyed zippers, ruined pleats and put the creases in the wrong places. She said she lacked the fortitude to gripe to the tradesmen who thus plagued her, because she was afraid that they would feel hurt if she suggested that they were a pack of incompetent rogues who were taking her money to mangle her clothes that made her look silly and weren't any good anyway.

She said that she could never get a hotel room, and that when she got one in the summer the air conditioner was broken but the heater was running full-blast. In the winter, of course, her air conditioner could not be restrained but the heating was nonexistent. She said that when she ordered breakfast she received the toast that someone else had sent back because it had been burned—she said she always ate that toast. She said that when she ordered oil and vinegar dressing on her salad, she did not get any vinegar, and that when she ordered wine, she got the vinegar. She said that it was probably just as well, since she didn't know anything about wine anyway and the food she had ordered was so dreadful that vinegar was a much better beverage to accompany it.

Mary Murtagh, in other words, put herself down all the time. But it was not a pitiable lament, nor was it meant to be—it was entertainment, and it was meant to be. She was Rodney Dangerfield in a girl suit, refusing to go sailing because the gods gave her no respect, and would surely sink the boat if she were on it. It was hilarious.

What was particularly effective was her closing, in which she alleged that the reason for all her troubles was that all the other women present had hogged all of the good luck. She berated them for tanning, for knowing how to dress, for monopolizing all the men and all the hairdressers, not to mention the cleaners. In full Celtic keening cry, she slammed her sandwich down, pushed her beer aside, and embarked upon her finishing oration of her woe. As she did so, a seagull with the wingspan of a 747 came in over the open deck like a dive bomber, swooped once and did something that demolished her lunch, her beer and her hairdo. No one else was touched.

"You see?" she said. "You could sit there three years and that would never happen to you. I've been here 20 minutes, and look at me. Do I have bad luck or what?"

Last Sunday night, Mary had a stroke. They kept her on the life support machine until her mother could get to Washington. Mary died Monday. She was 34. Last year, when she did not come to Nantucket, there was a roof over the deck at the Sail Loft.

[From the Boston Globe, May 18, 1979]

Mary Murtagh, 38, Aide to Kennedy

Washington—A funeral Mass will be held tomorrow in Livonia, Mich., for Mary Catherine Murtagh, who for six years worked on the Washington staff of Sen. Edward M. Kennedy as a specialist on Massachusetts problems.

Ms. Murtagh, who would have been 39 years old yesterday, died unexpectedly Monday after suffering a stroke.

Born in Detroit, Ms. Murtagh was a claims representative for the Social Security Administration after graduating from the University of Detroit. In 1969 she became a claims examiner in the Baltimore office and began volunteering for Kennedy's staff.

As Kennedy described it Wednesday in a statement: "At 5 p.m. each weekday afternoon for the next eight months, she drove from Baltimore, working until past midnight in the mail room of my office, then driving back to Baltimore."

In 1970, Kennedy hired her as a legislative assistant, and she quickly became adept at handling local Massachusetts problems—the master of the "local angle" on a staff that was more attuned to national and world affairs.

Among her most successful efforts for Kennedy were work on the 200-mile fishing limit, now law, and the creation of the Boston National Historic Park to include many of the city's important sights, also now law. She was involved in dozens of other issues from fishing to community development and became the champion of controversial legislation, as yet unapproved by Congress, to create a land trust to preserve parts of Nantucket and Martha's Vineyard from development.

While working for Kennedy, she also earned a law degree at night from Georgetown University in 1976. At that time she also went to work as liaison for the Office of Technology Assessment, a science advisory arm of Congress that Kennedy has chaired off and on for several years.

In his statement Kennedy said: "Everything that Mary Murtagh touched, she left better than she found it."

The funeral Mass tomorrow will be at St. Maurice Church in Livonia.

A memorial service will be held in Washington Wednesday, in St. Joseph's Church.●

OIL DECONTROL WON'T BRING NEW SUPPLIES

● Mr. JACKSON. Mr. President, when President Carter announced his plan to decontrol crude oil prices, he promised the American people that decontrol would result in new crude oil supplies.

Domestic production presently averages around 8.7 million barrels of crude oil per day. The President's statisticians told us that decontrol would increase production to between 9 and 9.3 million barrels per day.

But last week a top Gulf Oil Corp. executive threw cold water in the face of the theory that decontrol brings more production. The Wall Street Journal reports that Mr. Robert Baldwin, president of Gulf's refining and marketing unit, said categorically that higher prices do not bring on additional supplies.

My economist friends will wonder how that can be. Basic economics teaches you that if the price increases, so will the supply. But the oil business is not that simple.

Crude oil prices are already so high that there is a built-in incentive to pursue an aggressive exploration and development program. Raising already high prices even higher simply will not result in additional production. The oil companies already earn more per barrel on a barrel of crude oil produced in the United States than they do anyplace else in the world.

I ask that the article from the Wall Street Journal of May 18, 1979 recounting Mr. Baldwin's remarks be printed in the Record.

The article follows:

[From the Wall Street Journal, May 18, 1979]

Gulf Oil Aide Asserts Oil Price Decontrol Won't Lift Output or Even End Its Decline

Washington.—A top Gulf Oil Corp. executive asserted that decontrol of domestic oil prices won't raise U.S. oil production or even halt its decline.

In addition, Robert Baldwin, president of Gulf's refining and marketing unit, contended that industry and government statements are wrong in attributing the current gasoline shortage to a world shortage of crude oil. Rather, he said, the problem is due to a lack of U.S. refining capacity.

Meeting with reporters, Mr. Baldwin said he supports oil price decontrol, which has been announced by President Carter, but he disputed claims by Mr. Carter and by most oil companies that ending price controls can stabilize or even increase U.S. production.

"There's no way, for any amount of money, that you can reverse the decline curves on crude oil production in the U.S. I don't care if crude oil goes to $100 a barrel," he said. World-wide crude oil prices currently are $16 a barrel.

WHITE HOUSE FORECAST

The White House predicts that its oil decontrol plan, set to go into effect June 1, will raise U.S. oil output by 1985 to between nine million and 9.3 million barrels daily, up from 8.7 million barrels a day currently thus * * * the Administration expects at least to "stabilize" or to slightly increase U.S. production through decontrol by slowing the production decline in older fields and stimulating entirely new production to add to it.

Most oil industry spokesmen agree that decontrol will add production, and some have even talked of producing as much as two million more barrels daily in the absence of controls.

Even Gulf's own chairman, Jerry McAffee, in a separate appearance here yesterday, appeared to contradict Mr. Baldwin. At a House Ways and Means Committee hearing on taxes. he said, "Fortunately, we know there are significant additional domestic crude oil supplies to be found, if the proper incentives are there."

But critics of decontrol, including congressional liberals, assert that decontrol will simply hand a financial bonanza to the oil industry without any guarantee, or even likelihood of added production.

MAKES ALTERNATIVES COMPETITIVE

Although another Gulf spokesman said the company hasn't officially made any prediction of the effects of decontrol on U.S. production, Mr. Baldwin said Gulf's current U.S. output of 325,000 barrels of oil a day would decline even without controls. He said decontrol is desirable mainly because it would make alternate energy forms competitive with oil.

The Gulf executive agreed with the White

House that current stocks of gasoline and heating oil are quite low and must be rebuilt. But he said the only current constraint on gasoline production is a lack of U.S. refinery capacity, which, he said, will cause gasoline shortages for another two or three years. Even if the U.S. were "awash in crude," he said, there'd still be a gasoline shortage.

Mr. Baldwin couldn't explain why average U.S. refinery utilization is at about 85%, but he said he'd be "surprised" if there's really a shortage of crude oil to feed the refineries. He said Gulf's own refineries have plenty of oil and are running at their maximum rate, 94% of capacity.

The White House and most other oil executives have blamed the gasoline shortage on an inability to obtain crude oil. While the industry and the administration also worry about an eventual lack of refining capacity, they don't blame that for the current shortage.

"PAROCHIAL" VIEW CHARGED

The Energy Department's Mr. Goldman accused the Gulf official of taking a "parochial" view of the oil and gasoline problems that he said ignores the "fundamental reality" of a world shortage of crude oil in the face of rising demand.

Separately, Mobil Corp.'s president reiterated in congressional testimony Mobil's proposal for retaining controls on oil from existing wells and dropping the proposed tax on "windfall" oil revenue. Under President Carter's plan, all oil would be decontrolled, but the added revenue would be taxed. Mobil's president, William Tavoulareas, asserted, however, that Mobil's plan would yield more oil production. The Mobil plan is opposed by most other oil companies, which favor decontrol of oil from current wells.

Rep. Albert Gore, Jr. (D., Tenn.) criticized Mobil for pouring money into corporate acquisitions, such as the Montgomery Ward retail chain and Container Corp. of America, instead of into the search for more oil. Mr. Tavoulareas asserted, though, that the acquisitions have been made with borrowed money, rather than oil profits. "Not one cent has been diverted from the oil business" to buy Ward's, he claimed.●

TRIBUTE TO WILLIAM M. DuCHESSI

● Mr. KENNEDY. Mr. President, this weekend, William M. DuChessi passed away.

Those of us who knew Bill, who valued his advice over the many, many years that he has been here in Washington, and those of us who enjoyed the friendship of this warm and spirited man, are greatly saddened by his passing. Our lives are grayer without him.

Bill DuChessi was the executive vice president of the Amalgamated Clothing and Textile Workers Union. He was also a member of the General Board of the AFL–CIO Industrial Union Department and a member of the National COPE Operating Committee.

Bill spent his life in the labor movement. He became a charter member of local 1 of the Textile Workers Organizing Committee in 1937, at the age of 22. Three weeks later he went to work for the union. In successive years, in upstate New York, in Maryland, and West Virginia, in the South, and finally in Washington, the textile worker, and in the last few years, clothing workers as well, have enjoyed his great and unique services. He leaves a union which now has 500,000 workers.

Bill's thoughtfulness, his dedication, his humor and sensitivity have been integral parts of the Federal legislative process for these many years. Those of us in the Senate, and our colleagues in the House, could not help but be responsive to the issues and questions he raised. We could not help but be guided by the solutions he proposed.

Mr. President, Bill has had a long association with my family and myself. He traveled with and worked with my brother, John, when he ran for President and was a trusted adviser to him. While I have been in the Senate, he has offered his advice to me. Each year, for as long as the Textile Workers, and later the Amalgamated Clothing and Textile Workers, have held their legislative conference, I have spoken to that conference. And each year, until this last conference, Bill was there to greet me. It made those conferences a pleasure.

Bill DuChessi said:

> My generation came out of the Depression. We suffered. We saw our fathers and mothers on breadlines. This generation, your generation, has never known what it is to suffer. I don't want to go back. But I tell my nieces and nephews, you'd better look at what went on in the past, to know where you're going in the future.

Mr. President, if the people of this generation are better off than the people of the last generation, it is because Bill DuChessi has helped to make them better off. If people want to know where we should be going in the future, they can look at no better model than the life that Bill DuChessi led.

I extend my condolences to Bill's wife, Shirley, to his son, Mariano, and to his grandchildren.●

STATUS OF THE REVIEW OF THE MILITARY SURVIVOR BENEFIT PLAN

● Mr. NUNN. Mr. President, I want to take this opportunity to inform my colleagues of the current status of the review of the military survivor benefit plan by the Manpower and Personnel Subcommittee of the Armed Services Committee.

Last year, a number of improvements in the Military Survivor Benefit Plan were enacted as Public Law 95–397. That law authorized cost-of-living adjustments for retired serviceman's family protection plan annuitants; provided for the reinstatement of survivor benefit plan payments to surviving spouses whose dependency and indemnity compensation benefits from the Veterans' Administration are terminated on remarriage after age 60; eliminated the social security offset under the survivor benefit plan for working widows; provided for a guaranteed minimum annual income for certain needy widows; and provided for the continuation of benefits under the retired serviceman's family protection plan for annuitants who remarry after age 60. In addition, that law provided new protection to the survivors of Reservists who have completed 20 years of satisfactory service but who have not yet reached age 60.

Mr. President, there were a number of other changes to the military survivor benefit plan proposed last year that the Armed Services Committee could not recommend favorable action on because of the large estimated costs and the difficulty the committee had in getting actuarially based estimates on the survivor benefit plan. These changes included a reduction in the social security offset at age 62 from 100 to 50 percent of the amount of social security benefits to which the widow is entitled based on her husband's military service; a proposed change in the basic formula for calculating the retirees cost for survivor benefit plan coverage; elimination of the social security offset where there is one dependent child, where the widow is collecting social security on her own earnings, and for the widows of certain reservists. Other proposed changes included providing an open enrollment period as well as benefits for certain widows whose husbands died before September 1972.

The issues involved in the military survivor benefit plan and all of these proposed changes are very complex. In some cases, the costs may be large, especially in future years. On the other hand, there are indications that the current structure of the plan may eventually provide a large surplus to the Government. It is clear that cost data and actuarial estimates on the various proposals differ by wide margins. Our review of these issues last year indicated some serious inequities in the present system and the recommended changes were addressed to many of those areas. Consequently, the committee requested the Secretary of Defense to undertake a comprehensive study of a military survivor benefit plan including intended policies on participation rates and cost, an actuarially based analysis of the plan and of the proposed changes, an actuarial analysis of the cost to officers and enlisted personnel of the current plan and proposed changes as well as the cost to the Government and a comparison of the survivor benefit plan for military and civil service retirees. We recommended that the opinions of independent actuaries be reflected in this analysis.

It had been my hope that shortly after the February 1 submission of this report, the committee would be able to review the recommendations of the Secretary of Defense and outside actuaries and be ready to make recommendations to the Senate. Unfortunately, the report, which was submitted February 1, contained no recommendations and indicated that the actuarial data needed to be validated by a second actuarial study. We have yet to hear from the Department of Defense on this validation although I do expect to receive some information in the next few days. Several outside organizations and experts have been very critical of the Department of Defense study. Rather than again requesting the Department of Defense to provide the needed analysis, the committee staff and the Congressional Budget Office are now reviewing the various issues and proposals for changes to the military survivor benefit plan. That analysis is not yet completed but my purpose in speaking out today is to assure my colleagues that we are continuing to work on these proposals and that I do expect it will be possible to hold hearings in the next several weeks.●

TIME LIMITATION AGREEMENT—S. 292

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at such time as Calendar Order No. 61, S. 292, the so-called WIC bill, is the pending business before the Senate, there be a time agreement thereon as follows: One hour on the bill, to be equally divided between Mr. McGovern and Mr. Dole; 30 minutes on any amendment, 10 minutes on any debatable motion, appeal, or point of order if such is submitted to the Senate; and that there be the following exceptions:

Forty minutes on an amendment by Mr. Eagleton relating to the State use of administrative funds for school lunch programs; 30 minutes each on two amendments by Mr. Morgan, one relating to a formula for allocating State administrative agencies and one relating to making WIC available to overseas dependents of U.S. military; not to exceed 3 hours on an amendment by Mr. Bellmon on the special milk program; 30 minutes on an amendment by Mr. Bellmon on the national school lunch program; and that the agreement be in the usual form with respect to division and control of time and germaneness, with the exception of those amendments ments which have been specified.

The PRESIDING OFFICER. The Chair, in his capacity as the Senator from Vermont, asks if his understanding is correct that on the special milk program agreement with Senator Bellmon, it is 3 hours reserved solely to Senator Bellmon?

Mr. ROBERT C. BYRD. No, that would be not to exceed 3 hours and would be equally divided in accordance with the usual form. The control of half that time would be under Mr. Leahy.

The PRESIDING OFFICER. Does the Chair hear any objection? The Chair hears no objection.

Mr. STEVENS. Under the circumstances, the Chair would rather quit with that, but I agree, there is no objection.

The PRESIDING OFFICER. Without objection, the request is agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on amendments in the second degree be limited to 20 minutes, equally divided.

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. Without objection. it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That when the Senate proceeds to the consideration of S. 292, a bill to reduce the fiscal year 1980 authorization for appropriations for the special supplemental food program, debate on any amendment in the first degree (except an amendment to be offered by the Senator from Missouri (Mr. Eagleton), relative to state use of administrative funds for school lunch programs on which there shall be 40 minutes, two amendments by the Senator from North Carolina (Mr. Morgan), one relating to a formula for allocating state administrative agencies and the other to making WIC available to overseas dependents of U.S. military personnel on which there shall be 30 minutes each, and two amendments by the Senator from Oklahoma (Mr. Bellmon), one on the special milk program on which there shall be 3 hours divided between the Senator from Oklahoma and the Senator from Vermont (Mr. Leahy), and one on the National School Lunch Program on which there shall be 30 minutes), shall be limited to one-half hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled by the Senator from South Dakota (Mr. McGovern) and the Senator from Kansas (Mr. Dole): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF MR. TSONGAS ON WEDNESDAY AND THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders are recognized, Mr. Tsongas be recognized for not to exceed 15 minutes.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. Tsongas be recognized for not to exceed 15 minutes on Thursday, after the two leaders have been recognized under the standing order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, upon completion of orders for the recognition of Senators tomorrow, the Senate will proceed to the Arms Export Control Act, will it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I anticipate amendments in relation to that act tomorrow, and perhaps rollcall votes in relation to amendments and/or motions with respect to the bill.

Tomorrow is Tuesday, so it is possible that we could be in from 9.30 a.m. until a reasonably early hour tomorrow.

It is hoped that we might be able to complete action on the amendment dealing with military grant aid to Turkey, and conceivably action could be completed on the bill. If not, then it would carry over until Wednesday.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and, at 5:34 p.m., the Senate recessed until tomorrow, May 22, 1979, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate after adjournment on May 17, 1979, under authority of the order of the Senate of May 17, 1979:

The Judiciary

Joseph W. Hatchett, of Florida, to be U.S. circuit judge for the fifth circuit, vice a new position created by Public Law 95–486, approved October 20, 1978.

Thomas M. Reavley, of Texas, to be U.S. circuit judge for the fifth circuit, vice a new position created by Public Law 95–486, approved October 20, 1978.

William L. Hungate, of Missouri, to be U.S. district judge for the eastern district of Missouri, vice a new position created by Public Law 95–486, approved October 20, 1978.

Howard F. Sachs, of Missouri, to be U.S. district judge for the western district of Missouri, vice a new position created by Public Law 95–486, approved October 20, 1978.

Department of Justice

Jose A. Lopez, of Puerto Rico, to be U.S. marshal for the district of Puerto Rico for the term of 4 years (reappointment).

Overseas Private Investment Corporation

William M. Landau, of New York, to be a member of the board of directors of the Overseas Private Investment Corporation for a term expiring December 17, 1981, vice Donley L. Brady, term expired.

Executive nominations received by the Senate May 18, 1979, under authority of the order of the Senate of May 17, 1979:

Interstate Commerce Commission

Marcus Alexis, of Illinois, to be a member of the Interstate Commerce Commission for the term expiring December 31, 1985, vice Alfred Towson MacFarland, term expired.

In the Army

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be general

Lt. Gen. John Adams Wickham, Jr., [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. Volney Frank Warner, [redacted], Army of the United States (major general, U.S. Army).

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Daniel H. Ackermann, [redacted].
Maj. Walter A. Arthur, Jr., [redacted].
Maj. John D. Ballard, [redacted].
Maj. John H. Barnhart, [redacted].
Maj. Julian F. Bates, [redacted].
Maj. Gary C. Blair [redacted].
Maj. Norman D. Brochu, [redacted].
Maj. Charles A. Butterfield, [redacted].
Maj. John T. Byrd [redacted].
Maj. Gary R. Chudzinski, [redacted].
Maj. Keith D. Colgan, [redacted].
Maj. Joseph E. Coyle, [redacted].
Maj. Olin B. Cundiff, II, [redacted].
Maj. Jack E. Davenport, [redacted].
Maj. James C. Evans, [redacted].
Maj. Lynn J. Forrest, [redacted].
Maj. Raymond J. Gessner, [redacted].
Maj. William B. Goss [redacted].
Maj. George D. Graves, [redacted].
Maj. Harris R. Henderson, [redacted].
Maj. George E. Higginson, [redacted].
Maj. Don V. Hubbard, [redacted].
Maj. William V. Hutzell, [redacted].
Maj. Francis W. Johnson, [redacted].
Maj. Miles A. Kaspar, Jr., [redacted].
Maj. Edward C. Kopp, Jr., [redacted].
Maj. Frank W. Kozdras, [redacted].
Maj. Carroll B. Lord [redacted].
Maj. Robert J. Margolis, [redacted].
Maj. Joseph A. McCaffrey, [redacted].
Maj. William T. Neal [redacted].
Maj. Samuel C. Planck, [redacted].
Maj. Eugene W. Pottenger, [redacted].
Maj. Charles S. Rousseau, Jr., [redacted].
Maj. Edward B. Rummel, [redacted].
Maj. Newton R. Rutter, Jr., [redacted].
Maj. Richard P. Scherer, [redacted].
Maj. Victor C. Seavers, [redacted].
Maj. Kenneth L. Simpson, [redacted].
Maj. Thomas G. Skolfield, [redacted].
Maj. Errol G. Stump [redacted].
Maj. David L. Thompson, [redacted].
Maj. Jay H. Uhler, [redacted].
Maj. Thomas M. Vadnais, [redacted].
Maj. Alden Webb [redacted].
Maj. Raymond W. Williams, [redacted].
Maj. Charles A. Willis, [redacted].
Maj. Gary A. Winn [redacted].

Judge advocate

Maj. Larry D. Lessly, [redacted].
Maj. John D. Maley, [redacted].
Maj. Robert W. Swain, Jr., [redacted].

Chaplain

Maj. Frank H. Harris, [redacted].

Medical corps

Maj. Lawrence L. Altaker, [redacted].
Maj. Harold D. Bryan, Jr., [redacted].
Maj. Laurance A. Marshburn, [redacted].
Maj. Edward S. Schwartz, [redacted].

Nurse corps

Maj. Ruth E. Hitchings, [redacted].

Medical service corps

Maj. Ronald J. Kalish, [redacted].

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Second lieutenant to first lieutenant

Abbott, Barton L., [redacted].
Abel, Michael D., [redacted].
Acock, Danny J., [redacted].
Acree, Robert L. [redacted].
Adams, Robert R., [redacted].
Adkison, Robert T., [redacted].
Agis, Edward, [redacted].
Alexander, Gerald F., Jr., [redacted].
Alis, Richard C., [redacted].
Allan, Charles T., [redacted].
Allen, Calvin L., [redacted].
Allgood, Robert C., Jr., [redacted].
Allison, Jerry N., [redacted].
Aman, Richard R., [redacted].
Amara, Joseph, [redacted].
Anderson, David N., [redacted].
Anderson, Herman S., [redacted].
Andrew, John M., [redacted].
Andrichak, John J., III, [redacted].
Angevine, Richard T. [redacted].
Anzjon, Leslie R., [redacted].
Appolloni, Thomas J., [redacted].
Armor, John A., [redacted].
Armstrong, Carl E. [redacted].
Armstrong, Rex S., [redacted].
Arnett, Robert M., [redacted].
Ashenfelter, Robert D., [redacted].
Asselanis, Kosta G., [redacted].
Auberry, Thomas W., [redacted].
Auclair, Paul F., [redacted].
Ausink, John A., [redacted].
Austin, Larry R. [redacted].
Ayer, Clyde C [redacted].
Ayers, Frances H., Jr., [redacted].
Baer, Leon R., Jr., [redacted].
Bailey, Peter M., [redacted].
Bair, Anthony E., [redacted].
Baker, Mark W., [redacted].
Ball, Gilbert T., [redacted].
Baltes, Thomas R., [redacted].
Banaszak, Michael R., [redacted].
Baran, Ronald B., [redacted].
Barber, Garald L., [redacted].
Barfield, James P., [redacted].
Barfield, Richard E., [redacted].
Barley, Kevin R., [redacted].
Barnes, Jay T., [redacted].
Barnett, Grady R., Jr., [redacted].
Bartlett, Robert B., [redacted].
Battig, William D., [redacted].
Bauer, James D., [redacted].
Baum, Michael E., [redacted].
Bauschlicher, Jon M., [redacted].
Beatty, Daniel J., Jr., [redacted].
Beauchamp, Michael J., [redacted].
Beck, Steven P., [redacted].
Becker, Jeffrey D., [redacted].
Belcher, Michael F., [redacted].
Bell, Kirk D. [redacted].
Benton, Jimmie L., [redacted].
Berg, David H., [redacted].
Berg, Nolan I., [redacted].
Berger, Steven M., [redacted].
Berrian, Michael L., [redacted].
Birchman, Joseph A. [redacted].
Birtell, William P., [redacted].
Bischoff, Martin E., III, [redacted].
Bivins, Robert L., [redacted].
Black, Norman A., III, [redacted].
Blaikie, Thomas B., III, [redacted].
Blish, Jay O. [redacted].
Blythe, John M., [redacted].
Bollinger, Peter W., [redacted].
Boomgaard, Gregory K., [redacted].
Borsare, Terrence E., [redacted].
Borton, Larry R., [redacted].
Boschert, Kermit V., [redacted].
Bosworth, Jamie L., [redacted].
Boudreaux, Wayne C., [redacted].
Bovenizer, John C., [redacted].
Bowen, John J., [redacted].
Bowie, Thomas G., Jr., [redacted].
Bowlin, Thomas L., [redacted].
Boyd, Stephen P., [redacted].
Body, William D., [redacted].
Boyes, Larry G., [redacted].
Boyle, Edward J., [redacted].
Bozzuto, Richard C., Jr., [redacted].
Bradley, Kenneth B., [redacted].
Bradley, Roger P. [redacted].
Braid, Richard P., [redacted].
Brand, Andrew M., [redacted].
Brandt, John E., [redacted].
Bricker, Gregory A., [redacted].
Britten, Scott M., [redacted].
Brock, Don E., [redacted].
Brown, Charles T., [redacted].
Brown, David K., [redacted].
Brown, Jeffrey S., [redacted].
Brozovic, Richard L., [redacted].
Brundage, William H., [redacted].
Brunelle, Raymond R., Jr., [redacted].
Bruns, John, Jr., [redacted].
Buch, Robert J., [redacted].
Buchanan, Brad O. [redacted].
Buck, James W. [redacted].
Budelier, John A. [redacted].
Burbank, Patrick C., [redacted].
Burgie, Thomas J., [redacted].
Burnette, George G., III, [redacted].
Burns, John F., [redacted].
Butdorf, Garold R., [redacted].
Butler, Lindsay W., III, [redacted].
Butler, Michael W., [redacted].
Bych, Robert P., [redacted].
Byerly, Joseph L., [redacted].
Byers, Michael B., [redacted].
Byers, Michael J., [redacted].
Byron, Michael W. [redacted].
Caballero, Richardo S., [redacted].
Cady, James R. [redacted].
Cahoon, Neil T., [redacted].
Camden, Jimmy E., [redacted].
Campbell, John O., [redacted].
Campbell, John S., Jr., [redacted].
Campbell, Stephen C., [redacted].
Canda, William R., [redacted].
Cantwell, Michael T., [redacted].
Caraway, James A., [redacted].
Carlton, Brian T., [redacted].
Carolan, William J., [redacted].
Carpenter, Stephen K. [redacted].
Carroll, William O., [redacted].
Carter, James E., [redacted].
Carter, Thomas L., [redacted].
Casella, Robert R., [redacted].
Casey, Raymond J., [redacted].
Casey, Richard L., [redacted].
Caslick, David R., [redacted].
Catton, John J., Jr., [redacted].
Cavalier, James S., [redacted].
Chang, Randy Y U, [redacted].
Chase, Lewis D., IV, [redacted].
Chase, Robert W., [redacted].
Chavez, Mark C., [redacted].
Childress, Rory H., [redacted].
Chilton, Kevin P., [redacted].
Chisholm, Dale T., [redacted].
Christian, Lance D., [redacted].
Clark, Douglas N., [redacted].
Clary, David E. [redacted].
Clement, Martin J., [redacted].
Clements, Donald W., [redacted].
Clements, Roger F., [redacted].
Clemovitz, Fred M., [redacted].
Clifford, William S., [redacted].
Cloud, David J. [redacted].
Coker, Michael F., [redacted].
Combs, Charles C., Jr., [redacted].
Connors, David L., [redacted].
Conrad, James D., [redacted].
Cook, Marvin E., [redacted].
Cope, William H., Jr., [redacted].
Copp, Paul David, [redacted].
Coppin, Eric P., [redacted].
Corl, David N., [redacted].
Cornali, Del J., [redacted].
Correia, Stanley C. [redacted].
Corrie, Robert M., [redacted].
Costello, Joseph K., III, [redacted].
Covington, John R., [redacted].
Cox, Franklin E., [redacted].
Craig, Stephen J., [redacted].
Craig, William R., [redacted].
Crawford, Cameron M., [redacted].

Crawford, Michael L., [redacted].
Crocco, James R., [redacted].
Crockett, David J., Jr. [redacted].
Crombie, Robert B., [redacted].
Crosley, Hilton C., [redacted].
Cross, Jeffrey R., [redacted].
Crouser, David T., [redacted].
Crowe, James L., [redacted].
Crowley, John J., [redacted].
Cuda, Daniel L., [redacted].
Cuevas, Eliseo J., Jr., [redacted].
Culotta, Joseph M., Jr., [redacted].
Cummins, Michael L. [redacted].
Cunningham, Paul M., [redacted].
Curry, Christopher L., [redacted].
Dalros, Steven W., [redacted].
Damiens, Dennis J., [redacted].
Daniels, Murray E., [redacted].
Dankenbring, Thomas A., [redacted].
Dantzler, Willie C., [redacted].
Darnall, Walter W., Jr., [redacted].
Davenport, Richard P., [redacted].
Davila, Richard, Jr., [redacted].
Davis, Dee S., [redacted].
Davis, Steven M. [redacted].
Davis, William R., [redacted].
Dea, William F., [redacted].
Deane, Bruce W [redacted].
Deano, Charles C., Jr., [redacted].
Dearmond, Frederic A., [redacted].
Deaux, James D., [redacted].
Deblanc, Robert K. [redacted].
Debruhl, Harry C., Jr. [redacted].
Deil, Lothar W., [redacted].
Delphenich, John R., [redacted].
Delpinto, Michael A., [redacted].
Delventhal, Michael A., [redacted].
Deptula, David A. [redacted].
Detrick, Ted A., [redacted].
Dickinson, Allen J., [redacted].
Dieffenbach, Brian E., [redacted].
Diener, David A. [redacted].
Dilla, Benjamin L., [redacted].
Dingley, David K., [redacted].
Dittmer, Karl K., Jr., [redacted].
Dobson, Robert H., [redacted].
Dodgen, Byron C., [redacted].
Dolan, James T., [redacted].
Domingue, Edward N., [redacted].
Doneth, William D., III, [redacted].
Donisi, Angelo A., Jr., [redacted].
Dorman, Glenn A., [redacted].
Dovey, Douglas A., [redacted].
Dowell, Larry D., [redacted].
Drew, Joseph G., [redacted].
Duclos, Michael S., [redacted].
Dundore, Steven W. [redacted].
Dunn, Andrew W., [redacted].
Dunn, Stephen J., [redacted].
Dunstan, John O., [redacted].
Dutchyshyn, Harry V., Jr., [redacted].
Duus, William A., [redacted].
Duvall, Michael W., [redacted].
Dylewski, Gary R., [redacted].
Ebron, John, Jr., [redacted].
Echols, John B., [redacted].
Eddy, Steven R., [redacted].
Eich, Carl R., [redacted].
Eisen, Stefan, Jr., [redacted].
Elson, Randolph R., [redacted].
Ely, Michael V., [redacted].
Engel, Kenneth D., [redacted].
Engleson, Lawrence E., [redacted].
Erdle, Michael P., [redacted].
Erickson, Mazel B., [redacted].
Eriksen, Larry E., [redacted].
Errigo, John A., [redacted].
Esbenshade, Kent A., [redacted].
Estrada, Edward A. [redacted].
Evans, David R. [redacted].
Evans, Joseph T., Jr [redacted].
Evans, Mark W. [redacted].
Faber, Robert K., [redacted].
Fagan, James S., [redacted].
Fagot, Bradley F. [redacted].
Fairbrother, Edward F., Jr., [redacted].
Falcon, Carlos A., [redacted].
Fallon, Andrew D., [redacted].
Farmer, David K., [redacted].
Fauver, John M., [redacted].
Feder, Eric L., [redacted].
Feigh, Keith A. [redacted].
Felder, Lloyd R., [redacted].
Fellows, Charles R., [redacted].
Felman, Marc D., [redacted].
Fennell, Clarence J., [redacted].
Ferris, Ellis G., [redacted].
Fisher, Alan D., [redacted].
Fisher, James P., [redacted].
Fisher Robert R., [redacted].
Flanagan, Patrick R., [redacted].
Flemings, Garrison H., [redacted].
Floersch, John E., [redacted].
Flood, Scott K [redacted].
Flower, Dean R., [redacted].
Foertsch, James W. [redacted].
Fonorow, Owen R., [redacted].
Ford, Douglas J. [redacted].
Fortner, Raymond L., [redacted].
Foster, Daniel A., [redacted].
Foy, John J., [redacted].
Francis, Keith I. [redacted].
Franklin, Steven R., [redacted].
Franklin, William H., [redacted].
Free, Jerry L., [redacted].
Freeman, Doyle K., [redacted].
Freer, Harrison C., [redacted].
Freidenrich, Alan R. C., [redacted].
French, Douglas W., [redacted].
Freund, Bruce R., [redacted].
Fricano, Michael, [redacted].
Frith, Marc W., [redacted].
Fronk, Thomas M., [redacted].
Frozena, John D. [redacted].
Fry, Douglas W., [redacted].
Frye, Stephen B., [redacted].
Gajeski, Antone E. [redacted].
Galavotti, Louis J., Jr., [redacted].
Gallagher, Edward A., [redacted].
Gamblin, Barry S., [redacted].
Gandy, Edward R., Jr., [redacted].
Garcia, Jose A., [redacted].
Gardner, Ralph E., [redacted].
Gardner, Robert S., [redacted].
Garito, Douglas J. [redacted].
Garland, Todd R., [redacted].
Garner, Larry E., [redacted].
Garrett, James M., [redacted].
Garrison, Robert G. [redacted].
Garten, David N., [redacted].
Garza, Carlos, Jr., [redacted].
Gaughan, Miles M., [redacted].
Gegg, Michael P., [redacted].
Geiselhart, Gerald J., Jr., [redacted].
George, Arthur L., III, [redacted].
Gerdes, Bradley D., [redacted].
Getzelman, Harold D., [redacted].
Gibson, Ralph D., [redacted].
Ginn, Robert W., [redacted].
Glines, Brent P., [redacted].
Gold, Aaron H., [redacted].
Gold, Robert P., [redacted].
Goldbach, Bernard F. [redacted].
Goodrich, Bert F., [redacted].
Gough, Scott W., [redacted].
Gould, Michael C. [redacted].
Grabosky, Joseph P., [redacted].
Graf, Irene L. [redacted].
Granger, Alan T [redacted].
Gray, Robert M. [redacted].
Green, Franklin F. [redacted].
Green, Steven A., [redacted].
Greene, Thomas A., [redacted].
Gresham, Donald D., [redacted].
Grijalba, Apolonio S., Jr., [redacted].
Gronewald, Curtis J. [redacted].
Grosvenor, Robert C. [redacted].
Guindon, Bruce D., [redacted].
Gunderson, Steven G., [redacted].
Gunn, Roam A. [redacted].
Gustafson, Richard A., [redacted].
Gutierrez, George A., [redacted].
Hall, Donald D., [redacted].
Hall, Steven D., [redacted].
Hamburg, John, [redacted].
Hamed, Steven M., [redacted].
Hamilton, Dale E., [redacted].
Hancock, Thomas W., [redacted].
Hanley, Patrick M., [redacted].
Hanley, Richard A., [redacted].
Hanson, William E., [redacted].
Hanus, Glen J., [redacted].
Hardy, David A., [redacted].
Harrison, Jeffrey B. [redacted].
Hartz, Gregg E., [redacted].
Harvel, Donald D., [redacted].
Hass, Jeff T [redacted].
Hatfield, David N. [redacted].
Hatt, Gerald R., [redacted].
Hauser, Michael L., [redacted].
Hayes, John R., Jr., [redacted].
Hazen, John T., [redacted].
Hebb, Alan D., [redacted].
Heck, Stephen W., Jr., [redacted].
Hedding, Truman J., III, [redacted].
Heidmous, Walter N., Jr., [redacted].
Heincker, William R. [redacted].
Heinz, Steven D. [redacted].
Heise, Keven R. [redacted].
Heitman, Lee R., Jr. [redacted].
Henabray, Kevin F., [redacted].
Henager, Donald E., [redacted].
Henchey, Michael C., [redacted].
Henkel, Casey L., [redacted].
Hennessy, Michael T., Jr., [redacted].
Henry, Christopher M., [redacted].
Hepburn, Byron C., [redacted].
Heppner, James J., [redacted].
Herrera, Joseph, Jr., [redacted].
Hicks, Alfred B., Jr., [redacted].
Hicks, Gerald D., [redacted].
Hiebert, Donald W., [redacted].
Higgins, Daniel M., [redacted].
Higgins, Donald P., Jr., [redacted].
Hildebrandt, John H., [redacted].
Hildreth, Robert A., [redacted].
Hinger, Robert J., [redacted].
Hinkel, Clark R., [redacted].
Hobart, William C., Jr., [redacted].
Hoffman, Chris P., [redacted].
Hogan, Stephen J., [redacted].
Hogue, James R., [redacted].
Holdridge, Richard D., [redacted].
Holland, Martin K., [redacted].
Holley, Robert C., [redacted].
Holm, Gregory S., [redacted].
Holt, Hal P., [redacted].
Holtz, Thomas R., [redacted].
Hook, Peter S., [redacted].
Houle, Edward H., [redacted].
Houren, Patrick J., [redacted].
Houser, Phil C., [redacted].
Howell, Randy L., [redacted].
Hoyes, Michael B., [redacted].
Hudson, Robert W., [redacted].
Huerta, Jesse A., [redacted].
Huffman, Gary D., [redacted].
Hughes, Mark Tt., [redacted].
Hull, Paul D., [redacted].
Hunt, James P., [redacted].
Ingersoll, Scott R., [redacted].
Inglis, John C., [redacted].
Isaacs, Charles B., [redacted].
Iverson, Robert B., [redacted].
Jackson, David R., [redacted].
Jackson, Jack A., Jr., [redacted].
Jackson, Jimmy D., [redacted].
Jacobs, Mark A., [redacted].
Jacobsen, John E., [redacted].
James, Douglas, [redacted].
Janiszewski, Alan M. [redacted].
Jareo, David L., [redacted].
Jaskey, Armas J., Jr., [redacted].
Jenschke, Erwin B., Jr., [redacted].
Jensen, Craig R. [redacted].
Johann, Stephen M., [redacted].
Johnson, Anthony R. [redacted].
Johnson, Bruce G., [redacted].
Johnson, Chase J., [redacted].
Johnson, Randall G., [redacted].
Johnson, Robert C., [redacted].
Johnson, William C., [redacted].
Johnston, Walter H., Jr., [redacted].
Johnstone, Thomas S., [redacted].
Jones, Bradley W. [redacted].
Jones, Budd A., Jr., [redacted].
Jones, Edward S., [redacted].
Jones, Gary L., [redacted].
Jones, William M., [redacted].
Jordan, Daniel W., III, [redacted].
Jorgensen, Stephen A., [redacted].
Julien, Philip A., [redacted].
Jumper, Geoffrey W., [redacted].

Kaiser, Daniel D., [redacted].
Kamrad, Kurt M., [redacted].
Kane, John P., [redacted].
Kaneshiro, Kevin S., [redacted].
Kasprzyk, Stanley J., Jr., [redacted].
Keane, Michael J., [redacted].
Kearns, William A., [redacted].
Kehl, Randall H., [redacted].
Keithcart, Kerry E., [redacted].
Kelly, Henry F., IV, [redacted].
Kelly, Michael K., [redacted].
Kelly, Sean M., [redacted].
Kelso, Thomas S., [redacted].
Kempton, Richard L., [redacted].
Kennon, Jay G., [redacted].
Keranen, Roger L., [redacted].
Kidd, Michael S., [redacted].
King, Gary M., [redacted].
King, Richard P., [redacted].
Kingman, Richard T., [redacted].
Kinney, Craig G., [redacted].
Kirchoff, Ronald A., [redacted].
Kjeldgaard, Andrew L., [redacted].
Kleinhans, Robert J., [redacted].
Kleven, Jay D. D., [redacted].
Klimis, George N., [redacted].
Klingenberger, Kurt J., [redacted].
Kluck, Peter E., [redacted].
Kneib, Frederick J., [redacted].
Knellinger, William R., II, [redacted].
Knox, Douglas C., [redacted].
Koch, Thomas J., [redacted].
Kocian, Donald J., [redacted].
Kogler, James T., [redacted].
Kohl, Richard S., [redacted].
Konecny, Tom R., [redacted].
Kontak, Roger E., [redacted].
Koppang, Scott W., [redacted].
Kozlowski, Kevin W., [redacted].
Kreycik, Bruce F., [redacted].
Krikorian, Stephen H., [redacted].
Kristensen, David H., [redacted].
Krupsaw, Kim J., [redacted].
Kuelz, Bruce M., [redacted].
Kunkel, David P., [redacted].
Kupersmith, Douglas A., [redacted].
Kurtz, John A., [redacted].
Kyle, Gary A., [redacted].
Kysar, Kent K., [redacted].
Labarre, Edwin F., [redacted].
Lambert, Bruce K., [redacted].
Laney, Russell M., [redacted].
Lange, Thomas L., [redacted].
Lanning, William E., [redacted].
Larsen, Jeffrey A., [redacted].
Larsh, Steven S., [redacted].
Larson, Karl D., [redacted].
Lassus, Frank A., [redacted].
Latenser, Russell E., II, [redacted].
Lawson, David E., [redacted].
Layman, Charles R., [redacted].
Leahey, John M. Jr., [redacted].
Lebas, John C. Jr., [redacted].
Leber, Leray L., [redacted].
Lee, Lawrence E., [redacted].
Lee, Michael D., [redacted].
Lee Montgomery A., [redacted].
Leinbach, Kevin E., [redacted].
Leong, Erick [redacted]
Leupp, David G., [redacted].
Levell, Edward A. III, [redacted].
Lewis, Gregory W., [redacted].
Lewis, John T [redacted].
Lindsay, Charles L., [redacted].
Lippert, David R., [redacted].
Little, Linwood L., [redacted].
Loerakker, Steven F. [redacted].
Lombardi, Alan, [redacted].
Long, Richard R., [redacted].
Lopez, Manuel J., [redacted].
Lorenzen, Gary L., [redacted].
Lott, Calvin R., Jr., [redacted].
Lounsberry, Scott H. [redacted].
Loverro, Douglas L., [redacted].
Lowe, James K., [redacted].
Luhrs, Richard A., [redacted].
Lunsford, Guy D., [redacted].
Macklin, Winfred H., Jr., [redacted].
Mackness, Michael D., [redacted].
Madelen, George M., [redacted].
Madsen, Norbert, [redacted].
Mahoney, Stephen P., [redacted].
Main, Jeffrey D., [redacted].
Mallary, Thomas C., [redacted].
Mansfield, Robert A., Jr., [redacted].
Manson, Harold C., [redacted].
Mantei, Ricky A., [redacted].
Mantz, Michael R., [redacted].
Mapes, Peter B., [redacted].
March, James K., [redacted].
Marchino, Joseph M. II, [redacted].
Marg, James M., [redacted].
Marsh, Ralph E., Jr., [redacted].
Martel, Normal L., [redacted].
Martin, James R., [redacted].
Martin, Kevin M., [redacted].
Martin, Timothy S., [redacted].
Martorano, Matthew F., [redacted].
Mashl, John P., [redacted].
Mastin, Darrell G., [redacted].
Matthews, David L., [redacted].
Mattson, Roy M., [redacted].
May, David W., [redacted].
Mayer, David P., [redacted].
Mazurowski, David M., [redacted].
McAlister, David L., Jr., [redacted].
McCaffry, Patrick K., [redacted].
McCarthy, Howard A., [redacted].
McCarty, Stephan G., [redacted].
McComb, Scott A., [redacted].
McCormack, Miles E., [redacted].
McElroy, Ronald D., [redacted].
McElwee, John D., [redacted].
McFarlane, Gerald J., Jr., [redacted].
McGee, Charles M., [redacted].
McGee, John D., [redacted].
McGinley, Daniel C., [redacted].
McGinnis, Michael S., [redacted].
McGinty, Michael B., [redacted].
McGuire, Michael L., [redacted].
McHenry, Charles S., [redacted].
McIntire, Brett R., [redacted].
McIntosh, Duncan B., [redacted].
McKenzie, Daniel K., Jr., [redacted].
McKenzie, David L., [redacted].
McLaughlin, Michael B., [redacted].
McNair, Mark A., [redacted].
McNally, Richard E., [redacted].
McNamara, James C., [redacted].
McNamara, Stephen J., [redacted].
McNeill, David F., Jr., [redacted].
McPeak, Randall H., [redacted].
McPherson, Sydney G., Jr., [redacted].
McRoberts, Wade E., [redacted].
Meade, Carl J., [redacted]
Meenan, Brian P., [redacted].
Meisetschleager, Warnie F., Jr., [redacted].
Mendes, Frank M., [redacted].
Merrill, David L., [redacted].
Mets, Joseph S. [redacted].
Mettler, Brian C., [redacted].
Metzler, William D., [redacted].
Meyers, Mark J., [redacted].
Milburn, Michael C. [redacted]
Miller, Dale E., [redacted].
Miller, Gregory D., [redacted]
Miller, Gregory J., [redacted]
Miller, Jeffrey A., [redacted]
Miller, Michael P., [redacted]
Millican, Thomas N., [redacted]
Milodragovich, Christopher N., [redacted].
Milstead, Howard J., [redacted]
Mintz, Richard B., [redacted]
Mitchell, Charles S., [redacted]
Mitchell,, David P. L., [redacted]
Moderow, Donald L., [redacted]
Moffett, Bradley L., [redacted]
Molyneaux, Joel E., [redacted]
Monroe, William R., [redacted]
Montgomery, Gary L., [redacted]
Moore, Danny L., [redacted]
Moore, Edward C., [redacted]
Moore, Michael M., [redacted]
Moran, Charles L., Jr., [redacted]
Morgan, Charles A., [redacted]
Morgan, David E., [redacted]
Morley, Edward P., Jr., [redacted]
Morris, William C. [redacted]
Morrison, Jerry, [redacted].
Moser, Craig S., [redacted].
Mountain, Thomas J., [redacted]
Muckenthaler, Thomas V., [redacted]
Muehl, Mark, [redacted].
Mullins, Danny D., [redacted].
Mumm, Douglas A., [redacted]
Muncy, Randall G., [redacted].
Murdoch, Stephen D., [redacted]
Naber, David G., [redacted].
Nakauchi, James J., [redacted].
Nakayama, David T., [redacted].
Nash, Charles W., Jr., [redacted]
Nave, Michael K., [redacted].
Neely, Wesley W., [redacted].
Nelson, Bruce M., [redacted].
Nerge, Donald W., [redacted].
Nevers, Ralph D., [redacted].
New, Larry D., [redacted].
New, Terry L., [redacted].
Newstad, Theodore M., [redacted]
Newton, Terry J., [redacted].
Nichols, Michael E., [redacted].
Nickel, Stephen B., [redacted].
Nielsen, Milton C., [redacted].
Niland, Peter J., Jr., [redacted].
Nissing, Wendell L., [redacted].
Nordgren, Carl R., [redacted].
Norman, Daniel T., [redacted].
Norman, Robert W., Jr., [redacted]
Norris, Johnnie E., Jr., [redacted]
Nunez, Anthony C., [redacted].
Nuytten, Alan J., [redacted].
Nuzzo, Carl W., [redacted].
Nylund, Donovan W., [redacted].
O'Brien, Patrick T., [redacted].
Odell, Brian R., [redacted].
Odiorne, Stephen C., [redacted]
O'Hagan, Timothy, [redacted].
Ohler, Peter C., [redacted].
Oleksy, Robert J., [redacted].
Olsen, Steven H., [redacted].
Olsen, Mark S., [redacted].
Oltman, Charles B., [redacted].
Olynick, Donald B., [redacted].
Ortiz, Vincente, [redacted].
Ostrowski, Dale R., [redacted].
O'Toole, Kevin J., [redacted].
Otten, Matthew R., [redacted].
Owens, Anthony L., [redacted].
Owens, Robert L., [redacted].
Palandro, Joel, [redacted].
Palms, Wilfred G. R., [redacted]
Pannell, Garland J., [redacted].
Parker, Robert M., [redacted].
Patch, Robert H., [redacted].
Patriquin, Allen C., [redacted].
Patterson, Stewart W., Jr., [redacted]
Pauly, Richard L., [redacted].
Payne, Michael J., [redacted].
Pedersen, Kevin B., [redacted].
Peele, David C., [redacted].
Pendergrass, Hugh D., [redacted].
Penley, James M., [redacted].
Peraro, Thomas A., [redacted].
Perdue, Lance D., [redacted].
Perdue, Stephen R., [redacted].
Perezotero, Nelson O., [redacted].
Perme, Carl E., [redacted].
Perron, Wayne A., [redacted].
Perry, Richard A., [redacted].
Petersen, Patrick A., [redacted].
Peterson, Kevin J., [redacted].
Peterson, Robert W., [redacted].
Petrie, Terry M., [redacted].
Phelps, John A., [redacted].
Phillips, James R., Jr., [redacted]
Philpot, Fred T., [redacted].
Pickett, Donald F., Jr., [redacted]
Pierce, Orie O., Jr., [redacted].
Pietryka, Paul J., [redacted].
Pijor, Andrew J., [redacted].
Pinc, James D., [redacted]
Pinney, Charles W., [redacted].
Pirog, Robert W. T., [redacted].
Pozani, Michael J., [redacted].
Porritt, Orval W., [redacted].
Porter, Jim D., [redacted].
Potter, Robert G., [redacted].
Powell, Thomas A., [redacted].
Powers, Ahart W., Jr., [redacted].

Prange, Paul E., [redacted].
Pratter, Evan L., [redacted].
Prater, Timothy C., [redacted].
Preissinger, Robert D., [redacted].
Price, Daniel R., [redacted].
Prisco, James M., [redacted].
Privett, Francis M., [redacted].
Probert Andrew A., [redacted].
Pruss, Stephen J., [redacted].
Przybyslawski, Anthony F., [redacted].
Puz, Craig A., [redacted].
Pyshora, David E., [redacted].
Racher, Joseph P., Jr., [redacted].
Racosky, Richard J., [redacted].
Rader, Stanley P., [redacted].
Raedy, William C., [redacted].
Rainey, Larry B., [redacted].
Raitt, Michael C., [redacted].
Ramsey, David C., [redacted].
Rasmussen, Bruce A., [redacted].
Ray, Alan D., [redacted].
Rea, Dennis A., [redacted].
Reames, James M., [redacted].
Reamy, Christopher J., [redacted].
Rebarchak, Carl D., [redacted].
Rechsteiner, Roger W., [redacted].
Reem, Harold L., [redacted].
Reichert, Theodore E., [redacted].
Reinert, Michael D., [redacted].
Renner, Michael J., [redacted].
Rew, Thomas E., [redacted].
Reynolds, Randy L., [redacted].
Reza, Salvador, [redacted].
Rhoades, John F. C., Jr., [redacted].
Richardson, James L., [redacted].
Richey, Randal L., [redacted].
Rider, Richard D., [redacted].
Riewerts, Steven E., [redacted].
Riley, Lin A., [redacted].
Riviera, John G., [redacted].
Roark, Charles W., [redacted].
Robaidek, Mark F., [redacted].
Robinson, David A., [redacted].
Robinson, James S., Jr., [redacted].
Robinson, Peter L., [redacted].
Robison, Richard H., [redacted].
Rodriguez, Jose F., [redacted].
Roege, William H., [redacted].
Rogers, Mark E., [redacted].
Romano, Steven M., [redacted].
Romohr, Arnold E., [redacted].
Rooney, James J., Jr., [redacted].
Root, David J., [redacted].
Rosanbalm, Michael R., [redacted].
Rose, James C., [redacted].
Rosenow, Patrick M., [redacted].
Ross, Dave M., [redacted].
Roth, Randall L., [redacted].
Russell, Brian R., [redacted].
Ryan, Robert G., [redacted].
Rykaczewski, Robert, [redacted].
Saa, Enrique A., [redacted].
Saatzer, Patrick M., [redacted].
Sablotny, James S., [redacted].
Sackley, Michael S., [redacted].
Sacone, Steven L., [redacted].
Salazar, Jerry G., [redacted].
Sallee, Charles E., [redacted].
Sanders, Gregg, [redacted].
Sands, Robert M., [redacted].
Santee, Raymond W., [redacted].
Satre, Robert S., Jr., [redacted].
Saunders, Mark S., [redacted].
Sawner, Thomas E., III, [redacted].
Sawyer, Floyd D., Jr., [redacted].
Schafer, Louis L., [redacted].
Schavrien, Randy J., [redacted].
Scherer, Daniel E., [redacted].
Scheufler, Stephen A., [redacted].
Schlehuber, Kenneth F., [redacted].
Schlener, Phillip M., [redacted].
Schneider, Greg R., [redacted].
Schoenlein, Rickie J., [redacted].
Schortmann, Lance M., [redacted].
Schroeder, Richard A., [redacted].
Schwing, Mark C., [redacted].
Scoggins, Gary L., [redacted].
Scott, Michael W., [redacted].
Seader, John H., [redacted].
Searcey, David L., [redacted].
Seely, Gregory E., [redacted].
Sefcik, Thomas J., [redacted].
Seidler, Thomas J., [redacted].
Semenuk, Michael D., [redacted].
Sevier, Michael L., [redacted].
Shaffer, Timothy A., [redacted].
Shanks, Mark S., [redacted].
Shanley, James F. X., Jr., [redacted].
Sharpe, Bradley S., [redacted].
Shelton, Larry E., [redacted].
Shelton, William L., [redacted].
Shepard, Steven T., [redacted].
Sherbo, Andrew J., [redacted].
Sheridan, Robert E., Jr., [redacted].
Sherwood, George R., [redacted].
Shields, Duncan M., [redacted].
Shirey, William J., [redacted].
Shupe, James D., [redacted].
Simons, Earl C., Jr., [redacted].
Simon, Victor H., [redacted].
Simpson, Bradley L., [redacted].
Simpson, Charles R., [redacted].
Simpson, Shaun T., [redacted].
Simpson, Steven M., [redacted].
Sims, Timothy D., [redacted].
Sinclair, Ricky L., [redacted].
Singh, Albert G., [redacted].
Sjolund, Clifford L., Jr., [redacted].
Skidmore, Steven P., [redacted].
Slimak, L. Kevin S., [redacted].
Slown, Mark D., [redacted].
Smerchek, Dana M., [redacted].
Smith, Bruce D., [redacted].
Smith, Clifford R., [redacted].
Smith, Gary E., [redacted].
Smith, Hugh M., [redacted].
Smith, Joe R., [redacted].
Smith, Lawrence W., Jr., [redacted].
Smith, Wesley, M., [redacted].
Sneddon, John R., [redacted].
Sogard, Jeffrey J., [redacted].
Soutiere, Marc A., [redacted].
Sowada, Paul M., [redacted].
Spangler, Todd L., [redacted].
Spence, Robert D., [redacted].
Spendley, James N., [redacted].
Spetman, Randall W., [redacted].
Squiller, Samuel F., [redacted].
Srulowitz, David M., [redacted].
Stahre, David E., [redacted].
Stan, Robert L., [redacted].
Starks, Stephen E., [redacted].
Starnes, William T., [redacted].
Starr, Mark T., [redacted].
Steig, Jeffrey T., [redacted].
Steinbaugh, Keith C., [redacted].
Steiner, Karl F., [redacted].
Steinmetz, Jay S., [redacted].
Stepko, Eugene J., [redacted].
Stepko, Kevin J., [redacted].
Stevener, William M., [redacted].
Stevens, Edward R., [redacted].
Stevens, John G., III, [redacted].
Stewart, Douglas E., [redacted].
St. George, Kyle A., [redacted].
Stirr, Richard L., [redacted].
Stitt, Samuel C., Jr., [redacted].
Stockdale, Steven E., [redacted].
Stoda, Mark J., [redacted].
Stout, Steven A., [redacted].
Stowers, Harry W., Jr., [redacted].
Strauch, Ernest J., [redacted].
Strell, William L., [redacted].
Studor, George F., Jr., [redacted].
Subik, Jonathan K., [redacted].
Sullivan, William, [redacted].
Summers, Leonard, III, [redacted].
Summers, Ronald W., [redacted].
Sun, David R., [redacted].
Sutliff, Paul G., [redacted].
Sutter, Brian L., [redacted].
Swanson, Robert T., [redacted].
Swartz, William M., [redacted].
Swezey, Bruce H., [redacted].
Swope, Timothy W., [redacted].
Szkarlat, Stanley J., Jr., [redacted].
Talafous, Carl R., [redacted].
Talbot, Thomas J., [redacted].
Tarpenning, Cory D., [redacted].
Tate, David O., [redacted].
Taubert, Terrence L., [redacted].
Taylor, Clifton T., [redacted].
Tensfeldt, Jon R., [redacted].
Terifay, David M., [redacted].
Tessmer, George W., [redacted].
Thieneman, Kenneth C., [redacted].
Thomas, Patrick J., [redacted].
Thomin, David W., [redacted].
Thompson, Howard N., [redacted].
Thompson, Robert H., [redacted].
Thornson, Benjamin L., [redacted].
Thurner, Scott L., [redacted].
Tobin, Richard W., II, [redacted].
Todd, Jeffrey H., [redacted].
Tollefson, Mark V., [redacted].
Tomaszewski, John E., [redacted].
Torringston, Allan R., [redacted].
Townsend, Michael A., [redacted].
Trainor, Thomas D., [redacted].
Tree, Jonathan D., [redacted].
Tribolet, Robert G., [redacted].
Tripp, Terrance R., [redacted].
Troegner, William R., [redacted].
Trottier, Lauren P., [redacted].
Trump, Peter M., [redacted].
Turcotte, Rogert T., [redacted].
Turner, James W., [redacted].
Turnipseed, Gary A., [redacted].
Tuttle, David A., [redacted].
Twiddy, John C., II, [redacted].
Tyc, Raymond J., [redacted].
Underwood, Michael A., [redacted].
Vandagriff, David L., [redacted].
Vantonningen, Scott, [redacted].
Vaughan, Robert W., [redacted].
Vaughn, Robert J., [redacted].
Vera, Glenn, [redacted].
Vernon, John L., [redacted].
Vincze, James P., [redacted].
Visnovsky, William, [redacted].
Vitalis, Gregory L., [redacted].
Vizzone, Raymond T., [redacted].
Vollelunga, Philip A., [redacted].
Vono, Charles T., [redacted].
Vosburg, John J., [redacted].
Vrastil, William R., [redacted].
Wadas, Burton J., [redacted].
Waddell, Thomas P., [redacted].
Waddelow, Douglas M., [redacted].
Wagner, Robert A., [redacted].
Waites, John M., Jr., [redacted].
Walton, Richard G., [redacted].
Waldbusser, Richard T., [redacted].
Walker, Jerry W., [redacted].
Wallett, Robert M., [redacted].
Walsh, Michael V., [redacted].
Walters, James V., [redacted].
Walters, Jeffrey J., [redacted].
Washburn, Walter R., III, [redacted].
Weatherford, Donald E., [redacted].
Weaver, Larry A., [redacted].
Weaver, Paul M., [redacted].
Weaver, Stephen A., [redacted].
Webb, Stephen K., [redacted].
Weber, Brian C., [redacted].
Weber, Kim A., [redacted].
Weidner, Richard G., [redacted].
Weinberg, Norman A., [redacted].
Welch, Desmond R., [redacted].
Welsh, John K., [redacted].
Welsh, Mark A., III, [redacted].
Werhane, Dirk A., [redacted].
Wetzig, William C., Jr., [redacted].
Whalen, Mark T., [redacted].
Whaley, Gregory A., [redacted].
Whatley, Carl J., [redacted].
White, John T., [redacted].
White, William R., [redacted].
Whitehead, John W., Jr., [redacted].
Whitmire, Thomas J., [redacted].
Widholm, Roger D., [redacted].
Wigland, Eric, [redacted].
Wild, Raymond E., II, [redacted].
Wildermuth, Mark J., [redacted].
Wilderotter, Philip J., IV, [redacted].
Wiley, William D., [redacted].
Williams, Gregory G., [redacted].
Williams, James A., [redacted].
Williams, James L., [redacted].
Williams, John F., [redacted].
Williams, Mark R., [redacted].
Williams, Roderick M., [redacted].
Williams, Terry L., [redacted].

Willier, Glen D., II, [redacted]
Wilson, David J., [redacted]
Wilson, Michael N., [redacted]
Wilson, Steven D., [redacted]
Winzenried, Jay A., [redacted]
With, James A., [redacted]
Withers, Bruce C., [redacted]
Wodtke, Arnold D., [redacted]
Wolfmeyer, Scott R., [redacted]
Wood, Stephen G., [redacted]
Woodbury, Daniel T., [redacted]
Woodman, Michael, [redacted]
Woods, Robert A., [redacted]
Woollard, Ernest V., II, [redacted]
Worden, Roy M., [redacted]
Wright, Lawrence A., [redacted]
Wright, Parker S., [redacted]
Wyman, Thomas T., [redacted]
Wysocki, Joseph, [redacted]
Yates, Chester W., Jr., [redacted]
Yauch, David W., [redacted]
Yauchzy, Roger G., [redacted]
Yerke, Thomas E., [redacted]
Young, Esli K., [redacted]
Young, John T., [redacted]
Young, Stuart G., [redacted]
Yount, Tony T., [redacted]
Zacour, Douglas W., [redacted]
Zapka, Ronald J., [redacted]
Zellner, Randall R., [redacted]
Zimmerman, Ronald W., [redacted]

IN THE NAVY

The following-named lieutenants (junior grade) of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and various staff corps, as indicated, pursuant to title 10, United States Code, sections 5769 (line), 5773 (staff) and 5791, subject to qualification therefor as provided by law:

LINE

Coyle, Duane
Williams, Charles E., II
Heiman, Christopher A.

SUPPLY CORPS

Gannaway, Geoffrey M.

The following-named lieutenant of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the staff corps, as indicated, pursuant to title 10, United States Code, sections 5793 and 5791, subject to qualification therefor as provided by law:

DENTAL CORPS

Froistad, Larry A.

The following-named lieutenant of the U.S. Navy for temporary promotion to the grade of lieutenant in the line, pursuant to title 10, United States Code, section 5769 and 5791, subject to qualification therefor as provided by law:

Goodrich, Richard C.

The following-named lieutenants of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent lieutenants (junior grade) and temporary lieutenants, pursuant to title 10, United States Code, sections 5582(b) and 5791, subject to qualification therefor as provided by law:

SUPPLY CORPS

Dahinden, Eric M.
Dartzell, Thomas E.
Freeman, James W., Jr.
Osburn, Ronald J.
Ralls, Walter E., Jr.
Yamamoto, Gary

CIVIL ENGINEER CORPS

Chamberlain, Guy C.
Spisak, Andrew C.
Rosemond, James R.

The following-named lieutenants (junior grade) of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent ensigns and temporary lieutenants (junior grade), pursuant to title 10, United States Code, sections 5582(b) and 5791, subject to qualification therefor as provided by law:

SUPPLY CORPS

Hicks, James D.
Hoch, Rita A.
Luster, Harry C.
Porter, David L.
Rieck, Dale C., Jr.

CIVIL ENGINEER CORPS

Steiner, Jeffrey A.

The following-named lieutenants (junior grade) of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent lieutenants (junior grade), pursuant to title 10, United States Code, section 5582(b) and 5791, subject to qualification therefor as provided by law:

SUPPLY CORPS

Comfort, Thomas G.
Jones, John L.
Knox, Walter G.
Watkins, Gary N.

CIVIL ENGINEER CORPS

Schwarting, Richard A.

The following-named lieutenants of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent lieutenants, pursuant to title 10, United States Code, section 5582(b) and 5791, subject to qualification therefor as provided by law:

SUPPLY CORPS

Moon, Robert L.
Roesky, Robert J., Jr.

CIVIL ENGINEER CORPS

Schlehr, Christopher G.
Zorbas, Frederick C.

The following-named ensigns of the line, of the U.S. Navy for appointment in the various staff corps, as indicated, as permanent ensigns, pursuant to title 10, United States Code, sections 5582(b) and 5791, subject to qualification therefor as provided by law:

SUPPLY CORPS

Cook, Raymond H.
Lubbers, James E.

CIVIL ENGINEER CORPS

Hague, James R.
Van Hutten, Darrell Y.

IN THE NAVY

The following-named chief warrant officers, W-2 of the U.S. Navy for temporary promotion to the grade of chief warrant officer, W-3 pursuant to title, 10, United States Code, section 5787c and 5791, subject to qualification therefor as provided by law:

Aban, Ernesto A.
Abernethy, Charles G.
Ahrens, Claud M.
Albaugh, James A.
Allen, Raymond J., Jr.
Allie, Warren J.
Ambrosio, Porfirio Q.
Amdal, Norman T.
Anderson, James M.
Anderson, Jon G.
Anderson, William G., Jr.
Ansich, Michael P., Jr.
Apodaca, John A.
Apontecestero, Reynaldo L.
Appleby, Edward R.
Armentor, Charles L. L.
Armstrong, Vernon L.
Arvin, James W.
Asher, Carl E., Jr.
Ashworth, Rodney F.
Babb, James W.
Bagley, Roland M., Jr.
Balgos, Nelson B.
Barrick, Larry J.
Barrs, Daniel
Bartleson, John D., Jr.
Bartlett, Robert L.
Barton, Larry H.
Bassett, Kenneth R.
Bates, Kameron E.
Baugh, Ronnie D.
Baxter, Franklin E.
Bearden, Alvin E.
Beaver, Steven D.
Beavers, Elton R.
Beavers, Harvie D., Jr.
Beckstead, Harry W.
Bell, Charles L.
Bennett, George L.
Bennett, Steven D.
Bewall, Douglas A.
Bickel, Harold L.
Biggs, Cleo R.
Blalock, Gary F.
Boling, Donald O.
Bollinger, Stanley C. S.
Bonham, Arthur J.
Bonnett, William R.
Borchers, Robert C.
Boyd, Roger E.
Breslau, Bruce A.
Brock, Patrick O.
Brovick, Robert E. M.
Brown, Carey E.
Brown, Cleveland, Jr.
Brown, Thomas H.
Brush, Michael R.
Bucheister, Raymond C.
Bunker, Edward J.
Burd, William J.
Burke, Michael L.
Bushby, Francis R.
Buss, Randall D.
Butler, Fenoy W.
Calzada, Freddy
Carbonnell, Jose N.
Carlson, Erik
Carpenter, Wayne L.
Carr, George A., Jr.
Carroll, Patrick J.
Carter, Kenneth J.
Carter Paul L.
Casey, Patrick J.
Cashat, Harry S.
Casto, Stephen M.
Center, Lewis D.
Chacon, Victor H.
Chadwick, William C.
Chandler, Robert F.
Chinchar, Michael J.
Chirdon, Vincent W.
Clark, Bruce G.
Clark, Charles B.
Clark, John M., Jr.
Clark, Raylan F.
Claytor, Linwood C.
Clemmer, Virgil E.
Cleveland, William G.
Cochran, Jerry M.
Coe, Kenneth W., Jr.
Cole, Donald E.
Coleman, Charles R.
Coley, Henry E.
Collison, John W.
Compton, James T.
Compton, Wesley B.
Connor, Ernest
Conrad, James A.
Cook, Roger A.
Cope, James D.
Cope, Ronald M.
Cordell, Chase E. F.
Corey, Richard W.
Costa, Salvadore I.
Craig, Charles I., Jr.
Craig, Michael A.
Crandall, Roland E.
Craver, John C.
Crawford, Gary L.
Crawford, James W.
Crawford, Larry K.
Crews, Charles A.
Crosby, Renferd A., Jr.
Crowell, Bill N.
Cullins, Romie G.
Currey, Charles J.
Curtis, Charles C.
Dailey, Roosevelt
Dale, James L.
Daley, Robert A.
Daniel, Robert E.
Danielson, Carroll B.
David, Rolando V.
Davis, Nolan R.
Davis, Thomas E., III
Day, Dale S.
Deaner, James
Demadura, Remy M.
Demers, Roland J.
Diaz, David S.
Dickert, Michael B.
Dilbeck, John L., III
Diorio, Nicholas
Dixon, Kent N.
Dollahite, Claude J.
Dominey, Joseph J., Jr.
Dorn, William J.
Douglas, Herschel T.
Draheim, Richard L.
Drain, Michael E.
Driscoll, Steven L.
Duggan, Paul L.
Dupraw, Douglas H.
Eaton, Ronald B.
Eberly, Robert D.
Edenfield, Dewitt L., Jr.
Edwards, Clarence R.
Edwards, James H.
Ekardt, Dennis E.
Emley, Michael D.
Empey, Malcolm E.
Enderez, Reynaldo D.
Engele, Leo H.
Erbe, Robert F.
Ervin, Donald C.
Espeseth, Donald G.
Evans, Robert W.
Everett, Willie E.
Fahey, Edward F.
Fairbanks, John
Farmers, Ralph E.
Fashbaugh, William E.
Fears, Paul L.
Feller, Arnold
Fenwick, Francis C., Jr.
Fillmore, Kenneth L.
Fletchall, Roger D.
Flinner, John O.
Floyd, Charles L.
Folkner, Jack
Foster, Joe L.
French, William G.
Freshour, Lynn E.
Fry, Robert E.
Fuller, John W.
Cadsden, George L.
Galennie, Louis R.
Garrido, Stanley S.
Gililland, Robert C.
Giusti, Richard F.
Glass, Lonnie G.
Glidden, William M.
Glover, Luther P.
Godwin, James M.
Goecke, Ronald K.
Goldstein, Dennis R.
Gordon, James G.
Goyette, James L.
Grass, Richard J.
Gravelle, John A.
Gray, Benjamin F.
Green, Rheuben W., Jr.
Greer, Jerry D.
Grief, Michael P.
Griffin, Roy D.
Grimm, Stanley D.
Gross, Robert H., III
Grow, William A.
Guss, James R.
Guthrie, Larry J.
Guy, William P.
Guzman, Rolando E.
Habel, Gareth R.
Hackett, George M.
Haddakin, Joseph T., Jr.
Hadley, James W.
Hagler, Bobby W.
Haines, Phillip C.
Hall, Douglas P.
Hall, Jesse J.
Hamilton, Ellis
Hammond, Rodric G.
Hannah, Arnold V., Jr.
Hannon, Robert C.
Hardee, Terry H.
Harder, Melvin G.
Harmon, David L.
Harmon, Emery T.
Harrelson, Richard O.
Harris, Robert J.
Harrison, Jonathan C.
Hart, James B.
Harvey, Thomas E.
Haskins, Charles G.
Hayes, John H.
Heard, Clayton J.
Heath, Glen E.
Heath, Lester L., Jr.
Hedrick, Cecil
Hendricks, William E.
Hendrickson, Wayne
Hensley, Franklin L.
Hepworth, Herbert H.
Hewitt, Jack L.
Hickerson, Billie N.
Hicks, John M.
Hietbrink, Russell A.
Hillyard, Michael L.
Hines, Gerald L.
Hobart, David C., Sr.
Hodges, Richard A.
Holden, Roy M.
Holt, Bobbie H.

Hood, Raymond G., Jr.
Horn, Norman C.
Howard, William D.
Hrbacek, Billy P.
Hubbard, David L.
Huck, Hugh J., Jr.
Hughes, Allen R.
Huisenga, Robert L.
Hunter, William T.
Huntley, Raymond L.
Hutson, Michael T.
Ingraham, Gary L.
Jacobus, Arthur D.
Jaillite, Jere K.
Janney, John H.
Jay, John J., Jr.
Jelley, Kenneth I.
Jernigan, Thomas L.
Johann, Charles L.
Johnson, Alexander D.
Johnson, Bobby G.
Johnson, Bruce E.
Johnson, Ronald L.
Johnson, William I.
Jones, Hubert S.
Jones, Wendell F.
Joyce, Robert A.
Kahler, Thomas G.
Kapherr, Robert A.
Kelley, Charles D. II
Kelley, Sammie L.
Kelly, Peter J.
Kelly, Venson J.
Kennamer, Oliver W.
Kennedy, Thomas J., Jr.
Kerner, James C.
Kight, Lawrence W.
King, Clyde D.
Kirk, Robert M.
Kislingbury, Wayne J.
Kissel, Ronald K.
Knesel, James E.
Knight, John C.
Knight, William D.
Knutson, Eugene L.
Koblentz, Larry L.
Kohler, John W.
Kolosky, Frank J.
Koon, Charles C.
Kraft, Harold A., Jr.
Krakie, George J.
Krauss, Robert L.
Kurek, John H.
Lacombe, Michael E.
Landin, Donald W.
Lantefield, Paul D.
Lasdulce, Remigio C.
Lasher, James E.
Laun, Gary L.
Law, Donald G.
Lee, James E.
Leggett, James K., Jr.
Leroy, John W.
Lienemann, Earl F.
Lighthill, Lanny D.
Lindquist, Jack D.
Lindsey, Charles A.
Linson, Marvin C.
Litchfield, George S.
Logue, Thomas T., Jr.
Lohafer, Carl W.
Lomax, Charles E.
Lord, Frederick R., Jr.
Lovitt, Richard L.
Lowd, Wayne F.
Lowe, Scott F.
Macdonald, Edward J.
Mackay, Robert G.
Mahaffey, Robert E., Jr
Mahlik, Dennis R.
Maines, Gerald D.
Mangum, David L.
Mars, Fred
Marshall, Jimmy W.
Martin, Arthur J.
Martin, Lawrence R.
Mayfield, James
Maynard, Paul
Mayo, James R.
Mayson, William D.
McConaha, Earle L.
McCormick, Napoleon III
McDonald, Richard C.
McGaughey, Philip
McGlade, Joseph J., Jr.
McKenzie, Clinton L.
McLaughlin, Terry D.
McMahan, Erroll W.
Meeker, William H.
Melay, William D.
Metcalf, Thomas E.
Meyer, John M.
Michel, Carl J., Jr.
Milby, William C.
Miller, Fredric C.
Miller, J. Michael
Miller, James E.
Mills, Harlon R.
Mills, Johnnie D.
Mittelstadt, Keith H.
Moddesette, Anthony S.
Modrell, Michael J.
Moesch, Robert E., Jr.
Moffett, John H., Jr.
Moore, Lloyd E.
Moore, Patrick J.
Moquin, Walter L.
Moran, L Bernard
Moravec, Emil E., Jr.
Morey, Keith L.
Morgan, Robert L.
Murdock, Judson W.
Murphy, Thomas C.
Murray, Richard P.
Nance, Horace W.
Nanney, Kenneth C.
Nemeth, Joseph
Nichols, Glenn T.
Nisgore, Mark J.
Norman, Edgar W.
O'Donnell, James M.
Oldroyd, Wayne F.
Oliver, Walter S.
Orvis, Terry J.
Oubre, Sidney J., Jr.
Ouellette, Lawrence S.
Park, Heinz G.
Parker, Del R.
Parker, Phil Y.
Parli, Jerrolld W.
Partridge, Robert E.
Pasch, Frederick E.
Patnaude, Wilfred A.
Patrick, Lorimer D.
Patterson, Allen H.
Patton, William J.
Payne, Robert R.
Peck, Robert A.
Pentecost, Glenn R., Jr.
Persyn, Michael O.
Peters, Bryan Q.
Peterson, Thomas B.
Phifer, Ronnie G.
Phillips, Charles S.
Phillips, Kendell J.
Phillips, Kim A.
Pieper, Allan B.
Pinion, Victor P.
Platta, Victor A.
Plotz, Kenneth W.
Poland, Thomas R.
Pope, James B.
Porter, Woodrow R.
Potthoff, James J.
Potts, Arthur W.
Powers, Van L.
Pressley, Weston L.
Preston, Edward N.
Pugh, Robert W.
Quiggle, Thomas E.
Quinn, Thomas J.
Raby, Joseph H.
Ramirez, Ray
Ramstad, Robert K.
Range, James N., Jr.
Realing, Robert E.
Rector, Dolphus C.
Redding, Carroll R.
Reed, Clifton J.
Reed, Rex M.
Reher, Laurence W., III
Reider, Jack L.
Reinhart, Rock A.
Rezas, Peter J.
Rich, James M.
Richardson, Eddie H.
Riggio, Nicholas T.
Rill, Douglas B.
Ringstaff, Archie L.
Robbins, Richard H.
Robertson, Judith A.
Rodger, Ronald J.
Romero, Camillo V.
Rominger, Bobby L.
Root, James G.
Ross, William B.
Rothe, Edward L., Jr.
Roy, James A.
Royal, William T.
Ruddy, James J., Jr.
Ruden, Peter M.
Ruiz, David P.
Rust, Derald H.
Ryan, William J.
Samson, Andrew W.
Scates, Timothy E.
Schafer, George W.
Scheeler, Robert L.
Schmitz, David C.
Schmollinger, Gary L.
Schoonmaker, Chauncey J.
Schorr, Gary N.
Schrager, Sheldon M.
Schulte, Paul H.
Scribner, Terance R.
Seater, Robert E.
Sellers, Gary T.
Serota, Barry M.
Servis, James W.
Seteroff, Sviatoslav S.
Shank, William E.
Shannon, David R., Jr.
Sharkey, Larry E.
Shaw, Melvin L.
Sheldon, James A.
Simons, Alan R.
Simpson, David P.
Sims, Hollis E.
Smith, Glenn L.
Smith, Harold R., Jr.
Smith, James
Smith, John E.
Smith, Kenneth J.
Smith, Robert D.
Smith, Stephen C.
Sneed, Dennis R.
Snow, Richard C.
Snyder, Stephen L.
Sobczak, John S.
Solt, Harrison H., III
Souhrada, James J.
Sprangers, Michael J.
Stamm, William P.
Stein, James E.
Stein, Jerry T.
Stemkoski, Joseph
Sterling, Guy B.
Stone, William C., III
Stonecipher, Donald C.
Story, Robert S.
Strampfer, Donald L.
Sudik, John P.
Summey, Roger A.
Supnet, Manual P.
Surber, William G.
Swartz, James A., III
Swenson, Samuel Jr.
Tankersley, Perry G.
Tarlton, William H.
Taylor, Connie G.
Taylor, Milton E.
Teachout, Richard M.
Thietje, Warren N. A.
Thomas, Daniel W. Jr.
Thomas, David
Thomas, David R.
Thomas, Walter E., III.
Thompson, Gerald L.
Thompson, Larry E.
Thompson, Raymond J.
Tierce, Clemon L.
Tissot, John E.
Tomlin, Donald R.
Tommaselli, Richard N.
Treat, John M.
Tubbs, Martin L.
Turner, Richard E.
Turney, George J.
Tyrrell, Marvin F. Jr.
Ulrich, John R. Jr.
Utgard, Gary J.
Vandemark, Daniel D.
Veblen, Gary A.
Vernon, Mickey D.
Viau, Raymond A.
Vredenburgh, Richard H.
Waddell, Thomas R.
Wainscott, Ronald E.
Walls, Robert E.
Warden, Jack R.
Warden, Richard L.
Warren, Shirley L.
Watkins, Alfred R.
Watson, Lon H.
Webb, Cylde Q.
Weesner, William T.
Weir, Clayton S.
Weiss, Emil J.
Wentworth, Beuford B.
Werderman, John R.
Wert, Lindley C.
West, Joseph S. L.
White, Johnnie Jr.
Whitener, Ronald W.
Wilkerson, Gordon M.
Williams, Danny J.
Williams, Kenneth E.
Williams, Richard F.
Wilson, A. J.
Wilson, Warren G.
Witt, Thomas J.
Wolter, Ronald F.
Wood, David L.
Woodburn, Harold J.
Woodcock, Wesley F.
Woods, Hubert F. Jr.
Woods, Larry W.
Woodward, Peter E.
Worman, Richard T.
Wright, Harry A.
Wright, James M.
Wright, Vernon M. Jr.
Yahn, John A.
Yoke, Robert S. Jr.
Young, David A.
Zembuch, John A.

The following-named chief warrant officers, W-3 of the U.S. Navy for temporary promotion to the grade of chief warrant officer, W-4, pursuant to title 10, United States Code, section 5787c and 5791, subject to qualification therefor as provided by law:

Aardahl, Lyle N.
Adams, James P., Jr.
Adkins, Edward J.
Aldridge, Kenneth N.
Alston, Moses D.
Altman, Kenneth B., Jr.
Angel, Russell B.
Applebee, Harold J.
Ascione, Raymond A.
Atchison, Laurence J. H.
Aultman, William R.
Bacon, William F.
Bailey, Bruce
Bailey, Dallam
Baker, Charles S.
Balkit, Edwin F.
Barela, Aladino D.
Barnett, Otis
Barrick, Ronald E.
Barry, Michael J.
Beck, Harold R.
Becker, William E.
Bellinger, Richard A.
Berreitter, Jan A.
Bigelow, Jerry B.
Bissonnette, John R.
Blackmore, Thomas O.
Blair, Richard
Bliss, Robert E.
Bolton, Frederick A.
Bottoree, Jerry L.
Boycourt, Ivon G., Jr.
Boyd, Woody D.
Boyles, Ronald E.
Bradley, Frederick C.
Briggs, L. J.
Briley, Earl D.
Brissette, Richard J., Jr.
Brittingham, Robert P.
Brown, Gregory F.
Brownhill, Lloyd D.
Burgess, Thomas C.
Burr, Eugene W.
Butler, John E.
Byrne, Paul M.
Cadran, Kenneth F.
Cage, Benjamin L.
Cahoon, Doyle E.
Calabrese, Geoffrey J.
Calhoun, Michael A.
Cameron, John B.
Campbell, John J., Jr.
Campbell, John R., Jr.
Campbell, Keith
Campbell, Robert K.
Cantrell, Eddie J.
Carlson, Morris E.
Carlson, Murl N.
Carnes, David F.
Carpenter, Jeffery R.
Cassoutt, James M.
Catchpole, Frederick R.
Chandler, Susan A.
Chenoweth, Wayne G.
Childress, G. H.
Christensen, Erick T.
Clayborne, Earl K.
Clayton, Leroy A.
Cockrell, James E.
Collins, Jerry I.
Combs, Charles R.
Conklin, Kenneth J.
Cook, Richard D.
Corradi, Edward B.
Cox, Travis B.
Crawford, Michael W.
Crowder, Joseph H.
Daugherty, Duane L.
Davidson, Richard C.
Davis, Francis P.
Davis, Gerald H.
Davis, William G.
DeMarco, Jimmy W.
Dempsey, James P.
Denam, Harvey E.
Deneen, Brian M.
Detmer, Charles A., Jr.
Dewald, Bruce F.
Dillingham, John M.
Donnawell, Denis J.
Donnelly, John P.
Dowden, Richard C.
Drane, Robert L.
Dunn, John P.
Eccleston, John M.
Edmonds, Franklin A.
Eighmey, Louis W.
Engdahl, Craig A.
Eno, James M.
Enos, Russell W., Jr.
Erickson, Edwin E.
Eshleman, Joe K.
Eubanks, Vernon R.
Evans, David J., Sr.
Evans, Gary W.
Fahner, Richard B.
Faircloth, John B.
Fairweather, Bruce A.
Farley, David E.
Ferebee, Terrance V.
Ferguson, James H., Jr.
Ferris, John A.
Flaherty, Gerry A.
Fluck, John D.
Ford, Terrance J.
Fortier, Charles H.
Fox, Ronald G.
Fraker, Jackie P.
Frederick, Herbert E.
Frese, David J.
Furst, David E.
Gaffey, John A. A.
Gaines, Eugene
Garon, Norman G.
Garren, Garry C.
Gates, Franklin C.
Gay, Vurgel I.
Gentry, Ronald E.
Gestalter, Rolf J.
Giersch, John L.
Gilbert, Jon C.
Glidden, Eric S.
Gonzalez, James
Good, Steve H.
Gracia, Javier
Greer, Arthur W.
Griffin, John L., Jr.
Guest, Lyman H.
Gustin Bruce A., III
Hamler, Walter E.
Hammontree, James D.
Harless, Larry J.
Harris, Robert R.
Hart, Ronald L.
Hartman, Keith E.
Haskell, Charles W., Jr.
Haskins, James H.
Hastings, Robert T.
Hedelund, Richard D.
Herron, Delmar C., Jr.
Hines, William J.
Hoffer, Robert H., Sr.
Hogan, Harry E.
Holder, Walter W.
Honer, John G.
Howard, John L.
Huffman, Arthur E.
Hughes, Arthur F., Jr.
Hulse, Reynold N.
Hurley, Lawrence E.
Hutchins, George R.
Ireland, John A., Jr.
James, Joseph D.
Johnson, Lester
Johnson, Patrick H.
Johnson, Paul R., Jr.
Johnston, Larry S.
Jones, Howard L.
Joriman, Michael L.
Justet, Patrick K.
Kaye, Donald D.
Keast, Jerry L.
Keesling, Robert A.
Kelly, Larry D.
Kempa, Aloysius F.
Killen, Leo J.
Kirby, James C., Jr.
Kisslinger, John L., Jr.
Knight, Cletius D.
Knueppel, Wolfgang W.
Koehn, Hubertus J.
Krauss, Donald J.
Kroeger, Daniel R.
Krueger, George A.
Kuenzinger, James R.
LaChance, Dennis R.
Lambing, Edward W.
Lancharic, James V.

LaPorte, Charles R.
Lathrop, Bobby G.
Laucella, Richard J.
Law, George L.
Lawler, Glenn H.
Lebert, David L.
Leonard, Guy J.
Long, Tommy, Sr.
Look, Richard J., Jr.
Lord, James M.
Love, James J.
Lovett, Joel D.
Lovett, Woodrow W., Jr.
Lunt, Robert T.
Lynch, Ronald
Maguire, Thomas F.
Mahoney, John M.
Malone, Henry B.
Maney, Timothy J.
Marchi, Joseph A.
Maurer, Paul M.
McAllister, Archibald A.
McCluskey, Arthur P.
McClymonds, Samuel L., Jr.
McConville, Brian S.
McDaniel, Eldon L., Jr.
McDermott, Kenneth R.
McKay, Conlon G.
McMullen, John W.
Meeks, John D.
Mergen, William L.
Miller, Edward L.
Miller, Paul E.
Miller, Richard E.
Minnick, Hubert W.
Mollahen, Thomas E.
Monday, James A., III
Montoya, Kenneth I.
Moore, Donald R.
Moore, Johnnie C., Jr.
Moore, Richard A.
Morris, Erwin C., Jr.
Morrison, Ronald G.
Mow, Warren C.
Mundy, Charles T., Jr.
Myers, Charles A.
Navarro, Ernest L.
Nocon, Wenceslao O., Jr.
Nuti, Fred T.
Oakes, Robert P.
Odom, Phillip M.
Olson, William A.
Olszewski, Richard T.
Oneil, James R.
Opseth, Don E.
Ovsak, Gary A.
Palmer, William R.
Parsons, Robert M.
Paulikonis, John F.
Paulsen, Howard N.
Pearson, Richard A.
Peay, Larry G.
Peters, John W.
Peterson, Leon C.
Pfadenhauer, John J., Jr.
Pfranger, Delavan E.
Phillips, Frankie L.
Phillips, Thomas R.
Phipps, Frank P.
Piccini, Peter G.
Piccirillo, John F.
Pierce, Billie J.
Pierce, Lomes L.
Pierson, Robert G.
Poch, Richard R., Sr.
Porter, Donald L.
Potts, James E.
Powell, Wendell S.
Prewitt, Choyce A., Jr.
Pribesh, John W.
Proctor, Danny L.
Ramsey, John C.
Randall, Joseph L.
Ratliff, Ruben M.
Rea, Jerry F.
Rehfeld, Rodney O.
Rhine, Russell L.
Richards, Jerry R.
Robinson, James E.
Ruddy, Charles L., Jr.
Russell, Robert D.
Ruybal, George N.
Rylander, Jon L.
Schander, Lawrence E.
Schlomer, Gary L.
Schoenberg, William L.
Schroeder, Kenneth R.
Schropp, John T.
Schuhl, Peter C.
Schultz, Edward J.
Schultz, William L.
Seal, Warren G.
Seitz, Gary L.
Sheridan, Dennis D.
Shipley, Thomas E.
Shuttlesworth, Jack L.
Siar, Richard K., Jr.
Siguenza, Emmanuel S.
Simmons, James A.
Slack, Robert H.
Smeltzer, Lowell L.
Smith, Danny F.
Smith, Don P.
Smith, Donald M.
Smothers, Curtis J.
Snyder, Jerry M.
Sooy, Richard A.
Spangler, Ralph G.
Stegeman, Ronald A.
Stephenson, Van C.
Stevenson, Billy W.
Stewart, William J.
Stout, Chester H.
Stuntz, Richard L.
Suchland, Everett B., Jr.
Sulman, Bernard I.
Svensson, Ike L.
Swagert, Lee
Swarner, David M.
Swayne, Richard E., Jr
Swepston, Carl E.
Tanner, Richard F.
Taskoski, Joseph L.
Taylor, Charles R.
Tewey, Lawrence L.
Thaxter, John G.
Thomas, Edmund K.
Thomas, Richard H.
Thomas, Robert A., Jr.
Thurman, Curtis W.
Tidd, Thomas J.
Todd, Jerry L.
Tomlinson, Johnny S.
Tomlinson, Wilbur E.
Treubel, Craig R.
Trimble, Charlie J.
Trimmer, Thomas A.
Tucker, Mack H.
Vlcek, Ralph M.
Vlcvek, Ralph M.
Vongehr, Kurt J.
Walden, William R.
Walsworth, Danny L.
Walter, Mervyn D.
Wardean, John F.
Warosh, James W.
Weavil, Richard L.
Webb, John A.
Webber, Ronald F.
Webster, Charles C.
Weckerle, Richard S.
Welsh, Kenneth H.
Wetmore, Walter G.
Wheelbarger, William L.
Whitaker, Samuel M.
White, Kenneth D.
White, Ronald G.
Whiteley, Ronald R.
Wickham, Larry R.
Wilderburg, Oliver L.
Wilcox, William L.
Wilhelm, Wallace W.
Williams, George B.
Williams, Stephen P.
Williams, Terrell W.
Wilson, Harold K.
Wise, Carlton J.
Wise, Herbert F.
Witmer, Mark H.
Wood, Kenneth H.
Wood, Richard A.
Woodbury, John S.
Woods, Paul S., Jr.
Woolnough, William C.
Wysocki, Ronald J.
Yeatman, Richard W.
Zabielski, Robert A.
Zakrajsek, Michael J.

Executive nomination received by the Senate May 21, 1979:

DISTRICT OF COLUMBIA COURT OF APPEALS

William Cornet Pryor, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years, vice J. Walter Yeagley, retired.

IN THE NAVY

The following-named officer, having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment while so serving as follows:

To be vice admiral

Rear Adm. Carl T. Hanson, U.S. Navy.

IN THE MARINE CORPS

The following-named officer under the provisions of title 10, United States Code, section 5232, to be assigned to a position of importance and responsibility designated by the President, in grade as follows:

To be lieutenant general

Maj. Gen. John H. Miller, [redacted], U.S. Marine Corps.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 17, 1979:

OVERSEAS PRIVATE INVESTMENT CORPORATION

William M. Laudau, of New York, to be a member of the board of directors of the Overseas Private Investment Corporation for a term expiring December 17, 1980, vice Wallace F. Bennett, term expired, which was sent to the Senate on May 7, 1979.

CONFIRMATION

Executive nomination confirmed by the Senate, May 21, 1979:

OVERSEAS PRIVATE INVESTMENT CORPORATION

William M. Landau, of New York, to be a member of the board of directors of the Overseas Private Investment Corporation for a term expiring December 17, 1981.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, May 21, 1979*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. BRADEMAS).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C., *May 17, 1979*.

I hereby designate the Honorable JOHN BRADEMAS to act as Speaker pro tempore on Monday, May 21, 1979.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, we give thanks for all people from many vocations who have served You and their neighbor with lives of dedication and service.

We express our appreciation for godly men and women who by good example and faithful lives have inspired us and sustained us, and whose witness continues to lighten our path.

For our parents who first loved us, for teachers who cared and nurtured us, for friends and colleagues who support and encourage us, we offer our praise.

May we not forget those who surround us with their love, and provide inspiration for each new day, that we may be faithful as we seek to serve this Nation and people. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule 1, the Journal stands approved.

Mr. KRAMER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker pro tempore's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KRAMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic de-

☐ This symbol represents the time of day during the House Proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

vice, and there were—yeas 243, nays 7, not voting 184, as follows:

[Roll No. 159]

YEAS—243

Abdnor
Addabbo
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Badham
Bafalis
Bailey
Barnard
Barnes
Bauman
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brooks
Broomfield
Brown, Ohio
Broyhill
Burlison
Burton, Phillip
Butler
Byron
Campbell
Carney
Carter
Cavanaugh
Chappell
Cheney
Clausen
Clay
Clinger
Coelho
Collins, Tex.
Conable
Conte
Corcoran
Corman
Courter
Daniel, Dan
Daniel, R. W.
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Derrick
Derwinski
Devine
Dicks
Dingell
Downey
Drinan
Duncan, Tenn.
Edgar
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Erdahl
Evans, Del.
Fascell
Fazio
Fenwick
Findley
Fish
Fisher
Florio
Ford, Tenn.
Fountain
Frenzel
Frost
Fuqua
Gingrich
Ginn
Glickman
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Hagedorn
Hall, Ohio
Hamilton
Hammerschmidt
Hance
Hanley
Hansen
Harkin
Harris
Hawkins
Heckler
Hightower
Hinson
Holt
Hopkins
Horton
Howard
Hyde
Ireland
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Tenn.
Kastenmeier
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Lagomarsino
Latta
Leach, La.
Leath, Tex.
Lee
Lehman
Lent
Lewis
Livingston
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Madigan
Markey
Mazzoli
Mica
Michel
Mikulski
Miller, Calif.
Miller, Ohio
Mineta
Mitchell, N.Y.
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patterson
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Ratchford
Regula
Rinaldo
Roberts
Rosenthal
Royer
Rudd
Satterfield
Schulze
Seiberling
Shannon
Sharp
Shelby
Shuster
Simon
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Solarz
Solomon
Spence
Stack
Stangeland
Stanton
Stark
Steed
Stenholm
Stockman
Studds
Synar
Thomas
Thompson
Ullman
Vander Jagt
Vanik
Vento
Walgren
Weaver
Weiss
White
Whitehurst
Whittaker
Whitten
Williams, Mont.
Wilson, Bob
Winn
Wolpe
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Mo.

NAYS—7

Dickinson
Goodling
Lloyd
Mattox
Sabo
Schroeder
Volkmer

NOT VOTING—184

Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Ashbrook
Ashley
Aspin
Atkinson
AuCoin
Baldus
Beard, R.I.
Biaggi
Boggs
Boland
Bolling
Brinkley
Brodhead
Brown, Calif.
Buchanan
Burgener
Burton, John
Carr
Chisholm
Cleveland
Coleman
Collins, Ill.
Conyers
Cotter
Coughlin
Crane, Daniel
Crane, Philip
D'Amours
Danielson
Dannemeyer
Dellums
Diggs
Dixon
Dodd
Donnelly
Dornan
Dougherty
Duncan, Oreg.
Early
Eckhardt
Emery
English
Erlenborn
Ertel
Evans, Ga.
Evans, Ind.
Fary
Ferraro
Fithian
Flippo
Flood
Foley
Ford, Mich.
Forsythe
Fowler
Garcia
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Guyer
Hall, Tex.
Harsha
Hefner
Heftel
Hillis
Holland
Hollenbeck
Holtzman
Hubbard
Huckaby
Hughes
Hutto
Ichord
Jacobs
Jeffords
Jeffries
Jenkins
Jones, N.C.
Jones, Okla.
Kazen
Kelly
Kemp
Leach, Iowa
Lederer
Leland
Levitas
Luken
Lungren
McDonald
Maguire
Marks
Marlenee
Marriott
Martin
Mathis
Matsui
Mavroules
Mikva
Minish
Mitchell, Md.
Moakley
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, Pa.
Myers, Pa.
Nichols
Nolan
Pashayan
Patten
Paul
Pease
Pepper
Pursell
Quayle
Quillen
Rahall
Railsback
Rangel
Reuss
Rhodes
Richmond
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rousselot
Roybal
Runnels
Russo
Santini
Sawyer
Scheuer
Sebelius
Sensenbrenner
Shumway
Skelton
Snyder
Spellman
St Germain
Staggers
Stewart
Stokes
Stratton
Stump
Swift
Symms
Tauke
Taylor
Traxler
Treen
Trible
Udall
Van Deerlin
Walker
Wampler
Watkins
Waxman
Whitley
Williams, Ohio
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

☐ 1210

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on May 18, 1979, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 262. Joint resolution to declare May 18, 1979 to be "National Museum Day."

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3363. An act to authorize appropriations for fiscal years 1980 and 1981 for the Department of State, the International Communication Agency, and the Board for International Broadcasting.

The message also announced that the Senate had passed bills and a joint resolution following title, in which the concurrence of the House is requested:

S. 7. An act to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes;

S. 662. An act to provide for increased participation by the United States in the Inter-American Development Bank, the Asian Development Bank, and the African Development Fund;

S. 709. An act to authorize appropriations for the Coast Guard for fiscal years 1980 and 1981, and for other purposes;

S. 758. An act to authorize appropriations for the fiscal years 1980 and 1981 under the International Investment Survey Act of 1976, and for other purposes;

S. 918. An act to amend the Small Business Act and Small Business Investment Act of 1958 and for other purposes; and

S.J. Res. 80. Joint resolution to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the authority granted the Speaker on Thursday, May 17, 1979, the Speaker did on that date sign the following enrolled House joint resolution:

H.J. Res. 262. To declare May 18, 1979, to be "National Museum Day."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
May 18, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on May 17, 1979, the Clerk has received this date the following messages from the Secretary of the Senate:

That the Senate passed without amendment H.R. 1787, an Act to authorize a supplemental appropriation to the National Aeronautics and Space Administration for research and development;

That the Senate passed without amendment H.R. 2520, An Act to amend the National Ocean Pollution Research and Development and Monitoring Planning Act of 1978 to authorize appropriations to carry out the provisions of such Act for fiscal year 1980.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
W. RAYMOND COLLEY,
Deputy Clerk.

AMENDMENTS TO REORGANIZATION PLAN NO. 2 OF 1979—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96–127)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I herewith transmit amendments to Reorganization Plan No. 2 of 1979, which I transmitted to the Congress on April 10, 1979. Except as specifically amended hereby, Reorganization Plan No. 2 remains unmodified.

JIMMY CARTER.

THE WHITE HOUSE, *May 21, 1979.*

☐ 1220

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the only bill on the Consent Calendar.

CHANGING NAME OF PALMETTO BEND RESERVOIR ON THE NAVIDAD RIVER IN TEXAS TO LAKE TEXANA

The Clerk called the bill (H.R. 2771) to change the name of the Palmetto Bend Reservoir on the Navidad River in Texas to Lake Texana.

There being no objection, the Clerk read the bill, as follows:

H.R. 2771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Palmetto Bend Reservoir on the Navidad River near Edna, Texas, authorized to be constructed by the Act entitled "An Act to authorize the Secretary of the Interior to construct, operate, and maintain stage 1 and to acquire lands for stage 2 of the Palmetto Bend reclamation project, Texas, and for other purposes", approved October 12, 1968 (82 Stat. 999), shall be known as Lake Texana. Any reference in any law, regulation, map, document, record, or other paper of the United States to such reservoir shall be considered to be a reference to Lake Texana.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Consent Calendar.

THE FIRST LEAK CONCERNING THE NEW FOREIGN INTELLIGENCE SURVEILLANCE COURT

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, last year it was warned that establishment of a new court to rule on the President's authority for foreign intelligence surveillance would result in routine leaks of information about warrants that would wind up in the hands of foreign agents and spies marked for surveillance.

The most recent ironic demonstration that the courts are like sieves, unable to safeguard classified information, was the leak and publication over the weekend of the names of the two top judges to be named to this court by the Chief Justice, before any public announcement had been made.

Congress would do well to reconsider its ill-advised action to establish this new Foreign Intelligence Surveillance Court, and return to the President with appropriate statutory guidelines the unilateral authority to conduct such intelligence gathering.

Otherwise, no intelligence information will be safeguarded, because the courts have shown that they just cannot keep confidential or classified information to themselves. They leak like sieves.

DEREGULATE OIL INDUSTRY

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, gasoline is in short supply. This country needs to encourage the U.S. oil producers. Ten years ago we imported 12 percent of our oil. Today we are dependent on the Arab OPEC Oil Companies for 48 percent of our oil consumption. One-half of the oil the United States consumes today is imported oil.

Some have said U.S. oil companies make big profits. Yet, the facts show that the largest U.S. seven oil companies made $7.8 billion in a year but they reinvested $15.5 billion in drilling for more oil. They are using the cash from their profits and reserves to explore and develop oil. Let us get rid of excessive regulations. Let us deregulate the oil business. Foreign oil has no regulations and they have increased their share of the U.S. market in 10 years from 12 to 48 percent.

Let the U.S. oil companies move forward. Let us stop this heavy dependence on the Arabs—one-half of our oil is being imported. The gasoline problem is excessive dependence on foreign imports of oil.

CONFUSION ON THE ENERGY FRONT

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, in case you missed the newspapers during the last few days, allow me to fill you in on the energy situation:

The New York Times reports that Secretary of Transportation Brock Adams disagrees with the President that decontrol of oil prices would stimulate a significant increase in domestic oil production. A spokesman for Mr. Adams said that what Mr. Adams was trying to say is that decontrol must be accompanied by conservation. But that is not what Mr. Adams said.

The Wall Street Journal reports that an official of the Gulf Oil Corp. says decontrol will not "raise U.S. production or halt decline." An Energy Department spokesman says that the Gulf official is taking a "parochial view" of the matter and that he ignores "fundamental reality." I know, Mr. Speaker, you will appreciate the delicious irony of an Energy Department official accusing someone else of ignoring reality. The Gulf Oil official has now issued a clarification of his statement, but does not withdraw his earlier view.

The Times further reports that on last Tuesday the President said that the American people still have not faced "the inevitable prospect of energy shortages." But on Wednesday he reassured Governor Brown that by the end of this month things would get better. Within 24 hours Jody Powell cautioned against over-optimism about oil supplies.

Mr. Speaker, with statements like this its no wonder the American people are confused.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

VETERANS' HEALTH CARE AMENDMENTS OF 1979

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1608) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes, as amended.

The Clerk read as follows:

H.R. 1608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Health Care Amendments of 1979".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—HEALTH SERVICES PROGRAMS

PRIORITY FOR MEDICAL EXAMINATIONS FOR SERVICE-CONNECTED DISABILITIES

SEC. 101. Clause (3) of section 612(i) is amended by inserting "(including any veteran being examined to determine the existence or rating of a service-connected disability)" before the period.

DENTAL SERVICES AND TREATMENT FOR CERTAIN VETERANS

SEC. 102. Subsection (b) of section 612 is amended—

(1) by striking out "or" at the end of clause (5);

(2) by striking out the period at the end of clause (6) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new clauses:

"(7) from which any veteran of World War I, World War II, the Korean conflict, or the Vietnam era who was held as a prisoner of war for a period of not less than six months is suffering; or

"(8) from which a veteran who has a service-connected disability rated as total is suffering.".

READJUSTMENT COUNSELING PROGRAM FOR VETERANS OF THE VIETNAM ERA

SEC. 103. (a)(1) Subchapter II of chapter 17 is amended by inserting after section 612 the following new section:

"§ 612A. Eligibility for readjustment counseling and related mental health services

"(a) Upon the request of any veteran who served on active duty during the Vietnam era, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to such veteran to assist such veteran in readjusting to civilian life if such veteran requests such counseling within two years after the date of such veteran's discharge or release from active duty or two years after the effective date of this section, whichever is later. Such counseling shall include a general mental and psychological assessment to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

"(b)(1) If, on the basis of the assessment furnished under subsection (a) of this section, a physician or psychologist employed by the Veterans' Administration (or, in area where no such physician or psychologist is available, a physician or psychologist carrying out such function under a contract or fee arrangement with the Administrator) determines that the provision of mental health services to such veteran is necessary to facilitate the successful readjustment of the veteran to civilian life, such veteran shall, within the limits of Veterans' Administration facilities as defined in section 601 (4) (A), (B), and (C)(vi) of this title, be furnished such services on an outpatient basis under the conditions specified in clause (1)(B) of section 612(f) of this title. For the purposes of furnishing such mental health services, the counseling furnished under subsection (a) of this section shall be considered to have been furnished by the Veterans' Administration as a part of hospital care. Any hospital care and other medical services considered necessary on the basis of the assessment furnished under subsection (a) of this section shall be furnished only in accordance with the eligibility criteria otherwise set forth in this chapter (including the eligibility criteria set forth in section 611(b) of this title).

"(2) Mental health service furnished under paragraph (1) of this subsection may, if determined to be essential to the effective treatment and readjustment of the veteran, include such consultation, counseling, training, services, and expenses as are described in section 601(6)(B) of this title.

"(c) Upon receipt of a request for counseling under this section from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such counseling, the Administrator shall—

"(1) provide referral services to assist such individual, to the maximum extent practicable, in obtaining mental health care and services from sources outside the Veterans' Administration; and

"(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individual's discharge or release from such service.

"(d) The Chief Medical Director may provide for such training of professional, paraprofessional, and lay personnel as is necessary to carry out this section effectively, and, in carrying out this section, may utilize the services of paraprofessionals, individuals who are volunteers working without compensation, and individuals who are veteran-students (as described in section 1685 of this title), in initial intake and screeing activities.

"(e)(1) In addition to the mental health services that the Administrator may furnish within Veterans' Administration facilities under subsection (b) of this section, the Administration may provide for the furnishing of psychiatric, psychological, preventive mental health care, and counseling services from public and private sources outside Veterans' Administration facilities, under the circumstances described in paragraph (2) of this subsection, to veterans who have been determined under subsection (b) of this section to be in need of mental health services. Such services may be obtained by the Administrator by contract, on a fee-for-service basis, or by such other methods as the Administrator considers appropriate.

"(2) The Administrator may provide mental health services to a veteran outside Veterans' Administration facilities, as described in paragraph (1) of this subsection, if—

"(A) such services are not available or are inadequate at a Veterans' Administration facility;

"(B) obtaining such services from a Veterans' Administration facility would place an undue hardship on the veteran because of the distance the veteran would have to travel to the nearest Veterans' Administration facility providing such services;

"(C) the hours at which such services are available at a Veterans' Administration facility are incompatible with the time available to the veteran for treatment and obtaining such services through the Veterans' Administration facility would cause a financial or other hardship to the veteran; or

"(D) either the provision of such services outside Veterans' Administration facilities would be more beneficial to the successful treatment, rehabilitation, or readjustment of the veteran than the provision of such services within Veterans' Administration facilities or the provision of such services outside Veterans' Administration facilities would be beneficial to the Veterans' Administration and would not detract from the availability, effectiveness, or quality of treatment available to the veteran.

"(3) The Administrator shall prescribe regulations to carry out this subsection.

"(4) The authority to enter into contracts under this subsection is effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

"(f) The Administrator, in cooperation with the Secretary of Defense, shall take such action as the Administrator considers appropriate to notify veterans who may be eligible for assistance under this section of such potential eligibility.".

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 612 the following new item:

"612A. Eligibility for readjustment counseling and related mental health services.".

(b) In the event of a declaration of war by the Congress after the date of the enactment of this Act, the Administrator of Veterans' Affairs, not later than 6 months after the date of such declaration, shall determine and recommend to the Congress whether eligibility for the readjustment counseling and related mental health services provided for in section 612A of title 38, United States Code (as added by subsection (a) of this section) should be extended to the veterans of such war.

PILOT PROGRAM FOR TREATMENT AND REHABILITATION OF VETERANS WITH ALCOHOL OR DRUG DEPENDENCE OR ABUSE DISABILITIES

SEC. 104 (a) Subchapter II of chapter 17 is amended by adding at the end thereof the following new section:

"§ 620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program

"(a)(1) The Administrator, in furnishing hospital, nursing home, and domiciliary care and medical and rehabilitative services under this chapter, may conduct a pilot program under which the Administrator may contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities of eligible veterans suffering from alcohol or drug dependence or abuse disabilities. Such pilot program shall be planned, designed, and conducted by the Chief Medical Director, with the approval of the Administrator, so as to demonstrate any medical advantages and cost effectiveness that may result from furnishing such care and services to veterans with such disabilities in contract facilities as authorized by this section, rather than in facilities over which the Administrator has direct jurisdiction.

"(2) Before furnishing such care and services to any veteran through a contract facility as authorized by paragraph (1) of this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such care and services.

"(b) The Administrator, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, may take appropriate steps to (1) urge all Federal agencies and appropriate private and public firms, organizations, agencies, and persons to provide appropriate employment and training opportunities for veterans who have been provided treatment and rehabilitative services under this title for alcohol or drug dependence or abuse disabilities and have been determined by competent medical authority to be sufficiently rehabilitated to be employable, and (2) provide all possible assistance to the Secretary of Labor in placing such veterans in such opportunities.

"(c) Upon receipt of an application for treatment and rehabilitative services under this title for an alcohol or drug dependence or abuse disability from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such treatment and services, the Administrator shall—

"(1) provide referral services to assist such individual, to the maximum extent practicable, in obtaining treatment and rehabilitative services from sources outside the Veterans' Administration; and

"(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veteran's Administration for review of such individual's discharge or release from such service.

"(d)(1) Any person serving in the active military, naval or air service who is determined by the Secretary concerned to have an alcohol or drug dependence or abuse disability may not be transferred to any facility in order for the Administrator to furnish care or treatment and rehabilitative services for such disability unless such transfer is during the last thirty days of such member's enlistment period or tour of duty, in which case such care and services provided to such member shall be provided as if such member were a veteran. Any transfer of any such member for such care and services shall be made pursuant to such terms as may be agreed upon by the Secretary concerned and the Administrator, subject to the provisions of the Act of March 4, 1915 (31 U.S.C. 686).

"(2) No person serving in the active military, naval, or air service may be transferred pursuant to an agreement made under paragraph (1) of this subsection unless such person requests such transfer in writing for a specified period of time during the last thirty days of such person's enlistment period or tour of duty. No such person transferred pursuant to such a request may be furnished such care and services by the Administrator beyond the period of time specified in such request, unless such person requests in writing an extension for a further specified period of time and such request is approved by the Administrator.

"(e) The Administrator may not furnish care and treatment and rehabilitative services under subsection (a) of this section after the last day of the fifth year following the fiscal year in which the pilot program authorized by such subsection is initiated.

"(f) Not later than March 31, 1983, the Administrator shall report to the Committee on Veterans' Affairs of the Senate and House of Representatives on the findings and recommendations of the Administrator pertaining to the operation through September 30, 1982, of the pilot program authorized by this section.

"(g) The authority of the Administrator to enter into contracts under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.".

(b) The table of sections at the beginning of chapter 17 is amended by adding after the item relating to section 620 the following new item:

620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program.".

PILOT PROGRAM OF PREVENTIVE HEALTH-CARE SERVICES

SEC. 105. (a) Chapter 17 is amended by adding at the end thereof the following new subchapter:

"Subchapter VII—Preventive Health-Care Services Pilot Program

"§ 661. Purpose

"The purpose of this subchapter is to provide for a preventive health-care services pilot program under which the Administrator may attempt to (1) ensure the best possible health care for certain veterans with service-connected disabilities rated at 50 per centum or more and for certain veterans being furnished treatment involving a service-connected disability under this chapter, by furnishing to such veterans feasible and appropriate preventive health-care services, and (2) determine the cost-effectiveness and medical advantages of furnishing such preventive health-care services.

"§ 662. Definition

"For the purposes of this subchapter, the term 'preventive health-care services' means—

"(1) periodic medical and dental examinations;

"(2) patient health education (including nutrition education);

"(3) maintenance of drug use profiles, patient drug monitoring, and drug utilization education;

"(4) mental health preventive services;

"(5) substance abuse preventive measures;

"(6) immunizations against infectious disease;

"(7) prevention of musculoskeletal deformity or other gradually developing disabilities of a metabolic or degenerative nature;

"(8) genetic counseling concerning inheritance of genetically determined diseases;

"(9) routine vision testing and eye care services;

"(10) periodic reexamination of members of likely target populations (high-risk groups) for selected diseases and for functional decline of sensory organs, together with attendant appropriate remedial intervention; and

"(11) such other health-care services as the Administrator may determine to be necessary to provide effective and economical preventive health care.

"§ 663. Preventive health-care services

"(a)(1) In order to carry out the purpose of this subchapter, the Administrator, within the limits of Veterans' Administration facilities and in accordance with regulations which the Administrator shall prescribe, may furnish to any veteran described in section 612(f)(2) of this title, and to any veteran receiving care and treatment under this chapter involving a service-connected disability, such preventive health-care services as the Administrator determines are feasible and appropriate.

"(2) In connection with preventive health-care services furnished under paragraph (1) of this subsection, the Administrator, in accordance with regulations which the Administrator shall prescribe, may institute appropriate controls and carry out followup studies (including research) to determine the medical advantages and cost-effectiveness of furnishing such preventive health-care services.

"(b) In carrying out the pilot program provided for by this subchapter, the Administrator may not furnish preventive health-care services after the last day of the fifth fiscal year following the fiscal year in which such program is initiated.

"(c) In carrying out this subchapter, the Administrator shall emphasize the utilization of interdisciplinary health-care teams composed of various professional and paraprofessional personnel.

"(d) The Administrator may not expend more than $25,000,000 in any fiscal year to carry out the program provided for in this subchapter or, in any fiscal year in which such program is in effect for a period of less than a full fiscal year, not more than an amount that bears the same ratio to $25,000,000 as such period (considered as a fraction of a year) bears to one year.

"§ 664. Reports

"The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration of this subchapter, including such recommendations for additional legislation as the Administrator considers necessary.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

"SUBCHAPTER VII—PREVENTIVE HEALTH-CARE SERVICES PILOT PROGRAM

"661. Purpose.
"662. Definition.
"663. Preventive health-care services.
"664. Reports.".

HOSPITAL AND NURSING HOME CARE AND MEDICAL SERVICES WITHIN THE UNITED STATES FOR COMMONWEALTH ARMY VETERANS AND NEW PHILIPPINE SCOUTS

SEC. 106. (a) Subchapter IV of chapter 17 is amended by redesignating section 634 as section 635 and by inserting after section 633 the following new section:

"§ 634. Hospital and nursing home care and medical services in the United States

"The Administrator, within the limits of Veterans' Administration facilities, may furnish hospital and nursing home care and medical services to Commonwealth Army veterans and new Philippine Scouts for the treatment of the service-connected disabilities of such veterans and scouts.".

(b) The table of sections at the beginning of chapter 17 is amended by striking out the item relating to section 634 and inserting in lieu thereof the following new items:

"634. Hospital and nursing home care and medical services in the United States.
"635. Definitions.".

EFFECTIVE DATE OF CERTAIN PROVISIONS

SEC. 107. The amendments made to title 38, United States Code, by sections 102, 103, 104, 105, and 106 of this Act shall be effective on October 1, 1979.

TITLE II—CONTRACT-CARE PROGRAMS

DEFINITION OF "VETERANS' ADMINISTRATION FACILITIES"

SEC. 201. (a) Paragraph (4) of section 601 is amended—

(1) by inserting "or of a veteran described in section 612(g) of this title if the Administrator has determined, based on an examination by a physician employed by the Veterans' Administration (or, in areas where no such physician is available, by a physician carrying out such function under a contract or fee arrangement), that the medical condition of such veteran precludes appropriate treatment in facilities described in clauses (A) and (B) of this paragraph" before the semicolon at the end of subclause (ii) of clause (C);

(2) by striking out "or" after the semicolon at the end of subclause (iv) of clause (C), and striking out the period at the end of such clause and inserting in lieu thereof a semicolon and the following new subclauses: "(vi) mental health services described in section 612A of this title for a veteran in Alaska or Hawaii; or (vii) diagnostic services necessary for determination of eligibility for, or of the appropriate course of treatment in connection with, the provision of medical services at independent Veterans' Administration outpatient clinics to obviate the need for hospital admission."; and

(3) by adding below clause (C) the following new sentence:

"In the case of any veteran for whom the Administrator contracts to provide treatment in a private facility pursuant to the provisions of this paragraph, the Administrator shall periodically review the necessity for continuing such contractual arrangement pursuant to such provision.".

(b) Not later than February 1, 1980, and annually thereafter, the Chief Medical Director of the Veterans' Administration shall submit to the appropriate committees of the Congress, through the Administrator of Veterans' Affairs, a full report on the implementation of section 601(4)(C)(v) of title 38, United States Code, and the amendments made by this section, and on the numbers of veterans provided contract treatment (and the average cost and duration thereof) in each State (as defined in section 101(20) of title 38, United States Code) in the categories described in the following provisions of such title: sections 601(4)(C), 610(a), 612(a), 612(f)(1)(A), 612(f)(1)(B), 612(f)(2), 612(g), 612A (as added by section 103(a)(1) of this Act), and section 620A (as added by section 104(a) of this Act).

EMERGENCY MEDICAL SERVICES AT NATIONAL CONVENTIONS OF RECOGNIZED VETERANS SERVICE ORGANIZATIONS

SEC. 202. (a) Section 611 is amended by adding at the end thereof the following new subsection:

"(c)(1) The Administrator may contract with any organization recognized by the Administrator for the purposes of section 3402 of this title to provide for the furnishing by the Administrator, on a reimbursable basis (as prescribed by the Administrator). of emergency medical services to individuals attending any national convention of such organization, except that reimbursement shall not be required for services furnished under this subsection to the extent that the individual receiving such services would otherwise be eligible under this chapter for medical services.

"(2) The authority of the Administrator to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.".

(b) The amendment made by subsection (a) shall take effect on October 1, 1979.

TITLE III—CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

REVISION OF AUTHORITY FOR CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

SEC. 301. (a) Subchapter I of chapter 81 is amended to read as follows:

"SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES

"§ 5001. Definitions.

"For the purposes of this subchapter:

"(1) The term 'alter', with respect to a medical facility, means to repair, remodel, improve, or extend such medical facility.

"(2) The terms 'construct' and 'alter', with respect to a medical facility, include such engineering, architectural, legal, fiscal, and economic investigations and studies and such surveys, designs, plans, working drawings, specifications, procedures, and other similar actions as are necessary for the construction or alteration, as the case may be, of such medical facility and as are carried out after the completion of the advanced planning (including the development of project requirements and preliminary plans) for such facility.

"(3) The term 'medical facility' means any facility or part thereof which is, or will be, under the jurisdiction of the Administrator for the provision of health-care services (including hospital, nursing home, or domiciliary care or medical services), including any necessary building and auxiliary structure, garage, parking facility, mechanical equipment, trackage facilities leading thereto, abutting sidewalks, accommodations for attending personnel, and recreation facilities associated therewith.

"(4) The term 'committee' means the Committee on Veterans' Affairs of the House of Representatives or the Committee on Veterans' Affairs of the Senate, and the term 'committees' means both such committees.

"§ 5002. Acquisition of medical facilities

"(a) The Administrator shall provide medical facilities for veterans entitled to hospital, nursing home, or domiciliary care or medical services under this title.

"(b) No medical facility may be constructed or otherwise acquired or altered except in accordance with the provisions of this subchapter.

"(c) In carrying out this subchapter, the Administrator—

"(1) shall provide for the construction and acquisition of medical facilities in a manner that results in the equitable distribution of such facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility; and

"(2) shall give due consideration to excellence of architecture and design.

"§ 5003. Authority to construct and alter, and to acquire sites for, medical facilities

"(a) Subject to section 5004 of this title, the Administrator—

"(1) may construct or alter any medical facility and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, such land or interests in land as the Administrator considers necessary for use as the site for such construction or alteration;

"(2) may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, any facility (including the site of such facility) that the Administrator considers necessary for use as a medical facility; and

"(3) in order to assure compliance with section 5010(a)(2) of this title, in the case of any outpatient medical facility for which it is proposed to lease space and for which a qualified lessor and an appropriate leasing arrangement are available, shall execute a lease for such facility within 12 months after funds are made available for such purpose.

"(b) Whenever the Administrator considers it to be in the interest of the United States to construct a new medical facility to replace an exising medical facility, the Administrator (1) may demolish the existing facility and use the site on which it is located for the site of the new medical facility, or (2) if in the judgment of the Administrator it is more advantageous to construct such medical facility on a different site in the same locality, may exchange such existing facility and the site of such existing facility for the different site.

"(c) Whenever the Administrator determines that any site acquired for the construction of a medical facility is not suitable for that purpose, the Administrator may exchange such site for another site to be used for that purpose or may sell such site.

"(d) Notwithstanding any other provision of this subchapter, the Administrator may not acquire under this subchapter, by donation or exchange, a medical facility which has a current independently appraised total value of more than $500,000, unless the exchange or donation is first approved by a resolution adopted by each committee.

"§ 5004. Congressional approval of certain medical facility acquisitions

"(a) In order to ensure the equitable distribution of medical facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility—

"(1) no appropriation may be made for the construction, alteration, or acquisition of any medical facility which involves a total expenditures of more than $2,000,000 unless such construction, alteration, or acquisition is first approved by a resolution adopted by each committee; and

"(2) no appropriation may be made for the lease of any space for use as a medical facility at an average annual rental of more than $500,000 unless such lease is first approved by a resolution adopted by each committee.

"(b) In the event that the President or the Administrator proposes to the Congress the funding of any construction, alteration, lease, or other acquisition to which subsection (a) of this section is applicable, the Administrator shall submit to each committee, on the same day, a prospectus of the proposed medical facility. Such prospectus shall include—

"(1) a detailed description of the medical facility to be constructed, altered, leased, or otherwise acquired under this subchapter including a description of the location of such facility;

"(2) an estimate of the cost to the United States of the construction, alteration, lease, or other acquisition of such facility (including site costs, if applicable); and

"(3) an estimate of the cost to the United States of the equipment required for the operation of such facility.

"(c)(1) The estimated cost of any construction, alteration, or other acquisition that is approved under this section may be increased by the Administrator in the contract for such construction, alteration, or other acquisition by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction, alteration, or other acquisition costs, as the case may be, from the date of transmittal of such prospectus to the committees to the date of contract, but in no event may the amount of such increase exceed 10 per centum of estimated cost.

"(2) Notwithstanding any other provision of this subchapter, the Administrator may not reduce the amount of space to be provided under any construction, alteration, or acquisition that is approved under this section by more than 10 per centum of the amount of space approved unless the proposed reduction has been approved by a resolution adopted by each committee.

(d) In the case of any medical facility approved for construction, alteration, lease, or other acquisition by each committee under subsection (a) of this section for which funds have not been appropriated within one year after the date of such approval, either such committee may by resolution rescind its approval at any time thereafter before such funds are appropriated.

"(e) In any case in which the Administrator proposes that funds be used for a purpose other than the purpose for which such funds were appropriated, the Administrator shall promptly notify each committee, in writing, of the particulars involved and the reasons why such funds were not used for the purpose for which appropriated.

"(f) The Administrator may accept gifts or donations for any of the purposes of this subchapter.

"§ 5005. Structural requirements

"(a) Each medical facility (including each nursing home facility for which the Administrator contracts under section 620 of this title and each State home facility constructed or altered under section 5031 of this title) shall be of fire, earthquake, and other natural disaster resistant construction in accordance with standards which the Administrator shall prescribe on a State or regional basis after surveying appropriate State and local laws, ordinances, and building codes and climatic and seismic conditions pertinent to each such facility. When an existing structure is acquired for use as a medical facility, it shall be altered to comply with such standards.

"(b)(1) In order to carry out this section, the Administrator shall appoint an advisory committee to be known as the Advisory Committee on Structural Safety of Veterans' Administration Facilities', on which shall serve at least one architect and one structural engineer who are experts in structural resistance to fire, earthquake, and other natural disasters and who are not employees of the Federal Government.

"(2) Such advisory committee shall advise the Administrator on all matters of structural safety in the construction and altering of medical facilities in accordance with the requirements of this section and shall review and make recommendations to the Administrator on the regulations prescribed under this section.

"(3) The Associate Deputy Administrator, the Chief Medical Director or the designee of the Chief Medical Director, and the Veterans' Administration official charged with the responsibility for construction shall be ex officio members of such advisory committee.

"§ 5006. Construction contracts

"(a) The Administrator may carry out any construction or alteration authorized under this subchapter by contract if the Administrator considers it to be advantageous to the United States to do so.

"(b)(1) The Administrator may obtain, by contract or otherwise, the services of individuals who are architects or engineers and of architectural and engineering corporations and firms, to the extent that the Administrator may require such services for any medical facility authorized to be constructed or altered under this subchapter.

"(2) No corporation, firm, or individual may be employed under the authority of paragraph (1) of this subsection on a permanent basis.

"(c) Notwithstanding any other provision of this section, the Administrator shall be responsible for all construction authorized under this subchapter, including the interpretation of construction contracts, the approval of materials and workmanship supplied pursuant to a construction contract, approval of changes in the construction contract, certification of vouchers for payments due the contractor, and final settlement of the contract.

"§ 5007. Reports to congressional committees

"(a) In order to promote effective planning for the orderly construction, replacement, and alteration of medical facilities in accordance with the comparative urgency of the need for the services to be provided by such facilities, the Administrator shall submit to each committee an annual report on the construction, replacement, and alteration of medical facilities. Such report shall be submitted to the committees on the same day, which shall not be later than June 30 of each year (beginning in 1979) and shall contain—

"(1) a five-year plan for the construction, replacement, or alteration of those medical facilities that, in the judgment of the Administrator, are most in need of construction, replacement, or alteration;

"(2) a list, in order of priority, of not less than ten hospitals that, in the judgment of the Administrator, are most in need of construction or replacement; and

"(3) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility included in the five-year plan required under clause (1) of this subsection or the list required under clause (2) of this subsection.

"(b) The Administrator shall submit to each committee not later than January 31 of each year (beginning in 1981) a report showing the location, space, cost, and status of each medical facility the construction, alteration, lease, or other acquisition of which has been approved under section 5004(a) of this title and, in the case of the second and each succeeding report made under this subsection, which was uncompleted as of the date of the last preceding report made under this subsection.

"§ 5008. Contributions to local authorities

"The Administrator may make contributions to local authorities toward, or for, the construction of traffic controls, road improvements, or other devices adjacent to a medical facility if considered necessary for safe ingress or egress.

"§ 5009. Garages and parking facilities

"(a) The Administrator may construct, alter, operate, and maintain, on reservations of medical facilities, garages and parking facilities for the accommodation of privately owned vehicles of employees of such facilities and vehicles of visitors and other individuals having business at such facilities.

"(b)(1) The Administrator may establish and collect (or provide for the collection of) fees for the use of such garages and parking facilities at such rate or rates which the Administrator determines would be reasonable under the particular circumstances; but no fee may be charged for the accommodation of any publicly or privately owned vehicle used in connection with the transportation of a veteran to or from any medical facility for the purposes of examination or treatment or in connection with any visit to any patient in such facility. Employees using such garages shall make such reimbursement therefore as the Administrator may deem reasonable.

(2) The Administrator may contract, by lease or otherwise, with responsible persons, firms, or corporations for the operation of such parking facilities, under such terms and conditions as the Administrator shall prescribe, and without regard to the laws concerning advertising for competitive bids.

"(c)(1) There are authorized to be appropriated such amounts as are necessary to finance in part the construction, alteration, operation, and maintenance of garages and parking facilities (other than the construction or alteration of any garage or parking facility involving the expenditure of more than $2,000,000). Amounts appropriated under the authority of this section, and all income from fees collected for the use of such garages and parking facilities, shall be administered as a revolving fund to effectuate the provisions of this section, but only to the extent provided for in appropriation Acts.

"(2) The revolving fund shall be deposited in a checking account with the Treasurer of the United States, except that such amounts thereof as the Administrator may determine to be necessary to establish and maintain operating accounts for the various garages and parking facilities may be placed in depositories selected by the Administrator.

"§ 5010. Operation of medical facilities

"(a)(1) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than one hundred and twenty-five thousand hospital beds in medical facilities over which the Administrator has direct jurisdiction for the care and treatment of eligible veterans. The Administrator shall staff and maintain, in such a manner as to ensure the immediate acceptance and timely and complete care of patients, sufficient beds and other treatment capacities to accommodate, and provide such care to, eligible veterans applying for admission and found to be in need of hospital care or medical services.

"(2) The Administrator shall maintain the bed and treatment capacities of all Veterans' Administration medical facilities so as to ensure the accessibility and availability of such beds and treatment capacities to eligible veterans in all States and to minimize delays in admissions and in the provision of hospital, nursing home, and domiciliary care, and of medical services furnished pursuant to section 612 of this title.

"(3) The Chief Medical Director shall periodically analyze agencywide admission policies and the records of those eligible veterans who apply for hospital care and medical services but are rejected or not immediately admitted or provided such care or services, and the Administrator shall annually advise each committee of the results of such analysis and the number of any additional beds and treatment capacities and the appropriate staffing and funds therefor found necessary to meet the needs of such veterans for such necessary care and services.

"(b) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than twelve thousand beds during fiscal year 1980, and during each fiscal year thereafter, for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct jurisdiction. The beds authorized by this subsection shall be in addition to the beds provided for in subsection (a) of this section.

"(c) When the Administrator determines, in accordance with regulations which the Administrator shall prescribe, that a Veterans' Administration facility services a substantial number of veterans with limited English-speaking ability, the Administrator shall establish and implement procedures, upon the recommendation of the Chief Medical Director, to ensure the identification of sufficient numbers of individuals on such facility's staff who are fluent in both the language most appropriate to such veterans and in English and whose responsibilities shall include providing guidance to such veterans and to appropriate Veterans' Administration staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"§ 5011. Use of Armed Forces facilities

"The Administrator and the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy may enter into agreements and contracts for the mutual use or exchange of use of hospitals and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate such facilities properly, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number established or approved on June 22, 1944, plus the estimated number required to meet the load of eligibles under this title, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

"§ 5012. Partial relinquishment of legislative jurisdiction

"The Administrator, on behalf of the United States, may relinquish to the State in which any lands or interests therein under the supervision or control of the Administrator are situated, such measure of legislative jurisdiction over such lands or interests as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of legislative jurisdiction shall be initiated by filing a notice thereof with the Governor of the State concerned, or in such other manner as may be prescribed by the laws of such State, and shall take effect upon acceptance by such State.

"§ 5013. Property formerly owned by National Home for Disabled Volunteer Soldiers

"If by reason of any defeasance or conditional clause or clauses contained in any deed of conveyance of property to the National Home for Disabled Volunteer Soldiers, which property is owned by the United States, the full and complete enjoyment and use of such property is threatened, the Attorney General, upon request of the President, shall institute in the United States district court for the district in which the property is located such proceedings as may be proper to extinguish all outstanding adverse interests. The Attorney General may procure and accept, on behalf of the United States, by gift, purchase, cession, or otherwise, absolute title to, and complete jurisdiction over, all such property.

"§ 5014. Use of federally owned facilities; use of personnel

"(a) The Administrator, subject to the approval of the President, may use as medical facilities such suitable buildings, structures, and grounds owned by the United States on March 3, 1925, as may be available for such purposes, and the President may by Executive order transfer any such buildings, structures, and grounds to the control and jurisdiction of the Veterans' Administration upon the request of the Administrator.

"(b) The President may require the architectural, engineering, constructing, or other forces of any of the departments of the Government to do or assist in the construction and alteration of medical facilities, and the President may employ for such purposes individuals and agencies not connected with the Government, if in the opinion of the President such is desirable, at such compensation as the President may consider reasonable.

§ 5015. Acceptance of certain property

"The President may accept from any State or other political subdivision, or from any person, any building, structure, equipment, or grounds suitable for the care of disabled persons, with due regard to fire or other hazards, state of repair, and all other pertinent considerations. The President may designate which agency of the Federal Government shall have the control and management of any property so "accepted.".

(b)(1) Subchapter II of chapter 81 is amended by redesignating sections 5011, 5012, 5013, and 5014 as sections 5021, 5022, 5023, and 5024, respectively.

(2) Section 5022(b) (as so redesignated) is amended by striking out the comma and "clinical, medical, and outpatient treatment" after "administrative".

(c) The table of sections at the beginning of chapter 81 is amended by striking out the item relating to subchapter I and all that follows through the item relating to section 5014 and inserting in lieu thereof the following:

"SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES

"Sec.
"5001. Definitions.
"5002. Acquisition of medical facilities.
"5003. Authority to construct and alter, and to acquire sites for, medical facilities.
"5004. Congressional approval of medical facility acquisitions.
"5005. Structural requirements.
"5006. Administrative provisions.
"5007. Reports to congressional committees.
"5008. Contributions to local authorities.
"5009. Garages and parking facilities.
"5010. Operation of medical facilities.
"5011. Use of Armed Forces facilities.
"5012. Partial relinquishment of legislative jurisdiction.
"5013. Property formerly owned by National Home for Disabled Volunteer Soldiers.
"5014. Use of federally owned facilities; use of personnel.
"5015. Acceptance of certain property.

"SUBCHAPTER II—PROCUREMENT AND SUPPLY

"5021. Revolving supply fund.
"5022. Authority to procure and dispose of property and to negotiate for common services.
"5023. Procurement of prosthetic appliances.
"5024. Grant of easements in Government-owned lands."

EFFECTIVE DATES

SEC. 302. (a) The amendments made by this title shall take effect on October 1, 1979, but shall not apply with respect to the acquisition, construction, or alteration of any medical facility (as defined in section 5001 (3), as added by section 301(a) of this Act) if such acquisition, construction, or alteration (not including exchange) was approved before such date by the President.

(b) The provisions of section 5007(a), as added by section 301(a) of this Act, shall take effect on the date of the enactment of this Act.

TITLE IV—BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

CHILDREN ADOPTED UNDER LAWS OF FOREIGN COUNTRIES

SEC. 401. Paragraph (4) of section 101 is amended—

(1) by inserting "(A)" before "The" and redesignating clauses (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(2) by adding at the end of such paragraph the following new subparagraph:

"(B) For the purposes of subparagraph (A) of this paragraph, in the case of an adoption under the laws of any jurisdiction other than a State (as defined in section 101(20) of this title and including the Commonwealth of the Northern Mariana Islands)—

"(i) a person residing outside any of the States shall not be considered to be a legally adopted child of a veteran during the lifetime of such veteran (including for purposes of this subparagraph a Commonwealth Army veteran or new Philippine Scout, as defined in section 1766 of this title) unless such person—

"(I) was less than eighteen years of age at the time of adoption;

"(II) is receiving one-half or more of such person's annual support from such veteran;

"(III) is not in the custody of such person's natural parent, unless such natural parent is such veteran's spouse; and

"(IV) is residing with such veteran (or in the case of divorce following adoption, with the divorced spouse who is also an adoptive or natural parent) except for periods during which such person is residing apart from such veteran (or such divorced spouse) for the purposes of full-time attendance at an educational institution or during which such person or such veteran (or such divorced spouse) is confined in a hospital, nursing home, other health-care facility, or other institution; and

"(ii) a person shall not be considered to have been a legally adopted child of a veteran as of the date of such veteran's death and thereafter unless—

"(I) at any time within the one-year period immediately preceding such veteran's death, such veteran was entitled to and was receiving a dependent's allowance or similar monetary benefit under this title for such person; or

"(II) for a period of at least one year prior to such veteran's death, such person met the requirements of clause (i) of this subparagraph.".

STUDY OF BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

SEC. 402. (a) The Administrator of Veterans' Affairs, in consultation with the Secretary of State, shall carry out a comprehensive study of benefits payable under the provisions of title 38, United States Code, to persons who reside outside the fifty States and the District of Columbia. The Administrator shall include in such study—

(1) an analysis of the issues involved in the payment of such benefits to persons who reside outside the fifty States and the District of Columbia, together with analyses of such aspects of the economy of each foreign country and each territory, possession, and Commonwealth of the United States in which a substantial number of persons receiving such benefits reside as are relevant to such issues (such as the rate of inflation, the standard of living, and health care, educational, housing, and burial costs);

(2) an analysis of the issues involved in the payment of such benefits as the result of adoptions under laws other than the laws of any of the fifty States or the District of Columbia;

(3) an analysis of the amounts and method of payment of benefits payable to persons entitled, by virtue of sections 107 and 1765 of such title, to benefits under chapters 11, 13, and 35 of such title;

(4) estimates of the present and future costs of paying monetary benefits under such title to persons described in clauses (1) and (3);

(5) an evaluation of the desirability of continuing to maintain the Veterans' Administration Regional Office in the Republic of the Philippines, taking into consideration (A) the current and expected future workloads of such office, (B) the estimated cost in fiscal years 1981 through 1985 of continuing to maintain such regional office, (C) the feasibility and desirability of transferring appropriate functions of such regional office to the United States Embassy in the Republic of the Philippines, and (D) a provisional plan, which the Administrator shall develop, for the closing of such office and so transferring such functions, together with cost estimates for fiscal years 1981 through 1985 for the implementation of such plan assuming that such office is closed before October 1, 1981; and

(6) an evaluation of the effects of the amendments to such title made by section 401 of this Act.

(b) Not later than February 1, 1980, the Administrator shall report to the Congress and to the President on the results of such study together with the Administrator's recommendations for resolving the issues to be analyzed and evaluated in such study.

(c) The Administrator shall (1) carry out the study required under subsection (a) of this section in conjunction with the study required under section 308(a) of the Veterans' and Survivors' Pension Improvement Act of 1978 (Public Law 95-288), and (2) submit the reports of such studies as a combined report.

TITLE V—MISCELLANEOUS PROVISIONS

ACCEPTANCE OF PAYMENT FOR TRAVEL OF EMPLOYEES

SEC. 105 Section 4108 is amended by adding after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of law, the Administrator may prescribe regulations establishing conditions under which officers and employees of the Department of Medicine and Surgery who are nationally recognized principal investigators in medical research may be permitted, in connection with their attendance at meetings or in performing advisory services concerned with the functions or activities of the Veterans' Administration, or in connection with acceptance of significant awards or with activity related thereto concerned with functions or activities of the Veterans' Administration, to accept payment, in cash or in kind, from non-Federal agencies, organizations, and individuals, for travel and such reasonable subsistence expenses as are approved by the Administrator pursuant to such regulations, to be retained by such officers and employees to cover the cost of such expenses or deposited to the credit of the appropriation from which the cost of such expenses is paid, as may be provided in such regulations.".

CONFIRMATION OF DEPUTY ADMINISTRATOR OF VETERANS' AFFAIRS

SEC. 502. (a) The first sentence of section 210(d) is amended by striking out "by the Administrator" and inserting in lieu thereof "by the President, by and with the advice and consent of the Senate".

(b) The amendment made by subsection (a) shall take effect on July 1, 1979.

OVERSEAS AUTHORITIES

SEC. 503. (a) Section 230 is amended by striking out subsection (c).

(b) Section 235 is amended—

(1) in the matter preceding clause (1), by striking out "or to the Veterans' Administration office in Europe, established pursuant to section 230(c) of this title,";

(2) in clause (2), by striking out "and (7)" and inserting in lieu thereof "(7), and (11)"; and

(3) by inserting after clause (5) the following new clauses:

"(6) Section 5724a(a)(3) of title 5 (relating to subsistence expenses for 30 days in connection with the return to the United States of the employee and such employee's immediate family).

"(7) Section 5724a(a)(4) of title 5 (relating to the sale and purchase of the residence or settlement of an unexpired lease of the employee when transferred from one station to another station and both stations are in the United States, its territories or possessions, or the Commonwealth of Puerto Rico).".

(c)(1) The section heading of section 235 is amended by striking out "oversea" and inserting in lieu thereof "overseas".

(2) The item relating to section 235 in the table of sections at the beginning of chapter 3 is amended by striking out "oversea" and inserting in lieu thereof "overseas".

(d) The amendment made by subsection (b)(3) shall take effect on October 1, 1979.

CONFORMING AMENDMENTS TO REFLECT PREVIOUS ADJUSTMENTS MADE IN DEPARTMENT OF MEDICINE AND SURGERY SALARY SCHEDULES

SEC. 504. (a) Subsection (a) of section 4107 is amended to read as follows:

"(a) The annual rate or ranges of rates of basic pay for positions provided in section 4103 of this title shall be as follows:

"SECTION 4103 SCHEDULE

"Chief Medical Director, $68,909.

"Deputy Chief Medical Director, $66,104.

"Associate Deputy Chief Medical Director, $63,315.

"Assistant Chief Medical Director, $61,449.

"Medical Director, $52,429 minimum to $59,421 maximum.

"Director of Nursing Service, $52,429 minimum to $59,421 maximum.

"Director of Podiatric Service, $44,756 minimum to $56,692 maximum.

"Director of Chaplain Service, $44,756 minimum to $56,692 maximum.

"Director of Pharmacy Service, $44,756 minimum to $56,692 maximum.

"Director of Dietetic Service, $44,756 minimum to $56,692 maximum.

"Director of Optometric Service, $44,756 minimum to $56,692 maximum.".

(b) Paragraph (1) of subsection (b) of such section is amended to read as follows:

"(1) The grades and annual ranges of rates of basic pay for positions provided for in paragraph (1) of section 4104 of this title shall be as follows:

"PHYSICIAN AND DENIST SCHEDULE

"Director grade, $44,756 minimum to $56,692 maximum.

"Executive grade, $41,327 minimum to $53,729 maximum.

"Chief grade, $38,160 minimum to $49,608 maximum.

"Senior grade, $32,442 minimum to $42,171 maximum.

"Intermediate grade, $27,453 minimum to $35,688 maximum.

"Full grade, $23,087 minimum to $30,017 maximum.

"Associate grade, $19,263 minimum to $25,041 maximum.

"NURSE SCHEDULE

"Director grade, $38,160 minimum to $49,608 maximum.

"Assistant Director grade, $32,442 minimum to $42,171 maximum.

"Chief grade, $27,453 minimum to $35,688 maximum.

"Senior grade, $23,087 minimum to $30,017 maximum.

"Intermediate grade, $19,263 minimum to $25,041 maximum.

"Full grade, $15,920 minimum to $20,699 maximum.

"Associate grade, $13,700 minimum to $17,813 maximum.

"Junior grade, $11,712 minimum to $15,222 maximum.

"CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE

"Chief grade, $38,160 minimum to $49,608 maximum.

"Senior grade, $32,442 minimum to $42,171 maximum.

"Intermediate grade, $27,453 minimum to $35,688 maximum.

"Full grade, $23,087 minimum to $30,017 maximum.

"Associate grade, $19,263 minimum to $25,041 maximum.".

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ROBERTS) will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill, H.R. 1608.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1608 is designed to implement the President's recommendations to improve the health care of our Nation's veterans, with special emphasis on Vietnam era veterans. The bill would establish important new health services programs primarily for the treatment of veterans with serious service-connected or service-related disabilities. Should the bill be enacted, the VA would establish a program of psychological readjustment counseling to assist Vietnam veterans suffering from problems readjusting to civilian life. In addition, the bill would put the VA in the forefront by establishing a preventive health care pilot program for certain veterans with service-connected disabilities; provide for an expanded treatment and rehabilitation program for veterans suffering from alcohol and drug dependence or abuse disabilities; make various changes in current law in the areas of contract care programs, and it would completely rewrite the law relating to VA's medical construction programs.

Mr. Speaker, the major provisions of the bill include:

TITLE I: HEALTH SERVICES PROGRAMS

This title provides for the establishment of a new program of readjustment professional counseling for Vietnam veterans; a new program for preventive health care for veterans with service-connected disabilities, and expanded treatment and rehabilitation programs for veterans suffering from alcohol or drug dependence or abuse disabilities.

Included in Title I of the bill are provisions that would:

First. Modify the statutory priorities for outpatient care in section 612(i) by providing that medical examinations for service-connected disability compensation claims be included in the third priority for outpatient care along with non-service-connected care for veterans with service-connected disability ratings. In addition, it makes clear that examinations for eligibility for service-connected health care be included in the third priority. The priority would not preclude the outpatient treatment of any otherwise eligible veteran.

Second. Extend all outpatient dental-care benefits eligibility to veterans who were prisoners of war for more than 6 months or who have 100-percent service-connected disabilities.

Third. Establish a new program of readjustment counseling to any veteran who served on active duty during the Vietnam era who requests such counseling within 2 years from discharge or release from service, or within 2 years after the date of enactment, whichever is later. The Administrator is provided limited discretionary authority to contract for these services outside Veterans' Administration facilities. The bill also provide that, in the event of a future declaration of war, the Administrator would be required to recommend to the Congress, within 6 months of such declaration, whether the readjustment counseling program should be extended to veterans of such war. Necessary follow-up mental-health services would be authorized, including services for family members of eligible veterans where essential to the effective treatment and rehabilitation of the veteran.

With respect to former service personnel who are not eligible for readjustment counseling services because they were discharged or released from active duty service under conditions other than honorable or who are otherwise ineligible. H.R. 1608 requires the VA to provide referral services to help them to use non-VA mental health services and, if pertinent, to advise such individuals of their right to apply for reviews of their discharges which might lead to eligibility for VA benefits. Provision is also made for the Chief Medical Director to train such professional, paraprofessional, and lay personnel as are necessary to carry out this program effectively and for the Administrator to cooperate with the Secretary of Defense in notifying veterans of potential eligibility under the program.

Fourth. Establish a 5-year pilot contract program for the treatment and rehabilitation of veterans with alcohol or drug dependence or abuse disabilities. Under this program, the Administrator would, for a period of 5 years, be authorized to contract for alcohol and drug treatment for veterans in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities, in addition to the present treatment available in VA facilities. A report on the Administrator's findings and recommendations based on the first

3 years of experience under the pilot program is required.

In addition, the VA is directed to cooperate with the Secretary of Labor and the Director of the Office of Personnel Management with respect to employment opportunities for rehabilitated former addicted veterans. In the cases of former service personnel who are not eligible for VA alcohol and drug treatment and rehabilitation services, because they were discharged or released from active-duty service under conditions other than honorable or who are otherwise ineligible, H.R. 1608 requires the VA to provide referral services to help them in locating non-VA services.

Finally, provision is made for the treatment of active-duty personnel by the VA within 30 days of the end of their enlistments or tours of duty.

Fifth. Establish a 5-year pilot program of preventive health care providing for: First, the provision of such preventive health care services as the Administrator deems feasible and appropriate for veterans with a 50 percent-or-more disability rating and for veterans receiving treatment involving a service-connected disability; Second, the use of interdisciplinary health-care teams in providing such services; Third, a maximum expenditure of no more than $25 million in any fiscal year to carry out this program; and Fourth, inclusion of a comprehensive report on this program in the Administrator's annual report to the Congress.

Sixth. Provide eligibility for Commonwealth of the Philippines Army veterans and new Philippine Scouts to receive hospital care, nursing home care, and medical services for their service-connected disabilities at VA facilities in the United States. The anomalous situation presently exists that these Filipino veterans of World War II, while eligible for VA-financed care in the Philippines are not eligible for any VA care in the United States, even if the care would be for service-connected disabilities and they had become citizens of this country. This provision would authorize service-connected care for about 200 Filipino veterans.

TITLE II: CONTRACT CARE PROGRAMS

This title clarifies the circumstances under which the VA may furnish contract hospital care and medical services in certain cases. Included in Title II of the bill, as reported, are provisions that would:

First. Restore authority to expand the circumstances under which veterans would be eligible for contract outpatient treatment (so-called fee-basis care) for non-service-connected disabilities, by revising certain amendments to chapter 17 of title 38 made by Public Law 94-581, the Veterans' Omnibus Health Care Act of 1976. H.R. 1608 provides that if VA facilities are incapable of providing the required care in an economical fashion because of geographic inaccessibility, veterans eligible for regular aid-and-attendance or housebound benefits may be provided fee-basis care if, on the basis of a physical examination, it is determined that the medical condition of such veteran precludes appropriate treatment in a VA-operated or other Government facility.

H.R. 1608 provides specific authority to contract for diagnostic services necessary to make determinations of eligibility for outpatient care at VA facilities that do not have the capability of performing such diagnostic services.

The bill provides for a full report on the VA's use of its contract care authorities, to be submitted annually on February 1, beginning in 1980.

Second. Authorize the Administrator to contract with veterans' organizations recognized by the VA under section 3402 of title 38 to furnish emergency medical services at the national conventions of such organizations. The provision of such services would be on a reimbursable basis except that no reimbursement would be required for health-care services rendered to veterans entitled under law to such care.

TITLE III: CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

This title includes with modifications, the provisions of H.R. 5025, the proposed "Veterans' Administration Medical Facilities Acquisition Act of 1977," which was passed by the House in the 95th Congress. It provides that no appropriation shall be made for the construction, alteration, or acquisition of any VA medical facility costing more than $2 million, or for the lease of any medical facility at an annual rental of more than $500,000, without the House and Senate Veterans' Affairs Committees having adopted resolutions approving the project. This process would apply to both administration-requested projects and those initiated by the Congress.

In order to obtain the Committees' approval for a particular administration-proposed facility, the Administrator would submit to the committees a "prospectus" for the facility, which would include a detailed description of the project, including cost estimates. If funds were not appropriated for a facility within 1 year after approval, either committee would be able to rescind approval, by resolution, before an appropriation is made.

This legislation is also designed to make needed improvements in planning for construction and acquisition of VA medical facilities by requiring VA to submit two annual reports to the committees, a June 30 report, containing a 5-year plan for construction, replacement, and alteration of the most needed new or replacement medical facilities, a priority listing of the 10 or more hospitals most needed, and general plans for each such medical facility, and a January status report of all approved but uncompleted facilities.

In addition, this title requires, first, that construction and equipment cost increases of more than 10 percent must be approved by subsequent committee resolutions; second, that the committees be notified, in advance, of any proposed reprogramming of funds; and third, appropriations for a revolving fund for garage and parking construction projects involving expenditures of $2 million or less at VA medical facilities be established and authorized.

Finally, it recodifies and makes minor, technical, and conforming amendments to the provision of title 38, United States Code, relating to the construction and acquisition of VA facilities.

TITLE IV: BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

This title establishes standards for receipt of VA benefits for foreign adoptions and provides for a study of benefits paid to veterans outside the United States, as follows:

1. The bill requires, in order for VA benefits to be paid to or on behalf of a child who was adopted and is residing outside the United States, that there be certain assurances that the adoptive parent actually assumed the parental role and responsibilities. Thus, it requires that the adoptive child be under age 18 at the time of the adoption, be receiving one-half or more of their annual support from the veteran, be residing with the veteran except in certain specified circumstances, and not be residing with the child's natural parent unless the natural parent is the veteran's spouse. After the veteran's death, such an adoption would be recognized for VA benefit purposes only if the veteran was entitled to and did receive a dependent's allowance or similar benefit for the child at any time during the year before the veteran's death, or if the above requirements were met for at least 1 year prior to the veteran's death.

2. The bill also requires the VA to conduct, in consultation with the Secretary of State, a comprehensive study of the issues involved in the payment of benefits to persons residing outside the 50 States and the District of Columbia. This study would be required to be performed in conjunction with a similar study, mandated by section 308 of Public Law 95-588, the Veterans' and Survivors' Pension Improvement Act of 1978, regarding the payment of pension benefits overseas.

TITLE V: MISCELLANEOUS PROVISIONS

H.R. 1608 also makes some changes in title 38, United States Code, with respect to administrative and personnel matters.

It permits payments by non-Federal agencies, organizations, and individuals for travel expenses of certain VA employees in connection with their official duties in certain limited circumstances.

It provides for confirmation by the Senate of the Deputy Administrator of Veterans Affairs.

The bill makes certain revisions in current law relating to benefits for overseas VA employees.

Finally, the reported bill amends the schedules of rates of basic pay of Department of Medicine and Surgery employees to conform to those schedules, as set forth in title 38, to the October 7, 1978 Federal pay raise contained in Executive Order 12087.

Mr. Speaker, I want to compliment the distinguished and very able chairman of our Subcommittee on Medical Facilities and Benefits, the gentleman from Virginia, the Honorable **DAVE SATTERFIELD**. It is through his efforts and many hours of work and negotiations with the other body that we have this bill before us today. I am also very grateful to the distinguished ranking minority member of our committee, the Honorable John Paul Hammerschmidt, for his leadership and work in getting the bill before us. Other members contributed to helping shape the bill into a form that will allow for swift passage in the Congress. I am especially proud of our new members, Mr. Speaker, who participated in the debate in committee and who have made a major contribution in moving the bill forward. It is a large subcommittee, and I shall not recognize each member, but I want to acknowledge the hard work of each of them.

Finally, Mr. Speaker, I want the Members of the House to know that without the cooperation of the very able chairman of the Veterans' Affairs Committee of the other body, the Senator from California, Mr. Cranston, this legislation would not have been possible. Notwithstanding what you may have read in the newspapers, and notwithstanding what you may have read in the Congressional Record and elsewhere as to who has provided the leadership in getting a program of psychological readjustment counseling established for Vietnam era veterans, the individual most responsible is the gentleman from California. Senator Cranston advocated the establishment of this program long before others even began to talk about it.

Mr. Speaker, the position of the Administrator should also be noted. The Administrator of Veterans Affairs, Max Cleland, is a strong advocate for the psychological readjustment counseling program and the provision of the bill that would expand the program for the treatment of drug and alcohol abuse disabilities. The President has actively supported these provisions as a major part of his overall program to enhance the lives of Vietnam veterans.

H.R. 1608 is a good bill and I urge its adoption.

Mr. Speaker, I now yield to the distinguished gentleman from Virginia (Mr. Satterfield), who will control the time.

Mr. SATTERFIELD. Mr. Speaker, I recognize that time is limited and accordingly I will keep my remarks as brief as possible.

H.R. 1608, the Veterans' Health Care Amendments of 1979, is an important bill designed to implement the major part of the administration's recommendations to improve the health services to our Nation's veterans, with special emphasis on Vietnam era veterans. The bill also contains basic provisions of several bills favorably considered in the last Congress.

H.R. 1608 contains provision for a program of readjustment counseling to any veteran who served during the Vietnam era who requests such counseling within 2 years from discharge, release from service or within 2 years after date of enactment, whichever is later. Followup health services would be authorized, including services for family members where essential to the effective treatment and rehabilitation of the veteran. The Edwards amendment to this section provides the Administrator with discretionary authority to enter into fee care contracts for this treatment under certain definitive guidelines.

Another provision which will enhance medical benefits for Vietnam era veterans would provide a 5-year pilot contract program for the treatment and rehabilitation of eligible veterans suffering alcohol or drug dependence or abuse disabilities. Under this program the administrator would be authorized to contract for veterans in community based treatment facilities such as halfway houses, therapeutic communities and psychiatric residential treatment centers. As a prerequisite to such contract, the VA would be required to approve the quality and effectiveness of the program furnished by each such facility. After extensive hearings, our committee recognized that, because drug or alcohol abuse is involved in many cases, treatment for that involvement is essential to a comprehensive readjustment program.

The administrator, in cooperation with the Secretary of Labor and the Director of the Office of Personnel Management, will assist in developing employment opportunities for the rehabilitated formerly addicted veterans. There is also a referral service authorized for those former service personnel who, because of the nature of their discharge are not eligible for VA treatment to obtain information on where they might obtain appropriate treatment.

A Louis Harris survey, for example, conducted for the VA revealed the fact that the percentage of drug use by military personnel is almost double the percentage of those who have experimented with drugs in civilian life. Unfortunately, a sizeable number of Vietnam-era veterans continue to use drugs.

Another important provision of this bill is authorization to establish a 5-year pilot preventive health care program for veterans with a service-connected disability rated at 50 percent or more and for any veteran receiving treatment for a service-connected disability, the preventive health care services include periodic medical and dental examinations, patient health education, maintenance of drug use profiles, mental health preventive services, routine vision testing and eye care, as well as periodic reexamination of high risk groups for selected diseases and other health care services necessary in order to provide effective and economical preventive health care. Currently, the VA engages in preventive health care on a limited basis, confining that care in accordance with statute to the treatment of an existing disease or disability. Our committee is of the opinion that the extension of this service will result in significant improvements in veterans' health and at the same time produce significant savings in the cost of their health care.

Another major provision is the oversight and authorization provision concerning construction, alteration, lease and acquisition of medical facilities. This provision includes, with modifications, the provision of H.R. 5025, the Veterans' Administration Medical Facilities Acquisition Act of 1977 which was passed by the House in the 95th Congress. It provides that no appropriation shall be made for the construction, alteration, or acquisition of any VA medical facility costing more than $2 million, or for the lease of any medical facility with an annual rental of more than $500,000, without the House and Senate Veterans' Affairs Committees adopting resolutions approving the project. This legislation is also designed to make needed improvements in planning for construction and acquisition of VA medical facilities by requiring the VA to submit two annual reports to the committees: A June 30 report containing a 5-year plan for construction, replacement and alteration of the most needed new or replacement facilities; a priority listing of the 10 or more hospitals most needed; general plans for each such medical facility; and, most importantly, a January status report on all approved construction that is uncompleted. I believe that effective oversight by the Veterans' Affairs Committees is required in the construction program and that an integral part of that oversight must be at least limited jurisdiction in the authorization process upon which ultimate construction and improvements will depend. This provision will accomplish that goal.

Last, the bill contains authority to provide outpatient dental services for prisoners of war held 6 months or more and for veterans with 100-percent service-connected disabilities.

Authorizations in this bill total $70.3 million. I consider it to be a measure of great importance to our Nation's veterans, especially to the Vietnam veteran and urge my colleagues to support it.

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Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 3 minutes to a very important member of our committee, the gentlewoman from Massachusetts (Mrs. Heckler).

Mrs. HECKLER. Mr. Speaker, I rise in strong support of H.R. 1608, the Veterans' Health Care Amendments of 1979.

This is one of the most important legislative measures the House can act on this year.

H.R. 1608 is designed to provide readjustment counseling assistance to some 1.7 million Vietnam veterans estimated to need such counseling.

It authorizes $12 million to hire 300 personnel who will work in storefronts in communities assisting Vietnam veterans in need.

The bill also contains an acutely needed drug abuse treatment program which also will utilize community services to reach and treat the Vietnam veteran in need.

The need for this legislation is critical and acute. The problems it addresses are widespread and intensifying.

The American Psychiatric Institute has recently recognized the diagnosis of "delayed stress neurosis" among Vietnam veterans. This troubling disorder erupts in some Vietnam veterans long after one's experience in Vietnam has passed. The eruption causes affected veterans severe anxiety which in some cases has threatened and even menaced society.

Dr. John Wilson of Cleveland State University, an expert in combat related mental illnesses, estimates that soon there could be 500,000 Vietnam veterans suffering from delayed stress neurosis.

Repeatedly we have seen the effects of the eruption of this neurosis on the front pages of the newspapers and on the evening news. We must act decisively and immediately to meet the psychological readjustment needs of these young and sometimes troubled veterans.

In fact, Mr. Speaker, I did advocate in committee deliberations on this bill a stronger and more comprehensive counseling program.

I believe a stronger outreach program is needed. And I believe a training component is needed which can sensitize counselors to the special problems of the Vietnam veteran, such as delayed stress neurosis.

I strongly believe that the Veterans' Administration should carry out this program of readjustment assistance. It was the Veterans' Administration which, after World War II, became the leader and innovator in dealing with such problems among veterans of that war.

REVISIONS

The VA has the responsibility once again of developing a response to the specific needs of the veterans of the Vietnam war.

However, this bill also provides the VA with mental health facilities authority to contract readjustment services to community based facilities when and where, for circumstances beyond its control, the VA might be unable to provide these services. Such circumstances include abnormally long traveling distances, or medical centers not suited for counseling services.

Fundamentally, I believe this is a sound bill. It provides a mandate to the Veterans' Administration to take the lead in assisting our Vietnam veterans to readjust to life after Vietnam.

Although this legislation is long overdue I commend the leadership of the Veterans' Committee for its prompt action on this bill this year, and I also commend VA Administrator Max Cleland for his leadership in advancing this legislation.

Mr. Speaker, I believe the time has come for America to "normalize" its relations with the Vietnam veteran. This bill is a significant step in that direction, and it has my strong support.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the distinguished member of the Committee on Veterans' Affairs, the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Speaker, the bill we have before us is not new. We considered a similar measure last session and passed it. However, the lateness in action did not allow the other body sufficient time to act favorably on it. Subsequently, the Senate has taken early action on this bill. The bill is an omnibus one, which is intended to improve the quality of health care we provide for ill and disabled veterans. The thrust of this legislation is emphasis in the treatment needs of the Vietnam-era veteran. Specifically, it creates programs to provide readjustment counseling, as well as drug and alcohol abuse programs. The Subcommittee on Medical Facilities and Benefits has reviewed the problems facing our younger veterans for some time.

A vast majority of our young men who returned from Vietnam has successfully made the transition into the mainstream of society. The statistics show that they are doing very well. However, our concern is not pointed toward these veterans. It is pointed toward those who have not adjusted. Their's is a problem which we have tried hard to take care of in the last few years, but unfortunately our success rate has not been what we would call extremely good. We have succeeded in many ways. Participation in the programs authorized by the GI bill has been unparalleled since is inception in 1944. Employment and educational efforts have been very successful. Yet, there are those who have not taken advantage of these programs. They are the ones we are trying to assist in this legislation. Those have not adjusted to what mainstream America has to offer. They are unemployed, or underemployed at best. They have shunned traditional career approaches. They have turned to drugs and alcohol in alarming numbers. These are the people this legislation is designed to assist. The bill establishes a counseling program to aid those veterans and their families who are having problems in coping. The Subcommittee adopted an amendment offered by the gentleman from California (Mr. EDWARDS) which authorizes the Administrator of Veterans' Affairs to enter into fee contracts as well. It also establishes a 5-year pilot program to assist those with drug and alcohol abuse or related problems. Many veterans of the Vietnam era have bad paper discharges. This bill authorizes the VA to establish a referral service to assist them as well. I hope that this legislation will help those veterans who served so well and honorably in a time of conflict. This legislation combined with other efforts are an important step in the right direction.

This bill also calls for establishment of a preventive health care for veterans who have service-connected disabilities rated at 50 percent or more. We all know of the growing emphasis on preventive health care. Severely disabled veterans have a unique problem because their health often deteriorates as a result of complications directly attributed to their service-connected disability. This program will not only help these individuals, but I also think that it could lead the medical community in its efforts to find ways to care more efficiently for our populace.

The final part of this legislation is a very important section, as well. It provides that no appropriation shall be made for the construction, alteration or acquisition of any VA medical facility costing more than $2 million, or for the lease of any facility with an annual rental rate of more than $500,000, without the approval of resolutions adopted by both the House and Senate Committees on Veterans' Affairs. It also provides that the Congress be advised of the VA's 5-year facility plan, as well as a status report on approved construction. I believe this is most important to insure that money the Congress authorizes is being utilized as effectively and efficiently as possible. The gentleman from Virginia (Mr. SATTERFIELD) has outlined the reasoning behind it so I will not go any further. I believe you will agree with me that this action is long overdue and is most important if the Congress is to effectively perform its oversight responsibility.

I urge you in joining me with a yes vote on this bill.

Mr. SATTERFIELD. Mr. Speaker, I yield such time as he may consume to a distinguished member of the committee, the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr Speaker, I want to compliment the gentleman from Virginia (Mr. SATTERFIELD) the gentleman from Arkansas (Mr. HAMMERSCHMIDT) and, of course, the distinguished Chairman of the full committee, the gentleman from Texas (Mr. ROBERTS), for putting together and seeing through to approval in the committee and in the subcommittee this very excellent bill.

Mr. Speaker, I rise in support of H.R. 1608, the Veterans' Health Care Amendments of 1979. While this legislation has many worthy provisions, I would like to confine my comments to the professional readjustment counseling program for Vietnam-era veterans contained in the bill.

I first introduced my own legislation calling for such a program in 1976. Even at that point I would say the program was overdue. My colleagues are aware that many Vietnam veterans have had difficulties in making a successful transition to civilian life. These problems were studied in depth by the Task Force on Vietnam Veterans of the President's Commission on Mental Health.

This study, and others, have chronicled a continuing problem of alcohol and drug abuse among Vietnam veterans. According to these reports, Vietnam veterans have higher rates of unemployment and underemployment, of family breakdowns and or emotional and mental disorders than their nonveteran counterparts.

Clearly there is a need to assist these veterans in making a successful readjustment so that they can become fully and successfully integrated in their communities. So long as we fail to treat these special needs, we will be depriving our country of a valuable resource, one that could make a real contribution.

It is for this reason I am pleased that the Committee on Veterans' Affairs has included a readjustment counseling program in H.R. 1608. The provision you see before you today is a result of careful consideration by the Subcommittee on Medical Facilities and Benefits, on which I have the pleasure of serving.

The subcommittee heard testimony from a number of witnesses who have had extensive experience in the treatment of readjustment problems of Vietnam veterans. One point which they brought forth is, I think, worth repeating today—if this program is to be successful, it will need to be closely tied to the communities where these veterans live.

If it is confined to VA hospitals and clinics, it will fail. The veterans will not take part in it. A program closely integrated with the community stands the best chance of reaching those veterans in need of the counseling servicse it can provide. Since the goal of the program is to enable the veteran to overcome these readjustment difficulties and become a productive member of society, it makes sense to establish a program that provides its services within the context of the community.

The subcommittee also heard testimony from witnesses who felt that services under the program should be contracted out to non-VA public or private facilities. There was concern voiced on the part of both witnesses and members that many veterans would not take advantage of these services if they were provided by VA personnel. Some felt the VA would be unable to effectively implement the program.

I can sympathize with these concerns. In fact, I supported efforts by my colleague, TOM DASCHLE, to set up a pilot program where services would be contracted out to non-VA mental health care providers. I commend the gentleman from South Dakota for his hard work in this area and for his efforts to have the subcommittee shape the best possible program.

Although the committee did not incorporate the pilot program approach in H.R. 1608, I was pleased that the committee did adopt an amendment I offered to provide the Administrator of the VA with a limited contracting authority. Under my amendment, the Administrator will have the authority to contract services when services are unavailable or inadequate at VA facilities, when the veteran would have to travel long distances to take advantage of the services, when the services are offered at times when the veteran could not take advantage of them, or when it is felt that providing services outside the context of the VA would result in more successful services to the veteran.

I think this amendment gives the program the flexibility it needs to succeed. A provision very similar to this was recommended by the Mental Health Commission task force on Vietnam veterans when it called for a readjustment counseling program.

I think the subcommittee and the committee has crafted a good program; a workable program. Properly and aggressively implemented by the VA, it can provide a necessary helping hand to those Vietnam veterans who continue to experience readjustment difficulties.

I urge my colleagues to vote in favor of H.R. 1608.

Mr. SATTERFIELD. Mr. Speaker, I yield such time as he may consume to a distinguished member of the committee, the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Speaker, I would also like to commend the chairman, the gentleman from Texas (Mr. ROBERTS), the chairman of the Subcommittee on Medical Facilities and Benefits, the gentlemen from Virginia (Mr. SATTERFIELD), and the ranking member of the subcommittee, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) for reporting out H.R. 1608 which I fully support.

Mr. Speaker, I rise in support of H.R. 1608. This bill was reported after hearings by the Subcommittee on Medical Facilities and Benefits which is chaired by the distinguished gentleman from Virginia, the Honorable DAVID SATTERFIELD.

The bill contains some of the President's recommendations as well as a number of the basic provisions of several bills passed by either the House or Senate during the 95th Congress.

In addition to providing dental services for veterans just out of service, it also provides continuing dental care for totally disabled service-connected veterans and for long-term prisoners of war. In passing Public Law 91-376, the Congress recognized the health problems caused by inhumane treatment and dietary deficiences and this bill giving them dental care will help to overcome the health problems related to their captivity.

Vietnam veterans would have readjustment counseling available for the first time. The bill would establish a 5-year pilot program for treatment and rehabilitation services in community facilities for veterans suffering from alcohol or drug dependence.

Another pilot program of preventive health care is provided for service-connected veterans rated 50 percent or more.

The bill would also address the problems involving adoptions in foreign countries whose standards for adoption permit abuses in the VA compensation and pension programs. This bill would not affect adoptions in the United States, Puerto Rico, Guam, and possessions under our jurisdiction.

Mr. Speaker, a major provision of the bill relates to VA's hospital construction program. The bill would provide that no funds could be appropriated for construction of any facility with a cost of $2 million or more unless first approved by the House and Senate Veterans' Affairs Committees. This will allow the Committee on Veterans' Affairs to review VA's plans for construction and hopefully will enhance the planning process.

It concerns me that because of a number of factors, including in too many cases inadequate planning, VA now has an unobligated balance totaling more than $900 million in their construction program. This means that projects have been approved and appropriations provided for many projects that have for various reasons not moved as scheduled. A prime example exists in my own State where a VA medical building burned in 1976 and the building is still not operational. For 3 years the Veterans' Administration has been unable to decide what to do there. Only this past Friday morning did I learn that plans are now moving to establish 166 immediate care beds in the building to care for veterans with chronic long-term illnesses. Finally, I have been assured that by early 1981 construction would be completed and patients moved in. Although I am delighted with the news that this $6 million construction program is now on schedule, it has taken far too long to accomplish this, and I think the committee will be able to help VA better plan for the construction of VA medical facilities in the future if this bill becomes law.

I strongly support this legislation and I urge you to vote for it.

Mr. SATTERFIELD. Mr. Speaker, I yield 2 minutes to a distinguished member of the committee, the gentleman from South Dakota (Mr. DASCHLE).

Mr. DASCHLE. Mr. Speaker, I rise in support of H.R. 1608 and strongly urge retention in conference with the Senate of the Edwards amendment relating to the provision of readjustment counseling for Vietnam veterans outside of VA facilities.

Although my own amendment to this bill was defeated in subcommittee, I support the Edwards amendment as the best means available to provide the quality care these Vietnam veterans need. My amendment would have authorized a contracting-out provision for a 1-year pilot program in one of the VA's medical regions, required a GAO report comparing the pilot and the VA program, and given discretionary authority to the Administrator to choose what region to try the project, what disbursements and regulatory changes to be made.

Under the Edwards amendment, the VA would generally be required to provide the new services through its own facilities and personnel. However, under certain limited circumstances the Administrator could contract for, provide on a fee for services basis, or by other appropriate methods utilize necessary resources outside of direct VA facilities.

The House bill has been purposely structured this way for a number of reasons. First and foremost, it is imperative that veterans and dependents psychological treatment be directed toward interaction with and readjustment to the community, the family and society, and not restricted to interaction with other Vietnam veterans within the constraints of VA facilities. I believe that permitting outside support and supplementation of VA resources as the Administrator determines necessary and appropriate, will produce the most effective program for Vietnam-era veterans. The VA has had no previous experience in providing readjustment counseling for Vietnam-era veterans, and it is currently ill-prepared and unequipped to provide the unique new readjustment services needed.

The VA's 8,000 psychological/social work staff has previously dealt almost entirely with the treatment of clinically diagnosable mental illness in a hospital context. The readjustment counseling program requires the VA to assist veterans and dependents who are not mentally ill but have "low-grade motivational or behavioral impairments evolving out of extremely traumatic, complex, and controversial events which interfere with his normal interpersonal relationships, job or educational performances and overall ability to cope reasonably and effectively with his or her daily life problems." The VA will have to retrain its staff, to hire 346 new employees, acquire community facilities and establish linkages before it can implement the program without outside support and assistance. For this reason, a contracting out provision to existing community mental health centers with personnel who have already developed expertise will be most beneficial. These facilities are already active around the country using nonmedical, innovative approaches. The Edwards amendment will allow these facilities to be used.

Secondly, readjustment counseling responds to a significant need of Vietnam era veterans. Until this year the VA has refused to respond to the critical service-related needs of veterans. I do not believe that this priority can be assured restricting it entirely within the VA's already limited resources. The House bill is totally compatible with the firmly established national policy of maintaining an independent systems of veteran health care facilities for the quality treatment of service-related disabilities, while utilizing existing public and private resources for educational, vocational, and occupational readjustment assistance programs. The readjustment counseling program must resolve emotional or personal adjustment problems impeding a veterans use of the GI bill and the before-mentioned assistance programs. This objective can only be achieved if the Administrator has the authority to utilize resources outside of direct VA facilities that have already been dealing with this problem and have developed expertise in this area. I am confident that the VA under Max Cleland's leadership will utilize this limited authority wisely to establish and implement an effective, quality program responsive to the needs of Vietnam veterans when he finds it necessary to augment VA facilities.

Third, permitting outside supplementation, support, and professional involvement should greatly enhance the VA's ability to produce more expert and sensitive services within the program, through acquired experience and sharing of information than would occur if the program were restricted solely to VA facilities and personnel. I might add that the VA has already recognized the need to involve outside resources in its outreach efforts, which would include collaboration with community agencies and organizations such as the national service organizations and self-help groups.

Fourth, I recognize and appreciate the concern that without this contract authority there will be places where veterans needing readjustment counseling will be in competition for available resources due to the fact that there could be potentially serious staff and fiscal shortages in some VA facilities. This was a concern expressed by VA health care professionals who testified before the House Veterans' Affairs Committee on VA health care personnel and budget shortages. Allowing the Administrator the discretionary option of using outside resources to support and supplement the readjustment counseling program would insure that this limited duration new initiative would not result in a dispersion of the VA's primary responsibility for providing services to the disabled or result in a dilution of the VA's efforts to mount a new program or sustain its existing programs.

I believe that the contract authority in the House bill is equitable, precedented, and well advised. The House authority, though discretionary and limited would grant the administrator authority that would strengthen and protect the programs and services accorded to veterans suffering from service-connected disabilities rated 100 percent disabling. This means that rather than competing for or detracting from VA personnel and staff serving the seriously disabled, veterans needing readjustment counseling should be eligible for wider opportunities for contract services than veterans with service connected disabilities incurred in Vietnam or elsewhere, who are the VA's No. 1 priority. This way we strengthen the VA's role as the sole provider of quality specialized care to disabled veterans by insuring that VA resources would be first and foremost devoted to their care when a potential conflict for resources arises, and those with less specialized needs, and having a lower priority for care would be sent outside of the VA.

In addition the provisions of the House bill provide sufficient discretion to the Administrator without conveying unwarranted authority to implement this unique new program. It would provide for services outside of VA facilities, for example, where the VA services are "inadequate," where the hours during which VA services are available are "incompatible with the veteran's other activities," or where the use of non-VA facilities would be "more beneficial to the Veterans' Administration." Good faith application on a case by case basis of these criteria would create no more cost or bureaucratic tangle than the contact authority authorized in the same bill for veterans suffering from drug and alcohol abuse.

Moreover, adoption of the House provisions regarding the use of non-VA facilities would convey to VA health care personnel a clear congressional message that there can be outside support and assistance available if needed as they attempt to claim primary responsibility for this new program. And that the readjustment counseling programs personnel and funding requirements need not and should not adversely affect any existing programs and their staffing. I believe that this should be made clear.

Thus I strongly support the House provision for two overriding reasons. It will be the best approach for those Vietnam-era veterans needing help from this program and for the VA which must claim primary responsibility for not only this but all other veterans health care programs at a time when it is imposed with severe personnel and budgetary constraints.

Finally, I would like to say that even though my amendment authorizing a pilot project in one VA medical region allowing contracting out was defeated, I strongly support my colleague from California, Mr. EDWARDS and his amendment as the best means available to permit the Administrator to take into account each VA facilities unique location, resources, personnel and budgetary constraints. The VA would be charged by Congress to assume its proper responsibilities of using not only its own vast resources, but having the option available for other necessary and appropriate outside resources to provide these complex and multifaceted services.

Therefore, I strongly urge that the House language be retained in conference with the Senate and that the Administrator use this authority broadly to provide the best available care to the long neglected Vietnam-era veterans.

Mr. SATTERFIELD. Mr. Speaker, I now yield 2 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR of Michigan. Mr. Speaker, I rise in support of this piece of legislation. I think it is obviously long overdue. Fifteen years after the Vietnam war we still have, to say the least, very serious psychological problems, drug abuse problems, and alcohol problems with those people who were committed to serve in that war. I support the bill because I think it is necessary to move forward.

However, I would like to make a couple of comments about the bill. I was disappointed in committee that the amendment offered by the gentleman from South Dakota (Mr. DASCHLE) did not carry. This would have provided that a region of the country, a Veterans' Administration region, would test the contracting-out provision which we thought would be very necessary to implement this piece of legislation the right way across the country. We have had testimony from John Wilson, Charles Figley, and leading psychologists across the country suggesting that, indeed, contracting-out is necessary in order for these people to get the proper treatment.

It was about 2 years ago that I made an unannounced visit to the Veterans' Administration Hospital in Detroit and walked through the hospital. I found it to be relatively clean and relatively well run. I went to the drug abuse, alcohol abuse, and psychological wards and found that, to my amazement, there were 6 psychiatrists and a handful of social workers to take care of a patient load of 130,000 veterans.

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I hope and I pray that this bill will help alleviate that situation. I hope, also, that the Administrator of the VA, Mr. Cleland, will use the Edwards amendment where he feels it is necessary to provide services in these areas for people who will have a difficult time getting to the facility to get the treatment that is necessary.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SATTERFIELD. I yield the gentleman 1 more minute.

Mr. BONIOR of Michigan. I thank the gentleman from Virginia for recognizing me for 1 more minute.

One more point, and then I will be happy to yield to the gentleman from Iowa (Mr. HARKIN).

The other point is that I am not so sure we have enough money in the bill. Everyone is not so sure they have enough money in any of these bills around here any more and I can appreciate the fiscal constraints on the Congress. As Mrs. Heckler just pointed out a few minutes ago, the VA estimates there are 1.7 million potential users for this piece of legislation. If that is indeed true, $12.2 million for psychological counseling may be indeed too low. I, therefore, hope we will reassess the program, I hope we will follow it very closely and we can come back I think perhaps in the near future and make the necessary modifications needed to take care of these veterans.

I thank the gentleman from Virginia and the gentleman from Texas and the gentleman from Arkansas for putting this bill out and I hope the House will support and pass it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a cosponsor of this measure, I am pleased to rise in strong support.

This omnibus bill contains a number of provisions that will provide a more effective health care delivery system for sick and disabled veterans at a relatively minimal cost.

This bill has almost universal appeal. Its principal provisions enjoy the strong support of the major veterans' organization. Even the Office of Management and Budget supports some of them, having given the Veterans' Administration the green light to express strong support for the major new programs embraced by the bill.

It will inaugurate several new programs designed to assist Vietnam-era veterans and the service-connected disabled veterans of all wars. It is a sound measure and I strongly endorse it.

Specifically, the bill will authorize a program of readjustment counseling for Vietnam-era veterans.

It will establish a 5-year pilot program of preventive health care for certain service-connected disabled veterans.

It will provide for a 5-year drug and alcohol treatment pilot program for veterans of all wars, utilizing community facilities as well as Veterans' Administration hospitals.

Outpatient dental care for former prisoners of war and totally disabled service-connected veterans is authorized.

The measure contains a provision to reduce the waiting time for veterans seeking physical examinations in connection with disability compensation claims. It will restore to a great extent the hometown or "fee basis" treatment program that was inadvertently eliminated during the 94th Congress.

Equally important, Mr. Speaker, is the provision that will permit this committee and its counterpart in the other body to exercise some degree of approval jurisdiction over the Veterans' Administration hospital construction program. Since our committee is vested with oversight responsibility for all aspects of the veterans medical care program, including the construction activity, it follows that we should have a voice in the site selection, size and construction plans for VA hospitals.

Under existing law, the Veterans' Administration decides where a hospital will be located, its size and model—in fact, whether it will be built at all—subject only to the President's approval and the availability of funds, I, for one, believe it important that we have an opportunity to look over the shoulder of the Veterans' Administration, so to speak, and voice approval or disapproval of the project.

Mr. Speaker, this is a good bill and I urge that it be passed.

Mr. SATTERFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. Harkin).

Mr. HARKIN. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Michigan (Mr. Bonior) and the gentleman from South Dakota (Mr. Daschle).

I rise in support of the bill and again urge that the committee retain the Edwards amendment in conference.

I thank the gentleman for yielding.

● Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 1608, a bill to revise and improve certain health care programs of the Veterans' Administration.

The main objective of this bill is to implement the President's recommendations to improve health services to our Nation's veterans, with special emphasis of Vietnam-era veterans. I commend Chairmen Ray Roberts and David E. Satterfield for their diligence and efforts in bringing this bill at such an early date to the consideration of the House.

I am pleased with this bill. It provides an open-ended authorization for a psychological readjustment counseling program for Vietnam veterans suffering from problems of readjustment to civilian life. This is a serious problem that has been left unattended and perhaps is the main source of all the other problems faced and suffered by the Vietnam-era veterans. I have great expectations in the outcome of this program and I trust that the VA people will start with its implementation at the earliest possible date.

Also the expansion of the drug and alcohol abuse treatment and rehabilitation program provided in this bill is not only meritorious but badly needed. There are hundreds of veterans suffering from this kind of problem who cannot find adequate medical assistance and that deserve that their problems be targeted in an appropriate manner. This bill does precisely that and I support its provisions.

The concern of the President and his recommendations to improve health services to our Nation's veterans has found through this bill an appropriate vehicle for making it a reality. It contains some of the President's legislative recommendations and many of the basic provisions of several bills passed by either the House or the Senate during the last 2 years.

I urge you to vote for H.R. 1608.●

● Mr. DUNCAN of Oregon. Mr. Speaker, I rise in support of both pieces of legislation which the Committee on Veterans' Affairs is presenting to the House today, and wish to congratulate the distinguished chairman of the committee, Mr. Roberts of Texas, as well as Mr. Satterfield, the chairman of the subcommittee which handled H.R. 3892.

These two bills are good examples of what this Congress must continue to do as it engages in its oversight functions. They introduce some new and innovative features; they terminate at least one program which has outlived its usefulness; and they continue programs which have stood the test of time.

Providing professional readjustment counseling to Vietnam veterans; that is, psychological and psychiatric and similar treatment for psychotic problems, including alcohol and drug abuse, is undoubtedly long overdue. There is no question that these problems have been severe among Vietnam veterans. I recall, however, as a child, being acquainted with veterans of World War I who were referred to having been "shellshocked." It seems so strange that it has taken so long to recognize that the mind as well as the body is subject to the trauma of war.

While it is described, and even opposed, as being experimental, preventative health care, it seems to me, has already proved itself in the private sector, and it is right and proper that the Veterans' Administration should undertake such. Better health care and even lower costs should be the result.

Expanding the areas in which the Administrator can provide contract care to veterans in private facilities is also long overdue. It has always seemed ridiculous to me that veterans in Baker or Lakeview should have to travel hundreds of miles to Portland when good care was available locally in facilities that were, as often as not, underutilized, thus contributing to the increasing costs of private medical care in this country. This legislation represents a significant step forward and may well provide the basis for further progress as we seek to give better care to the veteran at less expense to the taxpayer.

Phasing out grants for the construction of new affiliated medical schools may be more controversial, but there is certainly evidence to support the committee's decision. At the same time, it should be noted that they have continued the authority to make grants to affiliated medical schools to improve and expand physician training and to increase the number of health care personnel. Many of our present medical schools are in financial difficulties. It behooves us to assist in maintaining them rather than diluting our efforts with new schools. There is no doubt about the synergistic effect the VA hospitals and the medical schools have had on each other. The effectiveness and productivity of the two together exceeds the sum of their individual efforts.

In these times of crises to the Federal budget, and in a rapidly inflationary economy, it is important that we consider as broadly as possible the impact of each piece of legislation that we pass and that we attempt to evaluate its desirability accordingly.

Ignoring the problems of the private health care sector, as we attempt to fulfill our responsibility to the veterans, will only increase the pressures and difficulties of financing veterans health care. It is possible to be innovative; it is possible to provide better care to the veteran by utilizing discreetly and wisely, as these bills do, private health care facilities while, at the same time, recognizing the obligation which this committee and this Congress fully acknowledges to fulfill the especial obligation to the veteran with a service connected disability.

It was this same thought, doubtless, that inspired the committee to recapture for Congress a measure of its authority over the construction program of the Veterans' Administration. This is done fully in accordance with the concepts of a representative form of government and it will, I believe, result in a wiser investment of our increasingly more limited capital funds. Some say it will introduce politics into the construction program; I say that there have been and always will be politics, whether decisions are made on Capitol Hill or downtown. If I must choose, I would choose the politics of the people's representatives who created this great system of veterans health care in the first place. But the result I anticipate will be a more cooperative effort where both the Administrator and the Congress will listen more attentively to each other's suggestions and out of the amalgam will come wiser decisions and better service.●

● Mr. BOLAND. Mr. Speaker, this bill (H.R. 1608) has much in it which I can support, including recommendations to improve health services, particularly psychological counseling for the Nation's Vietnam era veterans.

But the bill also includes a provision which would require the approval of the House and Senate Veterans' Affairs Committees before the Congress could appropriate funds for the construction, alteration, or acquisition of any medical facility involving a total expenditure of more than $2 million. The adoption of that provision has the very real potential of politicizing the delivery of health care to the American veteran. The fact is it has no business in this bill—and it has no business coming up before the House today under the Suspension Calendar.

In 1931, Congress had the good sense to vest in the Administrator of the VA, subject to approval of the President, the authority to establish and locate hospitals and other medical facilities to provide care for eligible veterans. Title III of H.R. 1608 would change that system in the worse possible way. By requiring that every major construction project of the VA above $2 million be approved by resolution of the Committees on Veterans' Affairs in the House and Senate, we are risking putting the medical care of our veterans in the middle of the political thicket. The current law recognized that the Congress has no business getting involved in the size and location of veterans hospitals. Those decisions should basically be left with the VA medical experts. Over the years, the Appropriations Committee has made every effort to attempt to hold down the politicizing of VA construction projects.

If this provision is included in the final version of the bill, and is signed into law, it will tend to slow up the construction of veterans health facilities and result in substantially increased costs—it will result in larger unobligated balances—it will frustrate efforts to locate and relocate hospital beds in accordance with geographic shifts in the veterans population—and it will politicize the delivery of health care to the veteran.

The administration is opposed to title III of this bill and last week the Senate struck a similar provision contained in S. 7, a companion health care benefits bill. I support the health care provisions of H.R. 1608 but I do not believe that title III should be a part of that bill.

The method by which this bill is being considered does not provide for amendments or votes on individual items. It is up or down with the entire bill—take it or leave it. As the Members know, I have opposed this legislation regarding construction of VA medical facilities for 2 years. I hope the bill that emerges from conference will not contain the potentially damaging provisions in title III. I sincerely believe that would not be in the long-term best interest of this Nation's veterans.●

● Mr. HEFNER. Mr. Speaker, I rise in support of H.R. 1608, the Veterans Health Care Amendments of 1979. As chairman of the Subcommittee on Education, Training, and Employment of the Veterans' Affairs Committee, I am told that the majority of Vietnam-era veterans have made a successful readjustment to civilian life. However, there are an unknown number who are still struggling to readjust. H.R. 1608 will help a large number of these veterans by authorizing a program of readjustment counseling to include services for members of the family, when such services are considered to be essential for the treatment and rehabilitation of the veteran. Hopefully, this psychological readjustment counseling program will be the first step in a successful readjustment program for a large number of Vietnam-era veterans, which will, in turn, lead to the veteran using his GI bill or vocational readjustment assistance. I mention GI bill and vocational rehabilitation because, for unknown reasons, large numbers of undereducated and poorly trained Vietnam-era veterans have failed to take advantage of their education and training benefits.

One of the byproducts of the Vietnam war was the drug problem which resulted in a small percentage of Vietnam-era veterans being drug dependent. I am sure that many of the Vietnam-era veterans who will use readjustment counseling have, at one time or another, had a drug-dependence problem. H.R. 1608, in addition to authorizing readjustment counseling will also establish authority for the Veterans' Administration to furnish treatment and rehabilitation services to all eligible veterans suffering from alcoholism or drug-dependence disabilities.

Alcoholism is a problem which plagues veterans of all wars. The majority of drug-dependence cases are limited to a large extent to Vietnam-era veterans.

These two provisions in H.R. 1608 will authorize vital assistance to Vietnam-era veterans. I believe that passage of H.R. 1608 is most appropriate since the week beginning May 28 has been set aside as a week to honor the Vietnam-era veterans.

While I have emphasized the provisions which I believe will be most helpful for Vietnam-era veterans, I want my colleagues to know that I also strongly support the other provisions of the bill which relate to additional medical services for prisoners of war and 100-percent service-connected disabled veterans, and the Veterans' Administration construction program for its medical facilities.

I strongly urge that H.R. 1608 be approved.●

● Mr. MOTTL. Mr. Speaker, the distinguished chairman of the Veterans' Affairs Committee, the Honorable RAY ROBERTS, and the most able chairman of the Subcommittee on Medical Facilities and Benefits, the Honorable DAVID E. SATTERFIELD, are to be commended for the outstanding leadership they have shown in bringing this bill before us today. H.R. 1608 is not just a good bill; it is a great bill.

I know the gentleman from Virginia, DAVID SATTERFIELD, has worked long and hard, not only in this Congress but in the 95th Congress, to get this bill before us today. He has participated in tedious negotiations with members of the Veterans' Affairs Committee of the other body to work out language that would be acceptable to both Houses. The bill will authorize health care programs for veterans in the following areas:

First. Badly needed readjustment counseling for Vietnam era veterans, including, if necessary, family members.

Second. A special pilot program for the treatment and rehabilitation of veterans with alcohol or drug dependence or abuse disabilities.

Third. Authorize a 5-year pilot program of preventive health care services for veterans with service-connected disabilities rated at 50 percent or more disabling.

Fourth. Sets a priority for the examination of veterans who make claims to the Veterans Administration for service-connection of certain diseases and disabilities.

Fifth. Clarifies current law to give outpatient dental care to former prisoners of war who were in that status for 6 months or more. It also provides outpatient dental care to 100 percent service-connected veterans.

Sixth. Provides that Commonwealth of the Philippines Army veterans and new Philippine Scouts may receive hospital and nursing home care and medical services for their service-connected disabilities at VA facilities when in the United States.

Seventh. Restores contract authority for medical care of the most severely disabled non-service-connected veterans, which was removed by Public Law 94–581.

Eighth. Provides that the Administrator may provide, on a reimbursable basis, emergency medical care to veterans attending national conventions of recognized service organizations.

Ninth. The last section, and in my opinion the most important of this bill, would require approval by resolution of the Committee on Veterans' Affairs of both Houses for the authorization for the construction of major medical facilities (those costing $2 million or more). It further would require that the planning for these facilities be presented to these committees each year. This is a legislative step that is long overdue and would place the oversight of this important program where it should be; namely, with the Committees on Veterans' Affairs.

Mr. Speaker, I urge all of my colleagues to support this important bill. It is a good bill; and as I have said, many of its provisions are long overdue. I again want to commend both the chairman of the Veterans' Affairs Committee, Mr. ROBERTS, and the subcommittee chairman, Mr. SATTERFIELD, for the superb work they have done in bringing this measure to the floor today.●

Mr. SATTERFIELD. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill, H.R. 1608, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 7) to amend title 38, United States Code, to revise and improve certain health care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes, and ask for immediate consideration of the Senate bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 7

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Health Care Amendments of 1979".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—HEALTH SERVICES PROGRAMS

PRIORITY FOR MEDICAL EXAMINATIONS FOR SERVICE-CONNECTED DISABILITIES

SEC. 101. Clause (3) of section 612(i) is amended by inserting "(including any veteran being examined to determine the existence or rating of a service-connected disability)" before the period.

DENTAL SERVICES AND TREATMENT FOR CERTAIN VETERANS

SEC. 102. (a) Section 601 is amended—

(1) by amending subclause (ii) of clause (C) of paragraph (4)—

(A) by striking out "or" and inserting in lieu thereof a comma; and

(B) by adding a comma and "or (ii)" after "(2)"; and

(2) by striking out "authorized" in subclause (i) of clause (A) of paragraph (6) and inserting in lieu thereof "described".

(b) Subsection (b) of section 612 is amended—

(1) by striking out "or" at the end of clause (5);

(2) by striking out the period at the end of clause (6) and inserting in lieu thereof a semicolon and "or";

(3) by adding at the end thereof the following new clause:

"(7)(A) from which a veteran of World War I, World War II, the Korean conflict, or the Vietnam era who was held as a prisoner of war for a period of not less than six months is suffering, or (B) from which a veteran who has a service-connected disability rated as total is suffering."; and

(4) by adding below clause (7) (as added by clause (3) of this subsection) the following new sentences:

"In no event may expenditures in any fiscal year after the fiscal year ending September 30, 1979, for dental services, treatment, and related appliances furnished through contracts with private facilities under this section exceed the amount expended for dental services, treatment, and related appliances so furnished under this section in the fiscal year ending September 30, 1978. Not later than ninety days after the date of enactment of the Veterans' Health Care Amendments of 1979, the Administrator shall prescribe regulations to ensure that, notwithstanding the provisions of subsection (i) of this section, special priority in the furnishing of outpatient dental services, treatment, and related appliances under this section and of dental treatment, services, and related appliances as a part of hospital care and medical services under this chapter shall be accorded in the following order, unless compelling medical or dental reasons require that such care be provided more expeditiously:

"(A) To any veteran for a service-connected dental disability.

"(B) To any other veteran described in the numbered clauses of this subsection.

"(C) To any veteran with a disability rated as service-connected.".

(c) The second sentence of subsection (f) of section 612 is amended—

(1) by inserting "(i)" before "to any such veteran"; and

(2) by inserting before the period a comma and "and (ii) outpatient dental services and treatment, and related dental appliances, to any veteran described in section 612(b)(7)(A)".

READJUSTMENT COUNSELING PROGRAM FOR VETERANS OF THE VIETNAM ERA

SEC. 103. (a)(1) Subchapter II of chapter 17 is amended by inserting after section 612 the following new section:

"§ 612A. Eligibility for readjustment counseling and related mental health services

"(a) Upon the request of any veteran who served on active duty during the Vietnam era, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to such veterans to assist such veteran in readjusting to civilian life if such veteran requests such counseling within two years after the date of such veteran's discharge or release from active duty or two years after the effective date of this section, whichever is later. Such counseling shall include a general mental and psychological assessment to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

"(b)(1) If, on the basis of the assessment furnished under subsection (a) of this section, a physician employed by the Veterans' Administration (or, in areas where no such physician is available, a physician carrying out such function under a contract or fee arrangement with the Administrator) determines that the provision of mental health services to such veteran is necessary to facilitate the successful readjustment of the veteran to civilian life, such veteran shall, within the limits of Veterans' Administration facilities as defined in section 601(4) (A), (B), and (C)(vi) of this title, be furnished such services on an outpatient basis under the conditions specified in clause (1)(B) of section 612(f) of this title. For the purposes of furnishing such mental health services, the counseling furnished under subsection (a) of this section shall be considered to have been furnished by the Veterans' Administration as a part of hospital care. Any hospital care and other medical services considered necessary on the basis of the assessment furnished under subsection (a) of this section shall be furnished only in accordance with the eligibility criteria otherwise set forth in this chapter (including the eligibility criteria set forth in section 611(b) of this title).

"(2) Mental health services furnished under paragraph (1) of this subsection may, if determined to be essential to the effective treatment and readjustment of the veteran, include such consultation, counseling, training, services, and expenses as are described in section 601(6)(B) of this title.

"(c) Upon receipt of a request for counseling under this section from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such counseling, the Administrator shall—

"(1) provide referral services to assist such individual, to the maximum extent practicable, in obtaining mental health care and services from sources outside the Veterans' Administration; and

"(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individuals' discharge or release from such service.

"(d) The Chief Medical Director may provide for such training of professional, paraprofessional, and lay personnel as is necessary to carry out this section effectively, and, in carrying out this section, may utilize the services of paraprofessionals, individuals who are volunteers working without compensation, and individuals who are veteran-students (as described in section 1685 of this title), in initial intake and screening activities.

"(e) The Administrator, in cooperation with the Secretary of Defense, shall take such action as the Administrator considers appropriate to notify veterans who may be eligible for assistance under this section of such potential eligibility.".

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 612 the following new item:

"612A. Eligibility for readjustment counseling and related mental health services.".

(b) In the event of a declaration of war by the Congress after the date of the enactment of this Act, the Administrator of Veterans' Affairs, not later than 6 months after the date of such declaration, shall determine and recommend to the Congress whether eligibility for the readjustment counseling and related mental health services provided for in section 612A of title 38, United States Code (as added by subsection (a) of this section) should be extended to the veterans of such war.

PILOT PROGRAM FOR TREATMENT AND REHABILITATION OF VETERANS WITH ALCOHOL OR DRUG DEPENDENCE OR ABUSE DISABILITIES

SEC. 104. (a) Subchapter II of chapter 17 is amended by adding at the end thereof the following new section:

"§ 620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program

"(a)(1) The Administrator, in furnishing hospital, nursing home, and domiciliary care and medical and rehabilitative services under this chapter, may conduct a pilot program under which the Administrator may contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities of eligible veterans suffering from alcohol or drug dependence or abuse disabilities. Such pilot program shall be planned, designed, and conducted by the Chief Medical Director, with the approval of the Administrator, so as to demonstrate any medical advantages and cost effectiveness that may result from furnishing such care and services to veterans with such disabilities in contract facilities as authorized by this section, rather than in facilities over which the Administrator has direct jurisdiction.

"(2) Before furnishing such care and services to any veteran through a contract facility as authorized by paragraph (1) of this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such care and services.

"(b) The Administrator, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, may take appropriate steps to (1) urge all Federal agencies and appropriate private and public firms, organizations, agencies, and persons to provide appropriate employment and training opportunities for veterans who have been provided treatment and rehabilitative services under this title for alcohol or drug dependence or abuse disabilities and have been determined by competent medical authority to be sufficiently rehabilitated to be employable, and (2) provide all possible assistance to the Secretary of Labor in placing such veterans in such opportunities.

"(c) Upon receipt of an application for treatment and rehabilitative services under this title for an alcohol or drug dependence or abuse disability from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such treatment and services, the Administrator shall—

"(1) provide referral services to assist such individual, to the maximum extent practicable, in obtaining treatment and rehabilitative services from sources outside the Veterans' Administration; and

"(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individual's discharge or release from such service.

"(d)(1) Any person serving in the active military, naval, or air service who is determined by the Secretary concerned to have an alcohol or drug dependence or abuse disability may not be transferred to any facility in order for the Administrator to furnish care or treatment and rehabilitative services for such disability unless such transfer is during the last thirty days of such member's enlistment period or tour of duty, in which case such care and services provided to such member shall be provided as if such member were a veteran. Any transfer of any such member for such care and services shall be made pursuant to such terms as may be agreed upon by the Secretary concerned and the Administrator, subject to the provisions of the Act of March 4, 1915 (31 U.S.C. 686).

"(2) No person serving in the active military, naval, or air service may be transferred pursuant to an agreement made under paragraph (1) of this subsection unless such person requests such transfer in writing for a specified period of time during the last thirty days of such person's enlistment period or tour of duty. No such person transferred pursuant to such a request may be furnished such care and services by the Administrator beyond the period of time specified in such request, unless such person requests in writing an extension for a further specified period of time and such request is approved by the Administrator.

"(e) The Administrator may not furnish care and treatment and rehabilitative services under subsection (a) of this section after the last day of the fifth fiscal year following the fiscal year in which the pilot program authorized by such subsection is initiated.

"(f) Not later than March 31, 1983, the Administrator shall report to the Committees on Veterans' Affairs of the Senate and House of Representatives on the findings and recommendations of the Administrator pertaining to the operation through September 30, 1982, of the pilot program authorized by this section.".

(b) The table of sections at the beginning of chapter 17 is amended by adding after the item relating to section 620 the following new item:

"620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program.".

PILOT PROGRAM OF PREVENTIVE HEALTH-CARE SERVICES

SEC. 105. (a) Chapter 17 is amended by adding at the end thereof the following new subchapter:

"Subchapter VII—Preventive Health-Care Services Pilot Program

"§ 661. Purpose

"The purpose of this subchapter is to provide for a preventive health-care services pilot program under which the Administrator may attempt to (1) ensure the best possible health care for certain veterans with service-connected disabilities rated at 50 percentum or more and for certain veterans being furnished treatment involving a service-connected disability under this chapter, by furnishing to such veterans feasible and appropriate preventive health-care services, and (2) determine the cost-effectiveness and medical advantages of furnishing such preventive health-care services.

"§ 662. Definition

"For the purposes of this subchapter, the term 'preventive health-care services' means—

"(1) periodic medical and dental examinations;

"(2) patient health education (including nutrition education);

"(3) maintenance of drug use profiles, patient drug monitoring, and drug utilization education;

"(4) mental health preventive services;

"(5) substance abuse prevention measures;

"(6) immunizations against infectious disease;

"(7) prevention of musculoskeletal deformity or other gradually developing disabilities of a metabolic or degenerative nature;

"(8) genetic counseling concerning inheritance of genetically determined diseases;

"(9) routine vision testing and eye care services;

"(10) periodic reexamination of members of likely target populations (high-risk groups) for selected diseases and for functional decline of sensory organs, together with attendant appropriate remedial intervention; and

"(11) such other health-care services as the Administrator may determine to be necessary to provide effective and economical preventive health care.

"§ 663. Preventive health-care services

"(a)(1) In order to carry out the purpose of this subchapter, the Administrator, within the limits of Veterans' Administration facilities and in accordance with regulations which the Administrator shall prescribe, may furnish to any veteran described in section 612(f)(2) of this title, and to any veteran receiving care and treatment under this chapter involving a service-connected disability, such preventive health-care services as the Administrator determines are feasible and appropriate.

"(2) In connection with preventive health-care services furnished under paragraph (1) of this subsection, the Administrator, in accordance with regulations which the Administrator shall prescribe, may institute appropriate controls and carry out followup studies (including research) to determine the medical advantages and cost-effectiveness of furnishing such preventive health-care services.

"(b) In carrying out the pilot program provided for by this subchapter, the Administrator may not furnish preventive health-care services after September 30, 1983.

"(c) In carrying out this subchapter, the Administrator shall emphasize the utilization of interdisciplinary health-care teams composed of various professional and paraprofessional personnel.

"(d) The Administrator may not expend to carry out the program provided for in this subchapter more than $3,500,000 in the fiscal year ending September 30, 1980, more than $5,000,000 in the fiscal year ending September 30, 1981, more than $7,000,000 in the fiscal year ending September 30, 1982, or more than $9,000,000 in the fiscal year ending September 30, 1983.

"§ 664. Reports

"The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration of this subchapter, including such recommendations for additional legislation as the Administrator considers necessary.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

"SUBCHAPTER VII—PREVENTIVE HEALTH-CARE SERVICES PILOT PROGRAM

"661. Purpose.
"662. Definition.
"663. Preventive health-care services.
"664. Reports.".

HOSPITAL AND NURSING HOME CARE AND MEDICAL SERVICES WITHIN THE UNITED STATES FOR COMMONWEALTH ARMY VETERANS AND NEW PHILIPPINE SCOUTS

SEC. 106. (a) Subchapter IV of chapter 17 is amended by redesignating section 634 as section 635 and by inserting after section 633 the following new section:

"§ 634. Hospital and nursing home care and medical services in the United States.

"The Administrator, within the limits of Veterans' Administration facilities, may furnish hospital and nursing home care and medical services to Commonwealth Army veterans and new Philippine Scouts for the treatment of the service-connected disabilities of such veterans and scouts.".

(b) The table of sections at the beginning of chapter 17 is amended by striking out the item relating to section 634 and inserting in lieu thereof the following new items:

"634. Hospital and nursing home care and medical services in the United States.
"635. Definitions.".

EFFECTIVE DATE OF CERTAIN PROVISIONS

SEC. 107. The amendments made to title 38, United States Code by sections 102, 103, 104, 105, and 106 of this Act shall be effective on October 1, 1979.

TITLE II—CONTRACT-CARE PROGRAMS

DEFINITION OF "VETERANS' ADMINISTRATION FACILITIES"

SEC. 201. (a) Paragraph (4) of section 601 is amended—

(1) by inserting "or of a veteran described in section 612(g) of this title if the Administrator has determined, based on an examination by a physician employed by the Veterans' Administration (or, in areas where no such physician is available, by a physician carrying out such function under a contract or fee arrangement), that the medical condition of such veteran precludes appropriate treatment in facilities described in clauses (A) and (B) of this paragraph" before the semicolon at the end of subclause (ii) of clause (C);

(2) by striking out "or" after the semicolon at the end of subclause (iv) of clause (C), and striking out the period at the end of such clause and inserting in lieu thereof a semicolon and the following new subclauses: "(vi) counseling and mental health services described in section 612A of this title for a veteran in Alaska or Hawaii; or (vii) diagnostic services necessary for determination of eligibility for, or of the appropriate course of treatment in connection with, the provision of medical services at independent Veterans' Administration outpatient clinics to obviate the need for hospital admission."; and

(3) by adding below clause (C) the following new sentence:

"In the case of any veteran for whom the Administrator contracts to provide treatment in a private facility pursuant to the provisions of this paragraph, the Administrator shall periodically review the necessity for continuing such contractual arrangement pursuant to such provision.".

(b) Not later than February 1, 1980, and annually thereafter, the Chief Medical Director of the Veterans' Administration shall submit to the appropriate committees of the Congress, through the Administrator of Veterans' Affairs, a full report on the implementation of section 601(4)(C)(v) of title 38, United States Code, and the amendments made by this section, and on the numbers of veterans provided contract treatment (and the average cost and duration thereof) in each State (as defined in section 101(20) of title 38, United States Code) in the categories described in the following provisions of such title: sections 601(4)(C), 610(a), 612(a) 612(f)(1)(A), 612(f)(1)(B), 612(f)(2), 612(f)(ii), 612(g), 612A (as added by section 103(a)(1) of this Act), and section 620A (as added by section 104(a) of this Act).

EMERGENCY MEDICAL SERVICES AT NATIONAL CONVENTIONS OF RECOGNIZED VETERANS' SERVICE ORGANIZATIONS

SEC. 202. Section 611 is amended by adding at the end thereof the following new subsection:

"(c) The Administrator may contract with any organization recognized by the Administrator for the purposes of section 3402 of this title to provide for the furnishing by the Administrator, on a reimbursable basis (as prescribed by the Administrator), of emergency medical services to individuals attending such national convention of such organization, except that reimbursement shall not be required for services furnished under this subsection to the extent that the individual receiving such services would otherwise be eligible under this chapter for medical services."

COUNSELING AND RELATED MENTAL HEALTH SERVICES TO VIETNAM-ERA VETERANS

SEC. 203. After section 628 of title 38, United States Code, insert the following new section:

"SEC. 629. In furnishing counseling and related mental health services to Vietnam-era veterans under subsections (a) and (b) of this section 612A of this title, the Administrator shall have available to enter into contracts with private facilities the same authority that is available to the Administrator (under sections 612(f)(2) and 601(4)(C)(ii) of this title) in furnishing medical services to veterans suffering from service-connected disabilities rated 100 percent disabling incurred in combat in the line of duty. Before furnishing such counseling and related mental health service to a veteran through a contract facility as authorized by this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such counseling or services.

TITLE III—CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

REVISION OF AUTHORITY FOR CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

SEC. 301. (a) Subchapter I of chapter 81 is amended to read as follows:

"Subchapter I—Acquisition and Operation of Medical Facilities

"§ 5001. Definitions

"For the purposes of this subchapter:

"(1) The term 'alter', with respect to a medical facility, means to repair, remodel, improve, or extend such medical facility.

"(2) The terms 'construct' and 'alter', with respect to a medical facility, include such engineering, architectural, legal, fiscal, and economic investigations and studies and such surveys, designs, plans, working drawings, specifications, procedures, and other similar actions as are necessary for the construction or alteration, as the case may be, of such medical facility and as are carried out after the completion of the advanced planning (including the development of project requirements and preliminary plans) for such facility.

"(3) The term 'medical facility' means any facility or part thereof which is, or will be, under the jurisdiction of the Administrator for the provision of health-care services (including hospital, nursing home, or domiciliary care or medical services), including any necessary building and auxiliary structure, garage, parking facility, mechanical equipment, trackage facilities leading equipment, trackage facilities leading thereto, abutting sidewalks, accommodations for attending personnel, and recreation facilities associated therewith.

"(4) The term 'committee' means the Committee on Veterans' Affairs of the House of Representatives or the Committee on Veterans' Affairs of the Senate, and the term 'committees' means both such committees.

"§ 5002. Acquisition of medical facilities

"(a) The Administrator shall provide medical facilities for veterans entitled to hospital, nursing home, or domiciliary care or medical services under this title.

"(b) No medical facility may be constructed or otherwise acquired or altered except in accordance with the provisions of this subchapter.

"(c) In carrying out this subchapter, the Administrator—

"(1) shall provide for the construction and acquisition of medical facilities in a manner that results in the equitable distribution of such facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility; and

"(2) shall give due consideration to excellence of architecture and design.

"§ 5003. Authority to construct and alter, and to acquire sites for, medical facilities

"(a) The Administrator—

"(1) may construct or alter any medical facility and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, such land or interests in land as the Administrator considers necessary for use as the site for such construction or alteration;

"(2) may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, any facility (including the site of such facility) that the Administrator considers necessary for use as a medical facility; and

"(3) in order to assure compliance with section 5009(a)(2) of this title, in the case of any outpatient medical facility for which it is proposed to lease space and for which a qualified lessor and an appropriate leasing arrangement are available, shall execute a lease for such facility within 12 months after funds are made available for such purpose.

"(b) Whenever the Administrator considers it to be in the interest of the United States to construct a new medical facility to replace an existing medical facility, the Administrator (1) may demolish the existing facility and use the site on which it is located for the site of the new medical facility, or (2) if in the judgment of the Administrator it is more advantageous to construct such medical facility on a different site in the same locality, may exchange such existing facility and the site of such existing facility for the different site.

"(c) Whenever the Administrator determines that any site acquired for the construction of a medical facility is not suitable for that purpose, the Administrator may exchange such site for another site to be used for that purpose or may sell such site.

"§ 5004. Structural requirements

"(a) Each medical facility (including each nursing home facility for which the Administrator contracts under section 620 of this title and each State home facility constructed or altered under section 5031 of this title) shall be of fire, earthquake, and other natural disaster resistant construction in accordance with standards which the Administrator shall prescribe on a State or regional basis after surveying appropriate State and local laws, ordinances, and building codes and climatic and seismic conditions pertinent to each such facility. When an existing structure is acquired for use as a medical facility, it shall be altered to comply with such standards.

"(b) (1) In order to carry out this section, the Administrator shall appoint an advisory committee to be known as the 'Advisory Committee on Structural Safety of Veterans' Administration Facilities', on which shall serve at least one architect and one structural engineer who are experts in structural resistance to fire, earthquake, and other natural disasters and who are not employees of the Federal Government.

"(2) Such advisory committee shall advise the Administrator on all matters of structural safety in the construction and altering of medical facilities in accordance with the requirements of this section and shall review and make recommendations to the Administrator on the regulations prescribed under this section.

"(3) The Associate Deputy Administrator, the Chief Medical Director or the designee of the Chief Medical Director, and the Veterans' Administration official charged with the responsibility for construction shall be ex officio members of such advisory committee.

"§ 5005. Construction contracts

"(a) The Administrator may carry out any construction or alteration authorized under this subchapter by contract if the Administrator considers it to be advantageous to the United States to do so.

"(b) (1) The Administrator may obtain, by contract or otherwise, the services of individuals who are architects or engineers and of architectural and engineering corporations and firms, to the extent that the Administrator may require such services for any medical facility authorized to be constructed or altered under this subchapter.

"(2) No corporation, firm, or individual may be employed under the authority of paragraph (1) of this subsection on a permanent basis.

"(c) Notwithstanding any other provision of this section, the Administrator shall be responsible for all construction authorized under this subchapter, including the interpretation of construction contracts, the approval of materials and workmanship supplied pursuant to a construction contract, approval of changes in the construction contract, certification of vouchers for payments due the contractor, and final settlement of the contract.

"§ 5006. Reports to congressional committees

"(a) In order to promote effective planning for the orderly construction, replacement, and alteration of medical facilities in accordance with the comparative urgency of the need for the services to be provided by such facilities, the Administrator shall submit to each committee an annual report on the construction, replacement, and alteration of medical facilities. Such report shall be submitted to the committees on the same day each year and shall contain—

"(1) a five-year plan for the construction, replacement, or alteration of those medical facilities that, in the judgment of the Administrator, are most in need of construction, replacement, or alteration;

"(2) a list, in order of priority, of not less than ten hospitals that, in the judgment of the Administrator, are most in need of construction or replacement; and

"(3) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility included in the five-year plan required under clause (1) of this subsection or the list required under clause (2) of this subsection.

The first such report shall be submitted not later than September 1, 1979, and each succeeding report shall be submitted not later than June 30 of each year.

"(b) The Administrator shall submit to each committee not later than January 31 of each year (beginning in 1981) a report showing the location, space, cost, and status of each medical facility construction, alteration, lease, or other acquisition project for which appropriation has been made and which were uncompleted as of January 1, 1979, and, in the case of the second and each succeeding report made under this subsection, which was uncompleted as of the date of the last preceding report made under this subsection.

"§ 5007. Contributions to local authorities

"The Administrator may make contributions to local authorities toward, or for, the construction of traffic controls, road improvements, or other devices adjacent to a medical facility if considered necessary for safe ingress or egress.

"§ 5008. Garages and parking facilities

"(a) The Administrator may construct, alter, operate, and maintain, on reservations of medical facilities, garages and parking facilities for the accommodation of privately owned vehicles of employees of such facilities and vehicles of visitors and other individuals having business at such facilities.

"(b) (1) The Administrator may establish and collect (or provide for the collection of) fees for the use of such garages and parking facilities at such rate or rates which the Administrator determines would be reasonable under the particular circumstances; but no fee may be charged for the accommodation of any publicly or privately owned vehicle used in connection with the transportation of a veteran to or from any medical facility for the purposes of examination or treatment or in connection with any visit to any patient in such facility. Employees using such garages shall make such reimbursement therefor as the Administrator may deem reasonable.

"(2) The Administrator may contract, by lease or otherwise, with responsible persons, firms, or corporations for the operation of such parking facilities, under such terms and conditions as the Administrator shall prescribe, and without regard to the laws concerning advertising for competitive bids.

"(c) (1) There are authorized to be appropriated such amounts as are necessary to finance in part the construction, alteration, operation, and maintenance of garages and parking facilities. Amounts appropriated under the authority of this section, and all income from fees collected for the use of such garages and parking facilities, shall be administered as a revolving fund to effectuate the provisions of this section, but only to the extent provided for in appropriation Acts.

"(2) The revolving fund shall be deposited in a checking account with the Treasurer of the United States, except that such amounts thereof as the Administrator may determine to be necessary to establish and maintain operating accounts for the various garages and parking facilities may be placed in depositories selected by the Administrator.

"§ 5009. Operation of medical facilities

"(a) (1) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than one hundred and twenty-five thousand hospital beds in medical facilities over which the Administrator has direct jurisdiction for the care and treatment of eligible veterans. The Administrator shall staff and maintain, in such a manner as to ensure the immediate acceptance and timely and complete care of patients, sufficient beds and other treatment capacities to accommodate, and provide such care to, eligible veterans applying for admission and found to be in need of hospital care or medical services.

"(2) The Administrator shall maintain the bed and treatment capacities of all Veterans' Administration medical facilities so as to ensure the accessibility and availability of such beds and treatment capacities to eligible veterans in all States and to minimize delays in admissions and in the provision of hospital, nursing home, and domiciliary care, and of medical services furnished pursuant to section 612 of this title.

"(3) The Chief Medical Director shall periodically analyze agencywide admission policies and the records of those eligible veterans who apply for hospital care and medical services but are rejected or not immediately admitted or provided such care of services, and the Administrator shall annually advise each committee of the results of such analysis and the number of any additional beds and treatment capacities and the appropriate staffing and funds therefor found necessary to meet the needs of such veterans for such necessary care and services.

"(b) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than twelve thousand beds during fiscal year 1980, and during each fiscal year thereafter, for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct jurisdiction. The beds authorized by this subsection shall be in addition to the beds provided for in subsection (a) of this section.

"(c) When the Administrator determines, in accordance with regulations which the Administrator shall prescribe, that a Veterans' Administration facility serves a substantial number of veterans with limited English-speaking ability, the Adminstrator shall establish and implement procedures, upon the recommendation of the Chief Medical Director, to ensure the identification of sufficient numbers of individuals on such facility's staff who are fluent in both the language most appropriate to such veterans and in English and whose responsibilities shall include providing guidance to such veterans and to appropriate Veterans' Administration staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"§ 5010. Use of Armed Forces facilities

"The Administrator and the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy may enter into agreements and contracts for the mutual use or exchange of use of hospitals and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate such facilities properly, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator enter into any agreement which will result in a permanent reduction of Veterans' Administrator hospital and domiciliary beds below the number established or approved on June 22, 1944, plus the estimated number required to meet the load of eligibles under this title, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

"§ 5011. Partial relinquishment of legislative jurisdiction

"The Administrator, on behalf of the United States, may relinquish to the State in which any lands or interests therein under the supervision or control of the Administrator are situated, such measure of legislative jurisdiction over such lands or interests as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of legislative jurisdiction shall be initiated by filing a notice thereof with the Governor of the State concerned, or in such other manner as may be prescribed by the laws of such State, and shall take effect upon acceptance by such State.

"§ 5012. Property formerly owned by National Home for Disabled Volunteer Soldiers

"If by reason of any defeasance or conditional clause or clauses contained in any deed of conveyance of property to the National Home for Disabled Volunteer Soldiers, which property is owned by the United States, the full and complete enjoyment and use of such property is threatened, the Attorney General, upon request of the President, shall institute in the United States district court for the district in which the property is located such proceedings as may be proper to extinguish all outstanding adverse interests. The Attorney General may procure and accept, on behalf of the United States, by gift, purchase, cession, or otherwise, absolute title to, and complete jurisdiction over, all such property.

"§ 5013. Use of federally owned facilities; use of personnel

"(a) The Administrator, subject to the approval of the President, may use as medical facilities such suitable buildings, structures, and grounds owned by the United States on March 3, 1925, as may be available for such purposes, and the President may by Executive order transfer any such buildings, structures, and grounds to the control and jurisdiction of the Veterans' Administration upon the request of the Administrator.

"(b) The President may require the architectural, engineering, constructing, or other forces of any of the departments of the Government to do or assist in the construction and alteration of medical facilities, and the President may employ for such purposes individuals and agencies not connected with the Government, if in the opinion of the President such is desirable, at such compensation as the President may consider reasonable.

"§ 5014. Acceptance of certain property

"The President may accept from any State or other political subdivision, or from any person, any building, structure, equipment, or grounds suitable for the care of disabled persons, with due regard to fire or other hazards, state of repair, and all other pertinent considerations. The President may designate which agency of the Federal Government shall have the control and management of any property so accepted."

(b)(1) Subchapter II of chapter 81 is amended by redesignating sections 5011, 5012, 5013, and 5014 as sections 5021, 5022, 5023, and 5024, respectively.

(2) Section 5022(b) (as so redesignated) is amended by striking out the comma and "clinical, medical, and outpatient treatment" after "administrative".

(c) The table of sections at the beginning of chapter 81 is amended by striking out the item relating to subchapter I and all that follows through the item relating to section 5014 and inserting in lieu thereof the following:

"SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES

"Sec.
"5001. Definitions.
"5002. Acquisition of medical facilities.
"5003. Authority to construct and alter, and to acquire sites for, medical facilities.
"5004. Structural requirements.
"5005. Construction contracts.
"5006. Reports to congressional committees.
"5007. Contributions to local authorities.
"5008. Garages and parking facilities.
"5009. Operation of medical facilities.
"5010. Use of Armed Forces facilities.
"5011. Partial relinquishment of legislative jurisdiction.
"5012. Property formerly owned by National Home for Disabled Volunteer Soldiers.
"5013. Use of federally owned facilities; use of personnel.
"5014. Acceptance of certain property.

"SUBCHAPTER II—PROCUREMENT AND SUPPLY

"5021. Revolving supply fund.
"5022. Authority to procure and dispose of property and to negotiate for common services.
"5023. Procurement or prosthetic appliances.
"5024. Grant of easements in Government-owned lands.".

EFFECTIVE DATES

SEC. 302. (a) Except as provided in subsection (b) of this section, the amendments made by this title shall take effect on October 1, 1979.

(b)(1) The amendments made by this title shall not apply with respect to the acquisition, construction, or alteration of any medical facility (as defined in section 5001(3), as added by section 301(a) of this Act) if such acquisition, construction, or alteration (not including exchange) was approved before October 1, 1979, by the President.

(2) The provisions of section 5006(a), as added by section 301(a) of this Act, shall take effect on the date of the enactment of this Act.

TITLE IV—BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

CHILDREN ADOPTED UNDER LAWS OF FOREIGN COUNTRIES

SEC. 401. Paragraph (4) of section 101 is amended—

(1) by inserting "(A)" before "The" and redesignating clauses (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(2) by adding at the end of such paragraph the following new subparagraph:

"(B) For the purposes of subparagraph (A) of this paragraph, in the case of an adoption under the laws of any jurisdiction other than a State (as defined in section 101(20) of this title and including the Commonwealth of the Northern Mariana Islands)—

"(i) a person residing outside any of the States shall not be considered to be a legally adopted child of a veteran during the lifetime of such veteran (including for purposes of this subparagraph a Commonwealth Army veteran or new Philippine Scout, as defined in section 1766 of this title) unless such person—

"(I) was less than eighteen years of age at the time of adoption;

"(II) is receiving one-half or more of such person's annual support from such veteran;

"(III) is not in the custody of such person's natural parent, unless such natural parent is such veteran's spouse; and

"(IV) is residing with such veteran (or in the case of divorce following adoption, with the divorced spouse who is also an adoptive or natural parent) except for periods during which such person is residing apart from such veteran (or such divorced spouse) for purposes of full-time attendance at an educational institution or during which such person or such veteran (or such divorced spouse) is confined in a hospital, nursing home, other health-care facility, or other institution; and

"(ii) a person shall not be considered to have been a legally adopted child of a veteran as of the date of such veteran's death and thereafter unless—

"(I) at any time within the one-year period immediately preceding such veteran's death, such veteran was entitled to and was receiving a dependent's allowance or similar monetary benefit under this title for such person; or

"(II) for a period of at least one year prior to such veteran's death, such person met the requirements of clause (i) of this subparagraph.".

STUDY OF BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

SEC. 402. (a) The Administrator of Veterans' Affairs, in consultation with the Secretary of State, shall carry out a comprehensive study of benefits payable under the provisions of title 38, United States Code, to persons who reside outside the fifty States and the District of Columbia. The Administrator shall include in such study—

(1) an analysis of the issues involved in the payment of such benefits to persons who reside outside the fifty States and the District of Columbia, together with analyses of such aspects of the economy of each foreign country and each territory, possession, and Commonwealth of the United States in which a substantial number of persons receiving such benefits reside as are relevant to such issues (such as the rate of inflation, the standard of living, and health care, educational, housing, and burial costs);

(2) an analysis of the issues involved in the payment of such benefits as the result of adoptions under laws other than the laws of any of the fifty States or the District of Columbia;

(3) an analysis of the amounts and method of payment of benefits payable to persons entitled, by virtue of sections 107 and 1765 of such title, to benefits under chapters 11, 13, and 35 of such title;

(4) estimates of the present and future costs of paying monetary benefits under such title to persons described in clauses (1) and (3);

(5) an evaluation of the desirability of continuing to maintain the Veterans' Administration Regional Office in the Republic of the Philippines, taking into consideration (A) the current and expected future workloads of such office, (B) the estimated cost in fiscal years 1981 through 1985 of continuing to maintain such regional office, (C) the feasibility and desirability of transferring appropriate functions of such regional office to the United States Embassy in the Republic of the Philippines, and (D) a provisional plan, which the Administrator shall develop, for the closing of such office and so transferring such functions, together with cost estimates for fiscal years 1981 through 1985 for the implementation of such plan assuming that such office is closed before October 1, 1981; and

(6) an evaluation of the effects of the amendments to such title made by section 401 of this Act.

(b) Not later than February 1, 1980, the Administrator shall report to the Congress and to the President on the results of such study together with the Administrator's recommendations for resolving the issues to be analyzed and evaluated in such study.

(c) The Administrator shall (1) carry out the study required under subsection (a) of this section in conjunction with the study required under section 308(a) of the Veterans' and Survivors Pension Improvement Act of 1978 (Public Law 95-588), and (2) submit the reports of such studies as a combined report.

TITLE V—MISCELLANEOUS PROVISIONS

ACCEPTANCE OF PAYMENT FOR TRAVEL OF EMPLOYEES

SEC. 501. Section 4108 is amended by adding after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of law, the Administrator may prescribe regulations establishing conditions under which officers and employees of the Department of Medicine and Surgery who are nationally recognized principal investigators in medical research may be permitted, in connection with their attendance at meetings or in performing advisory services concerned with the functions or activities of the Veterans' Administration, or in connection with acceptance of significant awards or with activity related thereto concerned with functions or activities of the Veterans' Administration, to accept payment, in cash or in kind, from non-Federal agencies, organizations, and individuals, for travel and such reasonable subsistence expenses as are approved by the Administrator pursuant to such regulations, to be retained by such officers and employees to cover the cost of such expenses or deposited to the credit of the appropriation from which the cost of such expenses is paid, as may be provided in such regulations.".

CONFIRMATION OF DEPUTY ADMINISTRATOR OF VETERANS' AFFAIRS

SEC. 502. (a) The first sentence of section 210(d) is amended by striking out "by the Administrator" and inserting in lieu thereof "by the President, by and with the advice and consent of the Senate".

(b)(1) The amendment made by subsection (a) shall take effect (A) on the date on which a vacancy first occurs in the office of Deputy Administrator of Veterans' Affairs after the date of the enactment of this Act or on such earlier date as the President submits to the Senate, for the advice and consent of the Senate, the nomination of any individual for appointment to such office, or (B) on the date of the enactment of this Act if such office is vacant on such date.

(2) The Administrator of Veterans' Affairs may designate the individual holding the office of Deputy Administrator of Veterans' Affairs on the date of the enactment of this Act or any other individual, to serve in such office in an acting capacity pending the first appointment of an individual to such office as provided for in the amendment made by subsection (a).

OVERSEAS AUTHORITIES

SEC. 503. (a) Section 230 is amended by striking out subsection (c).

(b) Section 235 is amended—

(1) in the matter preceding clause (1), by striking out "or to the Veterans' Administration office in Europe, established pursuant to section 230(c) of this title,";

(2) in clause (2), by striking out "and (7)" and inserting in lieu thereof "(7), and (11)"; and

(3) by inserting after clause (5) the following new clauses:

"(6) Section 5724a(a)(3) of title 5 (relating to subsistence expenses for 30 days in connection with the return to the United States of the employee and such employee's immediate family).

"(7) Section 5724a(a)(4) of title 5 (relating to the sale and purchase of the residence or settlement of an unexpired lease of the employee when transferred from one station to another station and both stations are in the United States, its territories or possessions, or the Commonwealth of Puerto Rico).".

(c)(1) The section heading of section 235 is amended by striking out "oversea" and inserting in lieu thereof "overseas".

(2) The item relating to section 235 in the table of sections at the beginning of chapter 3 is amended by striking out "oversea" and inserting in lieu thereof "overseas".

CONFORMING AMENDMENTS TO REFLECT PREVIOUS ADJUSTMENTS MADE IN DEPARTMENT OF MEDICINE AND SURGERY SALARY SCHEDULES

SEC. 504. (a) Subsection (a) of section 4107 is amended to read as follows:

"(a) The annual rates or ranges of rates of basic pay for positions provided in section 4103 of this title shall be as follows:

"SECTION 4100 SCHEDULE

"Chief Medical Director, $68,909.

"Deputy Chief Medical Director, $66,104.

"Associate Deputy Chief Medical Director, $63,315.

"Assistant Chief Medical Director, $61,449.

"Medical Director, $52,429 minimum to $59,421 maximum.

"Director of Nursing Service, $52,429 minimum to $59,421 maximum.

"Director of Podiatric Service, $44,756 minimum to $56,692 maximum.

"Director of Chaplain Service, $44,756 minimum to $56,692 maximum.

"Director of Pharmacy Service, $44,756 minimum to $56,692 maximum.

"Director of Dietetic Service, $44,756 minimum to $56,692 maximum.

"Director of Optometric Service, $44,756 minimum to $56,692 maximum.".

(b) Paragraph (1) of subsection (b) of such section is amended to read as follows:

"(1) The grades and annual ranges of rates of basic pay for positions provided for in paragraph (1) of section 4104 of this title shall be as follows:

"PHYSICIAN AND DENTIST SCHEDULE

"Director grade, $44,756 minimum to $56,692 maximum.

"Executive grade, $41,327 minimum to $53,729 maximum.

"Chief grade, $38,160 minimum to $49,608 maximum.

"Senior grade, $32,442 minimum to $42,171 maximum.

"Intermediate grade, $27,453 minimum to $35,688 maximum.

"Full grade, $23,087 minimum to $30,017 maximum.

"Associate grade, $19,263 minimum to $25,041 maximum.

"NURSE SCHEDULE

"Director grade, $38,160 minimum to $49,608 maximum.

"Assistant Director grade, $32,442 minimum to $42,171 maximum.

"Chief grade, $27,453 minimum to $35,688 maximum.

"Senior grade, $23,087 minimum to $30,017 maximum.

"Intermediate grade, $19,263 minimum to $25,041 maximum.

"Full grade, $15,920 minimum to $20,699 maximum.

"Associate grade, $13,700 minimum to $17,813 maximum.

"Junior grade, $11,712 minimum to $15,222 maximum.

"CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE

"Chief grade, $38,160 minimum to $49,608 maximum.

"Senior grade, $32,442 minimum to $42,171 maximum.

"Intermediate grade, $27,453 minimum to $35,688 maximum.

"Full grade, $23,087 minimum to $30,017 maximum.

"Associate grade, $19,263 minimum to $25,041 maximum.".

HOME MODIFICATIONS FOR TOTALLY BLINDED SERVICE-CONNECTED VETERANS

SEC. 505. The Administrator of Veterans' Affairs shall report to the Senate and House Committees on Veterans' Affairs, not later than October 1, 1979, on the need of totally blinded service-connected veterans for home modifications the cost of which exceed the amount allowable for such purposes under section 612(a) of title 38, United States Code, and on the reasons why such veterans have not applied for home health services under such section 612(a).

MOTION OFFERED BY MR. ROBERTS

Mr. ROBERTS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROBERTS moves to strike out all after the enacting clause of the Senate bill, S. 7, and to insert in lieu thereof the text of H.R. 1608, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 1608) was laid on the table.

EXTENSION OF CERTAIN VETERANS' ADMINISTRATION HEALTH CARE PROGRAMS

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3892), to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to contract for the furnishing of private health care to veterans when such health care is authorized by a Veterans' Administration physician as necessary for the treatment of medical emergency, to authorize the Administrator of Veterans' Affairs to provide outpatient medical services for any disability of a veteran of World War I as if such disability were service-connected, to extend the authorization for certain expiring health care programs of the Veterans' Administration, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3892

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 601(4)(C)(iii) of title 38, United States Code, is amended by striking out "pose a serious threat to the life or health of a veteran receiving hospital care in a facility described in clause (A) or (B) of this paragraph" and inserting in lieu thereof "in the opinion of a physician employed by the Veterans' Administration pose a serious threat to the life or health of a veteran applying for care or treatment by, and seen by, such physician".

(b) The amendment made by subsection (a) shall apply to hospital care and medical services furnished under chapter 17 of title 38, United States Code, after September 30, 1979.

SEC. 3. (a) Section 5033(a) of title 38, United States Code, is amended by striking out "the succeeding fiscal year" and inserting in lieu thereof "each of the six succeeding fiscal years".

(b) Section 5055(c)(1) of the such title is amended by inserting "and for each of the five succeeding fiscal years" after "for fiscal year 1979".

(c) Subsection (b) of section 5070 of such title is amended to read as follows:

"(b) The Administrator may not enter into any agreement under subchapter I of this chapter after December 31, 1979.".

(d)(1) Section 5082(a) of such title is amended by striking out "each of the six succeeding fiscal years" and inserting in lieu thereof "each succeeding fiscal year".

(2) Clause (1) of section 5083(b) of such title is amended by striking out "and will result" and all that follows in such clause through "at such school".

SEC. 2. (a) Section 612(e) of title 38, United States Code, is amended—

(1) by striking out "the Spanish-American War or Indian Wars" and inserting in lieu thereof "the Spanish-American War, the Indian Wars, or World War I"; and

(2) by adding at the end thereof the following new sentence: "The Administrator may not expend more than $26,000,000 in any fiscal year to furnish benefits under this section and outpatient medical services under section 624 of this title to World War I veterans who are eligible for such benefits and services by virtue of this subsection.".

(b) The amendments made by subsection (a) shall apply to benefits furnished under section 612 of title 38, United States Code, and outpatient medical services furnished under section 624 of title 38, United States Code, after September 30, 1979.

(3) Clause (1) of section 5093(b) of such title is amended by striking out "and will result" and all that follows in such clause through "at such institution".

SEC. 4. Effective October 1, 1979, section 5010(a)(1) of title 38, United States Code, as amended by title III of the Veterans' Health Care Amendments of 1979, is amended by adding at the end thereof the following new sentences: "Subject to the availability of appropriations, there shall be not less than 191,513 full-time employee equivalent medical care and research personnel assigned to hospitals, domiciliaries, and outpatient facilities and hospital care and medical services programs in existence on October 1, 1979 (or to the replacement for any such facility) Subject to the availability of appropriations medical care personnel for any hospital, domiciliary, or outpatient dispensary facility or any hospital care or medical services program established after October 1, 1979, shall be in addition to the number specified in the preceding sentence."

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ROBERTS) will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3892, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 3892, as amended, would extend current authority for the Administrator of Veterans' Affairs to continue certain programs that are due to expire during this fiscal year. These are programs that are well established and have been most beneficial to the veterans of our Nation. The authorization level is the same as that currently available.

The reported bill would extend through fiscal year 1984 the authority for the Administrator to make grants to States for the construction and/or alteration of State home facilities for domiciliary, nursing home, and hospital care to veterans. The bill authorizes an appropriation of $15 million in each fiscal year for the purpose of making such grants.

The bill would also extend the authority for the Administrator to make grants to medical schools presently affiliated with the Veterans' Administration to improve and expand physician training. In addition, it would extend the authority for the Administrator to provide grants to public and private educational institutions to increase the number of professional and technical health care personnel. The annual authorization would be $50 million per year.

In addition, the bill would extend the authority for the Administrator to continue the current exchange of medical information program. This program is due to expire September 30, 1979. The reported bill would extend such authority for another 5 years at the current authorization level of $4 million per year.

Mr. Speaker, the bill acknowledges the increased medical problems of World War I veterans by providing them with the same priority for outpatient medical services now afforded to veterans of the Spanish-American War and Indian wars. I might point out, Mr. Speaker, the bill would provide that the Administrator may not expend more than $26 million in any fiscal year for this purpose. Quite frankly, there is a major difference of opinion between the cost of this provision of the bill as estimated by the Congressional Budget Office and the Veterans' Administration. It concerns me, Mr. Speaker, that we have an estimated cost by the Veterans' Administration which is one-half the estimate supplied the committee by the Congressional Budget Office. The Congressional Budget Office estimated that, if fully implemented, the cost of this provision of the bill would be more than $50 million in fiscal year 1980 and fiscal year 1981 and almost $50 million in fiscal year 1982 and fiscal year 1983. On the other hand, the Veterans' Administration, who is involved in providing care and treatment for these veterans, estimates the cost to be about $33 million in fiscal year 1980; $28.7 million in fiscal year 1981; $24.4 million in fiscal year 1982; and $20.3 million in fiscal year 1983. The estimated cost submitted by the Congressional Budget Office is totally out of line. In my opinion, even the cost of this provision has been overestimated by the Veterans' Administration. Because we were unable to resolve the differences between the Congressional Budget Office and the Veterans' Administration, we agreed to place a cap on the amount to be expended in any fiscal year in order to proceed with this provision under the Suspension of the Rules. We do this because, in my opinion, full implementation of this provision of the bill, if enacted, would not even approach the cost estimated by the Veterans' Administration.

Another important provision of the bill, Mr. Speaker, would eliminate a policy now in effect at the Veterans' Administration that is totally inequitable. The amendment to section 601(4)(C)(iii) of title 38 would provide that where a veteran is examined by a VA physician in a satellite outpatient clinic and it is determined that such veteran is in need of emergency hospitalization, and such veteran is admitted to a private hospital when a VA or other Government facility is not readily available, the Veterans' Administration may reimburse the veteran for the cost of his or her hospital care. The VA interprets the current law to preclude the agency from reimbursing a veteran in such cases.

Finally, Mr. Speaker, one of the most important provisions of this bill is the amendment adopted by the full committee offered by the distinguished gentleman from Virginia, the Honorable DAVID E. SATTERFIELD III. It provides that subject to the availability of appropriations, there shall be not less than 191,513 full-time employee equivalent medical care and research personnel assigned to Veterans' Administration hospitals, domiciliary and outpatient facilities and hospital care and medical programs in existence on October 1, 1979—or to the replacement for any such facility. It should be noted, Mr. Speaker, the amendment provides that in order to properly staff any new hospital, domiciliary, outpatient facility or any hospital care or new medical program established after October 1, 1979, additional personnel, subject to appropriation, would be required in addition to the above-stated personnel base figure.

Mr. Speaker, let me explain the need for this amendment. Last year the Congress added an additional 2,375 FTEE for medical care. We all assumed, and rightly so, that since funds were provided by Congress with an expressed strong intent that such funds be used for increased personnel, the Office of Management and Budget would make the allocation to the VA for this purpose. Hospital directors were led to believe that since Congress had objected to OMB's recommendation to reduce personnel by 1,500 in fiscal year 1979, they would be getting additional FTEE for the current fiscal year. This did not happen. Last fall, the committee made various inquiries to OMB as to the status of the fiscal year 1979 allocation. The committee was told that the Office of Management and Budget had embargoed the release of such information notwithstanding the fact that within 30 days from the time an appropriation is signed into law, OMB usually allocates the funds based on that appropriation.

Since we were unable to obtain this information through normal channels, the committee sent questionnaires to all hospital directors. In fact, two questionnaires were sent out. Responses showed that reductions had been made totaling 1,500 personnel effective October 1, 1978, and a reduction of 3,132 beds. In addition, we learned that hospital directors had been alerted to expect a further reduction once the fiscal year 1980 budget had been submitted to the Congress although they were not told what the impact of such reduction would be. Upon receipt of the Administration's budget request to the Congress, we learned that drastic reductions, far beyond those expected, were being made in fiscal year 1979, as well as planned reductions targeted for fiscal year 1980.

On or about January 29, 1979, the Chief Medical Director notified all hospital directors that they could expect a reduction of an additional 3,581 FTEE in addition to the 1,500 FTEE reduction that became effective October 1. What this meant, Mr. Speaker, is that in fiscal year 1979 alone, in order to attain the annual FTEE established by the Chief Medical Director, the VA's medical program would lose approximately 6,800 positions. This has been well documented by the committee through committee hearings on February 28 and March 1. Because these hearings disclosed that these reductions would adversely impact on the quality and quantity of care and treatment of our Nation's veterans, the Chief Medical Director alerted the field stations that they could expect to be given back 3,500 FTEE in fiscal year 1979 on a nonrecurring basis. It simply means, Mr. Speaker, that the Administrator and the Chief Medical Director had accepted the reductions proposed by the Office of Management and Budget without fully realizing the impact it would have on VA's medical program. I think it is fair to say, Mr. Speaker, that the Agency was "taken to the cleaners" by the Office of Management and Budget, and I sincerely believe Agency officials now fully realize the problems within the system due to these cuts.

Sadly, Mr. Speaker, I cannot make the same statement as related to the Office of Management and Budget. In fact, just this past week staff of the Office of Management and Budget indicated that the personnel reductions made thus far in fiscal year 1979 and those proposed in fiscal year 1980 will have no adverse impact on the quality and quantity of care and that the Office of Management and Budget would be reluctant to increase personnel staffing by more than 1,000 persons in fiscal year 1980.

My advice is that OMB staff get out of the Executive Office Building and begin to visit some of the VA facilities.

Mr. Speaker, this provision of the bill will provide a personnel floor subject only to the appropriations granted; therefore, if the Office of Management and Budget does not allocate funds for the VA for such personnel, it will be in direct violation of the wishes of the Congress.

We have managed to get the necessary funds in the first concurrent resolution for an adequate level of medical care personnel and we have had some conversations with members of the Appropriations Committee regarding this matter. We have reason to believe that the Appropriations Committee will provide an adequate level of funds in order to restore the personnel increase we provided for in last year's appropriation bill. In addition, we have reason to believe the Appropriations Committee will provide the necessary funds so that there will not be further personnel reductions in fiscal year 1980.

Mr. Speaker, this is a most important provision of the bill. If we do not put a stop to further personnel reductions and bed losses imposed by the Office of Management and Budget, we will soon lose the entire VA hospital system. In a recent conference in Washington, officials of the VA were told by the Office of Management and Budget that there is a good possibility some VA hospitals will be targeted for closing in the near future. Rumors to that effect are coming from other sources. Department of Medicine and Surgery officials are telling hospital directors throughout the country that they can expect a 15,000 bed reduction within the next 3 years. With bed reductions totaling more than 4,000 during the current fiscal year, it seems clear, Mr. Speaker, that a plan is being implemented to phase out the VA hospital program by closing beds—giving the false impression to the American people that decreasing demand for VA hospital, nursing home, and domiciliary care justifies the closing of some hospitals within the system. I frankly feel the VA program is one of the most cost effective in the world. Not only is it cost effective, but it provides quality care to our Nation's veterans, and I think until now the VA medical program has been a model for other health care systems to follow. However, I feel if we do not change the attitude of the Office of Management and Budget and others in the administration, this great system that many of us have worked so hard to establish and maintain will be lost forever. In my opinion, that would be tragic indeed.

I hope this bill will be adopted unanimously by the House.

Mr. ROBERTS. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. SATTERFIELD).

Mr. SATTERFIELD. Mr. Speaker, H.R. 3892 will extend certain authorizations which are due to expire at the end of this fiscal year.

Current VA policy requires that hospital care or medical services for the treatment of medical emergencies which pose a serious threat to the life or health of a veteran must be in a Veterans' Administration hospital under the direct jurisdiction of the Administrator or in another Government facility under contract with the VA. Our committee has received many complaints, especially in cases where a veteran, seen in a VA satellite clinic, under the jurisdiction of a Veterans' Administration hospital but physically located some distance away from that hospital, is found to need emergency hospitalization. Even though emergency hospitalization is prescribed by a VA physician for a nonservice-connected condition, in a hospital other than a VA or Government hospital, reimbursement to either the private hospital or the veteran has been denied.

Section 1 of the bill would authorize the Administrator of Veterans' Affairs to contract for private health care to veterans when such health care is authorized by a Veterans' Administration physician as necessary for the treatment of a medical emergency. It will, therefore, authorize reimbursement in these cases. The Congressional Budget Office estimates that this program would add no new significant costs to the Federal budget.

The second section would authorize the Administrator of Veterans' Affairs to provide outpatient medical services for any disability of a veteran of World War I as though such disability were service connected. This section would provide for veterans of World War I the same benefits for medical services, hospital care and nursing home care provided in title 38 to veterans of the Spanish-American War and the Indian wars.

The provision simply provides that any disease or disability of World War I veterans would be considered service connected. The major veterans service organizations support this proposal which would extend to approximately 610,000 living veterans of World War I, whose average age is 80, the same medical benefits which have been provided for veterans of previous wars. An amendment to the bill will provide an authorization for this section of $26 million per year. However, a recent computation by the CBO now indicates the cost for the first year at less than $1 million.

The bill would extend through fiscal year 1984 the authority of Congress to appropriate $15 million per fiscal year for the purposes of making grants to States for the construction and/or alteration of State facilities furnishing domiciliary, nursing home, and hospital care to veterans. Our committee feels that significant cost savings result from care furnished by these State facilities.

The bill would extend through fiscal year 1984 an annual authorization of $4 million for developing and carrying out medical information programs with VA affiliated medical schools.

The bill also directs that no new agreements relative to VA assistance for the establishment of new State medical schools can be entered into after December 31, 1979.

Authorization for $50 million per fiscal year for making grants to VA affiliated medical and allied health schools would be extended at that level on a continuing basis.

Our committee has received evidence that the quality of medical care and treatment provided by an affiliated VA hospital has materially enhanced the VA medical program. By a continuing authorization we will avoid the uncertainties in planning which from time to time has created difficulties.

Mr. Speaker, our committee adopted an amendment to this bill which would provide that subject to the availability of appropriations, there shall be no less than 191,513 full time employee equivalent medical care and research personnel assigned to Veterans' Administration hospitals, domiciliaries and outpatient facilities and hospital care or medical programs in existence on October 1, 1979. The amendment also provides that after October 1, 1979, staffing of any new VA facility or program subject to appropriation, must be in addition to the above stated personnel base line.

The base line of 191,513 FTEE consists of the personnel budget for the VA medical care and the medical and prosthetic research accounts for fiscal year 1979 plus the congressional add-ons for 1979 and 1980.

I am sure my colleagues will recall that funds which Congress appropriated for fiscal year 1979 for additional personnel who were vitally needed, were not used for that purpose. Instead those funds were used at the direction of the Office of Management and Budget to pay salary increases which, unfortunately, had been underfunded.

This amendment will insure that the intent of Congress is carried out in the application of funds appropriated for the purpose of restoring staffing levels for the VA medical care and research programs.

This bill as amended was reported unanimously by the committee and merits the support of my colleagues.

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Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. SATTERFIELD. I am glad to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I want to offer my support for H.R. 3892 and name the Senate bill. This is a bill that would look chiefly toward extending necessary authorizations for various Veterans' Administration programs which will expire at the end of this fiscal year if we do not act.

The Honorable DAVID E. SATTERFIELD III, of Virginia, has most adequately acquainted you with the various provisions of this bill. I feel there is little controversy regarding any of them and I support them all.

I do want to speak, though, of two matters of particular interest to me and I think to most of the Members of this body. You know there are less than 625,000 veterans of World War I yet alive. Their ages now average well over 83 years.

Last year, Congress reformed the veterans' pension program. We provided a special benefit for this group of veterans.

We provided an additional $800 support level above that for any other veteran. H.R. 3892 would provide for these senior veterans a treatment advantage that we have already bestowed on the veterans of the Spanish American Wars and the Indian Wars—the bill would provide outpatient medical services to World War I veterans on the same basis as that now provided our service-connected veterans.

By considering any disease they now have on a parity with service-connected conditions, expedited treatment would be assured for these veterans in their declining years.

There would be in my opinion very, very few individuals receiving treatment under this provision that would not be treated by the Veterans' Administration in any event. It is just that they would not have to linger in their pain before the Veterans' Administration gets around to according them admission.

The other part of this bill seeks to assure that the funds that we recently went to the floor with and asked you to support will not be treated in the same manner that OMB treated our special funds for medical care last year.

I have talked with the VA officials responsible for the care of veterans in the State of Mississippi, and they assured me that there is no way that the quality of care and the amount of care provided will not suffer unless such congressional action is forthcoming.

By requiring that the Veterans' Administration devote the funds furnished by the Congress for treatment to the care of veterans, we can assure that diversion to other purposes will not again occur.

Again, I urge you to support this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to an important member of the committee, the gentlewoman from Massachusetts (Mrs. HECKLER).

Mrs. HECKLER. Mr. Speaker, I rise in suport of H.R. 3892, which, in part, provides medical services, hospitalization and nursing home care for veterans of World War I on the same basis as is provided for veterans of the Spanish-American War.

Mr. Speaker, I am one who recognizes that veterans of World War I have not had the same benefits that veterans of later wars have enjoyed.

There was no GI bill for veterans of the First World War. There was no home loan program. No program of employment assistance. World War I veterans did not have the services of the extensive medical care system we now have.

Veterans of World War I continually have had to fight to attain these benefits and, I regret to say, have yet fully to succeed.

But there is a particular irony in the particular situation the legislation before us today addresses.

We legislate today to grant to veterans of World War I the same level of benefits that long have been available to veterans of a previous war—the Spanish-American War. That we must go back in time—to the Spanish-American War—to grant equal benefits to World War I veterans very clearly indicates that we have a great deal of work to do to obtain equity for our eldest veterans.

But I am pleased that, in this particular instance, we are now moving swiftly to provide these benefits.

I commend the leadership of the Veterans' Committee for bringing this bill promptly to the floor and I urge in the interest of fairness and equity that my colleagues adopt this needed bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to a distinguished member of the committee, the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Speaker, I rise to give my support to the legislation we have before us. The distinguished gentlemen who have preceded me have done an excellent effort in explaining the intent and purposes of this bill. I will not take all of my time to repeat what they have said. However, I would ask my colleagues to pay special attention to what the provisions of this bill intend to accomplish.

First of all, it provides that eligible veterans who must seek private care will be able to seek reimbursement from the Veterans' Administration for those services if they have been approved by a VA physician. This is not as open-ended proviso as it might seem for the problem must be deemed an emergency medical situation which poses a threat to the life or health of the veteran. I do not have to tell you that in many parts of the country, especially the rural areas, VA facilities are a distance from the veteran's home. And, we all know that in the time of a medical emergency, immediate care is necessary. This change in the law will be most beneficial to our Nation's veterans.

Second, this legislation authorizes outpatient medical care to veterans of World War I for any disability. This section changes the law so that any disability a World War I veteran has will be considered as if it were service connected. This outpatient care is currently available to veterans of the Indian Wars and to Spanish-American War veterans.

One can conclude that time has taken its toll on our World War I veterans who served so ably over 60 years ago. The record shows that of the over 4 million who served in that world conflict, only 610,000 survive today. Their average age surpasses 80. Advancing age certainly causes multiple problems, and I know you will agree with me when I say that this care is certainly well deserved and positively necessary to assist our older veterans as they must face the huge costs medical care in today's world.

The final section of the bill is one which I think is very important. It extends programs which provide grants to State veterans homes and also provides funds for the continuation of the working affiliations between university medical schools and allied health programs and VA medical facilities. The State veterans homes have been talked about very little; however, the service they provide is one which we can ill afford to forget. Testimony the committee received indicates that the job these facilities do is the most cost-effective program we deal with. The $15 million this bill provides will help the States in their efforts to construct and alter existing facilities so they can continue to deliver this very effective care program to our Nation's veteran population. This section of the bill also provides the authorization of funds to continue assistance to medical schools throughout the country. The Veterans Administration Medical School Assistance and Health Manpower Training Act of 1972 (Public Law 92-541) began this program to assist in training the Nation's medical personnel. I can personally attest to the effectiveness of this program. Without it, South Dakota would have no medical school. The University of South Dakota Medical School affiliation with the Veterans' Administration has been instrumental in not only training doctors, but also improving patient care. The record clearly shows that this is the case wherever the affiliation exists. A vast majority of this Nation's doctors and allied health care personnel gain exposure to the VA medical system during their training. I certainly believe that this fact along with the improved patient care which has resulted from this training justifies this authorization. I urge you to join me in supporting it.

We have expressed our support for H.R. 3892. I hope you will agree that this bill warrants your support.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3892. This multipurpose bill will extend several grant programs that have been time tested, having been in effect for a number of years, and proven to be extremely effective.

The measure will also authorize outpatient medical treatment in Veterans' Administration facilities for World War I veterans. Aside from its benefits to our aging veteran population, this provision should relieve the demand for inpatient care by older veterans, thus providing an economical alternative to hospital bed care.

The bill will also permit the Veterans' Administration to authorize private hospital care at Government expense when a Veterans' Administration physician determines that a veteran's life or health would be seriously threatened by the failure to receive appropriate and timely medical treatment.

Finally, Mr. Speaker, the bill contains language that insures the Veterans' Administration hospital system of an adequate number of employees for efficient operation.

The approval of this measure, Mr. Speaker, is essential to the continued operation of several vitally important programs.

The matching fund grants for the construction or renovation of State veterans homes which will be extended for 5 years has proved to be cost effective when we consider the fact that care in such facilities is provided at a fraction of the cost of care in a Veterans' Administration facility.

The exchange of medical information program, also scheduled for a 5-year extension was the subject recently of a comprehensive study by VA's Office of Planning and Program Evaluation. The study had this to say:

> Given the experimental nature of the EMI program, it has provided the taxpayer (the ultimate bearer of the costs of the program) benefits commensurate with or in excess of those costs.

The third program to be extended for an indefinite period is the program of grants to medical schools and to other health manpower institutions affiliated with the Veterans' Administration to improve the production and training of health manpower personnel. Mr. Speaker, I fully support these programs.

I urge that the bill be approved.

● Mr. HEFNER. Mr. Speaker, I rise in support of H.R. 3892 to extend existing authorizations for veterans' programs which are due to expire at the end of this fiscal year. The provisions of this bill have been very adequately explained and I will not repeat the explanation and justification for each and every provision.

I do, however, want to address myself to two provisions of the bill which, in my opinion, warrant special attention.

We all know the World War I veteran represents the older veteran. Of about 30 million living veterans, approximately 600,000 served during World War I. These remaining World War I veterans are at an average age of 83. Many are plagued with serious health problems which make it impossible to leave their homes. Because of their disabilities, many are classified as being housebound or so helpless as to need the care and attendance of another person.

There is a provision in this bill which proposes that any disability or handicap that a World War I veteran has will be service-connected. This provision will place World War I veterans on an equal basis with veterans of previous wars who served in the Spanish American and Indian Wars. Most important, however, is that the Veterans Administration will be able to authorize home town fee basis care to World War I veterans who are unable to leave their homes to go to a Veterans Administration clinic or hospital. This will be accomplished by having the law provide that World War I veterans' disabilities are service-connected.

For these reasons, I strongly support this provision of the bill which is a No. 1 legislative goal of the Veterans of World War I of the USA, Inc.

Mr. Speaker, there is an amendment to this bill which is crucial to the capability of the Veterans Administration to provide quality health care for veterans. The amendment simply provides that there will be a floor of not less than 191,513 full time medical care and research personnel in Veterans Administration facilities for the purpose of carrying out its mission of providing quality medical care for veterans.

Veterans have told me that they have been turned away from Veterans' Administration medical facilities, when medical care was indicated and necessary. Even though the Congress added money to the Veterans' Administration appropriation for fiscal year 1979 to add needed medical personnel, the Office of Management and Budget did not let the Veterans' Administration use the money for the purpose which Congress intended.

Instead, the money that Congress authorized for this year's Veterans' Administration medical budget was used for salary increases and so-called nonrecurring expenses. The amendment, assuming the necessary funds will be appropriated, will provide a floor of not less than 191,513 personnel for Veterans' Administration medical programs is a clear signal to the administration that Congress wants veterans to get the quality of medical care that Congress has authorized and that veterans deserve.●

● Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 3892, a bill to authorize medical care and treatment to certain veterans and to provide extension of authority of certain expiring health care programs.

There are two provisions of this bill which can be highlighted as being the most important. One is the extension of the authority of the Administrator of Veterans' Affairs to enter into contracts for the furnishing of private health care to veterans when such health care is authorized by a Veterans' Administration physician as necessary for the treatment of a medical emergency. The other is the authorization given to the Administrator of Veterans' Affairs to provide outpatient medical services for any disability of a veteran of World War I as if such disability were service connected.

I think proper to mention that approximately 18,000 Puerto Ricans served in the Armed Forces of the United States during World War I.

Most of the veterans of that era are now over 80 years old and of all of their needs, medical care ranks first. I have received various letters from my constituents requesting my support to this measure and I am very pleased in doing so. These veterans will be provided with the same eligibility for outpatient medical treatment and care as afforded veterans of the Spanish-American War and the Indian wars.

This bill has my support and endorsement and I urge you to vote for it.●

● Mr. MOTTL. Mr. Speaker, I rise to support H.R. 3892. This bill extends the authorizations of several essential grant programs that are sorely needed for the continued provision of quality health care and medical services to eligible veterans. It also provides an urgently needed provision for the emergency care of a nonservice-connected veteran when his life is endangered, and he is being seen by a VA physician in other than a VA hospital. None of these provisions provide any significant increase in cost over the authorizations currently in effect.

One significant provision, however, is that amendment offered in the committee markup of the bill by the distinguished chairman of the Subcommittee on Medical Facilities and Benefits, the Honorable DAVID E. SATTERFIELD. This amendment, subject to the availability of appropriations, would set a floor on the full-time equivalent employment in the medical care and medical and prosthetic research appropriations of the VA for those programs in existence on October 1, 1979. This in effect would become an employment baseline that would prevent the Office of Management and Budget from cutting back on hospital care and medical services to veterans in order to absorb future cost-of-living pay raises to civilian employees of the Federal Government.

Congress appropriated funds in fiscal year 1979 over and above the President's budget request to retain employees and prevent closure of VA hospital beds. The Office of Management and Budget ignored this mandate of Congress and applied all of the increased funding to the cost-of-living pay raise. This provision would prevent a recurrence of this deplorable action.

Finally, Mr. Speaker, it would provide authority for the provision of outpatient care to the limited number of World War I veterans still living on the same basis as that provided veterans of the Spanish-American War and Indian wars. This is long overdue.

I urge all of my colleagues to support this very important measure which will insure the continued health care of the Nation's veteran to whom this country owes so much.●

Mr. HAMMERSCHMIDT. Mr. Speaker, I reserve the balance of my time.

Mr. SATTERFIELD. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill, H.R. 3892, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PRESIDENTIAL AUTHORITY RE UGANDA

Mr. SOLARZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3897) to authorize the President to waive the prohibitions on assistance to Uganda for the fiscal year 1979 if he determines that the Government of Uganda does not engage in a consistent pattern of gross violations of internationally recognized human rights and that such assistance would further the foreign policy interests of the United States.

The Clerk read as follows:

H.R. 3897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 602 of the International Development and Food Assistance Act of 1978 (Public Law 95–424; 92 Stat. 937) is amended by inserting immediately before the period at the end thereof the following: ", except that the President may waive this prohibition with respect to Uganda if he determines, and so reports to the Congress, that the Government of Uganda does not engage in a consistent pattern of gross violations of internationally recognized human rights and that furnishing assistance to Uganda would further the foreign policy interests of the United States".

(b) Section 108 of the Foreign Assistance and Related Programs Appropriations Act, 1979 (Public Law 95–481; 92 Stat. 1591), is amended by adding at the end thereof the following: "The President may waive this prohibition in order to provide assistance (other than assistance under chapter 4 or 5 of part II of the Foreign Assistance Act of 1961 or under the Arms Export Control Act) to Uganda if he determines, and so reports to the Congress, that the Government of Uganda does not engage in a consistent pattern of gross violations of internationally recognized human rights and that furnishing assistance to Uganda would further the foreign policy interests of the United States.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York (Mr. SOLARZ) will be recognized for 20 minutes, and the gentleman from Pennsylvania (Mr. GOODLING) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. SOLARZ).

PARLIAMENTARY INQUIRY

Mr. BAUMAN. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. Mr. Speaker, are any reports available on this legislation?

The SPEAKER pro tempore. The Chair would advise the gentleman from Maryland (Mr. BAUMAN) that under suspension of the rules a report is not required to have been filed.

Mr. BAUMAN. But, Mr. Speaker, the question is whether or not any reports are available, as required by the committee.

The SPEAKER pro tempore. The Chair would advise the gentleman that he may wish to propound his inquiry to the gentleman from New York (Mr. SOLARZ).

Mr. BAUMAN. Mr. Speaker, the gentleman from Maryland puts the question to the Chair because the gentleman was under the impression that bills had to be reported from committees before they were called up, and yet no report seems to be available.

The SPEAKER pro tempore. The Chair has responded, but would ask the gentleman from New York (Mr. SOLARZ) if he would care to respond to the gentleman from Maryland (Mr. BAUMAN).

Mr. SOLARZ. Mr. Speaker, a report is not available. I might say to my friend, the gentleman from Maryland (Mr. BAUMAN) that the legislation in question was reported out unanimously by the Subcommittee on Africa and then, by a voice vote, by the full Committee on Foreign Affairs.

□ 1310

We did not deem it a matter of great controversy. We understood the report was not required, given the fact that it was being brought up on the Suspension Calendar.

I have here, if the gentleman is interested, a transcript of the hearing which the Subcommittee on Africa held on this legislation on April 26, which describes in some detail the justification for it.

Mr. BAUMAN. Mr. Speaker, I thank the Chair.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a result of recent developments in Uganda and the overthrow of the Idi Amin regime, in particular, the Committee on Foreign Affairs reported out this legislation which would enable the President to waive the existing prohibitions against aid to Uganda for fiscal year 1979.

Several weeks earlier, when we adopted the foreign aid bill, we refrained from including in that legislation the prohibitions on foreign aid to Uganda for fiscal year 1980 which had previously been contained in the foreign aid bill for fiscal year 1979.

Once the Amin regime actually collapsed, however, a determination was made by the administration that there was a tremendous necessity for some immediate and emergency humanitarian assistance to the Ugandan Government as a result of conditions which now exist in that country. Unfortunately, however, when we adopted the foreign aid bill last year, we included a flat-out prohibition on aid to Uganda. There was no way in which the President could respond forthwith to the tremendous need for some immediate emergency humanitarian assistance for that country.

Consequently, the Senate, a short while ago, passed the bill on a voice vote repealing the existing prohibitions against aid to Uganda for fiscal year 1979, and the Subcommittee on Africa and the full Committee on Foreign Affairs reported out approximately similar legislation, as well, which is what we have before us today.

I think it is probably fair to say that the overthrow of the Amin regime was one of the most significant developments in the effort to promote the cause of humanitarian rights over the course of the last decade. I think that the Congress of the United States and the people of our country can take great pride from the fact that, in a time when so many other nations were essentially indifferent and oblivious to the tremendous abuses of human rights which were taking place in Uganda under the rule of Idi Amin, we not only precluded any foreign aid to that country, but even went so far as to establish an actual embargo on any and all trade with Uganda.

A few days ago, the President, pursuant to his waiver of authority in this legislation, waived the trade embargo to that country, and American citizens will now be permitted to engage in commerce with Uganda. The existing prohibitions on foreign aid to Uganda, however, continue; and unless this legislation is passed today we will not be able, until the beginning of the next fiscal year in October, to come to the assistance of this beleaguered nation and these unfortunate people.

When our committee had hearings on the subject a few weeks ago, Deputy Assistant Secretary Keeley, of the African Bureau, who had just returned from a special mission to Uganda, told our committee that the economy of the country is in a state of virtual collapse. Industry is at a standstill. There is a tremendous need for emergency supplies, such as hospital equipment and drugs. They need petroleum. They need spare parts for automobiles. If this legislation is enacted today, what the administration plans is to reprogram existing funds that would otherwise be available for other countries, in order to make somewhere in the vicinity of $5 million in emergency humanitarian assistance available to Uganda.

I want to say to my colleagues in the House that this legislation does not provide for the expenditure of any additional foreign aid funds, but is instead designed to provide for a reprograming of existing funds in order to respond to the emergency situation in Uganda.

Let me just say, in conclusion, Mr. Speaker, that there are a number of Members of this House who, in particular, I think deserve to be singled out for special praise as a result of their efforts to muster support in the Congress and around the country on behalf of a more positive effort to do something about the abuses of the Amin regime. I refer, in particular, to the gentleman from Ohio (Mr. Pease) and the gentleman from Washington (Mr. Bonker), who were in the forefront of this historic effort. I regret the fact that 40 years ago, when another tyrant, not on the continent of Africa, but on the continent of Europe, was engaged in the abuse of human rights in his country and elsewhere throughout Europe, we did not have people in this Congress such as the gentleman from Washington (Mr. Bonker) and the gentleman from Ohio (Mr. Pease) to take up the banner of the oppressed and to call for a more aggressive policy on our part designed to bring an end to the tyrannical regime of Hitler in Nazi Germany. Together with the President of Tanzania, Julius Nyerere, who was the one individual more responsible than anyone else for the overthrow of Amin, these two Members made a positive contribution, as did the Congress, to undermine the Amin regime, and to make possible his overthrow.

So the adoption of this legislation today will complete the cycle. Having gone on record in favor of precluding any aid to that country so long as Amin, clearly one of the most terrible tyrants in the history of the human race, remained in power, now it is appropriate for us, I think, to repeal the prohibitions in that legislation so that we can come to the aid of the Ugandan people and the Ugandan Government as they attempt to rebuild their shattered society and their devastated economy from the ravages of the Amin era.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from Wisconsin (Mr. Zablocki), the distinguished and very able chairman of the Committee on Foreign Affairs.

Mr. ZABLOCKI. I thank the chairman of the subcommittee for yielding.

Mr. Speaker, I rise in support of the bill, H.R. 3897, to authorize the President to waive the prohibitions on assistance to Uganda for the fiscal year 1979 if he determines that the Government of Uganda does not engage in a consistent pattern of gross violations of internationally recognized human rights and that such assistance would further the foreign policy interests of the United States.

The effect of this bill would be to enable the United States to assist in humanitarian efforts to relieve the grossly afflicted country of Uganda. The political demise of the tyrannical ruler Idi Amin has finally been realized. The despot who blatantly and cruelly abused his government's citizenry for 8 years has left a legacy of economic chaos and destitution in his wake. The economic sanctions imposed against Uganda were never intended as a punitive action aimed at the Ugandan citizens. Idi Amin, the target of those prohibitions, is gone. Now the United States may respond in a humanitarian gesture to bring some relief to the long mistreated Ugandans.

The head of the new provisional government in Kampala, Yusufu Lule of the Uganda National Liberation Front, appears to be representative of the Ugandan people. This bill is in recognition of that fact, and that the fall of Idi Amin's dictatorial regime on April 11 ended a government which was one of the most repressive and violative of human rights the world has ever known. H.R. 3897 is offered in hopes that the new government will be truly representative of its people and will respect their individual freedoms.

This measure permits the President to lift the economic sanctions upon determination that human rights are not being violated. Therefore, this legislation should serve as incentive to the new government to be fully compliant with international human rights principles.

Uganda is in an economic shambles. Not only has the recent war taken its toll, but the economy after 8 years of Idi Amin's mismanagement is at a virtual standstill. The Government's foreign exchange is practically nil. Commercial enterprises as well as government offices were looted and plundered by Amin's forces.

Mr. Speaker, I would like to thank our colleague, the Honorable Stephen J. Solarz, chairman of the Subcommittee on Africa, and the ranking minority member of that subcommittee, the Honorable William F. Goodling of Pennsylvania, for their efforts, as well as those of the entire subcommittee, on behalf of this legislation.

I urge the adoption of H.R. 3897, which will enable the United States to respond to the humanitarian relief requirements of Uganda in the current fiscal year.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3897. This is a simple piece of legislation. It merely amends the fiscal year 1979 foreign aid authorization and appropriation acts to permit the President to waive the prohibitions on development and humanitarian aid to Uganda if he determines and reports to Congress that the Government of Uganda does not engage in a consistent pattern of gross violations of internationally recognized human rights.

Congress led the way in expressing the moral outrage of the American people at the shocking barbarism of the now deposed tyrant Idi Amin. The provisions of law which are addressed by the legislation before us now are some of the concrete steps the Congress took to deny the Amin regime the benefits of any U.S. aid or trade. Unlike the executive branch, which half-heartedly paid lipservice to the American tradition of opposition to the appalling violations of fundamental human rights which were the trademark of Idi Amin's reign of terror, Congress acted decisively to implement U.S. principles.

The administration dragged its feet on taking concrete measures to curtail all economic benefits to Amin and his hoodlums until faced with the prospect of unequivocal legislative mandates attached to various bills. In the case of efforts to place an embargo on trade between the United States and Amin's Uganda, an effort led eloquently in this body by our colleague, the gentleman from Ohio (Mr. Pease) administration witnesses repeatedly and strongly opposed such sanctions out of an alleged respect for the general principle of "free trade" and because other countries had not taken such action and seemed unlikely to do so. Certainly, the international community and particularly the United Nations and the Organization of African Unity studiously played down or ignored the affliction of the Ugandan people.

One might expect that kind of an attitude from the representatives of the significant group of major authoritarian governments and petty tyrants in the world, but it is a sad commentary when our State Department relies on the inaction of the second-rate Machiavellis and Quislings of the world as a rationale for weak-kneed U.S. policy. There is a certain irony in the administration's resistence to complete economic sanctions against Amin's despotism and the alacrity with which they cling to the opposite view in the case of Zimbabwe-Rhodesia, despite elections apparently widely reported as relativelly free and fair, to curry favor with those who support the so-called Patriotic Front.

In conclusion, Amin's bloody regime has now been overthrown, and his power to persecute his fellow Ugandans is apparently ended. With his passing, the goal of legislative restrictions such as those before us today has been achieved. It, therefore, seems appropriate to permit the President to provide emergency humanitarian and economic assistance to Uganda without having to wait until the end of the current fiscal year on September 30.

I urge the House to adopt H.R. 3897.

□ 1320

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, a necessary and just decision has been made by the Committee on Foreign Affairs in its recognition of the profound changes that have taken place in Uganda. There is hope from all quarters that the long, dark travail of Uganda's holocaust is at last near an end. The orgy of death and destruction inflicted on Uganda by Field Marshall Idi Amin is finally almost over. It is logical for us to help that unfortunate country restore itself.

Hopefully, much of this task can be accomplished through church organizations; Christian missionaries—those who were not butchered by that African despot, Amin—have been a traditionally strong element in Ugandan society, particularly in the area of education. Moreover, religious and charitable organizations, such as Catholic Relief Services, CARE, Protestant church groups, and many private voluntary organizations have long experiences and excellent records for success in emergency humanitarian relief programs such as are now needed in Uganda.

This bill is an appropriate vehicle for lifting U.S. trade sanctions rightly imposed by Congress against the viciously totalitarian regime of Idi Amin. The legislative fight for those sanctions, appropriate at the time, was led by our colleague, the gentleman from Ohio, Mr. PEASE, over the initial opposition of the administration, which "in principle" opposed trade sanctions in general. The President can waive the trade sanctions against Uganda, which he has done. However, it would be a more meaningful signal of our sympathy for the professed principles of the new Ugandan regime for Congress to conspicuously repeal outright in the bill the outdated existing trade sanctions legislation.

I commend this initiative to lift the no longer warranted sanctions on Uganda now that its situation has changed for the better. Recognition of new realities is always devoutly to be wished. In this light, I also draw attention to the new objective conditions that exist in Zimbabwe-Rhodesia and the inapplicability of sanctions in that new situation. That unfortunate nation, in its desire to end the affliction of terror—in its own case, a Marxist terror largely supported from abroad—has properly altered its government structure.

I strongly support this bill to help Uganda in its time of need. As soon as possible, we should offer that same helping hand to the new black majority government democratically elected in Zimbabwe-Rhodesia.

Mr. Speaker, may I repeat, it is unfortunate that this measure to lift sanctions on Uganda was taken to the floor under suspension of the rules. It is difficult to avoid the suspicion that this course was chosen to avoid a vote on an amendment to lift sanctions to another tortured country, Zimbabwe-Rhodesia.

It is obvious that the recent elections held in Zimbabwe-Rhodesia were free and fair and that that country, like Uganda, is, in the light of changed conditions, deserving of a change of policy on our part. Having complied with the demands we had earlier placed upon it, Zimbabwe-Rhodesia has demonstrated its worthiness for fair treatment on our part.

Zimbabwe-Rhodesia has agreed to talks with the Marxist-Leninist terrorists groups as we had insisted. A black majority government under a U.S. educated Methodist bishop has won a free election. It is time to stop imposing rules on that country we apply to no other. Do we want to continue our outmoded sanctions policy against a popularly chosen moderate government or oppose it until it is replaced with a totalitarian Marxist regime propped up by the Soviet Union? If not, the sanctions should be lifted.

● Mr. PEASE. Mr. Speaker, I am delighted to be able to rise in support of this bill. Where there was only despair among the Ugandan people at this time last year, there is now rejoicing about Amin's downfall and sober realism about the task of reconstruction before them.

In today's Uganda, there is virtually no foreign exchange, no army, no civil service, no medical care, inadequate food supplies, no effective transportation network, no operational communications, no industrial infrastructure, and little semblance of an educational system at the once—esteemed Makere University or elsewhere. Inflation is running at 700 percent over last year and consumer prices are nearly beyond comprehension ($3 for a quart of milk and $120 for a gallon of gas). In short, the country has been "picked clean" by Amin and his henchmen and the new Ugandan Government faces the task of bringing order out of years of political and economic chaos.

Having done our part to help bring down the genocidal Amin regime, we now have a great responsibiilty to help the Ugandan people and their new government in rebuilding their battered nation. This bill clears the way for the U.S. Government to do its part in expanding upon the warmth and friendship that has been forged between the American and Ugandan peoples.●

Mr. GOODLING. Mr. Speaker, I reserve the balance of my time.

Mr. SOLARZ. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. SOLARZ) that the House suspend the rules and pass the bill, H.R. 3897.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3897, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York (Mr. SOLARZ)?

There was no objection.

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the Senate bill (S. 1019) to amend the International Development and Food Assistance Act of 1978 and the Foreign Assistance and Related Programs Appropriations Act, 1979 by striking out certain prohibitions relating to Uganda, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York (Mr. SOLARZ).

There was no objection.

The clerk read the Senate bill, as follows:

S. 1019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the International Development and Food Assistance Act of 1978 is amended—

(1) in the section heading of section 602, by striking out "UGANDA,"; and

(2) in section 602, by striking out "Uganda,".

(b) Section 108 of the Foreign Assistance and Related Programs Appropriations Act, 1979, is amended—

(1) by striking out "Uganda,"; and

(2) by striking out the colon and all that follows through "institutions".

(c) Subsection (a) and subsections (c) and (e) of section 5 of the Act entitled "An Act to amend the Bretton Woods Agreements Act to authorize the United States to participate in the Supplementary Financing Facility of the International Monetary Fund", approved on October 10, 1978 (Public Law 95–435), is repealed.

(d) Subsection (m) of section 4 of the Export Administration Act of 1969, as added by section 5(d) of such Act, is repealed.

MOTION OFFERED BY MR. SOLARZ

Mr. SOLARZ. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SOLARZ moves to strike all after the enacting clause of the Senate bill S. 1019 and to insert in lieu thereof the text of H.R. 3897, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3897) was laid on the table.

UNITED STATES CODE AMENDMENTS FOR HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

Mr. PREYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3923) to amend chapter 25 of title 44, United States Code, to extend for 2 years the authorization of appropriations for the National Historical Publications and Records Commission, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3923

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That section 2504(b) of title 44, United States Code is amended by striking out "June 30, 1975, and for each of the four succeeding fiscal years" and inserting in lieu thereof "September 30, 1980, and the succeeding fiscal year".

SEC. 2. (a) Effective October 1, 1979, section 2503 of title 44, United States Code, is amended by striking out "instead of subsistence" and everything that follows through the end of such section and inserting in lieu thereof "a per diem allowance in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.".

(b) Section 2501 of title 44, United States Code is amended by inserting "and Records" immediately after "Historical Publications".

The SPEAKER pro tempore. Is a second demanded?

Mr. KINDNESS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. PREYER) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. KINDNESS) will be recognized for 20 minutes.

The SPEAKER pro tempore. The Chair recognizes the gentleman from North Carolina (Mr. PREYER).

GENERAL LEAVE

Mr. PREYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3923.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. PREYER. Mr. Speaker, I yield such time as he may consume to the Chairman of the Committee on Government Operations, the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, H.R. 3923, which I introduced along with Congressman PREYER, received the unanimous support of the Committee on Government Operations. This measure calls for a 2-year extension in the annual authorization of appropriations for the operations of the National Historical Publications and Records Commission.

Since 1964, Congress has provided the Commission with appropriated funds to make grants to State and local agencies and to nonprofit organizations for the preservation of historical records, and to support historical publication projects. Thus far, the Commission has expended $17.3 million in appropriated funds, and this sum has been matched by over $21 million from other sources. The Government Operations Committee feels that a 2-year extension of the Commission's funding authority at its current level of $4 million will allow the Commission to continue functioning effectively and will also allow Congress the time needed to reexamine the Commission's financial needs beyond the next 2 years.

I support the work of the National Historical Publications and Records Commission, and I urge my colleagues to act favorably on H.R. 3923.

Mr. PREYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the National Historical Publications and Records Commission was established in 1934 for the purpose of promoting the collection and publication of historically significant papers of outstanding citizens. The Commission's role was expanded, when it was last reauthorized in 1974, to promote the preservation and publication of valuable records generated in every facet of life which would significantly further an understanding and appreciation of our Nation's history. Its current authorization—$4 million per year—will expire at the end of the current fiscal year.

On May 8, the Committee on Government Operations approved and ordered reported H.R. 3932 which extends the annual authorization of appropriation, at its current level, for a 2-year period. The bill also provides for an increase in the expense allowance for certain Commission members from its current maximum of $40 per day to the regular per diem allowance provided to others serving in Government without pay: and changes the name of the Commission as it appears in section 2501 of title 44 of the code in order to conform with the title change approved in 1974.

A technical amendment has been made to the bill as reported by the Government Operations Committee in order to comply with the Congressional Budget Act. This change, in section 2(a), clarifies that the increase in the expense allowance will be effective at the start of the next fiscal year, rather than upon the signing of bill into law.

The Commission's grants program has had a positive impact on the preservation of historically valuable documents in virtually every State and many local jurisdictions. I urge you to support the continuation of this small but important program.

Mr. KINDNESS. Mr. Speaker, I join with our colleagues from North Carolina and Texas in support of H.R. 3923, authorizing the National Historic Publications and Records Commission.

This measure would continue a small but valuable program at its current $4 million level as has been mentioned, the annual authorized level being for 2 years. There was considerable sentiment in the Government Information and Individual Rights Subcommittee to increase the amount authorized for the Commission.

In light of the current efforts to restrain Government spending in this time of inflation, I believe the committee correctly decided not to change the program authorization amount.

□ 1330

The period of authorization, however, was reduced to 2 years instead of 4 years so that the committee could conduct an early review of the Commission's needs. Over the years, the Commission has funded projects totaling 38,590,000-plus dollars. Significantly, more than half this amount, some $21 million plus, was obtained from private sources.

From the testimony before the subcommittee it is apparent that the Commission has done a commendable job of collecting and publishing papers that aid in the understanding of U.S. history. Since 1974, the Commission has had the added duty of helping to preserve important records so that they may be available for future historians. The Commission's new records program promises to assist State and local governments and private organizations to better manage their historically significant records.

The committee wisely decided, as I say, to keep the period of authorization short, and the opportunity for review of its needs before us, to be dealt with at an earlier date. The increase in the per diem for nongovernmental Commission members that was mentioned by the gentleman from North Carolina, the chairman of the subcommittee, is very modest in amount, and is estimated by the Congressional Budget Office to cost approximately $600 per year. So, that really is not a significant matter.

The other technical amendments in the bill, I think, are noncontroversial and were unanimously supported. I would urge the support and passage of H.R. 3923.

● Mr. HORTON. Mr. Speaker, I join with my colleague from North Carolina in support of H.R. 3923, which reauthorizes the National Historic Publications and Records Commission. This measure would continue this small, but valuable program at its current $4 million, annual authorized level for 2 years.

The measure increases the per diem for the nongovernmental commission members to the amount currently permitted individuals serving in government without pay, as provided in section 5703 of title 5, United States Code. At the current rate, this is an increase of $10 per day which the Congressional Budget Office estimates will cost $600 per year.

Also there is a technical amendment to reflect in the statute text the change in the commission's name approved in 1974.

The gentleman from North Carolina has amended the bill to comply with title IV, section 401(b)(1) of the Congressional Budget Act. This amendment merely makes the effective date of the change in per diem under this bill October 1, 1979.

There was considerable sentiment in the Government Information and Individual Rights Subcommittee to increase the amount authorized for the commission. In light of the current effort to restrain government spending in this time of inflation, I believe the committee correctly decided not to change the program's authorized amount. The period of authorization was reduced to 2 years so that the committee will conduct an early review of the commission's needs.

The small cost of the commission's work has the potential of returning large benefits to future generations. If the National Historical Publications and Records Commission helps those Americans yet unborn better understand and appreciate the history of this great Nation, it is a bargain. I urge that the bill as amended be adopted.●

Mr. PREYER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. PREYER) that the House suspend the rules and pass the bill H.R. 3923, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CONFERRING CERTAIN POWERS ON PRESIDENTIAL COMMISSION APPOINTED TO INVESTIGATE THREE MILE ISLAND NUCLEAR POWERPLANT ACCIDENT

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 80) to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. McCLORY. Mr. Speaker, reserving the right to object, I make my reservation in order that I might direct several inquiries to the sponsor, the gentleman from Texas (Mr. BROOKS).

As I understand it, this resolution applies only to the Three Mile Island investigation, is that correct?

Mr. BROOKS. That is correct.

Mr. McCLORY. And is the power of inspection limited to the premises of the nuclear facilities on Three Mile Island?

Mr. BROOKS. That is correct.

Mr. McCLORY. And one other question: Is the power of inspection intended to be limited to inspections conducted in a reasonable manner and at a reasonable time?

Mr. BROOKS. That is correct. That is the normal procedure for those types of operations, but certainly I would want to confirm that that is the procedure here.

Mr. McCLORY. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. MYERS of Indiana. Mr. Speaker, reserving the right to object, as I understand it there will be no discussion, no debate on this resolution. The thing that concerns me is, the Executive order was signed by the President on April 11 of this year. Now, 40 days later, we are coming along with this authority.

Why has there been so much time lapse between the appointment of this Commission? I understand further that the Commission started meeting about 3 weeks ago. What caused the delay?

Mr. BROOKS. Mr. Speaker, if the gentleman will yield, the Commission had some feeling, after they got into the investigation, that they needed this power. When they brought this to the attention of the administration, the administration said that they were willing for it to have that power if Congress would extend it. The legislation was introduced and passed in the Senate.

So, it is now coming in regular order to the House.

Mr. MYERS of Indiana. It seems to me that something as tragic as that, realizing that we have an energy problem in our country, should not have taken 40 days either for the Commission to recognize it needed this extra authority nor for the executive department to give them the original power when it was created.

Mr. BROOKS. I am not on the Commission, but apparently the Commission did not have any difficulty initially, but only as they got into full examination of causes and effects concerning that rather tragic incident did they find it necessary and helpful to their fullest evaluation to have that power.

Mr. MYERS of Indiana. I am not questioning whether they should have the power. It is the time lapse that concerns me, why it took so long between the time it was appointed and getting the authority today through the Congress.

Mr. BROOKS. Well, they did not need it for some time, and when they decided they did, they notified the administration and it has taken it a couple of weeks to pass in the Senate and not the House.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to my colleague from Illinois.

Mr. McCLORY. The Commission, it seems to me, is a set-up of laymen. I know Dr. Kameny, president of Dartmouth College, which is my alma mater. I think he was not aware when he began his service as chairman that this was going to be as formalized as it is. I think the Commission has discovered that it must be more formal, that it needs to take testimony under oath, and they need to have this subpena authority to subpena witnesses, which is not available under the Executive order. So, we are really granting to them authority that we granted to committees of the Congress and to ad hoc committees when such an investigation is being undertaken. I think what we are doing is that we are merely acknowledging the needs of this Commission and the request of Dr. Kameny.

Mr. MYERS of Indiana. By this reservation I am not suggesting that we should not grant this authority. It is the time that concerns me. There was too much time. Forty days since the Executive order is issued, and now we come along and realize that we need this. I realize the Commission would not realize the necessity to swear witnesses, but either people in the Congress or in the committees, or especially people in the executive branch, should have realized this and gotten the authority much sooner.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. KRAMER. Mr. Speaker, reserving the right to object, in pursuing the bill I see that the processes can be served by registered and certified mail, or by telegraph. It does not necessarily have to be by personal service. There are some potential sanctions, of course, for refusing to appear.

Can the gentleman from Texas tell me whether or not there is any precedent for this type of service in Federal law?

Mr. BROOKS. If the gentleman will yield, I would say basically that the process requirements on page 3 are to be served in person, by registered or certified mail, telegraph, by leaving a copy at the residence or office. That is not the strictest requirement. But, I will point out that they are trying to expedite this evaluation. It is a localized situation. It is not an adversary process they are trying to establish against some individual. Any sanctions whatsoever, any contempt proceedings, must be brought not by the Commission itself, but on an application of the Attorney General who would be able to review the service of process before making any application.

Mr. KRAMER. Further reserving the right to object, if it is such a local situation what is the difficulty in obtaining actual service of process in the traditional manner?

Mr. BROOKS. It is assumed it will be obtained in the traditional manner. Many States now provide for service of process in the manner stated in this resolution.

□ 1340

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I thank the gentleman for yielding. One thing is waiving the fifth amendment rights that this provision does. Is there is a suggestion here that you can grant immunity rights toward further court proceedings against prosecution? Is that what is intended here?

Mr. BROOKS. If the gentleman would yield, it is not intended to waive those rights. The resolution refers to the immunity section 6004 of title 18 in the code.

Mr. MYERS of Indiana. However, if the gentleman would yield further, though, it does not give fifth amendment rights protection to any potential witnesses.

Mr. BROOKS. Constitutional rights are not abridged or lessened. Section 6004 of the code gives them use immunity, and that is what they refer to.

Mr. MEYERS of Indiana. If the gentleman would yield, toward court proceedings in the future in a prosecution, legal prosecution in the future, or anything that might be revealed during these hearings.

Mr. McCLORY. Mr. Speaker, if the gentleman would yield on the reservation, I think it relates to a use immunity, and a use immunity would mean that the statement he gives would not be available in a subsequent prosecution. However, if there is other evidence that it would result in the prosecution of the person in a court, the grant of immunity would not bar any such prosecution.

Mr. KRAMER. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 80

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That for purposes of this joint resolution—

(1) The term "Commission" means the Commission appointed by the President pursuant to Executive Order Numbered 12130, dated April 11, 1979.

(2) The term "person" includes a department, agency, or other unit of the Federal Government or of a State or local government.

SEC. 2. (a) The Commission, or any member of the Commission when so authorized by the Commission, shall have power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence from the Nuclear Regulatory Commission or any person that relates to any matter under investigation by the Commission. The Commission, or any member of the Commission or any agent or agency designated by the Commission for such purpose, may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing.

(b) The Commission, or any member of the Commission when so authorized by the Commission, may issue an order for the inspection of the nuclear powerplant at Three Mile Island, or any portion thereof, by members of the Commission or any agent or agency designated by the Commission.

(c) In case of contumacy or refusal to obey a subpena or inspection order issued to the Nuclear Regulatory Commission or any person under subsection (a) or (b), any court of the United States within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General, shall have jurisdiction to issue to the Nuclear Regulatory Commission or such person an order requiring a witness to appear before the Commission, its members, agent, or agency, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation or in question, or to permit inspection of the nuclear powerplant at Three Mile Island or a portion thereof; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(d) Process and papers of the Commission, and its members, agent, or agency, may be served either in person or by registered or certified mail or by telegraph or by leaving a copy thereof at the residence or principal office or place of business of the person required to be served. The verified return by the individual so serving the same, setting forth the manner of such service, shall be proof of the same, and the return post office receipt or telegraph receipt therefor when registered or certified and mailed or telegraphed shall be proof of service of the same. Witnesses summoned before the Commission, or its members, agent, or agency, shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the individuals taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

(e) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to a subpena or order on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. The Commission may, with the approval of the Attorney General, issue an order requiring the person to give testimony or provide other information which he refuses to give or provide on the basis of his privilege against self-incrimination in the same manner and subject to the same restrictions as a government agency may issue such an order pursuant to section 6004 of title 18, United States Code.

(f) All process of any court to which application may be made under this joint resolution may be served in the judicial district wherein the person required to be served resides or may be found.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PANAMA CANAL ACT OF 1979

Mr. MURPHY of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 111) to provide for the operation and maintenance of the Panama Canal and to provide for the exercise of the rights and performance of the duties of the United States provided in the Panama Canal Treaty of 1977.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 111, with Mr. FOLEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New York (Mr. MURPHY) will be recognized for 1 hour; the gentleman from California (Mr. MCCLOSKEY) will be recognized for 1 hour; the gentleman from Wisconsin (Mr. ZABLOCKI) will be recognized for 30 minutes; the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 30 minutes; the gentleman from New York (Mr. HANLEY) will be recognized for 30 minutes; the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 30 minutes; the gentlewoman from New York (Ms. HOLTZMAN) will be recognized for 30 minutes; and the gentleman from New York (Mr. FISH) will be recognized for 30 minutes.

Mr. BAUMAN. Mr. Chairman, for the Committee's information, the gentleman from Maryland will be handling the minority time for the Committee on Merchant Marine and Fisheries.

The CHAIRMAN. The Chair thanks the gentleman from Maryland for the correction.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the purpose of H.R. 111 is to provide the framework for U.S. operation and maintenance of the Panama Canal under the Panama Canal Treaty of 1977 and related agreements. This legislation which we have given the title of the Panama Canal Act of 1979 would become one of three historic acts governing U.S. operation of the canal. The two previous acts of historic importance have been the Panama Canal Act of August 24, 1912, which consolidated in one government agency responsibility for the maintenance and operation of the Panama Canal and government of the Canal Zone, and the act of September 26, 1950, which divided between two government agencies responsibility for operation of the canal and for government of the Canal Zone.

BACKGROUND

Under the Panama Canal Act of August 24, 1912, the Panama Canal was maintained and operated for nearly 40 years by a government agency, called simply "the Panama Canal", which was directly responsible to the President. This agency, which was subject to direct supervision by the President, was charged with not only the maintenance and operation of the canal but also with responsibility for the government of the Canal Zone. The agency was financed by appropriations, and tolls for use of the canal along with other revenues derived from the operation were paid into the Treasury as miscellaneous receipts.

During the period 1904–51 the Panama Railroad, originally a private corporation organized under the laws of the State of New York, was used by the United States as an adjunct to the Isthmian Canal Commission and the agency called the Panama Canal in the construction and operation of the canal. As its name indicated, the primary activity of the Panama Railroad Company at the time of its acquisition by the United States was the operation of a railroad as a common carrier across the Isthmus of Panama. The company engaged in numerous other commercial activities, however, which were expanded after acquisition of the company by the United States.

The scope of the many activities of the railroad company was somewhat restricted by the 1936 and 1955 treaties with the Republic of Panama, but, in general, the function of the Panama Railroad Company was to engage in transactions of a commercial nature, normally provided by private enterprise for the general public as well as government agencies and personnel in the Canal Zone.

In 1948, the Panama Railroad Company was recognized as a wholly owned government corporation under the Government Corporation Control Act. Congress enacted a new charter for the corporation (commonly referred to as the

Panama Railroad Company Act) and the New York corporation was dissolved.

Prominent among the powers granted to the company were those to sue and be sued, to acquire and dispose of property, and to determine the character of and necessity for its expenditures and obligations and the manner in which they were to be incurred, allowed, and paid. Under the Government Corporation Control Act the transactions of the company were subject to audit by the General Accounting Office, but the authority of the Comptroller General over the accounts of the company was limited to reporting the audit findings to the Congress. On the basis of an annual budget program submitted through the Office of Management and Budget, Congress made the funds of the company available for expenditure in annual appropriation acts, but the company's expenditures for either operating expenses or capital improvements were not limited to the dollar amounts shown in the budget program.

In 1950, in anticipation of a proposed increase in rates of tolls of approximately 10 percent (from $0.90 to $1 per ton), responsibility for operation of the Panama Canal was transferred to the Panama Railroad Company, renamed the Panama Canal Company. The agency formerly known as the Panama Canal was renamed the Canal Zone Government and continued in existence in noncorporate form for the performance of duties associated with the government of the Canal Zone.

The 1950 legislation generally left intact the powers of the railroad corporation, and contemplated the merger of the canal operation and certain other business-type activities of the Panama Canal Agency into the other activities of the company, all subject to the same fiscal provisions that had been applicable to the commercial activities of the railroad company.

The 1950 legislation gave the company power to establish tolls for use of the canal, subject to approval by the President, based on a formula designed to recapture either from tolls or other revenues all costs of operation of the canal and related facilities as determined in accordance with the other provisions of the company's charter.

This history shows us the organizations that operate the Panama Canal and govern the Canal Zone today—the Panama Canal Company, the U.S. Government corporation that runs the Panama Canal, and the Canal Zone Government, an independent agency of the U.S. Government which is responsible for the government of the Canal Zone and its administration.

NECESSITY FOR LEGISLATION

Mr. Chairman, the question has probably occurred to every Member of this body as to why legislation is necessary at all in connection with the new Panama Canal Treaty. Why should not the President and the other body take the responsibility for executing these unpopular agreements especially in view of the cavalier disregard of the constitutional role of this body in the disposition of the property of the United States on the Isthmus of Panama?

The necessity for this legislation arises from the simple legal principle that under the Constitution many of the provisions of the treaty are not and cannot be self-executing; that is, those which expressly depend on legislation and those which involve subjects that are committed exclusively to the legislative power of the Congress.

Without the enactment of legislation by the Congress, certain portions of the Panama Canal Treaty not dependent upon legislation may become effective and the law of the land, while execution of other portions will certainly be impossible. The complexity of the arrangements agreed to with Panama are so interdependent, however, that failure to provide legislation to execute U.S. rights and responsibilities in treaty areas that are not self-executing may be detrimental to all U.S. areas of involvement.

To be more specific, Mr. Chairman, without the enactment of this legislation by October 1, 1979, the new treaty would go into effect as scheduled but: First, there would be no agency established to continue to operate the canal; second, there would be no authority to employ or pay the personnel necessary to keep the canal in operation; third, there would be no authority to pay the 3,000 employees who will be transferred to the Department of Defense to operate schools, hospitals, and other activities which the Panama Canal Commission may not operate under the treaty; fourth, there will be no constitutional authority to transfer to Panama the property which the United States has agreed to transfer; and fifth, there will be no authority for appropriation of funds required for operation of the canal even though such funds would be fully reimbursed to the Treasury from revenues derived from the operation.

The number of important aspects of the canal operation dependent upon legislation is the result of the manner in which the Panama Canal Treaty was written.

The Panama Canal Treaty and related agreements provide extensive latitude to the United States in the performance of its responsibilities under the treaty, largely based on the fact that article III of the treaty provides that the Panama Canal Commission is to be an agency of the Government of the United States established by and in accordance with the laws of the United States. The designation of certain officials and institutions to carry out responsibilities contemplated by the treaty, the determination of the basis for and amount of tolls for use of the canal, the financial management of this valuable asset, and the disposition of U.S. property all have been left by the treaty to the Congress of the United States.

In carrying out the terms of an international treaty agreement for purposes of domestic law, the U.S. Congress has often claimed a right to interpret the meaning of any portion of the treaty which depends upon legislation for its execution. Because of the ambiguities in the Panama Canal Treaty, the Committee on Merchant Marine and Fisheries has been required to interpret some provisions of the treaty in writing this legislation. In developing the legislation, the committee has been guided by the principle that the requirements of the treaty must be fulfilled. In the committee's assessment of treaty provisions, great weight has been given to the opinion of the Executive.

Moreover, in no case has the committee departed from the plain and obvious meaning of treaty language, as for example by conditioning unqualified commitments upon the payment by Panama of all treaty costs.

EFFECT OF TREATY

The effect of the 1977 treaties is to abrogate the existing treaties in their entirety and provide a new grant of authority to the United States to operate the canal and maintain military bases adjacent to the canal until the year 2000.

The treaty provides that when the treaty enters into force the two agencies of the United States now connected with operation of the canal will cease to operate in the Republic of Panama and that the United States thereafter will, "in accordance with the terms of this treaty and the provisions of U.S. law, carry out its responsibilities by means of a U.S. Government agency called the Panama Canal Commission, which shall be constituted by and in conformity with the laws of the United States of America."

The treaty contains very few additional references to the Commission other than provisions defining the types of activities that may be carried on by the Commission; that the Commission shall be "supervised" by a board composed of nine members, five of whom shall be nationals of the United States and four of whom shall be Panamanian nationals proposed by the Republic of Panama for appointment to such positions by the United States; that the United States will employ a national of the United States as Administrator and a Panamanian national as Deputy Administrator through December 31, 1989, and that thereafter the nationality of the incumbents of the two positions is to be reversed; and that the Republic of Panama shall receive certain stipulated payments from the Commission. In other respects the treaty defines the rights and understandings described in the treaty as those of the U.S. Government and the Republic of Panama. On the part of the United States such rights ininclude the rights to establish, modify, collect, and retain tolls for the use of the canal and other charges to regulate relations with employees of the U.S. Government; to provide supporting services to facilitate the performance of its responsibilities; and to issue and enforce regulations for the effective exercise of its rights and responsibilities.

The Panama Canal Treaty provides that both the United States and Panama commit themselves to protect and defend the canal but that the United States shall have "primary responsibility" in that regard. Understanding No. 2 adopted by the Senate provides that nothing in the provisions of the treaty relating to protection and defense of the canal may be construed to limit the provisions of the treaty that each party shall act, in accordance with its constitutional processes, to meet danger threatening the security of the canal, and that the United States shall have primary responsibility to protect and defend the canal for the duration of the treaty.

Other provisions of the treaty of special significance are those relating to conditions of employment to be established by the United States and providing for action by the United States and Panama to protect or grant special benefits for employees whose employment will be affected by the changes resulting from the treaty. Provision is also made for a 30-month period during which the jurisdictional rights formerly exercised by the United States under the present treaties are phased out.

Finally, the treaty provides for transfer to Panama of certain land and other property on the date the treaty goes into effect and hereafter, culminating in the transfer of the waterway and all remaining property of the United States in the area when the treaty terminates on December 31, 1999.

The treaty will enter into force on October 1, 1979, on which date the rights of the United States to operate the canal and govern the Canal Zone under the 1903, 1936, and 1955 treaties with Panama will end, and the U.S. Government agencies now performing those functions will be required to discontinue their operations in Panama.

WORK OF THE COMMITTEE

The Committee on Merchant Marine and Fisheries brought to this legislation the same kind of attention and resolve which earlier Congresses spent on the other pieces of historic legislation for the canal.

As soon as agreement in principle on the outline of the treaties was announced by the executive branch, difficult problems were foreseen in the formulation of legislation to provide for operation of the canal within the framework of the terms of the agreement. These problems were multiplied when the actual terms of the treaties were released by the Department of State, and in addition the provisions of the Panama Canal Treaty appeared to encroach on the constitutional powers of Congress to dispose of property of the United States and to make appropriations. These problems were explored at length at hearings held by the Panama Canal Subcommittee of the Committee on Merchant Marine and Fisheries in the 95th Congress as well as by the Senate Committees on Foreign Relations and on the Judiciary in the course of consideration of the treaties in the Senate. So a great deal of background work had been done by the Committee on Merchant Marine and Fisheries and other committees of the House before any particular legislation was drawn.

I introduced H.R. 111 on the first day of this 96th Congress. the chief drafting architect of H.R. 111 was Mr. W. Merrill Whitman, a special consultant to the committee and formerly the secretary of the Panama Canal Company. Mr. Whitman's many years of experience and unparalleled knowledge of canal matters has made his counsel to the committee invaluable throughout consideration of H.R. 111, he has given of himself without reserve. The legislation before the House today is testimony to him.

Hearings were promptly held early in the 96th Congress by the Panama Canal Subcommittee on H.R. 111 and on the draft bill to implement the treaties prepared by the executive branch—introduced on January 31, 1979, as H.R. 1716—as well as on other bills introduced in this Congress relating to the implementation of the treaties, after which the legislation was considered in detail by the Subcommittee on the Panama Canal and the committee. To explore the unique circumstances related to the provisions of the legislation, the subcommittee held 9 days of hearings with some 74 witnesses including the testimony of Members of Congress, 10 executive branch agencies, the Smithsonian Institution, the General Accounting Office, numerous Canal Zone civic and employee organizations, legal experts, environmentalists, and interested public citizens.

In addition to extensive hearings in Washington, D.C., a delegation of subcommittee and committee members visited the Canal Zone and Panama for the purpose of holding hearings and conferring with U.S. executive branch and Panamanian officials on February 23 and 24. This visit was most productive but as a result of problems of treaty interpretation with the Government of Panama, a second delegation of committee members in the form of a task force was sent by the committee to the Canal Zone and Panama for a visit from March 22 to 25. This delegation was able to achieve substantial clarification of treaty interpretations with respect to the contingent payment under article XIII 4(c) of the Panama Canal Treaty, movable property related to the canal, and Panamanian rules for taxation of businesses and individuals in the Canal Zone.

The analysis of the legislation was also aided by subcommittee and committee direction of studies on the financial potential of the Panama Canal Commission, the impact of the environment resulting from changes under the new treaty arrangement, the effect of the treaties on the references to the Canal Zone and other canal-related terms in the laws of the United States, and the meaning of Panamanian law for the areas of canal operation over which Panama will exercise sovereignty as of October 1, 1979.

After the extensive hearings and the thorough examination given to the Panama Canal Subcommittee, the subcommittee reported this legislation on March 29. The committee ordered reported the legislation on April 3, by a vote of 21 to 17 with two members voting present. The major challenge to the text of H.R. 111 as reported to the House was a substitute amendment offered by the gentleman from New York (Mr. CARNEY) to incorporate the provisions of H.R. 1958, introduced by the gentleman from Idaho (Mr. HANSEN). H.R. 1958 was the subject of subcommittee hearings along with H.R. 111 and the administration's proposal, H.R. 1716. H.R. 1958 was also subject to being considered in committee markup and indeed was considered in the form of a substitute amendment. Thus, I want to make it clear that the legislation of the gentleman from Idaho was given every consideration and in fact a number of the concepts in H.R. 1958 are incorporated in H.R. 111.

Before discussing the substantive provisions of H.R. 111, I want to commend certain members of the committee and the Panama Subcommittee who deserve the commendation of all Members for their unflagging attendance at subcommittee hearings, their enthusiastic examination of witnesses, and their close attention to and analysis of the varied and complex issues in the legislation. In particular I am making reference to the gentleman from Kentucky, the honorable subcommittee chairman, Mr. HUBBARD; the gentleman from Mississippi and ranking majority member of the Panama Canal Subcommittee, Mr. BOWEN; the gentleman from Michigan (Mr. BONIOR); the gentleman from Washington (Mr. LOWRY); the gentleman from Maryland and ranking minority member of the Panama Canal Subcommittee, Mr. BAUMAN; the gentleman from Louisiana (Mr. TREEN); and the gentleman from New York (Mr. CARNEY).

I have provided this background, Mr. Chairman, so that all Members of this body may know and understand the work that has been part of this landmark legislation which we expect to be the legislative framework for the canal for the next 20 years.

FORM OF AGENCY

Mr. Chairman, the Committee on Merchant Marine and Fisheries, having looked at the requirements and the history of the new treaty arrangement with Panama, the present and prospective needs of the Panama Canal operation, and the past legislative history and the laws governing the canal, reported H.R. 111 with the overall objective of providing a sound plan for continued operation of the canal with maximum control by the Congress, especially in respect to the protection and financial management of the canal. This is accomplished by the principal features of H.R. 111, which are:

First. The provision for operation of the canal by a noncorporate agency instead of continuing the Panama Canal Company under another name, as was suggested by the administration;

Second. The return to the requirement that revenues of the canal be paid into the Treasury and that expenditures be made pursuant to authorization and appropriations;

Third. The centralization of administrative authority and responsibility in the Secretary of Defense; and

Fourth. Provision for Presidential appointment and Senate confirmation of the key officials of the agency and members of the various policymaking bodies provided for by the treaty, such as the U.S. nationals on the supervisory board, and the administrator of the Panama Canal Commission.

Under the bill, coordination between the operation and the protection of the canal is achieved by providing for operation of the canal under the direction of the Secretary of Defense; and existing provisions of law authorizing a greater degree of military control in time of war or when war is imminent are continued by the bill.

The question has been raised as to whether the designation of the Secretary of Defense to direct the Panama Canal Commission is appropriate and is in accordance with the treaty arrangement intended to be implemented by this legislation. On both points I believe the legislation is proper.

The present law now provides that the interests of the United States as owner of the corporate Agency operating the canal shall be represented by the President of the United States or such officer as he may designate, called the stockholder (2 Canal Zone Code 62). Under that provision, the President has in the past designated the Secretary of the Army as stockholder (35 CFR 3.2), but as a practical matter the Secretary of the Army has exercised that delegated authority subject to the direction of the Secretary of Defense. Section 101 continues this arrangement by placing the responsibility for Executive oversight of canal operations in the Secretary of Defense, who may, if he so desires, delegate the responsibility in whole or in part to the Secretary of the Army.

Although it is not contemplated that the provisions of this section will make the Panama Canal Commission a part of the Department of Defense, it is considered that consolidation of oversight responsibility in the Secretary of Defense is particularly appropriate in view of the relationship of that responsibility to the related duties of the Secretary of Defense in respect to the protection and defense of the canal under the provisions of the 1977 treaties.

Moreover, Mr. Chairman, the role envisaged for the Secretary of Defense does not do violence to the treaty arrangement because this stipulation involves simply the positioning of the Panama Canal Commission within the hierarchy of the Government of the United States. Article III, paragraph 3 of the Panama Canal Treaty states that:

> The Panama Canal Commission shall be a United States Government agency. . . . which shall be constituted by and in conformity with the laws of the United States of America.

In brief, the Canal Commission is to be a U.S. agency, not a Panamanian agency or an international organization. But even though in this legislation we establish a U.S. agency, the report of the committee makes clear that such direction of the Secretary does not extend to the voting of the four Panamanian members on the supervisory board.

With respect to the Board, I would like to emphasize that the presence of four Panamanian nationals on the Board established to supervise the Panama Canal Commission did not cause the committee to change the high standards of conduct required for all officials of the executive branch who exercise authority pursuant to the laws of the United States. Section 110 of H.R. 111 assigns to all officers and employees of the Panama Canal Commission the obligation of observing ethical standards equivalent to those that now apply to other Federal officers and employees. In this sense the system will be similar to the competitive service system of the present canal organization, which is not the U.S. civil service system but a Canal Zone merit system parallel to civil service. Moreover, in section 110 provision is made for an executive agreement with Panama for enforcement of the code of conduct mutually agreed upon by the Board within 60 days after its appointment.

In going beyond the Board to the various executives of the Commission, H.R. 111 provides for appointment by the President of the members of the Board in section 102 as well as the Administrator in section 103, and the Deputy Administrator and Chief Engineer in section 104, all of whom serve at the pleasure of the President. The appointments of the members of the Board who are national of the United States and of the Administrator are required to be confirmed by the Senate.

Three of the five Board members are required to be appointed from the private sector. Members from the private sector have been required because representatives who are experienced in maritime, port, and labor sectors are inclined to be sensitive to two key aspects of canal operation—the financial viability of the canal and the economics of its use, and secondly, policies which promote a stable workforce.

Experience with the operations of the Panama Canal Company with boards of directors selected predominantly from the private sector and other boards composed predominantly of Government officials suggests that orientation of the members of the Board to private business and professional experience is preferable to a parochial approach resulting from identification with the particular interests of one or another department of the Government. Private members are found to have participated more fully in the decisions of the organization. Coordination of matters of Government policy with other departments and agencies is required in the management of all Government agencies, and the means for effecting that coordination will be available to the Panama Canal Commission through established channels including the oversight functions of the Secretary of Defense.

The structure of the Panama Canal Commission under the Secretary of Defense or his designee is crucial to the integration of the operation and defense of the Panama Canal. Section 108 of H.R. 111 is also crucial in this respect in authorizing the President to order a military officer of the Armed Forces of the United States to assume exclusive authority over the operation of the canal in time of war or when, in the opinion of the President, war is imminent.

Nothing in the 1977 treaty affects the power of the United States to provide for control of the operation of the canal by the Armed Forces in time of war or in time of peace. The treaty provides for operation of the canal through an agency of the United States established by and in conformity with the laws of the United States. Provisions of the treaty for protection of the canal by United States and Panama in no way restrict the authority of the United States to enact laws providing for operation of the canal with appropriate consideration of the circumstances affecting that operation in time of war or when war is imminent.

APPROPRIATIONS

The provision of H.R. 111 requiring that the Panama Canal Commission be a noncorporate agency of the U.S. Government has significant ramifications in maintaining prospective congressional control of canal finances.

Under H.R. 111, section 234, the Commission is required to establish accounts in accordance with the Accounting and Auditing Act of 1950, which is applicable to Government agencies generally, and the additional provisions incorporated in the bill. Such accounts are required to show all revenues and expenditures of the Commission and costs of operation of the canal, including interest on the investment of the United States in the canal. While establishing this obligation-type accounting, the enterprise type of accounting needed for the accurate determination of charges for toll rates is not extinguished. But the appropriated fund concept does make possible the elimination of several fiscal provisions that now govern and were specifically constructed for the Panama Canal Company.

Under the structure of H.R. 111, the Congress may exercise as loose or as tight a control on canal finances as is deemed necessary. The only deviation from direct prospective and specific control by the Congress will be in the ability of the Panama Canal Commission to withdraw for safe, continuous, and efficient operation of the canal, sums authorized and appropriated to the Panama Canal emergency fund, for which $40 million is authorized for fiscal year 1980, an amount equivalent to the present borrowing authority of the Panama Canal Company. The purpose of the emergency fund is to allow for rapid action in the case of an unusual situation confronting the canal as well as to permit management to take the most economic and wise actions at a time when the lack of other appropriated funds would cause decisions detrimental to the safety, continuity, or efficiency of canal operations.

Some question has been raised as to whether the provisions of the Panama Canal Treaty for payments to Panama by the Commission are self-executing and make appropriations for that purpose unnecessary. There is no question but that the appropriations power of the Congress is exclusive, and that no treaty may override it. The present administration agrees to this constitutional principle, and case law supports it.

Nothing in the language of the proposed treaty serves to take the stipulated payments to Panama out of the accepted principle that a treaty providing for the payment of money is not self-executing but, under the Constitution, requires appropriations by the Congress. The responsibilities are clearly those of the United States as a party to the treaty and as principal of the agency to be established under U.S. law. Presumably it would not be seriously contended that the effect of the constitutional provision limiting to the Congress the power to make appropriations can be circumvented by the device of providing in the treaty that a payment without appropriations is to be made by a named government agency instead of by the United States.

On the subject of the appropriations power and the payments to Panama, Mr. Chairman, I must comment upon the contingent payment of up to $10 million per year under article XIII 4(c) of the Panama Canal Treaty. This is a prime example of a well-intentioned but flawed financial provision in a scarred treaty. The requirement that costs of implementation of the treaty be paid prior to the payment of the contingent amount is in the nature of a definition by Congress giving content and meaning to the otherwise ambiguous language of article XIII 4(c). The only stipulations placed upon the noncontingent payments to Panama under the other provisions of paragraph 4 of article XIII relate to obligations assumed by Panama in the new canal treaty arrangement and if Panama fails to comply with these stipulations the United States is fully justified in taking a comparable sort of action with respect to its treaty obligations.

PROPERTY TRANSFER

The financial and accounting provisions of H.R. 111 clearly recognize and take into account the constitutional power of Congress to appropriate moneys under article I, section 9, clause 7. In a similar vein the chapter in H.R. 111 providing for the disposition of public property in the Canal Zone is based on the constitutional power of Congress under article IV, section 3, clause 2 of the Constitution, which reads:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States;

The meaning and effect of this provision of the Constitution was the subject of extensive discussion and debate during the consideration by the Senate of the 1977 treaties. Committees in both the House and the Senate devoted considerable attention to the issue. In the 95th Congress a majority of Members of this House cosponsored resolutions affirming that U.S. property in the Canal Zone may be transferred to Panama only through legislation enacted by the Congress. The Senate devoted a considerable portion of the treaty debate to this issue before rejecting the Hatch amendment on April 5, 1978. The Panama Canal Subcommittee of the Committee on Merchant Marine and Fisheries unanimously endorsed a report concluding "any attempt to transfer U.S. interest in the Canal Zone without congressional authorization, must be considered as being beyond the scope of the treaty power, and therefore unlawful." In a suit brought by over 60 Members of this body contesting the concept that the treaty provisions for transfer of property are self-executing, the District Court for the District of Columbia dismissed the suit and on appeal the decision was affirmed by a closely divided court of appeals. The Supreme Court did not grant a writ of certiorari to review that decision but, of course, that action does not import approval of the decision.

Mr. Chairman, notwithstanding the attitude of other branches toward the powers of the House, the property transfer provisions of H.R. 111 for consideration fulfill the trustee role of this body in guarding its most important powers while at the same time the provisions do not violate the new treaty agreements with Panama.

There does not appear to be serious dispute over whether the United States does possess in the Canal Zone "property or territory" which falls within the ambit of article IV, section 3, clause 2 of the U.S. Constitution. The holdings of the United States in the Canal Zone are extensive. The property interests of the United States in the Canal Zone include 647 square miles of land and land under water and improvements acquired at a total cost of $1.6 billion, of which about $171 million represents the cost of the real property and about $1.4 billion represents improvements.

The property rights of the United States in property used in operation of the canal have been exercised through the Panama Canal Company and by and large the property has been treated as if it were the separate property of the company. Property administered by the noncorporate agency, the Panama Canal, later renamed Canal Zone Government, has, on the other hand, always been treated as property of the United States. Section 371 of H.R. 111 erases the distinction between the United States and the agency operating the canal, expressly providing that the property and other assets of the Panama Canal Company shall revert to the United States. Thus, it is considered that the Congress would be able to prevent any piecemeal erosion of the U.S. ownership of either the canal or such facilities as are now owned by the U.S. agency operating the canal and will continue to be used by the United States under the treaty.

Section 373 of H.R. 111 makes it very clear that article IV, section 3, clause 2 of the Constitution is the controlling provision for the disposition of U.S. property in Panama. Section 373 states specifically that no property of the United States in Panama may be transferred except pursuant to law enacted by the Congress. The only property for which transfer authority is provided is the property outlined in section 374 of the bill. This is the property scheduled to be transferred to Panama upon the entry into force of the Panama Canal Treaty on October 1, and includes:

First. The ports of Balboa and Cristobal and their facilities;

Second. The Panama Railroad and facilities;

Third. Part of Fort Amador;

Fourth. The islands of Naos, Culebra, Perico and Flamenco;

Fifth. Ancon Hill;

Sixth. Albrook Airport and facilities;

Seventh. Fuel deposits under the bridge of the Americas;

Eighth. Pedro Miguel, Paraiso and Rainbow City;

Ninth. Summit zoo and gardens;

Tenth. Fort San Lorenzo (Colon);

Eleventh. Margarita Island (Colon);

Twelfth. Coco Solo Dock facilities;

Thirteenth. Mount Hope Cemetery;

Fourteenth. France field landing strip; and

Fifteenth. Balboa and Coco Solito fire stations.

Other than the need for subsequent congressional authorization, the only other condition imposed on the transfer of property is that fire stations to be conveyed to Panama after October 1 be turned over only when the firefighter force of the Panama Canal Commission has been reduced by attrition to the point at which any such fire station can no longer be manned.

The property transfer provisions of H.R. 111 demonstrate the continued exercise of one of the most fundamental powers of the House because, whatever position might be held on the constitutional theory of property transfer, the provisions of H.R. 111 would be controlling over treaty provisions to transfer property. Further, the provisions continue the past practice concerning the disposal of Panama Canal properties, a practice which demonstrates complete reliance on Congress for authority to transfer property to Panama. The provisions withhold final authority for transfer permitting the Congress to make a decision at some future time based on the proper exercise of treaty obligations on the part of Panama as well as Panama's respect for U.S. rights.

FINANCIAL PROVISIONS

The financial provisions of H.R. 111 were drafted with the objective of establishing a system that would permit a level of control by the Congress based on the particular circumstances surrounding the operation of the canal while at the same time providing for recovery of all costs related to the operation through the tolls charged for use of the canal, and charges for other services.

To provide financial equity for users of the canal under the form of an appropriated fund agency, section 234 of H.R. 111 provides for the enterprise type accounting that will allow needed management flexibility in the allocation of resources and, most importantly, a standard for the users to determine whether costs of operation are being properly charged to them. It is important to realize that a primary reason for the change to the corporate form in 1951 was the desire for users to know what were considered actual costs of operation for the purposes of tolls—this need is met within the context of H.R. 111.

To provide financial equity for the Government and the taxpayers of the United States, section 22 of H.R. 111 provides that all funds to be spent by the Panama Canal Commission must be specifically authorized and appropriated by the Congress. This stipulation, which has been included in the legislation based on the fact that the U.S. Government will be responsible for any liabilities of the Commission or any unsound financial decisions made by that entity, will insure a closer scrutiny over the cash flow of the Commission and the use of funds for operational as well as administrative items.

The need for a careful tailoring of the financial provisions of H.R. 111 arises from the devastating effect, as mentioned earlier, of the Panama Canal Treaty on the finances of the canal enterprise. Payments to Panama out of moneys derived from charges for use of the canal will have been increased well over a hundred times from their present level. The loss of commercial activities, including those which are currently the most profitable, will cause further pressures on tolls. Moreover, under the Panama Canal Treaty the minieconomy of the existing Panama Canal enterprise, which allows an interchange of goods and services between various parts of the enterprise, including commercial activities, free from the shortages, monopoly costs, and uneven quality of some Panamanian services, will be broken by the treaty limitation of the scope of activities of the Commission.

The present formula for establishing tolls for use of the Panama Canal in section 412 of title 2 of the Canal Zone Code requires that tolls be prescribed to cover all costs for maintaining and operating the Panama Canal, together with its facilities and appurtenances, including interest, depreciation, and an appropriate share of the net costs of the Canal Zone Government. The new formula for the calculation of tolls, in section 412 of the bill, includes all of the present elements of cost except those relating to the Canal Zone Government, which will cease to exist under the new treaty arrangement.

One new element added to the formula for the calculation of tolls is the recovery of past costs not previously recovered by the Commission. The inclusion of this element is designed to assure recovery of all costs incurred by the Commission over the life of the treaty, notwithstanding a shortfall in any given year.

Another element added to the tolls formula provides for the payments to Panama under paragraph 5 of article III of the treaty, the so-called public service payment to Panama, and the payments under paragraph 4(a) and 4(b) of article XIII of the treaty, the payments based on tonnage of vessels transiting the canal, and the $10 million fixed annuity, respectively. Inclusion in the base of these two article XIII payments in the operating cost of the Panama Canal Commission fulfills the treaty requirement that they be out of operating revenues of the Commission. A specific provision of section 412(b) states that the contingent payment to Panama, under article XIII 4(c), shall not be included in the base for tolls. The committee included this provision in order to forestall a needless source of contention within the Panama Canal Commission, to insure that the payment actually does take on the contingent character envisioned by the treaty, and to demonstrate to canal users that it is clear the payment is not considered as a regular cost of operation.

A significant new element included in the tolls formula under H.R. 111 is that of capital for plant replacement, expansion, and improvements. The inclusion of the element is to recognize the necessity for provision of new capital for a continuous and intensive capital program in order that the long-range operation of the canal may be preserved. The revenues derived from this element are capital rather than operating revenues. Without any controls this capital element in the tolls formula could be a subsidy, but the scrutiny of the Congress over the capital program of the Commission will insure that frivolous or unwise projects are not taken up by the Commission and the costs for them passed on to the user.

The accounting process is an important tool in determining how new capital costs as well as depreciation of assets shall affect toll charges. Section 412(b) and section 234 of the bill are related sections that must be read together. Under section 234 the accounting principles established by the Comptroller General for the Commission's accounts will determine the effect of the language of the tolls formula in section 412(b).

Like the element of depreciation in the present tolls formula, the standard for depreciation of canal assets under H.R. 111 is not specified in section 412(b) and will be governed by the accounting principles prescribed or approved by the Comptroller General.

The question has been raised in the course of deliberations on H.R. 111 as to whether interest on the investment of the United States in the canal organization is a proper element in the tolls formula. The discontinuance of this element in the tolls formula, as provided in the administration draft of legislation, would have deprived the Treasury of some $400 million over the next 20 years. Testimony received by the committee in the hearings on the bill overwhelmingly supports the view that interest is a normal cost of operation that should be recovered from user charges. Furthermore collection of interest by the United States constitutes one of the very few benefits that can be provided to U.S. taxpayers under a treaty arrangement that is oriented primarily to satisfaction of the financial goals of Panama.

Interest on the cost of capital in the canal enterprise has been considered a cost not just since the formation of the present corporate organization that operates the canal but rather since the time the canal was completed and opened to traffic. According to documentation introduced into the record of the hearings on H.R. 111, before 1950 canal tolls were calculated to cover a return of interest at 3 percent per annum upon the investment of the United States in the canal enterprise as a whole. Provision for payment of interest by canal users recognized that the Panama Canal was more than a public works project for the benefit of the United States but that the benefits were also enjoyed by the interoceanic commerce of the entire world.

Question has also arisen in the course of deliberations on H.R. 111 as to whether the costs of early reitrement of canal employees should be reflected in the calculation of tolls. The costs to the U.S. Government of the compensation of canal employees have always been included in the calculation of rates of tolls. To exclude such costs would be to ignore the most fundamental factor in canal operation, for the canal itself cannot operate without skilled and dedicated personnel.

In the construction of a new formula for tolls under H.R. 111, the committee recognized that it faced a challenge in creating a formula that was fair to the Government of the United States and to the users of the canal. In the final analysis, the only fair formula is one that retains the financial viability of the Panama Canal, a point which I believe has been overlooked in the alternatives proposed by the gentleman from Idaho (Mr. HANSEN) and some other amendments sought in committee to H.R. 111.

Even though the initial tolls increase under the H.R. 111 formula will be around 33 percent, the viability of the Panama Canal Commission will not be injured according to a study done for the committee and an earlier one done for the executive branch. According to the Congressional Budget Office, traffic presently transiting the canal is relatively insensitive to toll increases in the 25 to 40 percent range. According to the international research associates study done for the Panama Canal Company in 1978, a 40-percent toll increase will lose 8.8 percent trffic over a 10-year period, but will garner 28 percent more in canal revenue. A Temple, Barker and Sloane study done for the Congressional Budget Office showed that a 40-percent increase in 1979 or 1980 would cause a loss of only 2.1 percent in traffic while it would increase revenues 37 percent.

Mr. Chairman, there is no joy in my heart in foreseeing a prospective tolls increase of over 30 percent for the new Panama Canal Commission. The Committee on Merchant Marine and Fisheries and I personally have taken the lead in questioning recent increases of tolls by the canal authority. I believe the assumption of all costs of the Panama Canal Treaty, including the costs of military relocation, under tolls would probably destroy the financial viability of the Commission, because such a burden would cause loses of traffic so great as to result in substantial net losses in revenue.

The problem, however, Mr. Chairman, is that there are certain very heavy costs that arise from the treaty arrangement. In general, the way the treaty is constructed, Panama cannot be coerced to pay the costs, but rather they must be assumed by the United States or canal users. H.R. 111 allocates most of the costs to canal users. Why should not the Russian ship, or the Cuban ship, or the ship of any other nation pay a fair portion of the costs of a treaty that was designed to inure to their benefit?

TREATY COSTS

The total amount of the added costs resulting from the 1977 treaty has never been calculated by the Department of State, or at any event, never fully disclosed. When the treaties were under consideration by the Senate, it was stated by high officials in the executive branch that the treaty would result in no cost to the taxpayer. On other occasions it was stated with a slightly greater degree of accuracy, that the payments to Panama required by the treaty would be made from canal revenues and would not be paid by the taxpayer. This latter statement was true as far as it went; what was not disclosed, however, was that in addition to the payments to Panama there were other costs to the United States of such magnitude that they can never be met from revenues generated by the canal. These costs were in the first place totally ignored, then partially identified, then disclosed in somewhat fuller detail, but still on an incomplete basis.

Mr. Chairman, in the process of drafting and considering H.R. 111, the committee has considered that it is essential to identify as completely as possible all costs to the United States resulting from the treaty even though H.R. 111 does not deal with the costs of military facilities. To that end of identifying all costs the various bits and pieces of cost information disclosed by the executive branch have been painstakingly accumulated and pieced together to provide a general, albeit still fragmentary and incomplete picture of the total cost of the treaty. That estimate reaches a total of over $4 billion over the life of the treaty, as described as follows, with 1979 dollars in thousands.

1.	Panama Canal	
2.	General	
3.	Payments to Panama	$2,157,110
4.	Relocation of facilities	14,279
5.	Transition costs	1,455
6.	Inventory loss	2,716
7.	Loss of net revenue commercial activities transferred to Panama	122,060
8.	Disinterment and reinterment	3,200
9.	Book value of property transferred	648,000
10.	Subtotal general	2,948,820
11.	Employee related	
12.	Early retirement	314,000
13.	Severance pay	4,600
14.	Commuted leave and repatriation of separated employees	9,284
15.	Cost of living allowance	154,161
16.	Elimination of tax factor in pay of non-citizens	11,856
17.	Transfer of funds to Panama Social Security	4,000
18.	Expanded training programs	7,500
19.	Rotation of employees	5,000
20.	Subtotal employee related	510,401
21.	Subtotal Panama Canal	3,459,221
22.	Department of Defense	
23.	Base operations, military construction, etc	757,000
24.	Retirement non-appropriated fund employees	$2,000
25.	Subtotal Dept. of Defense	759,000
26.	Department of State	
27.	Consular services	3,700
28.	Joint Committee expenses	3,800
29.	Foreign Military sales reserve	5,000
30.	Subtotal Dept. of State	12,500
31.	Battle Monuments Commission	900
32.	U.S. Treasury	
33.	Loss of depreciation Canal Zone Gov't assets	54,860
34.	Total costs	4,286,481

SOURCE NOTES

(Numbers at beginning of paragraphs represent line in chart note applies to:)

1. Panama Canal Costs.

2. Payments to Panama, $2,157,100,000 (net of cumulative total present payments). Based on annual payment at current traffic levels (30¢ x 183.1 P.C. tons) (1980 est.) adjusted after 5 years and biannually thereafter for increases in U.S. wholesale price index estimated at 6% per year plus two payments of $10 million each in each year.

4. Relocation of facilities, $14,279,000.

Reprogramming request to Appropriations Committee by Panama Canal Company and Canal Zone Government, September 18, 1978. The 1980 budget includes relocation costs as $5.3 million in 1979 and $1,278,000 in 1980.

5. Transition Costs, $1,455,000.

Hearings, Department of Commerce and Related Agencies, Appropriations FY 1980, p. 797.

6. Inventory loss, $2,716,000. Id.

7. Loss of revenue, commercial activities transferred to Panama, $122,060,000. Hearings, Panama Canal Subcommittee "Panama Canal Treaty Ramifications, Part 1", Serial No. 95–20, p. 83.

8. Disinterment and Reinterment of Remains, $3,200,000. Letter March 39, 1979, Dept. of State to Panama Canal Subcommittee, Annex C.

9. Book value property transferred, $648,000,000. (Exclusive of military installations and moveable property). Original cost of property transferred to Panama is over $1 billion at prices in effect when property was acquired. At 1977 prices the original cost is calculated by the Panama Canal Company at $4.6 billion. Replacement value has been estimated by Department of Defense at $10 billion. See Hearings, Committee on Armed Services, U.S. Senate, 95th Congress, 2d Session. "Defense, Maintenance and Operation of the Panama Canal, Including Administration and Government of the Canal Zone", pp. 307, 339.

12. Early retirement, $314,000,000. Report to Chairman, Merchant Marine & Fisheries Committee, House of Representatives, on H.R. 111 and H.R. 1716 by Panama Canal Company and Canal Zone Government dated March 28, 1979.

13. Severance pay, $4,600,000. Hearings. Department of Transportation and Related Agencies Subcommittee of Committee on Appropriations, House of Representatives, on Department of Transportation and Related Agencies Appropriations for 1980, p. 797.

14. Commuted leave and repatriation of separated employees, $9,284,000. Supplemental Appropriation Request for Canal Zone Gov't, FY 1979 published in Appendix to President's Budget for FY 1980, p. 1095, and Justifications in support of supplemental; Table attached to report of Panama Canal Company on H.R. 111, dated March 28, 1979. Estimates do not include cost of commuted leave of separated employees of Panama Canal Company or repatriation cost of Company employees not under limitation.

15. Cost of living allowance, $154,161,000. Based on Panama Canal Company estimate of cost of $10,277,400 in 1985, extended for 15 years without allowance for inflation. See Hearings, Panama Canal Subcommittee on H.R. 111 and H.R. 1716.

16. Elimination of tax factor in non-citizen pay, $11,856,000. Based on estimate by Panama Canal Company showing initial saving of $610,000 in first year of operation leveling off to $591,000 in second and third years. Cf. 1975 estimate by General Accounting Office of net saving of $1,131,000 a year based on 1973 force and pay, Report to the Subcommittee on Panama Canal, Committee on Merchant Marine and Fisheries, House of Representatives May 28, 1975 (B114839), p. 17, published in Hearings of Panama Canal Subcommittee, 94th Congress, 1st Session, Serial No. 94–8, p. 33.

17. Transfer of funds to Panama Social Security, $4,000,000. Memorandum March 28, 1979, Annex B, transmitted with letter March 29, 1979, Department of State to Chairman, Panama Canal Subcommittee.

18. Expanded training programs, $7,500,000. Based on Justification, Panama Canal Commission budget program for FY 1980, p. 19.

19. Rotation of employees, $5,000,000. Panama Canal Company. See Hearings, Panama Canal Subcommittee, Committee on Merchant Marine and Fisheries, House of Representatives, 95th Congress, Serial No. 95–20, page 88.

22. DOD Costs. Letter March 29, 1979 Assistant Secretary of State for Congressional Relations to Chairman, Panama Canal Subcommittee, Committee on Merchant Marine and Fisheries, enclosing memorandum dated March 28, 1979 with Annexes A–D.

23. Base operations, military construction, etc., $757,000,000. Letter March 29, 1979, *supra* note 22, Annex A.

24. Retirement non-appropriated fund employees, $4,000,000. Id., Annex B.

26. Department of State. See Note 22.

27. Consular services, $3,700,000. Id., Annex C.

28. Joint Committee expenses, $3,800,000. Ibid.

29. Foreign Military sales reserve, $5,000,000. Ibid.

30. Battle Monuments Commission, $900,000. Letter, dated February 16, 1979, American Battle Monuments Commission to Chairman, Committee on Merchant Marine and Fisheries.

32. U.S. Treasury.

33. Loss of depreciation on Canal Zone Government Assets, $54,860,000. Based on Justification, 1980 Budget Program Panama Canal Commission, p. 13.

ALLOCATION OF COSTS

After identification of the costs of the treaty, the immediate legislative problem confronting the Congress is the allocation of the responsibility for the costs as between the users of the canal and the U.S. taxpayer. The committee's solution to the problem is reflected in the tools formula in section 412(b) of H.R. 111 which I have already discussed in some detail. In general, the thrust of the bill is to require payment by users of the canal of all the costs directly associated with operation of the canal, whether such costs represent continuation of ordinary operating expenses or are new items of expense created by the treaty In the latter category are such expenses as the payments to Panama, estimated at $75 million in the first year of operation under the treaty and increasing thereafter and the cost of early retirement and fringe benefits contemplated by the treaty for employees of the present canal agencies as well as for employees of the Commission. As previously indicated, Mr. Chairman, it is estimated that these increased costs will require an increase of approximately 33 percent in the rates of tolls for use of the canal. This estimate is based on analysis of estimates submitted by the Panama Canal Company to the appropriations committee in May and to the Merchant Marine and Fisheries Committee in March.

The costs and revenues shown by these documents, in comparison to the results projected in the President's budget, are shown as follows:

FINANCIAL RESULTS OF OPERATION OF THE PANAMA CANAL UNDER H.R. 111, 96TH CONG., BASED ON PANAMA CANAL COMPANY APPROPRIATION ESTIMATES, REPORT OF THE PANAMA CANAL COMPANY TO COMMITTEE ON MERCHANT MARINE AND FISHERIES, AND THE PRESIDENT'S BUDGET

[In thousands]

	Appropriation estimate (May)	Report (March)	President's budget
Operating costs PCC	$355, 966	$369, 550	[1] $347, 769
Capital	23, 000	[2] 23, 000	[3] 23, 000
Obligations of Panama Canal Company and Canal Zone Government carried over	78, 296	84, 847	
Subtotal	457, 262	477, 397	[3] 370, 769
Revenues:			
Tolls at current rate	227, 600	[4] 227, 600	[5] 213, 300
Revenue other than tolls	[6] 72, 027	72, 027	70, 312
Subtotal	299, 627	299, 627	283, 612
Unexpended balances PCC and Canal Zone Government	[6] 81, 760	81, 760	
Subtotal	381, 387	381, 387	
Excess of costs over revenues	75, 875	96, 010	[7] 87, 157
Deficit as percent of tolls revenues (rate increase required to break even)	33	42	42

[1] Appendix to President's budget, p. 964, cost of $336,312,000 adjusted by inclusion of $21,457,000 interest.

[2] Capital obligations are not included in table attached to report but are shown in May estimate and on President's budget appendix pp. 963, 964.

[3] President's budget does not include capital obligations in operating expense.

[4] The Panama Canal Company's March report on H.R. 111 does not identify tolls revenue as a separate item in a lump sum of $332,395,000, described as "tolls and other income" but $227,600,000 is shown in the company's proposal to increase tolls published in the same month as the 1980 estimate of tolls at present rates.

[5] President's budget assumes an additional $46,700,000 in tolls revenue derived from a 14-pct increase in toll rates. Proposal for increase in tolls published in March would increase tolls by 21.8 pct producing an average of $51,584,000 per year over a 3-year period.

[6] The May estimate does not show revenues from supporting services as a separate item; costs of supporting services are shown on a net basis. The amount of $72,027,000 is derived from analysis of the $332,393,000 shown as "tolls and other income" in the Panama Canal Company March report on H.R. 111.

[7] Net revenue or loss.

Before leaving this subject, Mr. Chairman, it is perhaps desirable to refer to two solutions of the cost allocation problem not included in the bill but which may be proposed as amendments. One of such proposals is to require Panama to assume all costs of the treaty and the other is to provide preferential tolls treatment for vessels using the canal that serve U.S. ports. Mr. Chairman, the committee has rejected both these proposals because they are directly in violation of specific commitments made by the United States in treaties concluded with other countries. The requirement that Panama assume all costs of the 1977 treaty as a condition of receiving any benefits provided by the treaty is in direct violation of our treaty commitments to provide such benefits. The preferential tolls treatment of vessels serving U.S. ports is in violation of the provision of article III(c) of the neutrality treaty with Panama that tolls shall be just, reasonable, equitable, and consistent with international law. Such preferential treatment would also violate the Hay-Paunceforte Treaty with Great Britain which adopts as the basis of neutralization of the Panama Canal the rules embodied in the Constantinople Convention of October 28, 1888, applicable to the Suez Canal and which Specifically provides that the canal shall remain open to vessels of all nations on terms of entire equality and that conditions or charges for use of the canal shall be just and equitable.

EMPLOYEES

The provisions of chapter 3 of title 1, relating to all aspects of employment of personnel necessary to operation of the canal are of fundamental importance. The canal is a labor-intensive operation; its efficiency and indeed its very existence as a functioning entity are wholly dependent on the ability, loyalty, and dedication of the people who are involved in the operation. The importance of this element in the canal operation was clearly recognized from the beginning; the first section of the Panama Canal Act of August 24, 1912 authorized the President to operate the canal and govern the Canal Zone through a Governor and such other persons as the President deemed necessary for the purpose. This is merely the recognition of a truism so obvious as not to require elaboration—the canal does not operate itself—it takes people to make it run.

The 1977 treaty goes to some lengths to give the United States complete flexibility in employment matters and to encourage the fair and equitable treatment of employees of the present operating agencies whose employment will be affected by the reaty.

The employment provisions of H.R. 111, Mr. Chairman, represent an adaptation of the provisions of law now applicable to Panama Canal employment with such modifications as are necessary to meet the special conditions made necessary or desirable by the treaty provisions. H.R. 111 provides the statutory basis for according certain fringe benefits to Panama Canal employees whose conditions of employment are directly affected by the treaty. These benefits include allowance to offset increases in the cost of living that will result when the employees are no longer permitted to make purchases at the military sales stores, a privilege extended by the treaty for a period of 5 years. Early retirement eligibility is provided for employees of the present Panama Canal agencies whose employment by the U.S. Government is not continued under the treaty, and the same privilege is extended to employees who do not avail themselves of the opportunity to take early retirement when the treaty goes into effect.

This latter feature is included to encourage employees who are terminated as a result of the treaty, maintenance of terms and conditions of employment for employees of the old agencies who remain with the Commission, continuance of cash relief payments to non-citizen Panama Canal employees and their dependents who became disabled in their employment when they were not covered by the civil service retirement system, educational travel benefits, and transfer to Panama's social security system of Panamanian employees.

All these benefits are expensive, Mr. Chairman, as shown in my previous discussion of costs resulting from the treaty. However, under H.R. 111 such costs are treated as part of the normal operating costs of the Commission and as such are required to be recovered from charges for use of the canal.

I have one further observation to make about the employee benefit provisions of the bill. These provisions were carefully worked out with the employees over a period of many months and to a great extent represent an informal and admittedly nonbinding agreement between the executive branch and the affected employees. To the extent that the legislation reduces the benefits on which agreement was reached, the employees are certain to regard the action as a breach of faith and the consequences in terms of maintaining employment at essential levels both in terms of numbers of employees and indispensable skills are indeed grave. I urge in the strongest terms I can command, Mr. Chairman, that the employment provisions of the bill as reported by the Merchant Marine and Fisheries Committee be approved without change.

A final provision of the bill of considerable importance in the management of the canal is section 225 extending to all U.S. Government agencies in the area now comprising the Canal Zone, the labor-management relations law applicable to Government agencies generally. This section also extends the application of that law to the employees of those agencies without regard to the requirements otherwise applicable that would exclude from coverage employees who are not citizens or nationals of the United States. In the view of the Merchant Marine Committee, Mr. Chairman, these provisions are necessary to assure fair, equitable and nondiscriminatory treatment of the employees of the United States in that area.

CLAIMS

The claims provisions of H.R. 111 accomplish three major changes in the present law:

First. Consent to suits against the United States for damages to vessels outside the locks is withdrawn;

Second. The authority of the Commission to settle claims for damage to vessels outside the locks is limited to $120,000. Claims in excess of that amount are required to be referred to the Congress;

Third. Authority of the Commission to settle claims other than vessel accident claims not within the purview of the Federal Tort Claims Act is limited to

$120,000. There is no consent to suit on such claim.

Insofar as concerns vessel accident claims, this legislation returns to the law in effect when the waterway was maintained and operated by an appropriated fund agency before 1951. In accordance with the common practice followed in respect to wholly owned Government corporations, when the Panama Canal took over operation of the canal, the corporation was made subject to suit on all claims, including vessel claims for vessel accidents outside the locks. Since that time the number and dollar amount of vessel accident claims have progressively increased. In recent years the number and amount of these claims has reached a magnitude that threatens to require increases in rates of tolls to an extent that would constitute a real threat to the continued use of the canal for movements of cargo that might be diverted to other routes. In fiscal year 1978 claims for vessel damage in an amount in excess of $5 million were filed with the Panama Canal Company and the administrative cost of processing and litigating these claims is a substantial additional item. In the proposal for increase in tolls publisher by the Panama Canal Company in March 1979 the cost of marine accidents and other casualty losses was shown as over $8 million in 1980, rising to over $9 million in 1982.

In general the Congress has not adopted a policy of authorizing settlement of claims by Government agencies without limitation on the dollar amount on waiving the Government's immunity from suit on all claims. Claims based on damages occurring outside the United States are excluded from the application of the Federal Tort Claims Act. The Suez Canal authority does not assume any liability for damages incurred by vessels using the canal.

As a practical matter the risks of damage to ships in the waters of the canal would be covered by the vessel's insurance coverage generally applicable to the voyage on which the vessel uses the canal.

H.R. 111 continues the policy reflected in the law from the time the canal was opened that the United States assumes absolute liability for damage to vessels in the locks. This is because while the vessel is in the locks it is under the complete control of the employees operating the canal, so that under familiar principles of law the risk of the operation should fall on the United States. Claims for damage in the locks make up a relatively small part of the total amount of vessel accident claims in canal waters.

Other provisions of H.R. 111 in reference to vessel accident claims generally reflect the present law, with some minor changes not involving the basic principle of the extent to which the United States should assume liability on this class of claims.

In general, testimony of witnesses representing the shipping industry at the hearings held by the Panama Canal Subcommittee supported the claims provisions of the bill.

REGULATORY AUTHORITY

Under the provisions of law now in effect, Mr. Chairman, the President, the Panama Canal Company and the Governor of the Canal Zone have authority to issue regulations covering a wide variety of subjects related to the operation of the canal and government of the Canal Zone. The treaty expressly recognizes the authority of the United States to continue to issue regulations on matters pertaining to operation of the canal, the passage of vessels through the canal, relations with employees of the U.S. Government and matters involved in the effective exercise by the United States of its rights and responsibilities under the treaty. Some matters that are now covered by regulations are expressly withdrawn by the treaty from the authority of the United States.

In this situation, all the regulations presently in effect were reviewed and authority of the United States under the treaty is vested by the bill in the President and in the Commission.

Under the provisions of the bill the President is authorized to issue regulations relating to the operation of the canal and navigation of vessels through the canal and in the harbors of the canal. The President is also authorized to issue regulations on the use of aircraft over the canal, the possession and use of alcoholic beverages in canal areas, the exclusion and removal of persons from such areas, and health and sanitation in the canal areas.

The Commission, on the other hand, is authorized to issue regulations on eight subjects, including:

First. Inspection of vessels navigating canal waters,

Second. The keeping and impounding of animals,

Third. Fire prevention,

Fourth. Sale or use of fireworks,

Fifth. Use of roads and highways,

Sixth. Photographing of areas, installations and structures,

Seventh. Swimming in the canal, and

Eighth. Protection of wildlife, hunting and fishing.

TRANSITION PERIOD

Under the terms of the 1977 treaty, on the date the treaty becomes effective, the laws of Panama become applicable to the area in Panama now under the jurisdiction of the United States, now known as the Canal Zone. However, for a transition period of 30 months the treaty provides for limited exercise of jurisdiction by the courts of the United States now in the Canal Zone and continued application of U.S. laws for purposes of that jurisdiction.

The provisions of H.R. 111 closely track the treaty provisions in reference to the transition period and provide for the full exercise of all the rights of the United States authorized by the treaty during that period. This part of the bill also contains provisions to smooth the transition as much as possible by authorizing transfer of prisoners convicted of major offenses to the custody of the Attorney General and providing for elimination of one of the two magistrates' courts presently established for the Canal Zone. This part of the bill also revises the language of some of the laws continued in effect for the transition period to eliminate references to the Canal Zone that will no longer be appropriate after the treaty becomes effective.

A provision is included referring specifically to a treaty provision precluding retroactive taxation of businesses or individuals in the Canal Zone prior to the effective date of the treaty.

The bill vests in the President general authority to take measures necessary for exercising the rights of the United States during the transition period. Such a provision is necessary because it is impossible to anticipate all the problems that may arise in this unprecedented situation.

JOINT COMMITTEES

The 1977 treaty provides for a consultative committee composed of an equal number of representatives of the United States and of Panama, respectively, to advise the Governments of the United States and Panama on matters of policy affecting the canal's operation. In testimony before the Panama Canal Subcommittee of the Merchant Marine and Fisheries Commtitee, witnesses representing the Department of State confirmed the understanding that this committee is advisory only and is without Executive powers, and that it is intended to provide a forum for exchange of views between the two Governments on the diplomatic level. Based on that understanding, the bill provides for appointment of the U.S. members of the committee by the President that the participation of those members on the committee will be "coordinated" by the Secretary of State.

Similarly, Mr. Chairman, the bill provides for appointment by the President of the U.S. members of a joint committee on the environment for which the treaty provides with equal representation of the United States and Panama. The bill specifies that the U.S. members of the Commission shall serve at the pleasure of the President, without compensation although payment of travel expenses is authorized. Employment of personnel necessary for performance of the duties of the U.S. members is authorized, subject to provision of funds for that purpose by appropriation. The members of the Commission are also authorized to establish rules of procedure, subject to approval by the two Governments.

AUTHORITY OF THE AMBASSADOR

One problem created by the elimination of U.S. jurisdiction in the Canal Zone is that of adjusting the operation to the requirements common to all U.S. agencies operating in foreign countries. Because of the unique nature of the canal as an international waterway and the detailed controls over that operation established by this legislation, the bill provides that the Commission shall not be subject to the direction or supervision of the U.S. head of mission in the Republic of Panama. The Commission is required to keep the Ambassador fully informed as to its activities, and the Ambassador also is given responsibility for coordination of transfers to Panama of the functions that Panama assumes under the terms of the treaty.

APPLICABLE LAWS

Inasmuch as the 1977 treaty abrogates prior treaties between the United States and Panama, the jurisdiction of the United States over the Canal Zone pursuant to the grants contained in article III of the 1903 treaty comes to an end when the new treaty goes into effect. The treaty also expressly provides that the Panama Canal Company and Canal Zone Government shall cease operations in Panama on the effective date of the treaty. A broad range of general laws of the United States refer to the Canal Zone and the two canal agencies and some of those laws apply to the Canal Zone by virtue of the territorial jurisdiction of the United States in the Canal Zone.

The Panama Canal Subcommittee of the Committee on Merchant Marine and Fisheries, with the assistance of the Library of Congress and the executive agencies principally affected, has made a comprehensive survey of the effect of the changes in jurisdiction and terminology brought about by the treaty provisions. Based on that study the provisions of section 3 of H.R. 111 have been included to define the circumstances in which the general laws in question will continue in effect insofar as concerns Panama Canal areas and employees. Also, in appropriate cases, the provisions of H.R. 111 effect a change in the language of the general laws to conform to the geographical and organizational terminology appropriate to the new treaty arrangement.

GENERAL PROVISIONS

Title III of H.R. 111 contains certain general provisions of importance in addition to sections listing amendments and repeals.

The first general provision authorizes appropriations of such sums as are necessary for the disinterment, transportation and reinterment of the remains of U.S. citizens presently interred in Canal Zone cemeteries. This provision is in accordance with reservation (3) of the resolution of ratification of the neutrality treaty.

The second general provision authorizes classification of certain former employees of the Panama Canal Company and Canal Zone Government as "special immigrants" for purposes of immigration to the United States from Panama. The persons primarily affected by this provision are those predominantly West Indian origin who played a major role in the construction and later the operation of the Canal. These employees who have been recognized since the days of construction as individuals of unquestioned fidelity to their duties, as employees primarily oriented to the United States, and as a group that has never been fully assimilated into the Panamanian social structure. This provision of the bill, Mr. Chairman, is regarded as a major provision demonstrating the gratitude of the people of the United States for the faithful and effective service of this group of employees.

A third general provision in title III of the bill requires the President to report annually, during the life of the treaty, on the exercise of the rights and responsibilities of the United States under the treaty. The bill requires that the report include discussison of the actions taken by Panama with respect to the living conditions of persons residing in the Canal Zone before the effective date of the act who continue to reside in the canal areas; the terms, conditions and charges for land use licenses; and the condition of former employees of the canal agencies and their dependents who reside in Panama on or after the effective date of the act.

Many amendments and repeals of provisions of existing laws effected by the concluding sections of the bill are described in full in the Merchant Marine Committee's report on the bill.

EFFECTIVE DATE

The general effective date for the bill coincides with the effective date of the treaty—October 1, 1979. However, certain provisions of the bill that contemplate action that necessarily must be accomplished before that date become effective on the date of enactment. Those sections are also identified in the Merchant Marine Committee's report.

SUMMARY

Mr. Chairman, that concludes my overall descriptions of the provisions of H.R. 111. As I have indicated, the bill is in no way an optional item of legislation that can be enacted or rejected according to the views of individual Members on the merits or defects of the Panama Canal Treaty. The treaty has been negotiated and ratified and it will become effective on October 1 regardless of any action or nonaction by the Congress on this bill. Unless the bill is enacted the United States will not be able to continue to operate the canal. This would be nothing short of a calamity in the history of the actions of the Congress in relation to the canal. With all the powers of persuasion at my command I urge this body to pass the legislation without delay.

□ 1420

The CHAIRMAN. The gentleman from Maryland (Mr. BAUMAN) is recognized for 1 hour.

Mr. BAUMAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I want to pay special tribute to the gentleman from New York and for the work that he has done throughout the deliberations of the full Committee on Merchant Marine and Fisheries, of which he is the chairman, as well as our Subcommittee on the Panama Canal.

I know, as the ranking minority member of that subcommittee, it was a pleasure to work with him.

I think both sides of our subcommittee and full committee had a full chance to offer their suggestions and the legislation before us, H.R. 111, bears the mark of a great many members of our committee of very differing views on the issue of the Panama Canal treaties.

A word of thanks should be given to the staff of the majority and minority, because the work entailed in this legislation was not an easy task. As a matter of fact, it is akin to disestablishing the State of Rhode Island and returning it to the natives.

Quite literally, the Panama Canal at the Isthmus of Panama is a unique entity in our history. It is American soil, remaining so until October 1, at least in the opinion of the gentleman from Maryland, and all of the many technicalities and intricacies which had to be worked out presented an enormous job for everyone involved.

Having said that, I would like to say that the gentleman from New York has given more than an adequate description of the details of the legislation, and I need not dwell upon that.

I think that there will be amendments offered later in the deliberations whenever that may be, in May, September, next year, whenever the leadership thinks it has the vote to bring up the amending stage.

We will address those amendments. Some of them may simply stiffen up the provisions of this legislation.

Those readers of the report will know that the minority that voted against reporting the bill did not do so with any particular malice toward H.R. 111, which we found to be the best of the vehicles before us, although we did feel that some of the amendments to be offered by the gentleman from New York (Mr. CARNEY) or the gentleman from Idaho (Mr. HANSEN) might also be included, and that may yet happen.

Having had this description of the fundamentals of the legislation, which I certainly will develop throughout our debate against any weakening amendments, I would like to pass, however, to some related comments so that the House may have a full knowledge of the atmosphere in which we discuss this legislation.

I regret that the leadership assigned this legislation for debate on a Monday, when the announcement under our new rules allows no rollcall votes, because that assured there would be a minimum attendance as the previous voting on the Journal indicated.

I think we now have perhaps maybe 15 Members on the floor. Most of the members of the Committee on Merchant Marine and Fisheries have heard most of these debates before, but I trust all of these remarks will be read in great detail by our colleagues. I am sure they will be.

I think it is not too much of an overstatement to say that the American people were, and are still, overwhelmingly opposed to the Panama Canal treaties. I would add that in my opinion these treaties have been presented to the American people in a manner that has been, to put it mildly, deceitful from the beginning. They have been subjected to false propaganda barrages from the White House and the State Department which continue to this very day.

The full truth had not been told until, I believe, the hearings that our subcommittee held throughout the last several months. So therefore, today I feel an obligation to present a few comments on precisely what has been behind this treaty and what the impact will be.

First of all, I think you have to concede that the claims made by President Carter and others for a magnificent era in Latin American relations, as a result of these treaties, simply have not happened.

On August 12, 1977, when the President presented the outline of his agreement to the people of the United States, he said, and I quote:

> And the treaties will be a foundation for a new cooperative era in our relations with all of Latin America.
>
> I believe that these treaties will help to usher in a new day in hemispheric relations.
>
> All of the countries in Latin America are joined with us in the conviction that a new treaty which properly responds to the Panamanian aspirations and fully preserves our own interests will give us an opportunity to work together more effectively toward our common objectives.

That very same theme has been repeated quite often. I will not read to the House the full text, but I would suggest that they might wish to examine a document from the Department of State sent to all of our offices on April 27 of this year, signed by Douglas J. Bennet, Jr., in which he, too, repeats these magnificent views of the new relationship and makes some astounding claims in his preface about the current situation in Panama.

Let me say to you that I believe, as one who listened to all the many days of testimony about the Panama Canal treaties, that this was one of the worst foreign policy mistakes made by any administration in a great many years. I think that will be borne out perhaps, I am sorry to say, within a matter of months after this treaty becomes effective.

First of all, the American people were told repeatedly that this treaty was, in fact, a self-financing document that would not require any expenditure on the part of the taxpayers.

The State Department has, over the last few months, finally conceded there might be some small cost, originally estimated by the State Department to be nothing. It went up last February to $350 million, and now is past $900 million; however, they claim a net gain that will reduce it below that figure.

Let me recall briefly some of the quotations that we heard at that period when these treaties were being sold by Mr. Linowitz and Mr. Bunker, a diplomatic road show paid for by the taxpayers.

Mr. Linowitz and Mr. Bunker appeared before our full committee in August of 1977, and the quotation directly from Mr. Linowitz is:

> We believe that the economic settlement is fair, reasonable and appropriate . . . it will not involve any additional burden for the American taxpayer since it can be financed from canal revenues.
>
> Deputy Secretary of State Christopher:
>
> We insisted that during negotiations no payments to Panama for its contributions to the Canal enterprise be drawn from the Canal earnings, but the treaties will not require any appropriations from the American taxpayers.
>
> Secretary of State Vance:
>
> Treaties will require no appropriations, nor will they add to the burden of American taxpayers.
>
> President Carter, December of 1977:
>
> We wanted a treaty that did not put a financial burden on the American taxpayers and we got it.

Well, the taxpayers are the ones that ought to be saying, "We got it," because quite literally, as the gentleman from New York (Mr. MURPHY), has just indicated in his remarks, the cost is likely to be in excess of $4 billion over the life of these treaties and that will be documented in the RECORD during this debate.

Suffice it to say that the State Department, even at this very late hour, is sending phony documents up to the Hill that bear no relationship to the actual cost, in attempting to salvage their position.

I have no doubt that, as the gentleman from New York indicated to the press after the close vote on the rule the other day, this continued duplicity has much to do with votes and the narrow margin simply because the Members do not know whether they can believe the administration.

In this case of cost, I do not believe they can.

Before we pass on to a discussion of the cost, let me give you some estimation of the situation in which we find ourselves in relation to the Republic of Panama at this point.

□ 1430

The State Department, in the document I just mentioned, made comment that the new Government of Panama, instituted last summer, was elected to that position. The President of Panama today is Aristides Royo, former minister of education. Someone described him as being universally known throughout the political spectrum in Panama, as being, charitably, to the far left. He was handpicked by General Omar Torrijos, who relinquished control as Chief of State in name only, but not in fact, and continues to head the Guardia Nacionale, which is the police force that indeed controls the Republic. Torrijos is the real power in Panama.

We were told by Mr. Carter and the State Department that we were entering upon an era of new and improved relations as a result of this treaty. When the Subcommittee on the Panama Canal went to Panama for hearings earlier this year—and we held extensive hearings over 3 or 4 days—we were given a number of rather descriptive phrases in the totally-controlled press of Panama. The gentleman from New York has been referred to mildly as "dangerous".

The entire subcommittee came out as, "power-crazed . . ." and "racist."

In La Republica the attitude of President Royo has been made very plain. He has asked that we pass legislation which is consistent with what he says is the letter and spirit of the treaties, but he has made threats since the beginning of February, and I quote from a dispatch of February 16. "With implementation or without implementation, the Panamanians will enter the Canal Zone on the 1st of October."

Now that, I do not think, is even a veiled threat. It is a very plain threat that this will be exactly what will be done. Most interestingly, in the last few weeks there have been a number of comments made by officials of the Panamanian Government, one of which I would like to refer to at this particular point. This is from a statement by Carlos Lopez Guevera, Panamanian Ambassador to Washington, who on the first of May in an interview with the United Press International made it plain that he felt these treaties were, as he put it, "to put an end to the colonial status of the Panamanian territory known as the Canal Zone * * *"

He further stated that—

> Panama's rights do not depend on any U.S. congressional legislation but on its inherent sovereignty and the treaty.

He echoed the statement by President Royo on October 1 that these steps would be taken, but I suspect the much less diplomatic and clearer view was given on April 30 in a speech made by Ascanio Villalaz, Deputy Under Secretary of the Democratic Revolutionary Party, one of two parties the Government has created in the last few months as fronts for the Government, speaking to a rally of his party, at which he said:

> The Panamanians will enter the Zone by force and will go beyond the application of the Torrijos-Carter canal treaties if the United States does not fulfill the treaties.

He went on:

> No matter what happens, the zone will be ours on the 1st of October.

He insisted in his remarks that if the Panamanians are obliged to enter by force the territory administered up until now by the United States, they are not going to apply the Torrijos-Carter treaties, "but rather a little more." He referred to the then chief of government, General Omar Torrijos, who announced that, if the treaties had not been ratified, the Panamanian National Guard was ready to blow up the canal.

Mr. Villalaz added, "That is the same attitude which exists in our people, in our government, and in the national guard today."

And, of course, then he closed with a complimentary reference to "the most reactionary Members of the U.S. House of Representatives," which included, in his estimation, the members of this committee and the majority of the House which voted to end aid to Panama.

We may discount those remarks as being political rhetoric for domestic consumption, but I also think there is some need for this House to address itself to that sentiment. What has the Government of Panama been doing in recent months? Havana Domestic News Service on February 9 says that President Royo is very interested in the progress of Cuban economic development plans and the possibility of that country providing technical assistance to Panama.

A few days later Panama signed an agricultural and livestock cooperation agreement between Panama and Cuba.

Recently, while our subcommittee was in Panama, three members of the Supreme Soviet, members of the Politburo, Stanislav Pilotovich, Karen Brutents, and Aleksey Mineyev were also visiting. All were in Panama at the same time, and it was announced that the members of the Supreme Soviet were visiting

Panama noted the possibility that the Soviet Union might provide "technical aid" to Panama.

Very recently, we were informed by the Panamanian press that agreements are now being negotiated with Libya. Of course, that is their right as a sovereign nation, but I think we should understand that. President Royo has announced he will attend an international conference of "non-aligned" Nations in Cuba next September.

The Panamanian Government has been entertaining Helmut Angula, one of the representatives of the South-West African People's Organization (SWAPO), which of course is guilty of so much terrorist bloodshed in the South-West African territory.

All these points, I think, do not prove anything in particular except that there is an obligation for the House to face, as we deal with this legislation, the true character of the Government of Panama. That character places a premium on adopting the strongest possible legislation that will place in the hands of the Congress for the duration of the life of this treaty, until the end of the century, absolute control over both the funds and, to the degree the treaty permits, control over the operation of the Canal. That is one of the objectives the gentleman from New York, I think just a few minutes ago, has described, but we can hardly ignore the character of the government.

Only a few days ago the most prominent member of the opposition, former Panamanian President Arnulfo Arias, said in a little reported broadcast that it was a fraud against the people by the Congress of the United States to enact implementing legislation at this point because, he said: "There is no true democratic institutions that exist in our country." There is no freedom of expression, and the citizens' inalienable basic rights are being disregarded. His feeling was that if Congress goes along with these treaties, this may very well provide a permanent status for the current leftist government that will continue.

Mr. Chairman, before I yield to other members of our subcommittee who wish to comment on those points I raised earlier about the consideration of the treaties, I think it is in order to say that the statement has been heard repeatedly throughout these debates that the cost will probably be in excess of $4 billion. I do not doubt that. I think that is a very low estimate. I will try to describe a few of those costs.

First of all, the State Department tells us that under these treaties, we must approve a literal giveaway for reasons they consider valid, of a canal that was built and now has a value of approximately $20 billion. That might be the replacement value but it is a valid estimate. So, while the State Department says that it does not cost us anything, we are in fact beginning with the giveaway of a facility that could be worth $10 billion to $20 billion. It becomes important that we should consider that as Members sworn to uphold the Constitution.

The canal is projected to run a deficit even with the toll increases that will be necessary under the bill. The figure one Member is using is in excess of $700 million for the life of the treaty. If there is such a deficit, we would obviously have to make it up or tolls have to be raised. That would cause the American consumer to pay more for goods shipped through the canal, including oil and other commodities.

A third element is that the treaty alone, requires that the Canal Company must put into effect a 22-percent toll increase later this year. This could, over the life of the treaties, cost U.S. consumers $744 million. There was no dispute in our hearings of a fourth estimate, that is, the transfer of expenses to implement the treaties estimated by the Comptroller General to be at least $399 million.

The bill before us, passing to a fifth point of consideration, does not require the full payment of interest as it has been paid in the past, but rather a revised amount. The administration suggested that no interest at all be paid. That would have meant a loss of $400 million, and depending upon the final form of the legislation could still be a cost against the taxpayer.

Amortization of the debt to the United States amounts to a total cost of $319 million, but in the bill before us this is not included. That is a specific loss.

Still another cost is the cost of those services—and this is a very large cost—which will now have to be provided by the Department of Defense which previously came out of the tolls and were paid for by the users of the canals. In other words, there were a great many services paid for in the past by the Panama Canal Co. which will now have to be paid for by the taxpayers of the United States. Most recent estimates based on the testimony and briefing given us by General McAuliffe, head of the Southern Command, show that those could run as high as $1.3 billion over the next 20 years.

Another cost factor is a list of miscellaneous equipment that we will give up that includes FAA equipment at the new airport in Panama, about $5 million. So we see, we come close to a $4 billion cost figure without even getting into the issue of whether or not inflation will be facing us and will increase that cost. Add to that an estimated $295 million in U.S. Government guaranteed loans that the Carter administration promised to Panama and which this House has already partially held in abeyance, and further military payments of at least $15 million.

□ 1440

You now begin to see a picture of exactly what the total cost would be. I have not even addressed the fact that the Government of Panama under this treaty—and the implementing legislation cannot change that to any appreciable degree unless amendments are adopted here on the floor—will receive in the neighborhood of $75 million a year skimmed off the top of the tolls, as compared to the $2.3 million annually they now receive. All of the facilities of the canal which they have any appreciable income will be transferred to the Government of Panama, and remaining in U.S. hands are all of those that are producing deficits and costs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAUMAN. I yield myself 3 additional minutes.

I want to close with one last comment. The game plan of the administration and of the Department of State is quite apparent from the maneuvers that have gone on throughout the deliberations of our committee and the subcommittee. They presented a bill, H.R. 1716, early in January that would have in fact turned over the operation of the canal to a rather loose arrangement between the Department of State and the Panama Canal Commission. I have no doubt, based on their track record in dealing with Panama, that that would have meant the virtual total control by the Government of Panama. After two votes on Panama foreign aid issues in this House, the administration suddenly changed its tune and has embraced the Murphy bill, H.R. 111. But we have seen the document that the Department of State and others have prepared, the secret game plans, which indicate that they really do not care what the House of Representatives does in this matter. What they really plan to do is take it to the other body and pass the most liberal form they could possibly obtain—and I do not know how liberal that will be in view of the election results in the last election—but to pass the most liberal form of legislation, bring it to conference, and insist upon that much broader and much more State Department-administration-oriented legislation. That to me is the second major insult that this administration has dealt to this House, which I feel has a constitutional responsibility to dispose of the property of the people of the United States, if, indeed, it should have been disposed of at all.

I would hope that the House would realize that that places a premium upon our passing the strongest possible legislation in a form that we can, if need be, negotiate with the other body.

I would close with just a personal word of tribute to the valued employees, both Panamanians and Americans, who run the American canal in Panama, and particularly to their Governor, Harold Parfitt who heads both the Panama Canal Company and the Zone Government. These people are working under the most serious of disabilities, and that is the total uncertainty about their fate and future. It is up to us in fashioning legislation to assure that future and the future operation of the canal. We may differ about the terms of this legislation before us, but ultimately we have to accept the responsibility for some form of law that will govern the canal during the life of the treaty. The treaties are now the law of the land, and I think that we have to legislate in that context. It may well be that the administration may need a defeat of this legislation in this House in order to explain to them in stark reality not only the feelings of the Members of the House but the American people as well. I repeat, this was one of the saddest and worst mistakes ever made in our foreign policy, and it is unfortunate that we in the House are left to clean up the mess. That is precisely what our deliberations are about.

Mr. MURPHY of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. Bowen).

Mr. BOWEN. Mr. Chairman, I rise in support of H.R. 111 because, quite frankly, I believe in putting America first. I, rather selfishly, I believe, put the well-being of this Nation and its people ahead of other interests, and I believe we may serve that national interest most effectively by passing H.R. 111 without amendment.

I believe that we need the Panama Canal, and need to keep it open. I opposed the treaties simply because I felt that the United States could do a better job of running the Panama Canal than anybody else. But under our constitutional process the treaties were signed and ratified by the Senate, and the articles of ratification were exchanged on April 1 of this year.

As our chairman, the gentleman from New York (Mr. Murphy) pointed out to us in his very detailed and eloquent statement, the Panama Canal will come under Panamanian jurisdiction on October 1 of this year. The newly designated Panama Canal Operating Area will replace the Panama Canal Zone. It will be a smaller piece of territory, and a number of other transfers of property and equipment will take place which have already been detailed for us. These changes will take place regardless of any legislative action or nonaction on our part.

As I see it now, Mr. Chairman, we have three choices facing us as a House. We may, first of all, pass H.R. 111. If we pass H.R. 111, we will, in my opinion, be making the best of what is, quite frankly, in my opinion, not a very good situation. But that is the only valid choice really open to us at this point, given the ratification of the treaties.

If we do pass H.R. 111, we will have 20 years—20 years—before us for the United States of America to administer the Panama Canal. It will be administered through a commission with an American majority of 5 to 4. We will also retain the right to defend the canal even after the year 2000 under the treaties. Under H.R. 111 and other legislation related to it, there will be no U.S. tax dollars paid to Panama. We may, of course, spend a good deal of time debating various bookkeeping systems and various costs and how they might be measured but I think it is worthwhile to stop and note the fact that the U.S. taxpayer really is paying only for a limited scope of outlays to other Americans that I think has been detailed for us before.

The Committee on Merchant Marine and Fisheries has estimated that this would run about $826 million over a 20-year period, or about $41 million a year. The administration has said it would cost about $870 million, or about $43 million a year. Possibly it could be as low as some $350 million a year, or about $17 million a year, depending upon how we phase out the American presence in the Canal Zone.

I honestly do not regard this as a doubletalk on the part of the administration. I am not here particularly to pull the administration's chestnuts out of the fire. They have made plenty of mistakes in this entire matter, but I would say that there is a valid area for considering a range of costs in phasing out our presence in the Canal Zone over the next 20 years.

If we simply assume full American military presence all the way through to the year 2000, of course, the high end figure of $870 million would be appropriate. If we phase this presence out, we can save several hundreds of millions of dollars. In any event the appropriated dollars would be U.S. tax dollars going to Americans, not to the Panamanian Government, Americans being paid by Americans. We have had those costs outlined, involving military relocations, schools, hospitals, cemeteries, and other items.

□ 1450

Now, the moneys that are going to Panama, let me remind you unless you lose sight of it, in the middle of all the rhetoric on the subject, the money going to Panama will come from tolls, and the Committee on Merchant Marine and Fisheries has estimated that all the costs involved in raising the tolls to pay what the treaties obligate for Panama will only result in increasing the tolls by about 30 percent. And that I contend is a rather modest figure.

I have pointed out in a "Dear Colleague" letter to the Members that, for example, an automobile manufactured in Japan which cost about $5,000, when subjected to that 30-percent increase in tolls, would have added only $3 to the cost of that vehicle if transported through the Panama Canal and sold on the east or gulf coast.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURPHY of New York. I yield the gentleman an additional 2 minutes.

Mr. BOWEN. By the same token, if the canal were closed, some $200 would be added to the price of that car by virtue of having to ship it around Cape Horn. At the same time, the U.S. Maritime Administration has estimated that the cost in terms of inflationary impact on American consumers would amount to about $2.7 billion if we did not have the canal to use. The Chief of Naval Operations has estimated that in order to maintain our present level of naval efficiency, if we did not have the canal open, we would have to spend about $87 billion more.

The fact that the increase in tolls is reasonable, I think, is supported by the fact that the U.S.-flag merchant shipping lines, all of them, and all the maritime unions are supporting H.R. 111.

We have a second option and that is to do nothing. We could also do something worse than nothing by passing bad legislation, our third option, which would amount to about the same thing.

If we do nothing, if we defeat this management legislation, then I suppose we would not precisely be in violation of the Treaty but we would certainly be in default of our Treaty obligations. There would be, as the gentleman from New York (Mr. Murphy), the chairman of the subcommittee, has pointed out, no way to set up any kind of authority to employ anyone to run the Panama Canal, to hire and pay staff in order to operate the Panama Canal. In fact, it would quite possibly lead to a closure of the canal. It would simply be a dumping of the canal in the lap of Panama and saying, "Here it is, we do not want to participate, it is your canal, see if you can run it, see if you can defend it, do what you can with it."

If the canal were shut down for any period of time, I think we would lose all the trained, skilled labor force we have there. The Department of Defense estimates we would lose about $750,000 a day in tolls or some $17 million a month, and quite frankly, I do not think we can afford to take that kind of a gamble.

There will be legislation offered to you later by the gentleman from Idaho (Mr. Hansen) and possibly others that I think are rather egregious, obvious, and intentional violations of the treaty. That is our option No. 3.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MURPHY of New York. I yield the gentleman 1 additional minute.

Mr. BOWEN. Mr. Chairman, I sincerely hope that no one believes that if we fail to pass legislation or if we pass really outrageous legislation that somehow Panama will say, "OK, you can have the Canal back; OK, the treaty is nullified; we will now go back to the Treaty of 1903."

I do not think anyone really believes that to be the case. I think most of us know we want to create an incentive for Panama to cooperate in the efficient operation of the Canal. If we support legislation such as that proposed by Mr. Hansen which takes away all the revenues from Panama that would be provided through the treaties and, in fact, reaches into the Panamanian treasury for even more to try to compensate us for a wide range of imagined expenses and costs which have ranged up to the $20 billion range, I think if we do that we will, of course, be in obvious violation of the treaty and in default of our treaty obligations. We will end up, quite obviously, in chaos in the Canal Zone with possibly a shutdown of the Panama Canal and a dumping of the Panama Canal into the lap of Panama, which I do not think is in the interests of anyone in this country. I, therefore, want to urge Members at the appropriate time to oppose amendments to H.R. 111 and support its adoption.

Mr. BAUMAN. Mr. Chairman, I yield 7 minutes to the gentleman from New York (Mr. Carney), a valued member of the subcommittee.

Mr. CARNEY. Mr. Chairman, the Panama Canal Treaty debate becomes more puzzling at every turn in the road. I have never understood why President Carter agreed to give away the Panama Canal or why the U.S. Senate ratified the treaty when every public opinion poll has shown that the American people, by substantial margins, oppose this treaty. This strong opposition to the treaty and the legislation which would implement it was reaffirmed on the floor of the House of Representatives last Thursday when the rule to bring the bill to the House floor won by the narrow margin of 200–198. Obviously, if the House only agreed to consider this legislation by a majority of two, its chances of passage without substantial amendment are very slim. But now strangely we have just been informed that the bill will not be voted on today, that amendments cannot be offered to it, and that we may only engage in general debate on the bill.

What possible purpose can a delay of 2 weeks achieve? It will provide an opportunity for a massive exercise of pork-barrel politics. I suggest to Members of this body that if they want a tariff barrier to protect their industry, if they want any kind of a favor that the largesse of the Federal Government is capable of bestowing, now is the time to ask for it. President Carter is extending an open invitation to you to participate in the darkest and most insidious side of the political process. All you need do is remain uncommitted on the bill, play hard to get and wait by the phone. This, sadly, is symptomatic of the way this administration has tried to push the Panama Canal Treaty down the throats of the American public.

The American people understand some very fundamental facts about the Panama Canal. This canal represents the best that is the United States. It was built with American money, American technology, American science, American lives, and American spirit. We built it not because we were racist imperialists, but because no other country had the capability or will to get the job done, and to hack an international waterway out of malaria-infested jungles and mountainous terrain. They understand that the construction of the Panama Canal at the beginning of the 20th century marked America's emergence as a world power. It is in sad contrast to the political maneuvering and manipulations that are accompanying this attempt to turn the canal over to a Panamanian dictatorship.

The administration, especially the State Department, has continually lied to the public in trying to sell this treaty. In testifying before the Senate Foreign Relations Committee on September 26, 1977, Secretary of State Cyrus Vance responded to a question about the budgetary impact of the proposed Panama Canal Treaty by saying flatly:

> The Treaties require no new appropriations, nor do they add to the burdens of the American taxpayer.

Now the Merchant Marine and Fisheries Committee has estimated that the costs to implement the bill will be over $4.2 billion and even the administration estimates that it will cost hundreds of millions of dollars. Of course, their estimates may have to rise substantially in the next 2 weeks. How do we explain to the American people that they must both give away the canal and pay for doing so. This is a time of fiscal austerity and the Government is reducing its support for public housing, farmers, the elderly, and the cities. Four billion dollars would go a long way towards alleviating many of the economic hardships faced by millions of American citizens today. The costs of this transfer could be borne by two other parties—the Republic of Panama or users of the canal. The least that this Congress should require is that the users of the Panama Canal rather than the American taxpayer pay for these costs. While some may suggest it is not fair to ask the users of the canal to bear all the costs of transferring it to Panama, I recommend that this concern be expressed to the new sovereign, the Republic of Panama, and to those in the administration and the U.S. Senate who acquiesced in the ratification of the treaty transferring the canal.

In selling this treaty, the administration has suggested that it no longer has important defense attributes; however, during the Vietnam War, about 98 percent of all supplies for our military was shipped by sea and of this total approximately 33 percent went through the canal. Marines and supplies from the west coast transited the canal during the Cuban Missile Crisis, and U.S. presence in the Canal is of strategic importance for controlling the Caribbean-Gulf of Mexico area. Again in testimony before the Senate, Admiral Holloway, the Chief of Naval Operations, stated:

> The Panama Canal is and will remain of major importance to the United States. Its use is a key factor in the Navy's ability to accomplish its responsibilities in connection with essential war plans and other contingencies involving our national security.

The administration has always maintained that it could transfer the canal through the treaty process without the necessity for approval from the House of Representatives. But now it is asking this body to appropriate money to pay for a transfer which it was not a party to. That is simply asking too much—for the House of Representatives and for the American people to accept. I understand that the citizens of the Republic of Panama may be very upset if the House does not pass implementing legislation. But I think it is time that some body of the U.S. Government start giving some consideration to the people of this country, consideration which has certainly not come from the State Department.

The United States paid in money and lives to build the canal and has maintained it efficiently from the day that it opened—serving all the world's ocean commerce on a nondiscriminatory basis. Tolls for transit were $1.20 per ton in 1914 when the canal opened, and today they are $1.29. These simple figures stand as a tremendous monument to the care and ability with which this country has carried out its responsibilities as builder and operator of the Canal. The American people are proud, as I am, of the U.S. involvement with the Panama Canal and will suffer these continued outrages no more.

□ 1500

Mr. MURPHY of New York. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the committee chairman for yielding this time to me.

Mr. Chairman, as I understand section 232(d) of the act, it provides that the Panama Canal Commission may enter into contracts in order to carry out its functions.

However, there has been some concern expressed about the ability of the new Canal Commission to recruit and maintain a skilled work force. With respect to that concern, I would like to clarify as a matter of legislative history whether it was the committee's intention that the Panama Canal Commission would continue to contract for marine piloting services of the type now being provided by pilots presently serving the Canal.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the chairman of the committee.

Mr. MURPHY of New York. Mr. Chairman, pilot services are among those contemplated in the drafting of the bill. The bill does not preclude the regulations from allowing the Commission the latitude to enter into a contractual agreement with an appropriate entity to provide pilot services.

I assume, of course, that the regulations will require that a requisite finding be made pursuant to law and regulations that the contract activity is in the best interests of the United States and the Panama Canal Commission as opposed to direct hire agreements.

Mr. OBERSTAR. Mr. Chairman, I thank the chairman of the committee for that clarification.

Mr. MURPHY of New York. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR of Michigan. Mr. Chairman, I thank the gentleman from New York (Mr. MURPHY) for yielding me this time.

I would like to address a couple of points, some of which were made by the other side in the debate that just preceded this, but before I do that, I would like to talk about labor's interest in the treaty and in the implementing legislation.

American labor has an essential stake in the Panama Canal Treaty and the legislation to implement it because major sections of both provide protection of the rights of the canal work force and for establishing the system under which it is going to eventually operate.

This was recognized by many of the organized labor groups in this country that supported the Panama Canal Treaties during the Senate debates, and that included such organizations as the National Longshoremen's Association, the United Automobile Workers, the Communication Workers of Amerca, as well as the AFL–CIO and the Coalition of Labor Union Women. More recently, representatives of the American Federation of Government Employees and the National Maritime Union have testified on the implementing legislation, supporting its labor provisions.

Even the briefest summary of these provisions make it clear why labor's stake in this bill is so very important. It sets up the Panama Canal Employment System. Without this legislation there will be no system after October 1. This bill, together with the treaty, also provides the incentives needed to keep the highly skilled American work force on the job protecting their legal rights, providing for their schools and medical care, and increasing the retirement benefits of those with a stake in the canal.

Lastly, the legislation will permit us to deal fairly with those U.S. citizens who will lose their jobs as a result of treaty actions beyond their control.

Opponents who attack the costs of the treaties would have us believe that large amounts of U.S. tax dollars are going to be given to Panama. Not only is this untrue, but the fact of the matter is there are significant expenses arising from the treaty for the support and protection of the Canal Commissions American labor force; for example, tax dollars are going for the benefit of American employees taking early retirement, and there are other benefits that will accrue.

It is no secret that many of the canal employees—the Zonians—were unhappy with the treaties, but they have now accepted the fact that under our Constitution the treaties are the law of the land and will come into effect on October 1. Despite their reservations, most of these employees are willing to give the new treaty arrangements a fair trial.

Many of the labor provisions of the bill now before the House were carefully worked out in consultation with the leaders of the canal unions and their affiliates here in the United States. If we fail to follow through with the implementation of the legislation needed to carry out the treaties' labor provisions, how can we reasonably expect our American work force to stay and give the new arrangements a fair trial?

If October 1 arrives and we have made no provision for the schools and the hospitals for the canal's American employees and their families, if they have none of the incentives in this legislation to stay on with the Canal Commission, we can expect to lose key employees and suffer slowdowns or eventually stoppages of canal traffic.

If shipping in the canal is slowed or stopped for any appreciable length of time, the American employees there will not be the only workers to suffer—maritime workers and longshoremen will be among the first to feel the impact—but the loss of Alaskan oil going to Gulf and east coast ports will spread unemployment to other industries as well. There will be an impact, for example, on the 110,000 employees at east coast ports.

One does not need "worst-case scenarios" to see why American labor has supported the treaties and why unions have testified on behalf of the present legislation. This is a case where their members' own interests serve the broader goal of keeping the canal operating smoothly during the transition period that lies ahead.

Mr. Chairman, comments were made earlier with respect to the political climate in Panama, and there were allegations to the effect that we are dealing with a leftwing government. When our subcommittee went down to Panama, we had been briefed by the Ambassador, by the Governor, and by key military people, and what we found out is that there is a broad coalition of people who run the Panamanian Government.

We are not talking about just leftwing factions. As I recall, during the briefing we had with General McAuliffe, we were told there were as many key conservative members of the Panamanian Government as there were members of the leftwing. And there is an equal number of moderate members of the Panamanian Government. They are going to have a popular election for the presidency in 1984, and they are going to have elections to legislative seats in 1981.

The economic future of Panama does not look as bleak as those reports might suggest that have been pointed out to us. The growth in Panama has increased by 2½ percent in 1978, the banking industry is thriving, and construction is going on.

So things are improving on the economic front.

In the human rights area, the American Convention on Human Rights issued a report which says that things are evidently improving in Panama. They do not have due process like we have here; most countries do not. But things are getting much better there. Political parties are on the upsurge. They are true political parties, not just political parties that were set up by the existing government.

So in conclusion, Mr. Chairman, it just seems to me that the debate we are going to have here for the rest of the day and when we come back to the consideration of this bill in a week or two, whenever it will be, is going to necessitate some courage on the part of some people, and I would ask the Members of the House to be mindful and cognizant of the 3,000 American employees who work in the Canal Zone and of their future and that of their wives and families, because that is important. And it is important that they stay there and make the transition to the Panamanian Government a smooth one so that we can have a smooth operating canal in the future.

□ 1510

Mr. BAUMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma (Mr. EDWARDS).

Mr. EDWARDS of Oklahoma. Mr. Chairman, during the debate last year over the Panama Canal treaties the administration consistently accused the treaties' opponents of oversimplication and misstatement. The truth is, as we have found out, it was the administration which oversimplified and which, quite frankly, lied to the American people.

This is the treaty that was not going to cost us anything. Well, like so many other things in the world that are not going to cost us anything, we have just gotten the bill, and the bill, not counting the value of what we are giving up, is at least—at least—$4 billion. That is $4,000 million out of the pockets of the American taxpayer at a time when every Member in this House is assuring the folks back home that their Congressman is trying to stop inflation and balance the budget.

The American people are willing to pay the cost of living in a free society. They are willing to pay to keep up a strong national defense. They are willing to pay to provide for welfare for the old and the blind and the crippled and the orphans. They are willing to spend money to develop fusion energy, solar energy, geothermal energy, and other alternative energy sources for the future. But you ask them if they are willing to pay anywhere from $4 billion on up to give away the only waterway that allows for rapid movement of our insufficient Navy between the Atlantic and the Pacific, and you will find as much support for that as you would for a new congressional pay raise.

It is one thing to take the taxpayers' money to pay for the essential services of running this Government and creating the kind of society we want to live in. It is another thing altogether to take $4 billion out of the people's pockets and spread it around in Panama.

Oh, sure, it is going to help the economy in Panama. It will create jobs in Panama. It will build factories in Panama. You tell that to the steelworkers in Ohio; you tell that to the restaurant workers in Nevada; you tell that to tens of thousands of unemployed black men and women in this country. You tell them that we know they do not have much but we have to take what they do have and spread it around in Panama.

There is a big difference between sacrificing for what we need and sacrificing so our Government can engage in the biggest foreign-aid ripoff the American taxpayers have ever been forced to pay for.

It is something else when that sacrifice is not for something that makes this country stronger, but for something that makes us weaker.

During the last war, we moved our ships and material through the Panama Canal. During the Cuban missile crisis, President Kennedy was able to act swiftly and boldly, because he was able to move American ships through the Panama Canal. The treaty that was signed last year has absolutely no guarantee of priority American access to the Panama Canal—no guarantee at all.

The United States has lost its seaport in Angola. The Soviets are now using the seaports at Cam Ranh Bay. The conflicts between Ethiopia and Somalia on one side of the Red Sea and North Yemen and South Yemen on the other side endanger access to the Red Sea and the Suez Canal. The United States has a one-ocean Navy, and we cannot afford to lose—we cannot run the risk of losing another important sealane.

What about the consumer? I have talked about what it is going to cost the taxpayers directly out of their pockets, but what happens when the Panamanians raise the tolls? Let me remind the Members that one-third of the shipping that goes through the Panama Canal is American shipping, and the price of everything that goes through the canal is going to go up when the tolls go up.

And that will not come out of our pockets in tax dollars; that will come out of our pockets and out of our constituents' pockets at the grocery store and the clothing store and at the automobile showrooms.

Last year every Member of the House of Representatives was able to take the easy way out on the Panama Canal issue. I led the fight in this House to force a vote right here in this Chamber on the giving away of American property. I think the Constitution gave us a right to have that vote. But we did not get it. And so all of you went home and said:

> We are against the Panama Canal treaty. We agree with you: it is ours, we built it, and we ought to keep it.

Oh, the Members of this House engaged in simplistic rhetoric from one end of this country to the other, telling our constituents about how much we agreed with them and how much we opposed the Panama Canal treaties. Well, we can double talk this all day long if we want to, talking about the President's prestige, the Senate's prestige, and that our Nation has already been committed beyond our control to change, but I guarantee that nobody in this House is going to be able to wiggle out of this one on double talk. This is your chance to put up or shut up on the Panama Canal. This is your vote on the Panama Canal Treaty. And if there has ever been a case where the American people have said loudly and clearly what they want their Congress to do, this is it.

Implement this treaty the way the President wants us to implement it and you will drive up the cost of energy, food, and clothing; you will drive up the rate of inflation; you will weaken the national defense. This is your chance to do the responsible thing and stop the giveaway of billions of dollars of American tax dollars.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I yield to the gentleman from New York.

Mr. MURPHY of New York. I thank the gentleman for yielding.

Mr. Chairman, to put a bipartisan tone on today's debate, I want to bring us back to February 1974, when Henry Kissinger met Juan Tack, who was at that time the foreign minister of Panama, and they devised the famous Kissinger-Tack agreement, the eight points which really locked in the future 1977 treaty. So the genesis of what was finally ratified by the Senate in 1977 was born in another administration by the then-ubiquitous Secretary of State.

I just wanted the gentleman's side of the aisle to share some of the benefit of the situation.

Mr. EDWARDS of Oklahoma. Mr. Chairman, let me respond to the chairman by saying that I totally agree with that analysis of the genesis of this problem. It was not partisan in its nature at the beginning, and the opposition to the treaties is not partisan in its nature. I think that together all of us on both sides of the aisle ought to defeat this implementing legislation.

Mr. BAUMAN. Mr. Chairman, I yield 4 minutes to the gentleman from Washington (Mr. PRITCHARD), a member of the committee.

Mr. PRITCHARD. Mr. Chairman, I would like to briefly share with you my thoughts, indeed my convictions on the important issue of the Panama Canal and the implementing legislation now before us.

Whatever you thought, however you voted on the canal treaties is irrelevant now. That is history. We, as a Nation of Americans, governed by law and reason, committed ourselves legally, morally and constitutionally to the Panama Canal treaties. We negotiated them, we signed them, we ratified them. It is now incumbent upon us to meet our solemn responsibility—insure the prompt passage of implementing legislation to enable our country to fulfill the letter and spirit of the treaties to which we are irrevocably bound.

H.R. 111 accomplishes this task. The legislation may not be perfect—what legislation is?—and there may be certain inconsistencies, implicit, or explicit, with the intent of the treaty texts. But these subissues fade quickly in the face of the serious consequences of failing to support H.R. 111 or amending the implementing legislation to the point where the treaties become meaningless and unacceptable to Panama.

Let me just tick off a few items here:

First. We would default on our treaty obligations.

Second. We will be unable to exercise American rights and responsibilities.

Third. Panama could interpret these developments in a manner inimical to U.S. vital interests.

Fourth. Our credibility and prestige would suffer a grievous blow.

Fifth. The canal could close entirely imposing severe economic hardships upon the United States and other nations.

Sixth. Our ability to better protect U.S. canal interest under the new agreement will be forfeited.

Seventh. A divisive issue will again cloud our relations with Latin America which could swiftly and directly affect our supply of imported oil.

Eighth. Those who oppose the United States, our policies and what we stand for in Latin America will be given a dangerous boost.

I urge my colleagues in the House to judge the issue before us in the above context, to put aside misinformation and claims of unfair, exaggerated costs, to move ahead as a responsible, knowledgeable, farsighted legislative body and support H.R. 111.

□ 1520

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. PRITCHARD. I will be glad to yield to the gentleman from New York.

Mr. CARNEY. I thank my colleague from Washington.

I would just like to point out that we had treaty obligations to the people of Taiwan, and we seemed to cast them aside the beginning of this year; and certainly it is not our constitutional responsibility to pay for the giveaway of the canal. Indeed, the treaty has been signed.

Mr. PRITCHARD. Let me respond. The gentleman jumped to questions. I guess you want a dialog here.

Your first question was that we had broken a treaty obligation. I did not know whether the gentleman wanted to ask questions or make a speech.

Let us start with the first question which was that we broke the treaty in Taiwan. As you know, I thought it was very—and I spoke vociferously on this floor and outside, and in fact, I was in the first group that went to Taiwan following that treaty—I thought the handling of it was very poor, but we did not break the treaty. According to the treaty, we could dissolve the treaty with a 1-year notification. While I thought they did it poorly, the truth of it is we did not break the treaty.

Now, the second thing the gentleman talked about was paying for the treaty.

The cost, and I think we are going to get into some very healthy debate, and I think we are going to have to get it down. I am not going to take time right here, but I do think the claims are pretty far fetched. The cost is part of the treaty. We cannot divide the two and say, "I like the treaty, but I don't like some of these financial arrangements."

The CHAIRMAN. The time of the gentleman from Washington (Mr. PRITCHARD) has expired.

Mr. MURPHY of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, I rise to pay tribute to my good friend and colleague, the gentleman from New York (Mr. MURPHY), for an outstanding job done to implement a very bad treaty.

I also salute my colleague from Maryland (Mr. BAUMAN) for his labors on this matter.

Mr. Chairman, the question of whether we approve the treaty or not is not before the House. The question of whether we agree with the behavior of the administration or not is not before the House.

What is before the House is to try and craft the best proposal to implement a rather shoddily drawn and shoddily conceived treaty and one which has been richly fraught with falsehood and deceit and out-and-out connivery by the administration.

The administration has made the point on many occasions that they have here a self-executing treaty, one which essentially negates the responsibilities of the House of Representatives.

Now, I rise in support of the bill which has been presented by the Committee on Merchant Marine and Fisheries.

The bill contains several provisions which I feel are essential:

That the operation of the Panama Canal be assumed by a noncorporate agency instead of continuing the Panama Canal Company under another name as was suggested by the administration;

The requirement that revenues of the canal be paid into the U.S. Treasury and that expenditures be made pursuant to authorization and annual appropriations by Congress.

That the Secretary of Defense be given centralized administrative authority in canal operation and defense of the Canal Zone; and

That the key officials of the Panama Canal Commission and members of policymaking bodies, provided for by the treaty, be appointed by the President and confirmed by the Senate.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. DINGELL) has expired.

(At the request of Mr. MURPHY of New York and by unanimous consent, Mr. DINGELL was allowed to proceed for 1 additional minute.)

Mr. DINGELL. I do so principally for two reasons, Mr. Chairman.

The first is that any action which will be taken to implement the treaty under the provisions of the legislation before us is subject to the annual authorization and the annual appropriation process.

I do it also because the administration finds, as has been stated in a comment by Mr. Herbert J. Hansel, legal adviser, appearing before the Committee on Merchant Marine and Fisheries, that the United States is obligated to respect these transfers provided for in the self-executing provisions of the treaty approved by the Senate.

These are not self-executing. The Constitution clearly provides otherwise, as does the legislation. It compels those good souls in the State Department to be rather honest with the Congress, to submit themselves to the searching scrutiny of the appropriations.

Without these safeguards, I could not support the legislation.

What I find curious is that the administration bill—H.R. 1716—lacks almost all of these safeguards. I can assure you that if H.R. 1716 was pending before this body today, I would vigorously oppose it.

This brings me to an examination of the role that the administration has played in this matter. During the Senate debate on the treaties—and to this day—the administration contends that the Panama Canal Treaties are self-executing. This is exemplified by the testimony of Herbert J. Hansel, legal adviser for the State Department, before the Panama Canal Subcommittee in which he stated:

The United States is obligated to respect these transfers provided for in self-executing provisions of the treaty approved by the Senate. * * * Accordingly, we cannot support legislative provisions which would suggest that the United States might seek to violate its international obligations.

The administration is of the misguided opinion that certain implementation procedures—such as the transfer of property—do not require a subsequent act of Congress. During the Senate debate in 1977 and 1978, forces in both the administration and the Senate advocated circumvention of House authority to dispose of property by insisting that the President—with the advice and consent of the Senate—was the only authority necessary to dispose of millions of dollars of United States assets to the Republic of Panama.

Now, my colleague from New York (Mr. MURPHY), has, I think rather well, documented the fact that the administration has tried to hoodwink the House, first by saying, "We have no responsibility in this matter," and second of all, "We have no say in the matter," and third of all, "It isn't going to cost anything."

On this point—which has been extensively debated—I would admonish the so-called experts in the administration to read the U.S. Constitution, and direct their attention to article IV, section 3, clause 2, which states:

> The Congress shall have the power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States . . .

It seems rather presumptuous to me that the administration and the Senate feel they can rewrite the Constitution in order to achieve their own self-righteous goals.

Moreover, there are countless other examples of the arrogance and deception exhibited by the administration in this matter. It seems that there has been an astounding inflation rate within the administration regarding the overall cost of implementing these treaties.

In 1977, the administration assured the American people that implementation costs of the Panama Canal treaties would cost the taxpayers nothing. In 1978, the financial experts at the State Department had raised the ante to $350 million. In April of this year, costs had escalated to $870 million.

This incredible cost escalation may appear to be triple-digit inflation, but following the administration's bouncing dollar figures indicates either outright deception or total incompetence at the State Department. Then again, perhaps it is just a case that our friends in the administration need to brush up on simple math. I just wonder how long Congress will have to wait for some truth to emerge from the executive branch on this issue.

The House Panama Canal Subcommittee did a few of its own computations on overall implementation costs of the treaties. Their calculation of all costs involved in the implementation of the treaties was about $4.2 billion. I believe these calculations reflect a more realistic appraisal of overall cost.

Congress ought to be apprised of the total implementation costs. At this time, Congress is particularly sensitive to the future expenditures of our current domestic and foreign policy obligations, especially in light of a recent House-Senate conference agreement to limit 1980's deficit to $23 billion, down $10 billion from 1979.

The administration should be aware that the public cannot be deceived as to the probable costs of such a controversial venture as ceding a most critical and strategic waterway to the Republic of Panama.

So, rather than to say, "I favor no legislation," and really I think probably the House would be perfectly justified in taking that course, I have to say that I favor the course that is going to compel these people to come back and justify their behavior to submit to the authorization process, to submit to the appropriation process, and to no longer try to hoodwink the American people; or at least where it be possible to submit to a search and an inquiry by the Congress as to their behavior in connection with the implementation of that treaty.

The point of the matter is that I take offense—as do many of my colleagues—at the administration's handling of this entire matter. I am offended by the deception. I am offended by the arrogance expressed on so many occasions that the House cannot insist on its constitutional right to act on this matter. I am particularly incensed by the most recent threat by President Carter that the House should not "tinker" with the implementation of the Panama Canal treaties and that the treaties will take effect on October 1 of this year regardless of what the House does with this legislation.

It seems to me the President is telling Congress that the Constitution does not matter. That the treaties will be fully implemented regardless of what action the House takes on the legislation. I am embarrassed that a President of my party must resort to using his office to run roughshod over longstanding constitutional principles.

We can approve or disapprove this legislation, and we can lay to rest the red herring which the administration has made—that they have adopted this most unique document called a self-implementing or self-executing treaty.

It is for that reason that the legislation before us should be voted for by my colleagues from the House, not because the administration supports it, because their behavior has been shoddy, shoddy in the extreme, but rather because the committee has done something.

I thank my good friend, because the committee has done something to move forward a proposal which finally opens up the behavior of the administration to proper scrutiny.

If you do not think they are going to get proper scrutiny, just look at what the committee has done heretofore in terms of making them finally admit what their behavior really cost the American people and to have the administration lay out the basis in the future of justifying this conduct rather than hiding behind this "self-implementing" or "self-executing treaty" something which gives away the property of the American people in defiance of the clear requirements of the Constitution.

I thank the gentleman.

I yield back the balance of my time.

Mr. BAUMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Chairman, quite apart from my own total opposition to implementing the Panama Canal treaties giving away the canal and U.S. sovereignty over the Canal Zone, there is the important question of the cost of these treaties which must now be addressed by the House of Representatives.

The American people were repeatedly promised last year during debate over the Panama Canal treaties that they would not cost the American taxpayer anything—that all costs associated with the treaties would come from canal revenues, and would require no additional appropriations by Congress.

President Carter stated on December 28, 1977:

> We wanted a treaty that did not put a financial burden on the American taxpayer, and we got it.

Treaty Negotiator Sol Linowitz stated in testimony last year before the Senate Foreign Relations Committee:

> It [the treaty] will not involve any additional burden to the American taxpayers.

Secretary of State Cyrus Vance stated in testimony before the House Merchant Marine and Fisheries Committee:

> The treaties require no new appropriations, nor will they add to the burden of the American taxpayer.

Similarly, Deputy Secretary of State Warren Christopher stated in testimony before the same committee:

> We insisted during the negotiations that payments to Panama for its contribution to the Canal enterprise be drawn from the Canal's earnings, but the treaties will not require any appropriations from the American taxpayer.

Mr. Chairman, I have very carefully reviewed H.R. 111, this legislation to implement those Panama Canal treaties, and find that these pledges of no additional cost to the American taxpayers will not be honored under the provisions of this bill.

The bill provides that all revenues of the new Panama Canal Commission, which will replace the Panama Canal Company, will be deposited in the U.S. Treasury.

The bill further provides that all costs and expenses of the Commission in operating the canal will then be paid out of the Treasury through authorizing legislation and appropriations of the Congress, until the year 2000.

The loophole in H.R. 111 is that there is no specific prohibition against congressional appropriations for canal operation and associated expenses exceeding the amount of canal revenues, after control of the canal has been turned over to Panama.

This means that the new Panama Canal Commission can start dipping into the general fund of the U.S. Treasury under this implementing legislation, if canal expenses and other treaty costs exceed canal revenues.

In fact, H.R. 111 goes even further with an additional provision setting up an open-ended emergency slush fund for the Commission, starting out with an immediate appropriation of $40 million of U.S. taxpayers' money to cover canal costs in excess of revenues during fiscal year 1980.

After fiscal year 1980 the bill provides that Congress can authorize and appropriate an unspecified and unlimited amount to this emergency slush fund each year.

I believe that Congress has a solemn obligation to amend this legislation so that the American taxpayers will not have to pay any Canal costs beyond canal revenues, as promised by the President and his administration officials during debate over the canal treaties last year.

It has been estimated by members of the Committee on Merchant Marine and Fisheries that the Panama Canal treaties, by virtue of this implementing legislation, will cost the American people many billions of dollars.

This cost ranges as high as $4 billion or more, over and above the value of the canal investment and property itself which the treaties give away to Panama.

I would like to include in the RECORD at this point an excerpt from the minority views in the committee report accompanying H.R. 111, which is an excellent summary of the probable cost of the treaties to the American people.

Congress must take appropriate action to amend this proposed legislation so that, as the President promised, the Panama treaties, if implemented, will cost the American taxpayers nothing.

The excerpt follows:

Excerpt From the Minority Views on H.R. 111 and H.R. 1716, Legislation To Implement the Panama Canal Treaties of 1977, by Reps. Gene Snyder, Bob Bauman, David F. Emery, Tom Evans, Bob Davis, Walter B. Jones, Joe Wyatt, Jr., Edwin B. Forsythe, Don Young, Norman F. Lent, Robert K. Dornan, Paul Trible, William Carney, and E de la Garza

WHAT THE PANAMA CANAL TREATIES REALLY MEAN

A great many citizens of the United States and of the Republic of Panama, as well as Members of the U.S. Congress, seem to feel that the ratification of the Panama Canal treaties of 1977 brought this issue to a close. Few seem to realize that the treaties were in effect nothing more than a bare outline of an operational structure for the Canal for the remainder of this century. Most of the important details to fill out this structure of management are left to the Congress of the United States in the implementing legislation, which will be before us. It is therefore important that in writing the implementing legislation we should attempt to foresee as many major areas of conflict and problems as possible, so that they can be dealt with in the framework of the law.

First, let us address our attention to one point that is of the greatest importance to all American taxpayers—the total cost of the treaties and their implementation.

Throughout the discussions of the Panama Canal treaties during 1977 and 1978 repeated assurances were given by the Carter Administration to the Congress and the public that there would be no cost to the American taxpayers involved in carrying out the terms of the treaties. Typical of such assurances were those given to the Merchant Marine and Fisheries Committee in a hearing held in August 1977, by Ambassadors Sol Linowitz and Ellsworth Bunker, the chief negotiators for the United States. This hearing was held only a few days after the announcement of agreement on the treaties, but before their texts were released to the public. At that time, Ambassadors Linowitz and Bunker repeatedly assured our Committee that the treaties would not involve any additional burden to the American taxpayers.

Subsequently, numerous officials of the administration made similar statements, including the President himself. Typical of these statements was that of Deputy Secretary of State Warren Christopher who said in hearings before the other body on the treaties:

"We insisted during the negotiations that payments to Panama for its contribution to the Canal enterprise be drawn from the Canal's earnings, but the treaties will not require any appropriations from the American taxpayer."

Similarly, Secretary of State Cyrus Vance, in the same hearings, made the statement, "The treaties require no new appropriations nor will they add to the burden of the American taxpayer."

President Carter, in a statement which was typical of many he made during this period, said on December 28, 1977, "We wanted a treaty that did not put a financial burden on the American taxpayer and we got it."

WHAT IS THE TRUE COST?

Throughout our hearings numerous questions were asked of Administration officials in order to determine the actual cost. Depending on one's calculations, it appears that rather than costing the American taxpayers nothing, these treaties will lead to a cost, over the life of the treaties, between now and the end of the century, of nearly $4 billion. It could be more. It is also obvious to us as a result of our hearings that these costs were known to the Administration at the time the above quoted statements were made by officials, and therefore they were either derelict in their duties or they deliberately misled the American people.

First of all, it should be understood that on October 1, 1979, U.S. control and sovereignty over the Panama Canal Zone will be transferred to the Republic of Panama, a nation which the United States created shortly after the turn of this century, its having been a province of Colombia. It took more than a decade afterward for the U.S. to build the Canal. Although it is impossible to place a replacement of actual value on the Canal and all it appurtenances, its real estate and capital improvements, its estimated value has been given as anywhere from $10 to $20 billion. This assessment depends upon whether or not it is looked at from the aspect of depreciated value or current assets, or viewed on the basis of the replacement cost of building of a new canal. Thus the Carter Administration is giving to the government of Panama, as the result of these treaties, a possible $20 billion investment paid for by the taxpayers of the United States since 1903.

WHAT WILL PANAMA GET?

Under Article XIII of the Panama Canal Treaty certain annual payments are to be made out of the tolls earned by the Canal to the Republic of Panama. Some of these payments are fixed. For instance Article XIII, paragraph 4(a) of the treaty requires that an annual amount based on a payment of 30¢ per Panama Canal ton be paid to Panama by the operator of the Canal which will be the new Panama Canal Commission. Originally estimated to produce about $45 million a year in payment to Panama, this has now been revised upward based on increased traffic in the Canal and next year may reach as much as 60–65 million dollars in payments to Panama.

Second, the same article of the treaty requires that a fixed annuity of $10 million be paid out of Canal operating revenues each year.

Third, there is another $10 million amount which may be paid each year out of the operating revenues of the Canal "to the extent that such revenues exceed expenditures." It has been the U.S. understanding throughout negotiations that this would be a contingent payment only in situations where the Canal "made a profit".

Lastly, Article IV of the treaties requires that the Panama Canal Commission pay the Republic of Panama out of toll revenues an additional sum of $10 million annually for police, fire protection, street maintenance, lighting, cleaning, traffic management, garbage collection and other sanitary services which Panama will provide and which are now provided by the Panama Canal Company itself from toll revenues.

Taken together these figures mean that the Government of Panama, beginning on October 1st, will receive payments coming from the tolls paid to the Canal in the amount of at least $75 million and possibly as much as $90 million each year. This should be compared with the present annual payment to Panama of a little over $2 million being paid from tolls.

It should be understood that these large annual payments to Panama will be skimmed off the top of the toll revenue before any funds will be available for the operation or maintenance of the Canal.

These annual payments will become a claim upon the toll revenues and because of this it has been necessary for the Panama Canal Company, the present U.S. entity running the Canal, to announce a 21.8% increase in tolls to take effect later this year. Depending upon the form of the implementing legislation passed by the Congress, tolls could raise by a greater amount than this. Bear in mind, that whatever the amount of money required to be paid by the shippers using the Canal at least one third of that amount will be paid directly by American consumers because the goods that are shipped through the Canal are purchased in that amount by Americans. It takes very little figuring to see that these toll increases will directly affect U.S. consumers with price increases for many goods including bulk commodities such as petroleum shipped from Alaska, as well as finished products which are shipped by sea.

WHERE WILL THE MONEY GO?

Putting aside the cost of the increased tolls to the American consumers, let us now turn to specific items which hearings before our subcommittee on the Panama Canal have documented through testimony of Administration officials and estimates provided by the General Accounting Office and the Comptroller General, Mr. Elmer Staats.

First, the Administration is proposing that the Panama Canal Commission no longer pay annual interest payments on the original American investment of building the Canal. This means that over the life of the treaties which end on December 31, 1999, the American taxpayers will lose nearly $400 million in interest payments. This is a direct cost attributable to the treaties.

In addition the General Accounting Office has estimated that the cost of transferring the Canal to Panama, moving fixed installations from the present Panama Canal Zone to a greatly reduced area of the new Zone on October 1st and afterwards, will cost at least $399 million. This figure could be increased appreciably depending on inflation and other factors. Of this amount $70 million has been requested in military construction funds, and more than $10 million has already been spent despite the fact that the Congress refused to authorize it. This expenditure was authorized by the President on the basis of "an emergency" using a legislative provision which dates from the Vietnamese war.

In addition there are numerous functions performed by the Panama Canal Company which will be transferred to the U.S. Department of Defense and administered by them after October 1st. These include such things as commissaries, various services rendered to the Canal Company employees, including education of their children, certain types of housing, medical care and other assistance. Previously the cost of all of these services was paid from Panama Canal toll revenues. Now they will become a direct claim upon the American taxpayers provided for in defense appropriations each year. The original estimated cost annually for such services were $65 million. In a briefing with members of our Subcommittee, General McAuliffe, who commands the Southern Command for the U.S. Army, estimated that the cost will rise in five years to more than $80 million annually. This means that between now and the year 2000, when the treaties expire, American taxpayers will have to pay in direct subsidy for just this one area of Canal services, rendered through the Department of Defense, at least $1.3 billion, and that figure could rise to $2 billion or more.

One area of lost revenue which the United States will suffer stems from the fact that the treaties require that the United States transfer to the Republic of Panama at no cost numerous facilities in the present Canal Zone which do in fact produce revenue. These facilities include marine bunkering, ship repair, plant facilities, housing, theatres, commissaries, retail stores, service centers, restaurants and recreational facilities. It is estimated based on the Panama Canal Data Book for 1977 that these facilities now produce gross income for the Canal Company in the neighborhood of $100 million annually. This means that approximately $2 billion in revenue will be lost between now and the end of the century, which would otherwise have gone to the Canal, rather than to the government of Panama.

Here are a few other estimated costs described to us by the General Accounting Office; early optional retirement payments for Canal Company employees—$270 million; severence pay liabilities estimated for employees losing their jobs—$3.5 million; certain liabilities for accrued annuel leave and repatriation of employees scheduled for transfer to DOD—estimated at at least $11 million; loss on retail store inventories—estimated at $2 million; cost of disinterment and reinterment of American citizens remains—estimated at $1.7 million; general and administrative expenses for the U.S. Government associated with a reduction in force of employees—$1.8 million.

It should also be pointed out that the Carter Administration made various side agreements with the Republic of Panama which are not covered either in pending implementing legislation or the terms of the treaties. For instance, the Carter Administration promised U.S. government guaranteed loans for housing and other foreign aid programs in the neighborhood of $295 million over the life of the treaty. In addition, U.S. foreign military sales credits in the amount of $50 million were promised. As members recall in the last few weeks, the House of Representatives has turned down the initial payments on both of these amounts of money on the theory that with the enormous income Panama will obtain from the Canal itself, the United States taxpayers should not be giving additional amounts of foreign aid. In fact, in turning over this multi-billion dollar Canal as well as amounts of money approaching hundreds of millions of dollars each year in income to Panama should be adequate "foreign aid" in anyone's view.

AMERICA WAS DECEIVED

The picture which these statistics paint show that there has been a deliberate effort to deceive the American people regarding the cost of these treaties.

Earlier in this report statements were quoted from Administration officials indicating that there would be no cost to the American taxpayers. When pressed last February 10, 1978, Secretary of Defense Harold Brown, Secretary of State Cyrus Vance, Secretary of the Army Clifford L. Alexander, finally sent a letter to the members of the United States Senate which indicated that the total cost to the American taxpayers would not exceed $350 million over the life of the treaty. This was the first open admission and a reversal of previous assurances that no tax dollars would be used.

During our hearings, we pressed Administration officials for an accurate estimate of the cost in view of the data we had collected. In late March, 1979, the State Department issued a statement which indicated that they had now revised the cost upwards to more than $900 million based on "a better understanding" of all of the factors involved. However, this estimate was highly flawed, in that it did not project certain costs beyond a five year period, and it ignored the dropping of payments for interest and amortization to the U.S. Treasury, as well as other factors. Thus, in one year the costs roughly calculated by the State Department have tripled.

All of this indicates that there was a deliberate effort to deceive the American people and the Congress regarding the cost of these treaties, and it is for this reason that any implementing legislation must require the strictest possible congressional control as well as fiscal and financing accounting to the Congress on an annual basis. H.R. 111 does accomplish this type of control.

Mr. BAUMAN. Mr. Chairman, I yield 7 minutes to the gentleman from Idaho (Mr. HANSEN).

Mr. HANSEN. Mr. Chairman, the Panamanian G–2 intelligence arms-smuggling operation on behalf of the Nicaraguan Marxist terrorists has now resulted in five persons being indicted in Miami on May 15. The operation was first made public by a sworn affidavit filed in the Miami Federal Court on May 1, by the U.S. Bureau of Alcohol, Tobacco, and Firearms. This affidavit said that José A. Pujol, cargo manager of Air Panama, and Edgardo Lopez, "then Consul" of Panama in Miami, had shipped weapons to "Nicaraguan guerrilla forces." Pujol was stated as seeking to buy $2 million in arms.

On May 16, the Miami Herald reported the following as having been indicted by the Miami Federal grand jury in connection with the case.

José A. Pujol, 36, Miami air cargo manager for Air Panama.

José Antonio (Tony) Alvarez, 31, a miami gun dealer and exporter.

Carlos Wittgreen, president of Caza y Pesca, a Panamanian company and reported G–2 intelligence agent.

James Allen Howell, 33, diplomatic security analyst and former lecturer in electronic security and police subjects at the National Intelligence Academy in Fort Lauderdale, a private police training and equipment research firm.

Walter Donald McComas, 41, a Miami exporter.

According to this newspaper report, Special Agent Donald Kimbler of the Bureau of Alcohol, Tobacco, and Firearms asked Judge Palermo to place a $100,000 bond on Alvarez because of the latter's close connection with Col. (sic) Manuel Noriega, head of the Panamanian G–2 intelligence. Antonio (Tony) Alvarez is a Cuban exile married to a Panamanian closely linked to Carlos Wittgreen, also indicted.

The four-count indictment says all five conspired with the former Panamanian consul in Miami, Edgardo Lopez, to ship surplus military weapons to Panama without export licenses.

Questioned on the role of consul Edgardo Lopez in this affair, Panama President Arístedes Royo said in Washington, D.C. on May 11 that López was not consul at the time he was interviewed by Alcohol, Tobacco and Firearms agents on November 10, 1978 and, therefore, acted in a private capacity. President Royo said López had been replaced as consul on October 11. U.S. State Department records, however, show that Edgardo López remained on as consul until December 1 or later. The State Department is unclear on the exact date. To the Alcohol, Tobacco and Firearms agents, López admitted, on November 10, 1978, to supervising seven shipments of arms to Panama on direct orders of officers in the Panamanian G–2 Intelligence. 1975 payroll records of the Panamanian National Guard show López as a G–2 agent.

Carlos Wittgreen, indicted on May 15 in absentia, is described as President of Caza y Pesca S.A., of Panama. According to Nicaraguan intelligence, this is a front operated by the Panamanian G–2 Intelligence. Nicaraguan intelligence also stated that Wittgreen was in Miami in February of this year attempting to buy 5,000 weapons. Arrested on February 22 as he attempted to leave the country with 22 weapons for which export licenses had not been issued, he was almost immediately released "on orders from higher up." The State Department has since indicated that he had a valid license for the export of 150 carbines.

On March 13 and 16, 1979, two vans equipped with false compartments were intercepted at Peñas Blancas on the Costa Rica-Nicaragua border by the Nicaraguan National Guard. Seized were 90 M–1 carbines, 34 FAL 7.62 cal rifles, and large quantities of ammunition and materiel. According to Nicaragua sources, 70 M–1 carbines were traced to Universal Arms of Florida and Johnson Arms of New Jersey, manufacturers of these arms which had then been shipped to the nonexistent Caza y Pesca S.A. in Panama.

On May 10, the Nicaraguan Ministry of Foreign Affairs expressed its serious concern over public events which show the involvement of the Government of Panama in the supply of arms to subversive forces attemping a takeover of the Government of Nicaragua. The Nicaraguan authorities have repeatedly protested the interference of the Government of Panama in the internal affairs of the country which has contributed to subverting public order in Nicaragua. This has included the organizing in Panama of international brigades to join the ranks of the Marxist Frente Sandinista de Liberación Nacional (FSLN) terrorist movement, attempting to overthrow the government of President Somoza.

Critica, the government-backed Panamanian newspaper of May 4, published an open call for recruits to join the Panamanian international brigades.

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The call was made by Hugo Spadafora, former Vice Minister of Health in Panama, and close friend and one-time roommate of Panama's President Aristedes Royo. Spadafora is also known for his participation on behalf of the terrorist movement led by Amilcar Cabral in Guinea-Bissau.

On May 3 the U.S. Bureau of Alcohol, Tobacco and Firearms announced that its agents in Texas had arrested 4 men indicted in an alleged gunrunning conspiracy involving 1,000 machineguns. Bail for one of the defendants was set at $1 million. The Alcohol, Tobacco and Firearms agents seized thousands of machinegun parts on January 12 at a location in Devine, Tex., and a Federal grand jury at Brownsville indicated the four men on April 24. It is reported that machineguns and parts had been shipped to Panama.

President Aristedes Royo of Panama said at his press conference on May 11 in Washington, D.C.,

> We have enough intelligence, first, not to assign a consul to buy arms; second, not to put its arms in a commercial flight to Air Panama. I would say that if I am going to smuggle arms, as a head of government, in my account, we have planes in the Panamanian Air Force.

At the U.S. State Department press briefing on May 16, spokesman Hodding Carter asked whether the Department planned to investigate or give information on the Miami grand jury indictments, in view of the possible effect this could have on U.S. aid to Panama said simply that he would "take the question."

President Royo on May 11, said he had received no pressure from the United States to stop "any kind of aid" to the Nicaraguan terrorists, despite the fact that in January, Carter administration officials had to dissuade Torrijos from sending troops to aid the Sandinista guerrillas.

Yesterday, May 20, the Miami Herald printed the following complaint by Nicaraguan President Somoza:

SOMOZA SAYS COMMUNISTS LEAD UNREST

MANAGUA, NICARAGUA.—President Anastasio Somoza has accused Panama-based Communists of joining with several past and present presidents of neighboring nations in an attempt to overthrow him.

Somoza went on nationwide television and radio Friday after moderate opposition leader Alfonso Robelo called for a three-year provisional government to end what he called the "bloodbath in which Nicaragua is drowning."

Somoza attacked President Aristides Royo of Panama, Panama military strongman Gen. Omar Torrijos, President Rodrigo Carazo of Costa Rica and former President Carlos Andres Perez of Venezuela.

"We will call Royo a liar when he says in Washington that he knows nothing about the battalions that have arrived in Nicaragua, battalions of mercenaries trained in Panama . . ." Somoza said.

"Eleven Panamanians, five Costa Ricans and three Spaniards, fooled by Omar Torrijos, have died in fighting with the national guard in Nueva Guinea (in southeastern Nicaragua)," he said. "They were all members of an international Communist ring."

Somoza called Carazo a "puppet" and said guerrillas, supported by Venezuela, Panama and Costa Rica, were crossing into Nicaragua from Costa Rica.

"Nicaraguans must be aware that there are messianic individuals like Carlos Andres Perez, with only a high school education . . . who, crazed by Venezuelan money, have thrown away millions trying to stir up the peaceful people of Nicaragua," Somoza said.

In an earlier speech, Luis Pallais Debayle, editor of the Somoza-owned newspaper Novedades, accused the nation's clergy of "openly supporting subversion."

Robelo, a leader of the Broad Opposition Front recently released from 10 days in jail, urged opposition groups to unite and form a provisional government to replace the regime of Somoza.

With the recent terrorism in El Salvador and revelations of Soviet missile and submarine activity in Cuba, Latin America is becoming a real hotbed of military activity. Today we find the President of Mexico in company with the President of Costa Rica breaking diplomatic relations with Nicaragua just after a visit from Fidel Castro of Cuba. The Washington Post of May 21 tells the story:

MEXICO TO CUT TIES TO SOMOZA REGIME

CANCUN, MEXICO.—President Jose Lopez Portillo announced today that Mexico is breaking diplomatic relations with Nicaragua because of the "horrendous genocide" committed by the government of President Anastasio Somoza. He called on other Latin American countries to take the same action.

In Nicaragua, reports reaching the capital of Managua said an estimated 300 guerrillas had seized the town of Jinotega and Somoza's National Guard was fighting block-by-block to retake it. One refugee from Jinotega, 100 miles north of Managua, said, "There is fighting in all parts of the city," but he did not know how many persons had been killed.

Lopez Portillo made his surprise announcement at a luncheon honoring Costa Rican President Rodrigo Carazo, who is in Cancun on a one-day visit to discuss purchasing oil from Mexico.

"It was something that we knew about and we didn't want to believe—that in Nicaragua a hateful attack is being carried out against the Nicaragua people, a horrendous genocide," Lopez said.

Costa Rica, of course, is the nation which has continually lent itself to Panama's support activities of Sandinista revolutionaries against Nicaragua.

Today's Miami Herald of May 21 provides the best overview of the Panamanian gun trafficking to date with the key question of whether gun running can wreck the Panama Canal treaties. The article is as follows:

IS MIAMI U.S. CAPITAL FOR GUNS?

SMUGGLED WEAPONS FLOWING FROM CITY

(By Joe Crankshaw and Sam Jacobs)

Don Kimbler used to wreck moonshine stills in Georgia. It was his job. He was a government revenuer.

Kimbler now works in Miami as a federal agent, and some people hope that Kimbler, just doing his job, will wreck something else: the Panama Canal treaties.

It is an odd story.

Miami is known these days for its Cubans, its drug traffic, its gay rights rhubarb and its no-smoking election.

What isn't so well known is its gun smuggling. Miami may well be Gun Smuggling Capital, U.S.A.

Smugglers here have been caught sneaking out guns in refrigerators, air conditioners, boxes of automobile transmissions and even industrial rubber gloves.

"We're supplying all the banana republics with the instruments of war," says Lee Waldron, a chief in the government's Bureau of Alcohol, Tobacco and Firearms (ATF).

Waldron is Kimbler's boss. It is Kimbler's job to watch over places like the Garcia National Gun Shop in Little Havana.

It is a large white building. Inside are racks and racks of rifles. The walls are lined with what look like shoeboxes. The boxes are filled with ammunition.

On a wall outside is a sign: "Take your boy hunting. You'll never have to hunt for your boy."

On the front door are stickers for Master Charge, Visa, American Express and Diners Club. But most customers pay cash.

Agent Kimbler is gray-haired, square-faced, tanned and muscular. He looks uncomfortable in a suit and necktie. He is a stickler for the rules. He goes by the book.

It is his job to make sure that gun dealers fill out forms correctly, especially on multiple sales of pistols.

Last October Kimbler thumbed through sales logs at the Garcia National Gun Shop. Everything seemed to be in order—as far as the gun shop was concerned.

But on a hunch, Kimbler decided to check records on "long guns"—rifles and shotguns. They aren't regulated as closely as handguns.

They never have been. One of Florida's early governors, Napoleon Bonapart Broward, even smuggled weapons to Cuba before the Spanish-American War. Broward County is named after him.

Kimbler wasn't exactly surprised when he kept finding the same names again and again.

One was Jose Antonio Alvarez, a one-time pawnshop salesman. Alvarez, 31, held a federal license to deal in firearms. He was married to a Panamanian. He made frequent trips to Panama. And he shipped a lot of weapons to Panama.

All this was perfectly legal. Alvarez would later insist. "I only sold legal weapons. The State Department issued an export license for all my weapons."

And he was right—except for one thing. On the forms at the gunshop, he had failed to say that the guns were for shipment to Panama.

And if the forms were incorrect, so Kimbler believed, "somebody had broken the law."

His investigation intensified. Others became suspects.

Just where were the weapons going? Nervous gun shop owners, afraid they would lose their licenses, volunteered information.

Court documents now provide a plot.

Col. Manuel Noriega, Panama's intelligence chief, it seems, had an assignment for his Miami consul: Buy 1,000 weapons. Ship them to a private hunting-and-fishing club in Panama.

The consul, Edgardo Lopez Grimaldi, accepted the mission. He also earned an under-the-table 10 per cent commission on deals.

Initially, Kimbler and the ATF folks weren't positive about where the guns were going.

Last Nov. 9 they seized a shipment before export. They confiscated 12 Colt .45-caliber pistols, 10 Remington Woodmaster 30.06 rifles with telescopic sights and 8,000 rounds of ammunition. Value: $25,000.

The next day, Kimbler and John Spidell, an ATF supervisor, marched into the Panamanian consulate in Miami. They wanted to know what was up. They had lots of records.

Lopez, the consul, admitted he knew about seven shipments. He said he had received his instructions from "an official of the Panamanian G2," the agency supervises spies, secret police and military intelligence.

Lopez doesn't live in Miami anymore. He left in a hurry the day after the interview.

The G2 official, it turned out, was Col. Noreiga. It is easy to tell that he is in the spy business. The insignia on his stationery is a pair of binoculars.

The colonel wrote a formal letter of protest to Washington. He said the arms were for the Panama National Guard.

The State Department rejected the protest. With diplomatic tongue in cheek, the U.S. government announced it was pleased that the guns were intended for use by the Panama National Guard.

It didn't believe it. Although it didn't say so, the U.S. figured the guns were destined for the Sandinista guerrillas in Nicaragua.

The Sandinista guerillas are fighting the regime of Gen. Anastasio Somoza in Nicaragua.

They are a well-armed Marxist cadre numbering more than a thousand. They ambush Somoza troops, occupy towns and raid government outposts.

Technically, the Panama government professes neutrality. But President Aristides Royo makes no secret about his sympathy. He likes the guerrillas.

The guerrillas lost one in March. An undercover agent had picked up a smuggling tip on an arms shipment. Watch for the Firestone Rubber Co. trucks, he said.

So the Nicaraguan National Guard watched. And sure enough, one by one vans began to cross the Costa Rica-Nicaragua border at Sapoa.

They got them all. Hidden under the tires, the guardsmen found carbines, rocket launchers, hand grenades, pistols, machine guns, dynamite and ammunition.

Serial numbers on the carbines matched sales made by Johnson Firearms in New Jersey and Universal Firearms in Miami.

Alvarez, the Miami exporter, had shipped them to the Panama hunting and fishing club, records showed.

Since then a federal grand jury in Miami has indicted Alvarez for illegal shipment of arms.

Also indicted are Jose A. Pujol, 36, the Miami cargo manager for Air Panama, and Carlos Wittgreen, the president of the hunting and fishing club, Caza y Pesca. He, too, is G2, it now develops.

The grand jury also charged Walter Donald McComas, 41, another Miami exporter, and James Allen Howell, 33.

Howell used to be an instructor at the National Intelligence Academy in Fort Lauderdale, sometimes known as Wiretap U. It is a private school for teaching policemen electronic bugging. Howell calls himself a "diplomatic security analyst" and lives in a plush house.

The indictments, the gunsmuggling and the Panamanian commotion are a joy to some congressmen who don't like the Panama Canal treaties.

In Washington last week, Rep. George Hansen (R., Idaho) cited the smuggling episode as proof that Panama is not a "model international citizen." To turn over the canal to Panama is foolish, he says.

Some House legislators are angry because they didn't get to vote on the treaties last year. Only the Senate votes on treaties.

But both Houses must pass "implementing legislation," and last week that legislation ran into heavy opposition.

Voting 200–198 Thursday, the House came within two votes of sending the implementing legislation back to committee.

President Carter didn't like it at all. He found it "very disturbing."

"They [the treaties] are the law of the land," he said Friday. "The Panama Canal Zone will become Panama territory on the first day of October 1979, no matter what the Congress does this year on implementation."

But failure to pass the legislation, he indicated, could close the canal, cut off vital oil supplies and diminish U.S. ability to defend the strategic waterway.

"Hey," says agent Kimbler, the old moonshine-still worker. "I'm just doing my job."

I do not think that there is any way that the Neutrality Treaty which was approved by the U.S. Senate prior to the Panama Canal Treaty itself can work if the Government which is going to be the eventual caretaker of the Panama Canal is going to be engaging in revolutionary and terroristic activities all over Latin America. It is time that we take a good look at what is going on, what kind of business deal we are really getting into with the Government of Panama, before we go into implementation legislation.

And on that subject, if we are to go into implementation legislation—and I think that the gentleman from New York, the gentleman from Maryland, and others on the committee have done a good job in tightening what was originally a very loose proposal for implementation—I think we need to do one more important thing and that is cut the money completely out of this bill, stop the assault on the taxpayers.

It was promised by all of the key treaty proponents in the Senate and the administration prior to the approval of the Panama Canal Treaty that the American taxpayer would suffer no liabilities and that the tollpayer would be protected. This has not yet been done, and this kind of protection must be provided.

I will be offering an amendment called the "honesty amendment," sponsored by dozens of members of a "new majority coalition"—an amendment that is going to help those who made those promises to keep those promises.

American citizens were promised the Panama Canal transfer would cost taxpayers nothing, but H.R. 111 without the "honesty" amendment breaks that promise by allowing huge taxpayer costs and admits an effort only to "control the dole."

Tollpayers (consumers) were promised protection against huge toll increases in a transfer of the Panama Canal but H.R. 111, without the "honesty" amendment, is being loaded with many extra costs and official State Department papers now project toll increases upward of 50 percent.

H.R. 111 without the "honesty" amendment interferes with conditions of treaty payments to Panama, while leaving American taxpayers and consumers (tollpayers) saddled with the major costs of treaty implementation.

H.R. 111 without the "honesty" amendment causes U.S. taxpayers and consumers (tollpayers) to underwrite a $70 million annual windfall to Panama which can finance on an even grander scale their bootlegging of firearms and Cuba-type revolutionary activities in Latin America as recently exposed in U.S. courts. Who can justify channeling American money into bombthrowing, assassinations, kidnapings, and other acts of terrorism?

H.R. 111 without the "honesty" amendment is still a $4 billion payaway.

Mr. Chairman, the President of the United States has told this body that it is the duty of this House to pass implementing legislation "as is," without any restrictions or limitations. In short, we are told to rubber stamp the administration's bill because anything we do will either violate the treaty or damage the pitifully few rights the treaty retains for us.

I urge the Members of this House to look closely at the course of events since the President signed these treaties in September 1977.

First, the basic treaty was so dependent on the neutrality treaty that the neutrality treaty was voted on first in the Senate. Only then was the giveaway treaty considered. That priority makes sense. If the canal can be made safe by an international treaty, then the other treaty will do less damage.

Second, since Panama signed that neutrality treaty, it has been engaged in overt and covert subversion of its Latin American neighbors.

Third, the State Department has revealed that Panama has, since being taken over by the Communist dictator Trujillos a decade ago, gone downhill economically and is now so badly in debt that soon more than 70 percent of its Government revenues will go exclusively to debt service. How does the United States transfer the canal to a government which shows all the signs of being about to collapse under its own debt structure?

Since Panama, in ruining the economy of its own country and most particularly in becoming a base for leftist insurgency in Central America, has rendered the neutrality treaty questionable if not impossible of performance, are we required to turn over the canal, knowing that it is now the target of all the Central Americans whom Panama has attempted to subvert? Has not Panama already breached the treaty which was the condition precedent to the giveaway treaty? Are we bound to a treaty which the other side can no longer perform? I say we are not.

But even were we bound, we are bound only by the terms of that treaty, not by the secret deals and arrangements reached behind closed doors. We can still work our will on those terms of the treaty which are ours to flesh out and implement. It is precisely this which I and my colleagues who support me have done in the amendment to be offered in our name when the administration and the leadership finally decide to end their arm twisting and allow us to vote on implementing legislation.

Despite the administration's media blitz, it is the coalition and its "honesty" amendment which performs in accord with the treaty terms. It is the coalition amendment which keeps the promises upon which the Senate relied in consenting to the treaties. We need not stand behind the door when the terms honor and truth are spoken in this Chamber. The very ones prating of our national word and honor have violated that word to our own citizens by lying about the monstrous costs of the treaty. It is they whose honor has been tarnished. We did not pull the bill. We do not fear the judgment of the Nation. We can live with our stand. Can those who so blithely dispense with the truth in order to force an odious treaty upon an unwilling and resisting Nation. Mr. Chairman, I strongly urge the passage of the "honesty" amendment to H.R. 111.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAUMAN. Mr. Chairman, I reserve the balance of my time.

Mr. MURPHY of New York. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. All remaining time for the Committee on Merchant Marine and Fisheries has been reserved.

The Chair now recognizes for 30 minutes the gentleman from Wisconsin (Mr. ZABLOCKI), the distinguished chairman of the Committee on Foreign Affairs.

Mr. ZABLOCKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at the very outset I desire to commend our colleague, the gentleman from New York (Mr. MURPHY), the distinguished chairman of the Committee on Merchant Marine and Fisheries. He has done an excellent job in trying to correct some of the shortcomings in the legislation that was proposed by the executive branch. Also, Mr. Chairman, he has ably explained the provisions of this vitally important legislation, so I will not repeat them.

Mr. Chairman, I rise in support of the bill, H.R. 111, the Panama Canal Act of 1979.

The distinguished chairman of the Committee on Merchant Marine and Fisheries has ably explained the provisions of this vitally important legislation, so I will not repeat them.

I do, however, want to take this time to impress on my colleagues the importance of approving the bill now before us.

Whether one may support or oppose the new Panama Canal treaties, they have been approved by the other body and instruments of ratification have been exchanged. The treaties will enter into force on October 1 of this year. All of this has been accomplished pursuant to our constitutional process. In plain fact, there is no action that either we, the Congress, or the President can take which would unilaterally set aside these treaties and return to the status quo.

Many of us, both supporters and opponents of the treaties, resented the decision of the President not to submit to the House those provisions of the treaties dealing with the transfer of property to Panama. Although I was then and still am a supporter of the treaties, I also felt that, under the Constitution, the House has the right to consider agreements involving the transfer of U.S. property. I too, joined our colleague from Idaho (Mr. HANSEN) in a resolution calling for House participation in the consideration of those provisions. Notwithstanding our position on this issue, the administration's action was upheld by the Supreme Court. We can take no action now to reverse that procedure.

The issue of whether or not the United States will enter into the treaties has been decided. The task confronting us today is to approve legislation which will provide for the management of the Panama Canal in a way which best protects the interests of the United States, and is consistent with the terms of the treaties.

H.R. 111 provides the basis necessary to assure that the canal remain open and be efficiently operated betwen October 1 of this year and the year 2000 when, under the terms of the basic treaty, the canal will become the property of Panama. In providing that basis, H.R. 111 strikes a delicate balance between carrying out the letter and spirit of the treaties and more than adequately protecting the vital interests of the United States.

Failure to adopt this legislation, or the adoption of crippling amendments would prevent the United States from protecting the rights of U.S. employees in the canal area and could result in the shutdown of the canal—a disastrous but likely consequence. Such a closure would severely damage this country both militarily and economically. A prolonged shutdown could force the United States to move to a two-ocean naval capability whose cost the Department of Defense has estimated at $87 billion. Moreover, the U.S. Maritime Administration has put the consumer and taxpayer cost of using alternate commercial routes at $2.7 billion a year—and need I add that all Alaskan oil marketed on the east coast is transhipped through the canal.

Without this legislation, the United States would be unable to exercise many important rights, privileges and advantages which would otherwise accrue from a smooth transition provided in H.R. 111. Among those features are the following provisions:

The establishment of a Panama Canal Commission to run the canal until the year 2000 under the direction of a nine-member board whose majority will always be favorable to the United States;

The establishment of a consultative committee, pursuant to the terms of the basic treaty, whose task is to provide a diplomatic forum for discussion and advice to the two governments on policy issues affecting the canal; and

The formation of a Joint Commission on the Environment which will be vitally important to the problem of dealing with the entire range of environmental issues which might arise anywhere within the Panama Canal Watershed region.

Mr. Chairman, H.R. 111 is not a perfect bill—no legislation of such complexity could ever be perfect. And I would be less than frank if I did not mention those sections of the bill which the Committee on Foreign Affairs found to be somewhat inconsistent with the terms of the treaties.

Specifically, the committee agreed that, in its present form, section 108 of H.R. 111, entitled "Control by Armed Forces in Time of War," would be, if exercised, inconsistent with the intent of the treaties. As an alternative, the Committee on Foreign Affairs agreed to a provision, section 15 of H.R. 1716, which accomplishes the goal of section 108 of H.R. 111 without departing from the terms of the treaties. This provision, which was authorized by our colleague from Mississippi (Mr. BOWEN) is judged by the Department of Defense as being adequate to insure U.S. authority to defend the canal in time of war.

This judgment is expressed in a letter from the Deputy Secretary of Defense in response to my inquiry on this subject. I would like to read that response at this point:

WASHINGTON, D.C.,
May 15, 1979.

In reply refer to: 1-5123/79.
Hon. CLEMENT J. ZABLOCKI,
Chairman, Committee on Foreign Affairs,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of April 20, requesting the Secretary's views on three issues concerning military control of the Panama Canal in time of actual or imminent war.

Question 1: From an operational viewpoint, would U.S. defense capability, under any circumstances, be hampered by the absence of the existing authority?

Answer: The U.S. will remain fully capable of defending the canal if the provisions of the Canal Zone Code in question are revoked. The treaty provides the authority for the U.S. to move military forces, within the Republic of Panama, as required for the defense of the canal.

Question 2: Would the President, as Commander in Chief, be permitted to exercise the same authority to defend the canal without the explicit language now in existing law?

Answer: The 1977 Treaty language, which assigns to the U.S. the primary responsibility to defend the canal, provides sufficient basis for the President to take any actions he might consider necessary to carry out that responsibility. There have been no limitations on the President's authority, as Commander in Chief, to take the necessary military steps to defend the canal.

Question 3: In your opinion, does Section 105 of HR 1716, as reported by the Committee, provide adequate authority for the President to take the necessary steps to defend the canal during time of war?

Answer: In our view, no additional legislative language is necessary to provide the President the requisite authority to defend the canal; however, it is our view that should Section 105 of HR 1716, as reported by the Committee on Foreign Affairs, become law, the President would be able to carry out his responsibilities in this regard.

I hope these responses will be of assistance to you.

Sincerely,

C. W. DUNCAN, Jr.

Although the text of the Foreign Affairs Committee provision was made in order as an amendment under the rule, we will not offer it in the firm belief that it is vital that the integrity of H.R. 111 be maintained so that the process of completing this important implementing legislation can be facilitated.

In addition to the question of the defense of the canal, the Committee on Foreign Affairs found other potential treaty problems in H.R. 111 in sections 101 and 102, regarding the direction of the Panama Canal Commission's Board of Directors by the Secretary of Defense; section 250, regarding the terms of the contingency payment; and in section 373, concerning the transfer of the property. It is the view of the Committee on Foreign Affairs that the objectives of these provisions can be accomplished by language which conforms both to the letter and spirit of the treaties. We would therefore encourage the House conferees on this bill to work with their Senate counterparts to formulate and adopt such language in the conference report.

Mr. Chairman, this legislation is supported by the AFL-CIO, the American Institute of Merchant Shipping, the American Legion, major consumer groups, the American Petroleum Institute, and by business and environmental organizations.

To reject this bill, or to cripple it with counterproductive amendments, would be to ignore our security interests in the canal, our economic interests, and our standing as a Nation which lives up to its agreements and commitments around the world.

Mr. Chairman, I urge the adoption of H.R. 111.

☐ 1550

Mr. BAUMAN. Mr. Chairman, will the gentleman from Wisconsin yield to me for a question?

Mr. ZABLOCKI. I am happy to yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, the gentleman from Wisconsin is frequently in contact with the State Department. Though he is able to state their position I know quite often he does not share it and I appreciate that.

Mr. ZABLOCKI. The gentleman's observation is absolutely correct.

Mr. BAUMAN. Having laid that basis may I put this question to the gentleman from Wisconsin: Early in our deliberations on the Subcommittee on the Panama Canal the State Department made it very clear they did not support H.R. 111 and subsequently in public statement said the legislation was inconsistent with "the letter of the spirit of the treaty," among other things. I am not quite sure what that phrase means.

Am I to understand by their recent endorsement, the defects have been automatically cured by some magical means?

Mr. ZABLOCKI. Mr. Chairman, I might say to the gentleman, even the State Department sometimes recognizes it has to be pragmatic.

Mr. BAUMAN. Pragmatic, did the gentleman say?

Mr. ZABLOCKI. Yes.

Mr. BAUMAN. I thought he said "principled" and I was about to dispute it, but I agree.

Mr. ZABLOCKI. Well, it may be principled and pragmatic. I will accept the gentleman's observation.

Mr. DERWINSKI. Mr. Chairman, I yield myself 5 minutes.

I should indicate to the House that I am speaking as a member of two committees, the Committee on Foreign Affairs as well as the Committee on Post Office and Civil Service, and that dual responsibility may therefore be applied, if the Members so wish to interpret it, to ships going from the Atlantic to the Pacific or from the Pacific to the Atlantic.

I would point out in my judgment it is necessary for us to adopt H.R. 111 with minimum amendments.

I take the time to commend the gentleman from New York (Mr. MURPHY) for his statesmanship and his leadership in this area and to commend all of my colleagues on both sides of the aisle and all the committees that have had jurisdiction.

We have made major steps toward proper implementing legislation. I feel if the Members will approach this debate objectively they will give us the necessary support to pass a bill that will maintain for the United States the proper rights to operate and defend the canal for the next 20 years.

Mr. Chairman, it serves no useful purpose to continue to lament over what might have been. This is a time for statesmanship. We cannot undo the work on the other body which ratified the Panama Canal Treaty more than 1 year ago. Regardless of what we do, the treaty will go into effect on October 1. On that date, the Republic of Panama will assume jurisdiction over the Canal Zone.

The implementing legislation before us guarantees the House a strong affirmative voice in clearly spelling out our treaty commitments and our responsibilities to manage, operate, and maintain the Panama Canal. Without such a positive response, the treaty would be subjected to continuous, open-ended interpretation.

Despite the varying, competing and frequently conflicting views of the treaty itself, it is an international obligation which we must honor. There is no way we can take back the Canal Zone. We can, however, insure that one of the world's most vital waterways continues to be operated effectively and efficiently. It is an honorable course of action; it is a responsible course of action responsive to our national interest.

If passage of this legislation is unduly delayed or radically altered, we face serious problems in meeting and carrying out our responsibilities. We must provide sufficient lead time in setting in place the administrative and legal machinery to accommodate the many changes which will occur when the Panama Canal Zone ceases to exist and Panama assumes jurisdiction over all of its territory. The longer we agonize over implementation of the treaty the more difficult we make it to resolve in an intelligent fashion questions dealing with personnel administration, financial responsibility, labor-management relations and relocation of activities.

To attempt to renege on the treaty would jeopardize, if not destroy, all that we have gained in terms of our relations not only with Panama but the entire Western hemisphere. The treaty has demonstrated to the world our willingness and ability to deal justly and fairly with a small country.

In passing this legislation, we will be making good on an obligation to carry out the treaty. We also will be emphasizing our own national interest in the efficient operation and security of the Panama Canal.

WHY THE LEGISLATION?

We are debating today a simple but crucial question: Do we want the Panama Canal open and functioning efficiently for the future?

It is a simple question—and an extremely important one for our national interest. Surely every Member of this Chamber would immediately answer "of course." But in fact it is that very clear question that is being asked of this body as it considers H.R. 111, the Panama Canal Act of 1979.

Last year President Carter, after receiving the advice and consent of the U.S. Senate, took irrevocable steps to bring the Panama Canal Treaty of 1977 into force. Many of us were and still are opposed to that treaty. Many of us would change it if we had the power. But we do not have that power, the Panama Canal Treaty of 1977 is a fact we must live with. Under that treaty, the United States has the rights necessary to operate the canal for the next 20 years. However, the treaty does not and could not guarantee that the United States will have the internal authority necessary to exercise those rights. Only the Congress can give the President the authority which is essential if he is to carry out these strong U.S. rights to operate the canal. H.R. 111 is designed to give him that authority.

The treaty gives the U.S. rights to operate the Panama Canal through a U.S. Government agency, which is to be established by and in conformity with U.S. law. Thus, Panama has agreed that the canal will be operated until the year 2000 by a U.S. agency—not an independent or binational entity, but an agency of the Government of the United States. This, I understand, was a point the U.S. negotiators considered essential and fought hard to obtain. H.R. 111 establishes that agency and puts its operation under control of the Congress. The real effect of voting against this bill would be to say to the President "we do not care if the United States is not able to continue operating the Panama Canal and we are not going to give you an agency to operate it." I cannot believe this body wants to take responsibility for the inevitable results of that decision. Many Members may be inclined to vote "No" on this bill because they would prefer that the United States continue to operate the Panama Canal in 1979.

Moreover, the Panama Canal Treaty gives the United States unilateral authority to control relations with its employees—and that is with all of its employees, United States and Panamanian alike—until the year 2000. This is another right which must be exercised through action by this Congress. H.R. 111 establishes an employment system for the Panama Canal Commission. It establishes wages, rates and terms and conditions of employment. It also specifies the collective bargaining system which will be applicable to the Commission. No one will deny the keen interest of the Congress in this matter. To refuse to establish a rational employment system for the canal workforce is to invite chaos in Canal operations, leading most likely to a cessation of operations entirely. Again, the Congress would have to bear this responsibility.

In this connection, H.R. 111 also contains important early retirement and other benefits for our workforce in the Canal Zone. Defeat of this legislation would deny these employees any special relief or consideration during this period of unsought upheaval in their lives. But aside from not fulfilling our moral obligations to people who have dedicated their lives to assure the efficient Canal operation we have today, failure to pass this legislation could add another and equally devastating impediment to our future operation of the canal. Many, perhaps most, of these highly and, in some cases, uniquely skilled individuals would leave the isthmus in the face of the tremendous uncertainty. This alone could severely disrupt Canal operations.

Another major U.S. right under the treaty is to set, collect and retain tolls for use of the canal. It is the Congress which has the power to set the standard, procedures and guidelines for these tolls and H.R. 111 does so. The standards for tolls are of major importance to the U.S. economy and to the economies of many other countries. Failure to enact such standards would be failure to exercise a significant congressional responsibility.

Many of you may say: "All this is well and good, but the treaty is the work of the administration and the Senate. We are not asked to judge the wisdom of the treaty, but now are asked to help implement it. The President wanted it, let him carry it out." But pique and frustration, and indeed politics, have no place when it comes to the overriding national interest of the United States. I have no doubt that if the administration is denied reasonable implementing legislation, it will endeavor to develop a means to exercise these important U.S. rights without congressional guidance or authority. However, I seriously doubt that the President could actually operate the canal through Executive action alone. To keep it operating effectively would be impossible.

Furthermore, it would be against the long-term interest of this body to establish the precedent that the President could through Executive action alone, implement aspects of a treaty which rightly should come under the control of the Congress. Thus, failure to pass reasonable legislation carries with it not only the grave danger that the United States could not continue to operate the canal even through the remainder of this year, but also assures that to the extent the United States might be able to exercise these rights, they would be exercised by the Executive alone without congressional control.

So, in the next few weeks, we will honestly and legitimately debate various aspects of this bill—including some amendments to its text which will be controversial both in the United States and in Panama. In this full debate, we all may judge where the ultimate U.S. interest lies on many important issues. But when that debate is over and the will of the House expressed on these issues, which will be resolved, I am certain, in a reasonable and rational manner, the vote of this House should be for H.R. 111. We must deal with this issue in terms of what is ultimately at stake. Each of us owes it to the country to assure that in October the Panama Canal is open and under unilateral U.S. control.

Who is it, after all, who would suffer from a serious impairment of canal operation—it is the U.S. military, for obvious reasons, the U.S. farmer whose product would become less competitive abroad, the east coast port cities whose trade would be threatened, the U.S. work force in the Canal Zone whom we all want to protect, and every consumer in this country whose cost of living would be adversely affected. For all these reasons, the cry to "Save Our Canal" has never been more appropriate.

Mr. Chairman, at this time I yield 10 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I want to start off by commending the chairman of the Committee on Merchant Marine and Fisheries (Mr. MURPHY) and gentleman from Maryland (Mr. BAUMAN) for the improvements they have made in this legislation. Even though the State Department attacked earlier, H.R. 111, and now supports it, there is no question about the fact that it is much better legislation than the legislation sent up here by the State Department.

I still do not like it very much and probably will not vote for it. However, I must admit it is a far better piece of legislation than what was originally presented to us.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from New York.

Mr. MURPHY of New York. If the gentleman was here during my opening remarks he will recall I said if we do not have implementing legislation then we have tremendous problems on October 1 because we do not have an administration in being to take care of the hospitals, the schools, the employment contracts of American workers, the devices to collect moneys to make the proper disbursements. I think if we do not act on implementation legislation, regardless of what our feelings on what the other body did, regardless of what is in the treaties, I think it is our responsibility to be sure that we make the best of what the situation is today.

Mr. LAGOMARSINO. Mr. Chairman, I appreciate the gentleman's concern. It is something all of us will have to face and make a decision on when we get to that point.

My colleague, the gentleman from Maryland (Mr. BAUMAN) in his opening remarks pointed out that one of the reasons for the treaty, as was expressed by the State Department and the administration, administrations prior to this one as well, as a matter of fact, was to improve relations with Latin America.

Interestingly enough, a group of us were on a congressional mission to South America at the very time that agreement on the treaty was announced. We were in Colombia that very day. We met with the President of Colombia. The President of Colombia talked to us for 1 hour and although this was the very big burning issue covered in the media both here and there, the President of Colombia did not once mention the Panama Canal until he was asked about it later. The same was true in every country we visited: Equador, Peru, Chile, Argentina, and Brazil. We met with the chief executive officer of each of those countries except in the country of Brazil, where the President did not meet with us, and not one of those presidents mentioned the Panama Canal until some member of our delegation asked about the treaties.

As a matter of fact, the only official of any of those governments who mentioned the Panama Canal at all without being asked about it by one of us was the Foreign Minister of Equador who, at the end of a 3-hour discussion about many problems between our two countries, said, "We would like to talk about the Panama Canal. We are concerned about the tolls going up."

I think that most of those countries then and now—this was nearly 2 years ago—are much more concerned about other problems between our countries than the Panama Canal. Such things as our criticism of their human rights record, our arms sales performance or lack thereof with them and things of that nature.

Mr. Chairman, I am a bit overwhelmed that the House is actually debating legislation on the Panama Canal Treaties. The President has managed to avoid us for more than 1½ years since reaching agreement on the treaties. Now that he needs implementing legislation, however, he has finally been forced to ask the House for help.

It is amazing that such an important issue has not been formally discussed on the House floor. And even now we are not considering the treaties themselves—only "implementing legislation" for a treaty many of us always opposed.

One of the reasons it has taken so long is that the President did not think the House had a role in considering the treaties. Because it was a treaty, the Senate did have an obvious role. Because it concerned U.S. property, I believe the House had an equally obvious role. At least 60 of my colleagues felt the same way. In my view the President clearly violated the spirit—if not the letter—of the Constitution by refusing to submit the treaties to the House.

The parallels with the President's China decision are almost too obvious to mention. The only difference is that he snubbed both the House and Senate in abrogating—or, if you prefer—giving notice of terminating the mutual defense treaty. With the canal treaties, he only snubbed the House.

Besides ignoring the Constitution, the President did not tell the Senators of the treaties' total cost. Secretary Vance plainly told the Senate that there would be no cost to the taxpayer. Now the State Department estimates the cost at nearly a billion dollars. Judging from their constantly increasing estimates, I think it will go higher than that.

All of this is for a canal that is being turned over to a nearly bankrupt Panamanian Government. Panama needed 50 percent of this year's budget just to service its own debt. And if they do eventually control the canal, they will be using it as collateral to continue to borrow. All for a cause that is in direct opposition to what we believe in.

I do not think we should be bailing out a government that is openly hostile to the United States. Panama apparently allows arms to be shipped to Nicaragua; the Panamanian Government has not been a model for human rights.

We are told that the House should only be addressing the implementing legislation for the treaties. We are told that the President has signed and the Senate duly ratified the Panama Canal Treaties. We are told the House is powerless to vote on the treaties.

But what about those of us who still believe the House should have a role? What about those who believe the Senate was deceived about the treaties' total cost? We have the right—and the obligation—to try to improve this legislation and even to vote against it should we feel that it is the appropriate action to take.

□ 1600

Mr. DERWINSKI. Mr. Chairman, I reserve the balance of the time allotted to the minority on the Committee on Foreign Affairs.

The CHAIRMAN. The gentleman from Illinois (Mr. DERWINSKI) reserves the balance of his time.

The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I yield 12 minutes to the gentleman from Mississippi (Mr. BOWEN).

Mr. BOWEN. Mr. Chairman, I would like to thank the distinguished chairman of the Committee on Foreign Affairs for yielding me a little more time so that I might comment further on some of the matters we were discussing earlier.

I would also particularly like to commend the chairman of the Committee on Foreign Affairs, Mr. ZABLOCKI, for his statesmanlike role in supporting H.R. 111 despite some disagreement with its content, just as I also, of course, want to commend the distinguished chairman of the Committee on Merchant Marine and Fisheries, Mr. MURPHY of New York, for the leadership he has provided. It is my good fortune to serve under these distinguished chairmen, as well as, of course, under the distinguished gentleman in the Chair, Mr. FOLEY, who is presiding today as Chairman of the Committee of the Whole and who may be the only committee chairman who has not had some kind of jurisdiction over this legislation.

I want to look in detail at a statement that several Members have made from the well, just so that we might have the record set straight. I think, probably inadvertently and accidentally and perhaps just in a manner of speaking, we have had a number of Members come to the well and say that $4 billion was going to be taken from the pockets of the American taxpayers to give to Panama. That, of course, is not an accurate statement.

The figure of $4 billion refers to an overall cost concept, most of which cost will be assigned to Canal tolls. We have, of course, discussed what it will cost the American taxpayer, and we have agreed that it will range somewhere from a high figure of about $870 million or perhaps $900 million to a low figure of possibly some $350 million. Frankly, I think if there is an error, we are probably erring on the high side, and we will ultimately end up with a lower cost figure.

But in any event, let me point out to the Members again that those are the only American taxpayer dollars involved. They are going to pay Americans; they are not going to Panama. There are no U.S. tax dollars going to Panama under this legislation.

Panama will receive an income certainly. The treaties permit them to receive 30 cents a ton, there is a $10 million fixed annuity, and there is a possibility of a contingent $10 million. The estimates are that Panama may well receive something like $60 million, $70 million, or $80 million a year, in comparison with the $2.3 million they now receive as an annuity.

But let us get the record straight. The U.S. taxpayer is not putting $4 billion or $20 billion or any other kind of figure on that order into the hands of the Panamanian Government. The $4 billion figure is assigned to certain costs overall, and it will be covered in large part by tolls increases.

As I pointed out earlier, the increase in tolls necessary to cover those costs is so slim that we have found that most of the consumer groups, as well as the maritime lines and the unions, are supporting H.R. 111 because it does not increase tolls exorbitantly and it does not place an undue burden on the American taxpayer.

Mr. Chairman, as I pointed out to the Members earlier, there will probably be some legislation offered which will attempt to identify these vast ballpark figures of $4 billion to $20 billion, or whatever somebody wants to reach into a hat and come out with, and attempt to charge Panama with this and make them pay it to the United States. Of course, if we took even the low figure of $4 billion, that means Panama would have to pay $200 million to the United States each year, and if we took the $20 billion figure, they would have to pay $1 billion to the United States each year when they are only going to be getting about $60 million, $70 million, or $80 million a year from the revenues coming in through the tolls.

So, Mr. Chairman, I think it is quite clear that that kind of legislation would be totally destructive and is not in the best interest of the United States. It is something that Panama could not pay, and it is something that, frankly, I do not think could be signed into law. If we pass legislation that we know is not going to become law, I suspect that we are inviting the President of the United States to attempt to implement this by himself.

Honestly I do not want that to happen. Personally, I do not believe he has the authority under the Constitution to implement this by himself. That is why we are considering this legislation. But if we pass absolutely violative legislation, which we know clearly stands the treaty on its head, if we know it is in complete violation of the language of the treaty and we are perfectly aware that it is not going to be signed into law, then I suppose we would by implication be asking the President to try to do something that we do not think he ought to try to do.

I think Presidents of this country have done far too much on their own, and I think we should have a larger role right here in the Congress. To that end I think we should take the responsibility which has been given to us and pass H.R. 111. Then we will have the power, as the chairman of the committee, the gentleman from New York (Mr. MURPHY), has pointed out to us, to review precisely what goes on down there on an annual basis.

Some of these cost figures presented to you even involve trying to charge Panama for the cost of the construction of the canal, although most of that cost has been paid back in interest to the U.S. Government over the years. And I suppose they also try to include all the zone land that has been transferred over. But all this, in my opinion, from any clear reading of the treaty, is in violation of the treaty.

Let me just point out for the record a couple of items in the treaty to which reference has been made. Article XIII, No. 1, says that "upon termination of this treaty, the Republic of Panama shall assume total responsibility for the management, operation, and maintenance of the Panama Canal, which shall be turned over in operating condition and free of liens and debts, except as the two parties may otherwise agree."

No. 2 says that "the United States of America transfers without charge"—now, I do not like that, but there it is, it is in the law, it is in the treaty—"the United States of America transfers without charge to the Republic of Panama all right, title and interest the United States of America may have with respect to all real property, including nonremovable improvements thereon, as set forth below." And then they are enumerated.

□1610

So I hope we will bear that in mind. I am told that there may be an attempt to try to justify destructive amendments of this kind of pointing to article III of the treaty. And I would again, for the record, like to read that section. Article III, paragraph 2(d) and the entire article is discussing canal operation and management—says that the United States Government has the authority to "establish, modify, collect and retain tolls for the use of the Panama Canal, and other charges, and establish and modify methods of their assessment."

Obviously, the "other charges" refers to collecting charges to operate the canal, such as pilotage or tug fees. Somehow, some people have fastened upon that language "and other charges," which is in the paragraph dealing with the tolls for the use of the canal, and they have attempted to say that that justifies charging off all of the costs of American military changes that have to be made, property transfers, and everything else, to the Government of Panama. We have a status of forces agreement with Panama which determines the military arrangement. That agreement clearly spells out what the financial arrangements, and otherwise, are between the two nations. I do not think any fair-minded man or woman would read that section and interpret "and other charges" in the manner suggested.

There, again, I do not believe that such an amendment will be offered to you with the view that it is consistent with the treaty. I believe the legislation, as I said earlier, will be presented to you with the idea in mind that we must violate the treaty, we must do something so outrageous here that somehow or other it will in some wonderous way nullify the treaty of 1977, take us back to 1903, that somehow this "Alice in Wonderland" world will come into existence and everything will be made well again. That simply is not the nature of the thing we are dealing with today. We do not have that kind of option before us, and I think as responsible legislators, we have to deal with the options that are before us today.

One last comment on some of the observations that have been made about possible Panamanian gunrunning into Nicaragua. I regret that very much, if it actually happened. Apparently, the Venezuelans have done it, the Costa Ricans and, perhaps, some others, too. It is unfortunate, but even if it is true, it does not alter the obligation we have. In fact, it is in the American national interest to pass H.R. 111. It is H.R. 111 which will allow an American presence for another 20 years there. H.R. 111 will give us 20 years more to be there, 20 years for an American military presence, 20 years for us to administer the canal, 20 years for us to be in a far better position to monitor what is going on there, and 20 years for us to try to establish a good working relationship with the Republic of Panama, which I believe we can achieve if we will pass decent implementing legislation.

I think if we go ahead and pass that legislation we will find a cooperative spirit in Panama. I think we will find our relations improving with that country. I think we will be in a position to exercise a good deal more influence of what goes on in Central America, and I think in every respect it is in the interest of the American people to pass H.R. 111 without amendment.

And so, Mr. Chairman, I would simply close my remarks by asking the Members to look very closely at some of the literature, the propaganda, the newspaper ads, that have been circulated, examine the figures carefully, and remember that there are no U.S. tax dollars being paid to the Republic of Panama. The only dollars we will be appropriating here will be going to Americans. All other charges will be coming out of tolls. The passage, the adoption, of H.R. 111, without amendment, is clearly your only sound option. Whether you like the option or not, it is in the best interest of your constituents, and I believe that they will understand it.

I have one of the most conservative districts in this country. I have made speeches to civic clubs all over that district. I have yet to find the first person who disagrees with my point of view on this when I have taken the time to explain it. I have sent out a newsletter to my constituents. I have put my point of view before them. I contend to you my colleagues that you, too, can, if you do not mind using the term, educate your constituents to the fact that this legislation is clearly in their interest, that this legislation is clearly in the interest of the Nation, if you will make the effort to do so.

Mr. DERWINSKI. Mr. Chairman, in the spirit of diplomacy, good will, and in an effort to obtain a major convert to the cause I support in this bill, I yield 5 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, I appreciate the gentleman's yielding, but he has failed in his objective if that is what he thinks he will be getting in return.

I felt compelled to speak at this point in response to the gentleman from Mississippi. I think the gentleman does the House a great disservice in parroting the State Department line on this issue. Good men can reasonably differ, and often do. Throughout our deliberations we have. But for the gentleman to stand here and defend the State Department in that figure of $830 million treaty cost is ludicrous, and he knows it as well.

The gentleman from Idaho (Mr. HANSEN), may have taken some liberties in his arithmetic, but Lord knows, he never made the statement that it would never cost anything, which the gentleman from Mississippi knows has been the administration's position up until a year ago, when they said $350 million, and, lately, when they finally were caught with their hand in the cooky jar they raised it up to $900 million.

Now, it seems to me that we all sat through the same hearings. The gentleman serves on the committee. The gentleman from New York (Mr. MURPHY) used the figure of $4 billion. Is the chairman of the committee wrong? Is the gentleman from Maryland wrong? We have set through the same hearings, and I think we have come up with figures that are reasonably an estimate of the cost to the American taxpayers in all of the forms that it will take. The gentleman very cleverly used the phrase, "There will not be any $4 billion paid to the Panamanians." We never said that. We said that we were told by the administration that these treaties will cost the American taxpayers nothing. And it is going to cost the American taxpayers an enormous amount of money. Now, the gentleman stands there and says that it will be $830 million. I say it will be closer to $4 billion. I submit that neither one of us may be sure. But as sure as we are both standing here, the gentleman is much further wrong than anyone. And he owes the House better than that because he is a valuable member of the two committees which have jurisdiction.

Mr. BOWEN. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Mississippi.

Mr. BOWEN. Mr. Chairman, I will be very happy to point out and explain to the gentleman my point of view on this. The figure which I have obtained from the Committee on Merchant Marine and Fisheries is that the cost to the U.S. taxpayer is $826.9 million. The administration's high figure, as I indicated, is something like $870 million, and their low figure is $350 million.

I have never attempted to defend the fact that the administration may have at some time said there would be no cost. I did not indicate that I support that point of view at all. I did not attempt to justify it. I merely said it is within the range of the appropriations process here in the Congress that we may wish to appropriate more or less for the maintenance of our military forces down there. And, honestly, I think it is quite possible that the numbers will be on the low side. But I stand very firmly behind the statement that I made, which is that it is that range which we are discussing in terms of taxpayers' cost. When the gentleman from Maryland talks about $4 billion in costs, I think the word "cost" is appropriate, but I do not think it is appropriate to call it "taxpayer" cost because it is cost that is going into the tolls. It is going to cause the tolls to go up, but to a very acceptable level, as both Chairman MURPHY and I have pointed out.

Mr. BAUMAN. Mr. Chairman, if I may reclaim my time, the gentleman is incorrect on that point, too. The major part of this $4 billion is not going to come out of the tolls. A substantial amount will. Perhaps $1.5 billion over the next 20 years will be the amount of money which the Panamanians get skimmed off of the top of the tolls, which will have to be increased 20 percent to 30 percent, for no reason except to pay them this amount of money. Now you know and I know that the majority of that money is going to be paid by American consumers, to pay for oil from Alaska and automobiles from Japan, and all of the other things. And it is going to place our farmers at a disadvantage who have to ship wheat and rice, and other things abroad from the gentleman's State and my State.

I just want to repeat what the gentleman said, there will be no cost to the taxpayers. What about the U.S. Government guaranteed housing loans and foreign aid, $15 million of which we cut off here? What about military sales that were not part of the deal? President Royo said it was. I am talking of all of these many costs.

□ 1620

The gentleman belittles the fact that the military must now absorb those costs that were formerly paid by the Canal Company out of the tolls, an estimate $1.3 billion. General McAuliffe told us anywhere from $45 to $65 million a year for the next 20 years will be Defense Department costs that used to be paid by tollpayers, but it will now be paid by the taxpayers. That is $1.3 or $1.4 billion. The gentleman dismisses that as some insignificant amount.

This treaty has been a ripoff from the beginning to end. I am sorry the gentleman from Mississippi sees it necessary at this point to support that kind of ripoff.

Mr. BOWEN. If the gentleman will yield, I frankly did not support the treaties and have never been enthusiastic about them. I am taking this course of action as the least objectionable course available to the House.

I would like to point out that the gentleman from Maryland seems to have changed his tune very sharply in his remarks just a moment ago, because, instead of insisting on that $4 billion as an actual cost to taxpayers, now he says, "Well, much of it is."

Mr. Chairman, the gentleman now says that most of that $4 billion is cost to consumers through higher prices that have to be paid because of the toll increase.

Mr. BAUMAN. Let me say that I did not say that. I will be glad to place in the RECORD as part of the permission that I will obtain later, a complete accounting of the costs as seen by what I think are relatively impartial eyes. They will give the lie to the State Department figures upon which the gentleman relies. I think he ought to do us the same courtesy and place in the RECORD a detailed and logical analysis from the State Department or otherwise from the gentleman, if he has the figures, that will disprove that. I do not think the gentleman can do it, not if the figures are based on things such as the State Department said, "No there is no $20 billion cost in giving away the canal, because that is all in the past. We decided to give it away so we will ignore the cost."

The gentleman surely will not stand here and say that the canal is worthless at this point, and if we do give it away, it does entail an enormous loss.

Mr. BOWEN. It is not a charge to the taxpayers of this country. It is not a new appropriation. We have used the canal for 65 years.

Mr. BAUMAN. It is a cost to the millions of U.S. taxpayers who have gone ahead in the past and have paid the cost. That is their money and ours that is being given away. It is the people who died in the mosquito-infested jungles. It is the West Indian blacks. It is the French engineers. It is all the history of this canal that we are handing away under circumstances with no guarantee that they will be able to run it as it has been in the past.

Mr. BOWEN. If the gentleman would yield, I would like to say, of course, that I think the gentleman knows I probably disagree with the State Department almost as often as he does.

Mr. BAUMAN. The gentleman has a strange way of showing that.

Mr. BOWEN. The gentleman knows that I am not parroting the State Department, as he says. My information happens to come from the staff of the Merchant Marine and Fisheries Committee, which I think is very talented and dedicated. I think that the figures that I cited to the gentleman of actual taxpayer costs under the range of $1 billion can be substantiated. I will be very happy to produce the figures and put them in the RECORD.

Mr. BAUMAN. We look forward to this elucidation.

Mr. BOWEN. I think the gentleman will agree that not all of the $4 billion is taxpayers' cost as he has charged, that it is in large part attributed to tolls.

Mr. BAUMAN. I think it is more than $4 billion. I have no doubt, when the final analysis in this chapter of our history is written, that the taxpayers will get it right in the ear from the State Department and the administration. They will pay through the nose, and there is no way that anyone can justify the financial basis for this transfer of a major strategic and economic asset.

This treaty is insanity, and the best we can do with this legislation is to try to clean up what is before us.

Mr. BOWEN. If the gentleman would yield further, I would say that I am no more excited about this treaty than he is. I am simply defending the financial obligations that are in the treaty as legal and binding.

Mr. BAUMAN. The gentleman uses them.

Mr. BOWEN. I am not endorsing them. I am merely pointing out the treaties are there. They have been ratified, and we are merely being asked to pass management legislation to set up a system which will enable us to keep the Panama Canal open.

I would have written the treaty quite differently. I am sure that the gentleman would have. I would not have written this treaty at all, more precisely, but in any event, what I am referring to is the occasion which we have here as Members of the House, responsible to try to keep the Panama Canal open and to try to honor the treaty language. As a Nation which depends heavily upon having other nations honor their treaties with us, I feel we have an obligation not to violate this treaty.

Mr. BAUMAN. One of those obligations is to give accurate facts to the House. I will let the House decide that.

Mr. DERWINSKI. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. Carney).

Mr. CARNEY. Mr. Chairman, I thank the gentleman for the time.

I would like to take this opportunity to talk about cost again. These are the hidden figures that the American taxpayers will never find.

What has it cost the American taxpayer to get the Panama Canal Treaty pushed down their throats? In the Senate deals of 1977, how much pork barrel legislation was dealt under the table, and why are we not voting on it today? Because there is not enough votes in the House today to get it passed. So what are we doing? We are promising this person from one State and that person from another State that, yes, if you will vote for the Panama Canal Treaty, we will give you something, and that is going to cost the American taxpayer money that he will never, never see. I think this is very important. It was done in 1977, and I believe it is going to be done again. We probably have been in the process since last Thursday.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. CARNEY. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Will the gentleman advise the gentleman from Wisconsin what he got?

Mr. CARNEY. In fact, the only thing I did not get was an invitation to the White House to discuss the Panama Canal, because I think it is quite clear where I stand on the issue; and they would be just wasting another taxpayer meal, like they provided to those who were sitting on the fence last week.

Mr. ZABLOCKI. If the gentleman would yield further, I wish to assure the gentleman that the gentleman from Wisconsin is going to vote his confidence and what is in the national security interest of this country and not for whatever he got or will get from the White House. I resent the gentleman's inference.

Mr. CARNEY. I have no doubt about the gentleman from Wisconsin. He stood in the well this morning and said that he was supporting the treaty, and he has for a while. I have no doubt about the good intention of the gentleman from Wisconsin.

Certainly he is not siting on the fence, and he has not sat on the fence. We are talking about—and let us be honest—we are talking about some of the fence sitters. I really believe in my heart that there is going to be a lot of dealing going on between here and 1600 Pennsylvania Avenue until we get the vote to finally cram this treaty down the throats of the American taxpaying public.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DERWINSKI. I reserve the balance of my time for the Committee on Foreign Affairs.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. Zablocki).

Mr. ZABLOCKI. Mr. Chairman, I yield my remaining time to the gentleman from New York (Mr. Murphy).

Mr. MURPHY of New York. Mr. Chairman, I yield myself such time as I may consume, and I yield to the gentlewoman from Louisiana (Mrs. Boggs).

Mrs. BOGGS. Mr. Chairman, I thank the gentleman for yielding.

As we debate the terms of the Panama Canal Act of 1979, a number of our colleagues have or will express their concern about the economic effects imposed on the United States by the obligations incorporated in the Panama Canal Treaty of 1977. I, for one, am particularly concerned about the escalation of tolls rates which could occur as a result of this legislation. Any exorbitant toll increase without sufficient consideration given to trade ramifications could cause severe economic dislocation in this country.

I think it is generally agreed that tolls will have to increase in order to comply with the obligations imposed by the treaty. However, such future toll rates will directly determine the degree to which the Panama Canal remains a viable waterway in international trade and commerce. I think we can all agree that it is crucial to the enactment of this implementing legislation that we make clear the factors and mechanisms to be used in determining future toll rates.

Mr. Chairman, during the debate in the Senate on the ratification of the two treaties, my colleague from Louisiana, Senator Long, offered an "understanding" to the treaties (and that understanding was approved by the Senate). The purpose of which is to interpret and supplement article III, paragraph 1(c) of the basic treaty by enumerating the considerations that any future increases in tolls must encompass. Generally, it mandates that the effects upon short- and long-term, total trade patterns of the United States and Panama should be considered before any toll adjustment is made. Further, the understanding provides that the costs of operating and maintaining the canal and the competitive position of the canal vis-a-vis other means of transportation also be among the factors considered in toll rate changes.

In addition to the economic factors, the United States and Panama also have mutual interests in maintaining their domestic fleets, in mitigating any adverse regional impact of a change in tolls, and in maximizing their international commerce. The critical importance of these interests to both our countries requires that they be given due consideration in any decision to alter existing tolls.

Earlier this spring, the Committee on Merchant Marine and Fisheries heard from several public witnesses on this issue of toll adjustments. One of these groups included representative of port, carrier and shipper interests, among them were representatives of the Atlantic and gulf coast ports. This group predicted dire consequences should the toll increases not remain within reasonable limits. The witnesses pointed out that our foreign trade balance of payments and gulf and Atlantic regional economies could not stand, without major adverse impacts to the national interest, the possibility of large increases in tolls for the Panama Canal after passage of the implementing legislation.

Mr. Chairman, I would like to ask the gentleman from New York (Mr. Murphy) a couple of questions about the toll issue.

Does this legislation address the particular points incorporated into the ratification documents by Senator Long's understanding?

☐ 1630

Mr. MURPHY of New York. Yes, they are addressed in section 412 of H.R. 111. The intent of the Long reservation was incorporated.

Mrs. BOGGS. Could the gentleman please explain how this implementing legislation addresses the concerns raised by such groups as the Atlantic and Gulf Port Associations about the rapid increases in tolls?

Mr. MURPHY of New York. The thrust of H.R. 111 requires that of the five American members, three of them be industry related, particularly as to ports and labor. Our bill specifically places people with that experience on the Commission, and I think will reach the intent of the gentlewoman's inquiry.

Mrs. BOGGS. Some of our colleagues have proposed that additional factors be taken into consideration in setting toll rates, such as interest and amortization costs accruing from past investments in canal facilities. Would such additional factors drive the tolls up even higher? Could you speculate on the impact of such an action on the domestic economy and on our world trade posture?

Mr. MURPHY of New York. In an effort to be fair in this regard, H.R. 111 includes both these elements in consideration of the toll base. We withdrew, in the markup in the full committee, amortization payments, but the user charges—and, of course, those affect U.S. ocean shipping—are clearly addressed throughout H.R. 111, in order to keep tolls at a competitive basis.

Mrs. BOGGS. Could the gentleman speculate on the impact of such a use on the domestic economy and on our world trade posture?

Mr. MURPHY of New York. Yes, the tolls level could have a severe impact, particularly on goods that moved eastward, and those, of course, would impact the gulf and east coast ports. That is one of the reasons we built right into H.R. 111 all these protective features in the tolls formula.

Mrs. BOGGS. I thank the gentleman.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman from Illinois yield?

Mr. DERWINSKI. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, in response to the chairman of the full committee and the ranking minority member, I would like to thank them for the very valuable and helpful manner in which they approached this exercise of moving legislation through four committees and going to the Rules Committee, and in the manner in which they were able to cooperate.

The chairman of the Committee on Foreign Affairs, the gentleman from Wisconsin (Mr. Zablocki), the chairman of the Committee on Post Office and Civil Service, the gentleman from New York (Mr. Hanley), and, of course, the chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. Rodino), were eminently helpful.

Mr. Chairman, having addressed many of the issues which are of common interest to the Committees on Merchant Marine and Fisheries, and Foreign Affairs, I shall limit my comments at this time to those matters previously untouched in this debate.

The provisions of legislation reported by the Committee on Foreign Affairs in title I of H.R. 1716 were identical to provisions of H.R. 111 in all but two respects. In those two provisions wherein the committees differed, the policy objectives of both committees were the same, but the methodology of obtaining those objectives differed somewhat. I want to thank Chairman Zablocki as well as the other chairmen of the Committees on Post Office and Civil Service and the Judiciary for the cooperation which they have lent during the consideration of this important legislation to provide for canal operation for the next 20 years.

Mr. Chairman, the Committee on Merchant Marine and Fisheries labored within the spirit and the letter of the treaty in writing the legislation which is before the House for consideration. Within the treaty, the committee has tried to protect the interests of the United States; tried to protect the interest of the U.S. Constitution and the powers of the House of Representatives; and tried to protect the taxpayers and the citizens of this country. But Mr. Chairman, the Panama Canal Treaty and related agreements contained many vagaries and perhaps even inconsistencies, and in order to write legislation to provide a firm foundation for the canal for the next 20 years, it was necessary for the committee to interpret treaty provisions. We know that these vague provisions of the treaty existed perhaps not only to give the United States flexibility in operating the canal but also to have the treaty ratified by the U.S. Senate.

One of the areas in which the Committees on Merchant Marine and Fisheries and Foreign Affairs had a common interest was the authorization for U.S. participation in certain bilateral bodies envisaged in the treaties.

It was the concern of the Merchant Marine Committee that the consultative committee, a body envisaged in article III of the Panama Canal Treaty, not impede U.S. rights of operation of the canal to the year 2000. Therefore, the language in section 105 of H.R. 111 insures that the consultative committee is not an operational body, but rather a diplomatic forum wherein the opinions of the Governments of the United States and Panama can be exchanged, and that after the exchange between Governments each of the two sovereign states may work within its own political framework to implement such advice of the consultative committee as it deems proper.

The Joint Commission on the Environment, for which U.S participation is authorized in section 106 of H.R. 111, was envisaged in article VI of the Panama Canal Treaty because of the realization of the integral relationship between the canal and Panama's environment and also because of the real threat that environmental degradation of the canal watershed presents to the continued viability of the canal itself. To carry out its legitimate functions under the treaty, the Joint Commission needs a staff and a budget, and the framework for those are provided in section 106. Moreover, the budget of the Joint Commission is independent of the Panama Canal Commission, thus preserving the integrity of opinion and independence which this important body will need.

In drafting the provision describing the authority of the U.S. Ambassador to Panama in connection with the Panama Canal Commission, the committee attempted to maintain the administrative integrity and independence of the Panama Canal Commission while at the same time requiring that the Ambassador be kept informed in a manner consistent with the provisions of law generally governing the role of Ambassadors in foreign countries.

Under H.R. 111, the privileges and immunities which can be bestowed upon up to 20 officials of the Panama Canal Commission are conferred by the Secretary of Defense or his designee. The designation of the Secretary of Defense is consistent with the general direction of the agency as provided in other parts of H.R. 111.

The provision for the control of the Panama Canal during wartime or when war is imminent, section 108 of H.R. 111, is a continuation of a statutory provision existing since 1912 on the theory that the military and security concerns are of the greatest importance in operating the canal during a time of hositilities or danger. Section 108 interrelates well with the provision of H.R. 111 providing for direction of the Commission by the Secretary of Defense. Moreover, the provision is consistent with the military principle of the unity of command; it is consistent with the stipulations and reservations added to the Panama Canal Treaty and the neutrality treaty in the U.S. Senate, especially the DeConcini amendment; and nothing in the Panama Canal Treaty restricts the authority of the United States to enact laws providing for operation of the canal with appropriate consideration of the circumstances affecting that operation in time of war or when war is imminent.

Mr. Chairman, I thank the distinguished chairman of the Committee on Foreign Affairs for this time.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Hanley) for 30 minutes.

Mr. HANLEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I initially want to express great commendation to the gentleman from New York (Mr. Murphy), the chairman of the full Committee on Merchant Marine and Fisheries, for his truly exemplary demonstration of statesmanship. Most of us are aware of what his position was initially on this issue, and it was a very difficult bullet for him to bite. But, the great statesman that he is, and in recognition of the intensity of this burning national issue, had him move forward and put together the best possible piece of legislation.

Mr. MURPHY of New York. Mr. Chairman, will my colleague yield?

Mr. HANLEY. I will be delighted to yield.

Mr. MURPHY of New York. I have an appointment with the dentist right after this debate.

Mr. HANLEY. The gentleman is excused at this point, and we will recognize Mr. Derwinski if he wishes—but I know he does not wish it that way.

Mr. Chairman, on October 1 of this year the Panama Canal treaties enter into force. There is nothing we here can do to prevent this from happening. These treaties were ratified last year by votes in the other body as our Constitution provides. We in the House had no opportunity to vote on their ratification. If we had that opportunity, I am sure some would have voted "no."

I know it has been mentioned here before, but judging by the vote on the rule to consider this legislation, it obviously cannot be overemphasized—a vote against this legislation is not a vote against the treaties. No crippling amendments will prevent the treaties from entering into force this October. Indeed, even if this legislation were defeated, the treaties will enter into force. It is not, under our form of government, the right or the responsibility of this body to vote on whether or not we have a treaty.

But we in this House do have a responsibility with respect to implementing a treaty which has been properly entered into. And that is what this legislation is about. How will we implement these treaties which, like it or not, we have to live with?

There are extremely important questions relating to implementation. What type of entity should administer the canal area and operate the canal itself? How do we best provide for close congressional oversight during the 20-year life of the treaty? How do we fund the special benefits which the treaty contemplates will be afforded to employees in the Canal Zone? What mix of benefits is appropriate to ease the transition for canal employees and, at the same time, provide incentives to insure that qualified and competent individuals will be recruited and retained so that the canal will continue to operate efficiently? It is on these questions, the benefits which will be provided for canal employees and how to pay for them, that the Committee on Post Office and Civil Service focused its attention.

The treaty provides for the abolishment of the Panama Canal Company and the Canal Zone Government on October 1 of this year. This event will have a dramatic effect on employees, both U.S. citizens and foreign nationals, of the Company, the Zone Government, and other U.S. agencies conducting operations in the Republic of Panama.

Mr. Chairman, several members of the Post Office Committee had the opportunity earlier this year to travel to Panama for hearings and discussions with canal employees. We were greatly impressed with the dedication of these employees. At the same time, however, we could not fail to note their apprehension as they look to the date the treaties will enter into force, still not knowing what provisions will be made to help them in this difficult transition. We owe it to these employees to act on this legislation and to act quickly so that the uncertainty which they are experiencing can be ended.

The Post Office and Civil Service Committee's substitute for chapter 3 of title I, which will be offered at the appropriate time, provides the appropriate mix of benefits and incentives to ease the transition for canal employees. In most instances employees who want to leave because of the treaty will have that opportunity either by taking advantage of the special early retirement provisions or by making use of the special placement assistance program which the substitute provides. At the same time, the substitute provides incentives, such as increased retirement annuity rates, for employees to continue to assist in the operation of the canal.

I should make one point clear concerning the Post Office Committee substitute. The substitute is consistent with the terms of the treaty. Although it does not contain some special benefits which were contained in the original administration proposal, it does not meet the requirements of the treaty in this area. It does, however, contain fewer special benefits than the Murphy bill.

I am sure some Members are puzzled as to why this committee, a committee which traditionally has been sympathetic to the needs of Federal employees, approved a reduction in the proposed benefits. The simple truth is that the original administration proposal just went a little overboard in the area of benefits for canal employees. The Post Office Committee substitute has pared these benefits down somewhat to bring them more in line with what is provided other displaced Federal employees. As a result, by supporting our substitute, you can look your constituents in the eye and say that you supported trimming the costs of this legislation. And another important point, particularly to those of you who have large Federal employee constituencies, is that you can look other Federal employees in the eye and say that you protected their interests, that you protected the integrity of their retirement system, and that you protected their right to equal placement opportunity in the event they are displaced.

The Post Office Committee substitute is still more than fair to canal employees. It contains numerous special benefits, and I will touch on just a few. The substitute provides:

First. For increased higher education travel benefits for dependents of U.S. citizen employees for the Panama Canal Commission;

Second. For the payment to certain employees of recruitment or retention differentials when an agency head determines that the recruitment or retention of an individual is essential;

Third. For the continuation of terms and conditions of employment which are "generally no less favorable" for employees who are transferred to employment with the Panama Canal Commission or another agency in the Republic of Panama;

Fourth. For special pay retention rights and sabbatical leave for teachers in Panama who are transferred to the Department of Defense Overseas Dependent School System;

Fifth. For placement assistance for employees adversely affected by the implementation of the treaty, provided that such assistance may not be greater than assistance provided other Federal employees in similar situations;

Sixth. For a special retirement annuity computation factor of 2½ percent for Panama Canal Company or Zone Government employees who continue to serve in Panama after October 1, 1979, if the President or the President's designee has determined that such service is essential; and

Seventh. For special retirement eligibility as follows:

Law-enforcement officers and firefighters may retire at age 48 with 18 years of firefighter or law-enforcement service,

Employees who are separated involuntarily as a result of the implementation of the treaty may retire after completing 20 years of service or after becoming age 48 with 18 years of service, and

Employees who were employed by the Canal Zone Government or the Panama Canal Company prior to October 1, 1979, may retire voluntarily after completing 23 years of service or after becoming age 48 and completing 18 years of service.

Finally, Mr. Chairman, and this is very important, the substitute provides that canal tolls and other receipts, not American tax dollars, primarily will be used to pay for the costs of the special retirement benefits which are provided.

Mr. Chairman, I sincerely want to commend my good friend and colleague, the gentleman from New York (Mr. MURPHY) for his efforts in connection with this legislation. These joint referral situations can be very difficult. In this instance, however, the problems were kept to a minimum due in large part to the consistent cooperation of the gentleman. We have some differences, but we have managed to isolate them so that the Members may focus on them clearly. Many of the minor issues which always crop up when more than one committee is working on a particular piece of legislation were resolved before we got to the floor so that the Members of this body can give their full attention to the major issues.

In closing, I urge my colleagues to recognize the need for this legislation, to understand that having no implementing legislation at all would be far worse than having a bill with which they cannot totally agree, and to vote favorably on this bill when we have that opportunity.

□ 1640

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, I yield myself 1 minute merely to point out a point that has been made very properly by many Members this afternoon, and that is that it is in the best interests of the United States to maintain the canal operations at the utmost possible efficiency. It is obviously in our best interests to provide for the defense of the canal. That is what the bill before us does, and I would trust that when the House marks up the bill at some later date, we will all have expressed our frustration in proper fashion at the original action in the Senate, realizing what we have to do is to pass the best possible legislation. I am confident that that will be the atmosphere in the House at that time.

Mr. Chairman, I yield back the remainder of the time from the minority side of the Committee on Post Office and Civil Service and the Committee on Foreign Affairs.

Mr. HANLEY. Mr. Chairman, I yield 5 minutes to the gentlewoman from Maryland (Mrs. SPELLMAN).

Mrs. SPELLMAN. Mr. Chairman, I would like at this time to point out to the Members an amendment which has been provided in the legislation of the Committee on Post Office and Civil Service, an amendment to the original bill. The effect of this amendment is to delete a provision which would heap benefit upon benefit. It is a provision which is meant to compensate the American personnel for the loss of commissary and PX privileges, but it would go far beyond that. As a matter of fact, this compensation would extend not only for the duration for the work of the employees in the Panama Canal Zone, but even on into retirement, since retirement benefits are based on salary level as one of the large factors, and this provision would increase the base pay of the employees. Actually this benefit is redundant because there is already a mechanism in place which provides an allowance, and that is the recruitment and retention allowance. Presently that stands at 15 percent of base pay, but it may be raised with no further legislation to 25 percent at the discretion of the Commissioner.

□ 1650

Surely, a 25-percent differential ought to compensate for hardships encountered in working on the Panama Canal Zone but if it does not and if more is warranted, then let us have the need justified before the proper committees and acted on by the Congress. Let us not enact an open-ended position to enable the commissioner to set the limits—any limit—with no direction from the Congress. The people of this Nation look to us to provide the proper protections—for the employees, yes, but for the taxpayer also. We can do this by eliminating the extra cost of living provision and relying on the recruitment and retention allowance.

I want to reiterate something which was said by the gentleman from New York (Mr. HANLEY), the Post Office and Civil Service Committee chairman. Those of us on the committee who visited the Panama Canal, including many who were not in favor of the treaty as it read and as it has been ratified by the other body, recognize that without this implementing legislation which is being proposed we would have a real giveaway.

I am amazed that the people who are opposed to the treaty are not demanding implementing legislation. The treaty now has a life of its own, it is self-fulfilling, and the only way we can protect the interests of the United States is by this implementing legislation.

If we were not to enact this legislation, if we were not to impose it, just consider what would happen where Panama Canal employees are concerned. If we just look at that alone we will understand the need for controlling legislation for we would find they would come under the jurisdiction of Panama Canal labor law and we would have Federal employees with the right to strike. The very people whose hearts would be stricken with terror at the thought of the right to strike for Federal employees are the ones who are opposing legislation. That is topsy-turvey. I do not really quite understand what is happening here.

I would suggest to those who are opposing the implementing legislation that they take a very good look at what would happen if we do not implement this treaty. The United States would lose all control. To protect the interests of our Nation is vital and I, therefore, support the legislation as it has come from the Committee on Post Office and Civil Service.

Mr. HANLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Thank you, Mr. Chairman.

I think it is very important that we proceed to pass this implementing legislation but I think it is equally important, especially for those who are concerned about costs here to adopt the title III as reported by the Committee on Post Office and Civil Service.

I would like to briefly touch on three or four major points that have changed H.R. 111 considerably with respect to employee benefits. First of all, as H.R. 111 now exists without the adoption of the Committee on Post Office and Civil Service title III, priority placement would be given to all employees of the Canal Zone Commission who left even voluntarily from the Canal Zone.

I am in favor of giving them all of the priority treatment that is necessary and responsible for those who do wish to leave or those who feel they have to leave but not at the expense of others who may have been separated involuntarily, in your district or in my district or in any district across the country.

This provision does nothing more or less than say, "Yes, we will give them all the placement help, all the priorities they have but none of that priority will impinge upon the rights of other Federal employees across the country who may be separated involuntarily because of RIF's or other actions by the Federal Government."

I think this is simple justice and I remember so well our great minority leader on the committee referring to it as legislative brilliance, this amendment. I agree with my colleague from Illinois in that statement. It was a very important addition to the legislation and I am sure it is supported on a bipartisan basis. No. 2, I agree title III as reported by our committee permits the early retirement at age 48 but not without reduced annuity. It is absolutely, I think, ridiculous to think we can start funding programs for full annuity retirement at age 48 even for those who are not in any way forced to retire, who simply choose to retire at that age.

If this provision is being put in order to give people incentive to stay in service, by offering them full retirement benefits at age 48, I do not think it is going to be very effective. We will, in fact, in title III as reported by our committee permit the early retirement at age 48 but as we do with other retirement provisions, require a one-sixth of 1 percent reduction per month of those months ahead of age 55. This is how we handle other such programs.

By the way, if we are interested in costs, this saves $67 million.

Third, I think it was appropriate we put provisions in the section, in title III, which allowed for these increased annuities as an incentive to keep people in service in the Panama Canal. But not without requiring that some decision is made as to whether or not they are essential to the Panama Canal. I see no reason at all to blanket every employee in and say, "The President has to give these people an increased annuity whether or not they are considered essential to the operation of the canal."

The provision we have included in here simply requires and permits the President to identify those essential personnel who will then be made available to the increased annuity in the bill.

Fourth, there is no reason why these increased funds necessary for paying the increased costs of employee benefits that should be borne by American taxpayers. It should be borne by the Panama Canal Commission. Our title makes it clear they should be borne by self-generated funds.

If we are interested in saving the taxpayers' money, this saves them $219 million and I know my colleagues, especially on the minority side, are interested in that.

Mr. MURPHY of New York. Will the gentleman yield to me, Mr. Chairman?

Mr. HARRIS. I will be happy to yield to my colleague.

Mr. MURPHY of New York. H.R. 111, of course, was crafted to be sure costs would come from the users, those who pay tolls to the Panama Canal Commission. Of course, the provisions in H.R. 111 would mean that these costs that the gentleman just said would be $67 million less in the Post Office provision would amount to about $12 million per year. In H.R. 111 we do not draw distinctions between men and women who operate the Panama Canal. We do not say that the pilots are more important than a marine engineer or the man who operates the dredges or the people who operate the key communications system within the canal. We tried to consider them as one operating team.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. HANLEY. Mr. Chairman, I yield the gentleman from New York an additional 2 minutes.

Mr. MURPHY of New York. H.R. 111 took that cost of the operating team into account and placed this additional cost on the users and not on the American taxpayers. We make it very clear in H.R. 111.

Mr. Chairman, I would like to take this opportunity to expand upon my views regarding the employee provisions of the bill.

The bill H.R. 111, which is legislation to provide for the operation and maintenance of the Panama Canal under the 1977 treaty, contains authority and structure for the Panama Canal Commission, a basis for other institutions described by the treaty, and authorizes other actions deemed appropriate by the treaty agreements. But a major aspect of this legislation goes beyond the institutions to the individual employees who have faithfully served in the operation of the Panama Canal. Without the critical skills provided by pilots, tugboat masters, craftsmen and other canal employees, the Panama Canal cannot operate. Any legislation to provide a system for canal operation which fails to recognize the role of the employee is inadequate legislation.

It is significant that Gov. Harold R. Parfitt of the Canal Zone, the leader who has done a superb job of keeping the canal operating efficiently in the trying years of treaty negotiations and treaty decisions, has said that the employee provisions of the implementing legislation are in his view the most important aspect of the bill.

This statement goes to the very heart of the matter—the Panama Canal is run by people, and the welfare and morale of those people is a factor upon which the inestimable national security value and the multi-billion-dollar commercial value of the canal depend.

In the drafting of the H.R. 111 employee provisions, which are chiefly contained in chapter 3 of title I, the committee on Merchant Marine and Fisheries sought to attain three objectives: first, to provide the necessary employment and management authority for operation of the Panama Canal in a manner consistent with the provisions of the new treaty arrangement; second, to provide (for employees) compensation and benefits which are appropriate in light of the new treaty arrangement and which will prompt the continuous operation of the canal while it remains under U.S. stewardship for the next 20 years; and third, to continue those elements of the present Canal Zone structure which are permitted by the treaty arrangement, have worked well in the past, and which seem advantageous in the new treaty circumstances.

In the consideration of the employee provisions of H.R. 111, the Committee on Merchant Marine and Fisheries paid close attention to the work and policy of the Committee of Jurisdiction on employee matters, the Committee on Post Office and Civil Service, which is to be commended for the manner in which it acted in its legislative assignment. That committee's legislative product, title III of H.R. 1716, took upon the format originally presented in H.R. 111. Ten restrictive amendments were added by the Post Office Committee. When the Committee on Merchant Marine and Fisheries considered the employee provisions of H.R. 111, the Post Office Committee had previously ordered reported title III of H.R. 1716.

Thus, the Merchant Marine Committee adopted the substance of the Post Office provisions in all but three instances. Subsequently, the committee added three other substantive provisions all of which have been included in the amendment printed in the RECORD of May 16 by the gentleman from New York.

The substantive provisions of the reported version of H.R. 111 differ from the substitute to be offered by the Post Office Committee in three areas:

First, the early retirement option in H.R. 111 provides for retirement of Panama Canal employees at 18 years of service and 48 years of age with no reduction in annuity. Other than the requirement that an individual be an employee of the particular agency to which benefits are extended, there is no requirement as to the role fulfilled by that employee in the organization. The Post Office Committee provision would authorize early retirement but would reduce an employee's annuity in accordance with age limitations in current law, and would provide certain early retirement coverage for only "essential" personnel.

A second difference concerns the qualifications on placement assistance for employees displaced as a result of the canal treaty arrangement. The Post Office Committee amendment would not allow placement preference to canal employees greater than that granted to U.S. employees displaced from jobs in the continental United States.

A third difference concerns a cost of living adjustment to be provided to canal employees. This adjustment, which was contemplated by article XIII of the implementing agreement to article III, was to serve as compensation for the loss of employee privileges at military post exchanges, commissaries and military postal exchanges. H.R. 111 provides that the Panama Canal Commission shall determine the amount of the allowance, but the Post Office Committee deleted this provision.

Mr. Chairman, the history of the employment provisions relating to the employees of the Panama Canal demonstrate conclusively the importance attached to the employees.

The 1912 Panama Canal Act provided that all employees should be appointed by the President.

During the years of U.S. canal operation, the special benefits accorded to canal workers included a 100-percent bonus during construction days, exemption until 1951 from the U.S. income tax, and other benefits. My purpose in mentioning these, Mr. Chairman, is to indicate that the dispensation of special benefits to employees in the interests of U.S. commerce and security is nothing new, and that, in fact, the relative advantages of U.S. canal employees have diminished in recent years. On the other hand, the status of non-U.S. employees of the canal has been raised substantially from the days of the "gold" and "silver" roll when segregation was regimented and West Indian and Panamanian employees labored for low wages and very little in terms of retirement benefits.

The history of Panama Canal employment systems shows that the U.S. citizen worker has been well compensated and that the Panamanian and West Indian workers have shown a steady increase in status and benefits. But even with the improvement in their relative position, non-U.S. employees continue to be very sensitive to the conferral of benefits on U.S. citizens alone, and thus the committee saw equal treatment of employees, both United States and Panamanian, as an important objective of the legislation.

Mr. Chairman, the Committee on Merchant Marine and Fisheries strongly supports the benefits conferred on employees by H.R. 111. These benefits, especially the optional early retirement benefit, are the most important incentive we can provide in order to persuade skilled canal employees to stay with their jobs.

Evidence of the deteriorating personnel picture at the Panama Canal has been the doubling of resignations in recent years, a trend that must be decisively reversed. A brief review of the history of the last 15 years shows the necessity for this body to now do everything possible to retain employees, or otherwise the canal simply will not operate. In 1964 we had riots both in Panama and at the border of the Canal Zone; the riots resulted in extensive damage and loss of life, and most importantly, a threatening atmosphere which has continued to some extent.

For 13 years there were secret treaty negotiations which created great uncertainties. Finally, we concluded a treaty with Panama which will result in 6,000 out of 14,000 workers will be transferred or lose employment altogether. Moreover, and perhaps most importantly, a treaty has been ratified that will cause many families who for three generations have lived under U.S. jurisdiction on the Isthmus of Panama to now live under Panamanian jurisdiction, or move thousands of miles to the United States. In short, these conditions make it clear as to why the canal employees are frustrated and restless today.

Mr. Chairman, the background for employee benefits contained in H.R. 111 goes well before the introduction of the bill or the signing of the treaty in 1977. The proposed 1967 treaty package contained a labor annex; since 1971 the AFL–CIO has had a standing position on benefits; in March and August of 1977 "assurances" to employees were disseminated by the administration. In the treaty agreements, there are many references to terms and conditions of employment. In H.R. 111, we are not addressing commitments to the Government of Panama only—we are also addressing commitments to the people caught in the middle, the employees, both United States and Panamanian.

A number of the employee provisions in H.R. 111 have their basis in the treaty agreements:

The cost-of-living allowance in section 125 results from the prohibition on canal employee use of military postal services, commissaries, and military exchanges after 5 years as contained in article XIII of the article III implementing agreement;

The designation of certain officials to privileges and immunities under section 126 is a U.S. right under article VIII of the treaty;

Section 202 of H.R. 111, concerning transferred employees, implements paragraph 2(b) of article X of the Panama Canal Treaty, which asserts in part that "terms and conditions of employment to be established will in general be no less favorable * * * "

Section 202 of H.R. 111, regarding placement of U.S. citizen employees, implements paragraph 7 of article X of the treaty, which promises placement "to the maximum extent feasible, in other appropriate jobs with the Government of the United States in accordance with civil service regulations."

Sections 205 and 206, concerning early optional retirement, implement paragraph 10 of article X of the treaty, which says "the United States of America will provide an appropriate early optional retirement program for all persons employed by the Panama Canal Company or Canal Zone Government immediately prior to the entry into force of this treaty." The paragraph further states that the United States "will seek special legislation to provide more liberal entitlement to, and calculation of, retirement annuities than is currently provided by law."

Section 207 implements two treaty agreement provisions, article VIII(3) of the article III implementing agreement envisioning transfer of employee and Government contributions to the social security system of Panama, and annex C to the article IV implementing agreement contemplating an upgrading in the retirement to be provided for U.S. nonappropriated fund employees in Panama.

Finally, section 225 of H.R. 111 on labor-management relations relates to the right of collective bargaining promised to employees in paragraph 9(a) of article X of the treaty.

Mr. Chairman, although I could cite other employee provisions of the legislation which are related to the treaties, these are the most salient. In addition to these treaty-related provisions, H.R. 111 contains many provisions which continue or slightly modify the present provisions of the Canal Zone code or general U.S. law in order to provide the necessary management authority for canal operations.

Some of the most important provisions in this regard include section 121, authorizing the Panama Canal Commission to appoint personnel and fix their compensation; section 142, providing for a Panama Canal employment system established in accordance with treaty requirements and provisions of law; section 143 requiring written employment standards for qualification and promotion; sections 145 and 147 establishing authority for basic pay and authorizing special recruitment pay; section 153 providing for administration of employment standards by the President or his designee; and section 154 providing for the applicability of other laws, including the Fair Labor Standards Act.

The employment and employee provisions of this legislation are crucial. In terms of the practical operation of the Panama Canal efficiently and continuously in the next 20 years, the provisions are no less important, and perhaps more important than payments to Panama, integration of operation and defense of the canal, and the tolls formula That is why defeat of H.R. 111 would mean not a defeat for Panama, or supporters of the treaty, or the administration.

Defeat of the legislation would be a severe blow to all our employees on the Isthmus of Panama and an injury of all United States and international interests dependent upon the canal. I urge the passage of H.R. 111 and the passage of all the employee provisions without substantive change.

Mr. HARRIS. Mr. Chairman, I thank my colleague for his comments.

I believe the language of H.R. 111 does do that. In this respect it would be no different from title III as reported by our committee. I do think the intention in title III as reported by our committee is much clearer, that these have to be funded by self-generated funds.

May I make the point to my colleague, we are not just talking about the $62 million which is a result of the early retirement. We are also talking about the increased costs inherent in this 1½- and 2-percent increased annuity for those who do stay. This is at a cost of $219 million, not just $62 million.

I think the title III of the committee bill, the bill of the Committee on Post Office and Civil Service, provides the necessary incentives to retain employees but it does save the costs of unnecessary expenditures and does not give incentives to get them out early. It gives them incentives to stay in for the full term of their employment. This is why I would urge my colleagues, when it is considered, to support title III as reported out by the Committee on Post Office and Civil Service. I think it gives good testimony to the fact that this committee which is familiar with employee rights, that held hearings, that knows how to handle pay provisions and retirement provisions because it does it every day, does probably have the capability of doing a somewhat better job with regard to this particular element of the Panama Canal Treaty.

□ 1700

I do think it will gain support for the implementing legislation.

Mr. Chairman, may I say again that I think passage of this implementing legislation is very important.

Mr. HANLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Chairman, I rise in support of H.R. 111.

My support is unambiguous and, I think, logical, but at the same time I find myself emotionally allied with its opponents to the extent of wishing that we did not have to have a treaty and that circumstances which seem to require such a treaty did not exist. But I believe they do.

I find myself on their side also in objecting to specific portions of the treaty which I believe are unwise and unnecessary. But these feelings are also irrelevant because the treaty is a fact and cannot be undone.

I suppose history will look upon the period after World War II as the era of the breakup of the colonial empires. History will also note that this country led the world into that era when we granted independence to the Philippine Islands and we did so without reference to the cost, to capital investments, to foreign aid, or to the military credits which we might have to extend that new Republic.

There were costs to us in ceding the Philippine Islands. There have been costs to all the powers indeed which have yielded up their colonies, and I point out that the greatest costs have been to those powers which resisted this great revolutionary tide which has been flooding with such inexorable power since World War II and which probably began right here in the United States when those shots were fired at Concord Bridge.

Our costs in the Philippines were certainly less than those to France in Algeria or to the French or to the United States ultimately in Vietnam or to the Portuguese as they yielded their colonies reluctantly or in Africa to the Rhodesians who only now are beginning to come to terms with this period in our history.

In short, it cost us to give up the Philippines. It will cost us to yield up the canal, but the cost is less than what they would be under the options that are available to us.

I went to the canal over 3 years ago in anticipation of this problem. I saw what I believe to be the last vestiges of colonialism.

The CHAIRMAN pro tempore (Mr. HANCE). The time of the gentleman from Oregon (Mr. DUNCAN) has expired.

Mr. HANLEY. Mr. Chairman, I yield 1 additional minute to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Chairman, it seemed to me that the change was inevitable, and that the change should be made as peacefully as possible. I wished then that we had made an offer of commonwealth status 25 years ago, when it was possible, but we did not.

So today I believe we must pass enabling legislation, and I believe H.R. 111 to be preferable to the administration bill. Whether it is or not, I believe it is the most the administration can hope to get.

But I have difficulty in understanding the position of the administration, and I would ask the gentleman from New York (Mr. MURPHY) if the administration is supporting the passage of H.R. 111.

Mr. MURPHY of New York. Yes, Mr. Chairman, if the gentleman will yield, lately the administration has voiced its "equivocal" support for it. I understand that to be so from the briefing we got the other night at the White House.

Mr. DUNCAN of Oregon. I happen to be chairman of the Subcommittee on

Transportation of the Committee on Appropriations. Am I correct that this bill is authorizing legislation, and that it will require appropriations in order to furnish the money to carry it out?

Mr. MURPHY of New York. Mr. Chairman, the gentleman is correct.

Mr. DUNCAN of Oregon. Mr. Chairman, I would like to say to the Members of this House that so far we have no requests from the administration for any appropriation whatsoever.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. DUNCAN) has again expired.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman from New York (Mr. HANLEY) yield me 30 additional seconds?

Mr. HANLEY. Mr. Chairman, I regret to say that the final minute is committed to the gentleman on my right.

Mr. MURPHY of New York. Mr. Chairman, I yield 30 additional seconds to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Chairman, I would like to say that, without any requests from the administration, we have appropriated or we have placed in our transportation bill about $280 million to finance this piece of legislation for only the first 6 months. We have done this in the face of the President's request for austerity and in the face of his constant attacks on the Congress of the United States for breaking his budget. I think in all fairness the administration ought to send a request down here for an appropriation to support this bill if in fact they are supporting it.

Mr. MURPHY of New York. Mr. Chairman, the gentleman got the base figures partly as a result of the request that I had made of the governor-president of the Canal Company to send such figures to the gentleman and the Congress, detailing what these costs would be, but we have never gotten a message from the Office of Management and Budget.

This is why we are in that position, and I think the gentleman was statesmanlike and quite wise in holding to a 6-month period his projection as to what the cost under this legislation would be for fiscal year 1980.

Mr. DUNCAN of Oregon. Mr. Chairman, when the Members get up and start condemning my subcommittee for not having enough money in the budget for their pet projects, they ought to know that one of the reasons is due to the money we put in here for this Panama Canal Treaty.

The CHAIRMAN pro tempore. The gentlewoman from New York (Ms. HOLTZMAN) is recognized for 30 minutes.

Ms. HOLTZMAN. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, the Committee on the Judiciary restricted its consideration of this legislation to those sections of the administration's implementation proposal referred to it dealing with special immigrants.

Following a hearing on these provisions, the Subcommittee on Immigration, Refugees and International law and the full Committee on the Judiciary unanimously recommended the deletion of the special immigrant provisions from the bill.

I would like to explain briefly what the special immigration provisions would provide and why the Committee on the Judiciary unanimously calls for their deletion.

First, the provision in this bill, H.R. 111, would in essence provide blanket authority for 286,000 current and former employees of the Canal Zone Government and the Panama Canal Company to immigrate to the United States. Covered would be 1-year employees living in the Zone, 15-year employees retired, 15-year employees still working, and 1-year employees not living in the Zone. The bill blankets in basically all employees who worked for the Canal Zone Government or the Panamal Canal Company for 1 year regardless of the nature of their services. They could have been discharged for improper conduct or dishonesty; as long as they have been employed for 1 year they would qualify under this legislation.

Basically, the Committee on the Judiciary opposed this provision because in part present law provides for special immigrant status for faithful employees of 15 years or more in certain circumstances. The bill would also waive public charge requirements and health requirements of our immigration laws. Let me point out as well that this provision is not required to implement the treaty.

Not only would present law basically deal with the problem of long-term faithful employees of the Panama Canal Zone Government and the Panama Canal Company, but no need was demonstrated by the State Department for this provision.

The only justification for this provision was that it would send—and I quote—a "psychological signal" to the present employees of the Canal Company. I do not believe that our immigration laws should be used as a psychological signal, and I certainly do not think they should be used as a psychological signal to the tune of virtually blanket admission of 286,000 immigrants.

Let me say also that no estimate was provided as to how many of these former and present employees want to come to the United States as special immigrants or, as to those who want to come, how many of them would already be covered under present law. No showing was made that any discrimination would occur against any employees remaining in Panama after the treaty takes effect.

State Department witnesses testifying on the provision noted that many of the current employees who do not qualify for "special immigrant status" under existing law will, in all likelihood, continue their employment with the Panama Canal Commission after the treaty goes into force. Their situation after the effective date of the treaty will remain unchanged, except that a few individuals currently living in the Zone will then be under Panamanian jurisdiction. Supporters of the legislation failed to demonstrate, given the significant job security prospects of these people, how the great majority of them would be adversely affected by the treaty. Indeed, no showing was made of any actual immediate need for enacting this virtually blanket immigration provision.

I would say, as chairwoman of the Subcommittee on Immigration, Refugees, and International Law, that should a special circumstance or a special need be actually shown, I will do my best to accommodate that need, and I am sure the other members of the subcommittee feel the same way. In fact, that was discussed during our hearings.

But in the absence of any clear, demonstrable need, it seems to me to be inappropriate to enact this provision, especially when there are hundreds of thousands of refugees and other people who want to come to the United States and who need to come to the United States. Here we have no showing that anybody wants to come to the United States or that they need to come to the United States.

Mr. Chairman for that reason I would urge that the Judiciary Committee amendment be adopted and that the provision be deleted.

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Mr. HARRIS. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to my colleague on the subcommittee, the distinguished gentleman from Virginia.

Mr. HARRIS. I thank the gentlewoman for yielding.

Mr. Chairman, I would agree with the gentlewoman's statement wholeheartedly. As I read the provisions that are currently in H.R. 111, this would in fact open up immigration to about 286,000 of potential immigrants. Again, in checking the figures, it appears that by far the greatest number of this 286,000 currently live outside of the Canal Zone and have, in fact, lived outside the Canal Zone in the past. In addition, the great bulk of these 286,000 are retired and have had very little contact with the Canal Zone in a number of years.

I would suggest that the notion that it is somehow necessary to give them special immigrant status into the United States, when we have all of these other pressures with regard to refugees from around the world, who may in fact be in mortal danger, would be inappropriate.

I would buttress what my colleague has said. All of our testimony indicated that there was no special dangers with respect to any of these.

I would suggest that current law gives broad authority to the Attorney General to admit anyone who was in special danger because of his particular relationship with the United States, the Panama Canal Commission, at one time or the other.

Ms. HOLTZMAN. I thank the gentleman for his comments. I would like to point out that present law would accommodate long-term faithful employees. In addition, the Attorney General, through his parole authority, could always admit any individuals who are in very serious danger.

Mr. MURPHY of New York. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to my very distinguished colleague, the gentleman from New York.

Mr. MURPHY of New York. I thank the gentlewoman for yielding.

Mr. Chairman, history records that in the last 6 years only one person in the canal organization supposedly in this status has been permitted immigration to the United States. That is how well this present law is working. Now, if there is any humanitarian feature in a U.S. treaty-implementing measure in H.R. 111, it is this humanitarian measure involving special immigrants.

Panamanian law specifically does not permit black non-Spanish-speaking persons to immigrate into Panama. What we are dealing with here and the intent of H.R. 111 in this instance is to take care of the West Indians, who are English-speaking for the most part, who came to Panama for the purpose of building the canal. The canal probably would not have been built without their skills, their physical stamina, and their ability to withstand the very difficult period during the construction of the canal.

Of course, the purpose of section 1611 of H.R. 111, and it is humanitarian in intent, is to permit this class of Panama Canal employees to move, under our immigration law, to the United States.

We have surveyed through a GAO study their children in the high schools of the Canal Zone. Seventy-eight percent of their children are oriented in their aspirations to the United States. I think that probably the figures that have been quoted by members here as to the numbers who could immigrate are very vastly in excess of those who would actually be eligible. But I would say that if there is one humanitarian element in this legislation which relates to this treaty and to this whole business, it is this question of immigration.

Ms. HOLTZMAN. I thank the gentleman for his comments. But let me point out, in the first place, whether or not the existing law has been used, does not mean that it cannot be made use of by these employees.

In the second place, my very distinguished colleague, the gentleman from New York, is aware of the parole provisions which the Attorney General has available at any time to admit anybody without any limitation on the nature of his admission. It would seem to me that those provisions would be available in case of need.

But no need, I tell my colleague, was demonstrated. There was no indication that these people even want to come to the United States, much less that they had to go to the United States for any particular reason.

I would say to my colleague that, in the event any special need is shown, I would be glad to have hearings on the matter.

I also say to my colleague that the provisions in this bill are so broad as to not just to cover faithful employees, as are now covered under the present law. The nature and quality of their employment is of no concern under the gentleman's bill, and I think that is a serious omission.

Mr. MURPHY of New York. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, in 17 years of testimony before our committee, both in Panama and here in the United States, we have had this class of Panama Canal worker come to us time and again. These are people—the West Indians—who have lived in an American environment, who have been educated in an American school, who have particular allegiance to Americans, have helped us run the Panama Canal uninterruptedly throughout virtually their parents' lifetime and their lifetime. And what we do with this treaty is to throw them on October 1, right on the Panamanian economy. They will lose their jobs, and they will lose their opportunity, because of their English-speaking proclivities and their non-Spanish-speaking proclivities, to enjoy anywhere near the standard of living to which they have grown accustomed, and that was virtually an American promise to them. For these reasons I think this provision in H.R. 111 is necessary.

I would like to further extend my remarks on the issues which are of common interest to the Judiciary and the Merchant Marine and Fisheries Committees.

Mr. Chairman, in its consideration of title IV of H.R. 1716, introduced as the administration proposal to implement the Panama Canal treaty, the Committee on the Judiciary dealt with the issues of the continued application of U.S. law to the Panama Canal area, the regime for courts during the 30-month transition period designated by the treaty, the granting of power for the exercise of U.S. rights for the transition period, important authority for creating a new class of special immigrants, and authority for prisons and parole of convicts related to the Canal Zone. The equivalent portions of H.R. 111 included all of title II and chapter 2 of title III.

In its consideration of these five subject areas, the Committee on Merchant Marine and Fisheries attempted to maintain the widest flexibility for the President and other executive branch officials to administer affairs during the transition period but that flexibility went only to such point as where it might tread upon the rights of residents and employees. Moreover, in its work the committee felt the employees of the canal enterprise (both United States and Panamanian) deserved the highest consideration for their loyal service to the Government of the United States. Recognition was necessary of the fact that the Canal Zone has been operated as a part of the United States and that the general jurisdictional framework for operation of the canal was being transferred from one country to another with many implications for all who lived and worked in the canal area.

In order to grant the greatest flexibility for the exercise of U.S. rights during the transition period, section 1501 of H.R. 111 continues in force all laws, regulations, and administration authority of the United States that applied in the Canal Zone prior to its termination on October 1 for the purposes of law enforcement and judicial jurisdiction during the transition period. This section is drawn in broader terms and thus gives the United States more authority than the provision originally suggested by the administration, which continued in force U.S. laws based on territorial jurisdiction only for the purpose of exercising law enforcement and judicial authority. In testimony before the Panama Canal Subcommittee the Department of Justice commended this approach. This provision is in accordance with paragraph 7 of article XI of the Panama Canal Treaty which does not limit the nature of the laws and regulations that may be carried forward.

Another provision of H.R. 111 which bears the mark of flexibility is section 1531, in which the President, rather than the Commission, is invested with the authority to exercise U.S. rights during the transition period. This provision would allow the President to designate institutions without a large measure of Panamanian participation to uphold such rights. Moreover, if the President so chose it could avoid making the Panama Canal Commission a target for all the problems of civil coordination that might arise.

In implementing the principle of maximum protection of the rights of canal area employees under the 1977 treaty, the Committee on Merchant Marine and Fisheries kept in mind that civil protections for Panamanians will be a matter under the general jurisdiction of Panama and that U.S. citizens also will be under the plenary civil jurisdiction of Panama.

At the present time the bill of rights has been incorporated in title 1 of the Canal Zone Code. Under H.R. 111, title 1 stays in effect, at least during the transition period, and may be utilized to the extent the United States is granted authority for the transition period.

The procedural rights of Panama Canal employees and dependents who are prosecuted in the courts of the Republic of Panama after October 1 are listed in annex C of the agreement in implementation of article III of the Panama Canal Treaty. The purpose of inclusion of these procedural guarantees in annex C is to permit U.S. employees to enjoy rights equivalent to those that apply in the administration of justice in the United States.

During its consideration of H.R. 111, the committee modified one provision of the legislation and added another with the intention of being as protective as possible of the rights of employees. Section 1621 of H.R. 111 requires that during the life of the Panama Canal Treaty the President make an annual report on the living conditions of former residents of the Canal Zone and former employees of the Panama Canal Company and Canal Zone Government under the jurisdiction of Panama. This will force attention to the manner in which the Government of Panama treats canal employees under the new treaty. The committee has identified the attitude of the Government of Panama as one of the most crucial factors in the years ahead and the 30-month transition period as the most critical time for the actions of the Panamanian Government. Panama recognizes the importance of experienced and skilled employees in the operation of the canal, and President Royo has indicated he wants to do everything to see that the employees stay.

The modification to H.R. 111 which I referenced was the action of the committee to retain at least one of the two magistrate courts now in the Canal Zone during the transition period. The introduced version of H.R. 111 and H.R. 1716 would have permitted the elimination of both courts before the expiration of the transition period. The committee action was taken at the request of residents of the Canal Zone and the Canal Zone Bar Association. The elimination of both magistrates courts could have caused an elimination of a preliminary hearing. With the elimination of a pretrial hearing a cloud would be cast over any criminal conviction obtained after lengthy pretrial confinement.

Mr. Chairman, before I discuss the principal issue in which the Committee on the Judiciary appears to have an interest, the immigration question, it should be noted that sections 1511 to 1516 of H.R. 111 do provide detailed direction for the continuation of the U.S. courts during the transition period. Section 1532 is an important provision for the transfer of convicted felons from the custody of the Canal Zone Government to the Attorney General and for the empowerment of the Panama Canal Commission to incarcerate persons sentenced to 1 year or less in prison during the transition period.

Mr. Chairman, one of the key issues in the consideration of H.R. 111, is whether the provision in H.R. 111, section 1611, creating a special class of immigrants from among Panamanian employees of the canal organization and their dependents, shall be sustained.

The purpose of the immigration provision in the legislation is to grant an opportunity to persons who have had the most loyal service to the United States, who in many cases have lived nearly all their natural-born lives under U.S. jurisdiction, who in many cases have never been assimilated into the culture of the Republic of Panama, an opportunity to come to the country which they have seen as a beacon of justice during their lives.

Several nationalities have been accorded special entry privileges into the United States in recent years. Notwithstanding the merits of their own cases, the association of these groups with the United States has been of a more limited duration, their orientation toward the standards and culture of our own country much less pronounced, the loyalty of the groups in some cases less tested than Panamanian employees of the canal, a great percentage of whom are from West Indian descent.

The question has been raised as to whether the class of persons covered in the immigration provision, most of whom are Panamanian nationals of West Indian origin whose ancestors went to the Canal Zone to provide a work force for the construction and maintenance of the Panama Canal, deserve more consideration than other groups who also have a great desire to immigrate to the United States. I do think the Panamanian especially those of West Indian origin, deserve this consideration.

They provided three-quarters of the manpower for the construction of the Panama Canal.

They have served the United States faithfully, never having made any attempt to close the canal temporarily or permanently, but on the contrary having labored hard to keep the canal open through two world wars and various hostilities.

They have always had a pronounced preference for orientation toward the United States, a 1975 survey referenced by the General Accounting Office showing that 78 percent of Panamanian high school students in the Canal Zone desire a United States-oriented future.

They have been victims of discrimination in Panama, the 1941 Constitution of Panama denying them Panamanian citizenship and a law presently on the books prohibiting immigration into Panama of black persons who do not speak Spanish.

It has been said that the immigration provision in this legislation is too broadly drawn and that the matter can be handled by certain authority now invested in the Secretary of State. The authority to which the reference has been made has been used only one time in the last 6 years in the case of Panamanians employed by the canal organization. The issue here concerns a whole group of individuals, not just a few individuals who happened to fall in the particular circumstances of being exceptional.

The reality, Mr. Chairman, is that many of the Panamanian employees of the present canal organization will suffer setbacks as a result of the new treaty. It is clear that it is now or never that the United States will grant to to these employees one of their prime aspirations to aid recovery from the setbacks. I urge the House to sustain the immigration provision as well as other H.R. 111 provisions on courts, the transition period, and the continuation of law.

I thank the gentlewoman from New York.

Ms. HOLTZMAN. I do not think any promise was made, nor could any promise be made, to people who worked for the United States that they would be given special immigration status. Those who worked for the United States for 15 years, whether they are still working or retired, would be eligible under present immigration law. What the present bill would do is grant employees who worked for the Canal Zone as little as 1 year the right to come to this country, regardless of the nature of their work or whether they worked improperly.

I would say to my colleague, the gentleman from New York—and I know the gentleman is a humanitarian person—should a humanitarian need be demonstrated, the Subcommittee on Immigration would be more than willing to act on it. No such humanitarian need was demonstrated.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the ranking minority member of the Committee on the Judiciary, the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. I thank the gentleman for yielding.

Mr. Chairman, I sense the tremendous importance of this implementing legislation, and I commend the gentlewoman from New York (Ms. HOLTZMAN) and the gentleman from New York (Mr. FISH) for the very diligent work which was performed by the Immigration Subcommittee.

Mr. Chairman, the Judiciary Committee did not have the opportunity to consider H.R. 111, as drafted by the Merchant Marine and Fisheries Committee. Rather, under the Speaker's joint referral, the Judiciary Committee was responsible for the court, special immigrant and miscellaneous provisions contained in H.R. 1716, the administration's bill. In most respects H.R. 1716 and H.R. 111 are similar in their treatment of these important provisions.

The Judiciary Committee, because of the time constraints imposed by the April 10 deadline, did not have a chance to study the court and miscellaneous provisions in H.R. 1716. However, the Panama Canal Subcommittee, in its hearings on H.R. 111, compiled an adequate record on similar provisions.

The court provisions adhere to the requirements of the treaty concerning the exercise of jurisdiction retained by the United States during a transition period which extends for 30 months after the treaty enters into force. During this transition period the criminal and civil laws of the United States will apply concurrently with those of the Republic of Panama in the areas and installations made available for the use of the United States.

One of my chief concerns was that there was no provision either in the treaty or implementing legislation for U.S jurisdiction to continue over cases involving U.S. citizens still pending at the end of the transition period. However, in testimony before the Judiciary Subcommittee on Immigration, Ambassador David H. Popper, Special Representative of the Secretary of Panama Treaty Affairs, testified that:

> Panama is pledged to give favorable consideration to requests that it waive its jurisdiction in favor of the United States as regards offenses committed by Americans.

Thus, I believe that the court and related provisions are sufficient to safeguard the rights and interests of U.S. citizens who remain in Panama.

☐ 1720

It is important to note that the Judiciary Committee did have an opportunity to consider the "special immigrant" provisions contained in H.R. 1716. Members of the Immigration Subcommittee will develop this issue in greater detail. However, pursuant to the conclusion of the subcommittee and full committee that the "special immigrant" provisions are unnecessary, an amendment will be offered by this committee to strike the "special immigrant" provisions in H.R. 111 which I urge my colleagues to support.

Finally, with the understanding that the canal treaties will go into effect whether or not Congress passes implementing legislation, I believe some form of legislation is necessary. However, I believe we should devote careful attention to each and every provision to protect the interests of our U.S. citizens and our country.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Maryland.

Mr. BAUMAN. I would like to say to the gentleman, I would hope between the time in the general debate and when we get to amendments, that the gentleman and other members of the Judiciary Committee would look more closely at the desire to work simple justice and equity that this particular provision of the bill encompasses.

The gentleman from Maryland is not known as a big spender, nor is he known as one who generally is willing to open up the immigration laws to wholesale rushes into this country by groups of people, although I have always supported most of our refugee bills, because I think we have certain obligations.

This particular section has my wholehearted support. It grew out of concerns originally expressed by the late gentleman from Illinois, Mr. Metcalfe, who served with distinction as the chairman of the Subcommittee on the Panama Canal. The gentleman from New York (Mr. MURPHY), preceded him in that subcommittee post. Time and again testimony was presented, as it was presented at length in our hearings, about the group of people in Panama, most of them blacks, most of them from the West Indies, who are descendants of the people who helped the United States to build the canal at the beginning of the century. Mind you, of the thousands and thousands of people who built the canal, and the thousands who died, very few were Panamanians. Less than 100, I think the figure is.

Mr. McCLORY. I appreciate the gentleman's statement, however, I do have a limited amount of time.

Mr. BAUMAN. No, you do not. You were yielded as much time as the gentleman desired.

Would the gentleman care to yield further?

Mr. McCLORY. If the gentleman does not mind, I know the gentleman from New York wants to yield time to other Members.

Mr. BAUMAN. I am sorry if I am intruding on the gentleman. I will get my own time.

Mr. McCLORY. I am sure that we will want to consider compassionately and understandably the case that is made for special immigrant provisions when the amendment is proposed. However, I would like to point out that if existing law provides adequately for the problems that may or may not arise with regard to these persons who have worked in Panama, I think that we should consider it before we undertake to enact a new special law.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New York (Mr. FISH).

Mr. FISH. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. I thank the gentleman for yielding.

If I may continue my statement, the gentleman from Illinois, Mr. Metcalfe, was the first to suggest this particular language or something like that in the event of a treaty, and members of his staff, who are still here on the Hill, can attest to that.

I think the provision ought to be of some interest to the Black Caucus, for instance, because the people who are mostly affected by this are blacks. Throughout the history of the Republic of Panama, these people have been literally treated as less than second-class citizens by Panama. Many of them live in housing in the Zone which is now provided by the Canal Company, areas such as Rainbow City on the Atlantic side, and they may very well be dispossessed of their homes at the time that this treaty takes effect on October 1.

The Government of Panama has given no assurances that they will be permitted to live in those houses, which they do not own and which have been rented to them at a nominal fee by the Panama Canal Company.

If indeed they are treated as we suspect they may be, and if indeed they lose their housing, they may well seek to emigrate to the United States rather than staying within the Republic of Panama.

It seems to me that we ought to read carefully the provisions. When it refers to employees, it does not say "faithless." The provisions before us specifically describes those who perform "faithful service," "honorable retirees," not thieves, not people who may have done some malingering, somewhere along the line.

I think perhaps we ought to read the language before we denounce it, before we vote against this provision. At the time we come to the amendments, let us look at it carefully. I do not want to open up the United States to wholesale immigration, but I do think we ought to take care of a class of people who have suffered at the hands of the Panamanian Government and been discriminated against, and who helped us build and run this canal through its entire history.

If any of you read David McCullough's book, "The Path Between the Seas," you will see what an important contribution these black West Indians and their descendants have made to the American running and establishment of this canal. We could not have done it without them. For us to turn our backs on them now simply because we made a blunder in the treaty would be a mistake.

The CHAIRMAN pro tempore. The time of the gentleman from New York (Mr. FISH) has expired.

Mr. FISH. Mr. Chairman, I yield myself 1 additional minute just to respond to the gentleman from Maryland that I do not think that our subcommittee has ever turned its back on anybody who has rendered faithful service to the United States. That is not our point here at all.

Our point is, as I will get into further when I take the well that there is an existing provision to cope with the situation.

In addition, if we handle it the way that is provided for in the legislation before us, we are setting a precedent that we have never had before that will affect State Department and Defense Department personnel and hundreds of thousands of people all around the country.

Mr. BAUMAN. Mr. Chairman, would the gentleman yield?

Mr. FISH. I yield to the gentleman from Maryland.

Mr. BAUMAN. I share the gentleman's concern about setting a special precedent for this or any other particular class of possible immigrants. It is just that out of the abundance of concern that I have, having sat through all these hearings and heard this testimony, that I hope some compromise can be established. If this language is unacceptable to the members of the Judiciary Committee, perhaps some amendment guaranteeing their right of immigration other than just the general provision now existing could be accepted and added to the bill.

Mr. FISH. Mr. Chairman, I thank the gentleman.

Mr. Chairman, at this time I would like to yield such time as he may consume to the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. Mr. Chairman, I rise in opposition to the special immigration section of this bill. As a member of the subcommittee, I would just echo the comment of some of the members of the subcommittee with respect to those two sections of authority which at the present time take care of this situation. One which has been referred to at some length is the Immigration Nationality Act, which allows employees special immigrant status after certification of 15 years of faithful service.

Also there is the Attorney General's inherent parole authority which remains available to deal with emergency situations such as an alleged persecution of individuals arising out of the fact that they may have worked for the Panama

Canal Company for the U.S. Government.

When this came before our committee, we had some members from the State Department appearing. I addressed the question to them as to whether they believed there was evidence of human rights violations by the Panamanian Government and was that the basis for which they brought forth this special section in their own bill, and they assured us this was not the case.

The other thing I would like to just stress to my colleagues is that, as a member of this subcommittee, I and other members are tremendously concerned about the overall refugee problem. We are, at the present time, attempting to deal with one of the most horrendous refugee problems that has existed in recent times, and that is the problem in Southeast Asia which is daily getting worse and worse.

We are attempting to get other countries of the world to work with us in terms of alleviating the great problem that is being generated there. Believe me, it is awfully difficult for us to try and attempt to make provisions for those who have side by side fought with the American forces in Southeast Asia and now are in jeopardy of absolute extinction.

□ 1730

The Mong, formerly known as the Meo tribe, are now being persecuted in Southeast Asia, and attempting to get out. We have most of them remaining in refugee camps at the present time in Southeast Asia for as long as 4 years, wondering whether they will even have an attempt to come here to the United States. These are people who sacrificed their lives and their families with the promise that the United States would never let them down. I believe, to a great degree, we have let them down.

Yet, it is extremely difficult for those of us in Government right now to get the American people to realize that there is this problem. Many of these people need to be resettled in the United States, for there are several of them in refugee camps in Southeast Asia barely eking out an existence. In my own area of southern California we talked with those who believe that we have too many refugees from Southeast Asia already. We are trying to make a case to those people, explaining to them that there are overwhelming reasons for mandating that we attempt to do something. We have that on one side, and then we have the executive branch coming to us on the other and saying for no reason whatsoever, that we should establish special legislation to allow individuals who are connected with the Panama Canal Company to come into the United States when there already exist adequate provisions in the law to handle their situations.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I will be happy to yield to the gentleman from Illinois.

Mr. McCLORY. My attention has been called to a letter from Michael Blumenthal, Assistant Secretary of the Army, who indicates that the total number of employees and retirees covered by this immigration provision would total 76,000 with an addition of 210,000 dependents, for a total of 286,000 eligible for immigration under this special immigration provision if it is retained in the legislation.

Mr. LUNGREN. That is correct. I should point out that our subcommittee voted to exclude this section from the bill when the testimony before us was that it would amount to 48,000 people coming to the United States. Now, this letter we received from the Office of the Assistant Secretary of the Department of the Army indicates that under the administration's bill a total of almost 62,000 people would be eligible, and under the terms of the bill before us, approximately 286,000 poeple would be eligible.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from Maryland.

Mr. BAUMAN. I think it is easy to reduce the argument, of course, to the total number of people emigrating with all that could come with it, the horror and the flood of foreigners coming in and taking jobs. The truth of the matter is that the current employees of the Panama Canal number roughly 15,000, of which about 13,000 are Panamanian nationals. I suspect those retirees are not going to be the immigrants. Of the current workers, there is only a very small number, but a number that would have to escape the prejudice that would be applied, and I hope we can reach a compromise amendment.

Mr. LUNGREN. I hope we can, because the testimony we received from the State Department was that people were going to be persecuted. They said basically that it was not specific, and indicated nothing further than that. They indicated that this is one of the reasons they wanted this legislation, that somehow, as has been pointed out, this would be a psychological symbol to other employees of the U.S. Government around the world.

I think that is not the type of reasoning we want to adopt.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I yield back the balance of my time.

Mr. LUNGREN. Mr. Chairman, I would just conclude by saying that in its present form I do not think this should be enacted. I think it establishes an unnecessary precedent. As the gentleman from Maryland suggests, there are a very limited number of individuals whose circumstances would require that we make some special legislation. I think perhaps that can be accommodated, but I do not think the virtually wholesale language that would allow special consideration for 286,000 people in this particular bill is at all necessary.

Mr. FISH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the Judiciary Committee amendment striking the special immigrant provisions of this bill.

It became clear from the testimony presented regarding these provisions (section 410 of H.R. 1716, and section 1611 of H.R. 111) that, at present, there is no need for inclusion of such a provision in this legislation.

First, the matter of immigration is not addressed in the treaty itself, and therefore the implementation of the treaty is unaffected by the deletion of this section from the pending bill.

In addition, the existing immigration law makes provision, in section 101(a)(27)(E) for employees and former employees of the U.S. Government with years of faithful service to be granted special immigrant status allowing such alien to immigrate to this country outside of the numerical limitations. That section defines one type of special immigrant: 101(a)(27)(E) An immigrant who is an employee or an honorably retired former employee of the U.S. Government abroad and who has performed faithful service for a total of 15 years or more and his accompanying spouse or children, provided that the principal officer of a foreign service establishment in his discretion shall have recommended the granting of special immigrant status to such alien in exceptional circumstances, and the Secretary of State approves such recommendation and finds that it is in the national interest to grant such status.

Obviously provisions of section 1611 is modeled after 101(a)(27)(E).

It should be noted that such a grant is not automatic after 15 years employment much less 1 year as H.R. 111 would provide to foreign employees and former employees of our Government. Special immigrant status is only granted after the alien's chief of mission certifies the 15 years of faithful service and the exceptional circumstances, which are subsequently approved by the Secretary of State as being in the national interest for such alien to be granted such status.

There is no justification for treating employees of ours in Panama any differently from any other non-U.S. citizen employees who work for our Government throughout the world.

Enactment of the immigration provision in this bill would establish a precedent for such blanket admission treatment for other U.S. employees around the world. The Department of Defense alone employs over 100,000 foreign nationals. How could we deny a request for such blanket admissions for other foreign nationals employed by the United States when U.S. presence decreases or ends in an area? I submit that the present procedure, requiring case-by-case treatment is preferable, and should be applied in the case of Panamanian nationals as well.

What are we talking about in numbers? Section 1611 of H.R. 111 adds an additional category to the three categories enumerated in H.R. 1716. It adds nonresidents of the Canal Zone who at any time were employees for 1 year of the Company or of our Government. This provision adds by itself an additional 225,000 persons eligible for special immigrant status. This underscores the inequity of these provisions.

Adding up all the categories of persons eligible, 286,000 principals and dependents could immigrate to the United States. Mr. Chairman, this figure almost equals the yearly authorized immigration into the United States of 290,000.

Testimony before the subcommittee indicates that of 11,000 principals covered in H.R. 1716, the narrower bill considered by the subcommittee, only 9 percent—or 1,000—live within the Canal Zone, while 91 percent—or 10,000—reside in Panama.

Those living outside the zone should not be affected by a change in the jurisdiction over the zone, and we heard no testimony, other than vague generalities about psychological needs, showing anticipated adverse effects on those living within the zone.

Summarizing, current immigration law provides adequate relief to foreign nationals currently or formerly employed by our Government. In addition, many of the current employees who do not qualify for such relief will in all likelihood be transferred to the employ of the Panama Canal Commission.

If further experience indicates that application of the existing immigration law is creating significant problems, the subcommittee chairwoman has indicated that we will then look into that situation and, if appropriate, recommend amendments to the immigration laws. Of course, the Attorney General retains the authority to parole individual aliens in case of emergent reasons.

However, at this time I suggest there is no need for new legislation in this area, and urge support for the committee amendment to strike section 1611 from H.R. 111.

□ 1740

Mr. BAUMAN. Mr. Chairman, in closing this debate, I would just like to make one observation: Throughout the discussions this afternoon we have heard repeatedly the statement made that we in the House of Representatives can do nothing about the treaties; that we have in fact come to a point where it is our obligation, nay, our duty, to follow, perhaps even blindly, the administration's recommendations. It is very clear to me that the Constitution of the United States and the decisions of the U.S. Supreme Court which have dealt directly with this issue, the issue of implementing legislation for treaties, have made it very clear that it is the right of the House of Representatives as a coequal body with the other body, as well as a part of the coequal three branches of Government, to work their will on treaty-implementing legislation. This treaty is so open ended, so much of a skeletal outline of what is to govern the operation of the canal for the next 20 years that I think we ought to stop listening to all of this crying and weeping about our having no options. We have a duty to flesh out the outlines of this treaty presented to the Congress. We were denied our constitutional right—and I might add the Supreme Court never ruled on whether or not the House should have been permitted to address directly the issue of the transfer of U.S. property—as I view it, on the first issue of the ratification of these treaties and the transfer of property. We ought to be very careful in the way in which we now pursue our constitutional duty to write the implementing legislation, and we should not be bound by any secret agreements, any extraneous agreements, any opinions now offered to us by the Executive of what they really meant. The words are before us in the treaty, and we do have the power to legislate, and I think the House can and should proceed to do just that.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished gentleman from California, a Member of this body.

Mr. CHARLES H. WILSON of California. I appreciate the statement the gentleman has just made. I think one of the most frustrating things I have experienced in the debate of the past several weeks, and since the treaty was first created last year or in 1977, is the statement that the treaty is now a fact and we have nothing to do about it; that we must accept it as it is. I think that the gentleman from Maryland (Mr. BAUMAN), has hit it right on the head when he says that we do have a responsibility; otherwise, we might as well have a bunch of robots around here that just automatically put the cards in the machines and do what the President asks us to do.

We are going to get the same thing, I suspect, when SALT comes along, that the treaty has been signed; we have no other choice. The Senate is going to have to approve the treaty. But I suspect there will be great debate on that just as there should be debate on this. I think that in the areas that we find are wrong in this thing we have a responsibility to correct them, the treaty notwithstanding. I appreciate and want to compliment the gentleman on his statement.

Mr. BAUMAN. I concur with the gentleman.

Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. CARNEY).

Mr. CARNEY. I thank my colleague, the gentleman from Maryland, for yielding this time.

Mr. Chairman, I would just like to read a letter, if I might, or an excerpt of a letter from the President of the United States to the Honorable THOMAS P. O'NEILL, JR., the Speaker of the House. In the letter he says:

> Delay in adopting the legislation beyond May 31, 1979, could thus make conversion to the new system of Canal operation and defense less efficient and more costly. Moreover, uncertainty concerning the proposed legislative protection and benefits for Canal employees will increasingly affect employee morale and complicate the process of making necessary personnel adjustments.

I think it is very clear that the President of the United States would like to see this legislation voted on before May 31. He says that in the letter presented to the Speaker of this great body. Now I ask that we do vote on this legislation before May 31 so the President knows the direction the House of Representatives wants to go. I think delaying it any further would do both the President and this body an injustice.

I thank the gentleman.

● Mr. HARRIS. Mr. Chairman, the primary focus of the Judiciary Committee in considering this proposed legislation was the provision granting "special immigrant" status to certain current and former non-U.S. national employees in the Canal Zone.

The provision considered by the committee, contained in H.R. 1716, the administration's implementation proposal, was much narrower than that under consideration here. That provision would have authorized the admission of about 50,000 individuals as opposed to the 286,000 estimated to be eligible under the section in this bill.

Mr. Chairman, the Judiciary Committee considered the narrower proposal and recommended that it be stricken from this legislation because it had not been persuaded that a real need for the legislation exists at this time.

The supporters of this provision use as their central argument the fact that many of the non-U.S. citizens working in the Canal Zone, although Panamanian nationals, are descendents of West Indians who were brought to the zone to provide a work force and that because of racial, cultural, and language differences, these persons will experience difficulty in assimilating into the Panamanian culture once the treaty goes into effect.

In fact, Mr. Chairman, as brought out by testimony before the Judiciary Committee and reflected in material provided by the Army, a large proportion of the persons covered by the special immigrant provision already live outside of the Canal Zone and under Panamanian jurisdiction. Moreover, at least half of those covered by the more limited provision of H.R. 1716, and by far the majority of those covered by the provision in this bill, have retired from service in the zone and presumably have little or no contact with the zone or the U.S. Government.

Therefore it is incorrect to argue, at least with regard to the majority of the individuals who would be provided special immigration benefits by this legislation, that after entry into force of the treaty, they will be required to undergo a transition from life under U.S. jurisdiction, to life under Panamanian jurisdiction. Mr. Chairman, the supporters of this proposal, in advancing their "assimilation" argument, seem to imply that persons who for all their lives have lived under U.S. jurisdiction and protection would now be forced to live under the jurisdiction of Panama. For this reason, I think it is important to repeat that the overwhelming majority of the persons covered by this proposal—approximately 98 percent—and of those covered under the narrower provision of H.R. 1716—approximately 85 percent—already reside outside the Canal Zone in the Republic of Panama.

With respect to those remaining individuals who do live in the Canal Zone, the administration has failed to demonstrate a need for the special immigrant status. Mr. Chairman, as is reflected in the material submitted by Army, many thousands of former employees of the canal have retired and now live in the Republic of Panama. Many of these persons are of West Indian background and possess language and cultural differences. Nonetheless they have been living in Panama as Panamanian nationals for many years. Nowhere in the testimony before the Judiciary Committee or in any of the material submitted has the administration been able to substantiate the claim that these persons will encounter problems when the zone is placed under Panamanian jurisdiction.

In conclusion, Mr. Chairman, the Judiciary Committee unanimously agreed to recommend deletion of this immigration provision from this legislation because the administration simply has not demonstrated a need for it at this time. If, after entry into force of the treaty, a situation should arise requiring consideration of special immigration legislation for employees of the United States, the Congress should then consider such legislation. It is our position, however, that the enactment of this provision at this time in the context of treaty implementing legislation, is inappropriate and unnecessary.●

● Mr. MONTGOMERY. Mr. Chairman, I am strongly opposed to H.R. 111 and the implementation of the Panama Canal treaties, and I want to take a minute to address this opposition.

When the Senate ratified these treaties they were led to believe that these measures would require no new appropriations nor would they add to the burden of the American taxpayer; the treaty negotiators repeatedly assured our Senators that the costs would be financed through the canal revenues or sources other than taxpayers' money. We are now facing a reality of paying $4.1 billion or more to implement the giveaway of this property. I am in no way supportive of the transfer of this vital waterway, and I find it adding insult to injury to expect people to give the Panamanian Government billions of dollars to take property worth $20 billion that we have spent 70 years of American skill and expertise developing.

I have another very serious concern with providing the Panamanian Government with large amounts of American money. There has been mounting evidence of illegal gun trafficking from Panama into Central and South America for Cuban-style revolutionary tactics. I wonder how long the canal under Panamanian ownership could remain safe and neutral for international traffic while the Government is supporting Communist revolutions. It has been suggested that the treaties should be set aside and implementation stopped until Panama can establish itself as a peaceful nation, and we can be assured that our money is not going to be used to finance Central and South American revolutions. I strongly support that suggestion.

If these treaties are implemented, the American public will see indirect results that many of them never dreamed of. Consider the energy crisis we are currently facing and the impact a 20- to 50-percent increase in tolls will have on the transportation costs of Alaskan oil through the canal. This toll increase will undoubtedly find its way to the gas pumps where we are already facing insufferable and unacceptable prices. We should take every possible preventive measure to insure the American people against even higher energy costs.

We are asking our taxpayers to make drastic sacrifices to control inflation; they have been asked to work for less wages, to drive less, to eat and live more economically in order to control inflation. Here in Congress we are working very hard to achieve austerity in our congressional budget and a lower Federal debt in order to remove some of these economic burdens. At the same time that all of these steps are being taken to put this country back on its feet economically, the President is proposing to give billions of tax dollars to Panama as payment for accepting a $20 billion gift. I can in no way support measures that will allow this to happen.

Thank you.●

● Mrs. SCHROEDER. Mr. Chairman, the Committee on Post Office and Civil Service acted responsibility in its consideration of the Panama Canal implementation legislation. The committee struck a balance between the rights of the employees of the United States working in Panama and the rights of their brothers and sisters in the continental United States. We provided benefits as strong as those provided to any other employee. We rejected, however, proposed benefits which were totally out of line with those provided for other displaced Federal employees.

Furthermore, the committee assured that the employees of the United States in Panama would be covered by the same ground rules for labor-management relations that are applicable to Federal employees in the United States. We applied the provisions of title VII of the Civil Service Reform Act of 1978, which passed unanimously on the floor of the House. Title VII lays out the rules under which labor-management relations are conducted; it imposes only one obligation on the employer and the employees—the obligation to talk to one another. Title VII provides a very limited scope of bargaining: Wages cannot be negotiated, neither can the budget of the agency, the number of employees, or the right to hire and fire. Title VII merely allows employee representatives to talk to management about grievance procedures, personnel policies, and the like.

In applying title VII, we knew that it had to be applied equally to all employees of the U.S. Government in the area of Panama which is now the Canal Zone. To apply it to U.S. citizens and not to Panamanians or other foreign nationals would result in discrimination based on nationality—something clearly forbidden by the treaty. To not apply it at all would result in treating the American workers in Panama as second-class citizens by denying them rights which belong to every other Federal employee.

Applying title VII to the work force in Panama is a conservative thing to do. It maintains existing law which now clearly states that both U.S. citizens and Panamanian citizens who work for the Panama Canal Company and the Canal Zone Government are protected by title VII. This situation has worked well. My interest is in assuring that the present, stable labor-management relations in Panama are not disturbed. To that end, the committee added language to make it clear that current bargaining units, even if made up, in whole or part, of supervisors will not be disrupted.●

Mr. BAUMAN. Mr. Chairman, I yield back the remainder of my time.

Mr. MURPHY of New York. Mr. Chairman, I yield back the remainder of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. BRADEMAS, having assumed the chair, Mr. HANCE, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 111) to provide for the operation and maintenance of the Panama Canal and to provide for the exercise of the rights and performance of the duties of the United States provided in the Panama Canal Treaty of 1977, had come to no resolution thereon.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in general debate on H.R. 111.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 107, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1980

Mr. MINETA submitted the following conference report and statement on the concurrent resolution (H. Con. Res. 107) setting forth the congressional budget for the U.S. Government for the fiscal year 1980 and revising the congressional budget for the U.S. Government for the fiscal year 1979:

CONFERENCE REPORT (H. REPT. NO. 96–211)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 107) setting forth the congressional budget for the United States Government for fiscal year 1980 and revising the congressional budget for the United States Government for fiscal year 1979, having met, after full and free conference, have been unable to agree on a conference report because the conference decisions have changed certain budget figures outside the range in conference. As set forth in the accompanying Joint Explanatory Statement, the conferees do propose a congressional budget incorporated in a further amendment for the consideration of the two Houses.

R. N. GIAIMO,
LUD ASHLEY,
PAUL SIMON,
NORMAN Y. MINETA,
JAMES JONES,
STEPHEN J. SOLARZ,
WILLIAM M. BRODHEAD,
TIMOTHY E. WIRTH,
LEON E. PANETTA,
RICHARD GEPHARDT,
Managers on the Part of the House
EDMUND S. MUSKIE,
WARREN G. MAGNUSON,
ERNEST HOLLINGS,
LAWTON CHILES,
JOSEPH BIDEN,
BENNETT JOHNSTON,
JAMES SASSER,
HENRY BELLMON,
PETE V. DOMENICI,
BOB PACKWOOD,
RUDY BOSCHWITZ,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 107) setting forth the congressional budget for the United States Government for fiscal year 1980 and revising the congressional budget for the United States Government for fiscal year 1979 report that the conferees have been unable to agree. This is a technical disagreement, necessitated by the fact that in some instances the substitute language agreed to by the conferees includes figures which (for purely technical reasons) would fall outside the range between the corresponding House and Senate provisions.

It is the intention of the conferees that the managers on the part of the House will offer a motion in the House to recede and concur in the Senate amendment to the House-passed resolution with an amendment (in the nature of a substitute) consisting of the language agreed to in conference. Upon the adoption of such amendment in the House, the managers on the part of the Senate will offer a motion in the Senate to concur therein.

The managers on the part of the House and the Senate submit the following joint statement in explanation of the action agreed upon by the managers:

The substitute language which is to be offered as described above (and which should be considered the language of the concurrent resolution as recommended in the conference report for purposes of section 302(a) of the Congressional Budget Act of 1974)—hereinafter in this statement referred to as the "conference substitute"—is as follows: That Congress hereby determines and declares, that pursuant to section 304 of the Congressional Budget Act of 1974:

REVISIONS TO THE SECOND CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1979

(a) Section 1 of H. Con. Res 683 is revised as follows:

(1) The recommended level of Federal revenues is $461,000,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $100,000,000.

(2) The appropriate level of total new budget authority is $559,200,000,000.

(3) The appropriate level of total budget outlays is $494,450,000,000.

(4) The amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $33,450,000,000.

(5) The appropriate level of the public debt is $834,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $4,200,000,000.

(b) Section 2 of H. Con. Res. 683 is revised as follows:

(1) National Defense (050):
(A) New budget authority, $127,000,000,000;
(B) Outlays, $114,400,000,000.
(2) International Affairs (150):
(A) New budget authority, $11,400,000,000.
(B) Outlays, $7,500,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $5,400,000,000.
(B) Outlays, $5,200,000,000.
(4) Energy (270):
(A) New budget authority, $7,600,000,000;
(B) Outlays, $7,400,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,900,000,000;
(B) Outlays, $11,300,000,000.
(6) Agriculture (350):
(A) New budget authority, $8,300,000,000;
(B) Outlays, $6,200,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $5,900,000,000;
(B) Outlays, $2,900,000,000.
(8) Transportation (400):
(A) New budget authority, $19,100,000,000;
(B) Outlays, $17,000,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $9,200,000,000;
(B) Outlays, $9,700,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $32,700,000,000;
(B) Outlays, $29,700,000,000.
(11) Health (550):
(A) New budget authority, $53,000,000,000;
(B) Outlays, $49,700,000,000.
(12) Income Security (600):
(A) New budget authority, $194,150,000,000;
(B) Outlays, $161,100,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $20,400,000,000;
(B) Outlays, $20,200,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,200,000,000;
(B) Outlays, $4,200,000,000.
(15) General Government (800):
(A) New budget authority, $4,300,000,000;
(B) Outlays, $4,200,000,000.
(16) General Purposes Fiscal Assistance (850):
(A) New budget authority, $8,650,000,000;
(B) Outlays, $8,750,000,000.
(17) Interest (900):
(A) New budget authority, $52,400,000,000;
(B) Outlays, $52,400,000,000.
(18) Allowances (920):
(A) New budget authority, $700,000,000;
(B) Outlays, $700,000,000.
(19) Undistributed Offsetting Receipts (830):
(A) New budget authority, —$18,100,000,000.
(B) Outlays, —$18,100,000,000.

SEC. 2 (a) Pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1979—

(1) the recommended level of Federal revenue is $509,000,000,000, and the amount by which the aggregate level of Federal revenues should be increased or decreased is zero;

(2) the appropriate level of total new budget authority is $604,050,000,000;

(3) the appropriate level of total budget outlays is $532,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $23,000,000,000; and

(5) the appropriate level of the public debt is $887,200,000,000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $57,200,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1979, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $136,600,000,000;
(B) Outlays, $124,200,000,000.
(2) International Affairs (150):
(A) New budget authority, $12,600,000,000;
(B) Outlays, $7,900,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $5,700,000,000;
(B) Outlays, $5,500,000,000.
(4) Energy (270):
(A) New budget authority, $18,800,000,000;
(B) Outlays, $6,800,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,600,000,000;
(B) Outlays, $11,700,000,000.
(6) Agriculture (350):
(A) New budget authority, $5,000,000,000;
(B) Outlays, $5,400,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $6,900,000,000;
(B) Outlays, $3,200,000,000.
(8) Transportation (400):
(A) New budget authority, $19,450,000,000;
(B) Outlays, $18,200,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $8,900,000,000;
(B) Outlays, $8,100,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,500,000,000;
(B) Outlays, $30,500,000,000.
(11) Health (550):
(A) New budget authority, $58,100,000,000;
(B) Outlays, $53,600,000,000.
(12) Income Security (600):
(A) New budget authority, $214,800,000,000;
(B) Outlays, $183,300,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $21,200,000,000;
(B) Outlays, $20,600,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,200,000,000;
(B) Outlays, $4,400,000,000.
(15) General Government (800):
(A) New budget authority, $4,400,000,000;
(B) Outlays, $4,300,000,000.
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $8,100,000,000;
(B) Outlays, $8,100,000,000.
(17) Interest (900):
(A) New budget authority, $56,000,000,000;
(B) Outlays, $56,000,000,000.
(18) Allowances (920):
(A) New budget authority, —$100,000,000;
(B) Outlays, —$100,000,000.
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$19,700,000,000;
(B) Outlays, —$19,700,000,000.

BUDGET AGGREGATES FOR FISCAL YEARS 1981 AND 1982

SEC. 3 (a) In order to achieve a balanced budget in fiscal years 1981 and 1982, the following aggregate budgetary levels recommended by the Senate are appropriate for fiscal years 1981 and 1982—

(1) The recommended level of revenues is as follows:

Fiscal year 1981: $583,300,000,000;
Fiscal year 1982: $621,000,000,000;
and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:
Fiscal year 1981: +$4,600,000,000;
Fiscal year 1982: —$49,900,000,000;

(2) The appropriate level of budget authority is as follows:
Fiscal year 1981: $640,300,000,000;
Fiscal year 1982: $691,600,000,000;

(3) The aggregate level of total budget outlays is as follows:
Fiscal year 1981: $577,700,000,000;
Fiscal year 1982: $616,900,000,000;

(4) The amount of surplus in the budget is as follows:
Fiscal year 1981: $5,600,000,000;
Fiscal year 1982: $4,100,000,000;

(5) The appropriate level of the public debt is as follows:
Fiscal year 1981: $912,600,000,000;
Fiscal year 1982: $947,500,000,000.

(b) The House projects the following budget aggregates for fiscal years 1981-82, based on the policies assumed in section two above—

(1) The level of Federal revenues is as follows:
Fiscal year 1981: $579,800,000,000;
Fiscal year 1982: $655,300,000,000;

(2) The level of total new budget authority is as follows:
Fiscal year 1981: $658,700,000,000;
Fiscal year 1982: $721,400,000,000;

(3) The level of total budget outlays is as follows:
Fiscal year 1981: $577,700,000,000;
Fiscal year 1982: $622,700,000,000;

(4) The amount of surplus in the budget is as follows:
Fiscal year 1981: $2,100,000,000;
Fiscal year 1982: $32,600,000,000;

(5) the level of the public debt is as follows:
Fiscal year 1981: $916,100,000,000;
Fiscal year 1982: $922,500,000,000.

GENERAL PROVISIONS

SEC. 4. (a) The Congress recognizes that the activities of off-budget Federal entities are excluded from the budget by law. The Congress recommends that a way be found within the Congressional budget process to relate accurately the estimates of off-budget Federal entities and capital expenditures to the unified budget.

(b) In 1979, each standing committee of the House of Representatives shall report by July 1 to the House of Representatives its recommendations and the status of its actions with respect to new spending authority including all legislative savings, and other reforms, targeted by the first concurrent resolution on the budget for the fiscal year ending on September 30 of that same year. This report shall include any additional legislative savings which the committee believes should be considered by the House in the programs for which such committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives specific recommendations as to all possible legislative savings for the programs for which the committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives an estimate of the unobligated (and unexpended) balances of budget authority, an analysis of the extent to which such unexpended or unobligated balances could reasonably be reduced, and what steps, if any, have been or are being taken to reduce such balances.

Economic assumptions

The economic assumptions underlying the revenue and spending figures contained in the conference substitute are as follows:

[Calendar years; dollar amounts in billions]

	1979	1980
Nominal GNP	$2,364	$2,594
Real GNP	$1,432	$1,462
Consumer Price Index: Percent change; year over year	8.4	7.8
Unemployment rate	6.0	6.5
Taxable shares:		
Wages and salaries	$1,239	$1,362
Nonwage	$388	$428
Corporate profits	$223	$235
Interest note, 3-mo Treasury bills	9.2	7.7

Based on the effect of inflation and recent collection data, the income shares in the Senate version have been raised accordingly.

BUDGET AGGREGATES FOR FISCAL YEAR 1980

REVENUES

The House resolution provided revenues of $509.0 billion, and to achieve that level provided that legislation should increase revenues on a net basis by $1.2 billion. The Senate resolution provided revenues of $503.6 billion in FY 1980, $576.2 billion in FY 1981, and $615.0 billion in FY 1982, and provided that legislation should increase revenues on a net basis by $0.1 billion and $4.6 billion respectively in FY 1980 and FY 1981, and decrease revenues on a net basis by $49.9 billion in FY 1982. The FY 1982 Senate total assumed a general tax reduction of $55 billion.

The conference substitute provides revenues of $509.0 billion in FY 1980.

BUDGET AUTHORITY

The House resolution provided budget authority of $605.0806 billion in FY 1980. The Senate resolution provided budget authority of $600.3 billion in FY 1980, $637.2 billion in FY 1981 and $686.8 billion in FY 1982.

The conference substitute provides budget authority of $604.05 billion in FY 1980.

OUTLAYS

The House resolution provided outlays of $529.8626 billion in FY 1980. The Senate resolution provided outlays of $532.6 billion in FY 1980, $575.6 billion in FY 1981, and $614.1 billion in FY 1982.

The conference substitute provides outlays of $532.0 billion in FY 1980.

DEFICIT

The House resolution provided for a deficit of $20.8626 billion in FY 1980. The Senate resolution provided for a deficit of $29.0 billion in FY 1980 and surpluses of $0.6 billion in FY 1981, and $0.9 billion in FY 1982.

The conference substitute provides for a deficit of $23.0 billion in FY 1980.

PUBLIC DEBT

The House resolution provided for a public debt level of $884.7326 billion in FY 1980. The Senate resolution provided for a public debt level of $890.7 billion in FY 1980, $921.2 billion in FY 1981, and $959.5 billion in FY 1982.

The conference substitute provides for a public debt level of $887.2 billion in FY 1980.

FUNCTIONAL CATEGORIES

050: NATIONAL DEFENSE

The House resolution provided budget authority of $134.671 billion in FY 1980 and outlays of $123.516 billion in FY 1980. The Senate resolution provided budget authority of $137.8 billion in FY 1980, $148.1 billion in FY 1981, and $157.9 billion in FY 1982 and outlays of $124.3 billion in FY 1980, $135.8 billion in FY 1981, and $147.0 billion in FY 1982.

The conference substitute provides budget authority of $136.6 billion and outlays of $124.2 billion in FY 1980.

150: INTERNATIONAL AFFAIRS

The House resolution provided budget authority of $12.875 billion in FY 1980 and outlays of $8.108 billion in FY 1980. The Senate resolution provided budget authority of $12.0 billion in FY 1980, $13.5 billion in FY 1981, and $12.5 billion in FY 1982 and outlays of $7.9 billion in FY 1980, $8.0 billion in FY 1981, and $7.8 billion in FY 1982.

The conference substitute provides budget authority of $12.6 billion and outlays of $7.9 billion in FY 1980.

250: GENERAL SCIENCE, SPACE, AND TECHNOLOGY

The House resolution provided budget authority of $5,597 billion in FY 1980 and outlays of $5.447 billion in FY 1980. The Senate resolution provided budget authority of $5.7 billion in FY 1980, $5.6 billion in FY 1981, and $5.3 billion in FY 1982 and outlays of $5.5 billion in FY 1980, $5.5 billion in FY 1981, and $5.3 billion in FY 1982.

The conference substitute provides budget authority of $5.7 billion and outlays of $5.5 billion in FY 1980.

270: ENERGY

The House resolution provided budget authority of $20.050 billion in FY 1980 and outlays of $7.920 billion in FY 1980. The Senate resolution provided budget authority of $18.4 billion in FY 1980, $5.0 billion in FY 1981, and $7.0 billion in FY 1982 and outlays of $6.4 billion in FY 1980, $7.4 billion in FY 1981, and $7.4 billion in FY 1982.

The conference substitute provides budget authority of $18.8 billion and outlays of $6.8 billion in FY 1980.

The conference substitute assumes a $1.0 billion rescission in FY 1980 of funds already appropriated for the Strategic Petroleum Reserve, because the program has experienced delays which render these amounts unnecessary at this time. However, the conferees do not intend that this recommendation alter the goals of the Reserve program, which is an important element of U.S. national energy policy. If evidence exists at the time the Second Budget Resolution for FY 1980 is considered that the Department of Energy can efficiently employ increased 1980 funding to meet the goals of this program, the conferees recommend that such evidence be taken into account.

300: NATURAL RESOURCES AND ENVIRONMENT

The House resolution provided budget authority of $12.725 billion in FY 1980 and outlays of $11.795 billion in FY 1980.

The Senate resolution provided budget authority of $12.5 billion in FY 1980, $15.1 billion in FY 1981, and $13.8 billion in FY 1982 and outlays of $11.7 billion in FY 1980, $12.6 billion in FY 1981, and $13.4 billion in FY 1982.

The conference substitute provides budget authority of $12.6 billion and outlays of $11.7 billion in FY 1980.

350: AGRICULTURE

The House resolution provided budget authority of $5.0 billion and outlays of $5.4 billion in FY 1980.

The Senate resolution provided budget authority of $5.0 billion in FY 1980, $5.3 billion in FY 1981, and $5.5 billion in FY 1982 and outlays of $5.4 billion in FY 1980, $7.5 billion in FY 1981, and $7.6 billion in FY 1982.

The conference substitute provides budget authority of $5.0 billion in FY 1980 and outlays of $5.4 billion.

370: COMMERCE AND HOUSING CREDIT

The House resolution provided budget authority of $7.527 billion in FY 1980 and outlays of $3.179 billion in FY 1980.

The Senate resolution provided budget authority of $6.8 billion in FY 1980, $5.8 billion in FY 1981, and $6.2 billion in FY 1982 and outlays of $3.2 billion in FY 1980, $3.7 billion in FY 1981, and $3.5 billion in FY 1982.

The conference substitute provides budget authority of $6.9 billion and outlays of $3.2 billion in FY 1980.

400: TRANSPORTATION

The House resolution provided budget authority of $19.622 billion in FY 1980 and outlays of $18.092 billion in FY 1980.

The Senate resolution provided budget authority of $18.7 billion in FY 1980, $20.8 billion in FY 1981, and $20.1 billion in FY 1982 and outlays of $18.2 billion in FY 1980, $19.5 billion in FY 1981, and $20.2 billion in FY 1982.

The conference substitute provides budget authority of $19.45 billion and outlays of $18.2 billion in FY 1980.

450: COMMUNITY AND REGIONAL DEVELOPMENT

The House resolution provided budget authority of $8.267 billion in FY 1980 and outlays of $7.575 billion in FY 1980.

The Senate resolution provided budget authority of $9.0 billion in FY 1980, $9.8 billion in FY 1981, and $9.6 billion in FY 1982 and outlays of $8.2 billion in FY 1980, $8.5 billion in FY 1981, and $8.9 billion in FY 1982.

The conference substitute provides budget authority of $8.9 billion and outlays of $8.1 billion in FY 1980.

500: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

The House resolution provided budget authority of $32.311 billion in FY 1980 and outlays of $31.319 billion in FY 1980.

The Senate resolution provided budget authority of $29.1 billion in FY 1980, $28.7 billion in FY 1981, and $29.0 billion in FY 1982 and outlays of $29.9 billion in FY 1980, $28.9 billion in FY 1981, and $28.8 billion in FY 1982.

The conference substitute provides budget authority of $30.5 billion and outlays of $30.5 billion in FY 1980.

550: HEALTH

The House resolution provided budget authority of $57.825 billion in FY 1980 and outlays of $53.542 billion in FY 1980. The Senate resolution provided budget authority of $58.1 billion in FY 1980, $68.7 billion in FY 1981, and $79.1 billion in FY 1982 and outlays of $53.6 billion in FY 1980, $60.0 billion in FY 1981, and $66.4 billion in FY 1982.

The conference substitute provides budget authority of $58.1 billion and outlays of $53.6 billion in FY 1980, which includes budget authority of $9.5 billion and outlays of $9.0 billion for all health programs other than medicare and medicaid.

600: INCOME SECURITY

The House resolution provided budget authority of $216.382 billion in FY 1980 and outlays of $182.229 billion in FY 1980. The Senate resolution provided budget authority of $212.4 billion in FY 1980, $236.0 billion in FY 1981, and $264.4 billion in FY 1982 and outlays of $184.0 billion in FY 1980, $201.9 billion in FY 1981, and $221.5 billion in FY 1982.

The conference substitute provides budget authority of $214.8 billion and outlays of $183.3 billion in FY 1980.

700: VETERANS BENEFITS AND SERVICES

The House resolution provided budget authority of $21.207 billion in FY 1980 and outlays of $20.709 billion in FY 1980. The Senate resolution provided budget authority of $21.1 billion in FY 1980, $21.8 billion in FY 1981, and $22.6 billion in FY 1982 and outlays of $20.5 billion in FY 1980, $21.5 billion in FY 1981, and $22.6 billion in FY 1982.

The conference substitute provides budget authority of $21.2 billion and outlays of $20.6 billion in FY 1980.

750: ADMINISTRATION OF JUSTICE

The House resolution provided budget authority of $4.287 billion in FY 1980 and outlays of $4.411 billion in FY 1980. The Senate resolution provided budget authority of $4.2 billion in FY 1980, $4.3 billion in FY 1981, and $4.3 billion in FY 1982 and outlays of $4.4 billion in FY 1980, $4.4 billion in FY 1981, and $4.2 billion in FY 1982.

The conference substitute provides budget authority of $4.2 billion and outlays of $4.4 billion in FY 1980.

800: GENERAL GOVERNMENT

The House resolution provided budget authority of $4.4026 billion in FY 1980 and outlays of $4.3106 billion in FY 1980. The Senate resolution provided budget authority of $4.3 billion in FY 1980, $4.8 billion in FY 1981, and $5.0 billion in FY 1982 and outlays of $4.2 billion in FY 1980, $4.6 billion in FY 1981, and $4.8 billion in FY 1982.

The conference substitute provides budget authority of $4.4 billion and outlays of $4.3 billion in FY 1980.

850: GENERAL PURPOSE FISCAL ASSISTANCE

The House resolution provided budget authority of $6.471 billion in FY 1980 and outlays of $6.456 billion in FY 1980. The Senate resolution provided budget authority of $8.5 billion in FY 1980, $8.6 billion in FY 1981, and $8.7 billion in FY 1982 and outlays of $8.5 billion in FY 1980, $8.6 billion in FY 1981, and $8.7 billion in FY 1982.

The conference substitute provides budget authority of $8.1 billion and outlays of $8.1 billion in FY 1980.

The Senate resolution assumed a continuation of General Revenue Sharing at current levels and no funding for proposed targeted fiscal assistance programs. The House resolution assumed reduction in the States' portion of General Revenue Sharing and provided accommodation for the proposed fiscal assistance program. The conference substitute reflects the possibility that the Congress may consider changes in General Revenue Sharing and may enact new programs of targeted fiscal assistance. The conference substitute does not reflect a precise mathematical anticipation of any particular legislative outcome, since the Congress has yet to consider any new programs or changes in existing law. As a result, the functional totals may need to be adjusted at the time of consideration of the Second Budget Resolution.

900: INTEREST

The House resolution provided budget authority of $56.0 billion in FY 1980 and outlays of $56.0 billion in FY 1980. The Senate resolution provided budget authority of $56.0 billion in FY 1980, $57.7 billion in FY 1981, and $58.4 billion in FY 1982 and outlays of $56.0 billion in FY 1980, $57.7 billion in FY 1981, and $58.6 billion in FY 1982.

The conference substitute provides budget authority of $56.0 billion and outlays of $56.0 billion in FY 1980.

920: ALLOWANCES

The House resolution provided budget authority of −$0.246 billion in FY 1980 and outlays of −$0.269 billion in FY 1980. The Senate resolution provided budget authority of $0.4 billion in FY 1980, $0.1 billion in FY 1981, and $0.1 billion in FY 1982 and outlays of $0.4 billion in FY 1980, $0.1 billion in FY 1981, and $0.1 billion in FY 1982.

The conference substitute provides budget authority of −$0.1 billion and outlays of −$0.1 billion in FY 1980.

950: UNDISTRIBUTED OFFSETTING RECEIPTS

The House resolution provided budget authority of −$19.8 billion in FY 1980 and outlays of −$19.8 billion in FY 1980. The Senate resolution provided budget authority of −$19.7 billion in FY 1980, −$20.6 billion in FY 1981, and −$22.7 billion in FY 1982 and outlays of −$19.7 billion in FY 1980, −$20.6 billion in FY 1981, and −$22.7 billion in FY 1982.

The conference substitute provides budget authority of −$19.7 billion and outlays of −$19.7 billion in FY 1980.

FUTURE FISCAL YEARS

The Senate resolution provided a multiyear budget containing aggregate and functional totals for fiscal years 1980, 1981, and 1982. The House resolution contained such totals only for fiscal year 1980.

The Conference substitute includes two sets of fiscal year 1981 and 1982 aggregate totals, both of which provide for a balanced budget in 1981 and 1982.

HOUSE AGGREGATES

While the House resolution did not provide aggregate or functional totals for fiscal years 1981 and 1982, the conference substitute provides aggregate totals which project current House policy into those fiscal years. The aggregates below make no change in policy or priorities for fiscal years 1981 and 1982.

These aggregate projections have been included to show that continued spending restraint and a healthy economy can result in balanced budgets at an early date.

[In billions of dollars]

	Fiscal year 1981	Fiscal year 1982
Revenues	$579.8	$655.3
Budget authority	658.7	721.4
Outlays	577.7	622.7
Surplus	2.1	32.6
Public debt level	916.1	922.5

The House conferees reaffirm their commitment to try to achieve a balanced budget in fiscal year 1981.

SENATE AGGREGATES

The aggregate totals of the Senate resolution provided for budget surpluses in fiscal 1981 and 1982 and provided for a $55 billion reduction in taxes effective in fiscal year 1982.

The conference substitute itself includes aggregate totals for fiscal years 1981 and 1982.

FUNCTION TOTALS

The conference substitute does not include the functional totals because the managers on the part of the Senate and the House could not reach agreement on their inclusion. The Senate conferees believe the inclusion of these totals is necessary to comply with the provisions of the Public Debt Limit Act of 1979. The House conferees believe those provisions were met by the Publication of House Report No. 96-96.

The Congressional Budget Office estimates that the effect on the Senate resolution functional totals for fiscal years 1980, 1981, and 1982 of the matters contained in the conference substitute is as follows:

BUDGET PROJECTIONS

[In billions of dollars]

Function	Fiscal year 1980		Fiscal year 1981		Fiscal year 1982	
	BA	O	BA	O	BA	O
050	136.6	124.2	146.8	135.5	156.5	146.4
150	12.6	7.9	13.7	8.3	14.2	8.5
250	5.7	5.5	5.6	5.5	5.3	5.3
270	18.8	6.8	5.0	7.3	7.5	7.8
300	12.6	11.7	13.2	12.6	13.8	13.4
350	5.0	5.4	5.3	7.5	5.5	7.6
370	6.9	3.2	5.9	3.8	6.3	3.7
400	19.45	18.2	21.2	19.6	20.1	20.4
450	8.9	8.1	9.4	8.6	9.0	8.9
500	30.5	30.5	29.9	30.1	30.2	30.0
550	58.1	53.6	68.7	60.0	79.1	66.4
600	214.8	183.3	239.6	203.3	268.3	222.9
700	21.2	20.6	21.9	21.6	22.7	22.6
750	4.2	4.4	4.3	4.4	4.3	4.2
800	4.4	4.3	4.8	4.6	5.1	4.9
850	8.1	8.1	8.2	8.2	8.3	8.3

Function	Fiscal year 1980		Fiscal year 1981		Fiscal year 1982	
	BA	O	BA	O	BA	O
900	56.0	56.0	57.7	57.7	58.4	4 58.2
920	−0.1	−0.1	−0.3	−0.3	−0.2	−0.7
950	−19.7	−19.7	−20.6	−20.6	−22.7	−22.
Total	604.05	532.0	640.3	577.7	691.6	616.9
Revenues		509.0		583.3		621.0
Deficit (−) or surplus(+)		−23.0		+5.6		+4.1
Public debt		887.2		912.6		947.5

The managers on the part of the Senate, pursuant to the action of the Senate in adopting its multi-year budget resolution, will urge the Senate to observe the limits for fiscal years 1981 and 1982 as if they had been incorporated in the conference substitute, in order to help assure that the Congress achieves the balanced budget provided in the Senate resolution for fiscal years 1981 and 1982 and the $55 billion tax cut provided within the balanced 1982 budget.

Budget Aggregates for Fiscal Year 1979

REVENUES

The House resolution provided revenues of $458.485 billion, and to achieve that level provided that the amount by which legislation should decrease revenues on a net basis should be $0.015 billion. The Senate resolution provided revenues of $457.2 billion, and to achieve that level provided that the amount by which legislation should decrease revenues should be $0.1 billion.

The conference substitute provides revenues of $461.0 billion and to achieve that level provides that the amount by which legislation should decrease revenues should be $0.1 billion.

BUDGET AUTHORITY

The House resolution provided budget authority of $557.932 billion. The Senate resolution provided budget authority of $560.7 billion.

The conference substitute provides budget authority of $559.2 billion.

OUTLAYS

The House resolution provided outlays of $494.342 billion. The Senate resolution provided outlays of $494.5 billion.

The conference substitute provides outlays of $494.45 billion.

DEFICIT

The House resolution provided for a deficit of $35.857 billion. The Senate resolution provided for a deficit of $37.3 billion.

The conference substitute provides for a deficit of $33.45 billion.

PUBLIC DEBT

The House resolution provided for a public debt level of $830.000 billion. The Senate resolution provided for a public debt level of $833.9 billion.

The conference substitute provides for a public debt level of $834.2 billion.

Functional Categories

050: NATIONAL DEFENSE

The House resolution provided budget authority of $126.096 billion and outlays of $114.132 billion. The Senate resolution provided budget authority of $127.2 billion and outlays of $114.5 billion.

The conference substitute provides budget authority of $127.0 billion and outlays of $114.4 billion.

150: INTERNATIONAL AFFAIRS

The House resolution provided budget authority of $11.240 billion and outlays of $7.325 billion. The Senate resolution provided budget authority of $12.0 billion and outlays of $7.7 billion.

The conference substitute provides budget authority of $11.4 billion and outlays of $7.5 billion.

250: GENERAL SCIENCE, SPACE, AND TECHNOLOGY

The House resolution provided budget authority of $5.357 billion and outlays of $5.151 billion. The Senate resolution provided budget authority of $5.4 billion and outlays of $5.2 billion.

The conference substitute provides budget authority of $5.4 billion and outlays of $5.2 billion.

270: ENERGY

The House resolution provided budget authority of $7.592 billion and outlays of $7.338 billion. The Senate resolution provided budget authority of $7.6 billion and outlays of $7.4 billion.

The conference substitute provides budget authority of $7.6 billion and outlays of $7.4 billion.

300: NATURAL RESOURCES AND ENVIRONMENT

The House resolution provided budget authority of $12.858 billion and outlays of $11.272 billion. The Senate resolution provided budget authority of $12.9 billion and outlays of $11.3 billion.

The conference substitute provides budget authority of $12.9 billion and outlays of $11.3 billion.

350: AGRICULTURE

The House resolution provided budget authority of $8.283 billion and outlays of $5.918 billion. The Senate resolution provided budget authority of $8.3 billion and outlays of $6.2 billion.

The conference substitute provides budget authority of $8.3 billion and outlays of $6.2 billion.

370: COMMERCE AND HOUSING CREDIT

The House resolution provided budget authority of $5.844 billion and outlays of $2.917 billion. The Senate resolution provided budget authority of $5.9 billion and outlays of $2.9 billion.

The conference substitute provides budget authority of $5.9 billion and outlays of $2.9 billion.

400: TRANSPORTATION

The House resolution provided budget authority of $19.212 billion and outlays of $17.137 billion. The Senate resolution provided budget authority of $19.8 billion and outlays of $17.0 billion.

The conference substitute provides budget authority of $19.1 billion and outlays of $17.0 billion.

450: COMMUNITY AND REGIONAL DEVELOPMENT

The House resolution provided budget authority of $8.957 billion and outlays of $9.626 billion. The Senate resolution provided budget authority of $9.4 billion and outlays of $9.8 billion.

The conference substitute provides budget authority of $9.2 billion and outlays of $9.7 billion.

500: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

The House resolution provided budget authority of $32.716 billion and outlays of $30.038 billion. The Senate resolution provided budget authority of $32.6 billion and outlays of $29.5 billion.

The conference substitute provides budget authority of $32.7 billion and outlays of $29.7 billion.

550: HEALTH

The House resolution provided budget authority of $52.904 billion and outlays of $49.409 billion. The Senate resolution provided budget authority of $53.1 billion and outlays of $49.7 billion.

The conference substitute provides budget authority of $53.0 billion and outlays of $49.7 billion.

600: INCOME SECURITY

The House resolution provided budget authority of $194.367 billion and outlays of $161.696 billion. The Senate resolution provided budget authority of $194.1 billion and outlays of $161.1 billion.

The conference substitute provides budget authority of $194.15 billion and outlays of $161.1 billion.

700: VETERANS BENEFITS AND SERVICES

The House resolution provided budget authority of $20.386 billion and outlays of $20.211 billion. The Senate resolution provided budget authority of $20.4 billion and outlays of $20.2 billion.

The conference substitute provides budget authority of $20.4 billion and outlays of $20.2 billion.

750: ADMINISTRATION OF JUSTICE

The House resolution provided budget authority of $4.163 billion and outlays of $4.179 billion. The Senate resolution provided budget authority of $4.2 billion and outlays of $4.2 billion.

The conference substitute provides budget authority of $4.2 billion and outlays of $4.2 billion.

800: GENERAL GOVERNMENT

The House resolution provided budget authority of $4.253 billion and outlays of $4.166 billion. The Senate resolution provided budget authority of $4.3 billion and outlays of $4.2 billion.

The conference substitute provides budget authority of $4.3 billion and outlays of $4.2 billion.

850: GENERAL PURPOSE FISCAL ASSISTANCE

The House resolution provided budget authority of $8.696 billion and outlays of $8.822 billion. The Senate resolution provided budget authority of $8.5 billion and outlays of $8.6 billion.

The conference substitute provides budget authority of $8.65 billion and outlays of $8.75 billion.

900: INTEREST

The House resolution provided budget authority of $52.429 billion and outlays of $52.430 billion. The Senate resolution provided authority of $52.4 billion and outlays of $52.4 billion.

The conference substitute provides budget authority of $52.4 billion and outlays of $52.4 billion.

920: ALLOWANCES

The House resolution provided budget authority of $0.699 billion and outlays of $0.693 billion. The Senate resolution provided budget authority of $0.7 billion and outlays of $0.7 billion.

The conference substitute provides budget authority of $0.7 billion and outlays of $0.7 billion.

950: UNDISTRIBUTED OFFSETTING RECEIPTS

The House resolution provided budget authority of −$18.120 billion and outlays of −$18.120 billion. The Senate resolution provided budget authority of −$18.1 billion and outlays of −$18.1 billion.

The conference substitute provides budget authority of −$18.1 billion and outlays of −$18.1 billion.

General Provisions

The House resolution contained language relating to the activities of off-budget Federal entities. The Senate resolution did not contain that provision.

The conference substitute provides as follows:

SEC. 4. (a) The Congress recognizes that the activities of off-budget Federal entities are excluded from the budget by law. The Congress recommends that a way be found within the Congressional budget process to relate accurately the estimates of off-budget Federal entities and capital expenditures to the unified budget.

The House resolution contained a provision relating to reports by House committees regarding legislative savings and unobligated balances.

The Senate resolution did not contain that provision.

The conference substitute, like the House resolution, provides as follows:

(b) In 1979, each standing committee of the House of Representatives shall report by July 1 to the House of Representatives its recommendations and the status of its actions with respect to new spending authority including all legislative savings, and other reforms, targeted by the first concurrent resolution on the budget for the fiscal year ending on September 30 of that same year. This report shall include any additional legislative savings which the committee believes should be considered by the House in the programs for which such committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives specific recommendations as to all possible legislative savings for the programs for which the committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives an estimate of the unobligated (and unexpended) balances of budget authority, an analysis of the extent to which such unexpended or unobligated balances could reasonably be reduced, and what steps, if any, have been or are being taken to reduce such balances.

The provisions of section 4(b) do not apply to the committees of the Senate who already provide similar information in their March 15 reports to the Senate Budget Committee.

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1979

[In billions of dollars]

	House passed	Senate passed	Conference substitute
Revenues	458.485	457.2	461.0
Budget authority	557.932	560.7	559.2
Outlays	494.342	494.5	494.45
Deficit	35.857	37.3	33.45
Debt subject to limit	830.000	833.9	834.2
050—National defense:			
Budget authority	126.096	127.2	127.0
Outlays	114.132	114.5	114.4
150—International affairs:			
Budget authority	11.240	12.0	11.4
Outlays	7.325	7.7	7.5
250—General science, space, and technology:			
Budget authority	5.357	5.4	5.4
Outlays	5.151	5.2	5.2
270—Energy:			
Budget authority	7.592	7.6	7.6
Outlays	7.338	7.4	7.4
300—Natural resources and environment:			
Budget authority	12.858	12.9	12.9
Outlays	11.272	11.3	11.3
350—Agriculture:			
Budget authority	8.283	8.3	8.3
Outlays	5.918	6.2	6.2
370—Commerce and Housing credit:			
Budget authority	5.844	5.9	5.9
Outlays	2.917	2.9	2.9
400—Transportation:			
Budget authority	19.212	19.8	19.1
Outlays	17.137	17.0	17.0
450—Community and regional development:			
Budget authority	8.957	9.4	9.2
Outlays	9.626	9.8	9.7
500—Education, training, employment, and social services:			
Budget authority	32.716	32.6	32.7
Outlays	30.038	29.5	29.7
550—Health:			
Budget authority	52.904	53.1	53.0
Outlays	49.409	49.7	49.7
600—Income security:			
Budget authority	194.367	194.1	195.15
Outlays	161.696	161.1	161.1
700—Veterans benefits and services:			
Budget authority	20.386	20.4	20.4
Outlays	20.211	20.2	20.2
750—Administration of justice:			
Budget authority	4.163	4.2	4.2
Outlays	4.179	4.2	4.2
800—General government:			
Budget authority	4.253	4.3	4.3
Outlays	4.166	4.2	4.2
850—General purpose fiscal assistance:			
Budget authority	8.696	8.5	8.65
Outlays	8.822	8.6	8.75
900—Interest:			
Budget authority	52.429	52.4	52.4
Outlays	52.430	52.4	52.4
920—Allowances:			
Budget authority	.699	.7	.7
Outlays	.693	.7	.7
950—Undistributed offsetting receipts:			
Budget authority	−18.120	−18.1	−18.1
Outlays	−18.120	−18.1	−18.1

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1980

[In billions of dollars]

	House passed	Senate passed	Conference substitute
Revenues	509.000	503.6	509.0
Budget authority	605.081	600.3	604.05
Outlays	529.863	532.6	532.0
Deficit	20.863	29.0	23.0
Debt subject to limit	884.733	890.7	887.2
050—National defense:			
Budget authority	134.671	137.8	136.6
Outlays	123.516	124.3	124.2
150—International affairs:			
Budget authority	12.875	12.0	12.6
Outlays	8.108	7.9	7.9
250—General science, space, and technology:			
Budget authority	5.597	5.7	5.7
Outlays	5.447	5.5	5.5
270—Energy:			
Budget authority	20.050	18.4	18.8
Outlays	7.920	6.4	6.8
300—Natural resources and environment:			
Budget authority	12.725	12.5	12.6
Outlays	11.795	11.7	11.7
350—Agriculture:			
Budget authority	4.907	5.0	5.0
Outlays	5.323	5.4	5.4
370—Commerce and housing credit:			
Budget authority	7.527	6.8	6.9
Outlays	3.179	3.2	3.2
400—Transportation:			
Budget authority	19.622	18.7	19.45
Outlays	18.092	18.2	18.2
450—Community and regional development:			
Budget authority	8.267	9.0	8.9
Outlays	7.575	8.2	8.1
500—Education, training, employment and social services:			
Budget authority	32.311	29.1	30.5
Outlays	31.319	29.9	30.5
550—Health:			
Budget authority	57.825	58.1	58.1
Outlays	53.542	53.6	53.6
600—Income security:			
Budget authority	216.382	212.4	214.8
Outlays	182.229	184.0	183.3
700—Veterans benefits and services:			
Budget authority	21.207	21.1	21.2
Outlays	20.709	20.5	20.6
750—Administration of justice:			
Budget authority	4.287	4.2	4.2
Outlays	4.411	4.4	4.4
800—General Government:			
Budget authority	4.403	4.3	4.4
Outlays	4.311	4.2	4.3
850—General purpose fiscal assistance:			
Budget authority	6.471	8.5	8.1
Outlays	6.456	8.5	8.1
900—Interest:			
Budget authority	56.000	56.0	56.0
Outlays	56.000	56.0	56.0
920—Allowances:			
Budget authority	−0.246	0.4	−0.1
Outlays	−0.269	0.4	−0.1
950—Undistributed offsetting receipts:			
Budget authority	−19.800	−19.7	−19.7
Outlays	−19.800	−19.7	−19.7

ALLOCATION OF BUDGET AUTHORITY AND OUTLAYS TO SENATE AND HOUSE COMMITTEES

Pursuant to section 302 of the Congressional Budget and Impoundment Control Act of 1974, the conference substitute makes the following estimated allocation of the appropriate levels of total new budget authority and total budget outlays among the committees of the respective Houses:

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1979

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	353.6	313.1		
Agriculture, Nutrition, and Forestry Committee	.8	5.2	10.0	10.2
Armed Services Committee	(1)	(2)	10.4	10.4
Banking, Housing, and Urban Affairs Committee	.6	−.9		(3)
Commerce, Science, and Transportation Committee	1.1	(4)	.3	.3
Energy and Natural Resources Committee	1.2	1.2	.1	(5)
Environment and Public Works Committee	8.3	1.9		
Finance Committee	219.5	207.4	34.1	34.8
Foreign Relations Committee	7.2	8.3		
Governmental Affairs Committee	26.6	18.3		
Judiciary Committee	.2	.2	(5)	(5)
Labor and Human Resources Committee	4.3	4.5	3.6	3.4
Rules and Administration Committee	(6)	(7)		
Veterans' Affairs Committee	1.1	.8	13.1	13.4
Select Committee on Indian Affairs	.3	.2		
Select Committee on Small Business	(3)			
Not allocated to committees	−65.7	−65.7		
Total, budget	559.2	494.45	71.5	72.5

[1] Less than $15,000,000.
[2] Minus $11,000,000.
[3] Minus $3,000,000.
[4] Less than $5,000,000.
[5] Less than $45,000,000.
[6] Less than $50,000,000.
[7] Less than $10,000,000.
Note: Details may not add to total due to rounding.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1980

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	357.6	328.1		
Agriculture, Nutrition, and Forestry Committee	.5	4.3	11.3	11.1
Armed Services Committee	—.2	—.2	11.5	11.5
Banking, Housing, and Urban Affairs Committee	2.5	—1.4		
Commerce, Science, and Transportation Committee	1.3	(1)	.2	.2
Energy and Natural Resources Committee	1.0	.9	.1	.1
Environment and Public Works Committee	23.7	2.1		
Finance Committee	242.8	235.0	35.7	35.9
Foreign Relations Committee	11.1	8.7		
Governmental Affairs Committee	30.4	21.2		
Judiciary Committee	.2	.2	(2)	(2)
Labor and Human Resources Committee	4.4	4.9	3.7	3.6
Rules and Administration Committee	.1	.1		
Veterans' Affairs Committee	1.1	.8	14.1	14.1
Select Committee on Indian Affairs	.3	.2		
Select Committee on Small Business	(3)			
Not allocated to committees	—72.7	—72.7		
Total, budget	604.05	532.0	76.6	76.4

[1] Minus $3,000,000.
[2] Less than $50,000,000.
[3] Less than $5,000,000.

Note: Details may not add to total due to rounding.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1981

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	379.3	350.3		
Agriculture, Nutrition, and Forestry Committee	.7	6.5	12.2	12.0
Armed Services Committee	—.2	—.2	12.3	12.0
Banking, Housing, and Urban Affairs Committee	2.9	—.8		
Commerce, Science, and Transportation Committee	1.4	(1)	.2	.2
Energy and Natural Resources Committee	1.1	1.0	.1	.1
Environment and Public Works Committee	9.1	1.8		
Finance Committee	272.3	257.6	37.8	38.5
Foreign Relations Committee	12.1	9.6		
Governmental Affairs Committee	33.0	23.2		
Judiciary Committee	.2	.2	.1	.1
Labor and Human Resources Committee	4.8	5.1	3.6	3.7
Rules and Administration Committee	(2)	(3)		
Veterans' Affairs Committee	1.1	.8	14.5	14.4
Select Committee on Indian Affairs	.3	.3		
Select Committee on Small Business	(1)			
Not allocated to committees	—77.7	—77.7		
Total, budget	640.3	577.7	80.8	81.0

[1] Less than $5,000,000.
[2] Less than $45,000,000.
[3] Less than $20,000,000.

Note: Details may not add to total due to rounding.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1982

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	401.4	370.9		
Agriculture, Nutrition, and Forestry Committee	.7	6.6	13.0	12.9
Armed Services Committee	—.2	—.2	13.6	13.4
Banking, Housing, and Urban Affairs Committee	3.2	—.8		
Commerce, Science, and Transportation Committee	1.5	(1)	.2	.2
Energy and Natural Resources Committee	1.2	1.1	.1	.1
Environment and Public Works Committee	8.2	1.4		
Finance Committee	306.2	281.4	40.0	40.8
Foreign Relations Committee	13.0	10.5		
Governmental Affairs Committee	36.1	25.6		
Judiciary Committee	.2	.2	.1	.1
Labor and Human Resources Committee	5.0	5.3	3.5	3.6
Rules and Administration Committee	(2)	(3)		
Veterans' Affairs Committee	1.1	.9	15.0	15.0
Select Committee on Indian Affairs	.3	.3		
Select Committee on Small Business	(1)			
Not allocated to committees	—86.2	—86.2		
Total budget	691.6	616.9	85.4	85.9

[1] Less than $5,000,000.
[2] Less than $45,000,000.
[3] Less than $10,000,000.

Note: Details may not add to total due to rounding.

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(a) OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

House committee and function	Fiscal year 1979	
	Budget authority	Outlays
Appropriations Committee:		
050. National defense	127, 402, 312	114, 791, 714
150. International affairs	13, 575, 848	8, 620, 939
250. General science, space, and technology	5, 352, 809	5, 149, 253
270. Energy	8, 585, 381	6, 735, 381
300. Natural resources and environment	14, 497, 556	13, 000, 907
350. Agriculture	8, 267, 903	1, 524, 793
370. Commerce and housing credit	5, 405, 614	3, 922, 013
400. Transportation	10, 048, 007	17, 124, 884
450. Community and regional development	8, 852, 666	9, 630, 026
500. Education, training, employment, and social services	31, 958, 159	29, 639, 916
550. Health	28, 747, 808	28, 975, 582
600. Income security	52, 136, 728	35, 149, 400
700. Veterans benefits and services	19, 866, 736	20, 029, 667
750. Administration of justice	4, 200, 257	4, 205, 338
800. General government	6, 822, 891	6, 690, 033
850. General purpose fiscal assistance	7, 377, 249	7, 453, 473
900. Interest	0	895
920. Allowances	700, 000	700, 000
Committee total	353, 797, 924	313, 344, 214
House Agriculture Committee:		
300. Natural resources and environment	232, 701	191, 724
350. Agriculture	91, 310	4, 734, 420
450. Community and regional development	355, 370	132, 952

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(a) OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

House committee and function	Fiscal year 1979	
	Budget authority	Outlays
850. General purpose fiscal assistance	240, 593	240, 593
900. Interest	−44, 000	−44, 000
Committee total	875, 974	5, 255, 689
House Armed Services Committee:		
050. National defense	9, 892	19, 500
400. Transportation	30	30
700. Veterans benefits and services	12	12
Committee total	9, 934	19, 542
House Banking, Finance and Urban Affairs Committee:		
05 0. National defense	0	990
150. International affairs	0	−167, 485
370. Commerce and housing credit	576, 797	−901, 723
450. Community and regional development	31, 046	66, 887
500. Education, training, employment, and social services	287	44, 660
550. Health	0	−824
600. Income security	38, 169	69, 311
700. Veterans benefits and services	0	−17, 044
800. General government	−17, 000	−17,080
900. Interest	7, 818	7, 818
Committee total	637, 117	−914, 490
House District of Columbia Committee:		
750. Administration of Justice	8, 000	8, 000
850. General purpose fiscal assistance	832	20, 832
Committee total	8, 832	28, 832
House Education and Labor Committee:		
500. Education, training, employment, and social services	−20, 677	17, 953
550. Health	0	19
600. Income security	6, 108	5, 192
Committee total	26, 785	23, 164
House Foreign Affairs Committee:		
150. International affairs	6, 954, 743	8, 177, 137
370. Commerce and housing credit	4, 800	6, 000
600. Income security	228, 345	113, 028
Committee total	7, 187, 888	8, 296, 165
House Government Operations Committee:		
800. General Government	1, 230	1, 142
850. General purpose fiscal assistance	6, 854, 924	6, 852, 124
Committee total	6, 856, 154	6, 853, 266
House Administration Committee:		
250. General science, space, and technology	70	72
500. Education, training, employment, and social services	5, 351	5, 666
800. General Government	41, 150	1, 950
Committee total	45, 821	6, 938
House Interior and Insular Affairs Committee:		
270. Energy	2, 480	2, 480
300. Natural resources and environment	54, 541	30, 689
450. Community and regional development	282, 431	192, 927
800. General Government	76, 900	76, 307
850. General purpose fiscal assistance	599, 298	604, 215
Committee total	1, 015, 650	906, 618
House Interstate and Foreign Commerce Committee:		
300. Natural resources and environment	0	30
370. Commerce and housing credit	22, 937	21, 707
400. Transportation	420	420
550. Health	4, 636	5, 205
600. Income security	4, 156, 186	4, 402, 723
850. General purpose fiscal assistance	5, 287	6, 219
Committee total	4, 189, 466	4, 436, 304
House Judiciary Committee:		
300. Natural resources and environment	165	380
370. Commerce and housing credit	15, 587	5, 885
600. Income security	6, 830	2, 130
750. Administration of justice	0	−5, 081
(New entitlement authority)	(4, 000)	
800. General Government	152, 018	237, 569
Committee total	174, 600	240, 883
House Merchant Marine and Fisheries Committee:		
300. Natural resources and environment	130, 272	96, 591
370. Commerce and housing credit	12, 436	11, 950
400. Transportation	305, 504	−75, 649
850. General purpose fiscal assistance	4, 100	4, 827
Committee total	452, 312	37, 719
House Post Office and Civil Service Committee:		
300. Natural resources and environment	0	330
370. Commerce and housing credit	6, 900	6, 713
550. Health	0	−154, 839
600. Income security	20, 296, 620	12, 073, 150
800. General Government	6, 329, 715	6, 329, 715
Committee total	26, 633, 23[illegible]	18, 255, 069
House Public Works and Transportation Committee:		
270. Energy	278	1,650,278
300. Natural resources and environment	34,674	42,385
400. Transportation	8,790,700	−5,024
450. Community and regional development	46,363	46,084
Committee total	8,872,015	1,733,723
House Science and Technology Committee:		
250. General science, space, and technology	5,200	2,993
270. Energy	20	20
300. Natural resources and environment	11,297	11,297
800. General government	0	1
Committee total	16,517	14,311
House Small Business Committee:		
450. Community and regional development	1,000	0
Committee total	1,000	0
House Veterans' Affairs Committee:		
700. Veterans' benefits and services	1,066,315	720,429
Committee total	1,066,316	720,429
House Ways and Means Committee:		
500. Education, training, employment, and social services	723,721	0
550. Health	32,028,000	28,6[illegible]5,301
600. Income security	119,848,510	111,852,562
800. General government	4,025	4,025
850. General purpose fiscal assistance	465,000	465,000
900. Interest	59,921,000	59,921,000
Committee total	212,990,256	200,897,888
Unassigned to committees:		
050. National defense	−412, 204	−412, 204
150. International affairs	−9, 130, 591	−9, 130, 591
250. General science, space, and technology	41, 921	47, 682
270. Energy	−988, 159	−988, 159
300. Natural resources and environment	−2, 061, 206	−2, 074, 333
350. Agriculture	−59, 213	−59, 213
370. Commerce and housing credit	−145, 071	−172, 545
400. Transportation	−44, 661	−44, 661
450. Community and regional development	−368, 876	−368, 876
500. Education, training, employment, and social services	−8, 195	−8, 195
550. Health	−7, 780, 444	−7, 780, 444
600. Income security	−2, 567, 496	−2, 567, 496
700. Veterans benefits and services	−533, 064	−533, 064
750. Administration of justice	−8, 257	−8, 257
800. General government	−9, 110, 929	−9, 123, 662
850. General purpose fiscal assistance	−6, 897, 283	−6, 897, 283
900. Interest	−7, 484, 818	−7, 485, 713
950. Undistributed offsetting receipts	−18, 100, 000	−18, 100, 000
Committee total	−65, 658, 546	−65, 707, 014

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In thousands of dollars]

House committee and function	Fiscal year 1980	
	Budget authority	Outlays
Appropriations Committee:		
050. National defense	$137, 201, 128	$124, 801, 174
150. International affairs	10, 889, 210	9, 242, 952
250. General science, space, and technology	5, 647, 500	5, 497, 343
270. Energy	4, 979, 478	6, 179, 478
300. Natural resources and environment	14, 359, 669	13, 506, 434
350. Agriculture	4, 963, 547	1, 569, 234
370. Commerce and housing credit	5, 471, 880	4, 415, 615
400. Transportation	10, 504, 440	18, 779, 230
450. Community and regional development	8, 907, 080	8, 274, 173
500. Education, training, employment, and social services	29, 741, 308	30, 486, 032
550. Health	30, 338, 796	30, 504, 445
600. Income security	56, 334, 369	37, 981, 583
700. Veterans benefits and services	20, 653, 275	20, 539, 459
750. Administration of justice	4, 200, 271	4, 405, 237
800. General Government	7, 266, 898	7, 147, 807
850. General purpose fiscal assistance	6, 923, 219	6, 913, 001
900. Interest	0	449
920. Allowances	100, 000	−100, 000
Committee total	358, 282, 068	330, 143, 646
House Agriculture Committee:		
300. Natural resources and environment	243, 494	222, 695
350. Agriculture	99, 122	3, 893, 435
450. Community and regional development	12, 220	−8, 148
850. General purpose fiscal assistance	283, 458	283, 458
Committee total	638, 294	4, 391, 440
House Armed Services Committee:		
050. National defense	−166, 927	−166, 973
(New entitlement authority)	(99, 000)	
400. Transportation	30	30
700. Veterans benefits and services	12	12
Committee total	−166, 885	−166, 931
House Banking, Finance and Urban Affairs Committee:		
150. International affairs	691, 500	−169, 883
370. Commerce and housing credit	1, 513, 351	−1, 032, 094
450. Community and regional develoment	34, 976	67, 766
500. Education, training, employment, and social services	0	−1, 931
550. Health	0	−187
600. Income security	39, 700	0
700. Veterans benefits and services	0	−20, 081
800. General Government	3, 237	2, 804
900. Interest	7, 828	7, 828
Committee total	2, 290, 592	−1, 145, 778
House District of Columbia Committee:		
750. Administration of justice	8, 640	8, 640
Committee total	8, 640	8, 640
House Education and Labor Committee:		
500. Education, training, employment, and social services	28, 461	25, 748
(New entitlement authority)	(−72, 000)	
600. Income security	5, 720	5, 758
(New entitlement authority)	(−509, 000)	
Committee total	34, 181	31, 506
House Foreign Affairs Committee:		
150. International affairs	10, 832, 506	8, 556, 935
370. Commerce and housing credit	5, 179	4, 995
600. Income security	247, 445	127, 927
Committee total	11, 085, 130	8, 689, 857
House Government Operations Committee:		
800. General government	1, 337	1, 295
850. General purpose fiscal assistance	4, 569, 924	4, 569, 232
(New entitlement authority)	(−684, 000)	
Committee total	4, 571, 261	4, 570, 527
House Administration Committee:		
250. General Science, Space, and Technology	76	74
500. Education, training, employment, and social services	5, 660	5, 728
800. General government	45, 750	50, 750
Committee total	51, 486	56, 552
House Interior and Insular Affairs Committee:		
270. Energy	12, 516	12, 516
300. Natural resources and environment	25, 602	30, 889
450. Community and regional development	268, 268	186, 357
800. General government	91, 204	90, 578
(New entitlement authority)	(20, 000)	
850. General purpose fiscal assistance	602, 748	605, 158
Committee total	1, 000, 338	925, 498
House Interstate and Foreign Commerce Committee:		
300. Natural resources and environment	0	80
370. Commerce and housing credit	24, 751	23, 005
400. Transportation	454	443
550. Health	4, 620	4, 779
(New entitlement authority)	(74, 000)	
600. Income security	4, 381, 123	4, 783, 364
850. General purpose fiscal assistance	5, 387	5, 287
Committee total	4, 416, 335	4, 816, 958
House Judiciary Committee:		
300. Natural resources and environment	178	178
370. Commerce and housing credit	15, 587	14, 876
600. Income security	7, 373	2, 330
750. Administration of justice	0	−4, 966
800. General government	152, 019	152, 019
Committee total	175, 157	164, 437
House Merchant Marine and Fisheries Committee:		
300. Natural resources and environment	140, 122	107, 435
370. Commerce and housing credit	1, 000	2, 283
400. Transportation	308, 065	−52, 500
850. General purpose fiscal assistance	3, 700	4, 300
Committee total	452, 887	61, 518
House Post Office and Civil Service Committee:		
050. (New entitlement authority)	(−111, 000)	
300. Natural resources and environment	0	330
370. Commerce and housing credit	7, 590	7, 245
550. Health	0	−129, 802
600. Income security	22, 740, 420	13, 672, 971
(New entitlement authority)	(−110, 000)	
800. General government	7, 601, 000	7, 601, 000
(New entitlement authority)	(72, 000)	
920. (New entitlement authority)	(−24, 000)	
Committee total	30, 349, 010	21, 151, 744
House Public Works and Transportation Committee:		
270. Energy	15, 000, 000	1, 800, 000
300. Natural resources and environment	29, 579	30, 603
400. Transportation	9, 160, 000	−4, 214
450. Community and regional development	48, 758	49, 654
Committee total	24, 238, 337	1, 876, 043
House Science and Technology Committee:		
250. General science, space, and technology	5, 719	5, 656
270. Energy	20	20
300. Natural resources and environment	12, 171	12, 171
Committee total	17, 910	17, 847
House Small Business Committee:		
450. Community and regional development	1, 000	0
Committee total	1, 000	0
House Veterans' Affairs Committee:		
700. Veterans benefits and services	1, 089, 619	623, 516
(New entitlement authority)	(629, 000)	
Committee total	1, 089, 619	623, 516
House Ways and Means Committee:		
500. Education, training, employment, and social services	740, 148	0
(New entitlement authority)	(756, 000)	
550. Health	35, 745, 000	31, 209, 181
600. Income security	134, 452, 815	130, 135, 032
(New entitlement authority)	(42, 000)	
800. General government	4, 320	4, 099
850. General purpose fiscal assistance	306, 000	306, 000
900. Interest	65, 326, 000	65, 326, 000
Committee total	236, 574, 283	226, 980, 312
Unassigned to committees:		
050. National defense	−434, 201	−434, 201
150. International affairs	−9, 813, 216	−9, 730, 004
250. General science, space, and technology	46, 705	−3, 073
270. Energy	−1, 192, 014	−1, 192, 014
300. Natural resources and environment	−2, 210, 815	−2, 210, 815
350. Agriculture	−62, 669	−62, 669
370. Commerce and housing credit	−139, 338	−235, 925
400. Transportation	−522, 989	−522, 989
450. Community and regional development	−372, 302	−469, 802
500. Education, training, employment, and social services	−15, 577	−15, 577
550. Health	−7, 988, 416	−7, 988, 416
600. Income security	−3, 408, 965	−3, 408, 965
700. Veterans benefits and services	−542, 906	−542, 906
750. Administration of justice	−8, 911	−8, 911
800. General government	−10, 765, 765	−10, 750, 352
850. General purpose fiscal assistance	−4, 594, 436	−4, 586, 436
900. Interest	−9, 333, 828	−9, 334, 277
950. Undistributed offsetting receipts	−19, 700, 000	−19, 700, 000
Committee total	−71, 059, 643	−71, 197, 332

R. N. GIAIMO,
LUD ASHLEY,
PAUL SIMON,
NORMAN Y. MINETA,
JAMES JONES,
STEPHEN J. SOLARZ,
WILLIAM M. BRODHEAD,
TIMOTHY E. WIRTH,
LEON E. PANETTA,
RICHARD GEPHARDT,

Managers on the Part of the House.

EDMUND S. MUSKIE,
WARREN G. MAGNUSON,
ERNEST HOLLINGS,
LAWTON CHILES,
JOSEPH BIDEN,
BENNETT JOHNSTON,
JAMES SASSER,
HENRY BELLMON,
PETE V. DOMENICI,
BOB PACKWOOD,
RUDY BOSCHWITZ,

Managers on the Part of the Senate.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, D.C., May 10, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Public Works and Transportation has approved the following work plan transmitted to you which was referred to this Committee:

State: Texas; project: Upper San Marcos River; Exec. Comm. 1437; 96th Cong. approved, May 9, 1979.

Sincerely,
HAROLD T. (BIZZ) JOHNSON,
Chairman.

FARM LABOR CONTRACTOR REGISTRATION AMENDMENTS OF 1979

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, today I am introducing the Farm Labor Contractor Act Amendments of 1979 in order to clarify several sections in the Farm Labor Contractor Act of 1963 which have been consistently misinterpreted by the Department of Labor. This misinterpretation has resulted in numerous lawsuits as well as general confusion throughout the agricultural community over the issue of who is and who is not a farm labor contractor under the law.

In fact, the law has been interpreted so broadly that small farmers who obtain farm labor solely for use on their own farms are being forced to comply with complicated registration forms, maintain detailed records, and are subject to a variety of investigations and inspections. In this time of increasing concern about Government intervention in all aspects of our lives, something must be done to put a halt to this harassment by the Federal Government.

Although I fully believe that agricultural workers must be protected from abuse by unethical crew leaders, I am convinced that the Congress did not intend to disrupt family farmers by adding significant costs and time-consuming procedures to their day-to-day operations. During consideration of the 1974 amendments to FLCRA, dialog on the House and Senate floors and the committee report make it clear that it was Congress' intent to protect migrant agricultural workers against the abuses of crew leaders. However, in the ensuing regulations, the Department of Labor expanded its impact to cover virtually all agricultural employment. In other words, as things stand now, almost every farmer is considered a farm labor contractor and thus is subject to the confines of incredibly complicated rules and regulations. That was not the intent of the original law.

One example of the type of situation that exists today has to do with the Department of Labor's interpretation of the term "farmer." Congress clearly intended that farmers who obtain farm labor solely for their own farms would be exempt from the act. But the Department has concluded that many farmers are not exempt from the act because they are incorporated. In August 1977, the U.S. district court in Fresno ruled that incorporated farmers do qualify for the exemption, but the Department still has not changed its position.

Since its inception in 1963, farmers everywhere have expressed concern about how the Department of Labor was administering the Farm Labor Contractor Act. Testimony at hearing after hearing reflects the growing anger being voiced by family farmers who feel they are literally being forced out of business by unnecessary Government regulation. The act was promulgated by legitimate complaints from migrants who were being abused by farm labor contractors who had a history of abusing and taking wrongful economic advantage of their employees. But every small family farmer in this country was not to be covered by this legislation.

My bill corrects and clarifies several areas of the FLCRA law which have frustrated family farmers for the last 15 years. I urge my colleagues to join with me in taking action to see that this unacceptable situation is rectified in the near future.

The text of the bill follows:

H.R. 4151

A bill to amend the Farm Labor Contractor Registration Act of 1963, as amended, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Labor Contractor Registration Act Amendments of 1979."

SEC. 2. Section 3(b)(1) of the Farm Labor Contractor Registration Act of 1963, as amended, is amended by inserting the word "or" between the words "nonprofit" and "charitable".

SEC. 3. Section 3(b)(2) of such Act is amended by striking the word "personally" and by inserting immediately prior to the semicolon the following ", including its planting, cultivating, or harvesting of crops to be grown, processed, canned, ginned, or packed in or diverted from its own operation".

SEC. 4. Section 3(b)(3) of such Act is amended by inserting the words "bona fide" before the word "full-time" and before the word "regular" and striking the language "on no more than an incidental basis".

SEC. 5. Section 3(c) of such Act is amended by striking the word "includes" and substituting therefore the word "means" and inserting immediately after the word "consideration", the language "in excess of the actual cost of providing such services".

SEC. 6. Section 3(d) of such Act is amended by striking out all that follows (26 U.S.C. 3121(g)) and substituting therefor a period.

SEC. 7. Section 3(g) of such Act is amended by inserting the language "on a seasonal or other temporary basis" after the reference to the Fair Labor Standards Act of 1939 (29 U.S.C. 203(f)), and by inserting immediately before the period, the language "and who is transported from and to his or her permanent domicile each work day in a vehicle owned or controlled by a farm labor contractor, or who cannot regularly return to his or her permanent domicile each day after working hours".

SEC. 8. Section 3 of such Act is further amended by adding new subsections "(h)", "(i)", "(j)", and "(k)" to read as follows:

"(h) The term 'transport' means to own or to control either directly or indirectly, the vehicle or conveyance in which migrants are transported under such circumstances as would impose legal liability for the operation of that vehicle or conveyance upon the individual or entity owning or controlling it.

"(i) The term 'bona fide full-time employee' means an employee who is employed the year around by any entity referred to in subsection (b)(1) or (b)(2) of this section.

"(j) The term 'bona fide regular employee' means an employee who is regularly employed on a seasonal basis by any entity referred to in subsection (b)(1) or (b)(2) of this section and who engages in such activity solely for his employer.

"(k) The term 'agricultural cooperative' means a nonprofit corporation or agricultural cooperative organized and controlled by its members, all of whom are producers of agricultural products, and which renders services to such members on a nonprofit basis."

SEC. 9. Section 14 of such Act is amended by striking out all that follows "law" and substituting therefor a period.

LEADERS OF MEXICO, CANADA, AND UNITED STATES SHOULD MEET TO DISCUSS ENERGY NEEDS

(Mr. STANGELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STANGELAND. Mr. Speaker, the recent gasoline and diesel shortages emphasized the critical situation that is currently confronting our country due to the growing shortfall between domestic petroleum production and consumption. It also reaffirms the need for an energy policy that accurately reflects both our short- and long-range requirements. As the consumer is directly confronted by such problems, the prevailing attitude in the United States and other oil importing countries is that we are helpless in our efforts to deal with the OPEC cartel. This attitude is bolstered by the increased dependence placed on this foreign oil monopoly by the United States in order to meet its domestic energy requirements.

In 1959, for example, the United States received 70 percent of its oil imports from countries that make up the Organization of Petroleum Exporting Countries. In 1978, the United States received 83 percent of its crude oil imports from these same countries. According to the Department of Energy, crude oil and petroleum products imports from OPEC members have increased, on the average, 20 per. cent per year since 1970. In 1978, petroleum imports supplied 44 percent of U.S. demand as compared to the 1970 figure of 23 percent.

An unhealthy dependence on foreign crude oil absent positive action to reverse this trend poses a serious national security risk to the United States and the rest of the free world. Cabinet-level warnings to both Presidents Ford and Carter have not been sufficiently heeded by the Federal Government or the general populace, as evidenced by our increasing reliance on foreign oil sources halfway around the globe. For these reasons, it is imperative that strong steps be undertaken to alter this destructive policy we are currently pursuing. The United States, in conjunction with other oil-consuming countries, must avoid succumbing to the idea that crude oil is mysteriously exempt from the forces of supply and demand and that we, as oil consumers are slaves to the unrestrained dictates of OPEC.

It is with these concerns in mind that I am introducing a concurrent resolution, to be offered by Senator ROBERT DOLE in the Senate; urging the President to call upon the leaders of Mexico and Canada to convene a North American summit meeting on energy. During this meeting, each nation will be provided a forum so that discussions can be held on mutual and individual energy problems facing the North American Continent. By these discussions, it is hoped that the United States, Mexico, and Canada, as equal partners, will establish a coordinated North American energy policy to address the needs of the continent and thereby strengthen each nation.

The primary benefit to be derived from such an energy summit will be a unified effort addressing energy issues on an international basis, rather than selfishly approaching these concerns on a national level. The OPEC member nations offer a very good example of the benefits that may accrue to a group of nations that band together in order to increase their bargaining position in the world market.

Additionally, the outcome of this summit meeting could benefit Mexico by providing stable markets for its developing oil industry while, at the same time, alleviating growing Canadian and American dependence on unstable Persian Gulf crude oil. Furthermore, such a meeting would afford transportation and refining advantages to all countries involved, coordinate efforts between the three countries regarding the development of alternative energy sources, improve diplomatic relations, and, most importantly, strengthen the North American Continent as a political, economic, and trading partnership.

Therefore, I ask for the support of all Members so that positive action may be taken to address our energy problems. Strong bipartisan support for this and other energy initiatives will demonstrate to the President and the Nation that Congress is willing to make the hard choices by confronting our energy problems and acting decisively to correct them.

TAX RELIEF FOR SINGLE TAXPAYERS AND WORKING MARRIED COUPLES

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WHITEHURST. Mr. Speaker, I have reintroduced legislation in this Congress which would significantly reduce the inequities of our tax laws as they apply to the overwhelming majority of our country's taxpayers, who are presently overtaxed by conservative estimates of $3 billion annually.

My bill, H.R. 2077, would, in large measure, remove the discriminatory nature of the manner in which taxes are levied, particularly as they apply to single persons and married couples in which both partners work. This legislation would extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns on a single income.

In addition, my legislation would finally give those married couples, in which both parties work, a much fairer rate of taxation than now exists. At present, this large and rapidly expanding segment of the taxpaying public is, in many cases, more highly taxed than two single persons earning the same income and living together.

The bill I have introduced proposes a substantial tax cut for single persons and married couples, in which both partners are employed. In the latter category alone, there are approximately 44 million individuals who stand to benefit from this legislation.

Much has been made in the past decade of the so-called marriage tax or marriage penalty, which unfairly penalizes the married couple composed of two career-minded individuals. The magnitude of this issue becomes increasingly obvious as more and more women join the labor force. The figures for the past year show that 50 percent of all women are in the labor force and that they now make up 42 percent of all workers in the United States. In the 20-year period from 1956 to 1976, the labor force participation of married women doubled from 11 million to 22 million. In many cases, women are joining the labor force out of necessity in order for their families to continue to maintain their accustomed life styles.

As the emergence of women into the labor force has been clearly defined, our tax laws have not kept pace with this phenomenon. Far from it; our tax laws do nothing to encourage the two-career-minded couple from reaching their potential in professional life or the non-working spouse who decides to work a part-time job to supplement the family's income. These millions of taxpayers are growing increasingly bitter and disillusioned as they observe the growing gap in the degree of work and sacrifice they expend and the amount of tax dollars they must pay. I refuse to believe that it is simply coincidental that the rate of persons of the opposite sex living together outside of marriage has risen by 80 percent since 1970. At present, there are approximately 2 million persons living with an unrelated person of the opposite sex. To that I would add that it is small wonder that the number is not far higher in light of the inequities built into the tax laws of this country.

Indeed, the married couple in which each partner wishes to pursue a career is sometimes even driven to divorce to shelter themselves from the voracious appetite of the Internal Revenue Service. In effect, what the tax laws are saying to the spouse of a married couple who chooses to enter the labor force is that he/she will have to pay extra taxes for the right to work while maintaining a marriage. One reason for this is that since all of the income reported on a joint return is combined for purposes of taxation rather than taxed according to the individual rates which apply to the earner, each dollar earned by secondary workers in the family is taxed at that family's marginal or highest tax rate.

The married couple with two workers is also penalized by the social security system. Since all payments into the system are based on individual earnings, although benefits are predicated on a per family basis. Once the one-earner family passes the taxable base it pays nothing further into the system. This is not true with the two-earner family, which can pay to a maximum of double the amount of a one-earner family.

While much has been heard of the "marriage tax," let us not overlook by any means the cries of single taxpayers, on whom we continue to heap a disproportionate share of taxes. Their angry pleas are familiar around the Halls of Congress and will certainly grow in intensity until we take positive steps to alleviate this condition.

What I am proposing before this Congress is to apply the same tax rate schedule to every individual's income, regardless of marital status. I believe the most fair and equitable way to achieve this is to require all taxpayers to utilize the current tax rate scheldule Y for married individuals filing joint returns and qualifying widows and widowers.

Clearly, I believe, this is the most equitable course on which to proceed, as evidencd by the examples set forth here.

Using the 1979 tax rate schedules, a single person whose taxable income is $30,000 now pays $7,434 in taxes. My bill would reduce this person's tax bill by $1,196 to $6,238.

A married couple in which both partners earn $15,000 now pay $6,238 in taxes. My bill would cut this couple's taxes by $2,128 to $4,110, or the same amount paid by two single persons who pay a total of $5,210 on their incomes.

For the married couple with one income, taxes would remain the same under my legislation.

So, too, would my bill benefit singles filing as heads of households. A widowed, divorced, or single parent earning $30,000 now pays $7,363 in taxes—$1,125 more a year than the married couple with one income.

I urge this Congress to recognize these long-ignored inequities in our system of taxation that affect so many millions of people. It has been said that "To tax and to please, no more than to love and to be wise, is not given to men." I would add, that as in love, we should never stop trying.

WE NEED TO SEEK ALTERNATIVE SOURCES OF ENERGY

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, this country is staring intently at the probability of 90 cents a gallon for home heating oil this coming winter. No longer can we afford to look just at the shortage of gasoline this driving season. But rather, we must concern ourselves with the long-term consequences of this Nation's energy crisis.

Speculation runs rampant on the question of why we are currently experiencing and will continue to experience this dislocation of petroleum products, as well as the rapid increase in price. The answers range anywhere from the Iranian shortfall coupled with an unusually cold winter of 1978 to the Department of Energy playing mistress for the American Petroleum Institute.

Mr. Speaker, it is my firm belief that the oil companies have capitalized on the plight of the consumer. They have anticipated the rise in the price of the refined petroleum product once decontrol begins on June 1, unless this body takes positive action to prevent it from occurring. They are treating this energy dilemma with the same attitude OPEC nations are. That is, since the United States possesses only 28 billion barrels of crude in reserves, a nonrenewable resource, maybe the supply should be rationed and thus increase prices. Aren't we experiencing the same arrogance with Exxon, Mobil, and others as we are with OPEC. We must call into question the tactics of Exxon's Garvin as we did Iran's Ayatollah.

I find it very difficult to reconcile these long lines at gasoline stations with the notion that because of Iranian shortfall of 5 percent, a cold winter last year, an increased demand for gasoline by 3 percent, that we have much less petroleum available. Why haven't the oil companies recognized the gravity and alleviated the problem through increased production of its "old" oil. They complain that they are only refining at 85 percent of capacity, rather than the typical 92 percent, because of a lack of crude oil. If they were refining at 92 percent, then there may be a flicker of light at the end of this petroleum-deficient pipeline.

However, it is obvious to this Member, that regardless of how much more petroleum the domestic companies extract, yearly increased demand for energy would certainly outstrip it. Therefore, this country must continue to seek alternative sources of energy.

HOUSE RADIO-TV GALLERY MARKS 40TH ANNIVERSARY

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Speaker, 40 years ago, on May 20, 1939, the House Radio Correspondents Galley began operating and I wish to take this opportunity to congratulate the members of what is now the Radio and Television Galley on this anniversary.

It is appropriate to bring the attention of the House to this anniversary at this time, for the deliberations of the House have recently been opened to television coverage. a move that had its origin in the establishment of the Radio Gallery 40 years ago.

Mr. Speaker, today, when we look at the Radio-TV Gallery and its distinguished roster of members representing scores of radio and television stations throughout this country and abroad, it is hard to imagine the furor that accompanied its establishment.

There was opposition, not only from some Members of the House of Representatives, but even greater opposition from some members of the press who sought to keep exclusively for themselves the right to a gallery from which they could report the news of the House. Today, of course, we know that most Americans cite radio and television as their primary source of news.

Mr. Speaker, the catalyst that set in motion the events leading to the establishment of a separate radio gallery was the ouster of a noted correspondent, Fulton Lewis, Jr., from membership in the writing press gallery because he embraced radio as a serious forum for news. At that time only the writing press were allowed facilities in the House of Representatives.

Suddenly finding himself with no place to work, no place to take notes in the chamber, Mr. Lewis, joined by a few others in the still-young field of radio news, sought out Representative John J. Dempsey of New Mexico, who drafted House Resolution 169. On April 20, 1939, with Speaker William B. Bankhead of Alabama presiding, this resolution, which established the Radio Gallery, was adopted.

That first gallery in the House was soon followed by similar facilities in the Senate, the White House, and other departments and agencies of the Government.

The superintendent of that first Radio Gallery, Mr. Speaker, was the late Robert Menaugh from my own State of Indiana. Mr. Menaugh, whom some of the more senior Members may still remember, served in that post for 35 years.

From its first small office, part of which is now occupied by the Rules Committee, the Radio-TV Gallery has grown into a thriving beehive of studios, work booths, and electronic equipment occupying space in the Capitol and the Rayburn Office Building.

From a membership of just 26 reporters in 1939, the Radio-Television Gallery Association now boasts a membership of nearly 1,000. One of these original 26, Steve McCormick, still holds his accreditation in the Radio-TV Gallery.

Mr. Speaker, the names of radio and television correspondents who have either chaired the gallery's executive committee or have used its facilities reads like a "who's who" of pioneers in broadcasting journalism. Among them were Walter Cronkite, Joseph McCaffrey, David Brinkley, Steve McCormick, Eric Sevareid, H.R. Baukhage, Fulton Lewis, Jr., Bill McAndrew, Julian Goodman, Elmer Davis, Bill Henry, Gunnar Back, Ray Henle, Ann Corrick, Elmer Lower, Robert Fleming, Richard Harkness, Ray Scherer, Bryson Rash, Rex Goad, Earl Godwin, Robert McCormick, Frank Edwards, Robert Hurleigh, Edward P. Morgan, Bill Monroe, and Al Warner. A complete list of the names of the executive committee's chairpersons will appear at the end of these remarks.

Mr. Speaker, although we, as Members of the House, have not always agreed with our colleagues from the broadcast media in their interpretations of this institution, we should recognize some of the obstacles they have had to overcome, including the ban that for 17 years prevented them from using radio and television equipment during committee hearings. This prohibition was only lifted in 1970, thanks in large part to the efforts of our former colleague, the Hon. B. F. Sisk of California.

Although one can always argue over how responsible the members of the radio-TV gallery have been in meeting their responsibilities to bring to the American people the news of Congress, we can all recall how well the challenge of the impeachment hearings was met by the electronic media.

In the continuing development of the relationship between the House of Representatives and the representatives of the electronic media, it is important for us to recognize the need of television and radio reporters for both sophisticated equipment and backup personnel in order to do their job—cameras, tape recorders, lights, sound technicians, field producers, and couriers. Often we in the House become impatient with the demands these requirements place upon us but, as we learned in instituting the system for televising the House, this equipment is necessary.

Mr. Speaker, I would like now to conclude these remarks by listing the presidents of the Radio and Television Correspondents Association sinces its founding in 1939:

Fulton Lewis, Jr., 1939–40.
Albert L. Warner, 1940–41.
H. R. Baukhage, 1941–42.
Fred W. Morrison, 1942–43.
Eric Sevareid, 1943–44.
Earl Godwin, 1944–45.
Richard Harkness, 1945–46.
Rex R. Goad, 1946–47.
William M. (Bill) Henry, 1947–48.
Albert L. Warner, 1948–49.
Elmer Davis, 1949–50.
William R. McAndrew, 1950–51.
Willard F. (Bill) Shadel, 1951–52.
Hollis M. Seavey, 1952–53.
Martin Agronsky, 1953–54.
Richard Harkness, 1954–55.
William Costello, 1955–56.
Joseph F. McCaffrey, 1956–57.
Robert F. Hurleigh, 1957–58.
Edward P. Morgan, 1958–59.
Julian Goodman, 1959–60.
David Brinkley, 1960.

Lewis W. Shollenberger, 1960–61.
Ann M. Corrick, 1961–62.
Robert H. Fleming, 1962–63.
William B. Monroe Jr., 1963–64.
Wells Church, 1964–65.
Stephen J. McCormick, 1965–66.
Roger H. Mudd, 1969–70.
Charles Warren, 1970–71.
Joseph F. McCaffrey, 1971–72.
Robert E. Clark, 1972–73.
Frank J. Jordan, 1973–74.
Marya McLaughlin, 1974–75.
William Greenwood, 1975–76.
Robert F. Foster, 1976–77.
Paul Duke, 1977–78.
Joe Benton, 1978–79.
Phil Jones, 1979–80.

☐ 1230

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject which I have just discussed.

The SPEAKER pro tempore (Mr. BENNETT). Is there objection to the request of the gentleman from Indiana?

There was no objection.

TRIBUTE TO THE LATE A. PHILIP RANDOLPH

The SPEAKER pro tempore (Mr. BRADEMAS). Under a previous order of the House, the gentleman from California (Mr. HAWKINS) is recognized for 60 minutes.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Speaker, the passing of A. Philip Randolph marks the end of the era of the civil rights giants even as the emerging features of a social revolution in economic thought and practices are being tested within the conflicting context of human rights.

Randolph's place in the kaleidoscope which has marked these hectic years since Reconstruction has transcended the remarkable changes which his philosophy and strategy foreshadowed with timeless applicability.

From a young street orator in Harlem to the most outstanding black leader of his era, Randolph packed into his 90 years one of the most distinguished careers in human history marked by pathos, tenacity, idealism, courage, success, and asceticism.

Randolph was born in Crescent City, Fla., on April 15, 1889, of devout religious parents. In 1911 he moved to New York City where he rapidly tried his hand and talents to drama, politics, newspaper publishing, and various attempts to organize low-income workers such as elevator operators and waiters.

In 1925 he was approached on what was to become his lifetime mission, organization of the railroad porters who at the time were among the most exploited and subservient workers in the American economy.

Designating their oppressed class, the porters were variously called "boy" George, "darky," and with equal scorn, pathetically underpaid, overworked, and their manhood rights disregarded.

To Randolph, organization of the black masses was the first and basic essential to securing dignity and freedom. As he said—

> The only rational conclusion, then, seems to be that the Negro and the other darker races must look to themselves for freedom. Salvation for a race, nation, or class, must come from within. Freedom is never granted; it is won. Justice is never given, it is exacted. Freedom and justice must be struggled for by the oppressed of all lands and races, and the struggle must be continuous, for freedom is never a final fact, but a continuing evolving process to higher and higher levels of human, social, economic, political and religious relationships.

But once assured of this sound basis it was his philosophy and strategy to combine with natural allies eschewing isolation from the mainstream of American economic, political and social life.

In his words—

> Negroes must not fight for their liberation alone. They must join sound, broad, liberal, social movements that seek to preserve American democracy and advance the cause of social and religious freedom.

In 1937, after 12 years of struggle, the Brotherhood of Sleeping Car Porters signed the first agreement ever to be signed by a black union with a major corporation.

At last, they had won the battle against a vicious spy system, ruthless firing of its members, and exploitation as railroad workers against the financial resources of the Pullman Co. and its company's union, against race bigotry in the organized labor movement, against the Great Depression of the 1930's, and often against an almost overwhelming array of other black leaders, newspapers, and organizations paid to break up the porters' efforts at self-organization.

It was then on the crest of this victory led by porters that blacks began to carry on the fight against other discriminatory barriers in employment, the schools, Armed Forces, unions, and Government.

Randolph, himself, at long last gained the recognition and leadership his integrity and brilliant organizational qualities had earned. For several decades, he was to stand preeminent in his influence and to set the stage for other victories.

On August 28, 1963, in the march on Washington, his strategy was put to the test and it triumphed.

Speaking at the Lincoln Memorial on that memorable day as the senior black statesman, his words were truely prophetic of a day when benign neglect and reactionary economic policies would be thrust forward.

> Let the nation and the world, said he, know the meaning of our numbers . . . We are the advance guard of a massive moral revolution for jobs and freedom . . . But this civil rights revolution is not confined to the Negro, nor is it confined to civil rights, for our white allies know that they cannot be free while we are not, and we know we have no future in a society in which six million Black and white people are unemployed and millions live in poverty . . . It falls to the Negro to reassert (this) priority of values, because our ancestors were transformed from human personalities into private property. It falls to us to demand full employment and to put automation at the service of human needs, not at the service of profits . . . all who deplore our militancy . . . are in fact supporting segregation and exploitation. They would have social peace at the expense of social and racial justice.

In such times it is well that we heed the admonition of Frederick Douglas,

> Greatness does not come on flowery beds of ease to any people. We must fight to win the prize. No people to whom liberty is given, can hold it as firmly and wear it as grandly as those who wrench their liberty from the iron hand of the tyrant. The hardships and dangers involved in the struggle give strength and toughness to the character, and enable it to stand firm in storm as well as in sunshine.

Such strength and toughness added to the greatness of A. Philip Randolph.

MEMORIAL TO A. PHILIP RANDOLPH

● Mr. PHILLIP BURTON. Mr. Speaker, the death of A. Philip Randolph on Wednesday, May 16, 1979, in New York City, is a loss to the entire Nation.

A. Philip Randolph was a proud and dignified person who had accomplished immeasurable breakthroughs in the seeking of justice and equality for the poor, the working class, and minorities in this Nation.

His belief in the achievement of change through peaceful means provided the foundation of his work in bringing about racial equality in the recent history of the United States.

As an elevator operator and a railroad porter in the early 1900's, Randolph began his efforts to organize and improve the working conditions of his fellow workers.

In 1925, Randolph organized the Brotherhood of Sleeping Car Porters, the first black union which was granted a charter by the American Federation of Labor (AFL). When the AFL merged with the Congress of Industrial Organizations (CIO) in 1955, his efforts in behalf of black Americans were instrumental in persuading the AFL–CIO to ban discrimination in unions. Two years later, Randolph served as vice president of the AFL–CIO.

Randolph was among the first to use economic power to better the circumstances of blacks. In addition to his organizing efforts, he was instrumental in the opening of war industries in World War II to black workers, and helped to persuade President Harry S. Truman to end segregation in the armed services.

Randolph organized five civil rights marches on the Nation's Capitol. His first, in 1941, was to persuade President Franklin D. Roosevelt to end discrimination against black workers in war industries. The last was the August 1963, march led by the late Dr. Martin Luther King, Jr. This demonstration was an important factor in the passage and enactment of the 1964 Civil Rights Act, outlawing discrimination in public places of accommodation, employment, and unions.

Randolph was also involved with the desegregation in America's public school systems and his marches in 1958 and 1959 to Washington reflected that concern.

It is uncanny that his death should have occurred on the eve of the 25th anniversary of the U.S. Supreme Court's decision in the Brown against Board of Education case which outlawed the separate-but-equal standard prevalent in many of the country's public school systems.

Randolph's life-long dedication to establishing a just and equal society was recognized by the AFL–CIO in 1965 when the union provided a grant to establish the A. Philip Randolph Institute. The institute, with 185 chapters in 35 States, was established to carry out Randolph's ideas and philosophy throughout the Nation.

The greatness of A. Philip Randolph is seen in the progress of the country toward the realization of an equal and just society. Randolph raised the consciousness of Americans, black and white alike, and encouraged, rather than shoved, the Nation forward.

When future generations of Americans study the country's history and the contributions of great men and women in the development of the United States, I know that A. Philip Randolph will be featured prominently among them.●

● Mr. WEISS. Mr. Speaker, I am proud to join in this special tribute today to one of the great historical figures of the 20th century, A. Philip Randolph.

In many ways, A. Philip Randolph was far ahead of his time. It is both ironic and completely in keeping with his visionary qualities that many of the causes. A. Philip Randolph espoused decades ago became rallying points for millions of Americans only in the recent past. A. Philip Randolph never allowed the temporary unpopularity of a particular position dissuade him from advancing it. He knew his struggle was just. He lived his ideals.

A. Philip Randolph was widely known and respected for his outstanding work on national civil rights and labor issues. He has been aptly eulogized as a man who changed the course of American history and helped his nation heed the principles of equality and freedom upon which it was founded.

A. Philip Randolph was surely a national and, indeed, a global figure. I knew him most closely, however, throughout joint efforts in New York City.

In 1962, for example, I had the privilege to work with A. Philip Randolph in the successful campaign to raise the minimum wage for municipal employees to $1.50 an hour.

I fought alongside him in 1964 and 1965 in the movement to create a Civilian Review Board in New York to investigate the excessive and unnecessary use of force by the police. He was an ardent and tireless supporter of this effort to insure full police accountability.

And A. Philip Randolph was, as we all know, one of the moving forces behind the 1963 mass march on Washington. I was proud to be associated with him in the organization of that historic event.

Indeed, I was so proud of his commitment to social justice that when my son Stephen was born on February 10, 1964, he was given the middle name Randolph.

In expressing my own sorrow at A. Philip Randolph's passing, I want to express special condolences to the distinguished civil rights leader Bayard Rustin, executive director of the A. Philip Randolph Institute and a long time friend and colleague of Mr. Randolph. We have all suffered a great loss. Bayard Rustin's loss is, however, the greatest.

Mr. Speaker, I believe that when future generations examine the social movements of our century and when they analyze the course of the civil rights struggle, Asa Philip Randolph will be recognized as a singular contributor.

A militant pacifist, an undaunted believer in social equality, and a most warm and personable human being, A. Philip Randolph will long be an inspiration to Americans and all peoples.

I mourn his passing. Individuals of his talent and dedication are exceedingly rare.●

● Mrs. COLLINS of Illionis. Mr. Speaker, on May 16, our Nation mourned the death of A. Philip Randolph, a man who successfully fought in the battles against injustice and discrimination in our society.

In 1925, this man was outraged and unwilling to accept the exploitation of black men who were employed as sleeping car porters. Because of widespread racism, black men had few employment options. The railroads realized this fact and felt that they could impose unfair working conditions, while receiving no resistance. They underestimated the power of A. Philip Randolph. With the knowledge that in unity there is strength, Randolph organized the Brotherhood of Sleeping Car Porters, which became the first black union to be granted a charter by the American Federation of Labor-Congress of Industrial Organizations (AFL–CIO).

Despite reprisals from the Pullman Co. and resistance from the segregated railroad unions, Randolph was undaunted. He moved his fight for equal employment opportunity to the AFL–CIO and with rational, factual arguments, persuaded them to ban discrimination in unions. His lucid thinking and desire to improve workplace conditions for all workers was recognized, and in 1957, he became an AFL–CIO vice president.

During World War II, Randolph was at the forefront of efforts to open war industries to black workers and to desegregate the armed services. The success of the 1963 "march of Washington" and the resultant passage of the Civil Rights Act of 1964 was due in a very large part to Randolph's brilliant, time-tested organizational skills.

A. Philip Randolph never wavered from his comitment to rectify that which was unjust and to change it peacefully. We can all learn from this man who knew what had to be done—and did so without fear of the consequences.●

● Mrs. CHISHOLM. Mr. Speaker, Asa Philip Randolph was a magnificent American leader who devoted his life's energies to the realization of moral goals in our society. He sought out the best in mankind, nurtured it and promoted the positive actions of all people. He refused to bend to the winds of violent change, standing instead for the achievement of change through peaceful means.

His life is a model for all Americans to follow if they seek to change society, to improve it, and to realize that which is good in all men.

His strength flowed from his faith in God, and it never ebbed.

His contribution to America stands tall and strong, unaffected by the blowing winds of sand. For his is a contribution of originality, of perseverance, of very life itself, flowing throughout our thinking, affecting our institutions, our organizations, our culture, moving in and out and around our daily lives, touching us in many unseen but strongly felt ways.

Asa Philip Randolph was an American of color who recognized the full spectrum of life culture. He was a magnificent American leader.

Mr. Randolph's early organizing of the International Brotherhood of Sleeping Car Porters broke the barriers of resistance in America's business and labor groups. And he stood in dignity before presidents and the powerful, persuading through his moral example.

He began a struggle and set a course of action which we must follow. The struggle is a continuing effort to affirm the dignity of all men and women who are exploited, poor and powerless—the downtrodden in society.

He withstood the arrows of hatred and racism with faith and hope his armor. As he said a few years ago:

> I don't ever remember a single day of hopelessness. I knew from the history of the labor movement, and especially of the black people, that it was an undertaking of great trial. That, live or die, I had to stick with it and we had to win.

That is A. Philip Randolph. Moral leader, organizer, a man of principle and vision.

He may well be gone but his life lives on through us all. He was a magnificent American leader.●

● Mr. DELLUMS. Mr. Speaker, I rise today to speak with awe and reverence about the passing of an extraordinary human being. Asa Philip Randolph, born on April 15, 1889, in Crescent City, Fla. Died on Wednesday, May 16, 1979, in New York City. A fantastic man of warmth, compassion, intellect, and integrity. A giant among men. A Titan in the movement for racial and economic justice. An authentic American hero by any criterion of judgment.

And yet, how tragic it is that he will be honored more in death than he ever was in life. How tragic that he is a virtual unknown to hundreds of millions of his fellow Americans of all colors, creeds, and classes, despite his lifelong efforts to advance the cause of all humanity in this country and around the world.

A. Philip Randolph made his life's work the cause of promoting brotherhood and sisterhood for all. A native of the Deep South, he moved north to New York City on the eve of the First World War. There, inspired by the activities of pacifist socialists such as Eugene V. Debs and others, he became an outspoken opponent of the madness that was that war and the American intervention in it.

Together with Chandler Owen, he began publishing the Messenger, which claimed on its masthead that it was "The Only Racial Negro Magazine in America." They were arrested for their pacifist writings, and so the Messenger joined an elite list of American periodicals which were confiscated by the Post Office under the suspicion of seditious activity against the Government. In his later years Mr. Randolph reminisced that the only factor which kept him from a very lengthy sentence in a Federal prison was the judge's expressed doubt that black men were not intellectually capable of writing such militant prose.

From his earliest days as a writer and labor union organizer, Mr. Randolph was a committed integrationist, a man who insisted on "as much contact and intercourse—social, economic, and political—as is possible between the races." As he said so often: "The principle of social equality is the only sure guarantee of social progress."

Mr. Randolph was perhaps best known, and deservedly so, for his courageous crusade as the head of the Brotherhood of Sleeping Car Porters and the Negro Labor Committee to promote true integration among all the unions under the national umbrella of the American Federation of Labor. With the aid of the equally courageous John Brophy of the United Mine Workers and Mayor Fiorello LaGuardia of New York City, Randolph succeeded in slowly converting the national union leadership to the cause of equality and economic justice for all.

Through the vehicle of the march on Washington movement, Mr. Randolph played a key role in forcing President Franklin D. Roosevelt to issue Executive Order No. 8802 on June 25, 1941. Using the slogan "Democracy Not Hypocrisy—Jobs Not Alms" Randolph and Walter White of the NAACP triumphed over the arguments of F.D.R.'s Secretary of War, Henry L. Stimson, and the Secretary of the Navy, Frank Knox, both of whom favored the continued segregation of the Armed Forces and the defense industries. Roosevelt's order did not desegregate the Armed Forces, but it did stipulate that all employers, unions, and Government agencies "concerned with vocational and training programs" must "provide for the full and equitable participation of all workers in defense agencies, without discrimination because of race, creed, color, or national origin." To implement this order F.D.R. then established the Committee on Fair Employment Practices (FEPC)—the first concerted effort by Government in 20th century America to provide some semblance of economic justice for its nonwhite minorities.

Black men died by the thousands in World War II, but even then they were not considered worthy enough for integrated military service. So, in the spring of 1948, though still a committed socialist and pacifist, Mr. Randolph again took the helm of leadership for the cause of desegregation in the Armed Forces. In a meeting at the White House with President Truman on March 22, 1948, he frankly told the President that:

> In my recent travels around the country I found Negroes not wanting to shoulder a gun to fight for democracy abroad unless they get democracy at home.

In testimony before the Senate Armed Services Committee that spring he went even further, saying:

> I personally pledge myself to openly counsel, aid, and abet youth, both white and Negro, to quarantine any Jim Crow conscription system. When chided by then Republican Senator Wayne Morse of Oregon, that this might constitute a treasonous act in time of war, Mr. Randolph unflinchingly replied: "I would be willing to face that . . . on the theory . . . that we are serving a higher law than the law which applies to the act of treason.

Reflect for a moment upon the integrity and courage of that statement, given under oath, and contrast it with an earlier statement made to the same committee by the most popular American of the time, Dwight D. Eisenhower, who said,

> I do not believe that if we attempt merely by passing a lot of laws to force someone to like someone else, we are just going to get into trouble.

And reflect for another moment on the changes wrought in Senator Morse's thinking which caused him over the next 20 years to become—and remain until his death—the most outspoken congressional opponent of any American involvement in the Indochina wars.

Harry Truman, to his eternal credit, rather than pander to the prejudice of the past, looked to the promise of the future when he overrode his Cabinet officers and generals in issuing Executive Order No. 9981 on July 26, 1948. This landmark decree initiated the desegregation of the Armed Forces and set the psychic and cultural parameters for the Supreme Court decision of May 17, 1954, which began the process of school desegregation.

Mr. Speaker, I have offered this historical sketch in the hope that my colleagues and all Americans may learn something about the essence of courage and commitment in the lives of ordinary men made great by their willingness to challenge the injustice of past and present history. Asa Philip Randolph was such a man.

Because of the courageous efforts of Mr. Randolph and others like him, America, thank God Almighty, will never be the same again. Because of the courageous efforts of A. Philip Randolph, people such as my father and my uncle were able to become members of a union, and so begin that slow, tortuous struggle for dignity and equality in the workplace. Because of the efforts and example of A. Philip Randolph it is possible for me and my black brothers and sisters, and our Asian, Chicano, and other Hispanic colleagues to sit in this Chamber and try to fashion laws designed to make a better life for us all, regardless of color or class or sex or age.

A. Philip Randolph lived the words that Langston Hughes wrote in "Let America Be America Again." So let Langston's lyrics be his epitaph—and our pledge of commitment to carry on in his name—and with his deeds:

O, let America be America again—
The land that never has been yet—
And yet must be—
The land where every man is free.
The land that's mine—
The poor man's, Indian's, Negro's, men—
Who made America,
Whose sweat and blood, whose faith and pain,
Whose hand at the foundry, whose plow in the rain,
Must bring back our mighty dream again.

Sure, call me any ugly name you choose—
The steel of freedom does not stain.
From those who live like leeches on the people's lives,
We must take back our land again,
America!●

● Mr. EVANS of the Virgin Islands. Mr. Speaker, on behalf of the people of the Virgin Islands, I wish to express our admiration and appreciation for the tremendous achievements of the late A. Philip Randolph.

He not only gained recognition for the Brotherhood of Sleeping Car Porters but worked within that framework to build bridges of understanding between Caribbean and mainland blacks.

Mr. Randolph's achievements were carried out through positive action, as well as by the extension of his interest and influence in other areas of economic benefits to minorities.

He has left behind a legacy that will benefit blacks for years to come.●

● Mr. BUCHANAN. Mr. Speaker, today we acknowledge the passing of a truly great individual, A. Philip Randolph. A champion of racial and economic justice, Mr. Randolph's leadership and dedication helped move this Nation over the barriers of discrimination and segregation, toward the goal of equality for all persons.

Mr. Randolph's respect for his fellow man led him to his half-century fight for the recognition of human dignity, worth, and honor. The first national labor leader among American blacks, he organized the Brotherhood of Sleeping Car Porters into a powerful union, and persuaded the AFL–CIO to oppose racial discrimination in unions. A major force in the labor movement, he became the first black vice president of the AFL–CIO, serving from 1957 until his retirement in

1968. Though deeply committed to the recognition of economic, educational, and social opportunities for all persons, he was firm in his insistence on peaceful means to achieve his goals.

The extraordinary contributions of Mr. Randolph have guided our Nation to changes for equality and justice. We are grateful for his life, his deeds of dedication and honor, and his inspiration and service.●

● Mr. PEYSER. Mr. Speaker, I join with my colleagues today to pay tribute to a man of great dignity, fairness and foresight. A. Philip Randolph was a man of integrity and inspiration. His undying desire to see that equal opportunities could be obtained by all was his dream and his goal. These dreams and goals were achieved by his half century crusade to achive equality for working men and women. He was a man who believed that those individuals, regardless of class distinction or color, should work together to gain full and fair employment as well as civic and economic rights.

Mr. Randolph's leadership ability and unique quality for organization paved the way for equality for blacks. This accomplishment was the impetus for change for employment for workers and the establishment of the Fair Employment Practices Commission instituted by President Roosevelt.

A. Philip Randolph was challenged by the desire to effect necessary change. This change was further realized following his instrumental involvement in the passage of the Civil Rights Act of 1964.

We can see still developing changes for equality in the world today and A. Philip Randolph deserves more than recognition for paramount accomplishment. Mr. Randolph's devotion in seeking fairness should serve as a constant reminder of our own dedication to equality.●

● Mr. GRAY. Mr. Speaker, I am pleased to join my colleague, Mr. Hawkins in paying tribute to A. Philip Randolph, a man who stirred America's conscience as few persons ever have.

I never had the honor of meeting Mr. Randolph, who was a giant of a civil rights leader. But I was present in Washington when the news of his death came with an emotional impact totally befitting a figure who was a major force in the fight for racial and economic justice.

Bayard Rustin, a contemporary of Randolph's was testifying last week before the House Subcommittee on Africa, on which I serve. The subject of the hearing was Rhodesia, where the white minority has denied the human freedoms and dignity of black Africans for so many years.

The news of Mr. Randolph's death was announced to everyone present.

Mr. Rustin crumpled up, shaking and weeping at the realization that his colleague, mentor, and friend—a man at whose side he had fought from the 1920's to the 1960's—was gone.

It was a truly moving and historical moment. The hearing was immediately adjourned.

Through 50 years of civil rights advances in this country, A. Philip Randolph was a dominant figure.

He won the respect of black and white Americans in this country with his blend of militance and dignity, and his flair for the dramatic.

His tactics were nonviolent—but always effective in the battle of what he called "the revolution the Civil War left unfinished."

Starting in the years when labor unions were openly antiblack, and when a civil rights movement was unheard of, Mr. Randolph was one of the first leaders to effectively employ economic power and civil disobedience as tools to sweep away long-standing barriers of discrimination and segregation in industry, labor, schools, the armed services, politics, and government.

Indeed, some of his achievements have been part of American life for so long that we take them for granted. We tend to forget the years of struggle that made them possible.

Mr. Randolph organized the Brotherhood of Sleeping Car Porters—the first major black union in the United States.

This came about only after a 12-year battle against the famed antiunion Pullman Co.—a fight won largely due to Mr. Randolph's skill and determination. The union not only improved the working conditions of thousands of underpaid, overworked blacks on the railroads, but also it spearheaded the fight for equality in the labor movement.

Later, as World War II began, Mr. Randolph demonstrated that he was not afraid to confront Presidents.

He used the threat of a massive march on Washington in 1941—and insisted on a face-to-face meeting with President Franklin D. Roosevelt—to open war industry jobs to black Americans.

In 1948, he threatened to lead a black boycott of the draft until President Harry S. Truman moved to end segregation in the Armed Forces.

In 1963, Mr. Randolph helped organize the famous civil rights march on Washington. He shared the podium with the late Dr. Martin Luther King, Jr., in the protest that played a key role in passage of the 1964 Civil Rights Act—outlawing discrimination in public places, jobs, and unions.

Mr. Randolph was a man of great vision. He sought for American blacks not hostile withdrawal, but full participation in this Nation's education and job opportunities.

Asa Philip Randolph taught all of us that the true meausre of a democratic society is its ability to give every citizen the right to reach his or her full potential.

He might not have had the oratory skills of Martin Luther King.

He might not have had the charisma of Malcolm X.

And he might not have had the intellectual abilities of W. D. DuBois.

But from humble beginnings, he demonstrated commonsense, personal integrity, courage, and an unyielding commitment to the struggle for equality. He ranks as an equal to any of these great men.

I offer for the Record, Mr. Speaker, the following editorial commentary from the Philadelphia Tribune of May 18, 1979, which reminds us that even though Mr. Randolph is gone, the challenge to which he dedicated his life remains very much with us:

A. Philip Randolph (1889–1979)

It was part of the greatness of A. Philip Randolph (1889–1979) that throughout his 70 years as a leader of Black Americans, he maintained a total vision of the goal of freedom for Blacks as well as of the means by which it must be achieved. From his earliest beginnings, Mr. Randolph understood that social and political freedom had to be rooted in economic freedom, and everything he did sprung from his basic premise.

Even though it is in the sadness of his death, *The Tribune* is proud to salute Mr. Randolph, a man who will be remembered for his fight against bigotry, his fight for equality for all minority people and his role as an outstanding labor and civil rights leader.

Out of his belief that the Black American could never be socially and politically free until he was economically secure, Mr. Randolph became the foremost advocate of the full integration of Black workers into the American trade union movement. One of his greatest achievements in the labor movement was the organization of the predominantly Black sleeping car porters—a venture begun in 1925 that was to make possible the first contract ever signed by a white employer with a Black labor leader. For 10 years he battled the railroad companies, and finally in 1935, the Brotherhood of Sleeping Car Porters won certification and collective bargaining rights.

It was Mr. Randolph's perception of the economic basis of Black freedom which enabled him to develop the strategy of mass protest—a political tactic which has since become commonplace in the Black movement—in order to win two profoundly significant Executive Orders. In 1941 with the advent of World War II, he conceived the idea of a massive march on Washington to protest the exclusion of Black workers from jobs in the defense industries. He agreed to call off the march only after President Roosevelt issued 8802, banning discrimination in defense plants and establishing the Nation's first Fair Employment Practice Committee. Seven years later in 1947, Mr. Randolph was the moving force behind President Truman signing Executive Order 9981, ending segregation in the armed forces.

While it is true today that antidescrimination clauses are practically standard in collective bargaining contracts, it is also true that discrimination still exists. There is still much to be done in training members of the minority groups for the higher skilled jobs that command higher pay and benefits.

Achieving the goal of full and fair employment now becomes more difficult due to the death of A. Philip Randolph at 90 years of age. In death, Mr. Randolph leaves a challenge to all of us to build a just society in which all men need not fear poverty, and in which men of all races, graced with the dignity that comes from a full life, need not fear each other. In no other way can we at last become a nation that is at peace with itself.●

● Mr. MITCHELL of Maryland. Mr. Speaker, I am honored to be among the Members of this House who have chosen to pay tribute to the memory of Asa Philip Randolph. Mr. Randolph passed away at his apartment in New York on Wednesday, May 16, 1979. Ironically, this was the eve of the 25th anniversary of the U.S. Supreme Court's historic decision in the case of Brown against the Board of Education, which outlawed segregation in the Nation's public schools.

A lifelong search for the most adequate superlatives to apply to the works of this dedicated stalwart in the struggle for civil rights, would still not provide a sufficient assessment of his life's efforts and accomplishments. It is indeed rare, though not impossible, for one's contributions and spirit to be indescribable.

Mr. Randolph's steadfast attachment to peace and nonviolence as he sought to address such issues as racism, integration, and discrimination during the turbulent fifties and subsequent years, did not in any way detract from his persistence and strength. He often admitted that he may have been distinguished more often for his championing of the philosophy and principles of Gandiism than for trade unionism. This commitment notwithstanding, Mr. Randolph was certainly not one to be appeased, and it can never be said that he would make compromises to the detriment of the poor, black or minorities.

Mr. Randolph's significant efforts in such events as a 1957 pilgrimage for prayer, which he initiated and led, and the 1958 and 1959 youth marches for integrated schools, which he organized, far surpass the label of notetworthiness. In addition to these activities, many will cherish Mr. Randolph's avid and essential participation in the 1963 march on Washington along with Martin Luther King.

To reflect further, in 1917, Mr. Randolph coedited, along with Chandler Owen, the Hotel Messenger, a magazine which denounced such events as U.S. involvement in World War I, as well as this country's treatment of the rights of black people. This magazine has been noted by one writer as having been, "one of the most brilliantly edited magazines in the history of American Negro journalism." Needless to say, in 1919, the Justice Department called the magazine, "by long odds the most able and most dangerous of all the Negro publications."

While much more could be added to the aforementioned involvements and accomplishments, I would just like to add one more. Asa Philip Randolph may be best remembered for inaugurating the Brotherhood of Sleeping Car Porters in August of 1925, and in subsequent years playing an integral part in gaining concessions for the thousands of black porters who were employed by the Pullman Railroad Co. In fact, the year 1937 marked a milestone in the promotion of fair and equitable treatment of the Pullman porters when Mr. Randolph signed the first contract between this company and the Brotherhood of Sleeping Car Porters. For many years after this landmark event, Mr. Randolph engaged in further union activities on behalf of the Pullman porters.

Hope and courage are among the many legacies which A. Philip Randolph has left for the American people. Particularly for blacks and minorities, his works have symbolized the accomplishments which can be gained through hard work, faith, perseverance and a steadfast belief that this country must be committed to the concept of fairness and equity for every citizen. Mr. Randolph will be sorely missed.

● Mr. RANGEL. Mr. Speaker, I rise in support of the special order in memory of A. Philip Randolph. He was an outstanding citizen, a major figure in the civil rights and labor movements. Other civil rights leaders and labor leaders may have gotten more publicity, but in his own quiet way, he stood just as tall and inspired just as much.

On a personal note, I am proud to represent the district where he brought his public fight for civil rights and labor rights to national attention. He started with 14 sleeping car porters in Harlem in 1925, when he organized the Brotherhood of Sleeping Car Porters. It was the first black union granted a charter by the American Federation of Labor. He eventually rose from organizer to labor leader, when he became a vice president of the AFL–CIO in 1957, the very organization he persuaded to ban discrimination.

A. Philip Randolph is held in high esteem and respect. He lived his life unselfishly and gave of his time freely. We have all profited from his energies. He knew there were many social injustices in this country and he moved toward rectifying those injustices. He was not just an organizer, but a participant and leader, who stood for what he believed in: Freedom and dignity of man, no matter his station in life.●

TAX CREDIT FOR THE CARE OF THE ELDERLY ACT OF 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 10 minutes.

● Mr. CORCORAN. Mr. Speaker, I am greatly concerned about retired Americans on fixed incomes who are feeling the impact of double-digit inflation more than any other citizen today. Our Nation's senior citizens are experiencing increases in living expenses which threaten their very existence. As you know, Mr. Speaker, I believe the primary way to help them is to control inflation by ending the practice of cumulative deficits in the Federal budget.

On the other hand, however, until Congress and the White House adhere to a conservative fiscal discipline, we should look for ways to target relief to those who need it most. For this reason, I am today introducing legislation which will provide an incentive to our senior citizens who are able to spend their retirement years with their families by giving each family a $400 tax credit. For example, a son or daughter who has a mother 65 years or older in the household will be eligible for a $400 tax credit.

Public expenses, both Federal and State, can be reduced considerably if more senior citizens are encouraged to live with their families instead of residing in long-term-care facilities. The cost for home services provided by public agencies is far less than the cost of institutional care, no matter what the level of impairment, according to a GAO report on home health care. An elderly person placed in a long-term care facility costs the Government, on the average, $5,496 per year, whereas agency services for a noninstitutionalized person only cost the public $1,188 per year. This is a net annual governmental cost of $4,308. Mr. Speaker, I realize my bill will be a revenue loss to the U.S. Treasury at one point on the ledger, but if we subtract the $400 tax credit from the $4,308, a net savings of $3,908 will result.

The aforesaid report further notes that an elderly person's living arrangements have a direct impact on the likelihood of institutionalization. Research from this report shows that few institutionalized people live with their families at the time they are placed on long-term-care facilities.

I think my tax credit proposal will strengthen our basic social unit—the family—while making our senior citizens more productive and happier people. Finally, Mr. Speaker, let me point out that using the tax system to keep families together is not new, nor is it without precedent. What I am proposing is built on the current precedent of giving tax credits to families paying for child care. I hope that Congress will see the wisdom and the need to extend its coverage for elderly family members too.●

CONGRESSMAN HALL OF OHIO DISCUSSES HOUSE VOTE TO KILL STANDBY GASOLINE RATIONING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. HALL), is recognized for 5 minutes.

Mr. HALL of Ohio. Mr. Speaker, last week the House voted to kill the standby gasoline rationing plan proposed by President Carter. The gasoline plan only would have been implemented in the event of a severe gasoline shortage, which the Department of Energy defined as a shortfall in gasoline supplies of 20 percent or more over a 30-day period.

I was among those who voted in favor of the President's standby gasoline rationing plan, and I regret that my colleagues did not follow the Senate's vote to approve it. While the plan was far from perfect, any such plan would contain flaws. You simply cannot devise a rationing proposal that is going to please everyone in every part of a country as large as ours and with such a diversity of gasoline requirements.

Initial approval of the President's plan would not have meant that gas rationing was either imminent or inevitable. It would have meant, however, that we at least would have had a plan ready in case our oil supply was seriously disrupted.

Last December's unexpected loss of oil exports from Iran put us on notice about this country's potential vulnerability to the loss of vital petroleum supplies. Although the Iranian cutoff by itself has not been severe enough to require rationing, the United States could be faced with such a grave shortage at any time.

The President's rationing plan really was not intended to restrict gasoline use, but to make sure that a future gasoline shortage is shared equally. The alternative to rationing in the midst of a major shortage undoubtedly would be skyrocketing prices, with ample supplies available for the wealthy, while average citizens would be unable to meet their basic gasoline needs.

The Department of Energy estimated that during a 20-percent shortfall in gasoline supplies, the market value of gasoline at the pump could increase by over $1 per gallon. This would bring unjustified and unearned profits to the oil companies, while motorists would wait in long lines at the filling station in the desperate hope of getting a few gallons of the costly fuel. In a severe shortage, rationing at least would insure that the average citizen would get a fair share of the available gasoline.

Specific problems with the standby rationing plan would have been addressed when the implementing regulations were drawn up. Moreover. Congress would have had an additional opportunity to review and veto the final rationing plan if and when the President decided to impose it.

Congress only could approve or disapprove the complete plan, not amend it. With this choice, I voted for the plan because I believe that it would be unacceptable to face a severe oil shortage without a contingency plan. Unfortunately, lack of preparation and foresight has been characteristic of our national approach to energy matters for too long. Last week's House vote serves to continue this trend.

The President has now called upon Congress to come up with its own standby rationing measure. I hope that we can work together in a spirit of national cooperation to respond to this challenge. The national interest clearly requires it.

ADDRESS OF HON. JOSEPH R. CALIFANO, JR., AT THE COMMENCEMENT EXERCISES OF THE UNIVERSITY OF NOTRE DAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

● Mr. BRADEMAS. Mr. Speaker, I was privileged yesterday to have been present for the 134th commencement ceremony of the University of Notre Dame, which is located in the district I have the honor to represent in Congress. Presiding at the ceremony was the president of Notre Dame, the Reverend Theodore M. Hesburgh, C.S.C.

The principal address on this occasion was delivered by the distinguished Secretary of the Department of Health, Education, and Welfare, the Honorable Joseph A. Califano, Jr., who was also awarded the honorary degree of doctor of laws.

Mr. Califano's remarks on this occasion were outstanding and I shall insert them following my remarks in the RECORD.

Mr. Speaker, I should like also to note that among the other persons to receive honorary doctor of laws degrees were our distinguished colleague, the chairman of the Committee on Foreign Affairs, the Honorable CLEMENT J. ZABLOCKI of Wisconsin; and our distinguished former colleague in the House, the Honorable John J. Gilligan of Ohio.

Other outstanding Americans who were awarded honorary doctor of laws degrees by the University of Notre Dame yesterday were: His Eminence, Archbishop Iakovos, Primate of the Greek Orthodox Church in North and South America; Thomas A. Murphy, chairman of the board of General Motors; the Reverend William M. Lewers, C.S.C., Indiana provincial supervisor of the congregation of the Holy Cross; and Msgr. George G. Higgins, secretary for special projects, the U.S. Catholic Conference.

Others to receive honorary doctor of laws degrees were: Dr. Jaroslav Pelikan, Sterling Professor of History and Religious Studies at Yale University; and Guido Calabresi, professor of law at Yale University.

In addition, Mr. Speaker, the honorary degree of doctor of science was awarded to Dr. Marvin L. Goldberger, president of the California Institute of Technology.

I must also make note, Mr. Speaker, of the fact that the Laetare Medal, the highest honor that the University of Notre Dame can bestow, given annually to an outstanding lay person of the Roman Catholic Church, was given to the distinguished American actress, Helen Hayes.

Mr. Speaker, I include the address of Secretary Califano at this point in the RECORD.

REMARKS BY SECRETARY JOSEPH A. CALIFANO, JR.

Father Hesburgh; reverend clergy; members of the graduating class, faculty and friends.

I am delighted to be on this great campus and in the district of one of our finest Congressional leaders, Majority Whip John Brademas.

I am grateful to you and my old friend Father Ted for this opportunity to say a few words to you—and to my fellow citizens.

I want to raise a question today that will confront you and your nation with persistent urgency and moments of high drama for the rest of your lives.

That question is this: How can we ensure that the knowledge we possess, our towering technical brilliance, will have decent, and not destructive effects?

For the last generation that question took shape in the giant mushroom clouds that rose over the destruction of Nagasaki and Hiroshima in 1945.

TOWARD A TECHNOLOGICAL MORALITY

For your generation, that question looms in the graceful hyperbolic silhouettes of the cooling towers at Three Mile Island. There, suddenly last March 28, technological genius threatened to melt uncontrollably into technological tragedy. There we have now created, however unintentionally, a huge container so filled with deadly radiation that it will be unapproachable for months, perhaps even years.

Nagasaki and Hiroshima were deliberate acts of wartime destruction. Three Mile Island was an accidental by-product of the peaceful use of nuclear power.

It is an ironic coincidence that on both occasions the question was expressed in nuclear terms. In fact, the question arises in many fields where our skill threatens to outrun our wisdom: not only in nuclear technology, but in medicine, communications, agriculture, biology, and a dozen other fields.

Will our scientific genius be informed with technological morality? Will technology—the commercial and industrial application of our scientific knowledge—be the servant of humanity, or its master?

Your generation will be called upon to ask and provide some answers to those central questions.

On your answers will depend not only the quality of your life—but perhaps the future of all life.

So let us use this moment of commencement, when you as individuals ponder how you shall use your knowledge, to ponder also how humanity shall use its knowledge.

The energy crisis, the hunger crises, the drug crisis—all the crises of the 1980s—will serve to dramatize and provide political focus for these questions.

WORSHIP OF "PROGRESS"

We Americans have been, through most of our history, in love with gadgets, with know-how, with newness itself.

In older societies than ours, the Industrial Revolution came as a threat to many, for it upset established ways, made old skills obsolete. It was in nineteenth-century England, not America, that those desperate enemies of technology, the Luddites, invaded textile factories to smash the machines.

In nineteenth-century America, love of innovation, of "progress," amounted almost to worship. De Tocqueville, that gimlet-eyed tourist from France told of one encounter with this American enthusiasm:

"I accost an American sailor," he wrote, "and I inquire why the ships of his country are built so as to last for only a short time; he answers with hesitation that the art of navigation is, every day, making such rapid progress that even the finest vessel would become almost useless if it lasted beyond a few years. In these words . . . I recognize the general . . . idea upon which a whole people direct all their concerns."

That general idea—that technological progress is both inevitable and good—did not die with the nineteenth century. It has been embraced by every generation of Americans, with only an occasional bellow of dissent from iconoclasts like Henry David Thoreau, the apostle of the simple life.

The rest of America, however, did not accept Thoreau's austere maxim that "a man is rich according to the number of things he can do without."

And so, for well over a century, the march of American technology, of know-how, proceeded virtually unopposed. And it did so, for the most part, to the benefit of most Americans and much of humanity.

American science and technology, we should remember, has given the world the incandescent light, the automobile, surgical anesthesia, the airplane, hybrid corn and miracle rice, central air conditioning, heart pacemakers, computers and television, the industrial assembly line—and human footprints laid forever on the windless surface of the moon.

If the march of technology also brought us traffic jams, crowded airports, mindless and debasing entertainment, no matter: Technology promised that human life, which for so many centuries had been "nasty, brutish and short," could now be bountiful, comfortable and long. Material progress might bring some inconveniences, but it posed few real dangers. What mattered was that technology promised to democratize plenty: To bring health and a comfortable standard of living to the many, not just to the few.

"THINGS WHICH HURT INSTRUCT"

Today, as we stand in the long and foreboding shadows cast by the towers at Three Mile Island, that cheerful faith in the benevolence of technology seems naive indeed. The fire that warms can also burn.

Today, we can no longer postpone asking questions about the human impact of technology. If we ignore Benjamin Franklin's adage that "the things which hurt instruct," we do so at our peril.

In a time of dwindling fossil fuel supplies, it makes little sense to abandon nuclear power as a potential source of energy. But it makes even less sense to dismiss, as hysterical modern-day Luddites, those who have serious questions about the relative safety of nuclear power.

The question of how much radiation is damaging to human health is a serious question. How to deal with radioactive wastes, some of which remain dangerous for hundreds, even thousands of years is another serious question.

To ask such questions is not to oppose progress—it is to demand that progress serve a decent human end.

Twenty years ago, biomedical research and pharmaceutical technology began to produce a host of psychoactive drugs—tranquilizers and antidepressants. There was little debate then about the possible effects they would have. Those who thought about the matter at all assumed that a new day was at hand: A day when thousands of mental patients, who had been sentenced to lives in institutions, could begin to live in the free air of their homes and communities.

What has become of this hopeful technological dream?

These drugs have made a significant contribution to treating mental illness. But a tragedy of our day is the dumping of mental patients, many of them without homes or familiies, out of hospitals and into communities ill-equipped to care for them.

Two weeks ago, The Washington Post told the story of one such homeless patient, who spent his nights in a rock quarry and his days trying to escape being beaten and robbed. For this hopeless man, what some call medical progress has led from life in a snake pit—to near death in a gravel pit.

Could we, by asking the right questions in the past, have foreseen and prevented such tragedies? More importantly: Can we in the future?

ABUSE OF INVENTIONS

And what of the promiscuous use of tranquilizers and sedatives to ease the stresses of modern life? We have chosen—without thinking and without asking the right questions—to use pharmaceutical inventions to ease the stress industrial and urban society imposes on the human spirit.

Each year Americans consume four billion tranquilizers and sedatives. Each day tens of millions of Americans take a tranquilizer like Librium or Valium. Each night tens of millions of Americans cannot sleep without a sleeping pill.

Is this the best way to deal with stress in present day America? Should we not question whether more fundamental changes are needed in life-style and workstyle, and in the way we nourish our bodies and souls?

The spread of computers throughout the worlds of government and business is a technocrat's dream-come-true. On a speck of silicon we can record the life of an individual. But so much information, about so many people, so readily at hand, can be misused. The value of privacy can be trampled in the stampede to efficiency. Perhaps we can prevent that misfortune. But how?

The technology of *in vitro* fertilization: Should it be pursued for the promise of joy it may hold for childless couples—or prevented because of the threats it may present? Can we pursue the promise while minimizing the threats?

I raise these somber matters not to suggest that we Americans turn away in revulsion from science and technology. Nothing could be more wrong-headed than to reject all material progress because some might be dangerous. The Luddites solved nothing in their day; their descendants will solve nothing in ours.

And pleasant as it might be for affluent Americans to retreat to their personal Walden Ponds, we should remember that for the poverty-stricken majority of the world's people, life without technology is not simple, but wretched.

Nearly one billion people in the underdeveloped world are starving or malnourished. We have the technology to feed each one of them. But we lack the political will to forge that technology into an instrument of social justice. And so agricultural technology has remained a tool of commerce. And hundreds of millions sink in starvation as agricultural commodity markets continue to rise.

Of all the judgments of history and God we should fear, it is their judgment on our continued failure to use the means at hand to end the hunger of the world that we should fear most.

ADDING MEANING TO MARVELS

Of course we need technology. But we must ask, in a rigorous and systematic way, what purposes are served by every technological advance. We must seek how best to use these advances to serve human needs. We must weigh the risks and benefits, the human costs against the economic blessings. We must continue to ask these questions long after technology is in place. In short, we must hammer out a technological morality.

Before now, in our headlong rush toward wealth and material progress, we have not explored these issues deeply enough. It is by exploring them, carefully and prayerfully, that we will move toward the society Lyndon Johnson envisioned, "where the meaning of our lives matches the marvelous products of our labor."

That is an ideal far easier to state than to achieve. How can we build such questioning into the institutions of our free society? We have legions of economists and scientists to deal with questions of possibility and probability. But how shall we handle questions of ethics and morality?

We have tried earnestly, in the Department of Health, Education, and Welfare, to build into our institutions mechanisms for asking these questions: An Ethics Advisory Board, for example, to ponder such issues as *in vitro* fertilization.

It is our conviction—and my aim—that these bodies should work in the open air of public attention, not behind closed doors; that the questions they examine should be held up to scrutiny by all kinds of concerned people—not just experts.

The Congress has established an office of technology assessment. And President Carter, concerned about the moral questions raised by our failure to do more with agricultural technology, has established a Presidential Commission on World Hunger.

But such efforts merely begin to show the way.

I would suggest that these questions should be asked at every level of our society, in churches and city halls, in town meetings and state legislatures.

And I would suggest that the committee rooms of the United States Congress are proper forums for examining such questions. It is the business of the Congress not only to legislate, but to oversee; not only to mandate programs of research and development, but to ask questions of purpose and effect.

THE FUTURE CHALLENGE

What can you bring, as educated citizens, to this quest for technological morality?

A great deal, in my judgment.

For four years or more, you have been schooled in an institution committed to faith as well as knowledge; committed to the proposition that faith and knowledge, ethics and science, must nourish one another.

This great university has sought to provide each of you, not only with an intellectual sextant, but also with a moral compass. Even with these precious instruments, you will find it an exacting task to get clarity and satisfaction in your private conscience on some of the problems posed by modern technology.

You will find it even more difficult, as I have, to bring such problems into the broader and infinitely more complex sphere of politics and public policy. However solid your grounding in Christian theology and the teachings of the Church, it will not provide automatic answers to vexing questions of public policy. You would be mistaken to think that it will.

Catholics, like other citizens, cannot arrive at answers to difficult public policy questions by a jerk of the knee; we will find such answers only through a strenuous exercise of mind and heart—and soul.

Moreover, we must face the fact that we live in a pluralistic, secular democracy. As Catholics, and as citizens, we have a right and an obligation to assert our convictions on public issues clearly and vigorously—to hope that they prevail and to work that they should prevail. To expect less from a public official would be to ask that official to leave his conscience at home as he functions in public life.

But to have convictions of conscience and to be guided by those convictions is not a license to impose them indiscriminately on others by one-dimensionally translating them into public policy.

COMMON GOOD, COMMON GROUND

We can—and should—exert vigorous efforts to persuade. But if public policy is to serve the common good of a fundamentally just and free pluralistic society, it must be brewed in a cauldron of competing values—like freedom, order, equity, economic justice. A public official who fails to weigh all these competing values serves neither private conscience nor public morality. Indeed, he offends both.

In our pluralistic democracy, certain difficult issues—abortion, nuclear power, test tube fertilization, and mechanical life extension, for example—will inevitably stir controversy and division. On such questions our diverse society will never produce unanimous answers.

But if we cannot find unanimous answers, there is at least one point on which we can, all of us, find common ground—and that is on the need to ask searching questions about the impact of our material inventions on human life and human dignity.

In his first encyclical, Pope John Paul II has called upon humanity to reassert its "kingship," its dominion, over the material world. He has defined that dominion as "the priority of ethics over technology . . . the primacy of the person over things . . ."

And he states the issue with blunt eloquence:

"What is in question is the advancement of persons, not just the multiplying of things that people can use. It is a matter . . . not so much of 'having more' as of 'being more.'"

THE "ENERGIES OF LOVE"

As citizens concerned with values as well as knowledge, you can make a special contribution to your nation.

It is my purpose today to invite you to do just that: to join the fray; to help infuse technology with morality, to make our society more sensitive to the bedrock needs of individual human dignity.

It is your destiny to control the fearsome and marvelous machinery of the 1980s. As you do, remember the words of the great Jesuit thinker, Teilhard de Chardin:

"Some day, after mastering the winds, the waves, the tides and gravity, we shall harness for God the energies of love.

"And then, for the second time in the history of the world—man will have discovered fire." ●

PRIVACY: THE PUBLIC'S VIEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. PREYER) is recognized for 5 minutes.

● Mr. PREYER. Mr. Speaker, the American people are greatly concerned about threats to their personal privacy. This is a central finding of a recent national poll of attitudes toward privacy.

Sixty-four percent of Americans are very concerned or somewhat concerned about threats to privacy, up substantially from 47 percent less than 1 year earlier. This is a large increase for such a short period of time, and it shows that public interest in privacy is not simply a remnant of Watergate. Indeed, privacy is so important that three out of four people believe that the right to privacy should be akin to the fundamental rights to life, liberty, and the pursuit of happiness.

These are only a few of the results of the most comprehensive national opinion poll ever conducted in America on privacy. The poll was commissioned by the Sentry Insurance Co., and was conducted by the independent national opinion research firm of Louis Harris and by Dr. Alan Westin of Columbia University.

I am pleased to announce that both Louis Harris and Dr. Westin will appear before the Subcommittee on Government Information and Individual Rights on Wednesday, June 6, 1979, to brief the subcommittee on their findings. The session will be informal and all those interested in details concerning the intensity of feelings surrounding this issue are encouraged to attend. We will convene following the morning's first quorum call (at roughly 10:20 a.m.) in room 2247 of the Rayburn Building.

Sentry Insurance should be commended for sponsoring this survey on an issue of great public importance and for widely distributing the results, even though they are not especially favorable to the insurance industry. By offering a new perspective and new data on the privacy issue, the survey will be of great use to those in the privacy sector who make decisions on information policy and to those of us in the Congress who will soon be making decisions on privacy legislation. I think that some of my colleagues may be surprised by the high value that the public places on the right to privacy.

I will not summarize all of the Harris poll's findings here. Copies of the survey have already been distributed to all Members of Congress and further details will be explored at the subcommittee's June 6 hearing. However, I would like to take this opportunity to comment on the implications of the poll for some privacy legislation currently before the Subcommittee on Government Information and Individual Rights, which I chair. The subcommittee is now considering two bills on the confidentiality of medical records, H.R. 2979 and H.R. 3444. Three days of hearings have already been held on these bills, and more hearings will be scheduled soon.

One of the basic purposes of these bills is to provide patients with the right to inspect their hospital records. The Harris poll tells us that an overwhelming 91 percent of the public believes that a patient should have the legal right to see his medical record. Even doctors solidly supported the legal right of patient access. Sixty-four percent of doctors surveyed were in favor.

A sizeable minority (23 percent) of Americans believes that hospitals should do more to keep personal information confidential. This represents well over 30 million people. Interestingly, the number of doctors who feel that hospitals should do more to protect the privacy is much higher (39 percent). Since doctors are more familiar with hospital record practices, their responses may have special significance.

Is there a need for congressional action to provide for the confidentiality of medical records? By more than a 2 to 1 majority (65 percent to 29 percent), the public thinks it is important for Congress to pass such legislation. Of all of the privacy issue areas, none got a higher positive response regarding the need for Federal legislation. Even the doctors surveyed favored a Federal law by 55 percent to 39 percent.

Naturally, I am pleased to learn of the broad public approval of a Federal medical records privacy law. This approval is especially noteworthy because the poll indicates that the public is very selective in its support for Federal laws on privacy. For example, only 37 percent of the public favor the creation of a National Privacy Protection Agency, while 46 percent are opposed.

The poll indicates that there is widespread public support for Federal privacy legislation for, insurance, employment, credit, and other information intensive industries and activities. This finding underscores the timeliness and the importance of the President's recently announced privacy initiative.

In the past, Congress has done an excellent job in meeting the public demand for privacy protection. Since 1974, several major confidentiality laws have been enacted, including the Privacy Act of 1974, the Buckley amendment dealing with student records, the Tax Reform Act of 1976, and the Right to Financial Privacy Act of 1978. The Sentry Insurance privacy poll tells us that more is expected of us in Congress.

I hope my colleagues will be able to join us at the June 6 briefing. If you are interested in attending, please contact the office of the Government Information and Individual Rights Subcommittee at 225-3741.●

JIM BELL: DIPLOMAT AND TEACHER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I would like to take this time to commemorate the life of a great public servant from my district, Ambassador Jim Bell. Jim passed away just last month, and he is missed by all who knew him.

Jim had a long career in international affairs, which included over 25 years of service in various capacities with the State Department. From 1942 to 1944, he worked with Nelson Rockefeller in the Office of Coordinator for Inter-American Affairs. He then served in the American Embassies in several Latin American and Asian countries. He began in the Embassy in Bogota, Colombia, in 1944, and moved on in the next 15 years to Santiago, Manila, and Djarkarta, Indonesia. Jim was the Director of the Office of Southwest Pacific Affairs in the State Department from 1960 to 1964, and in 1964, he was appointed our Ambassador to Malaysia, where he served until 1969.

Since 1969, Jim had been teaching at the University of California at Santa Cruz, holding the post of diplomat in residence for 1 year and that of lecturer at Merrill College from 1970 until his death last month. His many years of experience in Government were an invaluable resource to the university, and he will not easily be replaced.

Of course, it is simple enough to relate Jim's professional accomplishments, but its a little more difficult to get across to my colleagues the kind of person Jim was. I can only say that his friends were many and that no one who knew him did not have the greatest respect and admiration for him. He will indeed be sorely missed.

At this time, I would like to pay my respects to Jim's wife, Stephanie. We all sympathize with her loss, and share it as well.●

PROPOSING A GRADUATED CORPORATE INCOME TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, in our concern over the uncontrolled growth of Government bureaucracies and its impact on our national well-being, we have overlooked a phenomenon that poses an equally serious threat to the health and vigor of American society: the bureaucratization of private enterprise. Government is guilty of a multitude of sins, but without doubt one of its most serious offenses is having permitted the unchecked growth of large corporate enterprises. In short, while Government has stood by, America has been victimized by private sector centralization.

For a variety of reasons, the tendency of U.S. corporations to grow beyond any reasonable limits is inimical to the long-term strength and vitality of the Nation and threatens to further erode the quality of our lives. I am therefore introducing a graduated corporate income tax proposal in an effort to reverse the ill effects created by the trend toward conglomeration and private sector bureaucracy. Although such a tax cannot by itself solve this problem, it can do much to strengthen the economic position of smaller enterprises in relation to the corporate giants, and will produce a stronger disincentive to unrestrained corporate growth.

In the process of achieving our high level of technological development and material comfort, we have lost our sense of identification with the institutions that produce economic wealth. Whereas in the past people were able to involve themselves directly in the fortunes of the economic unit on which they depended for a livelihood, today we are largely a Nation of wage-earners who have no say in the economic decisions that so vitally affect our way of life.

The relationship between most working people and their employers is an adversarial one. Implicit in this relationship is the belief that when one gains, the other loses. Yet the economic well-being of employees is intimately tied up with the success or failure of the enterprise for which they work. The wedge driven between employer and employee, therefore, is artificial and counterproductive.

Moreover, in the drive to increase productivity, we have sacrificed important values involving workers' sense of satisfaction with their work. Each individual has become linked to an increasingly narrow task, thereby diminishing his identification with a finished product and restricting his area of concern to his immediate work environment, rather than extending it to the enterprise's total operation.

With this progressive fragmentation of our work has gone a loss of control over the decisions that affect us as employees and as citizens of the communities in which large businesses operate. Corporations are organized for efficient production and managerial convenience, not for the health and happiness of employees. More importantly, organizational rules are evolved to serve the corporation's sole objective—the generation of profit. Unfortunately, the pursuit of this narrow interest, whatever it may do for the investment of corporate owners, can have extremely negative effects on the general welfare.

When corporate decisionmaking is divorced from the interests of workers, it can have devastating consequences. For example, a successful furniture factory in New York State was closed down by the national conglomerate that owned it because the factory failed to make the 22 percent profit mandated by corporate headquarters. It was of no concern to the corporation, of course, that 270 employees were thrown out of work and the local economy severely crippled. Perhaps if the workers themselves had had a greater say in this ultimate management decision, a modest 6 percent profit would have been sufficient to keep the factory, and the community, going.

Such tragedies are epidemic in our country for the simple reason that much of our economy is now controlled by a relative handful of huge corporate organizations. The 200 largest manufacturing firms today account for 60 percent of all manufacturing assets. The 100 largest hold 50 percent of such assets. Because of the strategic position occupied by manufacturing in the economy, the level of competition in this sector is especially important to achieving high employment, satisfactory economic growth, and relative price stability. Yet the power of manufacturing firms continues to grow as a result of the centralizing of industrial assets among a relatively few conglomerate enterprises.

The most immediate and perceptible effect of the excessive power of concentrated economic wealth is chronic inflation. The fact that prices fail to decline during periods of economic downturn is directly attributable to the ability of very large corporations to exercise discretion, within limits much broader than would be possible under real market competition, over what prices they will charge. They thus nullify the self-correcting tendencies of the market and destroy the effectiveness of fiscal and monetary policy. When the economy begins to recover from a recession, therefore, prices take off from their previously elevated level.

This impact on inflation is reason enough for a tougher governmental approach to bureaucracy in the private sector. Additionally, however, there is the longer run consideration of the health and resilience of American enterprise. By their nature, firms that are insulated from market pressures become averse to risk-taking, which is the essence of technological progress and economic growth. To protect themselves from the market, they become acquisitive, preferring to grow by taking over other profitable firms. Large firms by their sheer size threaten smaller competitors. Successful mid-size firms in particular are in danger of being swallowed up by hungry conglomerate predators. Because small business is by its nature willing to expose itself to the rigors of an uncontrolled economic environment, and because it remains subject to the healthy influences of the market mechanism, we must do everything possible to strengthen its hand. Great size removes business from the salutary effects of competition, and makes success dependent on how well it works the political process, rather than on how well it competes.

The concentration of economic power in a few large entities may pose its greatest threat through its effect on the political process. Large corporations have a great deal at stake in the decisions of government at all levels, and they have the organizational capacity and financial resources to influence such decisions effectively. Although this influence can prove beneficial, it is increasingly used to promote the private interests of the corporate organization at the expense of broader social interests. The exercise of vast corporate power affects the lives of millions of people who have no recourse against unelected corporate decisionmakers. Clearly, the conglomerate's power threatens the rights of both individuals and smaller businesses that cannot match its tremendous wealth and organizational resources.

For these reasons, I am introducing legislation that will make the corporate income tax structure more steeply graduated. Under my proposal, the marginal tax rate paid by corporations would increase steadily with rising taxable income. The result would be that more than 8 of every 10 corporations—those making less than $500,000 per year—would experience a reduction in their Federal taxes. Taxes would go up, however, for the fewer than 200 companies that are the largest in our economy, those that earn more than $100 million annually.

Specifically my proposed tax schedule would compare to the present rate structure as follows:

Taxable income	Current rate	Proposed rate	Percent change
0 to $25,000	17	15	−2
$25,000 to $50,000	20	16	−4
$50,000 to $75,000	30	24	−6
$75,000 to $100,000	40	33	−7
$100,000 to $250,000	46	43	−3
$250,000 to $500,000	46	45	−1
$500,000 to $1,000,000	46	46	(1)
$1,000,000 to $10,000,000	46	46	(1)
$10,000,000 to $100,000,000	46	46	(1)
$100,000,000 and over	46	49	+3

[1] No change.

It is revealing that, according to the Joint Committee on Taxation's estimate, my proposal would result in a modest increase in Federal revenues: $16 million in 1980, and $49 million in 1984. Clearly, a moderate increase in taxes for our corporate giants more than offsets a reduction in taxes for the vast majority of American businesses.

Mr. Speaker, if we prefer the benefits of economic decentralization and popular democracy to bureaucratized business and big government, we would be well advised to closely examine the implications of our current policies. Before our economic and political rights are usurped by concentrated power, and before the quality of our lives declines further in the face of overwhelming private and public institutions, we must return big business to its proper place in the scheme of things: as servant, not as master. I strongly urge my colleagues to support this legislation.●

TESTIMONY ON RHODESIA BEFORE JOINT HEARING OF HOUSE FOREIGN AFFAIRS SUBCOMMITTEE ON AFRICA AND INTERNATIONAL ORGANIZATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, I appreciate this opportunity to appear before the subcommittees in these joint hearings to present the views of the Congressional Black Caucus on U.S. policy toward Rhodesia. I am especially pleased to do so in light of the recent elections in Rhodesia, about which there has been so much information and misinformation, and the Senate vote on this matter of May 15. Their significance can only be understood by looking at the entire context relative to Rhodesia in which the U.S. Government must act.

For the Congressional Black Caucus, the underlying, fundamental question is the abolition of the system of white minority domination which currently obtains in Rhodesia, Namibia, and South Africa—and which South Africa has announced its intent to protect throughout the region by military means if necessary. This is a fundamental question for us, not because the minority is white, but because the oppression of Africans there, and similarly of people anywhere, is fundamentally wrong. Moreover, as the United Nations determined, with the support of the United States, such oppression and denial of self-determination is a threat to international peace and security. This is why sanctions were originally voted in 1966, and only the abolition of this situation provides a persuasive justification for their lifting. I shall return to this shortly.

Here I must say, Mr. Speaker, that U.S. policy in southern Africa, and the specific possibility that the United States might prematurely lift sanctions on Rhodesia, is a source of growing, deep concern to the black community. We are quite aware that the imposition of U.N. sanctions in 1966 marked the first time in history that the question of the protection of human rights and self-determination had been joined to that of protecting international peace and security. Our awareness stemmed from the struggles in which many of us here participated, which still must continue for civil rights—the struggle to convince the United States that its own well-being was intimately connected with the justice of its social, legal, and economic systems. Further, we are painfully aware that some of those who oppose the full implementation of civil rights for blacks and other minorities in this country, also favor the immediate lifting of sanctions on Rhodesia, and moreover refuse to contemplate sanctions on South Africa at all, even when justified. I must report here that the possibility that the U.S. Government may prematurely lift sanctions has joined that body of primary concerns by which the black community judges this or any other President and administration.

In a word, Mr. Speaker, we oppose the premature lifting of sanctions, because it would ally the United States directly with South Africa, result in an increased Soviet presence in the region, undermine our bilateral relations with Nigeria (our second largest source of imported oil), threaten trade patterns with black Africa, alienate valuable African allies in international organizations, especially on Middle East questions, undermine the authority of the U.N. Security Council which is key to U.S. interests in other areas, and give false hope to a Rhodesian Government totalitarian toward blacks.

Much testimony has already been heard by the subcommittees about the interpretation of the recent Rhodesian elections. They are important in themselves, but their accurate and wise interpretation—in light of all else we know about Rhodesia—is even more important as a basis for Congress deciding what policy is in the best interests of the United States. It is in that spirit that I wish to spend a moment here discussing those elections. Most of the discussion has been related to the President's forthcoming Case-Javits decision, about whether the elections were free and fair. This is a starting point but our concerns must be wider than that.

On March 3, 1978, the internal settlement agreement was signed in Salisbury. This was a cynical response to previous energetic attempts by the United States, Britain, the front line, and other states in Africa to negotiate the Anglo-American plan. That plan provided a formula by which the Patriotic Front and other Nationalist leaders—such as Sithole and Muzorewa—might form a government, with due protection for the human rights of all Rhodesians, to lead the country to independence. All parties, including the Patriotic Front had previously agreed on the principle of free elections at earlier Anglo-American talks in Malta, provided that all parties were justly allowed in Rhodesia during transitional arrangements prior to independence. This plan was seen as the best chance to bring effective majority rule to Zimbabwe, halt the guerrilla war, prevent a civil war, prevent undue Soviet/Cuban influence, and build a stable, prosperous, and just Zimbabwean society for all its citizens.

Ian Smith's consistent response to efforts to negotiate this plan was similar to that in other attempts at negotiations, he resorted to diplomatic evasion and persistent attempts to preserve the dominance of the white minority. He consistently attempted to split the Patriotic Front, obliterate its influence in Rhodesia, undermine the constructive influence of the front line states, prevail by increasing military strikes outside its borders, often setting back peace negotiations which offered a better way to prevent the same thing, and instituting successively restrictive and brutal measures against black Rhodesians. In doing so, he succeeded in convincing Muzorewa, Sithole, and Chirau to join him against the Patriotic Front. It was an even tradeoff for them. They acquired an army, which none of them had previously—by sharing the protection of Ian Smith's forces, but not the control. And, Smith acquired what he hoped would be sufficient black legitimacy to attract international support and recognition to the internal settlement. In this scheme, he has worked hard to enlist the U.S. Congress as an ally. It is not yet clear whether he has succeeded.

Mr. Speaker, the caucus and I find it necessary to recall this recent history because it is impossible to understand the recent elections without it. They are part of an ongoing process of consistent attempts by Smith to undermine 10 previous attempts to negotiate majority rule since 1965. Subsequent to March 3, 1978, the internal settlement regime made a few initial moves toward improving human rights and inserting African influence into the government. But it soon became apparent that there had been no real change. Smith and a white minority infrastructure continued to hold the real power in the country. While Muzorewa and Sithole held some political loyalty, they were unable to translate it into effective movement toward majority rule. Martial law was declared, the guerrilla war in the country worsened, whites left in increasing numbers, and human rights violations of political imprisonment, and executions, detention without trial, and tortures, rose to a higher level than was the case prior to the so-called internal settlement.

Military strikes into Zambia, Mozambique, Angola, and Botswana, increased, civil liberties, especially for blacks, were severely curtailed, as spelled out in the Freedom House report. In December 1978, while visiting here in the United States, Ian Smith ordered a new round of military strikes which virtually torpedoed remaining changes for fruitful negotiations.

This, Mr. Speaker, was the context in which Smith, Muzorewa, Sithole, and Chirau decided to try to hold elections. The draft constitution was published January 2, 1979, under which a new government would rule, and this, together with the above events, provided the framework for the elections.

That constitution was drafted in negotiations between the three black members of the internal settlement and Smith. It was approved by the white population alone—3 percent of the national population. As the government prepared for elections, it relied on a series of estimates to determine the number of eligible voters. It did not conduct a voter registration drive, allegedly because of the war; but it is equally probable that it feared an embarrassing African boycott. Therefore, the number of 2.8 million eligible voters is suspect, as is the resulting calculation of 50 to 64 percent voting turnout. For this and other reasons, the basic numbers were suspect from the beginning.

Further, the constitution makes it clear that although the election promised a black majority in Parliament, and probably a black prime minister, in terms of actual government power, this new majority would reign rather than rule. Power under the new constitution departed from the Parliament, where it normally would be expected to reside, into the complicated interlocking administrative structure of the government, protected from parliamentary or ministerial action by a series of "entrenched" clauses requiring unanimous black parliamentary voting joined by six white members, thus virtually guaranteeing the impossibility of amending these provisions. Out of 170 articles, 123 are entrenched clauses.

The outcome is that the system of white domination—touching every facet of political, economic, and social life of the black majority—was left in place and protected from interference by the incoming black parliamentary majority. The status quo remains intact thanks to a series of interlocking commissions, review boards, retention of personnel in the judiciary and the armed forces all of whose qualifications—written into entrenched clauses—were pitched so as to exclude Africans for some years to come.

Whatever the election decided, it did not decide the transfer of power from the white minority to the black majority. Further, the crucial question of relative loyalties in the country between the Patriotic Front supporters, and those who support the government, was equally left undecided. Ample testimony before these subcommittees supports our conclusion that Patriotic Front supporters had no right to make their view heard and were intimidated and punished in many cases for trying. Although demonstrations were allowed at the university, elsewhere a large number—some say up to 3,000—were detained in anticipation of the election, the one major black newspaper was banned, the press otherwise was censored, and the government combined with employers, supporters of the black government candidates, and others so inclined, to make the issue one of voting, and voting for a government slate. There was simply no way for Patriotic Front supporters to express their preferences. Subsequent to this election therefore, in view of the political history of Rhodesia, it is a quite sensible surmise that up to 50 percent of the population might owe their final loyalties to the Patriotic Front. They must now be confirmed in their belief that government channels are more closed to them than before.

There was evidently a massive barrage of government-sponsored publicity and propaganda that voting would end the war. To that extent, these elections and their turnout signify a deep desire for peace. There is ample other evidence black and white Rhodesia comprises a war-weary country. But we must reject the view that this election ratifies the constitution, or legitimizes the present government, or reflects workable political loyalties within the country sufficient to end the war and build an enduring nation.

For all of these reasons, the myth that this government, and the internal settlement from which it derives, stands in any way for democracy must be exploded once and for all. Those elections cannot be judged to be free and fair under the provisions of Case-Javits. There is simply no basis in law or fact for a determination to lift sanctions. Given these hard facts, we therefore, expect the President to determine that lifting sanctions now would be clearly against the national interest, that the conditions of Case-Javits have not been met, and to persuasively explain to the American people why this is so.

The question now before us is how next to proceed relative to U.S. interests in this situation. I have noted the circumstances under which the United Nations originally imposed sanctions against Rhodesia: to remedy the threat to international peace and security posed by the maintenance of a system of white minority domination and denial of self-determination in that territory. So long as such a system remains, sanctions should not be lifted. In our opinion, sanctions have indeed weakened the Smith regime over the past 13 years. They have had a corrosive effect on the economy, and they have focused the law and principles of the international community toward protection of human rights in this situation of oppression. Although not airtight, and although openly violated for a time by the United States under the Byrd amendment, they have been effective in creating conditions under which the disappearance of minority domination is at least a possibility. Hence, the present call for their removal.

In the opinion of the Congressional Black Caucus, it is not in the national interest of the United States to lift sanctions unilaterally prior to an appropriate resolution by the U.N. Security Council. To do so would violate clear legal obligations binding on the United States under the U.N. Charter, and undermine the authority of the U.N. Security Council at the very time when that authority serves American interest elsewhere—such as in Namibia, and in the Middle East. In addition, it would—as I have stated earlier—ally the United States directly with South Africa.

Further, let me point out that the stake of the international community, the United States, and I might add, the black community, in just and effective majority rule in Rhodesia is so enormous that sanctions should be lifted only on the basis of hard evidence that their original purposes have been met. Such hard evidence does not now exist. On the contrary, indications are that Smith and white Rhodesia have been successful up to this point in a strategy of cooption and outflanking the forces supporting sanctions without evidence of substantive change; this is nothing more than an international shell game.

Nothing in the elections, or that Muzorewa has done or promised since then, provides such evidence. Basic change would have to be clearly indicated in the Rhodesian political and military situation before the United States would be justified in approaching the U.N. Security Council to support lifting sanctions. We note the pressures involved from the British Government, but we also note legal opinions to the effect that the United States is not bound to lift sanctions, nor is the U.N. Security Council, if the British unilaterally decide to do so. U.S. interests lie not only in following the law here, but in pursuing its own course in southern Africa, independently of the British if necessary.

It is conceivable that the post-election Muzorewa government could demonstrate a purpose of will to move toward effective majority rule and end the war on a just basis, such that sanctions could be removed. We cannot spell out precise steps here. However, this would inevitably involve action on the security situation: Some move by Salisbury to invite the Patriotic Front into the country on an equitable basis, justified by the loyalty they command among the people of Zimbabwe. This would entail Salisbury taking measures such as releasing all political detainees, and inviting the Patriotic Front into the country under conditions that sustain their confidence, given the past history of warfare and distrust. United Nations observers or other international monitoring could possibly be helpful here. Further, a minimum indication that Rhodesia is set on a new course, would be the universal adoption of a new constitution which fairly preserves rights of the white minority, but does not assume they can be reassured only by continuing to dominate the government. This was not the case in Kenya, Tanzania, Zambia, or Malawi, and certainly not in Mozambique. Whites were reserved seats in most of those parliaments, but their veto power was limited and did not tie into a broad system of entrenched clauses removing power from Parliament and the prime minister. We cannot accept assurances on the basis of the election that notwithstanding the present constitution, nor the current military arrangements, nor the continuation of internal oppression, that the present forces of power have had a sincere change of heart. It is not apparent.

If hard evidence of implementation of these two basic considerations was received, lifting of sanctions could be seriously discussed. But prior to any such discussions about a quid pro quo for lifting sanctions, Ian Smith must retire from political life simply to clear the atmosphere. For this, no quid pro quo concerning sanctions, recognition or aid to Salisbury is due: Such would be an insult to all who have died in the name of African liberation. If Smith goes, the atmosphere will perhaps clear sufficiently for progress toward meeting the basic considerations of the military security situation and continuing minority domination. The Congressional Black Caucus will be watching this situation closely on that basis.

We believe that the United States is, and inevitably will remain, involved in the fortunes of Zimbabwe, whether or not it can successfully formulate a new joint policy with the British. In the short term, our interests are of ending the war on a just and stable basis, of fostering a settlement so as to preserve and build on the new African policy established by this administration. We, in the past, have welcomed this administration's commitment to effective and just majority rule throughout southern Africa, as an expression of a basic American interest. To violate that commitment now would undermine those interests. It would, moreover, immediately worsen relations with Nigeria, our second largest oil importer. The administration rightfully has spent much effort—including a state visit by President Carter—restoring those bilateral relations from their disastrous condition in 1976; but the unilateral lifting of sanctions by either the Congress or the administration would plunge them back to that low level, just at the time when Nigerian oil is most important.

Premature lifting of sanctions would further isolate the United States from the frontline states who have taken their own leap of faith in cooperating with the United States toward a just, peaceful solution in Rhodesia up to this point. If the war continues to expand, and pressure on these governments mounts, an increased level of Soviet arms and Cuban advisers into the region is an almost inevitable result.

On the other hand, no conceivable amount of U.S. aid to the present Salisbury regime could reverse the war's steady deterioration. It would eliminate support for the United States from the African bloc in major international organizations—up to now a major source of support on Middle East related issues.

It is in the long-term political and economic interests of the United States to lift sanctions only on hard evidence of fundamental change. U.S. trade with black Africa is one of our fastest growing areas of trade. A stable, majority-ruled, just Zimbabwe Government able to build that nation may or may not have desirable effects in hastening the disappearance of South African apartheid and in bringing internationally acceptable majority rule to Namibia. It will, however, be the best basis for U.S. business interests to be amply protected as they trade to the benefit of both Zimbabwe and the United States. Ultimately, this is the only guarantee of such protection.

Finally, the Congressional Black Caucus strongly urges that there now be a moratorium on efforts to unilaterally lift sanctions against Rhodesia, to give renewed Anglo-American diplomatic moves the leeway to be fruitful. There are notable indications that the new conservative government in Britain will move cautiously on the question of recognizing the Muzorewa regime, and will seek further changes in the internal settlement. Britain is still legally the colonial power in Rhodesia. The least that Congress can do is to allow the administration to work with the Thatcher government in an attempt to find a truly acceptable settlement that will provide the hard evidence for justifiably lifting sanctions. In short, the Congress could do itself and the American people a great disservice by taking such unilateral action ahead of the administration and the British.

I am pleased to have had this opportunity to appear before the joint subcommittee, on behalf of the Congressional Black Caucus.

THE BATTLE BETWEEN THE GENERATIONS

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

• Mr. MICHEL. Mr. Speaker, our current concern over energy and inflation may well be seen by history as an interesting but relatively unimportant part of an even larger problem facing our Nation. I refer to the dramatic and undeniable changes in the structure of the American family and its impact upon our economy and on our Nation itself.

A recent report spells out the facts all too clearly:

Only 38 percent of American households today have children living in them;

In 1970 the proportion of total population under 18 years of age was 34 percent. Today it is down to 29 percent. At the same time the number of Americans over 65 has risen during that time by 17 percent.

What we have in effect is a rapidly growing population at the "aging" end of the generational spectrum and a diminishing population of young Americans. This means that in the near future and beyond a smaller percentage of Americans must shoulder the financial burden for a larger group of older Americans. We are soon approaching a time when young Americans will begin to resent paying higher and higher taxes to take care of Government programs aiding the elderly, while, at the same time, the elderly will need and demand as a right, more and more Government care. There will be a battle between conflicting needs of the generations.

Do these sound like facts taken from a science fiction story? Unfortunately, they happen to be all too true. In order to demonstrate the harsh realities we will soon be faced with, I wish to insert in the RECORD "Carnegie Study Finds Aging U.S. Society, Cites Future Impact on the Economy" from the Washington Star, Sunday, May 13, 1979.

Before I do, however, I want to point out that what our Nation needs is the kind of leadership that can identify long-range problems such as this and propose solutions before these problems reach a crisis stage. Too often we are content with leadership that is willing to take emergency, short-term measures which only serve to make more problems. We need leadership with vision and courage. That is what it is going to take to deal with all the problems that will soon confront us.

The article follows:

CARNEGIE STUDY FINDS AGING U.S. SOCIETY, CITES FUTURE IMPACT ON THE ECONOMY

(By Philip Greer and Myron Kandel)

Some dramatic trends in the structure of the American family are certain to have important demographic ramifications affecting American business in the next two decades.

For example, notes Alan Pifer, president of the Carnegie Corp. of New York, "The startling fact is that only 38 percent of American households today actually have any children living in them."

In addition, he points out, the traditional "nuclear family," consisting of the father as breadwinner, the mother as homemaker and one or more children has declined to less than a third of all U.S. families.

At the same time, 15 years of a very low birth rate—combined with increased longevity—have produced an aging society, with the potential for serious conflict between the interests of the elderly and the young.

Since 1970, the proportion of the population under the age of 18 has dropped from 34 percent to 29 percent, while the number of those over 65 has climbed by 17 percent.

The impact of these changes has been magnified by development in the economic realm. High inflation, sluggish growth, increased energy costs and balance-of-payments problems have combined to undermine confidence in the economy and make many Americans fearful of the future, Pifer asserts.

As real income has declined, economic pressures have mounted on most families, he adds, pushing more women into the labor force. As a result, two-worker families have become the norm.

Pifer, whose foundation has assets of $285 million, sees some disturbing trends emerging from these developments. First, he points out, the income disparity between two-paycheck families and the increasing numbers of single-parent families—"usually headed by a woman, often of minority background, and almost always poor"—is steadily widening.

Accompanying these trends, Pifer adds, has been a radical shift in social values, "including the appearances of self-centered, inward-turning attitudes among the more affluent and a growing tendency among Americans generally to live for the present, rather than to defer immediate gratification in the hopes of ensuring a better future for themselves and their children."

Conflict between age groups could intensify, he says, as the ever-growing numbers of older people press their concerns at the expense of the young.

"Few people realize the extent of the massive shift that has already taken place in the allocation of public spending for the elderly, principally through increases in Social Security payments and Medicare," the Carnegie chief says.

"Indeed, the substantial portion of the federal budget now going to the elderly represents the largest income redistribution scheme in the nation's history."

Meantime, today's children, after they have been absorbed into entry-level jobs, will be frustrated as they seek to advance, since the products of the post-war baby boom above them on the promotion ladder will not approach retirement age until after the turn of the century. "Young people," Pifer predicts, "can probably look forward to relatively static income and a rivalry with older workers for some period of time."

But as today's children begin to advance quite rapidly in the latter half of the 1990s, they will face a time of unprecedented opportunity combined with maximum responsibility, Pifer notes.

"It will be the job of this relatively small group not only to produce the nation's cadres of professional, administrative, technical and skilled workers, but to ensure the well-being of the generation behind it, as well as to provide assistance to the 15 to 20 percent of the population of elderly people the nation will have by then."

What this means, he asserts, is that every child alive today or born in the near future "will be a scarce resource and a precious asset as an adult in the early part of the next century."

Befitting the head of a foundation that focuses on educational and social issues, Pifer ads: "Given the inexorable nature of this march toward a demographic day of reckoning, common sense would seem to dictate that we start now making the welfare of children, especially those who are most in need of special help, our highest priority."

Although Carnegie reports are not ordinairly required reading for corporate executives, Pifer's comments bear study by those who must plan for the future of their businesses.●

WE DO NOT NEED A DEPARTMENT OF EDUCATION

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MICHEL. Mr. Speaker, our distinguished colleague and friend, JOHN ERLENBORN, has recently written what I consider to be a persuasive and informed argument against the creation of a Department of Education. His conclusion—"A Department of Education would serve no good purpose"—sums it all up. But I want to bring to your attention not only his conclusion but the logic, the knowledge and the experience JOHN ERLENBORN brings to the subject.

At this time I wish to insert in the RECORD, "Another Department?" by JOHN N. ERLENBORN, the New York Times, May 9, 1979.

[From the New York Times, May 9, 1979]

ANOTHER DEPARTMENT?

(By JOHN N. ERLENBORN)

WASHINGTON.—The House Committee on Government Operations recently voted 20–19 in favor of a bill to establish a Cabinet-level Department of Education. The full Senate has already passed a similar measure, and the full House may vote on it by the end of May.

Two groups are backing this proposal. The first is the National Education Association, the largest teacher's union, indeed the largest single public-employee union in the nation. The other is the Carter Administration, which is supporting a Department of Education because of a campaign promise made by candidate Jimmy Carter to the N.E.A. In return the Association, for the first time in its history, endorsed a candidate for President. The Association is now demanding to be repaid.

One of the ironies of the proposal is that very few existing education programs will be shifted into the new department. Head Start will stay in Health, Education and Welfare. School breakfast and lunch programs will stay with Agriculture. Appalachian child-development programs will stay with the Appalachian Regional Commission, and so on.

The only major entities to be moved to the department are the Department of Defense overseas schools, which is probably the least cost-effective to move, and the Indian education programs, which are fraught with the most danger.

As a reorganization plan, this one is terribly weak. Except for a handful of programs (some of which may well be transferred back out during the floor debate) it will merely shift existing Office of Education programs to the new department.

It is difficult to claim that a new department would effect any cost savings. A new department needs a new Cabinet secretary, assistant secretaries, under secretaries, and deputy assistant under secretaries. It needs office space, stationery, regional offices, cars, drivers, and all the assorted staff to make a department look and act like a department.

In the case of the Department of Defense schools, the Department of Education would either have to duplicate the logistical services provided by the Defense Department in housing, buildings, food, Post Exchange and supplies, or contract back with the Department to continue to provide these services. At a minimum, there would be no cost savings, and very likely it would become a much more expensive proposition.

About the only time in our history that the Bureau of Indian Affairs and the Indians have agreed on anything has been the move to keep the bureau's schools out of this new department.

Both agree that Indian children have unique problems that Indians themselves best understand. The Indians fear that the "educational professionals" will try to fit them into holes designed for other children.

Finally it is difficult to defend the proposal from a managerial standpoint. Proponents claim that a Cabinet secretary would have more standing with the President to argue for education needs than an assistant secretary who must go through the H.E.W. Cabinet Secretary. It can be argued, however, that Secretary Joseph A. Califano Jr., with the largest budget in the Government, would have much more clout than what would be a relatively minor secretary.

It can also be argued that the President can make better decisions if there are fewer, not more, people imposing on his time. The state of education in America has steadily declined over the past two decades. This decline coincides with the shift of decision-making from the local school boards and parents to the state and Federal Governments.

A Department of Education, by its nature, would not be likely to give power to make decisions back to the local areas. It is far more likely to attempt to increase categorical aid programs with all their attendant rules, regulations and paperwork that would make local school boards little more than entities to certify Federal forms.

What education needs are more block grants—revenue-sharing for education. This approach would allow the local communities which know their stengths and weaknesses, to make decisions on how best to spend taxpayers' money to educate their children.

The United States has built the greatest educating machine in history with its combination of public and private schools at all levels. It, like so many other areas of American life, worked best when left pretty much alone. A Department of Education would serve no good purpose.●

THE U.S. ECONOMY, INFLATION, AND THE DOLLAR

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. BRADEMAS. Mr. Speaker, one of the most respected economists in the United States is Dr. Walter W. Heller, former chairman of the President's Council of Economic Advisers and now regents' professor of economics at the University of Minnesota.

I believe that Members of the House of Representatives and Senate will read with great interest the address delivered by Dr. Heller on April 22, 1979 at a meeting in Tokyo, Japan, of the Trilateral Commission.

The address follows:

THE U.S. ECONOMY, INFLATION AND THE DOLLAR

(By Walter W. Heller)

My approach today will be to look at the U.S. economy, inflation and the dollar through the lens of economic policy. As a point of departure, let me recall that last October and November, President Carter, under the force of relentless economic circumstance—under the force of a surging inflation and a sinking dollar—put in place a balanced anti-inflation policy. Its inner logic was sound:

On one hand, it embodied monetary-fiscal restraints to curb excess demand and gradually cool down the economy—presumably without the hot meltdown of recession.

On the other, he applied voluntary (or semi-voluntary) wage-price restraints designed to curb cost-push inflation by converting as much as possible of the cutback of overheated demand into a reduction of price and wage inflation and as little as possible into a loss of jobs and output.

Given the structural and institutional rigidities in the U.S. economy, it costs between $150 and $200 billion of lost output to knock 1%-point off of our underlying or basic inflation rate. A series of econometric studies shows that, left to itself, the economy will convert roughly five-sixths of a demand cutback into a reduction of output the jobs and only about one-sixth into a cutback of inflation. Thus the inner logic of the voluntary wage-price program was to improve that trade-off, i.e., to serve not as a substitute for monetary-fiscal discipline but as a handmaiden to it.

But the economy refused to cooperate. Real growth jumped from a 2½% rate in the third quarter to a booming 7% rate in the fourth, in the process generating sparkling profits to inflame the wage desires of American workers. Even the fallback to a lackluster 7/10 of 1% rate of advance in the first quarter does not, as we shall see in a moment, provide conclusive evidence of the slow-down the White House is seeking.

Indeed, the guarded, almost perverse, reaction of economic observers to the first quarter drop-off reminds me of the perverse definition of an economist as one who, when observing that something works fine in practice, wonders whether it will work in theory!

In any event, the bridegroom of easier labor and product markets is late for the wedding with its handmaiden, the wage-price guidelines. At this moment the guidelines in particular and the anti-inflation program more generally are under siege, attacked from the demand side by an overly-strong economy; from the supply side by the new oil price eruption, bad luck on food prices, and a disturbing run-up in other world commodity prices; and from the cost-push side by a Teamsters' wage settlement that has badly dented the 7% guideline. Under these onslaughts, can the program survive?

Before we can form a reasoned judgment on that question, we need to feel the pulse of the real economy and take a careful reading on inflation. What are the recession and inflation prospects?

RECESSION?

One finds a sharp division of opinion between those who expect merely a growth recession, a slowdown in output, and those who expect a classic recession, a drop in output. Almost no one expects actual GNP advances in the next year to keep pace with the estimated annual growth in U.S. potential, even at its recently downgraded rate of 3% a year. But given continuing high rates of inflation, that still leaves plenty of room for conflict between the hawks who are telling Chairman Miller and the Federal Reserve: "Don't just stand there, do something!" and the doves whose message is "Don't do something, just stand there."

And each group, in today's ambiguous and puzzling U.S. economy, has plenty of grist for its mill. The hawks discount the slow first quarter, citing not just severe weather but the fact that unemployment has held at a low 5.7% rate even with large additions to the labor force; they point out that labor inputs rose at a brisk 4.3% pace; that operating rates in manufacturing continue at a high 86% of capacity that capital goods demand is 30% above a year ago; and that commercial and industrial construction is booming. And they remind us that the flat first quarter last year was followed by a near 9% jump in the second quarter.

By the way, most of Mr. Carter's economic advisers are among the hawks or near-hawks. They would be quite startled to read the heading on page 43 of the excellent Trilateral draft report on Major Payments Imbalances which reads: "Inducing Expansion More Difficult than Inducing Contraction." Messrs. Blumenthal, Schultze and Kahn would respectfully disagree.

The doves, including Chairman Miller and a majority of the Federal Reserve Open Market Committee, appear to view the U.S. economic scene rather differently. They see the first quarter numbers as truly reflecting a weaker economy, with personal income and industrial production advancing at only half the pace of last year's fourth quarter, housing starts almost half a million units lower, and consumer credit growing $2¼ billion less than in the fourth quarter. And the doves remind us that in 1974, the failure to distinguish between apparent and real strength in employment, orders, and inventory investment led to fiscal and monetary overkill which, coupled with the oil price explosion, sent the U.S. spinning into the worst recession in 40 years.

But this time around, it is a much closer call. It is only by a narrow margin that I side with the doves in believing that, after a considerable rebound this quarter, the U.S. economy wil continue to soften in the second half of the year. Why?

First, because in spite of the income tax cut in January, consumers did not put in a very robust performance in the first quarter and they now face a $2 to $3 billion rise in tax rates each quarter as inflation pumps income into higher brackets; they still face a $4 billion increase in payroll taxes later in the year (because of a rise in the wage base); and oil price increases will siphon away up to another $10 billion a year of their purchasing power.

Second, housing will fall from over 2 million starts last year to perhaps 1.7 million this year.

Third, overall government purchases will rise only 1½ percent in real terms this year, as against an average rise of 3 percent in 1976–78 and 4 percent in the 1961–75 period.

Strength in exports and in business capital spending for machinery, equipment and plant—while very welcome—won't be enough to offset the softening in the other sectors of the economy.

So, to borrow an apt phrase I once plucked from a report of the Tokyo Marine and Fire Insurance Co., I believe the second half of the year will "progress in stagnancy." As against a 4 percent rise in real GNP between the fourth quarter of 1977 and 1978, I anticipate less than a 2 percent gain in 1978–79.

Will the slowdown in GNP turn into a gentle slide below zero for a couple of quarters next winter and thus qualify as a recession? Again, the odds are slightly better than 50–50 that it will. Yet, substantively, the central point of policy significance is the prospect of several quarters of sluggishness and growing slack in the U.S. economy in 1979–80, not recession as such. Whether the timing of the slowdown is such as to qualify it officially as a recession is secondary—except, perhaps, to pundits and politicians.

FISCAL-MONETARY POLICY

Implicit in this forecast of a soft U.S. economy is a judgment that U.S. monetary-fiscal policy is restrictive and will become more so. Let me make that explicit.

As to budget policy, I have already cited some evidence on taxes and government purchases that suggests moderation if not outright restriction. The projected shrinkage in the federal deficit from $49 billion in fiscal 1978 to $33 billion this year and $28 billion next year (on Mr. Carter's no-recession assumption) is further evidence of the move toward more restrictive fiscal policy. (But don't be surprised if the actual deficit in fiscal 1980 weighs in at about $40 billion as the slowdown shrinks revenues and boosts transfer payments.)

An interesting perspective on U.S. deficits is provided by recent OECD figures showing overall government deficits as a percentage of GNP in the seven major OECD countries. For 1977, 1978 and projected 1979, the U.S., to use Mr. Miyoshi's metaphor, won the gold medal with the smallest deficits, averaging less than 1% of the GNP. Germany's government deficits, by contrast, average 3%, and Japan's, 6%, of the GNP (or, more precisely, GNP).

Looking ahead to 1980, Mr. Carter's budget proposal reflects a coupling of his innate fiscal conservatism with the "Proposition 13 mood" of the country. Let me cite four quick measures of how restrained the Carter budget is:

It call for only a 7.7% rise in spending as against an average of 12.2% from 1973 to 1978.

It would bring the ratio of federal spending down to 21% of GNP from its high of nearly 23% in 1975–76.

The $531 billion of projected spending falls $20 billion short of merely funding current services under current laws.

And in economic terms, the high-employment deficit would shrink from $31 billion in 1978 to $23 billion in 1979 and $8 billion in 1980.

In the U.S., that truly qualifies as fiscal austerity. And the Congressional budget committees, far from upsetting the fiscal apple-cart, have gone Mr. Carter one better by shaving the Carter deficit by another $5 to $10 billion.

Turning to monetary policy, has it been as restrictive as the high nominal interest rates and the phenomenal slowdown in money supply would lend one to believe? The monetarist, at least the true believers, have no doubts. "Don't just stand there, undo something," is their urgent advice to the Federal Reserve. Ease now, lest the shrinking money supply plunge us into dire recession.

What may have escaped them is that less money is doing more work. Astute managers of cash, both in business and in households, are quite sensibly redeploying their funds from bank deposits—which do show up in M_1 and M_2—into money market funds, Treasury bills, commercial payments and so on, that do not. So a smaller amount of measured money is supporting a larger flow of transactions.

This is not to say that money has not been effectively tightened. Indeed it has, up to and especially including last November 1. Since then, Mr. Miller and his cohorts have steered a steady course, holding the "Federal funds" interest rate right around 10% while the money supply did its partial disappearing act and the dollar strengthened.

It has been fascinating to watch the policy makers in Washington, with the Treasury and White House advisers pressing Mr. Miller to raise interest rates and tighten credit, and Mr. Miller asserting the Federal Reserve's independence and insisting that "we're in the range of properness."

Both the Federal Reserve and the White House seem to have been "minimaxing," i.e. seeking to minimize their maximum risks. The White House and Treasury seek to minimize the maximum risk of severe recession and of appearing to do too much.

Does all this mean that U.S. interest rates are at their peak and are now headed down? I doubt it. Even Mr. Miller has said that one more upward move may have to come before rates ease a bit. That may still prove to be the course of financial rectitude, wisdom and risk-minimization.

Inflation and wage-price restraint

That leads us directly into the prickly subject of inflation. Will the strong head winds of U.S. inflation continue to blow for many months ahead and, in the process, demolish President Carter's wage-price program? Or are they about to subside or at least drop from gale force to prevailing Westerlies? Let me expose you to some quantitative and qualitative evidence that yields a moderately optimistic answer. (But as I do, I'm sure you will bear in mind that economists have hardly distinguished themselves as inflation forecasters in the 1970s—in 1973–74, we were caught with our parameters down, and again last year, we substantially underestimated inflation forces in the U.S.)

Picking apart the generally dismal double-digit inflation numbers of recent months (I refer to the consumer and producer prices indexes—the GNP deflator has held in about 8½% area for the past half year), one can find some rays of hope on two fronts.

From October to March, taking out energy, housing and the farm component of food, the remaining two-thirds of the Consumer Price Index has risen at 6½% rate. What's the purpose of this calculation? After the next couple of months—when the inflation readings are bound to be bad—the farm, housing and later the energy components of inflation should taper off significantly.

The average hourly earnings index, which was up 8.4% from February to October last year, has held to an 8.3% rise from October to March—no acceleration of underlying wage-price is reflected here.

On the qualitative side, one can see a number of inflationary forces that should be less virulent as the year goes on:

The worst of any food price rise, barring drought or deluge, lies behind us.

The stabilizing of the dollar will reduce the import-price push.

The stabilizing of the dollar will reduce another cost-push force, especially from housing and business costs.

Oil price impacts will be less pronounced later in 1979. Granted, the 20% to 25% rise in OPEC prices this year will add from $10 to $12 billion to the U.S. fuel bill. But perhaps three-quarters of this cost in price upthrust will be behind us by late summer. It is true that Mr. Carter's decontrol program will raise the average price of domestic oil from $10.44 per barrel in December 1978 to $15.60 in December 1980. But the price impact in 1979 will be modest, and the overall effect of full decontrol (after October 1981) on the price level is estimated variously at 0.5 to 0.8%.

Finally, on inflation, the easing of demand pressure is a must. If such pressure continues unabated, the wage-price guidelines will crumble, and the absolutely critical attempt to lower the orbit of the wage-price or price-wage spiral—or circle—will be defeated. But will the easing come in time to rescue that handmaiden, that damsel in distress?

It is true that the Teamsters' settlement bent the 7% guideline, that the rubber workers union will also stretch it, and that Mr. Fraser of the United Auto Workers has threatened to run over it. But all is not lost—non-union settlements have generally come within the guidelines, some stretching can be accommodated, and if some easing of demand pressures and of inflation begins to be perceived within two or three months, I believe the effort can survive and make a visible contribution by the end of the summer.

I say this in particular because U.S. businesses have shown a widespread—not universal, but widespread and genuine—will to cooperate not just in holding wages down, but in holding prices in check.

The quarter-page advertisement General Motors took out in many papers last week serves to illustrate this. GM urged everyone and particularly its suppliers, to commit themselves to comply with the Carter wage-price standards. To take my cue from Mr. Takeyama's comment this morning, the White House fervently hopes that "what is good enough for General Motors is good enough for the country."

Also, on the Carter wage-price restraint program, I would remind you that Mr. Nixon's semi-voluntary Phase II was widely ridiculed and virtually dismissed in its early phases in 1971–72. But it ended 1972 as one of the most successful experiences in postwar incomes policy (just before it was dropped in January 1973).

Are mandatory controls on the way in 1979 or 1980? The U.S. public wants them, demonstrating that it had failed to learn its lesson on mandatory wage-price controls (perhaps because we economists have failed to get the lesson across). Well over 50% say "yes" on public opinion polls asking whether ceilings should be put on prices and wages. But several factors militate against them:

First, to a man, the Carter policy-makers abhor the straightjacket of such controls—the loss of economic freedom, the chicanery and cheating they invite, the warping of resource allocation they generate, and so on. Alfred Kahn, as usual, puts it most graphically: "Direct controls are a stinking mess."

Second, leading members of Congress that would have to legislate controls authority—like Congressman Reuss and Senator Proxmire—have voiced sharp opposition.

Third, the business community, which tacitly and often vocally supported controls in 1971, is almost solidly opposed today.

In brief, I count the odds at roughly three to two against surrendering to direct controls.

THE DOLLAR

I have left the fate of the dollar to last, partly because it will inevitably come into focus in tomorrow morning's discussion, partly because you all know more about it than I do, and partly because the future of the dollar rests in large part on the course of U.S. domestic policies on output, employment and inflation.

Just a brief listing of pluses and minuses may serve as a useful checklist for appraising the future of the dollar. What pluses lie behind the remarkable resiliency of the dollar to shocks in the past 5½ months?

Clearly, the dramatic policy turn on November 1, the new resolve and commitment to stabilize the dollar even at some loss in domestic growth, looms large.

The U.S. turn toward domestic fiscal conservation plays a companion role in the eyes of foreign observers.

Convergence of growth rates in the trilateral world and the likelihood of greater convergence in inflation rates is an important factor.

The shrinkage of our trade and current account imbalance—while blunted by OPEC actions—is hopeful. After a dramatic improvement during 1978, when the current account deficit fell to $17 billion for the year, a further improvement to a $10–$12 billion range is in prospect this year ($4 billion worse than before OPEC oil price increases and decontrol).

The decontrol of domestic crude oil prices will in time be a plus for the dollar.

A renewed influx of long-term capital in response to U.S. social and political stability, good bargains in U.S. property and companies, and lessened currency risks, is another plus.

The major minus (apart from OPEC oil price boosts, which are a "mixed curse") would be a renewal of reserve diversification away from the dollar (for reasons detailed on page 63 of the "payment imbalances" report). A failure of U.S. efforts to cope with inflation would surely accentuate these portfolio shifts out of the dollar.

CONCLUSION: LOOKING AHEAD

Looking beyond 1979 and across the valley of mild recession, what can U.S. trading partners anticipate as to economic policy under the pressure of the 1980 elections?

I believe that both the economic configuration—the persistence of high inflation coupled with a U.S. commitment to stabilize the dollar in the face of pressures for reserve diversification—and the political configuration point to a policy of moderation in policies for renewed expansion. The U.S. locomotive will not go roaring out of the station.

That seems to contradict history, the political-economic cycle and the cliché that election years breed expansion—and inflation. Do I really believe that water will run uphill? I can only respond that, leaving personal preferences aside, one must acknowledge that the political topography has changed. Political advantage now seems to lie more in a successful assault on inflation than it does in all-out war on unemployment.

Why not try to reconcile the two—anti-inflation and pro-employment—by imposing mandatory controls, as in 1971, and behind that protective barrier, pump up the economy by tax cuts and easy money? As I indicated earlier, I believe the odds are rather good that Carter and Congress will not succumb to this temptation.

Beyond 1980, I look for greater stability, a better productivity performance and less inflation in the U.S. economy as, among other things: (1) our huge influx of workers in the 1970s is digested and becomes a seasoned part of the labor force in the 1980s; (2) private capital investment accelerates under the influence of labor shortages, lower taxes and favorable government policies; and (3) the costs of government regulation, both economic and social, are somewhat eased. Nirvana? Hardly. But a distinct improvement over the turbulent seventies? An entirely reasonable expectation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. ROTH (at the request of Mr. RHODES), for today and the balance of the week, on account of a death in the family.

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

Mr. YOUNG of Alaska (at the request of Mr. MICHEL), for the week of May 21 to 25, on account of official business.

Mr. TRAXLER (at the request of Mr. WRIGHT), for today and May 22, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KRAMER), to revise and extend their remarks, and to include extraneous matter:)

Mr. COLLINS of Texas, for 15 minutes, today.

Mr. CORCORAN, for 10 minutes, today.

(The following Members (at the request of Mr. HALL of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. HALL of Ohio, for 5 minutes, today.
Mr. CAVANAUGH, for 10 minutes, today.
Mr. WEAVER, for 10 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. PREYER, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. BEDELL, for 5 minutes, today.
Mrs. COLLINS of Illinois, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MURPHY of New York, to revise and extend his remarks and to include charts and extraneous material with his remarks in general debate on H.R. 111.

(The following Members (at the request of Mr. KRAMER) and to include extraneous matter:)

Mr. FINDLEY in four instances.
Mr. GREEN in two instances.
Mr. GRADISON.
Mr. BUCHANAN.
Mr. DERWINSKI in four instances.
Mr. HAGEDORN.
Mr. WYDLER.
Mrs. SNOWE.
Mr. DORNAN.
Mr. LAGOMARSINO.
Mr. MCCLOSKEY in two instances.
Mr. LIVINGSTON.
Mr. GRASSLEY in two instances.
Mr. WHITEHURST.
Mr. RITTER.
Mr. MCCLORY.
Mr. BOB WILSON in two instances.
Mr. CARTER.

(The following Members (at the request of Mr. HALL of Ohio), and to include extraneous matter:)

Mr. KILDEE.
Mr. HOWARD.
Mr. PEASE in two instances.
Mrs. CHISHOLM.
Mr. WEISS.
Mr. HOLLAND.
Mr. ANDERSON of California in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Ms. HOLTZMAN in 10 instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. BONIOR of Michigan.
Mr. MITCHELL of Maryland.

Mr. ADDABBO.
Mr. SANTINI.
Mr. McDONALD in five instances.
Mr. YOUNG of Missouri.
Mr. DONNELLY.
Mr. DRINAN.
Mr. ROSENTHAL.
Mr. LAFALCE.
Mr. STAGGERS.
Mr. WAXMAN.
Mr. MICA.
Mr. MAGUIRE.
Mr. SIMON.
Mr. CONYERS in two instances.
Mr. CAVANAUGH.
Mr. OBERSTAR.
Mr. PATTERSON in nine instances.
Mr. SOLARZ.
Mr. LELAND.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on May 17, 1979, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 262. To declare May 18, 1979 to be "National Museum Day."

ADJOURNMENT

Mr. HALL of Ohio. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 22, 1979, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1631. A communication from the President of the United States, transmitting a request for supplemental appropriations for fiscal year 1979 for the Small Business Administration (H. Doc. No. 96-128); to the Committee on Appropriations and ordered to be printed.

1632. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a supplement to the list of contract award dates for the period March 15 through June 15, 1979, pursuant to 10 U.S.C. 139; to the Committee on Armed Services.

1633. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of contract award dates for the period May 15, 1979 through August 15, 1979, pursuant to 10 U.S.C. 139; to the Committee on Armed Services.

1634. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to expressly recognize the authority and responsibility of the Secretary of the Navy to issue the U.S. Navy Regulations and other regulations, and for other purposes; to the Committee on Armed Services.

1635. A letter from the Director, Office of Legislative Affairs, Department of the Navy, transmitting notice of the Navy's intention to sell certain naval vessels to the Government of Egypt, pursuant to 10 U.S.C. 7307; to the Committee on Armed Services.

1636. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed final review procedures for applications under the Joint Funding Simplification Act, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1637. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on Foreign Affairs.

1638. A letter from the Secretary of Agriculture, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1639. A letter from the Chairman, Federal Communications Commission, transmitting a report on the Commission's activites under the Government in the Sunshine Act during calendar year 1978, pursuant to 5 U.S.C. 552 b(j); to the Committee on Government Operations.

1640. A letter from the Chairman, Federal Election Commission, transmitting a report on the Commission's activities under the Government in the Sunshine Act during calendar year 1978, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1641. A letter from the Librarian of Congress, transmitting the annual report of the Library of Congress, including the Copyright Office and the Library of Congress Trust Fund Board, covering fiscal year 1978, pursuant to 29 Stat. 256 [2 U.S.C. 139], 17 U.S.C. 108(i), and 43 Stat. 1108 [2 U.S.C. 163]; to the Committee on House Administration.

1642. A letter from the Secretary of the Interior, transmitting notice of the proposed refund of $193,237.07 in excess gas royalties to Amoco Production Co., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1643. A letter from the Deputy Assistant Secretary of the Interior, transmitting notice of the receipt of a loan application under the Small Reclamation Projects Act from the Central Nebraska Public Power and Irrigation District, pursuant to section 10 of the act; to the Committee on Interior and Insular Affairs.

1644. A letter from the Secretary of Energy, transmitting the annual report for fiscal year 1978 on the use of various bidding systems for leasing Federal lands located on the Outer Continental Shelf, pursuant to section 8(a)(9) of the Outer Continental Shelf Lands Act of 1953, as amended (92 Stat. 640); to the Committee on Interior and Insular Affairs.

1645. A letter from the Assistant Attorney General (Antitrust Division), transmitting the fifth report on the voluntary agreement and plan of action to implement the international energy program, pursuant to section 252(i) of the Energy Policy and Conservation Act; to the Committee on Interstate and Foreign Commerce.

1646. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the month of February 1979, on the average number of passengers per day on board each train operated and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1647. A letter from the Secretary of Transportation, transmitting the fifth annual report on railroad-highway demonstration projects, pursuant to section 163(o) of Public Law 93-87, as amended; to the Committee on Public Works and Transportation.

1648. A letter from the Secretary of Transportation, transmitting a quarterly report on Urban Mass Transportation Administration obligations by State and activity as of March 31, 1979, pursuant to section 4(h)(1) of the Urban Mass Transportation Act, as amended (92 Stat. 2738); to the Committee on Public Works and Transportation.

1649. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Duluth-Superior and adjoining area urban study, in partial response to section 102 of the River and Harbor Act of 1966; to the Committee on Public Works and Transportation.

1650. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on Silver Creek, Ill., in response to a resolution of the Senate Committee on Public Works adopted July 18, 1957, and a resolution of the House Committee on Public Works adopted August 20, 1957; to the Committee on Public Works and Transportation.

1651. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a Presidential determination and certification that the Government of Uganda is no longer committing a consistent pattern of gross violations of human rights, pursuant to section 5 of Public Law 95-435; jointly, to the Committees on Foreign Affairs and Ways and Means.

1652. A letter from the Comptroller General of the United States, transmitting a report on Federal executive pay setting practices (FPCD-79-31, May 17 1979); jointly, to the Committees on Government Operations and Post Office and Civil Service.

1653. A letter from the Chairman, National Commission on Social Security, transmitting a special report of the Commission on its plan for conducting its study, investigation, and review, pursuant to section 361(c)(1) of Public Law 95-216; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GIAIMO: Committee of Conference. Conference report on House Concurrent Resolution 107. In disagreement. (Rept. No. 96-211). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEDELL:

H.R. 4140. A bill to amend the Internal Revenue Code of 1954 to reduce the rate of tax on the taxable income of a corporation below $500,000; to the Committee on Ways and Means.

By Mr. BROOMFIELD:

H.R. 4141. A bill to provide for the issuance of gold coins; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CAVANAUGH:

H.R. 4142. A bill to amend the Comprehensive Employment and Training Act to remove prisoners from eligibility for programs under such act; to the Committee on Education and Labor.

By Mr. CORCORAN:

H.R. 4143. A bill to amend the Internal Revenue Code of 1954 to provide individuals a refundable credit against income tax for maintaining a household for certain individuals who are related to the taxpayer and have attained the age of 65; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 4144. A bill to provide for rehabilitation of Conconully Dam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GRADISON:

H.R. 4145. A bill to repeal the statutory authority to impose quotas on certain important meat and meat products; to the Committee on Ways and Means.

By Mr. GUARINI:

H.R. 4146. A bill authorizing the President to award the Congressional Medal of Honor posthumously to Vincent Pantozzi; to the Committee on Armed Services.

H.R. 4147. A bill to amend the Tariff Schedules of the United States to provide a temporary suspension of the duty on certain alloys of cobalt; to the Committee on Ways and Means.

By Mr. McKAY (for himself, Mr. Johnson of California, Mr. Steed, Mr. Clausen, Mr. Lujan, Mr. Marlenee, Mr. Runnels, Mr. Abdnor, Mr. Lagomarsino, Mr. Burgener, Mr. Rousselot, Mr. Coelho, Mr. Rhodes, Mr. Lungren, Mr. Pashayan, Mr. Goldwater, Mr. English, Mr. Johnson of Colorado, Mr. Marriott, Mr. Shuster, Mr. Kogovsek, Mr. Lott, and Mr. Hansen):

H.R. 4148. A bill to amend and supplement the acreage limitation and residency provisions of the Federal reclamation laws, as amended and supplemented, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MICA:

H.R. 4149. A bill to amend the Tax Reform Act of 1976 to provide that certain individuals who retired before January 1, 1977, shall be entitled to exclude disability payments under section 105(d) of the Internal Revenue Code of 1954 without regard to the income limitation in such section, and for other purposes; to the Committee on Ways and Means.

By Mr. MURTHA:

H.R. 4150. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. PANETTA:

H.R. 4151. A bill to amend the Farm Labor Contractor Registration Act of 1963, as amended, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 4152. A bill to amend title 10, United States Code, to establish the Chaplain Corps of the Navy as an independent staff corps of the Navy outside the Bureau of Naval Personnel 1; to the Committee on Armed Services.

By Mr. RINALDO:

H.R. 4153. A bill to amend the Internal Revenue Code of 1954 to increase to $150,000 the amount of group-term life insurance which may be provided by an employer and excluded from the gross income of an employee; to the Committee on Ways and Means.

By Mr. SIMON:

H.R. 4154. A bill to amend the Clayton Act to prohibit any person from serving as a director or officer of more than one major corporation at the same time; to the Committee on the Judiciary.

H.R. 4155. A bill to amend the Internal Revenue Code of 1954 to allow the Internal Revenue Service to disclose the mailing addresses of individuals who have defaulted on student loans made under the Migration and Refugee Assistance Act of 1962; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself, Mr. Waxman, Mr. Preyer, Mr. Maguire, Mr. Leland, and Mr. Carter):

H.R. 4156. A bill to improve the provision of mental health services and otherwise promote mental health throughout the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STARK:

H.R. 4157. A bill to amend title XVI of the Social Security Act with respect to the negotiability of supplemental security income checks and for other purposes; to the Committee on Ways and Means.

H.R. 4158. A bill to amend the Internal Revenue Code of 1954 to eliminate the age requirement for the one-time exclusion of gain from the sale or exchange of a principal residence; to the Committee on Ways and Means.

By Mr. WEAVER:

H.R. 4159. A bill to assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River power system to achieve cost-effective energy conservation, to encourage the development of renewable energy resources, to establish a representative regional power planning process, to assure the region of an efficient and adequate power supply and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce and Interior and Insular Affairs.

By Mr. LELAND (for himself and Mr. Maguire):

H.R. 4160. A bill to amend the Saccharin Study and Labeling Act to extend for 36 months the ban on actions by the Secretary of Health, Education, and Welfare respecting saccharin but only when it is sold or distributed separately as a distinct product for use by the consumer as a sweetener; to the Committee on Interstate and Foreign Commerce.

By Mr. MINETA:

H.R. 4161. A bill to provide, for purposes of administration of certain provisions of the Immigration and Nationality Act, that entities which are prime contractors for chick sexors will be treated as employers with respect to such individuals; to the Committee on the Judiciary.

By Mr. DORNAN:

H. Con. Res. 123. Concurrent resolution with respect to human rights in Iran, to the Committee on Foreign Affairs.

By Mr. STANGELAND:

H. Con. Res. 124. Concurrent resolution expressing the sense of the Congress that the United States, Mexico, and Canada should establish a common economic bond of energy cooperation; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

188. By the SPEAKER: Memorial of the Legislature of the State of Arizona, relative to needed capital improvements of public schools on the Indian reservations; to the Committee on Education and Labor.

189. Also, memorial of the Legislature of the Commonwealth of Pennsylvania, relative to extending the statute of limitations of the German Federal Republic with regard to Nazi war criminals; to the Committee on Foreign Affairs.

190. Also, memorial of the Legislature of the State of Arizona, relative to the Clean Air Act; to the Committee on Interstate and Foreign Commerce.

191. Also, memorial of the House of Representatives of the State of Arizona, relative to Amtrak; to the Committee on Interstate and Foreign Commerce.

192. Also, memorial of the House of Representatives of the State of New Hampshire, relative to the proposed discontinuance of the Montrealer passenger train service; to the Committee on Interstate and Foreign Commerce.

193. Also, memorial of the Legislature of
H.R. 2803: Mr. Daschle.
the State of Arizona, requesting that Congress propose, or call a Convention for the purpose of proposing an amendment to the Constitution to repeal the sixteenth amendment and to prohibit the Federal Government from taxing personal incomes, estates or gifts and from engaging in any business, professional, commercial, financial or industrial enterprise except as specified in the Constitution; to the Committee on the Judiciary.

194. Also, memorial of the Legislature of the State of Arizona, relative to reaffirming the various States' jurisdiction over fish and wildlife; to the Committee on Merchant Marine and Fisheries.

195. Also, memorial of the Legislature of the Commonwealth of Pennsylvania, relative to the specialty steel program; to the Committee on Ways and Means.

196. Also, memorial of the Legislature of the State of Washington, relative to encouraging the development of gasohol as an alternative fuel; jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio:

H.R. 4162. A bill for the relief of the estate of Maj. John E. Doyle; to the Committee on the Judiciary.

By Mrs. FENWICK:

H.R. 4163. A bill for the relief of Patsy J. Perry; to the Committee on the Judiciary.

By Mr. PATTERSON:

H.R. 4164. A bill for the relief of Jane Hammatt; to the Committee on the Judiciary.

By Mr. PETRI:

H.R. 4165. A bill for the relief of Fred L. Timm and Leona M. Timm; to the Committee on the Judiciary.

By Mr. SOLARZ:

H.R. 4166. A bill for the relief of Adi Ishay; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Mr. Fisher.

H.R. 11: Mr. Abdnor, Mr. Baldus, Mr. Barnard, Mr. Buchanan, Mr. Bedell, Mr. Collins of Texas, Mr. Cotter, Mr. Devine, Mr. Emery, Mr. Findley, Mr. Fithian, Mr. Flood, Mr. Ford of Michigan, Mr. Fowler, Mr. Frenzel, Mr. Gilman, Mr. Ginn, Mr. Gradison, Mr. Hagedorn, Mr. Hammerschmidt, Mr. Hubbard, Mr. Ireland, Mr. Jacobs, Mr. Johnson of Colorado, Mr. Jones of Tennessee, Mr. Kindness, Mr. Kramer, Mr. Lagomarsino, Mr. Leach of Louisiana, Mr. McCormack, Mr. McKinney, Mr. Mazzoli, Mr. Mikva, Mr. Mitchell of New York, Mr. Montgomery, Mr. Murphy of Pennsylvania, Mr. Rahall, Mr. Rudd, Mr. Simon, Mr. Steed, Mr. Symms, Mr. Traxler, Mr. Vento, Mr. Volkmer, Mr. Wampler, Mr. Weaver, Mr. Whitehurst, Mr. Whitley, and Mr. Young of Alaska.

H.R. 460: Mr. Whitten, Mr. Brodhead, and Mr. Gilman.

H.R. 601: Mr. Gingrich.

H.R. 1297: Mr. Guarini, Mr. Stack, and Mr. Hawkins.

H.R. 1913: Mr. Hightower, Mr. Alexander, Mr. Addabbo, Mr. Hyde, Mr. Ford of Michigan, Mr. Lowry, Mr. Latta, Mr. Yatron, Mr. Carter, Mr. Mitchell of New York, Mr. Huckaby, Mr. Dickinson, Mr. Hinson, and Mr. Gore.

H.R. 1980: Mr. Flood, and Mr. Royer.

H.R. 2073: Mr. Guarini.

H.R. 2129: Mr. Dixon.

H.R. 2270: Mr. Evans of the Virgin Islands, and Mr. Brown of Ohio.

H.R. 2315: Mr. Dougherty, and Mr. Scheuer.

H.R. 2369: Mr. Howard.

H.R. 2370: Mr. Shannon.

H.R. 2802: Mr. Daschle.

H.R. 2803: Mr. Daschle.

H.R. 2968: Mr. Cavanaugh, and Mr. Bereuter.

H.R. 3374: Mr. Beilenson, Mr. Edgar, Mr. Fazio, Mr. Forsythe, Mr. Glickman, Mr. Heftel, Mr. Jeffords, Mr. LaFalce, Mr. McCormack, Mr. Panetta, Mr. Stark, Mr. Vento, Mr. Weiss, Mr. Whittaker, Mr. Lungren, Mr. Maguire, Mr. Pease, Mr. Scheuer, Mr. Downey, Mr. Bonior of Michigan, and Mr. Jacobs.

H.R. 3621: Mr. Conyers, Mr. Vento, Mr. Addabbo, Mr. Beard of Rhode Island, Mr. Lowry, Mr. Gore, Mr. Edgar, Mr. Kostmayer, Mr. Nolan, Mr. Daschle, Mr. Richmond, Mr. Rahall, Mr. Oberstar, Mr. Ambro, Mr. John L. Burton, Mr. Phillip Burton, Mr. Vanik, Mr. Carter, Mr. Stack, Mr. Nowak, Mr. Guarini, Mr. Jeffords, Mr. Bingham, and Mr. Barnes.

H.R. 3720: Mr. Mineta, Mr. Whitehurst, Mr. Jones of North Carolina, Mr. Coelho, Mr. Lott, Mr. Skelton, Mr. Jeffords, Mr. McCloskey, Mr. Robert W. Daniel, Jr., Mr. Yatron, Mr. Derwinski, Mr. Downey, Mr. Kindness, Mr. Kogovsek, Mr. Fazio, Mr. Mathis, Mr. Santini, Mr. Huckaby, Mr. Burgener, Mr. Ginn, Mr. Wolpe, Mr. Evans of Georgia, Mrs. Byron, Mr. Dornan, Mr. Daschle, Mr. English, Mr. Cleveland, Mr. Paul, Mr. Weaver, and Mr. Neal.

H.R. 3746: Mr. Lee.

H.R. 3895: Mr. Baldus, Mr. Buchanan, Mr. Cavanaugh, Mr. Corrada, Mr. Downey, Mr. Duncan of Tennessee, Mr. Edwards of California, Mr. Erdahl, Mr. Ertel, Mr. Flood, Mr. Gibbons, Mr. Hall of Ohio, Mr. Heftel, Mr. Hutto, Mr. Ireland, Mr. Kogovsek, Mr. McHugh, Mr. Mitchell of Maryland, Mr. Montgomery, Mr. Ottinger, Mr. Robinson, Mr. Weiss, Mr. Whitehurst, Mr. Winn, and Mr. Wolpe.

H.R. 4011: Mr. Abdnor, Mr. Addabbo, Mr. Akaka, Mr. Anderson of Illinois, Mr. Andrews of North Dakota, Mr. Annunzio, Mr. Bafalis, Mr. Baldus, Mr. Barnard, Mr. Bevill, Mr. Biaggi, Mrs. Boggs, Mr. Boland, Mrs. Bouquard, Mr. Bowen, Mr. Brodhead, Mr. Burgener, Mr. Cavanaugh, Mr. Cheney, Mr. Clausen, Mr. Clinger, Mr. Cleveland, Mr. Conte, Mr. Corman, Mr. Corrada, Mr. Coughlin, Mr. Courter, Mr. Daschle, Mr. Davis of Michigan, Mr. de la Garza, Mr. Dixon, Mr. Donnelly, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of Oklahoma, Mr. English, Mr. Ertel, Mr. Evans of Georgia, Mr. Fazio, Ms. Ferraro, Mr. Findley, Mr. Fithian, Mr. Flood, Mr. Ford of Tennessee, Mr. Forsythe, Mr. Fowler, Mr. Frenzel, Mr. Frost, Mr. Fuqua, Mr. Gaydos, Mr. Ginn, Mr. Glickman, Mr. Gonzalez, Mr. Goodling, Mr. Gray, Mr. Grisham, Mr. Guyer, Mr. Hagedorn, Mr. Hall of Ohio, Mr. Hall of Texas, Mr. Hefner, Mr. Hollenbeck, Mr. Howard, Mr. Huckaby, Mr. Hughes, Mr. Ichord, Mr. Jenrette, Mr. Johnson of California, Mr. Johnson of Colorado, Mr. Jones of Oklahoma, Mr. Kindness, Mr. LaFalce, Mr. Leach of Iowa, Mr. Leach of Louisiana, Mr. Lederer, Mr. Lee, Mr. Lloyd, Mr. Long of Maryland, Mr. Lott, Mr. Luken, Mr. McEwen, Mr. McKay, Mr. Maguire, Mr. Markey, Mr. Mathis, Mr. Mavroules, Mr. Mitchell of Maryland, Mr. Mitchell of New York, Mr. Moakley, Mr. Montgomery, Mr. Murphy of Pennsylvania, Mr. Murphy of Illinois, Mr. Natcher, Mr. Nichols, Mr. Nolan, Mr. Nowak, Mr. Oberstar, Mr. Ottinger, Mr. Patten, Mr. Patterson, Mr. Pepper, Mr. Perkins, Mr. Price, Mr. Pritchard, Mr. Rahall, Mr. Regula, Mr. Rinaldo, Mr. Reuss, Mr. Richmond, Mr. Roberts, Mr. Russo, Mr. St Germain, Mr. Sebelius, Mr. Sensenbrenner, Mr. Simon, Mr. Slack, Mrs. Spellman, Mr. Staggers, Mr. Stangeland, Mr. Steed, Mr. Stokes, Mr. Stratton, Mr. Stump, Mr. Thomas, Mr. Traxler, Mr. Trible, Mr. Udall, Mr. Watkins, Mr. Whitehurst, Mr. Whitten, Mr. Williams of Montana, Mr. Charles H. Wilson of California, Mr. Charles Wilson of Texas, Mr. Winn, Mr. Wolff, Mr. Won Pat, Mr. Yatron, Mr. Young of Florida, Mr. Young of Missouri, and Mr. Zeferetti.

H.R. 4024: Mr. Bedell, Mr. Moakley, Mr. Long of Maryland, Mr. Maguire, Mr. Drinan, Mr. Clay, Mr. Edwards of California, Mr. Vento, Mr. Solarz, Mr. Richmond, Mr. Mikva, Mr. Reuss, Mr. Rangel, Mr. Wolpe, Mr. Fazio, Mr. Hawkins, Mr. Jacobs, Mr. Weiss, Mr. Mineta, Mr. Williams of Montana, Mr. Gore, Mr. Bevill, Mr. Oberstar, Mr. Lehman, Mr. Dellums, Mr. Baldus, Mr. Weaver, Mr. Sabo, Mr. Hughes, Mr. Markey, Mr. Steed, Mr. Ertel, Mr. Coelho, Mr. Young of Missouri, Mr. Pepper, and Mr. Daschle.

H.J. Res. 321: Mr. Horton, Mr. Hollenbeck, Mr. Corrada, Mr. Mitchell of Maryland, Mr. Lagomarsino, Mr. Scheuer, Mr. Guarini, Mr. Mazzoli, Mr. Hughes, and Mr. Fazio.

H. Con. Res. 90: Mr. Evans of the Virgin Islands, and Mr. Harris.

H. Con. Res. 121: Mr. Waxman, Mr. Hughes, Mr. Mineta, Mr. Richmond, Mr. Panetta, Mr. Maguire, Mr. Barnes, Mr. Studds, Mr. Harris, Mr. Ottinger, Mr. Beilenson, Mr. Lungren, Mr. Buchanan, Mr. Gradison, Mr. Benjamin, and Mr. Lehman.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 111

By Mr. KRAMER:

—Page 168, section 374, line 1, insert the following after the word "force,": "or, at such time, if it be later than said date, after which a national government has been installed in the Republic of Panama chosen by free national elections in which all population groups and political parties have been allowed to participate, where with respect to such elections, internationally recognized political observers have reported said elections have been conducted in a fair and successful manner, and the Preident has reported the same to the Congress,".

And redesignate subsequent sections accordingly.

H.R. 4011

By Mr. HINSON:

—Page 17, strike out line 15, and insert in lieu thereof the following: "be 1 per centum on the amount of such loan not over $10,000 and 3 per centum on the amount of such loan over $10,000 but not over $55,000;".

By Mr. MINETA:

—Page 22, after line 4, insert the following new section:

ASIAN PACIFIC AMERICANS TREATED AS DISADVANTAGED

Sec. 117. (a) Subparagraph (C) of section 2(e)(1) of the Small Business Act is amended by inserting "Asian Pacific Americans," after "Native Americans,".

(b) The last sentence of subparagraph (C) of the clause contained in section 8(d)(3) of the Small Business Act is amended by inserting "Asian Pacific Americans," after "Native Americans,".

(c)(1) The amendment made by subsection (a) shall apply as if included in the amendment made by section 201 of the Act entitled "An Act to amend the Small Business Act and the Small Business Investment Act of 1958", approved October 24, 1978 (Public Law 95–507).

(2) The amendment made by subsection (b) shall apply as if included in the amendment made by section 211 of the Act so entitled.

S. 869

By Mr. KINDNESS:

—On page 1, line 5 insert "to read" after "amended".

On page 1, strike the language beginning with the word "In" on line 6, through to the period on page 2, line 2. Insert the following language in lieu thereof:

"(b) Whoever, having been so employed, within two years after his employment has ceased, knowingly acts as agent or attorney for, or otherwise represents, any other person (except the United States), in any formal or informal appearance before, or, with the intent to influence, makes any oral or written communication on behalf of any other person (except the United States) to—

(1) any department, agency, court, court-martial, or any civil, military or naval commission of the United States or the District of Columbia, or any officer or employee thereof, and

(2) in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest or other particular matter involving a specific party or parties in which the United States or the District of Columbia is a party or has a direct and substantial interest, and

(3) which was actually pending under his official responsibility as an officer or employee within a period of one year prior to the termination of such responsibility and in which he participated personally and substantially as an officer or employee; or".

—On page 1, on line 7 strike the word "before".

On page 2, strike lines 1–2.

On page 1, line 7 insert the following new language after the comma, strike "responsibility, or" and insert "responsibility, and".

—On page 1, line 7, insert the following language after the semicolon:

"Subparagraph (2) is hereby repealed and subparagraph (3) is renumbered '(2)';".

—On page 1, line 7, insert the following language after the semicolon: "in subparagraph (2), strike the word "arrest";".

EXTENSIONS OF REMARKS

PUBLIC PROSECUTOR ON ENERGY?

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. FINDLEY. Mr. Speaker, recent conflicting reports by Energy Department officials, as well as allegations of regulatory abuse and neglect by the Federal Energy Regulatory Commission, present a convincing argument for an independent unit within the Government to provide the hard, reliable information to deal with the energy shortages as well as with public cynicism which continues to grow with the lines at the gas pumps.

If the 20,000 employees of the Energy Department as well as those employed by the Regulatory Commission are not able to provide this service, then, as the enclosed editorial from the Christian Science Monitor suggests, the President must find another way to satisfy this growing and urgent need.

GAS: GET AT THE FACTS

Who has the facts?

That is probably the key question as American motorists fume over lengthening lines at service stations and the prospect of growing gasoline shortages over the coming months. It is no wonder that public cynicism and resentment grow given the plethora of conflicting reports from government leaders, oil executives and industry analysts. President Carter asserts Americans are "looking for scapegoats" in believing there is collusion between the federal government and the oil companies. The Federal Trade Commission meanwhile reports that "the current gasoline shortage may be contrived," although it offers no hard evidence.

The problem at root is a lack of hard, reliable information. One leading newspaper reports that the Department of Energy "has few solid figures on gasoline consumption and supplies." Why, any man-in-the-street might ask, does a federal agency, with 20,000 employees charged with overseeing the nation's energy needs, not have solid figures? And, even more to the point, why is it still relying on statistics provided by the industry which it is supposed to monitor? The American Petroleum Institute, an oil industry organization, remains the primary source of data for the federal government.

It is high time that an independent unit were set up within the government to verify statistics supplied by industry and to collect its own data on fuel costs, supplies, profits. If the government is to regulate the use and distribution of petroleum products intelligently, it must have the facts. Among them, one energy expert has suggested, are the location, amount and current use of oil and gas reserves; the companies' international refining, transportation, storage, and marketing practices; how much money is being invested in exploration of new wells; where it is being spent and in what business relationships with foreign governments; and the location and capabilities of new investments in refining and storage plants. He suggests every oil production, refining or distributing company in the U.S.—as well as foreign company headquarters in the U.S.—be required to report monthly to such a fact-collecting unit the information needed for policymaking purposes. This is not unlike what the railroads, bus and truck lines, interstate gas and electric transmission companies and others do routinely. Moreover, the government should be able to audit the facts.

This is not to suggest dishonesty or misleading policies by the oil industry. Nor should establishment of a government data unit lead in any way to government control of the oil industry. Certainly government and the oil companies must work together on equitable distribution of so crucial a resource to the American economy as fuel. But it also becomes clear that the government must have independent data both to make policies that protect the public interest and to be able to persuade the American people of its credibility. Interior Secretary Cecil Andrus himself voiced astonishment when he learned that all the government's energy information was generated by the energy companies and he promised to improve the fact-collecting process.

Since then there is no indication the new Energy Department has picked up on this promise. President Carter ought now to follow through.●

THE CONDOMINIUM ACT OF 1979

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. MICA. Mr. Speaker, I am submitting for the RECORD a letter recently sent to the President of the United States from the south Florida congressional delegation regarding the Condominium Act of 1979.

As stated in the letter, I am very disappointed with the progress of this legislation and have urged the President to continue his active support to the bill.

Mr. Speaker, I also want to urge your review of this problem and would appreciate any help you could provide on this situation:

WASHINGTON, D.C.,
May 11, 1979.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As you know, we have cosponsored H.R. 2792, the Condominium Act of 1979, which is designed to solve the long standing problem of recreation leases as well as setting national standards for consumer protection and disclosure requirements of condominium sales.

During the early 1970's, condominiums were sold with long-term recreation leases as a condition of purchase. These leases contain automatic escalation clauses, usually tied to the consumer price index, which have caused a heavy financial burden for many condominium unit owners, particularly in South Florida. While we were pleased with your involvement and support which the Department of Housing and Urban Development gave to the bill during the previous Congress, we have become very concerned this year over your community to help solve this serious problem.

Recently, the House Subcommittee on Housing and Community Development held hearings on the bill, but has decided not to take any further action at this time. This development was very disappointing to the thousands of unit owners in South Florida who have had to continually pay these rent increases.

In the Senate, Senator Williams has recently assured Senator Stone of his commitment to hold hearings on S. 612, the companion legislation to H.R. 2792. We urge that you lend your active support to this legislation in order to help bring relief to thousands of condominium unit owners.

EDWARD J. STACK,
DANTE B. FASCELL,
WILLIAM LEHMAN,
CLAUDE PEPPER,
DANIEL A. MICA,
Members of Congress.●

INVITATION TO ATTEND DEMOCRATIC CAUCUS DECLINED—RELUCTANTLY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DERWINSKI. Mr. Speaker, it is with great reluctance and a heavy heart that I must respectfully decline two separate invitations to attend tomorrow's Democratic Caucus. Evidently, the invitations were extended in the spirit of bipartisan cooperation which has been encouraged by my support of our President on certain major issues. Unfortunately, I find myself unalterably opposed to the methods proposed by the President and his party for dealing with the energy crisis.

Evidently, the Democratic Caucus will consider a proposal which amounts to trying to reallocate the scarcity. This, I submit, is the wrong approach. Decontrol is needed to stimulate production. Oil producers can increase production. The real culprit is over-regulation by the Government. It is the Carter administration which is responsible for the shortage of gas and the growing lines and resulting confusion at gas stations.

It is obvious as long as we must import 50 percent of our energy we cannot control prices. But increased production of domestic oil and energy sources can be accomplished by a balanced program of incentives for exploration, conservation, and practical modification of stringent environmental standards.

I realize that if I were to avail myself of the invitations to the Democratic Caucus, I would not have a vote, but presumably could watch proceedings from the gallery. Therefore, I am taking this opportunity to ask the House to resist the worn out, pro bureaucratic call of the Democrats. Free enterprise and the ingenuity of American business can solve the energy problem.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

URUGUAYAN ASSASSINATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. BONIOR of Michigan. Mr. Speaker, May 20, 1979, is the occasion of the third anniversary of the assassinations of two courageous, democratic leaders from Uruguay. We honor their memory, realizing that their persistence in speaking out against injustices perpetrated by the Uruguayan military government cost them their lives.

Hector Gutierrez Ruiz was a leader of the traditional National Blanco Party and Speaker of the Chamber of Deputies. Senator Zelmar Michelini was a member of the Broad Front coalition. Although from different parties, both were united in their defense of Uruguay's strong, democratic traditions. In 1973, the doors of the Uruguayan Parliament were closed by the military. With this forum denied to them, they were exiled to Argentina where they continued their activities, advocating a return to democratic rule and respect for human rights in their homeland. In 1975, they were invited to testify before a committee of the U.S. Congress which sought to further investigate reports of the alarming conditions in Uruguay. They were prevented from traveling. Less than a year later, they were arrested by Uruguayan forces on Argentine soil and found in an abandoned car 3 days later, shot to death.

Unfortunately, in the 3 years since the slayings of Michelini and Gutierrez Ruiz, conditions in Uruguay have only worsened. International organizations monitoring severe abuses of human rights continue to add names to the long lists of "disappeared" citizens, including even children who were taken with their parents, and for whom there is still no government accounting. The extraterritorial operations of the Uruguayan military have extended beyond Argentina to Paraguay and Brazil, where Uruguayan citizens have been arrested in exile. Some have been forcibly returned to Uruguay. The date of others remains unknown.

Following the inauguration of the new chief of the armed forces, Gen. Luis Queirolo, in February of this year, there was a new wave of arrests. More than 300 persons joined the thousands already imprisoned. Amnesty International attributes these arrests to army intelligence (SIDE), a naval unit (OCOA), and police intelligence (DNII), and notes that all three figure "prominently in torture testimonies." Amnesty also remarks, "It is feared that these arrests follow the practice in Uruguay: Unconstitutional arrest procedures with no guarantees against prolonged detention incommunicado and torture."

Today we pay tribute to the courage of Deputy Gutierrez Ruiz and Senator Michelini. Their spirit inspires our efforts to focus attention on the excesses and abuses of the current regime. We will continue to do so until democracy returns to Uruguay and its people can once again speak for themselves.●

THE MENTAL HEALTH SYSTEMS ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. WAXMAN. Mr. Speaker, today I am pleased to join my colleagues, the Honorable HARLEY O. STAGGERS, chairman of the Committee on Interstate and Foreign Commerce, and the Honorable RICHARDSON PREYER, ANDREW MAGUIRE, MICKEY LELAND, and TIM LEE CARTER, ranking minority member of the Subcommittee on Health and the Environment, which I chair, in introducing the administration's Mental Health Systems Act.

This legislation is designed to address the major findings and recommendations of the President's Commission on Mental Health. As you know, Mr. Speaker, the First Lady, Mrs. Carter, was the stimulus and force behind that Commission. Her dedication and compassion as honorary chairperson of the Commission resulted in the comprehensive set of recommendations presented to the President last April.

Mrs. Carter has long been concerned about the mental health needs of our Nation. As first lady of Georgia, she volunteered 1 day a week to work with patients and families in a State mental hospital; she worked with the Special Olympics games; and she was an active member of the Georgia Mental Health Association. Much of her time as the Nation's First Lady has been spent in drawing attention to the tragic consequences of mental illness in our country, and to a working partnership with the President in stimulating the development of positive programing ideas to obviate those consequences. All Americans are indebted to Mrs. Carter for her work, and I include myself among those offering appreciative acknowledgment of her efforts.

In 1963, President Kennedy called for the development of a mental health service system; the community mental health centers program was the result. Over 700 such centers are now in operation, and in the past 15 years we have seen mental health programing shift from predominantly institutional to predominantly outpatient oriented services. Yet as the President's Commission has reported, even with our great progress, much remains to be done. The Mental Health Systems Act presents a unique opportunity for us to address many of those needs. The act will encourage a partnership among Federal, State, and local governments in the delivery of mental health, health, and social services and will provide a more flexible mechanism for the delivery of those services.

The major findings and recommendations of the President's Commission which form the basis of this legislation include: First, the need to address the special concerns of the chronically mentally ill and unserved or underserved population groups; Second, the need for stronger alliances between Federal and State governments in the provision of mental health services; Third, the need for more flexible mechanisms for providing community-based mental health services; Fourth, the need to better coordinate systems of general health and mental health services; Fifth, the need for greater emphasis on the prevention of mental illness and the promotion of mental health; and Sixth, the need to deal with the shortage of and inadequate distribution of mental health manpower.

The legislative proposal the administration has sent to us is an important one. By the very nature of the problems it addresses, it is both comprehensive and complex. While I certainly support the ultimate goals of the administration, I shall, of course, actively seek the advice of all interested parties to assure that what this Congress finally adopts is the best possible legislation it can develop to meet those goals. To that end, I shall announce a series of hearings on the provisions of the Mental Health Systems Act in the near future. At that time, the subcommittee will receive and consider the advice of individuals and organizations concerned with mental health programing across the country. As always, I shall also consider carefully any additional written comments I receive on this proposal.

I look forward to working with my colleagues in the Congress, the administration, and the public on this major health initiative.●

A TRIBUTE TO BILL GIRARD

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. ADDABBO. Mr. Speaker, at the end of this month, Bill Girard, Director of Small and Disadvantaged Business Utilization for the Defense Logistics Agency, will retire from Federal employment after 35 years of dedicated service.

For the past 9 years, Bill has been responsible for the administration of small minority business and labor surplus area procurement programs in DLA. His outstanding record of accomplishment in this area speaks for itself. Under his able leadership, DLA's participation in small and minority business programs has steadily increased—in fact, over the last 5 years alone, DLA has increased its awards to small business by better than $1 billion. He is deserving of our appreciation for a job well done.

I am personally saddened to see Bill leave DLA and sincerely hope that his successor will carry on the fine work which he has begun. While the Federal service has lost a true friend of and advocate for small and minority business, we do have the satisfaction of knowing that his past accomplishments stand as a permanent model of dedication which civil servants in this area of small and minority business development should strive to imitate.●

THREE MILE ISLAND—THE APOLLO FIRE FOR THE NUCLEAR INDUSTRY?

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. WYDLER. Mr. Speaker, a lot has been written and said about the March 28 nuclear accident at Three Mile Island (TMI) and yet little or no attention has been paid to what can be learned from such an accident. I believe that careful analysis of the details of the TMI in terms of systems failures and human errors can be a constructive basis for a significant enhancement of nuclear safety systems and procedures.

I intend to make every effort to see that this incident becomes for nuclear power what the "Apollo 204 Fire" was for the national space program.

As many of my colleagues will recall, the Apollo Fire was a tragic incident which took the lives of three outstanding astronauts. However, the National Aeronautics and Space Administration, in team with its industrial contractors revamped their Apollo systems and upgraded their safety standards in terms of new materials, more stringent operating procedures and additional measures aimed at minimizing human error. This contributed greatly to the program's success.

The nuclear community is faced with a similar situation today as NASA was 12 years ago. However, no fatalities resulted from the nuclear accident and exposure of the citizenry amounted to radiation levels comparable to several chest X-rays. NASA had to enhance the quality of safety in the face of tragedy and yet I feel the urgency to address the nuclear safety problem is just as great even though there has been no catastrophe.

I intend to pursue this theme of the "Apollo Fire" throughout our Science and Technology Committee hearings on nuclear reactor safety next week. The Energy Research and Production Subcommittee on which I am the ranking minority member will conduct hearings on this issue on May 22, 23, and 24. This is the second set of hearings the subcommittee will hold on critical nuclear issues. Last week nuclear waste management was scrutinized by the Subcommittee on Energy Research and Production in three informative hearings.

Mr. Speaker, I think it is generally agreed in the technological community that two major conclusions have been reached so far on Three Mile Island. The nuclear reactor safety systems were tested under conditions so extreme that a sabateur could not have done a better job of stressing the reactor. Yet the system behaved better than anyone had the right to expect. I cannot make the same observation about the operators' performance; human error combined with the absence of reliable and confirmatory instrumentation played a major role in escalating a normal shutdown sequence into a potentially harmful incident.

I hope our committee's deliberations are the first step in a meaningful congressional initiative to enhance reactor safety by technological improvements, not by adding another layer of regulatory complexity.●

FARMERS' GRAIN INSURANCE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. FINDLEY. Mr. Speaker, I believe that farmers who put their grain in elevators deserve the same protection as those who deposit money in banks. It was with that belief in mind that I introduced a bill in the 95th Congress which would have provided Federal insurance for stored grain in a manner similar to Federal insurance of bank deposits. I plan to reintroduce this bill in this session. Apparently there is renewed interest in this subject as indicated in an excellent editorial in the May 3, 1979, issue of the State Journal-Register, a daily newspaper in Illinois' capital city, Springfield.

The text of that editorial follows:

FARMER'S PROTECTION

A measure to provide a form of insurance for farmers with grain stored in elevators is under consideration in the Illinois House. It ought to be approved.

There have been several instances in recent years of grain elevator operators going bankrupt and being unable to pay farmers for grain stored in their elevators. The grain had been used by the elevator operator to fulfill contracts he had made, and the farmers were left wtihout their grain or payment for it.

The bill under consideration sponsored by Rep. Calvin Skinner, R-Crystal Lake, would permit establishment of a fund to insure stored grain much the same way the Federal Deposit Insurance Corporation insures bank accounts.

The fund would be established if a majority of grain farmers in the state voted for such action in a referendum. The referendum would be held upon petitioning for it by 1,000 farmers.

Grain dealers would provide the fund by paying into it one-tenth of one percent of the price of the grain they purchase. When the fund reached $20 million payments would cease until there was a need to replenish the fund.

Under provisions of the bill, a farmer with grain stored with a dealer who became insolvent would have to sustain the first $1,000 of his loss, but beyond that he could claim up to $20,000 from the grain elevator insurance fund.

Grain elevator operator bankruptcies, particularly one in northern Illinois leaving millions of dollars in debts and a simiar one in the southeastern part of the state, have demonstrated a need for some protection for farmers, who can lose much of their crop in such instances through no fault of their own.

We hope the General Assembly will act to provide this protection.●

THE MENTAL HEALTH SYSTEMS ACT

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. STAGGERS. Mr. Speaker, today I am pleased to be joined by my colleagues, the Honorable HENRY A. WAXMAN, chairman of the Subcommittee on Health and the Environment, the Honorable RICHARDSON PREYER, ANDREW MAGUIRE, MICKEY LELAND, and TIM LEE CARTER, the ranking minority member of that subcommittee, in introducing the administration's proposed Mental Health Systems Act.

This proposal is the legislative translation of the major recommendations of the President's Commission on Mental Health, a Commission established by the President during the first month of his administration. As you also know, the First Lady, Mrs. Carter, most ably served that Commission as its Honorary Chairperson. I consider myself to be among those who are indebted to Mrs. Carter and the hundreds of individuals who contributed so substantially to the Commission's final report and recommendations which were presented to the President just over 1 year ago.

The Commission's report outlines the tremendous progress we, as a Nation, have made in recent years in dealing with the problems of mental illness. It also demonstrates, all too dramatically, that unmet needs still exist in every region of our country. In transmitting the Mental Health Systems Act to the Congress, the President reiterated just some of those needs:

According to the most recent estimates, between 10 and 15 percent of the population—20 to 32 million Americans—need some form of mental health services at any one time.

Substantial numbers of Americans do not have access to mental health care of high quality and at reasonable cost. For many, this is because of where they live; for others, it is because of who they are—their race, age, or sex; for still others, it is because of their particular disability or economic circumstance.

There are approximately 1.5 million chronically mentally disabled adults in mental hospitals, nursing homes, and other residential facilities. Many of these individuals could lead better lives in less restrictive settings if mental health and supporting services were available in their communities. The problem is that for them—and for the hundreds of thousands of patients who have been returned to their communities from large institutions over the past few years—such support services are seldom readily available. As a result, evidence indicates that half the people released from large State mental hospitals are readmitted within a year of discharge.

There is insufficient emphasis at Federal, State, and local levels on prevention and early detection of mental disorders. Infants and children would especially benefit from expanded prevention efforts, since early intervention with problems in physical, emotional and cognitive development can prevent more serious mental and emotional problems in the future.

Conflicting policy objectives in various Federal health and mental health programs and between Federal and State programs often lead to confusion, fragmentation of services, and a lack of continuity of care for those with mental and emotional problems. In addition, diverse Federal planning requirements and poorly developed planning capabilities at the State and local levels have perpetuated the lack of integrated planning necessary to build a nationwide network of accessible public and private mental health services.

The lack of flexibility in Federal funding of community-based services has prevented some communities from providing services to their underserved populations. Although over 700 community mental health centers provide services to almost 3 million patients annually, this model of organizing services cannot fit the needs of all people and all communities. Therefore, varying approaches to developing comprehensive community mental health services should be encouraged.

About two-thirds of all mentally ill persons being treated in this country every year are receiving care in the general health care system. Nevertheless, cooperative working arrangements between general health care settings and community mental health programs are rare.

Over the past several years, there has been a marked increase in the number of professional and paraprofessional mental health practitioners. However, rural areas, small towns, and poor urban areas still have only a fraction of the personnel they need. Many mental health facilities have a shortage of trained personnel. The mental health professions still have too few minority members, and there is a shortage of specialists trained to work with children, adolescents, and the elderly.

Since 1969, our national mental health research capacity has undergone substantial erosion and our investment in mental health research is now so low that the development of new knowledge is jeopardized.

The legislation which I am introducing today is designated: First, to establish a new partnership between State and Federal governments in the planning and provision of mental health services; second, to assure that the chronically mentally ill and other special population groups, are no longer relegated to unnecessary institutionalization or inadequate care in the community; third, to provide more flexible support for community services; and fourth, to place a new emphasis on the prevention of mental illness.

In the weeks ahead, I look forward to reviewing the comments of all those individuals and organizations affected by the legislative proposals I have introduced today, and to working closely with these groups and the administration in fashioning the most responsive and responsible legislative program possible to reduce the national tragedy of mental illness and its consequences.●

GARDEN GROVE'S BOYS' CLUB HONOREES

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, the Garden Grove Boy's Club is a dynamic chapter of the Boys' Club of America. The success of their program and the appeal of their activities has been confirmed by the program's needs for additional facilities for the past 3 years.

Since that time, the efforts of the club, and most particularly three of its members, has been on expansion of their facilities. The constant efforts of the board of directors has contributed to the recent completion of a photo darkroom, a ladies restroom facility, an outdoor gamesroom patio and, most importantly, a new Boys' Club facility in West Garden Grove.

At the helm of this project was Dick Myers, board president of the Boys' Club of America for 1977 and 1978. Dick is the district manager of Farmers Insurance and will be honored by the Boys' Club with their Golden Man and Boy Award, their highest honor, for his commitment and dedication to the club.

Ken Owens has been active with the Boys Club board of directors for more than 12 years. His involvement with the property management and building committees, while enhanced by his community involvement and employment as vice president and manager of Bank of America, is best acknowledged by his willingness to personally act as gardener and carpenter on projects under his direction. He will be presented with the Boys' Club Medallion.

Donald G. Eyer has been active with the Boys' Club board of directors for 7 years and has been a trustee of the Emlen W. Hoag Foundation for 3 years. His personal involvement in the construction of the facilities mentioned above extended from raising the funds for the project to supervision of the construction. He will be presented with the Boys' Club Medallion.

It is men like these who are willing to give of their time and expertise, and their personal sweat and toil, which give the Garden Grove Boys' Club its unique character. These men are truly exceptional leaders in our community and I ask my colleagues to join with me and the Garden Grove Boys' Club in honoring their fine dedication and their new facility.●

CONGRESSIONAL TEXTILE CAUCUS MEETING

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. HOLLAND. Mr. Speaker, the Congressional Textile Caucus met on May 9 for a briefing on President Carter's textile trade program. The program was announced at the White House on March 22, 1979, at which time the President gave his personal endorsement to the program and assured those of us present on that day that the terms of the import restraint agreement would be carried out to the letter.

The Textile Caucus invited textile, apparel and fiber industry and labor representatives to discuss with its members the text of the trade program and to evaluate how effectively it is being implemented. The meeting was attended by caucus members and their staffs and by other Members of Congress with an interest in the textile complex as well as by a number of industry representatives.

The industry-labor panel was composed of many of the actual negotiators of the trade agreement and was led by Morris M. Bryan, Jr., president of the American Textile Manufacturers Institute. Mr. Bryan expressed the industry's appreciation to the Members of Congress for their help and support which he said was a key element in the development of the textile program and without which the achievements made thus far would not have been made. While noting that progress has been made, Bryan expressed concern that only part of the program has been implemented. He emphasized the need to renegotiate the existing bilaterals with Hong Kong, South Korea, and Taiwan for the years 1980, 1981, and 1982 and for the administration to reach an agreement with the People's Republic of China. He also expressed industry and labor concern over an effort to extend the current tariff cutting authority of the 1974 Trade Act, which he said amounts to changing the rules of the game.

ATMI International Trade Commission Chairman William A. Klopman also underscored the need to renegotiate the 1980–82 bilaterals of the three Asian countries and cautioned that the somewhat encouraging first quarter trade statistics which show a decline in imports should not lull us into a sea of euphoria. He pointed out that imports continue to be a serious problem.

Other participants in the panel were David K. Barnes, E. I. du Pont de Nemours & Co.; Sol Chaikin, International Ladies' Garment Workers' Union president; Murray H. Finley, Amalgamated Clothing and Textile Workers' Union; and John Woltz, Quality Mills, Inc. and chairman of the board of the American Apparel Manufacturers Association. Each pointed out that the President's program is lagging in some areas and urged Congress to exert the necessary pressure to keep the program going.

John Woltz of the American Apparel Manufacturers Association focused on the textile and apparel and labor concerns with respect to the pending MTN legislation. He said that the legislation would exclude from the Government Procurement Code items covered by the Berry amendment; that the snapback clause in the Carter program should be made a specific part of the MTN legislation and that no extension should be made of tariff cutting authority.

Sol Chaikin of ILGWU emphasized that the concerns of the industry should be viewed as national concerns. While emphasizing that textiles and apparel are a specific problem, he said that the Nation needs a rational overall trade policy. With respect to textile and apparel imports, he said a global evaluation should be pursued so that everyone concerned can understand the totality of what the individual textile agreements mean in terms of their impact on textile and apparel employment.

Murray Finley, president of the Amalgamated Clothing and Textile Workers Union, outlined the growth of textile and apparel imports in recent years and emphasized the continuing threat. He cited the PRC potential to flood the American market with textile and apparel products and also warned that time is running out on the 1980 renegotiation with the three Asian countries.

Following the briefing, Representative Ed Jenkins of Georgia introduced the following resolution which was approved unanimously by the Caucus:

> The Caucus supports the basic framework and substance of the President's Textile Trade Program announced at the White House March 22, 1979. We welcome the negotiating efforts with Japan, Hong Kong, Korea, Taiwan and China recently undertaken. Much remains to be done, particularly the revision of those agreements with respect to the years 1980 through 1982 and the finalization of a bilateral agreement with the People's Republic of China. Such negotiations should be completed prior to the final Congressional adoption of the MTN implementing legislation. We welcome the progress made in improved monitoring and enforcement procedures with respect to our textile quota agreements and we urge that the remaining problems in this key area of Government activity be speedily solved.

Mr. Speaker, this resolution lets the administration and the People's Republic of China know of our continued vital concern in this area. We plan to watch very carefully to see that this program is carried out. If need be, we will hold the MTN hostage to insure that it is carried out.

At this time I would like to respectfully submit the President's textile trade program for insertion into the Record.

Administration Textile Program

Pursuant to the President's Statement of November 11, 1978. The Administration is determined to assist the beleaguered textile and apparel industry and is committed to its health and growth. This industry provides employment for almost two and one-half million people, the largest single source of jobs in our manufacturing economy, and provides our consumers with a reliable, competitively priced, vital source for all the many vital clothing, medical, military, industrial and other products of its modern technology.

In 1978, U.S. imports of textiles and apparel amounted to seven billion dollars. U.S. exports amounted to only 2.6 billion dollars, a differential of almost five billion dollars. This situation, with trade restrictions abroad and our lack of success in exporting, contributed to unemployment at home. It must be improved in the national interest. Accordingly, today, the Administration is announcing a new approach to deal more effectively with the serious problems that face this industry.

GLOBAL IMPORT EVALUATION

The United States Government will, on a continuing basis, conduct a global import evaluation, consisting of a continuous evaluation of textile and apparel imports, from all countries, category-by-category. The purpose will be to analyze the impact of textile and apparel imports from all sources in the context of U.S. market growth and conditions in the industry. The results of this analysis will be evaluated for their negative and positive consequences for trade measures, in the light of U.S. rights under the Multifiber Arrangement (MFA).

A member of the Cabinet, pursuant to a directive from the President, will have personal responsibility for overseeing the global evaluation program, in cooperation with the agencies having responsibilities with respect to textile trade, and will report quarterly to the President on its implementation. The program will begin not later than March 31, 1979.

IMPORT CONTROLS

Based on the continuous global import evaluation of textile and apparel imports from all countries, category-by-category, the following actions will be taken:

1. Import surges that cause market disruption, as defined in Annex A of the MFA, will be aggressively controlled, whether they occur from one source or many, under agreements or otherwise. In all of the import control actions, special attention will be paid to the most import-sensitive or import-impacted product categories.

2. There will be aggressive and prompt enforcement of U.S. international rights, including the use of MFA Article 3, and Article 8 (involving circumvention) where the criteria of these articles are met.

3. Understandings with respect to existing agreements with the leading major exporting countries will be reached to tighten controls for the remaining life of these agreements, and to eliminate threats of further market disruption through import surges which arise from one agreement year to another due to: (i) the use of flexibility provisions, (ii) partially filled quotas in one year followed by more fully filled quotas in the next year; or (iii) surges that occur in the course of a single agreement when an undue proportion of the year's shipments is concentrated in a short span of time. In order to preclude harmful fluctuations, where quotas have been substantially undershipped in the preceding agreement year, in concurrenec with the MFA concept of orderly growth in trade, year-to-year increases in such cases should not normally exceed the previous year's shipment's plus one-half of the unfilled portion of the previous year's quota but in no event more than the current year's quota. Thereafter, the applicable growth and flexibility provisions would apply.

4. Where necessary to preclude further disruption from the leading major exporting countries, the Administration's objection will be to assure that (1) 1979 imports will not exceed 1978 trade levels or 1979 base levels, whichever are lower, and (2) in each of the three following years, import growth will be evalauted annually by category (including all flexibility provisions for each category) in the context of the estimated rate of growth in the domestic market in that category, and adjustment made. Particular attention shall be paid to the most sensitive categories, especially in apparel, where the import to domestic production ratio is high and indicative of market disruption. The industry and government will cooperate to the fullest extent possible so that current data on domestic production on a category or product basis will be available to assure the effective working of this provision.

5. The United States Government has just negotiated a more effective bilateral arrangement with Japan to remove the serious problem of disruptive fluctuations. Strong efforts must also be made by the Government and industry to expand substantially textile exports to Japan.

6. Recognizing the potential for sharp and disruptive growth in textile and apparel imports from any major new supplying country, the United States Government will seek to negotiate import restraint levels with the supplier as close as possible to the most recent levels of trade for heavily traded or import-sensitive products and to secure an effective means to expeditiously deal with disruptive import surges in any other category, in the context of the global import evaluation program described above.

7. There will be improvement in quality and timing of monitoring efforts to provide the information for prompt evaluation and appropriate actions. The present system will be reinforced and, working with industry and labor, means for faster feedback and response will be developed.

8. Consistent with federal practices and procedures, there will be full and prior industry/labor consultation on strategy, outlook and problems with respect to bilateral agreements.

MTN

A snapback clause, effective during the implementation of the MTN tariff reductions, which will restore textile and apparel tariffs to their pre-MTN levels if the MFA does not continue to be in effect or a suitable substitute arrangement is not put into place, will be adopted as part of the implementation of the MTN tariff reductions. In the event the MFA is not renewed or a suitable arrangement is not put into place, legislative remedies will be proposed to allow the President authority to unilaterally control imports of textile and apparel products consistent with the policy enunciated in this statement.

As a matter of continuing policy, the textile and apparel items included in the Berry Amendment will be excluded from coverage of Government Procurement Code liberalization.

LAW ENFORCEMENT

A major effort, made possible by a special appropriation of the last Congress, designed to dramatically improve the administrative enforcement of all our textile agreements, is currently proceeding. This program must be carried through expeditiously.

U.S. trade remedies against foreign unfair trade practices, including the countervailing duty law and antidumping act, will be improved, their administration made more responsve and their procedures accelerated in accordance with legislation implementing the Multilateral Trade Negotiations.

Customs will improve and make more thorough its monitoring and enforcement efforts, including the use of penalties available under law where appropriate, with respect to improper transshipments, country of origin requirements, and violations of quantitative limits, with the objective of preventing evasion of restraint agreements and quantitative limitations.

INDUSTRY EXPORT DRIVE

The industry will initiate a major export drive, with the U.S. Government's commitment of full support, including:

A market development program.

Vigorous USG efforts to tear down foreign trade barriers.

HIGH-LEVEL TEXTILE POLICY GROUP

The President will appoint a high-level Industry-Labor-Government Policy Group to identify and bring public attention to problems affecting the competitiveness of the industry.

OTHER SPECIFIC ACTIONS

The pilot program to enhance productivity in the apparel industry will be expanded to include the ladies' apparel industry.

U.S. INDUSTRY COMPETITIVENESS

The textile and apparel industry indicates its resolve to make maximum efforts to maintain international competitiveness, through promoting efficiency within the industry, to continue to act responsibly pursuant to the President's anti-inflation program guidelines, and to support the national trade policy, which includes as an integral part the program of orderly growth in textile trade outlined above. For its part, the Administration will act expeditiously to put the foregoing program into effect and expects concrete results in sixty days.

CONCLUSION

This textile program is an integral part of the MTN package. However, the Administration will begin implementation of the program immediately and many of the essentials will be in place within the next several months.●

THEY BEAT DEAD HORSES DON'T THEY?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DERWINSKI. Mr. Speaker, I wish to insert a very succinct but enlightening editorial appearing in the May 17 Chicago Tribune which comments on the Panama Canal implementing legislation. Obviously, I am guilty of wishful thinking when I note that the editorial should have been studied by the Members before 198 voted against the rule on this legislation.

The editorial makes the practical point that the treaty has been ratified and the House cannot alter the legal obligations involved. If the House does not act responsibly in implementing the Panama Canal legislation, it will be a blot on the reputation of this body.

THEY BEAT DEAD HORSES, DON'T THEY?

Believe it or not, the Panama Canal Treaty marathon has not yet ended. Even a year after the Senate shut off the music by voting to ratify the agreements, some contestants in the House of Representatives are still on their feet, moving doggedly around the floor.

Opponents of the treaty in the House, who resent being cut out of the action in the ratification debates, have the White House worried that they will manage to stall implementation of the agreements by refusing to pass enabling legislation and will create new tension between the United States and Panama.

We do not quarrel with all of the arguments raised against the treaty. Some of them are valid reasons for concern. But the valid ones are offset by the advantages of putting the treaty into effect, and it does no good to keep on flaunting them. The principal ones now relate to payments, fees, and turnover of realty. But all these matters were settled in the negotiations and approved by the Senate. The nation has had its opportunity to agonize over the terms and come to a decision. The Constitution put an especially heavy burden on proponents of the treaty. They had to get approval of two-thirds of the Senate. And they succeeded.

There is nothing to be gained by further delay in implementing the Panama Canal agreements. It's time for opponents in the House to realize that every dance sometimes has to come to an end.●

IT'S A GAS ON AIR FORCE ONE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

IT'S A GAS ON AIR FORCE ONE

(By Richard Reeves)

On Air Force One flying from Los Angeles to Washington last Saturday night, almost all the president's men were joking about the complaints of Californians about gasoline shortages. On the ground, in Hollywood, police were arresting Diton Williams who had pulled in front of a line of 50 cars at a Union Oil station and held off other angry customers with a pistol while he filled his own tank.

"What a riot!" laughed one of Jimmy Carter's top assistants. "They panic when they can't get to the beaches out there." Panic is the official explanation for the California gasoline chaos. "What you have is panic buying," said a spokesman for the Federal Energy Department, "everybody topping off their tanks."

That is absolute nonsense. Stupid and dangerous nonsense. And the president himself made it much worse the day before, in Des Moines, Iowa, when he said the nation needs "a few demonstrable shortages" to convince people that there really is an energy crisis, and they really must conserve fuel.

Well, there really is a demonstrable shortage in Southern California—the official explanation for that is 5 per cent lower gas allocations in an area where usage has increased 9 per cent since the allocations were set a year ago. It was best demonstrated on Saturday by the long presidential motorcade rolling along empty freeways while the very few citizens' cars on the road were held back, their engines idling, by police barricades. And it was demonstrated by closed service stations and lines of cars stretching more than a mile to stations that might open in three hours, stations with signs announcing that they would close for five days over the Memorial Day weekend.

Pistol-packing Diton Williams demonstrated something else: just how mad people are in California and will be other places when "panic" hits. It remainded me of a blackout—I've lived through three, two in New York City and one in Paris. The first one, in New York in 1965, was fun, an adventure. In the second one, the looting began.

The 1974 Arab embargo gas shortage was our first national blackout. People took it as an adventure, not a pleasant one, but not boring, either. This time, judging by the gasline fights and obscenities and unfocused anger in Los Angeles, it is going to be quite different. Some public officials out here have begun to talk among themselves about a breakdown in order—even about terrorism, if that anger focuses on gas-station owners, oil companies, or the government. It'll be a riot, all right.

The folks on Air Force One, whose attitudes right now have something to do with their hatred of California's governor, Jerry Brown, are going to have to come to grips with the fact that the people who can't get to the beaches—or to work—have to believe that they are being treated fairly and that someone up there is trying to help them.

In California, rightly or wrongly, people came to believe within 24 hours of the first station closings that they were being victimized by a leaderless or corrupt government, omnipotent oil companies driving up gas prices and greedy station owners making a killing by laying off employees and opening for only a couple of super-profitable hours a day. The laid-back folk are also upset by presidential statements that home heating oil and rural gasoline are the country's first priorities, and, when winter comes again, northerners are going to be just as angry by the suspicion that their shortages and zooming prices are caused by Californians heading for the beach.

Carter cannot get by with taxes on the oil companies—which do more for the government than for consumers—and sermons about conservation. Conservation speeches are, in effect, blaming the people. Even in Paris, where the people are supposed to greet wars with Gallic shrugs, they are not willing to take the blame for last December's blackout. The first government statements and newspaper reports on the blackout said things like this, from the French newspaper, Le Figaro: "Who is to blame? The citizens." Officials and editorials said that too many people had switched on electric heaters and toasters at the same time on a bitterly cold morning. But within hours, the leaders of government and the state power company were taking investigations and their lumps—just like in America.

Carter, traveling through the West, looked like a man losing his presidency. He and his people did not seem to understand what they were seeing—or, at least, as much as they were able to see from limousines and helicopters. Angry people will turn away from the logic and reason that Carter believes he represents. They will want a reflection of their own anger and desire for forceful action.

Where will then turn? The people on the ground below Air Force One, some of them facing Diton Williams' gun, would have turned, politically, to the farthest-out candidate, Jerry Brown, or to the candidates who seemed toughest and strongest, Edward Kennedy and John Connally.●

PERSONAL EXPLANATION

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. YOUNG of Missouri. Mr. Speaker, I was absent from the floor of the House of Representatives due to prior business. Had I been present, I would have voted in the following fashion:

Rollcall No. 118, amendment to the first budget resolution, "no";

Rollcall No. 122, amendment to the first budget resolution, "no";

Rollcall No. 124, amendment to the first budget resolution, "yes";

Rollcall No. 131, approval of House Resolution 106, "yes." ●

MENTAL HEALTH SYSTEMS ACT

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. CARTER. Mr. Speaker, I am pleased to join as a cosponsor of the Mental Health Systems Act to show my support for the goals this legislation is intended to achieve. By allowing more flexibility in the ways in which States and communities can plan, develop, and provide mental health services, this proposal is intended to meet the mental health needs of high risk and currently underserved populations in America. These groups include the chronically ill, the aged, the poor, racial and ethnic minorities, children and youth, and residents of rural areas. In addition, this legislation recognizes the importance of increasing our efforts to prevent mental illness and promote mental health through a special project grant authority. Clearly, as the President's Commission on Mental Health has documented, the unmet mental health needs of our population justify expanded efforts in this field.

However, Mr. Speaker, while I support the ultimate objectives of this initiative, I have some reservations about the approach outlined in this legislation and the impact it could have on our present community mental health centers program.

While I recognize the need for flexibility in meeting our Nation's mental health needs, I am concerned that this proposal may go too far in that direction by allowing funding of a single mental health service to a single constituency within a community. I am concerned that the incentives embodied in this approach may lead to fragmentation of services, and may actually undermine the congressional intent of the original community mental health centers legislation, namely, to provide comprehensive community-based mental health care. As we review this legislation in subcommittee, I hope we can strike a constructive balance between these two important goals.

Also, Mr. Speaker, I have reservations about creating a new and separate "mental health systems" authority that might compete with, rather than complement our present community mental health centers program. Clearly, there are deficiencies in the current program that deserve to be addressed, but I would hope we could do so by integrating the new proposals, to the greatest extent possible, into our existing authorities. In this way, I believe we can develop a truly comprehensive and coordinated program that will be able to meet the diverse mental health needs of our population.

I look forward to working with the subcommittee, the administration, and those who are committed to improving mental health care to see that the best possible proposal is enacted.

Thank you, Mr. Speaker.●

DESPITE CONTRARY IRS RULING, OIL COMPANIES CONTINUE TO REAP OIL TAX CREDITS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. CONYERS. Mr. Speaker, since 1954 American multinational oil companies have been spared billions of dollars in taxation, because of a decision by the Internal Revenue Service to regard payments by oil companies to oil-producing countries for the purchase of foreign oil as a form of taxation rather than an ordinary business expense. As a form of taxation, the oil companies qualify for foreign oil tax credits; their payments for imported oil are credited against the taxes they owe. In recent years foreign oil tax credits have saved the companies and denied the U.S. Treasury in the neighborhood of $1.5 billion per year.

In June 1978, the Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs, ably chaired by Representative BENJAMIN ROSENTHAL, held hearings on, and issued House Report No. 95-1240, entitled "Foreign Tax Credits Claimed by U.S. Petroleum Companies." The report documented the cost of the preferential tax treatment that is accorded the oil companies. At the time of these hearings, and probably as a result, IRS issued a ruling that oil company payments to foreign governments no longer could be considered taxes, but should be handled as royalty payments and, therefore, not eligible for tax credits. That ruling against Aramco's oil tax credit claims, however, has been deferred, so that the oil companies continue to claim and receive oil tax credits, as they have since 1954.

An editorial of the Nashville Tennessean examines carefully the oil tax credit situation and raises a number of questions about the administration's handling of the matter, that are as relevant today as they were when the editorial was written a year ago. I highly recommend the following editorial, entitled "Collecting Big Oil Taxes Big Government Headache," to my colleagues. In the light of the House vote a few weeks ago to recommend elimination of the foreign oil tax credit, the editorial takes on added significance:

COLLECTING BIG OIL TAXES BIG GOVERNMENT HEADACHE

A House subcommittee has accused Treasury Secretary Michael Blumenthal of letting politics interfere with the IRS's efforts to end a $1.2 billion a year tax break for oil companies.

The issue involves American oil company payments to oil producing nations. The oil companies have been claiming these payments are taxes collected by the producing nations and thus should be credited dollar for dollar against taxes the companies owe the U.S. government.

However, the payments are in fact royalties, not taxes. As such they should be deductible from the oil companies' income as a cost of doing business, not credited against taxes owed.

The difference between a deduction and a tax credit is a $1.2 billion a year windfall for U.S. oil companies operating overseas and a $1.2 billion bite out of the U.S. Treasury.

The IRS ruled that the oil companies are not eligible for the tax credit and recommended internally that it be lifted. However, Mr. Blumenthal interceded before the IRS decision was made public and allowed an assistant secretary to delay the lifting of the credit, according to the subcommittee.

The subcommittee, headed by Rep. Benjamin Rosenthal, D-N.Y., says the oil companies should be liable for the tax retroactive to July 14, 1976, at the latest. But the IRS has now set the effective date as July 1 of this year, permitting the oil companies to keep $2 billion in taxes owed the Treasury.

The subcommittee called on Mr. Blumenthal to "take administrative action . . . to insure that the Internal Revenue Service is free of improper political influence."

The Treasury Secretary should do this. He should also insure that the $2 billion the oil companies owe the government is deposited in the Treasury as soon as possible.

It seems one of the federal government's most difficult tasks—in foreign or domestic affairs—is getting the big oil companies to pay their just share of taxes. When attempts to do so are made, delays and evasions are encountered which would never be condoned in an average taxpayer.

But the big oil companies are not average taxpayers. They have friends in government who make it all but impossible for the tax collector to touch them. They are able to hold back billions of dollars and invest the money at rates of return far above the interest they will be charged on their taxes—when and if they are ever paid. This is an outrageous imposition on the rest of the taxpayers.

Mr. Blumenthal may not have been directly responsible for delaying the IRS recommendation concerning the oil taxes. But he is the Treasury Secretary and the oil companies' taxes haven't yet been paid into the Treasury. He should act soon. The administration can't afford many more insinuations that it is getting too friendly with the oil industry.●

MUSCULAR DYSTROPHY OLYMPICS

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, the Optimists' Club of Buena Park in conjunction with the Boys' Club of Buena Park, will be sponsoring a special olympics for children with muscular dystrophy on Saturday, May 26.

The Optimists' Club and the Boys' Club, both committed to protecting and nurturing the young people of our country, are holding the Muscular Dystrophy Olympics to indicate the incredible potential which rests inside each individual. These olympics are a symbol of what can be accomplished by commitment and constant effort. They are an affirmation which provides important lessons for us all; with constant effort we can achieve those things which are most important to each of us and that pride of accomplishment is central to every individual.

I urge my colleagues to join me in honoring the commitment of the Optimist's Club and the Buena Park Boys' Club for sponsoring this event. More important, I ask my colleagues to join me in honoring the stars of the Olympics, the many athletes who will perform and who are the shining example to each of us to "hang in there." ●

CONGRESSMAN GREEN SALUTES THE AMERICAN MUSEUM

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. GREEN. Mr. Speaker, in accordance with House Joint Resolution 262, May 18, 1979, was designated National Museum Day. Since the House of Representatives did not convene on Friday, as a cosponsor of this resolution I wish to take this opportunity to call to the attention of my colleagues the importance of museums in our society.

The first museum in the United States was founded on January 12, 1773, in Charleston, S.C. Two hundred and six years later, it is estimated by the Institute of Museum Services that approximately 5,500 museums currently exist in this Nation.

The dictionary defines a museum as an institution devoted to the procurement, care, study and display of objects of lasting interest or value. In order to better understand how complex the fabric of American society is, one need only to look at the varied types of museums we as a people have established. We have museums devoted to art and to music. We have museums established to study cultures and peoples in far away lands. We have museums devoted to nature, such as zoos, botanical gardens, and acquariums. Americans have devoted museums to the past such as historic buildings and revolutionary period ships, as well as to the space and technology of the future. We also have fire fighting museums, craft museums, cartoon museums, and circus museums. Like a mirror, museums are a reflection of the American people.

When museum attendance national is seven times that of the combined attendance at baseball, football, and basketball games, and when museum volunteers outnumber paid staff 2 to 1, it is almost impossible to describe the esteem in which we hold these institutions.

To the people of my congressional district, museums are a way of life. We of Manhattan's East Side are most fortunate to have in our neighborhoods and to be able to share with the peoples of the worlld some of the finest cultural institutions. For example, we attend concerts at the Metropolitan Museum of Art, and view films at the Museum of Modern Art. We have seen the works of the greatest American photographers at the Whitney, and never cease to be amazed by the architecture of the Guggenheim. With institutions such as these in our midst, it comes as no surprise that approximately 18 million people each year visit museums in New York City alone.

Through our museums we have been educated, have had our horizons expanded, and are continually reminded of mankind's highest ideals as well as our most glaring failures. As a Nation we are continually moved swiftly forward, but in museums we must stop and reflect. Museums demand that we consider what values we as a Nation hold, and in what directions we as a people desire to strive. Museums are most unique institutions. Our museums deserve not only our continued moral support, but our continued financial support as well.

I salute the American museum for all the enrichment it has given to the American people and in particular, I salute the museums which have given so much to the people of the 18th congressional district in New York. ●

QUALITY HEALTH CARE

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. GRADISON. Mr. Speaker, William A. Altemeier, a highly respected surgeon from Cincinnati, recently delivered an excellent address on the potentially damaging effect of inflation on the delivery of quality health care in the United States. I think his remarks should be kept in mind as we debate U.S. health policy in the months ahead, and I would like to have an abridged version of his address printed in the RECORD.

QUALITY CARE: ONGOING OR OUTGOING?

(By William A. Altemeier)

Today, surgery is beset by many problems producing great confusion and seriously threatening the quality and progress of surgical care. For some time I have been concerned about these problems, and I welcome this opportunity to bring some of them before you now. I believe the time has come to consider the quality of care we can provide and some of the current forces that are threatening it.

The socioeconomic and political turmoil we are passing through has introduced forces that pose real threats to the quality of surgical care for the American public. I have selected several of those forces for my discussion:

Rising medical and surgical costs and their causes.

Growing political, economic, and third party insurance company pressures diverting surgeon's activities from patient care.

Malpractice problems and liability in surgical practice.

Research influences on surgical practice.

Responsibility and accountability for quality care—can we deliver it and can we afford it?

RISING MEDICAL AND SURGICAL COSTS

One needs only to follow the frequent discussions in the press, on radio, and on television to realize that the public is being led to believe that physicians, particularly surgeons, are primarily responsible for the rapid rise in medical costs. As I have followed these discussions and have given them considerable thought, serious questions have come to mind concerning whether or not the statements were true. If not, what are the more important causes; if so, what can we do about it to correct and control the problems.

Two questions arise:

What are the most important causes of the rising costs of medical and surgical care in the United States?

Will rising costs affect the quality of the surgical care we provide?

Facts that provide answers to the questions and explain the controversy over the various causes and their relative importance have been difficult to assemble. However, the evidence I gathered from many sources and reports indicates that the factors responsible are multiple and complex.

Reportedly, the amount of money spent in 1976 by the United States government on hospitals, physicians, and drugs was $139.3 billion as compared to $69.2 billion in 1970, $25.9 billion in 1960, and only $12.1 billion in 1950. Looking at it in another way, the 1976 expenditures were approximately 8.6 percent of the Gross National Product compared to 4.6 percent in 1950, 5.2 percent in 1960, and 7.2 percent in 1970.

According to Statistical Abstracts published by the U.S. Social Security Administration, the United States health dollar was used for a number of expenditures in 1976. The largest item, 39.8 percent, went for hospital care. Other items included physicians' services: 18.9 percent, nursing home care: 7.6 percent, drugs and sundries: 8.0 percent, dentists' services: 6.2 percent, construction: 3.6 percent, research: 2.6 percent, eye glasses: 1.4 percent, and others: 12.1 percent.

HOSPITAL COSTS

Since the major cost item was the 39.8 percent on hospital care, the importance of defining the costs of the various items in hospital budgets becomes obvious.

The breakdown of hospital assets, expenses, personnel, and cost per in-patient day during the same period has been published in Table I (see page 14), taken from the same source as Table I. These figures show the staggering increases in hospital expenses and the number of hospital personnel per 100 patient census.

A closer look at the annual hospital expenditures published in a survey made by the Department of Commerce between 1966 and 1977 shows a progressive change in the percentage increase each year, varying from 9.65 percent in 1960 to 17.63 percent in 1975, and falling somewhat to 14.27 percent in 1976. Similarly the percentages of the Gross National Product increased from 1.8 percent in 1966 to 3.21 percent in 1975 and 3.29 percent in 1976. Inflation, the intensity and quality of care, population, utilization, payroll expenses, and non-payroll expenses were all important factors. The percentage rate of increase in hospital expenditures was greater than the Gross National Product in each year except 1973.

The expenditures for employees of community hospitals evidenced an upward climb between 1972 and 1975–76. The percentage increase was greater (11 percent) in 1974–75 than in 1975–76 (8.0 percent). (Table III).

TABLE I.—TOTAL U.S. HOSPITAL ASSETS, EXPENSES, PERSONNEL AND COST PER INPATIENT DAY

	1950	1960	1970	1976
Assets (in millions)	$7,791	$17,714	$36,159	$64,029
Expenses (in millions)	3,651	8,421	25,556	55,655
Personnel per 100 census	84	114	196	NA
Average cost to hospital per inpatient day	7.98	16.46	53.95	NA

The overall increase in hospital personnel salaries reported between 1971 and 1976 was 43.0 percent. The greatest increase in 1974–75 was related to the lifting of wage and price controls and the initiation of the new minimum wage law in the spring of 1974. Various studies have indicated that from 70 percent to 80 percent of hospital budgetary expenditures are for salaries of non-professional personnel.

Hospital employee benefits accounted for more than $3 billion, or 6.8 percent of community hospital expenditures in 1976 for each bedsize category.

The Hospital Intensity Index, which measures changes in the quantities of services in a day of hospital care, has also shown that hospital expenditures have steadily increased during the past ten years, largely the result of both more services rendered and more intensive services rendered. It also reflects the amount of drugs and other supplies used.

INFLATION FACTOR

By using the Consumer Price Index in conjunction with the Hospital Intensity Index, the inflation factor of hospital expenditures since 1966 was determined. Of particular interest was a report that inflation accounted for a larger proportion of the 1976 increase in hospital expenditures than did any other factor. Inflation represented $2.23 billion, or 37.2 percent of the $6 billion increase in community hospital expenditures. Similarly, inflation constituted the largest single factor in the increases in community hospital expenditures in 1973, 1974, and 1975.

Non-payroll expenses accounted for nearly as much of the 1976 expenditure increase ($2.16 billion) as did inflation. The additional non-payroll expenses increased community hospital expenditures more in 1975 and 1976 than in all earlier years of the ten-year period studied except 1967 and 1972. Part of the non-payroll expense increase was attributed to the greater quantity of supply purchases. It also reflects those price increases that hospitals had to pay for specialized supplies, equipment, and services. Inflation and non-payroll expenses, therefore, accounted for more than 70 percent of the increase in community hospital expenditures in every year between 1973 through 1976.

Two other factors accounted for about one-fourth of the 1976 increase in community hospital expenditures. Utilization and population variations represented slightly higher percentages of the increase in 1976 than in 1975. Population variations included both increases in the overall population and shifts in age within it. The age factor was shown in a review of personal health expenditures prepared by the U.S. Department of Health, Education and Welfare for the years 1967 to 1976, indicating that expenditures varied considerably with the age of the patient. The greatest expenditures were for hospital inpatients 65 years of age or older—42 percent in 1967 and 45 percent in 1976. A significant change in the U.S. population has occurred; those 65 years and older have increased more than 50 percent from 6.8 percent in 1940 to 10.3 percent in 1974. This age group has a higher incidence of cancer, arteriosclerotic and other cardiovascular diseases, and metabolic diseases.

I believe we can anticipate an even greater escalation of hospital costs in the next ten to fifteen years as members of the bumper crop of babies born in the late 1930s and the 1940s reach middle age. This factor should be considered in planning the number of hospital beds for that period.

PHYSICIANS' FEES

To assess the physicians' responsibility for health dollar expenditures in hospital practice, I have turned to the Statistical Profile of the Nation's Hospitals published as a statistical complement to the American Hospital Association Guide to the Health Care Field and to the statements of the National Association of Blue Shield Plans on health care costs submitted in 1976 to the Council on Wage and Price Stability by Lawrence C. Morris. Stressed in this statement is the complexity of the types of expenditures for physicians' services as well as those for other hospital administrative and supporting personnel, drugs and supplies, capital improvements, and other things. Blue Shield's records indicate that physicians received approximately 18.9 percent of the health care dollar.

Surgeons' fees and incomes have been in the public spotlight for several years, but it has been difficult to obtain data on the changing pattern of surgeons' fees for various operations. According to figures published by Medical Economics in its Annual Physicians' Survey, median surgical fees for some standard operations have increased during the past 12 years.

Explanations for these increases have included the inflationary trends of overhead, skyrocketing malpractice premiums and other surgical expenditures. Other manifestations of great increases in surgical fees are seen in some of the newer operations, such as renal transplantation operations; coronary bypass procedures; total hip replacement operations; microsurgical procedures in neurosurgery, plastic surgey, and otolaryngology; and others. The fees charged for such procedures are often considerably higher than fees for older established procedures.

A number of published studies have emphasized the fact that physicians and surgeons perform two functions other than services for fees that contribute to the cost of health-care delivery:

They order various expensive diagnostic tests or therapeutic regimens for their cases.

They are required to devote considerable time and effort filling out insurance claims and writing letters documenting or certifying diagnostic or therapeutic procedures. The cost of paperwork is paid directly or indirectly by the patient.

This service is consuming more and more of surgeons' time.

Many proponents of health-care plans have concluded that an effective way to reduce medical care costs and related inflation would be by controlling surgeons' incomes and, particularly, surgical fees. Between 1947 and 1970, physicians' annual salaries are reputed to have increased fourfold. Much of this increase has been tied to the rapid growth of third-party payment plans. Physicians thus became able to charge fees and collect the major part of them for services rendered to many poor patients.

The growth of comprehensive insurance coverage has both added to the physicians' income and stimulated patients to seek medical help much more frequently and for conditions which ordinarily would have gone untreated.

GROWING SOCIOECONOMIC FACTORS

Some segments of our population are becoming increasingly aware of the availability and cost of medical services. This awareness has grown, and now we clearly must recognize that health care has become a political vehicle for possible changes in social ideas and goals, the outgrowths of union collective bargaining, federal government action, and consumer choice. Thus, the health-care system is being pressured by these changes in addition to those of inflation and rising hospital costs. Emerging from this awareness has been the public's insistence on a greater supply of primary physicians, better access to surgical care, and maintenance of the quality of that care. Many of the social and political plans that have been developed appear to have resulted in confusion and have, in turn, contributed to the growth of medical costs. Such factors have included:

The federal policy to expand the supply and accessibility of health-care services. This policy has been a great factor in increasing health costs through a greater supply of physicians and a growing demand for their services by the public.

The government's Hill-Burton program, which aided in the construction of 40% of the beds in non-federal short-term hospitals in 1974. More than $15 billion was estimated to be required in 1974 for the operation of Hill-Burton supported beds.

Through federal support of the building and education programs of medical centers, the number of physician graduates has more than doubled since 1958, and by 1985 will have more than tripled. The government's share of the financial support of medical schools' total annual budget rose from 0.4% in 1945 to 53% in 1968 and was 41% in 1974.

The average medical school increased its full-time faculty from 70 to over 250 during the same period, and almost 50% of these received some or all of their salaries from federal research funds.

MALPRACTICE LIABILITY EFFECTS

Recent studies show that in 1975, malpractice insurance accounted for 8.1% of physicians' average total medical practice expenses compared to only 2.4% in 1973. While there is some evidence that this problem is leveling off and decreasing during 1977 and 1978, most areas in the United States are still involved in the "malpractice nightmare." The Continuing Survey published in 1976 by Medical Economics has shown that only half of 6,600 physicians paid an average malpractice premium of no more than $3,000 and only one in 70 paid $25,000 and up. For general surgeons the median premium for 1974 was $2,600, $4,000 for 1975, and $6,000 for 1976. The median premium cost was higher in some high-risk surgical specialties, anesthesiology, and radiology.

The costs of malpractice insurance coverage has also become a major item in the hospital budget. This pressure on institutions has led to excessive hospital malpractice premiums, expansion of administrative staffs, the formulation of anti-risk requirements, and the development of large security forces and plans to protect patients and employees.

RESEARCH

As mentioned earlier, nearly one-half of the full-time faculty members of medical schools received part or all of their salaries from federal funds. The research orientation produced by these funds has had its impact on medical and surgical costs. It has increased the use of sophisticated and expensive medical technology for specialized work-ups. Examples include specialized x-ray studies, arteriography, radioisotope scans, echograms, endocrinologic assays, and CAT scans.

Another example has been the emergence and development of new surgical operations that have recently been introduced into clinical practice. As I indicated earlier, these operations have been complex, time-consuming, and expensive procedures.

Federal expenditures for health research in 1976 amounted to only 2.4% of the total cost of medical care. The majority of these funds have been allocated by the National Institutes of Health. Advances in diagnosis and treatment realized from these expenditures have contributed significantly to the cost of medical care. Such matters are difficult to evaluate, however. Research has improved care and decreased costs on one hand for some diseases, but increased costs on the other hand by making available new and often more expensive services.

For example, the Study of Surgical Services in the United States sponsored by the American College of Surgeons and the American Surgical Association published a list of specific disease categories which had been affected by certain research contributions. The study indicated that direct costs of treatment increased $121.1 million in 1970 over what could have been expected in 1960, had not technological advances been made during the decade. At the same time, the same expenditures resulted in an economic savings of $2,184.5 million in mortality costs and of $192 million in morbidity costs. The ratio of indirect cost savings to increases in direct expenditures was thus estimated to be approximately 20 to one.

Certain financial restrictive policies of the federal administration initiated in August 1971 have tended to de-emphasize medical research by withholding or reducing federal funds for the support of approved, ongoing, and projected research.

Such governmental policies must be questioned. History has shown that the most significant improvements and advances in health care have come from research. Examples are the development of the microscope, the germ concept of disease, the antiseptic and aseptic principles of surgical practice, small pox vaccination, antitetanus toxoid, the Salk and Sabin vaccines for poliomyelitis, the discovery of sulfonamides and penicillin, and many others. I am firmly convinced, therefore, that the real hope of the world for improved and cheaper delivery of health services lies in research and its products.

QUALITY CARE—CAN WE AFFORD IT?

Every thoughful individual must realize that high quality surgical care is of great importance to the medical profession and to the American public, and, therefore, must be concerned with the threat of inflation and rising medical care costs to the high standards of quality surgical care.

The complexity of the numerous factors contributing to the inflationary spiral makes it apparent to me that no simple plan for controlling medical and hospital practice costs can exist unless an effective method is developed by Congress for controlling general inflation and the direct and indirect costs of increasing salaries of non-professional personnel, equipment, and supplies, as well as current living expenses. If surgeons' fees and incomes are frozen or controlled without freezing other salaries and inflationary costs, the high cost of medical care delivery will continue and increase further. In this regard, the U.S. Bureau of Economic Analysis published statistics in 1977 tracing different expenditures of personal income between 1950 and 1975.

Of interest to me is the fact that the amount of personal spending by Americans increased from $192.0 billion in 1950 to $973.2 billion in 1975. Of special interest has been the report that Americans spent 23.0% of the 1975 amount for food, drinks, and tobacco whereas their expenditures for medical care were only 8.9%. The figures suggest that we are spending large amounts for tobacco and alcohol which in turn contribute to the increased incidence of cancer of the lung, other types of cancer, arteriosclerotic and heart diseases, trauma, cirrhosis of the liver, and various metabolic diseases—some of the leading causes of disease and death in the United States and major expenditures of the health care dollar.

All of these factors bring me to two other considerations: "What about the quality of health care—can we afford it?" and "What about our accountability for the quality/cost effectiveness of surgical care?"

Dollars are not the only measure useful in developing answers to the question of quality care. Obviously, there are fiscal costs which society must consider in any anticipated change in health care. Any consideration of change must include items related to availability, effectiveness in controlling or curing diseases, provisions for progressive improvement in surgical care through research and planning, and freedom of patients and physicians to operate in a pluralistic, free-choice system.

Five years ago, some proponents of national health insurance claimed that 40 million patients in the United States were without basic medical coverage. Today other proponents claim the number is 24 million, nine million of whom are below the poverty line. I have been unable to obtain factual data to support either claim, but this question should be settled and an answer obtained. The latest estimate I have been able to obtain is 13.8 million patients.

There is little doubt but that surgical care is of high quality and that it has been progressively improved through research, development, and experience. But what about its cost? Can we afford it? If inflation and hospital costs continue to escalate at the same alarming rates, the quality of surgical care will soon be affected and will be priced out of the quality market. Moreover, this nation cannot afford national health care plans if inflationary costs continue to escalate. Before cost restraints within hospital practice can be realistic and effective, governmental measures to control inflation will be necessary.

The affordability of high quality care in the context of some limitation of our national resources must be included in any consideration of what services will have to be omitted because of the cost of continuing inflation or what priorities will have to be modified in favor of a national health plan.

From a plethora of reports and information concerning inflation and the costs of hospital and medical care, one rapidly develops a concern for the complexity of the problems responsible as well as a sense of inability to answer our question about whether or not we can maintain a high level of quality care. The public has been educated as to the great degree of technical skills and procedures that are available for the prevention, control, or eradication of surgical conditions and the improvement of the highly valued "quality of life." Before the public gives up these advances, I believe they will insist upon accountability by government and surgery for quality care as well as any factors which threaten it. PSROs, utilization review committees, Medco peer review, cost containment committees, certification, recertification, and disease audits are outgrowths of public, governmental, and professional efforts to provide responsibility for quality care, accountability for expenditures, and relative cost competitiveness for the health dollar.

It is important that we cooperate and collaborate in these efforts, but we must be vigilant in protecting the public and in providing excellent quality of surgical care, the relief of symptoms, and the improvement of the quality of life.

On the other hand, we must resist any changes which would threaten the delivery of quality care through the introduction of unilateral, ineffective, unacceptable, or otherwise undesirable methods of health care delivery that would threaten the professional and personal liberties of the patients and their surgeons.

We must guard quality surgical care and keep it ongoing, not outgoing!

PROSECUTION OF NAZI WAR CRIMINALS BEYOND DECEMBER 31, 1979

HON. CHARLES F. DOUGHERTY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DOUGHERTY. Mr. Speaker, it is not often that the House of Representatives acts unanimously on a bill or resolution. However, I am proud of the action taken by the House on May 9 by passing House Resolution 106 which petitions the West German Government to continue vigorous prosecution of Nazi war criminals beyond December 31, 1979.

By our actions we have strengthened the position of our colleagues in the West German Bundestag who have introduced a similar bill with over 220 cosponsors. A vote in the West German Parliament on this bill is expected by mid-June according to the State Department and chances for passage look very good. I believe that our vote may in no small way affect the outcome of that vote.

I mentioned a few moments ago that I am proud of the House; proud of its action and proud to be a Member. Many of us took part recently in a ceremony to honor all the victims of the Holocaust. I feel this vote is a fitting response to our feelings concerning that darkest hour of modern civilization.

Thank you Mr. Speaker.●

AMEND THE SACCHARIN STUDY AND LABELING ACT

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. LELAND. Mr. Speaker, today I am introducing a bill which would amend the Saccharin Study and Labeling Act to allow saccharin to be available as a table-top sweetener but discontinue its availability as a component in diet products.

About 60 million Americans now consume products containing saccharin. The greatest extent of saccharin consumption is by diabetics and others who perceive its use as an aid to their health status. However, it is alarming that 35 percent of children, 2 to 5 years old and 27 percent of children, 6 to 12 years old, consume diet products, particularly diet-soft drinks, quite casually in their school cafeterias and at home without understanding their potentially harmful effects.

In 1977, Congress requested the National Academy of Sciences and Office of Technology Assessment to study the health risks and benefits of saccharin. These two bodies independently concluded that saccharin ingestion presents a predicted cancer risk to humans. The NAS Committee pointed out that diet soft drinks containing saccharin account for 90 percent of saccharin consumption, that the greatest users are females in their child-bearing years, that the "relative" consumption by children exceeds adults and that the greatest risk of cancer, as extrapolated from animal studies, comes from long-term fetal and infant exposure.

Mr. Speaker, the issue here is not one of freedom of choice. The child, the unborn infant, is vulnerable and exposed to the risks through noncognitive actions on the part of their guardians and parents. The bill I introduce today focuses on this issue. It removes the involuntary exposure of the unborn and young child to a potentially harmful food additive, and it leaves adults with the option through conscious decision-making of using saccharin as a table-top sweetener.

I believe in informed choice. The approach Congress had taken by commissioning the National Academy of Science to assess and report on saccharins' health risks and benefits was the first step. My bill acts on their recommendations and takes into account the needs of our entire population.

Mr. Speaker, Members of Congress, I ask you to join me today in sponsoring this bill that seeks to permit the continuation of use of saccharin as a sweetener while prohibiting its use as an additive to food products.●

CAMBODIANS SUFFER REFUSAL OF ASYLUM IN THAILAND

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. SOLARZ. Mr. Speaker, I would like to bring to the attention of my colleagues an article which appeared in the New York Times which poignantly depicts the new sufferings of Cambodians who have attempted to flee into Thailand.

After suffering under the murderous Pol Pot regime, when according to some estimates nearly 2 million people died, thousands of the survivors who recently fled across the border into Thailand have been rebuffed by officials who refused to grant them refugee status.

Other press reports have told of large columns of civilians and Khmer Rouge troops which have been allowed to pass through Thailand but then returned to Cambodia—despite the pleas of the old, the sick, and separated families to remain as refugees in Thailand.

Mr. Speaker, I ask that the following article be reprinted in the RECORD so that the sufferings of these 1,700 forced to return to Cambodia after months in Thailand will not go unnoticed:

[From the New York Times, May 18, 1979]

LETTERS REPORT DESPAIR OF CAMBODIANS RETURNED BY THAIS

(By Henry Kamm)

BANGKOK, THAILAND, May 14.—"My son, we have tried to escape from death in search of life. Why have we now encountered misery even worse than ever before?"

"I am condemned to live with starvation. My trouble is big, even bigger than Mount Buntoeut itself. I have no relatives and friends. There are only the two of us, mother and child, like little birds without parents or shelter."

These phrases come from a sheaf of letters that have found their way out of Cambodia, addressed to relatives of the writers in the refugee camp an Aranyaprathet, just across the border in Thailand.

The writers belonged to a group of Cambodians who fled to Thailand in the weeks after the collapse of the Government of Prime Minister Pol Pot in January. More than 1,700 of them, the big majority women and children, were interned in a camp in Aranyaprathet until April 12.

PROMISED DESTINATION NOT REACHED

On that day they were loaded onto buses and told that they were being taken to a refugee camp in the southernmost border province of Trat. They never reached the camp. A few days after their disappearance, some who escaped reported that the rest had been put into the hands of members of Khmer Serei, an anti-Communist Cambodian resistance group that has been cooperating with the Thai military since the Cambodian Communist victory in 1975, and were marched back into Cambodia.

Many regions along the border have at least temporarily become a no man's land as a result of the heavy fighting between remnants of troops supporting Pol Pot and the invading Vietnamese Army. The letters assert that the refugees were marched back along the road toward Pailin, a town near the Thai border.

At the time the letters were written, only a day or two after the departure from Aranyaprathet, the group was encamped at a hill name Phnom Buntoeut, to which the mother writing to an uncle referred:

The letters were brought out by a refugee who apparently made his way back to Thailand and mailed them to the Aranyaprathet camp, where many of the refugees had relatives, including husbands and fathers. There they were shown to visiting refugee officials, who accept their authenticity. The letters are marked by deep sadness over having been pushed back into Cambodia, despair over the lack of food and premonitions of death.

The Thai authorities responded to repeated requests by the United Nations High Commissioner for Refugees to allow families to reunite in the camp by stalling and finally by expelling the women and children. Whether they are still alive and if so where they are remain unanswered questions.

"It is not likely that I and our children will be reunited with you again," a woman wrote her husband. "I find it very difficult to recount my misery and suffering. If you can find ways and means, please buy salt and rice for our children."

Prime Minister Kriangsak Chomanan has repeatedly assured foreign visitors that Thailand will not force Cambodians back across the border. However, field reports from reliable sources indicate that Thai troops and border policemen are continuing to push people back against their will, often over tearful pleas that they are being sent to their death.

"But from now on what will be waiting for us—myself, your father and your brother?" a mother wrote to her remaining children. "We are all condemned to die, not to see you again."

IN SUPPORT OF AMTRAK LEGISLATION

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. MITCHELL of Maryland. Mr. Speaker, I would like to take this opportunity to offer my support for H.R. 3996, the Amtrak authorization bill, as reported by the House Transportation Subcommittee and the full Interstate and Foreign Commerce Committee. I congratulate both Representatives JAMES FLORIO, of New Jersey, chairman of the subcommittee, and Maryland's Representative BARBARA A. MIKULSKI, a member of the subcommittee, for saving commuter trains and putting a moratorium on the collection of full fares from those who now ride regular Amtrak trains with commuter tickets.

I believe the administration's restructuring plan for Amtrak would have eliminated many services provided to commuters especially those who travel between Baltimore and Washington. These commuters would have faced severe hardship in trying to reach their jobs by car in view of the current energy crisis.

On behalf of my constituents, I will be pleased to support the efforts of my colleagues, Representatives FLORIO and MIKULSKI, when this legislation reaches the floor of the House for a vote.●

THREE EASY WORDS EXPLAIN GAS CRISIS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

THREE EASY WORDS EXPLAIN GAS CRISIS

The simplest, most direct and, unfortunately, most ignored explanation of today's gasoline problem is contained in three easy words—too much government.

There is an inevitable corollary to too much government—producers must respond to regulators rather than consumers. And that is what is happening right now. The oil industry is responding to government because it must, and the consumer is the one who suffers most.

The evidence is everywhere around us but the truth has become obscured by a smokescreen thrown out by the true energy culprits, the politicians and the bureaucrats who for years have been regulating America's petroleum industry.

There is no question that panic buying has created the long lines at service stations in Southern California, but the primary reason is still government regulation.

It also is no secret that the oil companies are largely being blamed. But at the forefront of the critics are many who not only are fueling the consumer panic but actually misdirecting the blame away from government and the solutions to the problem.

First, it should be made clear that this is not a "new" energy crisis. It has been smoldering for several decades and, in recent years, has gradually worsened to crisis proportions.

It can be stated with confidence that we would not have gasoline shortages today, and an energy problem in general, if price controls had not been imposed on crude oil and petroleum products in 1971 and on natural gas in 1954.

The truth is that shortages ultimately result whenever controls artificially keep prices below the price at which consumers are willing to pay.

Given the current regulatory environment, there is little doubt that the shortages in California eventually would have occurred even if the Iranian production curtailment and other international disruptions hadn't converged to cause the present situation. So let's analyze the underlying reasons for the problem.

To begin, we must recognize that the driving public obviously desires more and more petroleum products at the artificially low prices resulting from government controls.

In the first quarter of 1979, gasoline demand increased 4 percent nationally and about 9 percent in California over the comparable 1978 period. There are 800,000 more vehicles on the road in California than a year ago.

But in addition to the increased demand and panic buying, there is a serious lack of adequate refinery capacity in the United States.

Despite current international distortions in the crude oil marketplace, if Southern California, or the country, for that matter, were suddenly swimming in crude oil, the industry still could not make enough gasoline to satisfy consumer demand at current prices.

Yet bureaucrats continue to thrust upon the petroleum industry regulations and price controls which discourage efficiency and the necessary investments for increasing capacity.

In fact, the capability for producing gasoline in many refineries could actually decline as unleaded fuel demand rises. This is because more crude oil is required to produce unleaded gasoline than for leaded fuels.

Demand for unleaded gasoline rose 28 percent in 1978 over 1977. Overall domestic refining capacity in the United States averaged about 17.3 million barrels per day last year, only about 3.7 percent over 1977.

It is ironic that Alaskan crude oil is still floating past California ports in surplus while refineries import more expensive and often hard-to-get foreign crudes.

California refineries are not equipped with the sophisticated processing systems required to produce sufficient volumes of such products as gasoline and home heating fuels from the lower quality crude oils produced in California and in Alaska.

Since government regulations limit the profit margins of domestic refiners, is it any wonder they are unable to invest in refinery expansion?

What is the answer? What can eliminate long lines and recurring shortages?

Nobody knows for certain how American consumers will react in any given market situation, especially not regulators far removed from the marketplace. After more than two decades of government tinkering in the energy market, can anyone offer evidence that the situation has improved?

Now is the time for government to step aside, allowing the market to respond to the independent decisions of millions of Americans as they seek to satisfy their energy requirements.

While oil industry profits are often criticized, they are in line with other industries by any reasonable yardstick. Private enterprise historically has responded to the desires of the public and can help produce America out of this energy dilemma.

A sage observer once said that if you have 10 hats and 12 people, you don't chop off two heads. Let's use our heads and produce more hats.

NEW PUBLICATION—SAINT STANISLAW, BISHOP OF KRAKOW

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity to alert my colleagues to the announcement of my constituent, Mr. Bogdan Deresiewicz, chairman of the Saint Stanislaw Publication Committee, concerning the publication of the book, "Saint Stanislaw, Bishop of Krakow." The publication, commemorating the 900th centenary of his martydom in 1709, is dedicated to His Holiness, Pope John Paul II. Contributing to the volume are Dr. Daniel Buczek, professor of history at the University of Fairfield in Connecticut; Dr. Paul Knoll, professor of Polish history at USC; and my constituent, Mr. Deresiewicz, who is also librarian emeritus at the University of California at Santa Barbara. The editor is Dr. Doyce B. Nunis, Jr., professor of history at USC. A full color portrait of Pope John Paul II as well as reproductions from the Nuremberg Chronicle of two ancient woodcuts of Krakow and Saint Stanislaw are included in the publication.

My colleagues may acquire a copy of this historically significant work by writing to the Saint Stanislaw Publications Committee, P.O. Box 162, Santa Barbara, Calif. 93102.●

KATHARINE REED ON HER 1979 SENIOR INTERNSHIP

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. GREEN. Mr. Speaker, for the past 2 weeks it has been my pleasure to host Ms. Katharine Reed of Manhattan as a participant in the 1979 senior citizen intern program. Kay Reed has been a delightful addition to my office and my entire staff has enjoyed the opportunity to introduce her to the workings of the Federal Government and of Congress. Seeing Kay learning, participating, and enjoying her experiences in Washington for these past weeks has emphasized the importance and value of this fine program. I would like to share with my colleagues a brief statement Kay has prepared about her internship:

> The 1979 Senior Intern Program has been comprehensive and educational and enables the Intern to return to his or her District with valuable information. It also enables the Intern to convey to the community and help put into effect many of the programs provided by the Departments of Housing and Urban Development, Health, Education and Welfare and the Administration on Aging. The Intern Program is an important one, and the Congressional sponsors are to be commended for their insight and promotion of many programs discussed.

I would like to thank Kay for being with us and for being a fine participant in the senior intern program. Thanks to her hard work and the work of the other senior interns, as well as the program staff, the senior intern program is thriving. Hopefully, passage of House Concurrent Resolution 15 will see the program continue to thrive in the years to come. Kay Reed is evidence of the benefits of allowing senior citizens to become more aware and involved with the governmental process, and I congratulate her.●

COUNTERACTION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. BROWN of California. Mr. Speaker, the development and implementation of effective economic development projects is a long-term solution with regards to the elimination of poverty in America.

It is for this reason that I commend the Community Services Department of San Bernardino County—the war on poverty agency in my congressional district. The Community Services Department has developed and implemented a totally integrated computerized fiscal system specifically designed for Community Action agencies.

The following is an article, from a national publication, that discusses the specifics of this unique, innovative economic development project:

SAN BERNARDINO CAA MARKETS SOFTWARE PACKAGE

The Community Services Department (CSD) of San Bernardino County has announced plans to nationally market a Computer Software/Technical Assistance Package designed specifically to meet the fiscal requirements of Community Action Agencies (CAAs). Rodolfo H. Castro, CSD Executive Director, stated that a joint public/private sector effort has resulted in the development of a computerized fiscal system with the capability of servicing the financial needs of CAAs.

Mr. C. C. Vermillion, CSD Fiscal Office, stated that the venture commenced in January 1977, with a Management Task Force organized with the objective of developing an optimal fiscal system through computerization. The decision was made to develop a specialized computer software package after several frustrating attempts to force fit conventional programs.

"Either the software would not fit or the computer was inadequate or only specific components were available on the market," stated Mr. Vermillion. "CSD's objective was to develop a total package including optimal computer capability, fiscal system integrity, and the creation of a computer program specificaly tailored for the CAP world," added Mr. Castro.

SOFTWARE

The computer software package was developed from the ground up by Synergistic Management Systems (SMS), a Southern California based consulting firm. "CSD management/fiscal personnel worked closely together with SMS to develop this software package," stated Mr. Cliff Stone, CSD's Accounting Unit Supervisor.

Mr. Castro added that the package provides management with the required fiscal feedback for monitorization/decision making and the fiscal printouts required by the accounting technicians.

IN-HOUSING TRAINING

Mr. Castro added that in-house computer training alternatives provide career development opportunities and manpower program options. Mr. Frank A. Cabral, CSD Board

Chairman, reiterated, "Computerization places CAA's into the Twentieth Century, improves management capabilities, and provides economic development opportunities."

CSD plans to offer this unique software package to CAA's at competitive prices commencing April 1, 1979. "This unique Computer Software/Technical Assistance Package will be available as a total system or in modules to meet the specific needs of CAA's," stated Mr. Castro.

CAA's interested in learning more abou' the CSD Software/Technical Assistance Package should contact Mr. C. C. Vermillion for specifics (714/383-3533/3889).●

FAA POLICIES

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. LIVINGSTON. Mr. Speaker, May 10 was a great day for aviation. The action by the Committee on Public Works and Transportation that day in reporting legislation to prohibit the Federal Aviation Administration from adopting its extreme airspace restriction proposals was a truly significant development because it signaled the end of FAA's perfidious efforts over the years to gain control of all aspects of aviation—control for the sake of control, if you will—to the exclusion of the freedoms which aviation must enjoy to survive. We look upon this action by our committee as entirely positive because enactment of this legislation will force FAA to rethink its airspace policy. In lieu of discriminatory airspace restrictions, FAA will be required to think in terms of facilitating use of our airspace resource by all categories of aviation on an integrated basis.

Mr. Speaker, it should not be construed that we are attempting to frustrate legitimate efforts by FAA to improve aviation safety—far from it. We all are foursquare for safety; it is and should be our No. 1 priority. But hearings on the FAA airspace proposals, conducted recently by our Aviation Subcommittee, demonstrated convincingly that their adoption actually would derogate safety by cramming more aircraft into less airspace—in addition to imposing impossible economic and operational burdens on the owners and operators of most civil aircraft in the United States. And, ironically, implementation of FAA's plan would soon overwhelm FAA's air traffic control system—perhaps the ultimate threat to aviation safety.

Mr. Speaker, our committee has rendered a landmark decision in the history of aviation. We have said to the regulatory agency that it has gone too far and we have many aviation organizations to thank for focusing our attention on this problem—notably the new pilots lobby headed by our former committee staff aviation expert, Henry Pflanz. I urge all of my colleagues to support this vital legislation when it is scheduled for floor action.

Thank you, Mr. Speaker.●

INVASION OF CYPRUS

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. BUCHANAN. Mr. Speaker, as the date of the initial invasion of Cyprus by Turkey recedes further and further into history, we may tend to forget about the tragic results of that invasion which are still evident today in Cyprus.

Last Thursday, it was my pleasure to host a prayer breakfast on behalf of Archbishop Chrysostomos of Cyprus, who was making his first visit to the United States since his election as archbishop last November.

The archbishop's words serve well to remind us that there are still thousands of Greek Cypriots who have been unable to return to their homes and thousands who remain unaccounted for since the war.

It is my sincere hope and prayer that the progress made over the weekend during talks between Cypriots President Kyprianou and Turkish Cypriot Leader Denktah can lead to a final resolution of the situation on Cyprus.

It is incumbent upon the United States to do all in its power to encourage that progress and do nothing which would impede an equitable resolution.

I commend to our colleagues the remarks of Archbishop Chrysostomos which follow:

HIS BEATITUDE, ARCHBISHOP CHRYSOSTOMOS OF CYPRUS, ADDRESS AT THE CONGRESSIONAL PRAYER BREAKFAST

We are very pleased for having been given the opportunity of meeting you, the representatives of the people of the United States of America and addressing you in order to explain the tragic situation of the people of Cyprus and convey to you their appeal for your help so that they may regain their freedom and rights.

As you know, the people of Cyprus since 1974 have submerged in a terrible tragedy because of the invasion of Turkey, using the various modern arms that your country gave her, either directly or through NATO, certainly for other purposes. Now if the arms which your country supplies solely for NATO purposes should be used by the receiving countries to attack and destroy the independence of small and peaceful nations, this is a question which should be answered by you, the members of the Congress, the American people, and your Government.

We think that you are well aware of the atrocities of the Turkish troops against the people of Cyprus and there is no need to refer to them.

This tragic situation, that has been created as a consequence of the Turkish invasion, continues unfortunately, to remain unchanged. Turkey still ignores the resolutions of the United Nations which demand that the invasion forces be withdrawn from the Island, the refugees return to their ancestral homes and the internal affairs of Cyprus be settled through negotiations between the two communities—the Greek Cypriots, who constitute 80 percent of the population and the Turkish Cypriots, who constitute 18 percent. It is easy for anybody to realize that the continuation of the presence in Cyprus of the Turkish forces of occupation means a permanent threat to the independence of the whole Island, because Turkey, having under its military control a significant part of Cyprus and being a neighboring country can, at any moment, land in the Island as many military forces as it wishes and needs.

This is why I have come here to this great country of yours, the United States of America, as a spiritual father of the suffering people of Cyprus, to present to you and the whole American people, the tragic situation and the cry of despair of my people. I have come here to ask for the help of the American people, especially for assistance and support in order to press the invader to withdraw its forces from our Island and to restore to Cyprus the freedom and human rights which are now so ruthlessly violated.

We are in desperate need of such support because, as you certainly know, we are a small island and without external support and aid, we do not think it is possible that Turkey will be obliged to withdraw its army. We know from your history that you are a liberal people who fought many times for the protection of freedom and justice of other peoples. We know that one of the symbols of your country is the Statue of Liberty, which holds the burning torch in order to point out both to the Americans and to the peoples of the world what their duty and obligations are whenever the freedom of men is trampled upon or is at risk. This is the reason why the people of Cyprus appeal to your country with many hopes.

We cannot say that the approach of your country to our problem up to now has been the one we could expect from the United States of America. I do believe that it was possible for your country to stop the invasion but it avoided to do so. The United States of America has ways and means to exercise pressure on Turkey to withdraw its troops from Cyprus but it carefully avoids to do it, until now. It is for this reason I have visited the Statue of Liberty and tried to see whether its torch has been extinguished by the ashes of expediency and indifference. I hope to realize that this is not the case.

It would not be proper for us to specify what we feel to be the real interests of your country. However, allow me to say that keeping one's eyes closed to the violation of the moral principles, the injustices and the sufferings of the people of small nations is not the correct and safe way to serve one's interests. It is as if one tried to base its interests on very unstable and slippery ground.

What basically, the people of Cyprus ask is the implementation of the United Nations resolutions. We ask for the restoration of human rights for all the inhabitants of Cyprus, irrespective of race, religion or language. We do not intend to wrong anybody . . . but at the same time, we certainly do not want to be wronged by anybody. Therefore, we mainly are asking for equal political and human rights for all the inhabitants of Cyprus; we are only asking for justice. Everybody must have the right to travel anywhere in Cyprus, to settle wherever he likes, provided of course that he respects the rights of his fellow citizens.

The separation of Cyprus into two regions—one for Greek-Cypriots and another for the Turkish-Cypriots—not only leads to a flagrant violation of human rights, but also, what is worse and more dangerous, is this feeling of alienation brought about by the separation of the people into two opposing groups which finally can lead to the permanent division of the island. But, as you know, Cyprus is too small to be divided.

There are, of course, many who suggest that we must be realists, since we cannot change the faits-accomplis created by the Turkish invasion. However, I do not really know if realism is the acceptance of injustice against a people and the selling-out of their rights on the grounds that they are numerically small and militarily weak. Nor do I know if realism means committing suicide when faced with difficulties. We feel sorry for these people who suggest such kind of realism and wonder if in the last quarter of the twentieth century, after the bloodshed of two world wars for freedom, moral principles have so much lost their true value and meaning. We also wonder why your own country is included among those which directly or indirectly have suggested to us to accept realism which would lead to suicide, while it is possible for it, using the means at its disposal, to work for the abolition of injustice committed against the people of Cyprus.

Before ending my address to you, I feel it is my duty to convey the deepest gratitude of the Cypriot people to those of you who very often have raised their voices demanding the restoration of human rights in Cyprus. Allow me to say that this attitude is proof of the continuation of the noble tradition of your country towards justice, freedom and democracy—the tradition handed down to you by the "Founding Fathers" of your Nation who authored the very historical Declaration of Independence.

That is why as the spiritual leader of my people—the suffering people of Cyprus—I appeal to your conscience. We place before you our hopes, and our pleas for justice. Please do not close your ears to the cries of pain and despair of my people. Please do not wash your hands of our hardship. In Cyprus there live people like you—who like you, love freedom and justice. We are fighting to retain these ideals and in so doing, we appeal to you to look upon the Cypriot people as your brothers.

Please put yourselves in our position and do your duty, the duty imposed upon you by the tradition of liberalism of your country.●

OLDER AMERICANS MONTH

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. GRASSLEY. May is Older Americans Month. It is appropriate that a special period be set aside for specific recognition of our Nation's elderly.

As the ranking minority member of the House Select Committee on Aging, I and my colleagues on the committee hear frequent testimony on the needs of the elderly. We know that too many of them are poor, isolated, ill housed, and needy in various ways and degrees. These problems deserve and will continue to receive congressional attention.

There is, however, another aspect of America's senior population that also needs recognition. This is the sturdiness of their citizenship and the great contribution which they make to the American society.

The elderly of age 65 and above constitute a little more than 10 percent of our population yet they cast well over 16 percent of the vote. They are active and conscientious citizens whose sense of public obligation contributes disproportionately to the strength and endurance of our great American democracy.

Over 250,000 of our country's elderly are retired senior volunteers who give their time, their skills, and their services to others in capacities ranging from housekeeping assistance to professional counsel with no reward except the satisfaction of service to others.

In groups, organizations, and as individuals, they bring the wisdom of age and experience to bear on the problems of their communities and their country. They recognize the power of organization and their organizations are increasingly a force that is being recognized at all levels of government.

The elderly are a peaceful and orderly segment of our society. They are models of social good conduct. If emulated in this regard by other age groups, we could save billions of dollars in the cost of law enforcement alone. This is not a function of inactivity. By nature, the elderly are a vigorous and outgoing group which moves within our society no less freely than does the criminal. It is simply that they are law abiding.

We should cherish our country's elderly and respect them for the wisdom which marks their citizenship. They are one of our greatest American treasures who deserve our recognition and our admiration, not just in May, but throughout the year.●

CAMP FIRE GIRLS HONORED

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, the Camp Fire Girls is a program dedicated to training young women to be responsible and active in their local community. It has long been respected by our society for the personal characteristics its training encourages and for the civic and national pride it instills in its members.

The Wohelo Medallion is designed by the Camp Fire Girls, Inc., to bridge a youth member's experiences as a Camp Fire member and her growing role as a responsible adult providing leadership within the community in many settings and with many groups. The medallion is the highest award of achievement that may be earned by a youth member of the Camp Fire program and is presented in the junior or senior year of high school.

The following three women have recently been selected for this honor:

Alita Buhman of Huntington Beach for her many volunteer hours leading within the Camp Fire community and with young children.

Robyn Lamson of Cypress for her volunteer service with patients in the spinal injury ward of the Long Beach Veterans Hospital, her high school and the Camp Fire community.

Jacque Saul of Garden Grove for her volunteer hours with young children within the Camp Fire community.

Each of these young women is to be commended for her sense of commitment to her local community and her willingness to give of her personal time and skills. I ask my colleagues to join with me in giving thanks to these fine young women. I feel confident that the training and experiences provided them by their Camp Fire Girl program will prepare them for responsible and rewarding lives.●

WAYS TO FOIL THE OIL CARTEL

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. ROSENTHAL. Mr. Speaker, it is estimated that every 1 cent a gallon increase translates to far more than $100 million more in costs to the public. As a result airlines, truck lines, railroad freight, and passenger rates are raising rates. Electricity rates for lighting, heat, and air conditioning are skyrocketing in synchronization with crude oil prices. Come next winter heating oil prices may be beyond the means of the poor, the aged, and the retired. The problem is here. The Department of Energy and the administration has not offered or proposed a viable program to cure the problem. They have called for greater conservation (worthy as a palliative but not as a cure) and for decontrol of U.S.-produced crude oil (greater profits for the oil companies whose coffers and earnings have already reached record highs). We cannot afford economic chaos. It is time we raise our heads from the sand. We cannot continue to place our people and Nation in bondage to oil rich nations abroad.

It is time our institutions come to grip with the situation. We must: First, revoke foreign tax credits granted U.S. oil companies operating abroad, and second, create a national oil purchasing corporation to purchase through an oil import quota system all imported oil.

The existing oil import system, controlled by a handful of the biggest multinational oil corporations who are tied to OPEC through their lifting agreements, goes a long way toward explaining our present dilemma. Although the Department of Energy has authority to purchase oil imports, it chooses not to. It believes in the status quo. Therefore, we need a Federal nonprofit oil purchasing corporation to accomplish this needed task of purchasing through an oil import quota system all imported oil. I have joined Representatives JOHN CONYERS and CHARLES ROSE in introducing the Oil Imports Act of 1979 (H.R. 3604) and I urge my colleagues to join in this effort.

The need is set forth in the April 9, 1979, U.S. News & World Report interview with M. A. Adelman, professor of economics at the Massachusetts Institute of Technology, an acknowledged expert and petroleum economist. I urge my colleagues to read this article which follows:

WAYS TO FOIL THE OIL CARTEL

(Interview with M. A. Adelman, Petroleum Economist)

Is the U.S. truly in bondage to oil-rich nations abroad? No, says a leading student of the energy market—and he spells out reasons why not.

Q. Professor Adelman, can anything be done to break the Organization of Petroleum Exporting Countries' hold on the United States and other industrial nations?

A. Any attempt to destroy OPEC outright probably would fail or produce only short-term results.

What's important is to divert revenues from their pockets to ours. In time, this strategy would erode much of the cartel's power to set oil prices.

Q. How do we go about this?

A. Let the government set a specific quota on oil imports and then sell entitlements to that oil through a sealed-bid auction.

Q. Could you give some idea of the way such a system might work?

A. Each month, the U.S. government would estimate the amount of imports needed to meet the country's demand for oil and then print import-authorization tickets.

No barrel could be imported without a ticket, which would be sold at monthly auctions by sealed bids, much as the government now sells Treasury bills. Any mistake in setting the import quota—either up or down—could be corrected the following month.

It's a simple system and requires very few people. The then President-elect Carter's economic task force examined and recommended it two years ago. We would be much better off today had we followed their advice.

Q. Who would be eligible for tickets?

A. Anybody—whether he's a buyer, seller, intermediary, a refiner or speculator. All a bidder would need is a certified check, with no questions asked. It's important that the bidding be open to everyone to allow anonymity, because you want to encourage an active market in buying and reselling tickets.

Q. Wouldn't this let speculators corner the market and drive up the price of oil?

A. No. Import tickets would have no scarcity value because the marketplace would determine the amount of oil to be imported. The government would only adapt to that demand.

A speculator might make a short-term windfall if he was able to outguess the market on the demand in a given month, but over time the demand should equal the amount of oil to be imported. In recent months, the auction would have captured some of the gains of speculators who bought at a low price outside the U.S. and sold at a higher price inside this country.

Q. How would this system undercut the power of OPEC?

A. Exporting countries would have to bid in the auction for the right to sell their oil to the U.S., the largest market in the world. If they wanted to increase their sales to the U.S., they would have to bid a little bit more in order to get additional tickets. As they bid against each other, the price of a ticket would rise to where the Treasury was collecting substantial amounts. Furthermore, for their own protection, they would have to bid for a little bit more because somebody else might be in there taking business away from them.

Q. Why would a foreign country pay for the privilege of selling oil to the U.S.?

A. To obtain a market for its oil. Otherwise, it might find itself out in the cold if some other country or group of countries buys up all the available tickets.

Q. That sounds like a country would be buying its own oil—

A. It would be paying for the right to sell its oil—in effect, paying a small import-licensing fee. The exporter could then transfer or sell the tickets to importers who need oil.

Q. What's to keep OPEC from boycotting the auction?

A. The OPEC nations would publicly boycott, but there's no way to police a boycott. It's too easy to compete behind each other's backs using third parties. Many OPEC countries sell a large percentage of their oil to the U.S., and they need the revenue from the U.S. market to meet current expenses and pay for their ambitious development plans.

Algeria, for example, sells upward of 60 percent of its oil to this country; Libya, a bit over 30 percent; Indonesia and Venezuela are in between.

Countries dependent on the U.S. market would face a choice: Buy tickets, or don't sell in the U.S. If they attempt to sell outside the U.S., they will break the thin open market.

The auction system gives countries that need to sell to the U.S. protection from retaliation by other OPEC nations because nobody knows who's buying tickets.

Q. If oil prices start eroding, what's to prevent a big producer such as Saudi Arabia from cutting back on production to firm them up?

A. So much the better for us. All the cutbacks in output would be at their expense; the gains would be reaped by others. Therefore, it would be in the interest of Saudi Arabia not just to talk lower prices but to practice holding down prices.

Q. Can we really do anything about OPEC as long as we continue to consume 30 percent of the world's oil output?

A. That is our opportunity: to use our buying power as a means to divert some OPEC revenues to ourselves. You need only a little excess capacity by one of the poorer exporters to start the undercutting by buying tickets.

There is no such surplus today, for the first time in years. No use mourning over the chances we blew. But if Iran's exports reach even 3 million barrels daily—55 percent of their previous exports and using half of their capacity—a small surplus will be back by late this year or next.

Actually, it would be good to get the system installed and get the bugs out during a quiet period when ticket values would be near zero.

Q. Yet the U.S. doesn't seem interested in doing anything about OPEC—

A. International oil policy has been viewed as a branch of foreign policy. Through several administrations, we have actively helped the cartel of the OPEC nations: "Give them what they want." The reason for this policy has never been laid out on the table.

I think it was felt we needed friendly regimes at the Persian Gulf. If we made them richer, they could buy arms and defend themselves.

Iran shows what a disaster the policy has been. To protect those people—and we must—there is no alternative but to protect them by our own resources and make them dependent on us. The richer you make them, the more independent they are.

Q. What other action should we take to weaken OPEC?

A. We should phase out price controls on crude oil—the sooner we act the better—and tax gasoline openly. We are doing it indirectly today by requiring high mileage in automobiles. This will strain the limits of technology and will be very expensive. In effect, it will be a tax on driving—and a heavy one.

A gasoline excise and tariff would be simpler, quicker and cheaper. With higher prices, we would consume less and produce more.

Q. What's the impact on consumers?

A. The consumer is going to get zapped no matter what; OPEC will see to that. The only question is whether that money goes into OPEC's pocket or to the U.S. government, which—to some extent—can make it up to the consumer.

But the only way we can protect ourselves is to take money away from the cartel. Nothing personal, but we can't be friends with the cartel: It's them or us. The more they have, the less we have and the more insecure is supply because they can more easily afford cutbacks.

Q. Don't you think we should maintain good relations with major oil suppliers such as Saudi Arabia and Venezuela?

A. We've tried it for nearly a decade. All we have are higher prices, a shakier world economy and even political sabotage. This country is committed to peace between Egypt and Israel. Saudi Arabia and its neighbors are committed to destroying that peace. If the Saudis were not so wealthy, they could not oppose us.

So all we get for our cooperation and dialogue and "special relationships" are economic burdens and political harassment. The idea that we can have some kind of special arrangement with OPEC countries and the moderates against the extremists is just a fantasy. As monopolists, they will take everything they can get.

Q. But wouldn't we really be over a barrel if, for example, the Saudi Arabian government collapsed like Iran?

A. It would be harmful. We can and should protect them against outside aggression, but there's not much we can do about internal opposition, just as there was nothing we could do about Iran.

But had not the Shah of Iran suddenly received a huge infusion of cash after 1970, he would not have tried to do the things that caused his downfall.

The Saudis know we've got to protect them from external aggression for our own self-interest, so we have no hold, no leverage over them. We can't threaten to withdraw our protection.

Q. Higher oil prices are often justified on the basis that the world is running out of a vital natural resource—

A. We're not running out of oil. The amount of oil that we know about—proved reserves plus probable reserves and the oil industry's consensus of what's left in the ground—would suffice for about 100 years at the current rate of consumption and for 50 years at the current rate of increase in consumption.

In addition, there are bitumens, or heavy oils. There are some large deposits in Canada and much bigger ones in Venezuela. No one knows for sure how much of this heavy oil can be brought up from the ground and purged of sulfur and small amounts of metals and converted into products.

But even a modest fraction would give us as much oil as there exists in all the conventional oil deposits in the world. So there's enough oil to give us ample time to make the transition to more-plentiful sources.●

MONTE CASSINO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DERWINSKI. Mr. Speaker, Friday, May 18, commemorated the 35th anniversary of the capture of the Monte Cassino Monastery in Italy. During the Second World War, the 2d Polish Corps, under the command of Lt. Gen. Wladyslaw Anders, played the key role in the capture of this vital German defense post, and served as a key to the defeat of the Nazi regime.

Not only did the battle of Monte Casino play a significant part in World War II, but the bravery and valiant efforts of the Polish Corps still serves as an inspiration to all of us. In commenting on the courage of the Polish troops, Gen. Mark W. Clark, who commanded the 5th Army, of which the 2d Polish Corps was a part, said:

> The Polish 2nd Corps fought so splendidly under Lt. Gen. Anders that it accomplished the nearly impossible—it took Cassino . . . without the superb fighting of the Polish Corps the capture of Cassino would have been extremely difficult, prolonged, and perhaps long delayed.

The thousands of Polish ex-servicemen from all over the world, including the United States, Canada, Western Europe, South America and from as far away as New Zealand and Australia, commemorated the 35th anniversary of this historic battle by gathering at the Monte Cassino Monastery. They met not only to remember the victory of this important battle, but also to honor the men who lost their lives in the struggle. The inscription on the monument to the Polish dead at Monte Cassino reads:

> We Polish soldiers, for our freedom and yours, have given our souls to God, our bodies to the soil of Italy, and our hearts to Poland.●

CLARENCE K. STREIT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. FINDLEY. Mr. Speaker, Clarence K. Streit, founder of the Atlantic Union movement and author of "Union Now," was honored at a reception last Wednesday by friends who have long admired his dedication to greater unity among the nations which prize individual liberty.

Held in the Speaker's diningroom, our distinguished Speaker, the gentleman from Massachusetts (Mr. O'NEILL) served as honorary chairman with our distinguished majority leader, the gentleman from Texas (Mr. WRIGHT), and myself as cohosts.

More than 100 people dropped by to extend good wishes to Mr. Streit and Mrs. Streit on the 40th anniversary of the publication of "Union Now" and the 30th aniversary of the North Atlantic Treaty Organization, an institution which Mr. Streit's endeavors helped to inspire.

The gentleman from Texas (Mr. WRIGHT) presented Mr. Streit a framed certificate of the Estes Kefauver Union of the Free Award and a greeting card bearing the signatures of nearly 200 well-wishers. The Kefauver award was actually presented sometime ago by the Meeman Foundation of Memphis, Tenn. but delivery of the certificate was delayed until last Wednesday.

I presented him a book of congratulatory messages, including warm greetings from former Presidents Gerald R. Ford and Richard Nixon, former German Chancellor Willy Brandt, and scores of other prominent people.

The reception was thoughtfully reported by the Washington Post as follows:

PRAISING CLARENCE STREIT

(By Myra MacPherson)

> "The word 'failure' is not in his dictionary," said Rep. Paul Findley (R-Ill.) as he took the floor in the speaker's dining room yesterday to praise Clarence Streit, when he was interrupted by the guest of honor.
>
> "Oh yes it is! Will the gentleman please yield," said Streit, who was being honored for his 40 years of seeking world peace, and he took over. When you're 83 and as revered as Streit was in that gathering, interrupting your own introduction is a pardonable sin.
>
> Streit has been working for world peace ever since he stopped being a doughboy in World War I some 60 years ago. Failure is very near to his heart right now. "I'm extremely pessimistic about the world situation. I believe we're headed for a much worse depression than in the '30s—which will rush us into the dangers of advancing communism."
>
> It is his hope that the world will wake up and embrace his "Federal Union." Streit supports a political federation of democratic nations much along the lines of the federal union of our American states. "The ultimate hope would be to unify the enormous resources of these democratic countries—with a common market and common military force," said Findley.
>
> A resolution to explore the idea almost made it through Congress a couple of times, was endorsed by President Nixon and once again is being examined in congressional committees. This "very revolutionary idea," as Findley says, has the backing of both liberals and conservatives—from Rep. Morris Udall (D-Ariz.) to former Sen. William Jennings Bryan Dorn of South Carolina.
>
> Udall was among many who signed a huge card in appreciation to Streit but did not attend the reception. Dorn did—as well as Majority Leader Jim Wright, Speaker of the House Thomas P. (Tip) O'Neill, Sen. Alan Cranston (D-Calif.), Rep. Henry S. Reuss (D-Wis.), Rep. John F. Seiberling (D-Ohio) and Rep. Mel Price (D-Ill.), chairman of the House Armed Services committee.
>
> Streit has had careers enough for three people. He has been a bodyguard to President Woodrow Wilson, a Sorbonne student and a Rhodes scholar. As a foreign correspondent he covered the Greco-Turk war, Mussolini's rise to power, the birth of the Turkish and Greek republics. All this was before 1925.
>
> Then he covered the excavation of ancient Carthage and explored the Sahara and the bottom of the Mediterranean for lost cities of antiquity. While covering the rise and fall of the League of Nations for the New York Times, Streit conceived his ideas for a federal union. His book, "Union Now," published in 1939, became a best seller. Many books followed, as Streit devoted his life to peace and his federation of nations.
>
> With him yesterday was his wife of 58 years, Jeanne. Streit once again put in a plug for a peaceful federal union of nations as he gave his wife a hug. "Ours is the oldest peaceful union. We tried it out on ourselves to begin with. Now we recommend it for everybody." ●

OIL PIPELINES SWELL OIL COMPANY EXCESS PROFITS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. SEIBERLING. Mr. Speaker, today's Washington Post contains an article on a GAO draft report which concludes that the major oil companies have used their ownership of oil pipelines to collect hundreds of millions of dollars of excess profits from the consuming public.

For 1976 alone, the extra cost to the consuming public is estimated at $300 million by the GAO.

For years economists have contended that oil producers and refiners should not be permitted to own the pipelines, since this gave the owner a monopolistic advantage over other shippers. The GAO report brings out the cost that this represents to the consuming public.

One part of the solution is tighter regulation by FERC, as the report points out. The other part is to require the oil companies to divest themselves of their control over pipelines and require the lines to be operated as independent companies. There is ample precedent for this.

Ever since 1906, railroads have been prohibited by Act of Congress (49 U.S.C. sec. 1, para. 8) from owning the products that they transport.

In January of this year, I reintroduced a bill, H.R. 745, to amend the Clayton Act by extending the same prohibition to oil and gas pipelines. The prohibition would take effect on January 1, 1982.

Mr. Speaker, I believe it is high time Congress got moving to end this abuse which has been so costly to the consumers of petroleum products.

The text of the Post article and of H.R. 745 follow these remarks:

OIL PIPELINE PROFITS HELD EXCESSIVE—REGULATORY AGENCIES CRITICIZED BY GAO AND TRUSTBUSTERS

(By J. P. Smith)

> Decades of regulatory abuse and neglect have permitted oil pipelines owned by major oil companies to collect hundreds of millions of dollars in excess profits and to earn a rate of return greater than that of nearly all other American corporations, according to the General Accounting Office.
>
> The current regulator, the Federal Energy Regulatory Commission, "has not addressed many questionable pipeline practices and presently has no plans to do so," the GAO said in a draft report.
>
> "If recent decisions affecting other regulated industries had been applied to oil pipelines," consumer costs could have been reduced by as much as $300 million in 1976, the most recent year for which comprehensive data are available, the report concludes.
>
> Other major findings by the congressional watchdog agency:
>
> Federal agencies "have done little to alleviate or resolve the alleged anticompetitive practices of oil pipelines."
>
> The levels of profits allowed under pipeline regulations "were not enforced" and 41 of the country's 110 regulated oil pipelines in 1976 "had rates of return higher than what was allowed."

The Interstate Commerce Commission, which regulated oil pipelines for over 70 years until the Energy Department (FERC's parent agency) was established in 1977, did not, until June 1976, have a system to ensure that pipeline owners complied with regulations.

The Energy Department's regulators "have not established criteria for determining the justness and reasonableness of oil pipeline rates."

To correct these and other abuses, GAO urges immediate action by the FERC, Justice Department and Congress.

A draft of the 81-page GAO report, "Petroleum Pipelines: More Effective Regulation Needed," was obtained by The Washington Post.

Patrick H. Corcoran, executive director of the Association of Oil Pipelines, called the GAO findings unjustified in light of risks that major oil companies take. "Another interesting anomaly," Corcoran says, "is that just as the government seeks to deregulate other modes of transportation such as the airlines, some are pushing for more regulation on liquid pipelines."

Oil pipelines are classed as "common carriers" with monopoly characteristics just as, say, railroads are, and federal regulation practices "have not controlled pipeline profits and rates," GAO says.

GAO points out that the rate of return on equity—the actual direct investment an owner puts into a project—for 31 out of the 110 oil pipelines exceeded the average of the five most profitable publicly held unregulated companies. Beyond that, GAO says, many pipelines earn profits for investors far in excess of those returned by the most profitable electric or natural gas utilities.

Comparing rates of return on to * * * of Exxon, the nation's largest oil company, indirectly disputed the thrust of the Energy Action study.

The study, which based its conclusions largely on Energy Department statistics, stopped short of seeing a vast "conspiracy." But it said the effect has been the same.

Government officials believe "that a good dose of 'underdeliverability' is the only way they can think of to constrain gasoline demand, without regard to the lives, jobs, time and temper of a public which believes that driving is a necessity in modern America," the Energy Action study said.

"And, of course, the oil industry is glad to oblige, since that same dose of induced shortage helps inure the public to otherwise unacceptable price-gouging."

James Flug, director of Energy Action, presented the study at a media-event news conference in front of a closed BP gasoline station on Connecticut Avenue in Northwest Washington.

The current problem, according to the study, actually began in spring 1978, when the oil industry dramatically drew down its fuel oil and gasoline stocks at the same time it ran refineries "well below capacity."

The study said that by the time of the Iranian revolution, the industry had "decimated" product stocks. Instead of helping the situation ("warning lights should have been flashing all over the industry and the government"), the government, with little justification, began "deliberate attempts to panic the American people into believing that a pause in Iranian oil production was having dire impacts on American crude oil supplies. . . ."

"The resultant panic, predictably, caused various forms of hoarding, topping off, increased user storage and other behavior" that further depleted stocks and make demand appear higher than it actually was.

Similar policies are continuing even now, the study said. Assuming that there will be inadequate supplies of home heating oil for next winter, the government is allowing industry to "cut back sharply now on current gasoline deliveries" at the same time refineries are producing, below capacity.

There is "inadequate evidence" of a winter shortage, the study said, to justify these actions.

Meanwhile, Clifton Garvin, chairman and chief executive officer of Exxon, said the real problem at present is simply excessive demand from the public. "We're running the refineries with as much crude oil as we have," he said on "Face the Nation" (CBS, WDVM). "Unfortunately it just doesn't meet the demand the public is putting on it.

"With the amount of crude available to us and with a desire to get to the winter period with a minimum inventory of heating oil," Garvin said, "Exxon is only going to be able to have about as much oil in the market as we did last year."

With increased driving, Garvin said, the current "spot situations" (gasoline lines) will continue. "I personally don't think that's so bad," he said. "I don't look at this as a crisis situation. I look at this as a serious problem."

H.R. 745

A bill to amend the Clayton Act to prohibit restraints of trade in the transportation of petroleum, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Industry Pipeline Divestiture Act".

SEC. 2. The Clayton Act (15 U.S.C. 12 et seq.) is amended as follows:

(1) after section 7A, insert the following new section:

"SEC. 7B. (a) After December 31, 1981, it shall be unlawful for any person engaged in commerce, who owns or controls any pipeline described in subsection (b), to transport by such pipeline any petroleum which such person owns or controls or has owned, controlled, produced, or refined.

"(b) This section applies to every pipeline with an internal diameter of six inches or more, which—

"(1) is operated as a common carrier;

"(2) is in or crosses any navigable water;

"(3) is on or crosses any Federal land;

"(4) crosses any State border; or

"(5) crosses any highway, the construction or operation of which is or has been funded in whole or part by the United States:

Provided, however, That this section shall not be deemed to apply to any pipeline operated within a single petroleum field, within a single refinery complex, or within a single storage facility.

"(c) Every person engaged in commerce, owning or controlling any pipeline described in subsection (b), who between the date of enactment of this section and December 31, 1980, transports by such pipeline any petroleum which such person owns or controls or has owned, controlled, produced, or refined, shall submit plans for compliance with this section to the Attorney General of the United States not later than December 31, 1980. The Attorney General of the United States may conduct such hearings and require the submission of such information as he deems necessary to determine compliance with this section by any person.

"(d) For purposes of this section—

"(1) the term 'control' includes having or acquiring effective power or influence to deny to others the acquisition or use of a substantial portion of the materials or facility, whether such power or influence is actual or legal, and whether such power or influence may be exercised directly or indirectly, through ownership or control of stock or other securities, through affiliates, through representation on a board of directors or similar body, through interlocking directorates, through election of one or more officers, or through any stockholder, agency, trust, joint venture, lease, or contractual agreement or arrangement, or otherwise, but the fact that a contractual arrangement provides for the supply of all or a portion of the requirements of a person, association, or corporation for a material or a reasonable time period shall not, in itself, be deemed to constitute control. Control shall be presumed to exist whenever any person owns 10 per centum or more of the outstanding voting securities of a corporation or other entity;

"(2) the term 'affiliate' of a person means another person which controls, is controlled by, or is under common control with, such person;

"(3) the term 'petroleum' means oil, natural gas, or the products of petroleum refining.";

(2) in section 11(a), immediately after "sections 2, 3, 7,", insert "7B,";

(3) in section 11(b)—

(A) immediately after sections "2, 3, 7,", insert "7B,"; and

(B) immediately after "sections 7", insert ", 7B,"; and

(4) in section 16, strike "sections two, three, seven, and eight", and insert in lieu thereof "sections 2, 3, 7, 7B, and B".●

DRASTIC CUTBACKS

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1979

● Mrs. CHISHOLM. Mr. Speaker, 25 years ago the Supreme Court ruled that State-mandated public school segregation on the basis of race is "inherently unequal" and therefore unconstitutional. But in 1978, this same Court was unwilling to hold that a class-based remedy which could begin to effectively address centuries of unequal treatment against blacks as a group was permissable. So Bakke was admitted to the University of California medical school. In a few days, the Court will decide whether an employer and union may adopt a program to increase the number of black employees in skilled craft jobs. Many are not optomistic that the judges will rule in favor of the black workers in this case. These cases and other recent developments serve as a reminder that while some of the more obvious forms of discrimination have been eliminated, the full promise of entry into the mainstream of American life, especially the economic mainstream, remains a distant dream for the vast majority of blacks, brown, and poor people in this country.

For example, just this week the House, after voting for across-the-board cuts in almost all items which totaled $2.5 billion, approved an already "austere" budget measure. Many of the programs targeted to those in greatest need of assistance—the unemployed, the elderly, children—will be severely affected by these drastic budget cutbacks. Although we now find ourselves in a period which seeks to limit Government spending, we should also remember that we serve in a constitutional democracy, and we have an obligation to form a more perfect society. This 25th anniversary is not a time for festivities but rather an opportunity to rededicate ourselves to the goals of the people who fought and won the Brown case.●

THE OUTDOOR PROGRAM OF HOLIDAY INNS, INC.

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. JONES of Tennessee. Mr. Speaker, during the past few years, and especially the past 6 months, a degree of discussion has been held by various individuals and groups pertaining to the outdoor industry, especially the beautification of our Interstate Highway System, and the effect the outdoor bulletins have had on our motoring public, and the actual appearance of the billboards.

No one wants our countryside to be marred by ugly billboards. At the same time, each of us wants our traveling public to have the information necessary to their travels, and which can only logically be located on our interstate systems.

In my home State of Tennessee, we have a company which has taken a giant step forward in solving this problem, by offering the traveling public information, and the supporters of beautification a very well designed outdoor bulletin.

I am talking about the recently adopted outdoor program of Holiday Inns, Inc., the world's largest hotel company, and one of our Nation's largest users of the outdoor medium.

Through their own initiative, and using their own moneys, Holiday Inns has begun a program of improvement to their billboards which I believe is admirable. They have created an entirely new look to their billboard designs, clean and simple, and attractive. At the same time, they have put their outdoor advertisements in the position that they should be within our interstate system, a method of communicating travel information and direction to the motoring public.

Now, here, Mr. Speaker, is a leadership company which has taken a look at itself, and improved what it perceived. For over 25 years, Holiday Inns has been advertising on our Nation's highways, back when the interstate concept was just beginning to catch hold. Today, Holiday Inns is changing with the needs of today, relegating their highway messages to information, and improving the appearance so as not to detract from the beauty of our countryside.

I think it is only fitting that their efforts be noticed. What they have done has received approval from many outdoor companies, and from the Department of Transportation. They are to be commended, and it is my honor to bring their efforts to the attention of the Congress.●

LOAN GUARANTEE PROGRAM LEGISLATION TO PROMOTE THE USE OF GASOHOL

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. HAGEDORN. Mr. Speaker, last week, 2 days of hearings were held to consider legislation designed to promote the production of motor fuel blends of gasoline and alcohol made from agricultural products. These hearings have been a joint effort by the Department Investigations, Oversight, and Research Subcommittee headed by Congressman Kika de la Garza; the Conservation and Credit Subcommittee headed by Congressman Ed Jones; and the Livestock and Grains Subcommittee headed by Congressman Charles Rose.

A great deal of interest was shown by Government agency officials, private citizens, and industry representatives during the course of these hearings. A new awareness about the important contribution that gasohol can make is sweeping the country and these hearings have been a valuable source of factual and pertinent information.

It is significant that the Agriculture Committee should take the lead in the House toward offering a viable substitute fuel as the farmers of our Nation can do more than offer sources of food and fiber for use by American consumers and industries. It was my pleasure to appear before these hearings during the opening session on May 15 and I would like to take this opportunity to share my testimony with my House colleagues who may not have the opportunity to learn more about gasohol legislation until a bill is reported to the floor.

The testimony follows:

TESTIMONY OF CONGRESSMAN TOM HAGEDORN BEFORE GASOHOL HEARINGS

Chairman Rose, I commend the efforts of the three Subcommittees which are holding these important hearings to consider bills designed to promote production of motor fuel blends of gaosline and alcohol produced from agricultural products.

The Department of Agriculture will play an instrumental role in the implementation of any gasohol-promotion legislation which may be enacted into law and I have listened to the comments of Deputy Secretary Williams with a great deal of interest. I hope that the concern expressed by both the Departments of Energy and Agriculture representatives here today will be shown by positive action in the future by both Departments.

I have a prepared statement of remarks on gasohol which I will submit for the hearing record in the interest of time. However, this subject is so important to me and the citizens of the Second District of Minnesota as well as the rest of the nation that I would like to take a few moments to summarize them for the Members of the Subcommittees.

The gasoline supply situation at present and for the foreseeable future demands that some positive action be forthcoming from the Congress. I feel that it is the responsibility of the Agriculture Committee to bring a gasohol bill to the Floor of the House. The action by these Subcommittees is an indication that something must be done to help cut back American dependence on imported petroleum and that alcohol-based fuels can make an important contribution toward this goal.

I am a long-time supporter of the production of alcohol from grain products for use in making gasohol. Those of us from the Midwest have realized for years that this product works toward saving gasoline and improving engine performance. This realization is spreading.

Just this morning the NBC Today Show carried a news report of the well-received arrival of gasohol in a suburban New York City county. Two stations in Fairfax County, Virginia are now selling thousands of gallons of gasohol daily to customers in the Washington area. On Wednesday, Montgomery County in Maryland will have the first gasohol pumps open.

The President has recently announced that his Administration will do more to increase the number of alcohol production plants. This is the first important step toward making gasohol available on a nation-wide scale.

Last week, the House Agriculture Committee adopted as an amendment to the Rural Development Policy Act the wording of a bill I have cosponsored with Congressman Sebelius, the author of the proposal. The effect of this amendment was to provide a new maximum loan guarantee total of $180 million for additional pilot projects for production of alcohol-based fuels. This type of action by the Committee is encouraging and I hope that the enthusiasm toward alcohol-based fuels will continue.

Throughout these hearings you will hear many comments regarding the usefulness of this product. Some may say that the high cost of alcohol production makes it prohibitive as a source of energy. This doubt will surely disappear as gasoline prices continue to increase and alcohol prices remain relatively stable because of increased alcohol production. As Members of the Agriculture Committee concerned with gasohol production, we are looking to the future; and increased gasoline and gasohol supplies then will depend on what action we take now.

As I stated earlier, those of us from the Midwest who have used the product strongly believe in its merits. What is needed are ways to broaden the market beyond this area. We need a national commitment toward greater use of present crop production, increasing ethanol-production plant facilities, and insuring a dependable and efficient national distribution system for gasohol. Several of my colleagues have joined me in introducing different bills which collectively deal with all of the various aspects of the alcohol-from-agricultural-products production program. I sincerely hope that the result of these hearings will be a comprehensive bill that will address all aspects of the gasohol situation.

The year 1980 is in the future. My gasohol promotion bill, H.R. 1980, offers a brighter future for the American farmer and the American gasoline consumer. Thirty-four Members of the House have already joined as cosponsors of this bill, the Grain Products Utilization Act. Although the legislation deals with promoting the use of gasohol, the principal provision of the bill provides for the Secretary of Agriculture to establish a loan guarantee program for the construction of ethanol-production plants.

Farmers and farm cooperative applicants would be given priority in receiving government-backed guarantees for loans obtained through and approved by private lending institutions. The program would not furnish the loan funds necessary for the construction of the production plant, but would offer the private lending institution the assurance it would need to approve a loan for this type of project. Seventy-five percent of the loan would be guaranteed with the amount of indebtedness guaranteed for any one loan not to exceed $5,000,000. Loan guarantees would not exceed $750,000,000 at any one time.

The Secretary would also determine the feasibility of funding the loan guarantee program by the collection of a one-cent per gallon assessment for each gallon of ethanol produced from a facility built under the guarantee program.

It is important to emphasize that no great outlay of public funds is called for under this program. The government would guarantee the loans and not provide the money for them. I strongly believe that ethanol-production plants will be able to operate at a profit because the demand for gasohol will continue to increase. A loan guarantee program is a small price to pay to insure increased gasoline supplies that will benefit all Americans.

With the type of production plant program I envision with H.R. 1980, we would see employment in our rural areas increased by the actual construction and operation of the production plants. Quantities of grain would be near to the plant so there would be little energy expended in transporting the grain to this new market. Gasohol would then be available for increased use in the locale of the plant and for shipment to distant gasoline markets.

Whatever may be the result of these hearings, I believe that the Members of these Subcommittees, the Congress and the American public will have a greater awareness of a new way to look at American agriculture.

Most individuals only look to American agriculture as a source of food and fiber for consumers and industries throughout our nation. We now see that American agriculture is also a source—a renewable and domestic source—of energy supplies.

When we think of government involvement with energy, the Department of Energy comes to mind. The presence of a Deputy Secretary of the Department of Agriculture at these hearings is significant as Agriculture—the Department and the science—are being asked to play a more important part in our energy supply situation.

Our energy does not always have to come from under the surface of the ground or from some foreign source. With agriculture, it is right on the surface—every year and the supply and price are not controlled by exorbitant exploration costs or the whim of foreign leaders. Also, the money paid for this new source of energy will go into the pockets of Americans who need additional markets for their product.

We need to rethink our attitude toward American agriculture. These hearings are an important step in this direction. I urge my colleagues to keep this idea in mind. Agriculture can be more than the source of the food we eat or the clothes we wear—the science of American agriculture can be thought of as part of the overall energy production system of our nation and the use of its products should be promoted as a source of alternative energy within the total energy production system.

Agriculture can be an accessible, dependable and inexpensive source of energy. Legislation designed to promote this idea into reality will be a boon to this nation.

I would like to insert my prepared remarks regarding gasohol and H.R. 1980 into the record at this time. I thank the Subcommittee Members for their time and assure them of my continued support of their efforts regarding alcohol-based fuels.

Mr. Chairman, there is a growing realization that alcohol-based fuels have the potential to make a significant contribution toward alleviating several major national problems.

Alcohol produced from some of the most abundant and renewable natural resources in this country, including grain and wood, has been proven to be a highly efficient motor fuel, by itself or in a gasoline blend of at least 10 percent alcohol and the rest gasoline.

Ethanol—alcohol produced from grains and their byproducts—offers, in addition, the prospect of important new markets for domestic agricultural surpluses, particularly in areas of the country, such as Minnesota, where such surpluses regularly appear. This new market could offer a substantial stabilizing element to local economies.

While the renewed interest has been shown in gasohol lately is largely attributable to the increased cost of motor fuel and the decreased availability of supplies of gasoline, alcohol fuels are no fad for they have been used in various parts of the world since early in the century.

They were a major component of the German military machine during the Second World War. In the United States, alcohol fuels were used to propel some of the earliest of Henry Ford's Model Ts. They have been used to power most racing vehicles and were sold commercially in the Midwest during the 1940s. In other nations, particularly Brazil and South Africa, alcohol fuels have been used increasingly in place of petroleum-based sources. Brazil, which derives alcohol mainly from the roots of local sugar crops, is expected to use it as an important substitute for part of its total gasoline supply by the early 1980s.

It is no secret that the periodic surges in interest in alcohol fuels are closely related to periods of high gasoline prices. That they have not taken hold yet is primarily due to the fact that production remains uneconomic during normal circumstances. However, with the weekly increases in gasoline prices because of decreased supplies, alcohol fuels are becoming commercially competitive with premium unleaded gasoline and more and more stations are offering gasohol as an alternative fuel. With gasohol placed in a more attractive position with each price increase, more emphasis must be placed on increasing its availability.

I have introduced H.R. 1980, The Grain Products Utilization Act to promote the development of gasohol and to attempt to eliminate the comeptitive gap between gasohol and more conventional motor fuels. It is designed to build upon initiatives that have already been taken by several States, individuals, government agencies and the Congress toward promoting the use of alcohol-based fuels.

First, the act would provide increased direction to both the Departments of Agriculture and Energy in researching gasohol technologies. In particular, the Department of Agriculture would be charged specifically with reviewing existing studies, and conducting new ones where necessary on:

The effects of ethanol development on farming practices, farming organization, prices of agricultural commodities, farm income and rural economy of the United States;

The effects of ethanol development on U.S. agricultural policies and programs, including trade relations between the United States and foreign countries;

The impact upon domestic consumer prices, and the extent to which world food resources would be depleted if agricultural production were diverted, in part, to gasohol;

The commercial and nutritive possibilities of the byproducts of ethanol, including distiller's dried grain solubles (a high-quality animal feed), protein supplements and carbon dioxide;

Alternative distribution and storage systems that might be used in marketing gasohol; and

Identifying agricultural products and their use in ethanol production as part of the overall energy production system of the United States and promoting agricultural resources as a source of alternative energy within the total energy production system of the United States.

The Department of Energy would be charged with reviewing existing studies, and conducting new ones where necessary on:

Alternative processes by which ethanol can be produced, including any undeveloped technologies required to refine or perfect these processes;

Safety considerations involved in the production and use of ethanol;

The economics and long-range competitive prospects for ethanol;

Means of reducing the amount of net energy expended in the production of ethanol;

The compatibility of ethanol with current automotive engines, and the feasibility of developing and utilizing alternative automotive materials and technologies;

Appropriate plant designs for various sizes of ethanol producing facilities;

The economic impact of ethanol development on existing industries, including existing energy industries; and

Identification of agricultural products and their use in ethanol production as part of the overall energy production system of the United States and promotion of agricultural resources as a source of alternative energy within the total energy production system of the United States.

The Grain Products Utilization Act would encourage the production of gasohol in two principal ways. A program of 75 percent guaranteed loans would be established to help in the financing by private lending institutions of new ethanol-production plants, with priority for guaranteed loan applications going to farmers and farm cooperative applicants. In addition, a five year amortization period would be permitted for gasohol producing facilities, encouraging capital investment in this enterprise that holds so much potential for growth.

Gasohol offers this country the prospect of a plentiful and renewable resource that can be used to ameliorate the energy shortage in this country, and add a further measure of stability to our rural economy, while providing us with a low-polluting, high octane motor fuel. With gasohol users using 10 percent less gasoline, there will be more of this valuable conventional energy source for others to use in the future.

Gasohol is not a miracle solution to the energy crisis and it will not allow the Congress to evade any of the difficult energy policy questions which it has been grappling with for the past several years. Gasohol does have the potential to make an unmistakable contribution to relieving some of our most immediately pressing energy problems.

The fact that the byproducts of the gasohol process will contribute positively to the world food situation, and the fact that food quality grains are not necessary for the gasohol process will insure that the impact of gasohol development upon food availability will not be substantial.

The technology of gasohol will become more sophisticated and the economics of gasohol will become more efficient if this country can simply manage to keep this enterprise on its feet for a short time with some upfront assistance. The potential rewards justify encouragement in this area.

The President has recently announced that his Administration will be assisting in the construction of new gasohol production plants. I am encouraged by the President's adoption and support of the principal goal of H.R. 1980—more production plants. The passage of a meaningful, comprehensive ethanol-production bill will insure that this product will be available to a waiting market that will need it even more in the future.●

RETIRING TEACHERS OF GARDEN GROVE HONORED

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, each May as the school year draws to a close, we are reminded of the important role our educational system plays in the development of the young men and women who will be the core of our society tomorrow. The responsibility for providing learning experiences, instilling the basic values of our society, and most importantly, generating enthusiasm about life and living lies with our schools. The most critical element in making all of this happen is the faculty, that dedicated core of men and women who work daily toward the achievement of these goals.

On Friday, June 1, the Garden Grove Education Association will meet to give tribute to 18 retiring teachers, men, and women who dedicated their life to working with our young people. It gives me great pleasure to join with the California Teachers Association, the National Education Association, and the Garden Grove Education Association in honoring:

LIST OF 18 RETIRING TEACHERS

Karen Lemmon, Post Elementary School.
Perlie Habeck, Bryant Elementary School.
Donita Reynolds, Brookhurst Elementary School.
Frances Henry, Edgar Elementary School.
Lois Hull, Evans Elementary School.
Mattie Goldworm, Gilbert Elementary School.
Joyce Johnson, Hazard Elementary School.
H. Elaine Schmitt, Mark Twain Elementary School.
Nina Griffin, Paine Elementary School.
Sally Sparks, Monroe Elementary School.
Betty O'Neil, Post Elementary School.
Lou Floodman, Zeyen Elementary School.
Mildred Hines, Alamitos Intermediate School.
Roberta Wilson, Irvine Intermediate School.
Bill Roush, Lampson Intermediate School.
Hazel Evans, La Quinta High School.
Herb Klewitz, Bolsa Grande High School.
Myrtle Cornaby, Bolsa Grande High School.
Jean Carpenter, Bolsa Grande High School.
William Cox, Bolsa Grande High School.
Ann Brennan, District Office.
Allen Wells, District Office.

From kindergarten through senior year, these teachers have directed and contributed to the development of our children. They have earned our gratitude and our heartiest thanks. I ask my colleagues to join with me in paying tribute to these fine individuals and to wish them fulfillment as they reflect on their teaching careers.●

MR. JACOBO TIMERMAN REMAINS UNDER HOUSE ARREST

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DRINAN. Mr. Speaker, when I was in Argentina on behalf of Amnesty International several months ago. I had the honor of visiting with Mr. Jacobo Timerman, a renowned editor and publisher of the Argentine daily La Opinion.

Mr. Timerman has been in official detention for the past 22 months without formal charges.

The level of persecution in Argentina is reflected in the attached dispatch in the Jewish Times, a weekly published in Boston.

I know that Members who are deeply concerned with repression in Argentina will want to have the information contained in this article and their protests at the injustices done to Mr. Timerman.

A copy of the article follows:

TIMERMAN REMAINS UNDER HOUSE ARREST

JERUSALEM.—Jacobo Timerman, the renowned Jewish editor and publisher of the Argentine liberal daily "La Opinion," who has been held in official detention for the past 22 months without formal charges, is in improved health, in strong spirits, and in possession of a stronger belief in democracy than ever before.

This picture emerged from exclusive interviews conducted by the JTA with Timerman's son, Hector, now living in Israel, and with Rabbi Marshall Meyer, rector of the Seminario Rabinico Latino-Americano in Buenos Aires and one of the three men permitted to visit Timerman during his year of house arrest.

"My father is and always will be a fighter," said the younger Timerman, who speaks with him weekly by telephone. "His ideas always come first, and only then his family and himself. This is what has made him strong."

"The past two years have made him more of a Jew, more of a man, and has strengthened his convictions in the necessity of a pluralistic democracy," Meyer said.

While the pressures of time and the fact that his family is now in Israel (since the end of last year) "cause him great pain and anxiety," the 56-year-old publisher feels that the worst of his ordeal is over and "prays daily" for his release and imminent immigration to Israel, Meyer said.

Prayers, however, have until now been insufficient to secure his release, as have pleas made on his behalf by President Carter, the Vatican, Alexander Solzhenitzyn, and other noted public figures. First taken into custody on Apr. 17, 1977, by "20 men wearing civilian clothing but bearing machineguns," on suspicion of inculcating leftist ideologies through his newspaper, Timerman was transferred from one prison to another for a year, disappearing from sight altogether two or three times.

Timerman's son contends the original arrest was made on the basis of an article printed by the publisher in the beginning of 1977, in which he accused the chief of the armed forces in the province of Buenos Aires, Gen. Carlos Suarez Mason, and the military governor of Buenos Aires, Province, Gen. Iberico Saint Jean, of being anti-Semites and right-wingers.

In this article, the publisher called on Argentine President Jorge Rafael Videla to release the two from their duties in the armed forces. The younger Timerman observed that Suarez Mason was directly responsible for his father's arrest and that Saint Jean, Suarez's Mason's superior, is "the most dangerous man in Argentina."

During his imprisonment, Timerman was "viciously and violently tortured," to a greater degree in the provincial prisons than in the municipal ones, Hector Timerman said. In the provinces, torture centered on his Jewish background and avowed Zionism. He was grilled as to Israeli Premier Menachem Begin's supposed "takeover" of Argentina, Carter's reputed subordination to American Jewry, and the proposed location and timing of the next meeting of the "Argentine Elders of Zion." The younger Timerman noted that "they firmly believed my father was the ambassador of the Elders of Zion in Argentina."

In Oct. 1977, the military tribunal declared that they had no charges with which to hold Timerman, and in July of the following year, the Supreme Court decided that his original arrest in Apr. 1977 was illegal, the first time it has done so in Argentine history.

In the meantime, in Apr. 1978, Timerman was transferred from prison to his home and kept under house arrest, a movement his son attributes to two former members of the military junta, Admiral Emilio Massera and Brig. Osti, "in order to save face in the eyes of the world." Presently, almost one year later, Timerman still remains in detention.

STRIPPED OF CIVIL RIGHTS

Stripped of his civil rights, Timerman is allowed to meet only with his brother, Meyer and a general practitioner, write letters (except to his family) and is forced to endure the overbearing presence of eight policemen guarding him throughout the day.

The publisher spends most of his time reading, thinking and listening to music. Blind in one eye from birth, with failing eyesight in his other eye, he has been allowed to see an ophthalmologist only once in two years. His paper is now run by the military and its circulation has dropped about 75 percent.

The government's failure to release Timerman for the wedding of one of his three sons in Israel early last January, has increased public suspicion that right-wing elements are preventing Videla from taking action on his own. Noting that Timerman will be released "in due time," Videla has largely proved unresponsive to the protests and pleas for Timerman's release that have been brought to his attention.

FEARS RISE OF ANTI-SEMITISM

The Timerman case has in general intensified suspicions and fears that anti-Semitism is on the ascent in Argentina. "There is an insidious type of anti-Semitism that goes unharnessed in the lower echelons of the army," Meyer said.

"I am not worried about an official program of anti-Semitism, which does not exist. What concerns me is the lack of force of people in the higher echelons to stop anti-Semitic activities in the lower."

Representatives of the 350,000-member Jewish community in Argentina, South America's largest, have meanwhile been told by government officials to keep quiet about the case so as to secure his release, according to Meyer.

Timerman's son contends that the lack of reaction on the part of Argentine Jewry constitutes one of the biggest disappointments for his father, and that even today "he is more afraid for the Jews in Argentina than for himself."

While lauding activities on his behalf on the part of the American Jewish Committee, the American and Israeli governments and others, "he is very bitter about the fact that Argentine Jewry has done nothing. In his eyes, the only solution for the Jews is democracy. He has worked all his life for Argentine Jewry, and he feels now they have failed him."●

UGANDA'S AMIN IS GONE; HOW ABOUT EQUATORIAL GUINEA'S MACIAS?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DERWINSKI. Mr. Speaker, the distinguished columnist, Smith Hempstone, properly commented on the tragic situation in Equatorial Guinea in his column appearing in the Washington Weekly of May 8. It is indeed sad that the brutal dictatorship of Francisco Macias Nguema Biyongo has carried on a reign of terror practically unnoticed or perhaps deliberately ignored by the international press. Even President Carter, who has ranged far and wide, espousing interest in human rights, has ignored the deplorable situation in Equatorial Guinea. I wish to insert Mr. Hempstone's column at this point:

UGANDA'S AMIN IS GONE; HOW ABOUT EQUATORIAL GUINEA'S MACIAS?

WASHINGTON.—While the overthrow of Uganda's Idi Amin rids Africa of its most notorious tyrant—after all, he made the cover of Time in 1977—it does not deprive the continent of its bloodiest ruler.

That title remains with Francisco Macias Nguema Biyongo, 57-year-old President-for Life, Army Commander-in-Chief, Minister of Defense, Foreign Affairs and Trade, and Grand Master of Education, Science and Culture of the unhappy republic of Equatorial Guinea.

Macias, as sadistic a brute as ever drew breath, makes Amin at his fearsome worse look positively beatific.

Even the World Council of Churches, which usually has a soft spot in its heart for thugs as long as they are black and leftist, in 1974 described Macias as "a modern Caligula" who has "turned his country into one vast concentration camp."

The London-based Anti-Slavery Society concluded in 1976 that Equatorial Guinea, a Maryland-sized state consisting of the island of Fernando Po (renamed—you guessed it—Macias Nguema, in 1963) and the coastal enclave of Rio Muni sandwiched between Cameroon and Gabon, had a regime "among the most brutal and unpredictable in the world."

Last year, the International Commission of Jurists charged Macias with "the ruthless liquidation of political opponents, torture, arbitrary execution of political prisoners and forced labor."

Now a country to which no visitors' visas are granted and within which no citizen is allowed to speak to a foreigner, has to be pretty bad to get a reputation like that.

Oddly enough, Macias—unlike Amin, who came to power through a 1971 coup—was freely elected in 1968 when Spain gave Equatorial Guinea its independence.

A year later, Macias merged all political parties into his Partido Unico Nacional de Trabajadores (PUNT). Then he set about systematically liquidating every possible opponent, which meant anyone with a grade school education.

In the 1969 reign of terror, Foreign Minister Antanasio Ndongo was hurled to his death from the third-floor cabinet room window. Deputy President Toroa Sikara was personally shot by Macias, as was another deputy president, Edmundo Mosio, who first was tortured. Bonifacio Ondo Edu, the pre-independence premier, was bludgeoned to death.

The 6,000 Spanish residents promptly fled the country, and Spain broke diplomatic relations with Macias. After the killing of a number of contract cocoa workers, Nigeria evacuated the last of its 40,000 nationals trapped there. Nearly 100,000 Equatorial Guineans, fully a third of the republic's population, fled the once-peaceful country.

To make it more difficult for his subjects to escape the bloodbath, Macias, a Marxist, banned fishing, giving a trawling monopoly to the Soviet Union. Forced labor for those over 15 was imposed to replace the Nigerians in the cocoa fields.

The slaughter continued into the 1970's, until an estimated 50,000—one out of every six Equatorial Guineans—had lost his life. In 1976, one of the two American diplomats on the island went mad and killed the other, after which the United States closed its mission. Even the Organization of African States departed, as had the United Nations mission in 1973.

Ten of the 12 independence cabinet ministers were dead by 1977, and two-thirds of the members of the national assembly. One cabinet minister who escaped, former Health Minister Pedro Ekong Andeme, said he had been imprisoned for four years and, like all other political prisoners, given 150 strokes with a metal rod every Saturday.

All seven-year-old boys are conscripted for seven years into Macias' youth corps. Fathers who refuse to surrender their sons are executed.

In 1974, Macias, who had abrogated the constitution the previous year, instituted censorship of priests' sermons and required that his portrait be displayed behind the altar in every church. Last year, he padlocked the churches and permitted the remaining Spanish priests to leave the country only on payment of a substantial ransom.

Equatorial Guinea, Africa's least populous and fifth smallest nation, once had the continent's highest per capita income. Now, with the tourist trade completely gone and cocoa production down from a pre-independence 1968 high of 40,000 tons to 2,340 tons, it is one of Africa's poorest nations.

Medicine and drugs are practically unobtainable (the country has two doctors) and, except for a few Chinese-made goods, even such items as linen, crockery and glassware have disappeared from the shelves.

Conditions reportedly are so bad in Equatorial Guinea that only one Western nation, France, maintains an embassy there.

But since the murderer and his victims are black, nobody cares enough to do anything about Francisco Macias.●

100TH ANNIVERSARY OF BOSTON FIREFIGHTER'S BALL

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. DONNELLY. Mr. Speaker, I would like to call to the attention of my distinguished colleagues in the House of Representatives, an historic milestone that the city of Boston will proudly observe on May 26, 1979. I am referring to the 100th anniversary celebration of the annual fireman's ball to benefit the Boston Firemen's Relief Fund. This gala event, well known to all citizen's of Boston, is one of the oldest, continuous celebrations of this kind in the Nation.

The firemen's relief fund was established to assist the families of firefighters in need. Throughout its long history, the relief fund has achieved its goal of providing help in times of difficulty to countless firefighters and their families; touching the lives of many, the fund has become an institution in the Greater Boston area.

Firefighting is one of the most challenging and perilous professions in our cities today. Newspaper, radio, and television accounts make us all aware of the danger that firefighters face daily. Yet in spite of the constant threat of injury to life and limb, and regardless of the many obstacles encountered in the line of duty, these men and women are able to provide reliable, efficient, and lifesaving services to our cities and towns. The Boston firefighters are professionals of a truly heroic mold. They have established a tradition of community service that has made their city proud.

We, in the Greater Boston area, owe an enormous debt of gratitude to our firefighters. The annual ball is one way of recognizing their distinguished service to the city of Boston, and assisting them in return for their dedication to preserving the well-being of our city's residents. The money raised by this annual event is used to aid families of disabled firefighters, widows and those who need financial assistance.

The 100th anniversary ball promises to be an especially wonderful evening of entertainment in behalf of a most worthy and charitable cause. I am sure my colleagues will want to join me in taking this opportunity to extend my very best wishes for the continued success of the annual ball and the Boston Firemen's Relief Fund.●

GIRL SCOUT TROOP NO. 1634 HONORS FIRST CLASS SCOUTS

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, the Girl Scouts of America is an organization that helps foster responsibility and maturity in the young women of America. It has long been respected by our society for the personal characteristics its training encourages and for the civic and national pride it instills in its members.

The achievement of these characteristics evolves gradually through the scouting program and, although there are other hallmarks along the way, the presentation of the rank of First Class Girl Scout is the highest recognition of the accomplishments of each individual girl. It represents 7 years of effort and devotion to the goals of the scouting program and the successful completion of all of the merit requirements.

On May 25, two young women from Cadette Troop No. 1634 of Santa Ana, Calif., will be honored as First Class Scouts. They are Kerinda Gee and Jasmin Gee.

I congratulate these two sisters on there fine achievement and feel confident that the training and experiences provided them by the Girl Scouts of America will prepare them for a responsible and rewarding life.●

STS. CYRIL AND METHODIUS CHURCH AND MAYOR KOCH HONOR CARDINAL ALOYSIUS STEPINAC

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. WEISS. Mr. Speaker, I take this occasion to insert in the CONGRESSIONAL RECORD a copy of a news release issued by the Church of Sts. Cyril and Methodius, Rev. Mladen Cuvalo, pastor, located in my district. The release includes a cablegram to President Tito of Yugoslavia.

May 8 was the 91st birthday of Cardinal Aloysius Stepinac. Cardinal Stepinac was a highly revered Croatian clergyman who died in 1960. He is remembered by the Croatian community as an outstanding advocate of religious and political freedom.

Mayor Koch, joining in this commemoration, proclaimed May 8 as "Cardinal Aloysius Stepinac Day." I would also like to insert a copy of the mayor's proclamation.

The Church of Sts. Cyril and Methodius includes in their cablegram to President Tito a challenge for him to extend an amnesty and release of political and religous prisoners jailed in Yugoslavia.

The text of the release and the mayor's proclamation follow:

U.S.A.-CANADIAN PRIESTS CHALLENGE MARSHAL TITO ON HUMAN RIGHTS—SEEK AMNESTY FOR POLITICAL AND RELIGIOUS PRISONERS IN YUGOSLAVIA

United States and Canadian Croatian Catholic Priests marked the 91st anniversary of the birth of the martyred Croatian Cardinal Aloysius Stepinac (May 8, 1898–Oct. 10, 1960) with a challenge to Communist dictator Josip Broz Tito of the Federal Socialist Republic of Yugoslavia to extend an amnesty and release political and religious prisoners jailed in Yugoslavia.

A cablegram transmitted Tuesday, May 8th, 1979 by 22 United States and Canadian Croatian Catholic Priests addressed to Marshall Tito follows:

President Josip Broz Tito, Federal Socialist Republic of Yugoslavia, Presidential Palace, Belgrade, Yugoslavia:

Many letters, messages, telephone calls and personal visits from families and friends of hundreds of incarcerated political and religious prisoners in Yugoslavia merit our deep concern. Reports in the press have estimated many thousands of dissident prisoners. No matter what the number; even one such prisoner is one too many.

Individually and collectively as Croatian Catholic Clergymen; we hold a responsibility to alleviate the plight of persons who are imprisoned unjustly by flagrant abuses and violations of the right to freedom of religion, speech, press and assembly.

When Yugolsavia acted as host nation to the follow-up conference of the Helsinki Convention on Security & Cooperation in Europe, you, as President, signed on Nov. 22nd, 1977, effective on Yugoslav National Day, Nov. 29th, 1977, an Amnesty for some political prisoners. This, we applaud and commend!

But, since the conference, we regrettably learned of greater religious restrictions, political repressions and inhumane reprisals. This, we deplore and condemn!

Your 87th birthday is to be celebrated on May 25th 1979. In the twilight of your Presidency, we, Catholic Croatian Priests, reflecting clearly the consensus of the more than 2,500,000 Canadian and U.S.A. Croatians, urge you to extend Amnesty to prisoners in Yugoslavia allegedly guilty of political activities.

Only such definitive actions are in accord with the United Nations Declaration of Human Rights; and can dissolve your present role of relentless persecution of political undesirables and dissenters.

We specifically cite herewith of the most noteworthy cases brought to our attention (Compiled as of August 1978).

If the reports of reprisals, repressions and restrictions continue to flow to the United States and Canada from Yugoslavia, how can you expect American and Canadian peoples to support the billions of dollars or military and financial assistance and moral help to Yugoslavia?

This Amnesty should especially be accorded to prisoners of dissent who choose to leave Yugoslavia and to go to other countries including the United States or Canada for political asylum, particularly if they are sick and need out-of-country hospitalization and treatment.

We pray your May 25th birthday will be marked by this proposed action for Amnesty in the name of Justice, Truth and Humanity.

Signed by:

Chicago, Ill., Rev. Pavao Maslac, Rev. Slavko Soldo, St. Jerome Church, 2823 S. Princeton Ave., Rev. Dionizije Lasic, Ziral, Publications, 4851 Drexel Blvd.

East Chicago, Ind., Msgr. Paul P. Bogovich, Holy Trinity Croatian Church, 4754 Carey St.

Calgary, Alberta, Fr. Dujo Boban, Our Lady of Mercy, 207–6th St., N.E.

Edmonton, Alberta, Rev. Jerry Caleta, Croation Catholic Parish.

London-St. Thomas, Ontario, Fr. Ante Cuvalo, Blessed Leopold Mandic, Croation Church.

Montreal, Quebec, Rev. Ivan Bradvica, St. Nicolas Tavelica Church, 5039 St. Dominque.

Sudbury, Ontario, Rev. Berto Dragicevic, Croatian Catholic Mission, 4 Croatia Road.

Detroit, Michigan, Rev. Vincent Cvitkovic, Fr. William Primorac, St. Jerome Church, 605 West 8 Mile Road.

Lackawanna, N.Y., Rev. Stephen F. Lackovic, Our Lady of Bistrica, 1619 Abbott Road.

New York City, N.Y., Rev. Mladen Cuvalo, Sts. Cyril & Methodius Church & St. Raphael, 502 West 41st St.

Sault Ste. Marie, Ontario, Fr. Dominic Coric, Our Lady of the Highways, 466 Second Line E.

Norval, Ontario, Fr. Leon Galic, Rev. Marijan Pehar, Croation Social & Cultural Center.

Thunder Bay, Ontario, Rev. Ilija Puljic, Croation Catholic Mission, 292 Arthur St.

Welland, Ontario, Rev. Charles Petranovic, St. Augustine Church, 295 St. Augustine Ave.

Cleveland, Ohio, Rev. Stephen A. Mrakuzic, St. Paul Church, 1369 East 40th St.

Lorain, Ohio, Rev. Simon J. Nekic, St. Vitus Church, 1785 East 32nd St.

San Jose, California, Rev. Petar Topic, Croation Catholic Church, 901 Lincoln Ave.

Milwaukee, Wis., Fr. Timothy Majic, Sacred Heart Church, 917 North 40th St.

Earlier this month in Rome, Italy, the Most Reverend Franjo Kuharic, Archbishop of Zagreb, proposed to Pope John Paul II and the Catholic Church hierarchy that Cardinal Stepanic be cannonized as a Saint.

Governor Brendan Byrne of New Jersey, Mayor Edward I. Koch of New York City, N.Y., Mayor James D. Griffin of Buffalo, N.Y., Mayor Henry W. Maier of Milwaukee, Wis., Mayor Janet Gray Hayes of San Jose, Calif., and Mayor Thomas Fullard of McKeesport, Pa., issued Proclamations in tribute to Cardinal Stepanic, and urging opposition to persecution and advocating human rights for all peoples.

LIST OF MOST NOTEWORTHY POLITICAL AND RELIGIOUS PRISONERS IN YUGOSLAVIA

COMPILED AUGUST 1978

Prof. Davor Aras. Arrested summer 1974, Zadar, sentenced to 6 years and 6 months imprisonment in February 1975 at Zadar under articles 101, 117 for criminal acts against people and State. Detained Lepoglava, Croatia. Archivist at Institute of History branch of Yugoslav Academy of Science & Arts, Zadar, prior to imprisonment.

Miljan Babovic. Arrested presumably April 1974. "Cominformist". Tried September 1974 probably under Arts. 100, 118 and 119 and probably held in Serbia or Montenegro. Occupation, primary schoolteacher.

Vlado Bilusic. Arrested summer 1974, Zadar, sentenced to 7 years. Imprisonment in Feb. 1975, at Zadar under Arts. 101, 117 for criminal acts against people and State. Probably held in Zadar. Sentence reduced on appeal (20/21.3.76) to 4 years. Occupation, municipal technician. Born 15.9.48.

Josip Bilusic. Cousin of above. Codefendant. Sentenced to 13 years imprisonment, increased on appeal (same date) to 14 years. Detained presumably in Lepoglava. Born 8.10.45. Occupation, catering.

Dr. Branislav Boskovic. Arrested probably April 1974, probably under Arts. 100, 109, 118 and 119. Trial September 1974. "Cominformist". Sentenced 14 years imprisonment (unconfirmed). Detained probably either in Serbia or Montenegro. Occupation, professor of history, Prishtina University. Age about 56/7.

Ivan Brajovic. Arrest date not known. Sentenced under Art. 118 by military court of Sarajevo, Bosnia-Hercegovina, 1977 to 8 years, imprisonment for criticizing restrictive economic policy of Yugoslav federation towards Croatian nationals living in Bosnia-Hercegovina. 52/3 years old. Place of detention not known.

Dusan Brkic. Arrested 16 July 1975: tried under Arts. 119, 100 on 16.7.76 by district court of Belgrade for counterrevolutionary attack on state and social organization and for propaganda inciting hatred and discord. Sentenced to 8 years rigorous imprisonment. Reduced by 3 years in 1977 National Day amnesty. Occupation, pensioner, former Prime Minister of Socialist Republic of Croatia after World War. "Cominformist".

Dr. Salih Burek. Arrested March 1975 under Arts. 118 and 119. Sentenced by district court of Tuzla, June 1975 to 7 years rigorous imprisonment for hostile propaganda and incitement to national intolerance. Detained probably in Bosnia-Hercegovina. Born 15.9.24. Occupation, Professor at Institute of Technology in Tuzla, director of Research Institute for Mining and Chemical Technology, Tuzla.

Ante Buric. Arrested summer 1974, Zadar see Zadar cases above for dates. Sentenced 7 years imprisonment, confirmed on appeal, and confiscation of entire inventory of catering establishment. Born 26.6.30. Occupation, private caterer.

Vladmir Drapcevic. Kidnapped 8 Aug. 1975. Bucharest. Tried Belgrade 21 June 1976 for grave crimes against State. Death sentence commuted to 20 years imprisonment. Detained central prison Belgrade. Occupation, former Colonel of the Yugoslav Army; economist, historian, writer. Only recognizes Belgian citizenship.

Ahmet Delib-Egovic. Arrested March 1975. Tried under Art. 119 by district court of Tuzla (Bosnia, June 1975). Sentenced to 3 years imprisonment for incitement to national intolerance. Born 1921. Pensioner. Detained probably in Bosnia-Herzegovina.

Adem Demaci. Arrested probably mid. '75. Tried at Prishtina district court, 7/8 Feb. '76 and sentenced to 15 years rigorous imprisonment for criminal acts against people & State. Detained probably Nis or Sriemska Mitrovica. Born 31.8.36. Occupation, writer.

Marko Dizdar. Arrested 1974, Zadar. See above Zadar cases. Sentenced to 11 years imprisonment, confirmed 20/21.3.76. Born 3.4.51, former student, Zadar University. Detained Lepoglava.

Stjepan Jankovic. Arrested 1974, Zadar (see above). Sentenced to 5½ yrs. + confiscation of catering establishment. Sentence reduced to 4 years on appeal. Born 1918. Caterer, Zagreb.

Isa Kastrati. Arrested Prishtina, sentenced 7/8.2.76 rigorous imprisonment 6 yrs. for criminal acts against people and state. Born 1947. Occupation, teacher.

Mirko Kovacevic. Arrested 1976. Tried under Art. 118 on 11.2.77 at Sarajevo and sentenced to 8 yrs. imprisonment for hostile propaganda. Born 1939. Occupation, physics teacher.

Prof. Zelimir Mestrovic. (Zadar) (See Above). Sentence 12 years imprisonment. Occupation, Professor at faculty of education, Zadar. Appeal confirmed sentence.

Rudolf Mikulic. Arrested September 1972. Under Arts. 100, 314, 319 tried on 23.4.74 by district court of Zagreb for mismanagement of state funds, allegedly used for financing Croatian autonomy. Detained 12 years strict imprisonment.

Dr. Nikola Novakovic. Arrested March 1977, Sarajevo. Under Arts. 109, 118 tried 3.8.77 by regional court of Sarajevo for hostile propaganda and contact with hostile organization abroad. Sentenced 12 years strict imprisonment & confiscation of property.

Tvrtko Milos. Arrested 19.9.75 Zagreb. Sentenced probably 24.5.76 to death commute to 20 yrs. imprisonment for allegedly contravening Arts. 111, 113a, 114 causing explosion against public and state property, infiltrating into Yugoslavia as hostile organization. Trial against him and all following persons held in secret, accused for causing explosion in Kreditna banks, Paromlinska Street, Zagreb on 18.9.75. Held probably Stara Gradiska. Born 1941 Occupation, agronomist. With him:—

Antun Zink. As above. Sentenced to death, commuted to 20 yrs., imprisonment. Salesman. Born 1942.

Joso Pemic. As above. Same sentence, Born 1922. Occupation, pensioner.

Djuro Perica. As above. Same sentence. Born 1941. Agronomist.

Branko Vidacek. As above, same sentence. Born, 1947. Occupation, student of Law.

Vinko Markovic. As above. Sentence to 8 yrs. imprisonment. Born 1933. Agronomist.

Milan Crcic. As above. Sentenced to 6 yrs. imprisonment. Born 1930. Agricultural Worker.

Marija Tropic. As above. Sentence to 2½ yrs. imprisonment. Born 1950. Technician. Held probably Slavonska Pozega or Zagreb.

Magdalena Paric. Arrested 3.7.76. Brcko, under Art. 109. Tried 17.9.76 by District Court of Tuzla and sentenced to 6 yrs. rigorous imprisonment on charge of associating with "ustasha" abroad. Born 24.12.44. Nurse.

Miljenko Pehar. Arrested 23.7.73. in Gradac (Hercegovina. Tried under Arts. 109, 118, 119 & 174 and sentenced in Listica (Hercegovina) on 17.10.73 by district court in that town to 13 yrs. imprisonment for undermining unity of Yugoslavia and ridiculing system & representatives thereof. Detained Zenica. Born 22.9.1945. Occupation, social worker in Federal Republic of Germany prior to arrest in Yugoslavia where he went on holidays. Two children, wife and mother in FRG.

Mato Rajic. Under Art. 118 sentenced for hostile propaganda on 2.1.77 at Sarajevo to 5 yrs. imprisonment. Detained probably Zenica. Age, 53, Lawyer, unemployed on arrest.

Milivoj Samac. Arrested February 1976. Sentenced beginning July 1977 to 9 yrs. imprisonment in Rijeka, Croatia "for spying for another country." (Art. 105.) Reported dead in November 1977, apparently from "natural causes" in prison (unknown). Body brought later to prison in Split, Croatia. Age at death 51. With sentence four more Croats for same crime, names never published by Yugoslav authorities.

Tome Sakota. Arrested mid August 1976. Citluk (Bosnia-Herzegovina. Under Art. 118 tried on 21.12.76 at district court of Mostar (Herz.) Sentenced to 10 years. imprisonment for hostile propaganda. Detained possibly either Mostar or Stolac. Worker, Born 1941.

Peter Sale. Arrested May 1972, Zadar; sentenced to 2½ yrs. for hostile propaganda. Sentenced again in 1974 to 6 yrs., reduced on appeal to 4 yrs., 6 mos. in March 1976 for criminal acts against State & people. Former president of student club in Zadar, law graduate.

Ante Stpanic. Arrested 1974, Zadar (as above). Sentence confirmed by appeal court. 8 yrs. imprisonment. Detained probably Zadar or Lepoglava. Former commercial director of "Vlado Bagat" (sewing machine factory in Zadar). Now pensioner. Sentence reduced to 7 yrs. on amnesty for National Day 1977.

Peter Vuleta. Zadar defendant (as above). Sentenced to 6 yrs. confirmed on appeal. Reduced on National Day 1977 (amnesty) to 5 yrs., 6 months. Graduate of faculty of philosophy (Zadar).

Ilija Barjasic. Zadar defendant (as above). Sentenced to 6 yrs. imprisonment and confiscation of property, reduced on appeal to 5 yrs. Detained probably in Lepoglava.

Franjo Rupic. Arrested late 1976 in Croatia. Tried by district court of Bjelovar in 1977 for contact with hostile emigre groups and hostile propaganda. Sentenced to 3 yrs. imprisonment. Age, 45, car mechanic.

Djemal Zulic. Arrested late 1976. Tried by district court of Banja Luka in Feb. 1977 under Art. 109 for contacts with hostile organizations abroad. Sentenced to 9 yrs. imprisonment, reduced to 3 yrs. in amnesty of Nov. 1977. Born 1947, unemployed worker.

Stjepan Brajkovic. Arrested early 1977 under Art. 118. Sentenced Mostar district court to 18 months imprisonment. Age, 46, Roman Catholic priest.

Vjenceslav Cizek. Allegedly kidnapped from Italy. Charge and sentence unknown. Born Feb. 1929. Philosophy teacher.

Tomislav Drzic. Arrested Oct. 1975. Charge and sentence unknown. Age 40, journalist Zagreb.

Antun Filcic. Arrested 28.11.74 on Yugoslav border. Tried April 10, 1975, Zagreb, under Art. 109. Sentenced to 12 years, reduced on appeal to 10 yrs. Born 1922, Sarajevo. Engineer.

Cedomir Jasnic. Arrested probably 1974, tried Sept. 1974 under Arts. 100, 118 & 119. Sentenced to 11 yrs., reduced to 9 yrs. in Nov. 1977 amnesty.

Miljenko Hrkac. Arrested Feb. 1969. Trial 24.12.75, sentenced to death for fourth time, probably under Arts. 112 & 125, causing death to a civilian and injury to others by setting off bombs in a Belgrade cinema. Born 1947, Mostar. Death sentence reportedly carried out on 11.1.78 (unconfirmed by Yugoslav authorities).

Anton Brkic. Age. 22. Sentenced 14.3.78 by Slavonska Pozega district court to 3 yrs. imprisonment. Accused of bringing from West Germany some copies of Croatian emigre newspapers, 16 copies of "Hrvatska Drzava", "Otpor" and "Hrvatska Pravda" and a magnetic tape with hostile emigre articles. Electrical welder. Detention place unknown.

Mihalj Silasi. Age 37. Sentenced on 21.5.78 by district court in Zrenjanin to 1½ yrs. imprisonment for "undermining the reputation of the SFRJ and inciting to national intolerance". These offences reportedly committed while drunk during the New Year's period in a hotel in Novi Knezeva. Detention place unknown. Teacher.

PROCLAMATION

OFFICE OF THE MAYOR, CITY OF NEW YORK

Political and religious freedom, the right of free speech, press and assembly are some of the most precious tenets of Western civilization. Throughout history, valiant men and women of all faiths and nationalities have fought and died to preserve these principles of liberty.

Few men in our time have been more committed to the cause of these human rights than the martyred Croation religious leader, Cardinal Aloysius Stepinac.

The birthday of Cardinal Stepinac is commemorated on May 8 of each year and it is an occasion to reaffirm the principles of religious and political freedom for which he is remembered and honored and which is the bulwark of our democratic system.

Now, therefore, I, Edward I. Koch, Mayor of the City of New York, do hereby proclaim May 8, 1979, as "Cardinal Aloysius Stepinac Day" in New York City.

In witness whereof I have hereunto set my hand and caused the seal of the City of New York to be affixed.●

JOHN E. JOHNSON—A TRIBUTE TO RANCHO SANTIAGO'S COLLEGE SUPERINTENDENT AND PRESIDENT

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, the Rancho Santiago Community College district was formed in 1971 when the Santa Ana Junior College district was joined by the Orange unified district. Since that time it has been ably led by John E. Johnson, its superintendent and president. In fact, there are some who would say that Rancho Santiago Community College district is John Johnson.

John has been a part of education in Santa Ana since 1939. He taught at the high school and college level for 7 years before becoming vice principal of Santa Ana High School in 1946.

His 6 years of administrative experience at Santa Ana High School brought him local community recognition and he was recruited by Santa Ana College where he served in varying administrative capacities from 1952 until 1971: 4 years as the dean of men, 1 year as the dean of the college, 14 years as the president of the college. For the last 4 years of his presidency, he was also the assistant superintendent of the district.

The strength of his leadership and his commitment to community college education in the Santa Ana area made him the natural choice for the newly formed Rancho Santiago Community College district 7 years ago.

The district has grown and developed dramatically over the past 7 years and continues to be a tribute to John. It is with great reluctance that we honor this man on the eve of his retirement. We are grateful for the strength of his guidance and leadership over the past 40 years and we acknowledge, with gratitude, the many contributions he has made in that time. We wish him great happiness as he pursues a new life in retirement but we will surely miss him.

Because he has been such a pivotal aspect of this district and the educational system in Santa Ana and because he has given so much of himself to our community, it is only appropriate that I, JERRY PATTERSON, take the time along with my other colleagues to note the many accomplishments of John Johnson. The people of the United States are proud to have an outstanding educational leader like John Johnson.●

MARK LIEBERMAN—SCHOLAR AND ATHLETE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. RITTER. Mr. Speaker, today I would like to pay tribute to an outstanding young man from my district, Mark Lieberman. Mark, a native of Allentown, will graduate from Lehigh University on May 30. His remarkable accomplishments while attending Lehigh include:

Distinguishing himself as a scholar by winning many Presidential scholarship awards during his undergraduate career.

Obtaining two undergraduate degrees in 5 years.

Winning two consecutive National Collegiate Athletic Association wrestling championships.

Winning gold medals for the United States in Pan American and world wrestling competition.

Being named Outstanding Wrestler in the Country by the U.S. Wrestling Federation in 1978.

Obviously, Mark Lieberman is an outstanding achiever, both academically and athletically. While a student at Lehigh he has led by example, both in the classroom and on the wrestling mats. His demonstrated qualities of dedication, hard work, sacrifice, and total commitment to excellence have made him very much a model citizen. Mark's complete desire to cultivate his given abilities to their fullest is further demonstrated by his immediate goal to win a gold medal in the 1980 Olympics. While training for the Olympic competition, Mark will study for his masters degree at Lehigh.

Mark, however, has not confined his efforts to his own pursuits. He frequently is involved in service to the community, especially as it relates to youth. Among his activities have been participation as an instructor at various sports clinics, and guest speaking at various school functions, where he imparts his hard work philosophy to impressionable young people.

Therefore, Mr. Speaker, I would like to acknowledge the brilliant achievements of Mark Lieberman. On behalf of the entire Lehigh Valley, I wish him the very best in all his future activities. He will always have our deepest respect and admiration.●

ALTERNATIVE ENERGY SOURCES

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. HOWARD. Mr. Speaker, in an effort to encourage its readers to ponder and offer solutions to the energy crisis, the Daily and Sunday Register of Shrewsbury, N.J., conducted an energy crisis contest. Many people offered imaginative and valuable suggestions for energy conservation and development. Mr. Harold W. Boyd of Red Bank, N.J., won the first prize, a trip to Washington, D.C., for his concise and logical recommendation that stresses the need to aggressively pursue alternate energy sources.

Mr. Boyd's winning entry and those of the five runners-up are entered in the RECORD in hopes that my colleagues and others will give them careful consideration.

ALTERNATIVE ENERGY SOURCES

Notwithstanding the current shortage which most Americans believe to be a big hoax perpetuated by the big oil firms, we do have a long term problem which might be met by a combination of the following:

1. Expedited research in the utilization of alcohol. We can grow our own energy source over the thousands of square miles now standing idle. Corn will grow almost everywhere in the United States. There are other sources of alcohol as well as grain.
2. Trapping the energy potential of the wind. How about windmills?
3. Coal—a certain source of energy! Remember coal? We have eons of reserves.
4. The currents of rivers and tidal waters are a proven source. If the sight of a waterwheel along a riverbank offends the eye, house it in a decorative structure.
5. At night when purchased electricity is more abundant and cheaper, it could be used to separate hydrogen from water. Hydrogen can be stored.
6. The sun is with us most of the time. We should make more use of it.
7. The tide and the waves are "begging" to be harnessed.
8. Last, but not least, nuclear energy research should be expedited.—By Harold W. Boyd.

In dealing with the energy shortage, we should look to new sources of useful energy rather than only concentrating on stretching out our current resources. We must develop a long term energy alternative—this alternative must be abundant, safe, reliable and economical.

Solar energy is the only energy source which meets these requirements. Our emphasis, to date, has been terrestrial applications. These are important, but limited because of the tremendous investment in land that would be required for collection, conversion and storage for periods of inclement weather and darkness. However, in outer space, solar energy is plentiful, continuously available and waiting to be harnessed.

I propose that the United States begin a large-scale effort to develop and implement the Satellite Solar Power Station (SSPS) program. This project is being explored by NASA and several well-known aerospace companies.

The basic operation of the SSPS is as follows: Large panels of solar cells are placed in synchronous orbit with the earth.

Each SSPS can return 5 gigawatts of power to the earth (above 60 percent of New York City's peak power demand). This power would be sent to the earth by microwave transmission to large "recennas." It would then be delivered through the established power distribution system.

There is no question that major development effort is required to make such a system practical. But the technology and know how exist and the benefits are enormous.—By Jerry Linden

My suggestion for relieving the energy crisis is the use of hydrogen as a new fuel supply for the internal combustion engine, home and industry. Hydrogen is a colorless, highly flammable gaseous element, the lightest of all gases and the most abundant element in the universe. When oxidized, it forms water, thus solving pollution problems and the need for pollution.

Research facilities already in operation at Cape Canaveral and Houston could be used to develop this.

Oil and gas transmission lines in use today could be converted to carry hydrogen, making distribution as easily accomplished as it is today.

I feel that if this could be done, there would be a fuel that would be in reach of everyone at a price all could easily afford. Also, because hydrogen is manufactured from water, there would never be a shortage of natural resources. As technology and the methods of manufacturing and distribution improved, the cost of fuel should decrease to a very nominal sum.—By Albert D. Oswald

10 WAYS TO OIL INDEPENDENCE

1. Make oil from coal as in Germany during World War II.
2. Use the oil profits to extract oil from shale.
3. Make the oil companies divest themselves of the coal mines.
4. Bring back the steam locomotive and the trolley car.
5. Build alcohol plants in agricultural areas to distill the surplus grain and in metropolitan areas to make alcohol from garbage.
6. Sewer plants generate methane gas. It will run internal combustion engines to generate electricity.
7. For 100 years gas was made from coal for illuminating and heating.
8. Charge OPEC countries the same for food and exports as they charge us for oil, a barrel of wheat for a barrel of oil.
9. Prohibit the manufacture of anything made from oil, such as packaging material, bubble packs, etc.
10. Last but not least, beware of the chicken littles. Go ahead with atomic energy.—By G. Van Gieson

All individual actions to conserve energy should be encouraged, as they offer the individual immediate cost savings and in the aggregate help a little to control inflation. However the only way that we are going to free ourselves from dependence on foreign oil is for our government to fund the development and production of alternate sources of energy and thus prevent future economic and political upheavals due to world oil shortages.

(If you desire I could provide a full page comprehensive analysis of the current United States perspectus for replacing foreign oil with all the possible alternative forms of energy.)

The United States Government can solve the world energy crisis by funding the following 10-year goals to reduce its oil consumption by 30 percent.

U.S.-FUNDED 10-YEAR GOALS

1. Transportation:

a. Gasoline to be 20 percent alcohol.

b. Twenty percent of new cars to use pure alcohol.

c. Progressive tax on vehicles not meeting mileage standards.

d. Upgrade AMTRAK tracks to average 100 mph.

e. Ten percent of taxis and buses to be electric in large cities.

Brazil now has 20 percent alcohol gasoline. Volkswagen and Fiat are producing cars to run on pure alcohol.

2. Recycling:

a. All cities to have recycling plants for refuse and sludge.

b. Waste paper to be separated from refuse for separate pick-up.

c. All bottles and aluminum cans to be returnable.—By Peter Koumjlian.

There are two measures to save energy on a large scale that can be implemented almost immediately. Both have the added advantage of surely enlisting enthusiastic public support.

The first is to institute, at least through the 1980s, a national extension of daylight saving time from the end of March (when people are really psychologically ready for it) to the end of November. This could be implemented by this fall and could cut electricity needs an appreciable amount on a permanent basis.

The other is to create garbage-burning electrical power plants. These have passed feasibility studies and can come on stream in a couple of years, simultaneously helping to alleviate the landfill problem. Implicit in production of garbage-burning plants on a large scale is efficient waste recovery of aluminum and other metals. Production of aluminum from ore requires perhaps 10 times the energy as recycling.—By Harold A. Gelbhaus.●

VINDICTIVE BUDGET CUTTING

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mrs. SNOWE. Mr. Speaker, I would like to bring to my colleagues' attention an editorial which appeared in the Washington Star on May 14, 1979, regarding budget cutting and the general revenue-sharing program.

This editorial states succinctly the point I made on the House floor earlier this month during consideration of my amendment to the first budget resolution. That is, that the Budget Committee took the easy way out by dropping $2.3 billion in revenue sharing to the States rather than tackle the nearly 500 categorical grant programs which concentrate power in the Washington bureaucracy and produce excessive and costly redtape.

The editoral follows:

VINDICTIVE BUDGET CUTTING

The House seems determined to punish state governments for suggesting that Congress reform its wasteful ways.

During a debate on the "revenue sharing" program the other day, Rep. Robert Giaimo, D-Conn., chairman of the House Budget Committee, claimed the states are sending Congress this message: "You profligate federal government, get your house in order and cut spending and balance your budget. P.S. Do not forget to send us our revenue sharing money."

That may be a funny line but it misses the point of what governors and state legislatures have been saying. They are telling the federal government that there are better ways than eliminating revenue sharing to reduce federal spending.

The governors want Congress to cut spending on federal programs that don't work or aren't needed, that produce excessive red tape, that impose undue financial burdens on state and local governments, that contribute to the growth of the Federal bureaucracy, that increase federal intrusion into state, local and private affairs.

But rather than tackle the painful task of examining the nearly 500 "categorical grant" programs, many of which can be faulted for some or all of the reasons cited above, the House Budget Committee has chosen an easier way out. It would drop from the federal budget $2.3 billion that is scheduled to go to state governments in the next fiscal year.

The committee would not, mind you, eliminate a revenue sharing amount about twice as large earmarked for cities and other local governments. Local officials haven't been as critical of federal spending; in fact, there has been strong resistance in the cities against federal budget cuts.

Several things are wrong with the House Budget Committee's approach: It smacks of vindictiveness. It reneges on a commitment Congress made to the states when the revenue sharing program was reauthorized four years ago. It's the wrong time to go into the merits of the revenue sharing program; the time for that is next year when the current authorization expires and the program will be up again for renewal. It will cause great confusion among state governments that already have prepared their budgets and included the anticipated revenue sharing funds.

Worst of all, it undermines a federal program that works and carries a very small administrative cost. Rep. Delbert Latta, R-Ohio, said during debate on the House floor, in which the Budget Committee's position was upheld by the narrow margin of five votes, that administrative costs of "categorical grant programs" have gone up 14 per cent annually since 1972 while the increase has been one-tenth of 1 per cent for the revenue sharing program.

Those supporting the cut in revenue sharing seem to be missing an important message of the "taxpayer revolt." Beyond a demand to cut government spending, the message is to get the federal government out of everyone's hair.

During the debate, Rep. Edward Derwinski, R-Ill., argued that enactment of the revenue sharing program in 1972 "was the first major step in years to decentralize government authority. The idea was to send the money back from whence it came with minimum strings."

Mr. Derwinski said "the concept is sound." We agree. We hope the Senate, which has retained revenue sharing funds, prevails when the two houses get together to work out differences in their budget resolutions.●

ABUSES IN THE FEDERAL COAL LEASING PROGRAM

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. SANTINI. Mr. Speaker, I wish to express to my colleagues my great concern over the potential outcome of the present Federal coal leasing program. President Carter, in his energy messages has repeatedly stressed that we must rely more heavily on coal. Upward to one-half of all coal in the United States is owned, or is indirectly controlled in checker-boarded ownership, by the Federal Government. In spite of numerous studies and the hundreds of millions of dollars already spent on these studies, not one new substantial Federal lease has been issued since 4 years before the Arab oil embargo.

The newest final coal programmatic environmental statement for Federal coal leasing has just been released. The basic premise it builds on is that Government-controlled exploration before and during the land-use planning process is essential. Formerly, under the energy mineral activity recommendation system (EMARS), the industry would nominate tracts that they found environmentally and economically most attractive early in the process. They know where the minable coal was and still is. Now, it is only after the land-use process is nearly complete that industry is requested to submit nominations. This change is chiefly responsible for 3 years or more delay in new leasing. I support enlightened land-use planning, but fundamental in enlightened planning is public input at all stages. Early industry nominations seem essential if the process is going to work.

I want to place into the RECORD a front-page headline article from the April 29, 1979, Denver Port, entitled: "$20 Million Coal-Lode Maps Useless." If industry tract nominations had been considered early in this process, this tax money would not have been wasted, and environmental values would not only be protected but studies would more cost effectively be focused on areas of need. These same matters were discussed by the Bureau of Mines in comments on the coal programmatic statement, but interestingly they have been excluded from the letters of comment section in the final statement.

I am concerned with the Federal coal leasing program, which is costing the American taxpayer over $50 million each year just to administer. Federal coal royalties are now by law equal or higher than comparable royalties on non-Federal coal. They cannot be continually raised to pay for more wasteful administration. Federal coal revenues now cover only a few percent of administrative leasing costs. Moreover, I am concerned with the ominous implications of how a similar system, as proposed by the administration, could have a devastating effect on the production of our nonfuel minerals on Federal lands.

The article follows:

$20 Million Coal-Lode Maps "Useless"

(By Joseph Seldner)

Work performed in a $20 million program of the U.S. Geological Survey to map the nation's federally owned coal deposits is virtually worthless, several geologists claim.

Poor planning, bad management and inaccurate work have resulted in a multimillion-dollar set of unreliable or useless maps, the critics say.

Much of the criticism comes from within the USGS, which contracted the mapping work to private companies. Outside geologists who have seen the maps also have attacked the quality of work.

One top-level USGS official conceded to his colleagues recently that the agency will have to settle for a finished product that is "something better than crap."

A geology professor at the Colorado School of Mines, who was retained two weeks ago by The Denver Post for an independent review of some of the work, concluded that the program has been "an incredible waste of money."

The massive program, authorized by Congress, was intended to map all federally owned coal in the United States, the vast majority of which is in the Rocky Mountain West.

Documents and tape recordings obtained by The Post, and interviews with persons involved directly or indirectly with the project, show that almost from the start of the program in 1975 there has been concern over the need for the mapping and the quality of maps produced to date.

About $10 million already has been spent on the project, with at least $10 million more needed to complete it.

The program was designed to map the coal deposits in 1,400 "quadrangles" of land, each covering 35,000 acres. The cost of mapping each quadrangle is about $10,000.

Many of the areas contain only a small amount of federal coal, and those maps show large spaces of blank area. "They're about the stupidest-looking things I ever saw," said Gary Glass, deputy director of the Wyoming State Geological Survey and a recognized coal expert.

The maps don't show privately owned coal formations that are adjacent to federally owned coal deposits, leading one energy-company official to comment in a letter to USGS that the maps are about as useful as a road map of Colorado that charted only roads on federal land.

In his letter, Gary Myers, chief geologist for the Energy Fuels Corp., asked for a refund of the money he paid for a map of the Wolf Mountain quadrangle in northwest Colorado.

Complaints about the maps include cases of inaccurate work. In one case, maps produced by Texas Instruments Inc. show a 15-foot bed of coal abruptly butting against an area containing less than one foot of coal.

Bob Hamilton, the School of Mines assistant professor of geology who served as a consultant for The Post, described such a formation as "geologically impossible."

Geologists told The Post that such mistakes undermine the credibility of all the maps.

One memorandum from a USGS geologist has warned of the possibility of lawsuits filed by private companies relying on maps which show coal beds in the wrong legal locations.

Another government geologist predicted in a letter to the director of USGS, "When various companies spend thousands of dollars for these maps and find out they are for most purposes unusable, there are liable to be many repercussions."

Jerry Davis, who holds a doctorate in geology, worked on the mapping program for two years before resigning in disgust over mismanagement and the dubious value of the maps.

He said the program is so bad that to make it worthwhile "they'd almost have to do everything over again, and that would cost another $10 million."

Don Kash, chief of the USGS division in charge of the project, flew to Denver from USGS headquarters in Reston, Va., early this month and met with unhappy geologists in the agency's regional office here.

In his remarks, he told staff members who suggested that the program be reconsidered, "I haven't got guts enough to throw away $10 million." He indicated the project would be continued.

At one point in the April 2 meeting, however, he cautioned that "we're going to have our problems delivered on the front page of the newspapers one of these days if we don't solve our problems."

The project was created to provide maps for the Bureau of Land Management in land-use planning and ultimately to aid in leasing federal land for coal mining.

But internal documents at USGS and comments from persons familiar with the maps indicate that so little information is contained on many of them that they are virtually worthless for land-use planning.

Glass, who said he has reviewed "dozens" of the maps, said they are of no use for land-use planning. The project "ignores all resources on state and private land in any of the areas," he said. "I don't see how you can plan ignoring that."

Davis, who resigned from the program last November, was assigned to review and approve maps produced by the private contractors hired in 1977 after USGS decided it would take too long for its own people to produce them.

Davis told The Post that the project would have been much more efficient if it had focused on coal deposits that can be mined now or in the near future.

"There's a lot of coal out there, and it doesn't mean you have to map areas now that you're going to use in 200 years," Davis said.

Under terms of the contracts, all maps must be made by compiling existing information—no field inspections or onsite evaluations are allowed.

As one contractor explained it, "We're not allowed to leave our office to do the maps."

Specific points of complaint in the program include:

One map of a quadrangle in Moffat County, Colo., that contained no coal except for two small patches on state-owned land. The mapping contract by the AAA Engineering and Drafting Co. of Salt Lake City (as have all the program's contracts) specified that only federally owned coal be mapped.

A report from Texas Instruments Inc. that one quadrangle the company was asked to map in Wyoming contained "no coal reserves beneath federal land within the quadrangle."

Internal memos from USGS staff experts pointing out that maps already exist showing most of the coal information and urging that the contracts be revised or suspended.

Indications that much of the map work was done by copying information directly from documents drawn up earlier this century and known to be inaccurate.

Several USGS staffers have warned that the program will be a blot on the agency's integrity and could damage seriously its reputation with private industry.

Because of the poor quality of many of the maps turned in by contractors, hundreds of hours of additional review time have been spent by USGS personnel in attempts to correct and upgrade the documents.

Although calculations of the cost of that review are imprecise, conservative estimates by those involved are that several hundred thousand dollars have been added to the $10 million already allocated to contractors.

Some private companies that have purchased "open file," or published, maps under the program have noted angrily that they could have compiled the same documents, containing more data, for as little as half the cost.

Other sources, both in BLM and private companies, have complained that all the information contained on some maps already is available in published form.

For their part, the contractors defend the general purpose of the coal-reserve mapping program.

"What we do is gather existing data," said Clarence Felix, chief geologist for AAA Engineering and Drafting, which is under contract to map 78 quadrangles. "Bringing all of that together and making other maps is useful to the Bureau of Land Management."

AAA President Ross Anderson said the contracts for the program will account for about 15 percent of his company's business this year.

B. G. Randolph, an official of Dames and Moore, a large engineering consultant that has contracts to map 114 quadrangles at a total cost of about $1 million, said, "The contract isn't all that bad. It has some deficiencies."

Strong, detailed criticism of the program from within the USGS began more than three years ago, with personnel warning of pitfalls in the concept of the project and the duplication of existing published information.

Criticism voiced, but never fully answered includes:

An April 1976 memo signed by 15 staff geologists urging that "maps should not be produced which are not justified by the available coal information." Since then, contractors have completed mapping quadrangles containing less than 1 percent of federal coal.

A November 1978 memo noting that future contracts planned under the program included the Kaiparowits plateau in Utah, "an area already evaluated in detail to the complete satisfaction of the concerned BLM offices . . ."

An April 1979 memo to the chief of the USGS conservation division noting the "absurdities" of mapping some federal coal whose location makes it inaccessible with current technology.

Kash admitted that there are problems in the mapping program.

At the April 2 meeting in Denver with USGS personnel, Kash said, "When we contract out, we can expect to get less quality than when we do it (the work) in-house."

But Kash argued later this month in a telephone interview that "tight deadlines" have necessitated parceling out the work to several private companies.

However, several of these contracts have received lengthy time extensions.

Kash also said that if the maps were done by USGS staff, they would be more accurate, but would cost up to 10 times as much to produce.

USGS staff members reject this argument, saying that the time they spend correcting poorly drafted maps has pushed the cost of the maps well beyond the original dollar estimates.

At the April 2 meeting, Kash also admitted that part of the problem is the political aspect of the program; the fact that so much money already is committed to the project.

Glass said many difficulties could have been avoided by "scanning the literature and eliminating areas with little known coal."

What worries several USGS employees is that the survey apparently is using this program as a model for similarly mapping all leaseable minerals, such as phosphate and potash.

As one staffer said, "I wouldn't be so upset, I'd stick with (the program) if this were going to be the end of it. But this isn't the end of it."●

UNITED STATES SHOULD TALK TO PLO

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. FINDLEY. Mr. Speaker, the United States should move quickly to open direct communications with the Palestine Liberation Organization.

Without a United States-Palestine Liberation Organization dialog, efforts toward peace in the Middle East may soon reach an impasse. The Palestinian issue remains the key to a comprehensive Mideast peace. And the PLO, as the representative of the Palestinian people is, therefore, the key to the resolution of this issue. Unless the United States confronts this fact, the world risks not only stalemate in the Middle East but also the possible undoing of the positive steps toward peace thus far taken.

Contrary to what some assume, the U.S. Government has made no commitment not to talk to PLO representatives. The United States did, in a 1975 memorandum of understanding with Israel related to Sinai II, agree not to negotiate with or recognize the PLO unless it accepts U.N. Resolution 242. This commitment regarding "recognition" and "negotiation" does not, however, extend to "communication." In fact, in testimony to Congress in 1975, U.S. officials clearly stated that the memorandum did not preclude direct U.S. talks with the PLO. Assistant Secretary of State Harold Saunders and State Department legal counsel Herbert Hansell reiterated this point before the Europe and the Middle East Subcommittee of the House Foreign Affairs Committee on April 26. When asked whether the United States could have informal direct communication with the PLO without first securing Israel's prior approval, they answered in the affirmative.

Therefore, though the United States has tied its hands in terms of negotiating with or recognizing the PLO, it remains free to open direct communications with members of this organization. Such a step, even if it occurred very quietly and at a low level, would be a great advance over the current situation of absolutely no direct contact.

Although I have urged for some time now a direct United States-Palestine Liberation Organization dialog, I feel that it is particularly important at the present time.

First of all, I am increasingly convinced that Yasser Arafat and the PLO want peace. This conviction stems from the November 1978 statement Arafat made to me. Just 5 months ago I met with Mr. Arafat in Damascus and he told me the following:

> The P.L.O. will accept an independent Palestinian state consisting of the West Bank and Gaza, with connecting corridor, and in that circumstance will renounce any and all violent means to enlarge the territory of that state.
>
> We will give de facto recognition to the State of Israel. We would live at peace with all our neighbors.

Since that statement was made, its accuracy has been reaffirmed to me in several ways.

A second reason why direct talks are vital is that negotiations on the nature of autonomy on the West Bank and in the Gaza Strip are scheduled to begin this month. A target date to complete these negotiations is a year hence. These negotiations will not succeed, unless the PLO plays a direct role in them or at least gives its blessing to their conduct and outcome.

It concerns me that U.S. efforts to date have nevertheless focused on seeking out Palestinians in the West Bank who would participate in negotiations independently of the PLO. This is an unwise course. It is a fruitless task in that it is extremely doubtful that the United States will succeed in convincing mayors or other West Bank leaders to disassociate themselves from the PLO and join the autonomy talks.

If a Palestinian not linked with the PLO were to come forward to participate in negotiations, he would at most have authority to speak for a tiny handful of people and would be unlikely to gain larger support for the results of such talks.

In fact, despite the present U.S. interest in the participation of non-PLO Palestinians, this would ultimately not be to our own advantage. If we were able to convince any Palestinians to participate in the autonomy talks, they would be those who are the most moderate and the most friendly to the United States. Those who remained aloof from the negotiations could then freely criticize these moderates and blame them for any failures. Violence would inevitably follow. The United States, by this indirect process, would discredit the moderate element among the Palestinians because it failed to give all elements a stake in the outcome. This would do a disservice to both Palestinian and U.S. interests, and ultimately to Israeli interests as well. At the end of this scenario, if we then turn to the PLO and seek to establish communication with that organization, it would be a sure admission of U.S. failure and inability to move the Middle East toward peace. Rejectionist elements would surely sense this and turn it to their advantage.

Existing conditions and U.S. objectives, therefore, demand a U.S. dialog with the PLO.

The United States should not require that the PLO accept U.N. Security Council Resolution 242 before such direct communications begin. Instead, the U.S. should consider PLO acceptance as an early goal of such a dialog.

For, in accepting 242, the PLO would be recognizing Israel's right to exist within secure borders. As Mr. Arafat has stated to me, PLO acceptance of 242, without Israeli agreement to recognize a Palestinian state, would be showing every card in his hand. He would have nothing left with which to bargain. Let, given Israel's settlements policy in the West Bank, its statements regarding its future role in the West Bank, and Prime Minister Begin's determination never to deal with the PLO no matter what the circumstances, there is now little inducement to the PLO to show its hand. The PLO will not be able to accept 242 until it is sure that it will have a role in the negotiations and that these negotiations offer the hope of self-determination. PLO recognition of Israel cannot be one sided. It must be mutual.

The proper U.S. role is to bring about this reciprocal Israeli-Palestinian recognition. It cannot do this, however, by refusing to talk to the PLO. The PLO's acceptance of the principles of U.N. Resolution 242 should be an objective of a direct United States-PLO dialog and not a prior condition before talks can begin.

Indeed, direct discussions will also enable us to avoid misunderstandings that increase tensions. When communication is indirect and through third parties, it is difficult to grasp nuances if not the entire message.

At the same time, it is essential that acts of terrorism by the PLO cease. Terrorism poisons the atmosphere and is not conducive to the opening of a United States-Palestine Liberation Organization dialog. Terrorism is sometimes used to direct world attention to a group or an issue. But the world is already well aware of the PLO and of the Palestinian question. Terrorism, therefore, serves no useful purpose for the PLO. Indeed, it detracts from what must be a central aim—convincing the United States and Israel that it seeks a peaceful resolution of the Middle East conflict that will respect Israel's security and well-being.

Although it seems clear that the next step must be the opening of a United States-Palestine Liberation Organization dialog, it is not clear that the United States will take this initiative. U.S. policy is in a state of flux right now. Our officials recognize the extreme importance of keeping the momentum going toward a Mideast peace. But frankly, they have just fought some very hard battles to bring about the Egyptian-Israeli peace and they are fully aware that the next round will be even more difficult. Ambassador Robert Strauss, who is to be the primary negotiator for the next round, has stated that he does not expect to assume his new role full time until the fall. Frankly, I hope he will assume a major leadership role even sooner.

Behind the scenes there is now a lively discussion within the administration of the proper approaches and avenues to take. The level of opposition to the Egyptian-Israeli treaty by the Arab States and by the Saudis and Jordanians, in particular, has taken the administration by surprise. The United States has not relinquished hope of bringing West Bank Palestinians into the autonomy talks without the PLO's blessing or approval, although those hopes are much dimmer now than they once were.

Since this is a time of flux and of searching for concepts and methods, it is a particularly important moment for anyone seriously interested in the future of the region.

In terms of sheer numbers, Arab-Americans may not be as great as other groups. But numbers are important; they are not everything. There are many steps that can be taken.

There is a tremendous need to educate not only the American public but also Members of Congress about Palestinians, Palestinian rights, and the Arab world as a whole.

It would be naive or dishonest to say that Members of Congress are not influenced by the pressure of large blocs of organized voters, but we also are sensitive to arguments and to reason.

May I suggest to Arab-Americans a central theme? Let us eliminate the negative on Camp David and the Egypt-Israeli treaty. Let us accept reality, make the most of it, and move to the larger goal of a comprehensive peace that brings justice to the Palestinians. Congressional reluctance to acknowledge the rights of Palestinians stems from the belief that it is not possible to define the rights of the Palestinians without denying the rights of Israel. It is most important, therefore, to explain that Palestinian rights can coexist with Israel's right to a peaceful and secure existence. Frankly, in the past, the Arab-American message that has gotten through to Congress has been anti-Israeli. For example, if the central point is that Congress should punish Israel and cut U.S. aid, Congressmen will simply not listen.

Rather than dwelling upon the negative aspects, it is critical to stress the positive elements of a Mideast peace in which both Israelis and Palestinians enjoy complementary rights. Too often, ethnic and interest groups in the United States are more rigid in their approach to conflict resolution than those very people whose cause they espouse. I hope this group, in becoming politically active, will not fall into this practice by demonstrating less flexibility toward the Israelis than many Arabs who now live under Israeli rule.

It is important to be positive rather than negative. It is important to explain who the Palestinians are and why land, water, and personal freedom are essential to them. Many in Congress are eager for information.

It is important that Arab-American help arrange speaking engagements for Palestinians who come to the United States. Their visit should also include meetings with Members of Congress. Encounters of this nature have, in fact, been rare in the past. Mayor Freji of Bethlehem was in Washington last year and Mayor Milhelm of Halhoul just this week. These meetings are extremely usful.

The unfortunate recent approval by the Congress of an amendment which seemed to prohibit members of the PLO from entering the United States actually has no legal effect. The administration remains free to permit the entry of PLO members under a different legal authority in the Immigration Act. Shafils Al-Hout's recent presence generated considerable controversy but the visit by this PLO official gained notable newspaper editorial support which was important. I see this hopefully as an icebreaker for future visits by PLO members.

The sooner we begin the process of education and dialog, the more quickly we will enjoy a full comprehensive peace in the Middle East that will establish justice for all.

Let me say a word about President Carter's new Mideast troubleshooter. I am convinced that the appointment of Ambassador Bob Strauss is good news for all of the parties in the Middle East, and I urge you to give him a chance before you make your own judgment. Let me tell you why I am so hopeful. I am a Republican. Mr. Strauss is a Democrat. He was once chairman of the Democratic National Committee, and therefore heading up activities hostile to the interests of all Republicans. Nevertheless, he has won very broad respect, and even affection, among Republicans on Capitol Hill. I trust him. I respect him. He is an action type, a problem solver, decent and effective in his tactics and objectives.

He has ready access to the President. Jimmy Carter listens to Bob Strauss. He is likely to follow his advice, even though he might not follow similar advice if it came from some other quarter. The President knows that Bob Strauss is sensitive to both the foreign and domestic aspects of Middle East policy.

He is, I believe, absolutely the right person for the job. I am convinced that Ambassador Strauss realizes that he has an historic opportunity to stop the violence, stop the bloodshed, save lives, and bring justice and peace. I predict he will act in a responsible way and I hope he will act very soon.●

DON ROGERS, U.S. NAVY HONORED BY ORANGE COUNTY COUNCIL

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, on May 25th the Orange County Council of the Navy League of the United States will pay tribute to its outgoing President, Don R. Rogers.

For the past 2 years, Don has served as president of the council and has brought national recognition to the local council. He launched an impressive membership drive in 1977 and increased local membership by 62 percent. This success continued into 1978 earning the Orange County Council recognition as the outstanding council for 1977–78 and 1978–79 and placing it in the top 10 for membership both years.

In addition to the recognition for his council, Don was personally recognized as outstanding council president in the 11th region for 1977–78 and received the President's Award for the 77th region in 1978–79.

The Orange County Council was fortunate to have his leadership and direction for the past 2 years and I ask my colleagues to join with me in paying tribute of Don R. Rogers.●

A CITIZEN'S ADVICE TO THE NATION

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. McCLORY. Mr. Speaker, my constituent Frederick G. Wacker, Jr., president of AMMCO Tools, Inc. of north Chicago, has produced a hard hitting and convincing statement on the subject of inflation and public spending—including the need to establish a balanced Federal budget.

Fred Wacker's article appeared earlier in the trade magazine, "Automotive Organization Team" and in the Illinois Manufacturers' Association bulletin.

Without elaborating on Fred Wacker's program and recommendations for responsible management of our Government's fiscal business, I am attaching his statement herewith:

> During the course of our personal, business, or professional lives we from time to time reach fundamental turning points. A decision must be made to take one road or another. When we come to the fork in the road and the choice has been made, the opportunity to retrace one's steps or "do it over again" may never come. Often these turning points are difficult to recognize. One of the keys to success is to be able to both recognize the crucial turning point and to also make the correct decision so that the path to success remains uninterrupted.
>
> It is the same for nations as it is for individuals and businesses. The United States may be running out of 'turning points' if we accept that our goal is maintenance of a free, competitive economy with opportunity for individual freedom to act, to own private property, to improve one's lot in life. The reason is that during this century our elected representatives have faced many turning points and, with few exceptions, consistently have chosen the wrong course. The results have been subtle, not yet totally disastrous, but we certainly have come to the place where a major change in direction must be taken, and *soon*.
>
> Let's state the problem in its simplest terms: We are overtaxed, overinflated, overregulated, and underdefended. This constitutes the formula for failure both at home and abroad. Pursuing this formula further is exactly what the Communist half of the globe would like to see us continue to do. There is no question that we are overtaxed. Add up your own taxes, all of them, from toll gates to income taxes. Deduct them from your total income, and figure how many months a year you work for Uncle Sam as compared to yourself. On top of all these taxes you also pay the unlegislated tax called inflation. Do not be misled by politicians, educators or media. Inflation is not caused in the first instance by unions raising wages followed by manufacturers raising prices. Inflation originates when the government spends more each year than is legitimately covered by its tax income. Congress then quietly raises the debt ceiling and the Federal Reserve increases the money supply. *Then* come the wage and price increases.
>
> The tragedy of inflation is that it hits hardest those least able to contend with its devasting effects: people on fixed income, social security, or living off savings. In the name of welfare our legislators have mortgaged the future of our children by developing a so-called social security system which as of June 30, 1974, was unfunded for the future to the extent of $2,460,000,000,000

(that's "trillions") (source: 'Sound Financial Reporting in the Public Sector'—Arthur Anderson & Co., 1975). In short, the system is broke.

Probably our greatest single problem is inflation. The reason is that it creates, complicates, and compounds so many other problems. During inflation how can one deal intelligently with labor relations, rational business planning, foreign exchange, personal finance, or international competition? The fact is that the combination of a large appetite for social welfare programs, coupled with inflation, has outrun our ability to pay for the former. It would be well to remember that the government does not create wealth; it can never give you back anything that it hasn't first taken away from you or somebody else, and what you get back is minus a carrying charge along with the cost of inflation. The amazing thing is that we have survived this long as well as we have . . . not because of government, but in spite of it. This is a tribute to the latent strength in the enterprise system plus the creative, multiplying factor of labor-saving devices from machine tools to computers and farm machinery. Remember always that Man's Material Welfare equals Raw Materials plus Human Energy times Tools. (MMW=RM+HE×T. Source: American Economic Foundation.)

It is sobering, nonetheless, to realize that in recent times imported automobiles have accounted for as high as 20 percent of the automobile market in the United States. Yet development of the low priced automobile originated in this country by the enterprise and creativity of Henry Ford long before confiscatory taxation and single- and double-digit inflation. Our Japanese and German counterparts have learned the competitive, enterprise system from us and have outdone us at our own game, and not only with automobiles. Cameras, radios, TV sets, watches, steel, and machine tools from abroad are, to name a few, causing domestic producers their share of headaches.

You can't turn a sick business around in a few months and you can't restore a sick country in a year or two. Neither can you turn around an ocean liner on a dime when it's going full speed ahead. A series of annual objectives must be set up which will, as they are achieved, reach a budget balance. This will result in the replacement of 'funny money' with sound money. Taxes can be coordinately reduced, confidence to risk and progress will be restored, individual freedom will be enhanced, and the U.S. economy would become truly unshackled and off to the races.

I am an optimist and believe that, although the hour is late, it is still possible to save the enterprise system and the once preeminent American way. The solutions are not easy or immediate, but, with a will, they can be accomplished.

First, we must recognize that, for a sound future, we must halt inflation and at the same time have unquestioned military superiority. Stopping inflation cannot be done in one or two years. It has taken us 40 years to get into the mess we are in and it will take 5 or 10 years to get back in balance, provided we set out to do it now.

Let us realize that the current arguments that "You can't beat inflation and unemployment at the same time" and "You can't stop inflation without a recession" are simply not true. If we accept these oft-repeated cliches as being true, we are damned to destruction no matter what happens.

The truth is that inflation can be beaten if we can convince the legislators that we want it beaten . . . no ands, ifs, or buts. As the annual budget is brought into balance, taxes can then be reduced. Incentives to save, invest, and risk will be restored and we can go forward to what we used to do best and that is compete, and I mean on a worldwide basis.

You won't hear this simple prescription from most politicians, the liberal educators, or most of the media. That is because they appear to have a vested interest in retrogressing down the road to more and more socialism, more and more control, more and more power over *us* for *themselves*.

Politicians are generally responsive to their respective publics and electorates. Therefore the answer is to let them know how we feel about these issues of overtaxation, overinflation, overregulation, and underdefense. The more letters, talks and phone calls we can generate to legislators, both state and federal, along these lines, the better. As citizens believing in competitive enterprise rather than government control, it behooves us to educate our friends, relatives, associates, employees, and our legislators on the facts of life from the American point of view.

Certain of the liberal intellectuals would classify this prescription as "oversimplification." That is their standard retort when confronted with a simple solution that they would rather not hear. My answer is that you cannot successfully run a family or a business concern the way the United States is now being run. You cannot run a nation that way for very long and succeed either. So, if we want to get America back on the track, let's speak up and let Washington know how we feel and why. Those of us who pay taxes and provide jobs have been silent partners long enough. If enough of us sound off, the message will get across.

It's time for a real, nationwide Taxpayers Revolution! ●

ANOTHER LOOK AT RHODESIA

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. GRASSLEY. Mr. Speaker, even though the Carter administration declined sending observers to Rhodesia to witness elections held in that troubled land, a number of America citizens did make the trip. They have since returned to the United States and their accounts of what they saw should be instructive as our Nation debates the advisability of lifting economic sanctions imposed on Rhodesia.

I would commend to the attention of my colleagues in the House of Representatives the following narrative sent to me by George J. Volger of Muscatine, Iowa. I would point out that this was Mr. Volger's fourth trip to the African Continent. I would suggest that a change in the foreign policy of the United States toward Rhodesia would be appropriate under the circumstances:

A REPORT ON THE ZIMBABWE-RHODESIA ELECTIONS, APRIL 1979

(By George J. Volger)

I was one of the accredited journalists who had the opportunity to observe the recent elections in Rhodesia, arriving in Rhodesia on Sunday, April 15th, and remaining until April 24th. Elections were held April 17th through 21st. This was my fourth trip to Africa, my third to Rhodesia. During these trips in the late 1960's on an educational/radio interview project, I was in contact with people of wide variety of backgrounds in thirteen African countries.

The Rhodesians made every effort to provide land and air transportation for the seventy-plus international observers and the 200-plus journalists so that detailed observations of all voting functions could be witnessed throughout the country. Many times itineraries would be revised during the day at the request of observers or journalists in order to remove suspicions or charges that voting in any location was being staged. In my case I traveled well over 2,000 miles within Rhodesia, by plane and ground transportation.

Each evening at Meikle's Hotel, Salisbury, there was a briefing and meeting of the Electoral Commission, along with observers and journalists, at which anyone could question or comment on any phase of the day's activity. It also gave opportunity for observers and journalists to compare notes and reactions with groups who had gone to different areas of the country.

In the early part of the week there was considerable skepticism by observers and newspeople, many questioning the operation of a country-wide election when it was reported that 12,000 guerrillas of the Patriotic Front were within the country. By April 20th and 21st, after journalists and observers had made a total of 4,788 trips and travelled over 311,000 miles this skepticism had disappeared, and there was a consensus that a fair and free election had taken place in spite of the obstacles.

Yes, Rhodesian Security Forces were in evidence, but it was obvious they were for the protection of the voters. At no briefing was there a report of action or pressure by these forces to urge voting or not voting.

The three observers from France compared the elections with those in western Europe, particularly France and Belgium, and found them free and fair. One of the French observers had experience also with elections in Central and South American countries and found them "not as fair as in Rhodesia".

An Australian Member of Parliament, G. M. Bryant, of the Labor Party, advised me that his group, in their own observations, and after conferring with other foreign observers, had concluded the elections were fairly conducted—and were much impressed with the turnout of 64% of the eligible voters.

The Freedom House contingent from the United States, made up of recognized social and political scientists, reported, "All major groups that desired to contest the election were free to nominate slates and campaigns, and the mechanics of the election appear equal to the level of most democratic states . . . The elections in most underdeveloped countries are less free."

Certainly they were more free than those elections in Zambia and Tanzania at the time of their independence, where qualifications were based on a minimum age of 21 years, plus high income and educational qualifications, resulting in more than 75 per cent of the adult Africans not being entitled to vote. In the Rhodesian elections everyone who was 18 years of age, or over, and had been a resident of the country for two years was entitled to vote.

My travels took me to two PV's—protected villages—one, south near Beit's Bridge, and one of 8,000 persons near the Mozambique border. In speaking with families in the villages it was obvious these were not "forced encampments" as some newspeople had previously reported. These families were there because they needed and desired the protection from the Patriotic Front guerrillas. In spite of the fact that for weeks Mugabe's forces in Mozambique had been urging them to disrupt the voting procedures, and threatening violence against those who did vote, these families defied the guerrillas and voted in heavy numbers. It was a strong example of their belief in the internal agreement.

Near Chapinga, a few miles from the Mozambique border, I spoke with two terrorists who had returned to Rhodesia. I asked them why. They said they had been fighting for one-man one-vote, and now that Rhodesia had it, they wished to return.

There were instances of some journalists attempting to discredit the election process. In one of the final briefings three London-based newsmen questioned the population estimates in some sectors. The Electoral Commission had previously explained that the number of voters had been determined on overall figures for the country—not in particular sectors, as the conditions in the country, plus farming demands in some areas caused families to move about. Also, some families voted in areas some distance from their homes due to their fear of retribution from guerrilla groups. None of the international observers questioned the figures. However, these journalists then proceeded to report on the "improper population estimates"—and produced news stories based on their own questions. It was a prime example of media manufacturing a news story in an attempt to put the credibility of the election up to question.

It had been ten years since my previous visit to Rhodesia. It was quite evident that the relation and cooperation between blacks and whites had strengthened. I fully agree with observer Bayard Rustin, the U.S. civil rights leader, and co-worker with the former Martin Luther King, who stated in an interview with me, that "relations between black and white in Rhodesia were more amicable than between blacks and whites in Chicago, Philadelphia or New York City".

It takes cooperation of all people to combat the effects of international sanctions. In the stores you can see the results of this cooperation. In a large department store, Greaterman's, the merchandising manager told me that 95% of all the merchandise—clothing, appliances, housewares, luggage—was being produced in Rhodesia. Rhodesia is doing so well in manufacturing women's clothing that some of the products are being exported!

That effective cooperation and understanding exists between black and white is strongly underlined by the fact that 82% of the Rhodesian Security Forces are black. Unless there were recognized mutual goals the six million blacks could physically do away with the small white population—now estimated at 212,000—in a very short period of time.

Too much emphasis cannot be given the importance of the heavy vote by women. In the African culture, the women, although extremely important in the family group, has had little or no authority. But the women turned out with great enthusiasm, entering effectively into the political activity. This can be important in the country's future.

For the United States and the United Kingdom to put so much value and emphasis on the Patriotic Front is unfounded. The patriotism of Nkomo and Mugabe can certainly be questioned, after their continued refusals to enter into the political process. And they certainly do not portray a united "front". In Bulawayo and Beits Bridge areas there are numerous reports of their guerrilla groups meeting. Rather than working together, they take up arms against each other! Many blacks, especially the women, would greatly resent the Patriotic Front entering the political scene. Killings, atrocities, abductions of young people, and destroying of farms by the guerrillas are much too fresh in their minds.

Although much concern has been voiced by some sources outside Rhodesia about the fact that the whites will hold 28 of the 100 seats of Parliament, this concern is not felt by the great majority of Rhodesians, including party leaders Muzorewa, Sithole, and Chirau. Why? Because Rhodesians have witnessed the shambles which have resulted in Angola and Mozambique with the sudden exodus of the Portuguese—they want no part of it. Bishop Muzorewa states, "The principle of entrenching seats for whites must be taken calmly and not emotionally because most Africans in their own countries have ended up much worse off by having driven out the whites following independence than they were during their colonial period. . . . From the point of view of our own prosperity and stability we require to retain their technical know-how. It is clear to everybody that during the reign of the minority, Africans were denied the opportunity to obtain technical education. These whites, Zimbabwe Rhodesians or not, must be allowed to continue to participate in all our spheres of endeavour for the benefit to all".

In 1969 it was my feeling that Rhodesia possessed the ingredients for a smooth-working, multi-racial government. It is a country that could be outstanding in Africa—and serve as an important and effective example to its neighbors.

After visiting Rhodesia again, and viewing the April elections—probably the most fair and democratic ever held on the continent—my original observations remain unchanged.●

PUBLIC FINANCING—IN THE NATIONAL INTEREST

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. OBERSTAR. Mr. Speaker, one of the unfortunate superstitutions that has arisen about H.R. 1 is that it is some sort of "Incumbents Protection Act."

The myth goes something like this: H.R. 1 will limit the ability of challengers to successfully challenge incumbent Members by limiting the amount of money candidates may spend in a general election campaign. There might be some validity in that assertion if the present system did not already favor the incumbent so heavily and disadvantage the challenger. Last fall, only 19 incumbents out of nearly 400 who stood for reelection were defeated in the general election.

Opponents of H.R. 1 argue that limiting challengers' spending would place them at an insurmountable disadvantage. The present situation is, however, worse for challengers. In 1978, incumbents spent an average of $111,837 and their challengers an average of only $78,862.

Rather than crippling a challenger, H.R. 1 would assist a challenger is waging a campaign against an entrenched incumbent.

I would like to share with my colleagues an article from today's Wall Street Journal which does a great deal to dispel the myth that H.R. 1 is intended to insure the reelection of incumbents.

I agree with the reporter's observation that, "if public financing were an incumbents protection act, it would have been enacted by the incumbents years ago."

If enacted, H.R. 1 will provide for more and better challenges to incumbents. The result can only be greater public participation in the electoral process and better representation in this House.

The article follows:

[From the Wall Street Journal, May 21, 1979]

THE MYTH OF INCUMBENT PROTECTION

(By Albert R. Hunt)

WASHINGTON.—Public financing of congressional elections "is essentially and irrevocably an incumbent protection device."

That is the bold warning emblazoned on a "fact sheet" prepared by Rep. Bill Frenzel, a Minnesota Republican and one of Congress's most serious students of campaign financing. Mr. Frenzel is assailing a bill that would extend partial public financing to House general elections, a bill symbolically labeled H.R. 1. He charges: "The spending limits that invariably accompany public financing can only aid incumbents, since challengers need to spend more to win."

It is a powerful argument. Any measure that adds to incumbents' existing advantages—expense allowances, constituent services, free mailings and other perquisities—is unhealthy. That would seem especially true for the Republican Party, which for 25 years has been a minority in the House where it currently is outnumbered 276 to 159. Most of the GOP leadership has lined up against the campaign-financing bill.

Yet two of the chief sponsors of this so-called "Incumbents Protection Act" are prominent House Republican leaders, Barber Conable of New York and John Anderson of Illinois. Nobody would suggest they are eager to relegate their party to guaranteed minority status. They and some of their supporters strongly argue that public financing would aid challengers more than it would protect incumbents.

Moreover, under public financing "the major beneficiaries . . . would be Republicans," asserts Stephen Hess, a political scientist and a longtime Republican brain-truster. The reason: "The present system of private funding favors incumbents; and since most House incumbents are Democrats, ergo most challengers will be Republicans and will be advantaged by H.R. 1 over the existing system."

That's one reason many veteran Democratic House incumbents oppose the bill, despite its support by the Democratic leadership.

There are perhaps more significant considerations in examining public financing of House elections, such as the effects on the political system and whether enforcement would create another bureaucratic monstrosity. But the question of the impact on challengers vis-a-vis incumbents is the dominant political issue.

PLENTY OF AMMUNITION

A careful combing of the spending statistics for the last two House elections suggests that there is plenty of ammunition for the argument that public financing would help challengers and make more races competitive. One reason is that incumbents generally are able to outspend their opponents and the proposed plan would tend to equalize spending.

Under H.R. 1, the federal government would provide up to $60,000 to a House candidate by matching private individual contributions of $100 or less. Anyone taking public money would have to abide by a spending limit of about $210,000 in 1980.

The legislation covers only House general elections; the Senate has thwarted congressional public financing plans in recent years. To qualify for any public money, a candidate would have to privately raise $10,000 in small contributions. Also, any candidate could refuse public funds and spend unlimited amounts.

The plan compares with a current system that limits contributions from individuals to $1,000 a candidate and to $5,000 from Political Action Committees, or PACs, without spending limits. Under this system, 371 of 383 incumbents were relected in November 1976.

In 1978, 368 of the 381 general election incumbents won.

Talk about an incumbents protection act! In the past two House elections, the reelection rate under the current system was 96 percent.

Certainly, nonmonetary factors affected the outcomes of these elections, but the spending statistics bolster the contention that the current financing system favors incumbents. In 1978, on top of all their other advantages, incumbents outspent challengers by better than a 3-to-2 margin, according to the Federal Elections Commission.

Some Republicans hope the proliferating corporate PACs will come to their rescue, but they may have a long wait. Despite a late rush of corporate PAC money to Republican challengers last fall, spurred by strong Republican-leadership complaints and critical news accounts, incumbent Democrats came out well ahead. Overall, according to the FEC, corporate PACs gave more than $2.12 million to Democratic incumbents, more than twice the $986,000 given to GOP challengers.

When labor and other PACs are considered, the figures are even more lopsided. In all, House Democratic incumbents received $10.43 million from PACs last fall, or almost three-and-a-half times the $3.4 million received by GOP challengers. (Even the affluent Republican Party coffers failed to make up this disparity.)

The explanation is simple. "It's a lot easier to invest in a known than an unknown entity," explains one corporate PAC manager. "That counts for a lot more than party labels."

Republicans don't disagree. But they contend the public financing proposal, with its spending ceiling, would undermine the one real shot challengers have to overcome incumbents—mounting an unusually expensive campaign. "Historically, successful challengers have usually been 'high spenders,'" asserts Republican national party chairman Bill Brock.

The Republican House campaign committee calculates that in 1978 the 19 successful challengers—14 were Republicans—spent an average of slightly more than $200,000 in the general and primary elections, while defeated incumbents in those races spent an average of $173,000. The conclusion: Only six or seven of those challengers would have won if H.R. 1 would have been law in 1978.

That conclusion, however, is questionable. First, the public financing bill would only affect general election spending; so primary outlays have to be knocked out in any comparsions. Second, an analysis of those 1978 elections shows that, after adjusting for inflation, only eight of the 19 successful challengers spent more than the proposed limit in the general election and most of those were only a relatively small amount over.

Further, two of those outsiders—Republicans Ron Paul of Texas and Daniel Lungren of California—were outspent by Democratic incumbents by almost $100,000 apiece. So a spending ceiling might have aided them.

In many other instances, it's easy to see how some losing 1978 challengers could have fared better under the proposed public financing plan. Ironically, one of these is Republican Duane Alton in Washington State, who lost by only 8,000 votes to Rep. Thomas Foley, one of the authors of H.R. 1. In the general election, incumbent Foley spent $243,000, more than double Mr. Alton's outlays. Under the public financing proposal, both candidates would have received and spent close to the maximum permissible, eliminating most of Rep. Foley's financial advantage and, just possibly, his 8,000-vote margin.

CURTAILING FREE RIDES

Perhaps more significantly, consider the number of concompetitive House races last November. In 68 House elections, there was only one major party contestant, benefiting 49 incumbent Democrats and only 19 Republicans. Backers of public financing assert the lure of federal matching money would curtail these free rides by attracting more challengers.

The other side of that coin is that only 69 of the 435 races last November were decided by 10 percentage points or less. Advocates of public financing argue that such aid would help turn at least some of the many one-sided elections into closer contests by helping long-shot aspirants, who usually are hindered by an inability to raise money.

Even when a challenger spots a vulnerable incumbent and starts raising big money, such action usually prods the incumbent into a spending race that maintains the odds even though the incumbent may be outspent. For instance, in 1976, Colorado GOP challenger Ed Scott spent $147,719 and came within a whisker of defeating incumbent Tim Wirth. Sensing victory, in 1978 candidate Scott pulled out all the money stops and spent an astounding $425,663. In turn, Rep. Wirth more than doubled his 1976 outlays to $384,194. The Democratic Congressman widened his margin to 11,000 votes from 2,400.

Whatever the other arguments for and against public financing of congressional elections, all of this casts serious doubt on House GOP chief Guy Vander Jagt's claim that public financing "preserves and protects the incumbent in perpetuity."

Apart from all the dry data, there is an even more convincing argument—if public financing were an incumbents protection act, it would have been enacted by the incumbents years ago.●

VIETNAM VETERANS WEEK IN BUFFALO

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. LAFALCE. Mr. Speaker, I am pleased, as a cosponsor of Public Law 95-513, the law that designates the week of May 28, 1979, as Vietnam Veterans Week, to outline what one community is doing to commemorate this event.

As a member of the Vietnam-Era Veterans Caucus, it is gratifying to know that veterans of this period in our Nation's history are working together to focus attention both on the contributions their fellow servicemen and servicewomen have made, and to the needs that many of these veterans still have.

For despite the efforts made by the Caucus, the fact remains that the critical issues of the Vietnam-Era Veteran will not be addresed during the national recognition week without the active involvement of Vietnam-Era Veterans themselves, now almost 9 million in number.

The individual who has been the victim of the myths and stereotypes attached to Vietnam veterans over the last decade cannot fail to respond vigorously to this opportunity to change the negative public image.

Similarly, the person with the greatest responsibility for making known to the public the problems of many Vietnam veterans and suggest possible solutions is the veteran of that era who has been able to overcome the same or similar problems.

In response to this opportunity to step forward and get involved, a group of Vietnam-era veterans from Buffalo and Erie County, formed the Committee for Vietnam Veterans' Week. The committee was given legitimacy by the Mayor of the city of Buffalo and the county executive of Erie County through a joint proclamation issued on April 18, 1979.

A public announcement was thereafter made that committee membership would be open to all area Vietnam-era veterans.

Two weeks after the committee was formed, a full schedule of activities for the week of May 28 was formalized. Arrangements were made for a luncheon, during which awards to 10 western New York Vietnam-era veterans will be presented by selected individuals who have themselves made significant national contributions in the area of Vietnam veteran advocacy. James H. Webb, the author of the bestselling novel "Fields of Fire" will be the guest speaker. A Vietnam Era Veterans' Day at the baseball park is planned, beginning with a "coming home" parade from the Veterans' Administration Hospital to the stadium. Prominent political leaders will ride at the head of the parade in buses carrying hospitalized disabled veterans of all wars. Prior to the game, jet aircraft will overfly the stadium in a salute during the National Anthem. On June 1, a Vietnam Veterans' Monument will be dedicated during a ceremony at the Federal Building in Buffalo that the Administrator of Veterans' Affairs has been invited to attend.

In addition to the ceremonial activities, 27,000 letters will be mailed out to area employers, encouraging them to hire a Vietnam-era veteran during the months of May and June. In conjunction with the letter writing campaign, local Comprehensive Employment Training Act prime sponsors will be urged to intensify their outreach and placement efforts, especially in behalf of disabled Vietnam veterans.

In order to begin harnessing the fleeting public interest and refining it into public awareness, the committee will be issuing timed news releases and public service announcements; conducting panel discussions; printing editorials and making guest appearances on radio, television, and before live audiences. A national symposium to discuss the problems of the Vietnam-era veteran is also planned.

Although no funding has been made available, the committee foresaw the need to establish itself as a permanent legal entity so that its work, once begun, would continue on long after the official close of Vietnam Veterans' Week. To this end, the formation of a not-for-profit corporation was undertaken using the professional talent of committee members themselves.

In light of the foregoing, it should be apparent that in Buffalo and Erie County, there are many Vietnam-era veterans who are grateful for the opportunity, that you have been instrumental in providing, to take an active role in changing the course of history, as well as the direction of the lives of those Vietnam-era veterans who have been unable to find their way back into the mainstream of American life.●

ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. McCLOSKEY. Mr. Speaker, during debate on the Alaska National Interest Lands Conservation Act, I offered, and the House accepted, four important amendments to the Udall/Anderson bill. I would like to further explain two of those amendments.

The first amendment has two parts. The first limits subsistence uses of wild, renewable resources to "rural" Alaska residents. Although many residents of Ketchikan, Juneau, Anchorage, and Fairbanks may use such resources for personal or family consumption, they are not intended beneficiaries of the commitment of this Congress to the protection and continuation of the subsistence way of life. Consequently, they are not included within the purview of the subsistence management system established in Udall-Anderson. My amendment clarifies this point by limiting the applicability of the definition to residents of the rural areas of Alaska, including the many Native villages scattered throughout the State. Residents of Native communities such as Dillingham, Bethel, Nome, Kotzebue, and Barrow should be included within the definition.

The second part modifies the phrase "customary trade" to insure that such activities remain "noncommercial" in character. The original words "customary trade" in the definition of subsistence uses recognized that some participation in the cash economy is essential to the continuation of the subsistence way of life in rural Alaska. The sale of furs by rural residents in their own areas (as opposed to the sale of furs by urban residents who may maintain trap lines in rural areas) to meet the requirements of the cash economy imposed on village life is a necessity if that way of life, and its attendant cultural values, is to survive. Similarly, the sale within the village of salmon strips, dry fish, and other fish and wildlife parts also is within the purview of the term. However, obvious commercial activities are not protected by the definition.

For example, while section 304(d) permits commercial fishing activities within wildlife refuges, rural residents who engage in such activities may not do so under the guise of "subsistence." Unfortunately, the interface between "customary noncommercial trade" and the "commercial" sale of fish or furs cannot be specifically defined in the statute. Everyone agrees that a rural resident who earns the few dollars a year from his trapline required to purchase fuel oil, gasoline, clothing, and other items essential to rural life is included within the subsistence uses definition, while a rural resident who earns $40,000 a year from the sale of furs is not. But what about the rural resident who earns $10,000 per year through allegedly subsistence trapping? Clearly, earning more than necessary for rural subsistence causes the activity to become commercial in nature. In fashioning an equitable and culturally sensitive subsistence management system, there is no way to set a dollar figure by statute under today's inflation rates which might not be irrelevant or unfair within a few months. My amendment is intended neither to settle the precise dollar figure which causes subsistence efforts to become commercial. Section 709 of Udall-Anderson requires the Secretary to prescribe necessary regulations to carry out his subsistence management responsibilities. Such regulations should include a definition of "customary noncommercial trade" which has been subjected to public scrutiny and comment during the rulemaking process. In the current regulations for the Klamath River, for example, "subsistence" has been limited solely to salmon taken for eating by the Natives or his family. My amendment is intended to clarify the intent of the "subsistence uses" definition that the sale of wild, renewable resources by rural residents must be limited to an activity undertaken in support of the customary subsistence way of life rather than a means of commercial enterprise conducted for profits beyond subsistence needs.

The second amendment would insure that any valid existing claim to a mine within any conservation unit, including a wilderness designation, has the surface access reasonably necessary to mine the claim. "Access" would include more than the claim itself; it would also include service roads, powerplants and lines, disposal and tailings areas, and accommodation facilities such as mill sites.

It seems unreasonable to indicate to a mining company, which has an undisputed valid existing claim within a conservation unit, that they have the right to the proceeds of the mine, without allowing them the surface or other access necessary to economically operate the mine.●

IMPROVE OUR PASSENGER RAIL SYSTEM

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PEASE. Mr. Speaker, the passenger train in this country is a necessity for intercity travel—no longer is the Federal Government just doing the American public a favor by providing the option of traveling by train. The skyrocketing cost of gas has caused many to already move from their car to the train. Amtrak ridership has shown a strong increase since this winter and is expected to jump dramatically during the coming summer travel months. These gains are not a passing interest in the trains, but a clear signal of the growing demand for public transportation between cities.

I have remarked to my colleagues on several occasions in the past few years that we must support and improve passenger rail system. We will increasingly face the situation where business and families will be left with no means of intercity travel unless the train stops nearby.

I do believe in the vital benefits of the train. Service can be provided efficiently and comfortably. The development of major intercity, interstate corridors will greatly lessen our unreasonable dependence on the private car and greatly increase energy efficiency in the transportation sector.

The Congress would be working at cross purposes to produce one Government policy aimed at reducing gasoline consumption by raising the market price of gas and, at the same time, move to dismantle our passenger rail system. It is no wonder the American public feels that Congress and the entire Federal Government is purposely putting them between a rock and a hard place! A major premise of a coordinated effort to significantly reduce fuel consumption in individual travel must be the passenger train.

The following are recent commentaries discussing the irony of prohibitively expensive travel by car and the proposed dismembering of the Amtrak system. I urge my colleagues to reflect on these points when the House is asked to vote on the Rail Passenger Service Act Amendments of 1979.

I feel that Congressman FLORIO and his Subcommittee on Transportation and Commerce have presented a practical, progressive piece of legislation to the Members of the House. Foremost in this bill are those provisions that give Amtrak a multi-year authorization and make significant changes in the regional rail program. The latter will allow States to take the initiative to promote and operate passenger rail within their State and with neighboring States. I know there is much interest within my own State of Ohio for an intercity rail system.

A "yes" vote on this legislation will make these innovative changes possible.

The articles follow:

[From the Washington Post, May 11, 1979]

HOW MANY TRAINS?

Just when its national rail-passenger network is facing severe cutbacks, Amtrak's business has surged. With gasoline supplies uncertain and air travel snarled by the United Airlines strike, thousands of travelers are rediscovering trains. Amtrak has just assigned more cars to its Los Angeles-San Diego line. Advance bookings for several long-distance routes are mounting fast as nervous families try to tie down their summer plans.

Does this make it shortsighted and ill-timed to eliminate over 40 percent of Amtrak's mileage, as the Carter administration has proposed? In general, no. Outside the Boston-Washington corridor, Amtrak carried only about 8.6 million passengers last fiscal year. That is a tiny fraction of intercity travel, but one that consumes large subsidies.

According to the Department of Transportation, eliminating 12,000 miles of sparsely used lines would affect just 9 percent of Amtrak's current ridership and save almost $1.4 billion in the next five years. A vast throng of new passengers—far more than anyone anticipates—would be needed to overcome that kind of arithmetic.

Congress seems to agree that future federal investment in Amtrak should be concentrated on the most heavily used lines. Efforts to disapprove the whole DOT cutback plan have not gotten anywhere. Instead, the Senate and House committees are trying to save a few of the 16 threatened routes, including the Washington-Montreal route, and encouraging varous states to help sustain others. At the same time, the lawmakers seem willing to provide a fair amount of capital for new equipment and track repairs on the remaining Amtrak lines.

That general approach makes sense. Where enough people do ride the rails consistently, not as a last resort or a one-time trip-of-a-lifetime, there ought to be good service and good trains.

Our Railways Need More, Not Less

(By Michael Frome)

The US may be a superpower militarily and politically, but when it comes to rail transportation, it is a pitiful giant. Our roadbeds and passenger trains are state-of-the-art as of approximately 1890. Amtrak was supposed to change all that. But now, the Carter Administration proposes to emasculate Amtrak, with a wholesale elimination of routes. This counter-productive strategy, favoring energy-intensive highway traffic over energy-efficient rail service, evoked a strong protest from Michael Frome in the *Los Angeles Times* of March 25, 1979.

Congress is considering recommendations of the Carter Administration about the future of Amtrak.

Secretary of Transportation Brock Adams calls his proposed truncated route plan "a streamlined national network," but it impresses me as a bizarre design to effectively terminate long-distance recreational rail travel and adversely affect the environment.

If this plan is accepted by Congress, passenger service will be restricted to business corridors. That is the clear intent.

One of the first trains to go will be the San Francisco Zephyr, the pioneer transcontinental link between Atlantic and Pacific coasts, which affords some of the most scenic vistas offered by any train on Earth.

SERVICE TO PARKS

Service to major western national parks—Yosemite, Yellowstone and the Grand Canyon—will be eliminated with cancellation of the San Joaquin, North Coast Hawatha and Southwest Limited. Skiers heading for New England resorts will be affected by elimination of the Montrealer, the popular route between Washington and Montreal.

The Florida service will be sharply reduced, so they might as well cancel it all, because it is frequency of service that attracts patronage and makes any transportation route viable.

The Administration program supposedly is intended to help balance the budget and to benefit the taxpayer by removing the prefix "heavily subsidized" from the word Amtrak. But the issue is deeper than subsidy, because all forms of transportation are underwritten with federal funds.

According to a study of transportation subsidies released early this year by the US Conference of Mayors, a total outlay of $75 million during the period 19971 to 1977 was distributed as follows: highway transportation, 55 percent; air transportation, 18 percent; urban mass transit, 12 percent; domestic water transportation, 6 percent; ocean shipping, 5 percent; and rail transportation, 4 percent.

There's not much savings to be gained, either. The Administration would eliminate 43 percent of the Amtrak System but achieve only an 8 percent reduction in the yearly budget. It stands to reason there's more revenue to be made in the long hauls, as the airlines have demonstrated. Amtrak's biggest success story, in fact, is the Coast Starlight, running between Los Angeles and Seattle, but this is the kind of service the Administration proposes to eliminate, rather than to expand.

DESPITE STRONG OPPOSITION

The basic difficulty, as I see it, is that President Carter and Secretary Adams have been consistently pushing freeways for our future. Despite strong citizen opposition, the secretary has given the go-ahead for interstate highways at the edge of Washington, D.C., and in the heart of New York City. Now the President's new budget provides for an increase in highway construction, even while the world recognizes the automobile as a waster of precious petrol and polluter of air that people breathe.

Rail is the most energy-efficient of all forms of transportation. According to studies, a single Amtrak train yields 500 passenger miles per gallon of fuel, while a bus and a six-pessenger car (getting 40 miles a gallon) each yields 250 passenger miles per gallon, and a Boeing 747 only 62. During the fuel crisis of 1973–74, Americans showed they would ride trains when automobile fuel is in short supply, and there is no reason to doubt they would do it again.

This country once had a great rail system, which Congress should aim to reinstitute. Although Amtrak has made its own share of mistakes, essentially it's an experiment that has never really been given a chance to succeed. It needs a long-term commitment and recognition that the largest possible system assures the lowest deficit per passenger mile.

Congress has until May 1 to reach a decision about the Department of Transportation's final route plan. If neither House nor Senate passes a resolution of disapproval, the plan will become effective.

But decision by default won't answer the critical needs of providing energy-efficient transportation, of serving the great recreational areas where tourism figures prominently in the economy, and of insuring a safe and convenient means of going places that is part of American life.●

FARM WATER ACT OF 1979

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. McKAY. Mr. Speaker, today I have the privilege of introducing the Farm Water Act of 1979, which provides for the modernization of the Reclamation Act of 1902. This bill preserves the basic framework and the main functions of the Reclamation Act but provides a statutory basis for undoing the mischief which would have been created by the regulations proposed by the Secretary of the Interior in August of 1977.

I am pleased to be joined in the introduction of this legislation by a number of our colleagues, including the distinguished minority leader, the gentleman from Arizona, Mr. Rhodes; the distinguished chairman of the House Committee on Public Works, the gentleman from California, Mr. Johnson, and 20 others.

Entirely aside from the provisions of the bill itself, this legislation is important because of the manner in which it was put together. It represents more than a year of work by the people who live with and work with reclamation law in the field, where it counts. It was not prepared by academicians, or by congressional staff people, or by the people who are running the Department of the Interior.

This legislation has a broad base of organizational sponsorship and support outside the congress, primarily under the umbrella of the Farm Water Alliance. Either this specific bill, or the basic principles it enunciates, have been endorsed by the National Association of State Departments of Agriculture, the Western States Water Council, the National Water Resources Association, the Water Resources Congress, the American Bankers Association, the National Association of Realtors, American Agri-Women and many State and regional water and agricultural organizations.

The bill deals with all of the major problems posed by the regulations proposed by the Secretary of the Interior in 1977. These include:

First. Residency. The bill makes clear that residency is not required.

Second. Land ownership. The bill permits ownership of 320 acres per family member instead of the current 320 acres.

Third. Validations. The bill provides that previous contracts and written representations of the Department of the Interior are valid and that the people of the United States can rely on the representations of their Government.

Fourth. Equivalency. The bill provides that the basic 320-acre limitation shall apply to class I soils and that where poorer soil conditions are encountered, the limitation shall be adjusted upward accordingly, and that this equivalency concept will be applied without regard to the length of the growing season.

Fifth. Exemptions. There are a number of exemptions which provide that under certain circumstances, acreage limitations shall not apply. These would include cases where the repayment obligation of an irrigation district has been paid off; where less than 25 percent of an irrigation water supply is provided by a project; where the project has been built by the Corps of Engineers, and so forth.

Sixth. Commingling. The bill deals with the problem of commingled waters in a number of ways, including a definition of what is deemed to be "project water" in a reclamation project.

Seventh. Antispeculation and windfall profits. The bill provides that the buyer of excess lands cannot sell them at a profit for 10 years. This will eliminate speculators.

Eighth. Sale of excess lands. The bill provides that excess lands shall be sold by the seller to a buyer of his choice, at a price not reflecting project benefits.

Ninth. Leasing. The bill is silent on the question of leasing, thus leaving it to the farmer to determine the size of his own operation, based on his management skills and capital resources.

Mr. Speaker, I ask unanimous consent to have printed in the RECORD a summary of the bill.

The summary follows:

SUMMARY: FARM WATER ACT OF 1979

The enacting clause of the Farm Water Bill of 1979, specifies that the Act would amend and supplement the acreage limitation and residency provisions of the federal reclamation laws, which are comprised primarily of the Reclamation Act of 1902 and the Omnibus Adjustment Act of 1926.

PREAMBLE

Section 2 states the purpose of the Act: to encourage and preserve viable farm operations in reclamation project areas. The Act places reasonable restrictions on federal project water recipients in return for the use of the public investment. This section recognizes that all taxpayers contribute to project costs and that none should be barred from the opportunity to share the benefits.

DEFINITIONS

Section 3 defines certain terms used throughout the Act.

VALIDATION

Section 4 stipulates that all federal written representations, rulings, opinions relating to the acreage limitation provisions upon which districts and land owners have previously relied, will remain in effect—providing for consistency and fairness in government.

ACREAGE LIMITATIONS AND EQUIVALENCY

Section 5 increases the ownership limit on land eligible to receive project water to 320 acres in each water district—acknowledging the economic and technological changes that have occurred since the 160 acreage limit was set in 1902. A second major thrust of this section introduces an equivalency concept allowing areas with lower productivity potential, due to such factors as geology, crop economics and climate, to receive water on more than the 320 owned acres. This provision emphasizes fair application of the federal benefits to the users. A third aspect of this section preserves present law by allowing lenders that acquire property by foreclosure to sell within a five-year period without government price approval.

APPLICATION OF ACREAGE LIMITATION

Section 6 defines certain exemption from federal reclamation law. Introduces a payout plan that gives reclamation districts the opportunity to repay the public investment in full or in periodic payments with interest, thereby relieving the land within the district from acreage limitations. Exempts from acreage limitations land that receives 25% or less of its irrigation needs from project water.

Also exempts from acreage limitations, depending on water sources, certain lands including: those receiving water from temporary projects; those within U.S. Army Corps of Engineers projects; lands on which water is merely diverted or regulated by project facilities; and lands receiving project water unavoidably through seepage, deep percolation or ground water recharges.

The water rates and contract costs would be determined in accordance with generally accepted utility rate-making standards.

CERTIFICATION

Section 7 concerns projects for which the public investment has been repaid, and provides for a certificate that can be recorded for lands within those projects, declaring that they are free of the acreage limitations.

WATER EQUIVALENCY

Section 8 provides that if less than 25% of the total irrigation supply of water to a tract is supplemental project water, the basic entitlement of 320 acres can be increased in proportion of the decreasing supply of project water. It allows more acres if less than 25% of project water is needed to complete a farm supply.

EXCESS LAND CONTRACTS

Section 9 stipulates provisions under which owners of land in excess of the 320 acreage limitation can receive project water, and provision under which excess lands can be sold. Those provisions include the private property owner's right to select the buyer and to sell the excess land at its fair market value, without reference to project water. Also, this section provides that for lands held in excess of 320 acres, project water can be delivered if a recordable contract for the sale of the land has been executed under reclamation law. Upon disposition of excess lands, the Act further stipulates that the seller can retain rights to the property for non-agricultural purposes; and provides an extension of the ten-year recordable contract in which excess land must be sold, for the period that sales are not permitted either administratively or by court order.

ANTI-SPECULATION

Section 10 prevents land speculation in reclamation areas by removing the opportunity, under present law, for a buyer to purchase at the low, government approved price and resell immediately at the higher market value. This section prevents windfall profits to speculators and abuses of the federal benefit by requiring that landowner retain the property within a family for ten years before selling it for anything more than cost plus an inflation allowance. Lack of compliance makes the land ineligible to receive project water.

RESIDENCY NOT REQUIRED

Section 11 amends the acreage limitation and repeals the outdated requirement of the 1902 Act (which was ignored in the 1926 Act) that required homes to be located in the neighborhood of the farm receiving project water. This section frees the private property owner from a government edict as to where the owner must reside.

APPLICATION

Section 12 specifies that the Act applies both to existing and future federal reclamation projects and stipulates that any exemptions or modifications of acreage limitations previously afforded will be honored by this Act.

CONSENT TO SUE

Section 13 grants landowners and other entities contracting with the federal government for project water the right to bring the United States of America into court for purposes of validating contracts and written representations.

CONSTRUCTION CONTRACT

Section 14 restates certain language existing in federal reclamation law that is consistent with the Act concerning the maintenance and enhancement of the fiscal integrity of federal water projects.●

MAKING MENTAL HEALTH A PRIORITY

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. MAGUIRE. Mr. Speaker, as a member of the Subcommittee on Health and Environment, I have been concerned with addressing the compelling needs of the millions of Americans affected by mental health problems. Today is a particularly important and exciting time in the evolution of our Nation's mental health policies.

In 1963, President Kennedy sent to the Congress the first Presidential message on mental health. In it, he proposed a national program to care for the mentally ill with a whole new emphasis and approach. That program, based in large measure on the report of the Joint Commission on Mental Health and Mental Illness, became the Community Health Centers Act in 1963.

Last week, President Carter sent to the Congress a second Presidential message on mental health that proposes an important refocusing on our Nation's most urgent mental health needs. This proposal has been developed in response to the recent report of the President's Commission on Mental Health, prepared under the extremely able and dedicated leadership of Roslyn Carter, our first lady.

The Commission's report provides us with a remarkably illuminating analysis of the successes and serious deficiencies of the current mental health care system as it has evolved since the report of the joint commission.

We now have over 700 community mental health centers, serving almost half of the catchment areas in the United States. There has been a dramatic rise in the types and number of mental health care providers. Research has assisted in developing and refining new modalities of care.

As the President's Commission noted, however, the scope of the problem is great. While for some Americans, the mental health system poses no problems, and they are able to obtain care when they need it, for far too many this is simply not true. There are still millions of Americans who remain unserved, underserved, or inappropriately served because of financial barriers, where they live, or because of their age, sex, race, or cultural background.

I am particularly concerned about two areas that I feel deserve special attention:

The plight of the chronically mentally disabled and,

The long ignored mental health needs of children and adolescents.

Throughout history the mentally ill have been subject to exclusion, neglect and abuse. In the 1950's and 1960's there were frequent exposes of the inhumane care in large State institutions. In recent years, the media has been replete with description of the neglectful "non-system" of services in the community for patients that have been "deinstitutionalized." For many of the chronically ill, some of the most basic human needs of nutritious food, personal safety, and sanitary living conditions are not being met—let alone the provision of high quality mental health services. The 1977 General Accounting Office report on deinstitutionalization quite clearly demonstrates the lack of leadership and coordination at the Federal level. Equally clear is the lack of adequate funding for the development of comprehensive, coordinated support systems for these people.

There has, however, been some small but important movement in a positive direction. For example, in my home State of New Jersey, there has been a limited program whereby the State's Division of Mental Health and Hospitals has contracted with local nonprofit organizations in the communities to provide support services for patients discharged from State hospitals. Programs of this type have enormous potential for beneficial effects in both human and fiscal terms. One study in New Jersey indicated that the recidivism rate for former State hospital patients discharged from State hospitals who became involved in community programs was 7 percent as compared to 70 percent for those discharged to communities which lack such programs. Unfortunately such programs are few, and even those that do exist are quite modest in relation to the need.

It is absolutely critical that the Federal Government in partnership with the States and localities, develop comprehensive, coordinated support programs for chronically ill people.

Another urgent need, that for too long has also been given only lip-service, is the care of children and adolescents with emotional problems.

I have introduced a bill, the Child Health Assurance Act of 1979, the CHAP bill, to assure that many of the children from poor families have access to services to prevent and treat serious health problems.

As many of you may know, last year the House Commerce Committee rereported a CHAP bill that went far beyond the rather minimal program proposed by the administration. Unfortunately in the crush of the last few days of the 95th Congress, the bill did not reach the floor for a final vote.

This bill, quite similar to the bill that was reported out of committee last year, is designed to replace the existing early and periodic screening diagnosis and treatment program which has not made services available to all who need them, has been ineffective in even reaching those that are eligible, and has been unable to assure the proper treatment of conditions that are discovered. My CHAP proposal fills the need for a program for the prevention of disease and the promotion of health, that provides poor children with a source of comprehensive and ongoing quality health care.

The interdependence of mental health and general health is quite clear and my bill provides for mental health care for those children, properly assessed, who need it. As the President's Commision noted, far too many American children grow to adulthood with mental disabilities which could have been addressed more effectively earlier in their lives through appropriate intervention. Many do not have access to such services because of financial barriers. For many others, even if they could afford it, far too few have available in their communities an acceptable range of services appropriate for their needs.

Adolescence is a distinct and very vulnerable developmental stage. It is a confusing time of rapid physical, sexual, cognitive, and emotional changes in young people. The rapid social changes of the past decades have had dramatic impact on the social and psychological stresses faced by many young people during this critical period. This has been evident in the growing delinquency rate among young people (especially teenage girls), the increasing use of drugs and alcohol, the rise of various cult movements, the epidemic of teenage pregnancy and, most tragically, the number of youths who take their own lives. In my own hometown of less than 25,000 people, 4 young people in the past 2 years have taken their lives. On a national basis the suicide rate for adolescents has tripled in the last 20 years—it is the third leading cause of death in that age group.

It is clear that we need to develop flexible systems of coordinated care that address these very real and very tragic needs. I believe that the Mental Health Systems Act goes a long way toward doing exactly that. The bill provides a flexible approach by which States and communities can plan, develop, and implement programs that systematically and comprehensively meet the mental health needs of their citizens, with emphasis on high risk and underserved groups.

Under this bill, States will, as a condition of participating in its benefits, have to develop mental health plans that assess mental health service and manpower needs, particularly for high risk, underserved, or inadequately served population groups. These plans will also have to show how the rights of the mentally disabled will be protected and must, in addition, provide for protecting the interests of employees of institutions whose interests are adversely affected by a required emphasis on community-based care instead of institutional care.

Title I of the bill would authorize performance-based project grants to be used by the States to support State and local level planning for, and development of, a system of mental health and support services (such as other health, housing, transportation, and social services) for chronically mentally ill adults and children who need both types of services to help them live in noninstitutional settings; for State and local coordination of these services; for improving at both levels the availability of and competency of personnel providing these services; and for providing retraining and job placement help to former institutional employees adversely affected by the emphasis on noninstitutional care for the chronically mental ill. This authority would accomplish the goals, establised by the President's Commission on Mental Health, of assisting the chronically mentally ill through phasing down large State mental hospitals, upgrading the quality of services in remaining institutions, and providing quality aftercare services and appropriate alternatives to institutionalization.

Under title II of the bill project grants would be available to the States to promote the development of prevention services through planning, information training, and demonstration programs. This authority would primarily be used for demonstration programs. It would complement Federal programs, under existing legislation, of research and training aimed at preventing mental illness.

Title III of the bill recognizes and builds upon the role the States have played in the financing and administration of mental health services. It would authorize project grants to the States to help them improve their date analysis, planning, performance standard setting and enforcement, and monitoring and evaluation capacity in the mental health area.

The community mental health services title of the bill (title IV) would provide continuity with the earlier national goal of access to comprehensive mental health services under the existing Community Mental Health Centers Act while providing more flexibility in funding than has been available in the past. A variety of new grant authorizations in this title will allow community agencies to implement effective mental health programs that are sensitive to their own as well as to Federal and State priorities.

Special linkage grants will encourage coordination and integration of mental health services provided in mental health or primary care settings. Finally, funding for community mental health centers under the existing grant programs could be continued for the length of time provided under current law and there is a provision for grants to fund services that are currently not reimburseable.

A special manpower provision amends section 303 of the Public Health Service Act to improve the distribution of mental health personnel by requiring those receiving training assistance under that section of the act to work in unserved or underserved area.

Although this bill represents an important step in advancing the mental health of our citizens, there are three areas in which I believe it can be improved. First, while there does need to be greater flexibility in funding mental health services to meet community priorities, there needs to be better mechanisms to prevent fragmentation of service delivery and to provide incentives for communities to develop comprehensive services. Second, while the bill does require the development of performance measures for use in considering grants, and also allows the use of cooperative agreements, it does not quite fully reflect the concept of Federal-State-local partnerships in performance contracts as described in the President's Commission report, here needs to be a more specific delineation of these criteria and mechanisms in order to assure that resources are devoted to those most in need, and to maintain proper accountability. Finally, while there is a separate title in the bill for meeting the needs of the chronically mentally ill, of all ages, there is insufficient emphasis on the particular needs of children and adolescents.

In sum, however, the Mental Health Systems Act is a meaningful, significant, and necessary step toward advancing the treatment of mental illness in our Nation. Mrs. Carter and the President should be applauded for the contribution this proposal represents. I urge my colleagues here in Congress to now give this bill prompt and favorable consideration.●

VOLUNTEER CONCEPT MAKES NO SENSE FOR ARMED FORCES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. McDONALD. Mr. Speaker, today I am placing in the RECORD the second of a series of two articles by Maj. Gen. John K. Singlaub, USA, retired. This particular article appeared in the Sunday Atlanta Journal and Constitution of May 13, 1979. The first column of this series can be found in the May 10, 1979 RECORD, p. 10786. In the column General Singlaub discusses the very important manpower issue. The talk of registering young people for the draft has opened the old Vietnam wound again, but this is not the proper framework for the debate. Hopefully, we are not going to get into another Vietnam. What may happen now, however, is a Soviet attack on our European NATO allies. In our present condition, we are ill-prepared to meet our NATO commitments. In my view, it is no longer a question of who registers or who serves, but a question of the survival of Western civilization as we know it.

General Singlaub's column follows:

VOLUNTEER CONCEPT MAKES NO SENSE FOR ARMED FORCES

(By Maj. Gen. John K. Singlaub)

A growing number of military and other government leaders here at home and in pro-Western and neutral countries abroad are expressing concern about the weakness of U.S. conventional military forces.

In equipment, the picture is not so dire, although the denial to U.S. forces of enhanced radiation weapons and ground and sea-launched cruise missiles by the present administration is viewed by many as inexcusable.

But of primary concern is personnel.

It now appears clear that the all-volunteer force will no longer be able to meet the needs of the services, especially the Army. The curves are all down. The concept of a U.S. "mercenary" Army has never met with my approval. I take the position that combat soldiers in the United States Army should be motivated by a sense of loyalty to the country and appreciation of the values of our system, rather than how much they will be paid at the end of the month or the skills they will acquire after they leave the service.

None of the services met their quotas for the past years. In the case of the Army, the current forecasts are that recruiting adequate numbers of male or female personnel will be increasingly difficult.

In the Army reserve forces, we will be 150,000 short of our mobilization requirements. And in the individual ready reserve, we will be at least 400,000 below the mobilization requirements.

The simple fact is that we must return to some form of selective service. That the draft system in operation during the Vietnam War had its faults and did not place the burden of military service equally on all elements of our society was not, in my judgment, a logical reason for eliminating it. The system needs correcting, and correcting the system was not all that big a problem. The solutions were obvious.

We all know that the cancellation of the draft was a political maneuver to reduce political pressure from recently enfranchised draft-age young people who viewed the war in Vietnam as unworthy of their participation and possible sacrifice. The resort to the all-volunteer force, however, never made any sense from a military point of view, and the evidence now supplied by several years of experience with the volunteer system supports the point that canceling the draft was a serious mistake that needs to be rectified immediately.

The inescapable facts are these. We do not have enough personnel volunteering for service in the active Army, and the strength of the National Guard and Army Reserve continues to decline. Despite an inordinate amount of time devoted to recruiting for the reserve components, the lack of incentives and obligation to serve in the reserves has caused the strength of units and the individual manpower pool to sink to dangerously low levels.

In fact, we cannot meet the urgent needs of the first 30 days of a NATO emergency. This situation can only be corrected by a return to some form of selective service.

An additional related problem is the fact that as the technical quality of our equipment goes up, it takes brighter and better-trained people to man and operate those weapons. Unfortunately, many of the young people who are graduating from our high schools today do not possess the essential prerequisites of reading, writing and arithmetic to learn these technical skills.

Much of the Army's time is diverted from military training to correcting this nationwide educational deficiency.

One of the policies forced on the military establishment by this administration to compensate for the shortfall in male volunteers is to recruit more and more women for the nontraditional female roles, including those involving combat. I am fundamentally opposed to placing women in combat units in the United States Army.

As a nation, we do not need to resort to women in combat units. And the new-found feeling among women in this country that they must be treated equally—justifiable as that feeling is—simply has no application to the battlefield.

I have told the story many times about our experience in Korea at the time of the infamous tree-chopping incident. It deserves repetition. We have not had a similar experience, of troops on a high state of alert with women soldiers in the area.

What we saw was that the male soldiers abandoned their normal duty stations and responsibilities to take care of the female soldiers. That is what happened—and legal niceties will not change that fact. The American male has been conditioned to protect the female—and I applaud that conditioning. There are roles for women in the military. But not in combat units.

I think the major reason that we are not getting the proper people in the armed forces these days is that our national leaders have not been leveling with the American public about the nature and extent of the military threat to U.S. and Free World interests throughout the world. The impression being left is that we are establishing a new rapport with the Soviet Union, that our SALT negotiations are going to allow us to reduce our strategic inventory, and that we are moving from confrontation to civilized competition.

That is a total and complete delusion. There is no rapport with the Soviet Union. The record of SALT is deplorable. The effect of SALT has been to restrain the U.S. unilaterally, while providing a license for the expansion of Soviet strategic capabilities. The record of detente is no better.

The Soviet-Cuban aggressions throughout Africa and the provocative role of the Soviets throughout the Middle East can hardly be cited as examples of reduced international tension.

What altogether too few Americans seem to sense is that these activities are the preamble to economic warfare, the like of which this country has never seen. The vital ores of southern Africa and the oil of the Middle East are the targets of these communist-inspired and communist-backed actions. And if those targets are reached, the United States faces economic disaster.

Despite all the talk about detente and SALT, the reality is that we are militarily inadequate to take the necessary actions to defend our interests in all but the most favorable and nearest locations. For that matter, we have not been able to get the Soviets to withdraw their nuclear-capable MiG–23s from Cuba, 90 miles off our shores. The introduction of these offensive nuclear weapons is in direct violation of the Khrushchev-Kennedy agreement of 1963 and tends to underscore the reliability and trustworthiness of our SALT partner.

In short, the lack of candidness and blunt honesty by our national leaders—which includes Republicans as well as Democrats—means that our young people do not feel any reason for considering service in the armed forces of their country—let alone the possibility of sacrificing themselves on behalf of their country. Our leaders are not spelling out the threat to the personal freedoms of the people of this country posed by the world communist movement.

I cannot blame the young people. I have talked with untold thousands of them in the past year. I have developed a new appreciation of how they feel. And I have some sympathy with their position as they perceive it. The problem, once again, boils down to the lack of leadership at the top.

Which takes me to my final point, clearly announced and often repeated, Soviet military policy is to gain total military superiority over the United States and those nations allied with us. The Soviets are well on their way, and they are ably and energetically supported by many of their allies.

In comparison with the United States, the Soviets have a massive advantage at the conventional level, and they have also gained an important margin of superiority at the strategic level, a margin that is growing rapidly despite SALT—or maybe it would be more accurate to say because of SALT. From a ground and conventional forces point of view, that fact means that we do not have the option of fighting ground battles in the most efficient and logical way—witness the catastrophe of Vietnam. We no longer have the option—if we are honest with ourselves—to escalate an unfavorable conventional conflict to the nuclear or strategic level.

This means that the Soviets are in the position to employ conventional and guerrilla warfare almost anywhere on the globe with impunity. We can be coerced. We are being coerced. Those occasional bold words that some of our leaders use in public speeches are recognized by both allies and enemies alike as being unsupportable.

In short, the challenge to the informed and concerned citizens of this country is to get our leadership to face up to the unpleasant reality of the world communist challenge to human freedom and dignity—and to level with the country about the imminence of the threat to this country and to our very survival. And that is precisely what is at stake.

The weapons and policies recommended in this defense budget are completely inadequate, and the rationale behind them is based on continuing faith in the ultimate success of SALT and detente. Soviet behavior is being all but ignored.

I remain convinced that if the leaders of this country will tell the people the truth and explain to them the sacrifices which the nation must make to develop the military strength it needs, the people will respond.

Everywhere I have gone in recent months, I have found the American people grateful for facts—however unpleasant—and yearning for leadership. Their assessment of Washington ranges between disappointment and disgust. And they know innately that something drastic has to be done.

They sense before they are told that national policies are made, as a general rule, by an elite in our government that has for years ignored the public's views and has felt little, if any, sense of responsibility for justifying their decisions to the people. The giveaway of the Panama Canal is but one example.

If I can get one basic message over to the American people it is that what is needed in the country is a new compact, a new covenant, between the people and their leaders. We cannot correct the mistakes that have been made in our military and foreign policies without a revival of Americanism, which must begin with honest statements from our national leaders.

We must convince our congressional representatives that their only chance for return to Washington in 1981 is to demonstrate to their constituents a willingness to "tell it like it is" and to face the real world of today rather than the one we would like to have. This type of honesty will require some tough and sometimes unpopular legislative decisions.

It will certainly require an increase in defense spending and a relook at national priorities. If our congressional delegations in Washington will take the lead in this reassessment and reorientation, the nation will have a bright future—and so can the cause of freedom. Otherwise, the course ahead for this nation and the rest of the Free World will be one of violence and possible disaster.●

WALTER MAX MAYER

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. McCLOSKEY. Mr. Speaker, a few years ago it was my pleasure to meet a truly great and quiet man, Walter Max Mayer of Santa Fe, N. Mex. He was not a politician, although he was once elected to public office in his hometown. He was a cattleman, and his wife, a great woman in her own right, referred to him as a "cowperson." He served with honor in World War I, and was beloved by all who knew him. I have heard a number of people eulogized and praised in these chambers, but I know of no one so eulogized or praised whom I have respected more.

Walter Mayer died recently. His son, Tom, my single delegate at the 1972 Republican Convention in Miami Beach, gave a brief eulogy which I am pleased to insert here in this Journal of our Nation's history, believing it will do honor to Walter Mayer's family, his State, and the Nation, in which, as his son points out, Walter Mayer lived quietly, cleanly, courageously, and with grace and humor:

WALTER MAX MAYER

We come here today to bury my father and to praise him. The praising is far easier.

One of the things I remember he praised was short speeches. I can think of only one he approved of competely—an inaugural which lasted less than five minutes. That occasion was made even better in Dad's view because the microphones failed and nobody beyond the first row heard anything at all.

He also always wanted to come to his own funeral. We told him he might not like what he heard, which didn't dampen his enthusiasm for the project in the least. The sight of so many mourning him would, as he'd put it, give him a delightful sense of well-being.

He was my friend as well as my father, and it is as a friend that he remains most vivid. He was honorable, honest, loyal, nearly endlessly tolerant, charitable, compassionate, shrewd, and intelligent. He was also a wit and a gentleman. That's a string of descriptions you might hear at any funeral. In this case they are true.

His friendship took many forms, not the least important of which was conviviality. I see a good many of you who were intimately acquainted with his Children's Hour. For those of you who weren't, the Children's Hour was a daily ritual, that good time of the early evening when he'd have a drink or several of them with men he liked and his Airedales. Children were expressly prohibited. He called the drinks mild stimulants and explained many times that they were necessary because the fathers of the race must be kept strong.

I think I was twenty-five before I was ever invited to a Children's Hour.

He was also, as they say in the livestock business, all right to ride with. It is not incidental to that notion that he was the best horseman I ever saw. Sometimes he would eat breakfast while standing on his head in the saddle.

I can think off hand of a score of sick, old people he visited regularly. Regularly doesn't mean at Christmas for five minutes, but two or three times a week. Some of those recipients of his largesse and affection were forgotten by nearly everyone else . . . and a few of them probably deserved to be. But they were his friends and that was all that mattered.

I also remember that for years at tax time Dad would disappear for a few days. He was trying to confound the IRS, but not on his own behalf. Dad's accountant then was both his friend and an alcoholic, and during the annual binge, Dad would live in his friend's office fending off both irate clients and government agents.

I could tell many more stories like that, and so could quite a few of you.

One of his qualities it took me longest to appreciate was his intelligence. That was partly his fault, because it was one of his few vanities to pretend that he was too old and too slow and too parochial to have valuable ideas. In fact he had a wide knowledge of engineering, geology, mechanics, agriculture, and many other technical things. He was very inventive and held several patents. He studied, learned, thought right up to the end.

But he was even more intelligent about people. If he liked you he liked you regardless of your faults—at times his friends' failings delighted him more than their virtues—but that in no way meant he was not an accurate judge of character. He was merely a generous one.

Several times he saw me becoming involved with someone he distrusted. He never said anything, on the grounds that parents shouldn't give advice unless asked. Later, after some singular disaster, which he had usually foreseen, I'd ask him why he hadn't said anything to me, and he'd say, "You probably wouldn't have listened." It got so I'd do almost nothing important without consulting him in exhaustive detail. The rest of the family did the same. As Twain said, it was simply amazing how much the old man learned as he got older.

Dad was not what you'd call a public man. At least not by choice or desire. He was elected to the Santa Fe City Council once. The idea of his running was mother's and Manuel Lujan senior's. Dad spent the campaign at the ranch or in Chicago. When he did come home to make his one speech he began by saying, "I don't want you to vote for me." When the press would call up to question him about conditions in the jail or potholes in the street, he'd say, "I don't know. I'll have to ask Peach what to say."

Yet I think Justice Holmes's definition of a successful life applies to him exactly; Holmes said, "I think that as life is action and passion it is required of a man that he should share the passion and action of his time at peril of being judged not to have lived."

Dad went off to World War One long before this country was involved in it, and much that was essential in his character was annealed in the charnel forge of the Meuse Argonne. He also lived and worked for a time in Mexico during the Revolutions. He had a recurrent dream in which he yelled aloud, "Come on, what's the matter with you people? Do you want to live forever?" He knew this Century in some of its darkest moments, and he knew first hand that life is unfair, nasty, brutish, violent, absurd, unpredictable, and too short.

To him that was all the more reason to live with honor. If his code was Edwardian, he'd also seen his Caporettos, so I hesitate to use a word like honor about him at all. It would have made him uneasy; honor was the sort of thing you could not explain and could only cheapen by discussion. So let me say merely that he wore it naturally and comfortably and automatically as one of those old ranch hats of his.

And say that while he was courtly, even gentle, he held that certain values you did not transgress, that there were certain of his lines you crossed at fatal risk.

As a father he taught entirely by example. He never told us to do anything unless mother made him, or unless he thought we needed a little coercion to please her.

To mother he was always supportive, considerate, and ardently attracted. He was proud of her and pleased by her. Their domestic quibbles were almost always humorous—she used to kick him under the table a lot, and often when they had dinner parties he'd say firmly that art of being a good guest is going home early. She was his best friend and his great love. Theirs was the marriage by which I shall always judge all others.

I suppose his single most salient trait was courage, and he had it in all its varieties.

I remember only one time when he wasn't perfect in that regard. He liked to get automobiles stuck. He liked to skid them too—one of his favorite diversions in icy weather was to drive around Federal Place and see how many complete spins he could make a car perform—but what he liked most was to try to get through some good thick mud. One time he and his brother and I got a car so thoroughly stuck it took five hours and a horse to extract it. Mother doesn't approve of getting stuck, we were late getting home, and Dad gave Jimmy and me fifty cents not to tell mother what had happened.

But he bore pain as no other person I have known. Once on a ranch a horse saw a rattlesnake and shied out from under him. He rode ten miles back to headquarters with a broken pelvis, drove fifty miles back to Santa Fe, and waited three days to see a doctor.

Another time, at the age of seventy-five, he helped push a woman motorist out of a snow bank in front of La Fonda. The woman thanked him by slamming her car door on his finger. A doctor friend of my brother's was visiting, and Dad showed him the injured hand. The doctor said, "My God that's the worst thing I've ever seen." Dad smiled and finished his business for the day before he went to have the finger set.

But he was much more than a simple stoic. He saw things clearly, he weighed them carefully when there was time for that, and he had the moral force to act decisively. Nothing illustrates what I mean better than the manner of his dying.

All of his bones were affected by cancer. Cancer had destroyed all of his vertebrae. His most serious complaining was to say once in a very great while, "I've got a little distemper."

When it was clear to him that the string was run out, that he couldn't do the things he liked any longer, that he would shortly become helpless, he put his affairs in order. That included telling a few people he disapproved of what he thought of them. He said goodbye to his family and many of his old friends, although his way of saying goodbye was so completely without affectation and melodrama that we see what he was doing only in retrospect. He told my mother, "You know I've had a lot of fun these eighty-two years." He wrote us a letter filled mainly with time-honored family jokes and concern for her.

And then he finished as he lived, cleanly, unhesitatingly, and with as much grace as a man can.

As William Butler Yeats said of himself, no conventional phrase will do for an epitaph, but Yeats' own lines serve for any father as well as any I know:

Cast a cold eye
On life, on death.
Horseman, pass by!

READ AT GRAVESIDE REQUIEM

Under the wide and starry sky,
Dig the grave and let me lie.
Glad did I live and gladly die,
And I laid me down with a will.
This be the verse you grave for me:
Here he lies where he longed to be;
Home is the sailor, home from the sea,
And the hunter home from the hill.●

GAINING LEVERAGE OVER OIL IMPORTS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. CONYERS. Mr. Speaker, a key, perhaps the key element in our energy policy failure today is the absence of any policy whatsoever that deals with the importation of foreign oil. Because we are unable to deal with foreign oil, especially the price-gouging on the part of the OPEC producers, much of the rest of the energy picture is so utterly bleak and seemingly beyond the control of the major consuming countries. The absence of an oil import policy is no accident. For decades, the oil companies have profited enormously from the existing arrangement, which they completely control, and which ties together so closely their own fortunes with the fortunes of the oil-producing countries. There simply is no countervailing force to restrain imported oil prices, and if decontrol goes unchallenged, the future prices of domestic oil as well.

Hobart Rowen, the distinguished economics writer of the Washington Post, has pointed out in a recent series on the energy crisis the twin disasters that lie ahead if we continue to purchase foreign oil without a countervailing buying power and also push ahead with a policy that decontrols domestic oil. Rowen writes:

> The solution to the energy problem is to gain control of the supply of oil and its use . . . by quotas and a government buying corporation if necessary.

He has performed a great service in raising awareness of the oil import issue, and I recommend highly to my colleagues two of his recent columns on this subject, that appeared in the Post on April 12 and May 10, respectively:

THE FALSE HOPES OF DECONTROL

(By Hobart Rowen)

Many independent thinkers, including editorial writers at The Washington Post and The New York Times, have convinced themselves that phasing out price controls on domestic oil, as proposed by President Carter, is the right policy. At least, they seem to believe, there is no reasonable alternative in sight.

But decontrol is predicted on twin premises, both of which are faulty. The first is that "Americans will react by insulating their houses, driving less and spending their money on things other than oil"—The Post.

The second is that higher prices will result in greater production, lower oil imports and regaining control "over the policies of the oil cartel—and its diplomacy in the Middle East"—The Times.

If only such results could be delivered! The basic flaw is the assumption that a free competitive market will utilize the price mechanism to balance out supply and demand.

But as the world has come to realize painfully in the past five years, there is no "free" or "competitive" market in oil. The price is set by the OPEC cartel, and we are marching to its tune.

If the advertised results were certain or even likely, decontrol might be defended. But every bit of evidence of the past few years shows that decontrol will neither discourage consumption nor add to supplies in an important way.

The oil industry itself doesn't claim that the combined potential of greater supplies and reduced consumption add up to more than 800,000 barrels a day in an economy that uses almost 20 million barrels a day. That's peanuts. And the cost is enormous: an annual windfall when decontrol is complete of $17 billion in extra oil company profits.

Let's examine first The Post's assertion that a consumption decline will follow price increases triggered by decontrol. The administration estimate (probably too low) is that decontrol will add 4 cents to 5 cents a gallon to retail gasoline prices over the next 30 months.

But in the economists' phrase, gasoline (and, to an even greater extent, heating oil) is highly "inelastic": People tend to buy the product (or must buy it) regardless of price.

Thus, the price of gasoline at the pump has gone from around 40 cents to 70 cents a gallon since 1973 without appreciably changing driving habits. A few more pennies will hurt in low-income brackets, but won't affect the average American's love affair with the automobile.

Significantly, real savings in gasoline consumption in this country since 1973 can be traced more to fear of supply shortages or interruptions than to price hikes. Thus, Congress can claim credit for forcing Detroit to make smaller cars, and economy-wise consumers have kept up the pressure on the U.S. industry by showing a preference for efficient imports.

How about The Times's claim that production will increase, once there is decontrol? That is even less credible. The fact is, as Sen. Henry M. Jackson (D-Wash.) points out, that U.S. companies already have all the incentive they need to search for new oil. There is virtually no price ceiling on new oil, which accounts for about one-third of U.S. output.

What happens under decontrol is that the industry in stages re-prices its "old oil"—two-thirds of total output—from $6 to the world price, now about $16 a barrel. If there is any 'extra" output, it's because the owners have been holding back production of old oil, anticipating decontrol. The Congressional Budget Office puts this potential trickle at 200,000 barrels a day. More optimistic estimates run to 400,000 barrels.

So holding out the hope that decontrol magically produces lots more oil is to further delusion. Worst of all, Carter's decision to decontrol, regardless of congressional willingness to recapture a share of that $17 billion bonanza for the companies, was an abdication of political leadership.

The solution to the energy problem is to gain control of the supply of oil and its use. The president and Congress can limit the inflow of OPEC oil—by quotas and a government buying corporation if necessary. That's the way to gain some leverage over OPEC policy.

Such an effort would have to be accompanied by mandatory conservation measures for industrial and private use. It might require rationing. It would involve a real effort to expand mass transit, and expand renewable sources of energy.

All the president has done by going ahead with decontrol is to assure the nation that energy will cost more, inflation will worsen, and the oil companies will prosper. There is no assurance of a major reduction in consumption or acceleration of supplies. Company shareholders may cheer, but why should anyone else?

HALF THE STORY ON DECONTROL

(By Hobart Rowen)

When Sen. Edward Kennedy blasted President Carter for "throwing in the towel" on the oil-decontrol issue, Carter tried to make the public believe there was no other choice. Oil decontrol, Carter said, had been mandated by Congress. Controls would thus expire in 1981, and he was merely phasing them out.

The president appears to have fooled a lot of people with that statement. The trouble with it is that it doesn't tell the whole story. President Carter, had he wished to—and if he had the guts—could have decided to propose and fight for an extension of oil controls.

But he didn't. Instead, as Rep. Toby Moffett (D-Conn.) said on "Face the Nation," he made what "is probably the most inflationary decision ever made by a president," costing consumers $86 billion in higher prices by 1985.

Why didn't the president decide to keep controls? The politics of it, as Moffett boldly said, is that "the Senate has been under the influence of the oil companies for ages." Carter was told that if he opted for continued controls, the Senate would hand him a bitter political defeat.

But the decision he's made, as Moffett said, could "jeopardize his reelection chances, and he's going to realize that more and more as he goes around the country."

Decontrol supporters cover a wide spectrum from Sen. Russell Long (D-La.), self-described "darling" of the oil and gas industry, to the liberal claque at the Brookings Institution. Oil tycoon Robert O. Anderson (ARCO) said the other day that decontrol means "we are moving toward a free-market economy in petroleum." A free market dominated by OPEC? Adam Smith must be gyrating in his grave.

Not one of the thousands of words of pro-control propaganda pouring out of the White House and the Department of Energy has ever explained how paying $16 a barrel for $8 oil increases the supply of that old oil

The "economic" rationale, or excuse, for decontrol is that if the price of U.S. oil isn't brought up to the world market, excessive use—hence, excessive imports—will continue, and exploration for new U.S. oil will be discouraged.

In reality, the price of old oil is already a rich reward, two and three times what the price was pre-OPEC. The Mobil Oil Company, second largest in the United States, stunned the rest of the industry by admitting that decontrol of old oil isn't necessary to create additional exploration incentives.

What Carter's decision will touch off is a new profits bonanza. Among other things, tax shelters will have new applications for wealthy investors with a taxable income of $60,000 and up. For the juicy details, see Business Week's May 14 issue.

But the oil lobby hasn't yet won the decontrol fight. An effort to block decontrol lost in a House committee by a hair—on a tie vote, 21 to 21. That showed much more support for continued controls than suspected, and House Majority Leader Tip O'Neil said he wouldn't block future anti-decontrol efforts.

It will be a long struggle, and the decontrollers still have the advantage. But with 3 out of 4 citizens showing up against decontrol in the polls, this promises to be a bloody political battle. Public pressure brought to bear on senators and representatives could turn the tide.

In any event, hostility toward the oil companies and the administration is likely to grow as phony gasoline "shortages" spread their way across the country.

The oil companies say gasoline refining is being kept below capacity to prevent worse shortages later on, and to ensure that there will be enough heating oil this winter. But as Moffett points out, no one knows the facts, because "we're still relying on oil company data after all these years."

It doesn't take a genius to figure out that the oil companies, whatever their legitimate inventory problems may be, are holding back some oil to make an extra buck. Says a well-known New York expert: "Inasmuch as all oil prices will move up with OPEC under decontrol, why rush to sell?"

The way to deal with the energy situation is to attempt to take the decision-making process away from OPEC. Decontrol means capitulation: It plays into the hands of Sheik Yamani and his counterparts as they sit behind closed doors and proclaim a new price for oil from time to time.

There *are* alternatives to decontrol, starting with a quota or ticket systems to limit OPEC imports. Energy economist Arnold E. Safer suggested in a New York Times article that we must learn to "bargain [with OPEC] over the price of oil, not let them set the price." Oil consultant Walter Levy would put all counter-OPEC strategy into an international consumers framework.

But pursuit of such alternatives to decontrol takes a courageous political leadership, of a kind that Carter so far hasn't shown.●

CRIMINALS PAID UNDER CETA

HON. JOHN J. CAVANAUGH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. CAVANAUGH. Mr. Speaker, I am today introducing legislation which would prohibit incarcerated criminal offenders from participating in the Comprehensive Employment and Training Act job training programs.

As a result of an investigation I have conducted over the past 8 months on the use of CETA funds by the District of Columbia, Department of Corrections, I have concluded that millions of tax dollars may have been wrongfully paid to incarcerated convicted criminal offenders and more than $200,000 has been wrongfully paid to inmates of the Lorton Reformatory in Washington, D.C., by the Department of Corrections.

There are numerous cases of inmates of the Lorton penal complex in Washington, D.C. serving sentences from 15 years to life for crimes such as murder, rape, and armed robbery receiving salaries of up to $13,000 per year from Federal CETA funds. In 1978 the District of Columbia Department of Corrections employed at least 27 criminal offender inmates and paid in excess of $200,000 in salaries to prisoners serving sentences for rape, murder, and armed robbery from funds provided to the District of Columbia under the Federal CETA program.

Since September 1978, when I originally called the misuse of the CETA program by the District of Columbia Department of Corrections to the attention of the Department of Labor, the Department has taken no action to seek to recover CETA funds which have been misspent by the D.C. Department of Corrections and, in fact, has allowed the District of Columbia to expand the number of incarcerated criminal offenders receiving CETA salaries from 27 in 1978 to more than 170 in 1979.

The disgusting irony of this situation is that the taxpayers are suffering a double rip-off by paying $10,000 salaries to incarcerated criminals while also paying more than $9,800 per prisoner per year to house, feed, and clothe them.

In 1978, it cost the taxpayer more than $28 million to maintain the Lorton Reformatory in Washington, D.C. in the same year the District of Columbia Department of Corrections paid criminal inmates $552,797 in salaries while collecting only $69,581 from all inmates for room and board.

Inmates of Lorton prison are never charged more than $2 per day for room and board no matter how much they earn in salary.

In addition, salaried inmates of Lorton Reformatory are not required to provide support for dependents and no effort is made to determine if dependents of salaried inmates are receiving public assistance which could be saved if the inmate provided support for his dependents from his earnings. Neither are salaried inmates of the Lorton Reformatory required to make any form of restitution to the victim of their criminal activities.

The tragedy of the gross abuse of this program is that not only are the taxpayers cheated but thousands of honest and earnest economically deprived Americans have also been deprived the opportunity to learn a useful economic skill and attain economic self-sufficience because the tax moneys provided have been wasted and misused.

The great unfairness of the use of CETA funding to pay salaries of incarcerated criminal offenders is that the criminal offender ends up being treated twice as good as the poor, hard working, honest citizen attempting to learn a job skill and become a self-sufficient contributing member of society. The honest citizen must support himself and his family and provide for his transportation to work from his CETA earnings while the criminal offender receives free room and board and is not required to support his dependents.

Some of the numerous examples of inmates of the Lorton Reformatory who have been wrongfully paid from CETA funds are as follows:

On November 20, 1978, an inmate serving a life term for murder and armed robbery was employed at Lorton as a supply unit warehouseman at a salary of $10,540.

On November 19, 1978, an inmate serving a life term for murder and robbery was employed at Lorton as a central facility culinary cook at a salary of $9,838.

On November 19, 1978, an inmate serving a life term for murder was employed at Lorton as a central facility central administrative clerk at a salary of $8,902.

On November 19, 1978, an inmate serving a sentence of 27 years to 84 years for three counts of rape was employed at Lorton as a plumber at a salary of $9,838.

On November 19, 1978, an inmate serving a life term for murder and conspiracy was employed at Lorton as a laundry operator at a salary of $9,838.

Mr. Speaker, this legislation does not question the value of providing job training opportunities for incarcerated criminal offenders. I believe job training for criminal offenders is an essential aspect of the criminal rehabilitative process. However, incarcerated criminal offenders should not be treated as though they were the typical economically disadvantaged member of the society with no distinction made between an honest, poor person seeking a job skill in order to become a self-sufficient contributing member of our society and a convicted murderer serving a life sentence.

The criminal inmates received the same salary as any noncriminal CETA employee; most received salaries in excess of $9,000 per year. The noncriminal CETA employee must provide for his housing, food, clothing, transportation, and medical care as well as provide support for his family and dependents.

The criminal inmate CETA employee, however, has the taxpayer pay for his room, food, clothing, health care and is not required to either provide support for his family or dependents or make any restitution for the injury caused by his criminal acts.

Clearly the circumstances which surround the inmate criminal offender and those which surround the typical economically disadvantaged person are dramatically different. This legislation would have the Congress recognize those differences in the operation of the CETA program.

I urge immediate action on my legislation in order that we may immediately stop this disgraceful misuse of the taxpayer's money.●

GIRL SCOUT TROOP NO. 1872 HONORS FIRST CLASS SCOUTS

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. PATTERSON. Mr. Speaker, the Girl Scouts of America is an organization that helps foster responsibility and maturity in the young women of America. It has long been respected by our society for the personal characteristics its training encourages and for the civic and national pride it instills in its members.

The achievement of the characteristics evolves gradually through the Scouting program and although there are hallmarks along the way, the presentation of the rank of First Class Girl Scout is the highest recognition of the accomplishments of each individual girl. It represents 7 years of effort and devotion to the goals of the Scouting program and the successful completion of all of the merit requirements.

On May 25, five young women from Cadet Troop 1872, Santa Ana, Calif., will be honored as First Class Scouts. They are: Louise Victoria Abair, Jeannette Marie Flores, Tammi Lynnette Leisge, Theresa Donna Ortiz, and Monica Anne Solis.

I congratulate these young women and feel confident that the training and experiences provided them by the Girl Scouts of America will prepare them for a responsible and rewarding life.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in the meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meeting schedule for Tuesday, May 22, 1979, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 23

8:00 a.m.

*Veterans' Affairs
To hold oversight hearings on employment programs administered by the Department of Labor.
6226 Dirksen Building

9:00 a.m.

*Governmental Affairs
To consider the nominations of Mary P. Bass, of New York, to be Inspector General, Department of Commerce; Charles L. Dempsey of Virginia, to be Inspector General, Department of Housing and Urban Development; and Eldon D. Taylor, of Virginia, to be Inspector General, NASA.
S–146, Capitol

9:30 a.m.

Appropriations
Agriculture and Related Agencies Subcommittee
To hold special hearings on Brucellosis (cattle disease).
1224 Dirksen Building

Energy and Natural Resources
To hold hearings on S. 885, proposed Pacific Northwest Electric Power Planning and Conservation Act.
3110 Dirksen Building

Foreign Relations
International Economic Policy Subcommittee
To continue oversight hearings to review international economic issues.
4221 Dirksen Building

Judiciary
Constitution Subcommittee
To hold hearings on pending resolutions advocating a balanced Federal budget (S.J. Res. 2, 4, 5, 6, 7, 9, 10, 11, 13, 16, 18, 36, 38, 45, 46, and 56).
2228 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1114 Dirksen Building

10:00 a.m.

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 and on proposed supplemental requests for fiscal year 1979, for the General Services Administration, and the Committee for the Purchase from the Blind and Severely Handicapped.
1318 Dirksen Building

Banking, Housing, and Urban Affairs
To hold oversight hearings on the activities of the banking system.
5302 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To continue hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings to explore the status of efforts by the Environmental Protection Agency and Department of Justice to enforce Federal environmental requirements.
4200 Dirksen Building

Governmental Affairs
To resume hearings on S. 262 and 755, to require that all Federal agencies conduct a regulatory analysis before issuing regulations.
3302 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation and Federal Services Subcommittee
To hold hearings on the relief of classified nuclear weapons information.
6202 Dirksen Building

2:00 p.m.

Governmental Affairs
To hold hearings on S. 445, providing for structured congressional oversight of Federal regulations, and requiring the President to submit a reform plan to Congress every 2 years for an 8-year period.
3302 Dirksen Building

Select on Intelligence
Closed business meeting.
S–407, Capitol

2:30 p.m.

Banking, Housing, and Urban Affairs
To hold hearings on S. 35, repealing the power of the Secretary of the Treasury to seize gold from private holders, and S. 389, to limit the President's authority to impose credit controls in the fight against inflation.
5302 Dirksen Building

Conferees
On S. 7, to revise and improve certain health care programs for the Veterans' Administration.
S–146, Capitol

3:30 p.m.

Agriculture, Nutrition, and Forestry
Business meeting, to consider the following items: the nomination of Thomas F. McBride, of the District of Columbia, to be Inspector General, Department of Agriculture; S. Res. 90, requesting a study of the Child Nutrition Act; S. 1, to improve farm income; S. 1053, to increase the uses and effects of the Food for Peace program; and title II of H.R. 3324, authorizing funds for fiscal year 1980 for the Peace Corps, (Food for Peace).
322 Russell Building

MAY 24

8:30 a.m.

*Energy and Natural Resources
To continue hearings on S. 885, proposed Pacific Northwest Electric Power Planning and Conservation Act.
3110 Dirksen Building

9:30 a.m.

Foreign Relations
International Economic Policy Subcommittee
To continue oversight hearings to review international economic issues.
6226 Dirksen Building

Judiciary
Antitrust, Monopoly and Business Rights Subcommittee
To hold hearings on the current practices and procedures of the life insurance industry relative to cost disclosure.
457 Russell Building

Judiciary
Constitutional Subcommittee
To resume hearings on S. 506, proposed Fair Housing Amendments Act.
2228 Dirksen Building

Labor and Human Resources
To hold oversight hearings on the implementation of farm workers' collective bargaining programs.
4232 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
318 Russell Building

10:00 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Strategic Petroleum Reserve, Department of Energy.
1223 Dirksen Building

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 and on proposed supplemental requests for fiscal year 1979, for the Council on Wage and Price Stability, Council of Economic Advisors, and Administrative Conference of the U.S.
1318 Dirksen Building

Banking, Housing, and Urban Affairs
To continue hearings on S. 35, repealing the power of the Secretary of the Treasury to seize gold from private holders, and S. 389, to limit the President's authority to impose credit controls in the fight against inflation.
5302 Dirksen Building

Environment and Public Works
Environmental Pollution Subcommittee
To continue oversight hearings to explore the status of efforts by the Environmental Protection Agency and Department of Justice to enforce Federal environmental requirements.
4200 Dirksen Building

Foreign Relations
Arms Control and International Operations Subcommittee
To hold hearings on arms control implications of current national defense programs.
4221 Dirksen Building

Governmental Affairs
To continue hearings on S. 445, providing for structured congressional oversight of Federal regulations, and requiring the President to submit a reform plan to Congress every 2 years for an 8-year period.
3302 Dirksen Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To hold hearings on S. 1177, to establish a partnership between the Federal Government and the states in the planning and provision of mental health services.
5110 Dirksen Building

Select on Small Business
To hold hearings to examine the economic concentration in the newspaper publishing industry.
424 Russell Building

10:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Luther H. Hodges, Jr., of North Carolina, to be Under Secretary of Commerce.
235 Russell Building

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 and on proposed supplemental requests for fiscal year 1979, for the Office of Management and Budget, Office of Federal Procurement Policy, Domestic Policy Staff, National Security Council, and the U.S. Tax Court.
S–126, Capitol

Banking, Housing, and Urban Affairs
International Finance Subcommittee
To hold oversight hearings on the Export-Import Bank proposed loan to Zaire.
5302 Dirksen Building

MAY 25

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 for the Office of the Secretary of Transportation.
1224 Dirksen Building

Select on Small Business
To continue hearings to examine the economic concentration in the newspaper publishing industry.
424 Russell Building

Joint Economic
To resume hearings on the Consumer Price Index figures, and on inflationary trends.
345 Cannon Building

JUNE 1

10:00 a.m.
Joint Economic
To hold hearings on the employment-unemployment situation for May.
5110 Dirksen Building

JUNE 4

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on H.R. 1786, authorizing funds for fiscal year 1980 for the National Aeronautics and Space Administration.
S–146, Capitol

JUNE 5

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast commercial uses of the electromagnetic frequency spectrum.
6226 Dirksen Building

JUNE 6

9:00 a.m.
Labor and Human Resoures
To hold hearings to explore the impact higher education will have on youth in business for the coming decade.
4232 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold joint hearings with the House Subcommittee on Science, Research and Technology of the Committee on Science and Technology, to examine U.S. policies and initiatives of the U.S. Conference on Science and Technology for Development.
5110 Dirksen Building

Veterans' Affairs
To hold hearings on S. 870, proposed GI Bill Amendments Act, S. 830, to eliminate the State's required payment in the educational assistance allowance program provided for veterans, and S. 881, to provide for the protection of certain Officers and employees of the VA assigned to perform investigative or law enforcement functions.
6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Economic Stabilization Subcommittee
To resume oversight hearings on the gasoline shortages.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
1318 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Rules and Administration
To hold hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.
301 Russell Building

JUNE 7

9:00 a.m.
Labor and Human Resources
To continue hearings to explore the impact higher education will have on youth in business for the coming decade.
4232 Dirksen Building

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings to examine the effectiveness of warning labels on alcoholic beverages.
155 Russell Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To hold oversight hearings on the implementation of the national blood policy program.
318 Russell Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
6226 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To continue hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Rules and Administration
To continue hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.
301 Russell Building

JUNE 8

9:30 a.m.
Labor and Human Resources
Education, Arts, and the Humanities Subcommittee
To resume oversight hearings to explore the areas of basic learning skills used in elementary and secondary schools.
4232 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

JUNE 11

10:00 a.m.
Labor and Human Resources
Health and Scientific Research Subcommittee
To hold hearings to investigate the environmental effects of low level radiation.
4232 Dirksen Building

JUNE 12

9:00 a.m.
*Veterans' Affairs
To hold hearings on S. 689, proposed Veterans' Disability Compensation and Survivors Benefits Act.
6226 Dirksen Building

10:00 a.m.
Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings on S. 950, proposed Omnibus Solar Energy Commercialization Act.
3110 Dirksen Building

JUNE 13

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To continue hearings on S. 950, proposed Omnibus Solar Energy Commercialization Act.
3110 Dirksen Building

JUNE 14

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittees
To continue hearings on S. 611, and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

Select on Indian Affairs
To hold hearings on S. 668, to allow the Cow Creek Band of the Umpqua Indians of Oregon to file a claim with the U.S. Court of Claims for alleged failure of the United States to fulfill treaty obligations.
6226 Dirksen Building

JUNE 15

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
236 Russell Building

JUNE 18

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcasting uses of the electromagnetic frequency spectrum.
235 Russell Building

JUNE 19

9:30 a.m.
Commerce, Science, and Transportation
To resume oversight hearings on the trucking industry's economic regulation by the Federal Government, focusing on household moving and the problems confronting both the household goods carriers and the consumers they serve.
235 Russell Building

*Energy and Natural Resources
To hold oversight hearings on the activities of programs administered by the Surface Mining Control and Reclamation Act of 1977.
3110 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
1202 Dirksen Building

JUNE 20

9:00 a.m.
*Veterans' Affairs
To hold hearings on S. 759, to provide for the right of the United States to recover the costs of hospital nursing home or outpatient medical care furnished by the Veterans' Administration to veterans for nonservice-connected disabilities to the extent that they have health insurance or similar contracts.
6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To hold hearings on S. 568, to provide for the potential contribution and advancement of women in scientific, professional, and technical careers, and on proposed national health insurance programs.
4232 Dirksen Building

JUNE 21

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation to develop techniques for analyzing and stimulating technological and industrial innovation by the Federal Government.
6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To continue hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Energy and Natural Resources
To resume oversight hearings on the activities of programs administered by the Surface Mining Control and Reclamation Act of 1977.
3110 Dirksen Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To continue hearings on S. 568, to provide for the potential contribution and advancement of women in scientific, professional, and technical careers, and on proposed national health insurance programs.
4232 Dirksen Building

JUNE 25

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 192 and 208, bills to provide for the tax treatment of foreign investors for property located in the United States.
2221 Dirksen Building

10:00 a.m.
Labor and Human Resources
Health and Scientific Research Subcommittee
To resume hearings on S. 1177, to establish a partnership between the Federal Government and the States in the planning and provision of mental health services.
4232 Dirksen Building

JUNE 26

9:00 a.m.
Labor and Human Resources
To hold hearings on S. 1076, proposed Multiemployer Pension Plan Amendments Act.
4232 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
To resume oversight hearings on the trucking industry's economic regulation by the Federal Government.
235 Russell Building

10:00 a.m.
Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings on S. 734, proposed Federal Power Marketing Revolving Fund Act.
3110 Dirksen Building

Labor and Human Resources
Education, Arts, and the Humanities Subcommittee
To hold hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.
1114 Dirksen Building

JUNE 27

9:00 a.m.
Labor and Human Resources
To continue hearings on S. 1076, proposed Multiemployer Pension Plan Amendments Act.
4232 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
To continue oversight hearings on the trucking industry's economic regulation by the Federal Government.
235 Russell Building

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation to develop techniques for analyzing and stimulating technological and industrial innovation by the Federal Government.
6226 Dirksen Building

10:00 a.m.
Labor and Human Resources
Education, Arts, and the Humanities Subcommittee
To continue hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.
1318 Dirksen Building

JUNE 28

10:00 a.m.
Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To resume hearings on S. 734, proposed Federal Power Marketing Revolving Fund Act.
3110 Dirksen Building

Labor and Human Resources
Education, Arts, and the Humanities Subcommittee
To continue hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the humanities, and the Institute of Museum Services.
4232 Dirksen Building

JULY 10

10:00 a.m.
Energy and Natural Resources
Energy Resources and Materials Production Subcommittee
To hold oversight hearings on the implementation of the Outer Continental Shelf Leasing program.
3110 Dirksen Building

JULY 11

9:30 a.m.
Labor and Human Resources
To resume hearings to explore the impact higher education will have on youth in business for the coming decade.
4232 Dirksen Building

JULY 12

9:30 a.m.
Labor and Human Resources
To continue hearings to explore the impact higher education will have on youth in business for the coming decade.
4232 Dirksen Building

*Veterans' Affairs
To hold oversight hearings on the efforts made by the Veterans' Administration to provide information on benefits due incarcerated veterans.
6226 Dirksen Building

10:00 a.m.
Energy and Natural Resources
Energy Resources and Materials Production Subcommittee
To resume oversight hearings on the implementation of the Outer Continental Shelf Leasing program.
3110 Dirksen Building

CANCELLATIONS

MAY 23

9:30
Judiciary
Improvements in Judicial Machinery Subcommittee
To hold hearings on S. 265, proposed Equal Access to Justice Act.
5110 Dirksen Building

10:00 a.m.
Labor and Human Resources
Health and Scientific Research Subcommittee.
To hold oversight hearings on the implementation of mental health policy programs.
4332 Dirksen Building

MAY 24

10:00 a.m.
*Labor and Human Resources
Health and Scientific Research Subcommittee
To continue oversight hearings on the implementations of mental health policy programs.
5110 Dirksen Building

HOUSE OF REPRESENTATIVES—*Tuesday, May 22, 1979*

The House met at 12 o'clock noon.

The Reverend A. Brantley Harwell, First Baptist Church, Carrollton, Ga., offered the following prayer:

O God, our heavenly Father, whose purpose motivates men, sustains the universe, and makes of creation one world, make us one in vision, hope, and gratitude.

Our fragmented lives need the welding torch of Your spirit.

Grant us wholeness which emanates from clear commitment, consistent obedience, and joyous participation in Your world.

Grant us perseverance as we strive to be Your disciples amid daily interference, discouragement, and hostility.

Grant us faith, O God, in Your presence and cleansing power.

Grant us love, O God, in a society tense with resentment and hate.

Grant each Representative here wisdom given by You alone.

As Thy spirit refreshes us and quickens our thinking, may we base our decisions on the lifestyle of the One known as the Prince of Peace in whose name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 7) entitled "An act to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes" requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CRANSTON, Mr. TALMADGE, Mr. RANDOLPH, Mr. STONE, Mr. DURKIN, Mr. MATSUNAGA, Mr. SIMPSON, Mr. THURMOND, Mr. STAFFORD, and Mr. HUMPHREY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 756. An act to authorize appropriations for the Office of Federal Procurement Policy for fiscal years 1980 through 1984; and

S. 927. An act to authorize the Smithsonian Institution to plan for the development of the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at Tenth Street, Southwest, in the city of Washington.

REV. A. BRANTLEY HARWELL

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I want to welcome our guest chaplain, Rev. A. Brantley Harwell, who comes from my hometown. He is the pastor of my home church, the First Baptist Church of Carrollton, Ga.

Reverend Harwell is also vice president of the Home Mission Board of the Southern Baptist Conference and is a great leader in our Baptist Conference. We are really glad to have him here with us today.

SKELTON PRAISES DEDICATION AND PATRIOTISM OF DISTRICT RESIDENTS

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, this last week the second half of the DCPA study relating to civil defense, based upon the Skelton amendment last year, was issued. This is a technical report that brings into better focus the possible consequences to the Fourth Congressional District of Missouri of any nuclear blast damage in the event of an enemy attack.

Mr. Speaker, this tells us on a county-by-county basis the blast damage that

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☐ This symbol represents the time of day during the House Proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

would occur to the Fourth Congressional District of Missouri. It shows that 43 percent of the housing would be destroyed in the event of a nuclear attack in this area, and also that 191,000 people would be killed if that unthinkable event would occur.

I would like to say this, Mr. Speaker: That for several years the people of the Fourth District of Missouri have known that this is a high-risk area, one of the 38 such areas in the Nation because of the presence of the 150 ICBM missile silos. Yet, I have never, to this day, heard anyone in that area of the Fourth Congressional District say that we should get rid of those ICBM silos. I think that tells us a great deal about the dedication and patriotism of the people in my district and of their record as being fine and decent Americans.

Mr. Speaker, I am proud of them. Let us continue our efforts to improve our Nation's civil defense. We owe this to these people in Missouri and to the people who live in the 37 other potential high-risk areas throughout our Nation.

GAY FIRING

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, I would like to call my colleagues' attention to a disturbing act of injustice recently committed by the FBI.

John Calzada, a 22-year-old resident of Arlington, Va., was employed as a file clerk for the bureau from April 1976 until May 1, 1979. On that day he received a dismissal notice which read in part:

> This action is being taken in view of your homosexuality which in turn has led to your commission of homosexual acts in Virginia where such acts are considered a felony. . . .

In the May 10 issue of the Blade, a publication for the Washington, D.C., area gay community, an FBI official is quoted in defense of the firing as stating:

> The FBI doesn't knowingly hire homosexuals.

The official added that this statement was authorized for release by the Bureau Director, William Webster.

Mr. Speaker, this seems to me an outrageous act of discrimination on the part of our chief Federal law enforcement agency. Dismissing or refusing to hire a person simply because he or she may be homosexual violates the spirit of the many civil rights protections that have been enacted by Congress over the past 20 years.

This incident also demonstrates quite clearly the need for Federal legislation to explicitly prohibit bias based on an individual's sexual orientation. Congressman WAXMAN and I, along with 44 cosponsors, have introduced such legislation (H.R. 2074) which I believe deserves a fair and open hearing and passage.

More than 20 million homosexual Americans are potentially victims of the same kind of bigotry suffered by Mr. Calzada. It is imperative that Congress establish firm protections for this vulnerable minority.

MAKING IN ORDER ON TOMORROW OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT AND SENATE AMENDMENT ON HOUSE CONCURRENT RESOLUTION 107, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1980

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that it may be in order on tomorrow, Wednesday, May 23, 1979, or any day thereafter, to consider the conference report and the Senate amendment reported in disagreement on the concurrent resolution (H. Con. Res. 107) setting forth the congressional budget for the United States Government for the fiscal year 1980 and revising the congressional budget for the U.S. Government for the fiscal year 1979.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 7, VETERANS' HEALTH CARE AMENDMENTS OF 1979

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 7) to amend title 38, United States Code, to revise and improve certain health care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the gentleman from Texas? The Chair hears none and appoints the following conferees: Messrs. ROBERTS, SATTERFIELD, EDWARDS of California, MONTGOMERY, DASCHLE, and HAMMERSCHMIDT, Mrs. HECKLER, and Mr. WYLIE.

STATEMENT IN OPPOSITION TO DECONTROL OF OIL

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, I oppose the decontrol of oil, and I support every effort to reimpose controls.

The decontrol of oil more than any other phenomenon is likely to precipitate general wage and price controls. Decontrol of oil will unleash a force that is certain to maintain cruel and intolerable pressure on the cost of living.

CONGRESS SHOULD DISAPPROVE RECOMMENDATIONS OF SECRETARY OF TRANSPORTATION TO ELIMINATE AMTRAK LINES

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, Congress has only 2 days left to disapprove the Secretary of Transportation's recommendations to eliminate several Amtrak lines. It is a mistake for the Congress to allow these recommendations to become effective.

Recent shortages of gasoline illustrate the need for continued widespread availability of railroad passenger service. Consider for example that in the Western region of the country where the shortage of gasoline is most severe, 79 percent of available seats on Amtrak during the next 2 weeks have already been booked. That is double the normal rate.

Amtrak service between Los Angeles and San Diego for the month of April was at an all time high serving 20,000 more people than the same period last year. This increased patronage is a direct result of the current gasoline shortage.

By allowing the Secretary's plan to become effective, Congress has been penny-wise and pound foolish. Secretary Schlesinger has constantly warned us of continued gas shortages. As these shortages occur, more and more Americans will turn to Amtrak as an alternative to their gas guzzling automobiles. I urge this body to act before it is too late and disapprove Secretary Adams' recommendations.

APPOINTMENT AS MEMBERS OF HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-191, the Chair appoints as members of House Commission on Congressional Mailing Standards the following Members of the House:

Mr. UDALL of Arizona, chairman;
Mr. CHARLES H. WILSON of California;
Mr. SOLARZ of New York;
Mr. DERWINSKI of Illinois;
Mr. QUILLEN of Tennessee; and
Mr. LOTT of Mississippi.

SBA PROGRAMS AND AUTHORIZATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 279 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 279

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4011) to amend the

Small Business Act and Small Business Investment Act of 1958, the first reading of the bill shall be dispensed with, and all points of order against the bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one and one-half hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business and thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, this is an unusual rule, in that it makes in order a compromise bill in lieu of the earlier bill, H.R. 90. The compromise was worked out by members of the Committee on Small Business, working with other Members of the Congress and with the administration.

The urgency of the matter is that there have been a series of disasters in various States which can be met, in part, at least, by the provisions of this legislation.

A number of Members from the Mississippi Valley have been very much concerned about this matter, and we have attempted to expedite it through this particular fashion.

The rule is unusual but, so far as I know, there is no opposition to it. I believe that there is support for the matter that it brings up in its present form.

☐ 1220

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been explained, this is an open rule permitting the consideration of H.R. 4011, a bill which provides authorization for the Small Business Administration and for a program of loan assistance to victims of natural disasters. One hour of general debate is assigned to the Committee on Small Business and 30 minutes to the Committee on Agriculture. There is a waiver of section 402(a) of the Congressional Budget Act, since the legislation contains an authorization for fiscal year 1979 which does not meet the May 15, 1978, reporting deadline, and a waiver of clause 5, rule XXI, which disallows appropriations in legislation. It is my understanding that the Committee on Small Business has agreed to cure the Budget Act violation with floor amendments. Finally, the bill is to be read for amendment by titles instead of by sections.

Title I of H. R. 4011 establishes levels for all of SBA's programs for fiscal years 1980 through 1982 and provides the authorizations to carry them out. It also sets the interest rates on SBA loans to victims of natural disasters occurring between October 1, 1978 and October 1, 1982.

Title II contains statutory guidelines for the operation of SBA's small business development center program. Matching grants are authorized under this program in fiscal year 1980 to provide management, technical, and technological assistance to small businesses.

Title III authorizes a White House Conference on Small Business to be held not later than June 30, 1980. The purpose of the conference will be to focus nationwide attention on the problems of small business and to develop recommendations to solve them.

Mr. Speaker, perhaps a little background is in order at this point. If the Members will recall, in the 95th Congress extensive hearings were held on SBA disaster assistance programs in the Small Business Committee. A clean bill passed the House subsequently by a 310 to 72 vote. After passage in the Senate, the conference report was adopted in the House by a 396 to 10 margin. Unfortunately, the President pocket vetoed the legislation after Congress had adjourned sine die.

One of the primary reasons for the veto was the issue of subsidized interest rates and the resulting budgetary impact. To our good fortune, this year the committee has produced a bill which represents a workable compromise of compassion and sensitivity to victims of natural disasters along with sound fiscal policy. As a Member whose home State has suffered tremendous losses recently, I want to commend the chairman, the gentleman from Iowa (Mr. SMITH), and the gentleman from Pennsylvania (Mr. MCDADE), for their perseverance in seeking and reaching this compromise.

Since October 1, 1978, the effective date of the disaster loan provisions of H.R. 4011, there have been 77 disasters in 39 States which qualify for Federal assistance and, thus, would be affected directly by this legislation. But what is more astounding than this, Mr. Speaker, is that just since March 1 of this year, the date on which the initial SBA authorization bill was ordered reported from committee, there have been the following qualifying natural disasters:

First. Snow and ice in Alabama, Illinois, Indiana, Maryland, Michigan, Montana, Ohio, Vermont, and Wisconsin;

Second. Tornadoes in Arkansas, Missouri, Montana, North Dakota, Oklahoma, South Carolina, and Texas;

Third. Fires in California, Connecticut, Massachusetts, Missouri, Nebraska, and Pennsylvania; and

Fourth. Flooding in Alabama, Florida, Hawaii, Illinois, Indiana, Louisiana, Minnesota, Mississippi, Missouri, North Dakota, New Hampshire, New York, Ohio, Oregon, Tennessee, Texas, Vermont, Washington, and Wisconsin.

I want to emphasize again that all of these disasters have occurred just since March 1 of 1979. They all qualify for Federal benefits.

My own State of Mississippi, although not my congressional district, has sustained property damage well in excess of $1 billion this year as a result of the so-called Easter flooding of the Pearl, Tombigbee, and Yazoo Rivers. The devastation has displaced over 26,000 Mississippians from their homes. It will take weeks to remove the silt and mud from these homes, many of which have been rendered totally inhabitable. A substantial number of these people have lost everything they owned with no insurance to mitigate the damage.

In many cases the flood waters remained in residences and businesses for days, compounding and magnifying the destruction both physically and emotionally. The psychological impact has yet to be determined but is expected to be severe, especially in view of the magnitude of financial difficulties which will result from having to continue to pay a mortgage on a house or building that no longer exists.

Disaster assistance is a Federal Government responsibility. We have a duty to relieve as best we can the human suffering brought on by sudden, utter ruin. The assistance we provide should be administered fairly, but most of all it should be administered swiftly. Disaster victims ought to be able to depend on the Government they support with their tax dollars to come to their aid immediately. This bill has been delayed long enough. Similar legislation passed the Senate on May 16. It is now time for the House to act.

So, Mr. Speaker, while we pass out billions of dollars in foreign aid, while we loan money at very low interest rates in virtually every part of the world to both friend and foe alike, and while we forgive or never expect repayment of many of these loans, let us be at least as generous to Americans. Let us avoid a double standard for our generosity.

I strongly urge the adoption of this rule in order that we may proceed to pass this critically needed and overdue legislation.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Georgia.

Mr. LEVITAS. During the course of the gentleman's remarks, I thought I heard him saying one of the things being waived was that this was an appropriation without an authorization.

Now, since I make it a practice to vote against that type of rule, if that is the case, I have checked with the chairman of the committee and have ascertained at least to my satisfaction, that this is an appropriation in an authorizing bill. It is a legislative bill, not an appropriation bill.

Mr. LOTT. That is correct.

Mr. LEVITAS. If that is the case, then I certainly support it.

Mr. LOTT. If I gave that impression, perhaps I got the words in the wrong place.

Mr. LEVITAS. I thank the gentleman for his explanation.

Mr. LOTT. Mr. Speaker, I urge the support of this rule, and I urge the support of this legislation. It is certainly badly needed. I think a good effort has been made to come up with a reasonable compromise.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. LEDERER). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 7, not voting 47, as follows:

[Roll No. 160]

YEAS—380

Abdnor
Addabbo
Akaka
Albosta
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Aspin
Atkinson
Badham
Bafalis
Bailey
Baldus
Barnard
Barnes
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Broyhill
Buchanan
Burgener
Burlison
Burton, John
Burton, Phillip
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clay
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derwinski
Devine
Dickinson
Dicks
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flood
Florio
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Hansen
Harkin
Harris
Harsha
Hawkins
Hefner
Hightower
Hillis
Hinson
Holland
Holt
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hutto
Hyde
Ichord
Jacobs
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
Lagomarsino
Latta
Leach, La.
Leath, Tex.
Lederer
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCloskey
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marlenee
Marriott
Martin
Mathis
Matsui
Mattox
Mazzoli
Mica
Michel
Mikulski
Miller, Calif.
Miller, Ohio
Mineta
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Quayle
Quillen
Rahall
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Royer
Rudd
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Stark
Steed
Stenholm
Stewart
Stockman
Stratton
Studds
Stump
Synar
Thomas
Thompson
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—7

Ashbrook
Bauman
Crane, Daniel
Crane, Philip
Hollenbeck
McDonald
Pashayan

NOT VOTING—47

Alexander
Anderson, Ill.
Ashley
AuCoin
Biaggi
Boland
Breaux
Brown, Calif.
Brown, Ohio
Clausen
Derrick
Diggs
Duncan, Oreg.
Edwards, Okla.
Flippo
Foley
Forsythe
Guyer
Heckler
Heftel
Hubbard
Ireland
Jeffords
Kemp
LaFalce
Leach, Iowa
Marks
Mavroules
Mikva
Minish
Myers, Pa.
Nolan
Pursell
Roth
Rousselot
Runnels
Stokes
Swift
Symms
Tauke
Taylor
Traxler
Treen
Trible
Wampler
Wydler
Young, Alaska

☐ 1240

The Clerk announced the following pairs:

Mr. Boland with Mr. Anderson of Illinois.
Mr. Foley with Mr. Pursell.
Mr. Duncan of Oregon with Mr. Marks.
Mr. Biaggi with Mr. Young of Alaska.
Mr. Ashley with Mr. Jeffords.
Mr. Breaux with Mr. Tauke.
Mr. Stokes with Mrs. Heckler.
Mr. Derrick with Mr. Brown of Ohio.
Mr. Brown of California with Mr. Taylor.
Mr. AuCoin with Mr. Clausen.
Mr. Minish with Mr. Wydler.
Mr. Ireland with Mr. Symms.
Mr. Runnels with Mr. Trible.
Mr. Traxler with Mr. Wampler.
Mr. Mikva with Mr. Rousselot.
Mr. Flippo with Mr. Roth.
Mr. Heftel with Mr. Forsythe.
Mr. Mavroules with Mr. Guyer.
Mr. Hubbard with Mr. Edwards of Oklahoma.
Mr. Myers of Pennsylvania with Mr. Kemp.
Mr. Nolan with Mr. Diggs.
Mr. Swift with Mr. Leach of Iowa.
Mr. Alexander with Mr. LaFalce.

Mr. ASHBROOK and Mr. DANIEL B. CRANE changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. SMITH of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4011) to amend the Small Business Act and Small Business Investment Act of 1958.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4011, with Mr. JENRETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Iowa (Mr. SMITH) will be recognized for 30 minutes; the gentleman from Pennsylvania (Mr. McDADE) will be recognized for 30 minutes; the gentleman from Tennessee (Mr. JONES) will be recognized for 15 minutes.

The Chair recognizes the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 4011, the 1979 omnibus small business bill.

Last year the committee considered H.R. 11445, the 1978 omnibus small business bill. The bill was passed by the House by a vote of 310 to 72 and the conference report by a vote of 396 to 10; however, last year's bill was pocket-vetoed by the President. In response to the Speaker's request that legislation be promptly reported from committee for consideration by the House in the early part of the session, the Small Business Committee promptly considered H.R. 90 which was cosponsored by 143 Members of the House; basically it includes those topics which were in the House version of last year's bill but modified to reflect the agreement of the conferees last year; it does not include any of the Senate amendments which addressed additional programs or subjects, many of which the administration found objectionable, nor does it include any new matter.

On March 7, H.R. 90 was reported by a recorded vote of 25 to 2. As reported from committee this bill contains the following provisions:

Title I establishes levels for all of SBA's programs for fiscal years 1980 through 1982 and provides the authorization needed to carry out these programs. Section 113 of title I extends the disaster assistance program administered by SBA as agreed to by the conferees last year and it also makes miscellaneous amendments to the Small Business Act and the Small Business Investment Act of 1958.

Title II of the bill provides statutory guidelines for the operation of SBA's Small Business Development Center program and for fiscal year 1980 authorizes $18 million in matching grants under this program which provides management, technical, and technological assistance to small business.

Title III of the bill provides statutory authorizations and approval for a White House Conference on Small Business to be held no later than June 30, 1980. The President has announced that it will be held in January 1980.

The administration objected to some provisions in H.R. 90 because they wanted farmers served solely at the Farmers Home Administration for both regular business loan needs and disaster assistance. The committee did not then or now agree to this because the FmHA emergency or disaster assistance loan program is greatly inferior to SBA's as the FmHA program excludes some applicants from receiving any type of assistance and because a farm business should not be excluded from any loan or service just because it produces agricultural goods rather than some other products. Some applicants at FmHA are excluded because some of the investors are not operators or due to some rule not applying to businesses in general and others are excluded because they do not have a poor credit rating even though a commercial loan might be at a higher interest rate and necessitate the refinancing of older loans at a much less favorable interest rate.

After considerable discussion and negotiation, we have reached a workable compromise with the administration which will recognize the continued eligibility of farm businesses for all regular loan and service facilities at SBA, but should result in more agricultural disaster lending at Farmers Home. This is accomplished by changing the FmHA eligibility so that fewer applicants are excluded; however, any who are excluded may still go back to SBA. The administration has also agreed to employ an additional 200 people at FmHA to service this workload.

Under this compromise regarding disaster assistance:

First. The interest rates on loans to offset net losses on principal residences and personal property will be exactly the same as provided in last year's vetoed bill and as was provided in H.R. 90; namely, 3 percent on up to $55,000 and under certain conditions up to an additional $50,000 at cost of money under a formula which currently equals 7⅜ percent;

Second. The SBA will continue to make all loans on homes and personal property;

Third. Businesses, including the owners of residential buildings rented to others, unable to obtain sufficient credit elsewhere may receive a loan at 5 percent to offset net losses up to a maximum of $500,000, whether the applicant goes to SBA or is qualified at FmHA;

Fourth. If a business could obtain credit elsewhere, it shall have a right to obtain up to a maximum of $500,000 at a rate of interest equal to the cost of money to the U.S. Government plus not more than one percent under a formula which currently would equal 9.5 percent. This applies whether the applicant is being processed by SBA or FmHA. After 2 years, these loans are subject to being reviewed to see if the borrower is able to obtain a loan elsewhere at reasonable rates and on reasonable terms. Under H.R. 90 and previous practices, the length of the loan was determined by the "ability to repay." In my judgment, the practical result could have been very similar under both approaches.

Fifth. Those eligible for FmHA loans would be required to apply there first; however, if they are not offered a FmHA loan, they can then go to SBA and secure a loan there if they meet the tests of the SBA administered program; and

Sixth. An exception to the $500,000-loan limit to businesses could be made by SBA and FmHA if the applicant is a major employer and is no longer in substantial operation as a result of the disaster. This provision statutorily provides what existing regulations can and in general do provide at the present time.

More specifically, these are the provisions of this omnibus bill:

TITLE I—AUTHORIZATIONS AND MISCELLANEOUS AND TECHNICAL AMENDMENTS

(A) AUTHORIZATIONS

Prior to October 1, 1977, the Small Business Act authorized the appropriation of such sums as were necessary to carry out the provisions and purposes of the act; and the Small Business Investment Act authorized the appropriation of specific cumulative dollar amounts to carry out the programs authorized by the act. Effective October 1, 1977, open-ended authorizations for programs and payment of salaries and expenses were sharply curtailed.

Public Law 95–89 amended the Small Business Act to specifically authorize the dollar amount of program levels for fiscal years 1978 and 1979; to authorize the appropriation of the dollar amount needed to carry out the program levels specified; and to authorize the appropriation of amounts necessary to carry out Small Business Act programs for which specific dollar authorizations are not provided. It is now necessary to provide authorizations for upcoming fiscal years. Your committee feels that 3-year authorizations are the proper approach, giving Congress, the Executive, and the small business community a clear indication of goals and priorities for a reasonable period of time and permitting the administration to know authorizing provisions prior to developing the budget proposals.

The committee, in its recommendation to the Budget Committee, specified for fiscal year 1980 a needed program level of $3.54 billion for SBA's Business Loan and Investment Fund, $1.7 billion for the surety bond guarantees program, $100 million for pollution control bond guarantees, $310 million for physical and nonphysical disaster loans, and $231.8 million for salaries and expenses.

Your committee emphasizes, however, that all of these except the $231.8 million for salaries and expenses are program levels and are primarily composed of guaranteed loans, most of which will be repaid. Thus the cost to the Federal Government is only a fraction of this amount, in the aggregate less than 5 percent of the above program levels. The committee projection indicates a need for approximately a 10 percent per year increase in order to maintain the same program levels and SBA salary and expense levels through fiscal year 1982, and the authorizations in H.R. 90 so provide:

SBA PROGRAM LEVELS, FISCAL YEARS 1980–82

[In millions of dollars]

	Fiscal year—		
	1980	1981	1982
7(a) Business	4,125	4,545	5,000
Direct	495	545	600
Guaranteed	3,630	4,000	4,400
7(h) Handicapped	33	37	42
Direct and IP	22	25	28
Guaranteed	11	12	14
7(i) EOL	166	184	204
Direct and IP	73	81	90
Guaranteed	93	103	114
7(l) Solar and energy conservation	75	75	75
Direct and IP	30	30	30
Guaranteed	45	45	45
Development companies	160	175	191
Direct and IP	50	55	61
Guaranteed	110	120	130
Investment company assistance	250	278	306
Direct	25	28	31
Guaranteed	225	250	275
Total BLIF	4,809	5,294	5,818
Direct and IP	695	764	840
Guaranteed	4,114	4,530	4,978
Disaster:			
Physical	(1)	(1)	(1)
Nonphysical	220	242	267
Surety bond guarantees (SBA share of program level)	2,700	3,500	4,000
Pollution control bond guarantees	100	110	125

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[1] Open-ended.

In addition, SBA is directed to utilize $1 million annually through fiscal year 1982 to establish a small business data base. The committee anticipates that the list of basic data may be developed partially by utilizing existing Government and private sources, but probably will require additional independent research and compilation by SBA. Such a data base would include pertinent information on the small business such as its name and address, type of business, number of employees, and so forth. This information could then be used by SBA to selectively communicate with the small business community as to programs which might help the small business or to advise it of proposed regulations and solicit small business input. It could also be made available to the Commerce Department or other departments to inform small businesses of export opportunities or Government contracts.

FISCAL YEAR 1980 AUTHORIZATIONS

To carry out fiscal year 1980 programs, the bill authorizes $1.616 billion.

Of this amount, $42 million is to be available to carry out the surety bond guarantees program; $4 million is to pay claims on prior guarantees on the defunct real estate lease guarantees program; and $232 million is for salaries and expenses—of this amount, $99.35 million is earmarked for six specific functions:

First. Procurement assistance, $18.7 million;

Second. Management and technical assistance, $29.4 million;

Third. Research and advocacy, $8 million;

Fourth. Minority small business, $17.2 million;

Fifth. Data management, $7.4 million; and

Sixth. Small business development centers, $18.65 million.

The amount which may be transferred from any of the six functions is 10 percent of the amount specified; however, none of these functions may be increased by more than 20 percent.

FISCAL YEAR 1981 AUTHORIZATIONS

To carry out fiscal year 1981 programs, the bill authorizes $1.789 billion.

Of this amount $59 million is to be available to carry out the surety bond guarantees program; $4 million is to pay claims on prior guarantees on the defunct real estate lease guarantees program; and $254 million is for salaries and expenses—of this amount, $87.9 million is earmarked for five specific functions with priorities being given within each function:

First. Procurement assistance, $20.6 million;

Second. Management and technical assistance, $33 million;

Third. Research and advocacy, $8.9 million;

Fourth. Minority small business, $17.4 million; and

Fifth. Data management, $8 million.

The amount which may be transferred from any of the five functions is 10 percent of the amount specified; however, none of these functions may be increased by more than 20 percent.

FISCAL YEAR 1982 AUTHORIZATIONS

To carry out fiscal year 1982 programs, the bill authorizes $1.943 billion.

Of this amount, $60 million is to be available to carry out the surety bond guarantees program; $4 million is to pay claims on prior guarantees on the defunct real estate lease guarantees program; and $278 million is for salaries and expenses—of this amount $95.3 million is earmarked for five specific functions with priorities being given within each function.

First. Procurement assistance, $22.6 million;

Second. Management and technical assistance, $36.1 million;

Third. Research and advocacy, $9.8 million;

Fourth. Minority small business, $17.6 million; and

Fifth. Data management, $9.2 million.

The amount which may be transferred from any of the five functions is 10 percent of the amount specified; however, none of these functions may be increased by more than 20 percent.

(B) MISCELLANEOUS AND TECHNICAL—APPROPRIATIONS AVAILABLE UNTIL EXPENDED

The amendments to the Small Business Act in Public Law 95-89, which set up SBA's line item program authorizations, inadvertently omitted the authority for appropriations to remain available until expended. This bill restores such authority for SBA appropriations.

TECHNICAL

Certain technical amendments to SBA's disaster loan fund are made which include all 7(b) disaster loan functions in such fund; and which provide authority for use of appropriated funds therefrom for administrative expenses.

ECONOMIC INJURY AS A RESULT OF AN ENERGY SHORTAGE

Problems have arisen over the extent of the authority of economic injury disaster assistance to small businesses caught in situations such as the recent curtailment of electricity due to a lack of coal needed to generate it. In 1973, to assist victims of the oil embargo, Congress established an energy shortage loan program as section 7(b)(8) of the Small Business Act. Questions have arisen as to the eligibility of small businesses caught by a shortage of electricity to participate in this program. A clarifying amendment to the act is made, thus assuring energy shortage loans are made available to small concerns suffering substantial economic injury due to a shortage of any energy source.

DISASTER LOAN INTEREST RATES

Extensive examination of Federal disaster assistance programs and objectives resulted in your committee's omnibus bill of 1977, which was enacted as Public Law 95-89. That law set the interest rate on SBA 7(b)(1) natural disaster loans to homeowners at 1 percent on the first $10,000 of the loan; 3 percent on the next $30,000 of the loan; and did not provide for any cancellation or forgiveness as some prior programs had provided. The interest rate on SBA natural disaster loans to all other victims was set at 3 percent on the first $250,000; and similar interest rates were provided for the FmHA disaster or emergency loan program.

A corresponding interest rate of 3 percent was also provided for 7(b)(2) economic injury disaster loans to small businesses in amounts up to $25,000. All disaster loans over these special ceilings were made at the cost of money to the Federal Government plus one-half of 1 percent, which was 6⅝ percent prior to expiration of the program last October 1. Public Law 95-89 also directed that all repayments of principal first be applied to reduce the principal amount of lower interest rate loans and only then applied to reduce the principal balance of such loans.

The provisions governing SBA's present disaster program expired October 1, 1978. H.R. 90, as reported, would extend it in substantially the same form for a period ending with the fiscal year beginning October 1, 1982, except that the interest rates on loans to offset losses would be 3 percent on homeowner loans up to $55,000 and 5 percent on other loans up to $250,000.

Although this program also would have been extended in exactly this form under H.R. 11445, the President pocket vetoed this bill after Congress adjourned last year. As a result, the victims of some 84 disasters which have occurred since October 1, 1978, have been forced to pay higher rates, currently 7⅜ percent, based on cost of money to the Federal Government.

Ever since flooding in Rapid City and Alaska and Hurricanes Agnes, Betsy, and Camille Congress has demonstrated repeatedly that it favors action to help people and communities suffering physical disasters. Often in the past, a program has been passed immediately after a disaster has occurred. These programs sometimes have been thrown together rapidly; and a combination of sympathy and the desire to help the Members whose States are involved has resulted in the enactment of programs which were neither completely justified nor capable of being promptly administered. Following a disaster, time is of the essence. The terms, procedures, equipment and administrative resources of the loan program should be ready prior to the occurrence of the disaster.

If the suffering and damage from severe natural disasters is to be alleviated, then some kind of a national insurance program must be involved. The most efficient, most effective and cheapest national insurance program involves the Federal Government making loans to the extent of the victim's actual net loss.

The net cost per capita of such a disaster loan program is less than $1 per year. Benefits can be paid out of the Treasury funds raised from the regular tax collection system much more cheaply, effectively, and efficiently than if we were to set up a new bureaucracy to collect premiums and administer a disaster insurance program. The cumulative totals show that the net loss on loans made to disaster victims thus far have been only 1.66 percent and are not expected to eventually exceed 3.2 percent, which is even less than the loss on regular SBA business loans.

Financial assistance to disaster victims would continue to be in the form of a loan, rather than a grant and although some victims find it necessary to borrow money to replace lost property upon which they still owe money, a majority of the Small Business Committee continues to oppose going back to the forgiveness provisions which existed following Hurricane Agnes and certain earlier disasters.

The purpose of these loans is not limited to helping an individual finance overcoming a bad loss, but also is designed to help revive communities which have been the victims of a disaster. Therefore, these loans are not restricted to undercapitalized small businesses, but also are made available to offset losses of all businesses and charitable institutions which provided goods, services, and jobs in the community and to those whose homes were damaged.

To secure a loan, a business must agree to reestablish itself in the same community and our hearings developed examples of businesses with access to capital which would not rebuild in the same community unless a loan with favorable terms could be secured. Therefore, jobs would have been lost or services no longer would be available without this SBA loan program and, thus, it is the disaster struck community which benefits from the loan program as much or more than the recipient of the loan.

The committee has found that some people, who apparently do not understand the way businesses finance their annual credit needs, have criticized the SBA program because, in some instances, a borrower has temporarily placed loan proceeds in an interest bearing account. If the borrower loses his crop or merchandise of any kind that he would have sold, the loan merely offsets income he would have had but for the disaster. If, in his business, he must wait for the replacement of inventory or if the expenses for the new crop or business year will not be due for several weeks, of course, he should keep the money at work until needed.

If he or she will not need it at any time, that person has the immediate liquid assets to repay and the loan should then be set at such a short maturity that he or she will not want to bother applying. In the normal course of business, many businesses would have had some money in interest bearing accounts for part of the year, even when they are heavily in debt part of the year; and prohibiting a borrower from even having an interest bearing account at any time until the loan is fully repaid, would reduce the ability of a borrower to use a normal business practice to reduce net interest costs while trying to recover from the disaster. This also surely would result in slower repayments of the disaster loans to SBA.

The administration objected to some provisions in H.R. 90 because they wanted farmers served solely at the Farmers Home Administration for both regular business loan needs and disaster assistance. The committee did not then or now agree to this because the FmHA emergency or disaster assistance loan program is greatly inferior to SBA's as the FmHA program excludes some applicants from receiving any type of assistance and because a farm business should not be excluded from any loan or service just because it produces agricultural goods rather than some other products. Some applicants at FmHA are excluded because some of the investors are not operators or due to some rule not applying to businesses in general and others are excluded because they do not have a poor credit rating even though a commercial loan might be at a higher interest rate and necessitate the refinancing of older loans at a much less favorable interest rate.

After considerable discussion and negotiation, we have reached a workable compromise with the administration which will recognize the continued eligibility of farm businesses for all regular loan and service facilities at SBA, but should result in more agricultural disaster lending at Farmers Home. This is accomplished by changing the FmHA eligibility so that fewer applicants are excluded; however, any who are excluded may still go back to SBA. The administration has also agreed to employ an additional 200 people at FmHA to service this workload.

Under this compromise regarding disaster assistance:

First. The interest rates on loans to offset net losses on principal residences and personal property will be exactly the same as provided in last year's vetoed bill and as was provided in H.R. 90, namely 3 percent on up to $55,000 and under certain conditions up to an additional $50,000 at cost of money under a formula which currently equals 7⅜ percent.

Second. The SBA will continue to make all loans on homes and personal property;

Third. Businesses, including the owners of residential buildings rented to others, unable to obtain sufficient credit elsewhere may receive a loan at 5 percent to offset net losses up to a maximum of $500,000, whether the applicant goes to SBA or is qualified at FmHA;

Fourth. If a business could obtain credit elsewhere, it shall have a right to obtain up to a maximum of $500,000 at a rate of interest equal to the cost of money to the U.S. Government plus not more than one percent under a formula which currently would equal 9.5 percent. This applies whether the applicant is being processed by SBA or FmHA. After 2 years, these loans are subject to being reviewed to see if the borrower is able to obtain a loan elsewhere at reasonable rates and on reasonable terms. Under H.R. 90 and previous practices, the length of the loan was determined by the "ability to repay." In my judgment, the practical result could have been very similar under both approaches.

Fifth. Those eligible for FmHA loans would be required to apply there first; however, if they are not offered a FmHA loan, they can then go to SBA and secure a loan there if they meet the tests of the SBA administered program; and

Sixth. An exception to the $500,000 loan limit to businesses could be made by SBA and FmHA if the applicant is a major employer and is no longer in substantial operation as a result of the disaster. This provision statutorily provides what existing regulations can and in general do provide at the present time

Under this compromise regarding disaster assistance:

First. The interest rates on loans to offset net losses on principal residences and personal property will be as provided in the bill; namely, 3 percent on up to $55,000 and under certain conditions up to an additional $50,000 at 7⅜ percent;

Second. The SBA will continue to make all loans on homes and personal property;

Third. Businesses, including the owners of residential buildings rented to others, unable to obtain sufficient credit elsewhere, may receive a loan at 5 percent to offset net losses up to a maximum of $500,000, whether the applicant goes to SBA or is qualified at FmHA;

Fourth. If a business could obtain credit elsewhere, it shall have a right to obtain up to a maximum of $500,000 at a rate of interest equal to the cost of money to the U.S. Government plus not more than 1 percent—at the present time, 9.5 percent. This applies whether the applicant is being processed by SBA or FmHA. After 2 years, these loans are subject to being reviewed to see if the borrower is able to obtain a loan elsewhere at reasonable rates and on acceptable terms.

Fifth. Those eligible for FmHA loans would be required to apply there first; however, if they are not offered a FmHA loan, they can then go to SBA; and

Sixth. An exception to the $500,000 loan limit to businesses could be made by SBA and FmHA if the applicant is a major employer and is no longer in substantial operation as a result of the disaster.

TECHNICAL

Congress recently established a pollution control contract guarantees program under which SBA guarantees the payment under contract with a small business for pollution control equipment. The pollution control guarantees fund is new and although SBA is collecting fees for the guarantees, it is not anticipated that any claims will arise for several years. Therefore, there are funds available which are not currently needed and the bill provides that SBA, and the Government, may temporarily invest these funds.

PRODUCT DISASTER LOANS

In order to assist small businesses whose product has been determined to be unfit for human consumption due to disease or toxicity occurring in such product through natural or undetermined causes, SBA provides loan assistance.

Questions have arisen over interpretation of the words, "undetermined causes," and a strict construction of this phrase could lead to a denial of eligibility where the cause is "known" but beyond the ability of the small business to control. For example, the U.S. Department of Agriculture is considering a ban on the use of nitrites by meat processors. If such a ban were to be imposed, meat so treated would be unfit for human consumption and the meat processor would suffer substantial losses in product on hand; however, the processor might be found ineligible for loan assistance because the cause of the contamination was known.

The committee agrees with the House-Senate conference of last year on H.R. 11445 that the eligibility of small businesses for product disaster loans should be clarified in a way that will assure those who suffer substantial economic injury as a result of being unable to process or market a product due to disease or toxicity in the product, are eligible for SBA loan assistance.

TITLE II—MANAGEMENT AND TECHNICAL ASSISTANCE

The small business sector is encountering major economic difficulties. For example, 400,000 small concerns cease doing business each year; small businesses' total share of commercial and industrial assets has dropped from 50 percent in 1969 to 30 percent in 1972; the share of business profits of independent concerns has fallen from 41 percent in 1960 to 25 percent in 1972; and, only 20 percent of those small companies started, survive their first 2 years of operation.

Testimony, letters, and conversation, with small business owners and managers blame these statistical declines on: Increasing Federal, State, and local regulatory burdens, continuing economic uncertainty coupled with inflationary pressures and high cost of money, lack of easily accessible and sophisticated management counseling, energy shortages, tax disadvantages and inequities, increasing industrial concentration, foreign competition, and rapidly advancing technology.

Small firms lack the resources of large corporations to employ sophisticated income specialists in accounting, finance, marketing, and other such areas. These same small firms are also unable economically to retain expensive outside consultants. The Small Business Administration's management and technical assistance is employed to assist those companies which are client-borrowers. Independent small business entrepreneurs generally are forced, however, to confront the overwhelming complexities of the marketplace alone.

Small business development centers would meet the need for management and technical assistance. Small business firms would have locally available, expert resources to help them with a multiplicity of diverse business problems. These services would be provided through an extension service-type delivery system utilizing the resources of public and private colleges, universities, community colleges, and consulting groups and firms located throughout each State.

Educational institutions were persuaded to mobilize their resources to provide assistance. Colleges and universities established and operated the first centers with minimal budgets funded by Federal, State, and local governments, regional commissions, large corporations, and private foundations.

SBA provided $350,000 for fiscal year 1977 as seed money, and expanded this "seed money" to $2.25 million in fiscal year 1979, for 10 centers on a pilot project basis. These funds cover only a very small portion of each center's actual and projected operating costs.

This bill authorizes the Small Business Administration to make matching grants to State governments and agencies, public and private universities, colleges, community colleges, or other institutions of higher learning to assist small businesses to solve their business problems. Private and public institutions, groups, and concerns would conduct research into matters that significantly affect a major portion of the Nation's small business sector. This bill authorizes a maximum of $18 million in fiscal year 1980 as matching grants to facilitate the development and operation of these centers.

TITLE III—WHITE HOUSE CONFERENCE ON SMALL BUSINESS

It is absolutely essential that the Federal Government make every effort to assess the present and future needs of the vital small business sector of our economy. Previous Government efforts and "task force approaches" have proved inadequate and undercapitalized. A major effort is called for to increase public awareness of the essential contribution of small business; to identify the problems of small business, including new, small, and family enterprises; to examine the status of minorities and women as small business owners; and to develop specific and comprehensive recommendations for executive and legislative action as may be necessary.

Title III is basically patterned after House Joint Resolution 649, which passed the House February 21, 1978 (341–65), authorizing a White House Conference on the Humanities and a White House Conference on the Arts, and was subsequently enacted as Public Law 95–272.

The bill authorizes the President to convene a White House Conference on Small Business to be held by June 30, 1980.

The national conference would be preceded by State and regional conferences.

The purpose of the conference is to increase public awareness of the essential contribution of small business; to identify the problems of small business, including new, small and family enterprises; to examine the status of minorities and women as small business owners; and to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation.

In order to carry out the purposes specified, the Conference shall bring together individuals concerned with issues relating to small business, and there is an express provision that no small business, and there is an express provision that no small business concern may be denied admission to any State or regional meeting.

The bill also requires that not more than 1 year from the date on which the Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be made available to the public.

The Small Business Administration is required to report to the Congress annually during the 3-year period following the submission of the final report of the Conference on the status and implementation of the findings and recommendations of the Conference.

Finally, the bill authorizes and directs the Administrator of SBA to reimburse participants in the national Conference for all reasonable and necessary costs of the Conference, including cost for travel, meals, accommodations, and support for other activities necessary to carry out their functions concerning the Conference. This provision is identical to the standard clause covering such matters in legislation providing for other White House Conferences and is identical to the provision in the current White House Conference on the Arts and Humanities.

CONCLUSION

I believe the provisions of this bill provide a needed and efficient method of responding to the needs of disaster victims under a program administered by the Small Business Administration so that several agencies need not be involved in disaster loans; and I also believe that the provisions of this bill relating to regular activities of the SBA are needed by the Nation's small businesses if a climate is to be provided in which they may prosper or continue to compete; and especially to arrest recent trends which show that some 400,000 small concerns cease doing business each year; that small businesses' share of commercial and industrial assets has dropped from 50 percent in 1960 to 30 percent in 1972; that the share of business profits of independent concerns has fallen from 41 percent in 1960 to 25 percent in 1972; and, that four out of five small companies started do not survive their first year of operation. I believe that this bill represents a reasonable, adequate, and inexpensive means of helping small business throughout the Nation; and that the development of viable small businesses as a source of goods and services to both private industry and to the Federal, State, and local governments will provide an increase in competition and result in lower prices to these purchasers.

Mr. McDADE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to begin by expressing my appreciation to the distinguished chairman of the committee for the fine cooperative and bipartisan spirit which he showed on this bill. I want to extend the same comment of appreciation to the staff on the majority and minority side, and to all the members of the committee. Every single one of them played an important part in developing this legislation which is before you today.

I would like to say the legislation is totally not controversial and is blessed by all without opposition. However, as my friend from Iowa (Mr. SMITH) has pointed out, the bill before us has indeed generated some controversy.

My colleagues will remember that a similar bill to this one passed the House by an overwhelming margin and was pocket vetoed by the President last October and as my friend has indicated, without a chance for the House to act to override.

This year as the first order of business the House Committee on Small Business reported H.R. 90 which was in all principal effects a bill similar to the one the President vetoed.

Unfortunately, because of the continuing threat of veto, a substitute had to be negotiated, worked out, and it was done after long hours and was introduced by the chairman with myself as a cosponsor. That is the substitute that appears before us today as H.R. 4011.

I want to emphasize that although it is not the bill I personally want, it is one I have agreed to support for among other reasons that 200 disasters have occurred in this country since last October and tens of thousands of disaster victims have been forced to look at interest rates which, in my opinion, are exorbitant for disaster rates because of that pocket veto.

Simply put, the longer the bill is delayed in getting to the floor the harder it was for disaster victims.

With the hope of bringing this bill to the floor, letting the House work its will, I agreed to the compromise offered by the distinguished chairman of our committee, cosponsored it and here we are with H.R. 4011.

As I say, it has interest rates that are higher on disaster provisions than I would like but it still represents a commitment to the future of small business in this Nation, an enormous commitment by this Congress.

We should put that in perspective for just a moment. When we pass this bill we want to think about the impact we are going to have on the small business economy in this country. We can think of it in this fashion: 44 percent of the entire civilian work force is employed by America's small business. While the Government has been less than successful than any of us would like in its job creation efforts over the past 8 years, small businesses throughout the country accounted for just about 70 percent of all the new jobs that were created in this Nation.

During the same period, larger businesses created only 1 percent of the jobs with State, local, and Federal governments making up the difference.

Small business not only has created jobs but they have also provided us with a significant number of technical innovations which, if you measure it by the research dollars put in, were 24 times more effective than large businesses in the creation of technical development.

Clearly, the small business community is highly responsible for jobs created and jobs conceived and growth continued. Without the continuing support for this sector of our economy our Nation would face even tougher economic distresses.

All of us know small business is not without problems. They have a history of being cash short and are particularly susceptible to economic downturns. Compared to larger businesses they pay a higher percent of their earnings in taxes and, also, for compliance with regulatory programs.

The problems I have just mentioned, when coupled with problems of international competition in the marketplace contribute to the failure of over half of all the businesses that are created in the first 4 years of the operation.

The legislation we have before us reestablishes the concern of this House for the future of the small business community in this country and confirms our interest in the plight of disaster victims.

To accomplish this goal, as my chairman pointed out, we authorize a level of $4.8 billion in business loans and an as needed appropriation for disaster loans for fiscal year 1980 and parallel authorizations for the years 1981 and fiscal year 1982, in line with estimated future needs.

One of the most important programs is the disaster loan program and it is not just for small business, it is for everyone in America. At one time or another this program has touched every single congressional district in this Nation and undoubtedly many of you have had first-hand experience with this program. I am sure that a number of my colleagues could relate the differences these loans have made in the lives of the more than 688,000 disaster victims who have used it. I have seen it work in my own district in Hurricane Agnes and I want to emphasize it is not a grant program we are talking about here. This is a loan program. Historically, it has one of the lowest default rates, 1.6 percent, of any Government loan program. What this means is that as we make these disaster loans the Government is getting the money back with interest and most of that money is put back in disaster loans.

I think it is important that we should keep in mind that the purpose of that disaster loan program is to try to help communities, businesses, and individuals get back on their feet and into their homes as soon as we can do it.

I do not believe interest rates should be so high that businesses might be forced either to remain closed or relocate or homeowners to say, "Well, I cannot build again, I must go to a rental unit." What we want to do is rebuild a community smashed by some act of God.

Although these interest rates, as I say, are not as low as I want, I am afraid they are as low as we can get them in this bill. I fear the same about the "credit elsewhere" test, which I fought vigorously in subcommittee and regret to see in this bill.

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But the administration has said, "This is it. If it isn't in, we are going to veto it."

Under those circumstances, and recognizing the facts of life around the country, we have got to get a bill. So, I lend it my support.

As I said above, both of these bother me; we have got to have a bill that we can bring to the country. We have got to get the general authorities out to try to help the 13 million small businesses throughout the country, as well as all of the disaster victims who are standing waiting for a bill that will effectively try to help them. We can do that today when we try to vote for this bill.

Now, if I might have my chairman's attention, the gentleman from Iowa (Mr. SMITH), just for purposes of legislative history, I would very much like to engage in a colloquy with the distinguished gentleman from Iowa on FmHS and SBA policy.

Mr. Chairman, I wonder if the gentlemen will enter into a colloquy to clarify possible differences between FmHA and SBA policy, which might result from these proposed changes in the disaster loan programs.

First, it is my understanding, after talking with SBA officials, that SBA and FmHA will handle "credit elsewhere" determinations differently. I believe that for FmHA, a county committee composed of local farmers, now makes "credit elsewhere" decisions. SBA, however, will make case-by-case "credit elsewhere" decisions and; the problems of a loss of the local bank in a disaster, will be a factor in determining the availability of "credit elsewhere".

I have seen disasters where business owners have been forced to abandon their property and move to shelter areas. Having already lost their automobiles and the telephone system, they had no way to contact their local banks for a credit request. The local banks were also under water and certainly incapable of quickly processing a loan application. In such situations, SBA's officials assure me the administration would make the finding that credit was not available in that area.

Mr. Chairman, do you understand this to be an accurate interpretation of SBA's "credit elsewhere" determinations?

Mr. SMITH of Iowa. Yes, that is my assessment of SBA's policy on this matter.

The gentleman and I have both seen specific examples where this has occurred, where it is just impossible to get a local bank to give them the credit necessary papers. It is just not practical to say they ought to go to some town where they are never going to do business to get one there.

Mr. McDADE. I thank the gentleman. Now there is one point, which I believe needs further explanation.

This measure allows businesses that are able to obtain "credit elsewhere" to receive at the cost of money plus up to 1 percent. These loans will be reviewed every 2 years to determine if the borrower is able to obtain a loan to repay the existing SBA disaster loan. If SBA determines that the borrower is able to obtain such a loan, at reasonable rates and terms, and for the same purposes as the disaster loan was given; the borrower must, if the SBA requests, apply for and accept such a loan.

I understand, that decisions on the availability of non-Federal credit for this special group of borrowers will be made on the basis of what is reasonable for the individual borrower. This means that the decisions as to whether the rates, the terms and the period of the loan are indeed reasonable and therefore; whether non-Federal credit is available, will not be made on the basis of a standard type test. This "case-by-case" credit review and evaluation is necessary to insure fairness to those borrowers.

Is this your understanding of SBA's credit review of these special borrowers?

Mr. SMITH of Iowa. SBA assures me that these policy changes will in no way weaken their "case-by-case" credit review.

I believe it is most important that SBA continue its longstanding policy of making disaster loans and structuring the repayment of such loans, according to each individual's situation.

Mr. McDADE. Again, I thank the distinguished Chairman for his response. In my opinion, these are very critical points which insures this disaster policy is both compassionate and reasonable.

Mr. SMITH of Iowa. Mr. Chairman, I want to thank the gentleman from Pennsylvania, too, and all the members of the committee. As I indicated before, the bill came out of the committee 25 to 2. It has been strictly a bipartisan effort and a constructive development of the bill. I want to thank the gentleman and others on that side of the aisle.

Mr. McDADE. Mr. Chairman, it has been a pleasure to work with the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. McDADE. Yes; I yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, when the gentleman talked about the credit elsewhere provisions in those cases where a town was wiped out, the bill provides that those who can get credit elsewhere pay the current cost to the Government, plus up to 1 percent.

I assume that the gentleman was not referring to any change in interest rates to those people who could obtain credit elsewhere, but those people who could obtain credit elsewhere would still pay the going cost of money to Government, plus 1 percent.

Mr. McDADE. Mr. Chairman, let me say to my friend, the gentleman from Iowa, that the gentleman did not understand the colloquy. What we are saying is that if a town is destroyed, there is nothing there, there are no telephones, there are no cars, there is no bank, it is gone.

Mr. BEDELL. Sure.

Mr. McDADE. In those circumstances they do not have to seek credit elsewhere. In the event of a major destruction of a community, they do not have to go elsewhere. We have that agreement with the administration and we want the record to show emphatically that that is the intent of the committee.

Mr. BEDELL. Well, the problem I have with that is that if we have somebody we know can get credit elsewhere, then I take it that the gentleman is saying that they are going to loan the money at the lower rate of interest, rather than the cost of money. I do not think that is the intent whatever.

Mr. McDADE. Mr. Chairman, I say to my friend, the gentleman from Iowa, I say it again, and I said it again and again here many times, if a town is destroyed, does the gentleman understand?

Mr. BEDELL. I understand.

Mr. McDADE. There are no communications. The cars are under water. The bank is under water. All the banks are under water. We are not going to ask an individual to go to some other community. We are going to let them come in the front door of the SBA to get a disaster loan. That is all.

Mr. BEDELL. Mr. Chairman, if the gentleman will yield further, I have no problem with the person coming in and getting a loan. I have great problems if what the gentleman is saying is that Montgomery Ward if they are destroyed in that community, can come in and get the loan at the lower interest rate. I assume the gentleman does not mean it to be that.

Mr. McDADE. Mr. Chairman, the gentleman has expressed his opinion as dissenting.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, if the gentleman remembers, just last year we passed a foreign aid bill which amounted to some $9.2 billion. If I remember correctly, most of that money was lent to foreign countries at 1-percent interest for the first 10 years; for the second 40 years, 2½-percent interest.

During the past year we have had devastations throughout Texas. We have had many cities absolutely destroyed. We have had homes washed away. We have had thousands of mobile homes destroyed.

In Mississippi and in Alabama, we had the same things occur.

I want to ask the distinguished gentleman if we are going to charge our people, Americans, people who have lived here all their lives most of them, are we going to charge them more than we are going to charge the people we send money to overseas? I want to ask the gentleman that; is that correct ?

Mr. McDADE. Unfortunately, the gentleman from Kentucky is quite correct. Under the current legislation, the gentleman will recall that bill we reported out for a residential homeowner was 1 percent on the first $10,000. The current bill increases that for both a homeowner and for business.

Mr. CARTER. Is it not true that some years ago we loaned some $70 million to Uganda, Idi Amin, under these same conditions, 1 percent; is that correct? Idi Amin, of all people; does that not make us in a sense second-class citizens here in the United States?

Mr. McDADE. Mr. Chairman, as my friend, the gentleman from Kentucky knows, and as I said, this is not the bill that I personally would support if I had my way. This is a bill that we are forced to negotiate with the White House under threat of veto and which we have had to bring before the House to work its will in order that we can get these authorities in place. The gentleman is correct in what the gentleman is saying.

Mr. CARTER. Mr. Chairman, if the gentleman will yield further, veto or not, where does charity begin, at home or overseas? I should think we should do all we can, that the compassionate arm of this country should extend down into Texas to help those people and give them as good or better chance than we have given to other people, Idi Amin's people and others throughout the world.

Not only that, we should extend our arms down to Mississippi and Alabama, and we should lower that interest rate from 3 to 1 percent, if we have the feeling of compassion in our hearts for our fellow Americans.

I thank my good friend for yielding.

□ 1310

Mr. McDADE. Mr. Chairman, it is a pleasure to yield to my friend, the gentleman from Kentucky (Mr. CARTER).

As the gentleman knows, I filed a bill earlier this year that would have gone back to existing law and would have done what the gentleman says. I personally support that concept.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to my friend, the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, not long ago in our Subcommittee on Treasury, Postal Service and General Government of the Committee on Appropriations, the subcommittee that takes a look at GSA's purchases, we learned that GSA had requested $80 million to purchase some 15,000 automobiles, as I recall, and it came out to about $5,550 each. Not only automobiles but trucks were involved.

The then Administrator of GSA conveyed to our committee the fact that once they hit the street for bids, if one of the three motor companies—Ford, General Motors, or Chrysler—would win and had the lowest bid, American Motors could reach in and take half of the automobile bid. They could furnish half. They could have half of the contract, he said, because they are rated small business by the Small Business Administration.

How far does the Small Business Administration reach out? Can this happen? Apparently it is happening.

Mr. McDADE. Mr. Chairman, let me say to my friend, the gentleman from Ohio (Mr. MILLER), that there is a small business set-aside program which permits a contracting or procurement officer in his discretion to do certain things if the contract is severed, which means that it is an obviously severable contract—and that might be, for example, for pencils or paper clips or something of that nature—and he could set aside a portion of the contract, and if a small business comes within 25 percent of the low bid and is willing to meet the low bid, it could get half of the contract. In other words, it does not cost the taxpayers anything.

It could, under the provisions of the existing law, if it meets the low bid, be eligible for half of that contract.

The cost to the taxpayers, let me say to my friend, the gentleman from Ohio (Mr. MILLER), is nothing. If the administrative officer made that determination, then it is entirely conceivable that a small business could get half the contract. I am not absolutely certain what American Motors would be; it does not seem to be a small business to me.

Mr. MILLER of Ohio. It does not seem to be small business to me either.

Mr. McDADE. However, I am not absolutely certain what their numbers are and what their sales are, et cetera. Apparently they qualified, if the gentleman says that happened, because I know that my colleague knows his facts and, therefore, it must have happened.

The general theory of the program is that we want to help small business. We want to continue to do that. The contracting authority has the discretition to set aside 50 percent of a contract in such instances, and if a small business is within 25 percent of the low bid and then agrees to match that low bid, it can take 50 percent of the contract.

Mr. MILLER of Ohio. So American Motors would be considered small business under the bill we are considering today?

Mr. McDADE. Mr. Chairman, that is the statement from my friend, the gentleman from Ohio (Mr. MILLER). I have not seen the exact figures. They are not however, eligible for Small Business Administration loans.

Mr. MILLER of Ohio. Mr. Chairman, if the gentleman will yield further, this is for 3 years? There is an authorization here for 3 years, 1980, 1981, and 1982?

Mr. McDADE. Mr. Chairman, I wish my friend, the gentleman from Ohio, would permit me to reclaim my time. I only have 1 minute left, and the gentleman can get time under the 5-minute rule.

Mr. MILLER of Ohio. Mr. Chairman, all I want to know is this: This is a bill for $24 billion, and will American Motors be guaranteed a loan under this?

Mr. McDADE. I am sorry, Mr. Chairman, I only have 1 minute left, and I cannot yield.

Mr. SMITH of Iowa. Mr. Chairman, I yield 1 additional minute to my friend, the gentleman from Pennsylvania (Mr. McDADE), so he might yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I am delighted to yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I thought that we ought to clear up the matter of American Motors' status, as to whether it is or is not a small business.

Some years ago there was a subsidiary of General Motors that was experiencing significant difficulty, and that subsidiary applied for help under the Small Business Administration. So it is not the entire corporation that is considered; it is just that one subsidiary that is classified as a small business development.

Mr. Chairman, I thought we ought to clear the air on that so that one does not believe that General Motors and American Motors are both classified as small businesses.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. McDADE) has expired.

Mr. CONTE. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. McDADE. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to take this opportunity to compliment the chairman of the Committee on Small Business, the gentleman from Iowa (Mr. SMITH) and the ranking minority member, my good friend from Pennsylvania (Mr. McDADE).

Mr. Chairman, as a cosponsor of H.R. 90 and the compromise version H.R. 4011, I am pleased to rise in support of the bill before us.

I will not take the time to repeat the explanation of the bill given by the able chairman of the Small Business Committee (Mr. SMITH of Iowa) and the committee's ranking minority member (Mr. McDADE). I do want to point out, however, that the basic provisions of this bill embody a concept which has been approved by overwhelming votes in this House time and again—the concept of congressionally established program levels or line items for SBA's activities.

The chairman of our committee (Mr. SMITH of Iowa) and I as the then ranking minority member and the entire Small Business Committee worked hard to write this concept into law and we succeeded with the enactment of Public Law 95-89. As a result of that landmark legislation we saw for the first time for fiscal year 1978 and 1979 a system whereby the agency knew exactly what Congress expected of it. The Appropriations Committee was able to provide funding in accordance with the authorized specific program levels. The Congress was able to conduct meaningful oversight—comparing authorized goals with accomplishments. And most importantly the small business community knew with some degree of certainty what to expect from its agency.

Hearings held since the enactment of Public Law 95-89 have established that this system works and works well. With the exception of the 7(a) direct loan program, the SBA has been operating very close to the targets set in Public Law 95-89. There is a very strong bipartisan feeling on the Small Business Committee that the Agency can and should operate for the next 3 fiscal years at the levels established in the bill now before us.

Now it is no secret, Mr. Chairman, that the bill we passed last year to provide a 3-year line item authorization, H.R. 11445, was killed with a pocket veto, despite the fact that the original bill was passed by this House by a vote of 310 to 72; and the conference report was adopted by a vote of 376 to 10. But I am not up here to speculate whether or not that veto could have been, or should have overridden.

The fact is, Mr. Chairman, that our committee did give due consideration to the administration's objections to the bill that emerged from conference last year. We deleted or seriously modified those provisions to which the administration seriously objected.

We deleted completely the expensive and controversial provisions to establish a new system of venture capital investment companies—provisions insisted upon by the other body and reluctantly accepted by our conferees. Similarly, this year we have deleted the other body's provision to reorganize and restructure the SBA in minute detail.

The biggest problem we had, of course, was with the disaster loan provisions. Although we had not found a solution to providing uniform and fair treatment to all disaster victims at the time H.R. 90 was reported. The compromise bill before us today provides such a solution, thanks to the cooperation of the Committee on Agriculture, the Committee on the Budget, the Committee on Rules, and the belated cooperation of the executive branch.

In summary, this is a good bill representing a bipartisan effort to provide a vehicle for us to deal responsively and responsibly with the small business community over the next 3 fiscal years. I urge its adoption.

Mr. BADHAM. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. McDADE. I yield to the gentleman from California.

Mr. BADHAM. Mr. Chairman, I rise to express my appreciation for the work done on this bill both to the chairman and to our colleague, the gentleman from Pennsylvania (Mr. McDADE).

Mr. Chairman, I rise to express support for the compromise provisions worked out by the Small Business Committee which will lower the interest rates on disaster loans and to call these provisions to the attention of my colleagues who joined me in sponsoring H.R. 114, a bill to establish low interest rates on SBA loans to disaster victims.

For the many people who lost their homes and belongings or businesses as a result of a disaster occurring since October 1, 1978—of which there have been four in my district alone—the amount of interest they must pay on loans provided by the Federal Government to help them get back on their feet is a question of vital concern. It is a question to which the Congress should provide a timely answer.

In my opinion, the provisions of the Small Business Programs bill answer the questions arising from the President's opposition to and veto of the interest rates approved by the 95th Congress in a reasonable and equitable way.

Individuals who lose their homes will be able to obtain loans up to $55,000 at an interest rate of 3 percent. Businesses unable to obtain sufficient credit elsewhere will be eligible for loans of up to $500,000 with a 5-percent interest rate. In addition, short term loans amounting to $500,000 or less will be available for affected businesses which have access to commercial credit but are faced with serious problems such as inadequate cash flow. The interest rate on these short term loans would be set at the cost of money to the Government (currently 7⅜ percent) plus not more than 1 percent.

Not only would these loans go a long way toward providing assistance to disaster victims most in need, they also have the greatest chance of being enacted into law. Recognizing that a reduction in SBA disaster loan interest rates is necessary and in keeping with the need to hold the line on Federal spending, I recommend this legislation to my colleagues as a practical and acceptable compromise.

Mr. SMITH of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. Montgomery), who has been very helpful in working on this bill.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of this legislation.

I would like to say that H.R. 4011 represents a compromise that has been difficult to reach, but it is an excellent bill, in my opinion.

I would certainly like to thank the chairman of the committee, the gentleman from Iowa (Mr. Smith), the gentleman from Pennsylvania (Mr. McDade), the gentleman from Missouri (Mr. Bolling), and the Speaker of the House for their untiring efforts in putting this measure together. I think we have worked more on this bill than on any other piece of legislation I have ever had the privilege of being involved in since I have been in Congress.

I would also like to thank the chairman of the Committee on Agriculture, the gentleman from Washington (Mr. Foley), the subcommittee chairman, the gentleman from Tennessee (Mr. Jones), and Mr. Madigan of Illinois and other members of the Committee on Agriculture for their cooperation and assistance.

I would like to say, Mr. Chairman, that the representatives of the White House, the OMB, and the SBA, along with the Farmers Home, have cooperated and have been available to help us to come up with a workable bill.

The disaster loans included in this legislation are badly needed in my home State, as well as in many other parts of the country that were devastated recently by floods and tornadoes. There will no doubt be other disasters leaving victims in other States in need of this money just as desperately as my fellow Mississippians are in need today.

Many of the flood victims in Mississippi are on the verge of ruin. They have lost everything, and many are carrying mortgages on their ruined properties. It will be next to impossible for some of these people to repay an additional 7⅜-percent interest loans. Such large payments would force them to lose their homes or businesses, along with the personal belongings already lost in the floods and tornadoes.

There have been over 4,000 requests or applications for disaster loans in our State. Where it is possible, I have encouraged the people to secure other than Government loans and make the repairs on their own rather than depending on the Government. But this is just not possible for many. They need lower interest money to save their homes and their businesses.

As to the 5-percent business disaster loans, up to $500,000 is available, and that will certainly help.

I am concerned, Mr. Chairman, however, that in our bill there is a limit of $500,000 for business disaster loans. I know in some cases a loan of $500,000 is not enough to start some companies up again.

I would like to ask the chairman of the full committee, the gentleman from Iowa (Mr. Smith), about this. In most cases, these companies about which I am talking employ over 100 people. They are privately owned companies, but $500,000 is not going to be enough for them to get back in business, and that means a hundred people in that small business are going to be out of work.

Will they be able to go somewhere and make a request for more than $500,000? I am mainly talking about business disaster loans.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, under the amendment that has been worked out, we provide that if the applicant constitutes a major source of employment in an area suffering from a disaster and they are no longer in substantial operation, then the Small Business Administration can waive the $500,000 limit.

Mr. MONTGOMERY. In other words, these loans will be considered by the Small Business Administrator?

Mr. SMITH of Iowa. Yes. There is a relief valve here for such cases.

Mr. MONTGOMERY. Mr. Chairman, I certainly thank the committee chairman for that statement, because if we do not put those people back to work, they are going to have to go on unemployment insurance or they are going to have to be helped by food stamps and other things.

Mr. SMITH of Iowa. Mr. Chairman, the gentleman is exactly right. As he forcefully pointed out to those of us negotiating on this bill, it is not just the applicant who is helped by the loan; it is also the people in the community and it is even the Government. After all, if these people get back in business faster, they are going to make more money faster and pay more income taxes. So everybody gains if we have some further relief in certain instances.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman from Iowa (Mr. Smith).

Mr. Chairman, these low interest loans are not something new. The Congress has provided disaster victims with low interest loans for many years, and as indicated by the large favorable vote last year on similar legislation, most of this body still wants to help our disaster victims. Many times I have been reminded by victims during this recent disaster, humanitarian aid should start at home. We have aided natural disaster victims around the world, we make low interest loans to foreign countries for a variety of purposes. I do not think it is asking too much to provide such loans to relieve human suffering and to restore jobs for our own people.

Thank you, Mr. Chairman.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. Montgomery) has expired.

The gentleman from Iowa (Mr. Smith) has 15 minutes remaining, and the gentleman from Pennsylvania (Mr. McDade) has 9 minutes remaining.

Mr. SMITH of Iowa. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. Hightower).

☐ 1320

Mr. HIGHTOWER. Mr. Chairman, this bill is described as a bill for disaster relief. Disasters sometimes are very local, but it is necessary for every Member to remember that disasters can occur anywhere at anytime.

I live in a part of the United States that is sometimes called tornado alley. It is a mistake, however, to call any area a tornado alley, because tornadoes and tornado-like winds have occurred in all 50 States. So no one is immune from having a disaster. When a disaster occurs, it happens very suddenly, too often with too little warning. It is no respecter of persons.

The disaster tornadoes which swept through Wichita Falls in my district on April 10 went 9 miles through the residential area of town. It leveled up an area to a mile wide, put approximately one-fourth of the people in that city of 100,000 out of their homes. There were small homes, medium-size homes and large homes. There were inexpensive homes—if there is such a thing in this country today—and some very expensive homes. A disaster can be very devastating personally because of the psychological effects that it has on the people who are its victims and the property that is destroyed which cannot ever be replaced.

Under such circumstances, it is proper for the Federal Government to help. The Federal Government does not propose small business loans or any kind of relief to make people whole. It is not a way to do business, but it is a helping hand at a time of tragedy that certainly is important.

I want to compliment the Federal Disaster Assistance Administration for the response that they gave at Vernon and Wichita Falls, Tex., and Lawton, Okla., on April 10, when they responded so immediately and so effectively to the people there.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. HIGHTOWER. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I would

like to associate myself with the gentleman's remarks and compliment the gentleman on his words today.

Two years ago this month, three tornadoes swept through the Fourth Congressional District of Missouri which I represent. The devastation that the gentleman described occurred in my home area. The need is there, as the gentleman has described. I compliment him on his thoughts. I also add my support to them because I have personally seen destruction and devastation and heartbreak that happens when disaster occurs.

Mr. HIGHTOWER. I thank the gentleman from Missouri for his comments. Certainly it has happened in many areas, and it will continue to happen.

After the disaster in my district, the Small Business Administration in the next few weeks interviewed over 6,000 people who made applications for small business loans. They anticipate that there will be between 3,000 and 5,000 of those that will formerly be completed. It is a compassionate arm extended, as my colleague from Kentucky has expressed it. But this bill is to help people to help themselves. It is to make loans available that otherwise would not be available. It is to help people rebuild their homes who otherwise would be unable to rebuild them at all.

Many of these victims had reduced the size of their mortgages to where they were very small. Some people had retired and were living on social security. Some homes of victims were virtually paid for, perhaps underinsured, and to be completely wiped out under such circumstances is a terrible experience.

This is an important piece of legislation because it will help to rebuild homes and rebuild businesses, the lifeblood of the city, and to restore the confidence of the people in themselves. They are not asking for handouts but for a new opportunity to work for themselves.

Mr. McDADE. Mr. Chairman, I yield such time as he may consume to the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, as a cosponsor of this proposed legislation, I would like to take a moment to lend my strong support to it, particularly those provisions of the bill dealing with interest rates on disaster loans. My personal interest in these provisions arises because of the recent flooding in my home State of North Dakota where 40 of our 53 counties were recently declared eligible for Federal disaster assistance. Having witnessed firsthand the devastating results of this spring flooding, I can fully assure my colleagues of the vital need for low interest rate disaster loans.

The psychological impact of such massive flooding is difficult to imagine unless you are unfortunate enough to be a disaster victim. But, in addition to the personal sense of loss, anguish and frustration, the flood victim must now face up to harsh financial realities.

This is the point where the individual who has lost or incurred damage to his home or business looks to the Federal Government for assistance. This is as it should be. I certainly want to commend the Committee on Small Business for recognizing this fact by recommending a reduction in the interest rate on SBA disaster loans.

Victims of disasters occurring since last October 1 have been forced to pay a higher interest rate on SBA loans because the law providing reduced interest rates expired. Reinstatement of the lower interest rate SBA loans to disaster victims is essential not only to provide assistance to disaster victims, but also to help affected communities recover business lost through disaster.

As you know, this bill provides that for disasters occuring between October 1, 1978 and October 1, 1982, homeowners would pay 3 percent interest on loans up to $55,000 and 5 percent on loans up to $500,000 for small businesses, including farm businesses. Currently, the interest rate on disaster loans made by the Small Business Administration is set as 7⅜ percent. The new reduced interest rates will enable disaster victims to get back on their feet in a relatively short period of time after, in many cases, losing everything they possess in a disaster. Again, these individuals are deserving of all the assistance their Government can provide in this time of need.

One last point, Mr. Chairman. I think my colleagues and I would be rather hard pressed to justify to the American disaster victim in Grand Forks, N. Dak., or any other designated disaster community in the country, how the U.S. Government can give away and lend substantial sums of money to foreign nations if we choose to ignore our own people's needs. We must do all we can to assure our fellow taxpayers that we can respond as quickly and effectively to their disaster-related problems as we can to those occurring in other parts of the world.

Mr. SMITH of Iowa. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I rise in strong support of the legislation. Obviously, I want to support it for two major reasons, the first being the matter of dealing effectively, efficiently and quickly with the States and the cities that have experienced disasters.

I was recently in Pascagoula, Miss., about a month or so ago, I was taken through the town and I saw where the high water mark was some several years ago and how the town has recovered. As my colleague from Mississippi indicated, the people in that area were most praiseworthy about the support given through the disaster loan area. The entire town has been rebuilt. It is thriving now.

In the long run, I think I have some concerns about where this disaster loan program ought to be. But for the immediate situation, I think we must deal with it in this legislation as being proposed, primarily because the disasters across the Nation are so great, we must act quickly.

The second reason I am in support of this legislation lies in the fact that the Nation's economy, as everyone knows, has been going through a series of gyrations. Sometimes it looks good; sometimes it looks bad. The small businesses are perhaps most immediately affected by any significant changes in the economy. Therefore, I am delighted that this legislation addresses the problems that the small businesses might confront at this time of economic uncertainty, and I remain convinced, as do my colleagues on the Committee on Small Business, that the small businesses, not the giant corporations, not those juggernauts, but the small businesses are the ones that will maintain the economic viability of this country.

Mr. Chairman, in October of last year, President Carter signed H.R. 11318 into law. That bill, now Public Law 95-507, significantly amended the Small Business Act and Small Business Investment Act of 1958, providing for the first time a statutory vehicle by which this Nation's economically and socially disadvantaged could take another step toward economic parity.

The bill before us today, H.R. 4011, also amends the Small Business Act and Small Business Investment Act of 1958, again, opening yet another door toward that corridor of economic stability for this Nation's most vital and oftentimes neglected industrial and commercial resource, the small business community. Lest we forget, the very foundation of this Nation's economic structure is due to the inventiveness, ingenuity and perseverance of the small businessperson. In large measure, the solutions to our present economic ills will, like similar conditions past, be conceived, planned, and implemented by them.

I earnestly believe that each and every effort the Congress makes in behalf of the small business community brings this Nation a step closer to full economic recovery, solutions which can be translated into jobs and profits. The more this Congress recognizes that small business, not the multinational juggernauts, is the economic backbone of America, the closer we will come to insuring that our economic hopes and aspirations are realities instead of dreams.

I support this legislation, the compromises notwithstanding. However, let me make it clear that I would have liked to have seen and still hope to envision both stronger and more substantive legislative efforts in this regard. This Nation must set into motion those mechanisms, whatever the cost, to assist and upgrade the small business community. America spends billions, for example, in foreign aid and will likely give up billions more in multilateral trade quid pro quo.

The important question we must forever ask ourselves is whether or not our spending really benefits the American people, not just America in a multinational corporate sense. For, as we span this Earth in search of more and more resources, oftimes predicating our foreign policies upon these needs, we must stop and analyze those vast resources we have at our fingertips—our human resources and our small business concerns.

If we are to save our future and our great heritage, we must judiciously pace our labors and allocate our moneys inwardly. There can exist no international economy for us in face of economic turmoil on the domestic front.

As a member of this body's Small Business Committee, I stand firm in supporting the constant injections of resources and opportunities into the veins of our economic system. But, let me say, here and now, that the "mother lode" is small business, the entities that have historically kept this great economic vessel of our's afloat.

Mr. SMITH of Iowa. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise in support of H.R. 4011.

This legislation makes significant reforms in the Nation's physical disaster effort, and it represents a vast improvement in terms of cost and equity compared to the current program, and to the program authorized by H.R. 90 as it was reported out of the House Small Business Committee on March 5.

H.R. 4011 coordinates the SBA and Farmers Home Administration programs, tightening and rationalizing their eligibility requirements, particularly as applied to farms and agricultural enterprises. It saves significant amounts of money compared to H.R. 90, and most importantly, it denies taxpayer-subsidized low-interest loans to those farms and businesses which can obtain credit elsewhere, thus screening out wealthy applicants who have in the past obtained these loans.

The current program, as authorized in 1977, has provided these subsidized loans to many individuals and corporations who simply should not have been eligible. The lack of a "credit elsewhere test," or any other means to direct this program to those in greatest need and away from those who can easily absorb their losses, has resulted in the lending of millions to applicants regardless of wealth. In the words of General Accounting Office, it is "a questionable use of Government resources."

The inclusion of farms in the SBA's physical disaster loan program by Congress in 1976 invited a comparison with the Farmers Home Administration's emergency loan program, which unlike the SBA required each applicant to apply first to a non-Federal source for credit before being eligible. In a report issued 1 year ago, the General Accounting Office made such a comparison, and determined that the SBA program was badly in need of reform.

The GAO report, "Difficulties in Coordinating Farm Assistance Programs Operated by the Farmers Home Administration and the Small Business Administration" (CED–78–118), found that the highly subsidized interest rates offered by the SBA program—3 percent at the time—actually created a strong incentive for wealthy farmers to take out disaster loans rather than apply to their normal source or absorb their losses without borrowing money at all. The lack of a "credit elsewhere" test made such farms and businesses eligible where they were not under the FmHA program. Comparing financial profiles of SBA and FmHA borrowers, the GAO found that the SBA borrowers were wealthier in every regard: cash reserves, liquid assets, total assets, net worth, gross farm income, farm market value, equity in farm, and size of farm.

Concluded the GAO:

> Accordingly, we recommend that the Congress maintain the credit elsewhere test for FmHA's Emergency Loan Program and that, if SBA is to continue making disaster loans to farmers, legislation be enacted requiring SBA to make loans under its Physical Disaster Program only to farmers unable to obtain credit from non-federal sources.

Like many in Iowa, I was shocked to read a listing of the largest SBA disaster loans to farmers in 1978 printed in the Des Moines Register. The average net worth of the top 28 recipients was about $2.5 million, and included some of the largest farming enterprises in the State. Certainly most if not all of these could have obtained commercial credit without seeking low-interest loans.

Farmers themselves do not view this as a program that is good for agriculture. At recent meetings of my farm advisory committees from each of the 22 counties of my district, members voted 170 to 0 in favor of implementing a "credit elsewhere" test on the SBA program. National farm organizations, including the American Farm Bureau Federation, the Farmers Union, and the National Farmers Organization, support such an amendment to this program. To say that such an amendment is antifarmer is the height of misrepresentation. To say that it is profamily farmer would be accurate. I have on hand letters of support from each of these three farm groups.

In my dissenting views to accompany the committee report on H.R. 90 as it was reported out of the Small Business Committee, I announced my intention to offer such a credit elsewhere amendment on the floor. The major changes in the program made by H.R. 4011 would appear to make such an amendment unnecessary, and it is my sincere hope that these changes will end the abuses we have seen.

My remaining concern is that the SBA implement a 20-percent minimum loss requirement for eligibility identical to the FmHA requirement, so that any farmers who are allowed to apply for assistance to the SBA program must have suffered significant crop loss in order to qualify. Without such a requirement, it would be possible for a farmer without a significant loss to apply first to the Farmers Home Administration, be turned down for a loan, and then apply to the FmHA under the provisions of H.R. 4011. It is my understanding that the SBA is planning to implement such a requirement as soon as possible. In fact, Mr. Vernon Weaver, Administrator of the SBA, confirmed these intentions in a letter to me dated May 15, 1979. He wrote that—

> This agency intends to administratively impose a 20 percent loss threshold on all farm disaster lending. The intention of this action is to create an equal situation for farm lending at the Small Business Administration as exists at the Farmers Home Administration.

H.R. 4011 institutes a credit elsewhere provision in the SBA program for the first time. Applicants must first apply and be turned down for credit elsewhere before being eligible for the 5-percent loans authorized by this legislation. Those who cannot pass such a test must settle for loans at the cost of money to the Government. Currently, the rate would be approximately 9.5 percent, a figure set by formula in section 324 of the Consolidated Farm and Rural Development Act. Also, applicants obtaining loans at the higher rate of interest will have their loans reviewed every 2 years, and if they can obtain credit elsewhere, they will be graduated out of the program. Thus there is no subsidy by the taxpayer to those who can obtain credit elsewhere. The Government's exposure on such loans is limited to 2 years.

This legislation makes similar changes in the FmHA program, passing along the difference between the cost of money to the Government and whatever interest rate is available commercially to farmers as well as businesspersons, but not providing any Government subsidy unless the applicant can pass the "credit elsewhere" test. The interest rate on the FmHA loans will be set by the same formula used for the SBA loans. Farmers and agricultural enterprises will be required to apply for assistance from Farmers Home first before applying to the SBA, and they are precluded from obtaining SBA loans if they qualify for FmHA assistance. Thus farmers and businesspersons will be treated equally, yet the vast majority of farm and crop loss loans will be made by FmHA rather than SBA.

Finally, these changes in eligibility will amount to sizeable savings for the taxpayers. According to the Congressional Budget Office, H.R. 4011 will result in savings of $553 million in fiscal year 1980, $593 million in fiscal year 1981, and $632 million in fiscal year 1982 in program level compared to the current program. It is estimated that loan activity by the Farmers Home Administration would be increased by 35 percent by removal of most farm loans from SBA, yet outlays in the FmHA program would increase by only $14 million during the same period since FmHA sells acquired assets to the Federal Financing Bank. It is my understanding that the Office of Management and Budget has agreed to increase the FmHA field staff to handle this increased loan activity, which will be sorely needed.

This two-tiered system of interest rates for both FmHA and SBA disaster loans was included in S. 918, the Small Business Investment Act, which was passed by the Senate last Wednesday, May 16. Though there are differences in the disaster loan sections of the two bills, notably lack of a $500,000 loan ceiling in S. 918 and a 5-year rather than 2-year review period in the Senate version, passage by the House of H.R. 4011 without amendment will provide a basic framework for quick action by a conference committee. It provides the best vehicle for relief to disaster victims in Mississippi, Texas, and other States suffering from recent physical disasters who must now contend with interest at 7⅜ percent regardless of ability to obtain credit elsewhere.

Mr. Chairman, the final form of legislation reauthorizing this program will send a clear message to the American people as to whether or not Congress is willing to fashion a fair and fiscally responsible program despite parochial pressures. I strongly support legislation to help victims of natural disasters recover from economic loss. However, when such subsidized loans are so easily available—counties in 42 out of 50 States qualified last year—and when the evidence is so clear that people who should not be eligible are obtaining these loans in vast numbers, we must act to end this abuse. Until we do, people are simply not going to believe the endless rhetoric about cutting Government waste and balancing the budget because they know their wealthy farm neighbors did not really need the 3 percent loans they got last year.

The fact that today we are considering H.R. 4011 instead of H.R. 90 is a real victory in that effort. As a vocal critic of the current program, and leading proponent of a credit elsewhere amendment both in the committee and in Congress as a whole, I am pleased to see these major changes. Let us now enact this reform of the program and closely monitor its administration to be sure that it is accomplishing its intended purpose.

Mr. Chairman, if I may have the attention of the chairman, the gentleman from Iowa (Mr. SMITH), I was not real clear in my discussion with the gentleman from Pennsylvania. My understanding from the chairman is that, if there is a disaster in a community which wipes that community out, then the people would be permitted to certify their inability to get credit elsewhere, but it would not automatically say that anybody who comes in can then get their money at the lower interest rate; do I understand the gentleman correctly?

Mr. SMITH of Iowa. If the gentleman will yield, that is my understanding—if I understood the gentleman's question correctly—that the Small Business Administration, in administering the law, would themselves make the judgment, without requiring any additional information from banks or other places.

Mr. BEDELL. So a big, major corporation that everybody knew had plenty of access to credit, would be able to get the loan but they would not be able to get it at the lower subsidized interest rate; it that the gentleman's understanding?

Mr. SMITH of Iowa. If they do not show that they could not get credit elsewhere, then they would only be able to receive a loan at the higher interest rate.

Mr. BEDELL. I thank the gentleman.

I take it that the gentleman from Pennsylvania has no argument with that; is that correct?

Mr. McDADE. If the gentleman will yield, I think that the gentleman is attempting to assess his concerns accurately.

Mr. BEDELL. I thank the gentleman.

It is my further understanding from the chairman of the Committee on Small Business that the Small Business Administration intends to issue regulations in the Federal Register which would include a statement, in the case of the waiving of the $500,000-limit for the small business loans in a community where it is a major employer, which would, roughly, say the employer represents a substantial percentage of the total employment in the local community?

Mr. SMITH of Iowa. As I understand it, the Small Business Committee is intending to refine and further detail this amendment which I propose to offer.

☐ 1330

Mr. BEDELL. I would further like to read into the record a letter which I have received from Mr. Vernon Weaver, which reads as follows:

> This agency intends to administratively impose a 20-percent loss threshold on all farm disaster lending. The intention of this action is to create an equal situation for farm lendng at the Small Business Administration as exists at the Farmers Home Administration.

The purpose of that is that the FmHA for agricultural purposes has a 20-percent loss requirement in order to qualify for a loan. That has not previously been in the policies of the Small Business Administration and is not in this legislation, but it is my understanding from this letter that we can expect that that will be an administrative decision by them so that we can expect these two loan programs to be equal in that regard.

I think that is of critical importance in view of the fact that I think it is important that we have the same loss requirement for both the programs.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. BEDELL) has expired.

Mr. McDADE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New Jersey (Mr. COURTER).

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding.

I rise to give support to the legislation. I was happy very frankly with H.R. 90, but H.R. 4011, as proposed, certainly has many excellent provisions.

Basically, this bill is designed to help people help themselves, and I think that is particularly important. It helps people rebuild their lives, of course, after tremendous flooding and other types of damages.

Last January, in my district, we had severe flooding. I had the opportunity to walk through many municipalities and down many streets and saw water damage in homes and businesses, the water having been 3, 4, or 5 feet high. I flew over northwestern New Jersey and saw, from the vantage point of a helicopter, parts of northwest New Jersey where the people were geting around their parts of town by the use of rowboats and canoes.

I think, Mr. Chairman, that if we, as a Nation, can give low-interest loans of 2 percent to countries such as Zaire, the Philippines, and Peru, we certainly can give low-interest loans of 3 percent to American families.

I am not totally satisfied with the credit elsewhere test, but on total, I think the bill is a good one. I support it wholeheartedly. I think basically it is designed to help one of the most important institutions, the American family, and also the American home.

I thank the gentleman very much for yielding.

Mr. McDADE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Iowa. Mr. Chairman, I would like to say in closing that I think this is a good bill. We have heard a lot about disaster assistance. I would like to stress this is not all that is in this bill. We know from experiences of the last 6 or 7 years that it is small business that provides most of the new jobs in this country. The level of new jobs that has been provided for big business has been almost nil, perhaps less than 3 percent in the last 6 years, while small business has provided 6 million new jobs.

We do have the tools in here, I think, which, if adequately used, can help small businesses to secure the market assistance and technical know-how to get the help that they may need so they, on their own, can go out and provide more new jobs and provide more products with which we can fight inflation. I think it is terribly important from that standpoint.

In addition to that, I believe that the administration of the disaster program, the principal disaster program in this country under the Small Business Administration, has proven to be efficient and effective. I might stress that there is another disaster program. This is not the welfare disaster program. There is another one over in HUD under which poor people can get a grant for up to $5,000. This is a program designed to help communities and businesses get back on their feet to restore an area with loan money so they can finance over a period of years their tremendous loss.

I also want to again thank those Members who worked so long and hard with us to develop this bill. In particular, I want to thank and commend Representatives HIGHTOWER and MONTGOMERY for their invaluable assistance.

In conclusion, I think it is a good bill and it is worthy of your consideration. I urge the House to vote on the bill.

Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule, the gentleman from Tennessee (Mr. JONES) has an additional 15 minutes, and the gentleman from Illinois (Mr. MADIGAN) has an additional 15 minutes.

The Chair recognizes the gentleman from Tennessee (Mr. Jones).

Mr. JONES of Tennessee. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of those provisions of H.R. 4011 which amend the emergency lending authority of Farmers Home Administration.

The amendment contained in H.R. 4011 represents a compromise reached with the administration concerning problems that have arisen in emergency loans made to farmers, ranchers, or borrowers engaged in aquaculture. In the last few years there have been two agencies of the Federal Government involved in making emergency loans to farmers. The Farmers Home Administration has made its loans under authority of the Consolidated Farm and Rural Development Act pursuant to authority that goes back a number of years. In addition, the Small Business Administration has been making disaster loans to farmers since approximately 1977. Both agencies have been making loans with different standards and at times at different interest rates.

The Farmers Home Administration is restricted currently to making loans to those farmers that cannot obtain credit elsewhere; whereas the Small Business Administration does not have such a current limitation on its lending authority. SBA has entered the disaster loan business to supplement the lending authority of FmHA because of the inability of the Farmers Home Administration to handle expeditiously the demand for relief that has arisen in connection with a number of major disasters in recent years because of personnel ceilings placed on FmHA by the administration.

The result of the two statutes having different terms and conditions for emergency loans has been that applicants have shopped around to whichever forum provides the most favorable terms.

H.R. 4011 would amend the Consolidated Farm and Rural Development Act to authorize FmHA for the first time to make emergency loans to those applicants who are able to obtain credit elsewhere. In that case, however, the interest rates would be the going market rate for U.S. obligations plus an add-on of up to 1 percent to cover administrative expenses. The amendment would leave intact the provision that applies to those borrowers who cannot obtain credit elsewhere. They would still be able to obtain a loan at the reduced rate of 5 percent. The amendment would place a cap of $500,000 on the total amount that could be outstanding and committed to any one borrower in the form of emergency loans.

Both categories of borrowers would be able to obtain loans that exceed the amount of actual loss for the purpose of restructuring their farming operations. In that case the interest rate would be the prevailing market rate for similar type loans as applies under current law.

H.R. 4011 also would provide a graduation requirement for those borrowers who can get credit elsewhere. Every 2 years after the loan is first approved the loan would be reviewed and the borrower required to graduate from FmHA to the private sector if he could obtain a similar type loan from a non-Federal source at reasonable rates and terms.

The SBA lending authority is changed so that SBA would be offering emergency loans at comparable interest rates to those provided by the Farmers Home Administration. However, the SBA could only provide emergency loans to farmers if it had been determined that the applicant would be unable to obtain emergency loan assistance from the Farmers Home Administration.

The amendment to Farmers Home Administration's borrowing authority to allow FmHA to make loans to borrowers who can obtain credit elsewhere is a marked departure from past practice and one which this committee has resisted in the past. FmHA has always been a lender of last resort and its facilities have been stretched to the limit to meet the needs under the various programs which it administers. In fiscal year 1978, FmHA made emergency loans totaling $3.4 billion and thus far in fiscal year 1979 has made emergency loans slightly in excess of $3 billion. The disaster loans of SBA totaled $1.8 billion in fiscal year 1978 and thus far in fiscal year 1979 in excess of $410 million. The administration has committed itself to provide FmHA with the authority and the funds to hire 200 full-time additional personnel to handle its increased responsibilities under this amendment.

I am reluctantly agreeing to the compromise. I am persuaded in part by the personnel commitment by OMB and because of my desire to avoid the impasse which has occurred in consideration of this important piece of legislation so that relief can be provided to the recent victims of serious disasters in Mississippi and Texas. If the additional personnel are insufficient to handle the added workload created by the amendments to the Consolidated Farm and Rural Development Act, it is my expectation that the administration would increase further the staff authorized for FmHA so that the amendments would not impinge on the ability of FmHA to handle its traditional ongoing programs.

Mr. Chairman, as I said, I am agreeing to this legislation and now, for the sake of clearing up a paragraph or two that is in the bill that is offered by SBA, I yield to my good friend and colleague, the gentleman from Iowa (Mr. Bedell).

Mr. BEDELL. Mr. Chairman, it is my understanding from the chairman that originally in the proposed amendment there was the proposal which read as follows, page 20, line 4, after figure $500,000 insert "Unless an applicant constitutes a major source of employment in an area suffering disaster and is no longer in substantial operation as a result of such disaster, in which case the Secretary in his discretion may waive the $500,000 limitation."

☐ 1340

FmHA was extremely disturbed about the possibility of this applying to them, and it is my understanding that this will only apply to Small Business Administration loans and will not be in the amendment offered.

Mr. SMITH of Iowa. I am very strong for that in the SBA part of it. It was put into the part with regard to FmHA in order to make it consistent. I want to point out that the Senate has no limitation whatever, so certainly this is something that will be taken care of in conference, and the Agriculture Committee will have some members appointed to deal with that part concerning the FmHA in the conference.

Mr. JONES of Tennessee. I thank my good friend, the chairman of the Small Business Administration Committee.

Mr. BEDELL. Mr. Chairman, will the gentleman yield further?

Mr. JONES of Tennessee. I will be glad to yield.

Mr. BEDELL. So that the chairman will understand, in a conference the conferees from the Agriculture Committee will have an opportunity to be heard in regard particularly to those matters that affect agriculture.

Mr. SMITH of Iowa. I will ask that conferees be appointed that are selected by the Agriculture Committee to deal with that part that deals with FmHA, not with the rest of the bill

Mr. JONES of Tennessee. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The gentleman from Illinois (Mr. Madigan) is recognized for 15 minutes.

Mr. MADIGAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 4011 contains provisions which amend the disaster loan program of the Consolidated Farm and Rural Deveolpment Act administered by the Farmers Home Administration. The record should show that these amendments came about through an agreement between the administration and the distinguished chairman of the Committee on Small Business without the benefit of any extended consideration by the Committee on Agriculture which has jurisdiction.

Further, the Agriculture Committee and the Credit Subcommittee spent many months last year considering the farm-lending programs of the Farmers Home Administration. That effort culminated in the Agricultural Credit Act of 1978, one of the major legislative efforts on agriculture of the last Congress. At no time was serious consideration given to removing the credit test as an eligibility criteria for FmHA loans as does this bill. Farmers Home Administration has historically been the lender of last resort.

The Agriculture Committee recognizes the role and contribution of private sector lenders—rural banks, Production Credit Associations, and Federal Land Banks—and does not want the Federal Government to compete unfairly with them. Furthermore, the Federal loan dollar can only stretch so far.

Additionally, FmHA simply does not have the manpower to incorporate into its constituency a whole new class of borrowers who could otherwise qualify for credit from private sources. FmHA has more on its "plate" now that it can handle. However, these concerns must be weighed against the need to expedite this legislation due to recent disasters in the Mississippi River Valley and in Texas and elsewhere. Additionally, there is a need to reassign and redesignate Federal agricultural lending authority now provided by both the Small Business Administration and the Farmers Home Administration.

In any case, I want the record to show that the disaster loan program of the Farmers Home Administration is clearly within the jurisdiction of the Committee on Agriculture and not the Committee on Small Business.

● Mr. UDALL. Mr. Chairman, small businesses across this country are being forced to struggle for their very existence. I am reminded of a familiar scenario. A small fish swims by, and he is suddenly swallowed up by a bigger fish. This fish swims on contentedly until he, too, is swallowed up by a still bigger fish, and so it goes.

This chain of events is fine in the ocean, because Mother Nature has a way of evening things out. But when it happens in the businesses across America, it can be a very frightening trend.

Small businesses are continually being "swallowed up" by giant corporations. It is harder and harder to compete, and offers to sell out to larger firms are often too tempting.

The statistics are telling: Some 400,000 small businesses must shut their doors every year; only 44 percent survive their first 2 years. In the profit area, independent concerns accounted for 41 percent in 1960; by 1972, this number had fallen to 25 percent.

Restoring a better balance of competition will turn the tide around, which means restoring diversity. This is the vital role that small businesses play in our economy.

H.R. 4011 is a no magic cure-all, but it takes great strides forward in such areas as disaster loans, development programs, and White House involvement and support.

Congress approved similar legislation in 1978. H.R. 11445, the Omnibus Small Business Administration Bill, was passed overwhelmingly, only to be pocket vetoed by President Carter. This year's version is essentially the same bill, minus the Senate amendments that dealt with additional programs and caused the administration's opposition.

The veto allowed the previous disaster loan program of the SBA to expire on October 1, 1978, thus the interest rate jumped back up to the cost-of-money rate. The rates under this earlier program were 1 percent on the first $10,000 for homeowners, and 3 percent on the next $3,000. For other victims it was 3 percent on the first $250,000.

The present legislation is an omnibus bill consisting of three titles. Title I authorizes funding for all SBA programs through fiscal year 1982. These include the new solar loan program, pollution bonds, nonphysical disaster loans, and others. In addition, SBA salaries and expenses are set, with certain of these funds "earmarked" for such areas as research and advocacy, minority enterprise, funding for the Small Business Development Centers (which are explained in title II), and so forth.

This title also authorizes appropriations through fiscal year 1982, and sets the disaster loan interest rates. The new rates will be 3 percent for homeowners on amounts up to $55,000; 5 percent for businesses on amounts up to $250,000. Larger amounts would be loaned at cost-of-money rates (currently 7⅜ percent). Since the previous provision for low interest loans expired on October 1, 1978, the current program will be retroactive to that date.

This section is consistent with H.R. 114, a bill which I introduced on January 15 of this year, that sought to amend the Small Business Act to reduce such disaster loan interest rates. H.R. 4011 has wisely incorporated this idea, and I am fully behind it.

These loans are designed not only to help individuals recoup losses, but to help revive the entire community. Therefore, all injured businesses and charitable institutions which provided goods and services in the community, and who agree to rebuild in that same community, are eligible for the program.

Finally, title I makes miscellaneous amendments to the Small Business Act, and the Small Business Investment Act of 1958, and directs SBA to compile a listing of small businesses so these firms can be informed of the possibilities of Federal assistance.

Title II deals with the SBA's small business development center program, which is patterned after the successful agricultural extension service. The purpose of the centers is to provide management and technical assistance to small businesses; $18.65 million are authorized for fiscal year 1980 only, to be distributed on a matching funds, 50 to 50, Federal/private basis.

This program is not exclusively for universities, but applicants must qualify for the grants under the SBA approved State plan. The Administrator of SBA is directed to appoint a National Small Business Development Center Advisory Board to evaluate the SBDC program.

The third and final title provides for a White House Conference on Small Business, to be held not later than June of 1980. President Carter has indicated that it may be held as early as January of that year.

The system of administration as set up in H.R. 4011, that of paying the benefits straight out of the Treasury, eliminates the need for another layer of bureaucracy to collect premiums and administer a disaster insurance program. This is consistent with my fight to rein in the ever-expanding budget of the Federal bureaucracy.

H.R. 4011 is a good, sound bill. I think that is borne out by the fact that 142 of my distinguished colleagues in the House have cosponsored this legislation. The National Federation of Independent Businesses and the National Small Business Association are also behind H.R. 4011. I hope that the administration will also see the merit of this bill, and help us provide the small businesses in America with the assistance they so truly need and deserve.●

● Mr. WHITTEN. Mr. Chairman, I rise in support of this bill authorizing the Small Business Administration to continue to serve the national interest with the amendment setting a 1-percent interest for the first $10,000 in case of disaster.

My friend and colleague, Hon. Neal Smith, has done a fine job and many of us have jointly authored this measure. We have had many difficulties but firmly believe that this effort to meet the needs of the Nation should include agricultural needs.

This measure is badly needed also to meet the disaster needs at the moment in Mississippi, Texas, and Alabama. Who knows where disaster will hit later, but annually we have had many disasters over the Nation.

The floods which hit the Pearl River Basin in my State of Mississippi were an all time record. The losses run into hundreds of millions of dollars. If it had not been for the flood retarding dams, 16 in number, in one of the three authorized watersheds, the water would have been three-fourths of a foot higher and damage much greater.

The Ross Barnett Dam was built by the State for recreation, and though it helped some, it was not available for flood protection since it was close to being full.

Mr. Chairman, following this terrible disaster which hit the people of our Capital City, I got the Committee on Public Works to authorize a study and report for the Pearl River Basin and our Committee on Appropriations has provided $500,000 to finance this work. The Soil Conservation Service is being directed to speed up watershed protection.

We hope we can prevent this tragedy from happening again. This bill will help to meet the problems which occurred this time. I urge its passage.●

● Mr. GOLDWATER. Mr. Chairman, I rise in support of the small business programs authorization. It is not a perfect piece of legislation, and I do not always agree with the way the SBA spends our tax dollars. I do agree, however, that the small businesses in this country need the management and technical assistance which SBA programs can provide. I hope this bill helps the SBA deliver these services with the same efficiency and effectiveness which the small business community displays in delivering its goods and services to the public.

I am also pleased to see reinstatement of the SBA disaster loan program at new interest rates which are retroactive to cover disasters occurring since the end of fiscal year 1978. This is a critical provision, and fulfills a pledge I made to victims of the disastrous Agoura-Malibu fire who suffered an estimated $71.4 million in damages last October.

Mr. Chairman, I know the full implications of the fire disaster first hand. Not only did I conduct a full survey of the fires as they raged out of control, but I attempted to do everything humanly possible to help the fire victims. It was a depressing and heart-rending scene—one I will never forget. Families sat huddled together, with nothing but the clothes on their backs, as they watched their homes burn to the ground. Life savings went up in smoke, lives were disrupted, emotions shattered, and the general feeling grew that the Government was not willing to help or even listen. Surely, there are not words vivid enough to convey the sense of loss these good people have experienced. The majority are middle-income citizens, including teachers, secretaries, and retirees, and they simply cannot afford the enormous burden of building new homes without help from the SBA loan program.

This bill needs your support, and I know that this body will not turn a deaf ear to the legitimate needs of so many people.●

● Mr. MATSUI. Mr. Chairman, I rise in support of this clarifying amendment to Public Law 95-507.

The 95th Congress enacted comprehensive reforms to the Small Business Act and the Small Business Investment Act of 1958 so as to encourage the participation of small business concerns owned by persons of socially and economically disadvantaged background in our Government's contracting processes.

To expedite the participation of such groups, Congress created a presumption of socially and economically disadvantaged in favor of specified minorities. The presumptively qualified minority classification, as designated by Congress, however, is under inclusive in scope. Asian Pacific Americans were not included in the statutory language notwithstanding such similar designation in the past by Congress and the Small Business Administration.

The Asian Pacific American business population currently represents approximately .005 percent of the United States business population, with 68 percent of such businesses grossing less than $25,000 annually. A majority of these firms are restricted to retailing or selected services. Clearly these statistics evidence a need, and Asian Pacific Americans deserve the protection and opportunity afforded by Public Law 95-507.

Absent immediate congressional intervention. Asian Pacific Americans will be confronted with the arduous task of proceeding through the regulatory process to convince the Small Business Administration of the need for designation as a presumptively qualified minority group. This regulatory burden, coupled with time delays and preparation costs, is simply unfair and it violates the Congressional intent that this program be implemented expeditiously.

Congress can cure this problem by merely extending to Asian Pacific Americans the designation of a presumptively qualified minority group.●

● Mr. RAILSBACK. Mr. Chairman, I rise in support of H.R. 4011, the Small Business programs authorizations. In particular, I would like to express my appreciation to the chairman and the members of the committee for their efforts in achieving a compromise which would ensure that farmers would continue to be able to secure both regular and disaster loans from the Small Business Administration, as well as from the Farmers Home Administration.

This bill requires that farmers first apply for disaster loans through the Farmers Home Administration. However, if they are not offered a loan there, they may go to the Small Business Administration and apply for a loan under the same eligibility requirements as all other businesses. In working out this compromise the committee has determined that farm businesses will not be excluded from the loan opportunities afforded to other small businesses simply because they produce agricultural products, while simultaneously providing that more disaster loans for agricultural businesses be made through FmHA.

In the past many farmers have applied for disaster assistance from the SBA even though they were eligible for assistance at FmHA because the SBA program was less stringent in its application, for it did not require that the applicant show that credit was unavailable elsewhere as did FmHA. This bill requires that a credit elsewhere test be a criteria for eligibility for loans at a 5 percent interest rate under both programs, and if a business could obtain credit elsewhere it would still be eligible for a loan at a rate of interest equal to the cost of the money to the Government, plus not more than 1 percent, which would currently amount to about 9.5 percent. These provisions accomplish much needed changes toward providing equal assistance opportunities for all small business and farming operations that have suffered from a disaster, and toward targeting the lower interest loans at those who really need them.

My Chairman, I feel that H.R. 4011 is a most worthwhile bill, and it is my hope that my colleagues will join me in supporting it.●

Mr. MADIGAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the Clerk will now read the bill by titles.

The Clerk read as follows:

H.R. 4011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATIONS AND MISCELLANEOUS AMENDMENTS

PART A—PROGRAM LEVELS AND AUTHORIZATIONS

SEC. 101. (a) Section 20(e)(4) of the Small Business Act is amended to read as follows:

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $45,000,000 in direct and immediate participation loans, and $100,000,000 in guaranteed loans.".

(b) Section 20(e) of the Small Business Act is amended by striking all of paragraph (9) after the word "purposes," and inserting in lieu thereof the following: "including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.".

(c) Sections 20(f) and (g) of the Small Business Act are amended by striking out all of such subsections after the first sentence in subsection (f) and inserting in lieu thereof the following: "Of the funds heretofore appropriated for fiscal year 1979, $52,100,000 shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; $4,400,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958; and $200,000,000 shall be available for salaries and expenses of the Administration, of which amount—

"(1) $17,000,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including those under section 8(a) of this Act;

"(2) $25,557,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $7,300,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,000,000 shall be available for the office of minority small business; and

"(5) $5,500,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information.

"(g) The Administrator may transfer no more than 10 per centum of program levels for salaries and expenses authorized in paragraphs (1) through (5) of section 20(f) of this Act: *Provided, however,* That no program level authorized in such paragraphs may be increased more than 20 per centum by any such transfers.".

SEC. 102. Section 20 of the Small Business Act is amended by adding at the end thereof the following new subsections:

"(h) The following program levels are authorized for fiscal year 1980:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $495,000,000 in direct and immediate participation loans, and $3,630,000,000 in deferred participation loans.

"(2) For the programs authorized by section 7(h) of this Act, the Administration is authorized to make $22,000,000 in direct and immediate participation loans and $11,000,000 in guaranteed loans.

"(3) For the programs authorized by section 7(i) of this Act, the Administration is authorized to make $73,000,000 in direct and immediate participation loans and $93,000,000 in guaranteed loans.

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $50,000,000 in direct and immediate participation loans, and $110,000,000 in guaranteed loans.

"(5) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $25,000,000 in direct purchases of debentures and preferred securities and to make $225,000,000 in guarantees of debentures.

"(6) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,700,000,000.

"(7) For the programs authorized by sections 7(b)(3) through 7(b)(9) and 7(g) of this Act, the Administration is authorized to enter into $220,000,000 in loans, guarantees, and other obligations or commitments.

"(8) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $100,000,000.

"(9) For the programs authorized by section 7(l) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans.

"(10) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(i) There are authorized to be appropriated to the Administration for fiscal year 1980, $1,616,000,000 to carry out the programs referred to in subsection (h), paragraphs (1) through (9). Of such sum, $42,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958; $4,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958; and $232,000,000 shall be available for salaries and expenses of the Administration of which amount—

"(1) $18,700,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including those under section 8(a) of this Act;

"(2) $29,400,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $8,000,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,200,000 shall be available for the office of minority small business;

"(5) $7,400,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information; and

"(6) $18,000,000 shall be available for grants to Small Business Development Centers, and an additional $650,000 shall be available for the administration of the small business development center program.

"(j) The Administrator may transfer no more than 10 per centum of program levels for salaries and expenses authorized in paragraphs (1) through (6) of section 20(i) of this Act: *Provided, however*, That no program level authorized in such paragraphs may be increased more than 20 per centum by any such transfers.

"(k) The following program levels are authorized for fiscal year 1981:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $545,000,000 in direct and immediate participation loans, and $4,000,000 in deferred participation loans.

"(2) For the programs authorized by section 7(h) of this Act, the Administration is authorized to make $25,000,000 in direct and immediate participation loans and $12,000,000 in guaranteed loans.

"(3) For the programs authorized in section 7(i) of this Act, the Administration is authorized to make $81,000,000 in direct and immediate participation loans and $103,000,000 in guaranteed loans.

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $55,000,000 in direct and immediate participation loans, and $120,000,000 in guaranteed loans.

"(5) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $28,000,000 in direct purchase of debentures and preferred securities and to make $250,000,000 in guarantees of debentures.

"(6) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $3,500,000,000.

"(7) For the programs authorized by sections 7(b)(3) through 7(b)(9) and 7(g) of this Act, the Administration is authorized to enter into $242,000,000 in loans, guarantees, and other obligations or commitments.

"(8) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $110,000,000.

"(9) For the programs authorized in section 7(l) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans.

"(10) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(l) There are authorized to be appropriated to the Administration for fiscal year 1981, $1,789,000,000 to carry out the programs referred to in subsection (k), paragraphs (1) through (9). Of such sum, $59,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958, $4,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958, and $254,000,000 shall be available for salaries and expenses of the Administration of which amount—

"(1) $20,600,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including these under section 8(a) of this Act;

"(2) $33,000,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $8,900,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,400,000 shall be available for the office of minority small business; and

"(5) $8,000,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information.

"(m) The Administrator may transfer no more than 10 per centum of program levels for salaries and expenses authorized in paragraphs (1) through (5) of section 20(l) of this Act: *Provided, however*, That no program level authorized in such paragraphs may be increased more than 20 per centum by any such transfers.

"(n) The following program levels are authorized for fiscal year 1982:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $600,000,000 in direct and immediate participation loans, and $4,400,000,000 in deferred participation loans.

"(2) For the programs authorized by section 7(h) of this Act, the Administration is authorized to make $28,000,000 in direct and immediate participation loans, and $14,000,000 in guaranteed loans.

"(3) For the programs authorized by section 7(i) of this Act, the Administration is authorized to make $90,000,000 in direct and immediate participation loans, and $114,000,000 in guaranteed loans.

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $61,000,000 in direct and immediate participation loans, and $130,000,000 in guaranteed loans.

"(5) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $31,000,000 in direct purchase of debentures and preferred securities and to make $275,000,000 in guarantees of debentures.

"(6) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $4,000,000,000.

"(7) For the programs authorized by sections 7(b)(3) through 7(b)(9) and 7(g) of this Act, the Administration is authorized to enter into $267,000,000 in loans, guarantees, and other obligations or commitments.

"(8) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $125,000,000.

"(9) For the programs authorized in section 7(l) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans.

"(10) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of section 7(b)(1) and 7(b)(2), of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(o) There are authorized to be appropriated to the Administration for fiscal year 1982, $1,943,000,000 to carry out the programs referred to in subsection (n), paragraphs (1) through (9). Of such sum, $69,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958, $4,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958, and $278,000,000 shall be available for salaries and expenses of the Administration, of which amount—

"(1) $22,600,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including those under section 8(a) of this Act;

"(2) $36,100,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $9,800,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,600,000 shall be available for the office of minority small business; and

"(5) $9,200,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information.

"(p) The Administrator may transfer no more than 10 percent of program levels for salaries and expenses authorized in paragraphs (1) through (5) of section 20(o) of this Act: *Provided, however,* That no program level authorized in such paragraphs may be increased more than 20 percent by any such transfers.".

PART B—MISCELLANEOUS AND TECHNICAL AMENDMENTS

AVAILABILITY OF UNEXPENDED FUNDS

SEC. 110. Section 20(a) of the Small Business Act is amended by adding thereto the following: "All appropriations whether specifically or generally authorized shall remain available until expended.".

INTEREST DIFFERENTIAL PAYMENTS

SEC. 111. Section 4(c)(5) of the Small Business Act is amended by striking "each of the funds established by paragraph (1)" and inserting in lieu thereof "the fund established by subparagraph (B) of paragraph (1)".

ENERGY SHORTAGE LOANS

SEC. 112. Section 7(b)(8) of the Small Business Act is amended by inserting after "energy-producing resources," the following: "including, but not limited to, a shortage of coal or other energy-producing resource caused by a strike, boycott, or embargo, unless such strike, boycott, or embargo is directly against such small business concern,".

DISASTER LOAN INTEREST RATES

SEC. 113. (a) The first undesignated paragraph of section 7(b) of the Small Business Act is amended by inserting after "under subsection (b)" the following ", except as provided in subsection (c),";

(b) Section 7(c) of the Small Business Act is amended by adding the following new paragraphs:

"(3) With respect to a disaster occurring on or after October 1, 1978, and prior to October 1, 1982, on the Administration's share of loans made pursuant to paragraph (1) of subsection (b)—

"(A) if the loan proceeds are to repair or replace a primary residence and/or repair or replace damaged or destroyed personal property, the interest rate shall be 3 per centum on the first $55,000 of such loan;

"(B) if the loan proceeds are to repair or replace property damaged or destroyed and if the applicant is a business concern which is unable to obtain sufficient credit elsewhere, the interest rate shall be as determined by the Administration, but not in excess of 5 per centum per annum; and

"(C) if the loan proceeds are to repair or replace property damaged or destroyed and if the applicant is a business concern which is able to obtain sufficient credit elsewhere, the interest rate shall not exceed the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans and adjusted to the nearest one-eighth of 1 per centum plus 1 per centum: *Provided,* That two years after such loan is first approved and every two years thereafter for the term of the loan, if the Administration determines that the borrower is able to obtain a loan from non-Federal sources at reasonable rates and terms for loans of similar purposes and periods of time, the borrower shall, upon request by the Administration, apply for and accept such loan in sufficient amount to repay the Administration.

Provided, That no loan under subsection (b)(1) shall be made, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under such subsection would exceed $500,000: *Provided further,* That an agricultural enterprise shall not be eligible for loan assistance under paragraph (1) of section 7(b) to repair or replace property other than residences and/or personal property unless it is declined for or would be declined for emergency loan assistance from the Farmers Home Administration under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961).

"(4) As used in this subsection—

"(A) agricultural enterprises include those businesses engaged in the production of food and fiber, ranching and raising of livestock, aquaculture, and all other farming and agricultural related industries; and

"(B) credit elsewhere means the availability of sufficient credit from non-Federal sources at reasonable rates and terms, taking into consideration prevailing private rates and terms in the community in or near where the concern transacts business for similar purposes and periods of time.";

(c) Section 324 of the Consolidated Farm and Rural Development Act is amended by striking out the first sentence in subsection (a) and inserting in lieu thereof the following: "Loans made or insured under this subtitle shall be at rates of interest as follows:

"(1) with respect to loans or portions of loans up to the amount of the applicant's actual loss caused by the disaster, (A) if the applicant is unable to obtain sufficient credit elsewhere to finance the applicant's actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time, the interest rate shall be a rate prescribed by the Secretary not in excess of 5 per centum per annum, and (B) if the applicant is able to obtain sufficient credit elsewhere, the interest rate shall be the rate prescribed by the Secretary, but not in excess of the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus not to exceed 1 per centum, as determined by the Secretary, and adjusted to the nearest one-eighth of 1 per centum: *Provided,* That the total amount outstanding and committed to the borrower hereunder shall not exceed $500,000; and

"(2) with respect to loans or portions of loans exceeding the amount of actual loss by the disaster, the interest rate shall be that prevailing in the private market for similar loans, as determined by the Secretary.";

(d) Section 324 of the Consolidated Farm and Rural Development Act is amended by inserting after the first "*Provided*" the following: "for loans approved under subsection (a)(1)(B) that two years after such loan is first approved and every two years thereafter for the term of the loan, if the Secretary determines that the borrower is able to obtain a loan from non-Federal sources at reasonable rates and terms for loans of similar purposes and periods of time, the borrower shall, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay such loan: *Provided further,*".

(e) Section 321 of the Consolidated Farm and Rural Development Act is amended by striking out in the first sentence all that follows after "with the assistance of such loan" through the end of the subsection and inserting in lieu thereof a period.

INVESTMENT OF IDLE FUNDS

SEC. 114. The last sentence of section 412 of the Small Business Investment Act of 1958 is repealed.

SEC. 115. Section 405 of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following: "Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested.".

PRODUCT DISASTER LOANS

SEC. 116. Section 7(b)(4) of the Small Business Act is amended by striking therefrom "undetermined" and inserting in lieu thereof "other".

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that further reading of title I be dispensed with and that it be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENTS OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. SMITH of Iowa: Page 18, line 19, after the figure "$500,000" insert ", unless an applicant constitutes a major source of employment in an area suffering a disaster and is no longer in substantial operation as a result of such disaster, in which case the Small Business Administration, in its discretion, may waive the $500,000 limitation".

Page 21, line 4, strike "such loan" the second time it appears there and insert "the Secretary".

Page 21, after line 10, insert the following: "(f) Nothing contained herein shall be construed to adversely affect the interest of any disaster victim whose application for a loan has been approved prior to the effective date of this Act.".

Page 22, strike out lines 3 and 4 and insert "amend by striking therefrom 'undetermined causes' and inserting in lieu thereof 'other causes: *Provided*, that loans made hereunder shall not exceed $500,000 if such disease or toxicity occurs from other than natural causes'.".

Page 28, line 18, strike "The Administrator" and insert "After September 30, 1979, The Administrator".

Page 36, add the following after line 11:

"(c) no provision of this title shall be construed as authorizing the appropriation of additional funds for fiscal year 1979.".

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Is there objection to the initial request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, these amendments were discussed during the general debate. One is the relief valve on the $500,000 limit. It is a technical amendment.

Then, there is one that tightens slightly the "undetermined causes" problem in product disaster loans, and there are two that postpone until after October 1st the effective date of the two provisions. That is to comply with the Budget Act. I do not believe there is any controversy on these amendments.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, the distinguished chairman of the committee has indeed informed the minority side and discussed the amendments at length. We on this side are totally in accordance with the gentleman's proposals, and we accept them.

Mr. SMITH of Iowa. I thank the gentleman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Iowa (Mr. SMITH).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. HINSON

Mr. HINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSON: Page 17, strike out line 15, and insert in lieu thereof the following: "be 1 per centum on the amount of such loan not over $10,000 and 3 per centum on the amount of such loan over $10,000 but not over $55,000;".

Mr. HINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. SMITH of Iowa. Mr. Chairman, reserving the right to object, I would like to have a copy of the amendment so that I know what we are not reading.

Mr. Chairman, I do not wish to object, but it is just three or four lines.

Mr. HINSON. Mr. Chairman, I have no objection to having the amendment read.

The CHAIRMAN. The gentleman from Mississippi (Mr. HINSON) withdraws his unanimous-consent request.

The Clerk will read.

The Clerk concluded the reading of the amendment.

Mr. HINSON. Mr. Chairman, the amendment I propose is a simple one. It provides that an eligible disaster victim may receive a small business disaster loan at an interest rate of 1 percent on the first $10,000 loaned.

H.R. 4011, the bill before us, is less generous. As presently constituted, it provides for loans at 3 percent on the first $55,000 borrowed. I respectfully suggest that that is not sufficient. We are dealing with a nationwide problem—not a regional one. Millions of Americans, in one way or another, have been affected by high winds, rain, flooding, snow, fires, explosions, civil disorders, ice, and tornadoes.

During the week preceding Easter weekend, there fell in Mississippi an unprecedented amount of rain in the area north of Jackson, our State capital, in the area known as the Pearl River Basin. The result of this great rainfall, estimated at nearly 20 inches, was unprecedented flooding throughout the Pearl River drainage area.

The worst instances of flooding occurred in and near Jackson, much of which was valuable residential and commercial property, including a substantial portion of the downtown area which houses many State offices, our State banking and economic center and the city's major shopping area.

Included in the facilities damaged are a new municipal waste water treatment plant valued at $42 million, the coliseum at $10 million, the new city and arts center/planetarium, $10 million, the State fairgrounds exhibit halls and many, many other essential structures, including the city's emergency operations center.

Over 4,000 homes were flooded. Nearly 20,000 people are now homeless. While few homes were swept away, most of those inundated by flood waters sustained substantial damages, the full extent of which may not be known for years. Losses to homes, furnishings, and personal effects are reliably estimated at over $500 million. Less than 1 percent of this amount is covered by flood insurance.

When one considers the damage to public utilities, streets, public buildings, the personal losses to homes and property, and the long-term disruption to our economy, losses in excess of $1 billion, in and around Jackson alone can be anticipated.

Mr. Chairman, I am tremendously proud of the people of Jackson. Not in my experience have I seen a people rise so magnificently to a crisis. There was a tremendous sense of public cooperation and civic responsibility from all sections of the community. Virtually no looting occurred, and essential city services, with the exception of waste treatment, continued uninterrupted, but only as a result of enormous effort by city officials and volunteers.

Mr. Chairman, I want to say that the Federal Disaster Assistance Administration and the Small Business Administration have done an extremely effective job in bringing disaster assistance to the citizens of Mississippi, within the limitations of the law. The President and his staff are equally deserving of praise for their compassionate and prompt response to the emergency in Mississippi. However, the mere fact of H.R. 4011, Mr. Chairman, testifies to the overall inadequacy of the Federal disaster assistance programs. We are called on here today to reauthorize a patchwork quilt of disaster assistance mechanisms and to make those mechanisms retroactive to October 1, 1978. Since that time, there have been disasters declared in 39 States, the Marshall Islands and Puerto Rico.

These disaster victims have not been accorded the same level of traditional, concerned help from the Federal Government as those of previous years. The Federal response to Hurricane Camille was instantaneous and comprehensive. We were able to rebuild and restore our State's economy as a result. The same is true of the disastrous Pennsylvania flooding following Hurricane Agnes.

The flood victims of Mississippi, and the disaster victims of numerous other communities of 1979, seek only what was provided by the Congress to victims of past disasters—loans to restore their lives at rates of interest low enough so as not to compound the disaster. The current rate of interest on such loans provides virtually no relief at all.

We have suffered a calamity, but it would be an even greater calamity if we, this Congress, should fail to act on this amendment. Our people are still a little damp, but they remain undaunted by this flood. If we fail to send the relief provided by this bill, we would be doing with inflexible Government regulations and laws what the flood could not do—depress, for a long time to come, the spirit and economy of the people of Mississippi and the 38 other States and territories with disasters.

Mr. Chairman, I suggest that charity begins at home. Many of my colleagues this year have seen or heard of the charity being doled out at disaster centers when a flood or wind victim first learns that he is going to pay 7⅜-percent interest on a disaster loan, which in many cases is higher than he is paying now. For those of my colleagues who have not seen it, let me assure you it makes an impression one is not likely to forget, and it could happen to any one of us at any time.

Historically, the average home loan under this program is only $4,440. The average payback time for such loans is 10 years. Reducing the interest rate on such loans from 3 to 1 percent will have no appreciable effect on the national budget.

This is not a spending amendment. There is nothing inflationary about restoring the economy of a disaster-striken area. Federal disaster loans are repaid with interest. The default rate experience is less than 1.5 percent, a better rate than most other lending programs, Federal and private.

Based on averages of the last few years, 86,000 families across the Nation will be aided. This is not a matter of Republican versus Democrat, of Liberal versus Conservative, of Sun Belt versus Snow Belt. It is a means by which we can help productive, taxpaying citizens restore their lives.

Mr. Chairman, this amendment will help those who need it the most—the lower income and less advantaged members of our society. These people simply cannot afford high interest rates. To many of them, a $5,000 or $8,000 loss is absolutely critical, a financial disaster from which they may never recover—without our help.

I believe we should help.

I urge this House to assert its own sense of compassion—its independent concern for present—and future—disaster victims.

Come with us—we need your help.

□ 1350

Mr. CARTER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Mississippi (Mr. Hinson).

Mr. Chairman, I was very much interested in the remarks of the distinguished gentleman from Mississippi. I am very much interested in the legislation which is before us today. Over the years we have had natural disasters throughout various parts of the United States, and my area of Kentucky is one which has suffered greatly. The city of Pineville was almost completely destroyed. A part of Harlan in Harlan County was almost destroyed. This year disaster again visited our shores. Mississippi, Alabama, and Texas suffered the same fate, except perhaps to a greater extent. Millions of dollars and billions of dollars were destroyed in homes, schools, and, of course, all of this has to be replaced.

The sticky part of the proposition is that we are charging these people 3 percent for the first $55,000 to replace a home which has been destroyed. Above that, for any sort of business that any man might own, whether it be American Motors, General Motors, Ford, or Chrysler, or whatever, it would be 7⅜ percent, and this is in the case of a disaster.

Mr. Chairman, as my predecessor said, charity begins at home. We should do more for our own people, I would say to my good friend, the gentleman from Texas, than we should for anyone else. My good friend, the gentleman from Texas, has land areas in his State which have been devastated tremendously and which may need assistance. They need help. Why should we go to Swaziland and lend these people millions of dollars at 1 percent and yet charge our own people 3 or 7⅜ percent? I would ask you that question. Why should we go to Bangladesh and give them their money free without any charge, or at the most, 1 percent, and for the next 40 years at 2.5 percent? Why should we make such loans to Romania or to Yugoslavia or to Poland, countries behind the Iron Curtain, and treat our own people here in this country differently?

Mr. Chairman, when a flood descends and people have to run for their lives and see all they have worked for destroyed, I want to tell the Members it is time for us to do something to help them, to lower that interest rate. It is inhumane; it is un-American to give to other countries what we will not give to our own.

Yes, charity begins at home. I strongly support the amendment of the distinguished gentleman from Mississippi (Mr. Hinson) and I trust that the people in this House will support it.

Just last year we voted $9.2 billion to be sent overseas, and those very people to whom we sent that money will not vote for us in the United Nations when one of our problems comes up. You know it, as I do. We need to do everything we can for these people whose homes have been devastated in this country and whose farms have been ruined. Therefore, again I state I support the amendment of the distinguished gentleman from Mississippi and urge its adoption.

Mr. HINSON. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Mississippi.

Mr. HINSON. I thank the gentleman for yielding.

I wish to thank the gentleman from Kentucky for his kind remarks. I believe he has stated the situation in Mississippi and as they affect the entire Nation in disasters very succinctly and very well, and I appreciate it.

Mr. CARTER. I thank the distinguished gentleman.

Mr. Chairman, I yield back the remainder of my time.

□ 1400

Mr. LOTT. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Just briefly, Mr. Chairman, first I would like to commend my distinguished colleague from Mississippi for this amendment.

I recognize the very delicate balance involved in trying to get this legislation passed with just as few changes as possible so it can go on to conference and be approved there and have the President sign it.

I submit this is a small change that could mean a great deal to people who have in some instances lost everything they have. If you have ever seen people literally dig their homes out of mud and silt and try to start completely from scratch when they have lost their home and their business or a major portion of their farm, you cannot help but have sympathy for what they are going through now. They do need this help, they need it swiftly. We are talking about only reducing the interest rate to 1 percent for the first $10,000, so it is a relatively small thing from a cost standpoint.

I know the gentleman is reflecting the concerns of people not just in our area but all across the country. There has been emphasis on Mississippi and Texas but, as I said, under the rule this goes from North Dakota to Texas and all across our country and many States.

This does not make the people whole. You must remember we are really just approving a situation here where they could get an additional loan in addition to probably a first mortgage on everything they have. We are now putting on top of that another loan. They are not getting a grant. They are getting a loan they will have to pay back with the same, in many instances, very small income they had before the disaster.

This is a small change and I would urge my colleagues to support the amendment.

Mr. BEDELL. Will the gentleman yield to me, Mr. Chairman?

Mr. LOTT. I will yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, I would like to make a point. I believe earlier I indicated that the difference over the life of a loan of 3 percent and 1 percent was relatively low. My figures show the following: With a 1-percent interest rate on an average loan of $4,400 over a 10-year period, we are talking about only $440.

A 3-percent loan over the same length of time in the same amount amounts to $1,320. That is the difference of the life of the loan of $880. I think this is a substantial sum when you are talking about an individual who has incurred great expense, particularly those who may be approaching their retirement years and are already carrying a rather heavy load of debt.

Mr. LOTT. In conclusion, Mr. Chairman, I would like to say, too, that I recall the very eloquent remarks of the distinguished ranking member of the Committee on Small Business last year on this very issue. He was very convincing in this House and we bought his argument on this lower interest rate by a considerable margin.

I also want to say again that the gentleman from Iowa has assumed a difficult task here in working out his compromise, one I know he did not totally always agree with. He is trying to get this legislation through. I commend him for that. I hope this one small change will not be too much in carrying that compromise on through.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I will be glad to yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in strong support of the Hinson amendment to H.R. 4011, the bill reauthorizes the programs of the Small Business Administration.

This amendment provides for disaster loans up to $10,000 and 3 percent on the amount of such loans over $10,000 but not over $55,000.

This bill is vital not only to the health of small business in our Nation, but, indeed, to the health of our economy in general. The vast majority of the businesses in the economy are small businesses—they provide many of the everyday but vital services individual citizens depend on, and they are also the sources of most of the technological and scientific innovations that keep our country strong.

An important portion of this bill authorizes the disaster relief programs of the U.S. Government—programs that perform vital functions all year around, but are particularly important during the spring and the floods that it inevitably brings.

Last year, Mr. Chairman, we overwhelmingly passed a strong Small Business Administration and Disaster Relief bill. That bill failed to become law because of President Carter's pocket veto. This year, we can put these programs on a sound footing, without the fluctuating interest rates that have caused so much distress to individuals seeking to know what kind of assistance they are entitled to, and to which agency they should apply.

This year, a disaster has already struck my congressional district—as a result of the immense snows of the winter of 1979. The SBA was there with help to my constituents. Whatever the problems we all may have with this agency on specific cases, we ought to take this opportunity to acknowledge that it carries out an essential function for the welfare of the American people. I feel that it deserves to be reauthorized and to authorize a reduced rate of interest in order to enable flood victims to get back on their feet.

Mr. LOTT. Mr. Chairman, I thank the gentleman from New York for his comments.

I might note that New York is one of the States that has been affected by disasters in the last few months.

Mr. GINN. Mr. Chairman, will the gentleman yield to me?

Mr. LOTT. I yield to the gentleman from Georgia.

Mr. GINN. I thank the gentleman from Mississippi for yielding.

I think the amendment is very much in order. I strongly support it. I hope the Members on this side will support it. It is the type of thing that could happen to any of us in this country at any time.

Mr. LOTT. I might remind our colleagues that in the past, also, we have even had forgiveness that was applicable in these disaster situations. We are not talking about a forgiveness provision here, we are talking about low-interest loans.

I yield back the balance of my time.

Mr. ERDAHL. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Briefly, Mr. Chairman, it seems that here we have an amendment, a needed one, that makes a needed bill even better. The people we are talking about at this level are those affected most. Those who have lost their home in a disaster are really at the threshold of need. I certainly want to commend the gentleman from Mississippi (Mr. HINSON) for offering this amendment. Here is a chance that we have as the House, as the Congress, to lend meaningful help—and that is really what we are doing, we are lending, not giving, lending meaningful help to help people recover from a disaster and really to help them help themselves.

I urge support of the Hinson amendment.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words.

I hope that the people who are speaking about this amendment would be well aware of the fact that we talk about helping those who are in need. I hope we would be aware of the fact that on the home loans there is no "credit elsewhere" provision. This helps those in need but it also helps those who have plenty of wealth and plenty of assets who do not need low interest loans as well. I would only call to the attention of the Chairman I hope the Members understand exactly what we are doing. We are taking money from people with low incomes and telling those people who have low incomes that they are supposed to subsidize loans to people who are wealthy individuals with high incomes.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Kentucky.

Mr. CARTER. I thank the distinguished gentleman from Iowa for yielding and I am particularly pleased he is yielding, because he is one of the Members who voted consistently for grants and loans for foreign countries, all over. I would ask the gentleman to do the same for his own countrymen right here in the United States, in Mississippi, in Alabama, in Texas, in North Dakota, where the need is so great.

It is not just wealthy people who need this aid, it is poor people whose homes, whose little houses have been swept away. Everything they have is gone. All we are asking is that you lower that interest rate to 1 percent.

Now, I might point out to the gentleman he has done that for others, the gentleman did that for countries and the countries behind the Iron Curtain and all over to the extent of $9.2 billion. All I ask the gentleman to do is to do that for our own people. Charity begins at home.

Mr. BEDELL. Mr. Chairman, if I may reclaim my time, I think the question is to whom the charity should go. No one argues we should have charity for those in need and I would hope the gentleman would agree we need to be competitive as we try to sell in foreign markets. I hope the gentleman would agree it is important for us to sell our agricultural products in foreign markets and if we need to make loans at such rates that enable us to be competitive, I hope the gentleman would agree that that is important.

I for one happen to believe that to take money from people in low incomes and give charity to people who are wealthy and who have large homes and who do not need that money is a questionable charity.

This is my stand, Mr. Chairman.

Mr. CARTER. Mr. Chairman, will the gentleman yield further?

Mr. BEDELL. I will yield further, surely.

Mr. CARTER. I thank the distinguished gentleman for yielding but this is just 1 percent for those who are wanting $10,000 to build a humble little home down in Mississippi or down in Lubbock, Tex., or down in Sylacauga, Ala., one of those areas. That is all we want. We ask the gentleman to vote for 1 percent to help them and we hope that in the kindness and greatness and goodness of the gentleman's heart he will see fit to help these poor people. We humbly ask the gentleman to do this.

Mr. BEDELL. Mr. Chairman, I am trying to explain that that is not all this applies to. This also applies to the millionaire who owns his home down there and is going to get a $10,000 loan on that home as well.

I hope that the gentleman will realize exactly what we are doing in this situation because there is no "credit elsewhere" provision on these home loans.

Mr. CARTER. Mr. Chairman, if the gentleman would yield on that, for all the millionaires' loans, they pay 7⅜ percent for everything above $55,000. You are not talking about millionaires. They can take care of themselves. We want to help those poor, homeless people in Mississippi, Texas, Alabama, and North Dakota.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. BEDELL was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. The important thing is that we understand exactly what we are talking about. I hope the gentleman understands that it does not matter what your wealth is, you are still eligible under this program for the $10,000 at this low interest rate. That applies whether you are that person of low income or whether you are a wealthy individual. At the higher amount you pay somewhat higher interest, agreed, but I hope the gentleman understands there is no "credit elsewhere" provision in this part of the bill and the subsidized interest will apply to everyone.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I will yield to the gentleman from California.

Mr. THOMAS. I understand the gentleman's position on that point and I would ask the gentleman to provide us with some indication of the number of people above a given income who you feel are abusing the program.

Have you any statistics to show in fact wealthy people are getting these loans rather than the poor people in Mississippi, Texas, and Alabama?

□ 1410

Mr. BEDELL. Yes; if I may reclaim my time, I do not have that in home loans. I have not studied it, because it was not an issue; but I can tell the gentleman that in the State of Iowa under the small business disaster loan for farmers, the top 28 farmers had an average net worth of over $2½ million each and they were getting loans at 3 percent interest.

There are some of us who feel it is improper for people at minimum wage to be paying taxes in order to subsidize people of that type of wealth to be getting subsidized loans.

Mr. THOMAS. Mr. Chairman, if the gentleman will yield further, I could present the case that there are a number of very poor people who have lost their homes and perhaps would not be able to rebuild them without the generosity of the Federal loan at 1 percent.

My statistics would really be just as good as the gentleman's, in that it is kind of a subjective thing in terms of the number of people that utilize it. We do not have evidence to indicate that there is the abuse that the gentleman indicates on a widespread scale. It may occur in the gentleman's State of Iowa, but perhaps it does not occur in other States, that these people actually are needy people who need these kinds of loans to begin to rebuild; so I think there is justification on either side.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Now, all these arguments have been made and probably have some justification. They have been made many, many times before.

The gentleman from Kentucky, a very fluent, eloquent great Member of this body, made them in the conference last year with the Senate. We wanted 1-percent interest on the first $10,000 and 3-percent interest on the next $30,000. The Senate wanted 5-percent loans. We have been up and down this road I do not know how many times; but it was even the gentleman from Kentucky who suggested the formula in this bill; not that the gentleman was for it, just that that is a compromise that we can get everybody to agree on.

Now, let us see how bad off you are if you are one of these people who needs a $10,000 loan. The gentleman from Mississippi said $808 over a 10-year period, that that is not much.

As a matter of fact, I think it is only half that much, because these are amortized loans, so it is really $44 per year. It is less than $4 a month difference, whether you get 1 or 3 percent on one of those loans.

It is a lot more important to go down to that mobile home where the SBA office is and get the loan today, instead of going through all the paperwork that you have got to go through in order to grant these loans where you have low enough interest rates, so it is really a grant.

Now, it is a lot better to administer this program with a 3-percent loan on $55,000, instead of having 1 percent on the first $10,000 and going up that way. Time is the most important thing.

The Senate bill contains the same interest rate as is in this bill, 3 percent on $55,000.

I think it will hold up this bill if we change the rate in this bill. It is bound to hold it up. We are going to get over there and get into another argument. Probably it will not do any good in the end anyway as the Senate voted against an amendment to reduce interest rates below 3 percent.

I will feel compelled, if we do not defeat this amendment, to ask for a separate vote when we rise and go into the House. It just delays things. I do not deny that many of the arguments made are very good; but if you are really interested in that person who receives a minimum wage, that is not this bill. They do not pay very much taxes. They do not pay for this program, but there is a $5,000 grant under the HUD program. They are taken care of over there, not for $44, but for $5,000 under the HUD program. That is a grant; so they get the $5,000 grant and if they need more, then they come to this program where we have these loans available.

I just think we ought to agree on this language that is in the bill. It was in the vetoed bill. It was in H.R. 90 and now it is in this bill. It is the same as in the Senate bill. I think we ought to compromise on that figure and I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. HINSON).

The question was taken; and on a division (demanded by Mr. SMITH of Iowa) there were—ayes 24, noes 9.

So the amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. MINETA

Mr. MINETA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MINETA: Page 22, after line 4, insert the following new section:

ASIAN PACIFIC AMERICANS TREATED AS DISADVANTAGED

SEC. 117. (a) Subparagraph (C) of section 2(e)(1) of the Small Business Act is amended by inserting "Asian Pacific Americans," after "Native Americans,".

(b) The last sentence of subparagraph (C) of the clause contained in section 8(d)(3) of the Small Business Act is amended by inserting "Asian Pacific Americans," after "Native Americans,".

(c)(1) The amendment made by subsection (a) shall apply as if included in the amendment made by section 201 of the Act entitled "An Act to amend the Small Business Act and the Small Business Investment Act of 1958", approved October 24, 1978 (Public Law 95-507).

(2) The amendment made by subsection (b) shall apply as if included in the amendment made by section 211 of the Act so entitled.

Mr. MINETA (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. HIGHTOWER. Mr. Chairman, reserving the right to object, could we have a brief explanation of the amendment?

Mr. MINETA. Mr. Chairman, I rise to offer an amendment to correct action which Congress took last year. Essentially, Congress created a good deal of confusion about the status of Asian Pacific Americans as a minority under the minority small business development programs. Although you might find it hard to believe, Asians are not considered a minority as the law now reads. Let me explain.

Asian Americans have participated under rules and regulations of SBA in the 8(a) minority business development program for over 10 years, since the beginning of 8(a) in 1968. Until last year, the administration determined the minorities eligible for the program. And, there was never any question of the fact that Asians are a socially disadvantaged minority. Yet, when the 95th Congress made the first statutory finding of the minorities eligible for minority business programs, Asian Pacific Americans were the only minority struck from the list who were eligible in the past.

Without doubt, we should have caught this error long before the bill, now Public Law 95-507, was signed into law last fall. Mr. Chairman, I stand before the House now and ask my colleagues to confirm the obvious fact that Asians are a socially disadvantaged minority.

The groups included under the term Asian Pacific Americans include: Samoans, Filipinos, Chinese, Japanese, Koreans, Vietnamese and others.

Let me confirm this point with some figures from a 1977 Commerce Department study of Asian business in the United States. Almost 90 percent of all Asian businesses were sole proprietorships in 1972. In 1972, 84 percent of the Asian sole proprietorships had gross receipts of less than $25,000, and some 42 percent of these same firms had gross receipts of less than $5,000 in 1972. As might be expected, 61 percent of all Asian firms had less than five employees, and close to 99 percent had less than 50 employees in 1972. Unfortunately, no data is available to indicate how many unpaid family members work in these small firms.

I could go on, but it must be clear to my colleagues that Asian Pacific Americans are a socially disadvantaged minority. I ask the House to go on record and confirm this fact today by approving my amendment.

My good friend and colleague from California (Mr. Phillip Burton) has been a long advocate of opportunities for entrepreneurship for Asian Pacific Americans and is a strong supporter of this amendment.

Mr. HIGHTOWER. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California (Mr. Mineta) that further reading of the amendment be dispensed with, and that it be printed in the Record?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the distinguished chairman of the full committee.

Mr. SMITH of Iowa. Mr. Chairman, I thank the gentleman for yielding. I have had an opportunity to see this amendment. I understand the administration is trying to change the regulations to do something similar to this. I see no objection to taking this amendment to conference.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I would be pleased to yield to the distinguished ranking minority member, the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, my able friend, the gentleman from California, has discussed this amendment with this side of the aisle. I agree with the gentleman, and we have no objection over here to the amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, would the gentleman yield briefly?

Mr. MINETA. Mr. Chairman, I am more than pleased to yield to my distinguished colleague, the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

I was not serving on the Committee on Small Business when that legislation was drafted, but it is a matter of fact and a matter of record that under the initial executive order, Asian-Americans were included. I am convinced it was simply an oversight in the drafting of the legislation.

I would fully support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Mineta).

The amendment was agreed to.

Mr. KAZEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time in order to inquire of the distinguished committee chairman and the manager of this bill if it is the intention of this legislation and other small business legislation to have all programs available equally in all sections of this country.

□ 1420

Mr. SMITH of Iowa. They should be available.

Mr. KAZEN. Mr. Chairman, I call the Members' attention to the fact that at least in my region in Texas there are some of these programs that are not readily available, and if they are made available, it is with very great reluctance that they are. I am speaking particularly of small business contractors, 8(a) minority contractors especially, who rely on SBA guidance and advice.

I am speaking about such things as the availability of the programs for leasing of equipment, advance payments for Federal contracts, BDE funds, and 8(a) contracts. Apparently they are not as readily available in my area as they are in other areas of the Nation, and my office has received many, many complaints that this is not so.

I would like the assurances of the committee that it is the intention of this legislation and of the Congress that every program that is available for small business anywhere in the country and is available under these programs would be made available in all sections of the country.

Mr. SMITH of Iowa. Mr. Chairman, that is certainly the intent of the committee.

I might say, however, that they do have a couple of problems that do not necessarily provide an excuse for what the gentleman is talking about. Some of the programs depend upon direct loan funds in order to implement them or on start-up money.

There never has been anywhere near enough direct loan funds. They are allocated by quarters, and perhaps at the end of a week or 10 days the money is gone. They just do not have anywhere near enough.

This year the administration only asked for $200 million for direct regular business loans. The Appropriations Subcommittee is recommending $236 million, which is an increase in a year when it is very difficult to get increases of any kind.

However, there is that problem in some of these programs. In addition to that, there have not been enough personnel to administer some of these programs.

The gentleman is in the Dallas region, and I would not doubt but what perhaps they need more people in the Dallas region. I am not sure that is the case. But we did put in this appropriation bill that is coming up an additional $7 million to get the additional people necessary to help administer some of these programs.

In spite of that, they are still supposed to be made available on an equal basis, whatever facilities and whatever resources they have.

Mr. KAZEN. Mr. Chairman, I thank the distinguished gentleman from Iowa (Mr. Smith) for that assurance.

Mind you, I am very happy with the way my local officials of SBA are handling my constituency. It is as we go down the line in the chain of command that it gets a little worse, particularly when there is more than one agency involved with government contracts, and so on. Time is of the essence, and when those deadlines are not met, where there is a small business loan pending and deadlines are not met with adequate money in order to allow that small business or 8(a) contractor to be able to fulfill the contract, he is faced with foreclosure. This should not happen because they encourage in the first instance the man to go into that business, and ceraínly if he needs the advance money for materials and for equipment and things of that kind, it should be forthcoming rather than having him run the risk of not being able to comply with the contract and face foreclosure, which is the last thing this Congress would want to do.

Mr. SMITH of Iowa. Mr. Chairman, I agree with the gentleman.

Mr. KAZEN. Mr. Chairman, I thank the gentleman.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this opportunity to speak to the fact that the bill itself does include, I think, a reflection on legislative savings.

As chairman of the Legislative Savings Task Force of the Committee on the Budget, one of the crucial things we have tried to do in this session is to get the authorizing committees, the committees responsible for programs, to take a look at those programs and determine where savings can be made, not so much to detract from the basic impact of those programs but to consider where savings can be made that will also result in delivering the services to people.

There is still a question in that our initial concern with the bill as it was reported from the committee failed to indicate any reflection on where savings could be achieved. In the compromise that is before the House, it does that, and it does it in a significant way in the effort to provide for the credit elsewhere and also for interest rate increases.

In 1980 there is an expected savings of $553 million, in 1981, $593 million, and in 1982, $632 million. That is basically a reflection of savings that will be achieved by the amendments that have been initiated through this compromise.

Mr. Chairman, I want to commend the chairman and the committee for exercising the effort and trying to achieve what savings they can. In the Committee on the Budget we have something like $6 billion built into it, with a long-term savings of almost $55 billion. This was an area where we thought significant savings could be made, and I want to commend the chairman of the committee for doing that.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the chairman of the committee.

Mr. SMITH of Iowa. Mr. Chairman, I have asked the gentleman to yield because I cannot resist putting in a plug here for an old idea that I have, and that is that we ought to be distinguishing in this Congress between direct loans that will be repaid and welfare programs where none of the money comes back.

These so-called savings are not really savings because 98.34 percent of this money is being repaid under these loans, and by giving them the money, in many instances they are able to get out there and make more money and pay more taxes. In that way we may have a net savings in Government by having made the initial loan.

Mr. Chairman, I think the Committee on the Budget ought to pay more attention to the difference between loans and these other kinds of programs.

Mr. PANETTA. Mr. Chairman, indeed the committee has looked at that aspect, and the gentleman has certainly taken a major step forward by reflecting on some of the reforms that can be made in the system itself. For that, I still commend the gentleman.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II—SMALL BUSINESS DEVELOPMENT CENTERS

SEC. 201. The Small Business Act is amended by redesignating section 21 as section 30 and by inserting the following new section:

"SEC. 21. (a) (1) The Administration is authorized to make grants to any State government or any agency thereof, any regional entity, any State-chartered development credit or finance corporation, any public or private institution of higher education, including but not limited to any land-grant college or university, any college or school of business, engineering, commerce, or agriculture, community college or junior college, or to any entity formed by two or more of the above entities (hereinafter referred to as 'applicants') to assist in establishing Small Business Development Centers and to any such body for: small business oriented employment or natural resources development programs; for studies, research, and counseling concerning the managing, financing, and operation of small business enterprises; for technological assistance, technical and statistical information for small business enterprises; for the delivery or distribution of such services and information; and for providing access to business analysts who can refer small business concerns to available experts.

"(2) The Administration shall require, as a condition to any grant (or amendment or modification thereof) made to an applicant under this section, that an additional amount of such grant be provided from recipients of such assistance) equal to the amount of such grant be provided from sources other than the Federal Government: *Provided,* That the additional amount shall not include any amount of indirect costs or in kind contributions paid for under any Federal program, nor shall such indirect costs or in kind contributions exceed 50 per centum of the non-Federal additional amount: *Provided further,* That no recipient of funds under this section shall receive a grant (1) which would exceed its pro rata share of a $65,000,000 program in fiscal year 1980, based upon the population to be served by the Small Business Development Center as compared to a total population in the United States and (2) which, when added to all other funds from other Federal sources received by the Small Business Development Center, would exceed 50 per centum of the total program costs.

"(b) (1) During fiscal years 1979, 1980, 1981, and 1982, financial assistance shall not be made available to any applicant if approving such assistance would be inconsistent with a plan for the area involved which has been adopted by an agency recognized by the State government as authorized to do so and approved by the Administration in accordance with the standards and requirements established pursuant to the section.

"(2) An applicant may apply to participate in the program by submitting to the Administration for approval a plan naming those authorized in subsection (a) to participate in the program, the geographic area to be served, the services that it would provide, the method for delivering services, a budget, and any other information and assurances the Administration may require to insure that the applicant will carry out the activities eligible for assistance. The Administration is authorized to approve, conditionally approve or reject a plan or combination of plans submitted. In all cases, the Administration shall review plans for conformity with the plan submitted pursuant to paragraph (1) of this subsection, and with a view toward providing small business with the most comprehensive and coordinated assistance in the region, State or part thereof to be served.

"(3) At the discretion of the Administration, the Administration is authorized to permit a Small Business Development Center to provide advice, information and assistance, as described in subsection (c), to small businesses located outside the State, but only to the extent such businesses are located within close geographical proximity to the Small Business Development Center, as determined by the Administration.

"(c) (1) Applicants receiving grants under this section shall assist small business in solving problems concerning operations, manufacturing, engineering, technology exchange and development, personnel administration, marketing, sales, merchandising, finance, accounting, business strategy development, and other disciplines required for small business growth and expansion, innovation, increased productivity, and management improvement, and for decreasing industry economic concentrations.

"(2) A Small Business Development Center shall provide services as close as possible to small businesses by providing extension services and utilizing satellite locations when necessary. To the extent possible, it also shall make full use of other Federal and State government programs that are concerned with aiding small businesses. A Small Business Development Center shall have—

"(A) a full-time staff including a director to manage the program activities;

"(B) business analysts to counsel, assist, and inform small business clients;

"(C) technology transfer agents to provide state of the art technology to small businesses through coupling with national and regional technology data sources;

"(D) information specialists to assist in providing information searches and referrals for small businesses;

"(E) access to part-time professional specialists to conduct research or to provide counseling assistance whenever the need arises; and

"(F) access to laboratory and adaptive engineering facilities.

"(3) Services provided by a center shall include, but shall not be limited to—

"(A) furnishing one-to-one individual counseling to small businesses;

"(B) assisting in technology transfer, research, and coupling from existing sources to small business concerns;

"(C) maintaining current information concerning Federal, State, and local regulations that affect small businesses and counsel small businesses on methods of compliance. Technology development shall be provided when necessary to help small businesses find solutions for complying with environmental, energy, health, safety, and other Federal, State, and local regulations;

"(D) coordinating and conducting research into technical and general small business problems for which there are no ready solutions;

"(E) providing and maintaining a comprehensive library that contains current information and statistical data needed by small businesses;

"(F) maintaining a working relationship and open communications with the financial and investment communities, legal associations, local and regional private consultants, and local and regional small business groups and associations in order to help address the various needs of the small business community;

"(G) conducting in-depth surveys for local small business groups in order to develop general information regarding the local economy and general small business strengths and weaknesses in that locality; and

"(H) a center shall continue to upgrade and modify its services, as needed, in order to meet the changing and evolving needs of the small business community.

"(d) Laboratories operated and funded by the Federal Government are authorized and directed to cooperate with Small Business Development Centers participating in this program. Laboratories shall make facilities and equipment available as an aid in providing experiment station capabilities in adaptive engineering; provide library and technical information processing capabilities; and provide professional staff for consulting. Small Business Development Centers shall reimburse the laboratories for necessary expenses.

"(e) Innovation centers supported by the Federal Government through the National Science Foundation are authorized and directed under this section to cooperate with Small Business Development Centers participating in this program. The National Science Foundation shall report annually on the performance of such centers with recommendations to the Small Business Administration and the Congress on how such innovation centers can be strengthened and expanded. The National Science Foundation shall include in its report to Congress information on the ability of innovation centers to interact with the Nation's small business community and recommendations to the Small Business Administration on continued funding.

"(f) The Administrator shall appoint a Deputy Associate Administrator for Management and Technical Assistance who shall report to the Associate Administrator for Management and Technical Assistance and who shall serve without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not less than the rate of GS–17 of the General Schedule: *Provided, however,* That such appointment shall be effective for each fiscal year only to the extent or in the amounts as are provided in appropriation Acts.

"(g) The sole responsibility of the Deputy Associate Administrator for Management and Technical Assistance shall be to administer the Small Business Development Center program. Duties of the position shall include, but are not limited to, recommending the annual program budget, reviewing appropriate funding levels therefor, selecting applicants to participate in this program under this section, implementing the provisions of this section, maintaining a clearinghouse to provide for the dissemination and exchange of information between centers, and conducting audits of recipients of grants under this section. The Deputy Associate Administrator for Management and Technical Assistance shall confer with and seek the counsel of the Board in carrying out the responsibilities described in this section.

"(h)(1) There is established a National Small Business Development Center Advisory Board which shall consist of nine members appointed from civilian life by the Administrator and who shall be persons of outstanding qualifications known to be familiar and sympathetic with small business needs and problems. No more than three members shall be from universities or their affiliates and six shall be from small businesses or associations representing small business. At the time of the appointment of the Board, the Administrator shall designate one-third of the members and at least one from each category whose term shall end in two years from the date of appointment, and a second third whose term shall end in three years from the date of appointment, and the final third whose term shall end in four years from the date of appointment. Succeeding Boards shall have three-year terms, with one-third of the Board changing each year.

"(2) The Board shall elect a Chairman and advise, counsel, and confer with the Deputy Associate Administrator for Management and Technical Assistance in carrying out the duties described in this section. The Board shall meet at least quarterly and at the call of the Chairman of the Board. Each member of the Board shall be entitled to be compensated at the rate not in excess of the per diem equivalent of the highest rate of pay for individuals occupying the position under GS-18 of the General Schedule for each day engaged in activities of the Board and shall be entitled to be reimbursed for expenses as a member of the Board.

"(i) The Administration, with the advice of the Board, shall establish a plan for evaluation of the Small Business Development Center program which may include the retaining of an independent concern to conduct such an evaluation. The evaluation shall be both quantitative and qualitative and shall determine—

"(1) the impact of the Small Business Development Center program on small businesses and the socioeconomic base of the regions it served; and

"(2) the multidisciplinary resources the Small Business Development Center program was able to coordinate to assist small businesses.

For the purpose of these evaluations, the Administration is authorized to require any Small Business Development Center or party receiving assistance under this section to furnish it with such information annually or otherwise as it deems appropriate. The first such evaluation shall be completed and submitted to the Senate Select Committee on Small Business and the Committee on Small Business of the House of Representatives no later than the third year after the date of enactment of this section and each year thereafter.".

Sec. 202. The Small Business Act is amended by striking subsection 7(d)(1) and inserting the following:

"(d)(1) The Administration shall not fund any Small Business Development Center program, or any variation thereof, except as authorized in section 21 of this Act: *Provided,* That in fiscal year 1979 nothing in this section or in section 21 shall be deemed to affect the operation of any Small Business Development Center in existence on the date of enactment of this section: *And provided further,* That no such Small Business Development Center which was funded in fiscal year 1978 may be funded in excess of $300,000 in fiscal year 1979.".

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that title II of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENTS OFFERED BY MR. MARRIOTT

Mr. MARRIOTT. Mr. Chairman, I offer amendments.

The Clerk read as follows.:

Amendments offered by Mr. Marriott: Page 22, strike the comma in line 11, lines 12-17, the words "above entities" in line 18, and the words "and to any such body" in lines 19 and 20.

Page 25, strike paragraph (2) and insert in lieu thereof:

"(2) A Small Business Development Center shall provide services as close as possible to small businesses by providing extension services and utilizing satellite locations as necessary. To the extent practicable, it also shall make use of qualified private vendors, including but not limited to management consultants and testing laboratories, and make full use of other Federal and State government programs that are concerned with aiding small businesses. A Small Business Development Center shall have a full-time director to manage program activities and access to—

"(A) business analysts to counsel, assist, and inform small business clients;

"(B) technology transfer agents to provide state of the art technology to small businesses through coupling with national and regional technology data sources;

"(C) information specialists to assist in providing information searches and referrals for small businesses;

"(D) part-time professional specialists to conduct research to or provide counseling assistance whenever the need arises; and

"(E) laboratory and adaptive engineering facilities."

Page 27, line 21, insert the following new paragraph:

"(4) A Small Business Development Center is authorized to pay fair and reasonable fees to qualified private vendors for services rendered Small Business Development Center clients."

Page 31, line 19, insert the following new subsection:

"(j)(1) Each State Small Business Development Center shall establish an advisory board (hereinafter referred to as 'State board') appointed by the Governor and consisting of at least nine members, two-thirds of whom shall be from small businesses or associations representing small businesses."

(2) Each State board shall elect a chairman and advise, counsel, and confer with the director of the State Small Business Development Center on all policy matters pertaining to the operation of the Small Business Development Center, including who may be eligible to receive assistance from and how local and regional private consultants may participate with the Small Business Development Center, and the setting of reasonable and customary fees charged by qualified private consultants for services rendered to Small Business Development Center clients.

Page 32, line 5, strike out line 5 and insert in lieu thereof: "fiscal year 1979.

"(2) Notwithstanding any provisions of law; the Administration shall not accept any additional applications for the Small Business Development Center program until specifically authorized by the Committees of jurisdiction. Acceptance of applications by the Administration shall, to the extent practical, insure that the centers are equally divided among the Federal regions.".

Page 24, line 20, add *"Provided further,* That upon successful completion of an evaluation and study, and upon subseqeunt favorable approval by the Committees with jurisdiction, the SBA is authorized to accept applications from all states for the purpose of establishing Small Business Development Centers.

"But *Provided further,* That upon completion of the said study and evaluation, the Committees with jurisdiction may determine that additional study is required, in which case the Small Business Development Center Program will maintain its status as a pilot program and the Small Business Administration is authorized to approve a maximum of 20 Small Business Development Centers to be distributed equitably among the 10 Federal Regions."

Mr. MARRIOTT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record, and that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. MARRIOTT. Mr. Chairman, this amendment is really a free enterprise amendment that allows the free enterprise system and the small businesses to get more involved in these SBDC's. Basically, if I may just summarize, this is what the amendment does:

First of all, it indicates that only a State or State agency may apply for an SBDC grant.

Second, it indicates that the SBDC shall utilize qualified private vendors to the extent practicable.

Third, it indicates that the SBDC's shall engage in outreach activities utilizing private consultants and labs to the extent possible and have access only to consultants and experts rather than in-house staffs.

Fourth, it says the States shall establish SBDC advisory boards which consist principally of small businesses to monitor the program at the State level.

And finally, and, I suppose, most important, it says that the administration shall not accept any additional SBDC applications until the existing pilot programs have been evaluated.

Mr. Chairman, the evaluation and studies of those programs are to be completed by June of 1979. That is not too far away. I am indicating that we ought not to expand that to 18 or 15 or any other number until we have evaluated that program, at which time, if the committee suggests that there needs to be an additional pilot program, then we set the limit at 20, which would be distributed equally among the SBA regions so that all regions of the country are fairly dealt with.

If the evaluation of these SBDC's is positive, then we recommend the national program be implemented immediately, and we allow all States to come in and apply for these types of centers.

□ 1430

Mr. Chairman, it is our opinion that the State ought to be the applicant. Since the State puts up about half of the funds, they ought to have a say as to what happens with these SBDC's. The States also will be in the best position to respond to small business needs and to assure equal access to all of its services. State involvement will keep the SBA and Congress out of the university turf disputes, and I think that State involvement is needed to insure integrated service, review, and suspension of the program activities, primarily those free enterprise provisions in this bill.

In terms of limiting the SBA or in limiting SBDC's to 20, it seems to me, Mr. Chairman, that that is only fair, that we not move ahead with new pilot programs until we have at least reviewed and found out what the problem is with the existing ones. There are at least three of these centers that have had some trouble. I understand there is one in Georgia that is a very excellent program, and if the program works, this amendment will do nothing but expedite this program on a national level. It is my intent that, after the evaluation of these centers, then the committee will make one of three decisions. First of all, they can expand the pilot program—if we need more study, and some people in the Senate think we do—to 20, based on a regional basis. Or they can go ahead now and make this a national policy and spend the $18 million and get everybody involved. Or they can scrap the program altogether as being totally ineffective.

I think the important thing to note about this provision is that the administration agrees with this. They do not want to see us add new pilot programs until we have evaluated the ones which are already in existence. The NFIB agrees with this amendment. The National Advisory Council of the Small Business Administration also agrees with this proposal.

Another thing this does is that it adds what I call the free enterprise language, and that is that it says that small business centers will go to the private sector as well as to the public sector and universities, and so on, and it allows qualified private vendors to provide consulting services to these small businesses. It limits the fees that these private vendors can get so that they do not bilk the public. It requires the small business council or advisory group which is set up to determine what those fees ought to be. And finally, it says, Mr. Chairman, that rather than these SBDC's being required to have a cast of thousands as full-time employees, they need simply to have access to experts other than a full-time Director within the SBDC.

So this amendment involves the free enterprise system. It involves the small businesses in the legislation in these SBDC centers, and it makes it more palatable to the small businesses to accept the program, which is supposed to be for small businesses to begin with.

The CHAIRMAN. The time of the gentleman from Utah (Mr. Marriott) has expired.

(On request of Mr. Kramer and by unanimous consent, Mr. Marriott was allowed to proceed for 3 additional minutes.)

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. MARRIOTT. I yield to the gentleman from Colorado.

Mr. KRAMER. Mr. Chairman, we have discussed this prior to the gentleman's offering his amendment. But for the purposes of clarification, for legislative history in the Record, I want to make sure that I understand that now, if the gentleman's amendment were to pass, there would not be able to be any increase in the scope of the pilot program, either in the pilot program itself or nationwide implementation, until both committees of jurisdiction in both the House and the other body have acted favorably. Is my understanding correct?

Mr. MARRIOTT. That is correct. When the study is completed, which we think will be in June or shortly thereafter, then the committee can either expand the program, expand it to a national program, make additional pilot studies, or kill the program altogether.

Mr. KRAMER. I thank the gentleman.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. MARRIOTT. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, first of all, I would like to commend the gentleman on an excellent amendment. Let me say that in my district I have a Small Business Advisory Committee, and they were very concerned about the SBDC program and the broadening of that program, the extension of pilot programs, and perhaps going into a national program, before adequate assessment and evaluation had been done. I think the amendment is very responsible because it holds this down until we know where we are going and until we know what we are doing and also because of utilization of the private sector.

One of the criticisms of this present language in title II by these small businessmen—and these are main street merchants and small manufacturers in a rural district I represent—was that they are being forced to go to the academic community rather than to people who have been in private business and understand the concerns of private business.

I want to commend the gentleman for offering a very fine amendment, and I urge support of this amendment. Thank you.

Mr. MARRIOTT. I might make the point that this does not exclude the universities or any other institution. It simply allows the private sector to have a voice.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. MARRIOTT. I yield to the gentleman from California.

Mr. LUNGREN. Mr. Chairman, I would like to commend the gentleman for this amendment and express one of the concerns of constituents in my district. Not only is it the private sector that is not fully appreciated in the current bill, but it is the small business community in the private sector that, to the extent that it now exists, provides many of these services to other small businesses and business in general. This appears to be an example of government getting in the way of small business in order to help other small business. I think the gentleman's amendment addresses that problem and addresses it properly. I thank the gentleman for offering it.

Mr. MARRIOTT. I thank the gentleman, and I urge the Members to support this amendment.

The CHAIRMAN. The time of the gentleman from Utah (Mr. Marriott), has expired.

(On request of Mr. Stanton and by unanimous consent, Mr. Marriott was allowed to proceed for 2 additional minutes.)

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. MARRIOTT. I yield to the gentleman from Ohio.

Mr. STANTON. Mr. Chairman, I take this time to compliment the gentleman in the well for his amendment. To be very honest, I think if there had been an amendment put forth to strike title II, I would also endorse that amendment. The subject of these centers has been before our Small Business Subcommittee for 3 or 4 years that I know of. I think it is important to remember that not once in all of the hearings that we have had in that subcommittee in the last several years have I ever heard one small business association ever get up and speak for these centers.

As the gentleman has so eloquently said, further, this was to be a pilot program of eight separate centers in which the report by the SBA to our committee is not scheduled until the 30th of June; am I correct on that? And here we are going forth with, the Chamber of Commerce said, some $15 million-plus expenditures for these centers, which could be interpreted in some places as in direct competition to small businesses in this very same type of a business. I certainly think that the Members of the House, in recognition of the gentleman's amendment, in listening to it conscientiously, I hope will overwhelmingly support it. In fact, I hope sincerely the chairman of our full committee in his wisdom will have given some further thought to this subject and perhaps will accept the gentleman's amendment.

Mr. MARRIOTT. I thank the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to this amendment. I sincerely urge the Members to listen carefully for the reasons they should not accept that kind of an amendment on this bill at this time.

We have worked long and hard on this small business development center concept. I think it is very much needed for small businesses in this country. I have talked to many small businesses who need just a little bit of help in the way of what we might call adult education, where they can go to night school and just talk a little bit of how to keep books and changes in social security withholding, and things like that, and in other instances, changes in Government regulations. We need this program.

The gentleman from Utah, I am sure, is sincere about his amendment, but he refers to the University of Georgia. The University of Georgia could not qualify under this amendment. It is the University of Georgia, not the State of Georgia, that is the applicant. So the Marriott amendment would rule out some of these people who we really want to be the applicants for these small business development centers. Another example, under the proposed amendment there would be problems with the center crossing States lines to assist small businesses in another State. This is a real possibility in States such as New York and New Jersey.

We talk about waiting until after June. These are delays in guidelines. The administration now has the authority, with no guidelines whatever. Whenever there is a close vote over in the Senate, there are those who want one of these small business development centers. They do not have to put up 50 percent of the money. They do not have any guidelines to go back to. We have put guidelines in this bill, and we do not want them delayed. There are going to be a considerable number of votes coming up in the Senate. They would rather have the guidelines delayed. But we do require 50 percent matching funds.

☐ 1440

We have taken care of these things that are necessary, after having had some experience with pilot programs, to launch the kind of a program on the kind of basis that we have in this bill.

Now the last thing I want to mention is that this amendment really interferes with or mandates the States to do things I do not think we ought to be mandating the States to do. It requires the States to set up these advisory boards.

Do you want to require the State to set up an advisory board? Do you want to require that advisory board to proceed in a certain way in administering their advice in this regard?

It sets up more bureaucracy.

I just think that this is the kind of thing that we can do without at the present time. We have been through this. We went through a conference. We worked out the language pretty well. I urge the committee to stick with the bill.

Mr. McDADE. The gentleman from Iowa, the chairman of the committee, has stated the position well, in my view. There is not a penny in this bill for fiscal year 1981 or 1982 for these development centers. There is not a penny.

The reason is because the distinguished chairman from Iowa agreed to a compromise, which was presented by our side, which limited these to pilot programs until we get a GAO report, until we get a report from the small business community and until—and you will find this written into the report of the Small Business Subcommittee—until the small business community of the United States is afforded an opportunity to come before the gentleman's committee and decide what they feel about these development centers.

So, we struck an agreement. We struck a compromise. We limited this to 18 centers. There is no money for any following fiscal year beyond fiscal year 1980. I think, based on that agreement that we reached, the gentleman and I in good faith, I hope the House will stick with it now and stick with the agreement and vote down the amendment of my friend from Utah, and stick with the agreement.

Let us take a look at it. Let us be here in June, have the hearing, and decide what we want to do with this program. I think we have made a good agreement. I support it.

Mr. KRAMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment of the gentleman from Utah (Mr. MARRIOTT) and hope that the body will support it. I think this legislation, without this amendment, is a classic case of the Government giving more help than the people who are getting the help really needed.

In fact, it is my understanding that without the amendment of the gentleman from Utah, the business community, and in particular the National Federation of Independent Businessmen, oppose this particular proposal.

As a matter of fact, it is my understanding that really the way it is presently constructed, the only real advocates of the proposal are people in the education community who see this as a new opportunity to obtain funding for colleges and universities.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I did not get a letter from him saying this, but I saw circulated for the last 2 weeks a statement that the NFIB would support the bill as reported by the committee. Whether it is right or wrong, each individual ought to make up his mind for or against the amendment on its merits. I understand that that is the case.

Mr. KRAMER. My understanding is to the contrary, and there is, as I understand it, virtually no support in the business community for the proposition as presently constructed and as advocated by members of the education community who, in fact, envision this as potentially a new extension service very much along the lines of what we have as the agricultural extension.

I think that without hearings in the House, without having the benefit of an analysis and a report, which is due in a couple of months, we are moving forward unnecessarily creating new programs at taxpayers' expense, without the kind of careful evaluation and analysis that new programs ought to call for.

Now certainly the amendment of the gentleman from Utah permits this extension to go forward, but only after an appropriate analysis and decisions are in fact rendered as a result of the report that is forthcoming.

So I would hope that the Members of this body would proceed, but proceed cautiously and prudently and support the amendment of the gentleman from Utah.

Mr. MARRIOTT. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I will yield to the gentleman from Utah.

Mr. MARRIOTT. I would like to ask the distinguished chairman if the language in the bill now pending, the SBDC's, is acceptable to the Carter administration and to the SBA, the Small Business Administration?

☐ 1450

Mr. SMITH of Iowa. They have stated in a letter that they support the bill as it has now been presented to the House, with one exception that has nothing to do with SBDC. So, that means that they do support the bill.

Mr. MARRIOTT. I have a letter right here from the Administrator of the SBA indicating that they are opposed to setting up or funding any new SBDC's until after the study has been made. The same reply from the National Advisory Council to the SBA both say the same thing. All this amendment does is say, "Let's wait and see what the SBDC pilot studies have done, and then let's move ahead in one of three ways."

So, I would take issue with that response.

Mr. SMITH of Iowa. Anyway, I want to point out that this is not really a new program. It has been underway for a number of years. What we are making them do is put up 50 percent of the money, where now they do not have to put up any; and comply with guidelines. So, it is not really a new program.

Mr. KRAMER. Mr. Chairman, I have been given some information from the National Federation of Independent Business, the latest of which I would like to read to the distinguished chairman:

> MAY 18, 1979.
>
> On Tuesday, May 22, 1979, the House is scheduled to consider H.R. 4011, the Small Business Act Amendments of 1979. NFIB and its 575,000 member firms have serious concerns about Title II of this bill which would set up the framework for a new, national Small Business Development Center program located in and administered by colleges and universities. These SBDC's, patterned after the present Agriculture Extension Service, are supposed to provide management assistance to small businesses across the country.
>
> Although NFIB finds the SBDC concept intriguing and worthy of further investigation, we are concerned about spending tax dollars wisely, and about the potential of these centers to compete with for-profit, small consultants. Therefore, we are supporting the Marriott "free enterprise" amendment which we believe will overcome these problems. The "free enterprise" amendment would reduce the threat of SBDC's competing with small consulting businesses; limit the experiment to the present pilot centers until they can be evaluated; and provide a strong role for the states in coordinating and operating the program.
>
> Your support of the Marriott "free enterprise" amendment would be greatly appreciated.
>
> JAMES D. "MIKE" MCKEVITT,
> *Washington Counsel.*

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. GIAIMO) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

SBA PROGRAMS AND AUTHORIZATIONS

The Committee resumed its sitting.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Utah (Mr. MARRIOTT).

The question was taken; and the Chairman anounced that the ayes appeared to have it.

RECORDED VOTE

Mr. SMITH of Iowa. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 216, not voting 26, as follows:

[Roll No. 161]

AYES—192

Abdnor
Albosta
Ambro
Archer
Ashbrook
Atkinson
Badham
Bafalis
Bauman
Beard, Tenn.
Benjamin
Bennett
Bereuter
Boggs
Breaux
Broomfield
Broyhill
Buchanan
Burgener
Butler
Byron
Campbell
Carney
Carter
Cavanaugh
Clausen
Cleveland
Clinger
Coleman
Collins, Tex.
Conable
Corcoran
Courter
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Davis, Mich.
de la Garza
Deckard
Derwinski
Devine
Dickinson
Dornan
Duncan, Tenn.
Edwards, Ala.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Evans, Del.
Evans, Ind.
Fenwick
Findley
Fish
Fithian
Florio
Frenzel
Gilman
Gingrich
Glickman
Goodling
Gradison
Gramm
Grassley
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hance
Hanley
Hansen
Harsha
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Huckaby
Hughes
Hyde
Jacobs
Jeffries
Jenkins
Jenrette
Johnson, Colo.
Jones, Okla.
Kazen
Kelly
Kindness
Kogovsek
Kramer
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lee
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Lott
Lujan
Luken
Lungren
McClory
McCloskey
McDonald
McEwen
McKinney
Madigan
Marlenee
Marriott
Mica
Michel
Miller, Ohio
Mitchell, N.Y.
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Nichols
O'Brien
Pashayan
Paul
Petri
Peyser
Pickle
Pritchard
Pursell
Quayle
Quillen
Railsback
Regula
Rhodes
Rinaldo
Ritter
Robinson
Rousselot
Royer
Rudd
Runnels
Santini
Satterfield
Sawyer
Schulze
Sebelius
Sensenbrenner
Sharp
Shumway
Shuster
Smith, Nebr.
Snowe
Snyder
Solomon
Spence
Stangeland
Stanton
Stenholm
Stockman
Stump
Tauke
Thomas
Treen
Vander Jagt
Vento
Volkmer
Walgren
Walker
Watkins
White
Whitehurst
Whittaker
Williams, Ohio
Wilson, Bob
Wilson, Tex.
Winn
Wyatt
Wylie
Young, Fla.

NOES—216

Addabbo
Akaka
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Aspin
Bailey
Baldus
Barnard
Barnes
Beard, R.I.
Bedell
Beilenson
Bethune
Bevill
Bingham
Blanchard
Boland
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Brinkley
Brodhead
Brooks
Brown, Calif.
Burlison
Burton, John
Burton, Phillip
Carr
Chappell
Chisholm
Clay
Coelho
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Danielson
Davis, S.C.
Dellums
Derrick
Dicks
Diggs
Dingell
Dixon
Dodd
Donnelly
Dougherty
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Ertel
Evans, Ga.
Fary
Fascell
Fazio
Ferraro
Fisher
Flood
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frost
Fuqua
Garcia
Gaydos
Gephardt
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Gore
Gray
Hammerschmidt
Harkin
Harris
Hawkins
Heckler
Hefner
Heftel
Hightower
Holland
Holtzman
Horton
Howard
Hutto
Ichord
Jeffords
Johnson, Calif.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kildee
Kostmayer
LaFalce
Lederer
Lehman
Leland
Long, La.
Long, Md.
Lowry
Lundine
McCormack
McDade
McHugh
McKay
Maguire
Markey
Martin
Matsui
Mattox
Mavroules
Mazzoli
Mikulski
Mikva
Miller, Calif.
Mineta
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Natcher
Neal
Nedzi
Nelson
Nolan
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Patterson
Pease
Pepper
Perkins
Preyer
Price
Rahall
Rangel
Ratchford
Reuss
Richmond
Roberts
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Sabo
Scheuer
Schroeder
Seiberling
Shannon
Shelby
Simon
Skelton
Slack
Smith, Iowa
Solarz
Spellman
St Germain
Stack
Staggers
Stark
Steed
Stewart
Stokes
Stratton
Studds
Swift
Synar
Thompson
Udall
Ullman
Van Deerlin
Vanik
Waxman
Weaver
Weiss
Whitley
Whitten
Williams, Mont.
Wilson, C. H.
Wirth
Wolff
Wolpe
Wright
Yates
Yatron
Young, Mo.
Zablocki
Zeferetti

NOT VOTING—26

Anderson, Ill.
Applegate
Ashley
AuCoin
Biaggi
Bolling
Brown, Ohio
Cheney
Duncan, Oreg.
Flippo
Forsythe
Hubbard
Ireland
Kemp
Marks
Mathis
Minish
Myers, Pa.
Roth
Symms
Taylor
Traxler
Trible
Wampler
Wydler
Young, Alaska

□ 1500

The Clerk announced the following pairs:

On this vote:

Mr. Wydler for, with Mr. Applegate against.

Mr. Wampler for, with Mr. Myers of Pennsylvania against.

Mr. LUJAN and Mr. HALL of Texas changed their vote from "no" to "aye."

Messrs. MOLLOHAN, MURPHY of Pennsylvania, ZEFERETTI, and COELHO changed their vote from "aye" to "no."

So the amendments were rejected.

The result of the vote was announced as above recorded.

□ 1510

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to speak in opposition to an amendment which was passed on a voice vote here a few minutes ago and on which I understand the chairman of the committee intends to ask for a record vote on in the House. There was apparently not a quorum present and not many Members understood what was at stake in this amendment. I think the Members should understand what is involved so when a vote comes up in the House they will know.

Let me give you a bit of history behind this SBA disaster program to which, as you know, the President objected very strongly last year and on which the members of the committee have been working very diligently with the President and with his representatives and with some of the rest of us here in the House who have been trying to get some better order and reason into this SBA disaster program. One of the problems that bothered many of us and that I know bothers the President, was that when the Treasury is paying 7¾ percent average for the money which it borrows, we should not be making these "less than cost of money to the Treasury" loans to people who can afford to borrow money elsewhere.

After months of careful negotiations, they eliminated the 1-percent loan concept and they provided for 3-percent loans on houses up to, I believe, $55,000 and "cost of money to the Treasury" above that level. That is a fair and equitable solution. I support it, and I think we all should.

The amendment which was adopted on a voice vote and upon which the chairman of the committee will ask for a record vote would go back and say: "You can get 1-percent money up to $10,000 whether or not you are a millionaire or a pauper." I say that is ridiculous and it is a shocking waste of the taxpayers' money.

It is all well and good to talk about disasters and what happens and the suffering that goes on in disasters. We should try to alleviate suffering and help those who need help. However, 1-percent money, regardless of need, is playing fast and loose with the taxpayers' money, and we should vote down that amendment. The amendment involves millions of dollars. While these are loans and they will be repaid, the fact is that the subsidy portion of the interest will not be repaid. That will be a cost to the taxpayers of the United States.

I plead with the Members, Mr. Chairman, when this bill comes up for a vote and when the chairman of the committee, the gentleman from Iowa (Mr. SMITH) asks for a record vote, that they vote down the amendment and preserve what the committee has worked out with the White House and with others; namely, loans at 3 percent.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I hope the Members will listen to what the gentleman from Connecticut has said. We worked long and hard last year; we worked out a proposal of 3 percent on $55,000. Since then the interest rate has gone up 2 or 3 percent, but we still have a 3-percent interest rate on $55,000.

Last year we had a lot of argument back and forth but the gentleman from Kentucky came up with this solution. The gentleman is for a lower interest rate, but he knows you cannot always get your way. It is really the Carter provision of this bill that the gentleman from Mississippi (Mr. Hinson) tries to amend. I say stick with the gentleman from Kentucky (Mr. Carter). Give us this 3 percent on $55,000 to which everyone now agrees. Stick with the bill.

Mr. CARTER. Mr. Chairman, I move to strike the last word.

It is true it was my amendment that provided for a 3-percent interest loan. Actually, that was the best I could do. I had a town in the mountains of Kentucky that was completely destroyed or almost completely destroyed. The people needed the money very badly, as cheaply as they could get it. We were able to get it at 1 percent for the first $10,000.

This year we have had disasters throughout Texas, Mississippi, Alabama, and the great State of Louisiana, North Dakota, and yet we are wanting to charge them 3 percent.

Now, let us see why we are charging this 3 percent to our people at the same time we are granting money through foreign aid measures at no interest.

□ 1520

I want to ask all of you gentlemen; I want to look at you right in the eye. How many of you feel that you should give money to foreign countries before you give it to your own? Why should we not let our own people have this interest as cheaply as we do Romania, to which we are giving right now, lending right now million of dollars.

Now, if we look over our aid programs, 40-year terms, 40 years, $2.1 billion in loans in 1978. There are $4 billion in outright grants to these people, $4 billion in grants to these people in 1978.

We are not granting to the people of Louisiana who were flooded one dime; neither are we giving anything to Mississippi; neither are we giving anything to the great State of Texas or to North Dakota, and portions were almost destroyed.

Lubbock, Tex., not far from the area of some of the Members, suffered great damage. I say we should lower this interest rate to our own people. We are not giving it to them, but we should lower it to 1 percent, at least.

Charity begins at home and we should be good to our own people.

Mr. McCLORY. Mr. Chairman, will the gentleman yield for a question?

Mr. CARTER. I am happy to yield to my distinguished friend, the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, are we talking only about disaster loans where people have lost their property as the result of disaster, rich or poor? These people would not be borrowing the money except that their property has been damaged or destroyed, and they have had serious losses, for which this program is made available.

Mr. CARTER. Absolutely destroyed.

Mr. McCLORY. Because of their serious losses we are making this program available for that purpose.

Mr. CARTER. Mr. Chairman, if I may reclaim my time, the first $10,000 is at 1 percent and 3 percent up to $55,000. Above that the going rate of 7⅜ percent, our going rate at the present time.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I am happy to yield to my good friend, the gentleman from Iowa, who is known for always voting for foreign aid. Yes, sir.

Mr. BEDELL. Although this is not a foreign aid bill, the record will clearly show that the gentleman from Iowa has not always voted for foreign aid. Also, the gentleman made the statement that we were making 1 percent loans to foreign countries.

Mr. CARTER. Yes, sir.

Mr. BEDELL. Would the gentleman tell me where he got that information?

Mr. CARTER. This became the law several years ago. Now we have gone to grants—$4 billion last year—no interest—then some loans in addition.

Actually, that has been the way it has been for years. I have seen those bills come up over the years, 1 percent for the first 10 years, 2½ for the next 40.

Actually, it is with the expectation it would never be paid back.

I want to tell you, included in these countries are Poland, Romania, Pakistan, Venezuela, Italy, all of which the distinguished gentleman from Iowa voted for, not once, but many times.

Mr. BEDELL. Mr. Chairman, will the gentleman yield further?

Mr. CARTER. I am happy to yield to my good friend.

Mr. BEDELL. Mr. Chairman, I am sure the gentleman wants to be correctly quoted. Since the gentleman used my name previously, I had my staff check with the Congressional Research Service. I had them check to find out whether the United States makes any loans to any foreign countries at 1 percent interest.

They advised me that the United States makes absolutely no bilateral loans at 1 percent interest to any foreign country. Now, if the gentleman has that information somewhere else, I would like to know it.

Mr. CARTER. Mr. Chairman, I will reclaim my time at this point and say that perhaps we replaced this, as we did in 1978, with outright grants of $4 billion, which is not at any interest, none, at no interest rate, not even 1 percent, no matter what the Congressional Research Service says. It is $4 billion at no interest.

Mr. Chairman, I urge support of the amendment.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I yield to the gentleman from Maryland (Mr. Mitchell).

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

Earlier on today, I spoke in favor of this legislation, recognizing that we are in tight financial straits. I reaffirmed my support for the legislation; however, I think it is a serious mistake to pit what we do in disaster loans in juxtaposition with our foreign aid program.

I would submit that the legislation should stand on its own merits, the aid to our cities and States that have suffered disasters, and let us deal with the foreign aid separately and let us deal with the merits of this issue.

Mr. Chairman, I thank the gentleman for yielding.

Mr. SMITH of Iowa. Mr. Chairman, I thank the gentleman for his comments.

Mr. Chairman, since so many were not here, I just want to take 1 or 2 minutes to explain what is involved here. The interest rate in this bill, as in the vetoed bill, H.R. 11445, and in H.R. 90, is 3 percent on the first $55,000 on disaster loans to homeowners on account of loss of primary residence and personal property. There is no credit elsewhere, test or anything like that on these homeowner loans. If you had property destroyed, you are entitled to a loan for that amount to cover the net loss.

The Senate also has those rates in their bill. We would like to have the same provision in this bill. If we do not, we are going to get tied up in conference. Last year, we were tied up in conference over this provision.

Finally "Doc" Carter proposed this 3 percent on $55,000, which we all accepted.

I think that is the best we can do. It is the best compromise we can get and we ought to just stay with that provision.

Now, the author of the amendment stated, I think, in the debate, that it only involves $44 a year for the average applicant. That is less than $4 a month.

Well, what the gentleman really wants is fast service; we should not worry that much about $4 a month.

Now, since we passed this bill last year, the interest rate has gone up far more than 2 percent; but we still have 3 percent in this bill; so I am asking the House to stick with the committee on this. Turn down this amendment so we can go to conference and get this bill over with. These disaster areas need help quickly, more than they need $4 a month less for some of the applicants.

Now, if they happen to be poor people, as some of them are referred to, there is another program at HUD under which they get a $5,000 grant. We are talking about a program that gives people quick access to some loans when they need them; so I say stick with the committee on this amendment.

The CHAIRMAN. There being no further amendments to title II, the Clerk will read title III.

The Clerk read as follows:

TITLE III—WHITE HOUSE CONFERENCE ON SMALL BUSINESS

SHORT TITLE

Sec. 301. This title may be cited as the "White House Conference on Small Business Act".

AUTHORIZATION OF CONFERENCE

Sec. 302. (a) The President shall call and conduct a White House Conference on Small Business (hereinafter referred to as the "Conference") not later than June 30, 1980, to carry out the purposes described in section 303.

(b) Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the regional and State levels prior to the date of the Conference, subject to the approval of the Administrator, and may direct such conferences and activities toward the consideration of the purposes of the Conference described in section 303 in order to prepare for the Conference.

PURPOSE OF CONFERENCE

SEC. 303. The purpose of the Conference shall be to increase public awareness of the essential contribution of small business; to identify the problems of small business, including new, small, and family enterprises; to examine the status of minorities and women as small business owners; and to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation.

CONFERENCE PARTICIPANTS

SEC. 304. In order to carry out the purposes specified in section 303, the Conference shall bring together individuals concerned with issues relating to small business: *Provided*, That no small business concern may be denied admission to any State or regional meeting.

PLANNING AND ADMINISTRATION OF CONFERENCE

SEC. 305. (a) All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) The Administrator of the Small Business Administration is authorized and directed to reimburse participants in the National Conference for all reasonable and necessary costs of the Conference, including costs for travel, meals, accommodations, and support for other activities necessary to carry out their functions concerning the Conference: *Provided, however*, That such reimbursement shall be effective for each fiscal year only to the extent or in the amounts as are provded in appropriation Acts.

(c) In carrying out the provisions of this title, the Administrator of the Small Business Administration:

(1) shall provide such financial and other assistance as may be necessary for the organization and conduct of conferences at the regional and State levels as authorized under section 302(b);

(2) shall provide for the preparation of background materials for use by participants in the Conference, as well as by participants in regional and State conferences; and

(3) is authorized to make grants to, and enter into contracts with, public agencies, private organizations, and academic institutions to carry out the provisions of this title.

(d) (1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

REPORTS REQUIRED

SEC. 306. Not more than one year from the date on which the Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be made available to the public.

FOLLOW-UP ACTIONS

SEC. 307. The Small Business Administration shall report to the Congress annually during the three-year period following the submission of the final report of the Conference on the status and implementation of the findings and recommendations of the Conference.

AVAILABILITY OF FUNDS

SEC. 308. (a) Such sums as are appropriated to carry out the provisions of this title shall remain available until expended.

(b) No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this title other than funds appropriated pursuant to this section. Any funds remaining unexpended at the termination of the Conference shall be made available to the Administrator of the Small Business Administration to carry out the provisions of section 20 of the Small Business Act.

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there amendments to title III?

AMENDMENT OFFERED BY MR. HANLEY

Mr. HANLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANLEY: Line 6 on page 32, strike all thereafter following and insert the following language:

TITLE III—CONDUCT OF THE WHITE HOUSE CONFERENCE ON SMALL BUSINESS, A REPORT AND A THREE-YEAR STATUS MONITOR REQUIRED

SEC. 301. Not more than one year from the date on which the White House Conference on Small Business called for in Executive Order 12061 is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be made available to the public.

SEC. 302. The Small Business Administration shall report to the Congress annually during the three-year period following the submission of the final report of the Conference on the status and implementation of the findings and recommendations of the Conference.

Mr. HANLEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. McDADE. Mr. Chairman, reserving the right to object, may I have a copy of the amendment?

Mr. HANLEY. Mr. Chairman, they are available at the desk.

Mr. McDADE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BAUMAN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Maryland (Mr. BAUMAN) reserves a point of order on the amendment.

□ 1530

Mr. HANLEY. Mr. Chairman, it is with great reluctance that I offer this amendment because of my great respect for the chairman of the committee. I am most aware of all the efforts the gentleman has put forth in attempting to put together a good bill. He has accomplished that to a fair degree because the measure we are considering today is essentially that; a good bill.

I offer this amendment today really at the request of a number of people who will be attending the White House Conference on Small Business.

All we are going to do here is strike nonessential parts of title III. Why? For two reasons. Title III happens to be redundant, and title III carries with it a price tag of $1.2 million. Ironically, the people on whom we are spending this money do not want it spent on them. The administration does not want this particular title, nor does Administrator Weaver of SBA.

Mr. Chairman, in May 1978, President Carter issued Executive Order 12061 calling for a White House Conference on Small Business to be held in January, 1980. The Executive order also laid out guidelines and procedures for the election of delegates, a series of State and regional meetings and the development of critical issues.

This process has been well underway for almost a year. To date, 29 State and 8 regional meetings have been held and 800 delegates have been elected. Issues task forces have been set up to sift through the thousands of recommendations that have been received from small business men and women across the Nation, and the President has appointed a commission of prominent Americans to oversee the whole process.

Title III of H.R. 4011 also authorizes a White House Conference on Small Business. Unfortunately, it is redundant. It duplicates Executive Order 12061 and is unneeded.

H.R. 4011 authorizes a White House Conference to be held before June 30, 1980. The White House Conference is already scheduled for January 1980. The bill authorizes selection of delegates. Two-thirds of the delegates have been selected. The bill authorizes an administrative structure to conduct the conference. The administrative structure has been in place for over a year. The bill authorizes preparation of background materials for the delegates. That process has been going on since the beginning and continues. Thus, title III does nothing that is not already being done.

On only two points does the bill differ from what is already being done. First, the bill authorizes and directs reimbursement of the delegates for travel, accommodations, meals, and so forth. The administration estimates that this would cost the taxpayers $1.2 million. That authorization is neither necessary nor equitable.

Already we have seen an outpouring of enthusiasm from the small business community. They want to participate; they want to be heard; they want to be elected delegates. In fact, the principal complaint from the regional meetings is not—"I can't afford to attend." The complaint is—"I wasn't elected."

Further, this subsidy is unfair to those that have been elected delegates under the assumption that they will pay their own way. It is changing rules in the middle of the game. When they placed themselves in nomination they did so with the clear understanding that they would be paying their own expenses.

Will this mean that women and minorities will not be adequately represented at the Conference because they cannot afford to come to Washington? Hardly. Among the delegates already elected, both minorities and women are present far in excess to their representation within the entire small business community.

Second, H.R. 4011 requires that the administration report each year to the House and Senate Small Business Committee on the implementation of the final recommendations of the White House Conference. This is needed and should be included in this legislation; but, by itself, this requirement is not enough to justify all of title III. This desired reporting requirement could be accomplished simply by the substitute amendment I now propose which deletes all of title III, except for the two reporting provisions.

The administration is opposed to title III. It believes it is duplicative and unneeded. So do I. Therefore, I am offering an amendment to delete the unnecessary parts of title III from the bill.

The CHAIRMAN. The time of the gentleman from New York (Mr. HANLEY) has expired.

(By unanimous consent, Mr. HANLEY was allowed to proceed for 1 additional minute.)

Mr. HANLEY. Mr. Chairman, let me quote from a letter from A. Vernon Weaver, the administrator:

> One provision provided for in the bill, but not contemplated in the Executive Order is the payment of expenses for participants in the National Conference. We have estimated that it would cost the American taxpayers approximately $1.2 million to underwrite these expenses. We believe the Conference will be successful without this inducement. It is the Administration's position that Title III is duplicative and unnecessary.

The CHAIRMAN. The time of the gentleman from New York (Mr. HANLEY) has again expired.

(On request of Mr. MITCHELL of Maryland, and by unanimous consent, Mr. HANLEY was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield for a brief question?

Mr. HANLEY. I will be glad to yield to my friend, the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

The question that I would like to raise is this: If those persons who want to come to the White House Conference do not want to be reimbursed for traveling or lodging, is there anything in this title that forces them to accept it? All they have to do is come in and say, "We are here, but we don't want any money."

Mr. HANLEY. Not at all, but the gentleman and I happen to know very well what human nature is all about.

As I say, two-thirds of them are already committed and understand what their obligation is. To change the rules now would be a disservice to all those who have not sought election as delegates in the past, assuming no Federal reimbursements would be available. Also, I would like to point out that the pride small businessmen and women take in self-sufficiency has prompted them to reject such a subsidy on principle. In light of budget demands for other purposes, I fail to see the sense of tying up funds which are not welcome and will go unused by most conference members.

Mr. MITCHELL of Maryland. Mr. Chairman, both of us know what human nature is about, but I know about the integrity of small businessmen. If they honestly believe they do not want that money, they are going to march in and sign a waiver saying that they do not want it.

Mr. Chairman, I thank the gentleman for yielding.

Mr. HANLEY. Mr. Chairman, I thank the gentleman from Maryland (Mr. MITCHELL).

The CHAIRMAN. The gentleman from Maryland (Mr. BAUMAN) has reserved a point of order on the amendment.

The gentleman from Maryland evidently withdraws his reservation of a point of order.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Maryland (Mr. MITCHELL) hit the nail on the head. If any of these businesses do not want to file their vouchers, they do not have to.

But I do not think that a few people who think they have the money to come to Washington on their own and pay their own expenses ought to be in the position of saying that nobody else can file a voucher either. Who are they to tell the other people that they ought to come without having their expenses paid?

This is the same boilerplate language that we have for the arts and humanities. We have it for the teachers, and we have it for the libraries. Why do we pick out small businesses as the first one who is not going to have his expenses paid if he feels he cannot afford to come otherwise?

With regard to some of the other items in the bill, we require them to open up these meetings. We said, "You can't close the doors. Everybody is invited."

If they are small businesses, they can come to that meeting. We do not want a meaningless White House conference.

Also the gentleman eliminated the followup reports. What good does it do to have a White House conference with elected delegates and have no followup reports? We want followup reports. We want this White House conference to amount to something.

☐ 1540

The gentleman from New York has done his duty to his constituents, who have done their duty to the Small Business Administrator, who apparently contacted them for some reason. They have submitted his proposal here today. But we do not need to take it. And I say this is something we ought to vote down quickly.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from New York.

Mr. HANLEY. Mr. Chairman, will the gentleman tell us who the catalyst was for the White House Small Business Conference, who was the foremost catalyst for the White House Conference on Small Business?

Mr. SMITH of Iowa. I can easily tell the gentleman that. It was the House and the Senate Small Business Committees. The Executive order was entered several months later, and now they say that we have an order in place. But it does not require them to have open meetings, it does not require them to have follow-up reports, it does not require some of these things we feel are necessary to have a successful conference.

Mr. HANLEY. If the gentleman will yield further, would the gentleman agree that outside of this legislative body it was the small business community who was the catalyst for the conference?

Mr. SMITH of Iowa. I assume they might have been involved in it, too. But in any event, the order was entered after.

Mr. HANLEY. The amendment I am offering was responding to what they were suggesting was appropriate.

Mr. SMITH of Iowa. The gentleman says that. The ones the gentleman talked to. But they did not talk to the main street businesses in the small towns who we want to get in here. The gentleman probably talked to the professional small businessman. What we want is the small business we have not been hearing from. We want to hear what they have to say.

Mr. HANLEY. Will the gentleman distinguish between the professional and the nonprofessional small businessman?

Mr. SMITH of Iowa. Those who make a business of being small business people publicly.

Mr. HANLEY. I thought they were all small businessmen.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HANLEY).

The question was taken; and on a division (demanded by Mr. SMITH of Iowa) there were—ayes 40, noes 48.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments to title III?

There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and

the Speaker pro tempore (Mr. Rostenkowski) having assumed the chair, Mr. Jenrette, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4011) to amend the Small Business Act and Small Business Investment Act of 1958, pursuant to House Resolution 279, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. SMITH of Iowa. Mr. Speaker, I demand a separate vote on the Hinson amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 17, strike out line 15, and insert in lieu thereof the following: "be 1 per centum on the amount of such loan not over $10,000 and 3 per centum on the amount of such loan over $10,000 but not over $55,000;".

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. Hinson) there were—yeas 57, nays 74.

Mr. HINSON. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

Mr. HINSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 174, nays 232, not voting 28, as follows:

[Roll No. 162]

YEAS—174

Abdnor
Albosta
Andrews, N. Dak.
Anthony
Applegate
Archer
Atkinson
Badham
Bafalis
Bailey
Beard, Tenn.
Bethune
Bevill
Bowen
Breaux
Brinkley
Broomfield
Broyhill
Buchanan
Burgener
Byron
Campbell
Carney
Carter
Clausen
Cleveland
Clinger
Coleman
Coughlin
Courter
Daniel, Dan
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Devine
Dickinson
Dixon
Donnelly
Dornan
Dougherty
Duncan, Tenn.
Edwards, Ala.
Emery
Erdahl
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fish
Flood
Gaydos
Gilman
Gingrich
Ginn
Goldwater
Goodling
Gramm
Grisham
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hammerschmidt
Hansen
Harsha
Heckler
Heftel
Hightower
Hillis
Hinson
Holt
Hopkins
Horton
Huckaby
Hyde
Jeffords
Jeffries
Johnson, Colo.
Kazen
Kindness
Kostmayer
Kramer
Lagomarsino
Latta
Leach, La.
Lederer
Lee
Lent
Lewis
Livingston
Loeffler
Long, Md.
Lott
Lujan
McClory
McDade
McEwen
McKay
McKinney
Marlenee
Marriott
Martin
Michel
Miller, Ohio
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Pa.
Murtha
Oberstar
Myers, Ind.
Ottinger
Pashayan
Perkins
Petri
Pritchard
Pursell
Quayle
Quillen
Rahall
Railsback
Rangel
Regula
Rhodes
Rinaldo
Ritter
Robinson
Rousselot
Royer
Rudd
Runnels
Santini
Sawyer
Schulze
Sebelius
Sensenbrenner
Shannon
Shelby
Shumway
Shuster
Snowe
Snyder
Solomon
Spence
Staggers
Stangeland
Stanton
Stokes
Studds
Tauke
Thomas
Vander Jagt
Walker
White
Whitehurst
Whittaker
Whitten
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wolff
Wolpe
Yatron
Young, Fla.
Young, Mo.

NAYS—232

Addabbo
Akaka
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashbrook
Aspin
Baldus
Barnard
Barnes
Bauman
Beard, R.I.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Brademas
Brodhead
Brooks
Brown, Calif.
Burlison
Burton, John
Butler
Carr
Cavanaugh
Chappell
Chisholm
Clay
Coelho
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Crane, Daniel
Crane, Philip
D'Amours
Daniel, R. W.
Danielson
Dellums
Derrick
Derwinski
Dicks
Diggs
Dingell
Dodd
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Edwards, Okla.
English
Erlenborn
Fary
Fascell
Fazio
Ferraro
Findley
Fisher
Fithian
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gephardt
Giaimo
Gibbons
Glickman
Gonzalez
Gore
Gradison
Grassley
Gray
Green
Guarini
Gudger
Hamilton
Hance
Hanley
Harkin
Harris
Hawkins
Hefner
Holland
Hollenbeck
Holtzman
Howard
Hughes
Hutto
Ichord
Jacobs
Jenkins
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kelly
Kildee
Kogovsek
LaFalce
Leach, Iowa
Leath, Tex.
Lehman
Leland
Levitas
Lloyd
Long, La.
Lowry
Luken
Lungren
McCloskey
McCormack
McDonald
McHugh
Madigan
Maguire
Markey
Mathis
Matsui
Mattox
Mavroules
Mazzoli
Mica
Mikulski
Mikva
Miller, Calif.
Mineta
Mitchell, Md.
Moffett
Murphy, Ill.
Murphy, N.Y.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
O'Brien
Oakar
Obey
Panetta
Patten
Patterson
Paul
Pease
Pepper
Peyser
Pickle
Preyer
Price
Ratchford
Reuss
Richmond
Roberts
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Sabo
Satterfield
Scheuer
Schroeder
Seiberling
Sharp
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
St Germain
Stack
Stark
Steed
Stenholm
Stewart
Stockman
Stratton
Stump
Swift
Synar
Thompson
Treen
Udall
Ullman
Van Deerlin
Vanik
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Whitley
Williams, Mont.
Wirth
Wright
Wyatt
Wylie
Yates
Zablocki
Zeferetti

NOT VOTING—28

Anderson, Ill.
Ashley
AuCoin
Biaggi
Brown, Ohio
Burton, Phillip
Cheney
Duncan, Oreg.
Fenwick
Flippo
Forsythe
Hubbard
Ireland
Kemp
Lundine
Marks
Minish
Mitchell, N.Y.
Myers, Pa.
Nowak
Roth
Symms
Taylor
Traxler
Trible
Wampler
Wydler
Young, Alaska

☐ 1600

The Clerk announced the following pairs:

On this vote:

Mr. Kemp for, with Mr. Cheney against.

Mr. Mitchell of New York for, with Mr. Ireland against.

Mr. Symms for, with Mr. Biaggi against.

Mr. Wydler for, with Mr. Minish against.

Until further notice:

Mr. Phillip Burton with Mr. Anderson of Illinois.

Mr. Traxler with Mr. Brown of Ohio.

Mr. Hubbard with Mr. Forsythe.

Mr. Lundine with Mr. Marks.

Mr. Myers of Pennsylvania with Mr. Wampler.

Mr. Flippo with Mr. Trible.

Mr. Ashley with Mr. Taylor.

Mr. AuCoin with Mr. Roth.

Mr. Nowak with Mr. Young of Alaska.

Mr. Duncan of Oregon with Mrs. Fenwick.

Messrs. KOSTMAYER, PRITCHARD, and LIVINGSTON changed their vote from "nay" to "yea."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. Brademas). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. SMITH of Iowa. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 398, nays 5, not voting 31, as follows:

[Roll No. 163]

YEAS—398

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Aspin
Atkinson
Badham
Bafalis
Bailey
Baldus
Barnard
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burgener
Burlison
Burton, John
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Chisholm
Clay
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Diggs
Dingell

Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Hansen
Harkin
Harris
Harsha
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Holland
Hollenbeck
Holt
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hutto
Hyde
Ichord
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, Md.
Lott
Lowry
Luken
Lundine
Lungren
McClory
McCloskey
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marlenee
Marriott
Martin
Mathis
Matsui
Mattox
Mavroules
Mazzoli
Mica
Michel
Mikulski
Miller, Calif.
Miller, Ohio
Mineta
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Rahall
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Stark
Steed
Stenholm
Stewart
Stockman
Stokes
Stratton
Studds
Stump
Swift
Synar
Tauke
Thomas
Thompson
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Watkins
Waxman
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—5

Collins, Tex.
Kelly
McDonald
Paul
Weaver

NOT VOTING—31

Anderson, Ill.
Ashley
AuCoin
Biaggi
Brown, Ohio
Burton, Phillip
Cheney
Clausen
Duncan, Oreg.
Fenwick
Flippo
Forsythe
Gramm
Hubbard
Ireland
Kemp
Long, La.
Lujan
Marks
Mikva
Minish
Mitchell, N.Y.
Myers, Pa.
Roth
Symms
Taylor
Traxler
Trible
Wampler
Wydler
Young, Alaska

☐ 1620

The Clerk announced the following pairs:

Mr. Phillip Burton with Mr. Anderson of Illinois.

Mr. Myers of Pennsylvania with Mr. Lujan.

Mr. Long of Louisiana with Mr. Brown of Ohio.

Mr. Gramm with Mrs. Fenwick.

Mr. Duncan of Oregon with Mr. Clausen.

Mr. Biaggi with Mr. Cheney.

Mr. Ashley with Mr. Forsythe.

Mr. Traxler with Mr. Mitchell of New York.

Mr. Minish with Mr. Roth.

Mr. Hubbard with Mr. Marks.

Mr. AuCoin with Mr. Kemp.

Mr. Flippo with Mr. Taylor.

Mr. Mikva with Mr. Wampler.

Mr. Ireland with Mr. Young of Alaska.

Mr. Wydler with Mr. Trible.

Mr. CHAPPELL changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 4011, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 918) to amend the Small Business Act and Small Business Investment Act of 1958 and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves to strike out all after the enacting clause of the Senate bill, S. 918, and to insert in lieu thereof the provisions of the bill, H.R. 4011, as passed, as follows:

TITLE I—AUTHORIZATIONS AND MISCELLANEOUS AMENDMENTS

PART A—PROGRAM LEVELS AND AUTHORIZATIONS

SEC. 101. (a) Section 20(e)(4) of the Small Business Act is amended to read as follows:

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $45,000,000 in direct and immediate participation loans, and $100,000,000 in guaranteed loans.".

(b) Section 20(e) of the Small Business Act is amended by striking all of paragraph (9) after the word "purposes," and inserting in lieu thereof the following: "including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.".

(c) Sections 20(f) and (g) of the Small Business Act are amended by striking out all of such subsections after the first sentence in subsection (f) and inserting in lieu thereof the following: "Of the funds heretofore appropriated for fiscal year 1979, $52,100,000 shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; $4,400,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958; and $200,000,000 shall be available for salaries and expenses of the Administration, of which amount—

"(1) $17,000,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including those under section 8(a) of this Act;

"(2) $25,557,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $7,300,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,000,000 shall be available for the office of minority small business; and

"(5) $5,500,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information.

"(g) The Administrator may transfer no more than 10 per centum of program levels for salaries and expenses authorized in paragraphs (1) through (5) of section 20(f) of this Act: *Provided, however,* That no program level authorized in such paragraphs may be increased more than 20 per centum by any such transfers.".

SEC. 102. Section 20 of the Small Business Act is amended by adding at the end thereof the following new subsections:

"(h) The following program levels are authorized for fiscal year 1980:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $495,000,000 in direct and immediate participation loans, and $3,630,000,000 in deferred participation loans.

"(2) For the programs authorized by section 7(h) of this Act, the Administration is authorized to make $22,000,000 in direct and immediate participation loans and $11,000,000 in guaranteed loans.

"(3) For the programs authorized by section 7(i) of this Act, the Administration is authorized to make $73,000,000 in direct and immediate participation loans and $93,000,000 in guaranteed loans.

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $50,000,000 in direct and immediate participation loans, and $110,000,000 in guaranteed loans.

"(5) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $25,000,000 in direct purchases of debentures and preferred securities and to make $225,000,000 in guarantees of debentures.

"(6) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,700,000,000.

"(7) For the programs authorized by section 7(b)(3) through 7(b)(9) and 7(g) of this Act, the Administration is authorized to enter into $220,000,000 in loans, guarantees, and other obligations or commitments.

"(8) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $100,000,000.

"(9) For the programs authorized by section 7(l) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans.

"(10) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(i) There are authorized to be appropriated to the Administration for fiscal year 1980, $1,616,000,000 to carry out the programs referred to in subsection (h), paragraph (1) through (9). Of such sum, $42,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958; $4,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958; and $232,000,000 shall be available for salaries and expenses of the Administration, of which amount—

"(1) $18,700,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including those under section 8(a) of this Act;

"(2) $29,400,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $8,000,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,200,000 shall be available for the office of minority small business;

"(5) $7,400,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information; and

"(6) $18,000,000 shall be available for grants to Small Business Development Centers, and an additional $650,000 shall be available for the administration of the small business development center program.

"(j) The Administrator may transfer no more than 10 per centum of program levels for salaries and expenses authorized in paragraphs (1) through (6) of section 20(i) of this Act: *Provided, however*, That no program level authorized in such paragraphs may be increased more than 20 per centum by any such transfers.

"(k) The following program levels are authorized for the fiscal year 1981:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $545,000,000 in direct and immediate participation loans, and $4,000,000,000 in deferred participation loans.

"(2) For the programs authorized by section 7(h) of this Act, the Administration is authorized to make $25,000,000 in direct and immediate participation loans and $12,000,000 in guaranteed loans.

"(3) For the programs authorized in section 7(i) of this Act, the Administration is authorized to make $81,000,000 in direct and immediate participation loans and $103,000,000 in guaranteed loans.

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $55,000,000 in direct and immediate participation loans, and $120,000,000 in guaranteed loans.

"(5) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $28,000,000 in direct purchase of debentures and preferred securities and to make $250,000,000 in guarantees of debentures.

"(6) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $3,500,000,000.

"(7) For the programs authorized by sections 7(b)(3) through 7(b)(9) and 7(g) of this Act, the Administration is authorized to enter into $242,000,000 in loans, guarantees, and other obligations or commitments.

"(8) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $110,000,000.

"(9) For the programs authorized in section 7(l) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans.

"(10) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(l) There are authorized to be appropriated to the Administration for fiscal year 1981, $1,789,000,000 to carry out the programs referred to in subsection (k), paragraphs (1) through (9). Of such sum, $59,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958, $4,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958, and $254,000,000 shall be available for salaries and expenses of the Administration of which amount—

"(1) $20,600,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including these under section 8(a) of this Act;

"(2) $33,000,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $8,900,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,400,000 shall be available for the office of minority small business; and

"(5) $8,000,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information.

"(m) The Administrator may transfer no more than 10 per centum of program levels for salaries and expenses authorized in paragraphs (1) through (5) of section 20(l) of this Act: *Provided, however*, That no program level authorized in such paragraphs may be increased more than 20 per centum by any such transfers.

"(n) The following program levels are authorized for fiscal year 1982:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $600,000,000 in direct and immediate participation loans, and $4,400,000,000 in deferred participation loans.

"(2) For the programs authorized by section 7(h) of this Act, the Administration is authorized to make $28,000,000 in direct and immediate participation loans, and $14,000,000 in guaranteed loans.

"(3) For the programs authorized by section 7(i) of this Act, the Administration is authorized to make $90,000,000 in direct and immediate participation loans and $114,000,000 in guaranteed loans.

"(4) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958, the Administration is authorized to make $61,000,000 in direct and immediate participation loans, and $130,000,000 in guaranteed loans.

"(5) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $31,000,000 in direct purchase of debentures and preferred securities and to make $275,000,000 in guarantees of debentures.

"(6) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $4,000,000,000.

"(7) For the programs authorized by sections 7(b)(3) through 7(b)(9) and 7(g) of this Act, the Administration is authorized to enter into $267,000,000 in loans, guarantees, and other obligations or commitments.

"(8) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $125,000,000.

"(9) For the programs authorized in section 7(1) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans.

"(10) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2), of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(o) There are authorized to be appropriated to the Administration for fiscal year 1982, $1,943,000,000 to carry out the programs referred to in subsection (n), paragraphs (1) through (9). Of such sum, $69,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958, $4,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958, and $278,000,000 shall be available for salaries and expenses of the Administration, of which amount—

"(1) $22,600,000 shall be available for procurement assistance, with priority given to developing a small business procurement source data bank and to employing additional procurement officers to increase the number and total value of set-asides, including those under section 8(a) of this Act;

"(2) $36,100,000 shall be available for management and technical assistance, with priority given to development of effective training programs and counseling services, development of small business development centers, and development of an effective small business technology transfer program;

"(3) $9,800,000 shall be available for research and advocacy, with priority given to developing a small business economic data base, evaluating the required resources for a major small business economic research and analysis unit in the Administration, undertaking such economic research and analysis, representing the interests of small business within the Federal Government, and developing a small business ombudsman function to help solve small business problems that are caused by programs, regulations, or general activities of the Federal Government;

"(4) $17,600,000 shall be available for the office of minority small business; and

"(5) $9,200,000 shall be available for data management with priority given to more effective and efficient utilization of existing data management resources of the Administration of which amount no less than $1,000,000 shall be used to pay for development of an indicative small business data base comprised of names and addresses and related information.

"(p) The Administrator may transfer no more than 10 percent of program levels for salaries and expenses authorized in paragraphs (1) through (5) of section 20(o) of this Act: *Provided, however*, That no program level authorized in such paragraphs may be increased more than 20 percent by any such transfers.".

PART B—MISCELLANEOUS AND TECHNICAL AMENDMENTS

AVAILABILITY OF UNEXPENDED FUNDS

SEC. 110. Section 20(a) of the Small Business Act is amended by adding thereto the following: "All appropriations whether specifically or generally authorized shall remain available until expended.".

INTEREST DIFFERENTIAL PAYMENTS

SEC. 111. Section 4(c)(5) of the Small Business Act is amended by striking "each of the funds established by paragraph (1)" and inserting in lieu thereof "the fund established by subparagraph (B) of paragraph (1)".

ENERGY SHORTAGE LOANS

SEC. 112. Section 7(b)(8) of the Small Business Act is amended by inserting after "energy-producing resources," the following: "including, but not limited to, a shortage of coal or other energy-producing resource caused by a strike, boycott, or embargo, unless such strike, boycott, or embargo is directly against such small business concern,".

DISASTER LOAN INTEREST RATES

SEC. 113. (a) The first undesignated paragraph of section 7(b) of the Small Business Act is amended by inserting after "under subsection (b)" the following ", except as provided in subsection (c),";

(b) Section 7(c) of the Small Business Act is amended by adding the following new paragraphs:

"(3) With respect to a disaster occurring on or after October 1, 1978, and prior to October 1, 1982, on the Administration's share of loans made pursuant to paragraph (1) of subsection (b)—

"(A) if the loan proceeds are to repair or replace a primary residence and/or repair or replace damaged or destroyed personal property, the interest rate shall be 3 per centum on the first $55,000 of such loan;

"(B) if the loan proceeds are to repair or replace property damaged or destroyed and if the applicant is a business concern which is unable to obtain sufficient credit elsewhere, the interest rate shall be as determined by the Administration, but not in excess of 5 per centum per annum; and

"(C) if the loan proceeds are to repair or replace property damaged or destroyed and if the applicant is a business concern which is able to obtain sufficient credit elsewhere, the interest rate shall not exceed the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans and adjusted to the nearest one-eighth of 1 per centum plus 1 per centum: *Provided*, That two years after such loan is first approved and every two years thereafter for the term of the loan, if the Administration determines that the borrower is able to obtain a loan from non-Federal sources at reasonable rates and terms for loans of similar purposes and periods of time, the borrower shall, upon request by the Administration, apply for and accept such loan in sufficient amount to repay the Administration.

Provided, That no loan under subsection (b) (1) shall be made, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under such subsection would exceed $500,000, unless an applicant constitutes a major source of employment in an area suffering a disaster and is no longer in substantial operation as a result of such disaster, in which case the Small Business Administration, in its discretion, may waive the $500,000 limitation: *Provided further*, That an agricultural enterprise shall not be eligible for loan assistance under paragraph (1) of section 7(b) to repair or replace property other than residences and/or personal property unless it is declined for or would be declined for emergency loan assistance from the Farmers Home Administration under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961).

"(4) As used in this subsection—

"(A) agricultural enterprises include those businesses engaged in the production of food and fiber, ranching and raising of livestock, aquaculture, and all other farming and agricultural related industries; and

"(B) credit elsewhere means the availability of sufficient credit from non-Federal sources at reasonable rates and terms, taking into consideration prevailing private rates and terms in the community in or near where the concern transacts business for similar purposes and periods of time.";

(c) Section 324 of the Consolidated Farm and Rural Development Act is amended by striking out the first sentence in subsection (a) and inserting in lieu thereof the following: "Loans made or insured under this subtitle shall be at rates of interest as follows:

"(1) with respect to loans or portions of loans up to the amount of the applicant's actual loss caused by the disaster, (A) if the applicant is unable to obtain sufficient credit elsewhere to finance the applicant's actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time, the interest rate shall be a rate prescribed by the Secretary not in excess of 5 per centum per annum, and (B) if the applicant is able to obtain sufficient credit elsewhere, the interest rate shall be the rate prescribed by the Secretary, but not in excess of the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus not to exceed 1 per centum, as determined by the Secretary, and adjusted to the nearest one-eighth of 1 per centum: *Provided*, That the total amount outstanding and committed to the borrower hereunder shall not exceed $500,000; and

"(2) with respect to loans or portions of loans exceeding the amount of actual loss by the disaster, the interest rate shall be that prevailing in the private market for similar loans, as determined by the Secretary.";

(d) Section 324 of the Consolidated Farm and Rural Development Act is amended by inserting after the first "*Provided*" the following: "for loans approved under subsection (a)(1)(B) that two years after such loan is first approved and every two years thereafter for the term of the loan, if the Secretary determines that the borrower is able to obtain a loan from non-Federal sources at reasonable rates and terms for loans of similar purposes and periods of time, the borrower shall, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary: *Provided further*,".

(e) Section 321 of the Consolidated Farm and Rural Development Act is amended by striking out in the first sentence all that follows after "with the assistance of such loan" through the end of the subsection and inserting in lieu thereof a period.

(f) Nothing contained herein shall be construed to adversely affect the interest of any disaster victim whose application for a loan has been approved prior to the effective date of this Act.

INVESTMENT OF IDLE FUNDS

SEC. 114. The last sentence of section 412 of the Small Business Investment Act of 1958 is repealed.

SEC. 115. Section 405 of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following: "Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested.".

PRODUCT DISASTER LOANS

SEC. 116. Section 7(b)(4) of the Small Business Act is amended by striking therefrom "undetermined causes" and inserting in lieu thereof "other causes: *Provided*, That loans made hereunder shall not exceed $500,000 if such disease or toxicity occurs from other than natural causes".

ASIAN PACIFIC AMERICANS TREATED AS DISADVANTAGED

SEC. 117. (a) Subparagraph (C) of section 2(e)(1) of the Small Business Act is amended by inserting "Asian Pacific Americans," after "Native Americans,".

(b) The last sentence of subparagraph (C) of the clause contained in section 8(d)(3) of the Small Business Act is amended by inserting "Asian Pacific Americans," after "Native Americans,".

(c)(1) The amendment made by subsection (a) shall apply as if included in the amendment made by section 201 of the Act entitled "An Act to amend the Small Business Act and the Small Business Investment Act of 1958", approved October 24, 1978 (Public Law 95–507).

(2) The amendment made by subsection (b) shall apply as if included in the amendment made by section 211 of the Act so entitled.

TITLE II—SMALL BUSINESS DEVELOPMENT CENTERS

SEC. 201. The Small Business Act is amended by redesignating section 21 as section 30 and by inserting the following new section:

"SEC. 21. (a)(1) The Administration is authorized to make grants to any State government or any agency thereof, any regional entity, any State-chartered development credit or finance corporation, any public or private institution of higher education, including but not limited to any land-grant college or university, any college or school of business, engineering, commerce, or agriculture, community college or junior college, or to any entity formed by two or more of the above entities (hereinafter referred to as 'applicants') to assist in establishing Small Business Development Centers and to any such body for: small business oriented employment or natural resources development programs; for studies, research, and counseling concerning the managing, financing, and operation of small business enterprises; for technological assistance, technical and statistical information for small business enterprises; for the delivery or distribution of such services and information; and for providing access to business analysts who can refer small business concern to available experts.

"(2) The Administration shall require, as a condition to any grant (or amendment or modification thereof) made to an applicant under this section, that an additional amount (excluding any fees collected from recipients of such assistance) equal to the amount of such grant be provided from sources other than the Federal Government: *Provided*, That the additional amount shall not include any amount of indirect costs or in kind contributions paid for under any Federal program, nor shall such indirect costs or in kind contributions exceed 50 per centum of the non-Federal additional amount: *Provided further*, That no recipient of funds under this section shall receive a grant (1) which would exceed its pro rata share of a $65,000,000 program in fiscal year 1980, based upon the population to be served by the Small Business Development Center as compared to a total population in the United States and (2) which, when added to all other funds from other Federal sources received by the Small Business Development Center, would exceed 50 per centum of the total program costs.

"(b)(1) During fiscal years 1979, 1980, 1981, and 1982, financial assistance shall not be made available to any applicant if approving such assistance would be inconsistent with a plan for the area involved which has been adopted by an agency recognized by the State government as authorized to do so and approved by the Administration in accordance with the standards and requirements established pursuant to this section.

"(2) An applicant may apply to participate in the program by submitting to the Administration for approval a plan naming those authorized in subsection (a) to participate in the program, the geographic area to be served, the services that it would provide, the method for delivering services, a budget, and any other information and assurances the Administration may require to insure that the applicant will carry out the activities eligible for assistance. The Administration is authorized to approve, conditionally approve or reject a plan or combination of plans submitted. In all cases, the Administration shall review plans for conformity with the plan submitted pursuant to paragraph (1) of this subsection, and with a view toward providing small business with the most comprehensive and coordinated assistance in the region, State or part thereof to be served.

"(3) At the discretion of the Administration, the Administration is authorized to permit a Small Business Development Center to provide advice, information and assistance, as described in subsection (c), to small businesses located outside the State, but only to the extent such businesses are located within close geographical proximity to the Small Business Development Center, as determined by the Administration.

"(c)(1) Applicants receiving grants under this section shall assist small businesses in solving problems concerning operations, manufacturing, engineering, technology exchange and development, personnel administration, marketing, sales, merchandising, finance, accounting, business strategy development, and other disciplines required for small business growth and expansion, innovation, increased productivity, and management improvement, and for decreasing industry economic concentrations.

"(2) A Small Business Development Center shall provide services as close as possible to small businesses by providing extension services and utilizing satellite locations when necessary. To the extent possible, it also shall make full use of other Federal and State government programs that are concerned with aiding small businesses. A Small Business Development Center shall have—

"(A) a full-time staff including a director to manage the program activities;

"(B) business analysts to counsel, assist, and inform small business clients;

"(C) technology transfer agents to provide state of the art technology to small businesses through coupling with national and regional technology data sources;

"(D) information specialists to assist in providing information searches and referrals for small businesses;

"(E) access to part-time professional specialists to conduct research or to provide counseling assistance whenever the need arises; and

"(F) access to laboratory and adaptive engineering facilities.

"(3) Services provided by a center shall include, but shall not be limited to—

"(A) furnishing one-to-one individual counseling to small businesses;

"(B) assisting in technology transfer, research, and coupling from existing sources to small business concerns;

"(C) maintaining current information concerning Federal, State, and local regulations that affect small businesses and counsel small businesses on methods of compliance. Technology development shall be provided when necessary to help small businesses find solutions for complying with environmental, energy, health, safety, and other Federal, State, and local regulations;

"(D) coordinating and conducting research into technical and general small business problems for which there are no ready solutions;

"(E) providing and maintaining a comprehensive library that contains current information and statistical data needed by small businesses;

"(F) maintaining a working relationship and open communications with the financial and investment communities, legal associations, local and regional private consultants, and local and regional small business groups and associations in order to help address the various needs of the small business community;

"(G) conducting in-depth surveys for local small business groups in order to develop general information regarding the local economy and general small business strengths and weakneses in that locality; and

"(H) a center shall continue to upgrade and modify its services, as needed, in order to meet the changing and evolving needs of the small business community.

"(d) Laboratories operated and funded by the Federal Government are authorized and directed to cooperate with Small Business Development Centers participating in this program. Laboratories shall make facilities and equipment available as an aid in providing experiment station capabilities in adaptive engineering; provide library and technical information processing capabilities; and provide professional staff for consulting. Small Business Development Centers shall reimburse the laboratories for necessary expenses.

"(e) Innovation centers supported by the Federal Government through the National Science Foundation are authorized and directed under this section to cooperate with Small Business Development Centers participating in this program. The National Science Foundation shall report annually on the performance of such centers with recommendations to the Small Business Administration and the Congress on how such innovation centers can be strengthened and expanded. The National Science Foundation shall include in its report to Congress information on the ability of innovation centers to interact with the Nations small business community and recommendations to the Small Business Administration on continued funding.

"(f) After September 30, 1979, the Administrator shall appoint a Deputy Associate Administrator for Management and Technical Assistance who shall report to the Associate Administrator for Management and Technical Assistance and who shall serve without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not less than the rate of GS–17 of the General Schedule: *Provided, however*, That such appointment shall be effective for each fiscal year only to the extent or in the amounts as are provided in appropriation Acts.

"(g) The sole responsibility of the Deputy Associate Administrator for Management and Technical Assistance shall be to administer the Small Business Development Center program. Duties of the position shall include, but are not limited to, recommending the annual program budget, reviewing the annual budgets submitted by each applicant, establishing appropriate funding levels therefor, selecting applicants to participate in this program under this section, implementing the provisions of this section, maintaining a clearing-house to provide for the dissemination and exchange of information between centers, and conducting audits of recipients of grants under this section. The Deputy Associate Administrator for Management and Technical Assistance shall confer with and seek the counsel of the Board in carrying out the responsibilities described in this section.

"(h)(1) There is established a National Small Business Development Center Advisory Board which shall consist of nine members appointed from civilian life by the Administrator and who shall be persons of outstanding qualifications known to be familiar and sympathetic with small business needs and problems. No more than three members shall be from universities or their affiliates and six shall be from small businesses or associations representing small business. At the time of the appointment of the Board, the Administrator shall designate one-third of the members and at least one from each category whose term shall end in two years from the date of appointment, and a second third whose term shall end in three years from the date of appointment, and the final third whose term shall end in four years from the date of appointment. Succeeding Boards shall have three-year terms, with one-third of the Board changing each year.

"(2) The Board shall elect a Chairman and advise, counsel, and confer with the Deputy Associate Administrator for Management and Technical Assistance in carrying out the duties described in this section. The Board shall meet at least quarterly and at the call of the Chairman of the Board. Each member of the Board shall be entitled to be compensated at the rate not in excess of the per diem equivalent of the highest rate of pay for individuals occupying the position under GS-18 of the General Schedule for each day engaged in activities of the Board and shall be entitled to be reimbursed for expenses as a member of the Board.

"(i) The Administration, with the advice of the Board, shall establish a plan for evaluation of the Small Business Development Center program which may include the retaining of an independent concern to conduct such an evaluation. The evaluation shall be both quantitative and qualitative and shall determine—

"(1) the impact of the Small Business Development Center program on small businesses and the socioeconomic base of the regions it served; and

"(2) the multidisciplinary resources the Small Business Development Center program was able to coordinate to assist small businesses.

For the purpose of these evaluations, the Administration is authorized to require any Small Business Development Center or party receiving assistance under this section to furnish it with such information annually or otherwise as it deems appropriate. The first such evaluation shall be completed and submitted to the Senate Select Committee on Small Business and the Committee on Small Business of the House of Representatives no later than the third year after the date of enactment of this section and each year thereafter.".

SEC. 202. The Small Business Act is amended by striking subsection 7(d)(1) and inserting the following:

"(d)(1) The Administration shall not fund any Small Business Development Center program, or any variation thereof, except as authorized in section 21 of this Act: *Provided*, That in fiscal year 1979 nothing in this section or in section 21 shall be deemed to affect the operation of any Small Business Development Center in existence on the date of enactment of this section: *And provided further*, That no such Small Business Development Center which was funded in fiscal year 1978 may be funded in excess of $300,000 in fiscal year 1979.".

TITLE III—WHITE HOUSE CONFERENCE ON SMALL BUSINESS

SHORT TITLE

SEC. 301. This title may be cited as the "White House Conference on Small Business Act".

AUTHORIZATION OF CONFERENCE

SEC. 302. (a) The President shall call and conduct a White House Conference on Small Business (hereinafter referred to as the "Conference") not later than June 30, 1980, to carry out the purposes described in section 303.

(b) Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the regional and State levels prior to the date of the Conference, subject to the approval of the Administrator, and may direct such conferences and activities toward the consideration of the purposes of the Conference described in section 303 in order to prepare for the Conference.

PURPOSE OF CONFERENCE

SEC. 303. The purpose of the Conference shall be to increase public awareness of the essential contribution of small business; to identify the problems of small business, including new, small, and family enterprises; to examine the status of minorities and women as small business owners; and to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small busness and, thereby, the Nation.

CONFERENCE PARTICIPANTS

SEC. 304. In order to carry out the purposes specified in section 303, the Conference shall bring together individuals concerned with issues relating to small business: *Provided*, That no small business concern may be denied admission to any State or regional meeting.

PLANNING AND ADMINISTRATION OF CONFERENCE

SEC. 305. (a) All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) The Administrator of the Small Business Administration is authorized and directed to reimburse participants in the Natonal Conference for all reasonable and necessary costs of the Conference, including costs for travel, meals, accommodations, and support for other activities necessary to carry out their functions concerning the Conference: *Provided, however*, That such reimbursement shall be effective for each fiscal year only to the extent or in the amounts as are provided in appropriation Acts.

(c) In carrying out the provisions of this title, the Administrator of the Small Business Administration:

(1) shall provide such financial and other assistance as may be necessary for the organization and conduct of conferences at the regional and State levels as authorized under section 302(b);

(2) shall provide for the preparation of background materials for use by participants in the Conference, as well as by participants in regional and State conferences; and

(3) is authorized to make grants to, and enter into contracts with, public agencies, private organizations, and academic institutions to carry out the provisions of this title.

(d)(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

REPORTS REQUIRED

SEC. 306. Not more than one year from the date on which the Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be made available to the public.

FOLLOW-UP ACTIONS

SEC. 307. The Small Business Administration shall report to the Congress annually during the three-year period following the submission of the final report of the Conference on the status and implementation of the findings and recommendations of the Conference.

AVAILABILITY OF FUNDS

SEC. 308. (a) Such sums as are appropriated to carry out the provisions of this title shall remain available until expended.

(b) No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this title other than funds appropriated pursuant to this section. Any funds remaining unexpended at the termination of the Conference shall be made available to the Administrator of the Small Business Administration to carry out the provisions of section 20 of the Small Business Act.

(c) No provision of this title shall be construed as authorizing the appropriation of additional funds for fiscal year 1979.

The motion was agreed to.

The Senate bill was ordered to be read a third time was read the third time, and passed, and a motion to reconsider was laid on the table.

Similar House bills, H.R. 4011 and H.R. 90, were laid on the table.

APPOINTMENT OF CONFEREES ON S. 918

Mr. SMITH of Iowa. I ask unanimous consent to take from the Speaker's table the Senate bill (S. 918) to amend the Small Business Act and Small Business Investment Act of 1958 and for other purposes, with a House amendment thereto, insist on the House amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa? The Chair hears none and, without objection, appoints the following conferees: Messrs. SMITH of Iowa, ST GERMAIN, NOLAN, ICHORD, EVANS of Georgia, BARNARD, LEACH of Louisiana, HALL of Ohio, MCDADE, CARTER, QUAYLE, and CONTE.

Also, additional conferees solely for consideration of subsections (c), (d), and (e) of section 113 of the House amendment and modifications thereof committed to conference: Messrs. FOLEY, JONES of Tennessee, HARKIN, HUCKABY, GLICKMAN, HANCE, BROWN of California, RICHMOND, WAMPLER, MADIGAN, KELLY, and COLEMAN.

There was no objection.

PROVIDING FOR PRINTING OF ADDITIONAL COPIES OF THE "ETHICS MANUAL FOR MEMBERS AND EMPLOYEES OF THE U.S. HOUSE OF REPRESENTATIVES"

Mr. HAWKINS. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 258) to provide for the printing of additional copies of the "Ethics Manual for Members and Employees of the U.S. House of Representatives", and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 258

Resolved, That there is hereby authorized to be printed for use of the Committee on Standards of Official Conduct one thousand additional copies of the publication titled "Ethics Manual for Members and Employees of the U.S. House of Representatives".

With the following committee amendment:

Strike out all after the resolving clause and insert in lieu thereof the following:

That there shall be printed as a House document the publication titled "Ethics Manual for Members and Employees of the U.S. House of Representatives". In addition to the usual number, there shall be printed one thousand additional copies for the use of the Committee on Standards of Official Conduct.

The SPEAKER pro tempore. The gentleman from California (Mr. HAWKINS) is recognized for 1 hour.

Mr. HAWKINS. Mr. Speaker, House Resolution 258 provides for the printing as a House document the booklet titled "Ethics Manual for Members and Employees of the U.S. House of Representatives." The resolution also calls for the printing of 1,000 additional copies for the use of the Committee on Standards of Official Conduct.

The initial supply printed for the Committee on Standards of Official Conduct earlier has been depleted. The demand for the booklet has been so great that a large number of requests remain unfilled. The additional copies are intended to meet that need.

Estimated cost

1,500 copies as a House document	$3, 947. 74
1,000 additional copies at $113.24/ 100	1, 132. 24
Total cost	5, 080, 14

Report 96–210, May 16, 1979.

I recommend its approval.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMPREHENSIVE FINANCIAL REFORM LEGISLATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96–129)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and without objection, referred to the Committee on Banking, Finance and Urban Affairs, and ordered to be printed.

To the Congress of the United States:

For over a decade, the Federal government has limited the interest rates that savers can receive on their deposits in banks and savings institutions. In keeping with my commitment to eliminate inequitable and unnecessary regulations, I directed an Administration task force, chaired by the Treasury Department, to review the fairness, effectiveness and efficiency of these interest rate controls.

Based on the task force's findings, I am today recommending that the Congress enact comprehensive financial reform legislation. I am asking that the Congress permit an orderly transition to a system where the average depositor can receive market-level interest rates on his or her savings. I am also proposing measures to protect the long-term viability of savings institutions so that they can pay fair and competitive rates to depositors and continue their traditional role in meeting our nation's housing needs.

These actions will reform a system which has become increasingly unfair to the small saver. The present rate ceilings are costing the American people billions of dollars in lost interest annually. Our senior citizens, and others whose savings are concentrated in passbook accounts, have suffered the most. During a period of high inflation, it is particularly unconscionable for the Federal Government to prohibit small savings from receiving the return on their deposits that is available to large and sophisticated investors.

The present ceilings have also contributed to sharp fluctuations in the flow of housing credit. Large cyclical swings in the availability of mortgage funds have increased housing costs and forced many prospective homebuyers out of the market during periods of high interest rates. The actions I am recommending today will help assure a steadier flow of mortgage credit for homebuyers.

Savings and loan associations exist to channel household savings into mortgages. Mutual savings banks are also major suppliers of housing credit. Because these institutions invest in long-term, fixed-rate mortgages, they are limited in their ability to meet competitive rates for savings when interest rates rise.

In 1966, interest rates rose sharply, and depositors fled many of these institutions to those able to pay higher interest rates. To prevent the failure of savings institutions and the disruption of the mortgage and housing markets, deposit rate ceilings covering commercial banks were temporarily extended to thrift institutions. The ceilings generally have been administered to permit thrift institutions to pay higher rates of interest than commercial banks.

Conditions have changed dramatically since these limitations were first imposed on thrift institutions. In the current economic and financial environment, the ceilings have the following effects:

—They discriminate against the small saver, who often lacks sufficient funds to purchase market-rate securities which are available to the large investor.

—They are increasingly ineffective in maintaining deposit flows to thrift institutions. The financial marketplace is becoming adept at creating new investment alternatives, such as the money market mutual funds, which induce the small saver to withdraw his funds to obtain benefits similar to those enjoyed by the large investor. While the six-month money market certificate has succeeded in maintaining the flow of housing since last year, it has imposed serious pressures on thrift institutions, and it is not a long-term solution.

—They avoid the discipline of competition and create inefficiencies in the financial marketplace. Financial institutions are limited to nonprice competitive practices such as merchandising gifts, although the consumer might prefer a higher yield on his savings.

These problems cannot be solved overnight. They are rooted in the structure of our financial system, and their resolution will require a careful and deliberate approach which takes account of the realities facing our thrift institutions.

Our savings institutions have been required by law and influenced by tax incentives to invest primarily in residential mortgages. In most states, the law confines them to long-term fixed-rate mortgages. Their sources of funds—deposits—have considerably shorter maturities. When short-term interest rates rise sharply, revenues are limited by their earnings on the existing longer-term mortgages. Since their deposit liabilities are more volatile than their assets, they must pay depositors market rates or they start to lose their deposits.

While raising or removing the ceilings would give savings institutions the legal power to pay market rates to depositors, their economic ability to do so is still limited by the earnings from their mortgage investments. Savings institutions must be given new investment powers so that they can afford to pay higher rates and maintain the flow of mortgage credit. The transition to freer deposit rates and to new asset powers must be orderly, to avoid major shocks to the financial system.

The disparity between market rates and the ceilings is greatest during periods of high interest rates. Yet that is the time when it is most difficult for the regulatory agencies that set the ceilings to raise them substantially. These agencies are also responsible for the safety and soundness of financial institutions. If deposit interest rates rise sharply, the institutions' earnings come under great pressure unless, at the same time, their earnings are made more responsive to changing interest rates.

Accordingly, I shall ask the Congress to:

—provide that through an orderly transition period all deposit interest rates be permitted to rise to market-rate levels. This will be subject to emergency action on the part of the responsible regulators if the safety and soundness of financial institutions is threatened or the implementation of monetary policy so requires;

—grant the power to offer variable rate mortgages to all Federally-chartered savings institutions, subject to appropriate consumer safeguards. This authority, which would be phased in, would permit thrifts the earnings flexibility to pay competitive rates throughout the business cycle;

—permit all Federally-chartered savings institutions to invest up to 10% of their assets on consumer loans; and

—permit all Federally-insured institutions to offer interest-bearing transaction accounts to individuals.

These steps will bring the benefits of market rates to consumers, promote a steadier flow of mortgage credit and improve the efficiency of the financial markets.

In the interim, I support the efforts of the Federal Reserve, the FDIC, the Federal Home Loan Bank Board and the National Credit Union Administration to take steps to increase the interest rates payable to small savers. I urge them to pursue the direction begun with authorization of the six-month money market certificate, with the goal of increasing the responsiveness of the interest rate ceilings to market rates.

Jimmy Carter.

The White House, *May 22, 1979.*

□ 1630

PERMISSION FOR SUBCOMMITTEE ON ECONOMIC STABILIZATION OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT DURING 5-MINUTE RULE ON WEDNESDAY AND THURSDAY, MAY 23 AND 24, 1979

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Subcommittee on Economic Stabilization of the Committee on Banking, Finance and Urban Affairs may be permitted to sit, for purposes of hearing only, during the 5-minute rule on Wednesday and Thursday of this week, May 23 and 24.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TAX EXEMPT MORTGAGE BONDS

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, the House Ways and Means Committee has just concluded public hearings regarding H.R. 3712, introduced by the distinguished chairman of that committee (Mr. Ullman), which would eliminate the tax exempt status of mortgage subsidy bonds. These hearings have helped focus attention on the increasing reliance upon such bonds to help alleviate the scarcity of mortgage money in many parts of our Nation.

Nowhere is this issue of more urgent concern than in West Virginia, where the unavailability of mortgage money has caused an already serious housing shortage to worsen. More than half of West Virginia's 55 counties were involved in the process leading to such bond issues when H.R. 3712 was submitted.

The bonds were viewed by local officials, acting in good faith, as a nonbureaucratic way to help the average working family realize the dream of home ownership. Each of these local bond issues in West Virginia that has come to my attention has contained reasonable limits on income and housing costs.

I share the concern of my good friend, Mr. Ullman, about the possibility of abuse in a program of this nature. However, I do not believe that it is necessary to "throw the baby out with the bathwater." A prudent mortgage subsidy bond mechanism can be agreed upon that will deal effectively with the housing problem at a reasonable cost to the U.S. Treasury.

In an effort to help find such a mechanism, I have introduced H.R. 4189. This bill offers a fair and practical solution to the short-term problems of those bond issues that were proceeding forward when H.R. 3712 was introduced by excepting "obligations for which an official resolution or other official authorization declaring the issuer's intent to issue such obligations had occurred on or before April 30, 1979."

The legislation also mandates reasonable limits on income and home prices that will allow such programs to continue to alleviate housing problems, while greatly diminishing the potential for abuse.

H.R. 4189 is intended to supersede H.R. 4125, which was inadvertently introduced under my name on May 16.

Since the Ways and Means Committee has indicated a desire to proceed quickly on this matter, I ask unanimous consent that the text of H.R. 4189 be printed in the Record as follows:

H.R. 4189

A bill to amend section 103 of the Internal Revenue Code of 1954 to provide that the interest on certain mortgage revenue bonds will not be exempt from Federal income tax

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Mortgage Revenue Bonds.

Section 103 of the Internal Revenue Code of 1954 (relating to interest on certain governmental obligations) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Mortgage Revenue Bonds.—

"(1) In general.—Except as provided in paragraphs (3) and (4), any mortgage revenue bond shall be treated as an obligation not described in subsection (a) (1) or (2).

"(2) Mortgage revenue bond defined.—For purposes of this subsection, the term 'mortgage revenue bond' means any obligation which is issued as part of an issue all or a major portion of the proceeds of which are to be used directly or indirectly to make mortgage loans (or to provide other owner-financing with respect to owner-occupied residences.

"(3) Exception for veterans and other general obligation bonds.—Paragraph (1) and subsection (b) shall not apply to any obligation—

"(A) which is issued as part of an issue substantially all the proceeds of which are to be used directly or indirectly to provide residences for veterans or other persons; and

"(B) the payment of the principal or interest on which is secured by the general obligation of any State, territory, or possession of the United States, or the District of Columbia.

"(4) Exception for low- and moderate-income housing.—Paragraph (1) and subsection (b) shall not apply to any obligation which is issued by a State or by a qualified housing agency as part of an issue substantially all of the proceeds of which are to be used—

"(A) to provide home improvement or rehabilitation loans—

"(i) in an amount and for a term eligible for insurance pursuant to title I of the National Housing Act; or

"(ii) in an amount such that at least 30 percent of the principal amount of such loan is used to provide rehabilitation (determined by reference to the guidelines for rehabilitation expenditures established pursuant to section 167(k)(3)) and not more than 50 percent of such loan is used to discharge existing indebtedness on the related owner-occupied residence; and

"(iii) where the income of the owner-occupant at the time of receiving the loan commitment does not exceed the limits set forth in subparagraph (5)(A)(ii)(I) or (5)(A)(ii)(II) below, whichever is applicable.

"(B) to provide directly or indirectly for the construction or ownership of qualified principal residences for family and individuals of low and moderate income authorized by law and implemented by a qualified housing agency, or

"(C) for two or more of the uses set forth in subparagraphs (A) and (B) above and subparagraph (A) of paragraph (4) of subsection (b)(4).

"(5) Definitions.—For purposes of paragraph (4)—

"(A) A qualified principal residence for a family or individual of low or moderate income means an owner-occupied residence with respect to which—

"(i) the total cost incurred for the residence by the owner-occupant (excluding customary closing costs, property and other taxes) does not exceed three times the maximum income of an owner-occupant allowable pursuant to subparagraph (5)(A)(iii)(I) or (5)(A)(ii)(II) below, whichever is applicable; and

"(ii) the income of the owner-occupant at the time of receiving a commitment for the mortgage loan or other financing for the residence does not exceed—

"(I) 120 percent of the median income for a family of four (as determined by the Secretary of the Department of Health, Education, and Welfare pursuant to title XX of the Social Security Act) in the State in which such residence is situated, or, in the event the median family income so determined is less than the national median income, the national family median income, or

"(II) 200% of the median income for a family of four (as determined by the Secretary of the Department of Health, Education, and Welfare pursuant to title XX of the Social Security Act) in the State in which such residence is situated, if the residence is also situated in an area designated by the President, the Secretary of Housing and Urban Development or the Governor of the State as being substantially impacted by the development of an energy-related extractive industry, an economically distressed area, a disaster area, or a neighborhood strategy area.

"(B) A qualified housing agency means any political subdivision or one or more departments, agencies, or other entities established by or pursuant to State law and acting on behalf of a State or political subdivision thereof which is authorized to issue obligations for one or more of the purposes set forth in paragraph (4).

"(C) The word 'State' includes a State, a territory, or possession of the United States, or the District of Columbia.

Sec. 3. Effective Date.

(a) General Rule.—Except as provided in subsection (b), the amendments made by this Act shall apply to obligations issued after April 24, 1979.

(b) Exceptions for Certain Official Actions.—The amendments made by this Act shall not apply to obligations for which an official resolution or other official authorization declaring the issuer's intent to issue such obligations had occurred on or before April 30, 1979.

REAFFIRMING INTENT OF CONGRESS WITH RESPECT TO THE AIR CARGO DEREGULATION ACT OF 1977, SECTION 1108 OF THE FEDERAL AVIATION ACT OF 1958, AS AMENDED, AND THE AIRLINE DEREGULATION ACT OF 1978

(Mr. HARSHA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARSHA. Mr. Speaker, I would like today to reaffirm the intent of Congress with respect to three pieces of legislation: The Air Cargo Deregulation Act of 1977, section 1108 of the Federal Aviation Act of 1958, as amended, and the Airline Deregulation Act of 1978.

Shortly after the passage of the air cargo legislation, the Board embarked upon a rulemaking proceeding which dispensed with the requirement that air cargo carriers must file tariffs with the Board. We specifically stated in the statement of managers that air cargo carriers were expected to continue to be required to file tariffs with the Board. However, the CAB saw fit to implement the law contrary to that directive we provided by abolishing the cargo tariff filing requirement. Regardless of the merits of filing tariffs with the Board, that body has clearly ignored a congressional mandate.

Furthermore, the CAB, through the Bureau of Consumer Protection, has temporarily allowed foreign air carriers to carry local passengers between Honolulu and the Mainland because of the United Airlines strike. This was permitted for approximately 2 weeks in clear violation of section 1108 of the Federal Aviation Act. It simply is unacceptable that the Bureau responsible for enforcing the act has refused to enforce the act, and has actually condoned breaking the law. We recognize that the rationale for such a decision was based on inconvenience that the traveling public would suffer. However, rather than refusing to enforce the law, the Board could have substantially alleviated the problem by only allowing U.S. carriers to provide temporary service to the inconvenienced passengers. In fact, not only were foreign carriers allowed to carry local traffic, but also they were allowed to provide round trip services between Hawaii and the Mainland. This goes beyond the solution to the problem.

Finally, we would like to repeat that Congress, when amending section 408 of the Federal Aviation Act in the airline deregulation bill, did not intend to outlaw mergers which do not violate the normal antitrust constraints applicable to mergers in unregulated industries.

In the legislative history to that section, we repeatedly stated that under the new law, airline mergers were to be subjected to traditional antitrust concepts, and not to any stricter or more rigorous examination. Congress envisioned any inquiry into the effect on competition that a proposed merger would have to be guided by traditional antitrust principles and not subjected to a further public interest test that somehow again embodies competitive considerations.

It was clearly the intent of the House-Senate conferees that if an airline merger meets the antitrust standards applied by the courts to unregulated industries, a further competitive test cannot be applied.

Additionally, the new act was to permit those mergers, which even though they violate the Clayton Act, will result in a net public benefit. It is in respect to this second test prescribed in the new act that the public interest comes into play. This second test is to permit a merger proposal which is worthwhile to the public even though it may have some anticompetitive impact.

Under the new act, the Board has been directed henceforth to allow maximum statutorily defined play of free market forces, including mergers that do not violate the antitrust laws in the airline industry. And those mergers that, while violating the Clayton Act, are still worthwhile in the public interest.

The proper application of the section 408 test as intended by Congress would preclude consideration of a transition policy on airline mergers. Our intent could not be clearer on this matter. Congress directed that the CAB not adopt any transition policy. We said that a wait-and-see policy on airline mergers would be inconsistent with the rapid deregulation we accepted and that the Board is effecting.

GASOLINE PRICES MORE THAN DOUBLE WITH CONTROLS; LET'S DECONTROL

(Mr. DEVINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, the controversial issues of decontrol of domestic crude oil, alleged oil company "rip-offs," gasoline shortages, and excess profits all beg for accurate, believable answers.

The President favors a phased decontrol of domestic crude oil prices, and Congress will debate this in the weeks ahead.

Opponents of deregulation claim gasoline prices will soar and further hurt the consumer, adding to inflation. They do not, however, concede that the consumer is being hurt with controls in place.

As you know, Mr. Speaker, in 1971, price controls were implemented on petroleum products. The controls were continued through 1973 by authority of the President's Cost of Living Council. The Emergency Petroleum Allocation Act of 1973 (EPAA) provided comprehensive controls for both allocations and prices. Finally, since 1975, domestic crude oil prices have been controlled by the EPCA amendments which set a maximum of $7.66 per barrel as the average price of all crude oil sold in the United States. This price has escalated with inflation.

Price controls expire on September 30, 1981, and domestic crude oil prices would become decontrolled, absent intervening legislation. The President has proposed phased decontrol of prices between now and September 30, 1981.

With the above controls, interesting enough, the average U.S. retail gasoline prices increased as follows:

[Cents per gallon]

1971	36.4
1972	36.1
1973	38.8
1974	52.4
1975	57.2
1976	59.4
1977	63.0
1978	65.7

And thus far in 1979, dramatic increases place average prices per gallon at just under 80 cents.

Mr. Speaker, roughly 70 percent of our Nation's crude oil production—about 6.1 million barrels per day—is now subject to price controls. Approximately 30 percent falls into decontrolled categories, such as stripper, Alaskan, and Naval Petroleum Reserve. However since the United States imports about 42 percent of its total oil supply, only about one-third of all the oil consumed in this country is subject to price controls. This is why domestic price controls do not nor cannot protect the consumer from price increases.

Our consumers receive little comfort in knowing our friends in Europe pay well over $2 per gallon, but should recognize the more we rely on OPEC oil imports, the higher the price per gallon.

The simplest way to explain gasoline price increases with controls on relates to increased reliance on OPEC supplies at over $16 per barrel. Domestic controls keep U.S. produced crude oil at an average of $9.50 per barrel.

If domestic crude is decontrolled, U.S. companies will be encouraged to drill, seek and deliver new sources, which logically can hold or reduce fuel prices.

The gasoline dealers should not be blamed for these increases recently, because you will find that between May 1973 and May 1979 their margin has remained the same. The wholesale prices have gone up, but dealers are not making any more money.

FEDERAL MEAT INSPECTION ACT

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

● Mr. SEBELIUS. Mr. Speaker, today I am introducing legislation to increase funding to help the Federal Government meet its obligations under the Federal Meat Inspection Act. This legislation is similar to a bill introduced earlier this year by my colleague, Mr. Davis of Michigan.

Mr. Speaker, our problem is simple. In Kansas, as in 31 other States, meat and poultry inspection is provided by the State. Under the Meat Inspection Act, the Department of Agriculture is authorized to give grants to States to pay up to 50 percent of the cost of operating a State meat inspection program.

Since the program began, we have been able to provide States with the maximum 50-percent grant. However, USDA has not received any increase in funding for this program since fiscal year 1976. Since that time, State costs have risen 13 percent. While USDA has continued to provide maximum grants through absorbing the costs, the Department this year decided it could no longer provide increased funding. Therefore, Department officials decided to limit funding under the cost-share program to 1978 levels.

In my home State of Kansas, the net result was a $133,155 reduction from the funding level expected from USDA if it was to meet its obligation to cover 50 percent of inspection costs. I am sure other States are experiencing the same problem.

Mr. Speaker, the people of Kansas pride themselves on their performance in providing services for themselves that other States relegate to the Federal Government. We have a grain inspection program that is a model of efficiency and effectiveness. When the Federal Government acted to expand its authority over grain inspection, it was not because Kansas State grain inspectors were lax in their duty.

In the same vein, our meat and poultry inspection program is one in which we take great pride. The people of Kansas receive better service under the State inspection program than they would under the Federal Government and it costs them less in total tax dollar outlays—State and Federal—than would an all-Federal program.

Mr. Speaker, the alternative to the State program is Federal inspection of all Kansas slaughter plants. This would place a much bigger drain on the Federal budget than our current cost-share program.

Federal inspectors make from 28 to 70 percent more than their Kansas counterparts. They will not put in the work that our Kansas inspectors contribute, and the people of my State—and other States now employing State inspectors—will see a reduction in inspected meat available in the marketplace. That is not what we need in a time of rising meat prices.

Mr. Speaker, I thank you for your consideration and urge my colleagues to support this cost-saving measure.●

PRESENTATION BEFORE THE DEMOCRATIC CAUCUS OIL DECONTROL

(Mr. WIRTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

● Mr. WIRTH. Mr. Speaker, this morning's debate in the Democratic caucus on oil decontrol raises a number of important issues that all Members of the House need to address—and which deeply affect the country and our future. As a supporter of the decontrol of oil prices, I want to share with my colleagues the conclusions which I have reached during 4 years of membership in the Subcommittee on Energy and Power.

In the opening of the discussion this morning, the question was raised: "Who controls oil prices?" The implication of the question is that if we decontrol oil prices, we are only further playing into the hands of the OPEC cartel. The reality of the situation is that, like it or not, the cartel already effectively controls the price of oil. And that price—or cartel—is not going to be broken until we face the energy issue squarely. No amount of rhetoric or political maneuvering in the Congress will dent the cartel.

The point was also raised that the proposed windfall profits tax is simply a "politicians protection device." Let me again suggest the reality: the real "politicians protection device" is the orchestrated assertion that increased oil prices, or oil companies, or Montgomery Ward, and so forth, are the problem. The clear implication of the arguments of those who support continued controls is that we have an energy policy that works, and that any change is a sell-out to the oil companies. The policy suggested by the resolution currently debated in the caucus—to continue controls on oil—is the real political protection device. Rent price controls have not created more apartments in New York and they will not create more oil. Instead of facing the reality of a declining energy supply, the proponents of continued controls view price increases as the problem. I do not impugn their motives, I just think they are wrong.

The problem is not price increases; the problem is economic and geological. Price increases are a response to a diminished supply, a failure to conserve, and a continued dependence on one energy source of which OPEC controls the marginal supply. Artificially regulating these prices subsidizes additional consumption, inhibits exploration, creates distortions in our energy distribution system, and deflects the impact of economics on technological change.

How to analyze the conflicting arguments? Let us first try to escape the emotionalism of the past energy holy wars which have swept this Chamber, and let us try to avoid the certainty which flows from holy positions. Above all, let us not be misled by those who argue that there are simple answers or obvious villains here. I have found it useful to balance the cost of decontrol against the benefits of decontrol—let me share my analysis with my colleagues:

The cost of decontrol: Decontrol will cause higher prices, but this should be put in context. This debate concerns less than 70 percent of our oil—the rest is already at or near world price: 50 percent of our oil is imported (world price); 7½ percent is from Alaska, the Naval Petroleum Reserve or new off shore (effectively at world price); 7½ percent is deep stripper (effectively at world price); about 6 percent is stripper and marginal wells, that will go to the world price, along with the new, new oil under proposed DOE regulatory changes distinct from legal decontrol.

Thus approximately 71 percent of our total oil supply is already at or near world price. This leaves approximately 29 percent of the oil under price controls. But all products from refineries except for gasoline are presently decontrolled. Consumers are paying decontrolled product prices for middle distillates and residual fuel oil. These make up 50 percent of the barrel. The other half is gasoline. With full decontrol we can expect these decontrolled prices to rise somewhat as the cost of crude to refineries increases, but it will not be a dollar for dollar increase.

Combined with other slippage in the regulatory structure, we are now effectively left with 15 percent of our oil under price regulation. This is why the projected inflationary impact of decontrol is minimal and therefore is not a convincing argument for maintaining controls. Under the President's proposal, decontrol is phased in over 3 years, so that the inflation impact is 0.3 percent in 1979; 0.2 percent in 1980; 0.2 percent to 0.3 percent in 1981 or a cumulative 0.5 percent to 0.7 percent over 3 years.

There is no question that in these troubled economic times, with sharp inflation, these are real costs and cannot be ignored. A rational analysis has to measure what we get for this increased cost—and I think that the arguments are strongly on the side of decontrol. Let me present what I believe to be the five areas of return to the economy and to the American people:

1. SUPPLY

There is a temptation to misinterpret the projected supply response, just as there is a temptation to overemphasize the new oil supplies that will result from decontrol. We have estimates ranging from 400,000 to 2 million barrels extra per day by 1985. No matter what numbers you choose, there are several factors that must be kept in mind:

First, we have to decrease the decline of production, which has been dropping dangerously in the last 5 years. The evidence shows that we appear to have slowed the downward trend in oil production; it fell 12 percent from 1973 to 1977, and, with the addition of Alaskan production, increased 6 percent in 1978. Similarly, over the last 2 years we have reversed the decline in natural gas production.

New production is expensive; tertiary recovery techniques are expensive. Most of the easy finds in this country have been made, and new oil is now going to cost more. At present, oil and gas production companies' returns on investment is at the national industrial average. Certainly rates of return for this sector of the economy—which should be a national priority—should not be below the national average for industry as a whole.

Second, we cannot ignore the value of the additional production projected from decontrol. The administration's projections of 300,000 barrels per day by 1982, and the 700,000 barrels per day by 1985, is oil that we would otherwise import. And the amount relative to our needs is not insubstantial, particularly when we recognize that the 500,000 barrel shortfall from Iran caused severe shortages that are still being felt. Further, the argument that an increased price produces relatively little new production is a narrow argument; it neglects the return from conservation, economic efficiencies in supply allocation, alternative energy supplies, and the foreign strength of the dollar, which are the other benefits of decontrol.

Finally, an answer should be given to the question most often asked by the opponents of decontrol: "Don't the oil companies already have enough incentive?" I believe that this is the wrong question. The question I ask is: "What is the marginal cost of each extra barrel of oil to the U.S. economy, and to whom will this be paid?" The marginal cost is the world price. Each additional barrel that we do not produce domestically is imported at the world price. With decontrol the user of the marginal barrel of oil will pay its true price, and that cost will be reflected in energy and investment decisions throughout the economy concerning conservation and alternative energy sources. At present no one pays the marginal cost of oil. Through the convoluted entitlements systems, those who import that extra barrel of oil are subsidized by those who do not, and—theoretically—every refinery has an average cost of oil It is bad economics, and bad public policy.

2. CONSERVATION

We can divide energy use into three different economic sectors: industrial (35 percent); commercial and residential (15 percent); and transportation (50 percent). Each of these sectors should be examined separately to understand the potential conservation effects of decontrol.

Industrial. A major energy conservation effort is successfully underway in American industry. Total industrial energy use has decreased by 6 percent since 1973, while the economy has grown 12 percent in real terms. Industrial energy use has decreased more than in any other major industrial economy since 1973; our energy use overall has increased by only 1 percent since 1973, compared to an average of 3½ percent per year over the previous 20 years. Our overall energy use is 6 percent lower than it would have been had we followed the 1953–73 trend line. Clearly, industry is responding to increased prices. The design of industrial capacity does not turn over quickly so we can expect significant future savings as architects, engineers and managers factor in the cost of oil, something they have not done until recently.

Commercial and residential. Here the record is not as good, but the incentives are not as clear, either. An industry can invest scarce capital in energy conservation, and realize a predictable rate of return on that investment. The homeowner too often does not have the available capital; or the cost of borrowed capital is far higher in the short term than the dollars saved from decreased energy use. There is significant long term potential here, however, as builders and architects adjust, spurred by Federal regulations and incentives. The issue is how early and how strong the signal we send to this community will be. If we delay the difficult decision on price, the response will be delayed equally.

Transportation. The argument for higher prices as an incentive for conservation is also less clear in the transportation sector: 50 percent of our energy goes to transportation use, compared to 20 percent in Germany and 15 percent in Japan. And gasoline consumption continues to increase, despite higher prices. But there are some hopeful statistics. The real price of gasoline has not increased since 1974; in constant 1972 dollars, a gallon of regular cost 44.8 cents in 1974, and 41 cents in April 1979. The only time the real price of gasoline rose—from 36 cents in 1973 to 44 cents in 1974—consumption declined. But the evidence is conflicting and claims about the conservation effect of higher gasoline prices are mixed at best.

More promising developments are the fact that new autos are now 50 percent more efficient than they were in the early 1970's. And according to some estimates, tihs efficiency may result in gasoline consumption below current levels by 1985, despite the increase in the numbers of automobiles on the road. Again, this is a long term issue: smaller, more efficient cars, more mass transportation, changes in our love affair with automobile.

The summary of the conservation issue is best found in these statistics: the American economy is 35 percent more energy intensive than Germany, and 67 percent more than Japan. The biggest differences are transportation and commercial/residential, and will require significant structural changes over the long run.

3. REGULATION

A significant positive result from decontrol will be the flushing of the present regulatory structure. Current regulations over oil do not work, are inefficient, unfair, and cause major distortions in the oil sector of our economy. For example:

The present entitlements program subsidizes imports in the neighborhood of $5 billion per year.

The small refiner bias has created a good deal of inefficient refinery capacity. Since the present law was passed, many new, small refineries have been built, most of which cannot efficiently refine the supplies of increasingly heavy and high sulfur crude oils, nor make unleaded gasoline. Yet these small, inefficient refineries are subsidized by the large ones.

Utilities, which should have the incentive to move to coal-fired electricity have no incentive to do so as long as the price of residual fuel oil is kept unrealistically low, at the average rather than the marginal price.

Under current entitlement program regulations, all domestic oil is assumed to be of the same quality. Some California refineries, which depend on heavy California crude stock were paying the same entitlements subsidy as other refineries using higher quality crude, a windfall for the latter group.

At a time when we need new refineries, to produce lead-free gasoline and to process heavy and high sulfur crudes, Government regulations allow the refiner to recapture only the cost of borrowed principal and interest, not a return on equity, and therefore leave little incentive for needed new construction.

Because production qualifies for the higher price of the deep stripped category if it is less than 10 barrels per day from a well, there is a great incentive for the producer to reduce production from 14 or 15 barrels to 10. One proposed solution is to expand the definition of stripper to 20 barrels per day. What will then happen to those wells which are now producing 25 barrels?

Refiners are now limited to a price differential between leaded and unleaded gasoline of 1 to 2 cents, yet the market price difference for consumers exceeds 6 cents. That difference exists because of the higher demand for unleaded and its shorter supply. But this market signal does not go back to the refiner to be expressed in increased production. The marketer gets the benefit.

A warning: when the crude decontrol issue is behind us, the next major energy issue facing the Congress and the administration will concern refineries. As outlined above, the present regulatory structure has badly skewed the investment in new refinery capacity and efficient use of our existing capacity. In the future, the unmet demand for unleaded gasoline, and for gasoline altogether, is going to create a new set of refinery-related problems that will demand our early attention.

The examples go on and on in this encrusted, outmoded and inefficient regulatory structure. They exist for refineries, producers, pipelines, marketers, and ultimately for all consumers. We keep patching up the leaky system, granting a price increase for Long Beach's municipally owned old oil, because the profits will accrue to a city, not a company; making small refiner millionaires, and developing bizarre stripper definitions. Continue the policy and more exceptions will be on the way. Louisiana and Texas have considered State excise taxes on exported oil, which will move oil right back into the interstate versus intrastate complexities that plagued natural gas for years. Regulation breeds economic inefficiency and inequality, and it is time to flush the system. Decontrol will accomplish this end; the maintenance of controls will only serve to magnify the existing problems.

4. ALTERNATIVE ENERGY SUPPLIES

How long are we going to put off the day of energy and economic reality? Energy is a long term problem—when are we going to start? Decontrol will provide a certainty of world prices, against which alternative energy investment decisions can be made. Until the price of oil is high enough, investment and changes in our energy infrastructure will not be made.

At the decontrolled price of oil, we begin to approach the window where alternative energy sources become viable. Arabian crude is now selling for almost $17 or $18 a barrel. The following are some ballpark estimates of the thresholds for alternative energy sources:

Coal liquefaction, $20–$30.
Shale oil, $22–$26.
Very heavy crude, $20.
Solar collector, $30.
Methanol, $25.
Unconventional gas, $20.

Moreover, until recently the price controls on conventional gas discouraged independent drilling for gas, as opposed to associated gas—produced along with oil. Therefore we are nearing the threshold for the development of alternative energy sources. Decontrol will firm up this threshold and help to stimulate investments that should have been made long ago. We can postpone this thrust, or we can accept the reality that tomorrow's issue will be supply, not price.

5. VALUE OF THE DOLLAR

The best economic testimony is that last year 1 percent of our total inflation rate was caused by the decreased value of the dollar. While the specific economic trail, from decontrol to increased production and conservation, to lessened imports and a slowed dollar flow overseas is complex, it is very real. It is probably fair to estimate that the cost of decontrol in inflation from higher costs—discussed above—will in part or in while be offset by a strengthened dollar. In addition, we cannot qualify the value of signalling to the world the intent of the United States to become serious about energy. Our failure to raise domestic oil prices to world levels to date has meant that neither European allies nor the OPEC nations take our oil conservation protestations seriously. And we know that OPEC will continue to take advantage of our increasing dependency.

SUMMARY

The question of decontrol is an economic and a political question. In the foregoing I have attempted to outline what I believe are the compelling economic arguments for decontrol. Hopefully they speak for themselves.

The political argument is harder to quantify. But it is easy to outline what the political argument is not—or should not be:

This is not an argument for or against big oil and small oil, for or against Marcor or J. C. Penney's. While there has unquestionably been some very poor management by the industry. We should not reply in kind.

This is not an argument for or against the Department of Energy or bureaucrats. It is an argument about public policy which, once resolved, must then be executed by the executive branch with aggressive and effective oversight by the Congress.

Finally, this is not an argument about price increases, nor should we view price increases as the problem. It is an argument about supply, about economic and about geological problems.

The political issue is whether we have the foresight to focus on our future problem, on the need to pay more and use less. If we refuse to do so, if we refuse to take the difficult and unpopular position, then we will not be exercising our responsibilities, nor will we be leading the country. I would hope that responsibility and leadership would characterize the ultimate decision of the House of Representatives on the issue of energy.●

☐ 1210

MERCHANT MARINE MEMORIAL SERVICE

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. OBERSTAR. Mr. Speaker, America's preeminence in world trade is dependent very largely upon our merchant marine. Today a very moving service was held on the west side steps of the U.S. Capitol, fittingly commemorating those who gave their lives for their country through service in America's merchant marine.

It was my privilege to participate in that memorial service along with our colleague, the Honorable LINDY BOGGS of Louisiana, Senator JOHN WARNER and leaders from maritime labor and management and Government maritime agencies under the sponsorship of the Maritime Administration, U.S. Department of Commerce.

The memorial service program pamphlet very succinctly recalls the history and purpose of this service:

> To promote public awareness of this Nation's maritime heritage, the Congress in 1933 designated the anniversary of the first transatlantic voyage by a steamship, the SS *Savannah*, on May 22, 1819, as National Maritime Day, and requested the President to issue a proclamation annually in observance of that day.
>
> This annual Merchant Marine Memorial Service is being held in conjunction with the official observation of National Maritime Day. This is the only national memorial which honors those American seafarers who lost their lives in service to their country. During World War II alone, 733 American vessels were sunk, and 5,638 merchant seamen and officers were lost as a result of enemy action.

I think it is most appropriate for America to take one day out of the year to honor those who man our merchant fleet which has made America the greatest trading nation on Earth, to remember those who sacrificed in that service, and to rededicate ourselves to the purpose of rebuilding our merchant fleet and regaining for America the foremost position it once held in international shipping.

Many thoughtful, sensitive statements were made at today's service, but this one by Hans Blocklin summed up the spirit of the day so succinctly and fittingly that I take this occasion, Mr. Speaker, to share his remarks with my colleagues on the occasion of the merchant marine memorial service:

REMARKS OF HANS G. BLOCKIN, SENIOR VICE PRESIDENT, LYKES BROS. STEAMSHIP CO., SEAFARERS MEMORIAL SERVICE, MAY 22, 1979

Honored guests, Members of Congress, ladies and gentlemen, it is indeed a privilege to participate with you today in this most deserving memorial honoring our merchant seamen in particular, and recognizing the special worth and the achievements of the merchant marine in general.

In reflecting upon those events in our nation's history that make this a special day indeed, there comes to mind the same, recurring theme: Our great nation caught again unprepared, needing desperately the *Time* to rebuild—and its defenders struggling against heartbreaking odds—out-numbered, outgunned, paying with their lives for that desperately needed time. The individual heroics of those honored today have been chronicled elsewhere and require no reciting here. I would only mention, however, that their valor was of a special kind—the valor of the hunted, never the hunter—and with it, the valor of endurance—escaping from sinking, burning ships, and drifting for days on hostile seas in open boats. It is not inappropriate to note here that this service and sacrifice was purely voluntary.

Who were these time-buying defenders that manned hastily assembled, jury-rigged and ill-equipped ships? They were Americans of all ages and descriptions, and varying and disparate origins—but all with that common American bond—a love of freedom and a desire for justice. And, as the peril and threat was sensed, these men came down to the sea by the tens of thousands—from cities and farms, from valleys and mountains they came—and, sadly, among them were more than 5,000 who did not return home.

Every labor group, and most companies, represented here today suffered individual losses and no doubt, personal losses—it was the Lykes experience to lose to torpedoes, mines, and strafing, 272 men and some 23 ships.

The deepest tragedy of these sacrifices was that they were never required on such an enormous scale. But, regrettably, we seem to be a nation that either forgets or ignores the past—inevitably, as has been often said, we are bound to repeat it. As a nation with strong and avowed ideological convictions and policies, we seem ready to fight, but unwilling to prepare.

And now another year has passed, and we appear still beset with those concerns that were with us at last year's memorial service. Namely, an ever-dwindling Maritime seagoing labor force, threatened sharp attrition in our shipbuilding capacity, and a pervasive spreading of financial hardships which has crippled some of our companies and threatens nearly all.

It must be said here that the time is almost passed, if indeed it is not too late, for an avowal of both purpose and commitment to a strong, cohesive national Maritime policy—it must come from the administration, the Congress, the industry, and the public.

Thank you.

THE DIESEL ENGINE—ANOTHER ALTERNATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HILLIS) is recognized for 10 minutes.

● Mr. HILLIS. Mr. Speaker, at a time when segments of our society are for the first time experiencing the effects of our overdependence on imported oil and lack of domestic supplies, an alternative to the gasoline-powered automobile is available. This alternative is not a futuristic technology nor is it in the development stage. This alternative is not only available at this time, but is in ever-increasing use.

With Americans apparently addicted to the automobile, the diesel engine is evolving not as a panacea, but at least a significant step toward better management of our energy resources.

The diesel engine, invented in the 1890's by Rudolph Diesel, has been widely used throughout the world. It is the workhorse of internal combustion engines. However, due to its higher price, it has been limited mostly to luxury automobiles and trucks. With the changing world energy situation more and more Americans and automobile manufacturers are turning to the diesel as an alternative to the gasoline-powered automobile.

The diesel is now available in every size automobile from the Volkswagen Rabbit to the Cadillac Seville. General Motors plans to sell 300,000 diesel engines in 1980. This represents a major increase over the historical usage of the engine.

However, there is an obstacle which may prevent GM and other auto manufacturers from obtaining their goals of increasing production of diesel-powered cars and prevent Americans from enjoying the benefits of a diesel automobile. The obstacle is the EPA's proposed particulate emission standards. The Department of Commerce summarized the effects of EPA's standards in the following statement:

> We are concerned that implementation of the proposed standards will result in diesel engine usage limited to only the smaller size vehicles where the potential for fuel economy gains is the least. It is particularly striking that the use of diesel engines in the larger ["family size"] automobiles and light-duty trucks would be effectively prohibited.

It is important to understand EPA's standards, the logic behind them, and their effects. Such an understanding will show why these standards should not be implemented.

EPA's particulate standards of 0.60 gram per mile beginning with 1981 and 0.20 gram per mile beginning with 1983 would apply to all diesel powered cars and light-duty trucks. The authority to promulgate these standards is clear. Section 202(a)(3)(A)(iii) of the Clean Air Act states:

> The Administrator shall prescribe regulations under paragraph (1) of this subsection applicable to emission of particulate matter from classes or categories of vehicles manufactured during and after model year 1981 (or during any earlier model year, if practicable).

EPA believes the 1981 and 1983 standards are feasible based upon the best available technology. The standards according to the EPA assume the 1981 nitrogen oxide (NO_X) standard of 1 gram per mile will still apply. NO_X emissions control technology has a tendency to increase the emission of particulates.

EPA contends that several technologies will be available by 1981 which will allow manufacturers to meet the standards. EPA states:

> We expect manufacturers to add turbochargers to most engines and believe that the use of this technology should result in a net fuel savings.

Other possible particulate control technologies include engine modifications and redesign and after treatment—methods designed to remove or trap particulates from the exhaust.

Again quoting from EPA—

> Current particulate control technology should be sufficient to bring small displacement diesel engines into compliance with the 1983 particulate standard. Larger displacement diesel engines manufacturers will have to make improvements on control devices or redesign engines to meet the 1983 particulate standard both of which EPA believes to be technologically feasible in the time frame.

As a result of the proposed standards, EPA estimates that the retail price of light-duty diesel vehicles to increase by approximately $130 in 1981 and 1982 and $165 in 1983 and so on.

The arguments presented by EPA are faulty, their figures are incorrect and the standards are simply unattainable.

The MITRE Corp. was asked by the Department of Energy to review the Pedco Environmental, Inc., study which EPA used to analyze air quality in preparation for the drafting of the standards. The MITRE Corp. had this to say:

> It is recommended that significant revisions to the air quality analysis presented in the Pedco study and the Draft Regulatory Analysis are needed to properly evaluate the air quality impacts of the proposed regulations.

As stated earlier, EPA's authority to issue these standards is found in section 202(a)(3)(A)(iii) of the Clean Air Act. However, the earlier quote of this section was incomplete. It was, however, the exact quote used by EPA in citing their authority. Just as important is the rest of the section omitted by EPA. The entire section follows:

> The Administrator shall prescribe regulations under paragraph (1) of this subsection applicable to emissions of particulate matter from classes or categories of vehicles manufactured during and after model year 1981 (or during any earlier model year, if practicable). Such regulations shall contain standards which reflect the greatest degree of emission reduction achievable through the application of technology which the Administrator determines will be available for the model year to which such standards apply, giving appropriate consideration to the cost of applying such technology within the period of time available to manufacturers and to noise, energy, and safety factors associated with the application of such technology. Such standards shall be promulgated and shall take effect as expeditiously as practicable taking into account the period necessary for compliance.

It is obvious by reading the entire section that the Congress, in the Clean Air Act, realized that there were additional factors to be considered in establishing standards beyond efforts to obtain clean emissions. These additional factors include—as stated in the above section of the Clean Air Act—noise, energy, and safety factors and leadtime necessary for manufacturers to reach compliance. Apparently, EPA has chosen not to pay attention to the latter part of section 202 (a)(3)(A)(iii).

In reviewing EPA's proposed standards, the Department of Energy stated that:

> The proposed standards for 1981 and 1983 do not meet the statutory requirements of requiring the maximum feasible emissions reduction while giving adequate consideration to cost, energy savings and leadtime.

The Council on Wage and Price Stability concurred with the DOE when it stated:

> The proposed standards, especially the 1983 standard, may be overly stringent and may unduly discourage the development and spread of diesel technology.

One of the best known advantages of the diesel engine is its fuel economy. The diesel engine is between 25 and 65 percent more fuel efficient than comparable size gasoline engines. EPA hs failed to recognize the advantages of diesel fuel efficiency. EPA argues that the diesel will have no effect on aggregate fuel consumption of the United States.

As everyone knows, auto manufacturers are required to meet specific fleet fuel economy standards during the 1980's. According to EPA's logic, if the percentage of cars using diesel engines steadily increases, manufacturers will be able to sell more large cars with lower fuel economy and still meet the standard for their fleet average. The result is that the aggregate fuel consumption based on increased use of diesels, and continued inefficient gasoline powered cars, remains unchanged.

EPA's logic is extremely shortsighted. To begin with, it is not readily apparent that auto manufacturers will be able to meet the 1981–85 fuel standards without excessive reliance on small, fuel efficient cars. Therefore, the diesel may be necessary in order to meet the standard. Further, it is the larger cars where the diesel's fuel efficiency is far better than gasoline engines. The advantages of larger automobiles such as comfort and performances—are desired by many American consumers. If the diesel offers consumers the opportunity to obtain the type and size of car desired, it will be in high demand regardless of its effects on the aggregate fuel consumption. It should be obvious that as diesel technology is developed the fuel economy standards can be revised upward after 1985.

The advantages of diesel fuel are not limited to the number of miles traveled on a gallon of fuel but extends to many other aspects of the fuel's characteristics as well. For example, the low volatility of diesel fuel means that diesels offer a reduced risk of fire in the event of a serious accident. It is also known among those familiar with diesel fuel characteristics that it has much less hydrocarbons (HC) evaporative emissions than gasoline. Unlike gasoline powered engines, diesels have no carburetors. The reductions in evaporative emissions in carburetors are considered substantial. Further, the entire process from the refining of gasoline to the filling of gas tanks in automobiles involves HC evaporation. Diesels almost entirely avoid these emissions. (It is worth remembering that these gasoline evaporative emissions contain benzene, a known carcinogen.)

Just as the EPA failed to consider the true fuel efficiency effects of diesel engines, the EPA also completely misrepresented the cost associated with the proposed standards. According to the Council on Wage and Price Stability, the "EPA has substantially underestimated the cost of the standards."

In arriving at their 1981 cost estimates, EPA assumes that all diesels except for the Volkswagen Rabbit, will require turbocharging. EPA estimates the cost of the turbochargers between $145 to $180 with an average of about $170. Since the Volkswagen Rabbit will constitute about one-fourth of the diesel market, the diesel fleet average will be about $130.

Both General Motors and Chrysler estimate that the cost of turbochargers will be about $300, significantly higher than EPA's estimate. EPA apparently failed to consider the additional labor and adjustments associated with turbocharging. EPA further assumes that the turbocharger will last the life of the engine. Such an assumption is totally unrealistic.

Additionally, the Department of Energy states that turbochargers are not an effective particulate emission control device as assumed by the EPA, except to the extent they reduce fuel consumption. The apparent discrepancy between DOE's and EPA's views on turbocharging illustrates the lack of EPA's knowledge on the characteristics of the diesel engine in general.

As with the 1981 standard, EPA completely misrepresented the true cost of the 1983 standard. In order to meet the 1983 standard EPA estimates that all diesels, including the Volkswagen Rabbit will require turbocharging. As with General Motors, EPA's estimates are significantly lower than Volkswagen's. EPA estimates the cost of a turbocharger for a Rabbit at $146 compared to Volkswagen's estimate of between $450 and $500. Again EPA further refuses to consider the probability of replacement cost.

Except for the Volkswagen Rabbit, all cars will require aftertreatment controls such as a trap-oxidizer in addition to the turbocharger to meet the 1983 standard according to EPA. Since trap-oxidizers are an entirely new technology, it is difficult to judge the accuracy of EPA cost of $158. However, EPA does not take into consideration replacement cost, which surely will be realized by consumers.

In discussing aftertreatment controls such as trap-oxidizers, the Department of Energy stated that:

> The effectiveness and durability of these devices are unknown even though there is a general concensus that they will work in theory. Substantial engineering problems of material and design will have to be overcome. This requires substantial development time; 1985 appears to be the first year in which aftertreatment-based control could be applied.

That is 2 years after EPA estimates they will be required equipment to meet the standard.

Another aspect of aftertreatment controls which was not addressed by the EPA was the harmful health effects which may be associated with the controls. The Council on Wage and Price Stability recognized this fault in EPA's logic in stating that:

> It is quite possible that some control technologies may have beneficial or harmful effects with respect to carcinogenicity. It would appear to be sensible to delay the forcing of potentially costly technology until more is known on the carcinogenicity question.

Not only is the technology which EPA considers necessary to meet the standards full of unanswered health questions but it is extremely expensive as already outlined. It is estimated that the proposed particulate standards could cost between $536 million and $851 million during 1983 alone.

I have described how the EPA failed or refused to consider the energy efficiency of the diesel and the cost of the proposed standards as mandated by the law. However, it is also true that the EPA has not considered the time period involved and the difficulties the standards would place on manufacturers due to the short leadtime involved.

The time between when EPA's standards are likely to be promulgated and the time 1981 models must be certified as meeting the standards, will only be about 6 months. Truly, 6 months is not enough time for the manufacturers to develop the technologies necessary for compliance. Further complicating manufacturers abilities to meet the standards is EPA's desire not to grant a waiver of the 1.0 g/mi NO_x standard which they are permitted to do under section 202 (6)(B) of the Clean Air Act. (As noted earlier, there is a direct relationship between NO_x and particulate emissions since the technology available to control particulates increase NO_x emissions.) The extremely short leadtime will force manufacturers to push costly and inefficient technological solutions which may in themselves prove harmful to human health.

I think it is obvious that EPA has not made enough effort to insure that the particulate standards are in the best interest of Americans. EPA has refused to consider some of the most vital factors involved in the environmental and energy issues.

The diesel particulate standard simply is not needed at this time. There is no scientific evidence that diesel particulates are harmful to human health. Nevertheless, if EPA insists that the particulates should be controlled, there are less costly methods which will not adversely affect our energy situation since the particulates emitted from diesels are formed through combustion from many other sources.

A study was done by the Navy Personnel Research and Development Center in San Diego, Calif. entitled "Health and Safety Implications of Diesel Locomotive Emissions." The study stated:

> A review of the published literature was made to determine whether there are health and/or safety effects of long-term exposure to low concentrations of diesel emissions within the ranges reported in actual railroad operations. No consistent evidence was found linking low concentrations of diesel emissions to long-term health effects or short-term respiratory function. Evidence was found linking emissions to eye irritation. Interviews with union officials and operating crews, letters from union members, union file material, and miscellaneous locomotive and caboose inspection reports pointed to the conclusion that diesel emissions are not a widespread or frequent problem in the railroad environment. There may be short-term, infrequent occurrences of burning eyes, headache, and nausea, but any safety consequences of such symptoms could not be determined.

This study suggests that diesel emissions are not carcinogenic. The emissions from locomotive diesels are substantially the same as from diesel automobiles.

The National Ambient Air Quality Standard (NAAQS) for particulates is currently under review. It is not clear what this review will produce. It is, however, clear that much disagreement exists as to the health effects of particulates. There are unanswered questions on how the size of particulates affect their carcinogenicity. Regardless of the future of the NAAQS, it is clear that the total number of particulates will be reduced because of its restrictions, even without a diesel particulate standard.

The diesel has many advantages which make it more attractive than the gasoline engine. Considering EPA refusal to properly reflect congressional intent as is clearly spelled out in section 202(a)(3)(A)(iii), I feel the diesel should be exempt from any further EPA standards which are not now in effect. Therefore, I have introduced a bill, H.R. 4055, to amend the Clean Air Act to continue 1979 standards for diesel light-duty motor vehicles.

I urge all of my colleagues to carefully consider the issues involved and cosponsor H.R. 4055. A copy of that bill follows:

H.R. 4055

A bill to amend the Clean Air Act to provide that the 1979 light-duty motor vehicle emission standards shall continue to apply to diesel light-duty motor vehicles manufactured after the model year 1979 in lieu of the more stringent standards which would otherwise apply

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subparagraph (B) of section 202(b)(6) of the Clean Air Act is amended to read as follows:

"(B) The regulations promulgated under subsection (a) applicable to the emissions of air pollutants from light-duty motor vehicles shall provide that, in the case of light-duty vehicles which utilize a diesel engine, the emissions standards applicable to such vehicles for the model year 1980 and thereafter shall be the emissions standards applicable to light-duty motor vehicles manufactured during the model year 1979. The standards required under paragraph (1) of this subsection for light-duty motor vehicles manufactured after the model year 1979 shall not apply to light-duty motor vehicles which utilize a diesel engine. No standard applicable to the emissions of any air pollutant (other than a standard identical to a standard in effect for light-duty vehicles manufactured during the model year 1979) may be promulgated under subsection (a) for light-duty motor vehicles which utilize a diesel engine.".●

COMMITTEE STAFFS TOO LARGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 15 minutes.

Mr. COLLINS of Texas. Mr. Speaker, this Congress seems destined to be the biggest spending Congress in history. The American people are disturbed about rapidly escalating inflation. And the average citizen knows it is the big spending of Congress that is causing the problem.

In 1960, Congress spent $100 billion, but this year it looks like Congress will be spending $550 billion.

The vote we recently had on committee expenses may give some indication of what America can expect from the congressional budget for next year.

In Congress, Congressmen are tremendously busy with legislative duties, committee meetings, phone calls and visiting with key authorities on different issues. But behind the scenes are the large committee staffs. In order to justify their jobs, these staffs must be "innovative and creative." So the more staff members on the committee, the more bills they manufacture. They are always finding someone who needs some special benefit that was not covered in the last piece of legislation. In order to provide for greater safety, better health, cleaner environment and for all of the other deserving causes, more and more laws are turned out.

Where does it all begin? It begins in "committees."

Let's look at the committees in Congress. Congressional committees have a standing authorized staff of 660 people. This is all they need, and in many cases, more than they need.

Since 1978, the congressional committee staffs have increased from 640 to 2,550 last year, an increase of 400 percent. In 1968, Congress spent just over $4.5 million for the House of Representative's standing committees. In 1978, Congress spent over $39 million, an increase of over 750 percent.

The votes on the committee staffs ranged from 201 to 171 on the Education Committee, which is the closest we came to defeating one, to 353 to 53 on the Standards of Official Conduct Committee. Half of the committee budgets were passed by voice vote which does not require a recorded vote count.

Let's look at some of these committees, Agriculture has grown from 15 special staff members in 1968 to 64 last year and there are fewer people on the farm. Banking has grown from 47 in 1968 to 121 last year. Foreign Affairs has grown from 20 to 105 in 10 years. The Tax Committee has grown from 22 to 92 and taxes have increased in the same ratio. Merchant Marine has gone from 19 to 72. The House passed a resolution this year to increase the budget on the Rules Committee 2,600 percent since last year.

The public is beginning to realize that all of this creative and innovative legislation which is being heaped on their backs is developed by these oversized committee staffs here in Congress.

As these committees increase, you can anticipate more and more legislation. In 1959–60, the Congress cast a total of 180 votes. The 91st Congress, which covered the years of 1969–70, cast 443 votes. The last Congress, the 95th has cast a total of 1,518 votes—quorum calls not included.

We must halt the growth of the Federal bureaucracy and the incredible amount of new laws that are rolling forth from Congress every day. I have offered an answer to this problem of too much legislation. To cut back on congressional meeting and voting, I have introduced House Resolution 57 to reduce the size of committee staffs. The Collins committee resolution provides that the amount of funds available for committee expenditures, shall not exceed half of the amount expended in the previous Congress. America must realize that congressional committees mean more legislation and, consequently, increased taxes for Government programs.

STATE AND LOCAL GOVERNMENT COST ESTIMATE ACT OF 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 5 minutes.

● Ms. HOLTZMAN. Mr. Speaker, I recently introduced H.R. 3697, the State and Local Government Cost Estimate Act of 1979. This bill will require the Congressional Budget Office to provide routine estimates of the costs to State and local governments of bills reported to the House by congressional committees. In our increasingly complex economy, Federal actions have serious consequences for the fiscal well being of State and local governments. Congress ought to know what these consequences will be before it adopts legislation. My bill is an important and very necessary step in making this information available.

As chair of the Budget Committee's Task Force on State and Local Government, I have had the opportunity to view first hand many of the often unexpected and unintended costs of Federal legislation for States and localities.

For example, the Budget Committee staff estimates that the most recently enacted increase in social security taxes will cost State and local governments, as employers, an extra $200 million in fiscal year 1979. The decision last year to increase this tax might very well have been different had this impact on State and local governments been fully known.

A second example concerns the welfare proposal offered in 1977 by the Carter administration but rejected by Congress. At my request, the Department of Health, Education, and Welfare prepared an analysis showing that States might have had to spend as much as $784 million a year on medicaid above what they are currently spending as a result of the proposal than they did under existing law. These hidden costs would have eliminated much of the fiscal relief promised to the States.

A final example is the proposed extension of the investment tax credit to the building of new industrial structures which was rejected last year. Hearings of the Task Force on State and Local Government demonstrated that this change would have accelerated the flight of businesses from the cities and eroded their economic base. The resulting loss of jobs would have forced these cities to spend increasing amounts of their own funds on unemployment compensation, welfare, and other social services. These would have been unintended and inadvertent consequences of the new investment tax credit. Nevertheless, the cost to each city would have been real and substantial.

My bill takes on added importance in this period of economic uncertainty, when the level of Federal aid to State and local governments is being closely reexamined. It would be irresponsible to impose additional fiscal burdens on these governments at the same time that Congress is cutting back on their support.

This bill has received the bipartisan support of 112 members of Congress who have joined me as cosponsors. It has also been endorsed by the Council of State Governments, the International City Managers Association, the National Association of Counties, the National Conference of State Legislatures, the National Governors Association, the National League of Cities, and the U.S. Conference of Mayors.●

SENIOR CITIZENS HAVE THE RIGHT TO COMPREHENSIVE HEALTH CARE COVERAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. BONKER) is recognized for 5 minutes.

● Mr. BONKER. Mr. Speaker, the debate over national health insurance has intensified in recent months, but we are really no closer to enactment now than in 1960 when President Kennedy first offered universal health insurance. Today the need is even more acute, particularly for senior citizens who often are reduced to poverty before qualifying for full health care assistance.

Leaders in the drive for national health insurance are currently at odds on how to provide adequate health care for all Americans at a time when hospital and health care costs are rising to intolerable levels across the country. The result may be an impasse which would deny the one class of citizens who cannot afford to wait—senior citizens.

When medicare became law in 1965 it promised to cover most of the health care costs with supplemental insurance premiums picking up the remainder. Today medicare covers only about 38 percent while insurance premiums are going up.

Recent "medigap" hearings conducted by the Select Committee on Aging revealed severe gaps in health coverage for senior citizens. Add up the expenses an older person now pays to have coverage under medicare, part B, and you can readily see why the problem is acute.

(1) Monthly premium	*$8.20
*$8.70 July 1st.	
(2) Medigap supplemental insurance (average monthly charge)	16.60
Total	24.80

(3) Other possible charges.

(a) 20 percent of Physician's bill.

(b) If physician charges above what Medicare considers "reasonable charge," the patient pays the excess.

For senior citizens living on a fixed income, $25 per month for additional insurance is a real sacrifice with no guarantee that their health expenses will be covered.

Therefore, today I am introducing a bill to provide national health insurance for senior citizens which offers the range of benefits incorporated in the old Kennedy-Corman proposal and addresses the need for expanded coverage of preventative services and catastrophic illness. Existing medicare funds plus general revenues will cover the cost of the program.

This proposal provides total coverage of hospital and hospital-related costs under medicare, part A, and reduces the cost of part B for recipients to the current monthly premium and $60 deductible. Services covered under part B include prescription drugs, routine dental and eye care, preventative services and expanded home health care and mental health care coverage. While the total estimated cost of this approach is estimated at $19 billion, above medicare's current costs, this is a necessary price to pay to guarantee health care coverage for our senior citizens.

Senior citizens living on a limited income are struggling to make ends meet. They cannot afford expensive health care bills. I believe they have the right to comprehensive health care coverage and I feel this approach should be seriously considered as an option in the debate over national health insurance.●

SUBCOMMITTEES ON CRIME AND ENERGY AND POWER TO HOLD JOINT HEARINGS ON FRAUD IN THE OIL INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

● Mr. CONYERS. Mr. Speaker, the Subcommittee on Crime of the House Committee on the Judiciary, which I chair, will hold two joint hearings with the Subcommittee on Energy and Power of the House Committee on Interstate and Foreign Commerce, chaired by the Honorable JOHN D. DINGELL, on May 30 and June 4, 1979. The subject of these hearings is the handling of the so-called oil reseller frauds and related cases by the Departments of Justice and Energy.

The hearings on both days will commence at 9 a.m. and will be held in room 2123, Rayburn House Office Building on May 30 and in 2141 Rayburn House Office Building on June 4.

Individuals wishing to testify or to submit a statement for the record should address their requests to the Subcommittee on Crime, House Committee on the Judiciary, 207E Cannon House Office Building, Washington, D.C. 20515, or to the Subcommittee on Energy and Power, House Committee on Interstate and Commerce, 3217 House Annex No. 2, Washington, D.C. 20515.●

H.R. 3821 THE INTELLIGENCE AND INTELLIGENCE RELATED ACTIVITIES AUTHORIZATION ACT, FISCAL YEAR 1980

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BOLAND) is recognized for 5 minutes.

● Mr. BOLAND. Mr. Speaker, H.R. 3821, the Intelligence and Intelligence-Related Activities Authorization Act, fiscal year 1980, will soon be considered by the House.

The bill authorizes intelligence and intelligence-related programs for the next fiscal year.

The only actual dollar amounts found in the bill itself, however, are unclassified figures.

The actual dollar amounts for individual intelligence programs and the committee's rationale for its recommendations are to be found in the classified Schedule of Authorizations, which is incorporated by reference and integral to the bill itself, and the classified annex to the committee's report.

These documents are highly classified. Under the rules of the House, they are available only to Members.

I therefore wish to announce the following schedule during which these documents may be read by Members in the committee offices, H-405 in the Capitol.

The Schedule of Authorizations and the classified annex to the committee's report will be available from 9 to 5 each day starting tomorrow, Wednesday, May 23, until the bill is acted upon.

At present the bill appears likely to come before the House the week of June 4.

The committee has made a strong effort in this year's classified annex to explain clearly and in plain language what it has recommended.

Further, the staff of the committee will be available to answer any questions Members may have arising from the report.

All Members should keep in mind in reviewing these materials that they are highly sensitive and cannot be discussed outside the committee's offices.

The Nation's secrets can only remain safe as long as we in the Congress protect them properly.●

THE ALASKA LAND ISSUE

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEBELIUS. Mr. Speaker, last week, this body concluded deliberation on the Alaska land issue, an issue in which I took a special interest and one that greatly involved us all in terms of time, effort, and debate. When we have legislation before us that involves only one Member's district, it is rare for the House to vote contrary to the wishes of that Member. In the case of the Alaska lands bill, it did not hold true. Much larger forces were at work.

The Congressman for all Alaska, DON YOUNG, worked diligently and fought valiantly to represent his constituents' views on the bill. He was opposed by the President, the Department of Interior, the environmental movement and its lobbyists and the chairman of the House Interior Committee.

Yet, the Congressman from Alaska was able to make this Congress deliberate on the lands bill for over 3 years. There have been victories and defeats for him, but the effect has been to make the Members of this body more aware of the full ramifications that this legislation embodies. I should point out that Congress has still not finished work on this bill since the Senate must now give it consideration.

Regardless of which position my colleagues took on this issue, I am sure we all appreciate its special meaning to the people of Alaska.

I would like to call the Congress' attention to an editorial printed in the Anchorage Times last week. The Times paid special tribute to my distinguished colleague, Congressman DON YOUNG. I am bringing this editorial to the attention of my colleagues for two reasons.

First, I have had the privilege of working with Alaska's representative on the Interior Committee ever since he came to Congress. He has worked tirelessly on behalf of his State. There is no other Member who has been more diligent or more persistent for his constituents' interests.

Second, I was especially impressed that the Anchorage Times chose to give our colleague credit in an uphill, battle. We have obvious differences in this body on many issues. Certainly the Alaska lands issue was one in which these differences of opinion and philosophy were exposed and debated.

It seems to me that if we are going to find workable answers to today's problems—problems that seem to defy solution—this spirit of understanding and respect must be the dominant factor.

The Anchorage Times put it very well:

> Democrats and Republicans have reason to be proud. Alaskans all, regardless of party or even of no party, can say their man fought the good fight.

Mr. Speaker, that is really all that can be asked of anyone who seeks and holds public office and the public trust. My colleague from Alaska not only fought the good fight but earned our respect as well.

[From the Anchorage Times, May 17, 1979]

DON'S COURAGEOUS TRY

Thanks to the wonders of satellite communications, Alaskans viewed live the two days of crucial debates in the U.S. House on the D2 land issue. For many Alaskans, it was the first opportunity to see their congressman in action during a floor debate on a matter of crucial importance to his constituents back home.

Let the record show that Rep. Don Young, Alaska's lone congressman, did an outstanding job.

He lost, as the state lost. And no doubt some of his political opponents—come next year's election campaign—will try to make quite a bit of the fact that Alaska's hopes went down to a crushing 360-65 defeat.

But that hardly can be blamed on the Republican from Alaska. He had the support of some of the most articulate and respected members of the U.S. House. They were simply outgunned by the Lockup Lobby and the White House.

Don Young was magnificent. He more than held his own against the big boys. He has learned his lessons well. His parliamentary skills and his adroitness on his feet in the heat of debate were outstanding. His concluding argument as the vote neared—marked by his recitation of the words of "Alaska's Flag"—was a moving climax to a hard-fought battle.

Democrats as well as Republicans have reason to be proud. Alaskans all, regardless of party or even of no party, can say their man fought the good fight.

He must have been wrung dry at the end of the day. The defeat must have been crushing personally. But Mr. Young can take comfort in the fact that he did all he could and did it effectively, with poise and skill.

Even in defeat some benefits have been gained.

Mr. Young surely emerged from the House battle with the respect and admiration of his colleagues on both sides of the issue.

And he merits a salute from the folks back home.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. HOPKINS (at the request of Mr. RHODES), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAWYER), to revise and extend their remarks, and to include extraneous matter to:)

Mr. HILLIS, for 10 minutes, today.

Mr. COLLINS of Texas, for 15 minutes, today.

(The following Members (at the request of Mr. RATCHFORD) and to revise and extend their remarks and to include extraneous matter:)

Mr. WEAVER, for 10 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Ms. HOLTZMAN, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. BONKER, for 5 minutes, today.

Mr. BOLAND of Massachusetts, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SAWYER) and to include extraneous matter:)

Mr. GREEN.
Mr. HINSON.
Mr. PAUL in four instances.
Mr. DERWINSKI in two instances.
Mr. SHUMWAY in three instances.
Mr. COLLINS of Texas in two instances.
Mr. JOHNSON of Colorado.
Mr. CARTER.
Mr. LEACH of Iowa.
Mr. CONABLE.
Mr. BOB WILSON in four instances.
Mr. PURSELL.
Mr. WYDLER.
Mr. COURTER.
Mr. DORNAN.
Mr. MICHEL in two instances.

(The following Members (at the request of Mr. RATCHFORD), and to include extraneous matter:)

Mr. OBERSTAR.
Mr. FAUNTROY.
Mr. MITCHELL of Maryland.
Mr. DINGELL.
Mr. BAILEY.
Ms. MIKULSKI in five instances.
Mr. ADDABBO.
Mr. BONKER.
Mr. MILLER of California in five instances.
Mr. PATTERSON in 10 instances.
Mr. WEISS.
Mr. WAXMAN.
Mr. SANTINI.
Mr. NELSON.
Mr. HARRIS.
Mr. PHILLIP BURTON.
Mr. GORE.
Mr. BRINKLEY in two instances.
Mr. ROSENTHAL.
Mr. MCDONALD in five instances.
Mr. ROBERTS in two instances.
Mr. WON PAT.
Mr. NOLAN in three instances.
Mr. MOORHEAD of Pennsylvania.
Mr. LUKEN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 927. An act to authorize the Smithsonian Institution to plan for the development of the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at Tenth Street, Southwest, in the city of Washington; to the committee on House Administration.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1787. An act to authorize a supplemental appropriation to the National Aeronautics and Space Administration for research and development; and

H.R. 2520. An act to amend the National Ocean Pollution Research and Development and Monitoring Planning Act of 1978 to authorize appropriations to carry out the provisions of such Act for fiscal year 1980.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled Joint Resolution of the Senate of the following title:

S.J. Res. 80. Joint resolution to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident.

ADJOURNMENT

Mr. RATCHFORD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 23, 1979, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the first quarter of calendar year 1979 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 30, 1979

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bill Alexander	3/13	3/19	Peoples Republic of China.		150.00		1,625.00				1,775.00
Hon. Clarence Long	2/1	2/5	Colombia		250.00		593.00				843.00
	3/8	3/12	Panama		175.00		803.50				978.50
Hon. Robert C. McEwen	1/29	2/2	Panama		375.00		747.84				1,122.84
Hon. Gunn McKay	3/8	3/12	Panama		300.00		716.00				1,016.00
Hon. Edward J. Patten	1/2	1/5	Jamaica		225.00		62.82				
	1/5	1/7	Cuba		159.00						
	1/7	1/11	Dominican Republic		297.00		37.74				
Transported by DOD							319.76				
Total					681.00		420.32				1,101.32
Donald L. Denton	2/1	2/5	Colombia		250.00		557.00				807.00
	3/8	3/12	Panama		300.00		528.00				828.00
Donald Richbourg	2/1	2/5	Colombia		250.00		557.00				807.00
Austin G. Smith	1/2	1/13	West Germany		750.00						750.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Donald P. Smith	1/7	1/8	Liberia		150.00						
	1/8	1/10	Germany		150.00						
	1/10	1/11	Turkey		75.00						
	1/11	1/12	Greece		75.00						
	1/12	1/13	Sicily		75.00						
	1/13	1/16	United Kingdom		225.00						
	1/16	1/19	Germany		225.00		3, 317. 25				
Total					975.00		3, 317. 25				4, 292. 25
Donald P. Smith	3/8	3/12	Panama		300.00		716.00				1, 016.00
Committee totals					4, 765.00		10, 580.91				15, 336.91

[1] Per Diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

May 2, 1979.

JAMIE L. WHITTEN,
Chairman. Committee on Appropriations.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, SURVEYS & INVESTIGATIONS STAFF, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1979

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Ronald C. Allen, Jr.	2/25	3/5	West Germany		793.50						
	3/5	3/6	England		56.26		1, 537.00				2, 386.75
Donald A. Brummitt	3/3	3/10	Switzerland		875.50		1, 515.00				2, 390.50
David Harbold	2/25	3/5	West Germany		793.50						
	3/5	3/6	England		56.25		1, 537.00				2, 386.75
Thomas L. Van Derslice	3/3	3/10	Switzerland		824.00		1, 476.00				2, 300.00
Committee totals					3, 399.00		6, 065.00				9, 464.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMIE L. WHITTEN,
Chairman, Committee of Appropriations, Surveys and Investigations.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1979

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Baffa, Susan	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Baffa, Susan	3/22	3/25	Panama City		300.00	(3)		(4)			300.00
Bauman, Robert E. Hon	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Bauman, Robert E. Hon	3/22	3/25	Panama City		300.00	(3)		(4)			300.00
Biaggi, Mario Hon	1/8	1/9	London, England		75.00		1, 315.00	(4)			1, 390.00
Bonior, David E. Hon	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Bonior, David E. Hon	3/22	3/25	Panama City		262.00	(3)		(4)			262.00
Bruce, John	3/4	3/7	Ontario, Canada	$268.56	225.00	$252.06	215.36	(4)		520.62	440.36
Bowen, David R. Hon	3/22	3/25	Panama City		262.00	(3)		(4)			262.00
Carney, William Hon	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Corrado, Ernest J	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Corrado, Ernest J	3/22	3/25	Panama City		262.00	(3)		(4)			262.00
Dominick, Molly A	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Evans, Melvin H	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Fling, Jean	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Committee total					3, 782.00		1, 530.36				5, 312.36
Hanback, Susan, House reporter	2/22	3/25	Panama City		262.00	(3)		(4)			262.00
Howell, Martin D	1/15	1/19	Mexico City	8, 475	375.00		473.00	(4)			848.00
Lent, Norman F. Hon	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Lowry, Michael Hon	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Lowry, Michael Hon	3/22	3/25	Panama City		150.00		275.00				425.00
Luna, Luis	2/22	2/25	Panama City		[5] 262.00						118.35
Luna, Luis	3/22	3/25	Panama City		[6] 300.00						197.66
O'Brien, Lawrence J	3/22	3/25	Panama City		300.00	(3)					300.00
McCloskey, Paul Hon	3/14	3/16	London, England		225.00		829.00	(4)			1054.00
Merin, Kenneth D	2/22	2/25	Panama City				119.85				381.85
Merin, Kenneth D	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Modglin, Terrence	2/22	2/25	Panama City		[7] 262.00						199.00
Murphy, John M. Chairman	2/22	2/25	Panama City		262.00	(3)					262.00
Perian, Carl L	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Perian, Carl L	2/22	2/25	Panama City		300.00	(3)	339.00	(4)			300.00
Perian, Carl L	1/9	1/10	Panama City								339.00
Perian, Julia P	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Committee total					4, 008.00		2, 035.85				5, 734.86
Perian, Julia	3/22	3/25	Panama City		300.00	(3)		(4)			300.00
Smith, Michael	2/22	2/25	Penama City		262.00	(3)		(4)			262.00
Tannenbaum, Bernard	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Wyatt, Joe, Hon	2/22	2/25	Panama City		262.00	(3)		(4)			262.00
Wyatt, Joe Hon	3/22	3/25	Panama City		300.00	(3)		(4)			300.00
Committee total					1, 386.00						1, 386.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military.

[4] State Department.

[5] Military returned $143.65 to State Department.

[6] Military returned $102.34 to State Department.

[7] Military returned $63.00 in Panama.

Mar. 31, 1979.

JOHN M. MURPHY,
Chairman, Merchant Marine and Fisheries.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON DELEGATION TO NORTH ATLANTIC ASSEMBLY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1979

	Date			Per diem [1]		Transportation		Other purposes		Total	
Name of Member or employee	Arrival	Departure	Country	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Jack Brooks	2/23	2/24	Belgium	6,264	$214.00		$1,453.50				
	2/24	2/25	United Kingdom	F 43.24	88.00						
Peter A. Abbruzzese	2/23	2/24	Belgium	6,264	214.00		1,453.50				
	2/24	2/25	United Kingdom	F 43.24	88.00						
Committee total					604.00		2,907.00				

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivelent; if U.S. currency is used, enter amount expended.

JACK BROOKS, Chairman.

REPORT OF EXPENDITURES FOR OFFICAL FOREIGN TRAVEL, COMMITTEE ON DELEGATION TO NORTH ATLANTIC ASSEMBLY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1979

	Date			Per diem [1]		Transportation		Other purposes		Total	
Name of Member or employee	Arrival	Departure	Country	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Charles Rose	3/16	3/17	France	731	172.00		1,623.60				
	3/18	3/18	Germany				[3] 155.20				
Peter Abbruzzese	3/17	3/17	France	731	172.00		1,623.60				
	3/17	3/20	Germany	312.48	16.80		[3] 182.44				
Committee totals					512.00		3,584.84				

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Pro rata share of surface travel.

CHARLIE ROSE,
Chairman, Committee on Delegation to North Atlantic Assembly.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, U.S. HOUSE OF REPRESENTATIVES, OFFICE OF THE SPEAKER, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1979

	Date			Per diem [1]		Transportation		Other purposes		Total	
Name of Member or employee	Arrival	Departure	Country	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Gregory R. O'Meara	12/28	12/29	Hong Kong	717	150	251.19	48.94			968.19	198.94
	12/30	1/8	People's Republic of China.		750	14,712.50	919.53			14,712.50	1,679.53
	1/9	1/12	Thailand	6,090	300	1,913.14	94.24			8,003.14	394.24
Committee totals					1,200		1062.71				2,272.88

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GREGORY R. O'MEARA,
Office of the Speaker.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, OFFICE OF THE MINORITY LEADER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1979

	Date			Per diem [1]		Transportation		Other purposes		Total	
Name of Member or employee	Arrival	Departure	Country	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Dennis J. Taylor	12/28	12/29	Hong Kong	717	150.00	251.19	48.94			968.19	198.94
	12/30	1/8	Peoples Republic of China.		750.00	14,712.50	919.53			14,712.50	1,669.53
	1/9	1/12	Thailand	6,090	300.00	1,913.14	94.24			8,003.14	394.24
Committee totals					1,200.00		1,062.71				2,262.71

[1] Per Diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DENNIS J. TAYLOR,
Office of the Minority Leader.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1654. A communication from the President of the United States, transmitting requests for supplemental appropriations and supplemental appropriations language for fiscal year 1979, and amendments to the budget for fiscal year 1980 (H. Doc. No. 96–130); to the Committee on Appropriations and ordered to be printed.

1655. A letter from the Assistant Secretary of Defense (Comptroller), transmitting notice of the transfer of certain funds between appropriations, pursuant to section 834 of Public Law 95–457; to the Committee on Appropriations.

1656. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of council act No. 3–41, "To amend the District of Columbia Electrical Licensing and Bonding Regulations relating to the renewal of licenses," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

1657. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of Israel for permission to transfer certain U.S.-origin military equipment to the Government of Honduras, pursuant to section 3 of the Arms Export Control Act; to the Committee on Foreign Affairs.

1658. A letter from the Secretary of Commerce, transmitting the annual report of the U.S. Travel Service for fiscal year 1978, pursuant to section 5 of the International Travel Act of 1961, as amended; to the Committee on Interstate and Foreign Commerce.

1659. A letter from the Director, Administrative Office of the U.S. Courts, transmitting his annual report for fiscal year 1978, pursuant to 28 U.S.C. 604(a)(4); to the Committee on the Judiciary.

1660. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Federal Aid Wildlife Restoration Act; to the Committee on Merchant Marine and Fisheries.

1661. A letter from the Acting Administrator of General Services, transmitting an unapproved prospectus recommending repairs and alterations at the Federal Service Center, 125 South Grand Avenue, Pasadena, Calif., in response to a resolution of the House Committee on Public Works and Transportation adopted May 9, 1979; to the Committee on Public Works and Transportation.

1662. A letter from the Deputy Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to facilitate the production of alcohol fuels; to the Committee on Ways and Means.

1663. A letter from the Comptroller General of the United States, transmitting a report on the future of nuclear power (EMD–79–56, May 21, 1979); jointly, to the Committees on Government Operations, Interior and Insular Affairs, and Interstate and Foreign Commerce.

1664. A letter from the Comptroller General of the United States, transmitting a report on needed improvements in the Department of Transportation's navigation program (CED–79–37, May 21, 1979); jointly, to the Committees on Government Operations and Merchant Marine and Fisheries.

1665. A letter from the Comptroller General of the United States, transmitting a report on Federal personnel costs and worker output, (FPCD–79–24, May 21, 1979); jointly, to the Committees on Government Operations and Post Office and Civil Service.

1666. A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Energy Policy and Conservation Act, as amended, to provide assistance to States and to political subdivisions within States to promote national energy objectives, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce and Science and Technology.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BALDUS (for himself, Mr. Jeffords, Mr. Obey, Mr. Akaka, Mr. Anthony, Mr. Coelho, Mr. Jones of North Carolina, Mr. Rose, Mr. Stenholm, Mr. Hagedorn, Mr. Kastenmeier, and Mr. Aspin):

H.R. 4167. A bill to amend section 201 of the Agricultural Act of 1949, as amended, to extend until September 30, 1981, the requirement that the price of milk be supported at not less than 80 percent of the parity price therefor; to the Committee on Agriculture.

By Mr. BONKER:

H.R. 4168. A bill to amend title XVIII of the Social Security Act to provide for comprehensive services under the medicare program, and for other purposes; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. BURGENER:

H.R. 4169. A bill to amend the Federal Land Policy and Management Act of 1976 to provide for certain land exchange agreements, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4170. A bill to provide for the settlement of certain questions concerning the ownership of certain land within, or adjoining, the present and former beds of the Colorado River, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4171. A bill to amend title 28 of the United States Code to make certain modifications in provisions relating to actions to quiet title; to the Committee on the Judiciary.

By Mr. CARTER:

H.R. 4172. A bill to amend the Saccharin Study and Labeling Act to extend for 18 months the current ban on actions by the Secretary of Health, Education, and Welfare respecting saccharin; to the Committee on Interstate and Foreign Commerce.

By Mr. DODD:

H.R. 4173. A bill to direct the Secretary of the Navy to provide for the public display of the USS *Nautilus* as a memorial vessel at Groton, Conn.; to the Committee on Armed Services.

H.R. 4174. A bill to amend the Atomic Energy Act of 1954 to improve the safe operation of nuclear powerplants, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Interstate and Foreign Commerce.

By Mr. DUNCAN of Tennessee:

H.R. 4175. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions for the construction or maintenance of buildings housing fraternal organizations; to the Committee on Ways and Means.

H.R. 4176. A bill to amend the Rural Electrification Act of 1936 to provide for the financing of telecommunications facilities for broadband services in small towns and rural areas, and for other purposes; jointly, to the Committees on Agriculture and Interstate and Foreign Commerce.

By Mr. ERDAHL (for himself, Mr. Hagedorn, Mr. Sabo, Mr. Nolan, Mr. Stangeland, and Mr. Oberstar):

H.R. 4177. A bill to amend the Internal Revenue Code of 1954 to allow the targeted jobs tax credit for certain wages paid to individuals who have attained age 14 and who are participating in work experience and career exploration programs; to the Committee on Ways and Means.

By Mr. GREEN (for himself, Mr. Bafalis, Mr. Carter, Mr. Corrada, Mr. Downey, Mr. Forsythe, Mr. Garcia, Mr. Gilman, Mr. Guarini, Ms. Holtzman, Mr. Horton, Mr. Hyde, Mr. Jenrette, Mr. Lederer, Mr. Lee, Mr. McEwen, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Rangel, Mr. Roe, Mr. Scheuer, Mr. Wolff, and Mr. Zeferetti):

H.R. 4178. A bill to improve the physical security features of the motor vehicle and its parts, to increase the criminal penalties of persons trafficking in stolen motor vehicles and parts, to curtail the exportation of stolen motor vehicles, to stem the growing problem of "chop shops," and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, Ways and Means, Post Office and Civil Service, and Foreign Affairs.

By Mr. NOLAN:

H.R. 4179. A bill to extend for an additional year the provisions which allow taxpayers to treat as deductible expenses certain expenditures to remove architectural and transportation barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 4180. A bill to provide reduced rates for nonprofit senior citizens organizations; to the Committee on Post Office and Civil Service.

By Mr. RAILSBACK:

H.R. 4181. A bill to establish procedures for the issuance and enforcement of search warrants and other legal processes to provide a remedy for persons injured by a failure to comply with such procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. RITTER:

H.R. 4182. A bill to confer citizenship on Laszlo Nyiri, posthumously; to the Committee on the Judiciary.

By Mr. SEBELIUS (for himself, Mr. Whittaker, Mr. Jeffries, Mr. Winn, and Mr. Glickman):

H.R. 4183. A bill to make a supplemental appropriation to the Secretary of Agriculture for purposes of carrying out title III of the Federal Meat Inspection Act; to the Committee on Appropriations.

By Mr. SHUMWAY:

H.R. 4184. A bill to amend section 2 of the act entitled, "An Act to authorize the American River Basin Development, California, for irrigation and Reclamation, and for other purposes" (Act of October 14, 1949, 63 Stat. 852); to the Committee on Interior and Insular Affairs.

By Mrs. SNOWE:

H.R. 4185. A bill to amend the Federal Aviation Act of 1958 to require that under certain circumstances a certificated air carrier shall provide essential air transportation to an eligible point until January 1, 1982, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SOLARZ:

H.R. 4186. A bill to amend the Food Stamp Act of 1977 to authorize eligible households composed entirely of elderly, disabled, or blind persons and their spouses to purchase meals from restaurants with food stamps; to the Committee on Agriculture.

H.R. 4187. A bill to amend the Internal Revenue Code of 1954 to allow individuals a credit against income tax for expenditures made for the purchase and installation of locks and other security devices in principal residences; to the Committee on Ways and Means.

By Mr. SOLOMON:

H.R. 4188. A bill to deny the foreign tax credit on foreign oil related income; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 4189. A bill to amend section 103 of the Internal Revenue Code of 1954 to provide that the interest on certain mortgage revenue bonds will not be exempt from Federal income tax; to the Committee on Ways and Means.

By Mr. UDALL (for himself, Mr. Stump, Mr. Rudd, and Mr. Rhodes):

H.R. 4190. A bill to provide for the continued treatment of Mexican plywood as a designated eligible article under the generalized system of preferences established by the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. DINGELL:

H.J. Res. 336. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER:

H.J. Res. 337. Joint resolution designating February 11, 1980, "National Inventors' Day"; to the Committee on Post Office and Civil Service.

By Mr. NOLAN:

H.J. Res. 338. Joint resolution to authorize and request the President to issue a proclamation designating May 18 through 24, 1980, as "National Architectural Barrier Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SEBELIUS (for himself, Mr. Scheuer, Mr. Moakley, Mr. Johnson of Colorado, Mr. Fazio, Mr. Brodhead, Mr. Abdnor, Mr. Burgener, Mr. Coelho, Mr. AuCoin, Mr. Whitehurst, Mr. Horton, Mr. Wolpe, Mr. Bedell, Mr. Barnes, Mr. Evans of the Virgin Islands, Mr. Panetta, Mr. Dougherty, Mr. Hagedorn, Mr. Whittaker, Mr. Solarz, Mr. Erdahl, Mrs. Fenwick, Mr. Neal, Mr. Vento, Mr. Van Deerlin, Mr. Lagomarsino, and Mr. Grassley):

H.J. Res. 339. Joint resolution to designate the year of 1979 as the "Food for Peace Year"; to the Committee on Post Office and Civil Service.

By Mr. BEARD of Rhode Island:

H. Con. Res. 125. Concurrent resolution expressing the sense of the Congress that steps should be taken to create an international oil-purchasing cartel to protect the interests of oil-dependent nations; to the Committee on Foreign Affairs.

By Mr. PEPPER (for himself and Mr. Waxman):

H. Res. 280. Resolution relating to the report by the Secretary of Health, Education, and Welfare with respect to home health and other in-home services; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

197. By the SPEAKER: Memorial of the Legislature of the State of Texas, relative to the Naval Air Station in Corpus Christi; to the Committee on Armed Services.

198. Also, memorial of the Legislature of the State of Arkansas, relative to proposed cutbacks in Amtrak routes; to the Committee on Interstate and Foreign Commerce.

199. Also, memorial of the Legislature of the Territory of Guam, requesting that Congress propose amendments to the Constitution of the United States to grant voting representation in the House of Representatives and votes in Presidential elections to citizens of territories; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY:

H.R. 4191: A bill for the relief of Miyoko Okutsu Walson; to the Committee on the Judiciary.

By Mr. FORD of Tennessee:

H.R. 4192. A bill providing for a 17-year extension of patent No. 3,047,060; to the Committee on the Judiciary.

By Mr. SOLARZ:

H.R. 4193. A bill for the relief of Nejat Beit Yaaghoob; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. Grassley, Mr. Wampler, Mr. Findley, Mr. Biaggi, Mr. Hughes, Mr. Drinan, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Lent, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 623: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 624: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 626: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 627: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 629. Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 630: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 631: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California. Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 632: Mr. Biaggi, Mr. Hughes, Mr. Drinan, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 634: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Mr. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of

Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 635: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 636: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 637: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Buchanan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 638: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 639: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Rinaldo, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 640: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Young of Missouri, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 641: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Andrews of North Dakota, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brown of Ohio, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Davis of South Carolina, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack. Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten. Mr. Rahall, Mr. Rangel, Mr. Reuss, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 642: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Buchanan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 643: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe. Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 644: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Whittaker, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 645: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Whittaker, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Cleveland, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr Long of Maryland, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 646: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Wampler, Mr. Rinaldo, Mr. Whittaker, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Cleveland, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Ms. Chisholm, and Ms. Ferraro.

H.R. 647: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr.

Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 648: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 649: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 650: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Doughfrty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 1082: Mr. Robinson.

H.R. 1173: Mr. Walker and Mr. Rudd.

H.R. 1507: Mrs. Spellman.

H.R. 1539: Mr. Coelho, Mr. Lee, Mr. Markey, and Mr. Synar.

H.R. 2001: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2461: Mr. Leland.

H.R. 2553: Mr. Thomas, and Mr. Shelby.

H.R. 2558: Mr. Rinaldo.

H.R. 2559: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Wampler, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2560: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 2561: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2562: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2563: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2564: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 2566: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2567: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Wampler, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Flood, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lehman, Mr. Lent, Mr. Long of Maryland, Mr. McCormack, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Neal, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stewart, Mr. Udall, Mr. Vento, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 2568: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2569: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Rinaldo, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Brodhead, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Chisholm, and Ms. Ferraro.

H.R. 2570: Mr. Biaggi, Mr. Downey, Mr. Drinan, Ms. Oakar, Mr. Gudger, Mr. Whittaker, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Buchanan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. D'Amours, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Hyde, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lent, Mr. Long of Maryland, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2572: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2694: Mr. Biaggi, Mr. Hughes, Mr. Drinan, Ms. Oakar, Mr. Gudger, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Edwards of California, Mr. Ford of Michigan, Mr. Harkin, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2695: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lehman, Mr. Long of Maryland, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

H.R. 2744: Mr. Brinkley, Mr. de la Garza, Mr. Gudger, Mr. Leath of Texas, Mr. Stack, and Mr. Wyatt.

H.R. 2762: Mr. Breaux, Mr. Addabbo, Mr. Frost, and Mr. Bedell.

H.R. 3006: Mr. Hance and Mr. Mikva.

H.R. 3521: Mr. Bowen, Mr. Daschle, Mr. Ottinger, Mr. Edgar, Mr. Ichord, Mr. Whitley, Mr. Burlison, Mr. Kogovsek, Mr. Young of Alaska, Mr. Volkmer, Mr. Cheney, Mr. Montgomery, Mr. Charles Wilson of Texas, Mr. Dornan, Mr. Leach of Iowa, Mr. Stangeland, Mr. Hinson, Mr. Bauman, Mr. Lott, Mr. Cleveland, Mr. Wampler, Mr. Andrews of North Dakota, and Mr. Kindness.

H.R. 3564: Mr. Forsythe and Mr. Weiss.

H.R. 3597: Mr. Bauman.

H.R. 3640: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Abdnor, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior of Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Murphy of Pennsylvania, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. Green, Mr. Grassley, Mr. Rinaldo, Mr. Hollenbeck, and Mrs. Chisholm.

H.R. 3687: Mr. Anthony, Mr. Treen, and Mr. Hinson.

H.R. 3696: Mr. Treen.

H.R. 3767: Mr. Fauntroy, Mr. Tauke, Mr. Wylie, Mr. Thomas, Mr. Moorhead of California, and Mr. Quayle.

H.R. 3854: Mr. Downey, Mr. LaFalce, Mr. Weiss, Mr. Scheuer, Mr. Seiberling, Mr. Ottinger, Mr. Mitchell of Maryland, Mr. Guarini, and Mr. Nolan.

H.R. 3855: Mr. Downey, Mr. LaFalce, Mr. Weiss, Mr. Scheuer, Mr. Seiberling, Mr. Ottinger, Mr. Mitchell of Maryland, Mr. Guarini, and Mr. Nolan.

H.J. Res. 86: Mr. Robinson.

H.J. Res. 317: Mr. Kostmayer.

H. Con. Res. 50: Mr. Andrews of North Dakota, Mr. Benjamin, Mr. Brodhead, Mr. Cleveland, Mr. Daniel B. Crane, Mr. Dornan, Mr. Dougherty, Mr. Flood, Mr. Forsythe, Mr. Hughes, Mr. Hyde, Mr. Jacobs, Mr. Kogovsek, Mr. Lagomarsino, Mr. Lederer, Mr. Lee, Mr. Lent, Mr. McDonald, Mr. McHugh, Mr. Moakley, Mr. Murphy of Pennsylvania, Mr. Pease, Mr. Peyser, Mr. Sensenbrenner, Mr. Stokes, Mr. Vento, Mr. Waxman, Mr. Wolpe, and Mr. Yatron.

H. Con. Res. 57: Mr. Bonior of Michigan, Mr. Hagedorn, Mr. Bafalis, Mr. Kemp, Mr. Carney, Mr. Roe, and Mr. Winn.

H. Res. 144: Mr. Biaggi, Mr. Downey, Mr. Hughes, Mr. Drinan, Mr. Russo, Ms. Oakar, Mr. Gudger, Mr. Hammerschmidt, Mr. Abdnor, Mr. Rinaldo, Mr. Marks, Mr. Dornan, Mr. Hollenbeck, Mr. Green, Mr. Albosta, Mr. Bevill, Mr. Bingham, Mr. Bonior, Michigan, Mr. Clay, Mr. Conyers, Mr. Corrada, Mr. Dellums, Mr. Diggs, Mr. Dougherty, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Michigan, Mr. Harkin, Mr. Hawkins, Mr. Howard, Mr. Kastenmeier, Mr. Long of Maryland, Mr. Moakley, Mr. Mottl, Mr. Myers of Pennsylvania, Mr. Nolan, Mr. Ottinger, Mr. Patten, Mr. Rahall, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. St Germain, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Udall, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, and Mrs. Chisholm.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

121. By the SPEAKER: Petition of the California Association of Sanitation Agencies, Newport Beach, Calif., relative to EPA policies regarding water reclamation projects; to the Committee on Interior and Insular Affairs.

122. Also, petition of William R. Pabst, Houston, Tex., and others, relative to impeachment of U.S. District Court Judge Sara T. Hughes; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

S. 869

By Mr. ECKHARDT:

—Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ".

Page 1, line 6, insert the following after "clause (ii),": "strike out 'and as specified in subsection (d) of this section, within two years after his employment has ceased' ".

Page 1, line 7, before "and in subparagraph (3)" add "strike out 'concerning any formal or informal appearances before—' and insert in lieu thereof the following:

(a) in a matter involving technical, medical, scientific, or educational research, as determined by the Office of Government Ethics, by personal presence at any formal or informal appearance, before, or

(b) in all other matters, concerning any formal or informal appearance before—".

Add the following section at the end of the bill:

Sec. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) on active duty as a commissioned officer of a uniformed service assigned to a pay grade of 0–9 or above as described in section 201 of title 37, United States Code; or

"(3) in a position designated under this paragraph by the department or agency concerned. Not later than July 1, 1980, each department or agency concerned shall, with the concurrence of the Director of the Office of Government Ethics, by rule designate positions as necessary to protect against the exercise of undue influence. Each department or agency concerned may also determine by rule that the provisions of subsection (c) of this section shall apply to persons formerly employed in positions designated under this paragraph only in the case of appearances before or communications to specified offices, or persons in specified positions, at the department or agency. On an annual basis, each department or agency concerned shall review those designations and determinations made under this paragraph, and, with the concurrence of the Director of the Office of Government Ethics, by rule make such additions and deletions as are necessary. No designation under this paragraph shall become effective less than ninety days after the promulgation of the rule making the designation.".

—Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ".

Page 1, line 6, insert the following after "clause (ii),": "strike out 'and as specified in subsection (d) of this section, within two years after his employment has ceased' ".

Page 1, line 7, before "and in subparagraph (3)" add "strike out 'concerning any formal or informal appearances before—' and insert in lieu thereof the following:

(a) in a matter involving technical, medical, scientific, or educational research, as determined by the Office of Government Ethics, by personal presence at any formal or informal appearance, before, or

(b) in all other matters, concerning any formal or informal appearance before—".

Add the following section at the end of the bill:

Sec. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) on active duty as a commissioned officer of a uniformed service assigned to a pay grade of O–9 or above as described in section 201 of title 37, United States Code; or

"(3) in a position which involves significant policy making or supervisory responsibility, as designated under this paragraph, by the Director of the Office of Government Ethics, after consultation with the department or agency concerned. Only positions for which the basic rate of pay is equal to or greater than the basic rate of pay for GS–17 of the General Schedule prescribed by section 5332 of Title 5, United States Code, or positions of active duty commissioned officers of the uniformed services assigned to a pay grade of O–7 or O–8, as described in section 201 of Title 37, United States Code may be designated. As to persons in positions designated under this paragraph, the Director of the Office of Government Ethics may limit the prohibitions of subsection (c) to appearances before or communications to specified offices or specified positions rather than to an entire department or agency. On an annual basis, the Director of the Office of Government Ethics shall review the designations and determinations made under this paragraph and, after consultation with the department or agency concerned, make such additions and deletions as are necessary."

—Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ".

Page 1, line 6, insert the following after "clause (ii),": "strike out 'and as specified in subsection (d) of this section, within two years after his employment has ceased' ".

Page 1, line 7, before "and in subparagraph (3)" add "strike out 'concerning any formal or informal appearances before—' and insert in lieu thereof the following:

(a) in a matter involving technical, medical, scientific, or educational research, as determined by the Office of Government Ethics, by personal presence at any formal or informal appearance, before, or

(b) in all other matters, concerning any formal or informal appearance before—".

—Page 1, lines 6 and 7 and Page 2, strike all after "follows: " and insert in lieu thereof the following: "strike clause (i), and in subparagraph (3), strike 'which was actually pending under his official responsibility as an officer or employee within a period of one year prior to the termination of such responsibility, or'."

—Page 1, line 7, insert the following after "personal presence at' ": ", and strike out ', within two years after his employment has ceased' ".

—Page 1, line 7, insert the following after "personal presence at' ": ", and strike out 'and as specified in subsection (d) of this section' ".

—Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ".

Page 1, line 7, before "and in subparagraph (3)" add "strike out 'concerning any formal or informal appearances before—' and insert in lieu thereof the following:

(a) in a matter involving technical, medical, scientific, or educational research, as determined by the Office of Government Ethics, by personal presence at any formal or informal appearance, before, or

(b) in all other matters, concerning any formal or informal appearance before—".

—Page 1, line 7, insert the following after "personal presence at' ": ", and strike out 'and as specified in subsection (d) of this section, within two years after his employment has ceased' ".

—Page 1, lines 6 and 7, strike out "in clause (ii), strike 'concerning' and insert 'by personal presence at'; and ".

—Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ", and insert the following after "clause (ii),": "strike out 'and as specified in subsection (d) of this section, within two years after his employment has ceased' ".

—Strike all after the enacting clause and insert in lieu thereof the following: "That subsection (b) of section 207 of title 18, United States Code, as amended by the Act of October 26, 1978 (Public Law 95–521, section 501(a); 92 Stat. 1864) is deleted and that subsections (c) through (j) of such section 207 are redesignated as subsections (b) through (i) respectively."

—Strike all after the enacting clause and insert in lieu thereof the following: "That subsection (b) of section 207 of title 18, United States Code, as amended by the Act of October 26, 1978 (Public Law 95–521, section 501(a); 92 Stat. 1864) is amended by striking it and inserting in lieu thereof the following:

" '(b) Whoever, having been so employed, within one year after his employment has ceased, appears personally before any court or department or agency of the Government as agent, or attorney for, anyone other than the United States in connection with any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the United States is a party or directly and substantially interested, and which was under his official responsibility as an officer or employee of the Government at any time within a period of one year prior to the termination of such responsibility; or',"

By Mr. KINDNESS:

—On page two, following line two, add the following new section to the bill:

"Sec. 2. Section 207 of title 18, United States Code, is amended by adding the following new subsection (e).

"(e) The prohibition contained in subsection (c) shall not apply with respect to the representation by any person who is an elected official or full-time employee of a State or local government, or any agency or instrumentality thereof, or of any institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, or any medical research or treatment facility exempted under section 501(c)(3) of the Internal Revenue Code of 1954."

Redesignate subsections (e) through (j) as subsections (f) through (k) respectively."

—Add the following section at the end of the bill:

Sec. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) on active duty as a commissioned officer of a uniformed service assigned to pay grade of O–9 or above as described in section 201 of title 37, United States Code; or

"(3) in a position which involves significant policy making or supervisory responsibility, as designated under this paragraph by the Director of the Office of Government Ethics after consultation with the department or agency concerned. Only positions for which the basic rate of pay is equal to or greater than the basic rate of pay for GS–17 of the General Schedule prescribed by section 5332 of title 5, United States Code, or positions which are established within the Senior Executive Service pursuant to the Civil Service Reform Act of 1978, or positions of active duty commissioned officers of the uniformed services assigned to pay grade of O–7 or O–8, as described in section 201 of title 37, United States Code may be designated. As to persons in positions designated under this paragraph, the Director of the Office of Government Ethics may limit the prohibitions of subsection (c) to appearances before or communications to specified offices or specified positions, rather than to an entire department or agency. On an annual basis, the Director of the Office of Government Ethics shall review the designations and determinations made under this paragraph and, after consultation with the department or agency concerned, make such additions and deletions as are necessary."

SENATE—*Tuesday, May 22, 1979*

(Legislative day of Monday, May 21, 1979)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. DAVID H. PRYOR, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

O God of grace and God of glory, at this morning altar of prayer we open our hearts to Thee knowing that Thy purpose for us is vaster than any prayer we utter. Deeper than our words, higher than our thoughts. We know that Thy presence is the answer to every prayer. Shed Thy holy light upon all who labor in the Government of this Nation. May Thy higher wisdom prevail over our fallible judgments. Where there is error, correct it; where there is anything corrupt, purify it; where there is division, unify it; where there is right, establish it. Give us the courage to speak clearly and act bravely for freedom. Lead us in paths of righteousness for Thy name's sake. Amen.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 22, 1979.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DAVID H. PRYOR, a Senator from the State of Arkansas, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. PRYOR thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, if the minority leader is willing, we could have some morning business at this time.

Mr. BAKER. Mr. President, I do not object to that.

The distinguished assistant Republican leader needs part of my time, but if we put it together with morning business, that is all right.

Mr. ROBERT C. BYRD. Then, Mr. President, I ask unanimous consent that the time was set aside for Mr. STEWART be vitiated later and that there now be a period for the transaction of routine morning business, not to exceed 10 a.m., and that Senators may speak up to 5 minutes each therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TURKEY NEEDS A HAND, NOT A ROD

Mr. STEVENS. Mr. President, as one who has taken the New York Times to task from time to time when I have disagreed with their editorials, I take pleasure today in calling the Senate's attention to a timely and succinct editorial in this morning's New York Times entitled "Turkey Needs A Hand, Not A Rod."

As one of the Members of the Senate who has visited Turkey and seen the results of the ill-advised embargo we imposed upon Turkey in the past, and having spent considerable time with the leaders in Turkey on that visit, including Mr. Ecevit, I am fully in support of the effort to turn a portion of the emergency military aid into a grant, as is proposed by the Robert C. Byrd-Chafee amendment, which I hope will be before the Senate today.

This editorial, as I stated, succinctly states the reasons, the very cogent reasons, why the Senate should overwhelmingly adopt the Byrd-Chafee amendment, in my opinion.

Mr. President, I ask unanimous consent the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TURKEY NEEDS A HAND, NOT A ROD

When Congress decided last fall to lift the arms embargo on Turkey, it confessed a failure. It acknowledged that the three-year ban had estranged a strategic ally and injured NATO without promoting, as intended, a Cyprus settlement. Lifting the embargo made it politically possible for Turkey to reopen American military bases, including intelligence monitors on the Soviet Union. It also let the United States lead an effort to rescue Turkey from economic crisis, political instability and military decline. No doubt it also contributed to last week's resumption, after a two-year break, of Greek-Turkish talks on Cyprus.

Whether this American approach is to be given a chance to work depends in part on a key Senate vote today. The issue is narrow, but symbolically vital: whether $50 million in emergency military aid is to be given Turkey as a grant, as requested by the Carter Administration, or as a commercial loan, as recommended by the Senate's Foreign Relations Committee.

The committee's vote has already raised hackles in Ankara; if the Senate now follows, it is bound to inflame other controversies. One of these turns on the new American request for U–2 reconnaissance flights from Turkey to gather arms control verification data that are no longer available from sites in Iran. Prime Minister Ecevit has absorbed much criticism for reopening American military installations without a formal agreement on bases. He seems prepared to let the U–2's fly if assured that Moscow will not raise too much fuss and if Washington continues to help him through his crisis. But his main opponent, former Prime Minister Demirel, argues that the U–2 flights will put Turkey "in front of the gun barrel."

The military grant is justifiable in its own terms. Half of Turkey's major military equipment is said to be inoperable because of the arms embargo. The promise of new arms shipments when the embargo ended has not yet been significantly fulfilled. Moreover Turkey has foreign debts of $17 billion and stands in default on a third of them. An inability to pay for imports has idled almost half its industry; unemployment is at 20 percent and the inflation over 50 percent.

In these circumstances, there is no good reason to insist on commercial loan terms except to revive the policy of punishment. Senators who favor the Greek position on Cyprus oppose the aid in that spirit. But the American objective now ought to be to help Turkey through a difficult period and, with friendly pressure, to a more generous position on Cyprus. Punishment would only make a bad situation worse.

ORDER FOR RECOGNITION OF SENATOR JEPSEN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the order for the recognition of Mr. TSONGAS, which order has been entered previously, Mr. JEPSEN be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSTITUTIONAL SUPPORT FOR THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, opponents of the Genocide Convention frequently raise constitutional issues in support of their arguments against ratification; ratification of the very treaty that purports to reaffirm the goals and aspirations of our Constitution's framers.

Yet the Supreme Court itself "has regularly and uniformly recognized the supremacy of the Constitution over a treaty" (*Reid* v. *Covert*, 354 U.S. 1). It is, therefore, fallacious to claim that the Genocide Convention will supersede the Constitution of the United States. It will not and cannot do so. Nor, pursuant to its power under article I, section 8, would the Convention usurp Congress legislative function. It would merely require that such functions be exercised by the United States upon accession to the treaty.

Furthermore, Mr. President, Congress possesses a specifically "delegated power" in regard to the definition and punishment of "Offenses against the Law of Nations"; the reserve powers of the States under the 10th amendment are inapplicable. The notion that the 10th amendment operates as a limitation upon the treaty power of the United States has also been rejected. (*Missouri* v. *Holland*, 252 U.S. 416).

Most important, Mr. President, ratification of the Genocide Convention would not deny an American citizen who has allegedly committed the crime his guaranteed constitutional rights. The proposed fifth reservation provides, in effect, that the Secretary of State shall not grant extradition unless he has determined that the accused will receive Bill of Rights protections in the requesting State.

Mr. President, as Chief Justice Warren said in 1968, "We as a Nation should have been the first to ratify the Genocide Convention," instead of being so laggard.

I hope the Senate will act, and act as promptly as possible.

THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar

Orders numbered 156, 158, 159, 173, 174, and 182.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, my reservation is simply to say to the distinguished majority leader that these items are cleared on our calendar and we have no objection to proceeding to their consideration and adoption.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

EXTENSION OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

The Senate proceeded to consider the bill (S. 717) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 2 years, which had been reported from the Committee on Agriculture, Nutrition, and Forestry with an amendment to strike all after the enacting clause and insert the following:

> That section 31 of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. 136y), is amended by adding at the end therof the following: "There are hereby authorized to be appropriated to carry out the provisions of this Act for the period beginning October 1, 1979, and ending September 30, 1980, such sums as may be necessary, but not in excess of $62,250,000.".

● Mr. TALMADGE. Mr. President, S. 717 will authorize appropriations, not in excess of $62,250,000, for the Federal pesticide program in fiscal year 1980.

I believe that the relatively short 1-year extension is most appropriate at this time. During this year and in fiscal year 1980, the Environmental Protection Agency will be implementing the Federal Pesticide Act of 1978.

The 1978 act made major improvements in the Nation's basic pesticide legislation—the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA)—to cut the redtape and resolve the controversies that have immobilized the Federal pesticide program. It gave States new powers in pesticide regulation and simplified the procedure for registration of pesticides. These amendments to FIFRA are important to farmers and others who rely on pesticides for their livelihoods.

With a 1-year extension we will be able to evaluate EPA's progress in implementing the 1978 act as soon as is feasible.

I do not believe it would be appropriate to include additional provisions in S. 717 to change the operation of the pesticide program so soon after the wide-ranging amendments to FIFRA made by the Federal Pesticide Act of 1978. EPA should be given the chance to make the law work. Certainly, by extending the authorization for appropriations for only 1 year, we will be able, relatively soon, to consider further changes in the Federal pesticide program, if needed.

S. 717 both meets the needs of the Federal pesticide program and insures close oversight of that program. I urge its adoption by the Senate.●

● Mr. STEWART. Mr. President, the bill S. 717, as amended by the committee, would extend the authorization for appropriations to support the Federal pesticide program under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) through September 30, 1980. The bill would authorize appropriations of not more than $62,250,000 for fiscal year 1980 to carry out FIFRA. Included in this figure would be authorization for appropriations for the Environmental Protection Agency's research and development program under FIFRA.

Mr. President, the control and regulation of pesticides has been a controversial issue for many years. The Federal Insecticide, Fungicide, and Rodenticide Act was passed in 1947. However, there was widespread concern about inadequacies in the legislation. In 1972 FIFRA was extensively amended in an effort to modernize and resolve deficiencies in the legislation. Unfortunately, it was impossible to foresee the many difficulties that would develop with the new legislation. The cure seemed worse than the illness as EPA and the entire industry became bogged down in bureaucratic redtape.

Several attempts were made to resolve the problems, and finally in 1978 a complete re-examination of the 1972 amendments was made. This re-examination resulted in extensive modifications to FIFRA which most people believe will resolve the problems that have plagued us since 1972.

These new amendments are just now being implemented and everyone agreed that the legislation should be extended without major amendment. However, there was also a strong feeling—with the exception of the Environmental Protection Agency—that the reauthorization should not be for more than 1 year. This assures that the legislation will receive a full and careful analysis next year after EPA has had the opportunity to implement the 1978 amendments.

The committee is unanimous in the position that we need to conduct continuous oversight of the implementation of the 1978 amendments by EPA. For instance, we are carefully monitoring the so called cite-all regulation that has caused some concern in the pesticide industry. I have requested from EPA a complete analysis of this issue. I have asked the industry to give me a more detailed statement of their concerns as well.

We also are closely monitoring the way EPA is handling the fire ant problem. Fire ants are a serious health problem for the South and cannot be left unsolved. Senator COCHRAN has been most active in working with EPA to find a solution. The Congress has provided in FIFRA the necessary authority to assess problems and the flexibility to find solutions. Currently, a review is being conducted of alternative pesticides. We hope that a satisfactory resolution to the fire ant problem can be found. We will do everything possible to make sure this happens.●

● Mr. COCHRAN. Mr. President, I support passage of S. 717 to authorize a 1-year extension of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). Even though regulation of the production and use of substances that are potentially hazardous to our health is necessary, I am very concerned about arbitrary regulation and the need to bring order, commonsense, and standardization to the process of determining the acceptability of various chemicals that have proven benefits.

As Senator STEWART mentioned, I am disturbed by the current fire ant problem in my home State of Mississippi and in most of the States in the South where about 200 million acres are infested.

The Environmental Protection Agency (EPA), which has responsibility for carrying out FIFRA, limited the use of Mirex in 1977 to one aerial application per year. It was banned for aerial application on December 31, 1977 under the assumption that Ferriamicide would be approved on an emergency-use basis under section 18 of the act.

However, based on a Canadian study which indicated it to be a potential carcinogen, Ferriamicide has not been approved.

As a result, there has not been an effective means to control fire ants since December 1977. The ants are continuing to spread at a rate of about 15 miles per year. There have been some reports that fire ants have recently spread into Arizona and California bringing infestation to a total of 11 States. Landowners are left with a deep sense of frustration, and every effort must be made by business and government to insure that a safe but effective pesticide is found.

As a result of recent talks I have had with EPA officials I am optimistic that a solution can be found soon that will make an effective pesticide available to control fire ants. Therefore, I will not offer an amendment to this bill to legislate the use of Mirex on the same limited-use basis as existed in 1977 since the House bill contains such a provision. I believe it is appropriate for the Senate to vote in favor of reauthorizing FIFRA for 1 year.●

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read:

> A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act for 1 year.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MARINE PROTECTION, RESEARCH AND SANCTUARIES, TITLE III AUTHORIZATIONS, 1980 AND 1981

The bill (S. 1140) to amend title III of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to authorize appropriations for such title for fiscal years 1980 and 1981, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1434) is amended—

(1) by striking out "and" immediately after "fiscal year 1977,", and

(2) by adding immediately after "fiscal year 1978" the following: ", not to exceed $3,000,000 for fiscal year 1980, and not to exceed $4,000,000 for fiscal year 1981".

SEC. 2. Section 302(a) of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1432(a)) is amended by inserting immediately after the term "ecological," the word "scientific,".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–148), explaning the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND SUMMARY

It is the purpose of the bill to extend the authorization for appropriations for title III of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended for fiscal years 1980 and 1981. In addition, the bill amends the act to add the term "scientific" to the list of criteria for which a marine sanctuary can be established.

BACKGROUND

Title III of the Marine Protection, Research, and Sanctuaries Act of 1972 created the marine sanctuaries program in the National Oceanic and Atmospheric Administration (NOAA). The program provides for the designation of marine sanctuaries to preserve or restore specific areas of ocean, coastal, and Great Lakes waters. These areas are chosen on the basis of their conservation, recreational, ecological, or esthetic values.

Although the act was approved in 1972 and authorized up to a $10 million appropriation for fiscal year 1973, no money was made available under title III for the marine sanctuaries program until fiscal year 1976. For that year and the 2 years following, very small sums were provided, and only then through reprogramming efforts.

In 1977 for the first time since the inception of the program in 1972, the administration focused on title III and established it as a priority. President Carter, in his environmental message on May 23 of that year, recognized the value and function of the program. The President requested that the Secretary of Commerce identify possible sites for marine sanctuaries and begin collecting the data necessary for their proper evaluation and designation.

For fiscal year 1979 the administration made the first direct appropriation request in the program's 7-year history, and the Congress supported the request for $500,000.

In keeping with the lack of funding, until recently, the marine sanctuaries program necessarily experienced little activity in its early history. By 1975 only two marine sanctuaries had been designated: The site off North Carolina coast where the historically valuable Civil War iron-clad, the *Monitor,* rests; and Key Largo, an extensive coral reef structure in the Florida Keys adjacent to the State's underwater John Pennekamp State Park.

The reprogramed funds along with the President's attention spurred the program, and by February 1, 1978, 169 nominations had been received from other Federal agencies, the States, and members of the public. The National Oceanic and Atmospheric Administration has taken a preliminary look at the nominated sites and has reduced to approximately 100 the number of areas which should receive further consideration. Of these, no more than 25 to 30 will probably receive designation at a rate projected by the agency of approximately 4 to 5 sites in any given year due to budgetary and personnel constraints.

NOAA has spent a considerable amount of time and energy over the last year reviewing its original regulations for the program in conjunction with the goals of the marine sanctuaries program and several concerns expressed by this committee and the House Merchant Marine and Fisheries Committee. As a result, new regulations have been proposed which are much more comprehensive in scope. The committee believes the purpose and function of a marine sanctuary have been much more clearly delineated by this effort, particularly as the program relates to other Federal programs and private activities which may be compatible with sanctuary designation, as for example, commercial fishing.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HAZARDOUS MATERIALS TRANSPORTATION AUTHORIZATIONS, 1980

The bill (S. 1141) to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal year 1980, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 115 of the Hazardous Materials Transportation Act (49 U.S.C. 1812) is amended—

(1) by striking "and" immediately after "1978,"; and

(2) by inserting immediately before the period at the end thereof the following: ", and not to exceed $5,500,000 for the fiscal year ending September 30, 1980".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–149), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This legislation amends the Hazardous Materials Transportation Act to provide an authorization of $5,500,000 for fiscal year 1980, for the Department of Transportation's hazardous materials transportation safety activities.

BACKGROUND AND NEED

The Hazardous Materials Transportation Act was passed by the Congress in 1974 in order to strengthen the Federal Government's regulation of hazardous materials transportation in commerce. The transportation of hazardous materials is a matter of increasing congressional concern due to the growing awareness of the magnitude and pervasiveness of this transportation. In 1978, for example, more than 4 billion tons of hazardous materials were shipped 218,170 million ton-miles by various transportation modes throughout the United States. Often by necessity, such transportation travels through highly populated areas. Therefore, there is the continuing danger that a mishap could lead to a catastrophic accident.

In 1978, the number of reported incidents increased 19 percent to 18,022 incidents. There was also an increase in deaths and injuries as a result of two major accidents involving derailments of rail tank cars carrying compressed liquid gases and a number of other transportation accidents. In 1978, there were 45 deaths and 1,407 injuries compared to an annual average of about 21 deaths and 592 injuries for the preceding 7 years.

In April, another train derailment again underscored the potential dangers. This train, carrying more than 20 carloads of various hazardous materials, including acetone, chlorine, and anhydrous ammonia, derailed 3 miles from Crestview, Fla. In the ensuing explosion, poisonous fumes were emitted requiring the evacuation of 4,500 people. James King, Chairman of the National Transportation Safety Board, pointed out that, if this accident had taken place in a more populated area, it could have caused a "catastrophe".

This derailment exemplified the extremely difficult problems that a hazardous materials transportation accident can create for State and local personnel. As this train carried a number of different types of hazardous materials, the accident created the potential for a multiplicity of dangers, each requiring specialized treatment. For emergency personnel to react effectively and expeditiously, there must be readily available adequate data on the potential dangers and the actions that should be taken to minimize the dangers. Otherwise a controllable accident could turn into a disaster.

Last year, the committee requested that the Congressional Research Service of the Library of Congress prepare a detailed report on the adequacy of the Department of Transportation's hazardous materials transportation safety activities. This report, completed in April 1979, complimented the Department of Transportation (DOT) on significant improvements in their hazardous materials transportation activities. The report noted, for example, that the Department has made several important organizational changes designed to increase the effectiveness and efficiency of its hazardous materials transportation safety programs. The Department has begun to publish an "Annual Regulatory Review and Development Plan" which sets policy guidelines, priorities, and a plan for hazardous materials transportation safety regulatory action. DOT has also created a standing committee on hazardous materials to assure coordination between the various intermodal regulatory groups within the Department. Also DOT recently made permanent appointments to a number of high level management positions in the hazardous materials transportation safety area that had previously been vacant or filled by personnel in a temporary or acting status.

Despite these favorable findings, the report contained a number of significant criticisms including the following:

First, DOT's hazardous materials transportation inspection programs are not sufficient. For example, the Materials Transportation

Bureau has "only 6 full-time inspectors to inspect approximately 20,000 container manufacturers and suppliers and 100,000 shippers of hazardous materials."

Second, the Department of Transportation appears to place too low a priority on inspections of shipper facilities and container manufacturers.

Third, the labeling, placarding, and shipping papers accompanying hazardous materials must be improved in order to provide adequate information to emergency personnel when they are confronted with hazardous materials transportation accident situations. Frequently, this information has proven insufficient to allow emergency personnel and the general public to react appropriately to these dangers.

Fourth, the Congressional Research Service report raised questions as to whether the penalty levels imposed for violation of the Hazardous Materials Transportation Act insure sufficient compliance by affected groups.

Fifth, the report raised concerns about the extent to which DOT's regulatory responsibilities have been delegated to industry.

The committee will carefully examine the Department of Transportation's activities in each of these areas in the coming year. The committee also believes that the Department should carefully review the Congressional Research Service report.

The committee also believes that for DOT's hazardous materials transportation safety activities to be as effective as possible, DOT must foster close coordination between the Department and the State and local officials with responsibility in the hazardous materials transportation area. The committee requests the Department to provide the committee with information detailing the extent and nature of its present and planned cooperative activities with State and local governments in the hazardous materials transportation safety area, including DOT's assessments of whether and in what form increased financial and/or other assistance to State and local governments would strengthen their capacities to respond to hazardous materials transportation accidents. The committee believes the public cannot be fully protected unless every level of government is fully prepared to respond to hazardous materials transportation accidents.

Another issue of concern to the committee is the appropriate level of regulation of farmers and ranchers in regard to hazardous materials transportation regulations. During the committee hearings on April 24, 1979, the American Farm Bureau Federation raised questions about the applicability of hazardous materials transportation regulations in regard to transportation of table II compounds in farmer owned, not for hire farm vehicles. The American Farm Bureau testified:

> Any farmer who transports materials considered hazardous is covered by the act and by the regulations. He is required to have shipping papers to accompany such material, trained personnel to handle such material and to use approved placards on trucks hauling certain materials.

The American Farm Bureau's testimony went on to note:

> Present regulations do not recognize certain problems which exist in agricultural operations. For example, farmers often transport agricultural chemicals in spraying equipment on local roads between sections of a farm or two or more farms that are part of the same operation. In such cases, there is the practical problems of where farmers would obtain the required shipping documents and placards for movements which can occur several times in a single day.

The committee believes that the American Farm Bureau has raised an important issue. Therefore, the committee directs the Department of Transportation to analyze this problem carefully and to provide the committee with its views as to how farmers and ranchers in these circumstances are presently regulated and what should be done, if anything, in this area.

An area of growing national concern and also an issue of great importance to the committee is ensuring the safe transportation of radioactive materials. In response to questions from committee members the Department of Transportation testified that at the present time, the Department does not have a detailed and specific emergency response plan for radioactive materials and does not have adequate routing requirements or guidelines for routing of radioactive materials. The committee believes a program for the transportation of radioactive waste, including both an emergency response plan and the proposed regulations for highway routing should be given high priority by the Department. These activities, of course, should be coordinated with other responsible Federal departments and agencies and with State and local governments. In the committee's hearings, DOT promised expeditious action in this area and provided target dates for their regulatory activities. The committee will closely monitor DOT's progress in this area to see that they are providing sufficient effort and attention to this critical issue. The Department of Transportation must have more comprehensive knowledge of radioactive shipments in order to carry out accurately their responsibilities in this area and to assure the safe transportation of radioactive materials.

The committee held a detailed hearing on the Hazardous Materials Transportation Act on April 24, and favorably reported an original bill providing an authorization of $5,500,000 for this act on May 1. The committee believes, considering the tremendous volume of hazardous materials transported annually in this country including transportation of such materials in trains, planes, trucks, ships, and their intermodal connections, that this authorization level is necessary for the DOT to adequately carry out a hazardous materials transportation program.

The recent Congressional Research Service report and the committee's own hearings have shown that the DOT is improving its efforts, but there is a need for expanded enforcement and increased regulatory activity to assure the safety of the American public. The committee increased the authorizations for this act to $5,500,000 in comparison to $5 million in 1979 to insure that DOT would be able to respond to any unexpected serious hazardous materials transportation disaster. The committee intends to continue thorough oversight of this program to assure that the DOT focuses its resources on high priority areas in the hazardous materials transportation safety area.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed.

SAFE DRINKING WATER ACT AMENDMENTS

The bill (S. 1146) to amend title XIV of the Public Health Service Act, as amended by the Safe Drinking Water Act (88 Stat. 1680, 42 U.S.C. 300j), to extend for 3 fiscal years the authorization for appropriations, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1444 of the Public Health Service Act is amended by adding a new subsection (e), which shall read as follows:

"(e) The administrator shall establish demonstration projects for the abatement and control of drinking water contaminants, including both synthetic, organic and inorganic substances, in water supply systems serving five thousand persons or less. For purposes of this subsection, there are authorized to be appropriated $1,000,000, which shall remain available until expended.".

SEC. 2. (a) Section 1442(e) of the Public Health Service Act is amended by striking "and" immediately following "1977;" and by inserting after "1979" and before the period: "; $21,405,000 for fiscal year 1980; $24,647,000 for fiscal year 1981; and $30,485,000 for fiscal year 1982.".

(b) Section 1443 of the Public Health Service Act is amended—

(1) by striking "and" immediately following "1978" in paragraph (a)(7) and inserting after "1979" and immediately following the period: "; $29,000,000 for fiscal year 1980; $30,000,000 for fiscal year 1981; and $35,943,000 for fiscal year 1982.".

(2) by striking "and" immediately preceding "$10,000,000" in paragraph (b)(5) and inserting after "1979" and immediately before the period: "; $7,795,000 for fiscal year 1980; $14,453,000 for fiscal year 1981; and $15,172,000 for fiscal year 1982.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96-161), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The Federal approach to regulation of drinking water has been an evolutionary process. Starting with quarantine regulations in the 1920's and the interstate carrier program in the 1940's, the Public Health Service began prescribing methods necessary to prevent the introduction, transmission, or spread of communicable diseases. The Public Health Service guidelines, promulgated in 1962, gave valuable direction to communities and other water suppliers. Under Reorganization Plan No. 3 of 1970, the authority to establish and revise drinking water standards for interstate carriers was transferred to the Administrator of the Environmental Protection Agency. Subsequently, the Environmental Protection Agency adopted the 1962 Public Health Service guidelines.

The approach of the Public Health Service, however, proved inadequate.

First, the guidelines were not enforceable.

Second, each State had the flexibility to determine the scope of its water systems protection. Many State, regional and local governments failed to develop, apply, or enforce applicable standards. The General Accounting Office, the Conference of State Sanitary Engineers, the Environmental Protection Agency, and several public interest investigators, have documented the inadequacy of water system quality control efforts. They found that treated water was frequently below standards.

Third, the Federal standards failed to address the many cancer-causing chemical compounds in drinking water supplies. Toxic organic and inorganic chemicals are commonly found at high levels in raw water. But the legal authority to issue standards requiring their removal was not exercised.

Fourth, underground sources of drinking water were not adequately protected either by the Public Health Service standards or by the Federal Water Pollution Control Act. Poisoning of water supplies linked to underground injection had been documented in many instances. Public agencies such as the Bureau of Mines, the U.S. Geological Survey, and several States, responsible companies, and the public at large became concerned about the substantial hazards associated with deep well injection of contaminants and the increasing reliance on deep well injection for disposal of wastes, chemicals, and industrial byproducts.

It was against this backdrop that the Congress enacted the Safe Drinking Water Act of 1974. In order to deal with public drinking water, and groundwater contamination and waterborne disease, the act directed the Environmental Protection Agency to establish a preventive program to protect the public from known and potential hazards. Briefly, this program involved:

(1) promulgation of national primary (health) and secondary (aesthetic) drinking water standards;

(2) promulgation of standards to guarantee the integrity of groundwater sources of drinking water;

(3) development of an effective enforcement program in cooperation with State governments, giving this responsibility primarily to the States; and

(4) implementation of a strong health effects and technology research effort.

The Environmental Protection Agency, with the assistance of the States, the water supply industry, and active and concerned members of the public, has taken the first steps toward implementing this program. National primary and secondary drinking water standards have been established. These standards serve as the basis for the first nationwide program of monitoring public water supplies.

The Safe Drinking Water Act envisions States assuming primary enforcement responsibility, or primacy, for public water systems. EPA grants primacy conditions on a State's adoption of drinking water regulations at least as stringent as the national standards, on the State's showing that it has adequate administrative capability to enforce the program, and on a showing that the proper recordkeeping requirements will be met. To date, 40 States have met these requirements. Hence, the anticipated State-Federal partnership is a fact.

The act has provided for the training of thousands of municipal plant operators across the Nation. It has also set in motion scientific examination which promises improvements in treatment technology for the future, as well as advancement in the understanding of the relationship between drinking water, its components, and human health.

Finally, the public notification program is operating successfully. Complacency about safe water supplies is being replaced by educated concern about human health hazards.

These steps while commendable, are only a beginning. Results from available health research dictates that additional effort must be invested in the task of removing cancer-causing chemicals from community water supplies. To date, more than 700 organic chemicals have been measured in drinking water samples. Many of these are known to be cancer-causing or otherwise hazardous, such as vinyl chloride, benzene, carbon tetrachloride, trichloroethylene, chloroform, Kepone, and PCB's. But the vast majority have not yet even been tested to determine their toxicity.

The act requires that EPA adopt a preventive health posture in regulating contaminants. This requires that uncertainties be resolved on the side of protecting public health. With chemicals whose side effects may not become manifest for a generation after exposure, this means regulations cannot be withheld until danger is conclusively proven. The Environmental Protection Agency must include organic chemicals in the regulatory scheme of primary drinking water regulations.

This goal was clearly envisioned by the authors of the Safe Drinking Water Act. As Judge Leventhal of the U.S. Court of Appeals for the District of Columbia stated, "[t]he legislative history [of the Safe Drinking Water Act] contains abundant evidence that Congress intended the rapid implementation of broad mandatory controls over impurities." *Environmental Defense Fund* v. *Costle*, 578 F. 2d 337, 343 (D.C. Cir. 1978).

The act and its accompanying reports reflect serious concern about the effects of introducing industrial chemicals into this society. The 1974 House report noted, "The committee intends that the revised regulations contain a *comprehensive* (emphasis added) program of control of drinking water contamination." The Senate and House committee reports leave no doubt about the urgency of including organic chemicals in this comprehensive strategy. The need for this effort was highlighted in President Carter's Environmental Message of 1977. EPA, he declared, must "* * * set standards under the Safe Drinking Water Act which will limit human exposure to toxic substances in drinking water, beginning with potential carcinogens." This need to act has been underscored by the almost daily news reports of toxic chemical spills, discovery of hazardous waste sites, and industrial and municipal discharges into ground and surface water supplies.

Also of critical importance is the full implementation of the act's ground water protection program. Five years after the passage of the Safe Drinking Water Act, the Agency has only recently reproposed rules for underground injection activities. It has taken this long for EPA to define the environmental problems associated with underground injection activities, to devise an appropriate regulatory strategy, to consider and incorporate public comments into proposal form, and to integrate these proposed regulations with provisions of other operative laws. It is essential to promulgate these important rules expeditiously in order to stop the indiscriminate disposal of potentially harmful wastes underground.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF THE TOXIC SUBSTANCES CONTROL ACT

The bill (S. 1147) to extend certain provisions of the Toxic Substances Control Act for 3 years, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 29 of the Toxic Substances Control Act (15 U.S.C. 2628) is amended by inserting before the period at the end of the first sentence thereof: ", $69,300,000 for the fiscal year ending September 30, 1980, $94,000,000 for the fiscal year ending September 30, 1981, and $121,000,000 for the fiscal year ending September 30, 1982".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–162), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The 94th Congress considered and passed legislation to regulate the production and dissemination of chemical substances which may present an unreasonable risk of injury to health or the environment. This legislation was a much needed response to the proliferation of chemicals during the twentieth century. There are now approximately 2 million recognized chemical compounds in existence. It is estimated that 1,000 new chemicals will be manufactured annually.

In 1971, the Council on Environmental Quality completed a study of toxic substances. Its conclusion was that regulatory mechanisms to control harmful chemicals were inadequate. This report was the impetus for the initial toxic substances control legislation in the 92nd Congress.

The law which emerged from five years of congressional deliberation fills major regulatory gaps through which existing and new chemicals have slipped. Little is known about the composition of these chemicals, or what effects they may have on human health or on the environment in which we work and live. The Clean Air Act, the Clean Water Act, the Solid Waste Disposal Act, the Occupational Safety and Health Act, and the Consumer Product Safety Act authorize the regulation of substances which are dispersed into the air, water, land, or workplace, or sold to the consumer. However, there is no mechanism in these statutes for discovering potential hazards of a new chemical before it is introduced into the environment.

There can be no doubt that the kind of programs set up under the Toxic Substances Control Act are an absolute necessity. Some examples of the dispersion of chemicals resulting in health and environmental disasters which have occurred in the absence of knowledge about their toxicity are the following:

Kepone, which has been implicated in causing brain damage and other nervous system disorders, and has so contaminated the fish and shellfish in the James River that fishing is banned in that area indefinitely;

Vinyl chloride, arsenic, and asbestos, all known to be potentially extremely potent cancer-causing agents in man;

Polychlorinated biphenyls (PCB's), found in scientific tests to cause severe skin and liver problems in humans and which have contaminated such major water systems as the Great Lakes and the Hudson River;

Fluorocarbons, used extensively as propellants in aerosols and as coolants in refrigerators and air conditioners, which deplete the earth's ozone layer which protects humans from excessive ultraviolet radiation that can cause skin cancer; and

1200 to 2000 chemical dump sites across the country containing wastes which may present imminent health hazards to humans, and for which containment and clean-up costs will be approximately $50 billion.

As the above examples illustrate, the general population and the environment have served as the laboratory for discovering adverse health and environmental effects because of the lack of proper precautions.

The Toxic Substances Control Act establishes a program to assure that adequate information is available on the effects of new and existing chemicals on health and the environment, and to regulate those chemicals which present an unreasonable risk of injury to health or the environment.

Specifically, through its testing and premarket notification provisions, the statute provides for the evaluation of the potential toxicity of new chemicals before commercial production begins. Therefore, in addition to authority to take action against a chemically-caused harm after its occurrence, the Environmental Protection Agency can now prevent such harm from occurring. Further, manufacturers and processors of potentially hazardous chemicals already on the market may be required to test them to determine their effects on health and the environment. Regulatory action can then be taken against chemicals that present an unreasonable risk of injury to health or the environment.

Since the enactment of the statute, the focus has been on organizing the Office of Toxic Substances and beginning to hire staff. Although this organization and staffing effort will continue through fiscal year 1980, during fiscal year 1979 the program has made significant progress in laying the groundwork for making the program fully operational in fiscal year 1980.

The Environmental Protection Agency has in the past year selected the initial approaches to many basic functions of the toxics program.

Some of the major elements of the program that the Agency has begun to put in place include a scheme of testing protocols and laboratory practices and their use for chemical test regulations; promulgation of regulations for the marking and disposal of polychlorinated biphenyls (PCB's); promulgation of regulations prohibiting the manufacture, distribution or use of PCB's except in a totally enclosed manner; initiation of a nationwide program to reduce children's exposure to asbestos in schools; compilation of an initial inventory of existing chemicals, to be published on June 1, 1979; and proposal of regulations to implement the premanufacture notification requirements of the law, including the notice forms.

One of the most important provisions of the Toxic Substances Control Act, the premanufacture notification requirement will go into effect on July 1, 1979, after the inventory of existing chemicals is published one month earlier. Any chemical not on the inventory list will be a new chemical, for which its producer or importer must submit a premanufacture notification to the Environmental Protection Agency ninety days prior to its manufacture or importation. If the Agency determines that the notice does not provide sufficient information to assess the toxicity of a new substance, the Agency may order a ban or limitation on the manufacturing, processing, use or disposal of the substance pending acquisition of additional data by the manufacturer. If test data indicates to the Agency that there is a reasonable basis to conclude that a chemical presents an unreasonable risk of injury to health or the environment, the Administrator has a variety of regulatory tools under the Toxic Substances Control Act, from an outright ban to recordkeeping and labelling.

The fiscal year 1980 toxic substances budget will provide for a fully operational new chemical review program. The $69.3 million budget request will allow for the processing of approximately 400 new chemical notifications. However, this appropriations level may permit only 9 control actions on new chemicals according to the Agency. Notwithstanding this estimate, the Committee expects the Agency to initiate regulatory actions on as many substances as test data indicates to be necessary to protect health and the environment.

Additional test standards for health effects and the first standards for environmental fate and ecological effects testing will be another significant activity in fiscal year 1980. The Agency expects to have promulgated thirty-seven test standards by the end of the fiscal year.

Other activities included in the $69.3 million authorization level for fiscal year 1980 include: promulgation of rules subjecting approximately 90 chemicals to testing requirements to acquire additional health and environmental effects data: performance of 375 preliminary risk assessments and 10 final risk assessments, to determine whether a chemical presents a risk to health or the environment, making it a candidate for regulation; control actions on about 6 existing chemicals; and initiation of 134 prosecutions for violation of provisions of the law.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF THE TREASURY INTERNATIONAL AFFAIRS AUTHORIZATIONS, 1980

The Senate proceeded to consider the bill (S. 976) to authorize appropriations for the international affairs functions of the Department of the Treasury for fiscal years 1980 and 1981, which had been reported from the Committee on Banking, Housing, and Urban Affairs with an amendment to strike all after the enacting clause and insert the following:

That section 5 of the Act of November 8, 1978 (92 Stat. 3092) is amended by inserting "and $24,000,000 for fiscal year 1980," after "1979,".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 96–170), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to authorize appropriations to meet the expenses associated with the international affairs functions of the Department of the Treasury. Treasury's international affairs functions encompass formulation and conduct of policies and negotiations with other governments and institutions on world economic, monetary and financial problems for which Treasury has responsibilities. Such responsibilities include U.S. participation in the International Monetary Fund, and World Bank and other multilateral development banks; international monetary policy and operations, including use of the Exchange Stabilization Fund; participation in the Saudi-Arabian-U S. Joint Commission on Economic Cooperation, the U.S.-U.S.S.R. Trade and Economic Council, and the U.S.-China Joint Economic Commission; and formulation of policy on a wide range of international trade, financing, development, energy, and natural resource issues.

The expenses for which appropriations would be authorized include payment of compensation and benefits to Treasury employees (including full-time permanent, part-time personnel, special experts and consultants) performing international affairs functions for the Department in Washington and in overseas posts, as well as support expenses such as office space, equipment, supplies, communications and printing. Support for Treasury personnel overseas includes expenses such as purchase of commercial insurance policies and maintenance and repair of real and personal property. Treasury's responsibilities for U.S. representation at meetings abroad with officials of foreign governments and international financial and economic organizations require sums for receptions and other representational expenses.

NEED FOR THE LEGISLATION

The legislation is needed in order to authorize appropriations for fiscal 1980 to cover the administrative expenses of the Department of the Treasury in carrying out the international affairs functions of the Department. At present Treasury is paying salaries and other administrative expenses associated with its international responsibilities from the Exchange Stabilization Fund ("ESF") an off-budget fund created by the Gold Reserve Act of 1934 (31 U.S.C. 822a) used for international monetary purposes, including exchange market intervention, consistent with U.S. obligations in the International Monetary Fund (cf. P.L. 94–564 and P.L. 95–147).

Legislation was proposed in 1977, at the insistence of the Congress, to terminate the use of the ESF to pay administrative expenses of the Treasury Department. P.L. 95–612 enacted November 8, 1978 provided for termination of the use of ESF to pay such expenses and authorized appropriations not to exceed $24 million for fiscal year 1979 for such purpose. The Administration is presently seeking an appropriation to cover the last quarter of fiscal year 1979.

Mr. STEVENSON. Mr. President, S. 976 is a routine authorization bill to permit appropriations to meet the expenses associated with the international affairs function of the Department of the Treasury for fiscal year 1980. Since 1934 the Treasury Department has paid such expenses from the Exchange Stabilization Fund, an off-budget fund used principally for exchange market intervention and other international monetary purposes.

The Senate Banking Committee and other committees of the Congress have been urging for years that administrative expenses of the Treasury Department be subject to regular authorization and appropriations and not be charged to the ESF account. The administration agreed in 1977 to submit the necessary legislation to Congress. Public Law 95–612, enacted November 8, 1978, terminated the use of the ESF to pay such expenses and authorized appropriations not to exceed $24 million for fiscal year 1979.

S. 976 would authorize appropriations

of not more than $24 million to meet the expenses of Treasury's international affairs responsibilities in fiscal 1980, the same level authorized for fiscal 1979. Treasury requested authorization of an unspecified amount for fiscal 1981, but the committee decided to defer action on the 1981 request until the next session of Congress.

Treasury also requested that appropriations be authorized for fiscal year 1980 of $22,752,000 plus "such additional sum as may be necessary for increases required by adjustments in salaries, pay, retirement, and other employee benefits authorized by law and for other nondiscretionary costs." The committee decided, as it had the previous year, that any necessary appropriations for salary adjustments and similar expenses should be included within a single authorization limit, in this case, $24 million for fiscal year 1980.

The expenses for which appropriations would be authorized by S. 976 include payment of compensation and benefits to Treasury employees (including full-time permanent, and part-time personnel, special experts and consultants) performing international affairs functions for the Department in Washington and in overseas posts, as well as support expenses such as office space, equipment, supplies, communications and printing. Support for Treasury personnel overseas includes expenses such as purchase of commercial insurance policies and maintenance and repair of real and personal property. Treasury's responsibilities for U.S. representation at meetings abroad with officials of foreign governments and international financial and economic organizations require sums for receptions and other representational expenses.

S. 976 is essential to continue necessary functions of the Treasury Department. I urge the adoption of S. 976 as reported by the Committee on Banking, Housing, and Urban Affairs.

● Mr. HEINZ. Mr. President, I join with my distinguished colleague from Illinois, the chairman of the Subcommittee on International Finance, in urging passage of S. 976, the Authorization of Appropriations for International Affairs Functions of the Treasury for fiscal year 1980.

This authorization continues an approach which was begun last year, to budget the reimbursement of the expenses associated with the foreign affairs functions of the Treasury as a regular line item within the authorization and appropriations process. Prior to the passage of Public Law 95–612, on November 8, 1978, those expenses were paid from the Exchange Stabilization Fund, an off-budget entity the principal function of which was to stabilize the dollar through intervention in the foreign exchange market. This practice caused great difficulties for those committees charged with oversight, since the budget was, for all intents and purposes, beyond the reach of Congress.

The $24 million authorized by S. 976 to meet the Treasury's international affairs responsibilities in fiscal year 1980 will fund expenses arising out of U.S. participation in the International Monetary Fund, the World Bank and other multilateral development banks; international monetary policy and operations, including use of the Exchange Stabilization Fund; participation in the Saudi-U.S. Joint Commission on Economic Cooperation, the U.S.-U.S.S.R. Trade and Economic Council, and the United States China Joint Economic Commission; plus a wide range of international trade, financing, development, energy, and natural resource issues. The committee felt very strongly that these expenses should be considered on a year-by-year basis, and therefore, this authorization covers fiscal year 1980 only, rather than the open-ended authorization originally requested by the Department of the Treasury for fiscal year 1981. The Banking Committee intends to keep a very close watch over this area in order to avoid slippage into previous practices.●

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read:

A bill to authorize appropriations for the international affairs functions of the Department of the Treasury for fiscal year 1980.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now proceed to the consideration of S. 584, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 584) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "International Security Assistance Act of 1979".

CONTINGENCIES

SEC. 2. (a) The heading for chapter 5 of part I of the Foreign Assistance Act of 1961 is amended by striking out "CONTINGENCY FUND" and inserting in lieu thereof "CONTINGENCIES".

(b) Section 451 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "CONTINGENCY FUND" immediately after "SEC. 451." and inserting in lieu thereof "CONTINGENCIES"; and

(2) by amending subsection (a) thereof to read as follows:

"(a) (1) Notwithstanding any other provision of law, the President is authorized to use for any emergency purposes not to exceed $10,000,000 of the funds made available to carry out any provision of this Act in any fiscal year to provide assistance authorized by this part only in accordance with the provisions applicable to the furnishing of such assistance.

"(2) The President shall promptly report to the Speaker of the House of Representatives and to the Committees on Foreign Relations and Appropriations of the Senate each time he exercises the authority contained in this subsection.".

INTERNATIONAL NARCOTICS CONTROL

SEC. 3. Section 482 of the Foreign Assistance Act of 1961 is amended by striking out "$40,000,000 for the fiscal year 1979" in subsection (a) and inserting in lieu thereof "$37,800,000 for the fiscal year 1980".

MILITARY ANALYSIS

SEC. 4. (a) Section 504(a) (1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a) (1) There are authorized to be appropriated to the President to carry out the purposes of this chapter not to exceed $109,600,000 for the fiscal year 1980. Not more than the following amounts of funds available to carry out this chapter may be allocated and made available for assistance to each of the following countries for the fiscal year 1980:

"Country	Amount
Portugal	$30, 000, 000
Spain	3, 800, 000
Jordan	30, 000, 000
Philippines	25, 000, 000

The amount specified in this paragraph for military assistance to any such country may be increased by not more than 10 per centum of such amount if the President deems such increase necessary for the purposes of this chapter.".

(b) Section 506 of such Act is amended to read as follows:

"SEC. 506. SPECIAL AUTHORITY.—(a) If the President determines and reports to the Congress in accordance with section 652 of this Act—

"(1) that an unforeseen emergency exists which requires immediate military assistance to a foreign country or international organization; and

"(2) that the emergency requirement cannot be met under the authority of the Arms Export Control Act or any other law except this section;

he may order defense articles from the stocks of the Department of Defense and defense services of the Department of Defense and military education and training for the purposes of this part, in an aggregate value of not to exceed $10,000,000 in any fiscal year, subject to reimbursement from subsequent appropriations made specifically therefor under this Act.

"(b) The President shall keep the Congress fully and currently informed of all defense articles, defense services, and military education and training provided under this subsection.".

(c) Section 516(a) of such Act is amended by striking out all that follows after "before September 30, 1977" and inserting in lieu thereof "and such authorities shall remain available for a period of three consecutive years next following any fiscal year after the fiscal year 1977 for which assistance under this chapter has been authorized for a country, to the extent necessary to carry out obligations incurred under this chapter with respect to such assistance for such country on or before September 30 of such fiscal year.".

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 5. (a) Section 514 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (b)(2), by striking out "$90,000,000 for the fiscal year 1979" and inserting in lieu thereof "$95,000,000 for the fiscal year 1980"; and

(2) in subsection (c), by inserting "the Republic of Korea or" immediately following "stockpiles located in".

(b) The President shall transmit to the Congress not later than December 31, 1979, a report regarding the stockpiling authorities for the Republic of Korea. The report shall—

(1) detail the goals of the stockpiling program for the Republic of Korea, including projections for additional stockpiling authority;

(2) review the procedures for the transfer of stockpiled materiel in the time of war and recommend changes if necessary; and

(3) state the intentions of the executive branch with regard to the eventual peacetime disposition of the stockpiled materiel, including the general terms and conditions of any peacetime transfer.

MILITARY ASSISTANCE AND SALES PROGRAM MANAGEMENT

SEC. 6. Section 515 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (b)(1), by striking out "fiscal year 1979" and inserting in lieu thereof "fiscal year 1980", and by inserting "Greece," immediately after "Panama,"; and

(2) in subsection (f), by striking out "December 31, 1977" and inserting in lieu thereof "December 31, 1978".

FISCAL YEAR 1979 SUPPLEMENTAL FOR TURKEY

SEC. 7. (a) It is determined that the national interests of the United States would be served by the furnishing of additional economic support fund assistance to Turkey in order to promote the economic and political stability of that country, and to strengthen its ability to fulfill its responsibilities under the North Atlantic Treaty Organization Alliance.

(b) In furtherance of subsection (a) of this section, and in addition to amounts otherwise available for such purposes, there are authorized to be appropriated to the President to carry out the purposes of chapter 4 of part II of the Foreign Assistance Act of 1961 $100,000,000 for the fiscal year 1979, which amount shall be available only for Turkey.

(c) Amounts appropriated under this section may be made available until expended.

(d) Notwithstanding any assistance authorized for Turkey under this Act, it remains the policy of the United States that all foreign troops, except those stationed in Cyprus under the auspices of the United Nations, should be withdrawn from Cyprus.

ECONOMIC SUPPORT FUND

SEC. 8. (a) Section 531(b)(1) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1979, $1,902,000,000" and inserting in lieu thereof "for the fiscal year 1980, $1,949,000,000".

(b) Section 532 of such Act is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, not less than $785,000,000 shall be available only for Israel and not less than $750,000,000 shall be available only for Egypt. Not less than two-thirds of such funds shall be provided on a grant basis to each country.

"(2) The total amount of funds allocated for Israel under this chapter for the fiscal year 1980 may be made available as a cash transfer. In exercising the authority of this paragraph, the President shall ensure that the level of cash transfers made to Israel does not cause an adverse impact on the total amount of nonmilitary exports from the United States to Israel.

"(3) It is the sense of Congress that—

"(A) funds made available under this chapter for countries in the Middle East are designed to promote progress toward a comprehensive peace settlement in the Middle East; and

"(B) Syria and Jordan, to continue to receive funds under this chapter, should be deemed by the President to be acting to achieve further progress toward a comprehensive peace settlement and that the expenditure of the funds will serve the process of peace in the Middle East.

"(c) It is the sense of the Congress that programs which stress regional development or regional scientific and technical cooperation in the Middle East can contribute in an important way to the mutual understanding that must serve as the basis for permanent peace in the Middle East.

"(d) None of the funds authorized to be appropriated under this chapter may be used to provide assistance for Syria, unless the President determines, and so reports to the Congress, that assistance for Syria is in the national interest of the United States.".

(c) Section 533 of such Act is amended to read as follows:

"SEC. 533. SOUTHERN AFRICA PROGRAMS.—(a) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, $60,000,000 shall be available for the countries of southern Africa and for a southern Africa regional refugee support, training, and economic planning program to address the problems caused by the economic dislocation resulting from the conflict in that region and for education and job training assistance. Such funds may be used to provide humanitarian assistance to African refugees and persons displaced by war and internal strife in southern Africa, to improve transportation links interrupted or jeopardizd by regional political conflicts, and to provide support to countries in that region.

"(b) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, $15,000,000 shall be available for the purposes of subsection (a), in addition to funds otherwise available for such purposes, if the President determines and certifies in writing to Congress that the availability of such additional amount is in the national interest of the United States.

"(c) No assistance may be furnished under this section to Mozambique, Angola, Tanzania, or Zambia, except that the President may waive this prohibition with respect to any such country if he determines, and so reports to the Congress, that furnishing such assistance to such country would further the national interests of the United States.".

(d) Section 534 of such Act is amended to read as follows:

"SEC. 534. TURKEY AND CYPRUS PROGRAMS.—(a) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, $15,000,000 shall be available only for Cyprus for refugee relief, reconstruction, or other activities consistent with a reconciliation on Cyprus.

"(b) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, not more than $98,000,000 shall be available for Turkey.".

SINAI FIELD MISSION EQUIPMENT TRANSFER

SEC. 9. The President is authorized to transfer to the Arab Republic of Egypt, under such terms and conditions as he may deem appropriate, such facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, signed on March 26, 1979.

PEACEKEEPING OPERATIONS

SEC. 10. Chapter 6 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 6—PEACEKEEPING AND OTHER OPERATIONS

"SEC. 551. GENERAL AUTHORITY.—The President is authorized to furnish assistance to friendly countries and international organizations, on such terms and conditions as he may determine, for peacekeeping operations and other programs carried out in furtherance of the national security interests of the United States. Such assistance may include reimbursement to the Department of Defense for expenses incurred pursuant to section 7 of the United Nations Participation Act of 1945: *Provided*, That such reimbursements to the Department of Defense shall not exceed $5,000,000 in any fiscal year without specific authority under this section.

"SEC. 552. AUTHORIZATION OF APPROPRIATIONS.—(a)(1) In addition to amounts otherwise available for such purposes, there are authorized to be appropriated to the President to carry out the purposes of this chapter $15,000,000 for the fiscal year 1980.

"(2) Amounts appropriated to carry out this chapter are authorized to remain available until expended.

"(b) If the President determines that, as the result of an unforeseen emergency, the provision of assistance under this chapter in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States, the President may exercise the authority of section 610(a) of this Act to transfer funds available to carry out chapter 4 of this part for use under this chapter without regard to the 20-percent increase limitation contained in such section, except that the total value of transferred funds shall not exceed $10,000,000 in any fiscal year and shall not be transferred from earmarked funds.

"SEC. 553. ADMINISTRATIVE AUTHORITIES.—Except where expressly provided to the contrary, any reference in any law to part I of this Act shall be deemed to include reference to this chapter and any reference in any law to part II of this Act shall be deemed to exclude reference to this chapter.".

SHABA AIRLIFT

SEC. 11. Notwithstanding any other provision of law, the President is authorized to make available the services of the Department of Defense for the purpose of facilitating the removal from Zaire of those foreign armed forces as were transported to Zaire by the United States at the time of the crisis in Shaba Province in 1978.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 12. Section 542 of the Foreign Assistance Act of 1961 is amended by striking out "$31,800,000 for the fiscal year 1979" and inserting in lieu thereof "$31,300,000 for the fiscal year 1980, except that no part of such amount may be made available for Inter-American regional programs unless the foreign countries participating in such programs collectively contribute an equivalent amount to carry out the purposes of such programs.".

RECIPROCAL QUALITY ASSURANCE, INSPECTION, AND CONTRACT AUDIT SERVICES

SEC. 13. Section 21 of the Arms Export Control Act is amended—

(1) by redesignating subsection (h) thereof as subsection (i); and

(2) by inserting a new subsection (h) to read as follows:

"(h) The President is authorized to provide, without charge, quality assurance, inspection, and contract audit defense services under this section—

"(1) in connection with the placement or administration of any contract or subcontract for defense articles or defense services entered into after the date of enactment of this subsection by, or under this Act on behalf of, a foreign government which is a member of the North Atlantic Treaty Organization, if such government provides such services in accordance with an agreement on a reciprocal basis, without charge, to the United States Government; or

"(2) in connection with the placement or administration of any contract or subcontract for defense articles or defense services pursuant to the North Atlantic Treaty Organization Infrastructure Program in accordance with an agreement under which the foreign governments participating in such program provide such services, without charge, in connection with similar contracts or subcontracts.".

MODIFICATION OF THE ANNUAL ARMS SALES PROPOSAL

SEC. 14. Section 25(d) of the Arms Export Control Act is amended—

(1) by inserting "weapons or weapons-related defense equipment" after "major";

(2) by striking out "defense articles or defense services" and inserting in lieu thereof "weapons or weapons-related defense equipment";

(3) by adding the following new sentence at the end of the subsection: "Sales deemed most likely to result in the issuance of a letter of offer during such fiscal year shall be appropriately so identified in the reports submitted pursuant to paragraphs (1) and (2) of this subsection."; and

(4) by inserting "(1)" after "(d)" and adding the following new paragraph at the end thereof:

"(2) The President shall notify the Congress in writing at intervals of six months of any changes in the Arms Sales Proposal referred to in paragraph (1) of this subsection for such fiscal year together with the reasons therefor.".

MULTILATERAL ARMS SALES INFORMATION

SEC. 15. Section 25 of the Arms Export Control Act is amended by adding at the end thereof the following:

"(e) The President shall transmit to the Congress, at the time of the transmittal of an Arms Sales Proposal required by subsection (d)(1), a classified report detailing the executive branch's best estimates with regard to the international volume of arms traffic. The report shall include estimates on an annual basis of the sale and delivery of weapons and weapons-related defense equipment by all major arms suppliers to all major recipient countries during the preceding three years.".

NATIONAL DISCLOSURE POLICY FOR SENSITIVE WEAPONS TECHNOLOGY

SEC. 16. (a) The Congress finds that the national disclosure policy and procedures of the United States have failed to prevent the transfer of sensitive weapons technology to countries with a potentially unstable political system and that such transfers may be harmful to the national security interest of the United States.

(b) The Congress, therefore, directs the President to undertake a thorough review of the interagency procedures and disclosure criteria used by the United States in determining whether sensitive weapons technology shall be transferred. The President shall transmit a report setting forth the results of such review before February 15, 1980, together with such recommendations as are necessary to improve the current disclosure system.

(c) Section 36(b)(1) is amended by inserting after the first sentence the following: "Such numbered certifications shall also contain an item, classified if necessary, identifying the sensitivity of technology contained in the defense articles or defense services proposed to be sold".

NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS

SEC. 17. Chapter 2 of the Arms Export Control Act is amended by adding at the end thereof the following new section:

"SEC. 27. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS.—(a) For the purposes of this section, a 'cooperative project' means a project described in an agreement, entered into after the date of enactment of this section, under which—

"(1) the North Atlantic Treaty Organization, or one or more member countries thereof, agrees to share with the United States the costs of research, development, test, and evaluation of certain defense articles, and the costs of any agreed joint production ensuing therefrom, in order to further the objectives of standardization and interoperability of the armed forces of North Atlantic Treaty Organization member countries; or

"(2) the North Atlantic Treaty Organization, or one or more member countries thereof other than the United States, agrees to bear the costs of research, development, test, and evaluation of certain defense articles (or categories of defense articles) and to have such articles produced for sale to, and licensed for production within, other participant member countries including the United States, and the United States agrees to bear the costs of research, development, test, and evaluation of other defense articles (or categories of defense articles) and to have such defense articles produced for sale to, and licensed for production within, other participant member countries in order to further the objectives of rationalization of the industrial and technological resources within the North Atlantic Treaty area.

"(b) (1) The President may reduce or waive any such charge as would otherwise be considered appropriate under section 21(e) of this Act and, in the case of agreements under section 21(e) of this Act (and, in the case of agreements under subsection (a)(2) of this section, may reduce or waive the charges for reimbursement of the costs of officers and employees of the United States Government which would otherwise be required) in connection with sales under section 21 and section 22 of this Act in furtherance of cooperative projects. Notwithstanding the provisions of section 21(e)(1)(A) and section 43(b) of this Act, administrative surcharges shall not be increased on other sales made under this Act in order to compensate for reductions or waivers of such surcharges under this section. Funds received pursuant to such other sales shall not be available to reimburse the costs incurred by the United States Government for which reduction or waiver is approved by the President under this section.

"(2) The provisions of subsection (b)(1) shall apply only if for each cooperative project the other countries which participate in such cooperative project reciprocate by waiving comparable charges for their sales related to such cooperative project and if the President determines that the magnitude of the contribution of a member country of the North Atlantic Treaty Organization to such cooperative project would help the United States conserve defense resources and promote a stronger alliance.

"(c) (1) Not less than thirty days prior to signature on behalf of the United States of an agreement for a cooperative project, the President shall transmit to the Speaker of the House of Representatives, the chairman of the Committee on Foreign Relations of the Senate, and the chairman of the Committee on Armed Services of the Senate a numbered certification with respect to such proposed agreement, setting forth—

"(A) a detailed description of the cooperative project with respect to which the certification is made;

"(B) an estimate of the amount of sales and exports expected to be made or approved under this Act in furtherance of such cooperative project;

"(C) an estimate of the dollar value of any charges expected to be reduced or waived under this section in connection with such cooperative project, such dollar value to consist of expenses that will be charged against Department of Defense funds without reimbursement and amounts not to be recovered and deposited to the General Fund of the Treasury;

"(D) an estimate of the dollar value of the costs to be borne by the North Atlantic Treaty Organization or by the member countries thereof in connection with such cooperative project; and

"(E) a statement of the foreign policy and national security benefits anticipated to be derived from such cooperative project.

"(2) The President shall exercise his authority under subsection (b) in furtherance of a cooperative project the numbered certification for which was transmitted under paragraph (1) only if the Congress does not adopt, within the thirty-day period described in paragraph (1), a concurrent resolution stating in substance that it objects to the proposed project.

"(3) The provisions of subsection (b) of section 36 of this Act shall not apply to sales made under section 21 or section 22 of this Act, and the provisions of subsection (c) of section 36 of this Act shall not apply to the issuance of licenses or other approvals under section 38 of this Act, if such sales are made, or such licenses or approvals are issued, in furtherance of a cooperative project to which the Congress did not object pursuant to paragraph (2).".

AUTHORIZATION AND AGGREGATE CEILING FOR FOREIGN MILITARY SALES CREDITS

SEC. 18. (a) Section 31 of the Arms Export Control Act is amended—

(1) in subsection (a), by striking out "$682,000,000 for the fiscal year 1978 and $674,300,000 for the fiscal year 1979" and inserting in lieu thereof "$672,500,000 for the fiscal year 1980";

(2) in subsection (b), by striking out $2,152,350,000 for the fiscal year 1978 and $2,085,500,000 for the fiscal year 1979, of which amount for each such year" and inserting in lieu thereof "$2,225,000,000 for the fiscal year 1980, of which";

(3) in subsection (c), by striking out "fiscal year 1979" and inserting in lieu thereof "fiscal year 1980"; and

(4) in subsection (d), by striking out "$150,000,000" and inserting in lieu thereof "$250,000,000".

(b) Repayment of not to exceed $50,000,000 of the principal amount of loans guaranteed under section 24 of the Arms Export Control Act with respect to Turkey, and of not to exceed $42,000,000 of the principal amount of loans guaranteed under section 24 of the Arms Export Control Act with respect to Greece, in the fiscal year 1980 shall be in not less than twenty years, following a grace period of ten years on repayment of principal.

REGIONAL CEILING

SEC. 19. Section 33 of the Arms Export Control Act is repealed.

REPORTS TO THE CONGRESS

SEC. 20. (a) Section 36(a) of the Arms Export Control Act is amended by—

(1) striking out "thirty" and inserting in lieu thereof "sixty";

(2) inserting "and" after the semicolon in paragraph (7);

(3) striking out "; and" at the end of para-

graph (8) and inserting in lieu thereof a period; and

(4) striking out paragraph (9).

(b) Section 43 of such Act is amended by adding at the end thereof the following new subsection:

"(c) On or before February 15 of each year the President shall report to the Congress the number of officers and employees of the United States Government carrying out functions on a full-time basis under this Act for which reimbursement is provided under subsection (b) of this section or under section 21(a) of this Act.".

PUBLIC DISCLOSURE OF COMMERCIAL SALES INFORMATION

SEC. 21. Section 38(e) of the Arms Export Control Act is amended by adding the following new sentence immediately after the first sentence thereof: "Public disclosure of information furnished pursuant to this section or section 39 shall be only in accordance with the provisions of this subsection.".

DEFINITIONS

SEC. 22. Section 644(d) of the Foreign Assistance Act of 1961 and section 47(3) of the Arms Export Control Act are each amended by inserting "(except uranium depleted in the isotope 235 which is incorporated in defense articles solely to take advantage of high density characteristics unrelated to radioactivity)" immediately after "source material".

TRANSFER OF WAR RESERVE MATERIEL AND OTHER PROPERTY TO THE PEOPLE ON TAIWAN

SEC. 23. (a) Notwithstanding any other provision of law, during the calendar year 1980 the President is authorized to transfer to the people on Taiwan, under such terms and conditions as he may deem appropriate, such of the United States war reserve materiel, as he may determine, that was located on Taiwan on January 1, 1979.

(b) Notwithstanding any other provision of law, during the calendar years 1979 and 1980 the President is authorized to transfer to the people on Taiwan, under such terms and conditions that he may deem appropriate, such rights of the United States in property other than war reserve materiel, as he may determine, that was located on Taiwan on January 1, 1979.

AMMUNITION SOLD TO THAILAND

SEC. 24. The Royal Thai Government shall be released from its contractual obligation to pay to the United States Government such amount as is due on or before October 30, 1979, as a condition precedent, under the letter of offer accepted by the Royal Thai Government on April 12, 1977, to the transfer of title to the last increment of United States ammunition stocks sold to the Royal Thai Government under such letter of offer pursuant to the Memorandum of Agreement of March 22, 1977, relating to the storage of ammunition in Thailand.

EFFECTIVE DATE

SEC. 25. The amendments providing for the authorizations of appropriations and limitations of authority for the fiscal year 1980 made by this Act shall take effect on October 1, 1979.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BAUCUS). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. Mr. President, I ask unanimous consent that Barry Schochet of my staff be permitted the use of the floor during votes and debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF SPECIAL SUPPLEMENTAL FOOD PROGRAM AUTHORIZATION AND CONFERENCE REPORT ON THE BUDGET RESOLUTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the pending business, S. 584, the Senate proceed to the consideration of Calendar Order No. 61, a bill to reduce the fiscal year 1980 authorization for appropriations for the special supplemental food program, with the proviso that the conference report on the budget resolution be permitted to intervene at any time during the consideration of S. 292 if the managers of the conference report wish to call it up.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—I reserve only to clarify a point or two.

The majority leader and I have discussed this matter, and I recall that on yesterday, I believe, a time-limitation agreement on Calendar item No. 61 was entered into, is that not correct?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. BAKER. At that time it was my recollection that we were cleared to proceed in sequence to WIC, following action on the bill now before the Senate.

I, therefore, have no objection to sequencing WIC to follow after the pending business. I had not previously cleared with the ranking members and responsible parties on this side the right to interrupt the consideration of WIC and proceed to the consideration of the budget resolution conference report.

While the conference report would be privileged, it would not be so privileged, as I understand it, so as to displace an item made the pending business by unanimous consent; am I correct in that respect?

Mr. ROBERT C. BYRD. Well, if there is a time agreement on the item that is up, as there is in the case of the WIC bill, the manager could call it up, but he would have to get time from someone.

Mr. BAKER. Well, Mr. President, that being the case, I am going to take the responsibility on my own without further clearance to agree to this request, and in that respect I would hope, however, that the majority leader would take account of the scheduling requirements that Members on this side may have, and would confer with me or with the ranking member on the Budget Committee, for instance, before a time is set to interrupt the consideration of WIC in order to proceed to such a conference report.

Mr. ROBERT C. BYRD. Yes, if I have an opportunity to do so I shall.

I am sure Mr. MUSKIE would indicate to me in advance that he and Mr. BELLMON are ready to proceed. I am sure Members will be mindful of the fact that the deadline for enactment of the first concurrent budget resolution has passed, it being May 15.

The House will act on the conference report first, and following the House action, when the papers are ready, I feel Mr. MUSKIE and Mr. BELLMON may wish to proceed with the conference report in the Senate. But if the WIC bill is up at that time by virtue of the agreement which I am requesting here, the conference report could be brought up notwithstanding the fact that there is a time agreement on the WIC bill.

Mr. BAKER. Mr. President, I thank the majority leader. It is because of the fact, at least in part because of the fact, that May 15 has come and gone without the first concurrent budget resolution, as the law requires, that I am willing to accept this responsibility for this request at this time, and I will have no objection.

Mr. ROBERT C. BYRD. I thank the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979

The Senate continued with the consideration of the bill.

Mr. PROXMIRE. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Mr. Ron Tammen of my staff be given the privileges of the floor during the debate and vote on amendment No. 205 to the pending bill, S. 584.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the following staff members be accorded the privilege of the floor during the consideration of this measure and any votes that may occur on it: Hans Binnendijk, Richard McCall, William Bader, Patrick Shea, Peter Lakeland, Stan Sienkiewicz, and Miss Ruth Claveloux.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, the bill currently under consideration by the Senate, S. 584, authorizes the appropriation of funds for some six international security assistance programs for fiscal year 1980.

These programs include grant military assistance, foreign military sales credits, grant military training, economic support assistance, international peace-keeping, and international narcotics control. Together, these six programs would provide aid worth $4.4 billion to about 60 countries around the globe.

The budget authority required for these programs is $2.8 billion. The committee's budget authority recommendation represents a reduction of $109.6 million below the President's request. The Senate Foreign Relations Committee reduction in the bill now before us is also $38.2 million below last year's program level. So I think it is clear that the committee has responded in a significant way to the effort now underway in Congress to hold budget expenditures within reasonable limits.

The United States provides security assistance to countries friendly to the United States in order to help strengthen the military capabilities of those countries, or to stabilize their economies, which of course is clearly related to the whole question of national security and the capacity of these countries to defend themselves.

The assistance authorized in this bill will be given to all regions of the world. Two detailed charts, which I ask unanimous consent to have printed in the RECORD, summarize the fiscal year 1980 security assistance program. These charts can also be found in the committee report.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1980 SECURITY ASSISTANCE PROGRAMS

[In millions of dollars]

	Fiscal year 1979 program estimate [1]	Fiscal year 1980 request, budget authority [2]	Fiscal year 1980 committee recommended budget authority
Economic support fund	1,893.8	[3] 2,035.1	1,949.0
International peacekeeping	27.4	(3)	15.0
FMS credits	654.5	658.8	672.5
Grant military assistance	210.4	160.2	109.
IMET	28.8	32.9	31.3
Narcotics control	38.5	37.8	37.8
Total	2,853.4	2,924.8	2,815.2

[1] Excludes Middle East supplemental and Turkey supplemental.

[2] Includes all proposed administration budget amendments, including Oman, the Sudan, and Turkey.

[3] Requested as security supporting assistance.

PROPOSED FISCAL YEAR 1980

[In millions of dollars]

Country	Grant MAP	Grant IMET	FMS financing (value of loans)	Economic support/ peace-keeping	Narcotics control (regional totals)	Total	Percentage worldwide
East Asia and Pacific:							
Indonesia	0.9	2.0	45.0			47.9	
Korea	.9	1.8	225.0			227.7	
Philippines	25.0	.7	50.0	20.0		95.7	
Thailand	.3	.9	40.0			41.2	
Other		.3	12.0		7.8	20.1	
Regional total	27.2	5.7	372.0	20.0	7.8	432.7	10
Near East and South Asia:							
Egypt		1.0		750.0		751.0	
Israel			1,000.0	785.0		1,785.0	
Jordan	30.0	1.3	90 0	60.0		181.3	
Lebanon		.5	32.5			33.0	
Morocco		1.3	45.0			46.3	
Oman			15.0			15.0	
Syria				45.0		45.0	
Tunisia		1.0	15.0			16.0	
Sinai Mission and other		1.3		10.0	.9	12.2	
Regional total	30.0	6.3	1,197.5	1,650.0	.9	2,884.8	66
Europe:							
Cyprus				15.0		15.0	
Greece	.7	1.8	200.0			202.5	
Portugal	30.0	2.2		50.0		82.2	
Spain	3.8	2.0	120.0	7.0		132.8	
Turkey	1.2	2.0	250.0	98.0		351.2	
UNFICYP				9 0		9.0	
Regional total	35.7	8.0	570.0	179.0		792.7	18
Africa:							
Kenya		.6	26.0			26.6	
Sudan		.5	15.0	40.0		55.5	
South Africa Regional				75.0		75.0	
Zaire		1.0	10.5			11.5	
Other		1.3	3.9			5.2	
Regional total		3.4	55.4	115.0		173.8	4
Latin America:							
Bolivia	.2	.5	5.5			6.2	
Colombia		.4	12.7			13.1	
Other		6.9	11.9		17.5	36.3	
Regional total	.2	7.8	30.1		17.5	55.6	1
Other programs:							
Military advisory groups	50.8					50.8	
Other narcotics					11.6	11.6	
Subtotal	50.8				11.6	62.4	1
Worldwide total	143.9	31.3	2,225.0	1,964.0	37.8	4,402.0	100
Appropriations required	(109.6)	(31.3)	(672.5)	(1,964.0)	(37.8)	(2,815.2)	

Mr. McGOVERN. Mr. President, the majority of the assistance in this bill, some two-thirds of it, is earmarked for countries in the Middle East. Of this total, $1.7 billion is for Israel and $751 million is for Egypt. Those are the two largest items in the measure now before us.

This Middle East assistance is designed to accomplish four objectives: First, to insure Israel's security by maintaining its deterrent military strength; second, to help stabilize the economies of both Israel and Egypt; third, to support those countries in the Middle East that contribute to the overall peace effort; and finally, to maintain a relationship with moderate Arab states in an effort to involve them in a comprehensive peace settlement.

The committee believes that all four elements of this Middle East program are required to enhance the prospects of accomplishing a peace settlement.

I would say further, Mr. President, that none of us can be absolutely sure of what are the ingredients of peace in the Middle East. But, to whatever extent the funds in this bill help contribute to a more stable situation in the Middle East, in the long run this will be a great saving in both money and lives not only for the people of the Middle East, but for the people of the United States and the world as a whole. It is always cheaper to wage peace than it is to wage war.

The second largest security assistance program proposed for fiscal year 1980 is for southern Europe and that embraces about 18 percent of the total funds in this bill. The committee recommends $351.2 million for military and economic assistance for Turkey in fiscal year 1980, together with a fiscal year 1979 supplemental authorization of $100 million for economic assistance. This total $451 million aid package is intended both to stabilize Turkey's economic balance-of-payments situation and to finance additional purchases for Turkey's Armed Forces. The committee recommends one change in the President's request for Turkey; that the $50 million in grant military assistance that the President had requested be converted to loans on easy repayment terms.

In addition, the committee recommends that the Senate authorize $132.8 million for Spain, $82.2 million for Portugal, and $202.5 million for Greece.

The third region of the world covered by this bill, Mr. President, Asia, comprises about 10 percent of the total aid in the bill. The main recipient of that portion of the aid is the Republic of Korea, which will receive $225 million in foreign military sales financing. This aid is the annual U.S. contribution to South Korea's 5-year force improvement plan. Continued assistance will be necessary if U.S. ground forces are eventually to be withdrawn from the area. Assistance for the Philippines is part of the bilateral agreement on U.S. base rights.

I would like to point out, Mr. President, that the committee was particularly disappointed that the administration did not transmit the Philippines base agreement as a treaty rather than an executive agreement. We felt that a matter of this importance should have been handled and evaluated by the Senate as a treaty, rather than being handled as an executive agreement on the part of the administration. However, as a consequence of the committee's unhappiness over this matter, new consultative procedures have been established to insure that such an oversight does not occur again.

Security assistance programs for Africa comprise the final portion of this bill, and they represent some 4 percent of the total aid in the bill. The largest recipients include the Sudan, Kenya, Zambia, and Zaire. The program for the Sudan is a result of the budget amendment transmitted to Congress prior to the committee markup. That aid is intended to provide support for the Sudan since that country has strongly supported President Sadat with regard to the Middle East peace process. Also, the committee recognized that Sudan is bordered on two sides by Soviet-supported radical governments. Aid is provided to Kenya to offset the massive military buildups in Somalia and Ethiopia.

This bill contains only a moderate amount of money for Latin American programs, 1 percent of the total funds in the bill, the two largest recipients being Colombia and Bolivia.

Nearly one-third of all security assistance in Latin America is part of the international narcotics control program.

Mr. President, as for modifications by the committee in the President's request submitted to the committee, after careful consideration the committee came to the conclusion that we could cut the President's request for security assistance by $109.6 million. The following changes are recommended.

First of all, a $38 million reduction for the Maqarin Dam in Jordan because technical difficulties have delayed implementation of that project. The committee felt that there was no justification for moving ahead with the full amount for that project at the present time.

Second, we made a $15 million reduction in economic aid for Syria due to the large backlog in capital projects for that country. Syria's importance in our eventual hopes for a settlement in the Middle East were recognized, but the committee did feel that some reduction was justified in view of the money already in the pipeline.

A $6.1 million reduction for the Sinai Field Mission since under the terms of the Egypt-Israel peace treaty the President's full request will not be necessary.

We also made a $25 million reduction in economic assistance for southern Africa based primarily on U.S. budget restraint requirements.

We made, as I indicated earlier, a $50 million reduction for grant military assistance to Turkey. That assistance would be provided in the form of loans rather than outright grants, with a net savings to the U.S. taxpayer of some $45 million. We anticipate that the loans will be paid back so that it has little net impact on the Treasury.

A reduction of $1.6 million in military training programs was ordered by the committee, and $600,000 for military assistance advisory groups.

The committee made an increase of $13 million for refugee assistance to Cyprus as a result of an amendment offered by Senator PELL, of Rhode Island.

We offered a $13.7 million increase in budget authority for foreign military sales programs for Turkey, Greece, Thailand, Morocco, Malaysia, and Indonesia. All of those were very small increases in each case.

Mr. President, in addition to authorizations for these six programs, the bill contains a number of additional provisions. It gives the President contingency authority to draw upon $10 million appropriated for other foreign aid purposes in case of economic emergencies, and it gives him the authority to draw down up to $10 million in Defense Department stocks in case of emergencies requiring military aid.

The bill also authorizes the grant transfer of Sinai Field Mission property to Egypt; of war reserve material to Taiwan; and ammunition to Thailand.

It authorizes the President to waive, on a reciprocal basis, various administrative costs and fees for arms sales made pursuant to NATO cooperative projects.

Finally, it adds arms export control provisions including a review of national disclosure procedures for sensitive weapons technology, a provision requiring transmittal of classified information on arms sales to other suppliers, and modifications to the annual arms sale proposal.

Mr. President, before finishing these opening remarks, I would like to take just a moment to thank all the members of the Senate Foreign Relations Committee for their continued and constructive participation in the committee's consideration of this bill. This year the committee has reported out five foreign assistance bills. Without the full support of the members of the committee, that task would have been impossible.

Mr. President, speaking on behalf of the chairman of our committee, Senator CHURCH, who is necessarily absent today, and other members of the committee, our committee recommends that S. 584 be adopted by the Senate as recommended with these provisions that I have outlined.

Mr. President, so that the Senate will consider the committee bill rather than the administration's bill, I ask unanimous consent that the committee amendment to S. 584 be agreed to, and that the bill, as thus amended, be considered original text for the purpose of further amendment. I understand there are a number of amendments that will be offered.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the committee amendment is agreed to.

Mr. McGOVERN. Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, the International Security Assistance Act of 1979, S. 584, is a vital and important component of U.S. foreign policy. It contains provisions, some of them controversial, for many of our most important allies in the world and for their security.

I would like strongly to commend the chairman of the committee, Senator Church, for the leadership he demonstrated in the committee, not just to hold down the spending levels in this bill, but actually to reduce them by $109.6 million below the administration's request for fiscal year 1980 and even $38 million below last year's program level. These budget cuts that were made by the committee were not simply arbitrary cuts for the sake of appearing to save money; they are carefully selected reductions which will not impair U.S. foreign policy and which will even promote it.

As to the major provisions of the bill, included in the security assistance program for fiscal year 1980 are the ongoing programs for Israel and Egypt to continue to secure Israel's economic viability and adequate defense capabilities and to provide much-needed economic support for Egypt and President Sadat. It is important to make the distinction between the money in this bill for Egypt and Israel and the money for Egypt and Israel in the Special Security Assistance Act which the Senate passed on Monday. That money we voted on Monday was a one-time package to assist Israel for the cost to it of the peace agreement in relocating its air bases from the Sinai to the Negev and for other cuts directly related to the peace agreement. Similarly, the funds in that bill for Egypt are directly related to Egypt's signing the peace agreement. The money in the bill the Senate is now considering for Egypt and Israel is not a result of the peace agreement. It is the result of our ongoing security and economic assistance programs with those two countries and was requested by the administration before the consummation of the peace agreement.

The third largest recipient of funds in this bill is Turkey, which is experiencing acute foreign exchange and debt problems, and Turkey's armed forces, which are an important component of NATO, are in an extremely serious state of deterioration. Notwithstanding the fact that the dispute on Cyprus has not been resolved, Turkey is an important NATO ally of the United States, and as allies, we must provide an appropriate and sufficient amount of assistance. I anticipate that there will be a great deal of discussion about Turkey in the Senate's consideration of this bill, and I will expand on my views concerning the assistance in the bill for Turkey at a later, appropriate time.

The bill also contains foreign military sales credits and military assistance for the Government of the Philippines. This money has been requested by the administration in connection with its having come to agreement with the Government of the Philippines for the continued U.S. use of its important military facilities at Clark Field and Subic Bay. This agreement is a significant international agreement in that it provides for the reversion of much of the lands of these bases to Philippine jurisdiction and in that the armed forces of the Philippines will exercise de jure if not de facto control over these bases. Accordingly, the committee strongly believes that the administration was derelict in not submitting that agreement to the Congress for its approval either as a treaty or as an executive agreement. The committee report on the sale includes language which protests the nonsubmission of the Philippine Base Agreement for approval and states that the committee has reviewed the terms of the agreement, finds them acceptable, and, therefore, has approved the money requested by the administration for the Philippines. If the committee had not found the terms of the agreement acceptable, it would not have approved the money. Furthermore, the committee anticipates that in the future the Executive will not repeat this serious deviation.

Section 14 of the bill presently before the Senate is a modification, of which I am the author, to section 25(d) of the Arms Export Control Act. The administration's first compliance with section 25(d) in 1978 was wholly inadequate, and the modifications contained in S. 584 is crafted to make compliance with my original amendment to the Arms Export Control Act more likely. I ask unanimous consent to have printed in the Record a letter from myself and Senator Church to the President and the response of the Secretary of State which sets forth our respective claims on this matter. I further ask that there also be printed in the Record at this point a letter from the Comptroller General on this matter.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., March 28, 1979.

The President,
The White House,
Washington, D.C.

Dear Mr. President: On September 26, 1978, you signed into law the International Security Assistance Act of 1978, P.L. 95–384. Section 18 of that Act amended Section 25 of the Arms Export Control Act to require that ". . . the President shall transmit to the [Congress] . . . the Arms Sales Proposal covering all sales under this Act . . . of major defense equipment . . . or any other defense articles or defense services . . . which are considered eligible for approval during the fiscal year beginning on October 1 of such year."

As a response to this directive, the Under Secretary of State for Security Assistance, Science and Technology, Lucy Benson, submitted to the Foreign Relations Committee in November a letter and classified attachment. Given the importance that you and your Administration have assigned to U.S. arms transfer policy, we believe that the responsibility for such reports should not be assigned to an Under Secretary of State. We are very much of the view that in the future these reports should merit your own personal attention and signature.

In addition, we believe that the substance of Under Secretary Benson's letter and its classified attachment do not fully meet the requirements of Section 25 of the Arms Export Control Act, amended by P.L. 95–384. Specifically, Under Secretary Benson's letter makes it clear that some sales not on its classified, attached list will, in fact, be made. The letter also specifies that many sales on the list will not, in fact, be made in fiscal year 1979. Indeed, this would have to be the case as the dollar total on all sales on the list comes to a figure grossly in excess of your Administration's proposed arms sales ceiling for FY 1979.

We are aware that arms sales agreements are not now predicted with any great degree of accuracy, but we believe that the required list of sales "considered to be eligible for approval" needs to be more than just a compilation of arms shopping lists. It should be an authoritative projection of sales planned for the fiscal year in question and closer to the projected ceiling that your Administration has imposed upon itself.

In view of the above, we are not persuaded that the Executive Branch has fully met the requirements of Section 19 of the P.L. 95–384. Accordingly, we hope that you would consider the above and review the entire situation.

Sincerely,
Jacob K. Javits,
Ranking Minority Member, Senate Foreign Relations Committee.
Frank Church,
Chairman, Senate Foreign Relations Committee.

The Secretary of State,
Washington, D.C., April 20, 1979.

Hon. Jacob K. Javits,
U.S. Senate.

Dear Senator Javits: You have raised some serious concerns about the Administration's compliance with Section 25(d) of the Arms Export Control Act, as amended. I have reviewed the matter carefully and cannot agree with the conclusion that the report submitted last year did not fully meet the requirements of the law.

As you know, the President has undertaken major efforts to control arms transfers since assuming office. This Administration has introduced a number of measures to accomplish this goal. At his direction, the Department of State has developed arms transfer review processes to permit the fullest possible consideration of all relevant factors pertaining to, and the implications of, our arms transfer programs. These processes provide for a progressive screening of sales requests to determine which are most essential to our own security and to the security of our allies and close friends.

With regard to your concern that the Administration did not fully comply with the provisions of Section 25(d) of the Arms Export Control Act, I can assure you that the report submitted by Under Secretary Benson on behalf of the President conveyed the most comprehensive and the most accurate information then available.

I fully agree that the list transmitted to Congress must be more than just a compilation of "arms shopping lists." We are seeking to improve our ability to estimate prospective sales and we will continue to make this report as definitive as possible.

As required by law, the report encompassed all cases that were then considered "eligible for approval" in FY 1979. While not all of the sales on the list would be approved, each of the individual cases was, in fact, eligible for approval. However, the specific cases to be actually processed and approved would depend on subsequent case-by-case review. Indeed, our intent in providing a comprehensive list was to ensure that the Congress had the fullest possible information and advance notice of all known and anticipated major sales cases.

I strongly believe that it is not in the national interest for the President to make decisions up to a year in advance on which specific sales should be approved. While deciding on an annual set of arms sales might make our processes more orderly, such a system would not provide the flexibility the President needs to assure that these sales contribute to our national security goals and foreign policy objectives. To work within the constraints he has established and to ensure that our program is effective in a rapidly changing world, the President must continue to make the decisions on a case-by-case basis using careful analyses and current information.

You also expressed concern that sales not on the list may be approved in fiscal year 1979; I would note that any such sales would result only from requests received subsequent to transmission of the report.

In conclusion, let me assure you that the President and this Administration will continue to give the closest attention to both the overall volume of sales and to individual cases of major significance. We will also do our best to make this report as informative as possible to enable the Congress to exercise its responsibilities for review and oversight of arms transfer programs.

Sincerely,

CYRUS VANCE.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., May 2, 1979.

Hon. FRANK CHURCH,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: We have completed our review of the decisionmaking process for conventional arms sales abroad. Based on this review, we believe the opportunity exists for the Congress to have a greater impact on the nature, size, and content of U.S. Government military sales and at the same time reduce the administrative burden associated with existing procedures. Our report on this matter will not be printed for a week or so. We thus thought it would be helpful at this time to provide our recommendation for improving congressional oversight for possible use in the Committees' deliberation on the Arms Export Control Act.

The presentation of a periodic military sales plan by the executive branch for congressional review is a means available to the Congress that would contribute substantially to improving congressional oversight. Such a requirement would permit the Congress, as a body, to bring about changes early enough in the decisionmaking process to have an impact. It would also overcome the problem of ad hoc considerations of sales requests by focusing attention on an integrated plan.

Our review of the executive branch arms sales decisionmaking process revealed that the notifications required by section 36(b) of the Arms Export Control Act are normally preceded by months or even years of discussion and review. Further, the executive branch is engaged in frequent and detailed consultations with foreign governments about their military needs and future arms purchases. Many major purchasers, with some urging or on their own, have actually submitted detailed long-range purchase plans for executive branch information and consideration. To date, however, the executive branch has remained reluctant to use such information as a basis for developing a well-reasoned plan of sales for the following years.

Based on the information available to the executive branch prior to the start of the fiscal year, we believe that almost all the 108 notifications forwarded to the Congress during fiscal year 1978 could have been presented in an integrated plan for congressional review. The executive branch has argued that only 75 percent of such a plan would have remained firm and, therefore, many changes to the plan would have been required. While the extent of change suggested by the executive branch may be subject to some question, the fact that change would occur does not in any way detract from the concept and benefits of developing such a plan. To the contrary, if only changes in the plan were reviewed under section 36(b) procedures, the administrative burden associated with the mechanism would be decreased significantly.

There are more important benefits to be gained by the submission of annual country-by-country sales plans. Such plans would be an ideal mechanism to spell out U.S. restraint policy toward individual recipients and to understand the totality of U.S. commitments and resource requirements. We believe that the plan should also attempt to provide the Congress with a sense of where the individual country programs are headed. That is, in addition to a plan for the next fiscal year, the plans should contain data on major defense equipment which a country may be interested in purchasing in the years ahead. Such data, based on discussions and proposals, is currently available. Sharing such information with the Congress would go a long way toward bringing the Congress into the decisionmaking process early on. Even more helpful, in light of restraint guidelines established for individual recipients, would be preliminary executive branch positions on these potential requests.

We are therefore recommending that the Congress require the President to submit annually, prior to the start of the fiscal year, a detailed plan for each nonexempt country purchasing significant quantities of military equipment from the U.S. Government on a cash or credit basis. This could be accomplished by amending the Arms Export Control Act to require the submission of an arms sales restraint plan which defines the U.S. military supply relationship with each such country and identifies the limits the United States has placed on that supply relationship by specific weapon or weapons category. The plan should include:

A list of all major defense equipment which the President has approved, or plans to approve, for sale to each country during the year; and

A list of major defense equipment which each country is, or may be, interested in purchasing in the following 2 fiscal years.

Significant changes to the plan during the year should also be submitted to the Congress. Because of the sensitivity of such information, it may need to be transmitted with appropriate security classification.

Once the Congress becomes satisfied with the annual plans being submitted by the President, modifications to existing provisions of the Act may be indicated.

I trust that the above will prove helpful to the Committee in its deliberations.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

Mr. JAVITS. Mr. President, I now look forward to the full Senate's consideration of this legislation which is so vital to the implementation of U.S. foreign policy. It is in the Senate's consideration and debate that we can demonstrate to the world that the Executive and the Congress, while in dispute on some aspects, is basically united in the overall thrust of our foreign policy and that the President and the Congress are united in their determination to protect and promote the vital interests of the United States.

AMENDMENT NO. 205

(Purpose: To prohibit economic support fund assistance to Syria)

Mr. PROXMIRE. Mr. President, I call up amendment No. 205 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment numbered 205.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, line 12, strike out "$1,949,000,000" and insert in lieu thereof "$1,904,000,000".

On page 24, line 8, strike out "Syria and".

On page 24, beginning on line 21, strike out the first comma and all that follows through the first period on line 23.

Mr. PROXMIRE. I ask that the three changes in the amendment on two different pages be considered en bloc as one amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, this amendment strikes from the bill all security supporting assistance for Syria. Specifically it reduces the total for security supporting assistance by $45 million—the amount provided in the bill for Syria. Further, it strikes out language on page 24 which includes a reference to Syria in a sense of Congress resolution stating that continued funding for Syria and Jordan is preconditioned on a Presidential determination that it would further progress toward a comprehensive peace settlement in the Middle East. Since this amendment deletes all funding for Syria, there is no need to incorporate that country into this sense of Congress resolution. Finally, this amendment strikes certain words on page 24 so that the resulting language states:

> None of the funds authorized to be appropriated under this chapter may be used to provide assistance for Syria.

The language deleted states:

> Unless the President determines and so reports to the Congress that assistance for Syria is in the national interest of the United States.

Such language would be inconsistent with a reduction of all security assistance funding for Syria.

Mr. President, why should the Senate strike all security supporting funds for Syria? In order to answer this question, let us examine the rationale of why we should send foreign aid to Syria. The first reason for sending $45 million in foreign aid to Syria can be found in the committee's report. Security assistance, as for Syria, is "provided to countries friendly to the United States in an effort to help strengthen their military capabilities or stabilize their economies." Remember carefully the committee's conditional phrase as to why security assistance is given. It is provided to "countries friendly to the United States." Therefore, we can conclude that one reason we are giving $45 million in aid to Syria is that we believe that they are a friendly country deserving of U.S. support.

I want to go into that shortly. If there is any country where we can prove we have not had friendly relations, that has not been friendly to this country, I think the record overwhelmingly proves it is Syria.

Let me go ahead. That is not the only rationale for Syrian aid. There are diplomatic reasons for this support. After all, has not Syria been a moderating influence in the Middle East? Have they not played a constructive role in the peace negotiations or, at a minimum, refrained from playing an obstructionist role? Have they not assisted us behind the scenes? Is it not true that our U.S. dollars will pay off by lessening the threat to Israel; by providing a U.S. diplomatic ally in that troubled part of the world; by encouraging reason and good sense as the peace process continues? The answer to every one of those questions is an emphatic, provable no. Let me go on.

It could also be argued that the reason for this Syrian aid is for internal budget support. Have we not heard that Syria has a per capita GNP of only $780; a rate of inflation of over 18 percent; a literacy rate of only 40 percent, an average annual per capita agricultural production growth rate of −0.5 percent from 1954 to 1977; 51 percent of its labor force in agriculture; and a deficit at the Federal Government budget level for the past several years? It is said that here is a country which needs our assistance.

Well, Mr. President, I suppose we could argue that they do need our assistance, but our assistance, as I am going to point out, would be used not to alleviate or improve their humanitarian situation, but on the basis of their history, it would be used for quite a different purpose, a purpose hostile to this country's objectives.

Finally, Mr. President, it could be argued that we should support Syria purely on humanitarian grounds.

Now, having examined the arguments for security supporting assistance for Syria, let us go back and look at these rationales in a little different light.

When discussing Syria, we must keep in mind certain basic, inescapable facts. The first is that Syria has invaded and currently occupies another nation—Lebanon. Let me repeat that: Syria has invaded and currently occupies another nation—Lebanon. The United States has protested the Vietnamese invasion of Cambodia. We protested the Chinese invasion of Vietnam. But when was the last time we heard anything about our concern over the occupation of Lebanon by Syria? Of all the standards of unacceptable behavior in the international community, invasion and occupation is one of the most abhorrent. Syrian tanks rolled into Lebanon on June 1, 1976 and they remain there today. The excuse was the 14-month-old Lebanese civil war between Maronite Christians and Lebanese Moslems and Palestinian guerrillas. Today, there are at least 25,000 Syrian troops in the unhappy country of Lebanon. Why are the Syrians in Lebanon? Well, they are not there on vacation. After an initial period of quiet, these Syrian troops have actively intervened in the growing warfare between Christian groups in East Beirut and the leftists and Palestinian groups. The Syrians have heavily shelled Christian strongholds.

The Syrian Government has made it clear that it considers that Lebanon and Cyria are integral parts of a "Greater Syria." President Assad has publicly stated that there is an historic indivisibility between the two neighboring states based in part on the borders drawn up by colonial France.

I submit, Mr. President, that the United States should not provide economic or security assistance to a country which has invaded its neighbor and continues to occupy a significant portion of that country to this very day. This is particularly so under conditions whereby there is every indication that Syria regards such an invasion and occupation as historically predetermined. Lebanon, once a country "friendly to the United States" to use the words of the Foreign Relations Committee report, has been torn apart thanks to the Syrians and other warring factions. And yet we decide to reward Syria allegedly, and I stress allegedly, "a country friendly to the United States" with economic assistance.

Mr. President if someone asks what my position is with regard to Israeli occupation of Lebanon, I want to state clearly that I emphatically oppose any Israeli civilian or military occupation of the zone artificially created south of the Litani River.

As for the issue of Syria being a moderating influence in the Middle East, the facts are quite the contrary. Obviously an invasion cannot be considered a "moderate" course of action. Leaving that aside, however, there is clear evidence that the Syrian Government, having once considered stopping the flow of arms to Palestinian guerrillas, now has agreed to allow resupply of the Palestinians.

So here is a government that is arming the Palestinian terrorists, that, of course, are doing their best to kill Israelis. Damascus radio has been quoted as saying:

> Syria will allow anything which comes in for the Palestinian resistance—be it humanitarian or military—especially if this is related to the conflict with Israel, whose forces still occupy part of Lebanon.

There need be no more evidence of whom the Syrians favor than to count the bodies of the dead Christian militiamen in East Beirut after Syrian military intervention on the side of the Palestinian guerrillas and other leftwing military forces.

Actions speak louder than words, but we have plenty of both to judge Syrian intentions. On the eve of the signing of the Egyptian-Israeli peace treaty, bomb blasts shattered windows at the U.S. Embassy in Damascus. President Assad told Newsweek magazine that President Sadat had "signed his own demise." The Syrian Government entered into an intense round of negotiations with visiting Soviet Foreign Minister Andrei A. Gromyko and Yasser Arafat. The Syrian Government, which previously had accused Secretary of State Cyrus Vance with carrying "an olive branch in one hand and stabbing people in the back with the other" now stepped up the campaigning against the peace treaty. Syria, a staunch supporter of the "rejectionist front" states, has made overtures to its longtime adversary, Iraq, in the hope of forming a strong military threat to Israel. The two countries have signed a mutual defense pact uniting their military establishments into a total force of 440,000 troops, 4,500 tanks, and over 700 combat aircraft. The two nations have agreed to provide "strategic depth" for each other—raising the possibility that Iraq forces may be brought to play on the Golan Heights.

The distinguished manager of the bill, my good friend from South Dakota (Mr. McGovern) has just asked assistance to Sudan because of their support for Egypt. Well, that makes some sense. But at the same time, here in the bill, we are supporting Syria—that opposes Egypt, that attacks Mr. Sadat, and that is vehemently, vigorously opposed to Israel.

Meanwhile, diplomatically, Syria continues its hard line attitude toward the peace treaty by encouraging the moderate Arab states to cut off support for Egypt. President Assad feels so strongly about this approach that he has systematically visited moderate Arab nations seeking an intensified effort against Israel and Egypt.

Yet we are providing $45 million of assistance to Syria, which, as I say, is the core of the states opposed to Israel and Egypt.

In simple terms, Syria and Iraq are the core of the "rejectionist front" states.

So much, Mr. President for providing aid to Syria on the basis of it being a "friendly government" or for its diplomatic moderation.

Now let us review the requirement for economic aid based on internal budgetary support. Frankly I believe this rationale should go by the boards considering the actions Syria has taken militarily in Lebanon and diplomatically in the aftermath of the Middle East peace settlement. But let us lay this conclusion aside and examine the merits of the economic argument.

Does Syria need our money? If this bill is passed without modification, the United States will have provided Syria with $483 million in security supporting assistance since 1975 and $558.2 million overall. We have pumped so much funding into Syria that even the committee report this year takes note of the fact that there is $308 million of U.S. foreign aid funds still in the pipeline. $308 million that the Congress has appropriated and has yet to be obligated or spent by Syria. Mr. President, we are pushing the money at them faster than they can handle it. Syria is concerned about its inflation rate which is now over 18 percent compared to an average from 1960–1970 of 1.8 percent—in other words, 10 times as high. It has been said that in order to hold down this rampaging inflation, the Syrian Government has slowed down the processing of U.S. loans and grants thereby creating this $308 million pipeline.

What has our $483 million in security supporting assistance gained us? Has it sustained our foreign policy objectives in the Middle East—No, just the opposite has occurred. Of course not. The record is very clear.

It is hard to envision how Syria could possibly be more opposed to our objectives in the Middle East. They are arming the Palestinians, have done their best as to Egypt and Israel. Just the opposite has occurred.

Has it contributed to the general welfare in the Middle East—Certainly not if you ask the Lebanese their opinion. They are occupied by Syrian tanks and troops. Has it lessened the threat to Israel? Since Syria and Iraq have joined forces, the threat to Israel has increased. The funds for Syria cannot even be absorbed efficiently into their economy without contributing to inflation.

Mr. President this leaves only one justification for supporting Syria—humanitarian reasons. Does not U.S. assistance really help Syrians in need? The answer I candidly admit is "yes." Our agricultural assistance, our technical assistance, our emphasis on supporting individuals in rural areas, is laudable. Those funds which are not caught in the pipeline probably do contribute to increasing the standard of living of some Syrian farmers.

But is that the real answer? Not really, for the Syrian Government has brought real economic problems on its own people. The Syrian Government spends over 30 percent of its total expenditures on defense. It allocates over 18 percent of its gross national product for defense. It is being drained of internal resources by its occupation of Lebanon. Our assistance, though humanitarian in nature, is a budget substitute for internal resources which have been diverted into the military establishment of the Syrian Government—a military establishment that is an occupying force, that threatens Israel, that resists any effort to find peace in the Middle East.

Our assistance makes this military action feasible and possible, that is why it is so contradictory. Thus I am not as swayed as I might be in considering the humanitarian aspect of this security supporting assistance.

Whose security are we supporting? Not our own for Syria has rejected virtually every U.S. proposal for peace in the Middle East in the last 5 years; surely not Israel's for Syria has now joined with Iraq in a potent military partnership against Israel; not poor Lebanon who still feels the force of Syrian tanks and artillery occupying their country. Whose security are we supporting with this commitment of $45 million?

Before concluding, Mr. President, I think it only fair to address one technical issue. It undoubtedly will be pointed out that this $45 million in security supporting assistance is a loan.

Now, let us consider that. That is true, it is a loan, a loan backed by full appropriations so it has the same U.S. budgetary effect as a grant. Furthermore, this is a concessional loan which will have the same economic effect as a grant. Although the specific agreements have not been entered into yet with regard to the fiscal year 1980 projects, it is expected that the prior patterns will be followed.

What kind of loan is this? This means that this loan to Syria will be extended over 40 years with a 10-year grace period during which the Syrian Government need only pay the United States a 2-percent interest charge and no principal has to be paid.

How would you like to have a loan like that? We do not provide any loans like that to American citizens.

We rejected the proposal the other day that Senator COCHRAN made for assistance to the floodstricken people in Mississippi, which was a 1 percent loan. We said "No."

The elderly get a 3-percent loan, but it has to be paid back, the principal has to be paid back starting at once.

There is no American citizen that gets this kind of benefit—none.

Mr. President, if we consider the fact that even during the 30-year period, the payback will be 3 percent and the Federal Government now has to pay 8 percent for its money, this is, in effect, a grant, pure and simple.

Over the balance of the 30-year period, the interest charge would be 3 percent. Under these terms this is no loan, this is a grant, pure and simple. Similar loans signed years ago have been found to have the same effect as a 97-percent grant.

Of course, now with inflation what it is, with interest rates where they are, it would be at least that.

In other words, only 3 percent in real dollar return was realized.

Mr. President, I earnestly hope the Senate will see fit to adopt this amendment.

It seems to me it is almost insulting to the American taxpayers to be called upon to provide $45 million in this kind of assistance to a country which is hostile to us, which is hostile to Israel, which is hostile to Egypt, which is hostile to a settlement in the Middle East, is arming the Palestinians, occupying Lebanon, and we are asked to provide $45 million in assistance to them.

I challenge the distinguished and very able and articulate Senators here to explain that to any American citizen. Not one in one hundred would buy that. Not one in one hundred would buy that, and they should not. It just does not make sense.

Mr. ROBERT C. BYRD. Mr. President, I wonder if I might get a time agreement on this amendment of 40 minutes, equally divided.

Mr. PROXMIRE. Yes.

Mr. ROBERT C. BYRD. I make that request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank all Senators.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

Mr. President, in the first place, I support this bill. I believe it is desirable in the interests of the United States and I hope very much the Senate will pass it today.

Mr. President, I suppose it is rather anomalous that I should be the first speaker, that I should be opposing Senator PROXMIRE's amendment.

His last words echo in my ears because they are so true. Syria is hostile to Egypt, hostile to Israel, hostile to peace, occupying the Lebanon, doing everything unwise, wrong, unstatesmanlike, derogatory and denigrating, I think to the effort of all the people there.

Yet, all I can say about the Middle East to my colleagues is that it is a crazy world, and this is clearly symptomatic of it, because there are even degrees of error and Syria must be written down as still having some possibilities as contrasted with Iraq or Libya, which seem to have none.

Yet, we might wake up tomorrow and find some new fellow in charge in either, and he could easily be the harbinger of peace, so insane is this world in which we operate, because that is the situation.

We discussed this very seriously in the Foreign Relations Committee, for very obvious reasons, because everything that the Senator from Wisconsin has argued is true. But, as we lawyers know, sometimes we admit all the facts and still lose the case because the law is not with us. I think that is pretty much what we face here.

The fact is that Syria could be a lot worse than it is. It is occupying the Lebanon. It could take it over. It could make war on Israel instead of letting a guerrilla war go on, run by its own version of the PLO. and by the other version of the PLO, which is lodged in the refugee camps of southern Lebanon.

It could engage in conspiracies against other Arab states very important to us in that area of the world and aid and abet even more hostile Arab nations in that endeavor.

It has the example of unbelievable extremism which we now find as Iran tries to work its way out of its own revolutionary situation, which we all realize today replaced an untenable situation in which the ruler of the country obviously had completely lost touch with his people, and yet presents us with grave dilemmas of policies and of humanity as the anarchy there seemingly continues, until a government with authority and the ability to administer law takes hold. That is the real situation about Syria.

The President is convinced—he convinced the committee, and I am convinced—that notwithstanding all that has been said—which I cannot dispute because it is a fact—it is still desirable and useful, because of this difference in quality of hostility and policy with respect to the Baghdad decisions of the Arab States and the alleged sanctions now to be taken against Egypt, with respect to the character of the occupation of Lebanon, with respect to the relation between Syria and other states in the Arab world, to have half—and that is all this is—of what was provided last year to be available to Syria, and I emphasize the word "available," under the conditions of the bill.

The conditions were written by Senator STONE and myself, and I do not think anyone could find two Senators who would be more congenial or more sympathetic to everything Senator PROXMIRE has argued. The provision is at page 24, lines 19 to 23:

> None of the funds authorized to be appropriated under this chapter may be used

> to provide assistance for Syria, unless the President determines, and so reports to the Congress, that assistance for Syria is in the national interest of the United States.

We have given the President $45 million earmarked for Syria, to be used if the President certifies to us that it is useful and in our interest to do so. I do not know whether it will be used or not. I suppose I should hope that it will and that the conditions for its constructive use are available.

I point out, also, that we are not doing this as a reward to Syria for behaving better. But we believe that, in the dynamism of this area, occasions may present themselves when the use of these resources could be helpful. So fluid, so uncertain, so anorthic is the situation that we believe, in our sincerest judgment—and I have told the Senate who the authors are—that this was the right way to go. I leave it to my colleagues. That is our opinion, and we give it, and I will vote that way. I hope very much that it will be the opinion of the Senate. I have stated all our reasons without in any way contradicting the facts as Senator PROXMIRE has laid them out.

Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER**. Who yields time?

Mr. PROXMIRE. I yield myself 5 minutes.

Mr. President, I appreciate very much the thoughtful response of the Senator from New York. He is right, of course—the bill does provide that these are conditional funds. The language says:

> None of the funds authorized to be appropriated under this chapter may be used to provide assistance for Syria, unless the President determines, and so reports to the Congress, that assistance for Syria is in the national interest of the United States.

That is the language provided here, and I think that any realistic assessment of that language would indicate that the President does have very broad discretion. "The national interest of the United States" is hardly a precise or restraining or restrictive kind of clause. That language has been used often in the past.

The President requested this money for Syria. If we want to use this as a sort of carrot for Syria and say, "If you cool it off, if you withdraw your hostility to these countries in the Middle East, if you cooperate with us in trying to achieve peace in the Middle East, then we can go ahead with the $45 million," that is a reasonable argument, and I think many Senators might buy that argument.

However, I submit that there is $308 million in the pipeline that has not been spent and that is available. Last year, we appropriated funds for Syria, and not one contract has been signed on the basis of that money that was appropriated last year. If the President wants to have money with which he can persuade Syria that it is in their clear, immediate financial interest to cooperate, he has it. He does not need this $45 million in addition.

If the Senate takes action today which says, "No," it seems to me that there is some iron in this body, that there is some resistance, that there is recognition that we cannot be pushed around, that we are not going to accept a policy which is hostile on every front, which opposes, as the Senator from New York has said, everywhere we look.

I repeat: If the President does want to have funds with which he can negotiate with Syria for a more favorable attitude, he has those funds. They are there now. He does not need an additional $45 million.

Mr. President, the Senator from New York also indicated that the situation could be worse, that Syria could make war on Israel. I submit that I think it is pretty clear that the reason why Syria and Iraq do not make war on Israel is that they could not win, and the deterring factor is Israel's military strength. That is the important element involved. There is no question that that is the experience the Arab countries have had in the past in attacking Israel or being engaged in war with Israel. They are doing everything short of war to disrupt Israel and to hurt her chances to achieve peace.

Syria has been working night and day to persuade other countries to join in opposition to Israel. What more can she do? I would like to hear what other specific action Syria could take that she is not doing now that is hostile to Israel, hostile to peace, and hostile to our interests.

As I say, if she is willing to moderate her position, those funds are available; they can be provided to Syria. We have $308 million available. There is no reason in the world to provide another $45 million under these conditions.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. I yield myself 2 minutes.

Mr. President, I respect Senator PROXMIRE so enormously that I want to answer his question immediately—not in an effort to persuade him, but so that the record will have an answer to the question he has asked: What else could Syria do that would be worse than she is doing?

I do not want to be her strategist—the last thing in the world I want to be is the strategist for Syria—but I will say what I said before, and I think it bears repeating: They could make themselves much more difficult in Lebanon. After all, these border incidents are not a war. They involve the PLO or some other guerrillas. It is said—I cannot vouch for it—that it is the PLO branch of the Syrians themselves, something called El Saiqua. They could do that. They could threaten other Arab states which are very important to us; because it is common talk—again, I cannot vouch for it—that all kinds of conspiracies are being spun in the Middle East against the security of oil supplies in other Arab states by various states. For all I know, they may include Syria. But if the President concludes that it does not, then he should have something available that will fit into some financing plan for the Middle East which may present an opportunity for a more peaceful course during the year.

Mr. PROXMIRE. Does the Senator have any doubt at all that Syria is deeply, firmly, absolutely opposed to Israel and opposed to the peace treaty that was signed by Egypt and Israel?

Mr. JAVITS. I have no doubt at all that they are; but in the Middle East, that does not mean that they will be tomorrow, and that is what this $45 million is about. That is my only argument. They are. But that is today. In that unbelievable situation, tomorrow or Thursday or Friday could be different, and that is why we are giving the President this opportunity.

Mr. PROXMIRE. I ask the Senator why the $308 million in the pipeline is not sufficient for that purpose. Why do we have to have another $45 million?

Mr. JAVITS. Because that is accounted for, committed, and before the debate is over I will get the facts and figures. The Senator knows me too well to believe that I would give him an answer to that one off the top of my head. I will do it before the debate is over.

Mr. PROXMIRE. I have not heard an answer to that. I raised that point three or four times now. I wish to hear it.

Mr. JAVITS. I just arrived, and I will get an answer.

Mr. PROXMIRE. Will the Senator also concede, or maybe he would not concede, that what really limits Syria is the fact that she does not have the military muscle or the economic muscle to accomplish these ends that she would like to achieve, and will he also not concede that another $45 million is to give her a little more economic muscle than she would have?

Mr. JAVITS. No, that I cannot concede.

Mr. PROXMIRE. Why not?

Mr. JAVITS. I will tell the Senator why not.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. JAVITS. I yield myself an additional minute. Forty-five million dollars for Syria is not all that big a deal. It is not going to make or unmake their situation. I believe that there may be an opening in which it can be used constructively. I do not believe that it is a decisive factor in making or unmaking their military or economic strength.

Mr. PROXMIRE. Since 1975 we provided 10 times that much, as the Senator knows, $454 million, and that total amount, it seems to me, could make a difference in a relatively small country in an area not dealing with the billions of dollars or the tens of billions of dollars that we deal with between the United States and the Soviet Union. It is money that after all is going just, in my judgment, for the worst possible kind of cause. I do not know how the Senator really could feel he could justify this before most American citizens if he had all the time in the world and he had all the facts. How in the world would they say yes, spend money.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself an additional 5 minutes and am happy to share them with my friend from New York.

How could he expect that from American citizens who have no situation like this anywhere in the country where they can borrow money at 2 percent and pay back no principal for 10 years and then over the remaining 30 years pay only 3 percent? That is the most advantageous kind of a loan that I can imagine under these circumstances, with interest rates what they are and inflation what it is. Yet we are providing it for Syria, for Syria. We do not provide it for our own elderly, as the Senator knows. We do not provide it for disaster victims. The Senator knows the recent experience we had in the Chamber the other day. No American citizen gets it. We are providing it for a country which, as the Senator conceded, could not have been more hostile or could hardly be more hostile. He has to work hard to find a way in which they could be more hostile to the United States and to its interests.

Mr. JAVITS. The Senator has asked three questions. I will try to answer them all.

The first question is where has the $400 odd million gone? Well, the $400-odd million has been chewed up obviously over the years. It has not been accumulated in a Syrian bank or in a Mideast bank.

Mr. PROXMIRE. It is not available. But there is still in the pipeline $80 million of that $450 million.

Mr. JAVITS. I understand. We will account for the pipeline proposition. But it has been utilized in earlier years and for a very good reason.

Let us remember that there was a disengagement with Syria respecting the Golan Heights. There are U.N. troops in the buffer zone on the Golan Heights. This was negotiated as recently as 1974, not so many years ago.

Second, the Senator asked about this particular $45 million being on very concessionary, very attractive loan terms. No one is arguing for its financial soundness, though Syria's financial condition is such as really not to make any other kind of proposition possible. If we are going to do anything, and I am not—I cannot tell the Senator we will do anything in this matter—the Appropriations Committee will have to have a crack at it after the President certifies that he wants it and why and what he is going to do with it.

Lastly, the Senator says we do not provide this $45 million for our poor. I might say to the Senator neither are we providing $127 billion that is going for defense for our poor. There are some things, unhappily in this tragic world in which we live, which we cannot provide for our poor and which we have to provide in the effort to try to get some kind of a world that will be rational and at peace and that will avoid war.

The $127 billion for defense will be small change if we have a war, let alone its casualties and other disasters.

So I cannot argue that point. That is inherent in the structure of the society of the world, this terrible, dangerous, and uncertain world in which we live. And if we are not doing what we should do at home, we have to fight that out. After all, we have a plus $500-odd billion budget. We do many, many things with money, including providing for our poor, our aged, our infrastructure, and a thousand other details. So I cannot debate that with the Senator. Some of that is going to foreign aid, and that is what we are arguing about now.

Mr. PROXMIRE. May I simply reply to my friend that the $127 billion for defense I think we can criticize and I have criticized; so has the Senator from New York in some respects, and I think it is too much. But I, nevertheless, think we have to spend enormous sums, tens of billions, well over $100 billion, I am sure, for our defense, that is necessary in the kind of world in which we live and I think almost all Americans would recognize that the national security must come high.

Mr. President, I cannot see any benefit to the defense of this country, any national security interest that is served really by providing $45 million for Syria. We recognize what Syria has done and recognize the record.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. HEFLIN). The Senator from South Dakota.

Mr. McGOVERN. Mr. President, I yield myself 5 minutes.

First of all, I agree with the observation that Senator JAVITS made that there is some validity in the point made by Senator PROXMIRE as there usually is in matters that he brings to the Chamber.

I think he is at least half right in the argument he has made, and it is on that basis that the committee cut by half the authorized funds for Syria that were provided last year.

Mr. President, with regard to the Senator's questions as to how the money presently obligated is to be spent, I simply tick off the basic items that have been funded. Most of the funds will be utilized for basic development projects. As he knows, those programs cannot be developed overnight. There is always a certain amount of lagtime in the development of programs of that kind. But these are the kind of items with which we are assisting Syria: The development of a rural school system; the development of health centers in both the rural areas and in the cities; the development of a rural road system; the development of rural water supply; the assistance in the development of an improved water system for Damascus; the development of rural electrification; assistance in the development of the Euphrates River Basin irrigation system, and so on.

In any event, Mr. President, I ask unanimous consent that this table from which I am reading, supplied by the Agency for International Development for the fiscal year 1980, be printed in the RECORD so the RECORD will show how this money is to be expended.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTIVE AND PROPOSED PROJECTS

PROGRAM SYRIA

[Dollar amounts in thousands]

Project title	Loan/grant	Project No.	Fiscal year of initial obligation	Through Fiscal year 1978		Estimated Fiscal year 1979		Proposed Fiscal year 1980		Future year obligations
				Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	
SECURITY SUPPORTING ASSISTANCE										
Agriculture machinery and production input I	Loan	276-J007	1975	$30,000	$29,899		$101			
Basic input and production	Loan	276-K013	1976	15,000	2,024		12,976			
English language training	Grant	276-0002	1976	1,392	378	$975	500		$500	
Agriculture education and research	Grant	276-0003	1979			7,200			1,000	
General participant training	Grant	276-0004	1975	2,157	1,394	850	500	$1,100	666	
Technical service and feasibility study phase II	Grant	276-0005	1977	3,500	31		2,000		1,000	
Development of health services	Grant	276-0006	1976	1,075	323		260		260	
Damascus water supply II	Loan	276-0010	1976	14,500			300		5,000	
Euphrates basin irrigation maintenance	Loan	276-0011	1976	17,600	287		5,000		8,500	
Damascus-Deraia highway	Loan	276-0012	1976	45,900	176		4,000		11,000	
Agriculture machinery and product inputs II	Loan	276-0014	1977	40,000			33,220		6,780	
Akkar Plain	Loan	276-0016	1980					15,000		
Lattakia—Tartous highway	Loan	276-0017	1978	60,000			650		15,000	
Rural electrification	Loan	276-0018	1977	34,700			150		22,000	
Technical health institute	Grant	276-0019	1978	4,050		1,580	100		2,000	
Land classification/soil survey	Grant	276-0020	1978	2,200			60		1,000	
Development imports	Loan	276-0023	1978	20,000			2,000		13,000	
Provincial water supply	Loan	276-0024	1979			12,400			1,000	
Technical services/feasibility studies III	Grant	276-0026	1978	2,000			600		500	
Technical services and feasibility studies IV	Grant	276-0027	1979			1,500			500	
Agriculture planning	Grant	276-0030	1980					5,000		
Agricultural research	Grant	276-0031	1980					7,400		
Technical services and feasibility studies V	Grant	276-0032	1980					1,500		
Rural roads	Loan	276-0033	1979			26,000			5,000	
Health centers	Loan	276-0034	1980					10,000		
Rural schools	Loan	276-0035	1979			16,000			3,000	
Development imports II	Loan	276-0036	1979			20,000			7,320	

Project title	Loan/grant	Project No.	Fiscal year of initial obligation	Through Fiscal year 1978		Estimated Fiscal year 1979		Proposed Fiscal year 1980		Future year obligations
				Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	
Development imports III	Loan	276-0037	1980					20,000		
Remote sensing	Grant	276-0041	1979			3,495	200		500	
Total for account				294,074	34,512	90,000	62,617	60,000	105,526	
Grants				16,374	2,126	15,600	4,220	15,000	7,926	
Loans				277,700	32,386	74,400	58,397	45,000	97,600	
MIDDLE EAST SPECIAL REQUIREMENTS FUND										
Technical services and feasibility study	Grant	276-0001	1975	4,000	2,178		1,000		822	
General participant training	Grant	276-0004	1975	1,926	992		500		434	
Damascus water supply I	Loan	276-0008	1975	48,000	295		3,000		11,000	
Total for account				53,926	3,465		4,500		12,256	
Grants				5,926	3,170		1,500		1,256	
Loans				48,000	295		3,000		11,000	

Mr. McGOVERN. Mr. President, the Senator from Wisconsin has made the point that Syria has done everything it can to disrupt the peace of the Middle East and to damage the interest of Egypt, Israel, and the United States.

I respectfully submit to the Senator that that is an overstatement of the Syrian problem. Senator JAVITS is right in stressing the fact that while the Syrians have not agreed with us on what we would like to see achieved now in the Middle East they have not entirely closed the door on the possibility of cooperation with the United States, in looking toward the comprehensive settlement. The Syrians, unlike the so-called rejectionist front of radical states in the Middle East, still publicly and privately adhere to U.N. Security Council resolutions 242 and 338. They have held consistently to those resolutions which in the long term is the American position and the Israeli position, looking toward a comprehensive settlement in the Mideast. This places Syria in direct conflict with the rejectionist states who say there is no basis for a comprehensive settlement in the Middle East as long as the State of Israel exists.

At the recent Baghdad Conference the Syrians opposed and spoke out vigorously against taking any economic action against the United States.

They opposed, for example, the PLO proposal that the oil weapon be used as a club against the United States. The Syrian representatives at the Baghdad Conference got up and opposed that move and said that that kind of economic warfare should not be conducted against the United States.

The Syrians also opposed any resolution directly criticizing U.S. participation in the Camp David process.

Mr. President, the peace process is just beginning. The next steps in that process in the Middle East will include the issue of the future status of the West Bank and the Golan Heights. Negotiations on the West Bank autonomy plan are already underway, with the support of Israel and Egypt and the United States.

The ultimate position of Syria on those and other issues is going to be critical to the outcome of the comprehensive peace talks.

So I think it would be ill-advised for us to cut our ties with Syria now. We can always cut the pipeline tied to Syria in the future if they are intransigent on the points we think are important.

Mr. President, the Senator from Wisconsin has said that he can understand the support in this bill for funds for the Sudan because Sudan has been friendly to Egypt. But how does anyone, he asks, support assistance of this kind for Syria at a time when they have been critical of the Egyptian participation in the Camp David conference?

Mr. President, the truth is that spokesmen for the Egyptian Government have made it clear that they do not want us to turn our backs on the Syrians; that they would oppose the kind of cut which the Senator from Wisconsin is proposing here on the floor today, because they realize that to terminate the program in Syria would not be penalizing Syria as much as Egypt.

The Egyptians would be blamed because of their participation in the Camp David process for any precipitous action we take now against Syria.

I fully subscribe to what Senator JAVITS has said. He said the Middle East is a very complicated and volatile situation. Two years ago the two most dangerous antagonists in the Middle East were Egypt and Israel. Those were the two principal military powers arrayed against each other. There is no question that more Israelis have died as a consequence of Egyptian military operation than from any other source.

Yet today we have the President of Egypt and the Prime Minister of Israel sitting down together across the conference table and working out a peace treaty. We ought not at this point rule out that possibility with regard to Syria.

So, recognizing the safeguards that have been put into this bill that none of this money, not only the $45 million included in the bill but none of the funds for Syria and for Jordan, can be spent unless the President finds that they are contributing to the process of peace in the Middle East, I think we ought to leave the President with that flexibility and that capacity to conduct foreign policy.

If it proves 6 months or a year down the road that the Syrians are in an intransigent position, there is ample time then for us to deny the use of these funds.

Mr. President, I reserve the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes.

The distinguished Senator from South Dakota has indicated, Mr. President, that the Syrians have been, in his view, far more cooperative than I have given them credit for in my remarks, and that they could have done many other things they did not do to hurt us.

Mr. President, it seems to me that if we are going to provide aid to Syria, then we provide aid to every country everywhere without any real discrimination. After all, the Senator has said, they had not always gone along with the Rejectionist Front. The fact is they organized the Rejectionist Front. What is the Rejectionist Front? It was organized by Syria and Iraq at the Baghdad Conference.

Here is a country that has armed the Palestinians and is arming them today, the most vicious group that is doing its best to kill Israelis and is stirring up all the trouble they can in the Middle East.

They have occupied Lebanon. That has not been answered. They occupy it right now, right at this moment. They have tanks and troops in Lebanon, a country that is trying to resist outside aggression, and the Syrians have invaded Lebanon and occupied it.

My friend from South Dakota said that the Syrians resisted the proposals not to provide oil for the United States and other Western countries. They sure did. But do you know why? Because they wanted to concentrate their boycott on Egypt and Israel, and they felt it would hurt Israel more if they would organize the boycott and keep the oil away from Israel primarily.

Mr. President, nothing really would strengthen our position more with respect to Syria than a vote in favor of my amendment which would make it clear that Congress will simply not stand for the kind of hostile action that Syria has been engaged in against this country, against our friends, against peace in the Middle East, in favor of terrorists, and I hope the Senate will support the amendment for that reason.

I might point out, Mr. President, that the view of the distinguished managers of the bill, the members of the Foreign Relations Committee, seems to be that in times of crisis we provide aid, and when in doubt we simply spend the money of this country to try to persuade other countries to support our position.

It seems to me our position should be exactly the reverse. When in doubt and under the circumstances we should not provide assistance. We should withhold assistance. We should make that assistance conditional on good behavior, not provide assistance to a country that has been as hostile, as opposed to our foreign policy actions and endeavors and our attempts to achieve peace in the Middle East, as has been Syria.

Mr. President, I reserve the remainder of my time, and I yield the floor.

Mr. McGOVERN. Mr. President, I yield 2 minutes to the Senator from Florida (Mr. STONE).

The PRESIDING OFFICER. The Senator from Florida.

Mr. STONE. Mr. President, I thank the Senator from South Dakota.

Normally, I would be cosponsoring the amendment of the Senator from Wisconsin. If the Senator from Wisconsin would just give me his attention for a moment, let me repeat that normally I would be cosponsoring this amendment on two grounds: First, to cut the budget; and, second, respond to the kind of overt actions the Syrians have been exhibiting.

The Senator is quite correct, they are a founder and prime organizer of the Rejectionist Front; they are in control of Lebanon, they are putting the squeeze on Egypt in many ways.

On the other hand, there have been some recent indications which have not yet become really visible that there are some hopes for a change of not merely this attitude but a change of their actions.

Here is the way I feel about it: If the Senator from Wisconsin would at this moment withdraw this amendment, and if between now and the appropriations process the visible, overt conduct of Syrian policy has not changed, then the Senator from Florida not only will vote for the Senator's amendment to eliminate all assistance, which in this case, would be all appropriations, but I will cosponsor it.

But I think that in the next few months there is a distinct chance before the full funds are appropriated, I think there is this distinct opportunity for change and, for that reason—and I know this is unexpected—I would have to at this moment vote against this amendment. But, as I say, later on—and it will not be that much later—I will be shoulder to shoulder with the Senator from Wisconsin if what we think is possible does not come to pass.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

I thank my good friend from Florida, and I deeply appreciate his proposal. I certainly am sorely tempted by it. There is no one whose support I would rather have on any issue, and particularly on this issue.

I do think, however, I must press the amendment.

My position is this: We have $308 million in the pipeline that has not yet even been made available to Syria. That is plenty, it seems to me. This additional $45 million really adds nothing in the sense of negotiating power for the President of the United States.

I would hope on this basis that a vote this morning by the U.S. Senate against providing an additional $45 million would send a message loud and clear and emphatically to Syria that we simply will not stand for this kind of behavior.

Meanwhile, if there is a moderation on their part, there is plenty of time in subsequent years, as that $308 million is drawn down, to take a different position.

Mr. STONE. Mr. President, if the Senator will yield for one comment, I do indeed have the same feeling.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I yield back the remainder of my time, and ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 205) of the Senator from Wisconsin (Mr. PROXMIRE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. STEVENS. I announce that the Senator from Iowa (Mr. JEPSEN) and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

The PRESIDING OFFICER. Are there any Senators who have not voted? If so, come forward.

The result was announced—yeas 34, nays 58, as follows:

[Rollcall Vote No. 103 Leg.]

YEAS—34

Bayh
Bentsen
Boren
Bradley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Cannon
Cohen
Danforth
DeConcini
Domenici
Durkin
Garn
Hatch
Heflin
Helms
Hollings
Humphrey
Laxalt
Magnuson
Morgan
Proxmire
Pryor
Randolph
Sasser
Schweiker
Simpson
Stevens
Stewart
Warner
Weicker
Young
Zorinsky

NAYS—58

Armstrong
Baker
Baucus
Bellmon
Biden
Boschwitz
Byrd, Robert C.
Chafee
Chiles
Cochran
Cranston
Culver
Dole
Durenberger
Eagleton
Exon
Ford
Glenn
Goldwater
Gravel
Hart
Hatfield
Hayakawa
Heinz
Huddleston
Jackson
Javits
Johnston
Kassebaum
Kennedy
Leahy
Levin
Long
Lugar
Mathias
McClure
McGovern
Melcher
Metzenbaum
Moynihan
Nelson
Nunn
Packwood
Percy
Ribicoff
Riegle
Roth
Sarbanes
Schmitt
Stafford
Stennis
Stevenson
Stone
Talmadge
Thurmond
Tower
Tsongas
Wallop

NOT VOTING—8

Church
Inouye
Jepsen
Matsunaga
Muskie
Pell
Pressler
Williams

So Mr. PROXMIRE's amendment (No. 205) was rejected.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 177

Mr. CHAFEE. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) for himself and Mr. ROBERT C. BYRD proposes an unprinted amendment No. 177.

At an appropriate place in the bill insert a new section to read as follows:

SEC. (a) (1) The amount authorized to be appropriated for the fiscal year 1980 by section 31(a) of the Arms Export Control Act, as amended by section 18(a) (1) of this Act, is reduced by $5,000,000.

(2) The aggregate amount of financing authorized to be extended for the fiscal year 1980 by section 31(b) of the Arms Export Control Act, as amended by section 18(a) (2) of this Act, is reduced by $50,000,000.

Mr. ROBERT C. BYRD. Mr. President, does the Senator wish me to yield?

Mr. McGOVERN. If the majority leader will yield momentarily, we have another amendment on which there is, I think, going to be little controversy, that I think we can dispose of very quickly, and that the Senator from Florida would like to offer. Would the Senator from Rhode Island give us just a few minutes to deal with that amendment, temporarily lay his aside with the understanding that we will immediately go to his amendment as soon as we dispose of this?

Mr. ROBERT C. BYRD. If the Senator will let me respond to that, I have an amendment to the amendment. I would like to call it up and then, with the approval of Mr. CHAFEE, I shall be glad to agree to lay aside this amendment for a specified length of time so that Mr. STONE may call his up.

Mr. STONE. Fifteen minutes will do.

UP AMENDMENT NO. 178

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), for himself, Mr. CHAFEE, Mr. STEVENS, Mr. BELLMON, Mr. MUSKIE, Mr. BENTSEN, Mr. TOWER, Mr. NUNN, Mr. GOLDWATER, Mr. MELCHER, and Mr. THURMOND, proposes an unprinted amendment numbered 178 to amendment 177.

In lieu of the language proposed to be inserted, insert the following:

SEC. . (a) (1) The amount authorized to be appropriated for the fiscal year 1980 by section 31(a) of the Arms Export Control Act, as amended by section 18(a) (1) of this Act, is reduced by $5,000,000.

(2) The aggregate amount of financing authorized to be extended for the fiscal year 1980 by section 31(b) of the Arms Export Control Act, as amended by section 18(a) (2) of this Act, is reduced by $50,000,000.

(3) The provisions of section 18(b) of this Act shall not apply with respect to Turkey.

(b) The amount authorized to be appropriated for military assistance in the fiscal year 1980 by section 504(a) (1) of the Foreign Assistance Act of 1961, as amended by section 4(a) of this Act, is increased by $50,000,000, which amount is authorized to be allocated and made available for such assistance to Turkey for the fiscal year 1980.

Mr. ROBERT C. BYRD. Mr. President, I am happy to ask unanimous consent that the pending amendment be set aside temporarily, for not to exceed 15 minutes, during which time Mr. STONE may call up his amendment without my losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UP AMENDMENT NO. 179

Mr. STONE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida (Mr. STONE) proposes an unprinted amendment numbered 179.

Mr. STONE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, line 12, strike "$1,949,000,000" and insert in lieu thereof the following: "$1,959,000,000".

On page 26, after line 12, insert the following new subsection (e): (e) Chapter IV of Part II of the Foreign Assistance Act is amended to add a new Section 535 as follows:

"Sec. 535. Sudan Program.—Of the amount authorized to be appropriated to carry out this chapter for fiscal year 1980, not less than $50,000,000 shall be available for Sudan."

On page 36, line 19, strike "$672,500,000" and insert in lieu thereof the following: "$673,500,000"

On page 37, line 1, strike "$2,225,000,000" and insert in lieu thereof the following: "$2,235,000,000"

On page 37, line 14, insert the following after the word Greece.: "and of not to exceed $25,000,000 of the principal amount of loans guaranteed under Section 24 of the Arms Export Control Act with respect to Sudan,"

Mr. STONE. Mr. President, this amendment adds $10 million in economic assistance, plus $10 million in foreign military sales credits for the Sudan. My amendment would earmark the total FMS credits for Sudan—$25 million—on the same repayment terms as Egypt and Israel, and Turkey and Greece—that is, 30-year repayment with a 10-year grace period for principal.

The Sudan has taken a strong position of support for the Sadat initiative and the U.S. role in peacemaking in the Middle East. As a result, Sudan has come under both external and internal criticism and pressure.

Sudan faces a current account deficit of approximately $500 million and foreign exchange has been in short supply. Inflation is in excess of 30 percent. While a new stabilization agreement has been signed with the International Monetary Fund, the Sudanese are still facing a severe balance of payments problem. To make matters even worse, Iraq has not only cut off the supply of oil to the Sudan—it has refused to return advanced payments for undelivered oil. The future of continued Saudi financial support is, at best, uncertain. So I am proposing that we assist Sudan with an additional $10 million in economic assistance to express our concern for their economic condition.

On the military side, Sudan borders on Ethiopia, which has received massive amounts of military aid from the Soviets in the last 2 years. There are at least 13,000 Cuban troops present in Ethiopia. Ethiopia's air force has large numbers of advanced attack aircraft supplied by the Soviets. Additionally, Libya has attempted several times in the past to overthrow President Nimeiri and a threat from there certainly exists.

Therefore, I offer this amendment to aid the Sudan in a difficult situation caused, at least in part, by its willingness to come to the assistance of the process of peace in the Middle East and friendship with the United States.

Mr. President, I reserve the remainder of my time.

Mr. McGOVERN. Mr. President, I yield myself such time as I may require.

Mr. President, I think the proposal offered by the Senator from Florida is a reasonable one. The Sudan is under great economic, political, and military pressure at the present time, at a moment in history when it is clearly supporting U.S. interests in that part of the world, including the bolstering of President Sadat's peace initiative.

The Sudan is one of the few countries in the area that has come out publicly and forcefully in support of the peace settlement and in support of the initiatives taken by President Sadat. They are surrounded by hostile Soviet-backed regimes on two borders. They are under great economic duress at home, while at the same time taking concrete steps, as the Senator from Florida has said, to cooperate with the IMF in strengthening their economic position.

But the proposal offered by the Senator from Florida is a modest one. It still leaves the committee bill well below the funding level of last year and well below the level requested by the administration.

On that basis, I would not only be pleased to accept the amendment, but I actively support it.

Mr. STONE. I thank the distinguished Senator from South Dakota.

Mr. JAVITS. Will the Senator yield?

Mr. STONE. I yield to the Senator from New York.

Mr. JAVITS. Does the Senator propose that the $10 million be in concessional terms, or does he propose that the whole $25 million be in concessional terms?

I ask that question for this reason. The committee, it seems to me, when it dealt with the Turkish situation, dealt with it that way. The add-on was by concessional terms, but the basic amount which had been provided in the administration program, the $15 million, was not.

Would the Senator consider conforming to that pattern?

Mr. STONE. I would consider it, but I would counter by asking the Senator from New York if he would not consider letting the whole $25 million go with these same terms.

The reason I say that is that the Foreign Minister of Sudan visited with me yesterday and the shortfall they were looking for immediate help from us on was about $100 million.

They really are pushing the ceiling of $500 million in shortfall. They felt that the recent pressure on them by their colleagues and friends has squeezed them down to a point where $100 million from the United States was more in line with just a holding action.

Frankly, when I started to negotiate with our committee members, I was trying to work out something along those lines.

Not only that, but I would suggest that the administration really ought to consider now the current financial position of the Sudan and consider what supplementary requests are in order just to survive their situation.

Naturally, I will defer to the senior ranking member on our committee. But I would hope that at least at this level, until we get to conference, we let this go at the full $25 million and then if between now and the conference we feel we need to conform it downward, I certainly will yield in the conference.

Mr. JAVITS. I think that is a fair suggestion. We are going to have a very close look at the Sudan. I thoroughly agree with the Senator about its situation and the strategic impact of the Egypt-Israel treaty on the Horn of Africa, to the rear of which is the Sudan, the source of the Nile, and the largest country in the area, by the way.

It is a very strategic location. This represents a very distinct break with the past as far as the Sudan is concerned.

So I feel that, as we did with Syria, the amounts are not all that great and we ought to be forehanded. In 1979 fiscal year, for example, we had $5 million in FMS and $400,000 for training.

So this really escalates the Sudan into a totally new category, considering what has happened in the Middle East.

Hopefully, we should have had a very close look at it ourselves here in the Congress before taking this action, but sometimes time does not allow that.

Mr. STONE. Yes.

Mr. JAVITS. So though I cannot accept the amendment, just like Senator McGOVERN, because of our committee action, in the absence of the chairman, I will vote for the Senator's amendment and I hope the Senate will support it.

Mr. STONE. I thank the distinguished ranking Republican member of our committee.

Mr. President, I close by remarking that the head of the Arab League, who was the head of the Arab League last year, has seen fit, in the face of all this pressure, to stand up for our peace prospect, that which the U.S. supports and really leads. Therefore, I am glad we are standing up for them at this moment.

Mr. President, I yield back the remainder of my time and ask for the vote.

Mr. McGOVERN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time

having been yielded back, the question is on agreeing to the amendment of the Senator from Florida.

The amendment (UP No. 179) was agreed to.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGOVERN. Mr. President, I ask unanimous consent that a letter from Douglas J. Bennet, Jr., Assistant Secretary for Congressional Relations, to the chairman of our committee (Mr. CHURCH), dated May 21, 1979, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., May 21, 1979.

Hon. FRANK CHURCH,
Chairman, Committee on Foreign Relations, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing this with reference to the statement made by Senator Helms on May 14, 1979 to the Senate (Cong. Rec. S5762) that the action of the Department in communicating to members of the Senate the Department's letter of May 8, 1979 urging support of certain provisions of the Foreign Relations Authorization Act (S. 586) is in conflict with 18 U.S.C. 1913, the antilobbying statute.

The Department is careful to ensure that its public affairs and Congressional relations activities conform to all applicable requirements of law. It does not concur that this statute inhibits expressions of views by officers of the Executive Branch to members of Congress. Indeed we question that any statute could have such sweeping effect under Article II, Section 3, of the Constitution which expressly empowers the President to "give to the Congress information of the State of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient . . ." That provision manifestly authorizes the President and his agents to communicate with members of Congress on matters pending before the legislative branch of government.

Furthermore, section 1913 expressly contemplates communications by the Executive Branch to the Congress or to members of Congress. We do not believe it can be interpreted to prevent the President or officers of the Executive Branch from writing members of Congress on matters of public business.

Accordingly, it is our view that the Department's letter of May 8 to Senators was entirely consistent with that section, and was proper in all respects.

Moreover, as a matter of policy this office feels that it is extremely important to maintain an open two-way communication between the State Department and the Congress in the interests of maintaining an effective partnership in foreign policy matters. This has been our objective since the beginning of my tenure. I believe our policy has enabled us to serve the interests of the Congress, the Executive Branch and the public, and I believe it should continue.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. MOYNIHAN). The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I understand that the chairman and ranking member have agreed to a time limit on an amendment by Mr. DECONCINI, 1 hour to be equally divided, with 20 minutes on any amendment in the second degree.

I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 178

Mr. ROBERT C. BYRD. Mr. President, it is not my intention to ask for any time agreement on the pending amendment at the present time. I have discussed this with Mr. SARBANES and he has several speakers who will be in opposition to the amendment. When he ascertains what his needs are, then perhaps we can discuss a time agreement.

Mr. President, the nation of Turkey is in serious economic difficulty. Its military forces, having been subjected to the arms embargo by the United States, are badly equipped, with a strong need for assistance.

As I have repeatedly stated in recent months, I view Turkey's difficulties as one of the most pressing and most compelling problems in current U.S. foreign policy. Therefore, Mr. President, I believe that it is imperative to assist Turkey at this highly critical juncture in its history.

Because of the precarious economic position of Turkey and because of the undesirable and unfortunate consequences imposed upon that country by the arms embargo—which now has been lifted and which I supported earlier—President Carter requested emergency military and economic aid for Turkey. The military aid request consisted of a $50 million grant. This was in addition to the $300 million in economic supporting assistance, foreign military sales credits, and military training funds requested for fiscal year 1980. None of the original request was for direct grant assistance—therefore, the reason for President Carter's special request for $50 million in grant aid.

However, the Committee on Foreign Relations, when it considered this special request, converted the grant assistance to foreign military sales credits. Therefore, Turkey still would be in the position, at a time when that country is facing severe economic problems, of receiving no grant assistance in the coming fiscal year; nor is it receiving any grant aid during this fiscal year.

I believe that such grant assistance to Turkey is vital—vital not only from the standpoint of Turkey, but also vital from the standpoint of NATO, vital from the standpoint of our own ultimate security interests, vital from the standpoint of the security interests of Greece, and vital from the standpoint of the security interests of our friends in the Middle East—Israel and friendly Arab countries.

Hence, Senator CHAFEE and I have offered an amendment to restore the President's special request for $50 million in a military assistance grant, rather than in FMS credits as approved by the Foreign Relations Committee. I am pleased that Senator CHAFEE and I are joined in sponsoring this amendment by Mr. STEVENS, Mr. BELLMON, Mr. MUSKIE, Mr. BENTSEN, Mr. NUNN, Mr. TOWER, Mr. GOLDWATER, Mr. MELCHER, and Mr. THURMOND. There will be others.

Mr. President, all of us are concerned about the need to limit the budget. I have strongly supported the move away from grant assistance. But in this case I consider grant aid of the utmost importance to the security, as I say, not only of Turkey, but also of the United States, Greece, NATO, and our allies in the Middle East.

Turkey would not be the only recipient of grant aid. Under the bill we are now considering, Portugal, Spain, Jordan, and the Philippines would all receive grant military assistance.

It should be recalled that last year we approved a $32.5 million military assistance grant for Greece, while Turkey received no grant funds.

In regard to Greece, I say plainly and unequivocally that my action in cosponsoring this amendment is not in any way directed against Greece. To the contrary, I am a strong advocate of close relations with Greece, which is a valuable ally. This question should not be viewed in the context of Turkey versus Greece. It should be viewed in a higher context, the higher context of what is in the best security interests of the United States and NATO and Greece and the Middle East and Turkey.

Last year, when I offered an amendment to end the embargo on arms to Turkey, I said that the amendment in no way was a repudiation of Greece or a choice between those two important friends and allies. They both are our friends. They both are our allies. They both are pro-West. I repeat that statement today. Our goal should be to have two strong and friendly nations in Greece and Turkey, two strong and friendly nations in the eastern Mediterranean area.

I want to see Greece and Turkey resolve their differences. We are all most hopeful that they will resolve their differences. I am very encouraged by the recent positive developments on the Cyprus issue.

The agreement this past weekend by leaders of the Greek and Turkish communities on Cyprus to resume negotiations on the future of Cyprus was an important breakthrough. Resolution of the Cyprus problem will be difficult, but the agreement at Nicosia has provided the foundation for intercommunal negotiations which could lead to a just and lasting settlement.

When Congress approved the lifting of the embargo last year, it conditioned that action upon certification by President Carter of Turkey's good faith in acting to achieve such a settlement and on other steps, including the early serious resumption of intercommunal talks aimed at a just, negotiated settlement.

In my own discussions with Turkish leaders when I visited Turkey last December, I emphasized the importance of settling the Cyprus issue. This recent evidence of favorable developments on Cyprus is an indication, I believe, that Turkey is acting in good faith to help achieve a fair settlement on Cyprus.

I also want Greece to be fully reintegrated into NATO, and I have been encouraged by recent reports that progress is being made on that issue.

So this amendment is not a matter, as I say, of Turkey versus Greece. It is a matter of Turkey's being in serious difficulty and urgently needing our assistance. If the shoe were on the other foot today, I would be cosponsoring an amendment to do for Greece what I am attempting to do now for Turkey.

The grant funds provided by the amendment we are offering would enable the Turkish military to obtain desperately needed spare parts and equipment. I am told that much of the Turkish air fleet has been cannibalized in order to secure spare parts and that half of the airplanes in the Turkish military are not flyable at this time.

Even though we voted to lift the embargo last year, Turkey's economic crisis has sharply restricted its purchases of military equipment. Foreign military sales credits provide some help, but they also would add to Turkey's external debt burden; and the last thing Turkey needs at this time is more debt burden. Grant assistance is what is needed under the prevailing circumstances.

In addition to the direct benefits of this grant, it also would make Turkey, as a grant recipient, eligible to purchase excess U.S. military equipment at a nominal cost. This is very significant because of the Turkish military's urgent need for spare parts and for equipment.

Air Force Chief of Staff Lewis Allen emphasized the importance of this and estimates, as I have indicated, that no more than 50 percent of the Turkish military aircraft are currently flyable.

It is important that we demonstrate our strong concern about the Turkish crisis by providing this grant assistance.

Mr. President, I compliment the Foreign Relations Committee. I think it took an important step forward in its recognition of the problems that confront Turkey.

I think the committee is to be complimented, not criticized, and I do not criticize the committee for not allowing the President's request in the amount of $50 million in grants to Turkey. In fact, it provided for military sales credits instead, along with economic supporting assistance.

So what I say is not offered in any criticism of the committee. But I believe the needs are so imperative, Mr. President, that we must move beyond the action of the committee and provide the grant assistance for Turkey.

I have also urged that our Government, working with Germany, France, and Britain, move ahead with the multilateral assistance program to help bolster the Turkish economy.

I have already alluded to my visit to Turkey last year. As a result of that visit, I concluded that there has not been sufficient recognition in this country or worldwide of the scope and the urgency of Turkey's problems.

Much attention has been focused on Iran, because of the tumultuous events there. Much has been said about what has been called the "crumbling triangle" or the "arc of crisis," which runs from Pakistan through Afghanistan, Iran, the Middle East, and into the Horn of Africa.

Turkey is the buckle on this belt of instability. Further deterioration in Turkey would have extremely serious ramifications in the region and in NATO and extremely serious ramifications insofar as Greece is concerned and insofar as our Middle Eastern friends are concerned.

Turkey is one of the most important points on the globe. Its strategic location cannot be denied. It borders on the Soviet Union, and has the largest contingent of NATO ground forces—more than any other country in NATO, more than the United States, more than Germany. Those 500,000 troops help to tie down 26 Soviet divisions in the Soviet Union's southwest military district. A weakened Turkey seriously weakens NATO's deterrent capability, endangers Greece, threatens the security interests of the United States and, again I say, those of our friends in the Middle East.

Mr. President, it should be noted that Turkey was very cooperative in allowing the reopening of U.S. installations in Turkey soon after the ending of the embargo. Prime Minister Ecevit did that in the face of strong opposition, but then he had the courage to do it. And they are still open. These installations are of major importance to us. The Turkish Government authorized the reopening of those installations for a 1-year transitional period beginning in October 1978, while a permanent arrangement is negotiated.

I have cited but a few of the reasons, Mr. President, why I believe it is important that we provide this grant aid to Turkey.

Turkey is at a turning point in its modern history, and it would be tragic if it should turn the wrong way. As I have stated, it would be tragic not only to Turkey if it should be unable to overcome its economic problems and carry out the modernization of its military.

Turkey is a democracy. It is a key member of NATO. It is strongly Western oriented, and yet its future is in question and its direction is uncertain.

When I was in Belgium last July, Dr. Luns, the Secretary General of NATO, expressed in the most earnest terms his concern about NATO and the importance of lifting the arms embargo so that Turkey could take steps to revitalize, rejuvenate, and modernize its military. Turkey is not currently able to do that. It needs the help this amendment would provide. I have already explained that more military arms sales credits at this time would merely add to Turkey's debt burden and would make available to Turkey the option of procuring from the United States excess military equipment at nominal cost.

So this is the direct, the quickest, and most efficient way to assist Turkey to regain some of the ground that it lost over a period of 4 years, because of an embargo that—although I voted for it originally, later became counterproductive.

What I am saying is that the condition of the Turkish military has deteriorated. It is in bad need of new equipment and spare parts, and this amendment will provide a way in which that equipment can most effectively be obtained.

The United States has a great stake in a sound and stable Turkey, but the United States is not alone. Greece has a great stake in a sound and stable Turkey. The NATO countries and our friends in the Middle East also have a profound stake in a sound and stable Turkey.

This strategically situated and loyal ally is near the precipice. The amendment we are offering is designed to help Turkey through this extremely difficult period.

Mr. President, I strongly urge its adoption.

I respect the views of those who will oppose the amendment. I certainly accord to them the deepest respect. I know we cannot all agree on this amendment. But while I can understand their position, I hope the Senate will, as it listens, weigh the arguments very carefully. The results of the Senate's action today can be far reaching, with profound ramifications in terms of our security interests and the security interests of Turkey and the other countries as I have mentioned.

Mr. President, I ask unanimous consent to have printed in the RECORD an article which I wrote on Turkey which was published in the Washington Star of April 8, 1979.

I also ask unanimous consent to have printed in the RECORD a letter to me from Acting Secretary of State Warren Christopher, and an accompanying copy of the communique on the resumption of intercommunal talks on Cyprus.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TURKEY IS THE BUCKLE ON THE BELT OF INSTABILITY

(BY ROBERT C. BYRD)

It is regrettable that it has taken the recent dramatic events in Iran to help focus attention on the predicament confronting its neighbor, Turkey.

Turkey is at the crossroads of east and west; it is also one of the most important points on the strategic map—all the more so in view of the prevailing chaos in Iran. Much has been written lately about the "crumbling triangle" or the "arc of crisis" which runs from Pakistan through the Middle East and into the Horn of Africa. Turkey is the buckle on this belt of instability.

Turkey is a democracy. It is a key member of NATO. It is seeking membership in the European Economic Community. Although it retains a "correct" relationship with its Soviet neighbor, Turkey is strongly Western-oriented—the only such nation, at present, between the Soviet Union and the Middle East. Turkey sits astride the Soviet Union's maritime route from the Black Sea to the Mediterranean. It is the site of vital United States intelligence monitoring facilities. These installations, which are used for observing Soviet missile activity and may be important in possible SALT verification, become even more critical because of the uncertain future of our monitoring posts in Iran.

But Turkey is in trouble, deep trouble. After having visited Turkey in December, I concluded that there has not been sufficient recognition of the scope and urgency of the problems. After discussions with Prime Minister Bulent Ecevit and other Turkish leaders, the critical nature of Turkey's problems is apparent, as is the need for quick action on the part of the international financial institutions.

My impression of Ecevit is that he is a strong, able and pragmatic leader. But he is confronted with a variety of serious problems, centering on severe economic difficulties, most of which he inherited when he took office a year ago.

Ecevit calls this "the most intense crisis" in the history of the 56-year-old republic. He told me that, if matters worsened, "there would be as big a question mark here as there is now in Iran."

With foreign debts of more than $12 billion and a $2 billion trade deficit. Turkey has no hard currency with which to pay for much-needed industrial equipment. Being heavily dependent on imported oil, the country has been particularly hard hit by the increasing oil prices. Turkey's production growth rate has fallen from a promising 7 per cent in 1976 to a stagnant level of less than 3 per cent. One-fifth of the work force is now unemployed, and inflation has skyrocketed above 50 per cent.

Such economic conditions provide fertile ground for extremists who are only too ready to exploit political and religious divisions. Turkey's economic problems are interlocked with its social and political problems. In late December, the growing tension within the country led to riots between the Sunni and Shi'ite Moslem groups, with leftist and rightist students also involved.

Ecevit insists that his government has taken tough fiscal measures, pointing to the 23 per cent devaluation of the Turkish lira and a reduction in the balance-of-payments deficit, among other moves. But international lending agencies have demanded more stringent austerity measures. The prime minister fears that more austerity—without stronger assurances of economic help from the West—would feed the unrest and could threaten democracy.

Ecevit wants to put Turkey's under-utilized technology to work but lacks capital. He believes Turkey could become a regional industrial center. Efforts are being made to boost tourism and to promote exports. "We are doing the best to help ourselves," Ecevit told me. "But we have to have help and to be able to give the people hope."

President Carter and the leaders of West Germany, France and Britain agreed at the Guadeloupe summit that there must be immediate action to aid Turkey's recovery. A framework for a large-scale aid program has been established by the four powers, but there are obvious limits to what our governments can do. Even with that help, a considerable gap would remain; the international financial institutions, private banks, and investors will have to do their part as well. I would also hope that we could encourage OPEC nations, which have a major stake in regional stability, to provide assistance.

One of the factors contributing to Turkey's economic difficulties is its large military expenditures. The Turkish armed forces, numbering nearly 500,000, are the second largest in NATO. Defense expenditures account for nearly 20 per cent of the national budget.

Following the action by the Congress to lift the Turkish arms embargo last year, there has been a revitalization of U.S.-Turkish relations. Despite some strong domestic criticism. Ecevit quickly moved to allow reopening of four strategic U.S. installations which had been closed during the embargo.

While we should do all we can, and should encourage others to help alleviate Turkey's plight, we continue to look to Turkey to work with Greece to resolve the Cyprus problem.

The serious deterioration in Turkey has been overshadowed by events in Iran. Additionally, our attention is focused on our relations with the Soviet Union and the People's Republic of China, and the great issues revolving around those relationships. But we must not overlook Turkey and the need for quick and decisive action. This strategically situated allied nation is near the precipice. It would be an immense tragedy if we allowed Turkey to once again become the "sick man" of Europe as it was early in this century before Mustafa Kemal Ataturk led it out of chaos and toward the West.

WASHINGTON, D.C.,
May 21, 1979.

Hon. ROBERT C. BYRD,
U.S. Senate.

DEAR SENATOR BYRD: Enclosed is a copy of the Waldheim Communique providing for the resumption of intercommunal talks on Cyprus.

This is an important step.

With regards.

Sincerely,

WARREN CHRISTOPHER,
Acting Secretary.

Enclosure: As stated.

CYPRUS INTERCOMMUNAL TALKS

On departing from Nicosia, Cyprus on May 19, UN Secretary General Waldheim announced that the following communique had been agreed upon after extensive talks between President Kyrpianou and Mr. Denktash:

(1) It was agreed to resume the intercommunal talks on 15 June 1979.

(2) The basis for the talks will be the Makarios/Denktash guidelines of 12 February 1977 and the UN resolutions relevant to the Cyprus question.

(3) There should be respect for human rights and fundamental freedoms of all citizens of the Republic.

(4) The talks will deal with all territorial and constitutional aspects.

(5) Priority will be given to reaching agreement on the resettlement of Varosha under UN auspices simultaneously with the beginning of the consideration by the interlocutors of the constitutional and territorial aspects of a comprehensive settlement. After agreement on Varosha has been reached it will be implemented without awaiting the outcome of the discussion on other aspects of the Cyprus problem.

(6) It was agreed to abstain from any action which might jeopardize the outcome of the talks, and special importance will be given to initial practical measures by both sides to promote good will, mutual confidence and the return to normal conditions.

(7) The demilitarization of the Republic of Cyprus is envisaged and matters relating thereto will be discussed.

(8) The independence, sovereignty, territorial integrity and non-alignment of the Republic should be adequately guaranteed against union in whole or in part with any other country and against any form of partition or secession.

(9) The intercommunal talks will be carried out in a continuing and sustained manner, avoiding any delay.

(10) The intercommunal talks will take place in Nicosia.

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

Mr. CHAFEE. Mr. President, I would like to congratulate the distinguished majority leader on that very excellent statement in support of his amendment.

I, as you know, have joined in this amendment, and I wish to thank those of our colleagues who are cosponsoring the amendment, Senators BENTSEN, BELLMON, NUNN, TOWER, STEVENS, and MUSKIE.

Mr. President, as the distinguished majority leader has pointed out, what this amendment will do is to restore $50 million in military aid to Turkey through the military assistance program, also known as MAP.

The President requested this amount, but the Committee on Foreign Relations deleted the funds from MAP, and transferred them to Foreign Military Sales, FMS, admittedly on liberal terms, but, nonetheless, they changed it from a grant to a sale.

Now, Mr. President, I think there is one point we want to make clear right at the beginning because there has been some suggestion otherwise. This is not extra money. This is not additional money for Turkey. What this does is not authorize more money, but it takes $50 million out of FMS and makes it a grant. That is what this amendment does.

I think all of us are aware, Mr. President, of Turkey's dire economic straits.

Frankly, Turkey is unable to repay the principal on loans it currently has outstanding. As far as the loans from private banks to private banks, it is attempting to put together a refinancing package. As you know, the IMF is studying what terms must be met prior to advancing new funds to help Turkey, and the United States and other Western nations are working together, as the majority leader said, in an attempt to rescue Turkey from its severe economic problems. This is not the time, Mr. President, to burden Turkey with any additional financial obligations.

As the majority leader mentioned, Turkey is a valued NATO ally, with the second largest land forces in NATO, with the longest border with the Soviets of any NATO nation, and clearly it needs modernization. Its armed forces, especially its tanks and aircraft, need modernization.

This is recognized not just by the majority leader, not just by me, not just by the administration, but by the Committee on Foreign Relations itself, and I quote from page 9 of the Committee on Foreign Relations report on this act. I read:

> Turkey's economic situation and the state of its armed forces have created an urgent requirement for assistance. Turkey's economy carries a debt burden of $17 billion and has an unfinanced payments deficit of $1.1 billion in 1979.

When you talk billions with Turkey you are talking about a lot of money. Now, listen to this, Mr. President, if you will:

> Turkey's military forces are equipped with 1950's-era weapons and because of maintenance and spare parts problems are about 25 percent combat ready, therefore reducing Turkey's contribution to NATO defense.

That is not Senator CHAFEE talking, that is not the administration talking, that is not the majority leader talking, this is not the proponents of this amendment talking; that is the Committee on Foreign Relations talking, and then it goes on to say:

> Modernization of Turkey's armed forces is a priority NATO goal.

Mr. President, S. 584 provides some moneys, $250 million, for modernization steps. But all that money is in the form of credits, none of it in grants.

What we have done in this amendment is taken the $50 million—not the $250 million, not the $200 million, but one-fifth of it, $50 million—and we have put it into grants, and that is what this amendment does.

Mr. President, some might argue that the present balance of military strength between Turkey and Greece will be upset. The facts clearly show that such balance has been maintained.

In the 1979 budget, the budget last year, Turkey received $175 million in FMS, and no MAP.

Greece received $140 million in FMS, and then the committee went on and put $32.5 million in MAP, the latter sum not being requested by the administration but added by the committee.

In testimony before the committee on this bill, the Deputy Secretary of State, Warren Christopher, was asked if $50 million in grant military assistance—that is the money that the President requested—would upset the military balance between Turkey and Greece, and this is what the Secretary said in his reply:

> A combination of deterioration of the military situation in Turkey, coupled with the economic situation there, led us to believe, particularly in light of the fact that Greece obtained grant MAP last year, that $50 million for Turkey this year would not upset the balance.

But immediately following those remarks, the Chairman of the Joint Chiefs of Staff, Gen. David C. Jones, said:

> Mr. Chairman, if I might add, if there is any tilt I believe it is in the opposite direction. Greece has been improving their military capability while Turkey, even with what we have been able to provide last year, has been deteriorating.

So the tilt is in the opposite direction.

Mr. JAVITS. What page is that?

Mr. CHAFEE. We will give you the page.

Mr. JAVITS. I thank the Senator.

Mr. CHAFEE. Mr. President, the figures absolutely bear out what the Chairman of the Joint Chiefs said.

What I have done, Mr. President, is to take the population of Greece, which is 9.4 million, and the population of Turkey, which is 43.8 million; the military forces of both, Greece having 200,000, and Turkey having 550,000, and then I worked out the tables—may I say to the Senator that the testimony of Warren Christopher is page 46, and General Jones then comes in—what I have done, Mr. President, is to take the FMS per capita in the years between 1974 and 1980 under the bill as the committee came up with it, so let us look at some of the statistics.

These are startling and absolutely refute any suggestion that a balance has been upset. Listen to these statistics: The FMS per capita of population in the years 1974 through 1980, and 1980 including the supplemental and the 1980 budget as the committee proposed, comes out $91 per capita for Greece, $17 per capita for Turkey.

All right, forget population. Let us do it on the number of soldiers. FMS for Greece 4,272 soldiers; FMS for Turkey 1,300 soldiers. Let us take it at MAP over those years. MAP per capita population $14.14 for Greece; for Turkey $1.98 MAP per capita of military, $666 for Greece, $158 for Turkey.

All right. Let us take what this bill does. Is this a radical upset? You take the 1979 regular, the 1979 supplemental and the 1980, in other words just take the past 2 years, FMS per capita of population, Greece $36, Turkey $8.50. FMS per military per capita, $1,700 Greece, $750 Turkey.

All right, how about MAP? Very dangerous, this MAP, some suggest. For Greece, $3.54; for Turkey $1.14. That is including the MAP as we have it under this amendment.

The MAP per capita military, Greece, $166 over the past 2 years; Turkey, $100.

So there is no evidence whatsoever that this is going to upset any balance.

Mr. President, in his prepared statement before the Foreign Relations Committee, General Jones said the following:

> The Joint Chiefs of Staff recognize that $50 million assistance does not constitute a panacea for the problems facing the Turkish Armed Forces. Nevertheless, such assistance, at this critical junction—

And this is the point the majority leader was making—

> will provide concrete evidence that the 30-year common collective security endeavor between Turkey and the United States and our historic ties of friendship will continue. For these reasons, the Joint Chiefs of Staff believe that approval of the request for military assistance supports our security interests and those of the North Atlantic Treaty Organization.

Mr. President, I would like to quote some more from General Jones' statement which he made on April 30, 1979, to the Foreign Relations Committee:

> In this connection, I fully support the Administration's request for $100 million in FY 1979 supplemental economic support assistance for Turkey. On the military side, the Turkish Armed Forces are armed with Korean War vintage equipment and are approaching a wall of obsolescence in the next few years. Currently, about half of the major end items of equipment are inoperable. Key categories of equipment such as tanks, artillery, air defense weapons and mine sweepers are virtually non-supportable and are being maintained by cannibalization.
>
> Nevertheless, the situation regarding the Turkish forces is by no means hopeless. The Turkish leadership, both political and military, recognizes that a complete rebuilding of their Armed Forces is not realistically attainable in the short run. The courageous and hardy Turkish soldier is well led and the rich tradition of selfless service to the nation provides esprit.
>
> Turkey is a valuable ally that makes important contributions to US and NATO security.

This is General Jones talking.

> The maintenance of sizeable military forces, the availability of important facilities and bases, and strategic geographic location are all part of this contribution. Turkey assigns more ground forces to NATO than any other Alliance member. Turkish facilities are of fundamental importance to US and Alliance military operations in the region, especially the forward basing of tactical aircraft, strategic airlift staging, logistical support of US Sixth Fleet units, communications support, and certain intelligence collecting facilities that provide important information regarding Soviet military activity.

Those were the comments of General Jones in his testimony.

Finally, Mr. President, it might be suggested that MAP is being phased out. As the majority leader pointed out, each case should be examined on its merits. Congress has record-approved, last year, $32.5 million in MAP for Greece that was not requested.

The bill before us has substantial MAP funds, including $30 million for Portugal, $30 million for Jordan, and $25 million for the Philippines. The single issue presented by this amendment is: Should $50 million out of $520 million approved by the committee for FMS for Turkey be instead given as MAP? This amendment does not involve added money for Turkey. It has nothing to do with Cyprus. It has nothing to do with Greece's reentry into NATO. Those issues are not involved, because the committee has already approved $250 million in FMS for Turkey.

The committee has acknowledged that Turkey's forces are only 25 percent combat-ready, and they have acknowledged that modernization of its military force is a major priority.

The best way to achieving that, Mr. President, is through this grant made possible under the amendment submitted by the majority leader and others. I would hope, Mr. President, that my colleagues could support the amendment, because it is in the best overall interest of the United States.

In conclusion, I would like to quote once again from General Jones' statement, which it seems to me puts this issue in its proper perspective:

> Turkey's unique geographic position affords control over the sea exits from the Black Sea, where nearly one-third of the major surface combatants in the Soviet Navy are based. Likewise, its geographic position affords control over air lanes transitting the region. The strategic significance of this geographic reality to our operations in the Mediterranean Sea and its littoral is difficult to overstate. Thus, Turkey is a vital link in NATO's collective defense system.

As the majority leader pointed out, Turkey is a working, valid democracy. I had the privilege of visiting there last month, Mr. President, and I can testify to this. They have a free press that rivals anything we have. They have cartoons against the opposition in their press that would make Herblock wince with their vigor.

Turkey has enormous problems. The economic aid we are providing by this bill will help, but it is not enough. To restrict its military assistance to loans is unrealistic and ignores the existence of those fiscal difficulties.

If this amendment passes, we will send a message that we understand Turkey's problem, and that we are indeed a steadfast ally.

Mr. GOLDWATER. Mr. President, I rise to support this amendment, and if there is no objection from the authors, I would ask unanimous consent that my name appear as a cosponsor.

The PRESIDING OFFICER. The Senator is already listed as a cosponsor.

Mr. GOLDWATER. I had failed to hear my name read.

Mr. President, I congratulate the majority leader and the Senator from Rhode Island, particularly the Senator from Rhode Island, for having so succinctly placed the situation of Turkey as we face it and they face it today. I do not wish to reiterate any of the figures that have been used. I would like just to point out a few facts that we tend to overlook when we talk about Turkey and that part of the world.

We are approaching what will be a long, momentous debate on what is known as SALT II. Mr. President, I would like to call my colleagues' attention to the fact that not only does Turkey contribute more ground forces to NATO than any other country, but Turkey has the longest border facing the Soviet Union of any country.

Senators may wonder why this is important. Mr. President it is the southern flank of NATO. It is that simple. If Turkey is allowed to, in effect, go down the tube as Iran did, but more importantly in this case, we lose the southern flank of NATO; and with the vastly improved naval situation of the Soviets, the loss of Turkey would open up the Black Sea, with entrances to the Mediterranean; and I am afraid, Mr. President that if that happens, our Sixth Fleet could not last more than a week in the Mediterranean.

We have to keep in mind, again thinking of SALT, that we have not defined the Backfire as a tactical or strategic weapon. To my mind this is a very tragic mistake, but nevertheless one out of two Backfires now goes to the Russian Navy. They now have 30. So when we put there 10 of these supersonic bombers, capable of carrying about 70,000 pounds of weapons, and we lose Turkey as the southern flank of NATO, I would have a strong suspicion that any attack that the Soviets would want to make in a military way on the NATO structure would not be through the Warsaw Pact countries, but through the southern flank that we now know as the border of Turkey.

It would be utterly disastrous for the Middle East. There is not a country there which could survive the offshoots, the effects, of a Soviet thrust through the Mediterranean into Turkey and through the Turkish borders, if we allow Turkey to fall.

Mr. President, I have visited Turkey. I have visited the forward bases that are so valuable to us. Again, what is going to happen to the argument now advanced by our President and the administration that we do have means of verification of what the Russians might do? Let us say we accept that. I do not happen to, but let us say we accept it. If we allow Turkey to fall, we have lost the last of our stations on the Russian border that can allow us to monitor what the Russians do. Then we would be faced with no monitoring at all except the rather meager monitoring that can be done by satellites. Our monitoring would be done by our ships out in the far Pacific when the flights of the missiles from Russia were just ending.

Mr. President, I sincerely hope that this body will adopt this amendment. I think it is long overdue. I am one who voted against Turkey the first time around. I have since realized my mistake, and I realize that this is not going to hurt Greece. If anything, it is going to help Greece, because the first country that would suffer as a result of the unavailability of Turkish forces, land, sea, or ground, would be Greece. We would no longer be able to look to Greece hoping that someday she would come to us as she always has in the past, and offer us the use of her facilities, as she has in the past.

Mr. President, as I say, I think it is a very, very vital amendment. To me, it goes far beyond what it might do for the economic well-being of Turkey. To me it is a selfish matter. NATO is about all we have left. We have destroyed the other friends we have had around this world by seemingly ignoring them. If we take this one last step of, in effect, saying to our NATO allies, "We do not care about you, we are willing to allow the southern flank of NATO to disappear," then I think we will have lost NATO and any effect we might think we have against stemming any advances of the Soviets should they decide to advance would be wiped away.

So I look on this, Mr. President, as a selfish matter, as an American who is very, very concerned about the situation in our country, and our country's position vis-a-vis the other countries of the world. I might say if we take negative action on this it is going to be another indication to the countries of this world that we do not have the courage to stand up to our commitments or stand up and be counted with our allies.

I urge the adoption of this amendment, Mr. President. I think it is a very important one.

Mr. BELLMON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. EAGLETON. I yield.

Mr. BELLMON. Mr. President, I ask unanimous consent that James Prather of my staff be granted the privileges of the floor during the consideration of the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME-LIMITATION AGREEMENT—S. 640

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of Calendar Order No. 61, the WIC bill, and the budget resolution conference report, Calendar Order No. 107, S. 640, be called up and that there be a time agreement thereon of 30 minutes on the bill, equally divided between Mr. INOUYE and Mr. WARNER; a time limitation on any amendment of 20 minutes with respect to amendments in the first degree; amendments in the second degree limited to 10 minutes; that debatable motions, appeals, or points of order, if such be submitted to the Senate, be likewise limited to 10 minutes; and that the agreement with respect to division of control of time and germaneness be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader. I thank the distinguished Senator from Missouri again for his kindness.

Mr. EAGLETON. I thank the distinguished majority leader.

The text of the agreement follows:

Ordered, That following the disposition of S. 292 (Order No. 61) and the conference report on H. Con. Res. 107, the Senate proceed to the consideration of S. 640 (Order No. 107), a bill to authorize appropriations for the fiscal year 1980 for certain maritime programs of the Department of Commerce, and for other purposes, and that debate on any amendment in the first degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and debate on any amendment in the second degree, debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 30 minutes, to be equally divided and controlled, respectively, by the Senator from Hawaii (Mr. Inouye) and the Senator from Virginia (Mr. Warner): Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979

The Senate continued to consider the bill.

UP AMENDMENT NO. 178

Mr. EAGLETON. Mr. President, I rise in opposition to the pending Robert C. Byrd-Chafee amendment. Last July, the Senate approved an amendment lifting the arms embargo against Turkey with a strong policy statement included calling for a just settlement of the Cyprus situation and noting that—these are the words of the amendment—

> . . . the maintenance of [positive relations with Cyprus, Turkey and Greece] will inevitably depend on the achievement of a just solution on Cyprus.

The two cosponsors of that amendment—the distinguished majority leader and my colleague from South Dakota (Mr. MCGOVERN)—characterized the embargo, respectively, as "an impediment to resolution of the Cyprus issue" and as "a formula for continued deadlock" of the Cyprus sitution.

Senator MCGOVERN went on to say:

> I am prepared to accept Prime Minister Ecevit's clear indications that he will move constructively on Cyprus once the political straitjacket of 620(x) is removed.
>
> Assuming the enactment of this proposal, I would sincerely hope that one year from now we are not involved in a fight over Turkish aid. With some display of statemanship on both sides in the Cyprus dispute, that

> will not occur. But if such statesmanship is not evidenced . . . I for one will not hesitate to draw the appropriate conclusions and to join those who now favor retaining the embargo in seeking appropriate redress through the budgetary authority which Congress will retain . . .

Mr. President, I believe those who voted with the majority last year did so in the faith that the Turks would make a reciprocal gesture involving Cyprus. There was even some reason to believe they might when—on the eve of the Senate vote—the Turkish-Cypriot leader, Rauf Denktash, apparently offered to let 35,000 Greek-Cypriots return to their homes in Varosha under United Nations supervision. In actuality, however, what Mr. Denktash offered was to "discuss" Varosha and, of course, no Greek-Cypriots returned to Varosha. Again this year, like clockwork, it seems to me, Mr. President, on the eve of the Senate vote, we learn of an agreement to resume negotiations. At first blush, this is a hopeful report, but, it must be balanced with an item in today's Washington Post quoting Mr. Denklash as saying the Turkish and Greek Cypriots are "180 degrees apart" on a Cyprus solution.

I ask unanimous consent, Mr. President, that this item from the May 22 Washington Post be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EAGLETON. Let me say parenthetically at this point, on the timing of this announcement, that there are two things that are absolutely certain in the annual calendar, Mr. President. At the time that Congress is about to consider the Defense budget, you can be assured that there will be a statement coming from the Pentagon stating that the Soviets have a wide array of massive new weapons sufficient to engulf the entire world. That alarm always sounds at 1 minute to midnight before the Senate takes up the debate on the Defense budget. It is an annual type to get everybody frightened, saying, "My God, we have to have more for the Defense budget, the Russians are coming." That is one thing you can set your watch by.

There is a second thing you can now set your watch by every year. This year is no exception, and I promise the same next year, if and when there is another question and debate of arms to Turkey, aid to Turkey, what have you. You can be assured that within a few days of whenever that Senate vote is scheduled to occur, Mr. Denktash or Mr. Ecevit, or whoever their successors may be a year from now, will issue a conciliatory statement, raising hopes for a Cyprus solution. It was true last year. Oh, how well I remember everybody on the floor of the Senate saying, "Isn't it marvelous, 35,000 refugee Greek-cypriots are going to be permitted to return to Varosha." People were hugging and kissing each other, congratulating each other, saying, "What a blow for statesmanship, by God, there is going to be progress on Cyprus."

It was bunkum then, it is bunkum now. There is not going to be any progress on Cyprus.

The Turks have not budged 1 millimeter since August of 1974, when they perpetrated the second invasion of Cyprus. And they do not intend to. They do not intend to give up a square inch.

They do not intend to open the airport at Nicosia. They do not intend to open the road between Nicosia and Varosha. They do not intend to give up one thing they have acquired by overt aggression.

But before there is any vote on this issue, you can be assured, as sure as I am standing here today, you are going to hear a lot of pious words come from Turkey and from the Turkish sector of Cyprus.

We were fooled last year, absolutely fooled about these 35,000 Greek refugees going back to Varosha, and we are going to be fooled again this year about all this progress that is going to take place.

Thus, I think this has to be put in its proper frame of reference.

Mr. President, since the time of the vote to repeal the embargo—July 25, 1978—absolutely nothing new has happened on Cyprus. The Turks claim to have made further troop reductions, but that action is negligible, in my opinion, because there are still upwards of 25,000 Turkish troops there maintaining the status quo. The Turks have not allowed one Greek-Cypriot family back into Varosha. The Turks have not reopened the highway between Nicosia and Famagusta. Nor have they reopened the airport at Nicosia. Not one iota of progress has been made, and yet, this year, as last year, we are supposed to give our annual award for Turkish intransigence. That is about what it comes down to.

Every year the Turks maintain the same posture with respect to Cyprus and every year we are beguiled into paying a little further tribute to Turkey.

The question we consider today is whether to give Turkey $50 million in FMS credits—in addition to more than $400 million already in this year's bill—or whether to make it grant assistance. There is no question that Turkey's economy is in shambles, and this legislation recognizes that and seeks to help the situation. The administration requested $150 million in supplemental aid for Turkey. The Senate Foreign Relations Committee has authorized the full $100 million in economic assistance and $50 million in FMS credits. The terms of the $50 million loan are the same as those approved last week by the Senate for Israel and Egypt—repayment within not less than 30 years, including an initial 10-year grace period on repayment of principal. This bill authorizes a total of $451 million in assistance for Turkey, $3.2 million of which is grant assistance. It is by no means a stingy package. Turkey is the third largest recipient of U.S. aid this year, following Israel and Egypt.

Members who have questioned administration officials on the annual cost to Turkey of the Cyprus occupation have had difficulty in obtaining an estimate. The State Department guesstimates that the military occupation costs Turkey some $10 million a year.

When I read that, I think that the State Department official who dreamed up that statistic ought to go on "Saturday Night Live." He is by far the best comedian in town. This figure does not include economic subsidies which some estimate as high as $30 million. The question raises an evermore pressing question: Why can Turkey not economize by bringing the troops home, demilitarizing Cyprus, and thereby saving vitally needed funds for critical domestic needs? That solution is simple, and would accomplish two important goals simultaneously. It would ease the strain on Turkey's budget, and it would hasten a Cyprus solution.

Mr. President, those who voted to lift the embargo last year did so, unquestionably, in good faith. But 1 year later, that faith has not been rewarded by one whit of action. This weekend we learned that the Greek and Turkish Cypriot leaders have agreed to resume intercommunal talks.

I discussed that a little earlier in these remarks. I welcome this news, but I welcome it with a healthy degree of skepticism, reinforced by past experience. This is an important step forward, and one that I hope will result in a settlement of the tragic Cyprus situation.

But I do not regard it as sufficient reason to warrant rewarding Turkey with an additional $50 million in grant assistance. The Senate Foreign Relations Committee made its decisions based on a number of factors—not the least of which were budgetary guidelines—and noted in its report a lack of progress on Cyprus, restating its conviction that all Turkish troops should be removed from Cyprus. The Turks made their recent decision to renew negotiations with the Greek Cypriots with full knowledge of the action taken by the Senate Foreign Relations Committee, and certainly with full knowledge that this debate was going to ensue sometime this week on this issue. I, therefore, see no reason to amend the committee's action.

I yield the floor, Mr. President.

EXHIBIT 1

NO EARLY CYPRIOT SOLUTION

NICOSIA, CYPRUS—Turkish Cypriot leader Rauf Denktash dashed hopes of an early accord with the Greek Cypriots, declaring: "We are 180 degrees apart." The comment came after a weekend meeting with Greek Cypriot President Spyros Kyprianou had triggered speculation that a breakthrough in relations between the communities was at hand.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. NUNN). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I commend the Senator from Missouri for his splendid presentation to the Senate here this afternoon. He has followed this issue with very considerable knowledge and understanding over a period of many years. I think all of us here have benefited from his own insight and comments on this important issue. I identify myself with his remarks.

Mr. President, I am strongly opposed to the proposed shift from $50 million in FMS credits to $50 million in military grants to Turkey.

I certainly believe that Turkey is an important NATO ally. The United States and European governments share a strong interest both in its security and its economic well-being. I, therefore, support both the economic assistance for Turkey—nearly $300 million in 2 years—and the provision of FMS credits, in addition to the funds received by Turkey from the IMF, European governments, and other sources.

In fact, the amount of assistance contemplated in this bill makes Turkey the third largest U.S. aid recipient behind Israel and Egypt.

So no one can accuse the United States of being less than generous to Turkey, whose economy is under extreme pressure and whose government maintains a precarious majority.

But to go beyond this funding in the military sphere would be against our best national interest at this time, Mr. President.

Turkey has thus far failed to agree to use of its territory for SALT verification purposes.

Turkey has thus far failed to agree to the return of Greece to the military structure of NATO—a point on which I will speak further in just a moment.

Turkey has thus far failed to end its military occupation of Cyprus, and the two Cypriot communities have only just agreed to resume talks on June 15.

Against this pattern of reluctant or nonexistent cooperation, it is impossible to justify increasing our military aid to Turkey at this time. Our military bases and our SALT verification efforts are not a Turkish favor bestowed on the American people. They are in the security interest of the entire Atlantic Alliance, including Turkey.

It is doubly unacceptable for us to do so when Turkey is blocking the return of Greece to the NATO military structure. General Haig had negotiated an acceptable basis for the reintegration of Greece with its chief of staff, General Davos. All NATO governments except Turkey have accepted General Haig's recommendation. Yet Turkey persists with the unacceptable proposition that it is entitled to NATO responsibility over Greek airspace in the Aegean, and that until Greece accepts this breach of its sovereignty it should not be permitted to share in NATO military responsibilities.

While I welcome the recent agreement to resume talks in Cyprus, I do not believe that this announcement justifies a switch to grant aid. Given the past Turkish noncooperation with negotiations and the lack of concrete results in prior talks, to move beyond credit sales would be completely premature at this time. We should not put the cart before the horse—we should not put more and more U.S. aid ahead of concrete cooperation by Turkey. Let the Turkish Government first demonstrate concrete cooperation with its NATO allies, over Cyprus, and with the United States, and then we can consider whether or not to approve increased aid.

The sponsors of this amendment are concerned about keeping Turkey in NATO and about keeping American bases in Turkey.

Where is their concern about keeping Greece in NATO and about keeping American bases in Greece? Can we be so shortsighted as not to recognize the necessity of maintaining a stable military balance in the Eastern Mediterranean? Can we be so shortsighted as not to recognize the historic opportunity of Greek reintegration into NATO while Mr. Karamanlis is still Prime Minister?

I was a Member of the U.S. Senate at a time when there was a nondemocratic regime in Greece. At that time we were pouring hundreds of millions of dollars of military assistance into Greece, because we were concerned about NATO interests in the Eastern Mediterranean and stability in Greece.

Now we have a democratic regime in Greece, led by Mr. Karamanlis, who has been a strong advocate of peaceful resolution of disputes and a strong friend of the United States. We hear very little about this amendment's effect on the stability of this democratic regime or about the U.S. interests in maintaining bases in Greece.

On the one hand, it seems to me that the United States is shunting aside the interests of Greece—which has shown willingness to cooperate in NATO and has been a long-time friend of the United States.

On the other hand, it is suggested that Turkey, which has been unwilling to make the important gestures upon these issues, issues vital not only to the security of the Eastern Mediterranean but also to peace in the world, receive grant military assistance.

We find out that Turkey today is effectively able to exercise a veto over Greece coming back into NATO. We fail to see the meaningful steps, as the Senator from Missouri has pointed out, in the Cyprus talks which have been announced time and time again. I share his frustrations about how these talks are harmonized just prior to Senate votes.

As one who has followed the refugee flow and the human tragedy which has been part of that Cyprus situation for years, and having seen the basic reluctance to extend some of the most humanitarian concerns on that island, I see very little hope.

We have seen gestures by the Soviet Union in the release of political dissidents and prisoners in the last few months. We have seen China permitting the reunification of families in the United States. Even Vietnam is permitting the reunification of families. Cuba is permitting this reunification of families. These nations are not here knocking on our door for aid and assistance.

Yet, we have seen the denials, in instance after instance, by the Turkish regime to permit the reunification of families, something that is generally done as a matter of common decency.

Mr. President, I say let Turkey first agree to help us verify the SALT agreement. Let Turkey first agree to Greek reintegration into NATO and in positive and substantive ways on Cyprus. We have not even seen Turkey make any humanitarian steps.

Those who advocate this amendment are unable to demonstrate that on the floor of the U.S. Senate today. We have every right to expect it after the years during which families have been separated, where they have been uprooted and been unallowed to return to their homes, which have been part of their families for years and years. Then, and only then, should we consider increased aid to Turkey, consistent with maintaining a stable balance in the Eastern Mediterranean.

Until then, this amendment and similar efforts should be defeated, because they are against the best interests of the United States, of the NATO alliance, and of peace in the Mediterranean.

Mr. SARBANES. Mr. President, I commend the distinguished Senator from Massachusetts and the distinguished Senator from Missouri for their very forceful and perceptive statements. Both of them have followed the matter at issue here today very closely since these matters first arose.

Both of my colleagues will recall the efforts made by many of us in the Congress a decade ago to deny American arms to Greece when a dictatorship took over that country. We took that position of denying arms to Greece when a military junta was running the country because we perceived that our arms were being used contrary to important purposes and principles of American foreign policy. Finally, the junta collapsed and Prime Minister Karamanlis returned to Greece, thereby establishing a democratic government. The opportunity has since existed for us to develop a close relationship between two democratic nations. Unfortunately, we now find a situation in which the United States has not been able to accomplish that.

We have heard arguments made by the supporters of this amendment for giving military grant assistance to Turkey that it is aimed at helping to strengthen NATO. Yet, at the same time, Turkey is blocking the reentry of Greece into the NATO command. A strong southeastern flank of NATO depends on both countries, Greece and Turkey, and Turkey has impeded the attainment of that objective.

Mr. CHAFEE. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. CHAFEE. Could the Senator from Maryland quote his sources, when he says that Turkey is blocking the reentry of Greece into NATO? Before doing that, would he explain what Greece is doing in NATO, in the first place? Can he give me his sources for the statement, which also was made by the distinguished Senator from Massachusetts?

Mr. SARBANES. It is absolutely correct. What happened is that General Haig negotiated an agreement with General Davos for reentry. That was accepted by all the NATO countries, except Turkey.

Mr. CHAFEE. Can the Senator quote the source of this? Something stronger than simply his citing it. Is there a source the Senator can quote? I saw the Foreign Relations Committee testimony, and such is not supported by the statements.

Mr. SARBANES. If the Senator will let me go through the sequence, I think I can explain the situation to him.

What is happening now is that Deputy Secretary Christopher is trying to shift the responsibility. General Haig originally negotiated the terms. They were accepted by all NATO countries except Turkey nearly 1 year ago. General Haig then went back and developed new terms, which again were accepted by all NATO countries except Turkey. He apparently is now going back to submit a third proposal, which involves changing the air command provisions that previously existed. This may create problems with Greece. General Haig has already been at it twice; the first proposal Turkey would not accept. He developed a new proposal, and Turkey would not accept that. All the other NATO countries thought the proposals were reasonable as obviously did General Haig.

The opportunity to bring Greece back into NATO exists; and those, such as the Senator from Rhode Island, who make the NATO argument should recognize that opportunity and seek to accomplish that objective.

I suggest to the Senator from Rhode Island that if that objective is not accomplished in the not-too-distant future, it may not be possible to bring it about; because at the moment you have a prime minister in Greece who perceives the importance of that objective and is prepared to press forward with it. If you once lose that favorable situation, you may never be able to bring it about. Think of what failure to accomplish that reintegration would imply with respect to the southeastern flank of NATO.

The Senator will recall that Greece's limited departure from NATO related to the Turkish aggression on Cyprus and the failure of either NATO or the United States to prevent it or to limit it. The issue arose in the summer of 1974, when Turkey launched its aggression with respect to Cyprus, and in August took over 40 percent of the island by brutal military force, creating 200,000 refugees. One-third of the country's population was displaced from their homes. Since that time, Turkey has done nothing to relinquish any of the territory taken in the summer of 1974.

As was observed earlier here today, last year, just before we had the vote on the embargo issue, it was put forward with great excitement that the Turkish Cypriots were going to permit 35,000 Greek Cypriots to go back to Varosha, under U.N. administration, and to return to their homes. That supposed development was held out as an indication that progress would be made. It constituted an essential part of the argument that was made for lifting the limited embargo which had been in effect. The fact is that it did not happen. It did not occur.

Now, shortly before this vote, we have the parties meeting, under U.N. General Secretary Waldheim's leadership, and they came out this past weekend with an agenda for talks. Nothing actually has been done to remedy the aggression of 1974. Nothing concrete has happened, but now we have again the prospects for talks. That is better than nothing but unfortunately even that prospect is now being undercut.

We have in this morning's paper the following news report headed "No Early Cypriot Solution."

NO EARLY CYPRIOT SOLUTION

> NICOSIA, CYPRUS.—Turkish Cypriot leader Rauf Denktash dashed hopes of an early accord with the Greek Cypriots, declaring: "We are 180 degrees apart." The comment came after a weekend meeting with Greek Cypriot President Spyros Kyprianou had triggered speculation that a breakthrough in relations between the communities was at hand.

So now, after this week-end meeting where Waldheim came out and said there was an agenda and talks were to start on the 15th of June, we have the Turkish Cypriot leader Denktash, dashing hopes of any early accord, declaring, "we are 180 degrees apart." Even worse than last year the prospect of progress is being dashed even before we go to a vote.

Mr. President, let me now turn to a consideration of what the Foreign Relations Committee actually reported, first of all, let it be very clear, because there has been some discussion in the Chamber that would seem to suggest otherwise, that the Foreign Relations Committee failed to recognize the economic difficulties in which Turkey finds itself. The administration, when it submitted its budget at the beginning of this calendar year, requested $200 million in FMS credits for Turkey, $3 million in grant aid and $98 million in economic assistance; subsequently the administration submitted a supplemental request for an additional $150 million; $100 million in economic assistance and $50 million in military grants, for a grand total of $451 million in economic and military assistance.

The Foreign Relations Committee, in the legislation as brought to the floor and in its recommendation, authorized all of these items as requested except that the request for $50 million in military grants was converted to $50 million in military credits on highly concessional terms. This additional $50 million was not even on the usual terms as the normal military credits. It was on concessional terms equivalent to those given Egypt and Israel in the supplementary aid package.

Part of the reasoning behind this shift was the desire of the chairman and other members of the committee to hold this year's bill's total amount, as a budgetary matter, below last year's, and the committee accomplished that. The bill we brought out was $36 million below last year's bill.

The provision of this $50 million flat grant, as is now being proposed, would have resulted in the committee exceeding last year's bill. This would have prevented the committee from accomplishing an objective which some regarded as very important, and that is, at a time of budget restraint and austerity, to report out a bill below last year's figure. The credits require only a 10-percent appropriation; whereas the grant requires a 100-percent appropriation.

That was what the committee did which is certainly being responsive to the situation with which the committee was confronted. Senators should look down the road and anticipate what is to come in future years in terms of commitments being undertaken here.

The question really that must be asked is when is enough enough? The committee's report provides for the economic aid which is to constitute the basis for the U.S. contributions toward the OECD consortium that is seeking to deal with Turkey's economy, an economy which I am quite prepared to concede is in very difficult straits. The difficulty, I submit, is in large part because of the failure of Turkey itself to take important corrective actions with respect to its economy. Its economy is also in difficulty in part because of various Turkish military actions including the one on Cyprus where they continue to maintain close to 30,000 troops in occupation of the island, troops which must be supported. Furthermore, Turkey provides economic and financial support for the civilian sector in the north of Cyprus. Both of those, both the military and the support of the civilian sector in the north of Cyprus constitute a drain on the Turkish economy which is estimated at anywhere from $40 million a year to $75 million a year for both the military and the economic. This is one of the drains on the Turkish economy which helps to create the economic difficulties which they confront and for which we are now being called upon to help provide a solution.

So it is not as though the committee's package did not consider and try to respond to the problems facing Turkey. When one comes to considering the question of providing military grant aid, then I think it is reasonable to look at and consider a number of factors. First, what has happened on Cyprus with respect to progress there? The fact is nothing has happened. Even the hope that arose when an agenda was agreed to over the weekend is now being dashed by the statement of Rauf Denktash, the Turkish Cypriot leader who says they are 180 degrees apart. He does not really hold out any prospect for solution.

So we continue to face a situation in Cyprus where the fruits of a brutal aggression continue to be realized by the aggressors; 40 percent of the island is occupied. They are unwilling even to take the very important good will action, which represents in the total context a minimal concession, of returning Varosha to the Greek Cypriots and allowing 35,000 to 40,000 people to return to their homes and once again to resume a normal life. That is 35,000 to 40,000 of the 175,000 refugees.

Second, we continue to have the whole problem of reestablishing the southeastern flank of NATO which, as indicated earlier, involves both Greece and Turkey. As an article in the New York Times of May 3 points out, efforts to reinstitute Greece as a full member of NATO are being blocked by Turkey. At the very time when arguments are being made to aid Turkey for NATO reasons Turkey is impeding the strengthening of NATO by blocking Greece's reentry.

It should be noted that the military grant assistance which is proposed by the amendment runs directly contrary to a policy commitment made by Congress and the administration to eliminate all grant assistance by 1981.

This is an objective toward which considerable progress has been made. Only four countries are provided with military grant assistance in this legislation. Jordan, the Philippines, Spain, and Portugal and the total amount of that grant assistance is about $93 million. The addition of this $50 million not only reverses the trend of phasing out grant assistance, contrary to the agreed on policy to end all grant aid after fiscal 1981, but also gives to one country alone 35 percent of the total grant assistance and almost twice as much as is being received by any other country. The maximum figure for any other country is $30 million. So this $50 million plus $3 million already in the bill for Turkey is almost twice as much as being received by any other country. It obviously invites further requests in future years for more grant assistance.

We gave to Turkey in assistance last year $227 million in military and economic aid, and this bill, as reported, contains $451 million, making a 2-year total of $678 million, more than we have given any other country except for Egypt and Israel.

Egypt and Israel, it should be noted, have signed a peace treaty and are now seeking to implement it. Would that we had a situation here in which a fair and equitable settlement had been reached on Cyprus and we were now seeking to implement the settlement and that appropriate decisions had been made to reestablish fully the southeastern flank of NATO and we were now seeking to support that NATO reintegration.

None of these things has happened, and yet we are being called upon to provide assistance here that exceeds what we are giving to any other country in the world except Egypt and Israel.

The Senator from Rhode Island did a comparison of aid per capita between Turkey and Greece. I am not going to deal with that subject at length, but only make this observation: Last year when Congress lifted the embargo, it also passed important policy statements; extended provisions dealt with achieving a solution with respect to Cyprus, provisions which have not been met. Another provision stated that the present balance or ratio of military strength among countries of the region, including between Greece and Turkey, is preserved. What those amounts should be does not relate to per capita or to per soldier measurements. The policy and the money, relate, of course, to the defense requirements of each country and the position they find themselves in. The administration obviously reached a conclusion on the ratio that was required when it made its original submission to the Congress at the beginning of this session. The administration submitted a defense aid request based on a 5-to-4 ratio and this ratio was followed by the committee in dealing with the administration supplemental request for military assistance.

Mr. President, The Economist in a recent article about the difficult economic situation in Turkey headed "Sick Man Of Europe Again," in discussing Turkey's economic difficulties and the policy of Western nations toward Turkey made this comment:

> The United States cannot easily buy a foreign policy for much longer by lending or giving large sums on top of America's present huge current payments deficit; when America tries to do so, it further weakens the dollar, and thus now puts real gross world product down, not up.

Mr. President, we all seek to develop a situation in the Eastern Mediterranean that can bring about normal relationships between our country and Turkey and Greece and Cyprus and normal relationships on the part of those countries with one another.

The opportunity to normalize the situation is largely in Turkey's hands. Turkey could have taken steps long before now on Cyprus itself to improve the situation, and particularly to respond to the humanitarian problem which is posed by the refugees. Even short of a full settlement to handle all outstanding issues, Turkey could have taken steps on refugee resettlement which could be pointed to now to show that, in fact, there had been a response to the humanitarian concerns of resettling a significant number of refugees in their homes. Those steps have not happened.

Steps could have been taken with respect to the NATO reintegration question. Those steps have not happened.

We are now being told of the importance of Turkey in a SALT monitoring capacity, and yet Turkey's response to that request on the part of the President apparently is that the Soviet Union has to agree as well, a very interesting reaction and response.

So, for all of those reasons, Mr. President, this amendment should be voted down.

Mr. President, I ask unanimous consent to have printed in the Record an article published in the New York Times of May 3, 1979, entitled, "Greece's Reentry to NATO Is Snagged."

There being no objection, the article was ordered to be printed in the Record, as follows:

Greece's Re-Entry to NATO Is Snagged

Athens, May 2.—Efforts to reinstate Greece as a full member of the North Atlantic Treaty Organization, which have been strongly backed by the United States and considered almost certain to succeed, are now floundering, according to American and Greek diplomatic sources here.

The main obstacle, the sources say, is the question of military responsibility for airspace over the Aegean. Turkey is insisting that it be given responsibility for airspace extending 30 miles beyond its Aegean coastline, and Turkey, like every other NATO member, has veto power over Greece's reentry.

While Greece has expressed willingness to modify slightly the areas of responsibility it had before leaving the military arm of NATO in 1974, it is not willing to accept the Turkish demand for 30 miles, which would include the airspace over such Greek islands as Rhodes, Chios and Lesbos.

"No government can accept such an arrangement because it would mean surrendering control over sovereign territory," the Greek Minister of Defense, Evangelos Averoff, said in an interview.

HAIG-SEEKS COMPROMISE

Gen. Alexander M. Haig Jr., the NATO commander, plans an all-out effort to persuade Turkish leaders to accept a compromise before he leaves his post on June 1, but diplomats familiar with the negotiations feel that he has little chance of succeeding.

The apparent impasse on the issue represents a serious setback for General Haig, who has taken personal charge of efforts to clear the way for Greek re-entry. Last year he negotiated with Gen. Ioannis Davos, the armed forces chief, the tentative arrangement under which Greece would rejoin the alliance and won support from all members except Turkey.

When he decided to leave his NATO post he sent messages to the leaders of all member countries informing them of his intention, and in the one to Prime Minister Constantine Caramanlis of Greece he added a personal note declaring that he would give Greek reentry top priority in the time he had left.

"We know General Haig is doing all he can," said a high Greek official. "It's to his interests to leave NATO stronger than he found it, particularly if he intends to enter politics. But we're not sure how much backing he's getting from Washington. Ever since the fall of Iran, Washington has been appeasing Turkey on everything."

TURKEY'S DEMANDS DEFENDED

American diplomats here say that Washington is as eager as Athens to see Greece back in NATO, but Turkey's veto power is guaranteed by the NATO charter and Ankara is insisting on its demands before approving Greek re-entry.

Prime Minister Bulent Ecevit of Turkey has defended his country's demands for broader responsibilities in the Aegean by saying that Greece's exclusive control over the area under the former arrangement was unreasonable and that Greece should not expect to return on the same terms it had when it left.

The problem has caused considerable concern among NATO leaders because they feel that if Greek re-entry is not accomplished while Mr. Caramanlis is Prime Minister, it may never happen, and many believe he will leave his post and become President within a year.

In 1974 Greece sharply reduced its participation in NATO in anger over the Turkish invasion of Cyprus. The Greek feeling was that NATO could and should have stopped it. Although Greece did not renounce its treaty obligation to consult with other NATO countries in case of an attack, it did limit the use of NATO communications and early-warning stations on its territory and stopped regular reporting to NATO on the position of its troops.

Mr. Caramanlis has told American diplomats that in moving to re-enter NATO before the Cyprus issue is settled, he has already made a considerable compromise. He feels that the Turkish demands for broadened air responsibility are outrageous and that the other NATO members, particularly the United States, should press Ankara to abandon them.

Mr. BENTSEN. Mr. President, all of us are concerned about the tragedy of Cyprus, and I certainly agree with my distinguished colleague from Maryland, who has spoken so eloquently on the subject, that all would seek a just solution, and it would please the Cypriot leaders, both Greek and Turkish, who are meeting to discuss those issues, even though this morning's press report said they were 180 degrees apart. At least they are negotiating, they are speaking to one another trying to bring about a solution.

The question of defeating this amendment really is not going to help in trying to bring about a settlement of the Cyprus situation, and in all honesty the approval of this amendment is not going to bring about that kind of a result either.

The facts are that it ought to be judged separately from the question of Cyprus. The basic point is that Turkey needs the modernization of its military force, and everyone agrees on that. There is no doubt about the question of Turkey having serious financial difficulties, and everyone has agreed on that. There is no question but what they are looking to the United States for help. There is no doubt that Turkish-American relations are at the crossroads. This gesture of friendship is going to be greatly appreciated by the Government of Turkey.

The question has been asked and the point has been made that the bill was brought in under last year's level, and that is true. It is about $36 million under last year's level, and this puts it about $12 million above last year's level. But remember you are talking about a bill that amounts to $2.8 billion, so the fact that it is a minimal amount below or a minimal amount above does not match the significance or our taking this kind of action as a military grant.

Therefore, I am pleased to support the distinguished majority leader and several of my colleagues in this amendment that I think makes eminent good sense for our national security, for the strength of the NATO alliance, for the economic future of Turkey, that we have all agreed is in serious disrepair.

The basic point in contention, Mr. President, is whether the Senate should authorize $50 million in grant military assistance to Turkey as requested by the administration or provide the Government of Turkey the credits in the same amount as proposed by the Committee on Foreign Relations.

In the context of our overall level of assistance to Turkey, which is substantial, and I certainly agree with my distinguished friend from Maryland, we have been generous with Turkey, and I think there is need to be, under the conditions we are facing now in NATO, I would tell my colleagues, that I think this putting it in grant form has very important symbolic overtones. While there may be substantial disagreement on the merits of the amendment, I think the proponents and the opponents alike can agree on certain basic facts fundamental to this debate.

We can, for example, all agree that Turkey is a nation of supreme strategic importance to the United States and to the NATO forces. The Turks have the second largest standing army in NATO. A fighting force that is, by all accounts, desperately in need of modernization and spare parts. Turkish forces dedicated to NATO tie down 25 Soviet divisions and 800 aircraft that would otherwise without Turkey, be stationed on different fronts. One look at the map should be enough to convince anyone of Turkey's geopolitical importance astride the Dardanelles and at the crossroads to the Middle East.

But that is hardly the whole story, Mr. President. It is a well known fact that we have important listening posts on Turkish territory—installations that have assumed a vast new importance with the loss of similar facilities in Iran.

The Senate will soon be turning its attention to the recently concluded strategic arms limitation agreement with the Soviet Union. One of the factors we will be assessing in that debate is our ability to verify Soviet compliance with the provisions of the SALT II agreement. One does not have to be a student of strategic affairs to appreciate that our installations in Turkey are a vitally important aspect of our verification capability. As part of the effort to make any SALT agreement adequately verifiable, we may also need Turkish permission for overflights to assist in monitoring Soviet testing and compliance.

In addition, it is important to understand that the significance of our installations on Turkish territory would not be diminished by Senate rejection of SALT II. In a strategic environment lacking SALT constraints we would, if anything, have an even more urgent requirement to be fully and accurately informed about Soviet military activities.

Due in no small part to Senate action last July to lift the arms embargo against Turkey, these important listening posts are now functioning. Their future status—beyond October of this year—is, however, under negotiation between Turkey and the United States. To reject this modest request for grant military assistance to Turkey could hardly be construed as helpful to those negotiations.

So I think we can agree that, for a variety of reasons, Turkey is important to the United States and to the NATO alliance. It is clearly in our own best interest to have a strong, stable, secure Turkey well disposed toward this country.

It is also an indisputable fact of international life that Turkey is in deep economic trouble—part of it perhaps of their own doing, but nevertheless those are the facts of life, and that is what we are faced with today. Turkey's economic problems are so profound and so apparent that an international rescue mission of significant dimensions will be required to give the Turks an opportunity to set their affairs in order.

I hardly need dwell, Mr. President, on the implications of an economic collapse in Turkey. I would however suggest that with a full-blown economic crisis on its hands and an external debt of almost $18 billion, extending more credit to Turkey is like giving a glass of water to a drowning man.

Turkey, Mr. President, is looking for help and we are responding, because we recognize that is in our interest to do so. We have made or are in the process of authorizing over $675 million in loans and credits to Turkey over the past 2 years. In a time of frugality and lean budgets, that is a lot of money; but it shows an understanding of the significance of Turkey to NATO and to this country.

What we are proposing today is that $50 million of that total be extended in grant military assistance, as originally requested by the administration. We do not pretend, Mr. President, that a $50 million grant will solve Turkey's problems of force modernization. Obviously, it will not. The problem is a lot bigger than that. But a grant, instead of a credit—at a time when Turkey really cannot use any more credits—will constitute evidence that this Nation is prepared to go the extra mile, to take that important, symbolic extra step to help a friend. It will relieve the ailing Turkish economy of a $50 million future debt burden. It will be $50 million invested in a stronger NATO and stronger bilateral relations between Turkey and this country.

Mr. President, I urge adoption of the amendment.

Mr. BELLMON. Mr. President, are we under controlled time?

The PRESIDING OFFICER. No.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BELLMON. I yield to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the pending amendment occur not later than 3 p.m. today, with the intervening time to be equally divided between the manager of the bill and the Senator from Maryland (Mr. SARBANES).

Mr. STEVENS. Mr. President, reserving the right to object, is this on the full Byrd-Chafee amendment, or the Byrd amendment to the Chafee amendment? What is the status of that vote?

Mr. ROBERT C. BYRD. On the Byrd amendment to the Chafee amendment. And then, if it would be agreeable, to vote immediately, thereafter, on the Chafee amendment as amended, if amended. I make that request.

Mr. STEVENS. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered.

Mr. BELLMON. Mr. President, it gives me considerable pleasure to find myself in agreement with the distinguished majority leader and my friend, the Senator from Rhode Island on any subject, but particularly on the subject of economic assistance to Turkey.

For economic assistance is what we are talking about, here, today, even though at first glance it might appear that we are advocating something entirely different. I seem to recall that it was Winston Churchill who first characterized Turkey as the "sick man of Europe." But if I remember correctly, that was more than 50 years ago that he said that about Turkey. Well, Turkey is sick again and it is in the best interests of the United States, and indeed, all of NATO—including Greece—that Turkey get well.

My colleagues are no doubt aware of Turkey's dire economic situation. Turkey is unable to repay loans currently outstanding. Private banks are attempting to put together a refinancing package and the International Monetary Fund is studying what terms must be met prior to advancing more funds. I understand that some encouraging progress has been made, lately, and it may be that anticipated action of the sort we are taking today had something to do with that progress.

Turkey, a valued NATO ally with the second largest land army and the longest common border with the Soviet Union of any NATO country, must regain her health. What we are advocating here today may be regarded as most symbolic. We are advocating that $50 million of military assistance to Turkey be in the form of grants, rather than as loans. But symbols are important, especially when a situation is critical. In my opinion, the situation in Turkey is approaching the critical point.

There are those who fear that Turkey may soon go the way of Iran. But I believe that need not be the case. Unlike Iran, Turkey's problem is economic; its stability will require large-scale aid and economic reform for 4 or more years. But the first task, and it will not be easy, is to pull Turkey through the next year.

Almost $1 billion will have to be raised in the next few weeks from governments and private banks just to close Turkey's remaining balance-of-payments gap. Also underway is the largest and most complicated government debt restructuring in history—a postponement, without acknowledging bankruptcy, of the repayment of more than $5 billion of foreign loans and import bills on which Ankara faces default.

Recession and sharp import restrictions have reduced Turkey's balance-of-payments deficit from $3.4 to $1.7 billion a year.

But there will still be a deficit of $400 to $500 million in 1979. It is this sum that the United States, West Germany, Britain, and France are now attempting to raise. The 24-nation Organization for Economic Cooperation and Development—the NATO countries, Japan and other industrial democracies—has been entrusted with the key role in organizing this aid package. It is also assembling experts to help Turkey draft a longer term recovery plan.

All of this is contingent on Turkey reaching agreement with the International Monetary Fund on a belt-tightening program that Prime Minister Ecevit has been resisting for months. With 20 percent unemployment, 50 percent inflation, industry working at 55 percent of capacity and mounting political violence, Mr. Ecevit and his narrow parliamentary majority fear that more austerity would increase unrest, bring down the Government and endanger democracy. Mr. Ecevit's concerns are undoubtedly justified. Moreover, Turkey's strategic importance, between the Soviet Union and the Middle East, is too great for its future to be left only to the IMF's fiscal judgments.

The problem is that only a small part of the billions Turkey will need in the next 5 years can be obtained from government loans by the allies. Private banks and the Eurodollar market will have to provide most of the money. To reopen private credit windows abroad will require an IMF stamp of approval on Ankara's economic policies.

This circle can only be squared by Turkey's key allies, acting directly and through the Organization for Economic Cooperation and Development. Though their financial support would be limited, their moral backing could be unlimited, particularly if Turkey were to give the alliance some reason to hope for a move toward a Cyprus settlement. That could help restore creditor confidence, enable the IMF to ease its conditions and make it politically feasible for Mr. Ecevit, in a climate of NATO unity, to call for still more austerity at home.

This kind of moral or symbolic support is what we are proposing today—and as I said, there have been reports of progress toward the IMF easing its conditions.

Mr. President, let me go into the economic situation in Turkey in some detail.

TURKEY'S ECONOMIC SITUATION

BACKGROUND

The Turkish economy is at a level of development—and faces many of the basic problems—more commonly associated with a developing country than with a member of the OECD. Turkey's income per capita is only about $1,000, or approximately one-third of the per capita income level of Spain or Italy. Agriculture is still the main economic sector, employing 57 percent of the labor force and accounting for two-thirds of Turkey's exports. Population growth is high—the annual increase of 2.5 percent compares with a rate of less than 1 percent for most other OECR countries—and with Western Europe now largely closed as an outlet for surplus Turkish workers the long-term trend for unemployment—now approximately 15 percent—is rising. There is considerable underemployment in the agricultural sector, and the lack of opportunity in rural areas has encouraged largescale migration to the cities. As we all recognize in this country, this makes for very serious economic problems.

All Turkish governments of the postwar period have been strongly committed to rapid growth, with primary attention focused on development of the industrial sector through import-substitution industries. In many respects economic performance up to 1973 met Turkish goals. Growth averaged about 7 percent annually, and the share of the industrial sector in total output doubled between 1955 and 1977. Much of the industrial investment was, however, directed into projects which were not well suited to Turkey's comparative advantages in terms of location, natural resources, and labor availability. Insufficient attention was paid to generate foreign exchange flows through exports. In addition, investment in agriculture—a sector also adversely affected by inappropriate pricing and subsidy policies—has on a comparative basis been neglected. Turkey also made little effort to attract foreign investment, or to exploit the country's potential for tourism.

Turkey's external payments position was relatively strong in the early 1970's, with export growth (largely attributable to favorable terms of trade and good harvests for agricultural exports) and a rise in the inflow of workers' remittances being major factors. The current account balance showed a $500 million surplus in 1973. However, Turkey's external position has deteriorated steadily since 1973 with the annual deficit rising from $700 million (1974) to $3.4 billion (1977). This deterioration was to a large extent the result of failure to adjust sufficiently to changing economic conditions, particularly the multifold oil price increase and subsequent recession in Europe.

Initially the current account deficits were financed by a drawdown in reserves, later by a sharp increase in short-term indebtedness. In 1977 the deficit was financed largely through the build-up of debt arrearages. As of year-end 1977, total Turkish indebtedness was estimated at about $11 billion of which about $6 billion was short-term debt overdue or falling due in less than a year. Turkish authorities apparently believed that an upsurge in economic activity in Western Europe would impact favorably on Turkey and help generate export and other foreign exchange earnings sufficient to service accumulating debt and to facilitate rolling over the short-term indebtedness.

TURKEY AND A STABILIZATION PLAN

In January 1978 Prime Minister Ecevit inherited an economy in crisis. Inflation was running at a 40- to 50-percent rate, unemployment was rising, and foreign banks were refusing to consider new loans (needed to maintain imports) until significant measures, notably the conclusion of a standby agreement with the International Monetary Fund, were taken.

To deal with Turkey's crisis situation, the Government developed a stabilization program which formed the basis for a 2-year standby arrangement with the IMF in April 1978. The stabilization program has two prime objectives: A large reduction in the current account deficit and a curtailment in the rate of inflation.

Following conclusion of the standby, Turkey successfully rescheduled roughly $500 million in short-term debt arrearages and $600 million in longer term debt owed to or guaranteed by the creditor governments of the OECD consortium. In addition, Turkey initiated negotiations with the private banks to secure both a refinancing of existing debt obligations and "new money."

The envisaged reduction in the current deficit for 1978 has been realized. However, all of the current account aggregates were below initial projections. Exports are running at an annual rate of about $2.3 billion rather than the $2.4 billion projected. Exports of industrial products have been particularly disappointing, increasing only by 6 percent. The level of workers' remittances also declined rather than increased. The foreign exchange shortfall has been compounded by the fact that Turkey's negotiations with foreign banks have proved to be far more protracted and less productive than had originally been foreseen. While refinancing arrangements on outstanding short-term debt are expected to be concluded as projected, new private bank credits are not likely to amount to more than $300 to $500 million, in contrast to the $1 to $1.5 billion that Turkey expected would follow on IMF accord.

The resulting shortage of earned foreign exchange has severely curbed Turkey's capacity to import, and imports are running at an annual rate of about $4.6 billion rather than the $5 billion initially projected in the stabilization program. This has depressed economic activity and real GNP growth, which fell from 8 percent in 1976 to 4 percent in 1977 and showed little or no increase in 1978. A fall-off in manufacturing activity, large wage increases, and monetary expansion resulted in an inflation rate currently running in the range of 50 to 60 percent, well above the 20 percent initially targeted in Turkey's 1978 stabilization program.

There is widespread recognition that the Turkish economic situation is extremely grave. Turkey's foreign exchange shortage is critical, and largescale economic assistance is necessary to forestall a slump into prolonged recession. Industrial production is running at 55 percent of capacity and unemployment is worsening.

The purpose of the present multilateral assistance effort is to provide a financial cushion that will enable Turkey to undertake politically difficult reform measures necessary to address its underlying economic problems and find an accommodation with the IMF. The effort by Turkey's allies to assemble an assistance package, and the effort by Turkey to establish a new economic stabilization program in agreement with the IMF are mutually dependent. Alone neither can succeed, but together they can provide Turkey with a firmer base from which to resume its economic growth.

Even if the very difficult short-term problems of the Turkish economy are overcome through an effective stabilization program, Turkey will require an extended period to restructure its economy in order to become economically self-sufficient without large-scale external assistance. Since Turkey is a middle-income country, over the longer term most of the external capital inflows must come from a combination of loans from commercial banks, the international lending banks, the European Investment Bank, and from direct foreign investment, with these flows complemented by occasional balance-of-payments support from the IMF.

Mr. President, that sets out the economic problem in some detail. The next topic I would like to discuss is what we, the United States, have been doing about it.

When President Carter met with the leaders of Britain, France, and Germany on January 5–6, 1979, it was agreed that the four participating Governments, with Germany in the lead, would ask other countries to join in a multilateral assistance package to support a Turkish economic adjustment program.

The most pressing Turkish need, is for financial support for their own efforts to overcome their economic difficulties with both immediate austerity and longer range adjustment measures. In view of this, it was agreed that the multilateral assistance package would be provided only after a Turkey-IMF standby agreement, to be based on a Turkish stabilization program, is reached. Once the current foreign exchange crisis is resolved, Turkey should be able to secure an adequate flow of foreign exchange from exports to goods and services, development funds from international institutions and commercial funds from the private financial markets. Thus, the multilateral program is designed to substantially reduce a $1.2 billion 1979 gap between anticipated foreign exchange inflows and the import bill needed to sustain the current level of economic activity while adjustment measures take effect.

As our part of the effort we initially decided to contribute $98 million in a fiscal year 1980 economic supporting assistance (ESA) loan and we expected that $50 million in Eximbank credits would be forthcoming once an IMF agreement is in place. When it became apparent that Turkey's economic crisis was deepening, the President decided to seek from Congress an additional $100 million in assistance for Turkey, in the form of a fiscal year 1979 supplemental request for ESA. This $100 million in supplemental assistance would be linked to a willingness of other donors, particularly the FRG, to share equitably in the effort to assist Turkey as well as to the achieving of an agreement between Turkey and the IMF. Our contribution to the multilateral program would thus be $248 million.

In informing other governments of our intention to increase our contribution, we urged them to review their planned contributions to insure that the final figures reflect equitable burden-sharing. Our own contribution will be keyed to that of the Germans, who have played a very constructive leadership role in the multilateral effort, and have already pledged $100 million. We are aiming for a total program of approximately $1 billion. Among the states which have indicated a willingness to participate are the United Kingdom, France, Canada, Japan, Sweden, Finland, Denmark, Norway, the Netherlands, Belgium, Austria, Switzerland, and Italy. Several have not specified a figure as yet.

But, Mr. President, some may ask, why $50 million in grant military assistance (MAP) for Turkey?

This grant military assistance program (MAP) of $50 million for Turkey for fiscal year 1980 would enable this important NATO ally to obtain spare parts and replacement equipment desperately needed to meet severe shortages. The deliveries of spare parts and support equipment that Turkey has received over the last 8 months since embargo repeal have been insufficient to bring Turkish force readiness up to a satisfactory level. The $50 million in MAP for fiscal year 1980 will not overcome all the inadequacies of the Turkish Armed Forces; it will, however, constitute a good beginning.

This military assistance would be furnished in accordance with, and subject to, chapter 2 of part II of the Foreign Assistance Act of 1961, as amended. Accordingly, the defense articles and defense services made available thereby would be furnished subject to Turkish agreement that they will be used only for those purposes for which furnished, including legitimate self-defense, internal security, and to enable Turkey to fulfill its responsibilities as a member of the North Atlantic Treaty Organization. In addition, as this military assistance is designed to help Turkey to maintain its present military capabilities in furtherance of its important NATO role, it would not have an adverse effect on the regional military balance.

This $50 million would be in addition to FMS credits—$175 million in 1979 and a proposed $200 million in fiscal year 1980. In view of Turkey's severe external debt problem, it would be wise to keep the $50 million in the form of MAP instead of converting it to FMS credits. Turkey's massive external debt of $17 billion limits the usefulness of additional FMS financing. Encouraging Turkey to incur further debt in order to buy needed military equipment would only serve to exacerbate Turkey's serious debt problems.

By responding to Turkey's urgent military needs, the United States can demonstrate to Turkish political and military leaders our commitment to increased security cooperation with their country. This increased cooperation is of great importance and relates directly to Turkey's NATO role, its geopolitical position, and our intelligence collection operations, including facilities which the Turkish Government permitted us to reopen last fall. This grant military assistance program can make an important contribution to maintaining a strong, stable, democratic and pro-Western ally in a troubled and vital region.

Moreover, developments in the region in recent months, most notably the instability of Iran, have also increased Turkey's security concerns. On a political level, a $50 million MAP program would be particularly welcome to Turkish poitical and military leaders at a critical period in Turkey's history and would add an important measure of goodwill and cooperation to our bilateral relationship.

This proposal for Turkey does not in any way imply a tilt toward Turkey and away from Greece. Both countries are valued friends and allies, and we want to help each one meet its NATO requirements. Given the relative strength of the Greek economy, however, Greece does not share Turkey's need for grant assistance.

Mr. President, I am not an authority on international affairs. Certainly I am not an authority on Turkish affairs. But this administration has begun to take a more realistic view of what happens in the World and how it affects us, and I want to encourage them to keep it up. I don't know what we should have done in Iran. In any case, the political situation in Turkey is considerably different.

TURKISH POLITICAL SITUATION

During the last 30 years the traditions of parliamentary democracy have become deeply rooted in Turkey. The present government of Prime Minister Ecevit came to power in January 1978 after it gained the support of 13 independent parliamentarians, most of whom had recently resigned from the rival Justice Party (JP) led by former Prime Minister Demirel. For the past 16 months the Ecevit government has held onto a slim majority and tried to deal with the difficult problems of economic crisis and political violence facing Turkey.

The resignation in late April of three parliamentarians from Ecevit's Republican People's Party (RPP) reduced the Government's voting strength to less than a majority, but still more than the oppositon. (The Republican People's Party and its independent supporters control 226 seats, but one of them is the presiding officer and cannot vote. The opposition plus disaffected independents account for 220 seats; 4 seats are vacant.)

A political standoff has developed in which the Government remains in office, but has little power to generate legislative action. As long as this standoff lasts, the Government will be constrained in its ability to deal effectively with the problems facing Turkey. Each side is making a determined effort to attract adherents from the other—the RPP in order to be able to govern effectively, the JP in order to bring the Government down and force early elections. The next scheduled general election will be in June 1981.

The future development of democracy in Turkey will depend on the ability of the present system to deal with its pressing economic problems. That ability in turn will be strongly influenced by the support given Turkey by other Western democracies. Should the West be unable or unwilling to help Turkey to address its problems, the risk of political instability would be seriously increased.

Mr. President, although I have stressed the need for meaningful economic assistance for Turkey, and have supported the largely symbolic shift of military assistance from a loan basis to a grant basis, there are some of my colleagues who may be more impressed by a listing of our defense activities that may be threatened if Turkey does not get well, soon. I will list them, but I want to warn my colleagues that I am not an expert on Turkish proper nouns, either, so I may mangle some pronounciations.

U.S. DEFENSE ACTIVITIES IN TURKEY

The United States maintains 6 major installations and 21 secondary facilities in Turkey.

Two of the six major installations (Incirlik Air Base and Ankara Air Station) and all secondary facilities are in direct support of the NATO mission. They provide:

Forward basing of USAF tactical fighter aircraft in support of NATO defense plans. Accommodations are also maintained for wartime augmentation by reinforcement aircraft and NATO strategic reserve forces.

Peacetime training. Konya Range is one of the very few air-to-ground firing ranges east of Spain which is available and adequate for regular use by theater tactical air forces.

Terminal support for intertheater staging of stratgic airlift aircraft, including the only U.S. controlled major aircraft refueling facility in the eastern Mediterranean area.

Naval depot services and stocks for the replenishment, refueling, and resupply for units of the U.S. 6th Fleet, 20 percent of fleet fuel assets in the Mediterranean are stored in Turkey.

Major contingency storage of war reserve materiels, munitions, and petroleum supplies for use by the U.S. Forces.

Communications in support of logistics requirements, intelligence, and command and control of United States and other NATO forces in Southern Europe and the Mediterranean.

In reaction to the 1975 arms embargo, Turkey suspended U.S. operations at the other major installations. One of these is a long range navigation station (Kargaburun) and the other three are used for intelligence collection (Sinop, Diyarbakir and Belbasi). A fourth intelligence installation, (Karamursel) also affected by the 1975 suspension, has been closed in accordance with a consolidation program unrelated to the suspension. The intelligence-gathering sites collect information on Soviet weapons systems technology, research, training and operations. They contribute to our knowledge of Soviet space, missile, and military systems development and strategic nuclear activities, and to our ability to develop countermeasures before these systems reach an advanced stage.

In response to the lifting of the embargo, the Turkish Government authorized the resumption of these activities for a 1-year transitional period commencing October 9, 1978, while a permanent arrangement is negotiated for the operations of the activities. Negotiations began on January 18, 1979, in Ankara, and are continuing.

Finally, Mr. President, let me say that I voted for the lifting of the arms embargo against Turkey. It never should have been applied in the first place, because we ought always to take the long view or at least the larger view of world events. When we get too bogged down in the details of one country's relations with a neighbor, we tend not to see the "big picture."

I voted for military assistance for the Saudi's at the same time I strongly supported peace in the Mid-East and for protecting the sovereignity and independence of Israel, and in the long view I see no inconsistency. I still believe that President Carter could not have achieved the Egypt-Israel peace treaty if we had not supported him in his Mid-East plane package sale.

I believe that we have the same kind of situation, here today. Some will worry so much about the strained relations between Greece and Turkey that they will loose sight of the "big picture."

The facts we should be discussing today are being clouded by unfortunate, but very real political animosities which create distorted impressions.

The facts are:

Turkey is a loyal member of NATO which defends a critical flank of the Alliance; indeed it defends the gateway to the Middle East and the Mediterranean.

Unlike most of its NATO allies, Turkey is not a rich country. It is struggling for its economic survival.

The Turkish Armed Forces have deteriorated badly during the period of the embargo to the point where they cannot meet NATO standards. Therefore, the Alliance's southeastern and, given the situation in the Middle East, most important flank is its weakest.

The dangerous situation is aggravated by the withdrawal of Greece from the NATO military structure.

To repair the damage that has been done by the embargo and Greece's withdrawal, we must help to rebuild and modernize the Turkish armed forces.

A sum of $50 million in grant assistance will help; $50 million additional in loans would only aggravate Turkey's economic problems by increasing its debt burden.

The amounts we are discussing, given the magnitude of the deterioration in the Turkish military will not upset the military balance between Greece and Turkey.

The distorted impressions which are sometimes presented to us include, for example, that Turkey is preventing a Cyprus settlement. Any settlement of the Cyprus problem, which has its roots deep in history, must be developed and agreed to by the two parties directly involved, the Greek and Turkish Cypriots, and it must protect the political, economic and human rights of both the majority and the minority communities.

The Turks are accused of blocking Greece's return to NATO. Having withdrawn, Greece now wishes to return. I am delighted at this development.

Those are some of the facts, therefore, let us decide on the basis of the facts. To provide grant assistance to Turkey would help rebuild NATO's vital southeastern flank. It would not upset the military balance between Greece and Turkey. To deny grant assistance would only weaken NATO. Denial would not solve the Cyprus problem or help Greece's return to NATO, both of which are and should be considered separate issues.

Therefore Mr. President, I strongly urge the adoption of the Chaffee-Byrd amendment.

Let us help our ally and friend while there is yet time.

Mr. STEVENS. Mr. President, I want to express my support for the Byrd-Chafee amendment which would restore the $50 million in grant military aid to Turkey. I commend the sponsors of the Byrd-Chafee amendment for taking the initiative on this issue.

The $50 million MAP program will enable the Turkish military to obtain military spare parts and equipment which has been impossible because of the country's economic crisis. While it is true that the foreign military sales credit will help, they are provided only at high interest rates and add to Turkey's already heavy debt burden. Grant assistance is necessary to help Turkey meet its NATO alliance commitments.

Mr. President, the strength and continued viability of the democracy in Turkey is absolutely mandatory to the NATO alliance. As we all know, NATO is now observing its 30th anniversary. It was founded in 1949 as a response to Russia's westward aggression. Its mission then and now is to prevent westward expansion by military might of Russia. It has a valid claim to being the most successful peacekeeping treaty of this century. Yet, we cannot ignore the fact that, as we observe this 30th milestone, the alliance faces the most precarious circumstances ever. The balance must not be allowed to tip and, the success or failure of our efforts to protect this valuable alliance hinges on the stability of the Turkish forces.

A major strategic element of Turkey is its geography. The straits which divide European and Asian Turkey represent the Soviet Navy's gateway to the Middle East. In addition, with over 40 million people, Turkey represents one of the world's largest democratic nations and the world's only Moslem country that is a democracy. This country is the southeastern anchor of the NATO alliance and, the United States as well as the entire NATO alliance has fundamental economic and security interests in maintaining the strength of Turkey.

Yet, Turkey now faces a severe short-term financial problem which is reflected in the rising economic deterioration and political unrest in the country. The severe economic and social instability in the area has grave implications for the regional stability and the security of NATO's southern flank. Further, one major reason for U.S. concern is that there are several monitoring intelligence stations in Turkey from which the U.S. observes Soviet missile tests and other military developments in the Soviet Union. The strategic importance of these monitoring stations is intensified by the loss of monitoring stations in neighboring Iran.

Mr. President, Turkey is living evidence that a democracy can exist in a developing country but, it is evident to me that Turkey's economic problems are severely threatening their democracy. While leaders in Turkey have assured me personally that they want to retain a strong security relationship with both the United States and NATO, their armed forces are facing a serious obsolescence problem. The arms embargo imposed by the United States has stretched their ability to fulfill their responsibilities to the NATO alliance to the limit. The extent of their participation which, as I have said, is crucial to our security, depends on the support they receive from all of their allies.

Although West Germany has agreed to take the lead in a consortium to raise large scale aid to enable Turkey to revive its economy and reequip its armed forces, Bonn, and other allied capitals have been waiting for an initiative from the United States. We must not, we cannot, shirk our duty.

Nor has Turkey shirked their duties. In fact, they contribute a greater percentage of their GNP to the NATO alliance than any other country including the United States. In view of their economic and social problems it is simply naive to expect them to keep up their forces without military assistance.

Mr. President, I have been assured personally by the Prime Minister of Turkey that the problems with Greece are not insoluble and I am encouraged by the events last weekend when Greek and Turkish leaders on Cyprus agreed to resume negotiations on the future of the nation. Regular talks leading to a resolution of the long-standing dispute on Cyprus are now on a chartered course.

Turkey's commitments to the NATO alliance, however, should not be so closely connected to the Cyprus issue. The grant program is designed to help Turkey fulfill its NATO requirement and meet an economic crisis that threatens its stability as as a democracy—and the stability of the Western ideal. Further, it is clear that a balance has been maintained between Turkey and Greece. I urge my colleagues to support this amendment.

Mr. SARBANES. Mr. President, I suggest that we find out how many others on this side want to have some time before the vote.

Mr. CHAFEE. Mr. President, I am aware that Senators STENNIS, RIBICOFF, EXON, TOWER, and NUNN also wish time. How much time do we have left?

The PRESIDING OFFICER. Twenty-eight-and-a-half minutes.

Mr. CHAFEE. That is about 5 minutes apiece, with 3 minutes left over. Would that be adequate, I will ask Senator RIBICOFF.

Mr. RIBICOFF. I believe so.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, I yield such time as he may use to the Senator from Massachusetts.

Mr. TSONGAS. Mr. President, I will not take very much of the time of the Senate to go into the arguments which have been presented earlier, but I would suggest that my position is somewhat predictable. Let me suggest something to the contrary.

Four years ago when I was in the House of Representatives, I tried to work out a compromise on this issue so that we could secure the long-term friendship of both Greece and Turkey. That attempt, by the way, went by the boards because, at that point, of the unwillingness of Secretary of State Kissinger to negotiate on this particular issue.

What we have here is an interesting situation for those people who like rerun movies.

Mr. President, we have been down this road before. This is phase IV. It was the post 1974 period, the lifting of the partial embargo, the lifting of the embargo, and now disposition of economic dislocation.

I, for one, would be quite willing to do what I could to help Turkey. I think the arguments that have been made by those who support the Byrd-Chafee amendment are not indefensible arguments. I think there is a lot to them. I would be the first to admit it.

All that we have sought on the other side is movement for the refugees on Cyprus. I will speak for myself.

It is interesting to pick up the paper and read about a rescue team to help Turkey with her economic dislocation. Turkey gets herself into a problem of some economic distress, much of it self-induced, I might add, and all of a sudden we put together a rescue team to go in to help her out of this dilemma.

Could not one wonder why we do not put the same kind of energy into a rescue team for the refugees on Cyprus? Are they not in a situation not of their own doing, unlike the present Turkish Government? It seems to me that this country, which was just talking about human rights, made a great issuance of that particular philosophy, is somewhat at odds with that philosophy if we can get so excited about economic restoration and yet not be concerned about the refugees on Cyprus.

We hear talk about how valuable Turkey is because they have all these troops that hold down various Soviet regiments along the border. These same troops are the ones, by the way, who guarantee the continued existence of the refugee camps at Cyprus.

I, for one, would like to have this issue go by the boards and have it resolved. I do not think it would take a great deal. Why is it possible for Turkey to successfully argue their economic distress when they spend so much money keeping the troops on Cyprus? Indeed, if there is distress, it seems to me this is a strange way to expend one's funds.

I hope that we shall send a message to the Turkish Government that what we want is resolution of the issue of the refugees on Cyprus and, at that point, let us go ahead.

I have been on this issue now for 4½ years. We were told the first time that, because of the actions of this Government in the embargo, they would not negotiate. There was a partial lifting; nothing happened. Then there was a complete lifting of the embargo. Nothing happened. Now we are talking about economic assistance and military assistance. I predict that nothing will happen again and we will not see any movement until they have to come back to the United States for round IV of our assistance.

There are 200,000 refugees on Cyprus. It seems to me they should count for something and I hope the Senate will indicate that they do count by voting against this amendment.

I thank the Senator from Maryland for the time.

(Mr. LEVIN assumed the chair).

Mr. SARBANES. Mr. President, I yield 5 minutes to the Senator from Kansas.

Mr. ROBERT C. BYRD. Will the Senator allow us to alternate for a moment and let Senator RIBICOFF, who speaks for the proponents, go now? Would that be agreeable to the Senator from Kansas and the Senator from Maryland?

Mr. DOLE. Surely.

Mr. SARBANES. Surely.

Mr. RIBICOFF. Mr. President, I rise to support the amendment. The United States has a direct national interest to support the military integrity, economic viability and political stability of Turkey and the NATO Alliance.

We are reminded today of Turkey's common border with Greece and the tragic conflict on the island of Cyprus. We should not forget that Turkey also borders the Soviet Union, Bulgaria, Iran, Iraq, and Syria. Turkey is also strategically located between the Soviet Union and the crucial arena of the Persian Gulf and the Horn of Africa. Recent events in Iran and Afghanistan, and the political instability of the Middle East should cause us to recognize our interest in giving Turkey the means to put her military and economic house in order.

There are compelling strategic and political reasons for the United States to support Turkey. With the single exception of Greece, Turkey is surrounded by countries which reject democratic and constitutional forms of government. Turkey needs and deserves military and economic assistance to insure her viability as a democracy.

I believe the United States must strengthen its ties with both Greece and Turkey. We must not permit quarrels between our allies to diminish our commitment to the NATO Alliance or limit our ability to preserve the stability of the eastern Mediterranean. We must strengthen our bilateral relations with Turkey and thereby enhance the strategic security of our country and the West.

In recent years, Turkey suffered from the shock of dramatic increases in the price of imported oil. The slow pace of growth in Western Europe resulted in a decrease in her exports. This left her economy in shambles and greatly limited economic planning and military spending.

A rapidly expanding balance-of-payments deficit, and an arms embargo, prevented the modernization of Turkey's military forces. It delayed the costly task of replacing obsolete military equipment with modern weapons. The proposed $50 million military assistance grant will signal Turkey that the United States is prepared to help their armed forces perform a credible role in NATO's military command structure.

A long-term friend and ally of the United States is now in great economic difficulty. The amendment to convert $50 million in loans for military equipment into grant aid will enable Turkey to begin the process of modernizing her armed forces without increasing her foreign debt.

It will let her government and military establishment know that this country is prepared to use its most direct and least complicated method of providing assistance to acquire military equipment: The military assistance program—know as MAP.

The proposed grant is also symbolic. The grant will announce to Turkey that the United States recognizes here vital and continuing importance to NATO. It will also send a message to Turkey's powerful Northern neighbor that the United States will stand with Turkey and support the integrity of the NATO Alliance.

We have six major military installations in Turkey and 21 support facilities. These include important bases for gathering intelligence. Turkey wants to continue her longstanding partnership in defense of the West with the United States.

It should be kept in mind that the Soviet Mediterranean fleet passes through the Bosporus and the Dardanelles. This gives us an opportunity to know the movement of every Soviet naval ship. If we lose the support of Turkey, we would lose this important factor.

For these reasons, I also support the other credits, loans, and grants proposed in S. 584. We should participate in the international effort, led by West Germany, to refinance Turkey's external debt. By helping the Turkish Government to deal with its economic crisis, we reduce the risk of political instability.

Only a stable Turkey can confront the difficult issue of Cyprus. Only a modern and efficient Turkish military can defend their country and thereby enhance the security of Turkey's partners in NATO.

Mr. President, I urge the Senate to affirm our commitment to Turkey by extending to her the proposed $50 million military assistance grant.

Mr. SARBANES. Mr. President, I yield to the Senator from Kansas such time as he may use.

Mr. DOLE. Mr. President, a major controversy here today is over the nature of our assistance to our ally, Turkey, and the relationship that exists between Turkey and Greece as affected by the situation in Cyprus.

I have listened very carefully to my distinguished colleagues on both sides of the aisle, on both sides of this issue. In 1976, I was one of those, in a very close vote, who voted to lift the embargo. It is a very difficult and very senitive issue.

There are those who oppose any aid to Turkey, because of that government's invasion of Cyprus and its subsequent refusal to participate in meaningful withdrawal talks. There are those who would like to pour millions into Turkey to prop up the fragile economy of that vital NATO link. The present legislation. without amendment, Mr. President, seems to this Senator to be a reasonable compromise between the two positions. It is true that Turkey has an essential role to play in NATO and in the United States' strategic posture. The loss of our intelligence monitoring stations in Iran has increased the importance of our posts in Turkey—indeed, the administration has based much of its argument that SALT II will be verifiable, on our capabilities in Turkey. It is not in our interests to let the government in Ankara falter—and the United States is providing considerable assistance to prevent that from happening, both in this measure here today and in combined efforts with our other allies in Europe.

It seems to this Senator, however, that our first duty lies with the American taxpayer and what is good for him. Our own economy is in dangerous shape and we have yet to find out if this administration is going to be able to bring inflation down and balance the budget. We have stated as our goal to end all military assistance grants by 1981. Instead, as in this case with Turkey, we will provide military assistance in the form of very reasonable credits. I do not believe Turkey warrants an exception to this rule.

It is important to remember the situation in the Aegean with respect to Greece and Cyprus. Until very recently—in fact until the very week this bill was reported by the committee to the Senate—Turkey refused to make essential compromises to get the talks going again on Cyprus.

The distinguished Senator from Maryland pointed out that, even since then, there have been other reports that they are 180 degrees apart, that the talks are not going to amount to anything. So that does not seem to carry a great deal of weight.

We cannot afford to let the military balance in this region be upset, no matter how badly the Turkish economy is doing. It is precisely at those times when the danger of military adventurism is greatest. Fortunately, the people of Greece were reassured in this bill by the inclusion of $160 million in assistance to their country.

U-2 AND SALT

It must be noted also that the Government of Turkey has indicated it would refuse to allow the United States the use of our bases there for U-2 verification flights on the SALT II agreements, unless the Soviet Union gave Turkey assurances that the Russians would not take offense. This runs counter to all the years of cooperative NATO Alliance between our two countries, and illustrates Turkey's new, hard-nosed attitude about her dealings with Western Europe and the United States of America.

Mr. President, the Senator from Kansan wants to help Turkey out of her present difficulties. He also wants to help the people of Greece and Cyprus, to protect the military balance in the Eastern Mediterranean, and to insure NATO's southeastern flank remains secure. But Ankara should realize that our relations have both mutual obligations and responsibilities. This authorization is a reasonable compromise that provides the military assistance needed by Turkey, and on favorable terms. There is no need to make it an outright grant, upsetting everything we are trying to do in Congress to reduce military assistance program grants. It will take much more than this small item in Turkey's budget to either help or detract from her ability to turn her economy around. I suggest we retain the committee's version on this issue.

I thank my distinguished colleague for yielding.

The PRESIDING OFFICER (Mr. TSONGAS). Who yields time?

Mr. ROBERT C. BYRD. Mr. President, does the distinguished Senator from Maryland have anyone he wishes to yield time to at the moment?

Mr. SARBANES. I was deferring to the Senator's request earlier that we go back——

Mr. ROBERT C. BYRD. Very well. I thank the Senator.

Mr. President, I yield to the Senator from Texas (Mr. TOWER) such time as he may require.

Mr. TOWER. Mr. President, I want to state my strong support for the amendment by the Senator from Rhode Island (Mr. CHAFEE) and the distinguished majority leader to restore $50 million in military grant aid to Turkey on the military assistance program.

Mr. President, this is a very critical and important vote. I do not see how anyone could come to the conclusion that by assuming a punitive posture toward Turkey we are going to bring the resolution of the Cyprus problem any closer, or the resolution of the controversy over the Aegean Sea bed any closer.

I think it is proper to note that throughout the period of the embargo, Turkey continued to perform her NATO missions with obsolete equipment. Now the military inventory of the Turkish armored forces is in very bad shape, indeed, most of it old American equipment, most of it currently logistically insupportable.

Considering the foreign credit position Turkey is in now, it is essential we extend this assistance in the form of a grant. I think it would go far toward convincing the Turks of our friendship, of our mutual interest with them, in maintaining them as a viable NATO partner.

I urge my colleagues to support this amendment. I fear greatly the consequences of failing to adopt this amendment by a substantial margin.

Mr. President, at this time, I wish to state my strong support for the amendment by the Senator from Rhode Island (Mr. CHAFEE) to restore $50 million in military grant aid to Turkey under the military assistance program (MAP). This is consistent with the President's request and is vital, both in symbol and substance, to shoring up our easternmost NATO ally.

SEATO is dead, CENTO is dying, and the Southern Flank of NATO is in disarray. The mutually supporting belt of defense alliance which once stretched around the periphery of the Soviet Union has been displaced in the south by political and economic turmoil. That turmoil, which we have seen in the Middle East, Afghanistan, Pakistan, and Iran now threatens economically weakened Turkey, the key to the Southern Flank of NATO and the security of the Eastern Mediterranean.

The strategic importance of Turkey to the United States and Western Europe must not be ignored. Turkey borders on the Soviet Union, Iran, Iraq, Syria, Greece, and Bulgaria, and shares with the Soviet Union vast shoreline along the Black Sea. Turkey controls the land on both sides of the Bosporus and the Dardenelles and thus has the ability to control Soviet naval access to the Eastern Mediterranean from the Black Sea.

Turkey's geography has become important to the United States as the result of the emerging SALT II Treaty. The loss of intelligence bases in Iran has resulted in a reduced capability to collect intelligence on Soviet missile tests. This has reduced our ability to verify Soviet compliance with important qualitative restraints related to the SALT II Treaty. Because proximity to Soviet missile test sites is important to this process, the United States needs the capability to conduct verification activities from Turkey or Turkish air space.

For the United States, Turkey provides important contacts with the Middle East and the Islamic world. For the Soviet Union, Turkey lies astride the most direct air routes between Russia and the Middle East.

Turkey's geopolitical importance has, however, resulted in great political and military pressures with which Turkish governments must contend. As a superpower, the Soviet Union alternates intense diplomatic pressure with conciliatory gestures in order to influence Turkish foreign policy. The Soviet Union maintains large military formations which represent a threat in being to Turkish sovereignty.

A more immediate threat may result from a resurgence of revolutionary Islamic fundamentalism throughout the Near and Middle East. Recent events in Iran make clear to everyone the power of these forces which spill over national boundaries. Only very strong governments will be able to resist the powerful forces which are at play in the Near East today.

Unfortunately, Turkey's fragile government faces a precarious economic situation. Turkey is virtually bankrupt. Turkey is presently unable to repay outstanding loans. The United States and its NATO allies are working with Turkey to help overcome these economic difficulties. The International Monetary Fund is addressing the problem and private banks are putting together a refinancing packet.

During this time when Turkey's economy is in difficulties, Turkey's NATO allies must do what they can to help alleviate the situation. As defense allies, they should recognize in particular Turkey's military contributions to the alliance, and the resulting economic burdens this creates. Turkey has been a loyal and reliable member of NATO over the years. Turkey continued to perform her NATO missions even during the period when the U.S. Congress established an arms embargo. In fact, Turkey provides the second largest contribution of manpower in all of NATO and spends about 20 percent of her annual national budget on defense. This provides a total armed force of 485,000 personnel, and much of this force is in need of major modernization. For example, to face modern Soviet equipment deployed along the Russian border and in neighboring nations such as Syria, Turkey must rely upon old M-47 and M-48 medium tanks. Many of its aircraft are old F-100's and F-104's. To face a Soviet air force of Backfire bombers, Mig-27's and Mig-23's, the Turkish air force has an interceptor force of old F-102's. That is, to counter the technology of the 1970's and the 1980's, the Turks must rely upon the technologies of the 1950's. For this reason, it is in the national security interest of the United States and its European allies to assist in the military modernization of the Turkish armed forces.

In recognition of this responsibility, the administration has requested from the Congress major economic and security assistance for Turkey, and the Senate Foreign Relations Committee has recommended in this bill, S. 584, $451.2 million in total aid for Turkey. One hundred million dollars of that is the fiscal year 1979 supplemental request. The rest is in fiscal year 1980 assistance. Unfortunately, the Foreign Relations Committee rejected the President's budget amendment for $50 million in additional grant military aid for Turkey. Instead, the Foreign Relations Committee added $50 million in foreign military sales credits. This approach, however, does not address the problem directly. Turkey's economy suffers from a debt burden of $17 billion and has unfinanced payment deficits of $1.1 billion in 1979. The Foreign Relations Committee's proposal does little to help resolve this problem.

Our amendment, which is consistent with the President's budget amendment, would restore the direct grant in military aid.

On March 16 of this year, I testified before the Committee on Foreign Relations concerning the Turkish situation. This followed my visit to Turkey in February. In that testimony, I concluded and I quote:

> With Turkey's current financial condition, the United States should forgive the fiscal year 1979 loan and increase the fiscal year 1980 proposal to $200 million and put that on a grant basis.

This amendment clearly does far less than I believe should be done to aid the Turkish economy. Nevertheless, it is a step in the right direction. By increasing our security supporting assistance, we will, in effect, be improving Turkey's ability to handle future foreign military sales programs.

I recognize that there are many who would like to see the MAP grants phased out. This is an issue which the Senate can consider. But for the time being, Turkey is a vital ally which needs grant aid for military programs which are in the national security interest of the United States. This grant is consistent with similar grants for Portugal—$30 million, Jordan—$30 million, and the Philippines—$25 million, all of which are contained in this bill. Also, last year the Congress approved similar grants for Greece on the order of $32.5 million. Given the importance of Turkey to the southern flank of NATO, this grant in aid is a tremendously important cost-effective investment.

I strongly urge support for this amendment.

Mr. SARBANES. Mr. President, I yield such time as he may need to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

AID TO TURKEY

Mr. LEVIN. Mr. President, the very length of this debate on the subject of converting $50 million of foreign military sales credits to outright grants demonstrates the symbolic value of this action. To alter the committee package at this time to terms more favorable to Turkey would, unfortunately, detract from the importance which the United States rightly places on our relations with Greece and upon our interest in the settlement of problems on Cyprus. The Committee on Foreign Relations wisely took all the features of our relationship with Turkey into consideration in arriving at the figure of $50 million in credits. The question before us is not whether we should assist Turkey. The Foreign Relations Committee granted Turkey $200 million in foreign military sales, $98 million in economic assistance, and an additional $100 million in economic assistance for fiscal year 1979.

If the infusion of that substantial package of aid assists in the economic rehabilitation of Turkey, it should be more than able to repay the $50 million loan, which is extended on lenient terms. As a practical matter, the concrete effect of the amendment offered by Senators ROBERT C. BYRD and CHAFEE is minimal. But its negative symbolic impact, however, is great. It would signal a lack of concern for resolution of all the problems which still, unfortunately, plague relations with Turkey—settlement of the dispute on Cyprus, maintenance of the military balance between Turkey and Greece, and the crucial issue of Greece's full reintegration into NATO. That is not a signal that we should wish to convey. We should affirm the careful judgment of the Foreign Relations Committee in rejecting this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield 7 minutes to the distinguished Senator from Mississippi (Mr. STENNIS), chairman of the Armed Services Committee.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator.

Mr. President, let me say in the beginning as one who from year to year looks over many, many, many line items in our military support bills, involving really many billions of dollars, I wish I knew of some other place that we could put $50 million that would do as much good to our Nation through the operation of our NATO Alliance as I believe this $50 million would do and mean if we turned it over to Turkey.

I have kept up with this matter since NATO was born, since the alliance was formed. I remember General Eisenhower's testimony in the first hearing that was held on the proposal. From the time the ink dried on that alliance, even until now, no people, no nation, has stood more ready to carry its part of that load, particularly in manpower, as has been true with the Turkish people.

With all deference to everyone, we made a great error a few years ago when we imposed the embargo. I was in sympathy with the feelings on that occasion by our Greek friends, but I voted against stopping that support. We have given it a fair trial, though, and time has proven unmistakably that it was an error. It caused deterioration of the military forces, the ground forces, the fighting forces, of our ally, Turkey.

Unless we come back in and make up for the lost time, the lost military energy, training, effectiveness, and preparedness, then it might become too late.

This is not a Cyprus matter. This is a matter for the protection of Greece and Turkey, the southern wing of this NATO alliance.

I have never been miffed on the subject of NATO, I do not believe, but it has been the most successful alliance we have formed since the end of World War II, the most effective, the most successful, the most ready to meet emergencies. There is no use stopping to name them. We have had them do it with fair success, plus.

There have been critical times with respect to certain parts of it dwindling away or crumbling away, and that uncertain time is right now with reference to the situation here, among these people, with their great will to carry on their part. I am talking about at the people level.

The participation, I say for emphasis, of effective Turkish land forces is critical to the defense of both Turkey and Greece.

Moreover, by controlling the exits from the Black Sea, Turkey can substantially constrain the ability of the Soviet Union to conduct a major naval war against NATO forces in the Mediterranean. That, of course, is the way things are going. As soon as I leave the floor, I am going downstairs, where we are working, in the Senate Armed Services Committee, to mark up a bill for all our forces. But where is the emphasis? Naval ships, seagoing ships. To combat what? Ever growing, seagoing Soviet naval forces. We missed it last year. We could not get together as to the kind of carrier. We are confronted this time with the same problem. I am willing to change my position somewhat for the sake of getting started on an effective, more extensive naval capacity at sea, because that is where our most delicate exposure is.

There are many other points that could be made beyond the possibility of prevailing in naval combat. The geopolitical position of Turkey also is vital to the Middle East and Persian Gulf.

The Middle East—that is not a new name. The Persian Gulf—that is not a new name; but it has new prominence.

We have set for a new position one carrier, for a new position in the last several years. Where was that? We sent it to the Persian Gulf. We are trying to get one in the bill now that is acceptable to the President, so that there will be another carrier at least eligible to go there or elsewhere.

Turkey denies the Soviet Union direct access to Arab lands and serves as an important buffer to Soviet expansionism in these areas. Through control of the most direct air, overland, and naval routes between the Soviet Union and the Middle East, Turkey constrains Soviet influence and power projection capabilities.

The change of governments in Iran has heightened the importance of this Turkish buffer to Soviet activities. Right in this Chamber, within a few weeks, we will debate at great length and in depth another highly important matter—the SALT agreement. A great deal of that debate will center around this part of the world. It will center around this very sea about which I have talked. It will center around our effectiveness in giving proper surveillance to whether or not they are abiding by this treaty, if it should be ratified. It is in that very spot that the money will go.

The PRESIDING OFFICER. The Senator's 7 minutes have expired.

Mr. STENNIS. Will the Senator yield me 1 more minute?

Mr. ROBERT C. BYRD. I yield the Senator 1 additional minute.

Mr. STENNIS. I thank the Senator.

On February 22, 1979, the Armed Services Committee held a hearing on the Atlantic area. During that hearing, General Haig testified, and I do not quote him, because he is a general, but because he is a very intelligent man, not given to idle talk. He said:

> The economic plight of Turkey has deepened, portending grievous consequences for the Western world if left untended . . . Turkey's economic difficulties eclipse all other regional problems in urgency and magnitude. Only vigorous American leadership can assure the extraordinary multinational assistance effort required to deal with Turkey's economic distress.

I agree completely with that assessment, and I believe it must have attention and must have it soon. Turkey is in the midst of the worst economic crisis in her history. Unemployment is at 15 percent and rising. Inflation which is at an annual rate of about 50 percent is having a devastating impact. Industrial plants are operating at only 55 percent of capacity.

This economic crisis has created tremendous hardships for many of the Turkish people. Political turmoil caused by economic problems has claimed 1,200 lives in the last 16 months. Continued plant closings and worker layoffs could greatly increase violence and eventually topple the Government. The risk of serious instability in Turkey is substantial.

STEADY EROSION OF UNITED STATES-TURKISH RELATIONS

The arms embargo which the United States imposed on Turkey until this year seriously weakened Turkish military capabilities and substantially reduced Turkish ties to the United States and NATO. With relations already seriously strained, the failure of the United States and other NATO countries to provide immediate economic assistance may cause Turkey great concern about the viability of her relations with NATO.

IMPORTANCE OF GRANT MILITARY ASSISTANCE

I strongly support the actions that the Senate Foreign Relations Committee has taken on economic supporting assistance and foreign military sales credits requested by the administration for Turkey. However, I am opposed to the change made by the committee which would substitute $50 million in foreign military sales credits for $50 million in grant military assistance that the administration had requested. I strongly favor the amendment offered by Senator CHAFEE and others that would restore the $50 million in grant military assistance.

Grant military assistance to Turkey is vital for two reasons. First, Turkey is heavily burdened with debts already. Adding foreign military sales credits would add to this burden. The second reason is that providing grant military assistance would be an important political and psychological symbol of U.S. support for Turkey. In light of the strained nature of our current relations, this indication of U.S. support is vitally important.

SUMMARY

Turkey is a valued ally of the United States. She occupies an important position in key world events. In light of the economic distress of Turkey, the United States must provide needed economic assistance. Grant military assistance will be of tremendously greater value to Turkey. For this reason, I support the amendment to restore $50 million in grant military assistance for Turkey.

So I join my colleagues. I hope a great majority are able to see it this way. We will follow up in the days to come. Turkey, with its military manpower, is the most effective ally we have today.

Mr. SARBANES. Mr. President, I yield 5 minutes to the distinguished Senator from New Jersey.

AID TO TURKEY: A PROPER BALANCING OF INTERESTS

Mr. BRADLEY. Mr. President, the President of the United States wants the Congress to approve over $450 million in security assistance to Turkey in the bill we are now considering.[1] Such an enormous amount of military assistance to any one country at peace rightfully would give us pause under any circumstances. However, under the prevailing circumstances of budget austerity at home and Turkish failure to live up to its commitments concerning Cyprus abroad, approving this amount for Turkey verges on irresponsibility. I believe we would not even entertain such a proposal were it not that the President has asked us—in urgent tones—to do so. There would be no emergency aid for Turkey if it were not that he has told us that circumstances in Turkey are dire and that a large dose of military aid is needed to protect our own interests in the stability of that country.

Because of the tone of the President's message, the members of the Foreign Relations Committee put aside whatever reservations they may have had about the signals that such bountiful military support to Turkey would send to those parties trying to resolve the problem of Cyprus, and approved the Turkish aid package in the full amount requested. This is $350 million for fiscal 1980 and $100 million in supplemental assistance for fiscal 1979. Impressed by the administration's arguments about a debilitating Turkish economy and an obsolescing armed forces, the committee did not delete a single penny. The bill as reported represents no compromise of the country's concern for the welfare of Turkey.

What the committee did do was to inject a note of fiscal prudence and policy consistency into the aid package. Endorsing the wise recommendation of its excellent chairman, the distinguished senior Senator from Idaho, the committee voted to sustain its decision to keep this year's military aid budget below last year's by substituting $50 million in foreign military sales credits for $50 million in direct military grants to Turkey. The committee also voted to authorize an additional $42 million in military credits for Greece. This approach will result in a responsible response to Turkey's economic and military troubles that is at the same time consistent with our domestic and foreign policy commitments. The Senate should adopt this approach because it offers the clear advantages of:

First, keeping its costs of military aid appropriately at low levels during this time of budget austerity while furnishing both Turkey and Greece with the levels of support they need to maintain their security.

Second, preserving the promise made by the Congress and the administration to the American people to phase out grant military aid by 1981.

And third, conforming to the expressed commitment by Congress to offer aid to Greece and Turkey in a manner that preserves parity in military strengths between the two countries.

Mr. President, any effort to supply $50 million to Turkey in grant form would upset the delicate balance of interests which have been accommodated by the Foreign Relations Committee's original funding proposal. Let us not be led astray from the facts.

Turkey's economy and government will not stand or fall on the decision of the United States to offer a $50 million military loan instead of a $50 million grant. It is ludicrous to contend that the form of assistance of this magnitude could make or break a country that already has a $17 billion balance of payments deficit. What the Turkish economy really needs is basic structural reform, not stop-gap military handouts.

Turkey has many other potential sources of economic and military assistance. With the exception of West Germany, none of the other OECO allies have made specific financial commitments. We should expect that grants and credits from our allies—who also have a substantial stake in the vitality of NATO's southern flank—will make up at least a part of shortfall in Turkey's immediate needs.

Turkey can obtain access to the surplus U.S. equipment it is said to need to revive its military strength without U.S. military grants. Access is not the question. By all means, Turkey should have that access, and will have that access, if it chooses to use the substantial FMS credits this bill provides in order to make these purchases.

Last year, Congress agreed to lift the limited embargo on arms to Turkey in the hope that this action would encourage Turkey to act in good faith to help resolve the problem of Cyprus. Congress hoped that the change in U.S. policy would spur Turkey to remove its troops from the 40 percent of Cypriot territory it now occupies and to facilitate the return of some 200,000 Greek Cypriot refugees to their homes in northern Cyprus. Turkey's response to date has been sadly disappointing. Therefore, one can legitimately question whether granting Turkey such sizeable sums of military aid at this time conveys the correct political message to the governments of Greece and Turkey. One can question whether it does not appear to condone Turkish intransigence, or at a minimum assure them that their current attitudes are acceptable and have been accepted. It seems to me that particularly now, as the long awaited negotiations between Greek and Turish Cypriots are about to begin, it is most important not to let U.S. aid send the wrong message.

This is a disturbing prospect, and I know it is only the serious concern for the stability of Turkey and for its important contribution to our NATO posture that would persuade us to take the risk of sending misleading signals. Therefore it behooves us to do all we can to impress on the peoples of Greece, Turkey, and especially Cyprus, that our ultimate purpose is to set the conditions for peace and security throughout the region—not to sanction an unacceptable situation. It is important that the message we send with our military aid achieve as near a tone of fairness and responsibility as can be fashioned under the given circumstances. It is especially important that this message come across clearly as the divided Cypriots sit down to hammer out a reconciliation of their differences. We also owe it to the American people to make sure we meet our obligation to our allies in the most cost-effective manner.

The aid packages for Greece and Turkey recommended by the Foreign Relations Committee constitute a carefully crafted balancing of our outstanding military, political and budgetary interests. They are designed to maximize our genuine security interests while minimizing any misunderstanding of our intentions concerning Cyprus and preserving our spending targets. Therefore, I urge my Senate colleagues not to vote to disturb the balance but instead to endorse the prudent recommendations of Chairman CHURCH and the Foreign Relations Committee.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield 2 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise today in support of the amendment offered by the distinguished majority leader (Mr. BYRD) and the Senator from Rhode Island (Mr. CHAFEE). Turkey is vital to the interests of the United States. Turkey's location between the Mediterranean Sea and the Black Sea, and its border with the Soviet Union makes Turkey strategically essential to the United States. Since the downfall of the Shah of Iran, Turkey is now one of the few countries in that part of the world friendly to the interests of the United States. Surveillance stations in Turkey are now critically necessary and will assume even greater significance and importance in monitoring compliance with any agreements we may enter into with the Soviet Union. As we in the Senate will soon turn to consideration of the SALT II Treaty, verification is sure to be one of the critical factors to be considered.

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[1] $100 million in supplemental funds for fiscal year 1979; $200 million original requests for fiscal year 1980 and $150 million in additional requests for fiscal year 1980.

Mr. President, an editorial appeared in the New York Times today that accurately reflects what is at issue here. I ask unanimous consent that this article be printed in the Record.

The importance of Turkey to NATO cannot be overemphasized. We must help Turkey to modernize her armed forces and stabilize her economy. Mr. President. for these reasons, I support this amendment and will vote for it, and urge my colleagues to also support this important amendment.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, May 22, 1979]

Turkey Needs a Hand, Not a Rod

When Congress decided last fall to lift the arms embargo on Turkey, it confessed a failure. It acknowledged that the three-year ban had estranged a strategic ally and injured NATO without promoting, as intended, a Cyprus settlement. Lifting the embargo made it politically possible for Turkey to reopen American military bases, including intelligence monitors on the Soviet Union. It also let the United States lead an effort to rescue Turkey from economic crisis, political instability and military decline. No doubt it also contributed to last week's resumption, after a two-year break, of Greek-Turkish talks on Cyprus.

Whether this American approach is to be given a chance to work depends in part on a key Senate vote today. The issue is narrow, but symbolically vital: whether $50 million in emergency military aid is to be given Turkey as a grant, as requested by the Carter Administration, or as a commercial loan, as recommended by the Senate's Foreign Relations Committee.

The committee's vote has already raised hackles in Ankara; if the Senate now follows, it is bound to inflame other controversies. One of these turns on the new American request for U-2 reconnaissance fights from Turkey to gather arms control verification data that are no longer available from sites in Iran. Prime minister Ecevit has absorbed much criticism for repoening American military installations without a formal agreement on bases. He seems prepared to let the U-2's fly if assured that Moscow will not raise too much fuss and if Washington continues to help him through his crisis. But his main opponent, former Prime Minister Demirel, argues that the U-2 flights will put Turkey "in front of the gun barrel."

The military grant is justifiable in its own terms. Half of Turkey's major military equipment is said to be inoperable because of the arms embargo. The promise of new arms shipments when the embargo ended has not yet been significantly fulfilled. Moreover, Turkey has foreign debts of $17 billion and stands in default on a third of them. An inability to pay for imports has idled almost half its industry; unemployment is at 20 percent and the inflation over 50 percent.

In these circumstances, there is no good reason to insist on commercial loan terms except to revive the policy of punishment. Senators who favor the Greek position on Cyprus oppose the aid in that spirit. But the American objective now ought to be to help Turkey through a difficult period and, with friendly pressure, to a more generous position on Cyprus. Punishment would only make a bad situation worse.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. I yield 3 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I think it should be clear to the administration and to the Turkish Government that the Committee on Foreign Relations has rather clearly expressed its support for Turkey by its action on this bill. Whereas, last year the committee authorized $227 million in military and economic assistance to Turkey, this year the committee has authorized $451 million in military and economic assistance to Turkey. That demonstrates the committee's immense and sympathetic concern for the people of Turkey. I do not think the figures could lead anyone to conclude anything other than that.

To portray the committee's action as miserly or unsympathetic to Turkey is really ridiculous. The committee's action makes Turkey the third largest recipient of U.S. assistance only after Israel and Egypt, which represents an act of great generosity in a time of budget austerity in this country.

It is exceptionally generous in view of the fact that Turkey still maintains approximately 25,000 troops in Cyprus. It is exceptionally generous in view of the reports that Turkey has said it will have to ask the permission of the Soviet Union before allowing U-2 flights in Turkish air space. It is exceptionally generous in view of the fact that Turkey, even after the lifting of the arms embargo, continues to bargain strenuously over the operation of American bases in that country.

I want a Turkey that is strong economically and capable of making an appropriate contribution to the military strength of NATO. I am not aware of a single Senator who disagrees with this position. But Turkey must understand that the committee's bill is more than generous and reflects a significant contribution from our Nation and people to the well-being of Turkey.

Certainly, when we consider the terms of the loan, a grace period of 10 years with no payment in that period of 10 years, then 30 years to pay, and the actual cost of the money to the U.S. Government at that time, which is at an interest rate certainly less than any individual in this country can borrow money, I think we are fully taking into account the economic condition of Turkey. We all want a sound, stable Turkey politically and economically. But I think at this particular time the committee by the very nature of the act that it has taken has shown its understanding of this situation and I think has been generous.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield 3 minutes to the distinguished Senator from Nebraska (Mr. Exon).

Mr. EXON. Mr. President, my instincts and fundamental beliefs would normally dictate that I oppose the amendment sponsored by the majority leader. It is true that if his amendment prevails the Senate will reject a carefully conceived compromise that was agreed to some time ago and recommended by the Foreign Relations Committee.

It is further true that if we disregard the committee's recommendations and follow the suggestion of the distinguished majority leader, the Senate will be changing the $50 million in question from a long-term loan to an outright grant. With the serious economic situation in Turkey there remains a question as to whether that country is in a position to assume further debt and therefore any advance of funds, regardless of its positioning on the balance sheet for political acceptance at home, may be in fact an expenditure and therefore needs to be honestly faced as such. This is of concern to me because with our ever increasing dollar commitments to defense at home and abroad, we cannot forever continue questionable dollar outlays for either loans and/or foreign military aid.

Further, Mr. President, I would normally be idealogically inclined to support the Foreign Relations Committee's position since I am sympathetic to the feeling of Greece and the troublesome Cyprus question which is still unresolved. We can be much encouraged, however, from the agreement to resume talks announced Sunday between the Greek and Turkish leaders regarding Cyprus. We must press for a continuation of Turkish cooperation and movement toward an equitable and quick solution to the problems which were caused by the 1974 invasion. The initiatives of this past weekend are promising and the United States should do everything to support these efforts.

Nevertheless, all that aside, Mr. President, in this case I am persuaded solely on what I believe to be the military interest of the United States and will therefore support the bipartisan effort of the majority leader.

The Turkish Army represents the single largest troop commitment to the NATO alliance. Turkey's geographic position, sharing a common border with the Soviet Union and stradling the Bosphorus, makes it an inherently strategic and necessary member of NATO. Recent events in Iran and elsewhere in the Middle East, as well as the continued buildup of sizeable numbers of Soviet and Warsaw Pact troops, dictate that we take extraordinary steps to help a valued and important ally. This money will be used essentially to purchase military parts from the United States which are necessary to the Turkish Army.

I do not support the amendment because of my fondness for the Turks as opposed to the Greeks. The opposite is true.

Some of the discussion on the floor would lead one to believe that we are debating some abstract economic or political exercise. To the contrary, we are discussing our military presence. Our defenses and that of the Free World, including our allies Greece and Turkey.

The potential enemy of the United States is the Soviet Union which is the principal cause of a fantastic annual defense outlay of some $136 billion. The vote that faces us is only on whether or not we furnish $50 million in the form of a loan or a grant to Turkey for their and our defense.

I thank the majority leader.

Mr. SARBANES. Mr. President, I yield 5 minutes to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I rise in opposition to the amendment, and I do that not only as a Senator from South Dakota but also as a member of the Committee on Foreign Relations.

The committee does not recommend the acceptance of this amendment. Beyond that, I have to make the observation that this debate this afternoon on this amendment has sometimes taken a rather peculiar twist in which it is suggested that the committee position is the punitive position on Turkey. I fail to see how that argument can be made.

If we just review quickly what the administration requested in fiscal 1980, and also the supplemental request for the current fiscal year, it comes out as follows: $200 million in foreign military credits; $98 million in economic supporting assistance; $100 million in a supplemental economic supporting system; $50 million in military grants; and $3 million for training and supplies. That comes to a total of $451 million for Turkey for military and economic supporting assistance in the bill that is now before us.

Mr. President, the committee approved every dollar of that amount, the entire $451 million.

The only point of dispute here is whether a small portion of that $451 million is to be made available as a direct grant, as recommended by the administration, or whether that $50 million in additional military support should come in the form of a very generous loan arrangement.

If you look at the terms of the foreign military credits that we are offering to Turkey, one wonders how it could be improved upon. The $50 million in military credits will be extended under an arrangement whereby Turkey does not pay a dime for the first 10 years in any repayment on the principal. They then have 20 years to pay off the loan after the 10-year grace period. All of this is at no greater interest cost than the cost to the U.S. Government of borrowing the money.

Mr. President, there are only four countries all around the world, out of some 150 nations, that receive any military grants at all from the United States, and not one of the four has a grant in excess of $30 million.

Several years ago it was agreed, upon urging by the committee, by the administration, that we would end all military grant programs—that the whole business will be terminated in fiscal 1981. If we stay with the agreement we have with the administration nobody will be receiving grant assistance beginning in fiscal year 1981. All of it will be handled under the military sales credit program.

So, Mr. President, I think it would be a serious mistake at this time, just when we are on the verge of terminating worldwide our military grant program, to include $50 million for Turkey in this bill.

I was among those, Mr. President, who voted to lift the embargo on Turkey last year, and I do not know a single Member of the U.S. Senate who is arguing now that we ought to reinstate the embargo. That is not an issue any longer. It is generally recognized that the embargo failed to achieve its objective of establishing peace on Cyprus.

I think in all honesty we have to say that we do not know whether we are going to get peace on Cyprus with or without an embargo. That problem seems to be so intractable that it is one that is going to have to be settled by factors that go beyond the reach of this bill.

In any event, Mr. President, it does not represent the action of this committee to say that we are punishing Turkey. Turkey has been singled out as the No. 3 country in all the world for American supporting assistance. Only Israel and Egypt exceed the amount of money that is included in this bill over against what we are doing for Turkey.

I was noticing over the last 5 years a breakdown that indicates that since fiscal 1975 and through fiscal 1980, if this bill is approved, we will have provided $1.4 billion in supporting assistance for Turkey.

So under those conditions, Mr. President, I hope this amendment will be rejected and that the Senate will stand by the bill adopted so overwhelmingly by the Committee on Foreign Relations.

Mr. SARBANES. Mr. President, I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I have been giving this matter a great deal of thought. I am not committed on it, but I am going to vote against the amendment, and for this reason. Its difficulty, its prime difficulty, is that it second-guesses the Committee on Foreign Relations; and, second, it does not send the right signal to Turkey at all, and for this reason: We got over the linkage between what we did with Turkey and Cyprus when we repealed the embargo. Personally I thought we repealed it a year too soon but, nonetheless, we did. That was the end of that.

Now, there is no further linkage. The question is what is best for Turkey and what is best for the security of NATO. The problem with this amendment is that it tells Turkey, "Look, we are going to help you. You do not have to help yourself."

The difficulty with Turkey is that it is in anarchy. Really when you realize the disorders and the political killings which are going on in the country, you realize that the country does not know how to handle business. The committee report itself, in my judgment, in the most important paragraph says at page 10:

> The Government of Turkey has recently taken actions which appear to adversely affect foreign pharmaceutical firms which currently operate in that country.

Then it goes on to give the details.

If any country needs foreign private investment, that needs business done in that country considering its economic situation, there is no one like Turkey. Nonetheless, it does not seem to be able to get its act together in order to do what it needs to do so that it can deal with its own economic situation.

Second, this amendment does not add up on the figures, and for this reason: If you really want to do something for Turkey, and we could easily consider that appropriately after this amendment is dealt with—and the amendment has got a powerhouse behind it, the State Department, the majority leader, and lots of influential Senators, the chairman of the Armed Services Committee, and so forth, that does not make it right, but that is the fact—but if you really want to do something for Turkey I say to the authors of this amendment, why not give it some concessional terms for the whole $250 million in military aid?

What that will do is the following: In the next 10 years Turkey will have to pay, if you did that, $190 million on this $250 million. But if you do what this amendment seeks to do, to wit, give them $50 million in grants and $200 million in the same way the bill has got it, they will have to pay $290 million. So if you really want to do something for Turkey save them $100 million, help their financial situation. This is certainly not the way to do it.

Finally, Mr. President, Turkey is treated in this bill—you know, listening to this debate you would think, as Senator McGOVERN said, that Turkey was being punished. On the contrary, Turkey is being dealt with very well and very fairly; and our committee has a tough job, and that is to draw a fine line between what to do about those who feel very strongly that Turkey ought to be cut off entirely until she pulls her forces out of Cyprus, and those who feel, as many do and as I do, that somehow or other, notwithstanding her problems and her seeming difficulty in dealing with her own problems, that we have got to work along with her, we have got to find ways to pull her out of the hole in which she largely gets herself.

So I have joined in that. Now this bill gives $450 million to Turkey—$450 million; and this $50 million we are talking about in grants is not going to change one word of that. It is still going to be $450 million. And the financial situation is not going to be bettered, as I have just described, compared to what we could do; it is going to be worsened.

Incidentally, Mr. President, I suggested this $50 million in concessional loans myself, which is what we are arguing now.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. One minute.

Mr. SARBANES. I yield the Senator 1 minute.

Mr. JAVITS. This was my own compromise in the committee, where we were really deadlocked.

Mr. President, it seems to me, therefore, that we ought to go with the balance of the Foreign Relations Committee, and I think the Senator from New Jersey (Mr. BRADLEY) said it brilliantly: It is completely balanced now, and he contends that something else is going to have to give, maybe in the House or maybe here, because that is our history. I say we ought to go with the balance as it stands. If we do not, I think we will be making a mistake.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield 2 minutes to the distinguished Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, I rise in support of the Robert C. Byrd-Chafee amendment which will restore $50 million in grant military aid to Turkey in lieu of a loan in like amount provided in the committee bill.

The current state of Turkey's military forces is quite poor. It is equipped with weapons of the 1950's, and has been forced to cannibalize equipment due to an extreme shortage of spare parts. The effect of parts and maintenance limitations has been such that military readiness of our most important NATO ally is estimated at a miserable 25 percent.

NATO itself has disclosed modernization of Turkey's armed forces as a priority. Certainly there is no question that Turkey's strategic value has increased immeasurably since the fall of the Shah in Iran. Of particular value is the potential for Salt II monitoring that Turkey provides this country.

In addition to the poor condition of Turkey's military, its economy is also in shambles. It is for this latter reason in particular, and the increased strategic value generally that I support a $50 million military aid grant (MAP) in lieu of the $50 million loan provided in the committee bill.

A grant at this time may have a stabilizing effect on U.S. relations with Turkey, on the Turkish economy, and consequently on easing tensions between Turkey and Greece. We have already witnessed some encouraging signs this past week-end on the Cyprus negotiations between Turkey and Greece, and I believe that support from the United States at this time will further encourage these negotiations.

I urge adoption of the Byrd-Chafee amendment.

The PRESIDING OFFICER. The Senator's 2 minutes have expired. Who yields time?

Mr. SARBANES. Mr. President, I yield 4 minutes to the Senator from Rhode Island.

Mr. PELL. Mr. President, I wish to take strong exception to the proposal to restore $50 million in grant military aid to Turkey. This proposal was given careful consideration in the Foreign Relations Committee, and it was decided that the additional military aid for Turkey should be provided on a loan, not a grant, basis. In my view, the committee acted correctly, and the Senate should oppose the conversion of this aid back to a grant basis. As my colleagues are aware, grant aid requires a full appropriation, whereas a loan only requires a 10-percent deposit.

Thus, to provide $50 million as a grant would require an additional appropriation of $45 million as compared with a loan in a year in which all of us are concerned about holding the line on the Federal budget. Moreover, the loan approved by the Foreign Relations Committee is on such generous terms that it really works no hardship on Turkey.

I have been understanding of the economic problems faced by Turkey. That is why I did not oppose the economic assistance requested by the administration, even though Turkey has brought on much of the problem herself and is currently spending at least $30–$40 million annually to keep its 25,000-man occupation force in northern Cyprus and to subsidize the Turkish Cypriot economy. Despite this, I am prepared to tolerate economic aid for Turkey, but we should draw the line when it comes to granting military aid.

In view of the fact that Turkey is maintaining an inordinately large occupation force on Cyprus—almost 5 years after the invasion—I would be truly shocked if the United States were to roll over and placate the Turks by dishing out grant military aid. While everyone desires a vital Turkish contribution to NATO, Turkey's efforts to modernize her armed forces would meet with greater sympathy if we could be certain that our assistance would be used for legitimate defense purposes instead of for the continued occupation of Cyprus.

In the absence of any indication by Turkey that she will substantially reduce her forces on Cyprus, I can see no good reason to provide grant military aid to Turkey.

In addition to Turkey's poor performance regarding Cyprus, we are also witnessing a Turkish sabotage of Greece's efforts to return to the integrated military command of NATO. For 2 years now, Turkey has stood alone in blackballing Greece's return to NATO. All other NATO members, as well as General Haig, the NATO military commander, have accepted the terms of Greece's reentry, but Turkey remains firmly in opposition.

There would certainly be more sympathy for helping Turkey to revitalize her military forces if she were not at the same time taking actions which continue to weaken NATO. The greatest military contribution that Turkey can make to NATO is to permit Greece to return.

Finally, there are those who argue that the provision of grant aid is necessary to insure that Turkey will be more positive in reaching a base agreement with us. That comes close to saying that we should submit to blackmail and roll over and play dead in order to maintain access to bases in Turkey. The base agreement should be considered on its merits, and Turkey must be made to realize that our use of joint military installations is as much in Turkey's interest as ours. We are, after all, in Turkey to help protect that country.

I think we can properly say that if Turkey withdraws her forces from Cyprus, and if she permits the reentry of Greece into NATO, then we should give her military assistance; but until that time she is willfully damaging NATO, and I would think we would be wrong to permit this to go through and lie down dead.

I ask unanimous consent to have printed in the RECORD a letter from Representative George T. Panichas of the legislature of my State, and "dear colleague" letter to which I call the attention of my fellow Senators inviting attention to a film on Cyprus to be shown on Wednesday, May 23, from 4 to 6 p.m. in room 6226 of the Dirksen Senate Office Building.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND,
Providence, R.I., May 16, 1979.

Hon. CLAIBORNE PELL,
Russell Senate Office Building,
Washington, D.C.

DEAR CLAIBORNE: With the foreign aid bill now before Congress, the time has come to once again examine the intransigence that has been demonstrated for too-long a period by Turkey towards Greece and Cyprus. But this time, the examination must be conducted with courage and with a willingness to act in a bold and forthright manner so that tangible results can be realized in efforts to arrive at some type of political settlement of the problems that afflict the eastern Mediterranean and, consequently, tend to frustrate United States policy in that part of the world.

Keep in mind that the American taxpayer is being asked to underwrite the cost of the measure now before Congress to make approximately $400 million available to Turkey through our military and economic assistance programs. Also included in the measure are provisions to allocate $200 million to Greece and $15 million to Cyprus. Thanks to your understanding of the situation on Cyprus and the suffering of its people, the latter amount was raised from the $2 million originally proposed by the Administration.

It should also be kept in mind that the American taxpayer is well aware of the value associated with our continued friendship with those three nations. Needless to say, the friendship with them is very important, particularly when considering the military requirements of NATO and the geographical locations of those countries in relation to Russia, the Middle East and Africa.

But, now, the American taxpayer, especially the members of the Greek-American community, have become increasingly impatient with the way Turkey has conducted itself on Cyprus and with the attitude of Turkish leaders towards Greece. The taxpayer is wondering why the United States does not utilize its foreign aid program in such a way as to encourage Turkey to adopt some flexibility in its position on Cyprus and Greece. It seems to me that if Turkey demonstrated some good faith by taking tangible steps to modify the hostility with which it is regarded by Cyprus and Greece, those countries would be willing to compromise their positions in order to arrive at a settlement acceptable to all parties.

Considering the size of the aid sought by Turkey and that nation's internal problems, it is difficult to understand why the United States cannot use its good offices to bring about a change in Turkish attitudes. Besides that, it also is becoming very disheartening for Americans to see their tax dollars go to a regime that continues an unjustified military occupation of an extremely important part of Cyprus and chooses to veto Greece's re-entry into NATO. There obviously is something wrong with our priorities.

It might be argued that the United States needs Turkey's goodwill because that country is the anchor of NATO's southeastern flank. It might also be argued that the United States needs bases in Turkey to monitor activities on a sizeable portion of the Russian landmass. But the counter-arguments are that Turkey needs NATO as much as NATO needs it and that American satellites are eliminating the need for land-based monitoring stations. Besides that, should Turkey's activities on Cyprus and Turkey's arrogant attitude toward Greece be condoned by the United States and dismissed as the price that must be paid by the United States in order to maintain Turkey's goodwill? The answer is definitely no. It's not the American way of doing things and the American people will not put up with it.

When it comes to Cyprus, the Turks have been cruel. A sizeable Turkish military force occupies two-fifths of the island; that portion of the island where 70 per cent of the nation's major exports, fruit and produce, are grown. The occupied portion also includes the island's two major seaports and tourist attractions. In other words, the Turks occupy that portion of the island which for the Cypriots is the most productive in economic terms.

The United States has every reason to demand that the Turkish government begin to modify its position and to begin paying attention to the resolutions adopted by the United Nations since 1974. The United States has the means to demand that Turkey begin to demonstrate good faith in its negotiations with the Cypriots. And Turkey could begin showing good faith by allowing the 200,000 Cypriot refugees to return to their homes and recover property lost as a result of the 1974 invasion. Such a move should be done on humanitarian grounds. And in order to realize some type of political settlement, the Turks should be made to withdraw from their present military position on Cyprus so that Famagusta can once again be under Cypriot jurisdiction.

When it comes to Greece, the Turks should be required to withdraw their demand that they be given more control over Aegean air space as the price for allowing Greece to rejoin NATO. There is no sound military reason to give that type of control to Turkey and, thus, force Greece to surrender sovereignty over the islands of Chios, Lesvos and Rhodes, leaving them to the tender mercy of the Turks.

If Turkey values America's friendship and America's military and economic assistance, let the United States ask Turkey to demonstrate that concern. Let the United States put Turkey on notice that Americans sympathize with the people of Cyprus and Greece and that the American people act through Congress which has the power of the purse. The time to act is now while the foreign aid bill is being considered by the Congress. And now is the time for Congress to tell Turkey to loosen the noose around Cyprus and Greece. Otherwise, the Congress will tighten the purse strings so that Turkey gets not a a penny.

As a member of the Greek-American community and as one of your constituents, I am asking you to do everything in your power to impress the Turkish government of the need for flexibility in its stand on Cyprus and Greece and to manifest that by showing good faith in negotiations designed to arrive at a settlement in the eastern Mediterranean.

Sincerely yours,

GEORGE T. PANICHAS,
Representative—District 78.

U.S. SENATE,
Washington, D.C., May 15, 1979.

DEAR COLLEAGUE: I am pleased to invite you to a special showing of "Attila '74", a film on Cyprus by the world famous Academy Award winning director, Michael Cacoyannis. The showing will take place from 4–6 p.m. on Wednesday, May 23 in Room 6226, Dirksen Senate Office Building, and you will have an opportunity to meet Mr. Cacoyannis then. The public premiere of this film in the United States will take place later the same evening in Los Angeles.

"Attila '74" is a powerful and moving documentary about the Turkish invasion and occupation of Cyprus, including the events leading up to the invasion. Unlike Mr. Cacoyannis' other famous films such as "Zorba the Greek", "The Trojan Women", and "Iphigenia", "Attila '74" is about and features real people. The suffering that the film portrays is, therefore, real and serves as a stark reminder of the anguish and dislocation that Cypriots still experience under the Turkish occupation.

When the commercial showing of this film takes place all profits will be donated to a home for Cypriot refugee children that Mr. Cacoyannis has established in Cyprus.

With all best wishes.

Ever sincerely,

CLAIBORNE PELL.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. ROBERT C. BYRD. I yield that time to the Senator from Georgia (Mr. NUNN).

Mr. NUNN. Mr. President, it is interesting that the Senator from Rhode Island mentioned the word "blackmail."

Mr. PELL. Right.

Mr. NUNN. Because that is precisely what our allies in Turkey see this Congress as having been doing over the last several years on this very sensitive subject.

I certainly support every effort by the United States to bring about a just and equitable solution on Cyprus. I support every effort to exercise our influence in NATO to see that Greece is promptly readmitted. But those who see in the international security assistance bill we have before us an opportunity to punish Turkey for her alleged sins on Cyprus and for her opposition to Greece's reentry into NATO appear to have learned nothing from the failure of the congressionally imposed embargo of Turkey during 1974 to 1978.

I can understand the point of view of those who supported that embargo, although I was not in favor of it at the time. What I cannot understand is the continued effort down that road, which is obviously a deadend street.

Mr. President, what is at stake here is far more than the question of whether $50 million in military aid to Turkey should be provided to Turkey through the military assistance program or through foreign military sales. On the contrary, nothing less than our future relationship with Turkey is at issue.

I believe that the United States should continue to pursue a resolution of the Cyprus question that is satisfactory to all parties concerned. I also believe that the United States should pursue—as it is pursuing—Greece's reentry into NATO and the maintenance of an equitable military and political balance between Athens and Ankara. I believe that pursuit of both objectives will be enhanced by passage of this amendment.

I support continued assistance to Greece and I strongly support Greece's reentry into NATO. I strongly support the United States playing a vigorous role in bringing about a fair and equitable resolution to the heartbreaking problems on Cyprus.

As I say, Mr. President, those who see in the international security assistance bill an opportunity to punish Turkey for her alleged sins on Cyprus and for her opposition to Greece's reentry into NATO appear to have learned nothing from the failure of the congressionally imposed embargo of Turkey during 1974 to 1978.

They appear to be unaware of Turkey's desperate economic plight.

They appear to be unaware of Turkey's critical contribution to defense of NATO's southern flank.

Are we to risk progress toward Turkish acceptance of Greece's reentry into NATO? Are we once again prepared to risk destroying any hope of a satisfactory resolution of the Cyprus question? At a time when the military balance in Europe is shifting against NATO, are we once again willing to place at risk the future status of our 27 military installations and facilities in Turkey, some of which are essential to monitoring Soviet compliance with the SALT II Treaty? Are we once again prepared to risk poisoning our relations with an old friend that maintains a larger border with the Soviet Union than any other NATO country and the second largest standing army within the alliance?

The PRESIDING OFFICER. The time of the proponents of the amendment has expired. The opponents have 1 minute and 25 seconds.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that each side have 1 additional minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I yield that minute to the Senator from Georgia.

Mr. NUNN. I thank the majority leader.

Such an eventuality would not only compromise the defense of the Mediterranean but also provide the Soviet Union an unparalleled military entree into the Middle East.

Look at the map. Those who are concerned about the Middle East and American interests there, including our interest in the oil, are what? Our friends in Israel and our friends in Egypt.

Look at the map and see where Turkey is and then ask yourself, what is in the best interest of the United States of America? That is what we are here to decide, what is in the best interest of this country and our national security. Clearly, the support of this amendment is in our own interest. Clearly, the rejection of it would be a very severe blow to the national security of our country. I thank the Senator.

Mr. SARBANES. Mr. President, the question which the Senator from Georgia put is absolutely the right question—what is in the best interests of our country? I submit to my colleagues what is in the best interest of our country is to reject this amendment. The Foreign Relations Committee, as both the Senator from South Dakota and the Senator from New York pointed out, worked very hard and very carefully developed a package in response to all of the needs.

We are trying to develop an American foreign policy which stands for something. I fail to understand how we can, in the name of supporting NATO, an alliance which is designed to prevent aggression from taking place, end up giving their support to an alliance member which has engaged in aggression. The whole purpose of these alliance arrangements is to prevent aggression. The thrust and purpose of our policy ought to be in those instances in which aggression has occurred is to seek to have it reversed, not to sanction the enjoyment of the fruits of the aggression.

We are seeking here a solution on Cyprus. We are seeking a strengthened NATO which requires both Greece and Turkey. The package that the committee formulated provides important economic assistance and credits with respect to those countries in the area, and it offers an opportunity to send signals, if the administration would but use them, which hold out the opportunity for a solution to the problem which we have. I urge my colleagues to reject the amendment.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. SARBANES. I do.

● Mr. LAXALT. Mr. President, I intend to support the amendment, sponsored by the majority leader, my friend from Rhode Island, and others. I feel it is important that this administration's request for a $50 million military assistance (MAP) grant which was changed to an FMS loan by the Foreign Relations Committee, be changed back to a grant.

I do not believe this amendment would be harmful to our Greek friends. But I do feel that it would, at a time of particular turmoil in the region, convey necessary assistance to a financially-stricken Turkey, which also has an important role to play as a NATO ally.

NO HARM TO GREECE

First let me emphasize that Greece will not be hurt by this amendment. To me this is extremely important. As my colleagues are well aware, last year I opposed lifting the arms embargo on Turkey. Although the embargo finally was lifted, it was replaced in the conference report on Public Law 95-384 by an important statement of policy, which underscored the need for rough proportionality in military assistance to Greece and Turkey, to maintain a general balance of power in the region.

That statement read in part:

> The United States will furnish security assistance for Greece and Turkey only when furnishing that assistance is intended solely for defensive purposes, including when necessary to enable the recipient country to fulfill its responsibilities as a member of the North Atlantic Treaty Organization, and shall be designed to ensure that the present balance of military strength among countries of the region including between Greece and Turkey, is preserved.

I endorse this principal of portionality and I believe that S. 584 in general adheres to it. Leaving aside the economic support fund assistance which is not disputed, and assuming the $50 million is treated as a MAP grant and not an FMS loan, Turkey does get somewhat more assistance than Greece under S. 584 ($233.2 million as against $160.5 million) but nowhere near enough to have any enduring effect on the overall balance in the area, in view of Turkey's disastrous economic and deteriorating military situations.

As Warren Christopher, the Deputy Secretary of State, told the Foreign Relations Committee:

> A combination of the deterioration of the military situation coupled with the economic situation led us to believe, particularly in light of the fact that Greece obtained grant MAP last year that $50 million for Turkey this year would not upset the balance.

IMPORTANCE OF TURKEY

The importance of Turkey as a NATO ally has been discussed in great detail here today. Certainly it has the second largest NATO land army. Certainly it possesses strategically important installations for forward basing of fighter aircraft, replenishment of naval forces, intelligence collection, and command and control. And certainly it has a unique geographical position on NATO's southern flank bordering the Soviet Union, and close to the Middle East.

But beyond these tangibly important factors, I think there is an intangible one of at least equal moment. Turkey is a democracy and an ally of the United States of some 30 years standing. Fundamentalist Islamic turbulence stimulated by nearby Iran and feeding off serious economic troubles threatens to engulf Turkey. I do not think the United States needs again to have the world asking where we were when a friend needed help.

A GRANT AND NOT A LOAN

But why all the fuss? S. 584 clearly contains substantial assistance for Turkey in loan form. Why is it so important that this $50 million be in the form of a MAP grant? I think the answer is twofold, part economic and part political.

Economically, as is well known, Turkey is in serious if not critical condition. With the advent of higher oil prices and the subsequent recession in Europe, which restricted remittances from Turkish workers overseas, Turkey's external payments situation has been deteriorating since 1973. As of December 31, 1978, the OECD Secretariat listed Turkish external debt at $17.7 billion. Unemployment was in excess of 15 percent. Inflation ranged between 50 and 60 percent. And industrial production was only 55 percent of capacity.

Accordingly, now is not the time to saddle Turkey with additional repayment obligations. Although it is true that the FMS credits offered by the Foreign Relations Committee has a 10-year grace period, this period extends only to the principal. Interest payments in excess of 9 percent per annum would be required immediately. And Turkey quite simply is unable to repay the loans it currently has outstanding.

As my colleagues are aware, private banks, the IMF, and a West German-led OECD consortium are actively involved in attempting to provide for Turkey a financial cushion which will enable it to take the politically difficult austerity measures designed to get its own financial house in order.

For us to now impose additional repayment burdens on Turkey would conflict directly with our financial assistance efforts. It also seems particularly inappropriate in view of the fact that the burdens we are asking the Turks to assume are related directly to upgrading their 1950's-vintage military force in order to bolster NATO's southeastern flank.

Yet as important as the economics are the politics of the situation. It is my understanding that Turkey views this grant symbolically as an indication of our willingness to stand behind a friend. To me this of critical importance.

I feel that to restore this small grant would help reverse the erosion of our position in the world, which has been occasioned in no small part by our patent inability or unwillingness of late to support our friends.

CYPRUS

Finally, no discussion of military assistance to Turkey is complete without some discussions of Cyprus. Last year's repeal of the embargo on Turkey was predicated on, among other things, good faith efforts "to achieve a just and peaceful settlement of the Cyprus problem."

Recent announcements from Nicosia indicating that intercommunal talks will resume next month are a hopeful sign. Apparently at least some Greek Cypriots will be allowed to return to Varosha. Both sides have agreed to the concept of an independent, nonportioned Cyprus. And some Turkish troops have been withdrawn.

We still have a long way to go on Cyprus. As the committee report on S. 584 indicated, the lifting of the arms embargo on Turkey has not yet been followed by significant progress in the Cyprus negotiations or on the removal of Turkish troops. But I believe these recent announcements constitute a hopeful resumption or progress. In this vein, I also call attention to and strongly support, section 7(d) which calls for the ultimate removal of all Turkish forces from the island.

Mr. President, Greece will not be hurt by this amendment. Turkey, a valued NATO ally, will be helped by it at a time in her history when this assistance is sorely needed. What is more, rendering this in grant form will enhance our reputation for steadfastness and reliability in the world. I support the amendment and I urge my colleagues to do likewise.●

● Mr. MATHIAS. Mr. President, it is entirely appropriate today, as we discuss the International Security Assistance Act, which includes authorization of considerable funds for countries in the Eastern Mediterranean, that we take note of an important event which will occur in Athens next week.

On May 28, representatives of the European Economic Community and of Greece, including President Giscard d'Estaing of France and Prime Minister Karamanlis of Greece, will sign the treaty marking Greece's accession to the EEC. It is expected that this treaty will enter into force by January 1, 1981 once it has been ratified by the EEC member parliaments and the parliament of Greece.

This is an historic occasion for Greece. Perhaps no other event in recent times better symbolizes the vital role that this country plays today as a strong, democratic Nation. Greece's entry into the EEC is a clear demonstration of European recognition of this fact.

In discussing the security assistance bill today, we should not forget the important contributions Greece makes to the security of Western Europe. Greece is taking a significant step in joining the EEC. In doing so, it is further cementing its ties to the West. Greece's accession to the European Economic Community is significant not only to Greece and to Europe but to the United States as well.●

Mr. ROBERT C. BYRD. Mr. President, I ask that the clerk repeat clearly and loud enough the names of Senators after they vote, indicating how they vote, and I ask the Chair to keep the Senate in order.

The PRESIDING OFFICER. Under the previous order the Senate will now vote on unprinted amendment No. 178 offered by the Senator from West Virginia (Mr. BYRD) to unprinted amendment No. 177 offered by the Senator from Rhode Island (Mr. CHAFEE). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the role.

Mr. CRANSTON. I announce that the Senator from Maine (Mr. MUSKIE), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH), is absent on official business.

Mr. STEVENS. I announce that the Senator from South Dakota (Mr. PRESSLER) is necessarily absent.

The PRESIDING OFFICER. Is there any other Senator in the Chamber who wishes to cast a vote?

The result was announced—yeas 64, nays 32, as follows:

[Rollcall Vote No. 104 Leg.]

YEAS—64

Armstrong
Baker
Bellmon
Bentsen
Boren
Boschwitz
Bumpers
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Culver
Danforth
Durenberger
Exon
Ford
Garn
Glenn
Goldwater
Gravel
Hart
Hatch
Hayakawa
Heflin
Helms
Huddleston
Humphrey
Inouye
Jackson
Jepsen
Johnston
Kassebaum
Laxalt
Long
Lugar
Magnuson
Mathias
Matsunaga
McClure
Melcher
Metzenbaum
Morgan
Moynihan
Nunn
Packwood
Pryor
Randolph
Ribicoff
Sasser
Schmitt
Schweiker
Simpson
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Wallop
Warner
Young
Zorinsky

NAYS—32

Baucus
Bayh
Biden
Bradley
Burdick
Byrd, Harry F., Jr.
Cranston
DeConcini
Dole
Domenici
Durkin
Eagleton
Hatfield
Heinz
Hollings
Javits
Kennedy
Leahy
Levin
McGovern
Nelson
Pell
Percy
Proxmire
Riegle
Roth
Sarbanes
Stewart
Stone
Tsongas
Weicker
Williams

NOT VOTING—4

Church
Muskie
Pressler
Stevenson

So Mr. ROBERT C. BYRD's amendment (UP No. 178) was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the next vote be a voice vote. I do not believe the yeas and nays had been ordered on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the question now occurs on the amendment by the Senator from Rhode Island, as amended by the amendment of the Senator from West Virginia.

The Chair recognizes the Senator from West Virginia.

Mr. ROBERT C. BYRD. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island, as amended.

The amendment (UP No. 177), as amended, was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may I inquire as to how many Senators have amendments so we can get some reading?

I believe we have a time limitation on Mr. DECONCINI's amendment already.

Mr. HELMS has two amendments. How much time would the Senator from North Carolina need?

Mr. HELMS. Mr. President, I cannot imagine that I would need over 30 minutes equally divided on either one of them.

Mr. JAVITS. What is the amendment?

Mr. HELMS. One of them is a nuclear nonproliferation amendment, the other is the rights.

Mr. JAVITS. Can we look at them, is that all right?

Mr. HELMS. We have already turned them in.

Mr. JAVITS. Fine.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on each of the two amendments of 30 minutes, equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The Senator from Virginia (Mr. WARNER) has an amendment.

Mr. WARNER. Not more than 15 minutes on my amendment.

Mr. JAVITS. That is fine.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the Senator from Virginia's amendment of 15 minutes equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Just 1 minute——

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senate please come to order?

The Chair recognizes the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I inquire of the Senator from Ohio (Mr. GLENN) as to what his amendment does.

Mr. JAVITS. That is the $50 million amendment, is it not?

Mr. GLENN. That is correct.

Mr. JAVITS. Could we have 20 minutes on a side for that?

Mr. GLENN. All right, 40 minutes, 20 on each side.

Mr. NELSON. What is the request?

Mr. ROBERT C. BYRD. Forty minutes, equally divided.

Mr. NELSON. Who will be controlling the time?

Mr. JAVITS. We will give the Senator whatever time he wants in opposition. So that we will need about 5 minutes and we will give him 15 minutes.

Mr. ROBERT C. BYRD. Twenty minutes to the side on the amendment by Mr. GLENN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Are there any other amendments?

Mr. JAVITS. The committee may have one or two.

Mr. BAKER. What about the Lugar amendment?

Mr. HARRY F. BYRD, JR. addressed the Chair.

Mr. ROBERT C. BYRD. How much time does the Senator need?

Mr. HARRY F. BYRD, JR. I do not think too much, but I am not in a position to state.

Mr. ROBERT C. BYRD. Are there any other Senators who have amendments?

That seems to be about as far as we can go at the moment.

Is the Senator from Ohio ready to call up his amendment?

Mr. GLENN. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. McGOVERN. Will the Senator from Ohio yield to me?

Mr. GLENN. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Dakota.

Mr. McGOVERN. Mr. President, if I could have the attention of the Senator from Ohio, there is one section of the bill, section 11 of the bill, authorizing U.S. participation in the removal of the inter-African force from Zaire, was sponsored by Senator GLENN and adopted unanimously by the committee. This provision is in addition to the authority provided by the "peacekeeping" chapter of the Foreign Assistance Act of 1961, which would be useable only if funds were available. I would appreciate it if Senator GLENN would comment on this provision, just to clarify its intent.

Mr. GLENN. Mr. President, the Senator's explanation of section 11 is correct. I understand that a joint operation with France and Belgium to remove the foreign forces from Zaire would take place over the next several months.

The PRESIDING OFFICER. I am sorry to interrupt the Senator from Ohio, but I am going to have to ask once again that the Senate please be in order. The Chair is having a great deal of difficulty in hearing the Senator from Ohio and it is a very important matter, so I would ask once again that Senators please take their seats.

The Chair recognizes once again, with apology, the Senator from Ohio.

Mr. GLENN. I thank the Chair.

Mr. President, section 11 would enable the President to carry out such an activity using either peacekeeping funds in chapter 6 or current Department of Defense funding.

Mr. McGOVERN. Mr. President, I thank the Senator for that clarification.

Mr. GLENN. I thank the floor manager of the bill.

UP AMENDMENT NO. 180

(Purpose: An amendment to S. 584 to increase the ceiling on commercial sales of major defense equipment from $25 million to $50 million)

Mr. GLENN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Ohio (Mr. GLENN), for himself, Mr. NUNN and Mr. BAKER, proposes an unprinted amendment numbered 180:
>
> At the appropriate place in the bill, insert the following:
>
> SEC. Section 38(b)(3) of the Arms Export Control Act is amended by striking out "$25,000,000" and inserting in lieu thereof "$50,000,000."

Mr. GLENN. Mr. President, I rise today to offer an amendment to S. 584—amending section 38(b)(3) of the Arms Export Control Act—to increase the ceiling on commercial sales of major defense equipment from $25 to $50 million. This amendment would allow for the same approximate volume of sales that was possible when the bill was first enacted in 1976. Since that time, inflation and technological improvements have caused the prices of many major defense items to increase as much as 150 to 250 percent.

The amendment, however, does not effect in any way congressional and executive branch oversight and control of commercial arms sales provided for in the Arms Control Export Act. Moreover, there is a double check provided under the provisions of the international traffic in arms regulations—ITAR—that requires State Department approval from the outset if: The subject of the proposal or presentation is significant combat equipment on the U.S. munitions list to be sold under a contract for $7 million or more; and the equipment is intended for use by the armed forces of a foreign country.

All sales above the new ceiling would continue to be conducted in the foreign military sales channel.

As you know, the House Subcommittee on International Security and Scientific Affairs, chaired by Congressman ZABLOCKI, approved an amendment that raised the ceiling to $50 million. Subsequently, the full House Foreign Affairs Committee adopted an amendment which decreased the ceiling to $35 million, and that is where it stands now. This decision was based on changes noted in the Consumer Price Index. Many feel this is an inadequate measure in this instance that does not take into account fully such things as the costs associated with product improvement. Although these costs vary, numerous companies have doubled their prices since the law was enacted. I believe that U.S. industry should be at least able to sell the same number of items as they did 3 years ago, not half that number, as is the case with some companies today.

To put this problem in the proper perspective, I cite some specific details:

Prior to the ceiling, when U.S. law encouraged commercial sales of major defense equipment, such sales accounted for about 1.5 percent of total U.S. arms sales; and 80 percent of this total consisted of helicopters and transport aircraft.

Since the June 1976 imposition of the $25 million ceiling, commercial sales of major defense equipment have declined even below the 1.5-percent level, but in all too many cases these lost sales would have served the national interests of the United States.

Among the countries adversely impacted by the $25 million ceiling, Israel and Egvpt head a list that includes Spain, Switzerland, Malaysia, Indonesia, Saudi Arabia, Oman, and North Yemen.

More specifically, five countries eligible to purchase U.S. major defense equipment have advised an American company since January of firm requirements to purchase 33 transport aircraft at a current price of about $9.5 million each on direct commercial contracts. Because of the $25 million ceiling, these 5 countries are only eligible to purchase 2 aircraft each, for a total of 10. These 5 countries could purchase the remaining 23 aircraft under the U.S. Government's FMS program, but each has elected not to do so for a variety of reasons, chief among which are the increased cost and time delays involved.

Whether these 23 aircraft are lost sales or just postponed is problematical—no one knows what changes in a foreign government's budget or priorities will occur from year to year—but if past experience is a guide, the sales for all intents and purposes are lost. In any event, the point is that $230 million worth of trade has been stopped because of an arbitrary and unnecessarily low ceiling that does not take into account 4 years of technological product improvements as well as normal inflation factors.

Some may be concerned that raising the ceiling will provide a loophole that allows the sale of sophisticated fighter aircraft through commercial channels. If this were likely to occur, I would not offer the amendment. To my knowledge, combat aircraft of this type have never been sold commercially, and I do not expect this situation to change. First, the State Department is able to disapprove such sales even before they get off the ground because of the ITAR provisions. Second, few countries are interested in purchasing three or four fighters. Instead, the normal purchase is 10 or more at a time.

In considering this amendment, consideration should be given to its potential impact on saving U.S. jobs and our balance of trade, which remains dangerously in the red.

For all these reasons, I urge support for this amendment.

Mr. President, several things have happened since we put on this $25 million limit. We now require, by separate legislation, the granting of a license to a prospective seller going into the international market and trying to sell arms abroad. It is a hunting license, a license to go and look, as to where sales might be made. Once he has gone out and determined that that market does exist and comes back with a contract, he has to go through a separate licensing procedure and approval before that sale can be consummated.

So, subsequent to the time in which we instituted this $25 million limit, we now have a dual licensing provision that requires the arms seller from this country to have State Department approval. Therefore, I think some of the protections needed with this $25 million limit are no longer valid requirements.

I believe that probably we could justify taking off that $25 million limit entirely and could make a good case for it; but I fully realize that in the climate today and with the action the House already has taken, taking off all restrictions and relying just on the licensing procedure of the State Department in conjunction with DOD is not something we are liable to get through.

So, in the realization of what we may be able to accomplish here, we have offered this amendment to raise the limit from $25 million to $50 million, in the hope that this will make it more fair for American business and will not drastically increase the arms trade or proliferation around the world.

I urge approval of this amendment, Mr. President, and I will be glad to have any comments.

Mr. McGOVERN. Mr. President, if the Senator has completed his opening statement, I yield myself 5 minutes to respond to his proposal.

The reason that the $25 million limit was placed on the size of any one commercial sale of arms to another country was that it was believed by Congress, and supported by the administration, that if we are going to have any effective restraint on military arms sales, the larger sales have to be handled through government-to-government channels.

As Members of the Senate know, when the Government engages in an arms sale that is valued at more than $25 million, it has to be referred, under the amendment of the Senator from Wisconsin (Mr. NELSON), to Congress for an opportunity to react to it.

The administration has pointed out that the elimination of the ceiling or even the substantial increase that the Senator from Ohio has proposed is inconsistent with conventional arms export restraint, and it opposes the elimination or even the raising of the ceiling to the extent proposed by the Senator from Ohio.

I point out to the Senator from Ohio something that I think he already has mentioned—that the committee has decided to review the whole question of arms export restraint later this year. That matter will be up for study by the committee no later than the fall of this year; and as a first step toward that end, the committee has commissioned and just completed a staff report. I hope the consideration of this issue might be delayed until the implications can be understood fully.

Mr. President, the Senator from Ohio has made one point that I find quite impressive and that is that the $25 million ceiling on commercial arms sales voted in 1976 no longer buys as much in 1979, due to the factor of inflation. Using the inflation factors provided by the Office of Management and Budget, that $25 million figure now would have to read slightly in excess of $30 million, corrected for inflation. But it certainly does not come to $50 million, the figure proposed by the Senator from Ohio.

As the manager of the bill, I should like to ask the distinguished Senator from Ohio a question. If I could give him a commitment to accept his amendment, would he modify it? Would he agree to a proposal that the ceiling be increased from the present level of $25 million to not more than $35 million? That fully takes into account the factor of inflation. If the Senator from Ohio would be willing to accept that figure, I would propose that to him as a modification.

I have discussed this matter with the distinguished Senator from New York (Mr. JAVITS), who is the ranking minority member on the Committee on Foreign Relations; and he and I agree that if the Senator could settle for that kind of modification, we probably could accept this amendment. Otherwise, we would have to oppose it.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. JAVITS. Mr. President, I say to the Senator from Ohio (Mr. GLENN) that, first, I am grateful to him for not doing what he originally thought he might wish to do, to change the whole structure. I must tell him, very frankly, that it would have made it very difficult to get our annual report. He was very gracious and very thoughtful about that.

I rather think we should adjust this figure for inflation, and apparently the $10 million is an adjustment. Personally, if the Senator wanted to split it and say $37.5 million I would not haggle about it. But I do think we should adjust for inflation, and I hope the Senator might see the wisdom of that.

Mr. SARBANES. Mr. President, will the Senator yield for a question?

Mr. JAVITS. Senator McGOVERN has the floor.

Mr. McGOVERN. I yield.

Mr. SARBANES. It is my understanding that the inflation adjustment would bring it to about $31 million. Is that right? The Senator is proposing $35 million.

Mr. McGOVERN. Yes; the Budget Bureau has estimated that the factor of inflation would be at about 8.2 percent for military procurement items for the period between fiscal year 1977 and fiscal year 1980 which is the period roughly covering the Arms Control Act when we set the figure at $25 million.

Mr. SARBANES. I say to the Senator from Ohio that I hope that he sees this as responsive to what he is trying to accomplish. If we go beyond, if really we are making some basic decisions on the policy, it seems to me that should await this study about which Senator McGOVERN has spoken. Otherwise, we are into this whole question of the role of the commercial sector in arms sales and how carefully they are going to be reviewed. I say to the Senator from Ohio that I think the suggestion made by the two managers of the bill is a constructive one.

Mr. GLENN. Mr. President, I respond by saying this was not just a flat effort to take care of inflation costs but product improvement. We know all arms have gone up much more than just inflation costs. They are more technical. There are different costs to them. In 1976 one could sell a C–130 for $25 million. Today those same aircraft cost in the neighborhood of $50 million. That is not just a solely inflationary factor. There are other costs involved there, of course. So this was not an attempt just to stick strictly with what has happened inflationwise.

I believe the Senator from Tennessee wished to be heard on this subject, and I yield to him.

How much time do we have remaining, Mr. President?

The PRESIDING OFFICER. Eleven minutes and forty seconds.

Mr. GLENN. There are 11 minutes on this side. There were 20 minutes on each side.

I yield to the Senator from Tennessee whatever time he requires.

Mr. BAKER. Mr. President, I thank the distinguished Senator from Ohio.

I strongly support this amendment which will modify section 38 of the Arms Export Control Act to raise the ceiling on the sale of arms through the commercial channel to $50 million. As the law now stands, the ceiling on individual commercial sales of arms is $25 million.

The provision was passed several years ago in the belief that all arms sales above the ceiling of $25 million should be conducted under the government-to-government foreign military sales program. Since the provision was passed, however, both inflation and the increased costs of technological improvement have made the $25 million ceiling increasingly unrealistic.

As a result, a number of sales that would be completely consistent with the national arms export control policies if conducted commercially have been forced into the more cumbersome and time-consuming process of the FMS program. Because some governments are simply unwilling to endure the process, a number of sales opportunities have been lost with the unbalance of international trade.

It is important to note that this is not an attempt to circumvent the various safeguards we have legislatively imposed on the sale of arms. Arms sales are an important element in our foreign policy, and the safeguards are necessary to insure that each sale is consistent with interests and policies of the United States. In the commercial channel, the law provides that any sale in excess of $7 million requires State Department approval as a condition precedent to the contract negotiation.

At some point, we may wish to remove completely the ceiling on commercial sales. If the necessary safeguards on such sales can be maintained, the additional flexibility and expediency of commercial sales could well be in our interests. This would, however, be a significant step and should not be pursued until we have had the opportunity to hold hearings and consider testimony on the ramifications of such action.

In the interim, raising the ceiling on commercial sales is an appropriate step. It is a realistic modification of a existing law, and I urge my colleagues to join with us in supporting the amendment.

Mr. President, I think that this is a reasonable proposal, not one that comes to its sponsors without extensive prior consideration. It is not one that was done without careful thought and preparation.

I think that we should adopt the $50 million level. I do not think that it will impose an insuperable obstacle in conference with the House of Representatives that raised the limit from $25 to $35 million.

I think we are dealing with the situation that has been produced by inflation worldwide and especially in the United States, and this is a reasonable approach to it and will not violate any principles that have guided American policy in the past.

Mr. President, I support this amendment and I hope it will be adopted by the Senate.

I thank the Senator from Ohio.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON. Mr. President, will the Senator from South Dakota yield me some time?

Mr. McGOVERN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 14 minutes remaining.

Mr. McGOVERN. How much time does the Senator wish?

Mr. NELSON. Three or four minutes.

Mr. McGOVERN. I yield 5 minutes to the Senator from Wisconsin.

Mr. NELSON. Mr. President, I rise in opposition to the amendment offered by the Senator from Ohio, which would raise from $25 to $50 million the ceiling on arms transfers allowable through commercial channels.

As author of the provision in the Foreign Assistance Act of 1974 (Public Law 93-559), which gave Congress veto power over foreign military sales in excess of $25 million, I have long been concerned over the U.S. role in the sale of arms abroad.

My purpose in offering this legislation was to bring Congress for the first time into the decisionmaking process of the U.S. burgeoning foreign military sales program, through which this country has become far and away the world's leader in exporting arms. In fact, we continue to sell more arms than all the other major weapons suppliers combined—over $80 billion in the last 10 years alone. The Congress at that time had no real voice in the direction of our arms sales policy, which had become a major foreign policy tool with great consequences for the United States and arms recipients around the world.

Through this legislation and subsequent amendments which strengthened and clarified congressional review powers, the Congress has begun to acquire much of the information and oversight power it needs to fashion a reasoned and comprehensive arms sales policy.

Mr. President, in my judgment, the pending amendment is an ill-advised turnaway from the consistent congressional policy of increasing its participation in the formation of the U.S. arms transfer policy. Foreign military sales constitute major foreign policy decisions involving the United States in military activities and potential de facto commitments around the world. Congress has clearly expressed its intent to have a greater voice in arms exports decisions. The Glenn amendment would serve only to mute that voice, in a number of ways.

The Arms Export Control Act now requires that any significant arms sales—deemed by Congress to be those exceeding $25 million—be made through government-to-government channels. This provision insures that the Government can directly exercise arms restraint over important weapons transfers. Sales under $25 million can be made through commercial channels, official supervision of which is much less rigorous. Increasing the commercial sales ceiling to $50 million will thwart congressional policy and allow major weapons sales to evade adequate governmental scrutiny.

Moreover, section 36(b) of the Arms Export Control Act, which set the standard for congressional review, requires that any government-to-government sales exceeding $25 million, or "major" sales exceeding $7 million, come before the Congress for its possible veto. The pending amendment circumvents this ceiling for commercial sales. The logic of this distinction escapes me. We are talking about the very same weapons, the very same policy considerations. The only difference is that the Glenn proposal seeks to exempt from congressional review those arms sales contracts signed by a private party, and not by the Government.

Passage of the proposed amendment would further weaken Congress role in U.S. arms sales policy by depriving it of much-needed arms sales information. The Javits amendment requires the President to submit to the Congress an annual arms sale proposal list, but only for government-to-government sales. The amendment offered by the Senator from Ohio would take all commercial sales under $50 million out of this category, thus weakening our ability to forecast and consider the significance of trends in the identity and sophistication of arms transferred, and in the recipients of our weaponry.

Mr. President, President Carter has made the reduction of conventional arms transfers a major goal of his administration. The administration has announced its strong opposition to any attempt to raise significantly the $25 million ceiling on commercial sales. It believes that any undue increase in the ceiling would be "inconsistent with the restraint in * * * arms exports which the President's arms transfer policy has been designed to insure."

Finally, the Foreign Relations Committee will conduct a comprehensive review of the U.S. arms export restraint policy later this year. It has just received an initial staff report as the first stage in this review. This is not the time to pass on a proposal as potentially far reaching as the Glenn amendment. No one knows for certain what its effects will be. In my judgment, the Senate should defer consideration of the broad issues addressed in the pending amendment until the overall implications of this proposal can be fully considered during the committee's overall review.

Mr. President, there is clearly sentiment on the Senate floor for reaching a compromise on this amendment.

As to the cost-of-living factor, the distinguished Senator from South Dakota is correct. We checked it with OMB and the inflation factor would raise the amount to $30.2 million.

I would be very reluctant myself to go beyond $35 million because, as I have said, the purpose I had in mind in sponsoring this legislation in the first place, back in 1973, was to bring U.S. arms sales under control, and that has not happened.

When I first introduced what is now section 36(b) of the Arms Export Control Act, foreign military sales agreements totaled $4.476 billion. Then they went to more than $10 billion in 1974, $12 billion-plus in 1975 and $13 billion-plus in 1976. After a slight dip in 1977 to $11 billion, arms sales shot back up to about $13 billion in 1978.

So the fact of the matter is that even though Congress has asserted its authority to exercise control over foreign military sales, these sales have risen at an extremely high rate and we as a nation sell more arms each year; in fact, U.S. foreign military sales are far higher than those of any other arms exporter in the world.

So I would be very reluctant to see any change in the commercial sales ceiling beyond what was absolutely the minimum necessary because, after all, commercial military sales—as well as government-to-government sales—are an important part of U.S. foreign policy. It was precisely for this reason that we gave Congress veto power over arms transfers in excess of $25 million in 1974. I would not want to see any significant weakening of the congressional oversight role by increasing the commercial sales ceiling significantly, and thus transferring a portion of Congress review authority to the State Department or another executive agency.

Mr. President, I yield the floor.

Mr. GLENN. Mr. President, as has been pointed out, a major study of this whole arms sale procedure is going to be made beginning sometime this summer or very early fall.

I think in light of that, if we could match what the House of Representatives has done in this area, going up to a $35 million limit, pending that study. This would probably be acceptable to those of us who have made this proposal and supported it, Senator BAKER, Senator NUNN, and myself, with the understanding, and I would want this understanding from the floor managers of the bill, that such a study will fully consider taking off all limits and will give that proposition good and adequate study. I make this request because I think we do have adequate licensing procedures now that were not in effect at the time that that $25 million limit was put into place.

I think you can make a very good case that arms sales are of sufficiently high monetary value these days that to just put on an arbitrary limit of a certain figure hardly applies across the board when you are talking about buying M-16 rifles, on the one hand, versus F-15 fighters at many, many millions per copy, on the other hand.

I think the licensing procedure that has been put into place by the State Department, with the cooperation of the Pentagon, which requires a license to even go out and look for business does adequately cover this problem area now; that is what should be private commercial sales versus what should be military sales.

I hope we have a whole general review and revamping of the requirements under this section of the law. So I think if we could have it understood that this idea of taking off the money limitation entirely will be given due consideration in the study that is to be done by the Committee on Foreign Relations, we would go along with the request that we agree with the House on the $35 million limit.

Does the Senator from Tennessee concur with that?

Mr. BAKER. If the Senator will yield, Mr. President, I do concur. I would agree that the study should range across the entire spectrum of opportunity, that is, to consider an increase in the limitation, consider removing the limitation altogether.

While this increase that would be proposed now from $25 million to $35 million is a fairly modest increase, it would match up what our colleagues in the other body have done. If the managers of the bill will express their determination to stand by that position and bring us that change, then I am willing to depend on the study later to give us more information on the subject.

Mr. McGOVERN. Mr. President, will the Senator yield on that point? I think we have reached a workable agreement here, and we certainly would have no problem in giving assurances to the Senator from Ohio and the Senator from Tennessee that we will stand by the Senate position in conference if we agree to the $35 million figure.

Beyond that, the committee has agreed to review this whole matter of arms export issues, and that leaves wide open the question that the Senator from Ohio and the Senator from Tennessee have raised as to whether we want to stay with what will now become a $35 million ceiling, or whether we want to remove the ceiling. It leaves all options open for further review.

I would have to say that we certainly are not making any commitment to agree to raise the ceiling beyond this figure or removing it. But obviously that is a matter that can be and will be reviewed by the committee. My understanding is that it is a review that calls for action this fall, so it is not off in the distant future. It is something the Senator can look forward to later this year.

Mr. GLENN. Might I ask the distinguished floor manager of the bill, is there a commitment that this definitely will be this fall, or was this just something that was proposed? What is the time limit? I would not like to see this go on for another year, say, without it being resolved.

Mr. McGOVERN. As I understand it, in talking with the staff, it is spelled out in a recent committee report that the committee will undertake this review later this year.

Mr. GLENN. This has been committed to by the committee; is that correct?

Mr. McGOVERN. That is correct.

Mr. GLENN. If we can be assured there will be hearings on this, and that this matter will be looked into this year and that we certainly do not preclude—as the distinguished floor manager points out—doing away with any limitation at all, that would be one of the considerations, and we would be glad to accede to the $35 million limit.

Mr. JAVITS. Mr. President, will the Senator yield? I concur with the majority manager of the bill, and I am hopeful Senator NELSON will as well, who has certainly done so much work in this field.

I certainly concur in two things: First, we will stand with this in conference; and second, the options include any option, including any ceiling, as we get into the reasons why we have the ceiling that we do.

Mr. NELSON. Mr. President, will the Senator from Ohio yield? Does he have the floor?

Mr. GLENN. I have the floor. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER (Mr. BOREN). Five minutes.

Mr. NELSON. I ask the Senator to yield for 1 or 2 minutes.

Mr. McGOVERN. I yield the Senator such time as he needs.

Mr. NELSON. I just want to make it clear, so that the distinguished Senator from Ohio and the distinguished Senator from Tennessee will not be misled by my attitude, that I think it is a good idea to make a study. I cannot think of any conceivable study that would persuade me, however, that we ought to give up our responsibility under this statute to review foreign military sales at some level.

I would not, if I understood the distinguished Senator from Ohio correctly, agree with him when he says he believes that it would be adequate to use just the licensing procedure through the State Department.

I just want to go on record as saying that I would oppose that because this is exactly the reason why I introduced the legislation in the first place and why it was passed. There were no controls. All that happened was that administration after administration would sell whatever arms they pleased to sell, and many of these transfers had important foreign policy implications. Then we would get a report after the fact, at the end of the year or sometimes even later, notifying the Congress of what was by then a fait accompli.

I personally view it as very important that Congress be a full participant in the foreign military sales process. Therefore, when this issue comes back to the Senate, if in fact the Foreign Relations Committee has agreed with the position of the distinguished Senator from Ohio, I would not want anybody to think that I had by my silence consented to some agreement or some recommendation that might come out of the committee as a consequence of this study.

Mr. McGOVERN. Mr. President, if the Senator will yield, that is exactly my position. We are not making any commitment to the Senator from Ohio other than to give his proposal and others a fair review, and I think the Senator from Ohio understands that.

I happen to be a strong supporter of the Nelson amendment both in the spirit and in the letter of it. I think it has been a very important arm of the Congress in maintaining some degree of disciplined control over arms export policy.

But I do not see anything inconsistent with that in the assurance we have given to the Senator from Ohio that he is going to be promised a fair hearing by the Committee on Foreign Relations as to his point of view on this matter.

Mr. GLENN. The Senator from Ohio understood that.

I yield such time as the Senator from Tennessee may desire.

Mr. BAKER. Mr. President, I suppose I can say that I am still for it, but I have to say from the conversation I have heard now between the Senator from South Dakota and the Senator from Wisconsin that it reminds me of a justice of the peace in Tennessee who tried an unlawful attainder case who, for days on end, was positively dazzled by the talent of the high-priced lawyers who tried the case in his court.

At the conclusion of many days of proof, my friend, the justice of the peace, stated that "I will take until next Tuesday to render a decision, at which time I will find in favor of the defense." [Laughter.]

I do not want this to be on the basis of something that is rigged. If we are going to have a study, it should truly be done on the basis of an examination of the equities and merits of this situation, and in that case I am all for it. If we are not, we might just as well buy it right now. But I do not want this decided on the basis in advance of the predisposition of my distinguished friends who just spoke.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. BAKER. I do not have the floor.

Mr. GLENN. I have a few minutes, and I yield to the Senator from Wisconsin.

Mr. NELSON. I want to say to the distinguished Senator—although I assume the record will speak for itself—I would think that the case would have to be overwhelming or it would have to be some argument that I have never heard before it would persuade me to change my position. That is all I am saying, and I was only speaking as to my personal view.

I reached the conclusion that we ought to have congressional participation in this effort from observing what had gone on for many years. I would want to see some kind of persuasive evidence that I have not heard on the floor of the Senate, or seen in writing, or heard from any other place that would compel me to change my mind, although I am only speaking, as the Senator knows, for myself. Maybe he will have a speech that will persuade me. If he does, I will be persuaded.

Mr. BAKER. They say hope springs eternal; but I have to say, based on this colloquy, that I doubt that hope springs that far.

Mr. GLENN. I would think that a study as unbiased and impartial as the Senator from Wisconsin states he wishes and the minority leader states he wishes would also include all options, including the option of doing away with this limit, because we do have satisfactory licensing procedures in place. Whether or not we can improve those procedures at any time and make them more binding as to the various parties perhaps having to report to the Department of State at more frequent intervals, or to meet the Senator from Wisconsin's requirement of reporting to Congress, also would remain to be seen.

Mr. JAVITS. Mr. President, we are the managers of the bill. We can still do one thing: We can take the amendment and say we will stay with it in conference. Anything else is simply our personal view, and will depend on what the committee does, every member, as Senator NELSON says, for himself.

As for myself, all I had in mind was simply what was obvious: If you have a study, and the study makes recommendations, I do not know what it will lead any of us to do, but I do not see how we can say we will have a study and the study will exclude any option to do anything that any of us may not want.

We will look it over; I do not see how that closes any doors. All we can do is take the amendment and stay with it in conference.

Mr. BAKER. Mr. President, all I want to do is make it clear that we are not engaging in a legislative sham, that we are not engaged here in a proposition to trade off a rigged study in exchange for what we now have. I do not favor a rigged study.

Mr. McGOVERN. Mr. President, the Senator from New York (Mr. JAVITS) is a member of the committee, and the Senator from Ohio is a member of the committee. I think all we are saying is that we are going to keep all options open, and we will have a chance to study it in the committee.

Mr. BAKER. If that is all we are saying, I am reassured; but it sounded like we were saying more.

The PRESIDING OFFICER. Does the Senator from Ohio wish to modify his amendment?

Mr. GLENN. The amendment will be modified to read "$35 million" in lieu of "$50 million" in the appropriate place.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. BAKER. Why is it necessary to have unanimous consent to modify the amendment?

The PRESIDING OFFICER. There is a unanimous-consent agreement on the amendment which requires unanimous consent to modify the amendment.

The amendment is so modified. Is all remaining time yielded back?

Mr. McGOVERN. I yield back the remainder of my time.

Mr. GLENN. I yield back the remainder of my time.

CEILING INCREASE ON ARMS CONTROL EXPORT ACT

Mr. NUNN. Mr. President, I am pleased to join my colleagues Senators GLENN and BAKER in sponsoring this amendment to S. 584, the Arms Control Export Act, to increase the ceiling on commercial sales of major defense equipment from $25 million to $50 million. Present law requires that all major defense equipment sales above the $25 million ceiling be transacted solely under the foreign military sales (FMS) program.

Common sense indicates that inflation alone necessitates a change in the limit of $25 million established in calendar year 1976. In fact the House bill has recognized this need by raising the ceiling to $35 million based on changes in the Consumer Price Index. The State Department has indicated in a letter to Senator BAKER that they would support a "moderate" increase in the ceiling. For reasons I will outline, I believe that the ceiling should be set at $50 million.

The Consumer Price Index alone does not provide an accurate index as to inflation when discussing defense equipment. Many U.S. firms have incorporated technological improvements to their products over the last 3 years which, in some instances, have doubled the unit cost of the equipment. I believe our industries should certainly be allowed to sell the same numbers or units of equipment permitted under the 1976 act. With inflation and product improvement, the ceiling at $25 million has greatly reduced the numbers involved in a commercial sale.

The current ceiling has limited the flexibility of the U.S. Government in providing needed equipment on an expedited basis. For example, I understand that North Yemen needs to acquire at least four C-130 transport aircraft on an expedited basis as requested by the administration. However, the $25 million ceiling on commercial sales has limited that recently conducted procurement to two aircraft.

This amendment does not erode any executive or legislative control over the commercial sales process nor should it prompt any massive switch from the FMS channels to commercial channels. In fact, the evidence indicates that it would have little impact in this respect. After Congress received veto authority in 1974 for FMS sales over $25 million, commercial sales continued to account for only a small fraction of total U.S. arms sales in 1975 and 1976, despite the fact that there were no restrictions on these sales until 1976. In 1975 and 1976, commercial sales of major defense equipment accounted for 3 percent and 9 percent respectively of the total arms sales.

Under this amendment, the State Department still has the authority to veto, from the outset, any prospective arms sale that it chooses. Part 123 of the International Traffic in Arms Regulations (ITAR) requires state approval:

> * * * as a condition precedent to any proposal or presentation designed to constitute a basis for a decision to purchase, either through commercial or Foreign Military Sales procedures, made to any foreign government or foreign nation if: (1) the subject of the proposal or presentation is significant combat equipment on the U.S. Munitions List to be sold under a contract for $7 million or more; and (2) the equipment is intended for use by the armed forces of a foreign country. . . .

It is clear that State has the authority to deny potential sales even before any commercial proposal is made to another country.

I believe that controls and oversight of arms exports are necessary but should be applied in a fair and equitable fashion and administered in a commonsense manner. Because of the limitations set on commercial sales, many opportunities for improving our trade balance are lost since other governments refuse to become involved in the length and cumbersome FMS process. For example, I am informed that five nations have postponed indefinitely their requirements for C-130 transport aircraft because each of these nations insists on commercial rather than FMS sales. The significance of these postponed purchases is that the sale of one C-130 transport is equivalent for trade balance to 1,600 Toyotas or to 18 million gallons of unleaded gasoline.

Based on the rates of inflation and the technological improvements to the products, our manufacturers should be allowed to sell at least the same number of units that where permitted under the 1976 provision. This would support raising the ceiling to $50 million.

I urge my colleagues to support this amendment.

Mr. McGOVERN. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

Mr. JAVITS. I move to reconsider the vote by which the amendment was agreed to.

Mr. McGOVERN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 181

(Purpose: To increase the authorization for the international narcotics control program by $16.6 million for Colombian interdiction programs)

Mr. DECONCINI. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Arizona Mr. DECONCINI (for himself, Mr. HELMS, Mr. HATCH, Mr. DOLE, and Mr. RANDOLPH), proposes an unprinted amendment numbered 181:
>
> On page 18, strike all of line 25 and insert in lieu thereof the following: "$54,400,000 for fiscal year 1980, of which not less than $16,600,000 shall be available for narcotics interdiction programs with the Colombian Government.".

Mr. DECONCINI. Mr. President, as a result of the Government of Colombia's interest and commitment in suppressing the movement of cocaine and marihuana and the attendant negative public image of the Government, the United States and the Government of Colombia entered into a bilateral arrangement to support a massive interdiction program in the Guajira region in fiscal year 1978. Following up on the effort, the Government of Colombia during recent congressional visitations of U.S. Congressmen requested that the U.S. Government support both the Guajira interdiction campaign aimed at cocaine and marihuana, as well as initiate a southern border campaign focused on cocaine transitting international borders in the Amazon region. Because of the huge profits from drugs in the United States, now estimated by the Drug Enforcement Administration at over $40 billion annually, and the resulting corruption effects in both our country as well as the producing countries, I believe and I am sure that you will share my belief that the United States must act forcefully and positively in combating this insidious problem.

Accordingly, I ask Senators to join with me in supporting an additional $16.6 million for the international narcotics control program to support the Government of Colombia's efforts in removing drugs from the supply channels before they reach the United States. The predominance of the $16.6 million will be used for the purchase of commodities to enable Colombian law enforcement personnel to move rapidly in wilderness terrain which is not easily accessible to normal modes of conveyance. These moneys will be used to continue our joint efforts in the Guajira region, as well as initiate a new program along the southern border of Colombia.

My personal belief is that we are essentially unable to control the supply of illicit narcotics once it has entered into the United States. Therefore, the principle of moving as close to the source as possible is our only effective available alternative to controlling this insidious problem.

The House has already taken action to support this key narcotics initiative, and I believe it is incumbent upon the Senate to do likewise.

Mr. President, I would also like to point out that over the past several years we have had success with a similar program with the Republic of Mexico, and this body has gone on record in support of the international narcotics interdiction program for several years by increasing the funds for it.

Nothing is more discouraging to the American ethic and the American way of life than the constant reliance upon narcotics by some members of our society. I believe the dollars are well invested to go to the source, and not in trying to take it off the streets.

Obviously, the effort within our country is immense, involving expenditures of hundreds of millions of dollars. This is relatively a small amount of money to go to a proven source, proven in the sense of the quantity and quality of cocaine and marihuana.

I would also point out, Mr. President, that I am aware that the Foreign Relations Committee has initiated a study or a survey in this effort, and I commend them for that action. Certainly if the chairman, the Senator from South Dakota (Mr. MCGOVERN), is to succeed in his effort to lead an effective fight toward the interdiction of contraband coming into the United States, then I believe it is important that we have the available authorization now. If the study in fact proves to be overwhelmingly negative, I can assure the members of the committee that the Appropriations Committee and the subcommittee on which I serve thereon will certainly look at it before appropriating the funds. But I certainly hate to see the opportunity go by without this body standing up very forcefully in favor of supporting what I consider not a very large appropriation, but one which would be extremely effective.

Let me point out also that I am advised that these funds would not be used with the local governmental departments in Colombia, but rather channeled through that country's Federal Attorney General and Justice Department. That is similar to what has been done in the Republic of Mexico, thereby minimizing the corruption that has been charged and laid upon some of the international drug programs.

Mr. President, I hope the committee might consider accepting the amendment, and I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER (Mr. HART). The Senator from New York.

Mr. JAVITS. I have talked with the Senator about this particular amendment. I would like to tell him what happened so that he sees my position.

I proposed this amendment in the committee. It was clear to me that I could not carry it. I then offered an alternate motion which is referred to in the report on page 14. It reads:

> During the markup, the committee discussed an amendment by Senator Javits to increase the requested amount for Colombia by $16 million. The committee noted a comparable provision in the bill passed by the House and decided to temporarily set aside the Javits amendment until a staff study could be undertaken regarding the situation and needs of Colombia. The study will be completed prior to going to Conference with the House.

I so advised the principal sponsor in the House of this amendment, Congressman ROSENTHAL.

If this amendment comes to a vote, I will have to vote for it. I say that honestly because I believe this is essential. But I can understand the position of my colleagues in not being willing to simply take the House's word for it and locking it into the bill by adopting the same amendment. It will be in conference. I can assure the Senator that I will fight for it and work for it if there is any kind of a basis for it in the staff report which we get. I understand that for that reason the manager for the majority cannot accept it. Neither can I because, after all, I must have had difficulty in the committee when I found that I could not carry it. Personally, I will have to vote for it, but I am explaining the situation to the Senator.

In the interest of the amendment itself, I might say, I hope it will not be pressed to a vote because I would hate to see it turned down. I am confident if there is any basis whatever in the report I can hang onto it in conference insofar as it will be in the House bill. That is the most I can represent to the Senator as to my position.

Mr. McGOVERN. Mr. President, I yield myself 5 minutes.

Mr. President, I, and I think every other Member of the Senate, take very seriously an amendment offered by Senator DECONCINI. His amendment addresses the issue of narcotics control. Because he is an expert in this field, and has perhaps had more direct experience in dealing with this problem than any other Member of the Senate, I take very seriously any proposal he makes in this area.

The problem is just as the Senator from New York has explained it. We had this matter before the Foreign Relations Committee some weeks ago, and there was a proposal by the senior Senator from New York to do what the Senator from Arizona is now proposing. But we were also trying as best we could in the committee not to go above the budget ceiling, to stay within the limits that the budget had placed on us. Thus, we are attempting to be very careful about funding new programs that the committee had not yet had an opportunity to look at carefully.

As the Senator from Arizona knows, the money for which he is now asking is already in the House version of the bill. It has already been passed.

We are awaiting the results of a study which, I am told, will be done within less than 3 weeks time. Long before we go into conference with the House of Representatives we will have the results of that staff study which was commissioned.

I want to give the Senator from Arizona my personal commitment that if that study indicates, as I think it will, that additional funds are needed for the purposes that the Senator from Arizona has outlined in this amendment, I would be the first one to yield to the House of Representatives in conference on the full amount in the House bill. I think the net result of that will be, and I think I speak for other members of the committee, to accomplish what the Senator from Arizona is seeking to accomplish here today.

I commend him for again underscoring the importance of this problem. I think his proposal is not unreasonable at all and it may very well end up in law.

Mr. DECONCINI. Will the Senator yield?

Mr. McGOVERN. I yield.

Mr. DECONCINI. I thank the Senator from South Dakota for his kind words. I know of many Members who have expressed support for the Senator from South Dakota in his efforts concerning the international narcotics funds. Let me ask a question relating to the study. My understanding is there is a study in process now. Can the Senator enlighten me as to exactly what that study entails, how many people, how much time, where they are going, and what have you?

Mr. McGOVERN. We have two full-time staff members from the Committee on Foreign Relations, I will say to the Senator, with instructions to report back to the committee. They have a full travel budget. They are in the South right now looking at this problem.

Senator Javits has just drawn to my attention that the bill requires that the study be completed prior to going to conference with the House. So we will have the results of that study with ample time to look at its conclusions before we go into conference with the House.

Mr. DECONCINI. Are the staff people who are in the field in the South? Are they going out of the country? Are they going to Colombia?

Mr. McGOVERN. They have not made a decision yet. However, I will say to the Senator, they have full authority to go anywhere to complete the instructions they have and to give the committee a realistic assessment both as to the amount of money that may be involved in this study and how that money can best be expended to get maximum results.

Mr. DECONCINI. One of the concerns I have is that there is a short period of time remaining for the first study to come back. Is it now before the Congress?

The PRESIDING OFFICER. The

Senator from South Dakota has used his 5 minutes.

Mr. McGOVERN. I yield myself 2 additional minutes.

It is estimated that we have about 4 to 6 weeks before the conference. In the committee staff, the professionals have been working on this ever since we completed the markup on the legislation some weeks ago. In any event, the legislation makes it clear that we will not go to conference until we get the results of this particular study.

Mr. DeCONCINI. The information this Senator has leads me to believe that the State Department's International Narcotics Control Office has spent a great deal of time on this. Perhaps in hearings before the Foreign Relations Committee they straightened this out, though I do not know. This Senator is under the belief that a great deal of effort has already been put into developing the planned program, and there is the necessity not to let this go by. We would take a huge step backward if perchance the money was not appropriated. My concern is that merely authorizing it, and I do not use that to diminish the importance by any means because without the authorization the Appropriations Committee cannot even consider it, the authorization does not commit us if indeed the subsequent report by the committee should indicate that negative factors have demonstrated that perhaps we should not go forward and perhaps the State Department is in error.

But this Senator's information leads me to the other conclusion. I am not passing any judgment on the ability of the Foreign Relations Committee staff to do a study, but this is based on the State Department's Narcotics Control Division, which has people there now, and who meet regularly with the Customs Director and others. They have come to this conclusion. I really would like to assure the Senator from South Dakota, serving on the Appropriations Committee, I do not intend, now that the study is proceeding, to move toward an appropriation if the study is extremely negative.

I would feel far safer from the standpoint of narcotics security in this Nation if we had the authorization and then worried about the absolute assurance of appropriations later on. I am fearful that there is a possibility that it could not be authorized through some process, and I take completely the assurance of the Senator from New York and the Senator from South Dakota that they will work vigorously for the supplemental or what have you. It just seems to me that the right thing to do is put it in now and the expenditure could still be put off if it were not merited.

Mr. McGOVERN. I only say to the Senator that we are unable to accept it at the present time. As the floor manager of the bill, I am reflecting exactly what the committee position was, which was to defer any final decision on this matter until our staff can report back to us.

I really think the Senator, though, is unduly concerned about the length of time involved in moving this to a decision. We fully expect that staff study to be in our hands in about 3 weeks' time. There is no chance that we will be in conference with the House before then, in any event. I do not see any further delay in authorization.

Once we have that staff study in front of us, if it indicates, as I think it will, the need for the kind of funding that the Senator from Arizona has in mind, then we have kept faith with the wishes of the Committee on Foreign Relations. We have been consistent with the bill that we reported to the floor. I think I can assure the Senator that his concerns are going to be adequately addressed if we stay with the timetable that the committee has in mind.

Mr. JAVITS. Mr. President, I have one other suggestion that perhaps might appeal to Senator DeConcini, especially in view of his expertise in the field. If it is agreeable to Senator McGovern, I feel that we should deliver the staff study to him so that he might reflect promptly to the committee his views with relation to that staff study.

Mr. McGOVERN. I think it is an excellent idea.

Mr. JAVITS. That would give him the opportunity for advocacy and whatever standing he wished to have with respect to it.

Mr. DeCONCINI. If the Senator will yield, I appreciate the offer of the staff study. I have to admit that I would assume that any interested Senator would have it available and I am sure the chairman of the Committee on Appropriations, and I know this Senator, prior to any appropriation, would want to read the staff study.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. McGOVERN. If the Senator from Arizona needs no further time to speak, I yield back the remainder of my time.

Mr. DeCONCINI. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. Robert C. Byrd), the Senator from Maine (Mr. Muskie), and the Senator from Tennessee (Mr. Sasser) are necessarily absent.

I further anounce that the Senator from Idaho (Mr. Church) is absent on official business.

Mr. STEVENS. I announce that the Senator from South Dakota (Mr. Pressler) and the Senator from North Dakota (Mr. Young) are necessarily absent.

The PRESIDING OFFICER. Do other Senators in the Chamber wish to vote?

The result was announced—yeas 65, nays 29, as follows:

[Rollcall Vote No. 105 Leg.]

YEAS—65

Armstrong
Baker
Baucus
Bayh
Biden
Boren
Boschwitz
Bradley
Bumpers
Cannon
Chafee
Chiles
Cochran
Cohen
Danforth
DeConcini
Dole
Domenici
Eagleton
Ford
Garn
Goldwater
Gravel
Hatch
Hatfield
Hayakawa
Heinz
Helms
Hollings
Humphrey
Inouye
Jackson
Javits
Jepsen
Johnston
Laxalt
Levin
Long
Magnuson
Mathias
Matsunaga
McClure
Metzenbaum
Morgan
Moynihan
Nunn
Packwood
Percy
Pryor
Randolph
Ribicoff
Riegle
Sarbanes
Schmitt
Schweiker
Simpson
Stafford
Stewart
Talmadge
Thurmond
Tower
Tsongas
Wallop
Warner
Williams

NAYS—29

Bellmon
Bentsen
Burdick
Byrd, Harry F., Jr.
Cranston
Culver
Durenberger
Durkin
Exon
Glenn
Hart
Heflin
Huddleston
Kassebaum
Kennedy
Leahy
Lugar
McGovern
Melcher
Nelson
Pell
Proxmire
Roth
Stennis
Stevens
Stevenson
Stone
Weicker
Zorinsky

NOT VOTING—6

Byrd, Robert C.
Church
Muskie
Pressler
Sasser
Young

So Mr. DeConcini's amendment (UP No. 181) was agreed to.

Mr. DeCONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I yield to the Senator from Virginia so that he may call up an amendment which I understand will be accepted, and then I ask that I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 182

Mr. WARNER. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> The Senator from Virginia (Mr. Warner) proposes an unprinted amendment numbered 182.

The amendment is as follows:

> At the appropriate place in the bill insert the following new section:
>
> Sec. . "It is the sense of the Senate that a resolution of the Cyprus dispute is a matter of great importance to the United States, Greece, Turkey, members of the NATO Alliance, and the whole of the Western World."
>
> "Accordingly, the Senate welcomes the recent announcement by the leaders of the Greek Cypriots and the Turkish Cypriots to resume inter-communal negotiations and finds encouraging recognition of the parties that the human rights and fundamental freedoms of all the citizens of the Republic of Cyprus shall be respected and that all territorial and constitutional aspects of the dispute will be subject to negotiation. It is also significant that the communique envisages the demilitarization of the Republic of Cyprus."

"The Senate urges all parties to the negotiations to demonstrate good faith in the negotiations and to move promptly towards a full, just and lasting settlement."

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Mr. WARNER. Mr. President, prior to the action of the Senate this morning in connection with the amendments offered by the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Rhode Island (Mr. CHAFEE), I conferred with the proponents of their amendments as well as other Members of the Senate; and I believe I now speak on behalf of many who voiced an "aye" on those amendments that we had in the recesses of our hearts concern for the people of Cyprus, especially the refugees.

I believe that the favorable action of the Senate on those two amendments reflects the thoughts expressed in the closing paragraph of an editorial, a copy of which someone placed earlier today on the desk of each Senator, taken from today's New York Times, May 22, 1979. The last sentence of that editorial reads:

> But the American objective now ought to be to help Turkey through a difficult period and, with friendly pressure, to a more generous position on Cyprus. Punishment would only make a bad situation worse.

While Senators were voting today in favor of these amendments, they considered the impact of their vote upon the SALT II agreement, the Arab-Israeli Treaty, our NATO alliance, and with equal vigor the people of Cyprus. I view this strong vote as being "with friendly pressure, to a more generous position on Cyprus".

Regrettably, the problem of Cyprus still is with us. Cyprus—so strategically located and so vital to the mutual defense of so many nations—remains a focal point of contention that drives a wedge between two key allies of the United States, two key members of NATO.

Since 1975, the United States has provided more than $100 million in direct assistance to aid Cypriot refugees, and it has contributed to United Nations refugee programs which have been of some help.

And now there appears to have been a breakthrough that could lead to resolving the Cyprus question.

Friday's announcement by Secretary General Waldheim of the United Nations is welcome news—news that signals a possible end to the stalemate over Cyprus—news that President Kyprianou and Mr. Denktash have agreed to a 10-point plan to resume settlement negotiations cut off 2 years ago.

As soon as I heard the news, I contacted the State Department and was provided with a copy of the communique agreed to in Nicosia.

In that communique, the two sides have agreed to resume their intercommunal negotiations on June 15 in Nicosia along the Makarios-Denktash guidelines established in 1977 and the United Nations resolution on Cyprus.

There is agreement that the human rights and fundamental freedoms of all citizens of the Republic of Cyprus should be respected, and that the talks will deal with all territorial and constitutional aspects of the dispute.

It was agreed to abstain from any action which might jeopardize the outcome of the talks, and that special importance will be given to initial practical measures by both sides to promote good will, mutual confidence, and the return to normal conditions.

Both sides have agreed that these intercommunal talks will be carried out in a continuing and sustained manner, avoiding any delay—and that the independence, sovereignty, territorial integrity and nonalinement of the Republic of Cyprus should be adequately guaranteed against union in whole or in part with any other country and against any form of partition or secession.

Under terms of the communique, the demilitarization of the Republic of Cyprus is envisaged—and matters relating to troop withdrawals will be discussed.

The communique contains a very important element concerning Famagusta—New Famagusta. Priority will be given to reaching agreement on the resettlement of Famagusta under United Nations auspices—and the Famagusta discussion will begin simultaneously with the beginning of consideration of the constitutional and territorial aspects of a comprehensive settlement of the Cyprus question.

After agreement on Famagusta has been reached—and this is an important part of this communique—that agreement will be implemented without awaiting the outcome of the discussion on other aspects of the Cyprus problem.

This is a hopeful plan. I view it as progress, and I sincerely hope that we have reached a turning point toward solving the Cyprus problem. Five years is far too long for this dispute to go on. Continued failure to reach a settlement can only add further hardships to the people of Cyprus and, in a broader sense, will harm the vital interests of the United States and its NATO allies.

Further instability on the southern flank of NATO can only play into the hands of the Soviet Union to the harm of western interests.

The absolute key is Cyprus. Without a full and lasting settlement which justly addresses the needs of the two Cypriot communities, it is doubtful that the strains of the current situation can be eliminated. Without a settlement in Cyprus, we can expect a further deterioration in the eastern Mediterranean with everyone the loser—everyone, that is, except the Soviet Union.

The United States, for its part, must continue to press for settlement and must use its influence and its leverage—for missing from yesterday's communique is a timetable for negotiations and agreement. It is totally lacking, and that provides us with a key test to sincerity.

This Member of the U.S. Senate will be watching very closely to see how quickly agreement can be reached on resettlement of Famagusta. Good faith in the overall negotiations can be shown by resolving that issue not in months, but within weeks after the talks begin.

I will be watching, and I will urge my colleagues in the Senate to be watching. The speed with which Famagusta can be resettled will indicate whether yesterday's communique is the breakthrough or the turning point it could be. It will indicate just how serious Mr. Denktash is.

We stand now at a critical juncture—and there is a chance that it may prove to be one of history's great moments.

This could be one of those rare windows in time when mighty achievements may be possible toward the settlement of long-standing, intractable disputes.

Mr. President, I ask unanimous consent to have printed in the RECORD the communique to which I have referred.

There being no objection, the communique was ordered to be printed in the RECORD, as follows:

CYPRUS INTERCOMMUNAL NEGOTIATIONS

Communique agreed to by President Kyprianou and Turkish Cypriot Leader Denktash with United Nations Secretary General Waldheim, May 19, 1979.

1. It was agreed to resume the intercommunal talks on 15 June 1979.
2. The basis for the talks will be the Makarios/Denktash guidelines of 12 February 1977 and the UN resolution relevant to the Cyprus question.
3. There should be respect for human rights and fundamental freedoms of all citizens of the Republic.
4. The talks will deal with all territorial and constitutional aspects.
5. Priority will be given to reaching agreement on the resettlement of Varosha under UN auspices simultaneously with the beginning of the consideration by the interlocutors of the constitutional and territorial aspects of a comprehensive settlement. After agreement on Varosha has been reached it will be implemented without awaiting the outcome of the discussion on other aspects of the Cyprus problem.
6. It was agreed to abstain from any action which might jeopardize the outcome of the talks, and special importance will be given to initial practical measures by both sides to promote good will, mutual confidence and the return to normal conditions.
7. The demilitarization of the Republic of Cyprus is envisaged, and matters relating thereto will be discussed.
8. The independence, sovereignty, territorial integrity and non-alignment of the Republic should be adequately guaranteed against union in whole or in part with any other country and against any form of partition or secession.
9. The intercommunal talks will be carried out in a continuing and sustained manner, avoiding any delay.
10. The intercommunal talks will take place in Nicosia.

Mr. McGOVERN. I yield myself 2 minutes.

Mr. President, the Senator from Virginia (Mr. WARNER) discussed this proposed language with Senator JAVITS and me earlier today. It simply underscores the concern of the Senate for an equitable solution of the problem in Cyprus which has been such a tragic situation for so long.

I commend the Senator from Virginia for coming up with language that makes very clear that anything we do here today on this measure in no way obviates our continued interest in getting a resolution of the problem on Cyprus. To the contrary, the Senate remains interested in a resolution of that problem.

Under those circumstances, I think the language suggested by Senator WARNER for inclusion in the bill makes good sense, and I am more than happy to accept it.

Mr. JAVITS. Mr. President, I have discussed the amendment with the Senator from Virginia, and it is acceptable to me. We are ready to yield back our time.

Mr. WARNER. Mr. President, I express my appreciation to the managers of the bill, the Senator from South Dakota and the Senator from New York.

The PRESIDING OFFICER. Is all time yielded back?

Mr. McGOVERN. I yield back the remainder of my time.

Mr. WARNER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, will the Senator yield to me for 1 minute?

Mr. HELMS. I yield.

UP AMENDMENT NO. 183

Mr. JAVITS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes an unprinted amendment numbered 183:

After section 12, insert the following new section and renumber the following sections accordingly:

"SEC. 13. Section 3(d)(3)(C) of the Arms Export Control Act is amended to read as follows:

"'(C) to cooperative cross servicing and lead-nation procurement arrangements among members of the North Atlantic Treaty Organization and between the North Atlantic Treaty Organization and any of its member countries: *Provided*, That certifications transmitted pursuant to section 36(b) of this Act with regard to lead-nation procurement shall identify the transferees on whose behalf the lead-nation procurement is proposed.'"

Mr. JAVITS. Mr. President, this relates to problems of standardization and interoperability in the NATO complex where there is a NATO third country arms transfer. In other words, where one member of NATO makes a buy and then transfers part of that buy to other members of NATO, the administration believes it is better to have one report, and that report should contain the way in which the buy was divided, for purposes of congressional action under section 36(b), et cetera.

This amendment was offered in committee. It was deleted from the President's bill in order to be redrafted with the protections to which I have referred; to wit, that the names of the transferees should be disclosed.

I hope on that basis the Senate will find it acceptable.

I yield back the time on the bill.

Mr. McGOVERN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McGOVERN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. I thank my colleague.

The PRESIDING OFFICER. The Senator from North Carolina.

UP AMENDMENT NO. 184

(Purpose: To make available funds under the bill for the benefit of any country demonstrating any significant improvement in its human rights record, and to repeal certain provisions of law)

Mr. HELMS. Mr. President, I have an unprinted amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 184.

Mr. HELMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 40, between lines 4 and 5, insert the following:

HUMAN RIGHTS

SEC. 25. Section 502B of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

"(e)(1) Notwithstanding any other provision of law, funds authorized to be appropriated under this Act or the Arms Export Control Act may be made available for the furnishing of assistance to, or the extension of credits or the guarantee of loans with respect to, any country which demonstrates any significant improvements in its human rights record.

"(2)(A) Section 620B of the Foreign Assistance Act of 1961 is repealed.

"(B) Section 406 of the International Security Assistance and Arms Export Control Act of 1976 is repealed.".

On page 40, line 6, strike out "Sec. 25." and insert in lieu thereof "Sec. 26.".

Mr. HELMS. Mr. President, I am going to try to be brief because Senators are trying to leave for other engagements and commitments.

This is a very important amendment in terms of the perception of the United States among nations of the world which want to be our friends. These nations may not be perfect in terms of standards that we impose on others, but they are our friends, nonetheless, and so often the United States has the appearance of kicking our friends in the teeth while cozying up to those who are not our friends.

In any case, for too long, Mr. President, there has been no light at the end of the tunnel whatsoever for countries which in years gone by fell into the web of restrictions on the provision of U.S. aid because of alleged gross violations of internationally recognized human rights.

As I said earlier, these include nations which are and have been demonstrably friendly to the United States. Thus, a nation seeking to improve its human rights record really has no positive incentive to do so.

The pending amendment, Mr. President, is based upon the conclusion of a recently completed Congressional Research Service study which states in part, "Positive means of reinforcing improvements in human rights performance are less available to policy makers than are negative measures."

Mr. President, this amendment provides just such positive means. Obviously—and I want to emphasize this with all the vigor I possess—obviously I do not intend that this amendment recognize only a negligible superficial improvement as basis for removal of prohibitions against sales or aid. This amendment requires that there be significant improvement, and the key word, Mr. President, is "significant."

Here I would envisage that the country previously penalized with a denial of aid and trade improve its human rights conditions to the level of at least the worst offender of human rights still receiving U.S. aid.

Several such countries come to mind, still receiving our aid but with a deplorable human rights record.

Yugoslavia, Panama, Tanzania, and Mozambique, all of these receive aid from the United States in one form or another. Yet we turn up our noses at friendly countries which are doing the best they can to improve their human rights record in the face of terrorist agitation, violence, and so forth.

According to the prestigous Freedom House survey, comparative measures of freedom, Yugoslavia's record of 6 on the political rights scale and 5 on the civil liberties scale makes that nation fall in the "not free" category; while Panama is barely in the "partially free" category with a 5 and a 5-plus; and Tanzania and Mozambique fall well within the "not free" category with 6 and 6 for Tanzania and a rock bottom 7 and 7 for Mozambique.

Yet, I reiterate, Mr. President, that these countries continue to get aid and trade from and with the United States.

So, Mr. President, the United States continues to give aid in one form or another to countries that fall well within Freedom House's "not free" category, while denying aid to countries with records not nearly so bad, according to Freedom House. Here I refer, of course, to Chile and Argentina, both of whom are specifically denied U.S. assistance and sales, but both of whom have better human rights records than Mozambique and Tanzania, again, according to Freedom House.

Mr. President, one may ask, "Why do you refer to Freedom House? Why do you use it as a basing point?"

I do so because the State Department also uses the Freedom House survey in making its determinations.

Mr. President, I ask unanimous consent that the entire Freedom House survey be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

FREEDOM HOUSE RATINGS OF POLITICAL RIGHTS AND CIVIL LIBERTIES FOR 1978

Freedom House, a non-governmental organization, has published since 1973 an annual "Comparative Survey of Freedom," from which we have reprinted in the table below.

The "Survey" rates every independent nation on a seven point scale governed by Freedom House's evaluation of the extent to which "political rights" and "civil liberties" obtain in each country.

Freedom House's criteria for rating countries is considerably narrower than that utilized by the Department of State. Its Survey, for example, does not give specific ratings to countries for economic and social rights, women's rights or racial justice.

In the area of political rights, the highest rating of "1" is given to those states with a fully functioning competitive electoral process. States with a "2" rating have a reasonably effective electoral process, but circumstances exist which hinder the equality of the process, for example retention of power by one party or group for a prolonged period of time, extreme economic inequality or illiteracy. Political ratings of "3" to "5" indicate declining levels of effective implementation or democratic processes. A rating of "6" is given to states which do not allow competitive electoral processes, although their rulers are at times responsive to popular demands or constrained by traditional belief systems. States rated "7" are governed by rulers who experience little constraint from either public opinion or popular tradition.

Countries rated "1" for civil liberties have an independent media, allow free expression of political opinion, provide legal safeguards for the integrity of the person, and guarantee in law and practice the freedom to choose, among other things, occupation, education, religion, and place of residence. Movement down the scale represents a progressive loss of civil liberties. States with a rating of "2" have a less institutionalized or secure set of liberties and are more authoritarian. Those rated "3" and below have varying degrees of censorship and may have political prisoners; the use of torture also may occur. States rated "6" almost invariably have political prisoners, a government-controlled media, no right of free assembly, and frequent restrictions on travel, place of residence and occupation. A rating of "7" represents extreme repression with little independent expression occurring publicly or privately.

In general, states rated "1" and "2" are designated "free," those rated "3," "4," and "5," "partly free," and those rated "6" and "7", "not free."

TABLE OF INDEPENDENT NATIONS: COMPARATIVE MEASURES OF FREEDOM

[Prepared by Freedom House]

	Political rights	Civil liberties	Status freedom	Outlook
Afghanistan	7	7−	NF	0
Albania	7	7	NF	0
Algeria	6	6	NF	0
Angola	7	7	NF	0
Argentina	6	5+	NF	0
Australia	1	1	F	0
Austria	1	1	F	0
Bahamas	1	2	F	0
Bahrain	6	4	PF	0
Bangladesh	4+	4	PF	0
Barbados	1	1	F	0
Belgium	1	1	F	0
Benin	7	7	NF	0
Bhutan	4	4	PF	0
Bolivia	5+	3+	PF	+
Botswana	2	3	F	0
Brazil	4	4+	PF	+
Bulgaria	7	7	NF	0
Burma	7	6	NF	0
Burundi	7	6	NF	0
Cameroon	6	5	NF	0
Canada	1	1	F	0
Cape Verde Islands	6	6	NF	0
Central African Empire	7	7	NF	0
Chad	6+	6	NF	0
Chile	6+	5	NF	0
China (mainland)	6	6	NF	0
China (Taiwan)	5	4	PF	—
Colombia	2	3	F	0
Comoro Islands	5−?	4−?	PF	0
Congo	7	6	NF	0
Costa Rica	1	1	F	0
Cuba	6	6	NF	0
Cyprus	3	4	PF	0
Czechoslovakia	7	6	NF	0
Denmark	1	1	F	0
Dibouti	2	3	F	0
Dominica	2	3	F	0
Dominican Republic	2+	2	F+	0
Ecuador	5+	3+	PF	+
Egypt	5	5−	PF	0
El Salvador	4−	4−	PF	0
Equatorial Guinea	7	7	NF	0
Ethiopia	7	7	F	0
Fiji	2	2	F	0
Finland	2	2	F	0
France	1	2	F	0
Gabon	6	6	NF	0
Gambia	2	2	F	0
Germany (East)	7	6+	NF	0
Germany (West)	1	2	F	0
Ghana	6	4+	PF	+
Greece	2	2	F	0
Grenada	2	3	F	0
Guatemala	3+	4	PF	0
Guinea	7	7	NF	0
Guinea-Bissau	6	6	NF	0
Guyana	4−	3	PF	—
Haiti	7	6	NF	0
Honduras	6	3	PF	0
Hungary	6	5	NF	0
Iceland	1	1	F	0
India	2	2	F	0
Indonesia	5	5	PF	0
Iran	6	5	PF+	0
Iraq	7	6	NF	0
Ireland	1	1	F	0
Israel	2	2	F	0
Italy	2	2	F	0
Ivory Coast	6	5	NF	0
Jamaica	2	3	F	0
Japan	2	1	F	0
Jordan	6	6	NF	0
Kampuchea	7	7	NF	0
Kenya	5	5	PF	0
Korea (North)	7	7	NF	0
Korea (South)	5	5	PF	0
Kuwait	6	3	PF	0
Laos	7	7	NF	0
Lebanon	4	4	PF	0
Lesotho	5	4	PF	0
Liberia	6	4	PF	0
Libya	6	6	NF	0
Luxembourg	1	1	F	0
Madagascar	5	5	PF	0
Malawi	6+	6	NF	0
Malaysia	3	3	PF	0
Maldives	5	5	PF	+
Mali	7	7	NF	0
Malta	2	2	F	0
Mauritania	6	6	NF	+
Mauritius	2	4−	PF−	0
Mexico	4	4	PF	0
Mongolia	7	7	NF	0
Morocco	3	4	PF	0
Mozambique	7	7	NF	0
Nauru	2	2	F	0
Nepal	6	5	PF	+
Netherlands	1	1	F	0
New Zealand	1	1	F	0
Nicaragua	5	5	PF	0
Niger	7	6	NF	0
Nigeria	5	3+	PF	+
Norway	1	1	F	0
Oman	6	6	NF	0
Pakistan	6	5−	PF	0
Panama	5+	5	PF+	0
Papua New Guinea	2	2	F	0
Paraguay	5	5+	PF+	0
Peru	5+	4	PF	+
Philippines	5	5	PF	0
Poland	6	5	PF+	0
Portugal	2	2	F	0
Qatar	5	5	PF	0
Rhodesia	5+	5	PF+	0
Romania	7	6	NF	0
Rwanda	6	5	NF	+
Sao Tome and Principe	6	5	NF	0
Saudi Arabia	6	6	NF	0
Senegal	4+	3	PF	+
Seychelles	6	4	PF	0
Sierra Leone	6−	5	PF	0
Singapore	5	5	PF	0
Solomon Islands	2	2	F	0
Somalia	7	7	NF	0
South Africa	5	6	PF	0
Spain	2	3	F	0
Sri Lanka	2	3	F	0
Sudan	5+	5	PF+	0
Surinam	2	2	F	0
Swaziland	6	5	PF	0
Sweden	1	1	F	0
Switzerland	1	1	F	0
Syria	5	6	PF	0
Tanzania	6	6	NF	0
Thailand	6	4+	PF+	+
Togo	7	6	NF	0
Tonga	5	3	PF	0
Transkei	5+	5	PF+	0
Trinidad and Tobago	2	2	F	0
Tunisia	6	5	NF	0
Turkey	2	3	F	0
Tuvalu	2	2	F	0
Uganda	7	7	NF	0
U.S.S.R	7	6	NF	0
United Arab Emirates	5	5	PF	0
United Kingdom	1	1	F	0
United States	1	1	F	0
Upper Volta	2+	3+	F+	0
Uruguay	6	6	NF	0
Venezuela	1	2	F	0
Vietnam	7	7	NF	0
Western Samoa	4	2	PF	0
Yemen (North)	6	5	NF	0
Yemen (South)	7	7	NF	0
Yugoslavia	6	5	NF	0
Zaire	7	6	NF	0
Zambia	5	5	PF	0

Source: "Freedom at Issue," January–February 1979.

Mr. HELMS. Mr. President, I raise these points to show what many feel to be an obvious inconsistency in the application of U.S. human rights policy. If we are going to have a policy we should not be selective about it, no matter from whence the pressures come—in this Chamber or elsewhere. We should be fair and square with all nations and particularly with our friends.

For whatever reason some nations are rewarded with U.S. aid, while others are denied aid. Thus, two nations who genuinely wish to be friends of the United States—Argentina and Chile—are denied aid, while other nations who are not especially noted for their friendship toward the United States are given aid. Here again I refer to Mozambique and Tanzania.

Let me quote from the testimony of Mr. Stanley J. Heginbotham, assistant chief, Foreign Affairs and National Defense Division of the Congressional Research Service. Mr. Heginbotham, in testimony before the Committee on Foreign Relations, warned that a lack of consistency in the application of U.S. human rights policy has led to confusion not only in Washington, but also worldwide. Just what is U.S. policy, many countries ask, as they try to work their way through the maze of conflicting criteria? What should it be?

Mr. Heginbotham provides an answer:

> The appearance of consistency further requires that when a country is exempted from human rights initiatives, other countries with which clear parallels can be made should also be exempted.

Thus, consistency should be a goal in the application of U.S. policy, especially consistency of application.

There is no consistency at present, as the examples I have just mentioned demonstrate.

And, there should be a way out for countries which have improved their human rights record. Take the case of

Uganda. Today, there is hope that the new government in Uganda will restore human rights of its citizens, so brutally denied under the cruel dictatorship of Idi Amin. The amendment I offer today automatically would give the President the right to begin the process of restoration of sales and trade and aid where necessary.

For other nations, my amendment also holds out the hand of hope. Take Chile, for example. Recent reports in the Washington Post cite an improved climate for human rights there. "Chileans Relax Amid Improving Outlook for Rights," reads the page 1 headline. "Trend Seen in Chile Toward Relaxing Repressive Rule," the inside page headline follows.

This amendment, Mr. President, gives Chile incentive to continue to improve its human rights policy.

Mr. President, I ask unanimous consent that the article, "Chileans Relax Amid Improving Outlook for Rights" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHILEANS RELAX AMID IMPROVING OUTLOOK FOR RIGHTS

(By Charles A. Krause)

SANTIAGO, CHILE.—From the Santiago offices of antigovernment magazines such as Hoy and Mensaje to the now-abandoned camp for political prisoners on the Pacific coast near Vina del Mar, there is evidence that Chile is emerging from its darkest days of repression and terror.

As recently as last summer, the military government of Gen. Augusto Pinochet was closing newspapers for criticizing the government, and Chileans still spoke in whispers when asked about almost anything other than the weather or where they planned to spend their vacations.

Today, much of that has changed. According to the Catholic Church's human rights organization, the Vicaria de la Solidaridad, there has not been a single case of a person mysteriously disappearing in over a year.

While Chileans still are sometimes arrested for illegal political activity, in most cases they are either promptly charged or released, instead of being held incommunicado for months, another change considered significant by the church and diplomatic observers.

Despite its continued international image as one of the world's most repressive military dictatorships, even the Pinochet government's harshest critics here admit that this is a far different country than it was.

"The feeling I have is that it is true that there has been a significant change," said Edgardo Boeninger, a former director of the University of Chile and a man widely remembered here for his unbending commitment to democracy. "There is a greater degree of freedom and personal security."

"Detentions are relatively infrequent," said one diplomat whose government monitors the human rights situation here very closely. "As a matter of practice, they are no longer torturing people, although there still may be some isolated cases.

"As far as I can see, there aren't going to be any more disappearances in this place as a matter of government policy."

While this diplomat, as well as Boeninger and Vicaria director Christian Precht, readily acknowledge that the human rights situation has greatly improved, all point out that the new de facto personal security has not been institutionalized in law. The mechanisms of repression still are available should Pinochet decide to reactivate them.

The government recently renewed the state of emergency that gives it extraordinary powers for six months. Although the dreaded security force DINA was abolished 18 months ago, secret police still exist, as do the now vacant camps for political prisoners.

The Pinochet government remains unwilling to tolerate open opposition by the country's once strong political parties, even noncommunist, democratic ones such as former president Eduardo Frei's Christian Democrats.

While they cannot organize political rallies, individual Christian Democrats nevertheless now can write and say what they think without fear of arrest.

The press cannot criticize Pinochet personally or the armed forces directly, but it has been increasingly and, up to now, successfully bold in testing the limits of the new freedoms.

Revelations about the involvement of the Chilean secret police in the assassination of Orlando Letelier, a leading opponent-in-exile of the Pinochet regime until his murder in 1976 in Washington, have been staple fare for almost all newspapers and magazines here since last March.

More recently, the press has given full coverage to the discovery of more than 14 decomposed bodies found in a mine shaft at Lonquen, a majority of them now identified as persons listed with the Vicaria as having disappeared after the 1973 coup while in the custody of police or military officers.

The Pinochet government has consistently denied that it had anything to do with Letelier's assassination or has any responsibility for the more than 600 persons the church and the human rights groups say were taken away and murdered as part of the military's effort to destroy the leftist opposition.

Yet, it has made no effort to muzzle the press as it reports these developments.

Perhaps more indicative of the new government attitude than what appears in the press is the growing return to Chile of former supporters of Salvador Allende's Marxist government who went into exile after 1973. Most of these exiles feared for their lives during the months and years after the coup, as DINA rounded up those it believed held views dangerous to the right-wing dictatorship.

More and more of these exiles are returning home. They come quietly and are far more circumspect in acting on their political beliefs than before, but that does not mean their views have changed or that the military government does not know they are back in Chile. There seems to be a tacit understanding that those who return can stay without harassment if they do not cause "trouble."

The government, however, has not been very willing to allow the return of prominent socialist and communist political leaders in exile—those who sought asylum in embassies here before leaving the country. Interior Minister Sergio Fernandez has said that the government may never allow these exiles to come back.

Chileans interviewed over the past month attribute the changes, and hopes for the future, largely to international and domestic pressure as well as new civilian government ministers, such as Foreign Minister Hernan Cubillos, who believe that the government must slowly restore liberty in preparation for an eventual return to civilian rule.

Following recent international labor union federation threats of a boycott of Chilean exports, the government has given local unions—traditional sources of political influence and power here—expanded rights. Unions will be able to meet without prior clearance, the government has said, and a dues checkoff system will be implemented.

Later this year, the government has promised a new labor code that will allow strikes, under certain limited conditions, for the first time since the coup.

Pinochet has been forced to reduce repression, some opponents say, because of pressures like the threatened boycott and the refusal of many countries to sell arms to Chile during its tense border dispute with Argentina last year.

Others say that civilians such as Cubillos realized that foreign investment in Chile has lagged because of the country's abysmal human rights image. Cubillos has argued, to some extent successfully, according to several sources, that Chile's image would not improve until there were real and sustained changes within the country.

Some cite what they call Chile's basic democratic character and a realization within the military, on whom Pinochet depends for support, that a liberalization was necessary to preserve the basic outlines of the authorization government and avoid massive unrest.

According to this view, Chileans were prepared to accept extraordinary measures following the chaos that existed toward the end of Allende's government but were unwilling to accept the same restrictions on their liberty once the "threat" of communism had clearly subsided.

Boeninger and other democratic leaders here feel that the government deliberately has allowed critical publications and groups such as the Committee of 24, now preparing an alternate constitution to the one Pinochet is having written, to operate as long as they do not reach average, working-class Chileans. But even in the working-class neighborhoods that ring Santiago, Catholic priests who live among the poor say that the situation is better than it was.

The Rev. Tom Connally, an American priest working and living in the parish of San Luis de Huerchuraba, said that he had reason to believe that police informers regularly attended his Sunday masses until not long ago. When they did, he said, he felt inhibited from going beyond what the bishops said about human rights or economic conditions in the country.

"Now we feel we can say pretty much what we want," Father Connally said.

Pinochet's supporters say that the president recognizes that he will not live forever and sees his mission as providing the basis for a return to civilian rule within some sort of democratc framework. His decision to ease up, they maintain, was based on an improving economy and a belief that the military government still has substantial support.

Whatever the case, Pinochet over the past year has installed a group of young and dynamic civilian ministers, such as Cubillos at foreign affairs, Jose Pinera at the Labor Ministry, Miguel Kast at the Planning Ministry, and Gonzalo Vial at the Ministry of Education, who are far more responsive to democratic values than were their predecessors.

It is not that Pinochet's civilian Cabinet members are necessarily closet democrats trying to bring an abrupt end to dictatorship, he said. It is simply that they are young—Pinera and Kast are 30 years old—and, if not politically ambitious, are at least aware that they will have to live in society, outside the barracks, when the military government ends.

When that will be and under what circumstances is the issue at the forefront of Chilean political life. The constitution Pinochet is having drawn up—and which he has said he will ask the country's citizens to approve by plebiscite—would provide for a transition period that would maintain his power until 1985 or 1986.

Opponents argue that another seven years of dictatorship would be intolerable even if the worst of the repression has ended.

Boeninger believes that any attempt to force a new constitution by downgrading the role of the parties and the unions, as Pinochet's constitution would do, is doomed to failure. But for Pinochet to abandon his constitution, which is nearly finished, would "invoke the possibility that the government would have to bargain with its opponents," Boeninger said, "which it is not yet prepared to do. I perceive the situation at present as one of open spaces in which the government still believes it can keep control."

"Let's say that, as in a game of chess, there is no longer just one player. There is more than one player, that's certainly so," Boeninger said, adding that he could not predict how the current debate over the future will be resolved "because that's speculation. But the changes that have occurred are facts."

Mr. HELMS. Mr. President, a national policy which offers only punishment for offenders of human rights, with no positive incentives for improvement, is a shortsighted policy indeed. It is a policy which, as far as it is based on legislation, should be amended to provide for incentives as well.

That is what my amendment does, and I urge its adoption.

Mr. President, I ask unanimous consent that the testimony of Mr. Stanley J. Heginbotham be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF STANLEY J. HEGINBOTHAM, ASSISTANT CHIEF, FOREIGN AFFAIRS AND NATIONAL DEFENSE DIVISION, CONGRESSIONAL RESEARCH SERVICE, LIBRARY OF CONGRESS

Mr. HEGINBOTHAM. Thank you, Mr. Chairman. I would just like to briefly note the highlights of our study on "Human Rights and U.S. Foreign Assistance," prepared at the request of this Committee.

INCREASED OBSERVANCE OF INTERNATIONALLY RECOGNIZED HUMAN RIGHTS IMPLEMENTATION

In 1976, Congress passed legislation declaring that, "a principal goal of the foreign policy of the United States is to promote the increased observance of internationally recognized human rights by all countries."

The joint efforts of Congress and the Executive to implement this goal are the focus of this report.

The Carter administration's human rights initiatives were built on an extensive history of congressional interest and involvement in human rights policy. Frustrated with the apparent unwillingness of the Nixon and Ford administrations to make human rights conditions abroad a significant consideration in its foreign policy, Congress passed legislation prohibiting, with some qualifications, foreign assistance transfers to any country whose government engaged in a consistent pattern of gross violations of human rights.

The Carter administration has made it clear that it wants to go beyond the identification or a limited number of egregious violators and use its influence incrementally to improve human rights conditions in a wide range of countries.

INTERAGENCY COMMITTEE ON HUMAN RIGHTS AND FOREIGN ASSISTANCE

A high level decisionmaking body, the Interagency Committee on Human Rights and Foreign Assistance, under the chairmanship of Deputy Secretary of State Warren Christopher, became the focal point of its human rights efforts. The so-called Christopher group avoided the extensive formulation of principles to guide its decisionmaking. Rather, each case seemed to be reviewed on its merits and individual decisions did not seem to produce principles on which subsequent cases could be decided.

The resulting process has been time consuming and contentious. Small and seemingly insignificant aid transfers became the focus of lengthy discussions.

Frustration with this process, and often with the results it produced, was frequently expressed to us by working level officials. Many in regional bureaus and aid program agencies argued that the Human Rights Bureau officials considered only human rights and were blind to other foreign policy considerations.

Those in the Human Rights Bureau on the other hand expressed concern that many in the regional bureaus were affected by clientism and were more interested in maintenance of cordial relations with other governments, even those controlled by repressive regimes, than with advancing broader U.S. foreign policy interests.

There was general acceptance on both sides, however, of the view that the Christopher group—and the Deputy Secretary in particular—were making a conscientious effort to find a very narrow middle ground between two competing sets of demands.

The case-by-case approach followed by the administration, combined with its reluctance to articulate—indeed, apparently even to formulate—principles guiding individual decisions, contributed to public and congressional concern over the consistency with which the policy was being pursued.

U.S. REACTION TO HUMAN RIGHTS VIOLATIONS WORLDWIDE

In an effort to explore such questions, it seemed useful to us to differentiate between two types of consistency. Consistency as commensurate response requires that the United States, in reacting to human rights violations worldwide, gage the severity of its response to the severity of the violations. The Carter administration has effectively rejected this type of consistency as an impractical basis for decisionmaking.

CONSISTENT SET OF GENERAL PRINCIPLES NEEDED

Consistency as policy coherence, in contrast, requires that a set of general principles, consistently applied, guide decisionmaking. Though such a set of principles has not been fully articulated publicly by the administration, we found that a significant measure of consensus has begun to emerge among working level officials as to certain generalizations that seem to shape the making of human rights-related decisions.

CRITERIA FOR HUMAN RIGHTS DECISIONS

First, severe violations of integrity of the person should receive high priority in U.S. policy concerns.

Second, levels of human rights performance can be expected to differ from country to country.

Third, human rights initiatives should be suspended or curtailed when they threaten other significant U.S. interests. Relations with countries that are critical to U.S. well-being should not be jeopardized by human rights initiatives. Moreover, short-term efforts to bring about significant changes in bilateral relations should not be compromised by ill-timed human rights efforts.

The appearance of consistency further requires that when a country is exempted from human rights initiatives, other countries with which clear parallels can be made should also be exempted.

Fourth, the leverage available to the United States with respect to specific countries should be a significant factor in determining the amount of human rights attention they receive.

Fifth, human rights initiatives will be responsive to incremental changes in levels of violations as well as to absolute levels.

Sixth, though public pressure and direct leverage can be effective instruments of human rights policy, quiet diplomacy and indirect hints of linkage between human rights conditions and U.S. support are often likely to be more successful.

Seventh in determining the appropriateness of different policy instruments for human rights purposes, consideration should be given to the direct effect an action would have on human rights conditions in a country, to the likely cost of an action to U.S. interests and to the amounts of leverage an action affords to the United States.

In general, these criteria have led to increasing reliance on the manipulation of bilateral aid program levels and transfers of police and military equipment that might have internal security uses. They have led apparently to more limited use of negative votes on multilateral bank loans and less frequent rejections of Export-Import Bank loans and Overseas Private Investment Corporation insurance and guarantees.

Using these guiding notions, then, one can develop a plausible interpretation of U.S. human rights initiatives that shows a significant measure of policy coherence.

PRIORITIES REMAIN UNCLEAR

Confusion and uncertainty still surround some important issues, however. Priorities in human rights goals beyond elimination of severe violations in integrity of the person are unclear.

Criteria for establishing levels of expectation of human rights performance in different countries remain ill-defined. And the grounds for determining when other policy concerns should take precedence over human rights considerations are highly ambiguous.

Within these broad areas of uncertainty, initiatives seem often to be shaped by chance and by bureaucratic politics.

In short, there remain significant areas where more systematic procedures and greater clarity in goals and criteria could substantially strengthen the coherence of human rights policy.

U.S. UNDERSTANDING OF POLITICAL PROCESS IN THIRD WORLD IS LIMITED

Assessments of the impact of the first 2 years of the Carter administration human rights initiatives must be qualified. Recent developments in Iran and Nicaragua serve to emphasize how limited our understanding of political processes in the Third World is and how volatile the liberalization of repressive regimes may be. The significance of a decision to release large numbers of political prisoners, for example, can only be determined from a time perspective much greater than 1 or 2 years.

Nevertheless, some generalizations seem possible.

MARGINAL IMPROVEMENTS IN HUMAN RIGHTS CONDITIONS

Reviews of human rights conditions in the 15 countries on which we focused attention do suggest a broad pattern to tentative and marginal improvements in human rights conditions. The question of the extent to which these changes are a product of U.S. human rights policy is much more difficult to answer.

Certainly, however, the record on direct and explicit use of foreign assistance as leverage to bring about specific improvements in human rights conditions is hardly encouraging. In only five or six instances did we find evidence that actually or explicitly threatened reductions in aid played a significant role in bringing about changes in human rights conditions. Direct pressures seem often to provoke counterproductive reactions.

This is not to say, however, that the use of leverage has been without positive consequence. A number of cases, drawn from countries as diverse as Guinea, the Dominican Republic, Indonesia, Korea and Tanzania, illustrate a general pattern in which a country that is interested in obtaining some form of benefit from the United States makes an effort to improve its human rights conditions.

In most of these cases, there is at least some evidence that the foreign government recognized that in the past, U.S. aid decisions directly had been affected by human rights conditions and that improvements in human rights conditions could well improve their chances of obtaining further support.

The ways in which leverage from foreign assistance combines with quiet diplomacy to produce impact of human rights conditions, then, are subtle, ambiguous, and sometimes mysterious.

Even where there is reasonably firm evidence that a foreign government intends that the final effects of a liberalization measure be on U.S. foreign assistance, State Department officials generally avoid taking credit for the change, lest the national leader concerned be offended.

CONGRESSIONAL IMPACT ON U.S. HUMAN RIGHTS POLICY

The congressional impact on U.S. human rights policy seems, on the basis of our interviews, to have been significant, but sometimes in unexpected ways. A number of officials emphasized the strength that accrued to the policy from its joint congressional and executive support.

Though the administration has avoided identifying countries with governments that engage in consistent patterns of gross violations of human rights, legislation containing this language seems, nevertheless, to be a significant legal consideration in policy deliberation.

SCOPE FOR FUTURE CONGRESSIONAL ATTENTION

A range of issues in human rights policy provides scope for possible future congressional attention.

First, in hearings and oversight activities, members may wish to press administration representatives for greater clarity and specificity in defining principles guiding U.S. human rights policy.

Second, members may wish to explore and encourage the administration to explore means of strengthening the foundations of respect for human rights throughout the world.

Third, members may wish to reassess the legislative requirement for country reports on human rights conditions. Though many argue the importance and value of these documents, others stress the inherent tension that results when a diplomatic establishment is required to publish documents that are critical of domestic political conditions in countries with which it is supposed to maintain friendly relations.

The possibility of transferring the reporting function to another type of institution has been suggested as one means of reducing this tension. Concern has also been expressed that the mandate for coverage of countries excluded severe violators, including many Communist countries and some that no longer receive U.S. aid because of earlier conflicts over human rights conditions.

Further, members may wish to reassess existing legislation prohibiting assistance to governments of countries that engage in consistent patterns of gross violations of human rights.

Finally, of course, members may wish to reassess, in light of more than 2 years of experience, the much broader question of whether, or to what extent, it is appropriate to try to use foreign assistance as a mechanism for influencing human rights conditions in other countries. Some will argue that the marginal and uncertain impact of such efforts is inadequate reward for the complications in bilateral relations, the costs in bureaucratic time and conflict, and the distortions in aid programs that are the by-products of those efforts. Others will maintain that the impact on human rights conditions marks the beginning of a significant trend and that the credit that will accrue to the United States for its contribution to this process will far outweigh transient diplomatic costs.

Senator PELL. Thank you very much indeed.

[Mr. Heginbotham's prepared statement follows:]

PREPARED STATEMENT OF STANLEY J. HEGINBOTHAM

My name is Stanley J. Heginbotham. I am Specialist in International Politics and Assistant Chief of the Foreign Affairs and National Defense Division of the Congressional Research Service. I am pleased to appear today to summarize the results of a study on Human Rights and U.S. Foreign Assistance, prepared at the request of this Committee.

In 1976 Congress passed legislation declaring that: a principal goal of the foreign policy of the United States is to promote the increased observance of internationally recognized human rights by all countries.

The joint efforts of Congress and the Executive to implement this goal are the focus of this report. Four major questions have directed the inquiry: (1) How, and how effectively, is human rights policy managed? (2) On what bases are human rights policies applied, and to what extent are they applied consistently? (3) What has been the impact of U.S. human rights initiatives? (4) What has been the role of existing legislation in the evolution of U.S. human rights policies, and what are appropriate options for future congressional roles?

The report is based on extensive interviews with working-level officials in the agencies and bureaus concerned with U.S. human rights policy implementation. In order to narrow the scope of inquiry, attention was focused primarily on the relationship between human rights and U.S. foreign assistance programs in fifteen countries of Latin America, Africa, and East Asia.

The Carter Administration's human rights initiatives were built on an extensive history of congressional interest and involvement in human rights policy. Frustrated with the apparent unwillingness of the Nixon and Ford Administrations to make human rights conditions abroad a significant consideration in its foreign policy, Congress passed, in the form of what have become known as Harkin amendments, legislation prohibiting, with some qualifications, foreign assistance transfers to any country whose government engaged in a consistent pattern of gross violations of human rights. It also singled out some individual countries for specific prohibitions. The Carter Administration made it clear that it wanted to go beyond the identification of a limited number of egregious violators and use its influence incrementally to improve human rights conditions in a wide range of countries.

Faced with the options of immediately developing a complex set of principles to guide human rights decision making or evolving a policy out of the experience of handling a long series of individual cases, Administration officials followed the latter course. A high level decision making body, the Inter-Agency Committee on Human Rights and Foreign Assistance, under the Chairmanship of Deputy Secretary of State Warren Christopher, became the focal point of human rights conflicts. Arguing that the application of human rights initiatives had to be flexible and responsive to the uniqueness of each situation, the so-called Christopher Group avoided the extensive formulation of principles to guide its decision making. Rather, each case, in the views of many with whom we talked seemed to be reviewed on its own merit, and individual decisions did not seem to produce principles on which subsequent cases could be decided.

The resulting process was time-consuming and contentious. Small and seemingly insignificant transfers became the focus of lengthy discussions. Regional bureaus often argued against direct use of foreign assistance leverage, but were generally opposed by officials from the Bureau of Human Rights and Humanitarian Affairs. Proposals for transfers of military and security items were scrutinized with great care to determine if their use would be likely to contribute to the repressive functions of internal security forces. Forthcoming votes on multilateral bank projects were assessed and instructions conveyed to the U.S. executive directors. P.L. 480 food transfers to regimes thought to be repressive were reviewed and procedures formulated to assure that they would directly benefit the poor of the country concerned.

Frustration with this process—and often with the results it produced—was frequently expressed to us in the course of our interviews with working level officials. Many in regional bureaus and aid program agencies, argued that the Human Rights bureau officials considered only human rights and were blind to other foreign policy considerations. They were concerned that the project-by-project approach weakened the coherence of policy toward and development programs in individual countries. Those in the Human Rights bureau expressed concern that many in the regional bureaus were affected by clientism and were more interested in maintenance of cordial relations with other governments—even those controlled by repressive regimes—than with advancing broader U.S. foreign policy interests.

There was general acceptance on both sides, however, of the view that the Christopher Group—and the Deputy Secretary in particular—was making a conscientious effort to find a very narrow middle ground between two competing sets of demands. On one hand, congressional mandates directed that the increased observance of internationally recognized human rights by all countries should be a "principal goal" of U.S. foreign policy and that assistance to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights should be prohibited except under certain narrowly defined circumstances. The President, moreover, had indicated on numerous occasions his commitment to advancing the status of human rights. Though there was great reluctance formally to identify governments that engaged in consistent patterns of gross violations of human rights, there was equal reluctance to provide assistance that could be considered in violation of this language.

On the other hand, early experiences with the direct use of human rights pressures provoked strong reactions from affected governments and seemed to promise further adverse consequences with respect to other significant U.S. foreign policy interests. Not only were bilateral negotiations affected, but U.S. standing within the multilateral development banks was alleged to have suffered because of the introjection of political issues into decision-making processes that, by charter, are supposed to be shaped only by economic considerations.

The case-by-case approach followed by the Administration, combined with the reluctance to articulate—indeed, apparently even to formulate—principles guiding individual decisions, contributed to public and congressional concern over the consistency with which the policy was being pursued. Were U.S. allies being singled out for criticism? Why were U.S. reactions to violations in Kampuchea, the People's Republic of China and Vietnam so muted? Why were friendly and anti-communist governments of Latin America and East Asia so frequently criticized when the equally bad or worse human rights records of socialist governments of Africa were rarely mentioned?

In an effort to explore such questions, it seemed useful to differentiate between two types of consistency. Consistency as commensurate response requires that the U.S., in reacting to human rights violations worldwide, gauge the severity of its response to the severity of the violations. The Carter Administration has effectively rejected this type of consistency as an impractical basis for decision making. Consistency as policy coherence, in contrast, requires that a set of general principles, consistently applied, guide decision making. Though such a set of principles has not been articulated by the Administration, interviews we conducted suggest that a significant measure of consensus has begun to emerge among working level officials as to certain generalizations that seem to shape the making of human right-related decisions.

First, severe violations of integrity of the person—widespread killing or severe, life-threatening torture—should receive high priority in U.S. policy concerns.

Second, levels of human rights performance can be expected to differ from country to country. The relative degree of past successes in managing competitive political systems and legal systems that protect the rights of individuals provides a useful basis for establishing appropriate levels of expectation. The Philippines can be expected to do better than Indonesia, for example, and Chile better than Haiti. Countries that have been supported extensively in the past by U.S. programs are appropriately scrutinized with particular care.

Third, human rights initiatives should be suspended or curtailed when they threaten other significant U.S. interests. Relations with countries that are critical to U.S. well-being—Iran, the P.R.C., and Saudi Arabia, for example, should not be jeopardized by human rights initiatives. Moreover, short-term efforts to bring about significant changes in bilateral relations should not be compromised by ill-timed human rights efforts. The appearances of consistency further require that, when a country is exempted from human rights initiatives, other countries with which clear parallels can be made should also be exempted. Thus, North Korea and Vietnam are argued to be comparable to the P.R.C., and a number of Middle East countries to be comparable to Saudi Arabia and/or Egypt.

Fourth, the leverage available to the United States with respect to specific countries should be a significant factor in determining the amount of human rights attention they receive. Both the legislative mandate and the practical requirements of developing a policy that is more than simply rhetorical provide important support for this principle within the bureaucracy.

Fifth, human rights initiatives will be responsive to incremental changes in levels of violations as well as to absolute levels. Thus, it has been considered appropriate at times not to oppose multilateral loans to Argentina as a signal of U.S. recognition of marginal improvements in what was still recognized to be a highly repressive human rights situation. At the other end of the scale, it was thought appropriate to bring strong pressures to bear on the Government of the Dominican Republic, with a generally favorably human rights record, not to abort a national election that seemed likely to result in a turnover in national leadership.

Sixth, though public pressures and direct leverage can be effective instruments of human rights policy, quiet diplomacy efforts and indirect hints of linkage between human rights conditions and U.S. support are often likely to be more successful.

And seventh, in determining the appropriateness of different policy instruments for human rights purposes, consideration should be given to the direct effect an action would have on human rights conditions in a country, to the likely cost of an action to U.S. interests, and to the amount of leverage an action affords the United States. In general, these criteria have led to increasing reliance on the manipulation of bilateral aid program levels and transfers of police and military equipment that might have internal security uses, in conjunction with quiet diplomatic efforts. They have led apparently to more limited use of negative votes on multilateral bank loans and rejections of Export-Import Bank loans and Overseas Private Investment Corporation insurance and guarantees.

Using these guiding notions, then, one can develop a plausible interpretation of U.S. human rights initiatives that shows a significant measure of policy conference. The focus on anti-communist governments is seen as a product of greater U.S. leverage, higher expectations, and concerns that our assistance not directly strengthen repressive capabilities. The focus on much of Latin America is seen as reflecting a high level of expectation in light of considerable past experience with competitive political systems under a rule of law. The relative inattention to communist societies is seen as necessary because of limited leverage and the importance of ongoing negotiations with the Soviet and the P.R.C. And the limited pressure in Africa is seen as reflecting a relatively low level of expectation given the newness of many nations, and the opportunity to significantly improve the character of bilateral relations in some cases (Guinea, perhaps most notably).

Confusion and uncertainty still surround some important issues, however. Priorities in human rights goals, beyond elimination of severe violations of integrity of the person are unclear. Legislative language refers to cruel, inhumane, or degrading treatment or punishment, prolonged detention without charges, or other flagrant denials of the right to life, liberty, and the security of person. Some within the bureaucracy, however, see movement toward competitive political processes as the primary goal. Criteria for establishing levels of expectation of human rights performance in different countries remain ill-defined. And the grounds for determining when other policy concerns should take precedence over human rights considerations are highly ambiguous.

Within these broad areas of uncertainty, initiatives seem often to be shaped by chance and bureaucratic politics. In the absence of an information-collecting system that provides equitable coverage of problems in different countries, some countries are subject to careful scrutiny because they are the focus of extensive journalistic and private institutional reporting, as well as the concern of sizable expatriate populations in the United States. For other countries, reporting on human rights conditions is very limited. The availability of information, combined with the level of public interest, seem to have played a significant role in determining that some countries would receive disproportionate attention. In short, there remain significant areas where more systematic procedures and greater clarity in goals and criteria could substantially strengthen the coherence of human rights policy.

Assessments of the impact of the first two years of Carter Administration human rights initiatives must be qualified. Recent developments in Iran and Nicaragua serve to emphasize how limited our understanding of political processes in the Third World is and how volatile the liberalization of repressive regimes can be. The significance of a decision to release large number of political prisoners, of a relaxation of press censorship or of the holding of competitive elections can only be determined from a time perspective much greater than one or two years.

Nevertheless, some generalizations seem possible. Reviews of human rights conditions in the fifteen countries on which we focused attention suggest a broad pattern of tentative and marginal improvements in human rights conditions. The question of the extent to which these changes are a product of U.S. human rights policy is much more difficult to answer. Certainly, however, the record on direct and explicit use of foreign assistance leverage to bring about specific improvements in human rights conditions is hardly encouraging. In only five of six instances did we find evidence that actual or explicitly threatened reductions in aid played a significant role in bringing about changes in human rights conditions. Direct pressures seem often to provoke counterproductive reactions. Chile, Argentina, Ethiopia and the Philippines represent cases in which such pressures clearly contributed to significant deterioration of bilateral relations.

That is not to say, however, that the use of leverage has been without positive consequence. A number of cases, drawn from countries as diverse as Guinea, the Dominican Republic, Indonesia, Korea, and Tanzania, illustrate a general pattern in which a country that is interested in obtaining some form of benefit from the United States makes an effort to improve its human rights conditions. Sometimes explicit U.S. concerns have been made expressed through quiet diplomatic channels; sometimes not. Sometimes negotiations were in progress but seemingly stalled; sometimes they had not even begun. Sometimes the United States Government was a primary source of diplomatic pressure; sometimes international organizations had taken the lead in raising the human rights issues. In most of these cases, however, there is at least some evidence that the foreign government recognized that U.S. aid decisions had in the past been directly affected by human rights conditions, and that improvements in human rights conditions could well improve their chances of obtaining support.

The ways in which leverage from foreign assistance combines with quiet diplomacy to produce impact on human rights conditions, then, are subtle, ambiguous and sometimes mysterious. Many governments seem prepared to respond to—or even anticipate—diplomatic U.S. expression of concern with marginal measures designed to enhance human rights. The extent to which these actions are motivated by calculations that they will increase the flow of U.S. aid must remain a matter of conjecture. Even where there is reasonably firm evidence that such is the motivation, State Department officials generally avoid taking credit for the change, lest the national leader concerned be offended.

The congressional impact on U.S. human rights policy seems, on the basis of our interviews, to have been significant, but sometimes in unexpected ways. A number of officials emphasized the strength that accrued to the policy from its joint congressional and executive support. Though the Administration has avoided identifying countries with governments that engage in consistent patterns of gross violations of human rights, legislation containing this language seems nevertheless to be a significant legal consideration in policy deliberations. The country reporting requirements, though they are a source of time-consuming and sometimes contentious negotiation between regional bureaus and the Bureau of Human Rights and Humanitarian Affairs, were important in building up an initial information base on human rights and still serve to force a periodic State Department assessment of overall human rights conditions in a wide range of countries. Finally, we found that Congress is occasionally used as a rationale for the diplomatically unpalatable. On a number of occasions when we asked how diplomats handled situations in which they had to confront foreign leaders on human rights abuses, they noted that it was useful to be able to emphasize that their actions were necessary because of congressional requirements and concerns.

A range of issues in human rights policy provide scope for possible future congressional attention.

First, in hearings and other oversight activities, Members may wish to press Administration representatives for greater clarity and specificity in defining principles guiding U.S. human rights policy. Some will argue the virtues of ambiguity: it permits flexibility, change, and adaptation to the unexpected. This must be weighed against the costs of confusion and perceived inconsistency that are at least in part a product of ambiguity.

Second, Members may wish to explore—and encourage the Administration to explore—means of strengthening the foundations of respect for human rights throughout the world. Developmental political scientists have long argued that strong institutions—political parties, labor unions and other interests groups, and court systems—are essential if a government is to be able to minimize repression and grant increasing freedom without unleashing forces that get completely out of control. The extent to which U.S. assistance programs can—and should—be engaged in efforts to strengthen these and other foundations of human rights might appropriately be assessed.

Third, there is some indication from our interviews that means of reinforcing improvements in human rights performance are less available to policy makers than are negative measures for expressing dissatisfaction with poor human rights conditions. Members may be interested in exploring this issue further and perhaps in developing legislative means for increasing flexibility in the use or resources for this purpose.

Fourth, Members may wish to reassess the legislative requirements for country reports on human rights conditions. Though many argue the importance and value of these documents, others stress the inherent tension that results when a diplomatic establishment is required to publish documents that are critical of domestic political conditions in countries with which it is supposed to maintain friendly relations. The possibility of transferring the reporting functions to another type of institution has been suggested as one means of reducing this tension. Concern has also been expressed that the mandate for coverage of countries excludes severe violators, including many communist countries and some that no longer receive U.S. aid because of earlier conflicts over human rights conditions.

Fifth, Members may wish to reassess existing legislation prohibiting assistance to governments of countries that engage in consistent patterns of gross violations of human rights. Some will argue that this legislation provides an effective underpinning for current Administration policy; others maintain that a more flexible mandate for incremental use of policy instruments—such as aid levels—to influence human rights conditions in a broader range of countries would be appropriate.

Finally, of course, Members may wish to reassess, in light of more than two years of experience, the much broader question of whether—or to what extent—it is appropriate to try to use foreign assistance as a mechanism for influencing human rights conditions in other countries. Some will argue that the marginal and uncertain impact of such efforts is inadequate reward for the complications in bilateral relations, the costs in bureaucratic time and conflict, and the distortions in air programs that are the by-products of those efforts. Others will maintain that the impact on human rights conditions marks the beginning of a significant trend, and that the credit that will accrue to the United States for its contribution to this process will far outweigh transient diplomatic costs.

This report makes no attempt to recommend policy on any of these issues. Rather, it attempts to identify how existing policy has been implemented and what consequences it appears to be having, in the hope that the resulting material will strengthen the empirical basis and the analytic focus of congressional efforts to further shape these and other aspects of U.S. human rights policy.

Senator Pell. Yours was certainly a comprehensive study and I congratulate you on it.

THE HELSINKI COMMISSION

I have not had a chance to go through it. Do you make any mention in it of the Helsinki Commission and the work that we have been doing? I am speaking now as cochairman of it.

Mr. Heginbotham. No; Mr. Chairman. We really focused on foreign assistance-related issues and have not gone into European-related problems for the most part.

Senator Pell. I see.

PRIORITY GIVEN TO HUMAN RIGHTS

In studying the decisionmaking process and the dispute between the regional bureaus and the Human Rights Bureau, did you get any impression that human rights considerations were being given either higher priority or lower priority in the course of the last 12 months?

Mr. Heginbotham. My sense, Mr. Chairman, is that the Human Rights Bureau was very aggressive in pressing a number of areas in the first year. The Christopher Group has, however, now effectively defined certain areas in which it is essentially not going to support human rights initiatives. As a result, the focus of the Human Rights Bureau efforts have been somewhat narrowed. I think there was enormous concern at the amounts of time being consumed and a growing sense of impatience in the higher decisionmaking levels of the Department. I think both sides have stepped back and reassessed which cases they can most effectively pursue. So the focus has, in some respects, been narrowed.

CASE REMOVED FROM CONSIDERATION BY HUMAN RIGHTS BUREAU

Senator Pell. Give me an example of an area that has been removed from consideration by the Human Rights Bureau.

Mr. Heginbotham. One of the areas that we cite, for example, was the general acceptance that the negotiations for normalization with the People's Republic of China made it difficult, again for consistency reasons, to talk about Taiwan, to talk about Korea, and to talk about Vietnam. So these areas were set aside.

Similarly, in the Middle East there was acceptance of two facts. First, that Saudi Arabia was critical to U.S. interests and therefore would not be a primary focus on human rights; and second, that the Egyptian-Israeli negotiations were another central and immediate concern. Consequently, it was agreed not only that those two countries would not be the focus; but that then, in addition, a number of other Arab countries with which parallels to Egypt and Saudi Arabia could be drawn, would also be largely exempted from human rights pressures.

SUCCESS OF QUIET DIPLOMACY

Senator Pell. I believe your study suggests that quiet diplomacy and hints of indirect linkage between human rights conditions and U.S. support are often more likely to succeed than public pressures. Would you list some specific cases?

Mr. Heginbotham. This gets very difficult, but I think we did list several in which there was a strong sensitivity. For example, this occurred in Guinea, Indonesia and Korea, where it was felt that direct pressures might well create counterreactions from the administrations that would produce negative results, whereas the regimes would be responsive to more subtle indications of concern with human rights interests.

HUMAN RIGHTS CONSIDERATIONS IN TURKEY

Senator Pell. In connection with the abuse of human rights in Cyprus, have you had much of an impact on Turkey?

Mr. Heginbotham. Sir, we have not really attempted to explore that issue at all in the study. That was not one of the areas on which we focused, I'm sorry.

Senator Pell. Is Turkey one of the areas that had been removed from consideration because of military reasons?

Mr. Heginbotham. No; not necessarily. But we did limit our focus, simply for purposes of controlling our research task, to the regional areas of East Asia, the Pacific, Latin America and Africa. So we did not cover the Near East, South Asia, or Europe in our study.

ESTABLISHMENT OF REPORTING INSTITUTE OTHER THAN THE STATE DEPARTMENT

Senator Pell. In discussing the annual human rights reports which the State Department prepared for Congress, you raised the idea of removing the reporting function from State and assigning it to some other type of institution.

Do you think such an institution might have greater or lesser access to assessments in the field? Would it have greater or lesser cooperation from the regional bureaus, which have been accused of becoming too sympathetic with their clients?

In that regard also, I would like to introduce into your answer your reaction of giving Amnesty International, a third party group, some responsibility in this regard.

Mr. Heginbotham. Let me begin with your last question.

My understanding of Amnesty International's research activities is that they are directed primarily to the requirements of their own adoption groups and that these requirements force upon them a certain range of biases, if you will, in coverage. They are clear about that fact, I think.

They also limit the scope of their research to a fairly narrow range of violations of integrity of the person.

I think there are serious questions that have to be raised as to what kind of alternative institution might provide a reasonable option to having the State Department produce these reports. There is a large contingent of personnel in the field in these countries that are collecting on a part-time basis, year-round, human rights condition reports. They in many cases, do not have extensive time to do first-hand field investigation, though they often supplement materials available from other sources with such investigation.

I believe that any alternative organization would have to have a very sizable staff and very serious problems would be raised as to the funding and balance of such efforts.

I think there is another trade-off between the extent to which the research and efforts of such an organization would focus on concerns that were of direct relevance to U.S. human rights initiatives and efforts or would be more broadly focused around a wider range of international human rights concerns.

Senator Pell. Thank you very much, indeed. I trust that you will be willing to answer for the record any questions that any of my colleagues on the committee wish to offer to you.

Renewed congratulations on your excellent report. We will go over it. Thank you for your work in this field.

The committee is adjourned.

[Whereupon, at 11:45 a.m., the committee adjourned, subject to call of the Chair.]

Human Rights

Sec. 502B.[268] Human Rights.—(a) (1)[269] The United States shall, in accordance with its international obligations as set forth in the Charter of the United Nations and in keeping with the constitutional heritage and traditions of the United States, promote and encourage increased respect for human rights and fundamental freedoms throughout the world without distinction as to race, sex, language, or religion. Accordingly, a principle goal of the foreign policy of the United States shall be to promote the increased observance of internationally recognized human rights by all countries.

(2)[270] Except under circumstances specified in this section, no security assistance may be provided to any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights. Security assistance may not be provided to the police, domestic intelligence, or similar law enforcement forces of a country, and licenses may not be issued under the Export Administration Act of 1969 for the export of crime control and detection instruments and equipment to a country, the government of which engages in a consistent pattern of gross violations of internationally recognized human rights unless the President certifies in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that extraordinary circumstances exist warranting provision of such assistance and issuance of such licenses. Assistance may not be provided under chapter 5 of this part to a country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights unless the President certifies in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that extraordinary circumstances exist warranting provision of such assistance.[271]

(3) In furtherance of paragraphs (1) and (2),[272] the President is directed to formulate and conduct international security assistance programs of the United States in a manner which will promote and advance human rights and avoid identification of the United States, through such programs, with governments which deny to their people internationally recognized human rights and fundamental freedoms, in violation of international law or in contravention of the policy of the United States as expressed in this section or otherwise.

(b) The Secretary of State shall transmit to the Congress as part of the presentation materials for security assistance programs proposed for each fiscal year, a full and complete report, prepared with the assistance of the Assistant Secretary of State for Human Rights and Humanitarian Affairs,[273] with respect to practices regarding the observance of and respect for internationally recognized human rights in each country proposed as a recipient of security assistance. In determining whether a government falls within the provisions of subsection (a) (3) and in the preparation of any report or statement required under this section, consideration shall be given to—

(1) the relevant findings of appropriate international organizations, including nongovernmental organizations, such as the International Committee of the Red Cross; and

(2) the extent of cooperation by such government in permitting an unimpeded investigation by any such organization of alleged violations of internationally recognized human rights.

(c) (1) Upon the request of the Senate or the House of Representatives by resolution of either such House, or upon the request of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives, the Secretary of State shall, within thirty days after receipt of such request, transmit to both such committees a statement, prepared with the assistance of the Assistant Secretary of State for Human Rights and Humanitarian Affairs,[273] with respect to the country designated in such request, setting forth—

(A) all the available information about observance of and respect for human rights and fundamental freedom in that country, and a detailed description of practices by the recipient government with respect thereto;

(B) the steps the United States has taken to—

(i) promote respect for and observance of human rights in that country and discourage any practices which are inimical to internationally recognized human rights, and

(ii) publicly or privately call attention to, and disassociate the United States and any security assistance provided for such country from, such practices;

(C) whether, in the opinion of the Secretary of State, notwithstanding any such practices—

(i) extraordinary circumstances exist which necessitate a continuation of security assistance for such country, and, if so, a description of such circumstances and the extent to which such assistance should be continued (subject to such conditions as Congress may impose under this section), and

(ii) on all the facts it is in the national interest of the United States to provide such assistance; and

(D) such other information as such committee or such House may request.

(2) (A) A resolution of request under paragraph (1) of this subsection shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(B) The term "certification", as used in section 601 of such Act, means, for the purposes of this subsection, a resolution of request of the Senate under paragraph (1) of this subsection.

(3) In the event a statement with respect to a country is requested pursuant to paragraph (1) of this subsection but is not transmitted in accordance therewith within thirty days after receipt of such request, no security assistance shall be delivered to such country except as may thereafter be specifically authorized by law from such country unless and until such statement is transmitted.

(4) (A) In the event a statement with respect to a country is transmitted under paragraph (1) of this subsection, the Congress may at any time thereafter adopt a joint resolution terminating, restricting, or continuing security assistance for such country. In the event such a joint resolution is adopted, such assistance shall be so terminated, so restricted, or so continued, as the case may be.

(B) Any such resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(C) The term "certification", as used in section 601 of such Act, means, for the purposes of this paragraph, a statement transmitted under paragraph (1) of this subsection.

(d) For the purposes of this section—

(1) the term "gross violations of internationally recognized human rights" includes torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges and trial, and other flagrant denial of the right to life, liberty, or the security of person; and

(2) the term "security assistance" means—

(A) assistance under chapter 2 (military assistance) or chapter 4 (economic support fund) or chapter 5 (military education and training) or chapter 6 (peacekeeping operations) of this part;

(B) sales of defense articles or services, extensions of credits (including participations in credits, and guaranties of loans under the Arms Export Control Act; or

(C) any license in effect with respect to the export of defense articles or defense services to or for the armed forces, police, intelligence, or other internal security forces of a foreign country under section 38 of the Arms Export Control Act.

FOOTNOTES

[268] USC 2304. Sec. 502B, which was added by Sec. 46 of the FAAct of 1974, was amended by Sec. 301(a) of the International Security Assistance and Arms Export Control Act of 1976. It formerly read as follows:

"Sec. 502B. Human Rights.—It is the sense of Congress that except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman, or degrading treatment or punishment; prolonged detention without charges; or other flagrant denials of the right to life, liberty, and the security of the person.

(b) Whenever proposing or furnishing security assistance to any government falling within the provisions of paragraph (a), the President shall advise the Congress of the extraordinary circumstances necessitating the assistance.

(c) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation by such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and anybody acting under the authority of the United Nations or of the Organization of American States.

(d) For purposes of this section, 'security assistance' means assistance under chapter 2 (military assistance) or chapter 4 (security supporting assistance) of this part, assistance under part V (Indochina Postwar Reconstruction) or part VI (Middle East Peace) of this Act, sales under the Foreign Military Sales Act, or assistance for public safety under this or any other Act."

[269] Paragraph (1) was amended and restated by Sec. 6(a) of the International Security Assistance Act of 1978 (92 Stat. 731).

[270] The words "It is further the policy of the United States that," which previously appeared at this point, were struck by Sec. 6 (b) of the International Security Assistance Act of 1978 (92 Stat. 731).

[271] The final two sentences of paragraph (2) were added by Sec. 6 of the International Security Assistance Act of 1978 (92 Stat. 731, 732).

[272] The words "paragraphs (1) and (2)," were substituted in lieu of "the foregoing policy" by Sec. 6(e) of the International Security Assistance Act of 1978 (92 Stat. 732).

[273] Sec. 109(a) (3) of the Foreign Relations Authorization Act, Fiscal year 1978 (91 Stat. 846) substituted the title designation of Assistant Secretary of State in lieu of Coordinator.

Mr. HELMS. Mr. President, we are under a time limitation I understand of 15 minutes to the side. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. In light of that, I shall reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. McGOVERN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. McGOVERN. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I will ask for another quorum call, but I ask unanimous consent that the time not be taken out of either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I yield myself 5 minutes.

At the appropriate time, after the time on Senator HELMS' amendment has been used, I intend to offer a substitute amendment which would have the effect of encouraging the President to take into account significant improvements in the human rights record of recipient countries, but only if such allocations of funds do not violate any other provision of law.

I think I can illustrate the difference between the substitute amendment that I shall offer and the amendment by the Senator from North Carolina now pending. If we were to take, for example, the case of Chile, under the proposal by the Senator from North Carolina, he is trying, in effect, to reward a country like Chile by encouraging the President to lift the restriction that Congress now has in effect against military aid to Chile.

It would be my own view that this is the worst possible time for the President to be encouraged to take any such steps. It comes at a time when the Government of Chile has just rejected an appeal for extradition of three indicted conspirators who have been found by a grand jury to be involved in the murder, here on the streets of Washington, of Mr. Orlando Letelier and Mrs. Ronnie Moffatt. Both were blown up on Massachusetts Avenue in a conspiracy in which Chilean citizens apparently were involved.

In any event, we have numerous reports of thousands of human rights violations not only in Chile, but also in Argentina, with some 15,000 people kidnaped, tortured, and killed in Argentina alone by the present regime. The Inter-American Human Rights Commission is about to go to Argentina to look into human rights issues.

For those reasons, I think it would be a serious mistake for Congress to approve the amendment offered by the Senator from North Carolina, and it is on that basis that I will offer a substitute amendment.

I do recognize that there are times when the President may find it in the interests of the United States to recognize that some progress has been made, significant progress in the field of human rights, in some of the countries where we are not presently providing aid. The substitute amendment that I shall offer would encourage the President to recognize significant improvements of that kind. We are not talking about an isolated release of a political prisoner or some insignificant or minor unrelated event. We are talking about a general and significant improvement in human rights that would cause this Government to see the logic of relaxing some of the restraints we now have on those countries not recognizing our concern about human rights.

So, while opposing the amendment of the Senator from North Carolina, I do agree with at least part of the thrust of that amendment, and that is to give the President a little more flexibility in recognizing, in a positive way, gains that have been made in the human rights field by potential recipient countries.

Mr. President, I reserve the remainder of my time.

Mr. HELMS. Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. Fifteen minutes.

Mr. HELMS. The Senator from North Carolina has 15 minutes? I thought I had only 15 minutes to begin with.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina has 9 minutes.

Mr. HELMS. I thank the Chair.

Mr. President, let me say at the outset that I have consulted with the distinguished Senator from South Dakota about his amendment which he proposes to substitute for the pending amendment, that we have discussed it in good faith, and our differences are not reconcilable.

I feel obliged to raise the point that I raised earlier: Why is it that we insist upon treating our friends around the world far more harshly than we treat our adversaries, or those countries which are at best not friendly to the United States? Tanzania, Mozambique and various other countries have no problems in getting foreign aid from the United States, and they have far worse human rights records than does the Government of Chile; for example, or the Government of Argentina.

I further say, Mr. President, that I do not claim perfection for any country. I do not claim it for this country in terms of human rights, and I do not think anyone else does. I just raise the question, why is it that we have double standards?

"Oh," we say, "we are opposed to violation of human rights," and then we go running off to embrace Red China. That regime has to be the bloodiest in history in terms of the slaughter of its own innocent people.

So, Mr. President, I grow a little weary of all of the sometimes strident declarations of horror about Chile and Argentina.

I think I am the only Senator on this floor who has been in Chile in the last several years. I may be the only Senator on this floor who has been to Argentina in the last 10 years. I did not go at the taxpayers' expense. And I did not let the State Department arrange a guided tour for me. I went down there on my own schedule, my own itinerary.

Let me tell you about some of those political prisoners that we hear so much about, Mr. President. One of the most advertised "political prisoners" down there just happened to be a college professor who was teaching revolutionaries how to make bombs, bombs which were used to blow up police stations and that sort of thing.

Sure, they put him in jail, and he ought to be there. He is not a political prisoner; he is a criminal. Yet we hear in the United States that this "political prisoner," this professor, is being unjustly held by that brutal regime down there.

Let me say again I do not claim perfection for Chile, I do not claim perfection for Argentina. I do claim that they are trying to be our friends, which is a lot more than can be said for many of the countries to which we shovel out the foreign aid and the trade.

Mr. President, the purpose of the pending amendment is to encourage Chile and Argentina to do even better. The Washington Post, which is not exactly the lover of Chile, had a long story the other day which I just put into the RECORD, pointing to the improvements there, saying that people are more relaxed, because of improved human rights conditions.

Why do we not say to them, "OK, we are going to give you a chance? Show us some more significant improvements and you can have trade with the United States. You can have aid from the United States."

But, no, that won't happen today. Today, there is going to be a move to gut my amendment—which is now pending—by offering a substitute for it. Maybe the Senate, since so many are absent and are not hearing anything about the basis for this substitute amendment, will go along with the effort to gut the pending amendment. But we will be making a mistake, Mr. President, because we will be saying to two countries which are trying to be our friends, "Forget it. We are going to prevent you from having full and complete relations with the United States."

Mr. President, I reserve the remainder of my time.

Mr. McGOVERN. Mr. President, how much time have I remaining?

The ACTING PRESIDENT pro tempore. The Senator has 6 minutes remaining.

Mr. McGOVERN. Mr. President, I yield myself 1 minute and then if he wishes, I want to yield such time as he requires to the Senator from Massachusetts.

I just make this observation: Far from yielding the control of the Congress over foreign assistance programs as the Senator from North Carolina has implied we are doing with this substitute amendment, we do just the opposite. We make clear that the President does not have the power to set aside those actions of the Congress that are now the law of the land. It is the amendment that he is proposing which reads "not withstanding any other provision" and then goes on to encourage opening up the granting of foreign aid to countries that the Congress has seen fit to restrict on aid because of their human rights violations. I think that point ought to be understood by Members of the Senate.

Mr. JAVITS. Will the Senator yield?

Mr. McGOVERN. Yes, I yield.

Mr. JAVITS. I think that is the key point. I believe the Senator has put his finger on what is the key point. Congress having stated specifically no aid to Argentina or Chile, I am not for turning it over to the President. I think if the Senator from North Carolina would wish to move directly, respecting Argentina and Chile, to lift the ban and then put it in the hands of the President, then I could see it. But this is just doing it indirectly and I am not for letting the President make the decision.

I might say that this substantially was offered in committee and was rejected, the idea of lifting these particular bans. I would say to the Senator that if he feels it is the case to lift the bans for either Argentina or Chile, I would be willing to work to get a hearing in the committee. I am not asking the Senator to withdraw it. We are talking now about broad policy.

I would say if the Senator feels a case can now be made to lift it and to leave it to the President, then I would do that. I would seek a hearing in the committee for that purpose. That would appeal to me much more than just turning it over to the President notwithstanding any other law, if the Senator thinks significant progress is being made.

I am inclined to agree that the inflexibility of the way it stands now is not wise, that we should have it the way significant progress is being made.

The Senator can count just as I can. If the Senator feels that he is going to win this, more power to him. But if he is of any doubt about it, I think I would go with the rest of it. I mean, these two countries are not going to make or unmake the world. Then I would seek a hearing, as I say, if the Senator feels there really is a case for each country. That, I think, to me would be a very orderly way to develop the policy. In other words, give him the discretion as to countries not specifically interdicted and then have a hearing on any country where Senator Helms feels there is a case. I would help him.

Please understand. The Senator can push his amendment. I have no desire to interfere with that. We are talking about the policy and what we ought to do in a responsible way. I just lay that before the Senator as a friend. I understand what he is doing, but I am concerned about just saying to the President, "Okay, we cannot make up our minds about these two countries. You do it." I think we would do too much.

Maybe for the Senator there is some part of this which would give him discretion, where there is not a specific interdiction, which is what Senator McGovern is concerned about, and then we will look into these two cases, if the Senator feels there is a case notwithstanding what Senator McGovern has said, that right now we are in a very difficult situation with Chile with regard to these three people mentioned.

Mr. McGOVERN. Mr. President, may I ask how much time I have left?

The ACTING PRESIDENT pro tempore. The Senator has a minute and a half remaining.

Mr. McGOVERN. Mr. President, I reserve the remainder of my time.

Mr. HELMS. Mr. President, I think we may avoid a rollcall on this, if all bets are off on the time limitation. I do not intend to take more than 2 or 3 minutes.

What the Senator from New York has said intrigues me. I would ask the Senator if I read him correctly.

As I understand from what the Senator said to me, he is willing to help arrange hearings on this matter.

Mr. JAVITS. Yes, assuming that I have some evidence that there is a case to be made for lifting the ban on either country. I may differ with the Senator on Chile and may agree with him on Argentina, or vice versa. I do not know. Or on neither. But if there is any evidence that the Senator thinks I should look at, I will happily look at it, and if I think there is some kind of a prima facie case for changing the interdiction against either of these countries, I will seek a hearing.

Mr. HELMS. Would the Senator be influenced if the standards that we imposed on Chile and Argentina were compared with or contrasted to standards imposed on other countries which receive aid?

Mr. JAVITS. In all honesty the answer would have to be "no," and I will tell the Senator why.

I would never kid the Senator. He may disagree with me.

Tanzania is hurting economically. It is an extremely poor country. There may be extremely good reasons why the situation would not be even worse if we did not give them some economic help.

We cannot analogize in these circumstances. The Senator himself said he is not perfect. Neither are we, neither Senator McGovern nor I. The Senator knows that.

Mr. HELMS. I did not know that.

Mr. JAVITS. Well, it is true. We cannot draw this line exactly. It has to be pretty much on a judgmental basis.

I could not say judgmentally that because some other country is getting it, it ought to be like Chile. We cannot do it like that. Chile is a fairly prosperous country. Argentina is a very prosperous country, even though they ruin it.

Looking it over politically, is there enough to it now—is Pinochet taking a new attitude? Is Videla taking a new attitude—to warrant looking into it again?

The ACTING PRESIDENT pro tempore. The time of the Senator from North Carolina has expired.

Mr. JAVITS. There will be more time when he puts in this substitute.

Mr. HELMS. We may not need to proceed at all.

Mr. President, I ask unanimous consent that each side be accorded 5 more minutes to see if we can resolve this.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Let me ask Senator McGovern, would he be willing to participate in such hearings as have been described or suggested by Senator Javits?

Mr. McGOVERN. Let me say to the Senator, as he knows, it is customary on the committee for a hearing like that to originate in the subcommittee. If the Senator is interested primarily in the situation in Argentina and Chile, that falls in the Subcommittee on Latin American Affairs, headed by Senator Zorinsky of Nebraska. I cannot speak for the Senator from Nebraska, but I am sure he is a reasonable man. If the Senator wants hearings on this question, I am sure he would try to accommodate him.

Mr. HELMS. I just want the facts laid out both ways instead of being encumbered by a lot of misrepresentations, of things which I myself saw when I was in Chile and when I was in Argentina. The truth of the matter is that so much of what is reported just is not so. I may be challenged on that, and I am perfectly willing to be challenged, by any Senator who has been to Chile or to Argentina in the last 10 years. But I am inclined to accept in good faith the suggestion offered in equally good faith by the Senator from New York that we back off and take a look at this thing and get the appropriate witnesses in and see what the real truth is as best we can arrive at it.

Mr. McGOVERN. I cannot disagree with the Senator. It is certainly a Senator's prerogative to request hearings on any matter of this kind. I cannot commit to the committee to it, obviously, but I think the Subcommittee on Latin American Affairs would be responsive to the Senator's request.

Mr. HELMS. I know that. I am thinking more in terms of the personal interest of the Senator from South Dakota and the personal interest of the Senator from New York. I know I can get some hearings. There is no problem about that. But I do not want to have a superficial game that we play. I want to look into this and lay out for everybody to see just what is the truth.

Mr. JAVITS. Will the Senator yield again on our time?

Mr. HELMS. Yes.

Mr. JAVITS. I have that interest. The only injunction I issue is that we are about to get into SALT and there are certain superior priorities here. But I do have the interest. I really would like to know what is happening in Chile and what is happening in Argentina. I rather suspect that the situation may not be analogous.

As I told the Senator before, I shall use my influence to get the hearings within the context of the committee's labors and so on. He understands that very well.

Mr. HELMS. Is it fair to say that the personal feelings of the Senator from New York are that the word should go to Argentina and to Chile and to other countries around the world that the more they improve their human rights situation, the more sympathetic Senator JAVITS, of New York; Senator McGOVERN, of South Dakota; and Senator HELMS, of North Carolina, are going to be to their needs?

Mr. JAVITS. Let me put it my way. Some great Englishman said countries do not have friends, they have interests. I say you can never say "forever" about countries, whatever country. There can be the most horrible situation and then we turn out to be their friends. Look at the People's Republic of China and the United States; look at Japan and the United States. Look at the Federal Republic of Germany and the United States. What could have been worse than the situation which generated the war the Senator and I fought in?

My answer is yes, there is always room for changes in policy, and changes of policy are legion in relations between nations.

Mr. HELMS. Let me make a suggestion to the Senator from South Dakota that he go ahead and send his amendment in, and put me on as a cosponsor of it. I think we have an understanding of where we are headed on this thing.

Mr. McGOVERN. Mr. President, I have the amendment at the desk and I ask unanimous consent that Senator HELMS be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I believe that provides a little more time and I certainly do not intend to use it. I just want to say to my friend from South Dakota and to Senator JAVITS that I appreciate the attitude they have shown about this matter.

The ACTING PRESIDENT pro tempore. The Chair states that the amendment is not in order until the time granted on the first amendment has expired.

Mr. HELMS. I thought the Chair said the time had expired.

Mr. McGOVERN. Mr. President, is not the parliamentary situation such that we cannot offer a substitute amendment until all time has expired on the Helms amendment and, at that time, we would have no time to talk on the substitute amendment without getting unanimous consent to do so?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. McGOVERN. Mr. President, I ask unanimous consent that, after all time is yielded back on the existing amendment, we have 5 minutes to be equally divided on the substitute amendment.

Mr. HELMS. Fine.

The ACTING PRESIDENT pro tempore. Is there an objection? Without objection, it is so ordered.

Mr. McGOVERN. Under those circumstances, I yield back the remainder of my time on the Helms amendment.

Mr. HELMS. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time is yielded back.

UP AMENDMENT NO. 185

Mr. McGOVERN. Mr. President, I send my amendment to the desk and ask to have it considered.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Dakota (Mr. McGOVERN), for himself and Mr. HELMS, proposes an unprinted amendment numbered 185.

In lieu of the language inserted by Helms UP–184 insert the following new section:

"SEC. . Section 502B of the Foreign Assistance Act of 1961 is amended to add the following new subsection (d):

'(d) In allocating the funds authorized by this Act and the Arms Export Control Act, the President shall take into account significant improvements in the human rights records of recipient countries; Provided that such allocation of funds does not contravene any other provision of law.' "

Mr. McGOVERN. Mr. President, I yield myself 1 minute.

I think the most important operative point here, that sets this amendment apart from the one just withdrawn by Senator HELMS, is this final line, "Provided that such allocation of funds does not contravene any other provisions of law." That leaves Congress with the authority that we now have, which we have exercised, to say that there are certain countries that have been so flagrant in their violation of human rights that we are not going to permit aid to go forward under those conditions.

But, recognizing those specific restrictions that Congress has placed on some countries, and as Senator JAVITS has said, we can move to remove those restrictions any time we see fit—it does contain what I think is an important part of Senator HELMS' original proposal. It encourages the President to take into account significant improvements in the human rights records of recipient countries. It is on that basis that I submit the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may be made a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I yield the remainder of my time to the Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. Mr. President, I ask unanimous consent to be made a cosponsor of this amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I am glad that Senators HELMS, McGOVERN, and JAVITS have agreed to this alternative. I was prepared to take strong exception to the Helms amendments.

Senator HELMS and I have debated this issue in the past and I was quite prepared to debate it again here today.

In 1976, as a result of amendments which I introduced both in 1975 and 1976, the Congress prohibited military assistance, sales and credits to Chile. In 1977, Senator CHURCH and I authored an amendment prohibiting U.S. military assistance, cash sales and sales credits to Argentina. We based our opposition to such aid on section 406 of the Foreign Assistance Act which stated that it is the policy of the United States not to provide military assistance to "any country the government of which engages in a consistent pattern of gross violations of internally recognized human rights."

I am prepared to talk about the current merits of the situation. I am also quite prepared to see a full and fair evaluation of the human rights situation in Argentina and Chile by the Foreign Relations Committee. I am quite prepared from what I know about the situation.

These two countries have the worst record of repression in the hemisphere. Over the past 3 years in Argentina, 15,000 people have been kidnaped, tortured and killed by the security forces and their cohorts. In Chile, the Pinochet regime has tortured and killed thousands more, conspired to assassinate Orlando Letelier and Ronni Moffitt in Washington, and has just refused to extradite the intelligence agents indicted by a U.S. grand jury for their implication in this crime.

I have joined with Senator CHURCH in calling for the strongest possible actions against the Pinochet regime for its defiance of the rule of law and its gross violations of human rights.

Mr. President, two recent op-ed pieces in the New York Times graphically portray the deplorable human rights condition in Argentina. Mr. President, I ask unanimous consent that these articles be inserted into the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. Recently, even a close confidant of Argentina's President Videla was kidnaped and killed by one of the military groups that have been using terrorist tactics in their effort to wipe out not only terrorists but, as General Videla has declared them, "enemies of Western civilization." In other words, various departments of the different armed services, the national police and soldiers organized into death squads continue to kidnap, torture or kill those they dislike for their political activities or views.

Nor has the situation in Chile improved sufficiently. While instances of human rights violations have significantly decreased, the repressive apparatus of the Chilean Government remains intact. Nowhere is this more evident than in the circumstances surrounding the recent decision of the Chilean supreme court not to extradite—and to delay the prosecution in Chile, possibly indefinitely—the three intelligence officers indicted by a U.S. grand jury for their part in the conspiracy that plotted the assassination of Orlando Letelier and Ronni Moffitt.

But I do not think we have to visit Chile or Argentina, we can talk to Father James Weeks from Clinton, Mass., who is one of the most distinguished clergymen in my own State of Massachusetts. In 1976, Father Weeks was held incommunicado and without charges by the Argentine Government.

We can hear firsthand his stories, some of the most horrendous accounts of man's inhumanity to man that have ever been perpetrated.

Mr. President, I am prepared to rest this case on its merits. At the time when the Senate will make a judgment as to the human rights conditions in Argentina and Chile, I will welcome the opportunity to engage in a debate with my colleague from North Carolina and abide by the will of the Senate.

I thank the Senator from North Carolina and the Senator from New York for working out this adjustment. It seems to me to accommodate the interests of those most concerned about this issue.

EXHIBIT 1

[From the New York Times, May 15, 1979]

ARGENTINA'S TERROR

(By John B. Oakes)

BUENOS AIRES.—Lieut. Gen. Jorge Rafael Videla, President of Argentina and head of the military junta that ousted the disintegrating Perón regime in 1976, speaks with pride as he recounts the junta's accomplishments during the past three years.

"When we took over, there was chaos and a complete vacuum of power," he recalls. "In three years, we've achieved order where there was disorder, peace where there was violence, and progress where there was none. At this stage, our aim is to establish an authentic democracy through a dialogue between the people and the armed forces. This will take some time."

The President's Minister of Finance, José Martinez de Hoz, far and away the most powerful civilian in this military Government and the toast of international bankers, cites a long string of figures to show that—despite persistent inflation of 150 percent or more per annum that is becoming an Argentinian way of life—the economy of this inherently rich and potentially productive country of 25 million people is on the verge of taking off.

But neither the President nor his Finance Minister is able to give a satisfactory explanation for the continuance of the muted reign of terror under which the Argentine people have been living since even before the coup that brought this law-and-order government to power.

Law and order? The regime has in fact junked the law to achieve and maintain its definition of order. Arbitrary arrest, denial of habeas corpus, brutal prison conditions, kidnapping, torture, murder, dismemberment, disappearance—these have become systematized to achieve a kind of military order at the expense of civil law.

Reign of terror? No less bloody than many previous reigns of terror in other lands and other eras, the Argentinian reign of terror is yet more sinister—executed in the dark, operated in secret, uninhibited by law, uncontrolled by authority, unacknowledged in public and (except for the brave, American-owned, English-language Buenos Aires Herald) all but unreported in the press.

It has been responsible for the "disappearance" of at least 5,000—more probably 15,000—Argentinian citizens without a trial and without a trace. It has also been responsible for the arrest without warrant and without charges of 2,500 to 3,000 others, some of whom have been languishing in jail for two years or more. Though on much reduced scale in recent months in the face of an impending visit to Argentina of the Inter-American Commission on Human Rights, the arrests continue—and can always be resumed in full force at a moment's notice.

"What happened at the start was really very simple," said a foreign observer who has lived through it all. "The military Government adopted terrorist tactics to combat the urban guerrillas who in the early and middle 1970's were conducting a reign of terror of their own, including kidnapping, torture and murder. The military were so successful in their undercover war that in less than a year they had achieved their original objective. The two main guerrilla groups were virtually eliminated. But then the regime's counter-terrorism began to take on a life of its own. The targets have changed but not the methods—and that's where we are today."

Where we are today was demonstrated—until recently—by the weekly gathering in front of Argentina's White House, the "Casa Rosada," of anywhere from a few dozen to a few hundred mothers of some of "the vanished ones," demanding news of their sons and daughters even if nothing more than the knowledge that they were dead or alive.

After some threatening arrests, this form of protest has now been abandoned—but not before the mothers had moved across the Plaza de Mayo from the Casa Rosada to the Cathedral, whose doors were promptly closed in their face.

Where we are today is suggested from time to time by the discovery of bodies washed up along the banks of the River Plata—the bodies often dismembered or disfigured to prevent any possibility of identification.

Where we are today is told in the stories of those few who have come back from imprisonment and who have not been terrorized into silence: tales of degrading torture by electric shock and other devices, of beatings and incarceration in fetid cells far worse than those reserved for common criminals.

Where we are today is revealed in the fate of the 2,500 to 3,000 prisoners suspected of "ideological subversion" and now held under what is called "executive detention." They have been arrested without charge, interrogated under routine torture, imprisoned without trial for indefinite terms.

They are being held entirely at the pleasure of a President who—as he said in an interview a few days ago—looks forward to that distant day when he can have a "dialogue" with the people.

[From the New York Times, May 16, 1979]

VANISHED IN ARGENTINA

(By John B. Oakes)

BUENOS AIRES.—As he left his apartment on a recent morning, the young man told his wife that he was going down the street on a brief errand and would soon return. When he failed to reappear after several hours, his wife went to the local police station to see if there had been an accident. Neither she nor her husband has been seen or heard from since. This is life in Argentina today.

This young couple may yet turn up—after the usual questioning under torture—among the nearly 3,000 political prisoners suspected by the secret police of "ideological subversion" and known to be held without charges, without trial, without hope of release except at discretion of the President.

But, more likely, they will have already joined the lengthening lists of the "disappeared." These are the victims—now mostly presumed dead—of that secret and savage war of terror against terrorism that has already cost the lives of 5,000 to 15,000 people and has poisoned Argentine political life for at least the past three years.

Having beaten the urban and rural guerrillas at their own game and virtually destroyed them by their own methods, the army's clandestine forces gradually widened their counter-terrorist net in ever-increasing circles.

"They're after the potential subversives now, the so-called 'ideologues,'" says a prominent Catholic civil-rights lawyer who was once a high official of government. "These are the labor leaders, lawyers, doctors, social workers, intellectuals, students suspected of any leaning—or potential leaning—toward the left. And if they happen to be Jewish, so much the worse for them." There have only been about 20 "disappearances" this year—a significant drop from last year's 50 to 200 per month. "But they do continue," the lawyer added. His own 21-year-old daughter, a social worker, was picked up by the police one night three years ago while she was assisting a group of nuns working in one of Buenos Aires' poorest areas. Taken away for "an hour's questioning," she—like thousands of others—has not been seen again.

"All we found next day was hair and blood on the floor," tersely said the wife of a prosperous businessman whose sister had been wrenched from her home one night. She, too, was never seen again.

The pattern is always the same. To every inquiry, every attempt at habeas corpus, every plea for information—except in the rarest cases—the answer invariably comes back: "Sorry, we never heard of him. That case doesn't exist." The Papal Nuncio, a human-rights activist (which Buenos Aires's Cardinal is not), has passed along to the authorities appeals from 4,000 families of "the vanished ones." He has received substantive replies in two of these 4,000 cases.

It's an Orwellian world. "This is the first time I've ever been in jail," said one prisoner to his captors. "No," was the reply. "You're not in jail; you're simply out of society." And being "out of society" means systematic torture to extract information (the Argentinians, always admirers of the French, model their techniques on those used in Algeria)—even if it doesn't end (as it so often does) in death, dismemberment and disappearance.

"After his arrest without charge when he reported for military service, he was blindfolded, kicked, urinated on as he lay on the floor of his cell, tortured with electric shock to make him reveal his suspected 'subversive' associates, beaten with chains," says the wife of a distinguished professor, speaking of her 26-year-old son.

"That was three and a half years ago. His cell is 6x9 feet; he is up at 5, in bed at 9, and not allowed to lie down in between. He's in the courtyard two hours a day—but no sports, no recreation. He's allowed three novels per month. It's physical and mental paralysis. His case is still on appeal; but no lawyer can take it because there are no charges against him."

"Mothers seek son, daughter and grandchild" reads a four-column headline in The Buenos Aires Herald, the only daily that has the courage to print this kind of story as news. The story itself is not unusual. A young engineering student and his pregnant wife had been kidnapped a year ago and have not been seen since, nor has the whereabouts of their baby, if it lives, ever been revealed. But this is unusual: what the mothers of the missing couple said in a paid advertisement in one of the capital's major newspapers.

"We believe that the fate of our children has something to do with the destiny of the entire nation. We believe that a society that hides and tolerates barbarity is preparing its own destruction, because it becomes an accomplice to it. The most capable and most renowned people become used to keeping quiet. And while they do so, the most unscrupulous, arrogant, blood-thirsty and cowardly become . . . the masters. We want to see a free and proud country, with men who raise their voices so that justice and peace may reign forever."

Mr. HELMS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina has 2 minutes remaining.

Mr. HELMS. I thank the Chair.

Mr. President, I am thankful for the cosponsorship of this amendment by Mr. McGovern, Mr. Javits, and Mr. Kennedy. This has got to be the most ecumenical event since Notre Dame beat Southern Methodist in football.

Mr. JAVITS. There is hope for our country.

Mr. HELMS. But I think a very clear message is going to these countries. We are saying, "Clean up your act, keep on trying in good faith to improve your human rights situation, and you've got some folks who will give you an objective look, and not accept all the propaganda, and so forth, that has been poured forth about you. If you do well, we will lift restrictions against you."

Mr. President, I think we made great progress here today and we made it the way we ought to make progress.

I thank my good friend from New York, my good friend from South Dakota, and I do not want the Senator from Massachusetts to be left out, I thank him.

With that, Mr. President, I am very pleased with the situation and I yield back the remainder of my time, if any.

Mr. McGOVERN. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (UP No. 185) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STONE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The question now is on agreeing to the amendment of the Senator from North Carolina, as amended.

The amendment (UP No. 184), as amended, was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STONE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STONE. Mr. President, the committee adopted an amendment to S. 584, the International Security Assistance Act of 1979, which increased foreign military sales credits for Morocco from $30,000,000 to $45,000,000. This amendment requires additional budget authority of only $1,500,000 and restores the FMS credits for Morocco to the level originally requested by the Department of State.

The committee adopted this amendment as an affirmative signal to Morocco of American interest in its future and security. The amendment was adopted without opposition.

This increase in FMS credits for Morocco by the committee is intended as an important gesture of support for a nation which has made valuable contributions to moderation and constructive cooperation in Africa and the Middle East.

These are difficult times for Morocco, and these are times in which it is important that America demonstrate its friendship and trustworthiness to Morocco. On its eastern borders Morocco faces a hostile Algeria heavily equipped with Russian weapons including a large number of MIG aircraft including the high-performance MIG-25. Morocco also is involved in the Western Sahara.

It is not the committee's intention to impose restrictions on the use of U.S. foreign military equipment in Morocco's own self-defense.

As for the issue of sovereignty in the western Sahara, this matter has been referred by the United Nations to the Organization of African Unity. U.S. policies should not prejudge the result of the OAU deliberations.

Morocco is an important friend of the United States. It sent troops to Zaire at great expense to itself. It encouraged Sadat to open the door for negotiations by going to Jerusalem. Morocco is now playing a constructive role in striving to moderate the position of the Arab nations with respect to Egypt.

Morocco has a good political and human rights record. Democratic institutions have been strengthened by national elections for a parliament in which all parties are represented, and the Government formed in 1977 includes key opposition leaders. The Moroccan press is one of the most vigorous and free in Africa.

Under the leadership of King Hassan, Morocco is a force for stability in Africa and the Middle East.

Morocco occupies a strategic position at the corner of Northwest Africa and at the western gates of the Mediterranean. Located on the Straits of Gibraltar, Morocco is of invaluable strategic importance to NATO and the United States.

Morocco is undergoing a period of economic hardships as the result of the depressed price of phosphates, the increased cost of imported energy and the need for food imports due to recurring drought.

However, despite the serious economic difficulties of the last few years, Morocco possesses a strong economic base, with rich mineral deposits and a normally healthy agricultural production. It is a country that, with some help over the hard times, can and will be self-sustaining.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. STONE. I yield to the Senator.

Mr. JAVITS. Mr. President, I concur with what the Senator has said about our interest in letting Morocco know of our U.S. interest in its future and in its security, and as a gesture of support for a nation which has made valuable contribution to moderation and constructive cooperation in Africa and the Middle East.

I thank my colleague for yielding.

Mr. STONE. I thank the distinguished ranking Republican member of the committee.

Mr. JAVITS. Mr. President, I ask unanimous consent that we may have a quorum call without the time being charged.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STONE. Mr. President, I want to say very briefly that there is provision in S. 588, for development assistance for the country of Somalia. We will be considering this legislation in June.

The country of Somalia has evidenced its support of the process of peace by not breaking relations with Egypt and, on the contrary, by showing support for this peace process.

I think that American policy is thus advanced, and that is one reason why the committee, and I think the Senate and the Congress, is expressing itself in support of the Somalian actions and the Somalian policy.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I am outraged by the presence of Joshua Nkomo in the United States and the twisted standard of support shown by the Carter administration in backing this man as he visits the United States.

He was in Houston, Tex., last week to attend a conference. He also received an honorary doctorate from Morehouse College in Atlanta, Ga.

He is to be a guest of the congressional Black Caucus and a guest at a private dinner of Representative Stephen Solarz of New York.

Mr. President, Nkomo is a murderer. Last year, he expressed joy in the sickening slaughter of civilian men, women, and children as a way to get across the political ambitions of his Communist-supported Zimbabwe African People's Union (ZAPU). As you may recall, Joshua Nkomo took credit for ZAPU's shooting down of two civilian airliners with Soviet-made, surface-to-air missiles.

Last February, he again took credit for ZAPU's downing of another civilian airliner. Almost 100 innocent civilians died in the crash of the two airliners.

I ask unanimous consent, Mr. President, that the September 8, 1978, and February 14, 1979, articles from the Washington Post describing the shooting down of the two airliners be printed in the Record following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, just as the State Department allowed free access to Mr. Nkomo, the Department denied a visa to a Rhodesian woman who was invited to relate her experiences as a survivor of the airliner which was downed in September 1978.

Mrs. Diane Hansen and her husband were survivors on that plane. Once downed, she and her husband, a native of Denmark, had to lay motionless for hours in the woods as guerrillas went around bayonetting the survivors.

Mrs. Hansen had been denied a visa after the second airliner downing because of U.S. adherence to the United Nations sanctions against Rhodesia.

U.N. sanctions oblige adherents to bar entry into their respective countries of persons who could further the interest of—what the U.N. calls—the "illegal regime" of Rhodesia. These sanctions applied to Ian Smith's regime and, apparently still apply to the newly elected black majority government of Zimbabwe-Rhodesia and its citizens.

Under this strange thought process, the sanctions did not apply to the guerrilla leader Joshua Nkomo.

Airline Pilot Association President J. J. O'Donnell wrote a letter to protest the September downing of the civilian airliner by terrorists.

In response, James R. Atwood, Deputy Assistant Secretary of State for Transportation, stated:

> When this incident occurred, the United States condemned it in the strongest terms as unwarranted slaughter of innocent civilians.

Mr. Atwood said:

> We made clear to all concerned our belief that such acts can serve to further no legitimate cause or political goal.

Yet, United Nations Ambassador Andrew Young and Assistant Secretary of State for Africa Richard Moose joined Nkomo in Texas to attend a conference. They are known to be friends of Nkomo.

Mr. President, the logic of this administration escapes me.

In addition to taking credit for the shooting down of the civilian airliners, Mr. Nkomo and his ZAPU group are known to have attempted to disrupt Rhodesia's recent elections by terrorist attacks on voters and polling stations.

In addition, Nkomo has vowed to oppose the newly installed black majority government of Bishop Abel T. Muzorewa.

In that election, Mr. President, more than 60 percent of the eligible blacks in Rhodesia voted for majority rule.

The installation of a majority government was also part of the stipulation mandated by Congress when it gave overwhelming support to the lifting of economic sanctions against Rhodesia.

Another part of the congressional stipulation was for an all-parties conference to help determine the shape of that new majority government.

Not only did Nkomo and his Zimbabwe African People's Union refuse to attend the all-parties conference when former Prime Minister Ian Smith suggested it, he also refused to accept the election of Bishop Muzorewa, who was duly elected by a black majority in Zimbabwe-Rhodesia, an election which was overseen by international observers.

The fact that Congress gave overwhelming approval to the lifting of economic sanctions against Rhodesia underscores congressional support for the recent elections.

For that reason, it is troubling to witness the Carter administration's continued support for Mr. Nkomo, and his welcome by Ambassador Young and Assistant Secretary Moose.

It is even a more disgusting spectacle to see certain Members of Congress honor Nkomo, knowing this man's reputation and disregard for human life, particularly that of civilian women and children.

When I see such support, Mr. President, I fear the public at home and abroad is left with the conclusion that certain Members of Congress indeed sanction the senseless murders of civilians that Nkomo and ZAPU took credit for, and the continued terrorist activities against the newly installed black majority government in Zimbabwe-Rhodesia.

What is just as obnoxious, Mr. President, is the double-standard that the Department of State has applied in allowing Communist-supported guerrilla leader Joshua Nkomo to speak in the United States while denying the same right to Mrs. Diane Hansen, a Rhodesian citizen who was aboard the airliner shot down by Nkomo's bloodthirsty guerrillas.

Mr. President, I hope we will soon see an end to the hypocrisy shown by the White House and the State Department. The Senate has for its part declared the Rhodesian elections to have been impartial and fair.

Let us have nothing further to do with Nkomo. Let us assist the newly elected Rhodesian leaders in binding up their country's wounds.

Exhibit 1

Surface-to-Air Missile Shot Down Rhodesian Airliner, Government Says

(By David B. Ottaway)

Salisbury.—The Rhodesian government confirmed yesterday that a heat-seeking missile was responsible for the crash Sunday of an Air Rhodesia passenger plane in which 38 of the 56 persons aboard were killed. Ten of the survivors were later slain by guerrillas.

Speaking in parliament Cominister of Transport William Irvine said the preliminary investigation into the cause of the crash clearly showed that the inner starboard engine of the Viscount turboprop was hit by a missile.

It is believed to be the first time in the history of civil aviation in Africa, and possibly the world that a regularly scheduled passenger plane has been shot down by a surface-to-air missile.

The event is certain to raise major problems now for the safety of civilian plans in Rhodesia, although the government has already announced it is taking special precautions to prevent a recurrence of such an incident. The precautions have not been disclosed.

Joshua Nkomo, coleader of the Rhodesian Patriotic Front guerrillas, has claimed responsibility for shooting down the plane, but has denied that his men were responsible for slaying the survivors. He also said the plane was believed to be carrying troops or war material.

The incident—and particularly the slaying of 10 of the survivors—have incensed the white population, and led Prime Minister Ian Smith to announce that the government is planning a new course of action.

Government sources said yesterday that Smith would probably disclose his new policy this weekend in an address to the nation.

Speculation as to what he plans to do now centers on some kind of fullscale national mobilization in a bid to wipe out enough of the estimated 7,500 guerrillas operating inside the country to stabilize the deteriorating security situation.

The government has already mounted a massive military operation to track down the guerrillas responsible for the crash, and there is considerable speculation it may take its new offensive to their bases in neighboring Zambia and Mozambique.

There was an unconfirmed report last spring that a small private aircraft had been fired upon, possibly by a missile near Victoria Falls in northwestern Rhodesia. Several Rhodesian military aircraft, including one Canberra bomber, are thought to have been brought down by such weapons.

But this was the first time Rhodesian guerrillas have reportedly attempted to shoot down a regularly scheduled passenger plane.

Both of the Viscount's starboard engines caught fire and the flaming plane plunged to earth in northwestern Rhodesia. It broke into pieces after hitting a ditch in a cotton field.

Eighteen persons survived the impact of the crash and fire, but 10 of them were gunned down by guerrillas who appeared on the scene shortly after the plane hit the ground.

The exact circumstances in which the plane was shot down are still not altogether clear. Irvine said it was flying at an altitude of 10,000 to 12,000 feet.

However, the plane would have been only 7,000 to 9,000 feet above the Zambezi escarpment—which rises steeply from the lakeside resort town of Kariba from which the aircraft had just taken off—when it was hit.

The range of the Soviet-made shoulder-carried SA7 missile, which Nkomo's guerrillas are believed to have now, is just over two miles.

Several of the survivors said they heard a big bang and that the plane shook all over when the starboard engines exploded in flames, but none could say for certain it had been hit by a missile.

Minister Irvine said that the pilot, John Hood, had only about three minutes in which to land the Viscount before the flames would have destroyed the wing. The site of the crash was 20 miles southeast of Kariba in an African reserve.

Irvine paid high tribute to Hood, who managed to bring the flaming plane down on two engines and land it fairly smoothly in a cotton field. It is thought now that many more persons would probably have survived the crash had the plane not hit a hidden ditch, or donga, in the middle of the field. This caused it to cartwheel and break into pieces.

Most of the 16 survivors were sitting in a five-yard section of the body connected to the tail that stayed intact until consumed by flames after they escaped.

The eight who survived the second ordeal at the hands of the guerrillas managed to take cover and hide in the bush when the guerrillas opened fire. They were rescued the following day after spending a cold night in the open.

Smith has warned that some of the measures the government is now planning would not please those countries now involved in helping to arrange a negotiated solution between the biracial Salisbury government and the Patriotic Front. He was apparently referring to Britain, the United States and South Africa.

Typical of the rage and sentiment for revenge sweeping the 230,000 whites of Rhodesia was Irvine's comment:

"The people of this country will not let those innocent [people] go unavenged . . . I can promise the leaders of the Patriotic Front that those who seek to ride the wind will reap the wildwind."

RHODESIA CLAIMS GUERRILLAS SHOT DOWN CIVILIAN JET

(By David B. Ottaway)

LUSAKA, ZAMBIA.—Rhodesia said today that Zambian-based black nationalists shot down a Rhodesian civilian airliner yesterday and vowed to retaliate against both the guerrillas and neighboring Zambia.

Joshua Nkomo, leader of the accused guerrillas, all but confirmed responsibility for his Zambabwe African Peoples Organization, saying during a visit to Nairobi, Kenya, that if the plane was shot down "it can only have been our chaps" who did it.

Zambia braced itself for renewed Rhodesian ground and air attacks that together with the air crash seemed destined to dash any meager remaining hopes for a negotiated settlement to the worsening Rhodesian conflict.

The crash, the second in five months due to guerrilla fire, killed all 59 passengers and crew members aboard. The last incident, in September, led to a sharp escalation in the war, with Rhodesia attacking guerrilla bases in Zambia for the first time.

Rhodesian Prime Minister Ian Smith, saying it seemed clear that the Air Rhodesia Viscount plane had been shot down, indirectly blamed the United States and Britain. He cited the failure of President Carter and Prime Minister James Callaghan to mediate a peaceful resolution to the six-year-old guerrilla war, saying it was in their power to do so.

"Rhodesians and Zimbabweans say to them: why are you holding back? What more do you want from us?" he asked, referring to U.S. and British refusal to recognize his white-led biracial government.

Smith has been seeking such recognition since he reached agreement with three moderate black leaders last March and has mounted a campaign in Washington for congressional support.

State Department spokesman Hodding Carter sharply criticized the attack saying, "We cannot state too strongly how deeply we deplore and condemn this latest unwarranted act of violence against innocent civilians in Rhodesia," and added, "There can be no justification whatsoever for such actions."

In London, the British Foreign Office said the government was "horrified by this senseless act."

Rhodesian military sources said they thought the aircraft had been hit by two ground-to-air missiles similar to the way the first plane crashed in September, resulting in the death of 48 persons.

Nkomo said in Nairobi that he had not been able to confirm details of the incident with his headquarters in Lusaka where a spokesman for the group said there would be no official comment until Nkomo's return.

Nkomo said the attack was probably intended for a plane that left Kariba airport 15 minutes later carrying the top Rhodesian commander, Lt. Gen. Peter Walls.

"He must have changed planes so he is responsible for the deaths of all these other people because he is the biggest military target," he said.

The crash occurred about 28 miles due east of Kariba and only about 30 miles away from the scene of the first one last September. Both are located in areas heavily infiltrated by Nkomo guerrillas.

Meanwhile, black and white officials of the Rhodesian government were promising to retaliate vigorously in revenge for the downing of the airliner. One black minister, James Chikerema, a former guerrilla leader himself, warned that "Nkomo should not weep when we retaliate and you can rest assured that we will retaliate."

Chikerema's white co-minister of transport William Irvine, said at a press conference in Salisbury that the plane had plunged vertically into the ground and that the wreckage was squashed into a 60-square foot area. "There is nothing recognizable left," he said. "There must have been an intense fire."

Rhodesian ground and air raids against Nkomo's bases in Zambia in retaliation for the September plane crash lasted until Christmas and resulted in the death of about 1,000 guerrillas and civilian refugees from Rhodesia.

The attacks were launched while Prime Minister Smith and two of his three black colleagues were on a tour of the United States seeking American support. Before leaving, they agreed to attend a British-American sponsored peace conference but only if there were no preconditions.

But Nkomo and Mugabe had already negotiated for a year on an Anglo-American plan calling for a transition to black majority rule under British and United Nations supervision. They thus refused to attend a conference under Smith's conditions. In addition, they were embittered by the raids on their camps in Zambia and Mozambique and increasingly convinced a military victory was in their reach.

In January, the British and American governments concluded it would be impossible to hold a peace conference and warned of the likely ensuing chaos in Rhodesia as the war became steadily worse and spread to neighboring countries.

Since the last Rhodesian raids, Nkomo has moved most of his guerrillas away from the Zambian capital and reportedly divided them into smaller groups to avert heavy casualties.

Zambia has also installed a British air defense system to defend the main international airport outside Lusaka and the capital itself. But it remains doubtful that Zambia would be able to prevent the Rhodesians from carrying out new attacks deep into its territory.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I should like to ask several questions of the managers of the bill, and then I will have an amendment to present.

I ask the distinguished Senator from New York: Are any funds in the present bill authorized for Iran?

Mr. JAVITS. Not that I know of, no.

Mr. HARRY F. BYRD, JR. Are any funds authorized for Afghanistan?

Mr. JAVITS. No.

Mr. HARRY F. BYRD, JR. Are any funds authorized for the People's Republic of China?

Mr. JAVITS. No.

Mr. HARRY F. BYRD, JR. Are any funds authorized for Angola, Zambia, Mozambique, or Tanzania?

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, the manager on the part of the majority is the chairman of our African subcommittee and is very familiar with these details, but I will give the facts and figures, and then he will take over.

The fact is that the President's program provided $100 million for a number of Southern African countries, including the countries which are referred to by the Senator from Virginia—to wit, Mozambique, Angola, Tanzania, and Zambia

The provision there is as follows: Botswana, $16 million; Kenya, $17.5 million; Liberia, $5.5 million; Malawi, $3 million; Sudan, $9 million; the Zambia and Southern African regional requirement, which makes up a total of $100 million.

We cut that aggregate figure to $75 million and provided as to four countries—to wit, Mozambique, Angola, Tanzania, or Zambia—that the President could do anything for them only if he specifically waived the provision of prohibiting assistance, which is found in section 533(c) of the bill at page 25, on the ground that assistance to such country would further the national interests of the United States.

That is the factual situation, and Senator MCGOVERN will deal further with the questions of policy which the Senator from Virginia might have.

Mr. HARRY F. BYRD, JR. I thank the Senator from New York.

Mr. JAVITS. I might say to the Senator, also, by way of addition, that on my own motion, the $75 million was cut to $60 million, and the Senator will find this in section 533.

So $60 million was the global figure, and then we provided another subsection, also on the basis of a specific certification that it is in the national interest of the United States, that the President could add $15 million to the $60 million. That is where we get the $75 million.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HARRY F. BYRD, JR. In the current budget, as I recollect, it is a total of $60 million.

Mr. JAVITS. It is $60 million provided for, plus $15 million more if the President certifies to Congress that that additional amount is in the national interests of the United States.

Mr. HARRY F. BYRD, JR. That is for fiscal year 1980?

Mr. JAVITS. That is for fiscal year 1980.

Mr. HARRY F. BYRD, JR. As I recall—and I ask the Senator to refresh my memory—for fiscal year 1979 it is a total of $60 million and not $75 million.

Mr. JAVITS. That is correct. That was the appropriated figure. I cannot tell the Senator the authorized figure.

The authorized figure was $60 million.

Mr. HARRY F. BYRD, JR. So this is a 25 percent increase.

Mr. JAVITS. A $15 million increase.

Mr. HARRY F. BYRD, JR. Fifteen million dollar increase.

Mr. JAVITS. On a special certification by the President.

Mr. HARRY F. BYRD, JR. Which is a 25 percent increase in that fund.

Mr. JAVITS. If the President specially certifies it. It is not given unless he certifies to Congress that it is in the national interest of the United States to add that authorization.

Mr. McGOVERN. Mr. President, will the Senator yield to me?

Mr. JAVITS. I yield.

Mr. McGOVERN. Mr. President, I am sorry, I say to the Senator from Virginia, that I was just called to the telephone as he was taking the floor.

Mr. HARRY F. BYRD, JR. That is quite all right.

Mr. McGOVERN. I did not realize he was going to take the floor just at this time.

I think the Senator from New York explained what the committee has done. Just to keep matters in perspective, in fiscal year 1978 Congress provided $110 million in funding for southern Africa. That was virtually cut in half in 1979 to some $60 million. Now, this year, because of considerations that the administration thought were important, they submitted a budget request for southern Africa of $100 million, and the committee saw fit to reduce that to $75 million.

That covers the southern region of Africa. There are four countries which are prohibited from assistance under this section, Mozambique, Angola, Tanzania, and Zambia. However there is a waiver provision which the President can exercise with reference to those countries if he determines and so reports to Congress that the provision of aid to those countries is in the national interest.

I think I can say to the Senator in all truthfulness that both with regard to Africa and other regions of the world the committee has been very prudent and very sparing in the way it has handled this funding. When the bill came out of committee it was actually $38 million below last year's funding and it was $109 million below the amount requested by the administration.

So I think under the chairmanship of Senator CHURCH, with the full support of Senator JAVITS, the ranking minority member, and other members of the committee, we carried out an agreement that we had among ourselves that if there were any way possible to reduce the funding in this bill below last year's level we were going to do it, and we did that.

We also said that we were going to cut the President's request, and we did that.

Thus, we are here in the Chamber today with a bill that is $109 million below the amount requested by the President even at a time when he himself is committed to a prudent budget and a substantially reduced Federal deficit.

Mr. HARRY F. BYRD, JR. I thank the Senator. But I must point out I think that for the southern African programs there has been an increase. There is an increase in the bill of 25 percent from $60 million to $75 million. That is a 25 percent increase in that one program.

Mr. McGOVERN. It is a $15 million increase in that one area of the bill, I will say to the Senator, but I remind him again that it is $75 million and we are $35 million below where we were in 1978 so we are not establishing any long-term trend here. Quite the contrary. We are substantially below the level of 2 years ago.

Mr. HARRY F. BYRD, JR. On page 25 I wonder if——

Mr. McGOVERN. What page was the Senator referring to?

Mr. HARRY F. BYRD, JR. Page 25 of the bill, section 533, which is the southern African programs. At the end of line 13, I am wondering if the managers of the bill would be receptive to an amendment like this, if the Senator has it before him, page 25, line 13.

Mr. McGOVERN. Yes.

Mr. HARRY F. BYRD, JR. Strike the period and insert the following: "but may not be used for any military or military-related purpose."

As I understand the purpose of the section to which I am referring, it is for humanitarian and refugee purposes, and I wonder if the managers of the bill would be receptive to adding a few words at the end saying that the funds may not be used for military or military-related purposes?

Mr. McGOVERN. I not only would be happy to accept that, but I think it strengthens the intent of the committee in terms of the funding that we are providing for this region of Africa. These funds are not intended for military purposes. Subject to the approval of my colleague, Senator JAVITS, the ranking minority member of the committee, I see no problem in accepting that modification.

I yield to Senator JAVITS for any comments that he might wish to make.

Mr. JAVITS. Could I hear the language again, I ask the Senator?

Mr. HARRY F. BYRD, JR. Yes. I say to Senator JAVITS at the end of line 13, if we strike the period, put a comma and add this language, "but may not be used for any military or military-related purpose."

Mr. JAVITS. I am a little worried about the "military-related." I agree with the Senator, by the way. I am wondering about a more precise word. Theoretically, if they improve the transportation link, if they build a piece of road or repair a pothole it may be used for a military-related purpose. I would be willing to take it with the understanding we could get more precise language to be sure we do not foul ourselves up. We can do it. But it is agreeable to me. I have no objection.

UP AMENDMENT NO. 186

Mr. HARRY F. BYRD, JR. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. TSONGAS). The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.) proposes an unprinted amendment numbered 186.

On page 25, line 13, insert before the period the following: "but may not be used for any military or military related purpose".

Mr. JAVITS. Mr. President, will the Senator yield so that I may clarify my earlier comment?

Mr. HARRY F. BYRD, JR. I yield.

Mr. JAVITS. I think I made the meaning clear. If they repair a section of the road for humanitarian purposes because refugees are pulling their carts over it, but it is also capable of allowing a Jeep to go over it, we cannot control that. I do not assume the Senator has that in mind. We would not be able to do that for humanitarian purpose because maybe some military vehicle could pass over it.

Mr. HARRY F. BYRD, JR. I would assume that those who administer this fund would use discretion as to what is a military-related purpose.

Mr. JAVITS. Of course. That is all I had in mind. I have no desire to restrict the amendment at all.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I ask the managers of the bill if they would refer to page 18, line 12. I notice the committee has increased the President's discretionary authority. The committee previously had expressed dismay, as I understood it, at the use of the contingency funds for certain purposes during this fiscal year. Yet, if I understand the figures accurately, the committee has doubled the President's contingency authority.

I am wondering if the committee would not be willing to make the contingency fund $5 million, which it is in the current budget, rather than doubling that to $10 million?

Mr. McGOVERN. I think I understand the point the Senator is making. I would simply like to underscore that this $10 million is not an appropriation. It is actually a ceiling beyond which the President cannot go. There was $5 million in appropriated funds made available to the President for this purpose last year.

Mr. JAVITS. Mr. President, will the Senator yield for the yeas and nays?

Mr. McGOVERN. I yield to the Senator.

Mr. JAVITS. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McGOVERN. So what this really was intended to do so far as the committee is concerned is to put a ceiling on what the President could do in the way of responding to emergencies. It is not intended as a floor by any means.

Mr. HARRY F. BYRD, JR. But the ceiling last year or this current year is $5 million. Why should it be a ceiling of $10 million?

Mr. McGOVERN. Last year it was actually appropriated funds of $5 million that the President could use.

Mr. HARRY F. BYRD, JR. But this makes it $10 million available.

Mr. McGOVERN. What it provides is not more than that amount——

Mr. HARRY F. BYRD, JR. That is right.

Mr. McGOVERN (continuing). Can be made available under any provision of this act for emergency purposes.

The committee thought that was a useful restriction to place on the emergency authority of the President.

Mr. HARRY F. BYRD, JR. The point I am suggesting is if there was a $5 million figure in the current year and that has been increased to $10 million it has been doubled.

Mr. McGOVERN. I can only say to the Senator that I personally would have no objection to a limitation of that amount. That automatically then becomes the same figure we had last year. Presumably the Appropriations Committee would do what they did last year and appropriate $5 million.

But if we adopt this same language and change $10 million to $5 million there is no way the Appropriations Committee could go above $5 million.

Mr. HARRY F. BYRD, JR. Which would be perfectly satisfactory to me.

Mr. McGOVERN. If that is the Senator's intent he ought to understand that he is changing what we regarded as an authorization ceiling to what, in effect, would become an appropriation ceiling.

I wonder if the Senator from Virginia is aware that the way this is presently constructed is that there is not any way any of that $10 million authorized for emergency purposes could be drawn by the President without taking it out of other portions of the bill. In other words, this is not a $10 million add-on to the total of this bill. It is funds that the President would have to find within the overall authorization of the legislation. It is not an add-on.

Mr. HARRY F. BYRD, JR. But only $3 million was appropriated in the current budget.

Mr. McGOVERN. Nothing was appropriated apparently in the current budget. That amount was used for emergency purposes, but there was nothing appropriated for that purpose.

Mr. HARRY F. BYRD, JR. So $3 million——

Mr. McGOVERN. As the measure is now constructed here, Congress would not have to appropriate one dime to cover this contingency fund. Here is a measure of some $4.4 billion in size covering every region of the world. I do not think it is unreasonable to give the President some emergency authority in which he could shift some of these funds for emergency purposes.

Mr. HARRY F. BYRD, JR. I do not contend there is. But the bill, according to the Senator from South Dakota, the amount in the current budget, is greater than the amount in the legislation we are talking about now. Yet, the contingency fund has been doubled.

Mr. McGOVERN. The Senator understands he is not really saving any money because we are not changing the overall size of this bill. I frankly do not think it is worth a big argument whether you are going to have a $10 million authorization or a $5 million. It all comes out of the same bill in the long run.

What the Senator apparently wants to do is to restrict the President's emergency authority. But he ought to understand he is not saving any money because there is a maximum on this bill that the President can spend for the stated purposes. We thought it was reasonable to give him a little flexibility there to meet some emergency conditions.

Mr. HARRY F. BYRD, JR. If I may, if the Senator will yield, Mr. President, did the Senator say that the President, in the current budget, has spent money for contingency purposes, which money was not appropriated?

Mr. McGOVERN. My understanding is that under the current legislation the President, in order to draw these emergency funds, would have to have an appropriation. He would have to obtain a special appropriation to cover that.

What this does is to give him the authority, insofar as he can locate the funds within the total authorized amount of this bill, to use up to a maximum of $10 million of it for emergency purposes, and he can do that without appropriation.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. McGOVERN. Yes, I yield.

Mr. JOHNSTON. Can the Senator tell us how long until the next vote?

Mr. McGOVERN. I wish I could, but I am afraid I cannot answer that.

Mr. JOHNSTON. Does it look like it is coming imminently?

Mr. HARRY F. BYRD, JR. It probably will not be very long, probably not too long. Maybe the Senator from South Dakota will accept my next amendment and we could then get on to passage of the bill very quickly.

Mr. JOHNSTON. I thank the Senator.

Mr. HARRY F. BYRD, JR. I wonder if the Senator would consider a provision to reduce the total figure by 2 percentage points?

Mr. McGOVERN. I will say to the Senator from Virginia that I could not do that in view of the very tight funding that the committee has already decided on for this bill.

As I pointed out awhile ago, we have already cut the President's request by over $100 million. We have reduced this program. It must be the only program in Government that has actually been reduced from where it was last year—we reduced it by in excess of $30 million from the program last year.

The world is not any smaller in 1979 than it was in 1978, but we have cut the size of this program by tens of millions of dollars, and I do not see how we can accept any further across-the-board cuts.

Mr. HARRY F. BYRD, JR. The total appropriation involved here is $2.8 billion, as I recollect.

Mr. McGOVERN. That is correct, approximately $2.8 billion.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the yeas and nays may be transferred to the House bill, which will actually be the bill finally acted on, H.R. 3173.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the amendment of the Senator from Virginia (Mr. HARRY F. BYRD, JR.) be temporarily laid aside.

The PRESIDING OFFICER. The Senator is advised that there is no such amendment pending.

Mr. McGOVERN. Very well.

UP AMENDMENT NO. 187

(Purpose: To require Congressional assent to the exercise of emergency powers by the President under the authority granted by Section 506 of the Foreign Assistance Act)

Mr. INOUYE. Mr. President, I call up an amendment I have at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) proposes an unprinted amendment numbered 187:

On page 20, line 10, insert the following: The authority contained in this subsection shall be effective in any fiscal year for any such emergency only upon the prior approval of the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the Appropriations Committees of both Houses of Congress.

Mr. INOUYE. Mr. President, this amendment will simply provide a congressional check on the use of the so-called Presidential drawdown authority. The requirement would not necessitate legislation but would compel the executive branch to obtain the prior approval of the legislative and Appropriations Committees of both Houses of the Congress.

Mr. President, I have discussed this matter with the managers of the bill, and have been advised that they are willing to accept the amendment.

Mr. McGOVERN. Mr. President, I see no problem with the amendment proposed by the Senator from Hawaii. I think it does help to retain some congressional participation with regard to this matter. It does not defeat what the committee has in mind, and I hope the Senate will accept it.

Mr. JAVITS. Mr. President, as far as I am concerned, I have had my differences with the Senator from Hawaii about granting the committees, even the Appropriations Committee, what I consider to be legislative authority which should be in the hands of the Senate or the House of Representatives itself; but in this case, upon the basis that this appropriation may be, for other purposes of the bill, reprogramed by the President for an emergency, this seems to me to be a legitimate exercise of the congressional oversight, in which we are specifying the committees that we want involved, and therefore I agree to accept the amendment.

Mr. INOUYE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

Mr. McGOVERN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 188

Mr. McGOVERN. Mr. President, while we are waiting to determine the wishes of the Senator from Virginia on his amendment, there are a couple of technical amendments which are of a clarifying nature that I send to the desk and I ask for their immediate consideration.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. McGOVERN) proposed certain unprinted amendments of a technical nature numbered 188.

Mr. McGOVERN. I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 33, line 20 and 21, delete the phrase "(and, in the case of agreements under section 21(e) of this Act".

On page 35, line 22, delete the word "shall" and insert in lieu thereof "may".

On page 18, line 13, after the word Act, add the following: "(other than the provisions of Chapter 1 of Part I)."

Mr. McGOVERN. Mr. President, the first amendment is intended simply to insure that funds reprogramed for contingency purposes are drawn from funds other than those authorized for development assistance.

The amendment also makes the provision consistent with one in the bill passed by the House. The committee notes that the contingencies authorization contained in section 2 of the bill are limited to emergency purposes that are in accordance with part 1 of the Foreign Assistance Act of 1961. I move the adoption of this amendment.

The PRESIDING OFFICER. Is there further discussion? If not, the question is on agreeing to the amendment.

Mr. McGOVERN. Mr. President, there are two other technical amendments to be considered.

The PRESIDING OFFICER. Without objection, the three amendments will be agreed to en bloc.

Mr. McGOVERN. Mr. President, the first technical amendment simply corrects a printing error and the second one corrects a grammatical error.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 189

Mr. HARRY F. BYRD, JR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.) proposes an unprinted amendment numbered 189.

At the end of the bill add the following new section:

"SEC. . Notwithstanding any other provision of this Act, no funds for the fiscal year 1980 are authorized to be appropriated to carry out the purposes of this Act in excess of a total aggregate amount of $2,758,896,000.".

Mr. HARRY F. BYRD, JR. Mr. President, this amendment would reduce the total authorization by $56 million, in round figures. I would hope that the manager of the bill would find it agreeable.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. McGOVERN. Mr. President, I believe it ought to be clear to every Senator what is involved here. The bill that came out of the Committee on Foreign Relations cut the President's request by some $109 million. It is true that on the floor today in three separate actions the Senate increased funds on the bill as it emerged from the Committee on Foreign Relations. Some $45 million was added to Turkey by changing the foreign military credits program recommended by the committee to a military grant. We have also added on the floor today some $16 million for international narcotics control, which was overwhelmingly approved by the Senate, and $11 million to the Sudan, because of the special pressures on that country. So we added a total of $72 million in the action taken by the Senate this afternoon to the committee bill. That still leaves us $37 million below the amount requested by the President for fiscal 1980.

I think the committee has done a good job resisting a great many things that could have been done, some of which were desirable, to increase the cost of this program. But I would hope that any further cuts would be rejected. I urge the defeat of this amendment.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. TSONGAS. Mr. President, I think it might be helpful to put in perspective the entire issue of foreign aid. I do not have the figures before me, because I did not intend to speak on this question. If we look at the foreign aid package relative to literally any other country as a percentage of our GNP, it is something we ought to be ashamed of. Here we are the wealthiest country in the annals of mankind that apparently feels free to be at the bottom of the list of all Western countries in terms of our willingness to participate in the issue of foreign aid, in lifting people to reasonable standards. Why we get such a thrill and joy out of taking this amount and reducing it even further is beyond me.

It seems to me that this country stands for something. If we want to get to the point where we are, indeed, not only the most energy-consumptive society we have ever known, but we want to keep it all for ourselves and tell the rest of the world, "Look, go away, be poor, starve, incur all your health disabilities," if we are going to do that why do we not do it? But some day it is all going to come back to haunt us. Our dependency on energy is real. In Nigeria, the major exporter of oil to this country, what will happen over the long term? We need these countries far more than we will admit.

If we want to engage in these kinds of policies, let us do it, but let us recognize what we are going to do in terms of the long term. I would hope that at some point there would be a certain amount of awareness of this long-term debt, if you will, that we are going to pay both here and on the House side and eventually we will get back to the same kind of attitude that Denmark, Sweden, France, Great Britain, and other Western countries have adopted. That is that foreign aid is a legitimate function, it is an investment in our future and their future as well. I would hope this amendment would be defeated overwhelmingly.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. JAVITS. Mr. President, I shall only detain the Senate for 2 minutes to say that if we want our committees to do what our committee did, to wit, sharpen its pencils, sharpen its wits, set a resolution that it is not going to spend money beyond what was spent in 1979, hold down these appropriations, this would be precisely the wrong way to do it. If a committee knows that it has done that kind of a job, reduced from 1979, reduced from the President's budget, in this case by $100 million, and helped us now to cut that deficit according to the Budget Committee by $5 billion, and the committee cannot feel that its work will stand on its own, but it has to allow a margin, because it is bound to be cut—somebody will come in and say, "Well, what is $56 million in a $2 billion bill?" or something like that—then you take all the initiative and all of the reason why a committee will really have a sharp pencil.

For that reason, and I think it is a very persuasive reason which we understand well here, this amendment should be rejected. We have hashed this thing out. We have answered every question. We have dealt with every detail. We have accounted for every dollar. Now at the very end, "Well, you can still take off a little bit," is no way to run a railroad, a law, or a Senate. We either know what we are doing or we do not. Mr. President, I hope the Senate will take that to heart in this respect and reject this amendment.

The PRESIDING OFFICER (Mr. TSONGAS). The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I say again that this amendment would reduce the total figure by 2 percent; in dollars it would be $56 million. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "nay."

Mr. STEVENS. I announce that the Senator from Iowa (Mr. JEPSEN), the Senator from South Dakota, (Mr. PRESSLER), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. JEPSEN) would vote "yea."

The PRESIDING OFFICER. Are there other Senators who wish to vote?

The result was announced—yeas 43, nays 49, as follows:

[Rollcall Vote No. 106 Leg.]

YEAS—43

Armstrong
Boren
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
DeConcini
Dole
Durkin
Eagleton
Ford
Garn
Goldwater
Hatch
Hatfield
Heflin
Helms
Hollings
Huddleston
Humphrey
Johnston
Laxalt
Long
Lugar
Magnuson
McClure
Melcher
Morgan
Nelson
Nunn
Proxmire
Pryor
Randolph
Roth
Simpson
Stennis
Stewart
Talmadge
Thurmond
Warner
Weicker
Zorinsky

NAYS—49

Baker
Baucus
Bayh
Bellmon
Bentsen
Biden
Boschwitz
Bradley
Chafee
Chiles
Cochran
Cohen
Cranston
Culver
Danforth
Domenici
Durenberger
Exon
Glenn
Gravel
Hart
Hayakawa
Heinz
Inouye
Jackson
Javits
Kassebaum
Kennedy
Leahy
Levin
Mathias
Matsunaga
McGovern
Metzenbaum
Moynihan
Packwood
Percy
Ribicoff
Riegle
Sarbanes
Schmitt
Schweiker
Stevens
Stevenson
Stone
Tower
Tsongas
Wallop
Williams

NOT VOTING—8

Church
Jepsen
Muskie
Pell
Pressler
Sasser
Stafford
Young

So Mr. HARRY F. BYRD, JR.'s amendment (UP 189) was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. McGOVERN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of the last amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 166, H.R. 3173.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

H.R. 3173, an act to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. McGOVERN. Mr. President, I ask unanimous consent that all after the enacting clause of H.R. 3173 be stricken and the text of S. 584, as amended by the Senate, be inserted in lieu thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. They have already been ordered.

Mr. ROBERT C. BYRD. On the House bill?

The PRESIDING OFFICER. Yes. They were ordered previously.

Mr. ROBERT C. BYRD. I ask unanimous consent that that order be vitiated. I want to get them on the House bill.

The PRESIDING OFFICER. The Chair informs the Senator that that already has been done. They have been transferred to the House bill by unanimous consent.

Mr. ROBERT C. BYRD. I do not want them transferred by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, this will be the last rollcall vote today.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Louisiana (Mr. LONG), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. STEVENS. I announce that the Senator from Iowa (Mr. JEPSEN), the Senator from South Dakota (Mr. PRESSLER), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. JEPSEN) would vote "yea."

The PRESIDING OFFICER (Mr. MELCHER). Has every Senator in the Chamber voted?

The result was announced—yeas 69, nays 21, as follows:

[Rollcall Vote No. 107 Leg.]

YEAS—69

Armstrong
Baker
Baucus
Bayh
Bellmon
Bentsen
Boren
Boschwitz
Bradley
Bumpers
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Cranston
Culver
Danforth
Dole
Domenici
Durenberger
Durkin
Exon
Ford
Glenn
Goldwater
Gravel
Hart
Hayakawa
Heinz
Huddleston
Inouye
Jackson
Javits
Johnston
Kassebaum
Kennedy
Leahy
Levin
Lugar
Magnuson
Mathias
Matsunaga
McGovern
Metzenbaum
Morgan
Moynihan
Nunn
Packwood
Percy
Pryor
Ribicoff
Riegle
Roth
Sarbanes
Schmitt
Schweiker
Simpson
Stevens
Stevenson
Stewart
Stone
Tower
Tsongas
Wallop
Warner
Weicker
Williams

NAYS—21

Burdick
Byrd, Harry F., Jr.
DeConcini
Eagleton
Garn
Hatch
Hatfield
Heflin
Helms
Hollings
Humphrey
Laxalt
McClure
Melcher
Nelson
Proxmire
Randolph
Stennis
Talmadge
Thurmond
Zorinsky

NOT VOTING—10

Biden
Church
Jepsen
Long
Muskie
Pell
Pressler
Sasser
Stafford
Young

So the bill (H.R. 3173) was passed, as follows:

H.R. 3173

That this Act may be cited as the "International Security Assistance Act of 1979."

CONTINGENCIES

SEC. 2. (a) The heading for chapter 5 of part I of the Foreign Assistance Act of 1961 is amended by striking out "Contingency Fund" and inserting in lieu thereof "Contingencies".

(b) Section 451 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "Contingency Fund" immediately after "SEC. 451." and inserting in lieu thereof "Contingencies"; and

(2) by amending subsection (a) thereof to read as follows:

"(a)(1) Notwithstanding any other provision of law, the President is authorized to use for any emergency purposes not to exceed $10,000,000 of the funds made available to carry out any provision of this Act (other than the provisions of chapter 1 of part I) in any fiscal year to provide assistance authorized by this part only in accordance with the provisions applicable to the furnishing of such assistance.

"(2) The President shall promptly report to the Speaker of the House of Representatives and to the Committees on Foreign Relations and Appropriations of the Senate each time he exercises the authority contained in this subsection.".

INTERNATIONAL NARCOTICS CONTROL

SEC. 3. Section 482 of the Foreign Assistance Act of 1961 is amended by striking out "$40,000,000 for the fiscal year 1979" in subsection (a) and inserting in lieu thereof "$54,400,000 for fiscal year 1980, of which not less than $16,600,000 shall be available for narcotics interdiction programs with the Colombian Government.".

MILITARY ASSISTANCE

SEC. 4 (a) Section 504(a)(1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a)(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter not to exceed $109,600,000 for the fiscal year 1980. Not more than the following amounts of funds available to carry out this chapter may be allocated and made available for assistance to each of the following countries for the fiscal year 1980:

"Country	Amount
Portugal	$30,000,000
Spain	3,800,000
Jordan	30,000,000
Philippines	25,000,000

The amount specified in this paragraph for military assistance to any such country may be increased by not more than 10 per centum of such amount if the President deems such increase necessary for the purposes of this chapter.".

(b) Section 506 of such Act is amended to read as follows:

"SEC. 506. SPECIAL AUTHORITY.—(a) If the President determines and reports to the Congress in accordance with section 652 of this Act—

"(1) that an unforeseen emergency exists which requires immediate military assistance to a foreign country or international organization; and

"(2) that the emerging requirement cannot be met under the authority of the Arms Export Control Act or any other law except this section;

he may order defense articles from the stocks of the Department of Defense and defense services of the Department of Defense and military education and training for the purposes of this part, in an aggregate value of not to exceed $10,000,000 in any fiscal year, subject to reimbursement from subsequent appropriations made specifically therefor under this Act. The authority contained in this subsection shall be effective in any fiscal year for any such emergency only upon the prior approval of the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the appropriations committees of both Houses of Congress.

"(b) The President shall keep the Congress fully and currently informed of all defense articles, defense services, and military education and training provided under this subsection.".

(c) Section 516(a) of such Act is amended by striking out all that follows after "before September 30, 1977" and inserting in lieu thereof "and such authorities shall remain available for a period of three consecutive years next following any fiscal year after the fiscal year 1977 for which assistance under this chapter has been authorized for a country, to the extent necessary to carry out obligations incurred under this chapter with respect to such assistance for such country on or before September 30 of such fiscal year.".

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 5. (a) Section 514 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (b)(2), by striking out "$90,000,000 for the fiscal year 1979" and inserting in lieu thereof "$95,000,000 for the fiscal year 1980"; and

(2) in subsection (c), by inserting "the Republic of Korea or" immediately following "stockpiles located in".

(b) The President shall transmit to the Congress not later than December 31, 1979, a report regarding the stockpiling authorities for the Republic of Korea. The report shall—

(1) detail the goals of the stockpiling program for the Republic of Korea, including projections for additional stockpiling authority;

(2) review the procedures for the transfer of stockpiled materiel in the time of war and recommend changes if necessary; and

(3) state the intentions of the executive branch with regard to the eventual peacetime disposition of the stockpiled materiel, including the general terms and conditions of any peacetime transfer.

MILITARY ASSISTANCE AND SALES PROGRAM MANAGEMENT

SEC. 6. Section 515 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (b)(1), by striking out "fiscal year 1979" and inserting in lieu thereof "fiscal year 1980", and by inserting "Greece," immediately after "Panama,"; and

(2) in subsection (f), by striking out "December 31, 1977" and inserting in lieu thereof "December 31, 1978".

FISCAL YEAR 1979 SUPPLEMENT FOR TURKEY

SEC. 7. (a) It is determined that the national interests of the United States would be served by the furnishing of additional economic support fund assistance to Turkey in order to promote the economic and political stability of that country, and to strengthen its ability to fulfill its responsibilities under the North Atlantic Treaty Organization Alliance.

(b) In furtherance of subsection (a) of this section, and in addition to amounts otherwise available for such purposes, there are authorized to be appropriated to the President to carry out the purposes of chapter 4 of part II of the Foreign Assistance Act of 1961 $100,000,000 for the fiscal year 1979, which amount shall be available only for Turkey.

(c) Amounts appropriated under this section may be made available until expended.

(d) Notwithstanding any assistance authorized for Turkey under this Act, it remains the policy of the United States that all foreign troops, except those stationed in Cyprus under the auspices of the United Nations, should be withdrawn from Cyprus.

ECONOMIC SUPPORT FUND

SEC. 8. (a) Section 531(b)(1) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1979, $1,902,000,000" and inserting in lieu thereof "for the fiscal year 1980, $1,959,000,000".

(b) Section 532 of such Act is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, not less than $785,000,000 shall be available only for Israel and not less than $750,000,000 shall be available only for Egypt. Not less than two-thirds of such funds shall be provided on a grant basis to each country.

"(2) The total amount of funds allocated for Israel under this chapter for the fiscal year 1980 may be made available as a cash transfer. In exercising the authority of this paragraph, the President shall ensure that the level of cash transfers made to Israel does not cause an adverse impact on the total amount of nonmilitary exports from the United States to Israel.

"(3) It is the sense of Congress that—

"(A) funds made available under this chapter for countries in the Middle East are designed to promote progress toward a comprehensive peace settlement in the Middle East; and

"(B) Syria and Jordan, to continue to receive funds under this chapter, should be deemed by the President to be acting to achieve further progress toward a comprehensive peace settlement and that the expenditure of the funds will serve the process of peace in the Middle East.

"(c) It is the sense of the Congress that programs which stress regional development or regional scientific and technical cooperation in the Middle East can contribute in an important way to the mutual understanding that must serve as the basis for permanent peace in the Middle East.

"(d) None of the funds authorized to be appropriated under this chapter may be used to provide assistance for Syria, unless the President determines, and so reports to the Congress, that assistance for Syria is in the national interest of the United States.".

(c) Section 533 of such Act is amended to read as follows:

"SEC. 533. SOUTHERN AFRICA PROGRAMS.—(a) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, $60,000,000 shall be available for the countries of southern Africa and for a southern Africa regional refugee support, training, and economic planning program to address the problems caused by the economic dislocation resulting from the conflict in that region and for education and job training assistance. Such funds may be used to provide humanitarian assistance to African refugees and persons displaced by war and internal strife in southern Africa, to improve transportation links interrupted or jeopardized by regional political conflicts, and to provide support to countries in that region but may not be used for any military or military related purpose.

"(b) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, $15,000,000 shall be available for the purposes of subsection (a), in addition to funds otherwise available for such purposes, if the President determines and certifies in writing to Congress that the availability of such additional amount is in the national interest of the United States.

"(c) No assistance may be furnished under this section to Mozambique, Angola, Tanzania, or Zambia, except that the President may waive this prohibition with respect to any such country if he determines, and so reports to the Congress, that furnishing such assistance to such country would further the national interests of the United States.".

(d) Section 534 of such Act is amended to read as follows:

"SEC. 534. TURKEY AND CYPRUS PROGRAMS.—

(a) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, $15,000,000 shall be available only for Cyprus for refugee relief, reconstruction, or other activities consistent with a reconciliation on Cyprus.

"(b) Of the amount authorized to be appropriated to carry out this chapter for the fiscal year 1980, not more than $98,000,000 shall be available for Turkey.".

(e) Chapter IV of part II of the Foreign Assistance Act is amended to add a new section 535 as follows:

"SEC. 535. SUDAN PROGRAM.—Of the amount authorized to be appropriated to carry out this chapter for fiscal year 1980, not less than $50,000,000 shall be available for Sudan.".

SINAI FIELD MISSION EQUIPMENT TRANSFER

SEC. 9. The President is authorized to transfer to the Arab Republic of Egypt, under such terms and conditions as he may deem appropriate, such facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, signed on March 26, 1979.

PEACEKEEPING OPERATIONS

SEC. 10. Chapter 6 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"CHAPTER 6—PEACEKEEPING AND OTHER OPERATIONS

"SEC. 551. GENERAL AUTHORITY.—The President is authorized to furnish assistance to friendly countries and international organizations, on such terms and conditions as he may determine, for peacekeeping operations and other programs carried out in furtherance of the national security interests of the United States. Such assistance may include reimbursement to the Department of Defense for expenses incurred pursuant to section 7 of the United Nations Participation Act of 1945: *Provided*, That such reimbursements to the Department of Defense shall not exceed $5,000,000 in any fiscal year without specific authority under this section.

"SEC. 552. AUTHORIZATION OF APPROPRIATIONS.—(a) (1) In addition to amounts otherwise available for such purposes, there are authorized to be appropriated to the President to carry out the purposes of this chapter $15,000,000 for the fiscal year 1980.

"(2) Amounts appropriated to carry out this chapter are authorized to remain available until expended.

"(b) If the President determines that, as the result of an unforeseen emergency, the provision of assistance under this chapter in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States, the President may exercise the authority of section 610(a) of this Act to transfer funds available to carry out chapter 4 of this part for use under this chapter without regard to the 20-percent increase limitation contained in such section, except that the total value of transferred funds shall not exceed $10,000,000 in any fiscal year and shall not be transferred from earmarked funds.

"SEC. 553. ADMINISTRATIVE AUTHORITIES.—Except where expressly provided to the contrary, any reference in any law to part I of this Act shall be deemed to include reference to this chapter and any reference in any law to part II of this Act shall be deemed to exclude reference to this chapter.".

SHABA AIRLIFT

SEC. 11. Notwithstanding any other provision of law, the President is authorized to make available the services of the Department of Defense for the purpose of facilitating the removal from Zaire of those foreign armed forces as were transported to Zaire by the United States at the time of the crisis in Shaba Province in 1978.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 12. Section 542 of the Foreign Assistance Act of 1961 is amended by striking out "$31,800,000 for the fiscal year 1979" and inserting in lieu thereof "$31,300,000 for the fiscal year 1980, except that no part of such amount may be made available for Inter-American regional programs unless the foreign countries participating in such programs collectively contribute an equivalent amount to carry out the purposes of such programs.".

COOPERATIVE CROSS SERVICING AND LEAD-NATION PROCUREMENT ARRANGEMENTS AMONG NORTH ATLANTIC TREATY ORGANIZATION

SEC. 13. Section 3(d) (3) (C) of the Arms Export Control Act is amended to read as follows:

"(C) to cooperative cross servicing and lead-nation procurement arrangements among members of the North Atlantic Treaty Organization and between the North Atlantic Treaty Organization and any of its member countries: *Provided*, That certifications transmitted pursuant to section 36(b) of this Act with regard to lead-nation procurement shall identify the transferees on whose behalf the lead-nation procurement is proposed.".

RECIPROCAL QUALITY ASSURANCE, INSPECTION, AND CONTRACT AUDIT SERVICES

SEC. 14. Section 21 of the Arms Export Control Act is amended—

(1) by redesignating subsection (h) thereof as subsection (i); and

(2) by inserting a new subsection (h) to read as follows:

"(h) The President is authorized to provide, without charge, quality assurance, inspection, and contract audit defense services under this section—

"(1) in connection with the placement or administration of any contract or subcontract for defense articles or defense services entered into after the date of enactment of this subsection by, or under this Act on behalf of, a foreign government which is a member of the North Atlantic Treaty Organization, if such government provides such services in accordance with an agreement on a reciprocal basis, without charge, to the United States Government; or

"(2) in connection with the placement or administration of any contract or subcontract for defense articles or defense services pursuant to the North Atlantic Treaty Organization Infrastructure Program in accordance with an agreement under which the foreign governments participating in such program provide such services, without charge, in connection with similar contracts or subcontracts.".

MODIFICATION OF THE ANNUAL ARMS SALES PROPOSAL

SEC. 15. Section 25(d) of the Arms Export Control Act is amended—

(1) by inserting "weapons or weapons-related defense equipment" after "major";

(2) by striking out "defense articles or defense services" and inserting in lieu thereof "weapons or weapons-related defense equipment";

(3) by adding the following new sentence at the end of the subsection: "Sales deemed most likely to result in the issuance of a letter of offer during such fiscal year shall be appropriately so identified in the reports submitted pursuant to paragraphs (1) and (2) of this subsection."; and

(4) by inserting "(1)" after "(d)" and adding the following new paragraph at the end thereof:

"(2) The President shall notify the Congress in writing at intervals of six months of any changes in the Arms Sales Proposal referred to in paragraph (1) of this subsection for such fiscal year together with the reasons therefor.".

MULTILATERAL ARMS SALES INFORMATION

SEC. 16. Section 25 of the Arms Export Control Act is amended by adding at the end thereof the following:

"(e) The President shall transmit to the Congress, at the time of the transmittal of an Arms Sales Proposal required by subsection (d) (1), a classified report detailing the executive branch's best estimates with regard to the international volume of arms traffic. The report shall include estimates on an annual basis of the sale and delivery of weapons and weapons-related defense equipment by all major arms suppliers to all major recipient countries during the preceding three years.".

NATIONAL DISCLOSURE POLICY FOR SENSITIVE WEAPONS TECHNOLOGY

SEC. 17. (a) The Congress finds that the national disclosure policy and procedures of the United States have failed to prevent the transfer of sensitive weapons technology to countries with a potentially unstable political system and that such transfers may be harmful to the national security interest of the United States.

(b) The Congress, therefore, directs the President to undertake a thorough review of the interagency procedures and disclosure criteria used by the United States in determining whether sensitive weapons technology shall be transferred. The President shall transmit a report setting forth the results of such review before February 15, 1980, together with such recommendations as are necessary to improve the current disclosure system.

(c) Section 36(b) (1) is amended by inserting after the first sentence the following: "Such numbered certifications shall also contain an item, classified if necessary, identifying the sensitivity of technology contained in the defense articles or defense services proposed to be sold.".

NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS

SEC. 18. Chapter 2 of the Arms Export Control Act is amended by adding at the end thereof the following new section:

"SEC. 27. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS.—(a) For the purposes of this section, a 'cooperative project' means a project described in an agreement, entered into after the date of enactment of this section, under which—

"(1) the North Atlantic Treaty Organization, or one or more member countries thereof, agrees to share with the United States the costs of research, development, test, and evaluation of certain defense articles, and the costs of any agreed joint production ensuing therefrom, in order to further the objectives of standardization and interoperability of the armed forces of North Atlantic Treaty Organization member countries; or

"(2) the North Atlantic Treaty Organization, or one or more member countries thereof other than the United States, agrees to bear the costs of research, development, test, and evaluation of certain defense articles (or categories of defense articles) and to have such articles produced for sale to, and licensed for production within, other participant member countries including the United States, and the United States agrees to bear the costs of research, development, test, and evaluation of other defense articles (or categories of defense articles) and to have such defense articles produced for sale to, and licensed for production within, other participant member countries in order to further the objectives of rationalization of the industrial and technological resources within the North Atlantic Treaty area.

"(b) (1) The President may reduce or waive any such charge as would otherwise be considered appropriate under section 21(e) of this Act (and, in the case of agreements under subsection (a)(2) of this section, may reduce or waive the charges for reimbursement of the costs of officers and employees of the United States Government which would otherwise be required) in connection with sales under section 21 and section 22 of this Act in furtherance of cooperative projects. Notwithstanding the provisions of section 21(e)(1)(A) and section 43(b) of this Act, administrative surcharges shall not be increased on other sales made under this Act in order to compensate for reductions or waivers of such surcharges under this section. Funds received pursuant to such other sales shall not be available to reimburse the costs incurred by the United States Government for which reduction or waiver is approved by the President under this section.

"(2) The provisions of subsection (b)(1) shall apply only if for each cooperative project the other countries which participate in such cooperative project reciprocate by waiving comparable charges for their sales related to such cooperative project and if the President determines that the magnitude of the contribution of a member country of the North Atlantic Treaty Organization to such cooperative project would help the United States conserve defense resources and promote a stronger alliance.

"(c)(1) Not less than thirty days prior to signature on behalf of the United States of an agreement for a cooperative project, the President shall transmit to the Speaker of the House of Representatives, the chairman of the Committee on Foreign Relations of the Senate, and the chairman of the Committee on Armed Services of the Senate a numbered certification with respect to such proposed agreement, setting forth—

"(A) a detailed description of the cooperative project with respect to which the certification is made;

"(B) an estimate of the amount of sales and exports expected to be made or approved under this Act in furtherance of such cooperative project;

"(C) an estimate of the dollar value of any charges expected to be reduced or waived under this section in connection with such cooperative project, such dollar value to consist of expenses that will be charged against Department of Defense funds without reimbursement and amounts not to be recovered and deposited to the General Fund of the Treasury;

"(D) an estimate of the dollar value of the costs to be borne by the North Atlantic Treaty Organization or by the member countries thereof in connection with such cooperative project; and

"(E) a statement of the foreign policy and national security benefits anticipated to be derived from such cooperative project.

"(2) The President may exercise his authority under subsection (b) in furtherance of a cooperative project the numbered certification for which was transmitted under paragraph (1) only if the Congress does not adopt, within the thirty-day period described in paragraph (1), a concurrent resolution stating in substance that it objects to the proposed project.

"(3) The provisions of subsection (b) of section 36 of this Act shall not apply to sales made under section 21 or section 22 of this Act, and the provisions of subsection (c) of section 36 of this Act shall not apply to the issuance of licenses or other approvals under section 38 of this Act, if such sales are made, or such licenses or approvals are issued, in furtherance of a cooperative project to which the Congress did not object pursuant to paragraph (2).".

AUTHORIZATION AND AGGREGATE CEILING FOR FOREIGN MILITARY SALES CREDITS

Sec. 19. (a) Section 31 of the Arms Export Control Act is amended—

(1) in subsection (a), by striking out "$682,000,000 for the fiscal year 1978 and $674,300,000 for the fiscal year 1979" and inserting in lieu thereof "$673,500,000 for the fiscal year 1980";

(2) in subsection (b), by striking out "$2,152,350,000 for the fiscal year 1978 and $2,085,500,000 for the fiscal year 1979, of which amount for each such year" and inserting in lieu thereof "$2,235,000,000 for the fiscal year 1980, of which";

(3) in subsection (c), by striking out "fiscal year 1979" and inserting in lieu thereof "fiscal year 1980"; and

(4) in subsection (d), by striking out "$150,000,000" and inserting in lieu thereof "$250,000,000".

(b) Repayment of not to exceed $50,000,000 of the principal amount of loans guaranteed under section 24 of the Arms Export Control Act with respect to Turkey, and of not to exceed $42,000,000 of the principal amount of loans guaranteed under section 24 of the Arms Export Control Act with respect to Greece, and of not to exceed $25,000,000 of the principal amount of loans guaranteed under section 24 of the Arms Export Control Act with respect to Sudan, in the fiscal year 1980 shall be in not less than twenty years, following a grace period of ten years on repayment of principal.

REGIONAL CEILING

Sec. 20. Section 33 of the Arms Export Control Act is repealed.

REPORTS TO THE CONGRESS

Sec. 21. (a) Section 36(a) of the Arms Export Control Act is amended by—

(1) striking out "thirty" and inserting in lieu thereof "sixty";

(2) inserting "and" after the semicolon in paragraph (7);

(3) striking out "; and" at the end of paragraph (8) and inserting in lieu thereof a period; and

(4) striking out paragraph (9).

(b) Section 43 of such Act is amended by adding at the end thereof the following new subsection:

"(c) On or before February 15 of each year the President shall report to the Congress the number of officers and employees of the United States Government carrying out functions on a full-time basis under this Act for which reimbursement is provided under subsection (b) of this section or under section 21(a) of this Act.".

CEILING ON COMMERCIAL ARMS SALES

Sec. 22. Section 38(b)(3) of the Arms Export Control Act is amended by striking out "25,000,000" and inserting in lieu thereof "$35,000,000".

PUBLIC DISCLOSURE OF COMMERCIAL SALES INFORMATION

Sec. 21. Section 38(e) of the Arms Export Control Act is amended by adding the following new sentence immediately after the first sentence thereof: "Public disclosure of information furnished pursuant to this section or section 39 shall be only in accordance with the provisions of this subsection.".

DEFINITIONS

Sec. 24. Section 644(d) of the Foreign Assistance Act of 1961 and section 47(3) of the Arms Export Control Act are each amended by inserting "(except uranium depleted in the isotope 235 which is incorporated in defense articles solely to take advantage of high density characteristics unrelated to radioactivity)" immediately after "source material".

TRANSFER OF WAR RESERVE MATERIEL AND OTHER PROPERTY TO THE PEOPLE ON TAIWAN

Sec. 25. (a) Notwithstanding any other provision of law, during the calendar year 1980 the President is authorized to transfer to the people on Taiwan, under such terms and conditions as he may deem appropriate, such of the United States war reserve materiel, as he may determine, that was located on Taiwan on January 1, 1979.

(b) Notwithstanding any other provision of law, during the calendar years 1979 and 1980 the President is authorized to transfer to the people on Taiwan, under such terms and conditions that he may deem appropriate, such rights of the United States in property other than war reserve materiel, as he may determine, that was located on Taiwan on January 1, 1979.

AMMUNITION SOLD TO THAILAND

Sec. 26. The Royal Thai Government shall be released from its contractual obligation to pay to the United States Government such amount as is due on or before October 30, 1979, as a condition precedent, under the letter of offer accepted by the Royal Thai Government on April 12, 1977, to the transfer of title to the last increment of United States ammunition stocks sold to the Royal Thai Government under such letter of offer pursuant to the Memorandum of Agreement of March 22, 1977, relating to the storage of ammunition in Thailand.

HUMAN RIGHTS RECORDS OF RECIPIENT COUNTRIES

Sec. 27. Section 502 B of the Foreign Assistance Act of 1961 is amended to add the following new subsection (d):

"(d) In allocating the funds authorized by this Act and the Arms Export Control Act, the President shall take into account significant improvements in the human rights records of recipient countries: *Provided*, That such allocation of funds does not contravene any other provision of law.".

AUTHORIZATION OF APPROPRIATIONS

Sec. 28(a)(1) The amount authorized to be appropriated for the fiscal year 1980 by section 31(a) of the Arms Export Control Act, as amended by section 19(a)(1) of this Act, is reduced by $5,000,000.

(2) The aggregate amount of financing authorized to be extended for the fiscal year 1980 by section 31(b) of the Arms Export Control Act, as amended by section 19(a)(2) of this Act, is reduced by $50,000,000.

(3) The provisions of section 19(b) of this Act shall not apply wtih respect to Turkey.

(b) The amount authorized to be appropriated for military assistance in the fiscal year 1980 by section 504(a)(1) of the Foreign Assistance Act of 1961, as amended by section 4(a) of this Act, is increased by $50,000,000, which amount is authorized to be allocated and made available for such assistance to Turkey for the fiscal year 1980.

RESOLUTION OF THE CYPRUS DISPUTE

Sec. 29. It is the sense of the Senate that a resolution of the Cyprus dispute is a matter of great importance to the United States, Greece, Turkey, members of the North Atlantic Treaty Organization Alliance, and the whole of the Western World.

Accordingly, the Senate welcomes the recent announcement by the leaders of the Greek Cypriots and the Turkish Cypriots to resume intercommunal negotiations and finds encouraging recognition of the parties that the human rights and fundamental freedoms of all the citizens of the Republic of Cyprus shall be respected and that all territorial and constitutional aspects of the dispute will be subject to negotiation. It is also significant that the communique envisages the demilitarization of the Republic of Cyprus.

The Senate urges all parties to the negotiations to demonstrate good faith in the negotiations and to move promptly toward a full, just, and lasting settlement.

EFFECTIVE DATE

Sec. 30. The amendments providing for the authorizations of appropriations and limitations of authority for the fiscal year 1980 made by this Act shall take effect on October 1, 1979.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McGOVERN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. McGOVERN. Mr. President, will the Senator withhold one moment here?

Mr. ROBERT C. BYRD. I want to say something nice about the Senator. Go ahead.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments of H.R. 3173.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I ask unanimous consent that consideration of S. 584 be postponed indefinitely.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, now I yield to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I commend Mr. McGovern and Mr. Javits and the members of the Committee on Foreign Relations, and that includes Mr. Church who could not be here today, chairman of the committee, for the fine work that they have done in recent weeks.

We have completed Senate action on two major authorization bills from the Foreign Relations Committee, the security assistance bill and the State Department authorization bill, plus the multilateral bank authorization bill and the special Middle East aid bill.

In every instance the committee and its membership have presented the issues to the Senate in a fair and thorough manner.

This committee has had to confront a number of tough issues, but the committee has reported the bills out promptly and enabled the Senate to move ahead with its business.

So, again, on the part of the leadership I express gratitude to the members of the committee and in particular to the chairman and the ranking member, Mr. Church, Mr. Javits, and to Senator McGovern, and Senator Sarbanes, in particular, for their roles in helping to manage the legislation that the Senate has acted upon today.

These are all important contributions and our thanks go to them all.

Mr. McGOVERN. Mr. President, I thank the distinguished majority leader for his kind words and also for the great help that he provided on this bill today.

I take only a moment to express my appreciation to Senator Javits with whom I have had the privilege of serving on this committee for several years.

I was just reminded by the staff that we passed the Multilateral Development Bank bill by a margin of 67 to 24, the Mideast peace package by a margin of 73 to 11, this bill today by a margin of 69 to 21, and as the majority leader has said, the State Department authorization bill which passed overwhelmingly.

I see that as a great tribute to the leadership of our committee, to Senator Church, who was unable to be here today, and especially to Senator Javits, the ranking minority member on that committee. Senator Javits has just observed his 75th birthday, but the only sign I can see of that is increased vigor, forcefulness, and effectiveness, and it has been a great pleasure to work with him today.

I also want to thank our excellent professional staff who have been here on the floor all day and who worked so hard in the preparation of this bill: Dick McCall, Hans Binnendijk, on the majority side, along with the staff director, Bill Bader, Pat Shea, the committee counsel, Pauline Baker, and Ruth H. Claveloux of my personal staff. Then on the minority side, Peter Lakeland and Stan Sienkiewicz; then on Senator Javits' staff, Win Wheeler, all of whom have played an important role in the development and perfecting of this legislation.

Mr. JAVITS. Mr. President, will the Senator yield? I thank the Senator for the nice things he said, but this is strictly a team operation, and it has worked that way, and he is entitled to all the credit.

I am delighted to have been able to join with him in this cooperative work and to thank the majority staff already named, and the minority staff, for devotion to duty far beyond the call in intelligently preparing us.

Members know how this works, and the public should know how it works. We handle so much, that it is physically impossible to encompass it, and to literally be dependent upon the intelligence and scholarliness of the staff. The integrity of the staff is very important. They could mislead you very badly, and that is a very important point for me, and I know it is for you, Senator McGovern, and to our leadership.

I thank Senator Byrd and Senator Baker for their support, without which these things would not be possible. There, too, the public does not know how often we turn to them and say, "Look, Bob," and "Look, Howard, come into the Chamber, we need you." Whether you are for us or against us those calls are always generously responded to in order to facilitate the business and get things done.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator from New York and the Senator from South Dakota for those generous remarks.

Mr. BAKER. Mr. President, I will not take but just a minute. I would like to express my gratitude to Senator Javits for his generous remarks and to acknowledge my indebtedness to him for his diligence not only in his presentation of this bill but so many other things that he handles so well. There are few men in the Senate who have done that over such a wide range of issues and as effectively as the senior Senator from New York.

The distinguished manager of this bill for the majority, Senator McGovern, has done his usual good job and courteous job. The distinguished Senator from South Dakota and I sometimes find ourselves on opposite sides of some issues, but he has unfailing concern for my views and that of his colleagues, and I respect him for it.

I congratulate him for his handling of this measure.

Mr. McGOVERN. I thank the distinguished minority leader for those kind words.

Mr. BAKER. I especially want to extend my gratitude to both of them for handling this matter at this time. I understand it was scheduled in a sequence other than originally contemplated, and I express my gratitude to them for rearranging their schedule in order to accommodate the broader needs of the Senate in terms of this bill.

Mr. ROBERT C. BYRD. Mr. President, I have already stated my appreciation, but I owe to Senator McGovern and to Senator Javits a special note of thanks. The distinguished chairman of the committee could not be here today to call up this bill that I wanted disposed of this week, and Senator McGovern stepped into the breach and did a remarkable job, as always, and I have personal gratitude to him and to Senator Church and to Senator Javits.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business of not to extend beyond 30 minutes and Senators may speak therein for 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME-LIMITATION AGREEMENT—SENATE RESOLUTION 163

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as Calendar Order No. 203 is called up and made the pending business before the Senate there be a time limitation thereon of not to exceed 3 hours to be equally divided between Mr. McGovern and Mr. Lugar, and that no amendment be in order, and that if there is a rollcall vote ordered it be only on final passage of the resolution.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. I have no objection, Mr. President, but I reserve for the purpose of stating that it is my information that the distinguished Senator from Indiana (Mr. Lugar) has indicated his willingness to go first with his amendment on tomorrow which may accommodate a scheduling problem on the other side. So if the majority leader is agreeable, and if the distinguished managers of the bill are agreeable, it is my understanding that Senator Lugar would be willing to proceed first with his amendment.

Mr. ROBERT C. BYRD. I thank the minority leader and I thank Mr. Lugar.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration at 10:00 a.m., Wednesday, May 23, 1979 of S. Res. 163, Calendar Order 203, a resolution relating to an International Wheat Exporters Conference, no amendments be in order, nor any roll call votes (except on the adoption of the resolution).

Ordered further, That debate on the resolution be limited to three hours, to be equally divided and controlled by the Senator from South Dakota (Mr. McGovern), and the Senator from Indiana (Mr. Lugar).

THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the following Calendar Orders Nos. 164, 165, 200, and 201.

Mr. BAKER. Reserving the right to object, Mr. President, just for a brief moment——

The PRESIDING OFFICER. The Senator from Tennessee reserves the right to object.

Mr. BAKER. Mr. President, I have no objection to proceeding to the consideration of calendar order items identified by the majority leader.

RETIRED FEDERAL EMPLOYEES HEALTH BENEFITS AMENDMENTS

The Senate proceeded to consider the bill (S. 716) to amend the Retired Federal Employees Health Benefits Act, as amended, with respect to the Government contribution toward subscription charge, which had been reported from the Committee on Governmental Affairs with an amendment to strike all after the enacting clause and insert the following:

That (a) section 4 of the Retired Federal Employee Health Benefits Act (Public Law 86–724; 74 Stat. 850), as amended, is amended to read as follows:

Sec. 4. If a retired enrolls for self-only in the health benefits plan provided for by section 3 of this Act, the Government shall contribute each month toward his subscription charge an amount equal to the current monthly premium of an individual for such month under section 1839(c)(3) of the Social Security Act. The Government contribution for a retired employee enrolled for self and family shall be twice the contribution for one enrolled for self-only. A retired employee may not receive a Government contribution for more than one plan, or may a retired employee receive a Government contribution if he is covered under the enrollment of another employee or retired employee who is receiving a Government contribution toward his enrollment. The immediately preceding sentence shall not apply with respect to the plan for supplementary medical insurance provided by part B of title XVIII of the Social Security Act.".

(b) Subsection (a) of section 6 of such Act is amended—

(1) by striking out "appropriate Government contribution established by the Commission pursuant to section 4(a) of the Act" and inserting "Government contribution under section 4 of this Act"; and

(2) by adding at the end thereof the following new sentence: "The immediately preceding sentence shall not apply with respect to the plan for supplementary medical insurance provided by part B of title XVIII of the Social Security Act.".

(c) The amendments made by this Act shall apply to contributions made by the Government on or after the later of—

(1) the first day of the first month beginning after the date of the enactment of this Act, or

(2) October 1, 1979.

The amendment was agreed to.

● Mr. PRYOR. Mr. President, S. 716, as amended, was recently passed by the Governmental Affairs Committee after hearings were conducted by the Subcommittee on Civil Service and General Services. This legislation was recommended to the Congress by the Office of Personnel Management and it is strongly supported by the National Association of Retired Federal Employees.

The purpose of the legislation is to help alleviate the hardships which increases in health benefit premiums have had upon those retired Federal employees who are enrolled in the retired Federal employees health benefits program (RFEHB). The bill would make the Government contribution toward the program equivalent to the cost of part B of medicare and provide for adjustments in the Government contribution corresponding to changes in the cost of part B of medicare.

The RFEHB program was established in 1960 to provide group health insurance coverage to those former Government employees, who retired prior to July 1, 1960, and their survivors. The structure and benefits of the program are similar to the regular Federal Employees Health Benefits Program which provides health coverage to employees who retire after its effective date, July 1, 1960.

The RFEHB program currently provides health benefit coverage to approximately 100,000 individuals, 79 percent of whom are aged 70 or over and whose monthly annuity is approximately $250 per month per person. As a result of the increasing cost of health care, the Office of Personnel Management—formerly the Civil Service Commission—which is responsible for the administration of the program, on January 1, 1979, increased subscription charges for the program.

Although the Government shares the cost of premiums with the enrollee, the Government contribution, under existing law cannot exceed $4 for self-only and $8 for family enrollment. S. 716, as amended, would allow the Government to contribute the same amount as it contributes to part B of medicare, which is currently $8.20 for self only and $16.40 for family enrollment.

Enactment of this legislation, which is strongly supported by the administration, would renew our commitment to a particularly deserving group of older Americans. The issue of providing adequate health care to our Nation's elderly is a vitally important concern to all Americans and one in which I am personally very interested.

I urge my colleagues to join me in support of S. 716, as amended.●

Mr. STEVENS. Mr. President, as we are all aware, inflation is one of the most serious problems this country faces today and health care has been one of the more prominent and publicized areas of the economy to experience rapidly escalating costs.

Those who suffer most from inflation are those groups of individuals who are financially dependent upon fixed incomes, that is, Federal retirees. Recently, those retirees who retired prior to 1960 had their monthly health insurance premiums triple in total cost. Retirees after 1960 are subject to a different health benefit system which authorizes the Government to adjust health insurance premiums. However, the law covering pre-1960 retirees limits the amount of Government contributions and, thus, the increased premiums were almost totally borne by the retirees. Incredibly, these annuitants, as of January 1 of this year, were forced to pay an amount 16 times greater than that of last year's premiums. And if there is any group who cannot afford such a cost increase and yet needs adequate health care more than any other, it would be our retired citizens.

I am pleased to support this bill with Senator Pryor, the distinguished chairman of the Subcommittee on Civil Service and General Services, which authorizes greater Government contributions to alleviate the heavy burden placed upon the 50,000 or so Federal annuitants. Even with the authorization of an increased Government share, the retirees will still be required to pay much higher premiums.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENDING CERTAIN BENEFITS TO FORMER EMPLOYEES

The Senate proceeded to consider the bill (S. 383) to amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes, which had been reported from the Committee on Governmental Affairs with an amendment on page 2, beginning with line 13, strike through and including line 15, so as to make the bill read:

S. 383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5334(e) of title 5, United States Code, is amended—

(1) by inserting a comma after "may"; and

(2) by striking out "under the Department of Agriculture,".

(b) That the first sentence of section 6312 of title 5, United States Code, is amended by striking out "in the case of any officer or employee in or under the Department of Agriculture".

(c) Section 3502(a)(C) of title 5, United States Code, is amended by striking out "who is an employee in or under the Department of Agriculture".

The amendment was agreed to.

● Mr. PRYOR. Mr. President, S. 383, as amended, was recently reported by the Committee on Governmental Affairs. The legislation is essentially identical to a bill which was passed by the Senate during the 95th Congress.

The purpose of this legislation is to broaden the applicability of Public Law 90-367 by granting to former employees of the Agricultural Stabilization and Conservation Service, who are competitively selected for employment in a Federal agency, certain transfer benefits. These benefits include transfer of accumulated sick and annual leave, receiving full credit for prior service in determining the annual rate of annual leave accrual and for reduction-in-force preference, and transfer of basic rate of pay.

The Agricultural Stabilization and Conservation Service (ASCS) was established by the Department of Agriculture in 1961 pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act. ASCS employees work for locally elected county committees and are responsible for administering specified commodity and related land use programs which are designed for voluntary production adjustment, resource protection, and price, market and farm income stabilization. These programs are developed and funded by the Department of Agriculture and these employees are treated the same as Federal employees for purposes of granting most benefits, including retirement, health and life insurance.

As a result of enactment of Public Law 90-367, ASCS employees who are competitively selected to enter into Federal employment with the Department of Agriculture are eligible for transferring sick and annual leave, basic rate of pay, and seniority for reduction-in-force purposes. S. 383, as amended, simply extends these same benefits to those former ASCS employees who become competitively selected for employment by other Federal agencies.

S. 383 is simply a matter of equity which recognizes the fine work that has been done and I am sure will continue to be done by a small group of dedicated and extremely valuable public servants. As determined by the Congressional Budget Office, it is estimated that because of the small number of individuals involved, no significant additional cost would be incurred by the Government as a result of this bill.

I urge my colleagues to join me in supporting this legislation.●

● Mr. SASSER. Mr. President, I am the sponsor of legislation which will broaden the application of Public Law 90-367 to allow former employees of the county committees of the Agriculture Stabilization and Conservation Service who are selected for other jobs in the executive branch of the Federal Government the right to transfer certain benefits from their ASCS service.

Specifically, this legislation would allow former county committee employees to transfer accumulated sick and annual leave to Federal agency jobs. They would also receive full credit for prior service in determining the rate of annual leave accrual and for reduction-in-force preferences. And they could transfer the rate of pay achieved as an ASCS employee to any Federal agency.

ASCS county committee employees are currently treated as Federal employees for most benefits. They are already eligible for Federal retirement, health and insurance programs. Their salaries are paid with Federal funds and they must meet competitive civil service selection standards. However, because they staff county committees, they cannot be given full civil service status which would automatically make them eligible for full benefits.

Adding the benefits covered by my bill, S. 383, would allow county committee employees to have treatment by the Federal Government which is consistent with that established for all Federal workers.

The implementation of national agricultural policy through ASCS county committees insures that the concerns of the local community are taken into account and that regional needs are not forgotten. Although technically they work for farmers who are elected as members of the ASCS county committees they perform a vital service for the Federal Government in administering agricultural programs developed by the Congress, the President, and the Secretary of Agriculture.

I am personally aware of the contributions of the county committee staffs and of the respect which these individuals have within their communities. My late father, Ralph Sasser, was for many years the director of the Soil Conservation Service for the State of Tennessee. He began working for the SCS in 1935.

The Agricultural Stabilization and Conservation Service was established in 1961 by the Secretary of Agriculture to administer specified commodity and related land use programs designed for voluntary production adjustment, resource protection, and price, market, and farm income stabilization. In each agricultural county, local ASCS programs are administered by a three-member committee elected by area farmers. The county committees employ staffs to operate the county offices.

There are now approximately 8,600 ASCS county committee employees throughout the United States who may potentially benefit from the benefits extended by S. 383. These people are thoroughly dedicated public servants who deserve to have the same civil service credit as any other Federal employee.

Cost estimates received for this legislation indicated that enactment would result in no significant additional funding.

Hearings were held on this issue during the 95th Congress and a similar bill was passed by the Senate on August 8, 1978. However the press of business in the House of Representatives during that Congress prevented further action.

I ask for passage of S. 383.●

Mr. STEVENS. Mr. President, I urge the approval of S. 383. A bill identical to S. 383 passed last year but because of the lateness of the session, the House was unable to act upon it. This bill simply expands certain provisions of a law enacted in 1968 to help special county committee employees.

After Public Law 90-367 was enacted in 1968, county committee employees of ASCS (the Agricultural Stabilization and Conservation Service) could enter into Federal employment with the Department of Agriculture with three benefits. These included: First, the entry into any Federal agency at their highest previous salary level; second, the transferral of annual and sick leave to the new position; and, third, the crediting of service for the purpose of leave and reduction of force. These former county committee employees desiring Federal jobs still must meet competitive selection procedures for positions in the Department.

Under present law, the committee members are entitled to the benefits listed above solely with regard to employment in the Department of Agriculture. S. 383, extends the three provisions to include all departments and agencies in the executive branch. By expanding the language of the current legislation to include all Federal agencies, S. 383 will provide more benefits for former ASCS employees and encourage their entry into Federal service.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FOOD FOR PEACE YEAR

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

Calendar No. 200, Senate Joint Resolution 63 to designate the year of 1979 as the "Food-For-Peace Year."

Mr. DOLE. Mr. President, Senate Joint Resolution 63 is to designate the year of 1979 as the "Food for Peace Year."

On July 10, 1979, we will have cause to celebrate a proud day in American history—the silver anniversary of the signing by President Dwight D. Eisenhower of the Agricultural Trade and Development Act—the food-for-peace program, Public Law 480.

I believe it is fitting that 1979 be called the Food for Peace Year. The food-for-peace program has been an important element in U.S. agricultural and foreign policy since 1954.

TWO KANSANS

Two Kansans were deeply involved in this legislation, Senator Andrew F. Schoeppel and President Dwight Eisenhower. On July 24, 1953, Senator Andrew F. Schoeppel and 10 other Senators introduced S. 2475, the bill that eventually became Public Law 480. The Senate passed the bill 4 days later. Almost a year went by, however, before the House debated, amended, and passed the bill. President Dwight D. Eisenhower signed the measure into law on July 10, 1954.

During the floor debates in 1953 and 1954, Members of Congress made clear their concern for several issues: the need to dispose of surplus commodities that were expensive to store, the goal of expanding commercial export markets, and the desire to help friendly nations stop the spread of communism.

SENATOR MILTON YOUNG

Senator Milton Young, who of course is still a Member of the Senate, expressed the need for the proposed legislation in 1953:

> I look upon this as one of the most important, if not the most important, pieces of legislation that has been considered by the Senate at this session, particularly with respect to agriculture. In my opinion we have been blessed and not cursed with agricultural surpluses, when many other nations are starving. When we have such surpluses, we have adverse farm prices, and when we have adverse farm prices, there develops a national economic problem. This bill proposed for the first time, I think, a very feasible and sound method of trying to make our agricultural surpluses available to other nations of the world who are needy and in want of these supplies. (Congressional Record, vol. 99, part 8, July 28, 1953: 10079.)

In the 25 years since the Public Law 480 program was devised out of the hearts and minds of brilliant men, I have watched it with keen interest and with growing awareness of what it has accomplished. This single piece of bipartisan legislation has done much to save and improve lives all over the world.

It should be memorialized, and those who participated so effectively in bringing to life this great legislative and administrative achievement should take great pride in their achievement.

PRESIDENT EISENHOWER

President Eisenhower supported this program from its inception on July 10, 1954. Witness the eloquence of his call to the American people regarding the food-for-peace program:

> My earnest hope is that our people will put their hearts as well as their minds into this effort. It is more than surplus disposal, more than an attempt to foster ties and sympathies for America. It is an effort that I consider in full keeping with the American tradition—that of helping people in dire need who with us are devoted to upholding and advancing the cause of freedom. It is an undertaking that will powerfully strengthen our persistent and patient efforts to build an enduring, just peace.

Under Public Law 480 approximately $26 billion in food assistance has been provided to foreign nations. As we look back on the quarter century of effort, the accomplishments of this program are remarkable by any test. This food-for-peace program is a continuing major action on our part to relieve world hunger. July 10, 1979, is a date to uplift the hearts and minds of men.

I urge my colleagues to support this resolution that would designate 1979 as the "Food-for-Peace Year" and authorize and request the President to issue a proclamation inviting the people of the United States to celebrate the 25th anniversary of the enactment of the Agricultural Trade Development and Assistance Act of 1954 with appropriate ceremonies and activities.

Mr. McGOVERN. Mr. President, I just want to add a word of support to the resolution I am cosponsoring with the Senator from Kansas (Mr. Dole). I had prepared a statement on this matter that I do not have with me at this time, but I simply want to say that there has been no program on the statute books for the last quarter of a century that has been any more successful than the food-for-peace program. It has benefited hungry people all around this globe, and I think probably has done more to prevent desperate societies from sliding down the abyss into despair and communism and violence than perhaps, any other program.

It has meant life and strength and hope to millions of people who look to us for assistance and help, and it has been a very powerful market development tool for the United States. So I am very happy to join with the Senator from Kansas (Mr. Dole) in the joint resolution marking the 25th anniversary of this great program, and expressing the hope that the program is going to continue in the future.

Mr. DOLE. Mr. President, will the Senator yield at that point?

Mr. McGOVERN. I yield.

Mr. DOLE. I agree with everything the Senator has said, but I think he omitted, through modesty, that he was the first Food for Peace Administrator. Much of the success of that program came from the initial leadership of the distinguished Senator from South Dakota.

Mr. McGOVERN. I appreciate the Senator's statement. The only reason that I did not mention that was that I did not want to draw attention to the fact that I have been here in Washington for so many years. But I thank the Senator for his kind words.

The joint resolution (S.J. Res. 63) was considered, ordered to be engrossed for a third reading, read the third time, and passed, and its preamble agreed to, as follows:

S.J. Res. 63

Whereas the year 1979 marks the twenty-fifth anniversary of the food-for-peace program established by the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), approved July 10, 1954; and

Whereas United States agricultural commodities are provided under the food for peace program to friendly countries to alleviate and prevent malnutrition and hunger; and

Whereas the commodities supplied under the food for peace program to people in more than one hundred countries around the world help to meet famine or other urgent relief requirements, combat malnutrition, promote economic and communty development in developing areas, provide assistance for needy persons and nonprofit school lunch and preschool feeding programs, and carry out the commitment of the United States to the world food program; and

Whereas the food-for-peace program has been an important factor in the expansion of overseas markets for United States farm products; and

Whereas the assistance provided under the food-for-peace program is evidence that the United States shares its agricultural abundance with those in need: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1979 is hereby designated as the "Food for Peace Year", and the President of the United States is authorized and requested to issue a proclamation inviting the people of the United States to celebrate the twenty-fifth anniversary of the enactment of the Agricultural Trade Development and Assistance Act of 1954 with appropriate ceremonies and activities.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRODUCT SAFETY WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 68) to authorize and request the President to proclaim the week of June 17 through 23, 1979, as "Product Safety Week."

Mr. DOLE. Mr. President, I am extremely pleased at the prompt and favorable response the Senate Judiciary Committee has given this legislation to designate the week of June 17 to 23, 1979, as "Product Safety Week."

Consumer injuries and deaths related to home products continue to be a serious, though relatively unknown, problem in America. The modern home is full of appliances and devices unknown to generations past. These contraptions alleviate much of the drudgery of our daily lives, and add richly to the quality of American life we all enjoy.

Sadly, these modern conveniences are also a source of tragedy and suffering in many American homes. Familiarity often breeds laxity, and accidents result. According to the U.S. Consumer Product Safety Commission, each year approximately 35 million Americans are injured and 24,000 killed in home accidents. It is currently estimated that the annual cost of consumer product injuries is approximately $9.5 billion.

Those 24,000 deaths resulting from home accidents are almost half as many deaths as result from traffic accidents each year. Yet, the safe use of home products does not receive a fraction of the publicity that traffic safety receives. Most Americans remain unaware of the potential dangers of the seemingly innocuous equipment we all keep in our homes.

A "Product Safety Week" would serve to focus the Nation's attention on these dangers. A series of ceremonies and educational activities would inform the American public about the safe use of the products we often take for granted, but seldom treat with appropriate care.

A "Product Safety Week" from June 17 to June 23 would be particularly appropriate because it will coincide with other important product safety activities. During that week the National Association of Food and Drug Officials (AFDO) will hold its annual meeting in Washington. The AFDO, which is made up of Federal, State, and local health and safety officials from across the United States and Canada, works to aid in the development and implementaiton of sound, uniform, and effective consumer legislation and regulations. Wednesday, June 20, has been set aside for a product safety conference involving industry representatives, consumer organizations, consumer and government officials from throughout the country. A "Product Safety Week" could be integrated with these events to raise the national awareness of this problem.

Through heightened awareness, we can ease the threat of home injuries. Most home products are not inherently dangerous when treated with appropriate care. Consumers need not be subject to home accidents. A "Product Safety Week", with the attention and publicity that it would generate, would make Americans aware of the number of deaths and accidents resulting from home accidents, and would highlight the need for safety. A Presidential proclamation would be the ideal way of initiating this effort.

Mr. President, the Senator from Kansas urges the Senate to approve this significant piece of legislation. A "Product Safety Week" will play an important role in encouraging safety and ending the financial costs and human suffering of this often unnoticed crisis.

The joint resolution (S.J. Res. 68) was considered, ordered to be engrossed for a third reading, read the third time, and passed, and its preamble agreed to, as follows:

Whereas it is estimated that each year over thirty-five million people in the United States of America are injured, and approximately twenty-four thousand are killed, in home accidents;

Whereas the majority of home accidents are product related;

Whereas the annual cost to our Nation for these deaths, injuries, and accidents amounts to approximately $9.5 billion;

Whereas great emphasis should be placed on safe use of products in and around the home to avoid injury; and

Whereas efforts to inform and educate the American people concerning product safety will enhance the well-being and general safety of everyone: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to proclaim June 17 through 23, 1979, as "Product Safety Week", and to call upon interested groups and organizations and the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF THE SECOND LIBERTY BOND ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Calendar No. 207, S. 504, be taken from the Calendar of General Orders and placed under subject on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

WEST VIRGINIA'S EFFORTS TO SAVE ENERGY

Mr. PERCY. Mr. President, as energy prices continue to rise, the case for using energy more efficiently becomes increasingly compelling. During the past decades of low energy prices, our Nation could afford to use energy inefficiently. Investments in energy-efficient equipment and modifications in energy use habits just did not seem worthwhile. But with today's skyrocketing energy prices, the economic attractiveness of such measures has increased dramatically. Indeed, in most cases investments in increasing energy efficiency are the most cost effective means of stretching our energy resources available today.

The effort to tap the huge potential of energy conservation must be made by all sectors of our society. I have been especially interested in involving the private sector in this effort, and for that reason cofounded the Alliance to Save Energy. In addition, I recently introduced S. 931, the Local Energy Management Act, to help localities in their efforts to save energy.

Some of the key actors in the fight to save energy have been State governments. In this regard, I was pleased to read recently a report describing the energy conservation programs of the State of West Virginia. Through the use of an aggressive energy conservation program, the State has been able to cut electrical consumption by 13 percent and gas consumption by 47 percent in the Capitol complex. These measures resulted in savings of approximately $359,000 for electricity and $471,000 for natural gas over a 3-year period. In addition, the State is planning a number of new conservation measures which should result in substantial additional savings.

I think that the West Virginia program is a good example of what can be done on the State level to save energy. I recommend the West Virginia report to my colleagues, and ask unanimous consent that the executive summary of the report be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Executive Summary—1979 Energy Report

The West Virginia energy conservation program as it stands in March, 1979, is an unqualified success. Both in the Capitol Complex, where conservation measures were first taken, and throughout the State, efforts to curb energy consumption have achieved considerable progress.

In the Capitol Complex, initiatives to slash both electricity and natural gas consumption have resulted in a 13 percent reduction in electricity consumption and a 47 percent decrease in gas consumption since 1975 (not including the Science and Culture Center). Electricity savings have occurred despite purchases of large capacity electrically powered equipment. Monetary savings total approximately $359,000 for electricity and $471,000 for natural gas for the three year effort. Savings in natural gas result from reducing the boiler firing schedule to working hours only, reduced hot water use, more efficient use of gas air conditioning, and reduced temperatures of offices. Electricity savings have been achieved through reduced wattage lighting and keeping electrically heated and cooled buildings at comfortable temperatures only during working hours. Much larger savings are expected in 1979 and subsequent years in both gas and electricity as a result of storm window installation and the operation of an energy management system (JC–80)[1] in Buildings 1 and 3. In 1979, the JC–80 and storm windows will each save approximately $50,000 in the Capitol Complex electricity bill. An additional $40,000 will be saved in reduced gas bills from the storm windows. An interconnection between electric air conditioning chiller units and a new energy efficient roof in Building 1 will save additional gas and electric energy.

Plans for future energy conservation projects in the Capitol Complex include: 1) expansion of the JC–80 to the entire complex; 2) place sunscreening in the south facing windows of Building 3; and 3) install air curtains above the loading dock doors in Building 1.

Progress is being made throughout West Virginia in conserving energy through purchase of efficient commodities. The technique of Life Cycle Costing (LCC) is being widely used in the evaluation of energy consuming products. In 1978, the State saved approximately $345,000 in the procurement of compact rather than full-size automobiles. LCC is also used to evaluate room air conditioners and lamp ballasts and has brought significant savings in these areas. A new lamp contract, to be evaluated by LCC, will save the State an estimated $100,000 in 1979. LCC formulas will be developed in the next year to be used in evaluation of insulation, heat pumps, hot water heaters, and other energy consuming equipment purchased by the State.

Governor Rockefeller issued Executive Order 14–78, effective October 1, 1978, requiring all new governmental construction projects to be in compliance with the provisions of ASHRAE 90–75. ASHRAE 90–75 sets forth minimum standards of energy efficiency and will significantly reduce the energy requirements of State buildings. Typical yearly energy consumption of such buildings will range from 40–60 percent less than a building not constructed under ASHRAE requirements.

Plans for future energy conservation projects statewide include: 1) requiring agencies to invest in energy efficient lighting when their primary light source in a biulding is inefficient; 2) use federal funding to the Department of Finance and Administration to carry out a preliminary energy audit program statewide; and 3) develop specifications for subcompact and diesel trucks and require agencies to purchase more subcompact automobiles.

MILITARY SALES TRANSACTIONS

Mr. PERCY. Mr. President, I have received a report from the General Accounting Office which I wish to draw to the attention of my colleagues. In its report dated May 15, 1979, the GAO states that the three military services are still losing tens of millions of dollars on sales of articles to foreign governments because normal inventory losses are not being recovered in full. This failure is in violation of an amendment that we passed last year to the Arms Export Control Act.

Cost recovery in foreign military sales transactions is a complex and technical matter. There is no doubt, however, that, in passing the Arms Export Control Act, Congress intended that all direct and indirect costs associated with foreign military sales be recovered from foreign governments so that the foreign military sales program would not be subsidized by Defense Department appropriations.

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[1] The JC–80 is the model number of the Energy Management System in the Capitol Complex.

Last year, I introduced and the Senate accepted an amendment to the Arms Export Control Act specifically requiring the recovery of normal inventory losses, on certain inventory sales. GAO now reports that this amendment is not being complied with:

> Although the military services have since identified almost $600 million in inventory losses, foreign governments have not been charged for their fair share of the losses as required by the act. As a result, the United States has lost millions of dollars. Also, these governments purchase hundreds of millions of dollars of items through sales for which the act does not require charges for inventory losses, thus creating a subsidy to foreign governments.

Only the Air Force, according to GAO, had made any progress on the first step—identifying inventory losses. GAO attributes the failure to "a general lack of effort" on the part of the Department of Defense. GAO also states that DOD:

> Has emphasized customer satisfaction more than the implementation of good pricing and accounting practices.

Mr. President, this is unacceptable. I can understand the need to take time to implement a complex policy on a sound basis, but I cannot understand lack of effort.

Mr. Chairman, I request that the committee include this issue in the committee's overall review of the arms sale policy later this year. I believe we will want to find out from the services themselves why this policy is not being implemented. I also believe that the committee would be interested in considering GAO's recommendation that the current law be strengthened to require that charges be made for inventory losses on all inventory sales for foreign governments. Last year we excepted sales of nonstock fund items not covered by supply support arrangements.

Mr. President, I ask unanimous consent to print in the Record the letter to me sent by the GAO at the time the report was transmitted:

There being no objection, the letter was ordered to be printed in the Record, as follows:

Comptroller General of the
United States,
Washington, D.C.

Hon. Charles H. Percy,
U.S. Senate.

Dear Senator Percy: In your letter of July 26, 1978, concerning the recovery of normal inventory losses on sales of inventory items to foreign governments, you asked us to determine (1) the nature of inventory losses, (2) if Defense is propertly charging foreign governments for inventory losses on sales of nonstock fund items sold under supply support arrangements, and (3) whether the Arms Export Control Act should be further amended to require the recovery of inventory losses on sales of nonstock fund items not covered by supply support arrangements. (Nonstock items are generally reparable and nonexpendible items, such as engine motors, or generators. Under supply support arrangements, items are provided, in effect, on a prepaid basis since foreign governments are required to invest in Defense's inventories.)

We previously reported (FGMSD-77-43, Sept. 8, 1977, and FGMSD-78-51, Aug. 25, 1978) that Defense was losing millions of dollars on sales to foreign governments because normal inventory losses were not being recovered. Your subsequent amendment to the Arms Export Control Act, enacted in September 1978, expressly required that these losses be recovered on sales from inventories of Defense articles being stored at the expense of the purchaser (supply support arrangements).

This report covers our review of Defense's present actions to recover normal inventory losses on foreign sales. We found that Defense is still not charging foreign governments for inventory losses on nonstock fund items sold under supply support arrangements. Acting on our September 8, 1977, report, Defense directed in May 1978 that the military services identify and recover inventory losses on nonstock fund items sold to foreign governments under supply support arrangements. At the time we completed our review in February 1979, however, the military services were still studying the matter. Although almost $600 million dollars of inventory losses had been identified ($483 million by the Air Force for fiscal year 1978 and $109 million by the Navy for the 32 months ended May 1978), foreign governments had not been assessed for their fair share of the losses. Their share amounted to millions of dollars.

It has been almost 10 years since Defense first required that foreign governments be charged for inventory losses on sales of nonstock fund items under supply support arrangements. The Department needs to intensify its efforts to guarantee that its pricing policies are effectively and promptly implemented so the foreign military sales program does not continue to be subsidized. A reasonable attempt should be made to identify and recover undercharges on foreign military sales resulting from the nonrecovery of normal inventory losses.

Also, foreign governments purchase hundreds of millions of dollars of nonstock fund items through other than supply support arrangements. As you know, the Arms Export Control Act does not require recovery of inventory losses on these sales because they are not stored at the purchaser's expense, and Defense had objected to such charges. We believe that failure to recover inventory losses on these sales results in a subsidy to foreign governments and, therefore, the Arms Export Control Act should be further amended to require recovery of inventory losses on all sales from Defense inventories.

Appendix I describes the Defense Department's continuing failure to charge for normal inventory losses and the need to amend the Arms Export Control Act to require such charges on all sales from Defense's inventory. We discussed our findings with Defense Department and military service officials and, where appropriate, their comments have been considered in preparing this report. The categories of inventory losses are discussed in appendix II. A list of our previous reports concerning foreign military sales cost recovery is in appendix III. The scope of our review is in appendix IV, and a copy of your letter requesting the review is included as appendix V.

As arranged with your office, we are sending copies of this report today to interested parties and will make copies available to others upon request.

Sincerely yours,

Elmer B. Staats,
Comptroller General of the United States.

Mr. McGOVERN. The Committee shares your concern about the fact that foreign governments are not being properly charged for inventory losses when they buy military equipment from the United States.

The Committee will review this issue later this year when it considers the entire U.S. arms transfer policy.

POSTPONEMENT OF DECONTROL URGED

Mr. SASSER. Mr. President, I wish to commend the distinguished chairman of the Senate Energy Committee (Senator Jackson) for his diligent work in exposing the myth that decontrol of oil prices will produce us out of the energy crisis.

Yesterday, Senator Jackson placed in the Record a story from the Wall Street Journal in which a top executive of the Gulf Oil Co., which favors decontrol, admitted that decontrol will not increase oil supplies or even halt their decline.

This story comes at a time when the Secretary of Transportation, a member of the President's own cabinet, is telling us the same thing: that decontrol will not guarantee more oil.

And it comes at the same time that the chairman of the board of the Exxon Corp., Mr. Clifton Garvin, told a Face the Nation audience that he could not predict whether decontrol would mean that the oil companies would continue to find oil.

Mr. President, the leaders of the nation's oil companies are proving correct what Senator Jackson and opponents of decontrol have long said: Decontrol will line the pockets of the oil companies without any guarantee that the consumer will get a drop of oil in return for his hard-earned dollars.

I am glad to be a cosponsor of Senator Jackson's bill, S. 936, which would postpone decontrol for 2 years, and I hope that Congress will take action to prevent this price gouging from taking effect.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

COMPREHENSIVE FINANCIAL REFORM—MESSAGE FROM THE PRESIDENT—PM 75

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

For over a decade, the Federal government has limited the interest rates that savers can receive on their deposits in banks and savings institutions. In keeping with my commitment to eliminate inequitable and unnecessary regulations, I directed an Administration task force, chaired by the Treasury Department, to review the fairness, effectiveness and efficiency of these interest rate controls.

Based on the task force's findings, I am today recommending that the Congress enact comprehensive financial reform legislation. I am asking that the Congress permit an orderly transition to a system where the average depositor can receive market-level interest rates on his or her savings. I am also proposing measures to protect the long-term viability of savings institutions so that they can pay fair and competitive rates to depositors and continue their traditional role in meeting our nation's housing needs.

These actions will reform a system which has become increasingly unfair to the small saver. The present rate ceilings are costing the American people billions of dollars in lost interest annually. Our senior citizens, and others whose savings are concentrated in passbook accounts, have suffered the most. During a period of high inflation, it is particularly unconscionable for the Federal government to prohibit small savers from receiving the return on their deposits that is available to large and sophisticated investors.

The present ceilings have also contributed to sharp fluctuations in the flow of housing credit. Large cyclical swings in the availability of mortgage funds have increased housing costs and forced many prospective homebuyers out of the market during periods of high interest rates. The actions I am recommending today will help assure a steadier flow of mortgage credit for homebuyers.

Savings and loan associations exist to channel household savings into mortgages. Mutual savings banks are also major suppliers of housing credit. Because these institutions invest in long-term, fixed-rate mortgages, they are limited in their ability to meet competitive rates for savings when interest rates rise.

In 1966, interest rates rose sharply, and depositors fled many of these institutions to those able to pay higher interest rates. To prevent the failure of savings institutions and the disruption of the mortgage and housing markets, deposit rate ceilings covering commercial banks were temporarily extended to thrift institutions. The ceilings generally have been administered to permit thrift institutions to pay higher rates of interest than commercial banks.

Conditions have changed dramatically since these limitations were first imposed on thrift institutions. In the current economic and financial environment, the ceilings have the following effects:

—They discriminate against the small saver, who often lacks sufficient funds to purchase market-rate securities which are available to the large investor.

—They are increasingly ineffective in maintaining deposit flows to thrift institutions. The financial marketplace is becoming adept at creating new investment alternatives, such as the money market mutual funds, which induce the small saver to withdraw his funds to obtain benefits similar to those enjoyed by the large investor. While the six-month money market certificate has succeeded in maintaining the flow of housing credit since last year, it has imposed serious pressures on thrift institutions, and it is not a long-term solution.

—They avoid the discipline of competition and create inefficiencies in the financial marketplace. Financial institutions are limited to non-price competitive practices such as merchandising gifts, although the consumer might prefer a higher yield on his savings.

These problems cannot be solved overnight. They are rooted in the structure of our financial system, and their resolution will require a careful and deliberate approach which takes account of the realities facing our thrift institutions.

Our savings institutions have been required by law and influenced by tax incentives to invest primarily in residential mortgages. In most states, the law confines them to long-term fixed-rate mortgages. Their sources of funds—deposits—have considerably shorter maturities. When short-term interest rates rise sharply, revenues are limited by their earnings on the existing longer-term mortgages. Since their deposit liabilities are more volatile than their assets, they must pay depositors market rates or they start to lose their deposits.

While raising or removing the ceilings would give savings institutions the legal power to pay market rates to depositors, their economic ability to do so is still limited by the earnings from their mortgage investments. Savings institutions must be given new investment powers so that they can afford to pay higher rates and maintain the flow of mortgage credit. The transition to freer deposit rates and to new asset powers must be orderly, to avoid major shocks to the financial system.

The disparity between market rates and the ceilings is greatest during periods of high interest rates. Yet that is the time when it is most difficult for the regulatory agencies that set the ceilings to raise them substantially. These agencies are also responsible for the safety and soundness of financial institutions. If deposit interest rates rise sharply, the institutions' earnings come under great pressure unless, at the same time, their earnings are made more responsive to changing interest rates.

Accordingly, I shall ask the Congress to:

—provide that through an orderly transition period all deposit interest rates be permitted to rise to market-rate levels. This will be subject to emergency action on the part of the responsible regulators if the safety and soundness of financial institutions is threatened or the implementation of monetary policy so requires;

—grant the power to offer variable rate mortgages to all Federally-chartered savings institutions, subject to appropriate consumer safeguards. This authority, which would be phased in, would permit thrifts the earnings flexibility to pay competitive rates throughout the business cycle:

—permit all Federally-chartered savings institutions to invest up to 10% of their assets on consumer loans; and

—permit all Federally-insured institutions to offer interest-bearing transaction accounts to individuals.

These steps will bring the benefits of market rates to consumers, promote a steadier flow of mortgage credit and improve the efficiency of the financial markets.

In the interim, I support the efforts of the Federal Reserve, the FDIC, the Federal Home Loan Bank Board and the National Credit Union Administration to take steps to increase the interest rates payable to small savers. I urge them to pursue the direction begun with authorization of the six-month money market certificate, with the goal of increasing the responsiveness of the interest rate ceilings to market rates.

JIMMY CARTER.

THE WHITE HOUSE, *May 22, 1979*.

MESSAGES FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 3:41 p.m., a message from the House of Representatives delivered by Mr. Gregory, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 1787. An act to authorize a supplemental appropriation to the National Aeronautics and Space Administration for research and development.

H.R. 2520. An act to amend the National Ocean Pollution Research and Development and Monitoring Planning Act of 1968 to authorize appropriations to carry out the provisions of such Act for fiscal year 1980.

S.J. Res. 80. A joint resolution to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore (Mr. MAGNUSON).

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1019. An act to amend the International Development and Food Assistance Act of 1978 and the Foreign Assistance and Related Programs Appropriations Act, 1979 by striking out certain prohibitions relating to Uganda, and for other purposes.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2771. An act to change the name of the Palmetto Bend Reservoir on the Navidad River in Texas to Lake Texana; and

H.R. 3923. An act to amend chapter 25 of title 44, United States Code, to extend for two years the authorization of appropriations for the National Historical Publications and Records Commission, and for other purposes.

The message also announced that the House insists upon its amendment to S. 7, an act to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans

Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ROBERTS, Mr. SATTERFIELD, Mr. EDWARDS of California, Mr. MONTGOMERY, Mr. DASCHLE, Mr. HAMMERSCHMIDT, Mrs. HECKLER, and Mr. WYLIE were appointed managers of the conference on the part of the House.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 2771. An act to change the name of the Palmetto Bend Reservoir on the Navidad River in Texas to Lake Texana; to the Committee on Energy and Natural Resources.

H.R. 3923. An act to amend chapter 25 of title 44, United States Code, to extend for 2 years the authorization of appropriations for the National Historical Publications and Records Commission, and for other purposes; to the Committee on Governmental Affairs.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 22, 1979, he presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 80. A joint resolution to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC-1466. A communication from the Librarian of Congress, transmitting, pursuant to law, the report of the activities of the Library of Congress, including the Copyright Office, for the fiscal year ending September 30, 1978; together with four issues of its supplement, the Quarterly Journal of the Library of Congress, and a copy of the annual report of the Library of Congress Trust Fund Board; referred to the Committee on Rules and Administration.

EC-1467. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a report on the transfer of certain funds appropriated to the Department of Defense; referred to the Committee on Appropriations.

EC-1468. A secret communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, updated test sections for the EC-1300 and P-3C Navy aircraft programs; referred to the Committee on Armed Services.

EC-1469. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Coast Guard Action Needed to Promote Safer Marine Transportation"; referred to the Committee on Commerce, Science, and Transportation.

EC-1470. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report on an application for credit by the Amoco Production Co., of excess gas royalties, totaling $193,237.07 for lease OCS-0805, Eugene Island Block 205, offshore Louisiana; referred to the Committee on Energy and Natural Resources.

EC-1471. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Questions on the Future of Nuclear Power: Implications and Tradeoffs"; referred to the Committee on Energy and Natural Resources.

EC-1472. A communication from the Acting Administrator of the General Services Administration, transmitting, in response to a request of the Committee on Public Works and Transportation of the House of Representatives, a prospectus for alterations at the Federal Service Center, 125 South Grand Avenue, Pasadena, Calif., for space requirements of the Ninth Circuit Court of Appeals; referred to the Committee on Environment and Public Works.

EC-1473. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Federal Aid Wildlife Restoration Act; referred to the Committee on Environment and Public Works.

EC-1474. A communication from the Deputy Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to facilitate the production of alcohol fuels; referred to the Committee on Finance.

EC-1475. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to May 17, 1979; referred to the Committee on Foreign Relations.

EC-1476. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Federal Actions Are Needed to Improve Safety and Security of Nuclear Materials Transportation," May 7, 1979; referred to the Committee on Governmental Affairs.

EC-1477. A communication from the Chairman, Federal Communications Commission, transmitting, pursuant to law, a report relating to the administration of the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-1478. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, act 3-41, "District of Columbia Electrical Licensing and Bonding Regulations Amendment Act of 1979," and report, adopted on May 17, 1979; to the Committee on Governmental Affairs.

EC-1479. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Most Federal Employees on the Job 40 Hours or More Weekly: Tighter Controls Among Proposals for Those Who Work Less," May 21, 1979; to the Committee on Governmental Affairs.

EC-1480. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of GAO reports issued for the month of April 1979; to the Committee on Governmental Affairs.

EC-1481. A communication from the Chairman, Securities and Exchange Commission, transmitting, pursuant to law, a report relating to the administration of the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-1482. A communication from the Director, Administrative Office of the U.S. Courts, transmitting, pursuant to law, a report of the Director for the fiscal year 1978, with the reports of the annual and special meetings of the Judicial Conference of the United States held in 1978; to the Committee on the Judiciary.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions and memorials, which were referred as indicated:

POM-236. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Appropriations:

"RESOLUTION NO. 116

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, on March 20, 1979, the Honorable Joseph F. Ada, Lieutenant Governor of Guam, presented testimony before the Senate Interior Subcommittee on Appropriations; and

"Whereas, Lieutenant Governor Ada's testimony was concerned with budget requests prepared by the government of Guam; and

"Whereas, Lieutenant Governor Ada spoke not only for the Executive Branch of the government but all of the people of Guam; and

"Whereas, the Legislature concurs in the budget requests and the requests for supplemental funds and funds for capital improvement projects; and

"Whereas, the Legislature, in cooperation with the Executive Branch of the government, is seeking to improve the financial situation of the government of Guam through responsible fiscal actions; now, therefore, be it

"Resolved, that the Fifteenth Guam Legislature expresses its concurrence in and endorsement of the testimony of the Honorable Joseph F. Ada on March 20, 1979 and incorporates said testimony herein by reference; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest to the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Joseph F. Ada, Lieutenant Governor of Guam; to the Chairman of the Senate Interior Subcommittee on Appropriations; to the Chairman, House Committee on Appropriations; to Congressman Phillip Burton; to Representative Antonio B. Won Pat and to the Governor of Guam."

POM-237. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Energy and Natural Resources:

"RESOLUTION NO. 44

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, being a Pacific island, Guam must look to the sea as well as to the land for the devlopment of natural resources; and

"Whereas, the seas surrounding Guam have been only sporadically explored to determine what mineral wealth they may contain; and

"Whereas, given the recent emphasis on ocean resources, the time now appears ripe for Guam to take advantage of such mineral resources as may be located in the sea surrounding it; and

"Whereas, resources are not available within the territory to conduct the appropriate survey; now, therefore, be it

"Resolved, that the Fifteenth Guam Legislature respectfully requests the United States Congress to enact legislation authorizing and appropriating funds for the Executive Branch of the government of Guam to conduct a comprehensive survey of mineral resources and the seas surrounding Guam; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest to the adoption hereof and that copies of the same be thereafter transmitted to the President pro tempore of the Senate; to the Speaker of the House of Representatives; to Representative A. B. Won Pat; to Mrs. Ruth Van Cleve, Director, Office of Territorial Affairs; and to the Governor of Guam."

POM-238. A resolution adopted by the Legislature of the Commonwealth of Puerto Rico; to the Committee on Foreign Relations:

"RESOLUTION

"To express our warmest congratulations to the President of the United States, Jimmy Carter; the President of Egypt, Anwar Sadat, and the Prime Minister of Israel, Menachem Begin for their effective participation in the achieving of a Peace Treaty between Egypt and Israel.

"STATEMENT OF MOTIVES

"During the past thirty years our civilization has been the subject of unprecedented change.

"Science has discovered new worlds. The atomic age has made extraordinary advances; space is open to man. Biology, medicine, physics, genetic and industrial technology have provided man with enlightened changes.

"The relationships between the Nations on earth have varied radically.

"All this brings great risks, but brilliant hopes to humanity.

"Hopes of peace; hopes that man will learn to solve his antagonisms by peaceful means, through tolerance and understanding. This requires men of good will, who beyond materialistic and economic interests, will raise on high the symbols of human dignity.

"Jimmy Carter, the President of the United States, through his absolute perseverance, has succeeded in furthering the achievement of peace which is so longed for by humanity. We are all acquainted with the state of war that the people of Egypt and Israel have endured during the past years. Providentially for our world, the signatures of Anwar Sadat, President of Egypt, and Menachem Begin, Prime Minister of Israel, on the Peace Treaty between these two nations, represent an achievement. An achievement which teaches us that besides the use of arms and bloodshed between the peoples of the world, which never resolve anything, and only destroy, there is the word, the communication between men, which does build a solid foundation for the consummation of a lasting peace.

"We believe that our century, our age of enlightened changes shall not be remembered in the future for its great armed hostilities, for its conflicts due to materialistic purposes. We have the certainty that it will be remembered as the era in the history of humanity in which mankind learned to resolve its differences through mutual cooperation, that the peoples faced the adversities of their destinies together . . . and with the help of God.

"Be it resolved by the Senate of Puerto Rico:

"Section 1.- To extend our warmest congratulations to the President of the United States, Jimmy Carter, the President of Egypt, Anwar Sadat and the Prime Minister of Israel, Menachem Begin for their effective participation in the achieving of a Peace Treaty between Egypt and Israel.

"Section 2.- To send copy of this Resolution to the President of the United States, Jimmy Carter, the President of Egypt, Anwar Sadat, and the Prime Minister of Israel, Menachem Begin; to the President Pro Tempore of the Senate of the United States; to the Speaker of the House of Representatives of the United States and to the news media of the country."

POM-239. A joint resolution adopted by the Legislature of the State of Connecticut; to the Committee on the Judiciary:

"House Joint Resolution No. 7

"Resolved by this Assembly:

"Whereas, the Ninety-fifth Congress of the United States of America at its Second Session, in both houses, by a Constitutional majority of two-thirds thereof, has made the following proposition to amend the Constitution of the United States in the following words, to wit:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), that the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"Article —

"Section 1. For purposes of representation in the Congress, election of the President and Vice President, and article V of this Constitution, the District constituting the seat of government of the United States shall be treated as though it were a State.

"Sec. 2. The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government and as shall be provided by the Congress.

"Sec. 3. The twenty-third article of amendment to the Constitution of the United States is hereby repealed.

"Sec. 4. This article shall be inoperative, unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission."

"Be it further resolved by the General Assembly of the State of Connecticut, that the said proposed Amendment to the Constitution of the United States be and the same is hereby ratified; and

"Be it further resolved, that certified copies of this resolution be forwarded by the Governor of the State of Connecticut to the President of the United States, the President Pro Tempore of the Senate and the Speaker of the House of Representatives of the United States and the Administrator of General Services of the United States."

POM-240. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Armed Services:

"HOUSE CONCURRENT RESOLUTION

"Whereas, The Naval Air Station in Corpus Christi has had a long and distinguished history of providing excellent naval aviation training for U.S. naval cadets and commissioned officers, as well as flight students from other countries for many years; and

"Whereas, The air station became a permanent installation in 1948 when the Naval Air Advanced Training Command transferred its headquarters from Jacksonville, Florida, to Corpus Christi; and

"Whereas, The headquarters of the Chief of Naval Air Training was relocated from Pensacola, Florida, to the Naval Air Station in 1972 for better command and control of its training air wings; and

"Whereas, A continued standard of excellence at the Naval Air Station is evidenced by the thousands of fully trained aviators of single- and multi-engined land and sea planes who have graduated from this air station; and

"Whereas, The Naval Air Station has the best weather and the best facilities and availability of air space of any of the other Naval Air Training Command installations; and

"Whereas, The invaluable training provided by the Naval Air Station makes it an important tool in the preparedness of the Navy and an asset to the overall defense of the United States; and

"Whereas, The air station is a multi-mission installation that serves as host for several organizations that are critical and vital to the defense and welfare of our nation, such as the Corpus Christi Army Depot, the Naval Regional Medical Center, the U.S. Coast Guard Air Station, and several reserve and support units; and

"Whereas, The multi-mission nature of the air station generates considerable overhead efficiencies to the Department of Defense as opposed to an installation with a single mission, especially in times of austere budgets; and

"Whereas, The Naval Air Station is the largest single employer of civilians in South Texas, of which approximately 50 percent are minorities; now, therefore, be it

"Resolved by the House of Representatives, the Senate concurring, That the 66th Legislature of the State of Texas hereby memorialize the Congress of the United States to maintain the operation of the Naval Air Station in Corpus Christi; and, be it further

"Resolved, That official copies of this resolution be prepared and forwarded to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, and to all members of the Texas delegation to the Congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

POM-241. A joint memorial adopted by the Legislature of the State of Colorado; to the Committee on Energy and Natural Resources:

"SENATE JOINT MEMORIAL No. 7

"Whereas, There is an increasingly short supply of petroleum-based fuels throughout Colorado and the rest of the nation, and a worsening of the shortages in these fuels appears to be inevitable; and

"Whereas, Agriculture is a keystone of the economy of this state and the entire nation, and a primary contributor to the nation's positive balance of trade; and, at this time of year, the consumption of fuel by the agricultural sector of the economy reaches a peak level; and

"Whereas, It is very likely that it will be necessary to allocate most fuels that are in short supply on a priority basis according to relevant need; and

"Whereas, It is most important that a full fuel allocation for production phases of agriculture be allocated to the agricultural sector of the economy in order to assure the people of this nation of an adequate supply of food and fiber and the orderly movement to the market of those products; now, therefore,

"*Be It Resolved by the Senate of the fifty-second General Assembly of the State of Colorado, the House of Representatives concurring herein*:

"That the General Assembly hereby memorializes the Congress of the United States to take all appropriate action to insure that the agricultural sector of the economy is allocated sufficient fuel to perform its vital national function.

"*Be It Further Resolved*, That copies of this Memorial be transmitted to the President of the United States, the Secretary of the United States Department of Energy, the Secretary of the United States Department of the Interior, the President of the United States Senate, the Speaker of the United States House of Representatives, each member of the Colorado congressional delegation, and to the president of the senate and speaker of the house of representatives of each of the states of Alaska, Arizona, California, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming."

POM-242. A concurrent resolution adopted by the Legislature of the State of Pennsylvania; to the Committee on Finance:

"RESOLUTION

"Whereas, Specialty steels are an essential industrial material and, therefore, the domestic industry is a strategic resource necessary to national defense; and

"Whereas, The United States can, and must, maintain an adequate level of self-sufficiency and production capability in specialty steels, including a skilled and adequate labor force; and

"Whereas, The economic base of the specialty steel industry has been seriously eroded in recent years by the damaging flow of imports of specialty steels and products containing these materials, and

"Whereas, Under pressure of excessive imports, unemployment has climbed as high as forty percent in the specialty steel industry during recent years; and

"Whereas, American privately-owned specialty steel producers compete in the marketplace with foreign companies which are government-owned, subsidized, or directed and do not have to meet the disciplines of our free-market system; and

"Whereas, The specialty steel industry has always favored development of open, fair, and mutually beneficial world trade—it is not protectionist; and

"Whereas, The problem of assuring that foreign companies compete fairly and legally confronts the specialty steel industry, many other industries, and our entire economy. As the major open-world market, our Nation faces industrial stagnation—reduced job opportunities—and a declining standard of living, unless new understandings and rules relating to trade can be developed with foreign government; and

"Whereas, The current specialty steel import-limitation program does not erect a 'wall' around the United States. To the contrary, while growth in domestic markets is checked, foreign shipments may continue at near-record levels; and

"Whereas, it would be a sharp setback to the national interest to dismantle the specialty steel program before putting in place long-term solutions to the inequitable conditions persisting in world steel trade. The administration must develop international trade policies under which steel—and other industries—may prosper and provide more, not less, jobs for Americans; therefore be it

"Resolved, (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania memorialize the President of the United States and the Congress to maintain specialty steel import limitations under the provisions of the Trade Act of 1974."

POM-243. A concurrent resolution adopted by the Legislature of the State of Pennsylvania; to the Committee on Foreign Relations:

"RESOLUTION

"It is reprehensible to think that the moral obligation for the mass murder of over 11,000,000 innocent victims of the "Holocaust" can be eliminated by the passage of time.

"The statute of limitations of the German Federal Republic relating to Nazi war criminals is scheduled to expire on December 31, 1979.

"If such statute of limitations does expire, no investigation of murder, including genocide, committed by Nazi war criminals can be initiated after that date.

"If such statute of limitations does expire, thousands of Nazi war criminals who were actively involved in the calculated and brutal mass murder of millions of innocent victims will be rewarded for having evaded justice.

"Crimes of lesser horror than mass murder and genocide are subject to no statute of limitations in Pennsylvania and numerous other jurisdictions.

"It is in the interest of all free people that new generations not be allowed to forget the dangers and consequences of the crime of genocide.

"An international campaign to convince the German Federal Republic to eliminate or extend the current statute of limitations has been initiated by a broad base of concerned organizations and individuals; therefore be it

"Resolved, (the House of Representatives concurring), That the General Assembly memorialize the President of the United States and the United States Congress to urge the German Federal Republic and the legislators of that nation to abolish or extend the statute of limitations relating to Nazi war crimes; and be it further

"Resolved, That the General Assembly request the President and Secretary of State of the United States to communicate the contents of this resolution on behalf of the people of Pennsylvania to the following officials of the German Federal Republic: the President, the Chancellor, the Ambassador to the United States, the Chief Justice of the Supreme Court, and the national legislators; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the Secretary of State, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, to the Chairman, Senate Foreign Relations Committee, to the National Security Council members, and to each Senator and Representative from Pennsylvania in the Congress of the United States."

POM-244. A joint memorial adopted by the Legislature of the State of Arizona; to the Committee on the Judiciary:

"HOUSE JOINT MEMORIAL 2001

"Whereas, the people of the State of Arizona view with growing concern the interference of the Government of the United States in the individual rights and liberties of all persons.

"Wherefore your memorialist, the Legislature of the State of Arizona, prays:

"1. That the Congress of the United States propose to the state legislatures an amendment to the Constitution of the United States or call a convention for such purpose, as provided by law, to add to the Constitution of the United States an article providing as follows:

"ARTICLE —

"Section 1. The Government of the United States shall not engage in any business, professional, commercial, financial or industrial enterprise except as specified in the Constitution.

"Section 2. The Constitution or laws of any state or the laws of the United States shall not be subject to the terms of any foreign or domestic agreement which would abrogate this amendment.

"Section 3. The activities of the United States Government which violate the intent and purposes of this amendment shall, within a period of three years from the date of ratification of this amendment, be liquidated and the properties and facilities affected shall be sold.

"Section 4. Three years after the ratification of this amendment the sixteenth article of amendments to the Constitution of the United States shall stand repealed, and thereafter Congress shall not levy taxes on personal incomes, estates or gifts.

"2. That the Secretary of State of the State of Arizona is directed to send a duly certified copy of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and to each Member of Congress from the State of Arizona.

"Passed the House—March 9, 1979 by the following vote: 34 Ayes, 24 Nays, 2 Not Voting.

"Passed the Senate—April 18, 1979 by the following vote: 19 Ayes, 11 Nays, 0 Not Voting.

"Filed in the Office of the Secretary of State—April 19, 1979."

POM-245. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Select Committee on Indian Affairs:

"SENATE CONCURRENT RESOLUTION 1014

"Whereas, under the Constitution of the United States, treaties are solemn undertakings of the duly established authorities; and

"Whereas, before 1871, the United States recognized the existence of the sovereign status of Indian tribes by entering into approximately three hundred ninety treaties with them; and

"Whereas, by article VI of the Constitution of the United States and decisions of the United States Supreme Court, treaties are deemed to be part of the law of the land; and

"Whereas, by the adoption of Public Law 81-815, the federal government is responsible for providing funds for school assistance and construction on Indian reservations; and

"Whereas, the federal government has been negligent in providing these funds.

"Therefore, Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

"1. That the Congress of the United States is sincerely urged to provide funds without undue delay for capital improvements of public schools on the Indian reservations.

"2. That the Secretary of State of the State of Arizona transmit a certified copy of this Resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to each Member of Congress from Arizona."

POM-246. A memorial adopted by the Legislature of the State of Arizona; to the Committee on Commerce, Science, and Transportation:

"Whereas, the United States Department of Transportation preliminary report to Congress on Amtrak Route System recommended:

"1. The Southwest Limited remain unchanged as to route and service-routed Chicago-Kansas City-Albuquerque-Flagstaff-Los Angeles;

"2. The Sunset Limited receive increased frequency (daily service) over the current route of New Orleans-El Paso-Tucson-Phoenix-Los Angeles; and

"Whereas, the United States Department of Transportation final report to Congress on the Amtrak Route System drastically deviated from the preliminary report and recommended a route change to the Southwest Limited that would eliminate rail passenger service from northern Arizona and recommended continuing triweekly service on the Sunset Limited; and

"Whereas, the Southwest Limited was the nineteenth best performer of all Amtrak routes in fiscal year 1978; and

"Whereas, Arizona and New Mexico were treated in a grossly unjust manner in respect to the public input and hearing process; and

"Whereas, tourism is one of Arizona's major industries and good transportation system availability is important to that industry.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

"1. That the Congress of the United States take action to delay acceptance of the final report until the United States Department of Transportation holds hearings in both New Mexico and Arizona and furnishes both states with a complete cost-benefit analysis and the United States Department of Transportation's justification for rerouting the Southwest Limited and for not recommending daily service for the Sunset Limited.

"2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation, the United States Department of Transportation and to Amtrak."

POM-247. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Environment and Public Works:

"House Concurrent Resolution 2018

"Whereas, the 1977 amendments to the Clean Air Act were designed to solve pollution problems in the United States; and

"Whereas, the southwest is not experiencing the types of pollution problems that the east is experiencing; and

"Whereas, the 1977 amendments set one standard for ambient air quality to which all states must comply; and

"Whereas, these standards and the requirements to meet them have the potential of severely impacting Arizona's future economic growth.

"Therefore be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

"1. That the people of Arizona and their duly elected representatives do hereby express their concern with the Clean Air Act Amendments of 1977 and implore the Congress of the United States to reconvene hearings on the Clean Air Act to resolve problems created by the 1977 amendments that impact the southwest.

"2. That the Secretary of State of the State of Arizona transmit a copy of this resolution to the Governor, Members of the Arizona Congressional Delegation and the President of the Senate and the Speaker of the House of Representatives of the United States."

POM-248. A concurrent memorial adopted by the Legislature of the State of Arizona; to the Committee on Environment and Public Works:

"House Concurrent Memorial 2001

"Whereas, the Joint Resolution of Admission of the State of Arizona provides for admission of the State into the union on equal footing with the original states; and

"Whereas, since colonial times by law and custom the respective states have held in trust for their citizens the fish and wildlife occurring within their respective borders, regardless of the ownership of land upon which such species may be found; and

"Whereas, until recently fish and wildlife management has been accomplished successfully in a practicable working partnership with all categories of landowners, both private and governmental; and

"Whereas, a dispute has arisen with respect to jurisdiction of the states over fish and resident wildlife on lands owned by the federal government; and

"Whereas, primary authority to protect and manage resident fish and wildlife within their borders should reside with the states; and

"Whereas, the states are performing this responsibility confidently and competently; and

"Whereas, at the national level there are efforts to assert an unwarranted and harmful preemption of that state's authority; and

"Whereas, the task of managing and protecting fish and wildlife resources cannot be properly accomplished if the traditional partnership between the federal and state governments which assigns wildlife management responsibilities to the states and habitat responsibilities on federal public lands to the federal land managers is dissolved.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

"1. That the President and the Congress of the United States take prompt and positive action to resolve this unfortunate and damaging controversy by enacting legislation reaffirming the various states' jurisdiction, rights and authority to manage, regulate and otherwise control fish and wildlife on all lands including those owned by the federal government.

"2. That the President and Congress be advised that this method of resolution of this dispute need not affect or modify present policy with respect to any international treaty involving the regulation of migratory birds, fish and wildlife now protected by the Rare and Endangered Species Act or the Bald Eagle Act, rights of aboriginal peoples to hunt and fish as established by treaties or acts of the Congress, the management of lands or control over wildlife species which have been ceded by any state to the United States, or the federal responsibility for conserving and developing fish and wildlife habitat on federal lands.

"3. That the Secretary of State of the State of Arizona transmit a copy of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation."

POM-249. A resolution adopted by the Legislature of the State of Alabama; to the Committee on Foreign Relations:

"Resolution

"Whereas, it is a reprehensible policy that would assume that the moral obligation for the mass murder of over 11,000,000 innocent victims of the Holocaust can be eliminated by the passage of time; and

"Whereas, the statute of limitations of the German Federal Republic relating to Nazi war criminals is scheduled to expire on December 31, 1979; and

"Whereas, if said statute of limitations does expire, no investigation of murder, including genocide, committed by Nazi war criminals can be initiated after that date; and

"Whereas, if said statute of limitations does expire, thousands of Nazi war criminals who were actively involved in the calculated and brutal murder of millions of innocent victims will be rewarded for having evaded justice; and

"Whereas, crimes of lesser horror than genocide are subject to no statute of limitations either in Alabama or numerous other jurisdictions; and

"Whereas, it is in the interest of all free people that new generations not be allowed to forget the dangers and consequences of the crime of genocide; and

"Whereas, an international campaign to convince the German Federal Republic to eliminate or extend the current statute of limitations has been initiated by a broad base of concerned organizations and individuals; now therefore,

"Be it resolved by the Legislature of Alabama, both houses thereof concurring, That we hereby request the Government of the United States to urge the German Federal Republic and the legislators of that nation to abolish or extend to the end of this century the statute of limitations relating to Nazi war criminals.

"Be it further resolved, That we also respectfully request that the President and the Secretary of State of the United States communicate the contents of this resolution on behalf of the people of the State of Alabama to the following national leaders of the West German Federal Republic: the President, the Chancellor, the Ambassador to the United States, the Chief Justice of the Supreme Court and the National Legislators.

"Resolved further, That the Secretary of the Alabama Senate send copies of this resolution to the following United States Government officials: the President, the Secretary of State, the Speaker of the House of Representatives, the Majority Leader of the Senate, the Members of the National Security Council and all members of the Alabama Congressional Delegation in Washington, D.C."

POM-250. A concurrent resolution adopted by the Legislature of the State of Arkansas; to the Committee on Finance:

"House Concurrent Resolution

"Whereas, under Section 1023 of the Internal Revenue Code which was added by the Tax Reform Act of 1976, the tax basis for reporting and paying income taxes on gains derived from the sale of property acquired from a decedent is the adjusted basis of the property prior to death of the decedent while inheritance taxes are leveled on the value of the property at death; and

"Whereas, the use of entirely different values for determining income tax liability and inheritance tax liability places a serious burden on taxpayers; and

"Whereas the provisions of Section 1023 make it necessary for a taxpayer who has acquired property from a decedent to determine the adjusted basis of the property before the death of the decedent which may involve determining the initial cost of the property and improvements thereto over a period of many years; and

"Whereas, any advantages which may accrue from the provisions of Section 1023 are far outweighed by the difficulty of compliance, inconvenience to taxpayers, and possible unfair taxation in some cases,

Now therefore, be it resolved by the House of Representatives of the Seventy-Second General Assembly of the State of Arkansas; the Senate concurring therein:

"That the General Assembly hereby respectfully urges the U.S. Congress to repeal Section 1023 of the Internal Revenue Code which was added by the Tax Reform Act of 1976.

"Be it further resolved that upon adoption of this Resolution, a copy hereof shall be transmitted to the presiding officer of the U.S. Senate and House of Representatives and to each member of the Arkansas Congressional Delegation."

POM-251. A concurrent resolution adopted by the Legislature of the State of Arkansas; to the Committee on Commerce, Science, and Transportation:

"Senate Concurrent Resolution

"Whereas, the Department of Transportation has recommended that the last remaining rail passenger service in Arkansas be discontinued; and

"Whereas, Arkansas will be one of only nine states totally without rail passenger service if this recommendation is implemented; and

"Whereas, this rail service is important to many citizens in our State, serving over 1400 passengers a month with only tri-weekly train service; and

"Whereas, rail transportation is the most energy-efficient form of transportation; and

"Whereas, the impact on the economic development of this State by completely eliminating rail passenger service is severe and serious, especially to the ever increasing Arkansas tourism industry; and

"Whereas, situated in a region containing large distances between cities and points of interest, Arkansas' early development and continued progress is inseparably tied to the running of trains in the State; and

"Whereas, there is no assurance to prevent funds released by service cuts in Arkansas from being diverted to increase subsidies for the deficit-ridden 'Northeast Corridor' commuter operations.

"Now, therefore, be it resolved by the Senate of the seventy-second General Assembly of the State of Arkansas, the House of Representatives concurring herein:

"That the United States Congress is hereby memorialized to take whatever action is necessary to insure the continued operation of passenger trains in the State of Arkansas.

"Be it further resolved that upon adoption of this Resolution, copies hereof be transmitted to the Secretary of the United States Department of Transportation, the presiding officers of the United States Congress and each member of the Arkansas Congressional Delegation."

POM-252. A resolution adopted by the Legislature of the State of New Hampshire; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION

"Whereas, Mr. Brock Adams, the Secretary of Transportation, has declared that, in cutting back on Amtrak funding, the Montrealer, a passenger train running between Washington, D.C. and Montreal, Quebec, Canada, should be deleted; and

"Whereas, the Montrealer is the only long distance passenger train now serving northern New England and New Hampshire; and

"Whereas, President Carter has declared that there is an energy shortage and that alternatives to the private automobile as a means of transportation should be found; and

"Whereas, the Montrealer is such an alternative already existing; and

"Whereas, the Montrealer shows a good constant ridership; now, therefore, be it

"Resolved by the House of Representatives:

"That, we join our neighbors in New England and in Canada in expressing our shock and outrage that an existing alternative transportation system is planned to be eliminated in a time when such alternatives are being sought; and

"That, we join our neighbors in New England and in Canada in deploring such a poor decision; and

"That, we ask the members of the New Hampshire congressional delegation to sponsor, introduce and support legislation in both houses of the Congress to overturn the attempt by Secretary Adams to discontinue the Montrealer; and

"That, we instruct the clerk of the House of Representatives to send copies of this resolution to President Carter, to Mr. Brock Adams, to the Speaker of the United States House of Representatives, to the President Pro Tempore of the United States Senate, and to each member of the New Hampshire congressional delegation."

POM-253. A resolution adopted by the Legislature of the State of North Carolina; to the Committee on Governmental Affairs:

"HOUSE JOINT RESOLUTION 995

"Whereas, the federal government of the United States, by actions of both the Legislative branch and the Executive branch, requires the states to implement new programs and provide increased levels of service under existing programs; and

"Whereas, in order to implement new programs and provide increased levels of service as required by the federal government, the states must incur significant costs which must be paid for out of State revenues, existing or to be raised by the imposition of additional taxes; and

"Whereas, there exists, throughout the United States, a growing resentment of the heavy burden of taxation and an active rejection of existing and proposed levels and methods of revenue raising; and

"Whereas, the public outcry against taxation makes it increasingly difficult for the states to raise the revenues necessary to finance the programs and services which the states are required to provide by the federal government; and

"Whereas, it is a matter of simple equity that a level of government which establishes programs or services in the public interest should provide the means for financing those programs and services;

"Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

"Section 1. The General Assembly of the State of North Carolina respectfully memorializes the President and the Congress of the United States to undertake such actions as may be necessary to ensure that the federal government reimburses each state for all costs incurred with respect to implementing new programs or providing increased levels of service under existing programs pursuant to any law enacted by the United States Congress after September 30, 1979, or any executive order or regulation issued by the President of the United States after Septemebr 30, 1979.

"Sec. 2. Copies of this resolution shall be sent to the President and Vice-President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from North Carolina in the Congress of the United States.

"Sec. 3. This resolution is effective upon ratification.

"In the General Assembly read three times and ratified, this the 9th day of May, 1979."

POM-254. A resolution adopted by the Legislature of the State of Hawaii; to the Committee on Labor and Human Resources:

"HOUSE RESOLUTION

"Whereas, there has been an increase in the number of new immigrant aliens to the United States of America since 1965 and that there are now in excess of 4,000,000 immigrants residing in the U.S.A.; and

"Whereas, the Federal Government establishes the alien immigration policy for all the states but that the individual states are required to provide for the health needs of these immigrants; and

"Whereas, the freedom to settle in any state is available to all immigrants under the immigration policy of the Federal government and the individual states have no control over the number of immigrants choosing to settle in their states; and

"Whereas, in the *1975 Annual Report of the Immigration and Naturalization Service*, U.S. Department of Justice, it is determined that fifty-five percent of the nation's aliens settle in Guam and nine states; and

"Whereas, of the nine states, Hawaii ranks first in the percentage of immigrants admitted into the State, and in the percentage of resident aliens in the State in relation to the State's total population; and

"Whereas, the immigrants, many of whom are from countries with standards of living lower than the United States, and from the lower socioeconomic strata of their own country, bring with them a susceptibility to rare or difficult-to-treat diseases and other health problems thereby causing a disproportionate load on the State's resources; and

"Whereas, in a 1975 report published by the Hawaii State Commission on Manpower and Full Employment, entitled *Immigrants in Hawaii* that in Hawaii there is documented a higher tuberculosis case rate among foreign born people, and that other health problems of immigrants include leprosy, dental and periodontal disease, anemia and malnutrition, parasites, gout, hypertension, alcoholism, obesity, asthma, and respiratory disease; and

"Whereas, immigrants face additional problems of finding and obtaining necessary medical care, because of language and cultural backgrounds and the difficulties of communicating to the medical care providers of their complaints or illnesses; and

"Whereas, these additional problems cause the immigrant to be reluctant in obtaining medical care thereby preventing early treatment and care and resulting in more severe and difficult to treat diseases; and

"Whereas, the immigrants are often unable to afford or qualify for Medicaid and must accordingly rely upon the State's public assistance; and

"Whereas, the many problems generally stated in the foregoing paragraphs are exemplified in the Department of Health's Crippled Children Service Program in which there has been an increase in the percentage of immigrants in the program from 7 percent in 1974 to 14 percent in 1978 of approximately 3,000 children served; and

"Whereas, the cost to the Crippled Children Services Branch program in Hawaii of providing the necessary medical care for immigrant children in fiscal year 1977-1978 was estimated to be $182,000.00 which because of the increase services needed for the immigrants has been found to be insufficient to provide the necessary services for the remainder of the fiscal year; and

"Whereas, the Crippled Children Services Branch program for the State of Hawaii will be using up its allocation in May 1978, before the end of the fiscal year; and

"Whereas, the lack of funds after May 1978 will require a curtailment of the services, until funds become available for the fiscal year 1979–1980; now, therefore,

"Be it resolved by the House of Representatives of the Tenth Legislature of the State of Hawaii, Regular Session of 1979, that it request the Congress to grant additional funds to the State of Hawaii, Crippled Children Services program, expressly for the care of immigrant children with handicapping diseases; and

"Be it further resolved that certified copies of this resolution be transmitted to the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, each member of Hawaii's delegation to the U.S. Congress and the Governor of the State of Hawaii."

POM-255. A resolution adopted by the Board of Directors, California Association of Sanitation Agencies, requesting immediate review and revision of the apparent EPA policy which would deny construction grant funding for water reclamation projects; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Armed Services, without amendment:

S. Res. 166. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 73. Referred to the Committee on the Budget.

By Mr. JACKSON, from the Committee on Armed Services and the Committee on Energy and Natural Resources, with an amendment and an amendment to the title:

S. 673. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1980 and fiscal year 1981, and for other purposes (Rept. No. 96–193).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NELSON, from the Select Committee on Small Business:

Paul Robert Boucher, of Virginia, to be Inspector General, Small Business Administration. Referred to the Committee on Governmental Affairs for not to exceed 20 days, pursuant to order of March 1, 1979.

(The above nomination from the Select Committee on Small Business was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HUDDLESTON:

S. 1193. A bill to assure fair practices in agricultural bargaining; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HEFLIN:

S. 1194. A bill to amend the Internal Revenue Code of 1954 to exclude certain service performed on fishing boats from coverage for purposes of unemployment compensation; to the Committee on Finance.

By Mr. STEWART (for himself and Mr. Heflin):

S. 1195. A bill to authorize the Secretary of the Army to correct certain slope failures and erosion problems along the banks of the Coosa River; to the Committee on Environment and Public Works.

By Mr. HEFLIN:

S. 1196. A bill to increase the compensation of the Solicitor General of the United States; to the Committee on the Judiciary.

S. 1197. A bill for the relief of Mohammad Zaheer, his wife, Imbiaz Zaheer and his sons, Eram Zaheer and Asim Zaheer; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 1198. A bill to provide for issuance of all permits necessary for construction of the Long Beach-Midland project, as proposed by the Standard Oil Company of Ohio, to limit judicial review of the challenges to issuance of those permits, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SASSER:

S. 1199. A bill to direct the Corps of Engineers to study the feasibility of modifying the Mississippi River Project at Tiptonville, Tennessee; to the Committee on Environment and Public Works.

By Mr. BAYH (for himself, Mr. Zorinsky, Mr. Dole, Mrs. Kassebaum, Mr. Percy, Mr. Cannon, Mr. Pressler, Mr. Durkin, Mr. Hatfield, Mr. Bentsen, Mr. Matsunaga, Mr. Huddleston, Mr. McGovern, Mr. Hollings, Mr. Baucus, and Mr. McClure):

S. 1200. A bill entitled the "Alcohol Fuels Regulatory Simplification Act of 1979"; to the Committee on Finance.

By Mr. ZORINSKY (for himself and Mr. Exon):

S. 1201. A bill to amend the authorization for the flood control project for the town of Niobrara, Nebraska, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HEINZ:

S. 1202. A bill to amend section 5(e) of the Food Stamp Act of 1977 to modify the provisions relating to the standard deduction and excess shelter deduction in the case of households composed entirely of persons 60 years of age or older or in which there is one or more persons entitled to benefits under the Supplemental Security Income program; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BAYH (for himself, Mr. Bumpers, Mr. Jackson, and Mr. Magnuson):

S. 1203. A bill to amend title II of the Social Security Act to provide that the waiting period for disability benefits shall not be applicable in the case of a disabled individual suffering from a terminal illness; to the Committee on Finance.

By Mr. RIBICOFF (for himself, Mr. Danforth, Mr. Bradley, Mr. Baucus, Mr. Heinz, Mr. Javits, and Mr. Moynihan):

S. 1204. A bill to strengthen and improve Medicaid services to low-income children and pregnant women, and for other purposes; to the Committee on Finance.

By Mr. DURKIN:

S. 1205. A bill to establish a Federal nonprofit corporation as the importing agent for the crude oil and petroleum products imported into the United States; to the Committee on Energy and Natural Resources.

S. 1206. A bill to amend the Internal Revenue Code of 1954 to provide an increased investment credit for small hydroelectric power generation property, and for other purposes; to the Committee on Finance.

S. 1207. A bill to amend section 1662(a) of title 38, United States Code, to authorize an additional two years for educationally disadvantaged veterans of the Vietnam era to complete a technical or vocational training program or a program of apprenticeship or other on-job training under chapter 34 of such title; to the Committee on Veterans' Affairs.

S. 1208. A bill to stimulate the conversion to widespread use of fuel-efficient gasohol mixes by providing a financial incentive to States and localities which convert all or part of their automotive fleets to such mixes; to the Committee on Energy and Natural Resources.

S. 1209. A bill to amend the Internal Revenue Code of 1954 to provide a retirement savings deduction for persons covered by pension plans; to the Committee on Finance.

S. 1210. A bill to amend the Internal Revenue Code of 1954 to provide an additional tax on revenues to oil producers resulting from the decontrol of domestic crude oil, and for other purposes; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. Williams, Mr. Riegle, and Mr. Stafford):

S. 1211. A bill to amend the Social Security Act to extend Medicaid eligibility to certain low-income pregnant women; to the Committee on Finance.

By Mr. HART:

S. 1212. A bill to amend section 312(a) of title 38, United States Code, to provide that certain veterans who suffer syringomyelia will be presumed to have incurred or aggravated such disease in military service if such disease is developed within seven years after the veteran's discharge or release from the armed forces, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HART (for himself and Mr. Armstrong):

S. 1213. A bill to amend the Federal Aviation Act of 1958 to provide a criminal penalty for placing, attempting to place, or attempting to have placed a loaded firearm aboard an aircraft; to the Committee on Commerce, Science, and Transportation.

By Mr. BIDEN (for himself and Mr. Percy):

S. 1214. A bill to improve the physical security features of the motor vehicle and its parts, to increase the criminal penalties of persons trafficking in stolen motor vehicles and parts, to curtail the exportation of stolen motor vehicles, to stem the growing problems of "chop shops", and for other purposes; to the Committee on the Judiciary and the Committee on Commerce, Science, and Transportation, jointly, by unanimous consent.

By Mr. SCHMITT (for himself, Mr. Cannon, and Mr. Stevenson):

S. 1215. A bill entitled the "Science and Technology Research and Development Utilization Policy Act"; to the Committee on Commerce, Science, and Transportation and the Committee on Governmental Affairs, jointly, and if one committee orders the bill reported, the other committee has 60 days in which to act, by unanimous consent.

By Mr. DURKIN:

S. 1216. A bill to amend title IV of the Higher Education Act of 1965 to establish a system of student tuition advances to be repaid as an income tax imposed by the Internal Revenue Code of 1954, and for other purposes; to the Committee on Finance and the Committee on Labor and Human Resources, jointly, by unanimous consent.

By Mr. GOLDWATER (for himself, Mr. DeConcini, Mr. Dole, and Mr. Laxalt):

S.J. Res. 82. A joint resolution to designate the week commencing with the third Monday in February of each year as "National Patriotism Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUDDLESTON:

S. 1193. A bill to assure fair practices in agricultural bargaining; to the Committeee on Agriculture, Nutrition, and Forestry.

NATIONAL AGRICULTURAL BARGAINING ACT OF 1979

• Mr. HUDDLESTON. Mr. President, today I am introducing the National Agricultural Bargaining Act of 1979. This bill is substantially similar to legislation that I introduced in the last Congress.

During the past few years, the market structure of American agriculture has become concentrated in the hands of fewer, larger, and more specialized agribusiness operations. Large processors and retailers are able to dictate product supply, the time and conditions for delivery, product quality and appearance, and, more importantly, the price that a farmer receives for his product. To cope with this noncompetitive situation, farmers have formed bargaining associations. But there is no requirement that processors or handlers have to engage in good faith bargaining with these associations.

Indeed, there are examples where some farmers have been virtually penalized in the bargaining process because they belonged to such associations. This legislation provides the basis for good faith bargaining between farmer and processor. Both are essential to each other in the agricultural system. Both must be fair with one another if the system is to survive.

The National Agricultural Bargaining Act of 1979 establishes standards to be observed by both handlers and producer groups in their dealings in agricultural products; sets standards for the accreditation of cooperative associations; defines the mutual obligations of handlers and associations of producers to bargain with respect to production, sale, and marketing of farm products; and provides for the enforcement of such obligations.

The National Agricultural Bargaining Act of 1979 has been endorsed by the American Farm Bureau, the Grange, the Farmers Union, and the National Council of Farmer Cooperatives. This bill can provide for a formalized marketing and bargaining process that will enable farmers to enhance their income with a minimum of Government intervention.

I ask unanimous consent that there be printed at this point in the RECORD the language of the National Agricultural Bargaining Act of 1979, a section-by-section analysis, and an analysis of the legislation prepared by James D. Shaffer, professor of agricultural economics at Michigan State University.

I urge my colleagues to join me in supporting this important legislation.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1193

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Agricultural Bargaining Act of 1979".

CONGRESSIONAL FINDINGS AND DECLARATION OF POLICY

SEC. 2. Agricultural products are produced in the United States by many individual farmers and ranchers scattered throughout the various States of the Nation. Such products in fresh or processed form, move in the channels of interstate and foreign commerce, or directly burden or affect interstate commerce. The efficient production and marketing of agricultural products by farmers and ranchers is of vital importance to their welfare, and to the general welfare. Because agricultural products are produced by numerous individual farmers, their ability to market and to bargain effectively for fair prices and terms of sale of their products is adversely affected unless they are free to join together in cooperative associations of producers as authorized by law. Interference with this right, or the failure of any handler of agricultural products to bargain in good faith with a cooperative association of producers as the representative and agent of such producers is contrary to the public interest and adversely affects the free and orderly flow of goods in interstate and foreign commerce.

Therefore, it is declared to be the policy of Congress and the purpose of this Act to establish standards of fair practices that shall be observed by handlers and associations of producers in their dealings in agricultural products, to provide standards for the accreditation of cooperative associations of producers of agricultural products for the purpose of bargaining, to define the mutual obligations of handlers and associations of producers to bargain with respect to the production, sale, and marketing of agricultural products, and to provide for the enforcement of such obligations.

DEFINITIONS

SEC. 3. When used in this Act—

(a) "Accredited association" means an association of producers accredited in accordance with section 6 of this Act.

(b) "Association" means any association of producers of agricultural products engaged in the marketing of such products, including marketing, selling, bargaining, shipping, or processing as defined in section 15(a) of the Agricultural Marketing Act of 1929, as amended (49 Stat. 317; 12 U.S.C. 1141(a)), or in section 1 of the Act entitled "An Act to authorize association of agricultural producers" approved February 18, 1922 (42 Stat. 388, 7 U.S.C. 291).

(c) "Handler" means any person, other than an association, engaged in the business or practice of (1) acquiring agricultural products from producers or associations for processing or sale; (2) grading, packaging, handling, storing, or processing agricultural products received from producers or associations; (3) contracting or negotiating contracts or other arrangements, written or oral, with producers or associations with respect to the production or marketing of any agricultural product; or (4) acting as an agent or broker for a handler in the performance of any function or act specified in (1), (2), or (3) above.

(d) "Person" includes one or more individuals, partnerships, corporations and associations.

(e) "Producer" means a person engaged in the production of agricultural products as a farmer, planter, rancher, poultryman, dairyman, fruit, vegetable, or nut grower, including a grower or farmer furnishing labor, production management, or facilities for the growing or raising of agricultural products.

(f) "Secretary" means the Secretary of Agriculture.

UNFAIR PRACTICES

SEC. 4. (a) It shall be unlawful for any handler to engage, or to permit an employee or agent to engage, in any of the following practices, which are hereby defined as unfair practices:

(1) To coerce a producer in the exercise of his right to contract with, join, or maintain his membership in, or to refrain from contracting with, joining, or maintaining his membership in an association or to refuse to deal with a producer because of the exercise of his right to contract with, join, or maintain his membership in an association.

(2) To discriminate against a producer with respect to price, quantity, quality or other terms of purchase, acquisition or other handling of agricultural products because of his membership in or contract with an association.

(3) To coerce or intimidate a producer to breach, cancel, or terminate a membership agreement or marketing contract with an association or a contract with a handler.

(4) To offer to pay or loan money or anything of value, or to offer or give any other inducement or reward to a producer for refusing to join or to cease to maintain membership in an association.

(5) To make or circulate false reports about the finances, management, or activities of an association or a handler.

(6) To refuse to bargain in good faith with an association accredited to represent producers, if the handler is designated pursuant to section 6.

(7) To conspire, combine, agree or arrange with any other person to do or aid or abet the doing of any practice that is in violation of this Act.

(b) It shall be unlawful for any association to engage in or to permit an employee or agent to engage in any of the following practices, which are hereby defined as unfair practices:

(1) To refuse to bargain in good faith with a handler designated pursuant to section 6.

(2) To coerce or intimidate a handler to breach, cancel, or terminate a marketing contract with an association or a contract with a member of an association.

(3) To make or circulate false reports about the finances, management, or activities of an association or a handler.

(4) To coerce or intimidate a producer to breach, cancel, or terminate a membership agreement or marketing contract with an association.

(5) To conspire, combine, agree, or arrange with any other person to do or aid or abet the doing of any practice that is in violation of this Act.

BARGAINING IN GOOD FAITH

SEC. 5. (a) "Bargaining" is the performance of the mutual obligation of a handler and an accredited association to meet at reasonable times and for reasonable periods of time for the purpose of negotiating in good faith with respect to the price, terms of sale, compensation for products produced under contract, or other provisions relating to the products that are marketed by the members of such accredited association or by the association as their agent. Such obligation on the part of any handler shall extend only to accredited associations and the products with respect to which such associations are accredited to bargain. Such obligation does not require either party to agree to a proposal or to make a concession.

(b) If a handler purchases a product from other producers under terms more favorable to such producers than the terms negotiated with an accredited association for such product, he shall offer the same terms to the accredited associations. In comparing such terms, there shall be taken into consideration, in addition to the stipulated purchase price and without limiting the generality of the foregoing, any bonuses, premiums, hauling or loading allowances, reimbursement of expenses, or payment for special services of any character that may be paid by the handler, and any sums paid or agreed to be paid by the handler for any other designated purpose than payment of the purchase price.

(c) The Secretary shall give notice of his decision to the petitioning association and to the designated handlers, together with a concise statement of his reasons. The Secretary shall also give notice of any accreditation to all other associations that have been accredited to bargain with respect to the product or products with any of the designated handlers.

(d) Each accredited association shall submit an annual report to the Secretary in such form and including such information as the Secretary by regulation may require so as to enable him to determine whether the association continues to meet the standards for accreditation.

(e) If the Secretary believes that an accredited association has ceased to meet the standards for accreditation set forth in subsection (b) of this section he shall notify the association of the respects in which he believes it has ceased to maintain such standards and allow it a reasonable time to answer or to correct the deficiencies noted. Thereafter, if the Secretary is not satisfied that the association is then in compliance with subsection (b) of this section, he shall notify the association and hold a hearing to consider the revocation of accreditation. If, based upon the evidence submitted at the hearing, the Secretary finds that the association has ceased to maintain the standards for accreditation, he shall revoke the accreditation of such association.

(f) The Secretary may, upon his own motion or the petition of an accredited association or a designated handler, amend his order of accreditation with respect to the product or products specified therein. The Secretary shall give notice of any proposed amendment and the reasons therefor to all accredited associations and handlers that would be directly affected thereby and shall provide an opportunity for a public hearing. Thereafter, the Secretary may amend the order if he finds such amendment will be conducive to more effective bargaining and orderly marketing by the accredited association of the product or products of its members.

MEDIATION AND ARBITRATION

SEC. 8. The Secretary may provide mediation services if requested either by an accredited association or by a designated handler engaged in bargaining with an accredited association and if, in the Secretary's judgment, an impasse in bargaining has occurred. The Secretary shall provide assistance in proposing an implementing arbitration agreements between accredited associations and designated handlers. The Secretary may establish a procedure for compulsory and binding arbitration if he finds that an impasse in bargaining exists and such impasse will result in a serious interruption in the flow of product to consumers or will cause substantial economic hardship to producers or handlers involved in the bargaining.

ADMINISTRATION

SEC. 9. (a) (1) Whenever it is charged that an accredited association or handler has violated or is violating section 3 (a) (6) or (b) (1) of this Act, the Secretary shall issue and cause to be served upon the person charged a complaint stating the charges. The complaint shall summon the named person to a hearing before the Secretary at the time and place therein fixed.

(2) Whenever it is charged that an association or handler has violated or is violating any other provision of this Act, the Secretary shall investigate such charges. If, upon such investigation, the Secretary has reasonable cause to believe that the person charged has violated such provision, he shall issue and cause to be served upon the person so charged a complaint stating the charges. The complaint shall summon the named person to a hearing before the Secretary at the time and place therein fixed.

(b) The person complained of shall have the right to file an answer to the original and any amended complaint and to appear in person or otherwise and give testimony. The person who filed the charge shall also have the right to appear in person or otherwise and give testimony.

(c) If, upon a preponderance of the evidence, the Secretary is of the opinion that the person complained of has violated any provision of this Act, he shall state his findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such violation and shall order such further affirmative action, including an award of damages to the person filing the charge, as will effectuate the policies of this Act.

(d) The Secretary may make such rules, regulations, and orders as may be necessary to carry out the provisions of this Act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses, including reporting services, as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and as may be appropriated for by Congress; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise approriated, such sums as may be necessary for such purpose.

INDEPENDENT ENFORCEMENT AUTHORITY

SEC. 10. The Secretary may at any time institute an inquiry on his own motion, in any case and as to any matter for which a charge is authorized to be made to or before the Secretary by section 9 of this Act. The Secretary shall have the same power and authority to proceed with any inquiry instituted upon his own motion as though a charge had been filed with him, including the power to make and enforce any order.

JUDICIAL REVIEW

SEC. 11. (a) Any person aggrieved by a final order of the Secretary issued under Section 9 of this Act or under section 6(b) (2), 6(e), or 6(f) of this Act, may obtain review of such order in the United States Court of Appeals for the District of Columbia Circuit by submitting to such court within 30 days from the date of such order a written petition praying that such order be modified or set aside.

(b) The findings of the Secretary with respect to questions of fact, if supported by substantial evidence on the record, shall be conclusive.

(c) Orders of the Secretary with respect to which review could have been obtained under paragraph (a) of this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

(d) If no petition for review, as provided in subsection (a) of this section, is filed within thirty days after service of the Secretary's order, the Secretary's findings of fact and order shall be conclusive in connection with any petition for enforcement that is filed by the Secretary after the expiration of such thirty-day period. In any such case, the Clerk of the Court, unless otherwise ordered by the Court, shall forthwith enter a decree enforcing the order and shall transmit a copy of such decree to the Secretary and the person named in the complaint.

(e) The commencement of proceedings under this section shall not, unless specifically ordered by the Court, operate as a stay of the Secretary's order.

FEDERAL ENFORCEMENT

SEC. 12. (a) Whenever, on the basis of any information available to him, the Secretary finds that any person is in violation of section 4 of this Act or in violation of any order of the Secretary, he shall bring a civil action in accordance with subsection (b) of this section.

(b) The Secretary may commence a civil action for appropriate relief, including a permanent or temporary injunction. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation and to require compliance.

(c) Any person who violates section 4 of this Act or any order of the Secretary issued under sections 9 or 10 of this Act shall be subject to a civil penalty not to exceed $500 per day of such violation.

(d) Any person who wilfully violates section 4 of this title, or any order of the Secretary under sections 9 or 10 of this Act, shall be punished by a fine of not less than $500 nor more than $1,000 per day of such violation or by imprisonment for not more than one year, or both.

CIVIL REMEDIES

SEC. 13. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf:

(1) against any person who is alleged to be in violation of section 4 of this Act or of any order issued by the Secretary under sections 9 or 10 of this Act; or

(2) against the Secretary when there is alleged a failure of the Secretary to perform any act or duty under this Act that is not discretionary with the Secretary.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such section or order (including the issuance of a permanent or temporary injunction or restraining order), or to order the Secretary to perform such act or duty as the case may be, and to apply any appropriate civil penalties under section 12 of this Act.

(b) No action may be commenced:

(1) Under subsection (a) (1) of this section

(A) prior to 60 days after the plaintiff has given notice of the alleged violation to the Secretary and to the alleged violator, or

(B) if the Secretary has commenced and is diligently prosecuting a civil or criminal action in a court of the United States to require compliance with such section or order, but in any such action any person may intervene as a matter of right.

(2) Under subsection (a) (2) of this section prior to 60 days after the plaintiff has given notice of such action to the Secretary.

(c) Any person aggrieved by reason of any violation of, or combination or conspiracy to violate any provision of section 4 of this Act may bring an action in the appropriate district court of the United States without respect to the amount of the controversy, and shall recover damages therefor. Any action to enforce any cause of action under this subsection shall be forever barred unless commenced within two years after the cause of action arose.

(d) The court, in issuing any final order in any action brought pursuant to subsection (a) or (c) of this section, may award costs of litigation (including reasonable attorney fees) to any party, whenever the court determines such award is appropriate.

(e) The district courts of the United States shall have jurisdiction of proceedings instituted under this section and shall exercise the same without regard to whether the aggrieved party shall have exhausted any administrative or other remedies that may be provided by law, except as provided in subsection (b) of this section.

INVESTIGATIVE POWERS OF SECRETARY

SEC. 14. (a) Whenever required to carry out the objectives of this Act, including the conduct of any investigations or hearings—

(1) the Secretary shall require any person to (i) establish and maintain such records, (ii) make such reports, and (iii) provide such other information as he may reasonably require; and

(2) the Secretary or his authorized representative, upon presentation of his credentials and a warrant or such other order of a court as may be required by the Constitution—

(i) shall have a right of entry to, upon or through any premises in which records required to be maintained under subsection (a) (1) of this section are located, and

(ii) may at reasonable times have access to and copy any records, which any person is required to maintain or which relate to any matter under investigation or in question.

(b) Any records, reports, or information obtained under this section shall be available to the public except that upon a showing satisfactory to the Secretary that such records, reports, or information, if made public, would divulge confidential business information, the Secretary shall consider such record, report, or information or particular portion thereof confidential in accordance with section 1905 of title 18, United States Code, except that such record, report, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

(c) (1) In making inspections and investigations under this Act, the Secretary may require the attendance and testimony of witnesses and the production of evidence under oath.

(2) The Secretary, upon application of any

party to a hearing held under section 9 or 10 of this Act, shall forthwith issue to such party subpenas requiring the attendance and testimony of witnesses or the production of evidence requested in such application. Within five days after the service of a subpena on any person requiring the production of any evidence in his possession or under his control, such person may petition the Secretary to revoke such subpena. The Secretary shall revoke such subpena if in his opinion the evidence whose production is required does not relate to any matter in question, or if such subpena does not describe with sufficient particularity the evidence whose production is required.

(d) The Secretary, or any officer or employee designated by him for such purpose, shall have the power to administer oaths, sign and issue subpenas, examine witnesses, and receive evidence. Witnesses shall be paid the same fees and mileage allowance as are paid witnesses in the courts of the United States.

(e) In the case of any failure or refusal of any person to obey a subpoena or order of the Secretary under this section, any District Court of the United States or the United States Courts of any territory or possession, within the jurisdiction of which such person is found or resides or transacts business, upon application by the Secretary shall have jurisdiction to issue to such person an order requiring such person to appear to produce evidence if, as and when so ordered to give testimony relating to the matter under investigation or in question. Any failure to obey such order of the Court may be punished by said court as a contempt thereof.

STATE AUTHORITY

Sec. 15. This Act shall not invalidate the provisions of any existing State legislation dealing with the same subjects as this Act, nor shall this Act prevent any State from enacting legislation similar to existing State legislation, except that such similar legislation may not permit any action that is prohibited under this Act.

SEPARABILITY OF PROVISIONS

Sec. 16. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

REPEAL OF AGRICULTURAL FAIR PRACTICES ACT OF 1967

Sec. 17. The Agricultural Fair Practices Act of 1967 (Pub. L. 90–288, 7 U.S.C.A. Sections 2301 *et seq.*) is hereby repealed effective on the day after the date of enactment of this Act: *Provided*, That such repeal shall not affect any act done or any right accruing or accrued, or any act or proceeding had or commenced in any civil cause, before such repeal.

Section-by-Section Analysis

Sec. 1. Short Title.

This section sets forth the short title "National Agricultural Bargaining Act of 1979."

Sec. 2. Congressional Findings and Declaration of Policy.

In 1914 Congress recognized that individual farmers find it difficult to deal with concentrations of buyers by providing an exemption for nonstock cooperative associations in Section 6 of the Clayton Act (15 U.S.C. 17). In 1922 Congress passed The Capper-Volstead Act (7 U.S.C. 291–292), expressly authorizing agricultural producers to act together in associations in collectively processing, preparing for market and handling and marketing their produce. Further The Agricultural Marketing Act of 1926 (7 U.S.C. 455) authorized growers, acting together in associations, to "acquire, exchange, interpret, and disseminate past, present and prospective crop, market, statistical, economic and other similar information by direct exchange." The Agricultural Fair Practices Act of 1967 was enacted to protect farmers' right "to join together voluntarily in cooperative organizations as authorized by law." (7 U.S.C. 2301). Numerous court decisions have upheld these basic rights of collective marketing. This section reaffirms the right of agricultural producers to join together in cooperative associations as authorized by law and states the policy of Congress relating to agricultural bargaining.

Sec. 3. Definitions.

This section defines the terms used in the act including a definition for "association" (of producers) and "handler" (which means buyer, broker or agent) and specifically exempts cooperative handler associations.

Sec. 4. Unfair Practices.

This section restates the unfair practices for handlers that are presently contained in the Agricultural Fair Practices Act of 1967 (P.L. 90–288, & U.S.C.A. Sections 2301 et seq.) with some clarification and includes failure to bargain in good faith as an unfair practice. It also adds a list of unfair practices for associations.

Sec. 5. Bargaining in Good Faith.

This section outlines the mutual obligation of handlers to meet with accredited associations at reasonable times and for reasonable periods of time to negotiate price and conditions of sale.

This section also prevents handlers from offering more favorable terms to non-association members and describes what conditions are to be included in the terms of sale for the basis of determining whether more favorable terms have been offered to non-association members.

Sec. 6. Accreditation of Associations of Producers.

This section allows associations requesting accreditation to petition the Secretary of Agriculture and prescribes the composition of the petition and the standards by which the Secretary shall determine whether to grant accreditation. This section also instructs the Secretary to notify designated handlers of the accreditation of associations. Accredited associations are required to file an annual report with the Secretary so he can determine if the association continues to meet the standards of accreditation.

Sec. 7. Assignment of Association Dues, Fees, or Retains.

This section prescribes the conditions under which a producer can authorize the handler of his produce to withhold the dues, fees or retains for an association and authorizes payment of sush sums to the association by the handler.

Sec. 8. Mediation and Arbitration.

This section authorizes the Secretary to provide mediation and arbitration procedures, if the Secretary determines that an impasse in bargaining exists and such impasse meets specified criteria.

Sec. 9. Administration.

This section delegates administrative authority to the Secretary to issue summons, investigate complaints, conduct investigative hearings to review evidence, promulgate rules, regulations and orders to carry out the provisions of this act, cooperate with other state or federal agencies, appoint, remove and fix compensation for officers and employees, and establish and equip offices outside the District of Columbia.

This section also authorizes the Secretary to make necessary expenditures to carry out the provisions of this act.

Sec. 10. Independent Enforcement Authority.

This section gives the Secretary authority to proceed with any inquiry instituted upon his own motion as though a charge had been filed with him.

Sec. 11. Judicial Review.

This section allows any person aggrieved by a final order of the Secretary to obtain review in the U.S. Court of Appeals for the District of Columbia and prescribes the basis and procedure for such judicial review.

Sec. 12. Federal Enforcement.

This section authorizes the Secretary to bring civil actions, authorizes the Secretary to seek a permanent or temporary injunction, prescribes penalties for violating the Unfair Practices Section of this act of not more than $500 per day of the violation and a penalty of not less than $500 nor more than $1000 per day or imprisonment for not more than one year for violating an administrative or independent enforcement order of the Secretary.

Sec. 13. Civil Remedies.

This section prescribes the conditions under which any person under the act can and cannot commence a civil action on his own behalf against a person who is in alleged violation of Sec. 4 or any order by the Secretary in Sec. 9 and 10 and against the Secretary when there is alleged failure to the Secretary to perform any nondiscretionary act of duty.

Jurisdiction for such action is vested in the appropriate District Court of the United States and the authority of the court is specified.

Sec. 14. Investigative Powers of the Secretary.

This section authorizes the Secretary to require any person to establish and maintain records, make reports, and provide other reasonable information, the Secretary or his agent to have right of entry to premises containing the aforementioned records and to make copies of material under investigation where necessary to carry out the objectives of the act.

This section stipulates under what conditions the aforementioned material under investigation is not available for public review and authorizes the Secretary to issue subpoenas requiring the attendance and testimony of witnesses or the production of evidence and authorizes the Secretary to bring action in any District Court for failure or refusal to obey a subpoena or order of the Secretary.

Sec. 15. State Authority.

This section provides the act will not invalidate any existing state legislation dealing with the same subject matter and affirms the right of states to adopt legislation similar to existing state legislation so long as it does not permit action prohibited by this act.

Sec. 16. Separability of Provisions.

This section preserves the validity of the remainder of the act if any portion is ruled invalid.

Sec. 17. Repeal of Agricultural Fair Practices Act of 1967.

This section repeals the Agricultural Fair Practices Act of 1967 (P.L. 90–288, 7 U.S.C A. Section 2301 et seq.) but does not affect rights accrued or proceedings pending before repeal.

The National Agricultural Bargaining Bill of 1979

(By James D. Shaffer)

In 1914, in Section 6 of the Clayton Act, Congress recognized the special needs of farmers to act collectively when it exempted associations of farmers from prohibitions against collective actions imposed on businesses in general. In 1922, the Congress passed the Capper-Volstead Act which expressly authorized agricultural producers to act collectively in the processing and marketing of their products as long as such cooperatives did not unduly enhance prices. These laws are permissive and require no action by those with whom the farmers' associations might wish to bargain. Farmers sought some positive assistance from the government in collective bargaining through the passage of The Agricultural Fair Practice Act of 1967. In seeking this act, farmers had argued that efforts to organize farmer bargaining associations were hindered by practices of handlers which threatened to discriminate against or disadvantage farmers who joined bargaining associations. This 1967 Act prohibited such practices, but also included a section stating "Nothing in this chapter shall prevent handlers and producers from selecting their customers and suppliers for any reason other than a producer's membership in or contract with an association of producers, nor require a handler to deal with an association of producers." This disclaimer clause has been interpreted by some to mean that handlers do not have to recognize or deal with farmers' bargaining associations.

The National Agricultural Bargaining Bill of 1979 would shift the position of the government from that of simply permitting farmer bargaining associations toward positive support for them by imposing some obligations on handlers in regard to their relationships with associations of farmers.

Legislation to assist farmers in their efforts to bargain collectively with handlers is not a new idea. A number of farmer bargaining bills have been introduced in the past decade. The best known of these bills were sponsored by Representative Sisk of California. President Ford, while a Congressman from Michigan, introduced a bill to facilitate collective bargaining by farmers for some contracted commodities. The proposed 1979 legislation is related to these earlier efforts.

The 1979 bill grew out of the frustrations of members of existing farmer bargaining cooperatives who often found handlers unwilling to deal with them. Discussions among participants at the annual meetings of the National Committee of Cooperative Agricultural Bargaining and Marketing Associations led to formation of a group interested in the development of legislation to facilitate farmer collective bargaining. More than 30 people who were representatives of bargaining cooperatives met in Washington, D.C. for a workshop to begin the work of designing the proposed bill. At this meeting a long list of possible provisions for the bill was considered. Several participants at this meeting argued for a bill which would include exclusive agency bargaining. Exclusive agency bargaining specifies that all members of a designated bargaining unit be represented by and pay a fee to a certified association, whether they are members of the association or not. The Michigan Agricultural Marketing and Bargaining Act has this provision. The majority of participants argued for a much milder bill. Some participants argued that what they needed was a law simply requiring handlers to recognize their associations as legitimate bargaining representatives of their farmer members.

The group at the workshop set some broad guidelines for a bill which they believed would receive general support among farm groups and which would gain Congressional support. They also identified a group which came to be known as the Ad Hoc Bill Drafting Committee. This committee included Noel Stuckman of the Michigan Agricultural Marketing Association as Chairman, Robert Lewis of the Farmers Union, Robert Holt of the California Tomato Growers Association and William Swank of the Ohio Agricultural Marketing Association. In addition, legislative representatives of the Farmers Union, Grange, Farm Bureau and the National Council of Farmer Cooperatives and several consultants participated in the bill drafting process. Gerald Marcus provided legal counsel and contributed significantly to the language of the bill.

The bill drafting committee, after several meetings and extended debate, developed a tentative bill. The proposal was reviewed at a meeting in San Francisco in January of 1978 by representatives of a large number of bargaining associations and was circulated for further comments. The bill was revised again and, late in the second session of the 95th Congress, was introduced by Congressman Ammerman as H.R. 13869 and referred to the Committee on Agriculture. Review of the bill was started by officials in the USDA and by some of the Congressional staff. The bill will be further refined and submitted to the 96th Congress where it should be considered in 1979.

The major features of the proposed bill are as follows:

The bill would repeal the Agricultural Fair Practices Act of 1967 and incorporate the unfair practices of that Act as a section of the new legislation. Seven unfair practices are listed. It would be unlawful, for example, for a handler to coerce a producer in the exercise of his right to join or refrain from joining an association or to refuse to deal with a producer because of membership in an association. Also included in the new bill is a list of unfair practices for an association. For example, it would be unlawful for an association to coerce or intimidate a handler to breach, cancel or terminate a marketing contract with an association or a contract with a member of an association. The intent of the unfair practices section is to create an environment for the exercise of free choice to participate in a bargaining association or refrain from participation.

While the Agricultural Fair Practices Act has received little use and has proven difficult to enforce, those supporting the new bill believe that establishing these fair practices in the law has a beneficial effect for farmer bargaining. An attempt has been made to improve the procedures for enforcement.

The proposed bill makes it a mutual obligation of a designated handler and an accredited association to bargain in good faith. This means that a handler must recognize an accredited association as a legitimate representative of its members and must meet and negotiate over terms of trade. The obligation to bargain in good faith does not require either party to agree to a proposal or to make a concession.

It has been argued that good faith bargaining is difficult to enforce and the obligation may simply result in participants establishing a record of negotiations. Those who argue for this provision maintain that it provides a legal relationship between an association and handlers. The association cannot simply be ignored. Also, courts have been able to enforce good faith bargaining in labor relations.

The bill further requires that if a handler purchases a product from other producers under terms more favorable to such producers than the terms negotiated with an accredited association for such product, he shall offer the same terms to the accredited associations. This provision is intended to strengthen the bargaining position or associations, to make association membership more attractive and to eliminate "sweetheart contracts" with nonmembers which undermine an association.

It has been argued that this provision would be difficult to apply to some commodities. Those supporting the proposition point out that the bill gives the Secretary authority to make such rules, regulations and orders as may be necessary to carry out the provisions of the Act. The rules would need to be adapted to the unique characteristics of different commodities and markets.

The obligation to bargain in good faith applies to accredited associations and designated handlers. An association seeks accreditation by submitting a petition to the Secretary of Agriculture specifying the producers and products it would represent and identifies the designated handlers, either individually or by class, with whom the association wishes to bargain. The Secretary will accredit an association if he finds it meets a set of criteria, including that of having binding contracts to serve as agent for a sufficient number of producers and quantity of product to enable the association to function as an effective agent for producers in bargaining with the designated handlers. Thus, it would be possible for more than one association to be accredited to bargain for a commodity or with a particular handler. Associations could represent producers selling to a single handler or, theoretically, all of the producers selling a commodity in the U.S. It has been argued that accreditation should be based upon a more specific criterion such as representing a given percent of a product, thus reducing the problem of the Secretary in determining the number of producers or quantity of product necessary to enable an association to function effectively. Those drafting the bill believed that because of the great differences in commodities and situations it would be much more workable to leave the decision to the Secretary. The bill leaves the initiative in defining an appropriate bargaining unit and convincing the Secretary that the association can bargain effectively for its members to producer's associations.

The bill provides that handlers shall collect funds from the proceeds of members' sales for an association if the member has signed an agreement with the association for such a payment. The officers of associations made a case that this provision would reduce the costs of collecting fees and thus strengthen the association. Collecting fees and keeping records of sales of a dispersed membership can be time consuming and expensive.

The bill provides that the Secretary may provide mediation services if requested by a handler or association and requires the Secretary to provide assistance in proposing and implementing arbitration agreements between accredited associations and designated handlers. The Secretary may establish a procedure for compulsory and binding arbitration if he finds that an impasse in bargaining exists and such impasse will result in serious interruption in the flow of product to consumers or will cause substantive economic hardship to producers or handlers involved in the bargaining. This section received a great deal of discussion in the process of formulating the bill. The committee concluded that arbitration was workable and in the public interest. The rule making and other decisions of the Secretary would be especially important in effectively implementing this section The administrative procedures for rulemaking would allow input from farmers and handlers in developing appropriate procedures for implementation.

The bill spells out the administrative and enforcement authority for implementing the bill. The responsibility for administration of the bill was assigned to the Secretary of Agriculture. Some had argued that a separate Board should be established. They feared that the Secretary might not put proper priority on the implementation of the bill. The decision by the drafting committee reflected their belief that implementation of the bill is a proper responsibility of the Secretary of Agriculture and that a separate board would add unnecessarily to the problems in administration and enforcement.

Finally, the bill states that, "This Act shall not invalidate the provisions of any existing state legislation dealing with the same subjects as this Act, nor shall this Act prevent any State from enacting legislation similar to existing state legislation, except that such similar legislation may not permit any action that is prohibited under this title." Several states have passed farmer bargaining legislation and several more have groups working to obtain legislation. The committee wished to avoid preemption of the state legislation, believing it is important to allow states to develop procedures adapted to their unique situation and preferences. A review of the bill and state legislation indicated that they would be complementary and no problems would be created by allowinig associations the option to seek accreditation under either the national or state rules.

The political fortune of the bill is uncertain. Among the general farm organizations The National Council of Farmer Cooperatives, the Grange, the Farm Bureau and the Farmers Union and many commodity groups are participating in organizing political support. Other farm organizations seem to support the objectives of the proposed bill but have not participated in organized support.

There will be substantial opposition to the bill. A news release by the National Food Processors Association January 23, 1979 urged food processors to strongly oppose the bill in its entirety. According to a spokesman for the Association the basic objection to the bill is that it would impose compulsory bargaining on processors of agricultural products and that compulsory bargaining is anti-competitive, inherently inflationary and solely for the benefit of farm organizations as distinguished from farmers. The argument continued that where collective bargaining makes good economic sense, it can and will take place under existing law. Additional opposition arguments include the assertion that the bill would create additional bureaucracy which would have excessive regulatory authority and would be expensive to both the government and processors. Some farm groups who favor collective bargaining by farmers also hold that existing permissive legislation is adequate. They believe farmers should "see the light" and all join bargaining associations organized under the authority of the Capper-Volstead Act. Other opposition comes from people who believe collective bargaining is an infringement on freedom or is inconsistent with a competitive market.

The proponents of the bill argue that the proposed bill is a reasonable response to a real problem. They argue there is an imbalance in bargaining power between individual farmers and buyers of their products. In many situations relatively few buyers control access to markets and farmers believe this puts them at a disadvantage, especially when they have perishable products. In discussions leading to the development of the proposed bill, representatives of poultry producers said the producer of broilers often has only one or two possible outlets for his birds and seems to be at the mercy of the buyer. The producer feels especially vulnerable after investing in specialized facilities which have practically no alternative uses. At least proponents argue that in many markets there are few enough buyers so that buyers are in a position to influence price and other items of trade. They point to situations where they believe there is evidence of price leadership among buyers and show that the total number of competing first handlers has been declining.

They argue that the balance of bargaining power is not simply one of the relationship between growers and processors. They see the farmers as a residual claimant in a system where almost all other participants have a capacity to influence their terms of trade. They argue that when an increase in supply of a product results in a lower retail price that all other participants in the food system continue to get the same or higher returns for their contributions and farmers get what is left. Processors, wholesalers and retailers are not only large enough to have some influence on their own returns, but more importantly, their costs for labor, utilities, transportation, containers and other inputs are not based upon flexible, competitive prices, but are supplied by groups which have some capacity to influence their wages or prices.

Those supporting the proposed bill argue that, as residual claimants, farmers are subject to large fluctuation in income. Modern farming requires large expenditures for inputs such as fuel, machinery, and fertilizer which are fixed costs to farmers. When farm product prices decline incomes decline much more. In some situations, farmers sell at prices below the cost of production which may be disastrous to individual farmers and expensive to society as a whole. Only a small improvement in prices resulting from collective bargaining could make a considerable difference to farm incomes. Such small improvements would have a very small effect on consumer prices. Proponents do not believe bargaining would have a significant effect on the consumer price index and believe the argument that bargaining for fair prices would be inflationary is misleading.

Proponents argue that bargaining can reduce the costs of procurement because the bargaining association provides useful procurement services. Also, by providing improved communication and creating information in the bargaining process, improved coordination is possible, improving timing of production and product specifications and in general resulting in a better match between demand and supply. Proponents argue that information about transactions is lacking in many situations to the disadvantage of individual producers. They cite cases where different farmers receive quite different contract terms. They say bargaining will lead to more uniformity and equity in contract terms.

Proponents argue that the objective of farmer bargaining is to establish true market prices, not monopoly prices. Because of imperfections in the market, including lack of information, prices are frequently below what would exist in a perfect market. They argue that prices at harvest time are a special problem for some commodities and that analysis and information derived through bargaining associations can aid in discovering appropriate prices and making them known by all participants.

Proponents argue that the bill is a modest request for assistance in establishing orderly bargaining procedures. They believe farmers are subject to subtle pressure not to participate in bargaining associations. They believe that requiring handlers to recognize legitimate bargaining associations and to bargain in good faith is consistent with the organization of the U.S. economy. They believe they have drafted a bill which is adaptable to many commodities and that it can be administered fairly at low cost to the government. Some proponents argue that it is important that farmers obtain bargaining rights comparable to other groups in the economy rather than rely on programs which are unique to agriculture.

The stage in 1979 shifts to the Congress. It is expected that hearings will be held on the bill early in the 1979 session. The Congress will be especially concerned about issues which relate to inflation and budget costs. Those who favor the bill will have to convince the Congress and other interest groups that the bill is fair and consistent with the national interest. Those who oppose the bill will have to make their case. Undoubtedly, amendments will be offered. This is all part of the democratic process.●

By Mr. HEFLIN:

S. 1194. A bill to amend the Internal Revenue Code of 1954 to exclude certain service performed on fishing boats from coverage for purposes of unemployment compensation; to the Committee on Finance.

● Mr. HEFLIN. Mr. President, I am introducing legislation today which I believe will correct an inequity in the Internal Revenue Code which now exists with respect to the shrimping industry.

As you know, Mr President under the Tax Reform Act of 1976 criteria were established under which certain crewmen would not be considered employees of the operator or owner of a fishing boat. The Internal Revenue Service has in effect declared shrimping boat crews to be self-employed if the crewman does not receive any cash remuneration and if the crewman receives a share of the catch or a share of the proceeds from the sale of the catch and if the amount of the crew share depends on the amount of the boat's catch. A fourth standard provides that the operating crew of the boat is normally made up of fewer than 10 individuals. These criteria were made applicable for the purpose of withholding Federal tax and Federal Insurance Contributions Act tax and consequently exempt the employer—in this case the boat owner or operator.

The inconsistency which I have pointed out appears in the Internal Revenue Code as it pertains to the Federal Unemployment Tax Act. Although this tax is applicable to employers only still under this act fishermen employers are exempt from the payment of Federal contributions for unemployment purposes only if the services performed are related to catching halibut or salmon for commercial purposes or the services are performed on a vessel of more than 10 net tons.

Shrimp boat owners and operators find themselves paying unemployment taxes on those who under another law are classified as selfemployed. Though these are different taxes, there is no reason for inconsistency in exemptions. If a person is considered selfemployed under the criteria of one, there is no reason why an employer should be required to pay unemployment tax on that selfemployed individual. Exclusion from coverage under FICA should be extended to mean an exclusion from coverage under FUTA in this instance. Either a man is selfemployed or he is not. It is inconsistent to declare a man selfemployed under one act and claim that the same man is an employee under another act.

The legislation I have introduced today would simply amend section 3306(c) of the code by using the same criteria to determine selfemployment of the crew man for unemployment tax purposes as used to determine selfemployment of the crewman under the Tax Reform Act of 1976. Specifically: First, the crewman does not receive any cash remuneration; second, the crewman receives a share of the boat's catch of fish or a share of the proceeds from the sale of the catch; third, the amount of the crewman's share depends on the amount of the boat's catch; and fourth, the operating crew of the boat is normally made up of fewer than 10 individuals.

Mr. President, this legislation would exclude these boat owners and operators from the excessive burden of paying unemployment tax on those crewmen defined as being selfemployed under the Tax Reform Act of 1976 and bring some consistency to the enforcement of and compliance with these two laws. Employers need some relief from excessive Government intervention and regulations. Enactment of my proposal would be tax reform in its finest sense. Tax consistency and equity and fairness would be a welcome reform and a welcome relief.●

By Mr. STEWART (for himself and Mr. HEFLIN):

S. 1195. A bill to authorize the Secretary of the Army to correct certain slope failures and erosion problems along the Coosa River; to the Committee on Environment and Public Works.

FORT TOULOUSE

● Mr. STEWART. Mr. President, today I introduce a bill to preserve one of the oldest historic sites in North America, Fort Toulouse.

The Fort Toulouse site is nationally recognized for its historical significance. During our Bicentennial celebration, the State of Alabama selected this site as the number one historic location in my State. Later a Federal agency selected the site as one of the two most significant historical finds of this century. Now, without immediate action, the location will be lost to the erosion caused by the Coosa River.

Early man's nomadic movement gave way to villages and farms once the technology for agricultural production freed him from the never ending search for food. Once man became sedentary, his normal habitat consisted of fertile soil, access to transportation and rich resources of fish and game.

By a geographic fate, such a location existed at the confluence of the Tallapoosa and Coosa Rivers, just south of present day Wetumpka, Ala. As the nomadic Indian tribes established settlements, such locations as this confluence were prime sites for habitation, cultivation and cultural growth.

Yet, rarely do such locations lend themselves to the transition of time. What site may be coveted in one era, may be shunned by the next. The Tallapoosa and Coosa Rivers confluence is an exception to this, however.

From the prehistoric Mississippian period, into early American history, a span of more than a thousand years, the cliffs overlooking the Coosa River remained important.

We know from artifacts, that the earliest habitation of this site dates back more than a thousand years. Better excavation may prove even earlier settlement.

While we can only speculate on prehistoric use of this location, modern history clearly demonstrates the fact that the colonial powers of Europe also sought control and use of this strategic location.

Within months of each other, both the British and the French determined these cliffs on the Coosa River to be an important strategic position. To the east near present day Phenix City, Ala., the Spanish were creating their own military outposts from the Florida colony. Sensing the potential threat, the French fortified the confluence and named their battlements Fort Toulouse.

While this outpost served as a first line of defense for the French colony of Louisiana against possible British and Spanish transgressions, it also provided an outlet for diplomatic efforts with the powerful Creek and Cherokee Indians of Alabama.

The uniqueness of the three European colonial powers balancing each other's expansion near one location cannot be overlooked for nowhere in the Western Hemisphere did the French, Spanish, and English have such close colonial outposts generally contiguous with each other.

Established in 1717, Fort Toulouse served the French, the British, and the American armies. Though never experiencing battle, the fort did serve Gen. Andrew Jackson for it was here that the American general confirmed the defeat of the feared Creek Indians by signing with their chiefs the Treaty of Fort Jackson. This treaty opened for westward migration the land west of the State of Georgia.

This abbreviation of history does not do justice to the significance of Fort Toulouse and the Taskigi Indian mounds. It is important to Alabama history, certainly, but it is even more important to American history.

The continued erosion of the bank presents an imminent threat to the yet-to-be discovered artifacts of ancient Indians and colonial armies. Alabama has spent a half million dollars to save the area and 30,000 yards of dirt have been spread in an attempt to postpone the loss of this historical location.

The project has bipartisan support in Congress, and overwhelming support in Alabama. I urge prompt consideration of this bill.●

By Mr. HEFLIN:

S. 1196. A bill to increase the compensation of the Solicitor General of the United States; to the Committee on the Judiciary.

● Mr. HEFLIN. Mr. President, I am introducing today legislation which would cause the Solicitor General of the United States to be moved from executive level III to executive level II for the purpose of compensating the Solicitor General for his services to this country. This will increase the salary level of the Solicitor General from $52,500 to $57,500.

Mr. President, as you know the Solicitor General, with the assistance of a small staff of attorneys, is responsible for conducting and supervising all aspects of Government litigation in the Supreme Court of the United States. In addition, the Solicitor General reviews every case litigated by the Department of Justice that a lower court has decided against the United States to determine whether to appeal such case. He also decides whether the United States should file a brief as amicus curiae in any appellate court. A significant part of the work of the Office of Solicitor General involves Government agencies that have conducted lower court litigation themselves such as the National Labor Relations Board and the Securities and Exchange Commission. In addition, many cases arise from activities of executive departments of the Government. During the past term of the Supreme Court from June 29, 1977, to July 3, 1978, the Office of the Solicitor General handled 48 percent of the total cases on the Supreme Court's docket, an increase of 69 percent over the past 10 terms. The Government participated in argument or file briefs as amicus curiae in 59 percent of the cases argued on the merits before the United States Supreme Court.

Mr. President, I do not think the importance of the Office of Solicitor General can be over emphasized. Despite its importance and despite the fact that the Office has been held by a long and distinguished line of able jurists, Congress has never seen fit to place the Office of the Solicitor General on the same level as the Deputy Attorney General and the Director of the FBI for purposes of compensation.

Mr. President, the incumbent Solicitor General is the Honorable Wade H. McCree, Jr. Prior to accepting his position as the Solicitor General, Mr. McCree was Judge of the U.S. Court of Appeals for the 6th Circuit. In accepting the position of Solicitor General, Judge McCree suffered a substantial reduction in pay because of the present level of the Solicitor General's office on the executive pay scale. If we are to attract men of Judge McCree's caliber to that high office, we must remunerate them in an amount that is commensurate with their important duties.

Mr. President, as I mentioned, the Office of Solicitor General has been filled by many distinguished citizens over the years. No one has brought more honor and distinction to the office, however, than the incumbent, Judge McCree. Judge McCree was born in Des Moines, Iowa in 1920 and grew up in Chicago, Hawaii, and Boston where he graduated from the Boston Latin School. He received an A.B. degree summa cum laude from Fisk University in 1941 and an LL.B degree from Harvard Law School in 1948. During World War II he served in the U.S. Army and rose to the rank of captain serving in Italy.

Judge McCree was a U.S. delegate to the Third United Nations Congress on the Prevention of Crime and the Treatment of Offenders held in Stockholm, Sweden, in 1966 and also served as a board member of the Federal Judicial Center from 1968 to 1973. He has been a member of the Judicial Conference Advisory Committee on Criminal Rules since 1971; the Committee on Habeas Corpus since 1972 (and its Chairman since 1975); and the Bicentennial Committee since 1975. He served on the Judicial Conference Committee to implement the Criminal Justice Act from 1964 to 1969.

Mr. President, as I mentioned earlier, Judge McCree came to the Office of the Solicitor General from the U.S. Circuit Court of Appeals for the Sixth Judicial Circuit. His previous public offices include service as a U.S. district judge for the Eastern District of Michigan, circuit judge of the Third Judicial Circuit of Michigan, and as Michigan's Workmen's Compensation Commissioner.

There is no doubt, Mr. President, but

that under the stewardship of Judge McCree, the Office of the Solicitor General has performed its mandated duties in a most admirable fashion.

As a matter of fact, for the current year, despite the increased workload the office has absorbed and despite rising costs in all sectors of our economy, the Office of the Solicitor General has not requested any increase in its budget for the coming year other than uncontrollable increases required to maintain current operating levels. I think that it is incumbent upon us to consider all these factors when we consider the bill I am now introducing and I think if we are to continue to attract men of Judge McCree's caliber to this high office, we must minimize the sacrifice that they must make in moving from the private sector or other more remunerative jobs in the Federal system and I think that by passing the bill I have introduced today, we will take a big step in that direction.●

By Mr. JACKSON:

S. 1198. A bill to provide for issuance of all permits necessary for construction of the Long Beach-Midland project, as proposed by the Standard Oil Co. of Ohio, to limit judicial review of the challenges to issuance of those permits, and for other purposes; to the Committee on Energy and Natural Resources.

SOHIO PIPELINE EXPEDITION ACT

● Mr. JACKSON. Mr. President, I am introducing legislation today which I hope will break the regulatory and judicial logjam facing the long-stalled Sohio pipeline project.

Standard Oil Co. of Ohio first proposed to construct a crude oil pipeline from Long Beach, Calif. to Midland, Tex. in 1974. Since that time the company has been pursuing the Government permits and approval necessary to begin the construction.

After spending over $50 million in pursuit of permits, Sohio announced in March that it was abandoning the project. Citing endless Government redtape, and pending and threatened litigation, Sohio's Chairman Alton Whitehouse simply gave up. He said he could not foresee an end to the permit process in the near future. And as each barrel of oil is pumped out of the ground on Alaska's North Slope, the long term economics of the project diminish.

Sohio's announcement provoked screams from California regulatory authorities, who said that it would take only another week or two for them to issue all permits necessary for the project. While they could not guarantee an end to litigation, the State legislative leadership was working on legislation to expedite lawsuits.

Under pressure from the Secretary of Energy, Sohio agreed to reactivate its application for an air quality permit, and to pursue permits for the project for 6 more months. That air quality permit has been the main sticking point in the project's way for years. But while the company was willing to pursue missing permits for 6 more months, they were not willing to make a final commitment to go ahead with the project, saying that the economics of the situation would have to be reevaluated once all the permits are in hand and the litigation is resolved.

The Energy and Natural Resources Committee held a hearing on the subject on March 27. Sohio Chairman Whitehouse said it would take "a miracle" to save the project. He noted wryly that the company was not proposing to build a "public works" project, and that the company's decison would have to be made on the basis of the economics of the project.

Mr. President, I said at that hearing that my purpose in pursuing this matter is not to try to figure out "who killed cock robin." Much of the discussion since Sohio's announcement has centered around who is to blame for the project's demise. Quite frankly, I do not care who is to blame for the situation facing us today. My interest is in figuring out what is necessary to get the project built. And I have reluctantly concluded the Federal legislation is the only way to save the project at this point.

Virtually all of the Federal permits necessary for the project have been issued. Those that have not been issued are awaiting additional information to be supplied by Sohio. State permits have been obtained in California, Arizona, New Mexico, and Texas. There is one remaining major permit, an air quality permit, which should be issued later this week by the local Long Beach area air quality board, the South Coast Air Quality Management District. California law provides a 30-day period for appealing the decision to issue that permit, so it will not be final until June.

Legislation introduced by State Assemblyman Vic Calvo would establish a statute of limitation for filing suits challenging the issuance of California permits for the project. That legislation has passed the State Assembly and should pass the State senate today or tomorrow. I understand the Governor will sign it. The legislation is an important step in the process of getting this project built, and I commend Assemblyman Calvo for his leadership on this issue. Unfortunately, however, the legislation does not give a date certain by which litigation will be resolved. Nor is there any way possible under the California constitution to guarantee that the State supreme court will hear cases promptly. In this instance, only the Federal Government has the power to cut off litigation.

I do not enter into discussions of cutting off pending litigation lightly. Nor has it been an easy decision to conclude that this step is necessary. But I have concluded that the project is in the national interest and must be built. The interests of more than one State are involved. Congress must take a leadership role in resolving this issue.

The legislation I am introducing would do two things. First, it would direct the Secretary of the Interior to issue all remaining permits necessary for construction and initial operation of the pipeline. Second, it would limit judicial review of actions taken by State and Federal officials in issuing permits to lawsuits alleging that the legislation is unconstitutional. Those permits already issued by State and Federal officials would remain intact.

There is one significant lawsuit pending. The pending case involves a technical point in the development of the California environmental impact report on the project. At issue is whether the State environmental impact report takes into account all of the emissions which will come from the project.

As a result of protracted negotiations over the years, Sohio has agreed to a "tradeoff" package which means that they will clean up existing sources of pollution in the air quality basin. They will do so by cleaning up a number of dry cleaning establishments, and by installing a scrubber on a California Edison powerplant, or by purchasing ultra low sulfur fuel oil for that powerplant. The tradeoff package will actually result in a net decrease in emissions in the area, because Sohio has agreed to clean up more sources of emissions than will result from their project.

All parties agree that the tradeoff package will result in a net benefit to the area. The lawsuit quibbles over whether the net benefit will be 1.1 or 1.2; in other words, whether there will be a 10-percent reduction in existing emissions or whether there will be a 20-percent reduction.

The lawsuit, filed by a small group of Long Beach residents, does not have the support of most of the environmental groups in the area. The League of Women Voters has been actively involved in negotiations over the project, as has the Sierra Club. Neither group is a party to the lawsuit. As a matter of fact, last November a referendum on the pipeline project was on the ballot in Long Beach and the citizens voted overwhelmingly in favor of the project.

The lawsuit challenging the adequacy of the environmental impact report was filed in early 1978. It went to the California Supreme Court in March 1978 on a procedural question. The court took over a year before it remanded the case to the trial court on a procedural issue. Sohio, the Port of Long Beach, and the California Public Utilities Commission had urged the court to exercise its discretionary jurisdiction and decide the case promptly. The court declined to do so. I am afraid that legislation about to be signed by the Governor will have the same fate. We simply cannot afford to wait another year, or two, to get started on this project. Congress must act now.

Mr. President, we are becoming more and more dependent upon foreign sources for this Nation's lifeblood, crude oil. Our Nation's most promising area for new sources of crude oil is Alaska. But the oil companies have not speeded up their exploration efforts in Alaska, because there is no efficient, reliable transportation system in place to get crude oil produced in Alaska to refineries in the Midwest which can handle it.

The trans-Alaska pipeline system was originally designed to transport 2.0 million barrels of crude oil per day. It is presently transporting slightly over 1.2 million barrels of crude oil per day and will be up to 1.35 million barrels per day by the end of the year when new pumping facilities are installed. I am told that Prudhoe Bay itself could support production of 1.5 to 1.6 million barrels per day. There are promising petroleum areas nearby which must be explored. But the companies will not make the investment decision to go ahead and expand their production capacity, and to expand the TAPS pipeline until there is a reliable transportation system in place.

West coast refineries presently use about 850,000 barrels of Alaskan crude oil per day. The rest of the production is being shipped to the coast of Panama in large tankers, where it is offloaded, stored, and transferred to smaller tankers to go through the Panama Canal. If the Sohio pipeline were built, this costly, inefficient transportation scheme could be avoided. There are significant savings to be realized, and those savings could be realized without shipping the oil elsewhere.

There is one technical point about the bill I am introducing today which needs mentioning. Section 5 requires the Secretary of the Interior to issue all remaining State and Federal permits necessary for the construction and initial operation of the project. If the final California air quality permit is issued shortly, there may be no need for the Secretary to take action to issue permits that would normally have been issued under State law. If all of the State permits necessary for the project have been issued by the time the Senate acts on the bill, I will be happy to offer my own amendment to this section.

Mr. President, I need not belabor the the need for this legislation any further. Construction of the pipeline is in the national interest. We must go ahead with the project. The only way to convince Sohio to proceed is with Federal legislation. I intend to pursue the bill before the committee and hope that it will be acted on by the committee and by the full Senate promptly.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sohio Pipeline Expediting Act".

SEC. 2. FINDINGS.—The Congress finds that—

(a) Construction of a crude oil pipeline from Long Beach, California, to Midland, Texas, is in the national interest;

(b) Construction of that pipeline will encourage additional crude oil exploration and production in the States of California and Alaska, as well as on Outer Continental Shelf lands adjacent to those States, by providing an efficient system to transport crude oil in excess of West Coast refinery capacity to the Midwest where there is available refinery capacity;

(c) Pending and potential litigation challenging the issuance of permits for the project is not likely to be resolved in the near future; and

(d) It is necessary for the Congress to act in order to clear the way for issuance of all permits necessary for construction of the project, thus avoiding further delays in beginning construction.

SEC. 3. PURPOSE.—The purpose of this Act is—

(a) To eliminate all State and Federal roadblocks to construction of the Long Beach-Midland project; and

(b) To provide for prompt issuance of all State and Federal permits necessary for the project; and

(c) To insure that construction of the project will result in a net reduction in hydrocarbon emissions in the Long Beach region by requiring the project sponsor to agree to a net reduction in hydrocarbon emissions as a condition of receiving an air quality permit; and

(d) To limit the opportunity for judicial review of actions taken by State and Federal officers which relate to the issuance of permits necessary for construction and operation of the project; and

(e) To exercise the Commerce Clause jurisdiction of the Federal Government over interstate commerce to the fullest extent necessary to insure that the project sponsor may proceed.

SEC. 4. DEFINITIONS.—For purposes of this Act, the term—

(a) "Long Beach-Midland project" means the crude oil delivery system which was the subject of, and is generally described in, the "Final Environmental Impact Statement, Crude Oil Transportation System: Valdez, Alaska to Midland, Texas (as proposed by Sohio Transportation Company)" the availability of which was announced by the Department of the Interior in the Federal Register on June 1, 1977, 42 Fed. Reg. 28008, (1977);

(b) "State law" means any State or local law, rule, regulation, or ordinance;

(c) "State official" means an officer or employee of any State or local government or political subdivision thereof, and includes an officer or employee of any local unit of government;

(d) "Environmental impact statement" means the statement required by section 102 (2) (C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332);

(e) "Environmental impact report" means the statement required by section one of the California Environmental Quality Act [Cal. Pub. Res. Code 21100 (West's)];

(f) "Secretary" means the Secretary of the Interior; and

(g) "Permit" includes rights-of-way, leases, and other authorizations required by State or Federal law.

SEC. 5. ISSUANCE OF STATE AND FEDERAL PERMITS.—(a) The Secretary is authorized and directed to issue all remaining State and Federal permits necessary for construction and initial operation of the Long Beach-Midland project, including but not limited to those identified in the environmental impact report and in the environmental impact statement on the project.

(1) The Secretary, in consultation with appropriate State and Federal officials, shall issue all of the remaining permits necessary for construction and initial operation of the Long Beach-Midland project within 30 days after the date of enactment of this Act, except as otherwise provided by this section.

(2) (A) In instances where the Secretary determines that the project sponsor has not applied for a necessary permit, or has not supplied sufficient information to be granted a permit, he shall publish a notice of deficiency in the Federal Register within 30 days after the date of enactment of this Act.

(B) (i) Within 30 days after publication of a notice of deficiency, the project sponsor shall apply for each permit identified in the notice of deficiency, and shall provide such information determined by the Secretary as necessary to be granted a permit.

(ii) Within 30 days of receipt of the completed application, or within 30 days of receipt of the information necessary to be granted a permit, the Secretary shall issue the outstanding permit.

(b) For the purpose of this section, the permit requirements of California State law shall be deemed to be Federal requirements.

(c) Notwithstanding any other provision of law, the actions taken by the Secretary pursuant to this section shall be subject to judicial review solely as provided by section 6 of this Act.

SEC. 6. JUDICIAL REVIEW.—(a) The actions taken by State and Federal officials concerning the issuance of all permits necessary for construction and operation of the Long Beach-Midland project, including both those taken prior to the date of enactment of this Act, and those taken pursuant to the provisions of this Act, shall be subject to judicial review solely as provided by this section.

(b) STATUTE OF LIMITATION.—(1) Claims alleging the invalidity of this section may be brought within 60 days following enactment of this Act.

(2) Claims alleging that an action of a State or Federal official in issuing a permit will deny rights under the Constitution of the United States may be brought within 60 days following the date of such action, or within 60 days following enactment of this Act, whichever is later.

(3) Claims shall be barred unless a complaint is filed within the time specified.

(c) FILING OF CLAIMS.—(1) Any complaint shall be filed in a United States district court, and such court shall have exclusive original jurisdiction to determine such proceeding in accordance with the procedures provided by this section.

(2) No other court of the United States, nor of any State, territory, or possession of the United States, nor of the District of Columbia, shall have jurisdiction over any such claim whether in a proceeding instituted prior to, on, or after the date of enactment of this Act.

(d) PRIORITY CONSIDERATION.—Notwithstanding any other provision of law, any such proceeding shall be assigned for hearing at the earliest possible date, shall take precedence over all other matters pending on the docket of the district court at that time, and shall be expedited in every way possible by such district court.

(e) INJUNCTIVE RELIEF BARRED.—Such district court shall not have jurisdiction to grant any injunctive relief against the issuance of any State or Federal permit, except in conjunction with a final judgment entered in a case involving a claim filed pursuant to this section.

(f) SUPREME COURT REVIEW.—(1) Any review of an interlocutory or final judgment, decree, or order of the district court may be had only upon direct appeal to the Supreme Court of the United States.

(2) Notwithstanding any other provision of law, any such Supreme Court review proceeding shall be heard at the earliest possible date, and shall, to the maximum extent possible, take precedence over all other matters pending at that time, and shall be expedited in every way possible.

SEC. 7. EFFECTIVE DATE AND EXPIRATION.—The effective date of this Act shall be the date of enactment.

SEC. 8. AMENDMENTS TO PURPA.—Title V, Crude Oil Transportation Systems, of the Public Utility Regulatory Policies Act of 1978 (43 U.S.C. 2001) is amended as follows:

(a) Section 502(2) is amended by striking "and the Long Beach-Midland project";

(b) Section 508(a) is amended by striking "or of the Long Beach-Midland project";

(c) Section 509 is amended—

(1) by striking subsection (b);

(2) by striking "or the Long Beach-Midland project" in subsection (c); and

(3) by redesignating subsection (c) as subsection (b).

(d) Sec. 511 is amended—

(1) by striking "the Long Beach-Midland project or" in subsection (b); and

(2) by striking "or the Long Beach-Midland project" in subsection (c).●

By Mr. SASSER:

S. 1199. A bill to direct the Corps of Engineers to study the feasibility of modifying the Mississippi River project at Tiptonville, Tenn.; to the Committee on Environment and Public Works.

Mr. SASSER. Mr. President, today I am introducing a bill to direct the Secretary of the Army, acting through the Chief of Engineers, to study and to submit a report to Congress on the feasibility of modifying the project for flood protection on the Mississippi River at Tiptonville, Tenn.

Mr. President, like so many other areas of the country this spring, western Tennessee has suffered from flooding rivers. One hundred and fifty families in Tiptonville were forced to evacuate their homes when the Mississippi River overflowed its banks. The levees designed to protect Tiptonville are inadequate and require extension if the families in northern Tiptonville are to be safe from flooding in the future.

This situation clearly calls for appropriate action by the Corps of Engineers, and I hope that Congress will act expeditiously to assist the people of the Tiptonville area.

By Mr. BAYH (for himself, Mr. ZORINSKY, Mr. DOLE, Mrs. KASSEBAUM, Mr. PERCY, Mr. CANNON, Mr. PRESSLER, Mr. DURKIN, Mr. HATFIELD, Mr. BENTSEN, Mr. MATSUNAGA, Mr. HUDDLESTON, Mr. MCGOVERN, Mr. HOLLINGS, Mr. BAUCUS, and Mr. MCCLURE):

S. 1200. A bill entitled the "Alcohol Fuels Regulatory Simplification Act of 1979"; to the Committee on Finance.

● Mr. BAYH. Mr. President, today I am introducing the Alcohol Fuels Regulatory Simplification Act of 1979 along with my colleagues Senators ZORINSKY, DOLE, KASSEBAUM, PERCY, CANNON, PRESSLER, DURKIN, HATFIELD, BENTSEN, MATSUNAGA, HUDDLESTON, MCGOVERN, HOLLINGS, BAUCUS, and MCCLURE. The purpose of this bill is to grant the Secretary of the Treasury the authority to waive or change regulations which currently serve as a barrier to the establishment of distilled spirits plants which produce alcohol for energy purposes.

We are currently experiencing a replay of the events of 1973 when the lines of cars at gas stations wrapped around entire city blocks. The cause of these lines in 1973 was a shortage of gasoline due to the Middle East oil embargo. The shortage that exists today is caused by a variety of circumstances. However, the end result is the same. We lack the amount of fuel necessary to keep our cars and agricultural equipment running.

One solution to the present energy crunch is to end our complete dependence on petroleum-based gasoline for use in automobiles and farm vehicles. We can alleviate this problem by using gasohol, a mixture of alcohol and gasoline. By displacing 10 percent of the crude oil we currently use for gasoline, we can free up supplies for production of middle distillates—used to drive our tractors and heat our homes in the winter. Gasohol performs as well or better than gasoline in existing automobiles. The octane rating is higher in gasohol than in unleaded regular, and many car owners have come to prefer using gasohol to their normal brand.

Although alcohol fuels were used in this country as part of our synthetic rubber production efforts during World War II, interest in their development as a source of future energy supplies has only been revived nationally in the last year or so. The renewed interest is intense and mounting.

We must move ahead, as other nations such as Brazil, Sweden, and Germany are already doing, to develop viable alternatives to sole dependence on petroleum to meet our needs. If we do not, our Nation's future looks bleak. Failure to act soon will consign us to even greater petroleum imports, already approaching 50 percent of our crude oil needs at a cost close to $45 billion per year, horrendous balance-of-payment deficits, further erosion of the value of the dollar, higher unemployment, increased dependence on unstable foreign suppliers, and very real threats to our economic well-being and national security.

Faced with these undesirable consequences, it is clear to me that we must start a concerted effort to provide alternatives to oil dependence. I strongly support encouragement of alcohol production as a practical alternative. To my mind, development of these new energy alternatives is one of the bright spots on a bleak energy front. Alcohols are versatile liquid fuels that can become commercially viable in the short run; the national resources from which they are produced are plentiful and are derived from renewable domestic resources; and alcohols can be used for a variety of end uses.

While interest in alcohol fuels is high, and the need is apparent, and the technology is available, we have not been progressing as quickly as I would like or as quickly as I think possible. Why? One reason is because the Federal Government has been more of an obstacle to alcohol production than a stimulant. The maze of bureaucratic redtape that currently surround alcohol production has done more to hamper the establishment of new stills than facilitate this movement—especially by farmers interested in onfarm production or joint community or cooperative efforts to build small stills for the local market.

In order to make gasohol production and use a widespread reality, I have examined various ways to facilitate the numerous governmental procedures one must comply with to get into and stay in the gasohol industry.

For that reason, I am introducing the Alcohol Fuels Regulatory Simplification Act of 1979 which will make it possible for the Bureau of Alcohol, Tobacco, and Firearms to waive regulations which presently stand in the way of individual commercial alcohol fuels initiatives.

Alcohol production has traditionally been intended for beverage use or for industrial uses. Use as a fuel was not anticipated when ATF drafted their original regulations. Current regulations do not take into consideration the unique characteristics of an infant alcohol fuels industry. A farmer in the Midwest wishing to produce alcohol to fuel his or her tractor should not be encumbered by the same regulations as an industry which will sell thousands of bottles of alcoholic beverages. However, initial contact with the Federal Government by individuals wishing to get started have proven frustrating, irritating, and time-consuming. A good example of this is what happened to Mr. Lance Crombie, of Webster, Minn. Mr. Crombie has a Ph. D. in microbiology and is a farmer. When his fuel bills became unbearably high, he decided to build a solar still to produce alcohol to run his farm vehicles.

However, his experience with the Federal Government was not the least encouraging. He was treated more like a moonshiner than a pioneer in a new technology which may help to alleviate our energy crisis and insure farmers adequate and reliable fuel supplies. I will insert the interview Mother Earth News had with Mr. Crombie which outlines his problems with the Federal Government at the end of my remarks.

The Bureau of Alcohol, Tobacco, and Firearms has been caught by surprise by the sudden interest in alcohol to be used for energy purposes. The influx of letters requesting information and permits has been unexpected and large. ATF is responsible for guarding the revenue which could be lost by the Federal Government in the sale of alcohol. The loss to the Government of revenue from alcohol would be very great if alcohol produced in distilled spirits plants for energy use were diverted to beverage use. At this time the rate of tax is $10.50 per proof gallon. Because of the potentially large revenue loss to the Federal Government, ATF has been legitimately concerned, as we all must be, with the regulations governing this industry.

In response to widespread interest, ATF attempted to remedy the confusing situation by publishing a brochure to explain the procedures necessary to obtain a permit. Although their intent was admirable, their final product was not. The pamphlet was much too technical to be of any assistance.

The 1978 energy tax bill mandated that the Bureau of Alcohol, Tobacco, and Firearms send legislation to the Congress recommending changes in current ATF regulations on alcohol if the alcohol was produced for energy purposes. This mandate, coupled with a letter I, along with Senators PERCY, JAVITS, and ABOUREZK, sent to ATF in December of 1978, has prompted ATF to act. They organized a task force to study the best way to deal with this new need and study possibilities for simplifying the regulatory process.

I am pleased that ATF has recognized that there are ways to protect Federal revenues while at the same time encouraging, rather than discouraging, individual initiatives to help ease our dependence on foreign oil.

Since my staff began working with ATF and the Department of the Treasury at the beginning of this year, Agency officials have done their homework and become increasingly enthusiastic about this effort. I appreciate their attitude. The result of this joint effort is the legislation I am introducing today—the Alcohol Fuels Regulatory Simplification Act of 1979.

The gasohol industry is still in its early stages and it is difficult to predict how it will develop. For that reason the Alcohol Fuels Regulatory Simplification Act of 1979 would give the Secretary of the Treasury the authority to waive regulations which are, in many instances, unnecessary when alcohol is being produced for energy.

The regulations the Treasury Department has tentatively drafted to implement this reform legislation will separate alcohol producers into three categories: small, less than 5,000 (100 percent) proof gallons; medium, between 5,000 and 100,000 (100 percent) proof gallons; and large, over 100,000 (100 percent) proof gallons. The regulations will vary according to the size of the group. ATF is concerned with eight different aspects of production: Application for a permit to operate, bond requirement, construction and equipment, security, records and reporting, destruction of alcohol's beverage character, audit and inspection, and onsite supervision.

Distilled spirit plant owners in all categories would be required to comply with basic regulations to file an application, denature the alcohol they produce, maintain adequate security, and prevent the alcohol they produce from being diverted for purposes other than fuel, and maintain auditable records regarding production and disposition of the alcohol. However, the workload for compliance would be markedly different among the groups.

An example of the varying degree of paperwork necessary is illustrated by the proposed regulations for application for a permit. The small producer will be required to fill out one form identifying the owner, type of operation, location, and production process of the plant. However, a large producer would be required to submit all precise and accurate information concerning the plant facilities, production processes, principals operating the plant, statement of title to the premises and interest in the equipment, source of funds invested in the facility, and diagrams depicting the operating facility. Other information may also be required in certain instances.

Let me emphasize, Mr. President, that one of the reasons we suggest granting the Secretary this authority to waive certain regulations rather than streamlining specific regulations by legislation is so the Government can remain flexible. As the industry changes and there are improved methods to produce alcohol for fuel, the Government should be able to adapt itself immediately rather than having to go back to Congress each time.

My office has been in touch with several representatives of the gasohol community on this proposed legislation and the response has been positive. I will continue to work with those presently in the industry as well as those interested in beginning production of alcohol, along with ATF officials, to bring our goal of simplifying these regulations into reality after passage of the bill. The administrative action plan setting forth the regulations ATF envisions under the provisions will be published as proposed regulations as soon as this bill is signed into law. This will enable ATF to act quickly. At that time comments from the Congress and the public on the plan will be most appropriate.

I do not know of anyone in this time of impatience with Government redtape who will be opposed to lifting unnecessary regulations from the backs of potential and present alcohol/gasohol producers.

I urge my colleagues in both the House and the Senate to act expeditiously on this bill. Every day we delay means that much less alcohol for a market in which demand is already exceeding supply.

I ask unanimous consent that the bill, administrative action plan, and analysis of the bill, along with a copy of the Lance Crombie interview in Mother Earth News, be printed in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1200

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Internal Revenue Code of 1954 is amended by redesignating section 5181 as section 5182 and by inserting after section 5180 the following new section:

"§ 5181. Distilled spirits for fuel use.

"(a) General.—On such application and bond and under such regulations as the Secretary may prescribe distilled spirits plants may be established solely for producing, processing, storing, using, and distributing distilled spirits exclusively for fuel use.

"(b) Authority to Exempt.—The Secretary, to the extent deemed necessary to effectuate the purposes of this section, may by regulation provide for the waiver of any provision of this chapter (other than this section) for distilled spirits plants established solely for producing, processing, storing, using, and distributing distilled spirits exclusively for fuel use. Nothing in this section shall be construed as authority to waive the payment of any tax provided for in this chapter.

"(c) Withdrawal Free of Tax.—Distilled spirits produced under this section may be withdrawn free of tax from the bonded premises of a distilled spirits plant exclusively for fuel use pursuant to section 5214(a)(11).

"(d) Prohibited Withdrawal, Use, Sale or Disposition.—Distilled spirits produced under this section shall not be withdrawn, used, sold, or disposed of for other than fuel use. For protection of the revenue, distilled spirits produced under this section shall be rendered unfit for beverage use by addition of substances which will not impair the quality of the spirits for fuel use under such regulations as the Secretary shall prescribe prior to withdrawal from the bonded premises of a distilled spirits plant.

"(e) Definition.—For purposes of this section, the term 'distilled spirits' does not include distilled spirits produced from petroleum, natural gas, or coal."

Sec. 2. Section 5601(a) of the Internal Revenue Code of 1954 is amended by adding the word "or" after paragraph 14 and by adding a new paragraph 15 to read as follows:

"(15) Unauthorized withdrawal, use, sale or distribution of distilled spirits for fuel use.—Withdraws, uses, sells or otherwise disposes of distilled spirits produced under section 5181 for other than fuel use;"

Sec. 3. Section 5214(a) of the Internal Revenue Code of 1954 is amended by striking from paragraph (10) the period and inserting in lieu thereof a semicolon and the word "or" and by adding a new paragraph (11) to read as follows:

"(11) free of tax in the case of distilled spirits produced under section 5181."

Sec. 4. Section 5004(a)(2)(B) of the Internal Revenue Code of 1954 is amended by striking out "or (3)," and inserting "(3), or (11),".

Sec. 5. Section 5005(d) of the Internal Revenue Code of 1954 is amended by striking out "or (3)," and inserting "(3), or (11),".

Sec. 6. Section 5025 of the Internal Revenue Code of 1954 is amended by redesignating paragraph (m) as (n) and by adding a new paragraph (m) to read as follows:

"(m) Distilled Spirits for Fuel Use.—The processing of distilled spirits exclusively for fuel use produced under section 5181 shall not be deemed to be rectification within the meaning of sections 5021, 5081 and 5082."

Sec. 7. Section 5083 of the Internal Revenue Code of 1954 is amended by adding a new paragraph (16) to read as follows:

"(16) Processing distilled spirits for fuel use, see section 5025(m)."

Sec. 8. The table of sections for subchapter B of chapter 51 of the Internal Revenue Code of 1954 is amended by redesignating section 5181 as section 5182 and by inserting after section 5180 the following:

"5181. Distilled spirits for fuel use."

Sec. 9. These amendments shall take effect on or after the first day of the first calendar month which begins more than 60 days after the date of enactment of this Act.

Bill Analysis

The proposed bill would amend the Internal Revenue Code of 1954 to vest in the Secretary the authority to simplify pursuant to regulation the present satutory controls applicable to distilled spirits plants established solely for producing distilled spirits exclusively for fuel use.

Over the past year or so considerable interest has been expressed by persons to produce and use distilled spirits for fuel. The concept of using distilled spirits and blends containing distilled spirits and gasoline as motor fuel has been periodically discussed since World War I. Anticipating that existing production of petroleum and gasoline will not remain static, experts have constantly sought alternate energy sources. Successful experiments have been made with distilled spirits blended with gasoline as a motor fuel. A notable recent example is the Nebraska Gasohol Program, sponsored by the Agricultural Products Industrial Utilization Committee of the State of Nebraska. The "gasohol" tested in the Nebraska program is favorable. Others are also testing the expanded use of gasohol and the Treasury Department has received numerous requests concerning the possible establishment of plants of varying sizes.

The Internal Revenue Code of 1954 (chapter 51) establishes a detailed regulatory scheme for distilled spirits plants and persons involved in production of distilled spirits whether those spirits are intended for beverage or industrial use. The current regulatory scheme requires persons to follow qualification procedures, including registration of distilled spirits plants, obtaining a permit for operation, and filing an operational bond and documents concerning construction and operation of the distilled spirits plants. In addition, the scheme provides for production of distilled spirits in a closed distilling system which requires on-premises supervision by a Government officer. Presently, distilled spirits can be withdrawn free of distilled spirits excise tax ($10.50 per proof gallon) if it is first denatured by adding certain substances to render it unfit for beverage purposes.

The requirement in existing law that denaturing occur before the distilled spirits are removed from the bonded premises is intended to guard against the diversion of non-taxed paid distilled spirits to beverage use. The primary objective of the proposed bill is to simplify pursuant to regulation the present statutory controls applicable to distilled spirits plants established solely for producing distilled spirits exclusively for fuel use, while maintaining adequate safeguards to protect the revenue.

New section 5181 will vest authority in the Secretary to prescribe regulations for the establishment of distilled spirits plants solely for producing, processing, storing, using, and distributing distilled spirits exclusively for fuel use. The Secretary will have the authority to waive by regulation any provision of chapter 51 to facilitate the establishment and operation of such distilled spirits plants. For example, subsection (b) would authorize the Secretary to minimize the present qualification requirements for such distilled spirits plants and reduce the amount of bond requirements otherwise applicable to such an operation. However, the Secretary will not have authority to waive the payment of any tax provided for by chapter 51. Attached is the Treasury Department's proposed administrative action plan which sets forth the regulation envisioned over distilled spirits plants established under the provisions of this bill.

Subsection (c) will permit distilled spirits produced exclusively for fuel use to be withdrawn free of tax pursuant to new section 5214(a)(11). Subsection (d) prohibits the withdrawal, use, sale, or disposition of distilled spirits produced under the new section 5181 for other than fuel use. Additionally, for the protection of the revenue, subsection (d) requires that such spirits be rendered unfit for beverage use by addition of substances which will not impair the quality of the spirits for fuel use under such regulations as the Secretary shall prescribe prior to withdrawal from the bonded premises of a distilled spirits plant. Distilled spirits which are improperly withdrawn, used, sold, or disposed of will be subject to all provisions of law relating to taxable distilled spirits including those provisions imposing taxes and criminal penalties.

Subsection (e) defines the term "distilled spirits" for purposes of section 5181 as not to include distilled spirits produced from petroleum, natural gas, or coal. Section 221 of the Energy Tax Act of 1978 establishes an exemption in sections 4041(k) and 4081(c) of the Internal Revenue Code from the Federal motor fuels excise tax for fuels mixed with "alcohol" which is defined as not including alcohol produced from petroleum, natural gas, or coal. Additionally, section 221 of the Energy Tax Act of 1978 requires the Treasury Department to recommend legislation to simplify the regulation of persons producing ethanol for use in producing gasoline or liquid fuel as described in section 4081(c). Thus, the definition of "distilled spirits" in subsection (e) of section 5181 corresponds with the definition of "alcohol" in section 4081(c).

Section 2 of the proposed bill amends section 5601(a) by adding a new paragraph (15) to provide criminal penalties for any person who withdraws, uses, sells, or otherwise disposes of distilled spirits except as authorized under section 5181. Section 3 adds a section 5214(a)(11) to authorize the withdrawal free of tax of distilled spirits produced under section 5181. Because of the nature of the withdrawal, free of tax, conforming amendments of a technical nature in sections 4 and 5 are required to section 5004(a)(2)(B) relating to terminations of statutory liens on spirits withdrawn free of tax and section 5005(d) relating to relief from tax liability when spirits are withdrawn free of tax.

In addition, section 5025, relating to exemption from rectification tax, would be amended by adding a new subsection (m) to make it clear that processing of distilled spirits for fuel use under section 5181 would not constitute rectification and thus be taxable.

A cross reference to new section 5025(m) is added to section 5083, which lists exemptions from taxes under sections 5021 and 5081.

The attached package is the proposed administrative action plan setting forth the regulations envisioned for distilled spirits plants established under the provisions of this bill. Following the passage of this legislation this plan will be published in the form of proposed regulations. Comments from the Congress and the public as to possible improvements on this plan will be sought.

Basically, the plan defines the three categories of producers the Department anticipates will produce alcohol for fuel. Then, the general requirements for all producers are broadly outlined. The plan proceeds to delineate the specific requirements for each type of producer concerning the application for a distilled spirits plant permit and the bonding, security, and auditing requirements. The plan also explains the requirement to denature the alcohol and identifies some approved denaturing methods. In addition, the ATF inspection and oversight is described.

It is the Department's intention to have the regulatory package sufficiently developed to initiate the rulemaking process as soon as Congress approves the waiver authority. The Department estimates it will require an additional four to six months to finalize and implement the action plan.

ADMINISTRATIVE ACTION PLAN

CONTROL ON ALCOHOL FOR FUEL PLANTS

In the future, we anticipate that a diversity of individuals and organizations will apply to the Bureau of Alcohol, Tobacco and Firearms (ATF) for a permit to establish a plant for the production of alcohol to be used as a fuel. Some producers of this alcohol will use it to produce gasohol—a mixture of alcohol and gasoline—that can be used as a fuel. ATF desires to facilitate the production of fuel alcohol, while at the same time, to minimize resource costs for the individual and the Government and to sustain ATF's statutory responsibilities and obligations.

We envision three potential categories or sizes of gasohol producers. They are:

Small producers (producing less than 5,000 (100 proof) gallons of alcohol per annum),

Medium producers (producing less than 100,000 (100 proof) gallons of alcohol per annum) and,

Large producers (producing over 100,000 (100 proof) gallons per annum).

While specific ATF controls will vary at each production level, all gasohol production plants will be expected to:

File an application to obtain a permit to operate an alcohol production plant,

(Except for the small producers) file a surety bond to cover any tax liability on the alcohol produced,

Destroy the beverage character of the alcohol by adding gasoline, kerosene or other approved chemicals,

Maintain security to prevent the diversion of the alcohol for purposes other than fuel, and

Maintain auditable records regarding production and disposition of the alcohol.

Outlined below are the specific controls for each level of production that ATF will apply.

APPLICATION FOR PERMIT

Small Producer: This applicant will be required to fill out a form (see Attachment A) identifying the owner(s) and operator(s) of the plant, the location of the plant, the production process used, and the environmental impact of the process.

Medium Producer: This applicant will submit the same application form as a small producer. All applicants are, in addition, required to submit proof that the applicant has obtained the requisite surety bond based on his expected volume of production. The applicant must have the owner of the property stipulate, through submission of another form, that the United States taxes on distilled spirits produced, has the priority over any claim against the property.

Large Producer: This applicant will submit a basic application supplemented by additional documentation. This documentation includes, but is not limited to, precise and accurate information concerning the plant facilities, production processes, principals operating the plant, statement of title to the premises and interest in the equipment, source of funds invested in the facility, and diagrams depicting the operating facility. With additional experience, ATF will try to simplify the large producer's application requirements.

It is estimated that a completed application for a small or medium producer, will take ATF 30 days to process. The large producer's completed application should be processed in about 45 days.

BOND REQUIREMENTS

Individuals entering in the business of distilling alcohol are required to file bond to cover the liability for the excise taxes on the alcohol produced. This bond and the security requirements are designed to:

Prevent the loss of any tax revenue, and

Assure the alcohol produced is not diverted to illegal purposes.

ATF ascertains the bond by determining the volume of alcohol produced at a specific proof level over a specific period of time. The present rate is $10.50 per (100 proof) gallons produced over a period of 15 days. In general, the formula used to determine the bond is designed to minimize the financial burden on the producer and to also minimize the risk the Government takes regarding potential loss of tax revenue. The producer, in actuality, pays an annual premium which is less than the actual tax liability by securing a surety bond for the tax liability with an approved Treasury bonding company. (See Table 1 at Attachment B.)

Small Producer: There is no bond requirement for this producer. It is believed the risk to the revenue by this producer is limited because of the volume of alcohol production (5,000 at 100 proof gallons) and the probability of detection if significant quantities of production are diverted to illegal purposes.

Medium Producer: ATF will determine the bond based on the potential tax liability incurred by the producer during 15 days production of distilled spirits. For example, if the producer produces 100,000 (100 proof) gallons annually (the maximum allowable under this category) his tax liability will be $60,576. The approximate cost of a surety bond to the producer is $730 annually.

Large Producer: ATF will determine the bond requirement for this producer based on the potential tax liability incurred by the producer during a 15 day period. For example, if he produces 200,000 proof gallons annually, his potential tax liability is $121,154. However, the maximum sum of the bond would be $1,200.

CONSTRUCTION AND EQUIPMENT

Small Producer: ATF requires this producer to have equipment by which he can regularly and accurately determine the quantity and proof level of the alcohol produced. Basic equipment needed for gauging production is a receptacle with a calibrated sightglass installed or a calibrated dip stick, a cylinder, a thermometer, and a hydrometer. This requirement does not necessitate expensive or sophisticated gauging equipment. In addition, the applicant must have a storage facility for the alcohol produced which he can either lock or seal.

Medium Producer: While ATF will require medium production operations, owned/operated by a number of individuals (e.g. co-operatives), to have a closed production system, the individually owned medium operation will not have to have a closed production system. ATF will require a medium producer with a closed system to secure the system with his locks and seals accessible only to responsible personnel. ATF will, however not levy any additional restrictions regarding the maintenance and security of the closed distilling system.

In general, the medium producer must have equipment to regularly and accurately determine the quantity and proof level of the alcohol produced. Basic equipment needed for gauging production is a receptacle with a calibrated sightglass installed or a calibrated dip stick, a cylinder, a thermometer, and a hydrometer. This requirement does not necessitate expensive or sophisticated gauging equipment. In addition, the applicant must have a storage facility for the alcohol produced which he can either lock or seal.

Large Producer: This producer is required to have a distilling system that is closed at all points and is designed to prevent the unauthorized removal of alcohol from the system without detection. The security of the system shall be maintained, and at present, ATF will control removal of alcohol from the system by meters or other devices such as locks and seals.

Legislation implementing the wine gallon concession negotiated as part of the MTN, however, will repeal joint custody and would replace it with a system of "all-in-bond" tax administration. If this legislation is passed then the large producer would maintain the security of the alcohol with his locks and seals.

SECURITY

ATF desires that producers provide security which will deter the unauthorized removal of the alcohol and its diversion to illegal purposes. Moreover, ATF anticipates that the producers will also be concerned with providing sufficient security to protect his product.

ATF will require producers to retain the alcohol produced either in a storage tank or some enclosure which he can lock and restrict the access of unauthorized personnel to the alcohol or the diversion of the alcohol to illegal purposes.

If the above security measures are not maintained or if ATF discerns a consistent pattern of inadequate security identifiable by frequent break-ins by unauthorized persons or diversion of the alcohol to unauthorized purposes, then ATF will require the producer to implement additional security measures.

It is recognized, however, that the specific measures required to limit the risk of unauthorized intrusion will vary dependent on:

The volume of production,

The location of the facility (e.g. urban versus rural),

Type and construction of plant (e.g. concrete building versus wooden shed), and

The availability of local security (e.g. regular police patrols of area).

ATF could require one or any combination of the following additional security arrangements:

The erection of a fence around the plant or alcohol storage facility,

Flood lights,

Alarm systems,

Watchman service, and

Locked or barred windows.

The exact additional security requirements would depend on the extent of security problems, the volume of alcohol produced, the risk to tax revenue, and safety requirements.

If an individual fails to implement the requisite security measures, then ATF may revoke his permit to produce alcohol for fuel. The impetus is on the producers to actively try to prevent unauthorized access to the alcohol; however, ATF will work with the individuals in choosing the appropriate security measures to correct any problems.

RECORDS AND REPORTING

ATF will require each producer to maintain records of his production process and the disposition of the alcohol. At regular intervals, the producer will provide information to ATF for verification and auditing. ATF would not require the producer to maintain a separate set of records if he maintains commercial records that contain the needed information. Commercial records maintained for accounting and tax purposes will suffice.

Small Producer: This producer would be expected to maintain records of:

The quantity and proof of alcohol produced,

The quantities and types of materials added to the alcohol to destroy the beverage character of the alcohol, and

The disposition of the denatured alcohol.

Once a year, the small producer will file a report with ATF stating the volume and proof of alcohol produced annually and the disposition of the denatured alcohol.

Medium Producer: This producer will maintain records of:

The volume and proof of alcohol produced,

The quantities and types of materials used to destroy the alcohol's beverage character, and

The disposition of the denatured alcohol.

Twice a year, the producer will file a report with ATF delineating the volume and proof of alcohol produced monthly, and its disposition.

Large Producer: This producer will maintain records of:

The materials received and used to produce alcohol,

The volume and proof of alcohol produced,

The quantities and types of material added to the alcohol to alter its beverage character, and

The disposition of the denatured alcohol.

Four times a year, the producer will file a report with ATF delineating the volume and proof of alcohol produced monthly and its disposition.

DESTRUCTION OF THE ALCOHOL'S BEVERAGE CHARACTER

ATF will require all producers of alcohol for use as a fuel to add substances to the alcohol destroying its beverage character—make it unfit for human consumption. This technique is called denaturing the alcohol. All alcohol produced by the producers must be denatured before it leaves the premises on which the production facilities are located.

There are many substances such as gasoline, kerosene, or other chemicals, which can destroy the beverage character of the alcohol. In addition, there are several different formulas for the destruction of the beverage character of alcohol. ATF, however, is willing to work with a producer to develop an acceptable formula which will meet his specific needs.

For example, either of the two following formulas is acceptable for the destruction of the beverage character of alcohol.

Formula No. 1

To every 100 gallons of alcohol add 15 gallons of gasoline.

Formula No. 2

To every 100 gallons of alcohol add 15 gallons of kerosene.

AUDIT/INSPECTIONS

ATF will inspect each category of producer and review his records periodically. The frequency of these inspections is based upon the volume of production, type of operation, type of organization, construction and security provided, and the producer's record of compliance with laws and regulations. These inspections will determine that the operations are being conducted in accordance with the laws and regulation. Depending on available resources, generally, we can anticipate an audit/inspection schedule no more frequently than now utilized for permittees with similar controls and tax liabilities. Existing audit/inspection periods vary from six months to three years.

ON-SITE SUPERVISION

Small Producer: ATF would provide no direct on-site supervision. Proprietor would, without ATF supervision, measure production and add materials to destroy the beverage character of the alcohol.

Medium Producer: ATF would not provide direct on-site supervision. Producer would measure production and add materials to destroy the beverage character of the alcohol without ATF supervision.

Large Producer: In an effort to minimize the need for on-site Government supervision, ATF will require the producer to install a meter system which will accurately record alcohol production and monitor the addition of substances to destroy the beverage character of the alcohol.

ATTACHMENT A

APPLICATION FOR OPERATION PERMIT FOR PRODUCTION OF ALCOHOL FOR FUEL

1. Which type of alcohol will you produce? Ethanol——— Methanol——— (If an individual plans to make methanol he does not need to apply for a permit. Only ethanol or ethol alcohol producers are required to apply for a permit.)

2. Date of application.

3. Name, home address and phone number, principal business address of applicant and phone number, Social Security Number.

4. Name and address of plant if different from above location.

5. Identify any partners/others that will be involved in operations.

6. Provide the address of above.

7. Has any persons listed above:

Ever been convicted of a felony or misdemeanor under Federal or State law? Yes——— No———

Ever been arrested or charged with any violation in the last three years of Federal or State law (convictions or arrest or charges for traffic violations need not be reported if such violations are not felonies)? Yes ——— No ———

Ever applied for, held, or been connected with a permit issued under Federal law, to manufacture, distribute, sell, or use spirits, or products containing spirits, whether or not for beverage use, or held financial interest in any business covered by such permit? Yes ——— No ———

Ever compromised, by payment of penalties or otherwise, any violation of any Federal law relating to Internal Revenue or Customs taxation of distilled spirits, wines, beer, or tobacco products? Yes ——— No ———

8. If the answer to any of the above questions is Yes, provide specific details below:

9. Are you a citizen of the U.S.? Yes ——— No ———

a. If naturalized, give data and location where naturalization papers were issued.

b. If not a citizen, give current citizenship status.

10. Provide the names and addresses (No., Street, City, State, Zip Code) of five references, including at least one bank reference, as to your character and business responsibility.

1.
2.
3.
4.
5.

11. List your residences for the past ten

years (Give Street Address, City, County, State, and Zip Code)

Period:
From: To:
Addresses:

12. State the amount of your investment, if any, in the business and sources of the funds invested. (Personal savings, loans, etc.; give name and addresses of institutions in which funds are on deposit or name and address of tender).

13. Describe the type of operation you desire to operate:

Equipment used.

Facilities used for plant operation.

Draw a diagram of the plant.

14. Environmental Data.

A. Heat and Power:

1. Describe types of heat and power to be used and their sources.

2. Note any air pollution that might result.

3. Identify any air pollution equipment proposed for use.

B. Solid Waste:

1. Describe approximate amount and composition of all solid waste to be generated.

2. Discuss proposed methods of disposal.

C. Liquid Waste:

1. Describe amount and content of any liquid waste to be generated, including the biological, chemical, thermal, or other discharge and the location at which such discharge may enter marginal waters.

2. Describe proposed method of disposal.

D. Noise:

1. Describe operational noise that may result from operation of plant.

E. Give the date or dates this activity will begin and end, if known.

F. Describe any methods or means used to monitor quality and characteristics of the discharge and the operation of equipment or facilities employed in the treatment or control of wastes or other effluence.

15. Statement of truthfulness of information provided and signature of applicant.

ATTACHMENT B

TABLE 1.—BOND AMOUNTS

Daily production (gallons)	Annual	Proof	Bond required for 15 days' production	Annual bond premium
5	1, 250	160	$1, 260	$24
5	1, 250	190	1, 496	24
10	2, 500	160	2, 520	36
10	2, 500	190	2, 993	36
12.5	3, 125	160	3, 150	48
12.5	3, 125	190	3, 751	48
20	5, 000	160	5, 040	72
20	5, 000	190	5, 985	72
100	25, 000	160	25, 200	312
100	25, 000	190	29, 925	360
1,000	250, 000	190	100, 000	[1] 1, 200

[1] Maximum premium.

Comparative Type Showing Changes in Existing Law Made by Proposed Bill

Changes in existing law proposed to be made by the bill are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is underscored):

Title 26—Internal Revenue Code.

Chapter 51—Distilled Spirits, Wines, and Beer.

* * * * *

"§ 5004. Lien for tax

"(a) Distilled spirits subject to lien

* * * * *

"(2) Exceptions

The lien imposed by paragraph (1), or any similar lien imposed on the spirits under prior provisions of internal revenue law, shall terminate in the case of distilled spirits produced on premises qualified under internal revenue law for the production of distilled spirits when such distilled spirits are—

* * * * *

"(B) withdrawn from bonded premises free of tax under provisions of section 5214(a) (1), (2), [or (3),] (3), or (11), section 7510; or"

* * * * *

"§ 5005. Persons liable for tax

* * * * *

"(d) Withdrawals free of tax

All persons liable for the tax under subsection (a) or (b), or under any similar prior provisions of internal revenue law, shall be relieved of such liability as to distilled spirits withdrawn free of tax under the provisions of section 5214(a) (1), (2), [or (3),] (3), or (11), or under section 7510, at the time such spirits are so withdrawn from bonded premises."

* * * * *

"§ 5025. Exemption from rectification tax

* * * * *

"(m) Distilled spirits for fuel use

The processing of distilled spirits exclusively for fuel use produced under section 5181 shall not be deemed to be rectification within the meaning of sections 5021, 5081 and 5082.

"[(m)] (n) Cross references"

* * * * *

"§ 5083. Exemption

"For exemptions from tax under section 5021 or 5081 in case of—

* * * * *

"(16) Processing distilled spirits for fuel use, see section 5025(m)."

* * * * *

"Subchapter B—Qualification Requirements for Distilled Spirits Plants"

Table of Sections

* * * * *

"5181. Distilled spirits for fuel uses.

"[5181.] 5182. Cross references."

* * * * *

"§ 5181. Distilled spirits for fuel use

"(a) General

On such application and bond and under such regulations as the Secretary may prescribe distilled spirits plants may be established solely for producing, processing, storing, using, and distributing distilled spirits exclusively for fuel use.

"(b) Authority to exempt.

The Secretary, to the extent deemed necessary to effectuate the purposes of this section, may by regulation provide for the waiver of any provision of this chapter (other than this section) for distilled spirits plants established solely for producing, processing, storing, using, and distributing distilled spirits exclusively for fuel use. Nothing in this section shall be construed as authority to waive the payment of any tax provided for in this chapter.

"(c) Withdrawal free of tax

Distilled spirits produced under this section may be withdrawn free of tax from the bonded premises of a distilled spirits plant exclusively for fuel use pursuant to section 5214(a) (11).

"(d) Prohibited withdrawal, use, sale or disposition.

Distilled spirits produced under this section shall not be withdrawn, used, sold, or disposed of for other than fuel use. For protection of the revenue, distilled spirits produced under this section shall be rendered unfit for beverage use by addition of substances which will not impair the quality of the spirits for fuel use under such regulations as the Secretary shall prescribe prior to withdawal from the bonded premises of a distilled spirits plant.

"(e) Definition

For purposes of this section, the term 'distilled spirits' does not include distilled spirits produced from petroleum, natural gas, or coal."

* * * * *

"[§ 5181.] § 5182. Cross references

* * * * *

"§ 5214. Withdrawal of distilled spirits from bonded premises free of tax or without payment of tax

"(a) Purposes

* * * * *

"(10) without payment of tax by a proprietor of bonded premises for use in research, development, or testing (other than consumer testing or other market analysis) of processes, systems, materials, or equipment, relating to distilled spirits or distillery operations, under such limitations and conditions as to quantities, use, and accountability as the Secretary may by regulations require for the protection of the revenue[.]; or

"(11) free of tax in the case of distilled spirits produced under section 5181."

* * * * *

"§ 5601. Criminal penalties

"(a) Offenses

* * * * *

"(14) Distilling after notice of suspension

After the time fixed in the notice given under section 5221(a) to suspend operations as a distiller, carries on the business of a distiller on the premises covered by the notice of suspension, or has mash, wort, or beer on such premises, or on any premises connected therewith, or has in his possession or under his control any mash, wort, or beer, with intent to distill the same on such premises; or

"(15) Unauthorized withdrawal, use, sale or distribution of distilled spirits for fuel use

Withdraws, uses, sells or otherwise disposes of distilled spirits produced under section 5181 for other than fuel use;"

Energy Self-Sufficiency Now

(Mr. Lance Crombie of Webster, Minnesota is a farmer * * * he even carries business cards which attest to that fact. Crombie, however, has a number of sidelines that aren't exactly typical of a tiller of the soil.

(Lance is, for instance, a former cancer researcher who holds a Ph.D. in microbiology, the inventor of a low-cost solar collector, a partner in the firm that distributes his invention, the chairman of the Minnesota State Heart Fund, an associate professor of pharmacy at the University of Minnesota, a member of the New York Academy of Science * * * and he's listed in Who's Who in the Midwest and Outstanding Young Men in the Midwest.

(Lance is also a moonshiner.

(A moonshiner? Yep, you read it right. You see, Crombie is the kind of guy who gets things done when they need doin', and he's not at all hesitant to back the system or throw out the "accepted" answers when he feels he can find a better solution by himself.

(So—when his family's fuel bills became more than their budget could bear—Lance sat himself down, designed a sun-powered still, and began to produce corn alcohol * * * which he planned to use to heat his home and power his farm machinery.

(It wasn't long, however, before his experiments brought about a head-to-head confrontation between Crombie and the Treasury Departments Bureau of Alcohol, Tobacco, and Firearms * * * the "revenuers".

(Surprisingly enough, Lance won that battle (he obtained permission to operate his still) and—in the process—he became a spokesman for the alcohol fuel "movement" * * * a group of people who feel that our continued dependence upon fossil fuels is the quickest possible route to energy bankruptcy, and that agriculture ought to be given the chance to take a whack at solving America's fuel problems.

(In order to find out more about Crombie, and about alcohol's use as a fuel, MOTHER sent staffer Bruce Woods to the Gopher State to interview the Minnesota Moonshiner. While there, Bruce managed to wedge some questions in among the corn combining, volunteer work, and alcohol "public relations" activities that had kept Lance awake for the previous 30 hours.

(In this transcript of Bruce and Lance's exchange, you'll discover that Lance Crombie is—indeed—a farmer * * * but a farmer who—quite possibly—holds the key to individual total energy self-sufficiency in his hands.)

Plowboy. Lance, it's obvious from everything that's gone on since we arrived at your home—the constant phone calls, the people stopping by for information and advice, etc.—that your distillation experiments have attracted a lot of attention. Just how did a Minnesota corn farmer wind up in the middle of this home-produced alcohol controversy?

Crombie. Well, to go back to the very beginning, I was born and raised on a dairy farm in North St. Paul, Minnesota. By the time I got out of high school I'd milked one heck of a lot of cows, so I decided to go to college . . . to try my hand at something other than udders for a while. I eventually graduated from the University of Minnesota with a Ph.D. in microbiology and a biochemistry minor. That was in the spring of 1968.

I went into lab work after graduation and was employed—for the next few years—doing research in the areas of immunization and cancer prevention. It wasn't long, though, before I began to realize that the job market for Ph.D.'s was getting pretty glutted . . . there were more people holding the degrees than there were positions for those men and women to fill. So, since I really wanted to get back to farming anyway, I bought a small place here in Webster in 1974. I've been able to expand it through the years, and now I run a little more than 600 acres of corn and wheat. I plan to switch some of it over to sunflowers next year and then maybe I'll make some money from farming for a change.

Plowboy. And after you returned to farm life you became interested in solar energy?

Crombie. I had to! You see, while we were adding to our acreage, we lived in a little house. My family was too big to stay in such cramped quarters for long, though, so I looked around and eventually found this monster home here. It had been a parish house, and the church offered it to me for $200 . . . on the condition that I move it.

Everybody I talked to told me that it would be impossible to transport a brick house of this size all the way out here to my property, and I always tend to get a little riled when I'm told that something's impossible. It took me a while, but I finally found a company that was willing to tackle the job. And, although those guys lost money on the contract, the publicity generated by the move brought them a lot of new business.

Anyway, the house became our bicentennial project. We had built a new basement for it before we moved it out here, and we went on to refurbish the whole structure . . . all of which added about $40,000 to the original $200 price tag.

And then the winter of 1976–77 came along. Our heating bill for January alone was over $450, and it had been running right around that figure for months. I didn't have that kind of money to burn. In fact—what with the house expenses on top of several years of non-profit farming—I didn't have much money at all! So I did a little research, gave the problem some thought, and designed an inexpensive, temporary, all-plastic, inflatable solar collector . . . just to help us survive the winter without going broke.

The thing worked fine, too. I mean, it really helped, although we would have needed a number of collectors to heat this house. My brother and I decided that other folks might be interested in a solar heating system that wouldn't cost an arm and a leg to set up, though, so I redesigned the collector—made it more durable—and got a patent on the design. Then we formed a company called Chicago Solar and started traveling to various energy shows to market the units.

Whenever I demonstrated the collector, somebody would be sure to ask me, "But what do you do when the sun doesn't shine?" After a while I started telling 'em that I'd perfected a method of collecting moonbeams and that I'd supply a free bottle of moonshine with every solar collector I sold . . . because I didn't want my customers to get cold at night.

That joke, you see, started the whole alcohol thing . . . because it set me to thinking. My heating bills were still high, of course, and I needed to come up with something I could use to augment our solar heaters . . . or to fill in for them on cloudy days and such.

At the same time, I had about 45,000 bushels of corn sitting out there in my bins. It was worth around $1.60 a bushel on the market, and—since it had cost me almost $2.00 a bushel to grow— I wasn't about to sell the grain at that price.

So, I put two and two together and decided to turn all that corn into alcohol. I figured that I could use the fuel to heat my house, run my tractors, and all that.

There didn't seem to be much information available on alcohol stills per se, but I managed to find out a good bit about fermentation . . . which is just yeasts and bacterial action, stuff that I was pretty familiar with. So I built a crude little solar still, whipped up a batch of mash, and was ready to go.

I wasn't looking to get into trouble. In fact, I even went so far as to talk to the local sheriff before I started distilling. I asked him if he thought it would be OK if I experimented with solar stills and so forth . . . and he said that he didn't think I should.

But—one Sunday last March—I went ahead and set up the contraption anyway. I ran a batch of mash through the still and produced some crude 60- to 100-proof alcohol—ethyl hydroxide—just to test my design and find out what it could do.

Two Treasury Department Bureau of Alcohol, Tobacco, and Firearms agents—escorted by the sheriff—dropped by to see me the very next day. We had a three-hour "discussion"—really going back and forth—about the energy crisis, the cost of fuel, all sorts of things. The agents got pretty hot a couple of times, too, because I thought the whole situation was ridiculous and I kept needling them. I told the feds, for instance, that I was going to have them charged with armed robbery . . . after all, they had guns and they were trying to take my property. Eventually, they did decide that my setup was a still and—though I was never charged with anything—the agents confiscated the whole works.

Plowboy: Did you make any effort to get your still back from them?

Crombie. Oh, yeah! I kept in pretty close touch—by phone and letters—with the ATF Bureau. I tried to convince those guys that they might as well return my solar still, 'cause if they didn't I was just going to make another one. About a month later, though, the Bureau sent me a letter which said, in effect, that my still wasn't a still! They had decided that the design was much too primitive—that it was sort of like counting on your fingers as compared to operating a computer—and that it probably wouldn't work anyway.

So I drove right over to the ATF office in Minneapolis. The whole place went quiet when I walked in. They don't get to make many moonshine busts around here anymore, I guess, and everybody in the place knew about the confiscation, and—of course—about me.

Plowboy. The Untouchables ride again.

Crombie. Yeah, exactly, I told them—since they'd decided my "culture warmer" wasn't a still—that they had no right to keep it. (I called it a culture warmer—warming a yeast culture is a step used in producing high-quality feed—so they wouldn't get all upset again.) I was told that I couldn't have it because it was a container for illegal mash. So I politely suggested they dump out the mash and *then* return my invention to me, because I might want to patent it.

In order to get the still back, the ATF people told me, I'd have to post a bond for a hearing. (They claimed they were going to destroy the device if I didn't, but I think they just wanted to play with it.) Well, I only had about $18 invested in the thing, so it hardly seemed worth posting a bond. I talked to a few attorneys—to see what my options were—and got just about nowhere . . . until one of them suggested that I apply for an experimental distilled spirits plant permit. So I did just that . . . I mailed in my application on July 12.

Plowboy. Since other folks might want to follow your lead, please tell me how you went about applying for that permit.

Crombie. Sure, I want other people to apply. I wrote to the Office of the Director, Bureau of Alcohol, Tobacco, and Firearms, 1200 Pennsylvania Avenue, Washington, D.C. 20044. I simply asked for a special variance—for a period of two years—of section 201.63, 201.64, 201.65, and 201.66 of Title 27 of the Alcohol, Tobacco, and Firearms Code.

I wrote, "It is my desire to test several sources of fermentable carbohydrates (corn, wheat, barley, and cellulose) with various bacteria and yeasts. I plan to build and experiment with solar stills of differing designs, efficiencies, materials, and costs . . . and to compare these with a classic boiling still. I will test farm uses of alcohol, including use in an oil-fired furnace, in diesel engines, in a corn dryer, and in automobiles."

Now using homemade alcohol in cars is a touchy situation because of the state and federal road taxes, which apply to any fuel powering any vehicle on public roads. Minnesota still has such a tax—it runs about 11¢ a gallon—although some states no longer levy road taxes on alcohol.

For that reason, I concluded my letter by saying that I would use this fuel on my farm, and that I planned to sell the solid fermentation by-products to my neighbors as hog feed. I assured the Bureau that the only waste matter produced would be carbon dioxide, and that all liquids would be used and recycled.

I received my permit last August 12, and now I can make "legal" alcohol for two years. Of course, this ATF approval is subject to a few conditions: I will—if I choose to sell any of the materials that I produce—need to post a bond to cover 15 days' worth of production. I also have to describe my plant . . . which will be two solar stills, hooked up in series, that feed into a storage tank.

Plowboy. The second still, then, will further refine the alcohol produced by the first one?

Crombie. Right. It'll allow me to produce a higher-proof fuel. I've written back to the Bureau a few times, just to see if I could get them to drop the bond requirement, but they won't back down on that. The bond will cost me $25—as near as I can figure it—which puts the cost of the permit (including postage and the like) right around $30.

What's important about my permit, though, is that it means that anyone can make his or her own alcohol . . . if that person cooperates with the appropriate agencies. Personally, I think the permits are unnecessary and that the requirement will be dropped. It may take a lot of pressure to do it, but I think the law will have to change.

PLOWBOY. You mentioned that you plan to sell your mash by-products to hog farmers . . . can you tell me more about that mash-based feed?

CROMBIE. It's available on the market . . . all of the big distillers produce it. The feed is called distiller's dried grains and solubles (DDGS). It's nothing new.

For that matter, there's nothing new about most of what I'm doing. Dr. William Jay Hale of Dow Chemicals predicted—way back in the 1930's—that we would one day be using alcohol as a fuel. He said that all we, as a nation, would have to do is turn the farmers loose . . . make it profitable for them to grow starch crops for alcohol production. Hale calculated that it would take about 56 pounds of mixed grains to produce five gallons of "farmer's alcohol". This would leave 26 pounds of residue which, he said, would represent more nutritional value than was contained in the original grain!

In fact it's been claimed—I haven't had time to check the figures—that a group in Iowa has shown that hogs will gain weight up to 20 percent faster—when fed these distillation by-products—than they would on the same amount of whole grain.

PLOWBOY. That's not hard to believe. The University of Nebraska has demonstrated that young cattle fed on DDGS gained weight 12.8 percent more rapidly than did a control group fed equivalent quantities of grain.

But what about the still that produces this feed while it's perking out alcohol? Can you tell me how your little device works?

CROMBIE. Sure. This one here is about the simplest of several designs I've played with. It's just a 4′ x 8′ piece of plywood—any type of rigid form would do—that has 1½-inch wooden sides around its edges. The inner surface of the shallow box is painted black, or covered with black plastic, and then lined with a black cloth which absorbs the liquid as it trickles down. Of course, the dark surface heats up and causes the mash to evaporate rapidly.

PLOWBOY. The alcohol evaporates before the water does?

CROMBIE. Yeah, it vaporizes much more rapidly than water does. And, once the alcohol is in its vapor phase, it condenses on the still's clear cover (which could be glass, plastic, or fiberglass), adheres to the cover, and flows down the surface . . . because the still is set up at a slight angle.

The alcohol then drips off the lid and into the bottom of the still . . . below a one-inch-high partition which prevents any liquid mash from running into the holding area and contaminating the fuel.

PLOWBOY. How much can one of these little "distilleries" produce on a sunny day?

CROMBIE. Just as a rough estimate, I'd say that it'll turn out about eight to ten gallons a day, depending upon the mash mixture used.

PLOWBOY. What types of mash have you experimented with?

CROMBIE. My first concoction included corn, molasses, water, and baker's yeast . . . I don't even know what the concentrations of each ingredient were. I let it ferment for a few days, until it smelled sort of like beer, and then poured it into the still.

Since that first attempt I've tried wheat, straight sugar, oats, and commercially available cereals (which work great because they have so much white sugar in 'em). Ideally, you want between 12% and 15% sugar in your mash. In fact, I've found that the mixture itself isn't all that important as long as it makes sugar available to the yeasts.

PLOWBOY. Do any of these mash materials require special preparation?

CROMBIE. Some of 'em. If you start with corn, for instance, you have to break it down to "free" its sugar. This is usually done by cooking it or by adding acid to the mash. On a farm plant, though, corn could be most easily prepared by malting . . . which simply means sprouting the kernels. When the corn sprouts, its enzymes go to work on the starches and produce the necessary sugar.

PLOWBOY. One of the major advantages of this form of energy production seems to be the fact that most any organic material can be used to make alcohol.

CROMBIE. Yeah, it's incredible! Of course, some substances require a few extra steps before you can ferment 'em. You could even use cellulose—waste paper, wood, that sort of thing—for example, by introducing bacteria, Trichoderma derde (which produce enzymes that break the cellulose down into glucose), into the mash. If you have a sugar product though—say, certain fruits and pumpkins, sugar cane, or sugar beets—you can just dump it in a container and ferment it.

In fact, sugar beets would be the ideal crop for a person who has land and wants to produce his or her own fuel. If that farmer could grow five acres of the beets, dump 'em in a tank, and then distill the fermented mash, he or she could probably produce a full year's supply of alcohol.

PLOWBOY. I'm curious about some of the uses to which you've put this homemade fuel. How, for example, did you go about converting your car so it could run on "corn likker"?

CROMBIE. There are a number of ways to switch an auto over to alcohol. About the easiest method is to put a "T" fitting into the fuel line—like I've done—and add an auxiliary fuel tank which will hold a small amount of gasoline. Then you just start the car on gas, and—after its all warmed up—flip the "T" switch to shut off the gas flow and supply alcohol to the engine. The car will run just fine. Now, if you could design an alcohol tank in such a way that its contents would be warmed by their proximity to the engine, the system would work even better.

PLOWBOY. Why is this preheating necessary?

CROMBIE. Because alcohol doesn't vaporize as readily as gasoline does. You don't have to heat the alky, though. You can produce the same effect by modifying the car's carburetor. If, for instance, you enlarge the jets and put screens in 'em, or use a fuel injector, the end result will be the same . . . the liquid will vaporize easily and away you'll drive.

PLOWBOY. Is it that easy to convert an oil heater to run on alcohol?

CROMBIE. Sure. Anything down to a 70 percent-alcohol/30 percent-water solution will burn beautifully in an oil furnace. All you have to do is increase the size of the heater's fuel nozzle about 25 percent—a 90-degree nozzle works best—and then decrease the air adjustment until the flame is "tuned in". Once you do that, you can just pump your alcohol into the furnace. It'll burn with a clean, hot, almost invisible yellow fire.

PLOWBOY. I've seen your furnace operate on alcohol—very effectively, it seems—but how efficient is the corn product as compared to fuel oil?

CROMBIE. Let me explain that in terms of the 70 percent (140-proof) alcohol that I burn . . . since even the simplest still can produce a fuel of that quality. Now, fuel oil contains a substantially greater number of Btu's, per given amount, than alcohol. This means—in theory—that you'd have to burn a whole lot more alcohol to produce the same heat that a smaller amount of oil would provide. And that's exactly what would happen, too, if you burned pure (200-proof) alcohol. But as I said, the 70 percent alky solution contains 30 percent water. So you can "burn" that water along with the alcohol and still have a very hot flame. The water doesn't actually burn, of course, but you do end up consuming less pure alcohol than fuel oil to get the same amount of heat. And, as you saw in my furnace, the "corn likker" burns cleaner, too. It's a more "housebroken" fuel than oil is.

Incidentally, that water content comes into play when you compute the miles per gallon of alcohol used in autos, also. You might need more alcohol than gasoline to drive a certain distance, but you can run an automobile engine on a 60 percent-alcohol/40 percent-water solution . . . which—because the water extends the alcohol—can actually give pure alcohol an mpg advantage over certain types of gasoline.

PLOWBOY. The oil establishment has tried to discount the value of alcohol fuels by stating that more energy is used in the distillation process than is contained in the finished alcohol. It would seem that your solar still takes the wind out of that particular argument.

CROMBIE. I've seen figures which show that the energy expended in the production of 190-proof alcohol fuel makes up about 40 percent of the cost of the entire distillation process. But solar energy is virtually free. And that means, if you can wait for the sun to shine—which isn't much of an inconvenience to a home alcohol producer—you can use a solar still and save 40 percent on the cost of your fuel right there. That's a big plus in my book.

PLOWBOY. Do you feel, then, that homemade alcohol can be a major energy source? For instance, can the average American farmer produce alcohol for his or her own use and for sale at a profit?

CROMBIE. Definitely. In fact, I think that alcohol is—in many cases—a more important fuel source than solar energy or any of the other "alternatives". The United States in general—and our agricultural system in particular—needs a liquid fuel. After all, we're not going to be able to go back to horse-drawn plows and so forth without cutting our production drastically. We have to be able to use our tractors because they're the keys to our efficiency. And we can't run these farm implements on coal or geothermal energy or anything like that.

And farmers are in a better position than anybody to produce this "new" liquid fuel. Just take a look at the typical corporation. What does it take for one of those firms to manufacture anything? They have to have a president, a board of directors, secretaries, a corporation headquarters, stocks and stockholders, and any number of other people and items that cost money and add to the price of the goods produced.

The farmer, on the other hand, has cheap labor (in my case, anyway, that means mostly myself and my family). Almost all of the equipment that he or she would need is stuff that's on the farm already, the farmer's transportation costs wouldn't amount to much, and a farm has no bosses, no unions, none of that expensive organization. Can farmers compete with Mobil Oil in energy production? Damn right they can! Of course, Mobil Oil—or any of the fuel companies—could produce alcohol, too. But they'd have to buy our corn, wheat, and so forth to do it.

PLOWBOY. Which would help stabilize crop prices.

CROMBIE. That's right, that's right . . . and just in the nick of time, too. Last year, for instance, I raised the best corn crop of my life, about 140 bushels per acre, and I lost thousands of dollars on that harvest because the market prices were so low. If the corn were being converted to alcohol, though, the demand would always meet or exceed the supply, and we'd have prices for our crops that we could count on from one year to another.

PLOWBOY. Now that you have your permit, you can take steps to bring that new agricultural market into being. How about it? Where do Lance Crombie and his incredible solar still go from here?

CROMBIE. I'm going to convert one of my outbuildings . . . make its roof into one big, double-stage solar still that will produce between 10,000 and 20,000 gallons of alcohol a year.

Plowboy. How much will it cost you to set up that rooftop distillery?

Crombie. I've got it all figured out. You see, I have the buildings and the storage tanks already—most any farmer has spare outbuildings and a tank or two lying around—so the job won't involve much more than adding some clear fiberglass and a pump. The entire system won't cost me more than $1,500.

Even if somebody were to set up a similar still from scratch—a plant that would produce at least 10,000 gallons of alcohol a year—he or she could buy all new materials and still be ready to roll for somewhere in the neighborhood of $5,000.

Plowboy. That's a reasonable initial investment, but what would the economics of running such a still be? Since each different mash base would cause the figures to vary, let's stick with corn for the purpose of estimation.

Crombie. OK, I've done more pencil pushing with corn than with anything else, so that's easy.

Right now I could sell the DDGS feed produced by fermenting a bushel of corn for around $2.00 . . . which is about what it costs me to grow the corn. That same bushel will yield approximately five gallons of alcohol, though, and I can sell that for at least 50¢ a gallon. So, my gross income from one bushel of corn would be around $4.50. Now, I figure that the alky costs me about 10¢ a gallon to produce. If we add that 50¢ production cost (for five gallons) to the $2.00 that I spend growing the corn, we get a total expenditure of $2.50. That means I can make a $2.00 profit on every bushel that I ferment!

And there's another angle, too: The gasohol people are buying alcohol for around $1.30 a gallon, to mix with gasoline. Unfortunately, they need anhydrous alcohol, 200-proof stuff, because anything much below that percentage won't mix with the gasoline if it contains any water at all. But by forgetting the gasoline altogether and just burning a mixutre of alcohol and water in the first place, I don't need 200-proof "corn squeezin's" anyway. The 140-, 160-, and 180-proof batches I'm makin' are plenty good enough for my needs.

Plowboy. Those are very impressive facts and figures. And I know they've led you to formulate some ideas about the economics behind the alcohol tax laws (the laws that were responsible for your run-in with the Alcohol, Tobacco, and Firearms people). Could you explain these views and tell me how they relate to the future of home-produced alcohol?

Crombie. OK, here are the facts: The United States government takes in approximately seven billion dollars a year in revenue from the alcohol tax. But—what with enforcement, bureaucratic red tape, and so forth—the government spends at least five billion dollars annually collecting those taxes. So, as taxpayers, our net take-home pay from alcohol taxation is about two billion dollars a year.

Now, during 1978 the government paid farmers—including me—a total of more than 22 billion dollars to not grow crops! So, if we eliminate the tax on booze and get rid of all of the farm subsidies—which would allow farmers to go into total crop production and make alcohol out of the surplus—the taxpayers, and the nation, will have a net income gain of 20 billion dollars . . . without even taking into consideration the decreased dependence on imported oil, the fact that we'll be switching some of our economy to renewable fuels, and so forth. It seems like a commonsense move to me.

Plowboy. What you're proposing, in effect, is a radical rethinking of the role of the farmer in this country.

Crombie. Exactly. You see, I feel—and this isn't just my idea, there are a lot of people who are thinking this way—that it's time for American agriculture to be set free, to be allowed to fill the dual role that it's capable of. Sure, farmers can produce food, they've always done that . . .

Plowboy. And food is just a form of stored energy.

Crombie. Right. But now, at the same time, those farmers can convert some of their extra "vegetable energy" into valuable liquid fuel.

And alcohol is the easiest to produce, least dangerous, most practical liquid fuel imaginable. It can be manufactured without a lot of expensive equipment and with very little specialized know-how. About all anyone really needs to learn is how to make a mash, and people could just fiddle around and figure that out for themselves . . . or get the basic information from any library that has beer- or winemaking books. Home alcohol plants are loaded with advantages, too. They can be just about any size, they produce no pollution, and they aren't likely to explode or anything like that . . . especially if they're solar powered.

Just imagine! The American farmer has always overproduced everything that he or she has tried to grow. However, if we put that farmer in the energy business (or, actually, recognize that agriculture has been an energy producer all along), before you know it there'll be so much fuel around that we'll have to have federal price supports for gasoline! Hell, we might even be able to buy Los Angeles back from the Arabs.

Plowboy. But, as you've said, agricultural alcohol production isn't a new idea. Why hasn't something been done before now?

Crombie. I guess the main reason is that the whole concept of alcohol as a fuel has never been promoted . . . not by the government and certainly not by the oil companies. Still, although you don't hear as much about alcohol as you might about the other forms of alternative energy, this fuel has already captured the interest of a large group of people.

You wouldn't believe the number of folks who are planning—as soon as possible—to construct 50- or 60-million-dollar plants . . . installations that could produce as much as 100,000 gallons of alcohol a day!

And there are other things that could swing the public toward this fuel, too. For instance, MMT-methlcyclopentadienal manganese tricarbonyl (which is an octane-boosting additive used in unleaded gas)—has been found to be a pollutant and to be harmful to catalytic converters. It's supposed to be removed from the market any day now. And alcohol is the only alternative—at this point anyway—that has been approved to replace MMT.

Plowboy. Is there enough alcohol produced today to fill that need?

Crombie. No, not yet, but you'll be amazed by what's going to happen in the near future. Five years from now people will look back and wonder where all the alcohol plants came from. The fact is that everyone I know who understands anything about alcohol is trying to build a plant.

Plowboy. And why haven't we heard more about this groundswell?

Crombie. Because the public isn't interested! Most people don't know that alcohol burns well enough to fuel cars and heat homes, for one thing. And for another, folks just don't believe that it's possible to get a permit and actually produce alcohol. We've got this crazy stigma on moonshining, on top of an absolutely ridiculous law that says we can't make this liquid fuel.

The public is allowed to make all the methane it wants. People are free to use solar power, wind power, small hydroelectric power, and they're free to buy oil from the oil companies. Those firms have made an awful lot of money in the past, but now we've got a chance to decentralize liquid fuel production.

Think of the possibilities of having one alcohol plant in every township, or to supply any one small area. You see, the service range of these plants would be dictated by transportation costs. The most economical service area for an agricultural plant—as best I can figure—would be within a 40-mile radius of the distillery. These "neighborhood" outfits could be run cooperatively, or on a family-business basis . . . there's room for everybody!

And the effects that this decentralization could have on our energy supply, or on our balance of trade, are incredible.

Take all that damaged grain we ship overseas, for instance. We could use that moldy stock for the production of alcohol, and then ship quality grain overseas and sell it at a premium price. As it is we're peddling damaged merchandise, and we're not making any money or international goodwill from the transaction.

Plowboy. And the groundwork for a system of small-scale alcohol plants is being laid today?

Crombie. Yeah. Some of 'em are already in operation, and others are being organized all over the country. Believe me, gasohol—which is about the best-known side of the alcohol movement—is just the tip of a very large iceberg. People are getting involved in this, doing things on their own.

That guy who was around here today, for example, produces sorghum molasses down by the Iowa border. He drove all the way up here just to give me some of the stuff . . . so that I can test it and see how well it'll produce alcohol. He wants to set up a plant as a sideline to his sorghum operation.

Plowboy. The potential is certainly there . . . molasses should make an excellent mash. But what about you? Do you have any personal goals concerning this alcohol movement?

Crombie. All I want to do is make enough alcohol to run my farm and heat my house, with some left over to sell for a profit at a competitive price.

And I'd be really pleased if your magazine—through this article—could convince even a hundred more farmers to do the same thing . . . to just go ahead and start making alcohol for themselves.

Plowboy. What advice would you give to those hundred farmers?

Crombie. First, I'd tell 'em to learn all they can about basic fermentation rules and techniques. Then they should write to the Bureau of Alcohol, Tobacco, and Firearms and make a formal application—in triplicate—for a permit to make alcohol fuel and DDGS feed for their own use and for sale.

I can sum up my advice this way: Cooperate with the government agencies, because you don't have much choice right now. Be out front, tell 'em what you're going to do, and go ahead and do it.

Then, just set your still up on the front lawn, lean back, and let the sunshine make your moonshine!●

By Mr. ZORINSKY (for himself and Mr. Exon):

S. 1201. A bill to amend the authorization for the flood control project for the town of Niobrara, Nebr., and for other purposes; to the Committee on Environment and Public Works.

● Mr. ZORINSKY. Mr. President, my colleague from Nebraska and I join in proposing this measure.

Section 213 of the Flood Control Act of 1970 directed the Secretary of the Army, through the Corps of Engineers, to resolve the seepage and ground water problems at Niobrara, Nebr.

The corps, after intensive study with

the Niobrara Village Planning Commission determined the most feasible solution was to relocate the village to higher ground. In relocating the town the corps constructed a main street within the new village limits to highway specifications, but decided that reconstructing the major access roads to the town was not within its authorization. The relocated town now has a main street, unconnected to any major highway. Needless to say, this absence of highways to the outside world is more than a serious inconvenience and if uncorrected can stifle the continued growth and prosperity of the town.

Our measure would authorize the Corps of Engineers, with the consultation of the appropriate State officials to reroute Nebraska Highway 12 through Niobrara and construct the necessary connections to Nebraska Highway 14. The amount of $1,407,800 would be authorized for this purpose. This measure would help correct the deficiencies of the earlier authorization and complete the relocation of this village. This effort has the support of both State officials and the mayor of Niobrara and I hope the Senate will look favorably upon the measure.●

● Mr. EXON. Mr. President, section 213 of the Flood Control Act of 1970 authorized the Secretary of the Army, acting through the Chief of Engineers, to resolve the seepage and drainage problems in the vicinity of the town of Niobrara, Nebr., that may be related to operation of the Gavins Point Dam and Lewis and Clark Lake project. An amount not to exceed $7,800,000 was authorized to be appropriated for the work in the 1970 act.

The Corps of Engineers prepared a feasibility report, which concluded that a nonstructural approach, the acquisition and relocation of the village of Niobrara from its location on Highway 12 to higher ground, was the most feasible method of solving the seepage and drainage problem in the area. The cost of such relocation was estimated at $11.4 million, which exceeds the authorized $7.8 million. Section 20 of the 1974 act increased the authorization to $11.4 million. The $3.6 million increase is attributable to the costs of compliance with the requirements of the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970.

In relocating the town, the corps constructed a main street within the new village limits to highway specifications. The corps, however, did not connect the main street to nearby Highway 12. As a result, the community has a main street meeting highway standards but which is not directly connected to the outside world by any main thoroughfare. This omission by the corps is more than a serious inconvenience. It has removed this village from the mainstream of commercial traffic as well as tourism which it enjoyed prior to the relocation. It is a handicap to the continued social and economic growth and well-being of this rural community.

Mr. President, if nonstructural alternative approaches to water resource development in this Nation are to be promoted, and the mandate to mitigate the social and economic consequences of those developments is to be fulfilled, commonsense dictates that we look to the total environmental circumstances. Viewed in the light of these national policy goals, the relocation plan for the village of Niobrara is currently inadequate. The corps' action has forced the residents of Niobrara to leave their homes and to relocate without access to a main highway. This places an unreasonable burden upon the residents of this rural village and represents a total disregard for the needs and future of that community. Relocation and rehabilitation in this instance is incomplete and can only induce resentment for a Federal bureaucracy which can ill-afford further criticism today.

The relocation of Highway 12 is required as a direct result of the Corps of Engineers' plan to relocate and rehabilitate the village of Niobrara. Because this is an outgrowth of the corps' activity, it is not the kind of action that would be the subject of a chief's report. A proposed plan, formulated by the Nebraska Department of Roads with the cooperation of the Corps of Engineers and the mayor of Niobrara would relocate Highway 12 at an estimated cost of $1,407,800, so that the highway would pass through Niobrara. Rerouting of the highway would insure access to adequately serve the community as nearly as practicable, in the same manner and as reasonably well as before the corps' relocation plan was implemented. I would urge the Senate's approval of this bill which would authorize the relocation of this highway and restore the social and economic livelihood of Niobrara.●

By Mr. HEINZ:

S. 1202. A bill to amend section 5(e) of the Food Stamp Act of 1977 to modify the provisions relating to the standard deduction and excess shelter deduction in the case of households composed entirely of persons 60 years of age or older or in which there is one or more persons entitled to benefits under the Supplemental Security Income program; to the Committee on Agriculture, Nutrition, and Forestry.

● Mr. HEINZ. Mr. President, today I am introducing legislation to amend the Food Stamp Act of 1977 to provide assistance to those elderly and disabled households which are being severely hurt by the conversion to the standard deduction formulas mandated in the Act.

The 95th Congress pursued a laudable goal—to make the food stamp program accessible to those most needy of Americans who, although eligible for benefits, couldn't participate in the program because they lacked the money needed to purchase food stamps. We, therefore, in the summer of 1977, passed amendments to the Farm Bill which would eliminate the food stamp purchase requirement, thereby opening up the program to the poorest of the population. It was estimated that 1.5 to 3 million people would now be able to participate in the program. No longer would someone have to choose between paying for other necessary services or purchasing food stamps.

Preliminary reports indicate that our goal is being realized—that the elimination of the purchase requirement is succeeding in bringing Americans into the program who had always been eligible but who were never before able to participate.

Although this development is quite welcome, additional developments, resulting from other changes to the food stamp program are having severe consequences and are bringing about a sense of increased alarm.

When the debate was occurring on the elimination of the food stamp purchase requirement, the Carter administration, through the testimony of Secretary of Agriculture Bob Bergland, made it known that it would only approve the elimination of the purchase requirement from the food stamp program if other changes in the program could be made to keep the overall costs of the program roughly unchanged. The administration did not want the additional costs for the food stamp program to increase by more than 2 percent after all the changes were made. So, when fully implemented the costs for the program were not to exceed $125,000,000 for fiscal year 1979. To provide for this expansion of the program, which would extend participation to at least 1.5 million needy people but not go over $125,000,000, some cuts would have to be made. The administration wanted to balance the added expense through cost saving measures of eligibility restrictions and benefit reductions for current food stamp participants, thus cutting back benefits for those "poor people who were less needy." They proposed replacing the system of itemized deductions with an $80 a month standard deduction and an earned income deduction equal to 20 percent of household earnings to compensate for taxes and work expenses. The bill, which was finally signed into law, had a standard deduction of $60, (indexed to the Consumer Price Index, so the standard deduction is now $65) the earned income deduction, a dependent care deduction, and a shelter deduction.

It is now evident that this system of four standard deductions is having a serious adverse impact on large numbers of elderly households. Many poor elderly households who have been participating in the food stamp program are having their benefits substantially reduced and in a significant number of cases eliminated entirely. Must we take away with one hand what we give with the other? Must we segment the elderly poor into the less poor and the most poor, and then penalize those older Americans who are "less needy?"

The Congressional Budget Office estimates that nationwide, over 630,000 elderly individuals are having their benefits reduced, while over 52,000 older Americans are being dropped from eligibility because their net income no longer qualifies them for the program even though their monthly income has not increased and their monthly expenses are soaring. According to the CBO, the Mid-Atlantic States will be the region of the country were food stamp participants will suffer the biggest loss. In Pennsylvania, over 30,000 elderly face either elimination from the program or reduction in the allotment of their food stamp benefits within the next 2 months.

Significantly contributing to this threatening situation is the elimination of an itemized deduction which most often benefited the elderly—a medical deduction. Under the old law, a dollar-for-dollar reduction in gross income was allowed for medical expenses. This separate medical deduction was available for the elderly food stamp participants to aid them in meeting the demands of unexpected medical expenses or for medical expenses which tend to run greater than normal for a long period of time. No other age group's medical expenses can vary so drastically from month to month. But under the current law, only the standard deduction, which incorporates the medical deduction, is allowed. Here is the heart of the problem. For clearly those elderly on fixed incomes with high fixed medical expenses are receiving a deduction no greater than that allowed a household with low medical expenses. Are we to feign ignorance of the vagaries of an elderly person's medical needs? Are we to pretend that everyone's medical expenses, together with other daily living expenses, will not exceed $65 per month? If so, Mr. President, why are we contemplating the passage of a catastrophic health insurance plan?

In addition, the 1977 changes also provided for an excess shelter deduction which encompassed those monthly expenditures by a household exceeding an amount equal to 50 percent of the monthly household income after all other applicable deductions have been made. But few elderly can take the earned income deduction or the dependent care deduction. The only deduction they can apply against their gross income, for the purpose of computing the excess shelter deduction, is the standard deduction. And, there is yet one additional catch—the excess shelter deduction cannot exceed $80 per month. In these times of inflation and record housing costs, such a formula for shelter deductions, more restrictive than the one under the previous law, hits the elderly especially hard, and could be devastating during the winter months when fuel and utility expenses rise astronomically. It is not uncommon for a person during the winter months to have utility bills which exceed $200 per month, and in New England, the Midwest, and the Mid-Atlantic, utility expenses can run much more. Must we force people to choose between keeping warm and eating? Must they choose to heat or eat?

Compounding to their woes, brought on by these unjust deduction formulas, is the striking realization that the projections made for the 1979 food prices are way off the mark. When the work on revamping the foodstamp program was being completed in 1976, it was estimated that consumer food prices would increase by 12.5 percent by 1979. We now know that food prices will have increased by a whopping 26 percent from 1976 to 1979, more than double the projection made in 1976. Furthermore, the costs for medical care and utilities are expected to increase by 12 percent and 11 percent respectively in 1979 over last year's costs.

The failure of the President's economic program to control skyrocketing inflation has played a major role in shaping the critical situation in which the elderly find themselves today. Neither the Congress nor the Administration intended to reduce so drastically the benefits of the food stamp program to low income elderly households.

Today, I am introducing a bill to make the deduction formulas of the program more equitable for the elderly, thereby restoring some of the benefits which were inadvertently taken away.

This legislation would allow those households with people 60 years of age or older and SSI recipients the opportunity to choose between taking either the $65 standard deduction or an alternative standard deduction of $45 plus the average monthly expenditures made for medical and dental services, and prescription drug purchases. This change would provide some flexibility in the deduction system to give those elderly households experiencing unexpected burdens of unusually high medical bills the opportunity to account for these expenses in determining their income eligibility figures. In the absence of extraordinary medical expenses, the participant is free to continue to take the standard deduction. In addition, those designated households will be permitted to increase their excess shelter deduction by the average monthly expenditures made for fuel and utility bill payments.

Mr. President, the nationwide impact of the changes to the food stamp program on the elderly is only now starting to be felt. The States began converting to the new deduction formulas on March 1st, with most States, including Pennsylvania, not scheduled to complete conversion until July 1. Thus, thousands of older Americans who depend on their food stamp allotment to live are not even aware that their benefits will be reduced and in a number of cases be eliminated entirely. As elderly food stamp participants are recertified for the program, I fear that, because so many older Americans have become so inured from the way they are being treated—or should I say mistreated—in this country, they will routinely accept this most recent affront, never making their plight known to their congressional representatives.

Several weeks ago, the Senate Aging Committee held a hearing on "The Effects of Food Stamp Cutbacks on Older Americans." Only then was I able to hear first hand of the difficulties being encountered by those elderly food stamp participants who had their benefits reduced because they could no longer deduct their medical expenses. One woman, who resides in Florida, which has completed conversion to the new deduction formulas, informed the committee that she and her disabled sister had their benefits reduced from $90 in February to $30 per month in March. Similar situations are being repeated in every State and in every congressional district in the Nation.

Mr. President, I would also like to share excerpts of letters I received from two dedicated income maintenance specialists at the Clinton County Board of Assistance. On April 25, 1979, Ms. Debra L. Myers wrote:

> I am writing you regarding the implementation of the Food Stamp Act of 1977. I am a worker in the Clinton County Board of Assistance Office and carry Clinton County's Supplemental Security Income medical and food stamp cases (about 560 medical cases and 140 food stamp cases). I am greatly concerned of the major food stamp changes due to the new Food Stamp Program.
>
> It was highly publicized prior to the implementation of the Food Stamp Act of 1977, the new regulations were geared to help the low-income persons and especially the elderly. If this were the intent, it sure fell through. After completing all desk reviews and processing all my food stamp cases under the program, I find I have cut the majority of the people's monthly allotment considerably.
>
> The majority of my SSI caseload people have a total monthly income of $241.80, combined Social Security and Supplemental Security Income. Under the new food stamp regulations, the majority of these people are now receiving only $10.00 monthly in food stamps. We all know how far $10.00 will go in the grocery store with the current rate of inflation. It is indeed disturbing!

Her colleague, Stephen H. Ferree, agrees with her assessment that nearly all of the elderly food stamp participants on his caseload will have their benefits dropped to $10 a month. He also adds that:

> I mention drug prices because before we could use medical costs as deductions from income for food stamps and these people usually have very high monthly prescription drug costs, but cannot qualify for a medical assistance card to pay for their prescription drugs. . . . but I cannot give any deductions for the price these people have to pay for drugs to at least enable them to be able to have more food coupons to offset somewhat the money they must pay for drugs to exist.
>
> In all truthfulness, I have not received many complaints from these elderly people; but I believe I have some very valid assumptions why they are not complaining based on my experience, interviews, and dealing with these people. The majority of these elderly people are very nice and very appreciative of any assistance they receive, even if it is only $10.00 a month of food stamps. These people are not whiners and they do not expect everything handed to them or cry when they don't get something—they just tighten their belts, if there is any left to tighten, a little tighter, and budget and cut out things that other people would consider necessities.

Ten dollars a month! How can we expect someone to survive on only $10 a month for food? Have we in Congress become so insulated in these marble halls that we no longer comprehend what little food $10 can buy in the grocery store? Have we in Congress become so accustomed to working with budgets in the billions that we no longer comprehend what difference an additional $10 per month for food might mean to someone who must eke out a living on $241.80 per month? Have we in Congress become so callous that we will not restore for elderly food stamp participants some of the benefits which were misguidedly and unjustly eliminated from the program?

Mr. President, I am sure my colleagues recognize the seriousness of the situation facing the elderly who may participate in the food stamp program, many of whom are living on limited incomes from social security or SSI but are continually plagued by the ravages of inflation on food prices. We must correct the problems brought about by the 1977 act, and restore to the elderly some of the food stamp allotment taken away from them. I urge my colleagues to join me in returning to them some of their benefits.

Mr. President, I ask unanimous consent that the text of the bill I am introducing be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1202

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by inserting between the second and third sentences the following new sentences: "In lieu of the standard deduction provided for in the first sentence, a household composed entirely of persons 60 years of age or older or a household which includes one or more persons entitled to benefits under the Supplemental Security Income program established under title XVI of the Social Security Act may elect to take an alternative standard deduction of $45 a month plus an amount equal to the average monthly expenditures made by the household for medical and dental services, including expenditures for prescription drugs, except that a household in Alaska, Hawaii, Guam, Puerto Rico, or the Virgin Islands of the United States may elect to take a standard deduction in an amount that bears the same relationship to $45 (as adjusted from time to time under this subsection) as the amount of the standard deduction allowed such a household under the first sentence of this subsection bears to the amount of the standard deduction allowed under such sentence for a household in the forty-eight contiguous States, plus the average monthly expenditures made by the household for medical and dental services, including expenditures for prescription drugs. The amount of the alternative standard deduction (before the addition of expenditures for medical and dental services) shall be adjusted every January 1 and July 1, beginning January 1, 1980, to the nearest $5 to reflect changes in the Consumer Price Index of the Bureau of Labor Statistics for items other than food for the six months ending the preceding September 30 and March 31, respectively.".

(b) Section 5(e) of such Act is further amended by adding at the end thereof the following new sentence: "The maximum excess shelter deduction prescribed in clause (2) of the preceding sentence, as increased from time to time under such clause, shall be further increased, in the case of any household composed entirely of persons 60 years of age or older or which includes one or more persons entitled to benefits under the Supplemental Security Income program established under title XVI of the Social Security Act, by an amount equal to the average monthly expenditures made by such household for household fuel and utilities.".●

By Mr. BAYH (for himself, Mr. Bumpers, Mr. Jackson, and Mr. Magnuson):

S. 1203. A bill to amend title II of the Social Security Act to provide that the waiting period for disability benefits shall not be applicable in the case of a disabled individual suffering from a terminal illness; to the Committee on Finance.

⊙ Mr. BAYH. Mr. President, today I am introducing legislation on behalf of myself, Mr. Bumpers, Mr. Jackson, and Mr. Magnuson to eliminate the waiting period for social security disabilty benefits for terminally ill workers.

Mr. President, when Congress first established the social security disability program in 1954, the intent was to provide protection for millions of workers and their families in the event of loss of income due to a long-term disability. In creating the social security disability program, Congress was particularly concerned with those afflicted with a long-term disability as opposed to short term, based upon the assumption that most workers already were protected through private plans for short-term disability. Acting on that assumption, Congress established a 6-month waiting period from the inception of the disability before social security disability payments could begin. This 6-month period was considered to be long enough to permit most temporary conditions to be corrected or to show signs of probable recovery.

Over the years, there have been repeated attempts to change or remove this 6-month waiting period and in 1972, Congress succeeded in reducing the period to 5 months in a compromise effort with those who were seeking a further reduction. Each subsequent Congress has seen bills introduced to further reduce or to eliminate the waiting period. A recent panel of experts on the social security disability program, including past Social Security Administrator Robert Ball, has recommended the present 5-month requirement to be reduced to 3 months.

Increased sophistication in medical diagnosis has made the calls for such a reduction more compelling. The primary argument against a further reduction in the waiting period appears to be the projected cost of such a change. One estimate is that a reduction of the waiting period to 3 months would cost approximately $0.5 billion.

During a period of increasing concern over Government spending the introduction of legislation to cut the SSI long-term disability waiting period may seem out of sync with the tempo of the times. However, there is one particular class of disabled who demand special attention—the terminally ill.

Tragically for the terminally ill worker, he or she may never survive the arbitrary 5-month waiting period in order to qualify for disability payments. During that initial 5 months, the terminally ill worker and his or her family are frequently faced with enormous financial hardships. For those with little savings to fall back upon, the loss of income coupled with escalating medical expenses can prove devastating.

The Senate Finance Committee, in its 1972 report recommending that the waiting period be reduced to 4 months, substantiated the economic hardships faced during this period. According to the report.

> While many workers have some protection against loss of income due to sickness or disability under various public or private plans . . . such protection usually expires before the end of the present disability waiting period. Reducing the waiting period . . . would diminish the financial hardships faced by those workers who have little or no savings or other resources to fall back on during the early month of long term disability.

Sick leave is rarely if ever extensive enough to cover a 5-month period and only one in four workers in private industry is covered by State temporary disability plans. Even for those who are concerned over the cost of removing the waiting period or reducing it for all workers, it must be difficult not to see the justice of removing the waiting period for terminally ill workers.

To that end, Mr. President, I am introducing today legislation to remove the waiting period for social disability benefits for workers who have been diagnosed as having less than 12 months to live.

The need for this legislation is perhaps best illustrated by the tragic story of one of my constituents. In February of this year, I received a letter from a woman who was seeking assistance for her terminally ill son-in-law. These people did not have the necessary financial reserves to cover the enormous cost of her 39-year-old son-in-law's illness or the months without income while he was dying. Her daughter and son-in-law were not covered in jobs, he had no company sick leave. Unable to work due to the medical complications of a brain tumor and faced with a prognosis of only 6 months to live, the young man rapidly went through his limited savings.

His wife took two part-time jobs to help defray expenses, but the income from these jobs was not enough to cover their daily expenses. With escalating medical bills, this young couple put all their hopes in receiving help from the social security disability program into which they had paid all their working lives only to learn that they must wait for 6 months before benefits could commence. Sadly, the young man died before the expiration of the waiting period.

Another example of the painful inequity of the current system has been given us by Howard Dalton. Mr. Dalton is from Seattle, Wash., and is dying of cancer. Howard Dalton too may die before he can begin to receive the social security disability benefits to which he is entitled. In order to make others aware of the plight of the terminally ill, Mr. Dalton recently testified before a House Committee. I ask unanimous consent to have his testimony printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Howard Dalton

Mr. Chairman: My name is Howard C. Dalton, I am a lawfully registered alien, currently residing at Everett, Washington.

Gentlemen, in my billfold, I have these credit cards, they represent to me Security, should anyone doubt that, remember the feeling you have when you think you've lost one. Each have their own personal number. The number 532 50 4378 which was assigned to me, when I first came to this country, and into which I have donated so much money—DOES NOT represent Security when you are 41 and dying.

In November, 1978, doctors at Swedish Hospital in Seattle, after studying biopsies of tumors they had removed, advised me that I had a rapidly growing oat cell cancer. At that time I was told by these same physicians that I should put my affairs in order and prepare to die.

Several weeks later, when the effects of chemotherapy began to bother me, I tendered my resignation and the same day made application for my Social Security Disability Benefits. The young lady at the Social Security Office advised me that I had to wait 5 months before the disability benefits would commence even though I was obviously eligible and that no other benefits were available to me, since my wife, who is a bank officer, makes too much money.

I was stunned at first, but not really concerned, since I have been prudent and financially we will be able to manage quite well. The next week, the full impact of what this 5 month waiting period really meant was driven home to me. Hard!

Almost every day at the Tumor Institute at the Swedish Hospital, I meet people of all age groups and different social and ethnic backgrounds. Many of who could not afford to wait those five months. My sense of Justice is outraged, for years I personally have donated to Social Security, as have countless others. It is heartbreaking to me, to see elderly people, or anyone for that matter, who had been told to buy these food supplements at $1.00 each, or $4.00 per day or $90.00 per month and are financially unable to do so. Social Security Disability would not solve their problems, but at a time when they most need it, it could be a great asset and why not? They have paid into the System.

It is my opinion that until some disaster falls upon us, most of the people in this great country have absolutely no thorough understanding of what Social Security will do for them, even though they faithfully pay into this system year after year.

My personal insurance policies, written years ago, are lots easier to understand. One policy I have is quite clear, it will pay 14 days after I cease to work.

The only reason that has been offered to me to explain these 5 months waiting period, is because of the uncertainty of medical prognosis. Twenty years ago the certainty of medical prognosis was perhaps not as accurate as it is today, and so when one is told today that he has a life threatening illness, I think we can be pretty sure.

I have some examples of letters from others letters that I have solicited through newspaper articles. There are many sad examples; however, in order to be brief, I will read just a few.

It appears to me that Social Security is withholding benefits from people whose medical prognosis is pretty devastating in its finality. In other words withholding benefits from dying people who at this time are unaware of that 5 month waiting period. Gentlemen, this 5 month waiting period is frustrating to me personally, but I know that it is completely devastating to countless others.

Gentlemen, on Sunday, February 11, 1979 Mr. Gene Barnes, the Social Security District Manager in Seattle reported in the Seattle Times that "Social Security" is an insurance program which pays benefits when earnings are lost due to the death, disability or retirement of an insured worker. If any other insurance company refused to pay benefits for 5 months, I imagine the office of the insurance Commissioner would be inundated with calls and visits from irate policy holders.

Gentlemen, I urge you to use your law making decisions, and amend this law, which I am told, has not been addressed in 20 years. It is enough to be suffering from this illness without being forced into Financial Insecurity.

Mr. BAYH. Mr. President, Mr. Dalton and the many other Americans suffering from terminal illness deserve the opportunity to receive benefits from a system into which they have been paying all their working lives. Even in this time of tight budgets and justifiable concern over where and how we are spending our money, we must take into consideration a group of people who are asking for nothing more than that to which they are entitled and whose special situation, a terminal illness, means that if they follow the current rules of the game, they will never be able to receive what they deserve. They need money at the time of the diagnosis of terminal illness as they and their families have never needed it at any other time in their lives. They have earned it and we must change the rules so they can receive it if we are to be at all able to say that the law is fair, just, and compassionate.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1203

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 223(a)(1) of the Social Security Act is amended, in clause (ii) thereof—

(1) by inserting "(I)" immediately after "but only if", and

(2) by inserting "or (II) he has a terminal illness (as defined in subsection (e))," immediately after "the first month in which he is under such disability".

(b) Section 223 of such Act is further amended by adding at the end thereof the following new subsection:

"DEFINITION OF TERMINAL ILLNESS

"(e) As used in this section, the term 'terminal illness' means, in the case of any individual, a medically determinable physical impairment which is expected to result in the death of such individual within the next 12 months.".

Sec. 2. The amendments made by this Act shall be effective with respect to applications for disability insurance benefits under section 223 of the Social Security Act filed—

(a) in or after the month in which this Act is enacted, or

(b) before the month in which this Act is enacted if—

(1) notice of the final decision of the Secretary of Health, Education, and Welfare has not been given to the applicant before such month, or

(2) the notice referred to in paragraph (1) has been so given before such month but a civil action with respect to such final decision is commenced under section 205(g) of the Social Security Act (whether before, in, or after such month) and the decision in such civil action has not become final before such month;

except that no monthly benefits under title II of the Social Security Act shall be payable by reason of the amendments made by this Act for any month before the month in which this Act is enacted.●

● Mr. JACKSON. Mr. President, I am pleased to join with Senators Bayh and Magnuson today in introducing legislation to amend the Social Security Act to provide immediate disability benefits to terminally ill persons—disability benefits they often desperately need. Under current law, all disabled persons are required to wait 5 months before receiving disability benefits, regardless of the immediacy of their needs and prospects for recovery.

This creates an inequitable situation whereby terminally ill patients do not receive help from social security during the first 5 months of their disability, and may in fact never receive assistance from the fund if they die during that period. Social Security benefits are not paid retroactively, and therefore an individual afflicted with a terminal illness may be without means to meet the high cost of medical attention and care so often needed during the last months of their lives.

Quite simply, at a time when these persons most need assistance, and after they have paid into the system for insurance against this type of tragic occurrence, they cannot obtain it.

Mr. President, this is a situation that begs for remedial action by Congress, and I believe that the legislation we are introducing today offers the sort of relief that is warranted under the circumstance of terminal illness. Thousands of Americans each year discover that they are afflicted with a terminal illness, and then must face the prospect of dealing with a Government agency which to them appears uncaring and unmindful of their desparate needs.

For instance, in my own State of Washington, a man by the name of Howard Dalton learned last November that he is plagued with virulent cancer and was told that he must put his affairs in order and prepare to die. Mr. Dalton began to do so, but discovered that he, like so many others that I have found to be similarly situated, would have to wait 5 months before he could receive any of his earned disability benefits. Fortunately, Mr. Dalton and his wife could manage financially, but many others are not so lucky.

Since that time, Mr. Dalton and others have valiantly fought to see that the law is amended to take care of those who most need assistance, and I believe that their efforts should not go unrecognized as their cause is both just and reasonable.

Mr. President, my own investigation into this problem leads me to believe that the amendment we offer today is adequate to meet the needs of the terminally ill, and recognizes that there is a difference between one who is dying and one who is suffering a long-term disability.

In addition, our amendment is well tailored and will meet the fiscally conservative standards of Congress which is mindful of additional costly programs and benefits. Under these circumstances, therefore, I would hope that the Congress would give serious consideration to this measure and amend the Social Security Act in the near future to provide for the terminally ill.●

By Mr. RIBICOFF (for himself, Mr. Danforth, Mr. Bradley, Mr. Baucus, Mr. Heinz, Mr. Javits, and Mr. Moynihan):

S. 1204. A bill to strengthen and improve medicaid services to low-income children and pregnant women, and for

other purposes; to the Committee on Finance.

CHILD HEALTH ASSURANCE ACT OF 1979

● Mr. RIBICOFF. Mr. President, I am introducing today the Child Health Assurance Act of 1979. This legislation was drafted by the Carter administration. I am pleased that I am joined in the sponsorship of this legislation by Senators DANFORTH, BRADLEY, BAUCUS, HEINZ, JAVITS, and MOYNIHAN, a distinguished bipartisan group of Senators who share my desire to improve preventive health care services for low-income children and pregnant mothers.

The Child Health Assurance Act of 1979 would amend title XIX of the Social Security Act to strengthen current medicaid coverage and benefits in three broad areas.

First, it would replace the current program for early and periodic screening, diagnosis and treatment (EPSDT) with a strengthened child health assurance program (CHAP). A major goal of CHAP is to encourage enrollment of children in continuing programs of preventive and primary care. However, the bill recognizes that assessment and referral are a necessary substitute if continuing care is not available.

Second, the bill would extend medicaid coverage to 2 million of this Nation's poorest children and pregnant women by establishing a minimum income level for eligibility in all States and by extending coverage to children and pregnant women in two-parent families.

Third, the bill would provide for financial incentives to both States and health care providers to improve the delivery of health care services to children.

The United States is the wealthiest Nation in the history of the world but infants in 11 other nations are more likely to survive their first year of life. Low-income children in this country lose more time from school because of illness than do children from wealthier families. Low-income children are less likely to have a regular source of medical care and more than 4.7 million of these children are neither covered by medicaid nor receive services from a federally funded clinic. This legislation alone cannot solve these massive problems but we do propose to make a start: If CHAP becomes law, almost 2 million additional low-income children will become eligible for medicaid.

We all recognize the importance of preventive health care for young children. At the present time, the major Federal program providing preventive and early treatment services to low-income children is the EPSDT requirement under State medicaid programs. However, implementation of the EPSDT program has been incredibly slow. The program became law in January 1968. It took the Department of Health, Education, and Welfare 3 years to issue regulations. Today only about 2 million of the 12 million children eligible for medicaid are screened. Twenty-two percent of those found to need treatment do not get it. EPSDT imposes a penalty on States which do not comply with the provisions of law but contains few incentives for better than average performance by a State program. The focus, under present law, is on screening and diagnosis and we pay insufficient attention to the need for follow-up medical care.

The Child Health Assurance Act of 1979 is an improvement over the legislation I introduced last year. Changes have been made as a result of the debate and consideration which took place last year. The bill which I am introducing today will make all children, regardless of family structure, who are in families with incomes below 55 percent of the national low-income standard—or the State's AFDC standard if higher—eligible for medicaid. Thus, children in intact families will now be eligible for medicaid. Each State must cover children under age 18 who meet this standard and may cover anyone under age 21. The bill will require States to provide a package of preventive and treatment services to these children and will forbid the imposition of a copayment for children's services.

The bill encourages providers to care for children on a continuing basis. A provider would take responsibility for both assessment and ongoing preventive and primary medical care for one or more specific medicaid children. This would be similar to the role a family physician plays for middle-class children.

The Federal matching rate for the services covered by this bill would be graduated and tied to a State's performance. The rate would be determined on the basis of the percentage of eligible children who receive continuing care or needed assessments and treatment in a timely fashion. This would provide States with a direct fiscal incentive to improve their performance in assuring the availability of service to children.

It is clear that a child's health and very survival is, to a major extent, a function of the medical care received by his or her mother during pregnancy. For this reason, title II of the bill expands medicaid coverage to low-income women who are pregnant for the first time. Pregnant women would be eligible for existing medicaid coverage if they did not exceed the higher of the State's income standard or 55 percent of the national low-income standard.

The changes mandated by this legislation would be effective 6 months after enactment of the bill. Assuming an effective date of January 1, 1980, HEW estimates that the cost to the Federal Government of the amendments to be $277 million for the final three quarters of fiscal year 1980, and $560 million for fiscal year 1981.

Legislation similar to the Child Health Assurance Act of 1979 was approved by the Senate Finance Committee last year but there was not time for the full Senate to act upon it before Congress adjourned. Similar legislation was also approved by the relevant House committee last year.

Both the Senate and House budget committees have allowed for the adoption of this legislation and its implementation in fiscal year 1980 in arriving at the spending level target for health services in the first budget resolution for fiscal year 1980. Thus, there is money in the budget for this program and the program was supported by the key House and Senate committees last year. I hope that we can act on this legislation early in the 96th Congress so that implementation can begin during the 1980 fiscal year.

I urge quick and favorable consideration of this legislation by the Senate.

Mr. President, I ask unanimous consent that Secretary Califano's letter of May 10, 1979, to the President of the Senate transmitting the administration's draft bill, a section-by-section summary of the bill, and the text of the bill I am introducing today be printed at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1204

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "Child Health Assurance Act of 1979".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

PURPOSE

SEC. 2. The purpose of this Act is to broaden Medicaid eligibility for children and pregnant women, and to improve the delivery of preventive and other health care services to children under Medicaid—

(1) to increase the number of needy children and pregnant women eligible for Medicaid coverage;

(2) to replace the early and periodic screening, diagnosis, and treatment program with a strengthened child health assurance program;

(3) to encourage participation in the Medicaid program of providers willing to assume responsibility for comprehensive, continuing primary and preventive health care of individual children;

(4) to require more comprehensive Medicaid coverage of needed health services for eligible children; and

(5) to provide incentives to States to arrange for and encourage quality health care for children.

TITLE I—CHILD HEALTH ASSURANCE PROGRAM; MEDICAID ELIGIBILITY OF POOR CHILDREN

MEDICAID ELIGIBILITY OF POOR CHILDREN

SEC. 101. (a)(1) Section 1902(a)(10)(A) is amended—

(A) by inserting the clause designation "(i)" after the clause designation "(A)", and

(B) by adding at the end the following:

"(ii) for making medical assistance available to any individual under the age of 18 (or, at the option of the State, to any individual under the age of 19, 20, or 21) whose resources (including the resources of his family) meet the resources test of eligibility for medical assistance under the State plan approved under this title applicable to a family with dependent children, and whose income either (I) meets the income test of eligibility for medical assistance under such plan applicable to a family with dependent children or (II) does not exceed 55 per centum of the amount established for an individual or for a family of that size, as appropriate, by the income poverty guidelines for the nonfarm population of the United States as prescribed by the Office of Management and Budget (and adjusted annually) pursuant to section 625 of the Economic Opportunity Act of 1964:"

(2) Sections 1903(a)(1), 1904(f)(4)(C), and 1905(a) are amended by striking out "section 1902(a)(10)(A)" and inserting instead "section 1902(a)(10)(A)(i)" each place it appears.

(b)(1) Section 1902(b) is amended by striking out clause (2) and redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

(2) Section 1905(a) is amended in clause (ii) by striking out ", except for section 406(a)(2),".

(c) Section 1902(a)(17) is amended in clause (B) by inserting immediately after "except for income and resources" the following: "or family composition".

CHILD HEALTH ASSURANCE PROGRAM [CHAP]

Sec. 102. (a) Section 1902(a) is amended—

(1) by striking out "and" after paragraph (39),

(2) by striking out the period after paragraph (40) and inserting instead ", and" and

(3) by adding after paragraph (40) the following new paragraph:

"(41) provide for a child health assurance program in accordance with section 1913."

(b) Title XIX is amended by adding at the end thereof the following new section:

"CHILD HEALTH ASSURANCE PROGRAM [CHAP]

"Sec. 1913. A child health assurance program under this section shall meet the following requirements:

"(a)(1) The program must assure the availability, to each child eligible under section 1902(a)(13)(iii) to receive such services, of child health assessments in accordance with this subsection, at such periods and including such services and procedures appropriate for an individual of his age as the Secretary shall specify in regulations, in order to determine the child's health status and to identify health problems.

"(2) Child health assessments may be provided under this subsection only by an eligible provider (as determined under subsection (e)) who enters into a written agreement with the single State agency (in accordance with standards established by the Secretary) to do the following:

"(A) To provide timely and appropriate child health assessments to individuals eligible under the State plan to receive such assessments (hereinafter in this section referred to as 'eligible individuals').

"(B)(i) To provide directly to eligible individuals whom it has assessed such basic diagnostic and treatment services (including immunization against childhood diseases) as the Secretary shall specify in regulations, or

"(ii)(I) To refer eligible individuals whom it has assessed promptly to other health care providers for the provision of the basic diagnostic and treatment services specified in clause (i), and (II) to provide to such individuals followup services to insure the timely and appropriate provision of the services for which such a referral has been made, or to furnish to the single State agency such information as that agency determines to be necessary to allow follow-up on the provision of needed services.

"(C) To make such reports as the single State agency and the Secretary may require to assure compliance with the written agreement and with the requirements of this section.

"(3) The program must assure that the State agency assumes responsibility for the management of the medical care of each assessed child, including follow-up on the provision of needed care and services, and scheduling for and provision of subsequent periodic child health assessments, unless the child health assessment provider or the continuing care provider has assumed such responsibility.

"(b)(1) The program must provide for participation in the program under this title by providers of continuing care for children in accordance with this subsection.

"(2) Continuing care under this subsection may be provided by a qualified provider (as determined under subsection (e)) who enters into a written agreement with the single State agency to do the following with respect to a specific eligible individual:

"(A) To provide child health assessments in accordance with subsection (a)(2)(A).

"(B) To provide continuing diagnosis and treatment services in accordance with subsection (a)(2)(B)(i), and to make all reports required pursuant to subsection (a)(2)(C).

"(C) To manage the medical care of such individual to assure that all necessary medical services which are provided under the State plan are made available in a timely manner, and to assure that reassessments are performed on a timely and periodic basis, as required by the Secretary in regulations.

"(D) To provide continuing primary and preventive care (including such care and services as the Secretary may specify in regulations), and to be reasonably available on a continuing basis for delivery of services.

"(3) States shall make payments to continuing care providers for services provided pursuant to paragraph (2) in accordance with methods and standards meeting such requirements as the Secretary may by regulation provide. The Secretary may establish minimum reimbursement levels (which may be uniform nationally or may vary by State or region), may permit or require payment based on a prospectively determined capitation rate, and payment on a periodic basis, and may permit or require other payment incentives.

"(c) The program must assure that the State agency (1) assumes responsibility for assuring that all children of whom it has knowledge eligible for services under the plan are informed of the need for and availability of dental services, and are referred to providers of such care and services on a timely and periodic basis, and (2) will prepare a list of dentists providing services under the plan, which it shall update regularly and provide at least annually to all such children.

"(d) The program must provide for outreach to individuals eligible for assessments under this subsection. Outreach under this subsection includes such activities as the Secretary may permit or require, but must include identifying and locating families of eligible children and informing them of the availability of assessments, continuing care, and other child health services.

"(e)(1) Providers of child health assessment services under subsection (a) and continuing care services under subsection (b) shall include primary health care centers funded under the Public Health Service Act (including community health centers and migrant health centers); maternal and infant care projects and children and youth projects funded under title V of the Social Security Act; facilities delivering ambulatory health services operated by the Indian Health Service; State health departments and other State and local governmental entities; schools; rural health clinics; health maintenance organizations; physicians and such other providers as may be specified by the Secretary in regulations.

"(2) The State agency shall enter into a written agreement under subsection (a) or (b) with any provider specified in paragraph (1) unless it reasonably determines with respect to a specific provider, in accordance with such standards and procedures as the Secretary may prescribe, that such provider will not satisfactorily provide the care and services required under such subsection.

"(f) The Secretary may by regulation require that all providers of child health assessments and other ambulatory child health care services under this title (or all providers within reasonable classifications of such providers) submit uniform reports and use uniform claim forms."

REQUIRED COVERAGE FOR CHILDREN

Sec. 103. (a) Section 1902(a)(13) is amended by inserting at the end of clause (A) the following new clause:

"(iii) in the case of any individual under the age of 18, (I) for inclusion of the care and services listed in clauses (1), (2), (3), (4)(B)(i), and (5) of section 1905(a) without limitation on the amount, duration, or scope of medical assistance, (II) for inclusion of the care and services listed in clause (4)(B)(ii) which may not be less in amount, duration and scope than minimum limits which the Secretary may prescribe, and (III) for inclusion of the care and services listed in clause (4)(B)(iii) of section 1905(a), and".

(b) Clause (I) of section 1902(a)(10) is amended by inserting "and the making available of the services described in clause (iii) of paragraph (13)(A) to individuals meeting the requirements prescribed therein" after "section 1905(a)".

(c) Section 1905(a)(4)(B) is amended to read as follows: "; (B) the following services for individuals under the age of 18 (and, where the State exercises the option under section 1902(a)(10)(B)(ii), to individuals under the age of 19, 20, or 21): (i) child health assessment services and continuing care services provided in accordance with section 1913, immunizations, prescribed drugs and insulin, diagnosis and treatment of vision and hearing problems, including hearing aids and eyeglasses, (ii) ambulatory mental health services delivered in centers funded under the Community Mental Health Centers Act or meeting standards established by the Secretary in regulations, and (iii) routine dental care and services (which shall include only diagnostic, preventive, restoration, and emergency dental services);".

TREATMENT OF COPAYMENTS FOR CHILDREN

Sec. 104. (a) Section 1902(a)(14)(A) is amended by inserting immediately after "paragraph (10)(A)" the following: ", or who are eligible for medical assistance under the State plan pursuant to paragraph (10)(A)(ii)".

(b) by adding after subparagraph (B) the following new subparagraph:

"(C) in the case of individuals under the age of 18 and individuals eligible for medical assistance under the State plan pursuant to paragraph (10)(A)(ii), no enrollment fee, premium, deductible, cost sharing, or similar charge with respect to any of the care and services listed in section 1905(a)(4)(B) may be imposed under the plan;".

CONTINUATION OF ELIGIBILITY

Sec. 105. Section 1902(e) is amended—

(1) by inserting "(1)" after "(e)";

(2) in subsection (e)(1), as redesignated, by deleting ", while a member of such family is employed,"; and

(3) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of this title, each State plan approved under this title must provide that any individual under the age of 18 (or, at State option, any individual under the age of 19, 20, or 21) who becomes ineligible, because of increased income from employment of himself or his family, for medical assistance under the State plan shall, nonetheless, remain eligible for all medical assistance provided under the State plan to such individuals until the end of the 4-calendar-month period beginning with the month following the month in which the individual became ineligible."

FEDERAL RETIREMENT

Sec. 106. (a) Notwithstanding any provision of section 1903 of the Social Security

Act, for the first calendar quarter beginning at least six months after enactment of this Act, and for each of the five succeeding quarters, the Federal medical assistance percentage for ambulatory care and services for children shall be the Federal medical assistance percentage as defined in section 1905(b) of that Act plus 4 percentage points.

(b) Section 1903(a) is amended by redesignating clause (7) as clause (8), and by adding after clause (6) the following new clause:

"(7) an amount equal to 75 per centum of the sums expended during such quarter for the costs to public agencies (or to private agencies pursuant to a contract with the State agency) of outreach in accordance with section 1913(a)(4)."

(c) Section 1903(a)(1) is amended by deleting "subject to subsections (g) and (h)" and inserting instead "subject to subsections (g), (h), and (n)".

(d) Section 1903 is amended by adding at the end thereof the following new subsection:

"(n)(1) For the first calendar quarter beginning at least 24 months after enactment of the Child Health Assurance Act of 1979, and for each succeeding quarter, the Federal medical assistance percentage for ambulatory care and services for children shall be adjusted as provided in paragraphs (2) through (5) of this subsection.

"(2) The Secretary shall promulgate, and may at appropriate intervals revise, regulations establishing a formula for measuring the effectiveness of a State's child health assurance program, which formula shall take into account with respect to children under the age of eighteen enrolled in the State's program under this title (other than children whose eligibility is based on the cost of medical care to themselves or their families)—

"(A) the percentage of such children who were covered under an agreement with a continuing care provider pursuant to section 1913(b)(2) and who received, during the period under review, all necessary care and services covered under such agreement; and

"(B) the percentage of such children not covered by a continuing care agreement who

"(i) received, during the period under review, a timely child health assessment, and received in a timely manner after an assessment (as specified by the Secretary in regulations) any necessary medical care or treatment for conditions found during an assessment, or

"(ii) were not due for assessment and did not need treatment for conditions found during an assessment.

The formula under this paragraph shall give greater weight to the State's performance as measured under clause (A) than to its performance as measured under clause (B).

"(3) The Secretary shall publish, and may revise and republish as appropriate, a formula for graduated adjustment of States' Federal medical assistance percentages (as defined in section 1905(b)) with respect to the services specified in paragraph (1) based on States' performance with respect to the standards established under paragraph (2). No State's Federal medical assistance percentage, as adjusted pursuant to this subsection, shall be lower than 5 percentage points below, or higher than 20 percentage points above (up to a maximum of 90 per centum), its Federal medical assistance percentage as defined in section 1905(b).

"(4) The Secretary shall evaluate at least biannually, on a sample or other basis, each State's performance with respect to the standards established under paragraph (2), and shall report his determination evaluating the State's performance to the State not later than six months after the end of the period reviewed.

"(5) The Secretary shall by regulation provide for a procedure whereby a State agency may demonstrate to the satisfaction of the Secretary with respect to any period, that it has achieved a performance level which entitles it to a higher Federal medical assistance percentage, pursuant to paragraph (3), than the percentage determined by the Secretary pursuant to paragraph (4)."

EFFECTIVE DATE OF AID TO FAMILIES WITH DEPENDENT CHILDREN PENALTY; REPEAL OF PENALTY; ADDITION OF STATE PLAN REQUIREMENT

SEC. 107. (a) No reduction in the amount payable to States pursuant to section 403(g) of the Act shall be made with respect to any quarter beginning before the effective date of final regulations pursuant to section 403(g) published after January 1, 1979.

(b) Effective the first day of the first calendar quarter beginning at least six months after enactment of this Act, section 403(g) of the Social Security Act is repealed.

(c) Section 402(a) is amended by adding after paragraph (16) the following new paragraph:

"(17) provide that the State agency shall inform all families in the State receiving aid to families with dependent children of the availability of child health assurance services under the plan of such State approved under title XIX;".

TITLE II—MEDICAID ELIGIBILITY OF PREGNANT WOMEN

MEDICAID ELIGIBILITY OF PREGNANT WOMEN

SEC. 201. (a) Section 1902(a)(10)(A), as amended by section 101 of this Act, is further amended by adding at the end the following:

"(iii) for making medical assistance available for care and services provided during pregnancy and for 60 days following the termination of pregnancy to any woman whose resources (including the resources of her family) meet the resources test of eligibility for medical assistance under the State plan approved under this title applicable to a family with dependent children, and whose income either (I) meets the income test of eligibility for medical assistance under such plan applicable to a family with dependent children or (II) does not exceed 55 per centum of the amount established for an individual or for a family of that size, as appropriate, by the income poverty guidelines for the nonfarm population of the United States as prescribed by the Office of Management and Budget (and adjusted annually) pursuant to section 625 of the Economic Opportunity Act of 1964;"

(b) Section 1905(a) is amended—

(A) by striking out "or" at the end of clause (vi);

(B) by inserting "or" at the end of clause (vii);

(C) by inserting after and below clause (vii) the following new clause:

"(viii) women during pregnancy and during the 60 days following the termination of pregnancy,".

REQUIRED COVERAGE FOR PREGNANT WOMEN

SEC. 202. Section 1902(a)(13)(B) is amended to read as follows:

"(B) in the case of any individual described in paragraph (10)(A), for inclusion of at least the care and services listed in clauses (1) through (5) of section 1905(a), and".

CONTINUATION OF ELIGIBILITY

SEC. 203. Section 1902(e)(1), as by section 105 of this Act, is further amended by adding at the end thereof the following new paragraph:

"(3) Notwithstanding any other provision of this title, each State plan approved under this title must provide that any pregnant woman who is eligible for, has applied for, and has received medical assistance under this title and who becomes ineligible for such assistance because of increased income from employment of herself or her family, shall, nonetheless, remain eligible for all such medical assistance provided under the State plan until the end of the 60-day period beginning on the date of the termination of her pregnancy.".

TITLE III—EFFECTIVE DATES; REGULATIONS

EFFECTIVE DATES; REGULATIONS

SEC. 301. (a)(1) Except as otherwise expressly provided, the amendments made by this Act shall apply to medical assistance provided, under a State plan approved under title XIX of the Social Security Act, on and after the first day of the first calendar quarter beginning at least six months after enactment of this Act.

(2) Where the Secretary determines that State legislation is necessary to permit amendment of the State plan under title XIX of the Social Security Act to meet the additional requirements imposed by the amendments made by this Act, he shall not find a failure to comply with the requirements of such title solely on the basis of such State's failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(b) The Secretary shall issue the regulations required by this Act within six months after the date of enactment of this Act.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
May 10, 1979.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a draft bill "To strengthen and improve Medicaid services to low-income children and pregnant women, and for other purposes."

The draft bill would amend title XIX of the Social Security Act ("the Act") to strengthen current Medicaid coverage and benefits in three broad areas.

First, it would replace the current program for early and periodic screening, diagnosis and treatment (EPSDT) with a strengthened child health assurance program (CHAP). A major goal of CHAP is to encourage enrollment of children in continuing programs of preventive and primary care. However, the bill recognizes that assessment and referral are a necessary substitute if continuing care is not available.

Second, the draft bill would extend Medicaid coverage to two million of this nation's poorest children and pregnant women by establishing a minimum income level for eligibility in all States and by extending coverage to children and pregnant women in two-parent families.

Third, the draft bill would provide for financial incentives to both States and health care providers to improve the delivery of health care services to children under the Act. The draft bill is a part of the Administration's legislative program designed to improve federal-state programs serving needy children. The Administration is also proposing legislation substantially similar to its bill introduced in the 95th Congress to improve the foster care maintenance and child welfare services programs under title IV of the Act, and to provide for a new program of assistance payments to enable families to adopt hard-to-place needy children, including Medicaid coverage for medical conditions which contribute to the difficulty of adoptive placement.

The major features of the enclosed draft bill are outlined in this letter. A number of the changes made are the result of insights gained from congressional consideration of that earlier bill. A detailed analysis of the draft bill is contained in the accompanyng section-by-section summary.

The draft bill seeks to better assure that eligible children receive preventive and treatment services by encouraging providers to care for children on a continuing basis. Such continuing care providers would agree to take responsibility for both assessment and ongoing preventive and primary medical care for specific Medicaid children. The bill would authorize the Secretary to prescribe reimbursement incentives to encourage providers to accept these responsibilities.

For children who do not have a continuing care provider, the bill would provide for periodic health assessments and follow-up treatment. In addition, State efforts to reach these children and establish processes to assure the timely receipt of needed preventive and treatment services would be rewarded by increases in the State's Federal matching rate for ambulatory services to children. Providers of child health assessments and continuing care would include primary care centers funded under the Public Health Service Act, projects funded under title V of the Social Security Act, facilities operated by the Indian Health Service, physicians, rural health clinics, health maintenance organizations, State health departments and other State and local government entities, schools, and such other providers as specified by the Secretary. The State agency would be required to enter into agreements for child health assessments and continuing care with any specified provider willing and able to provide such services.

CHAP would make all Medicaid children eligible for the same mandatory benefit package, which would include services of critical importance to children's health and development. In addition to the current mandatory Medicaid benefits for eligible children who are receiving cash assistance (assessments, physician, hospital, laboratory, and rural health clinic services), CHAP would provide to all Medicaid-eligible children coverage for immunizations, prescription drugs, vision and hearing services, routine dental services, and ambulatory mental health services provided by clinics. To remove barriers to access to care, CHAP would also override State limitations on amount, duration, and scope on most services.

The draft bill would overcome the most serious gaps in Medicaid coverage of the poor. Needy children in two-parent families could no longer be excluded from Medicaid benefits. Coverage would be extended to all children up to age 18 in families with incomes below 55% of the poverty line or below the State income standard, if higher, and to pregnant women meeting these income standards. Instead of mandatory coverage of individuals up to age 21, as in last year's bill, the bill would give States the option of covering individuals aged 18 to 21. These provisions would extend eligibility to 2 million children in addition to the 11 million who are currently eligible.

The draft bill would provide for a graduated federal matching rate tied to a State's performance. The rate would be determined on the basis of the percentage of eligible children who receive continuing care or needed assessments and treatment in a timely fashion. States would thus have direct fiscal incentives to improve their performance in assuring the availability of service to children.

The Administration's earlier CHAP bill (introduced in the 95th Congress) would have repealed the current EPSDT penalty under section 403(g) of the Act retroactively to its effective date. The present draft bill proposes instead to waive all penalties under that section for periods before the effective date of new regulations which the Department expects to publish shortly; the section 403(g) penalty would be repealed as of the effective date of the CHAP amendments made by this bill. The purpose of this change is to assure that States will not relax their efforts to comply with the requirements of current law in expectation of the enactment of the CHAP program.

The amendments made by the draft bill would be effective six months after enactment of the bill. Assuming that the effective date was January 1, 1980, the federal cost of the amendments is estimated at $287 million for the final three quarters of fiscal year 1980, and $572 million for fiscal year 1981. In comparison, the federal cost of the CHAP bill previously introduced would have been an estimated $337 million for fiscal year 1979, and $592 million for fiscal year 1980. We believe the modified CHAP program provided for by the enclosed draft bill represents a substantially improved program at a cost comparable to that of the program previously proposed.

We urge the Congress to consider favorably the enclosed draft bill.

We are advised by the Office of Management and Budget that enactment of the bill would be in accord with the President's program.

Sincerely,

JOSEPH A. CALIFANO, Jr.,
Secretary.

SECTION-BY-SECTION SUMMARY OF THE CHILD HEALTH ASSURANCE ACT OF 1979

Sec. 1 of the bill provides the short title of the bill, and declares that references in the bill are to the Social Security Act.

Sec. 2 of the bill declares the purposes of the bill—to broaden Medicaid eligibility for children and pregnant women, and to improve the delivery of preventive and other health care services to children by replacing the early and periodic screening, diagnosis and treatment program (EPSDT) with an improved child health assurance program (CHAP) which includes incentives for participation to providers of continuing care.

TITLE I—CHILD HEALTH ASSURANCE PROGRAM; MEDICAID ELIGIBILITY OF POOR CHILDREN

Sec. 101(a)(1) of the bill would amend section 1902(a)(10) of the Act to provide Medicaid eligibility for children under the age of 18 (and, at State option, children under the age of 21) in families (whether intact or single-parent) who would be eligible for Medicaid on the basis of resources, and whose income does not exceed the higher of the State income standard for Medicaid eligibility or 55 percent of the poverty line.

Sec. 101(a)(2) of the bill would make conforming amendments to sections 1903 and 1905 of that Act.

Sec. 101(b) of the bill would amend sections 1902(b) and 1905(a) of the Act to delete the provisions requiring Medicaid coverage for children over the age of 18 who would be eligible for cash assistance under part A of title IV of the Act if they were in school full time, and their caretaker relatives.

Sec. 101(c) of the bill would amend section 1902(a)(17) of the Act to require that in determining an individual's eligibility for medical assistance under the new provisions added by this bill, the State must use the same income and resources disregards as are used in determining eligibility for cash assistance under part A of title IV.

Sec. 102 of the bill would amend title XIX to require participating States to provide for a child health assurance program.

Sec. 102(a) of the bill would amend section 1902(a) of the Act to require that the State plan provide for a child health assurance program in accordance with a new section 1913 of the Act.

Sec. 102(b) of the bill would amend title XIX by adding a new section 1913 which would define a child health assurance program.

Section 1913(a) of the Act would provide the requirements for a program of child health assessments. The program would provide for (1) assessments for eligible children under written agreement between the State agency and assessment providers; (2) basic diagnostic and treatment services and immunizations; and (3) referral, follow-up and case management services to assure provision of needed care and services.

Section 1913(b) of the Act would require the State to provide for participation in the Medicaid program by providers of continuing care for children. A continuing care provider would be required to sign a written agreement with the State agency with respect to a specific child (1) to provide assessments; (2) to provide continuing diagnosis and treatment; (3) to take responsibility for medical case management; (4) to provide continuing primary and preventive care; and (5) to be available on a continuing basis to provide services. The Secretary would be authorized to prescribe continuing care providers (which could include payment on a prospectively determined capitation basis), and to establish minimum reimbursement levels or to require incentive payments.

Section 1913(c) of the Act would require the State agency to assure the provision of referral to providers of routine dental services.

Section 1913(d) of the Act would require the State agency to perform outreach activities to make assessment services accessible to all eligible children.

Section 1913(e) of the Act would specify that providers of child health assessments and continuing care would include primary care centers funded under the Public Health Service Act, projects funded under title V of the Social Security Act, facilities operated by the Indian Health Service, State health departments and other State and local governmental entities, schools, rural health clinics, health maintenance organizations, physicians, and such other providers as specified by the Secretary. The State agency would be required to enter into agreements for child health assessments and continuing care with any specified provider willing and able to provide such services.

Section 1913(f) of the Act would authorize the Secretary to require providers of child health assessments and other ambulatory child health care services under title XIX to submit uniform reports and claims forms.

Sec. 103 of the bill would amend title XIX provisions concerning required coverage for children under State plans.

Current law requires that the State plan provide coverage for children receiving cash assistance for the "mandatory services"—inpatient and outpatient hospital services, physicians' services, laboratory and X-ray services, and EPSDT and other services required by regulation under section 1905(a)(4)(B). Such coverage may be limited as to amount, duration, and scope.

The bill would require that the State plan provide coverage for the "mandatory services" for all eligible children under the age of 18 (or, at State option, under the age of 19, 20, or 21). Instead of EPSDT services, the State plan would be required to provide with respect to all such children coverage for CHAP services under section 1913, and in addition vision and hearing services, prescribed drugs and insulin, routine dental services, and ambulatory mental health services furnished by specified clinics. Only mental health clinics services (subject to minimum coverage requirements prescribed by the Secretary) and dental services could be limited as to amount, duration, or scope.

Sec. 104 of the bill would amend section 1902(a)(14) of the Act (which prohibits assessment of copayments against individuals eligible for cash assistance under the Act for the costs of mandatory services, and permits only nominal copayments by such individuals for optional services) to include children eligible for medical assistance under the amendments made by section 101 of the bill.

Sec. 105 of the bill would amend section 1902(e) of the Act to require State plans to provide for continuation of Medicaid eligibility for children for four months beyond the date when they would otherwise become ineligible because of increased employment income.

Sec. 106 of the bill would make amendments concerning federal financial participation in care and services for children under State Medicaid programs. Section 1903 of the Act would be amended to authorize Federal payment of 75% of the cost to the State agency (or private agencies under contract with the State agency) of outreach activities to increase the accessibility of Medicaid services to eligible children.

In order to assist States to implement the new requirements, this section would also provide that a State's federal medical assistance percentage (FMAP) for ambulatory health care services for children during an 18-month period beginning on the effective date of the bill (six months after enactment) would be increased by 4 percentage points. Thereafter, a State's FMAP for ambulatory services to children under section 1903 would be based on a sliding scale designed to provide incentives to States to increase the numbers of eligible children under the care of continuing care providers and the number of children receiving timely assessments and other necessary care and services. No State's FMAP for these purposes would be lower than 5 percentage points below, or higher than 20 percentage points above (up to a maximum of 90 per centum) its FMAP as defined in section 1905(b).

Sec. 107 of the bill would amend title IV of the Act with respect to the current EPSDT penalty. The penalty would be waived with respect to quarters beginning before the effective date of final regulations published after January 1, 1979, implementing section 403(g) of the Act; it would be repealed effective January 1, 1980 (the effective date of this bill). A new State plan requirement would be added to part A of title IV requiring the State AFDC agency to inform all enrolled families of the availability of child health assurance services under title XIX.

TITLE II—MEDICAID ELIGIBILITY OF PREGNANT WOMEN

Sec. 201 of the bill would amend section 1902(a)(10) of the Act to provide Medicaid eligibility for pregnant women, regardless of family composition, who would be eligible for Medicaid on the basis of resources, and whose income does not exceed the higher of the State income standard for Medicaid eligibility or 55% of the poverty line.

Sec. 202 of the bill would amend section 1902(a)(13) of the Act to require that the State plan provide the same coverage for pregnant women that it provides for individuals eligible to receive cash assistance under the Act.

Sec. 203 of the bill would amend section 1902(e) of the Act to require State plans to provide for continuation of eligibility for pregnant women who become ineligible because of increased employment income until 60 days after the termination of pregnancy.

TITLE III—EFFECTIVE DATES; REGULATIONS

Sec. 301 of the bill would provide effective dates of amendments made by the bill. The amendments would be effective six months after enactment of the bill (except that a grace period would be provided where State legislative amendments would be needed to comply with new requirements). Regulations required by the bill would be required to be issued by six months after enactment of the bill.●

● Mr. DANFORTH. Mr. President, I am happy to join as a cosponsor of the Child Health Assurance Act of 1979, which is designed to improve preventive health care services for low-income children and pregnant mothers.

The capability of our medical practitioners to reduce illness dramatically and improve the health of our Nation's children has been demonstrated again and again. Death rates due to early childhood diseases have dropped substantially. For example, the death rate among children from influenza and pneumonia was 150 per 100,000 in 1925; in 1975, it was six per 100,000.

A program of immunizations and medical testing early in life can make a dramatic difference in a person's health over his or her entire lifetime. The history of polio may provide the most graphic example of that fact. Further, we are learning more and more about the linkages between improper prenatal care and premature births, retardation and other serious disabilities.

The knowledge and the capability to improve children's health is available. Unfortunately, we have not done as much as we can, as a nation, to insure that every American child benefits from our advanced knowledge and capability. The infant mortality rate in our country is higher than that of 11 other nations; 10 percent of American children between the ages of 6 and 16 have never been to a dentist. Nearly 6 million children under the age of 17 have no regular source of health care.

The intent of the Child Health Assurance Act is to provide early and adequate medical treatment for all children and pregnant mothers not now reached. It replaces and improves the existing program of preventive services for children, known as early and periodic, screening, diagnosis and treatment, (EPSDT). It provides financial incentives for States to improve their screening, diagnosis and treatment programs; it mandates that a larger group of low-income children and women be included in the State programs; and it increases the services provided, so that children will be assured of a complete set of immunizations, vision and hearing checks, prescription drugs that they need, adequate dental care and so on.

I believe a program of improved preventive services for children must be an essential part of an overall program to ration our Nation's health resources. There is much talk and concern about escalating health care costs.

I believe if we are to be successful over the long-run in reducing our health care costs, we must begin to redirect our priorities in favor of prevention and education and away from costly treatment. Preventive services for children is especially cost effective.

I am told that in North Dakota, a study showed that total medical expenditures for low-income children who had received check-ups were 36 to 44 percent lower than for children who had not.

I joined in introducing a catastrophic health insurance bill earlier this year. I did so because nearly 7 million families in 1978 paid more than 15 percent of their incomes out-of-pocket in medical bills. Millions of other families would have been in that situation if a family member had suffered a serious accident or illness. That is a problem that cannot be ignored. Nevertheless, I believe the best health policy must be a balanced approach which encourages exercise, discourages smoking, excessive drinking and excessive eating, includes early detection of disease and supports basic research. Moreover, if we are to improve our Nation's health, we must focus on our Nation's children where the returns are the greatest.

Although I am eager for discussion—and am open minded—regarding the specifics of the child health assurance program, I am deeply committed to increased energy and money on preventive health services for children.●

● Mr. BRADLEY. Mr. President, I am pleased to join my Senate colleagues today in support of legislation to create the child health assurance program, or CHAP. I strongly believe that the quality of a society is reflected in how it treats its young. By that measure, we in this country have a ways to go. CHAP is a substantial step in the right direction.

Three features of CHAP appear to me to be most significant:

CHAP's eligibility provisions will extend medicaid coverage to 2 million children and pregnant women who, though low income, are ineligible because of serious gaps in medicaid coverage.

CHAP expands services covered by medicaid and makes them mandatory for all eligible children. The merits of covering immunizations are obvious to all of us, but a whole range of preventive and restorative services which will enhance the health of children are included under CHAP: Dental care, vision care and glasses, hearing services, and outpatient mental health services. Failure to intervene with appropriate health care services such as these at a young age can result in permanent impairment, often at a substantial public cost in later years.

Finally, CHAP encourages the extension to poor children of a continuing care relationship between the physician or other care provider and the child. To a large extent, these health care providers already exist in our communities. What is needed is to link low-income children to local providers such as maternal and child health centers. CHAP offers important incentives to States and to providers to develop a system which will assure individual health care for poor children that is both comprehensive and available on a continuing basis.

I also want to mention several problems in the current legislation which I believe can be resolved in the course of the Senate's consideration of this legislation. At the hearings in the Finance Committee I intend to question closely the workings of the program in these few areas and to explore the possibilities for improvements.

First, the financing. According to this proposal, a State is rewarded or penalized on the basis of its performance in placing children in continuing care arrangements or in assessing and providing them with followup treatment. States which are successful in extending treatment to a larger proportion of children will receive a higher Federal percentage of matching moneys for providing these services.

Conversely, States which are not so successful will receive a lower Federal match for reimbursing the costs of these services. The consequence is that States covering lower proportions of needy children will have the Federal share of their moneys for services cut, with the real likelihood that either services or children served—or both—will be reduced even further.

To me, this seems to be counterproductive, compounding the problem rather than finding its solution. Instead, the penalty should affect the Federal reimbursement of administrative funds, not the Federal reimbursement for the very ambulatory services which children need.

Another related problem I have is with the enforcement aspects of the CHAP legislation. The maximum penalty proposed is a reduction of 5 percentage points in the matching rate for Federal funds. For some States, it may be less costly to face a 5-percentage-point reduction in the current Federal matching rate than to increase the pool of eligible children in the aggressive way envisioned by the legislation. Providing more services to more children can be very expensive and can strain limited State budgets. In effect, there is no enforcement in this bill. Clearly, forcing States to be "good" is a difficult proposition; what is needed are incentives, with enforcement only as a last resort. Enforcement must be credible and should not weaken even further the resolve of States to increase the number of children covered and to extend greater benefits to them. This will be a very difficult issue to work out, but one that we must deal with if the CHAP program is to achieve its objectives.

The second major area I see as needing improvement is the Outreach provision in the bill. The first step in bringing all eligible children under CHAP is locating these children. State and local Outreach programs are the means for achieving this early essential objective.

The proposed legislation provides for a higher Federal reimbursement rate (75 percent) in recognition of the critical importance of these programs, allowing States to hire additional workers for Outreach programs. While I agree that additional outreach is required, I question an approach which provides increased Federal financial participation without requiring the States to make an increased financial commitment of their own.

First, I think it might be appropriate to ask the States to set aside some proportion of their CHAP program funds for Outreach activities.

Further, I believe that if the States do not reach certain performance standards—increasing the number of children enrolled in CHAP—they should be asked to redesign their Outreach programs to be more effective.

CHAP offers an important opportunity for making our traditional provider-patient relationship health care system work for those poorer children whose needs are as great as, if not greater than, their more fortunate peers. If an ounce of prevention is worth a pound of cure, then the costs of a comprehensive continuing health care system for children will outweigh the costs of remedial care later in life—not to mention the wasted human resources.

CHAP is a relatively modest start, but an essential one. Mr. President, I urge the Senate's support of the child health assurance program not only for the benefits it will bestow on society today, but for coming generations of Americans who can, through our efforts now, enjoy better prospects for a healthy life in the future.●

● Mr. BAUCUS. Mr. President, I rise in support of my distinguished colleague from Connecticut, Mr. RIBICOFF. The legislation which the Senator from Connecticut is introducing today seeks to assure that all low-income children have access to continuing preventive and primary care.

I am pleased to add my name as a cosponsor of the Child Health Assurance Act of 1979. This bill represents a vast improvement over previous proposals introduced and considered last Congress. The present CHAP proposal builds upon and improves our efforts to expand medicaid eligibility for low-income children.

There are over 17 million needy children in this country; 6 million of these children are not presently covered by medicaid, and only 3 million of those who are covered are reached by the early and periodic screening, diagnosis and treatment—EPSDT—program, medicaid's current child health program.

The child health assurance program improves upon the early and periodic screening, diagnosis and treatment program. CHAP broadens medicaid eligibility to include an additional 2 million poor children. The program will mandate a broadened benefit package of primary and preventive health services to this segment of the population. These improvements in coverage will ultimately help to reduce discrepancies in care for our Nation's 62 million children.

One of the key features of the CHAP proposal rests with its emphasis on ongoing continuing care for children. The present EPSDT system focuses on assessment and not on providing on-going care. And there is no continuing relationship with the health provider. The Child Health Assurance Act seeks to address this weakness by encouraging providers to assume greater responsibility in providing care on a continuing basis.

The new CHAP proposal will also expand medicaid eligibility to some 100,000 low-income pregnant women. Under current law, medicaid coverage for pregnant women is available only if she is in a single parent family on AFDC. And there is no national standard for systematically covering pregnant women with no children or those who reside in two-parent families. The enactment of CHAP will reform these gaps by extending medicaid eligibility on the basis of resources, and not of family structure.

The bill which the Senator from Connecticut introduces today represents a commitment towards improving the health status of our Nation's low-income and poor children. The CHAP proposal is an investment in preventive care for children. Study after study demonstrates that expenditures for preventive and basic health care services realizes substantial savings in the future by preventing the occurrence of treatable diseases. In a time of fiscal restraint, I believe the child health assurance program represents a responsible and realistic attempt to increase the availability of quality health care for low-income children.

Members of the House Interstate and Foreign Commerce Committee have already begun the difficult task of evaluating proposals designed to improve the health status of our children. I would hope the Senate will join in that effort by moving quickly to consider the Child Health Assurance Act of 1979. My endorsement of CHAP is not unqualified, and I expect that as a result of hearings and debate the bill that emerges for consideration on the Senate floor will be an even improved version over that which is introduced today.

The legislation I am cosponsoring is an important step in the direction of improving the health status of millions of American children. Its intent is to bring all financially needy children onto the medicaid rolls, assess their health status and needs and get them into a program that will provide them with a stable and continuing source of medical care.

Certainly, these important objectives deserve our attention and I hope my colleagues will join me by expressing their support for the child health assurance program.●

● Mr. HEINZ. Mr. President, I am pleased to join my colleagues in cosponsoring the child health assurance program (CHAP).

This long-awaited legislation to modify the early and periodic screening, diagnosis, and treatment program (EPSDT) will go far toward removing the barriers to health care for low-income children by extending medicaid eligibility to children in low-income, intact families. Under CHAP, States would be required to offer all covered children a uniform and comprehensive package of medical services, including immunizations, prescription drugs and insulin, routine dental care and treatment, vision care and eyeglasses, hearing services including hearing aids, and ambulatory mental health services. This comprehensive package of services is designed to fill the most serious gaps in coverage for poor children.

A significant feature of CHAP is its emphasis on preventive treatment in a continuum of care. This is a principle of child care that has been advocated for many years by child health professionals in my own State of Pennsylvania, and especially by Dr. Susan Aronson, associate professor of community and preventive medicine at the Medical College of Pennsylvania. I am pleased that CHAP is modeled after the program in the Commonwealth which has successfully served low-income children in continuing care settings using a variety of providers, including private providers.

Under the bill which I am cosponsoring, primary care providers would be encouraged to assume responsibility for managing the medical care needed by specific children. Early and less expensive treatment will be the norm for children under such care and a relatively small additional expenditure now can preclude the need for more expensive medical care later on. In a very real sense, Mr. President, the CHAP bill is perhaps one of the most effective cost containment, cost saving bills we will see this year.

Mr. President, I would be remiss if I did not take this opportunity to express my appreciation to all those who worked so hard in the past to make EPSDT work in spite of the many difficulties they encountered. I am especially indebted to Anne Shenberger, child health services coordinator for the Governor's Office of Human Resources, James McKittrick, director, Medical care systems, Pennsylvania Department of Public Welfare and others in the State of Pennsylvania for their dedication to the improvement of health care services to children.

I am confident that CHAP, by providing for reasonable reimbursement rates to be established by the Secretary, and by authorizing the establishment of incentives to continuing care providers, will open the door to high quality preventive health care for millions of children previously unserved or underserved. I am delighted that the promise is at hand for a healthier generation of Americans in years to come.●

● Mr. JAVITS. Mr. President, I rise in support of the Child Health Assurance Act of 1979, which I am pleased to cosponsor.

Mr. President, nothing is more precious to the future of America than our children, and nothing is more precious to our children than their health. While we have made great strides in the area of child health care during the last decade, there can be little pride when we review the present health status of American children, to wit:

The infant mortality rate in the United States is higher than in 11 other industrialized nations;

Roughly 16 percent of entering school children are estimated to have defective vision;

The President's Commission on Mental Health estimates that 5 to 15 percent of all children have some type of mental disorders; however, the American Psychiatric Association indicates that only 10 to 20 percent of those in need are currently receiving mental health services.

The tragic record for American children who are disadvantaged by poverty, or other cause, or by geographic, cultural or ethnic isolation is even worse:

The infant mortality rate for poor urban children is more than 50 percent higher than for nonpoor children;

Children in families earning less than $3,000 annually are four times more likely to be reported in poor or fair health than children in families with incomes of $15,000 or more;

Poor children are bed-ridden 25 percent more than nonpoor children;

Some diseases are so prevalent among the poor that they are termed "diseases of poverty," such as tuberculosis, untreated middle ear infections (often leading to deafness and other complications), iron deficiency anemia (about 50 percent of poor children under 5 years of age are affected), lead poisoning, and malnutrition;

Twice as many children in families earning under $5,000 annually have a history of chronic kidney disease as in families earning $10,000 or more.

In general, such statistics indicate that our health care system is failing to provide children with needed physical and mental health care services.

The early and periodic screening, diagnosis, and treatment (EPSDT) program, part of medicaid since 1967, was intended to provide low-income children with quality diagnostic and treatment services for identified health and mental health problems. Unfortunately, according to the administration's own estimates, this program is reaching only 30 percent of those currently eligible children. A great number still do not have routine physical examinations.

Moreover, 22 percent of those screened and found to be in need of treatment do not receive appropriate services.

We need to improve our ability to deliver primary care and preventive health services to children. This was one of the fundamental goals of legislation which I introduced in the 94th and 95th Congresses—the National Health Insurance for Mothers and Children Act and this is also the goal of the Child Health Assurance Act (CHAP) introduced today by Senator RIBICOFF.

Enactment of this legislation will provide an important step in assuring the availability of high-quality health care services to 13 million of our Nation's children. These 13 million consist of the 11 million now covered under medicaid plus an additional 2 million low-income children from foster, single and two-parent homes. The bill also provides for services to an estimated 96,000 low-income pregnant women.

In addition, CHAP will expand mandatory benefits to include dental services, vision and hearing services, prescription drugs, immunizations, and ambulatory mental health services provided by community mental health centers or qualified clinics.

There are several parts of the bill which, in my view, can be strengthened and improved. One such area relates to the provisions for mental health services under this program. During the 95th Congress I objected to the exclusion of mandated mental health services from the proposed CHAP legislation. At that time, I said:

> This exclusion would cast in medicaid law the first and only mandated exclusion by diagnostic category—explicit exclusion for the child diagnosed as mentally ill from receiving treatment mandated for all other medical conditions.

The bill introduced today largely responds to these concerns. But, while the bill purports to provide equality of coverage in the treatment for children diagnosed as developmentally disabled, mentally retarded, or mentally ill, I am concerned that other provisions could produce a contrary effect since the bill authorizes Secretarial discretion in limiting the amount, duration, and scope for mental health services. Admittedly, some limitation may be necessary. However, I believe we need to assure that such limitations are consistent with quality standards of care.

It is also my hope that new provisions will be added to the bill which will address the need to avoid duplication of services under the various child health programs of the Social Security Act and which will clarify and further improve the incentives for States to enhance the availability and utilization of child health care services under this program. I hope to contribute to the development of such provisions.

In my judgment, this bill reflects a responsible effort designed to address the critical health needs that continue to handicap our country's most precious resource—our children.●

By Mr. DURKIN:

S. 1205. A bill to establish a Federal nonprofit corporation as the importing agent for the crude oil and petroleum products imported into the United States; to the Committee on Energy and Natural Resources.

OIL IMPORTS ACT OF 1979

● Mr. DURKIN. Mr. President, the bill which I am introducing today addresses directly a menace which is devastating the American and world economies, and is hitting every American consumer in his or her wallet. This menace is costing the United States hundreds of billions of dollars, weakening our economy, driving up inflation, and undermining our foreign policy. This menace is OPEC, and the multinational oil companies which cooperate with OPEC on gouging this country.

This is not merely the moral equivalent of war, this is true economic warfare, with the citizens of New Hampshire and American consumers and businesses across the country under attack.

At a time when the economic well-being of this Nation is being sapped by the OPEC cartel's highway robbery, the major oil companies which are supposedly the agents of U.S. power abroad, are actively aiding and abetting this economic warfare directed against the United States and our allies in Europe and in the Pacific. These multinational oil corporations, which have been the beneficiaries of every U.S. subsidy, tax break, and tariff preference conceivable by man, are a major—indeed key—component of the international oil robbery which is bleeding the U.S. economy.

Indeed, the collusive arrangements between the multinational oil companies and the OPEC states has created an international market for oil in which both the interests of the producer and the major purchasers are served by dramatically rising petroleum prices. We have to ask ourselves how this situation developed.

The answer lies in the ability and motivation of the major petroleum corporations to successfully seek higher petroleum prices. Evidence indicates that while these companies dominate the international oil market, they do so only at the pleasure of OPEC. History also shows that the major oil firms have no interest in seeking lower cost oil, and, in fact, they benefit from higher international prices.

That the major petroleum companies have no motivation to seek lower priced international oil is illustrated by the preferred access agreements that these firms presently enjoy. OPEC nations needing refining, transport, and marketing of their oil have extended to the major oil conglomerates access to discount-priced OPEC oil. These agreements effectively eliminate competition from the smaller corporations at every level of refining, transport, and marketing. The agreements are so valuable to the oil giants that they will curtail their acquisition of lower priced oil rather than jeopardize their OPEC sources.

This is a minor point when one realizes that the major integrated oil companies have developed efficient methods by which to pass OPEC increases through to the consumer. The manipulation of transportation costs is one such method. Due to insufficient monitoring of these costs by the Federal Government the major oil firms have been able to significantly overestimate their costs. Since transportation costs are a key determinate in what an importer can ask for his oil, this tactic is quite profitable.

The mutually profitable collusion between the major oil producers and the multinational firms, at the expense of the American consumer, is well illustrated in Venezuela. That country now has a formal contract with a giant multinational conglomerate which promises a percentage increase in the per barrel technical assistance fee paid the company equal to the percentage increase in the price of oil. Such contracts insure that the oil firms will cooperate with every effort of OPEC to increase prices.

Even if the true costs of acquisition and transportation of petroleum could be adequately monitored and regulated, the major oil firms would still benefit from higher international oil prices as a result of their control of domestic oil. Indeed, with the price of domestic oil being increasingly tied to international prices, the major oil companies will greatly benefit from OPEC increases.

To protect their privileged access to oil sources abroad, mainly the OPEC nations, the multinationals serve the interests of OPEC rather than of the American consumer. The recent scramble of the oil companies to gain access to Iranian crude after the fall of the Shah illustrates well the flaw at the heart of our present system. While the President of the United States and other Western leaders were working on diplomatic fronts to convince the cartel to hold down prices, the multinational oil firms were falling over themselves to bid up the price of the crude being offered by the new government. The higher they were willing to pay, the more likely they, and not another firm, would have access to Iranian crude in the future. That massive economic costs would be borne by the American public was of no concern for these firms singlemindedly devoted to maximum profits.

Few industries are as noncompetitive as the international oil industry. It is ironic that the one area where in recent years competition has come to the industry—the access to crude—competition works so thoroughly to the disadvantage of the consumer. Firms competing for access to crude can afford to be indifferent to the price of the oil they buy because once they have it, no one can effectively compete against them in downstream operations, and consumers are not in a position to resist price increases.

As the largest importer of crude oil, the United States has tremendous potential leverage to use in the oil market. Especially for those countries strapped for revenues, access to the U.S. market is an important economic asset which we are not now using to its fullest advantage. As long as we allow the oil firms, whose only interest is higher prices, to decide where to buy oil and at what price, the American consumer will continue to pay outrageous prices.

We can no longer stand for the exploitation of the American consumer by these collusive agreements. The Carter administration's failure to employ its congressionally mandated authority under the Energy Policy and Conservation Act, to assault these collusive links, requires us to act. Failure to confront this exploitation could result in a petroleum import bill of over $56 billion this year, a 33-percent increase over last year's total.

The legislation I am introducing today can end this neglect of leadership by dissolving the collusive links between OPEC and the multinational oil firms. The Oil Import Act of 1979, will create a nonprofit Government Corporation that will serve as the exclusive importing authority for crude oil and petroleum products.

The bill provides for the establishment of the American Oil Import Corporation, to become after 1 year, the exclusive agent for the importation and distribution of all crude oil and imported petroleum products. The Corporation shall have a five-member Board of Directors to be appointed by the President with the concurrence of the Senate. Additionally, in times of emergency, an Advisory Board consisting of officers from various Federal departments including the Federal Reserve, will advise on, and coordinate the purchase and sale of imported oil products to insure our national security.

The Corporation will be given the authority to directly negotiate with oil producing countries by either direct purchases or through the establishment of an auction system employing sealed bids. It will also determine the volume of imported crude oil and petroleum products to be brought into the U.S. market, and serve as the sole distributor of this oil to qualified buyers.

The Corporation shall be legally constrained to use its authority to achieve specific goals. These include the encouragement of competition within the domestic petroleum industry, the equitable allocation of available petroleum supplies, and the maximum utilization of petroleum refining facilities located within the United States. Most importantly, the Corporation shall use its authority to insure the lowest possible prices for petroleum products sold in the United States.

The OPEC price increases announced this March in combination with our Nation's worsening inflation requires us to take bold actions now. Our continued dependence on a system in which a handful of multinational corporations are granted the responsibility for determining the price, supply, and allocation of our imported petroleum in complete secrecy and disregard for the interests of the American consumer is absurd.

The American Oil Import Corporation will replace this exploitive system with a single aggressive buyer of oil, which will be accountable to the public not private interest, and will serve the interests of the American consumer rather than the OPEC cartel.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Oil Imports Act of 1979."

(b) The table of contents of this Act is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Purpose.
Sec. 4. Definitions.

TITLE I—OIL IMPORTATION

Sec. 101. Limitations on importation.
Sec. 102. Administration of import limitations.

TITLE II—AMERICAN OIL IMPORT CORPORATION

Sec. 201. Corporation established.
Sec. 202. Board of directors.
Sec. 203. Election of chairman; compensation.
Sec. 204. Advisory Board.
Sec. 205. Officers and employees.
Sec. 206. Nonprofit nature of the Corporation.
Sec. 207. General Authority of Corporation; Restrictions.
Sec. 208. Report to Congress.
Sec. 209. Right to repeal, alter, or amend.
Sec. 210. Financing.
Sec. 211. Records and audit.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Disclosure and speculation on petroleum information.
Sec. 302. Termination of technical purchase authority.
Sec. 303. Effective date.

FINDINGS

SEC. 2. The Congress finds that—

(1) energy resources, in particular crude oil and petroleum products, are a cornerstone of the American economy and the assured supply of which at reasonable prices is essential to the achievement of a full-employment economy and price stability;

(2) a major portion of the crude oil and petroleum products used in the United States consists of imports from other nations, the high cost of which and uncertain access to, pose a serious threat to the stability of the American economy and the well-being of the American people;

(3) the present and projected adverse ef-

fects to the American economy and to the American people of the high cost of an increasing demand of crude oil and petroleum products imported from other nations are aggravated by the concentration of control and secrecy of operation over the purchase, pricing, and allocation of such resources by a small number of private multinational corporations; and

(4) the public interest and the economic and strategic importance of crude oil and petroleum products imported from other nations require the direct, active participation of the Government of the United States as the exclusive agent for the importation of such resources from other nations.

PURPOSE

SEC. 3. It is the purpose of this Act—

(1) to assure consumers that the proportion of the Nation's crude oil requirements which is imported does not increase and that it is economically acquired, by establishing a coherent international oil policy based on negotiations involving the United States Government;

(2) to safeguard the Nation's interest in times of national emergency by insuring access to its proper share of world oil supplies;

(3) to assure the most reasonable and equitable distribution of imported crude oil for maximum utilization of oil refining facilities within the United States;

(4) to encourage competition in domestic energy markets by assuring distributors and marketers equitable access to oil products imported from other countries; and

(5) to establish and safeguard the Nation's interest in the stable, economical, and equitable supply of petroleum imported from other nations through the agency of a nonprofit corporation under the United States Government.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) The term "Corporation" means the American Oil Import Corporation established under title II of this Act.

(2) The term "United States" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

(3) The term "crude oil" includes natural gas condensates, but excludes methane.

(4) The term "petroleum products" includes all products refined or manufactured from crude oil and residual oil, with the exception of petrochemicals and manufactured products containing petrochemicals.

(5) The term "qualified buyer" means a citizen of the United States, or a corporation, or any department, agency, or other instrumentality of the United States or any State.

(6) The term "person" includes any individual, corporation, governmental agency, department, or instrumentality, or other entity.

TITLE I—OIL IMPORTATION

LIMITATIONS ON IMPORTATION

SEC. 101. (a) On and after the effective date of this Act, no person shall import into the United States any crude oil or petroleum products unless—

(1) such crude oil or petroleum products have been purchased from the Corporation, and a copy of the bill of sale verifying such purchase is submitted to the customs officer at the point or port of entry,

(2) such petroleum product is manufactured from crude oil purchased from the Corporation, and an affidavit attesting to such manufacture, together with a copy of the bill of sale verifying the original purchase of crude oil, is submitted to the customs officer at the point or port of entry, or

(3) the person importing such oil is in possession of a valid import permit, issued by the Corporation pursuant to subsection (b) (1), (2), or (3) and permitting the importation of the type, grade, and quantity of crude oil or petroleum product being imported and submits such import permit to the customs officer at the point or port of entry.

(b) (1) Effective during the twelve-month period beginning on the effective date of this Act, the Corporation shall permit the importation into the United States by any person of barrels of crude oil and petroleum products not purchased from the Corporation only on the basis of barrels of crude oil and petroleum products which have been purchased from the Corporation, in accordance with the following table:

For each barrel of crude oil or petroleum product purchased by a person from the Corporation during the following periods (beginning with the effective date of this Act):	The person shall be entitled to import the following fraction of a barrel of crude oil, any petroleum product, or any combination thereof:
First through the third month	1.00
Fourth through the sixth month	.75
Seventh through the ninth month	.50
Tenth through the twelfth month	.25

(2) Effective beginning after the twelve-month period referred to in paragraph (1), the Corporation shall not issue permits for the importation into the United States of crude oil and petroleum products which are not purchased from it by qualified buyers unless such importation is during an emergency, as determined by the President.

(3) In cases of national emergency, as determined by the President, the Corporation shall issue permits for the importation of crude oil and petroleum products to the extent necessary to insure access by the Armed Forces of the United States to needed supplies of crude oil and petroleum products.

(c) Crude oil and any petroleum product for the Strategic Petroleum Reserve established under part B of title I of the Energy Policy and Conservation Act shall be purchased from the Corporation.

(d) No restriction, fee, or duty shall apply with respect to the importation of crude oil or petroleum products into the United States under this Act.

ADMINISTRATION OF IMPORT LIMITATONS

SEC. 102. (a) Except to the extent provided for in section 101(b), the Corporation shall act as the exclusive purchasing authority for—

(1) crude oil produced outside the United States for importation into the United States,

(2) crude oil produced outside the United States for sale to refiners outside the United States pursuant to subsection (g) of this section,

(3) petroleum products outside the United States for importation into the United States, and

(4) crude oil and any petroleum products for sale to the Strategic Petroleum Reserve established under part B of title I of the Energy Policy and Conservation Act.

(b) All crude oil and petroleum products purchased by the Corporation pursuant to subsection (a) of this section shall be sold to qualified buyers free on board the point of purchase.

(c) The Corporation shall endeavor to buy and sell without overall profit or loss, taking into account amounts necessary to recover administrative costs.

(d) Notwithstanding any other provision of law relating to acquisitions by agencies and instrumentalities of the United States, the Corporation may contract for the purchase of crude oil and petroleum products from any private individual, foreign state, or foreign or domestic corporation. Such purchases may be through direct purchase, the acceptance of sealed offers of sale, or any other means which, in the judgment of the Board of Directors of the Corporation, will enable the Corporation to secure such commodities at the lowest real cost.

(e) The terms of any contract or agreement entered into by the Corporation to purchase crude oil or petroleum products shall, to the maximum extent practicable, be kept secret by the Corporation, its officers and employees, until deliveries begin under such contract or agreement.

(f) (1) Notwithstanding any other provision of law relating to purchases by agencies or instrumentalities of the United States, the Corporation shall, by the issuance of regulations, determine the system by which sales of crude oil and petroleum products purchased by the Corporation pursuant to this section shall be made to qualified buyers.

(2) No regulation shall be promulgated under authority of this subsection without full public notice and hearing on such regulation before its promulgation.

(3) Any regulation promulgated under authority of this subsection shall (A) encourage competition within the domestic petroleum industry, (B) allocate available supplies of crude oil and petroleum products equitably, and (C) insure the maximum utilization of petroleum refining facilities located within the United States.

(4) The Corporation shall exercise its authority under this subsection so as to assure the lowest price possible for the end users of such commodities.

(g) The Corporation shall sell crude oil and petroleum products exclusively for importation into the United States, except that the Corporation may sell crude oil to qualified buyers intending to refine it outside the United States for future importation into the United States in the form of petroleum products, if the following conditions are met:

(1) the qualified buyer has contracted with the Corporation to import into the United States all petroleum products manufactured by it from crude oil sold to it by the Corporation; and

(2) the Corporation has taken care to insure the maximum utilization of petroleum refining facilities located within the United States.

(h) When the Board of Directors of the Corporation determines that action under this subsection is in the national interest, permits to import specified quantities, types, and grades of crude oil and petroleum products shall be auctioned by the Corporation under a system of sealed bids.

TITLE II—AMERICAN OIL IMPORT CORPORATION

CORPORATION ESTABLISHED

SEC. 201. There is authorized to be established a nonprofit corporation, to be known as the American Oil Import Corporation. The Corporation shall be subject to the provisions of this title, and, to the extent consistent with this title, to the District of Columbia Nonprofit Corporation Act.

BOARD OF DIRECTORS

SEC. 202. (a) The Corporation shall have a Board of Directors (hereinafter in this Act referred to as the "Board"), consisting of five members appointed by the President, by and with the advice and consent of the Senate. Not more than three members of the Board may be members of the same political party.

(b) The members of the Board (1) shall be selected from among citizens of the United States (not regular full-time employees of the United States) who are especially qualified to carry out their functions; (2) shall be selected so as to provide as nearly as practicable a broad representation of various regions of the country, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Corporation.

(c) The members of the initial Board of Directors shall serve as incorporators and shall take whatever actions are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act.

(d) The term of office of each member of the Board shall be seven years; except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (2) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, two at the end of two years, two at the end of four years, and one at the end of seven years. No member shall be eligible to serve in excess of two consecutive terms of seven years each. Notwithstanding the preceding provisions of this subsection, a member whose term has expired may serve until his successor has qualified.

(e) Any vacancy in the Board shall not affect its power, but shall be filled in the manner in which the original appointments were made.

(f) Any member of the Board may be removed from office by the President only for inefficiency, neglect of duty, or malfeasance in office.

ELECTION OF CHAIRMAN; COMPENSATION

SEC. 203. (a) The members of the Board shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of them as a Vice Chairman or Vice Chairmen.

(b) The members of the Board shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this subpart be entitled to receive compensation at the rate of $1,000 per day including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

ADVISORY BOARD

SEC. 204. There shall be established by the President an Advisory Board to the Corporation, that shall consist of officers of the National Security Council, the Departments of Defense, Energy, State, Treasury, and Commerce, who shall be designated by the heads of such entities. Included shall be a representative of the Board of the Federal Reserve System. The Advisory Board shall meet periodically with the Directors of the Corporation to share information of the activities of the Corporation that pertain to the various departments and agencies, and information on the activities of such departments and agencies that pertain to the Corporation.

OFFICERS AND EMPLOYEES

SEC. 205. (a) The Corporation shall have a President, and not to exceed three other officers as may be named and appointed, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, by the Board for terms fixed by the Board. Officers appointed under this subsection may be compensated, without regard to chapter 51 and chapter 53 of title 5, United States Code, relating to classification and pay, at a rate fixed by the Board. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation, other than the Chairman and any Vice Chairman, may receive any salary or other compensation from any source other than the Corporation during the period of his employment by the Corporation. All officers shall serve at the pleasure of the Board.

(b) Except as provided in the second sentence of subsection (a), no political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Corporation.

(c) The officers and employees of the Corporation (including members of the Board) shall be subject to the provisions of part A of title VI of the Department of Energy Organization Act (relating to conflict of interest). In applying such provisions for purposes of this subsection, references therein to the "Department" shall be treated as references to the "Corporation" and functions assigned to the Secretary of Energy or his designee shall be carried out by the Board. The Corporation shall be considered an independent agency of the United States for purposes of section 1924 and chapter 11 of title 18, United States Code.

NONPROFIT NATURE OF THE CORPORATIONS

SEC. 206. (a) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(b) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(c) The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

GENERAL AUTHORITY OF CORPORATION; RESTRICTIONS

SEC. 207. (a) In order to achieve the objectives and to carry out the purposes of this Act, the Corporation is authorized—

(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of its operation and the exercise of powers and responsibilities vested in it;

(2) to appoint such officers and employees as may be necessary to carry out such functions, and to remove such officers and employees only for cause;

(3) without regard to section 3648 of the Revised Statutes (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, and other transactions and to make such grants as may be necessary in the conduct of its work and on such terms as it may deem appropriate, with any agency or instrumentality of the United States, or with any State, territory, or possession of the United States, or with any political subdivision thereof, or with any other person; and

(4) to sue and be sued in its own name in any court of the United States.

(b) All contracts and other obligations entered into by the Corporation shall be guaranteed by the full faith and credit of the United States. Nothing contained in this subsection shall be construed to commit the Federal Government to provide any sums for the payment of any obligation of the Corporation which exceeds amounts provided in advance in appropriation Acts or available from the fund established under section 210.

(c) To carry out the foregoing purposes and engage in the foregoing activities, the Corporation shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29-1001 et seq.) to the extent consistent with this Act, except that the Corporation is prohibited from—

(1) engaging in the business of producing, transporting, or refining crude oil or refined petroleum products on its own account or on the account of others; and

(2) notwithstanding subsection (a)(4), owning assets directly related to the producing, transporting, or refining of crude oil or refined petroleum products.

(d) All meetings of the Board of Directors of the Corporation shall be open to the public except that the Board may hold closed sessions to consider matters relating to individual employees, proprietary information, litigation and other matters requiring the confidential advice of counsel, commercial or financial information obtained from a person on a privileged or confidential basis, or the purchase of property or services whenever the premature exposure of such purchase would compromise the business interests of the Corporation. If any such meeting is closed pursuant to the provisions of this section, the Corporation shall thereafter (within a reasonable period of time) make available to the public a written statement containing an explanation of the reasons for closing the meeting.

(e) The Energy Information Administration of the Department of Energy shall furnish the Corporation information requested by the Corporation and necessary for it to carry out its responsibilities under this Act, and the Corporation shall be subject to the same limitations and restrictions on disclosure and use of that information as are applicable to the Energy Information Administration.

REPORT TO CONGRESS

SEC. 208. The Corporation shall submit an annual report for the preceding fiscal year ending September 30 to the President for transmittal to the Congress on or before the 15th day of February of each year. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this Act and such recommendations as the Corporation deems appropriate.

RIGHT TO REPEAL, ALTER, OR AMEND

SEC. 209. The right to repeal, alter, or amend this Act at any time is expressly reserved.

FINANCING

SEC. 210. (a)(1) There is hereby established in the Treasury a fund which shall be known as the Public Energy Fund (hereinafter in this section referred to as the "fund"), to be administered by the Secretary of the Treasury.

(2) Revenues from activities of the Corporation shall be deposited to the fund.

(3) There are authorized to be appropriated by Congress to the fund such sums as may be necessary to carry out this Act.

(4) Funds appropriated under this section shall remain available until expended.

(b)(1) The funds authorized to be appropriated by this section shall be used by the Corporation, in a prudent and financially responsible manner, solely for carrying out this Act.

(2) Funds appropriated and made available under this section shall be disbursed by the Secretary of the Treasury as needed to meet the obligations undertaken by the Corporation.

RECORDS AND AUDIT

SEC. 211. (a)(1) The accounts of the Corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. In addition to any other requirements, any person obtaining access to information under this paragraph shall be subject to the same limitations and prohibitions which would be applicable if that person were an employee of the Corporation.

(2) A full and complete report of each such independent audit shall be included in the annual report required by section 208.

(b)(1) The financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States.

(2) A full and complete report of each such audit shall be made by the Comptroller General to the Congress. A copy of each report shall be furnished to the President and to the Corporation at the time submitted to the Congress.

(c) Any audit under this section shall be conducted at the place or places where accounts of the Corporation are normally kept. The person or persons conducting the audit shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the Corporation shall remain in possession and custody of the Corporation.

TITLE III—MISCELLANEOUS PROVISIONS

DISCLOSURE AND SPECULATION ON PETROLEUM INFORMATION

SEC. 301. (a) Chapter 93 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1924. Disclosure of information concerning crude oil or petroleum products and speculation thereon

"Whoever, being an officer, employee, or person acting for or on behalf of the United States or any department or agency thereof, and having by virtue of his office, employment, or position, become possessed of information which might influence or affect the market value of crude oil or petroleum products, which information is by law or by the rules of such department or agency required to be withhold from publication until a fixed time, willfully imparts, directly or indirectly, such information, or any part thereof, to any person not entitled under the law or the rules of the department or agency to receive the same; or, before such information is made public through regular official channels, directly or indirectly speculates in any such product by buying or selling the same in any quantity; shall be fined not more than $10,000 or imprisoned not more than ten years, or both.

"No person shall be deemed guilty of a violation of any such rules, unless prior to such alleged violation he shall have had actual knowledge thereof.".

(b) The section analysis for chapter 93 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"1924. Disclosure of information concerning crude oil or petroleum products and speculation thereon.".

TERMINATION OF TECHNICAL PURCHASE AUTHORITY

SEC. 302. Section 13 of the Emergency Petroleum Allocation Act of 1973 (15 U.S.C. 751) is hereby repealed.

EFFECTIVE DATE

SEC. 303. The provisions of this Act shall take effect—

(1) October 1, 1979; or

(2) the first day of the first month beginning more than thirty days after the date of the enactment of this Act.●

By Mr. DURKIN:

S. 1206. A bill to amend the Internal Revenue Code of 1954 to provide an increased investment credit for small hydroelectric power generation property, and for other purposes; to the Committee on Finance.

SMALL HYDROELECTRIC POWER GENERATION INCENTIVE ACT OF 1979

● Mr. DURKIN. Mr. President, today I offer a bill which will provide major incentives for developing small-scale hydroelectric facilities. This bill will provide a sufficient investment tax credit so these facilities can be put back into production and help lessen our dependence on foreign oil supplies.

Unfortunately, the moving waters of our rivers and streams, which fueled the industrial revolution in New Hampshire and New England, have largely been abandoned as a power source in recent years.

But skyrocketing prices for imported oil—on which New Hampshire and New England are now forced to rely—make water power an idea whose time has come once again.

Increased use of electricity generated by water flowing over dams can substantially reduce our consumption of costly imported oil, saving tens of thousands of New Hampshire families money and providing cheaper power for businesses and communities.

New Hampshire and New England owe their growth and development to water power. From early colonial days, water power was the major energy source in New England, promoting the growth and development of industry and commerce. Despite this record of long and efficient service, water power was gradually phased out as a source of energy in favor of huge centralized powerplants fired by cheap oil and nuclear fuel.

The Department of Energy has estimated that in the past 30 years more than 200 small hydroelectric plants have been abandoned in New England, causing us to consume millions of barrels of oil that would otherwise have been saved.

The time is long overdue for us to bring back those small dams into power production and help us regain our former energy independence. The potential for reducing our consumption of expensive imported oil is staggering. If just 10 percent of the estimated 50,000 small dams throughout the Nation are partially developed for electrical generation, the estimated energy saving would be the equivalent of 180 million barrels per year. One study estimates that more than 2,000 megawatts of electricity could be realized in New England alone through the use of existing dams.

The purpose of my bill is to promote this power source which is clean, safe, renewable and virtually nonpolluting. It provides for an additional 10 percent investment tax credit to those who develop small-scale hydroelectric facilities, and, in addition, provides for an additional tax deduction to the business or industry which purchases the hydroelectric power. This two-stage approach is designed to give both the power producer and power purchaser a real reason for developing and then using water-generated electricity.

Mr. President, it is absolutely imperative that this great Nation of ours find immediate ways to become energy independent. There are no easy answers to rid ourselves of our appetite for imported oil, but we can lessen that dependence by using a variety of alternative energy sources. Small-scale hydroelectric power is perhaps the greatest untapped energy source in this Nation today, and it is the responsibility of the Congress to see that this source is used to the fullest. That is the purpose of my bill.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Hydroelectric Power Generation Incentive Act of 1979".

SEC. 2. INVESTMENT CREDIT FOR SMALL HYDROELECTRIC POWER GENERATION PROPERTY.

(a) 10 PERCENT ADDITIONAL INVESTMENT CREDIT.—Paragraph (2) of section 46(a) of the Internal Revenue Code of 1954 (relating to amount of credit for current taxable year) is amended—

(1) by striking out "and" at the end of subparagraph (A)(ii),

(2) by striking out the period at the end of subparagraph (A)(iii) and inserting ", and",

(3) by inserting at the end of subparagraph (A) the following new clause:

"(iv) in the case of qualified small hydroelectric power generation property, the small hydroelectric power generation percentage.", and

(4) by adding at the end thereof the following new subparagraph:

"(F) SMALL HYDROELECTRIC POWER GENERATION PERCENTAGE.—For purposes of this paragraph, the small hydroelectric power generation percentage is 10 percent with respect to the period beginning after December 31, 1979.".

(b) DEFINITION OF QUALIFIED SMALL HYDROELECTRIC POWER GENERATION PROPERTY.—Section 48 of such Code (relating to definitions and special rules) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) QUALIFIED SMALL HYDROELECTRIC POWER GENERATION PROPERTY.—

"(1) IN GENERAL.—For purposes of this subpart, the term 'qualified small hydroelectric power generation property' means section 38 property (determined without regard to this subsection (a)) acquired, constructed, or reconstructed in connection with a small hydroelectric power generation project.

"(2) SMALL HYDROELECTRIC POWER GENERATION PROJECT.—For purposes of paragraph (1), the term 'small hydroelectric power generation project' means a project located at the site of any existing dam which—

"(A) uses the water potential of such dam, and

"(B) does not have more than 15,000 kilowatts of installed capacity.".

SEC. 3. DEDUCTION FOR PURCHASE OF CERTAIN ELECTRICITY.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 193. PURCHASE OF CERTAIN HYDROELECTRIC POWER.

"(a) ALLOWANCE OF DEDUCTION.—There shall be allowed as a deduction for the taxable year an amount equal to 50 percent of the amount paid or incurred by the taxpayer for electricity which is purchased from a small hydroelectric power generation project and which is used by the taxpayer in his trade or business during the taxable year.

"(b) SMALL HYDROELECTRIC POWER GENERATION PROJECT.—For purposes of subsection (a), the term 'small hydroelectric power generation project' has the same meaning as such term is used in section 48 (q)(2).

"(c) ADDITIONAL DEDUCTION.—The deduction allowed under subsection (a) shall be in addition to any other deduction allowed under this chapter.".

(b) CONFORMING AMENDMENT.—The table of sections for such part VI is amended by adding at the end thereof the following new item:

"SEC. 193. Purchase of certain hydroelectric power.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1979.●

By Mr. DURKIN:

S. 1207. A bill to amend section 1662 (a) of title 38, United States Code, to authorize an additional 2 years for educationally disadvantaged veterans of the Vietnam era to complete a technical or vocational training program or a program of apprenticeship or other on-job training under chapter 34 of such title; to the Committee on Veterans' Affairs.

● Mr. DURKIN. Mr. President, today I am introducing legislation that is aimed at helping educationally disadvantaged veterans of the Vietnam era. My bill extends the delimiting period for GI training benefits by 2 years so that Vietnam veterans who are currently unemployed or underemployed may be given the opportunity to pursue meaningful and productive careers.

Vietnam-era veterans are unique in many ways. Among well recognized differences between these veterans and their counterparts from other wars is a striking age differential. The median age of Vietnam veterans upon discharge is substantially lower. However, records show some 40 percent of them married with families to support at the time of military separation, and through September 30, 1978, approximately 20 percent of our Vietnam-era veterans had not completed high school on date of discharge.

Mr. President, I believe there is a definite correlation between the characteristics I just outlined and the latest Census Bureau data which indicate that in a single year 1 million Vietnam veterans were unable to find jobs to keep them employed year-round. According to the Council of Vietnam Veterans, many failed to earn an adequate wage—855,000 earned less than $4,000.

Many of the most needy and deserving veterans have not been able to afford to take advantage of their GI bill training benefits. Moreover, I am deeply concerned about the revenue cost of unemployment and underemployment. For these reasons, I propose a 2-year extension of the GI bill delimiting period to permit educationally disadvantaged veterans of the Vietnam-era to enter or complete an apprenticeship, a technical or vocational training program or other on-the-job training plan, currently provided under GI bill programs.

I urge my colleagues to support this legislation. In addition to making long range economic sense, this measure addresses the Vietnam veterans' most critical readjustment need: A good job, one that is commensurate with their aspirations and at a wage sufficient to support them and their families.

The debt we owe these men and women will not be paid in full if they cannot continue to hold their heads as high now as they did in the Nation's service. The Vietnam-era veteran must never be forced to suffer pain or humiliation that comes from lack of education or meaningful job skills.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (1) of section 1662 (a) of title 38, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"(C) Notwithstanding the provisions of paragraph (1) of this subsection, the delimiting date in the case of any eligible veteran who is a veteran of the Vietnam era (as defined in section 2011 (2) (A) of this title) and who is also an educationally disadvantaged veteran, as defined in regulations issued by the Administrator, shall be the date 12 years after such veteran's last discharge or release from active duty after August 4, 1964, or two years after the date of enactment of this subparagraph, whichever is later, in order that such veteran may pursue a technical or vocational training program or a program of apprenticeship or other on-job training under this chapter."●

By Mr. DURKIN:

S. 1208. A bill to stimulate the conversion to widespread use of fuel-efficient gasohol mixes by providing a financial incentive to States and localities which convert all or part of their automotive fleets to such mixes; to the Committee on Energy and Natural Resources.

PUBLIC VEHICLE GASOHOL INCENTIVE ACT OF 1979

● Mr. DURKIN. Mr. President, today I am introducing a bill designed to increase dramatically the use of alcohol-based fuels in the United States. This bill will provide adequate incentives to States converting their vehicle fleets to gasohol and prove to the American people that gasohol is as good a motor fuel as gasoline.

Gasohol, as it is popularly known, is a motor vehicle fuel consisting of 90 percent gasoline and 10 percent alcohol. Although it is gaining daily in popularity, gasohol consumption is still limited, and for that reason the Congress must find ways to promote its use.

I need remind no one in this Chamber that our insatiable appetite for imported oil is pushing this Nation to the brink of economic ruin. In this year alone, this country is expected to pay out some $50 billion for imported oil, a staggering sum that accounts for widespread inflation and our growing balance of payments deficit.

There is no easy way to lessen our dependence on foreign oil supplies. We must find solutions in a variety of new energy sources, and gasohol is certainly one of the most promising among them. Mixing alcohol with gasoline not only enables this country to save vast amounts of oil, but will also stimulate development of a new fuel industry. Alcohol, as my colleagues know, can be made from many materials that today go to waste. With readily available technology, waste products like garbage and undersized trees can be transformed into alcohol and give us an almost limitless source of fuel.

The reason I offer this bill is to show unequivocally that gasohol is every bit as good as a motor fuel as gasoline. The bill authorizes a subsidy for each State government that converts its motor vehicle pool to use gasohol. The subsidy will be paid out of the Highway Trust Fund and will amount to five times the cost of gasoline saved by using gasohol. This money will go to individual State highway departments for improvements to Federal aid primary and secondary highways. In New Hampshire and New England, we rely heavily on good roads for our economic health and well-being, and this money will be put to good use in maintaining our surface transportation system.

I expect this bill to give States a real incentive to convert their fleets to gasohol. Once a sizable number of cars—such as exist in a State motor pool—begin using the fuel, I am convinced it will win widespread acceptance among the driving public. Demand for this alcohol fuel will invariably increase, and we can look forward to reducing our need for imported oil. I believe this bill is an investment in the future of this country, promoting energy independence and saving us money in the long run.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Vehicle Gasohol Incentive Act of 1979".

ENERGY EFFICIENCY INCENTIVES

SEC. 2. (a) The Secretary of Transportation (hereinafter referred to as the "Secretary") shall establish a program of incentive grants to States for converting State-owned motor vehicles to the use of gasohol.

(b) The Secretary shall for each State—

(1) determine the number of State-owned motor vehicles capable of operating with gasohol that are being operated as of January 1 of each year;

(2) determine the annual gasoline usage of the vehicles described in paragraph (1);

(3) determine the average retail price of unleaded gasoline as of January 1 of each year;

(4) allocate funds to each State which meets the requirements of subsection (b) and make payments under this Act in accordance with section 3; and

(5) develop and implement procedures for audit of funds transferred under this section.

(c) To be eligible for incentive payments under this section, a State shall certify to the Secretary the number of such State-owned vehicles which have been converted to the use of gasohol fuels during the preceding quarter. For the purposes of this subsection conversion means the use of not less than 50 percent gasohol fuel per vehicle.

(d) There are authorized to be appropriated to carry out the purposes of this Act $125,000,000 for the fiscal year ending September 30, 1980 out of the Highway Trust Fund established under the Highway Revenue Act of 1956.

SEC. 3. (a) Each State which qualifies for assistance under this Act shall receive a payment equal to 10 percent of such State's total gasoline consumption for the immediately preceding 12-month fiscal period times the average cost of a gallon of premium unleaded gasoline within such State for such period times 5.

(b) Each State receiving funds under this Act shall apply such funds to Federal primary and secondary highway projects.

REPORT

SEC. 4. The Secretary shall report to the Congress 2 years after the enactment date on the effectiveness of this subtitle in stimulating the use of gasohol among State-owned vehicles.●

By Mr. DURKIN:

S. 1209. A bill to amend the Internal Revenue Code of 1954 to provide a retirement savings deduction for persons covered by pension plans; to the Committee on Finance.

● Mr. DURKIN. Mr. President, I rise to introduce a bill designed to remedy an inequity in the Internal Revenue Code. This bill would enable those employees who are compelled to contribute funds to a mandatory pension plan to take a partial deduction of their payments on their Federal income taxes.

Under my bill, the deduction would be limited to the lesser of $7,500 or 15 percent of the employee's gross income during the taxable year.

These deductions would be analogous to the income tax breaks that are now provided for taxpayers who make payments to Keogh plans or individual retirement arrangements. As my colleagues know, self-employed individuals who make contributions to self-employed Keogh retirement plans can deduct the lesser of $7,500 or 15 percent of net earnings. Those whose adjusted gross income is below $10,000 can take a minimum of $750.

Under the IRA plan the maximum limits are 15 percent of gross earnings or $1,500. So-called spousal IRA plans increase the deduction to $1,750. Under both plans, as under my bill, the contributions to the pension plans would be tax sheltered until retirement.

I recognize that the special needs of those who are outside of any pension plan justify high deduction limits. For this reason I have pegged the deduction in my bill at the less $7,500 or 15 percent. I am convinced that a deduction from current income will have positive effects in stimulating the further extension of pension plans, while at the same time limiting to some extent their direct present cost to contributors and to their employers.

The key idea behind this bill is that those individuals who contribute to compulsory pension plans are in fact deprived of a certain amount of choice over their investment income. I see no reason in logic or equity why individuals who contribute to IRA or Keogh plans should receive a tax break but not these individuals.

The benefits of this bill will not extend to those who contribute to social security, which is designed to be virtually universal in coverage, since there is no "unfavored group" in this program. But it would extend to government pension plans.

Mr. President, I urge the Finance Committee to favorably consider this legislation, and ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1209

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 221 as 222 and by inserting after section 220 the following new section:

"SEC. 221. DEDUCTION FOR CERTAIN EMPLOYEE RETIREMENT SAVINGS CONTRIBUTIONS.

"(a) DEDUCTION ALLOWED.—In the case of an eligible employee described in subsection (c), there is allowed as a deduction amounts paid in cash for a taxable year by such individual for the benefit of himself—

"(1) to a plan described in section 401(a) which includes a trust exempt from tax under section 501(a),

"(2) to an annuity plan described in section 403(a),

"(3) to a qualified bond purchase plan described in section 405(a),

"(4) to an individual retirement account described in section 408(a) or individual retirement annuity described in section 408 (b), or for a retirement bond described in section 409,

"(5) to a group retirement trust maintained by a labor organization described in section 501(c)(5) which is financed exclusively by assessments of employees who are members of such labor organization, which was established prior to January 1, 1974, and in which the assessments paid to the trust by any participants are 100 percent nonforfeitable, or

"(6) a retirement plan established for its employees by the United States, by a State or political subdivision thereof, or by agency or instrumentality of any of the foregoing.

"(b) LIMITATION AND RESTRICTIONS.—

"(1) MAXIMUM DEDUCTION.—The amount allowable as a deduction under subsection (a) to an eligible employee for any taxable year may not exceed an amount equal to the lesser of—

"(A) 10 percent of the compensation includible in his gross income for such taxable year, or

"(B) $200.

"(2) ADDITIONAL LIMITATION.—No deduction is allowed for any amount paid during a taxable year to an account or annuity, or for a bond, described in paragraph (4) of subsection (a) except to the extent of the excess of the amount determined under paragraph (1) for such year over any amount paid to a plan described in paragraph (1), (2), (3), or (6) of subsection (a) for such year.

"(c) DEFINITIONS AND SPECIAL RULES.—

"(1) ELIGIBLE EMPLOYEE.—For purposes of this section, the term 'eligible employee' means an individual who is an employee (determined without regard to section 401 (c)(1)) and who is an active participant for any part of the taxable year in any plan or trust described in paragraph (1), (2), (3), (5), or (6) of subsection (a).

"(2) REPORTS.—The Secretary shall promulgate regulations which prescribe the time and manner reports shall be filed by an employer with respect to contributions made by any eligible employee which are deductible under this section.".

(b) Section 62 of such Code (defining adjusted gross income) is amended by inserting after paragraph (13) the following new paragraph:

"(14) DEDUCTION FOR CERTAIN CONTRIBUTIONS.—The deduction allowed by section 221 (relating to certain employee retirement savings contributions).".

(c) Section 414 of such Code (relating to definition and special rules for pension plans) is amended by adding at the end thereof the following new subsection:

"(m) DEDUCTIBLE EMPLOYEE CONTRIBUTIONS.—For purposes of this title, other than for purposes of sections 404 and 411, any amount which an employer is required to report pursuant to regulations promulgated under subsection (c)(2) of section 221 with respect to an amount paid by an eligible employee (as defined in subsection (c)(1) of section 221) as an employee retirement savings contribution shall be treated as an employer contribution.".

(d)(1) So much of section 72(f) of such Code (relating to special rules for computing employees' contributions) as precedes paragraph (1) thereof is amended to read as follows: "In computing, for purposes of subsection (c)(1)(A), the aggregate amounts of premiums or other consideration paid for for the contract, for purposes of subsection (d)(1), the consideration for the contract contributed by the employee, and for purposes of subsection (e)(1)(B), the aggregate premiums or other consideration paid, amounts which an employer is required to report under section 221(c)(2) with respect to an amount paid by an eligible employee (as defined in section 221(c)(1)) as a retirement savings employee contribution shall be excluded, and amounts contributed by the employer shall be included, but only to the extent that—".

(2) Section 414(h) of such Code (relating to tax treatment of certain contributions) is amended by inserting after "any amount contributed" the following: "(other than an amount described in subsection (m))".

(3) So much of section 4973(b) of such Code (relating to tax on certain excess contributions) as follows paragraph (1)(A) thereof is amended to read as follows:

"(B) the amount allowable as a deduction under section 219, 220, or 221 for such contributions, and

"(2) the amount determined under this subsection for the preceding taxable year, reduced by the excess (if any) of the maximum amount allowable as a deduction under section 219, 220, or 221 for the taxable year over the amount contributed to the accounts or for the annuities or bonds for the taxable year and reduced by the sum of the distributions out of the account (for the taxable year and all prior taxable years) which were included in the gross income of the payee under section 408(d)(1).

For purposes of this subsection, any contribution which is distributed from the individual retirement account, individual retirement annuity, or bond in a distribution to which section 408(d)(4) applies shall be treated as an amount not contributed if such distribution consists of an excess contribution solely because of employer or employee contributions to a plan or contract described in section 219(b)(2) or by reason of the application of section 219(b)(1) (without regard to the $1,500 limitation), section 220(b)(1) (without regard to the $1,750 limitation), or section 221(b)(1) (without regard to the $200 limitation), and only if such distribution does not exceed the excess of $1,500, $1,750, or $200, if applicable over the amount described in paragraph (1)(B).".

(e) The amendments made by this Act shall apply to taxable years beginning after December 31, 1978.●

By Mr. DURKIN:

S. 1210. A bill to amend the Internal Revenue Code of 1954 to provide an additional tax on revenues to oil producers resulting from the decontrol of domestic crude oil, and for other purposes; to the Committee on Finance.

CRUDE OIL DECONTROL WINDFALL PROFITS TAX ACT OF 1979

● Mr. DURKIN. Mr. President, we have all heard a lot of rhetoric lately about the importance of imposing a stiff windfall profits tax on the extra revenues oil companies will get because of decontrol. We have also now learned what the administration has in mind.

Mr. President, if the energy crisis is the moral equivalent of war, the President's so-called windfall profits tax is the moral equivalent of surrender. It would be more accurate to describe his proposal as a windfall profits permit.

If the consumers of this country are stuck with the monkey of decontrol on their backs, they will demand—and rightly demand—that the bloated payments they will be making will go for some other purpose than simply lining the pockets of the oil barons.

We have been told over and over that decontrol will be bitter medicine to swallow. Many of us are convinced that it is the wrong medicine—in fact, that prescribing it comes close to political malpractice. But certainly if we are forced to swallow the prescription, we should not at the same time be faced with the spectacle of profiteering.

Mr. President, the administration's so-called windfall profits tax would not prevent this spectacle. It is nothing more or less than a sham, a trick played on the American consumer in the vain hope of convincing him that the Government is playing fair. I do not believe that the American people are this gullible.

In order to offer the Congress a real choice on this issue, I am today introducing a real windfall profits tax proposal. Under this approach, the taxation rate on the unearned profits would be 100 percent instead of the 50 percent that the administration wants to impose. However, any newly discovered oil would be exempt from this surtax. If the oil companies are serious about exploration, this bill gives them a large incentive to find new oil.

Second, my proposal does what the President promised to do but has not done—it ties the tax proposal to expenditures that would lead to long-run increases in the availability of alternative energy sources. These increases will eventually help to ease some of the burdens that decontrol will place on the consumer, especially in energy-starved regions of the country such as New England.

Specifically, title II of this bill incorporates proposed tax credits for home heating oil, the installation of wood burning stoves, and the development of small, cheap, hydroelectric power sources. These credits will give us a good start toward meeting some of the true costs of decontrol in an effective and constructive way.

Mr. President, I am not wedded to the specifics of this or any other approach. But I am committed; and I think we all should be committed, to dealing with this problem in a way that does something else than perpetrate a fraud on the American public.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Crude Oil Decontrol Windfall Profits Tax Act of 1979."

TITLE I—WINDFALL PROFITS TAX

SEC. 101. Except as otherwise expressly provision, the reference shall be considered to or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 102.

(a) IN GENERAL.—

(1) AMENDMENT OF SUBTITLE D.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"Chapter 45—WINDFALL PROFITS TAX ON DOMESTIC CRUDE OIL

"Sec. 4986. Imposition of tax.
"Sec. 4987. Amount of tax.
"Sec. 4988. Definitions and special rules.
"Sec. 4989. Records and information; regulations.

"SEC. 4986. IMPOSITION OF TAX.

"(a) IMPOSITION OF TAX.—There is hereby imposed on the windfall profits from taxable crude oil removed from the premises during each taxable period an excise tax as provided in this chapter.

"(b) BY WHOM PAID.—Except as provided in section 4988(h) (relating to production payments), the tax imposed by this section shall be paid by the person entitled to the deduction under section 611 for depletion with respect to the crude oil.

"SEC. 4987. AMOUNT OF TAX.

"(a) IN GENERAL.—The amount of the tax imposed by section 4986 with respect to any barrel of taxable crude oil shall be 100 percent of the windfall profit on such barrel.

(b) FRACTIONAL PART OF UNIT.—In the case of a fraction of a barrel, the tax imposed by section 4986 shall be the like fraction of the amount of such tax imposed on a whole barrel.

"SEC. 4988. DEFINITIONS AND SPECIAL RULES.

"(a) TAXABLE CRUDE OIL.—For purposes of this chapter—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the term 'taxable crude oil' means any domestic crude oil which would be subject to a first sale ceiling price under the regulations prescribed under section 4(a) of the Emergency Petroleum Allocation Act of 1973 as such regulations were in effect on March 31, 1979, and without regard to any termination of the application of such regulations.

"(2) NEWLY DISCOVERED OIL.—

"(A) IN GENERAL.—The term 'taxable crude oil' shall not include any newly discovered crude oil.

"(B) NEWLY DISCOVERED CRUDE OIL.—The determination of whether crude oil is newly discovered crude oil shall be made under regulations prescribed by the Secretary which contain rules similar to the rules used in determining whether natural gas is new natural gas for purposes of section 102 of the Natural Gas Policy Act of 1978. Such regulations shall designate an appropriate Federal agency to perform functions similar to the functions performed by the Federal Energy Regulatory Commission under section 503(b) of such Act.

"(3) CERTAIN ALASKAN OIL.—The term 'taxable crude oil' shall not include any crude oil produced from a well north of the Arctic Circle.

"(b) WINDFALL PROFIT.—

"(1) IN GENERAL.—For purposes of this chapter, the term 'windfall profit' means the excess of the removal price of the barrel of crude oil over the sum of—

"(A) the adjusted base price of such barrel, and

"(B) the amount by which—

"(i) any severance tax imposed with respect to such barrel, exceeds

"(ii) the severance tax which would have been imposed if the barrel had been extracted and sold on March 31, 1979, at the base price.

The amount of severance tax taken into account under subparagraph (B)(i) shall not exceed the amount which would have been imposed under the State law in effect on March 31, 1979.

"(2) NET INCOME LIMITATION ON WINDFALL PROFIT.—The windfall profit on any barrel of crude oil shall not exceed the net income attributable to such barrel. For purposes of the preceding sentence, the net income attributable to a barrel shall be determined—

"(A) by taking the taxable income from the property (within the meaning of section 613(a)) for the taxable period attributable to taxable crude oil and computed without an allowance for depletion and without any deduction for the tax imposed by section 4986 or for costs deductible under section 263(c) (other than those incurred in drilling a nonproductive well), and

"(B) by dividing such taxable income by the number of barrels of taxable crude oil produced from such property during such taxable period.

If any portion of the taxable crude oil removed from the property is applied in discharge of a production payment which is an economic interest in the property, the gross income from such portion shall be included in the operator's gross income from the property in computing his taxable income for purposes of subparagraphs (A) and (B).

"(c) REMOVAL PRICE.—For purposes of this chapter—

"(1) IN GENERAL.—Except as otherwise provided in this chapter, the term 'removal price' means the amount for which the barrel is sold.

"(2) SALES BETWEEN RELATED PERSONS.—In the case of a sale between related persons (within the meaning of section 103(b)(6)(C)), the removal price shall not be less than the constructive sales price for purposes of determining gross income from the property under section 613.

"(3) OIL REMOVED FROM PREMISES BEFORE

sale.—If crude oil is removed from the premises before it is sold, the removal price shall be the constructive sales price for purposes of determining gross income from the property under section 613.

"(4) Refining begun on premises.—If the manufacture or conversion of crude oil into refined products begins before such oil is removed from the premises—

"(A) such oil shall be treated as removed on the day such manufacture or conversion begins, and

"(B) the removal price shall be the constructive sales price for purposes of determining gross income from the property under section 613.

"(5) Meaning of terms.—As used in this subsection, the terms 'premises' and 'refined product' have the same meaning as when used for purposes of determining gross income from the property under section 613.

"(d) Base Price.—For purposes of this chapter, term 'base price' means, with respect to any taxable crude oil, the first sale ceiling price (as of March 31, 1979) which would apply to such oil under the regulations prescribed under section 4(a) of the Emergency Petroleum Allocation Act of 1973, as such regulations were in effect on March 31, 1979.

"(e) Adjusted Base Price.—

"(1) In general.—For purposes of this chapter, the term 'adjusted base price', when used with respect to any barrel of crude oil, means the base price for such barrel plus an amount equal to—

"(A) such base price, multiplied by

"(B) the inflation adjustment for the calendar month in which the crude oil is removed (or deemd removed) from the premises.

The amount determined under the preceding sentence shall be rounded to the nearest cent.

"(2) Inflation adjustment.—For purposes of this subsection—

"(A) In general.—The inflation adjustment for any calendar month is the percentage by which—

"(i) the CPI for such calendar month, exceeds

"(ii) the CPI for March of 1979.

The percentage determined under the preceding sentence shall be rounded to the nearest one-tenth of 1 percent.

"(B) CPI.—The CPI for any month is the Consumer Price Index for All Urban Consumers published by the Department of Labor for such month.

"(f) Other Definitions.—For purposes of this chapter—

"(1) Crude oil.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) Domestic.—The term 'domestic', when used with respect to crude oil, means crude oil produced from an oil well located in the United States or in a possession of the United States.

"(3) Barrel.—The term 'barrel' means 42 United States gallons.

"(4) United states.—The term 'United States' has the meaning given to such term by paragraph (1) of section 638 (relating to Continental Shelf areas).

"(5) Possession of the united states.—The term 'possession of the United States' has the meaning given to such term by paragraph (2) of section 638.

"(6) Taxable period.—The term 'taxable period' means—

"(A) the period consisting of June 1979, and

"(B) each calendar quarter thereafter.

"(g) Members of Affiliated Group Treated as One Person.—If two or more corporations are members of an affiliated group making a consolidated return with respect to the tax imposed by chapter 1 for a taxable year or years which include any entire taxable period, such corporation shall be treated as one person for purposes of the tax imposed by section 4986 for such taxable period.

"(h) Liability for Tax in Case of Certain Production Payments.—If a portion of the crude oil removed from a property is applied during the taxable year in partial or complete discharge of a production payment which—

"(1) qualifies as an economic interest in the property, and

"(2) is not limited by time or to a specified number of units, but will be fully discharged only when a specified dollar amount (plus interest or other charges, if any) has been received by the holder of the production payment,

then the tax imposed by section 4986 on such portion of the crude oil shall be paid by the operator of the property and not by the holder of the production payment. In any case in which the operator can establish that the production payment could not have been ultimately discharged but for the windfall profits on the crude oil applied against the production payment, the operator of the property shall be entitled to recover from the holder of the production payment such tax paid by the operator on the oil or gas applied against the production payment.

"(i) Collection of Tax by Purchaser.—

"(1) In general.—If the removal price of any taxable crude oil is determined under section 4988(c)(1)—

"(A) the tax imposed by section 4986 with respect to such crude oil shall be collected by the purchaser of such crude oil by deducting the amount of such tax from amounts payable for such oil,

"(B) the producer shall not be required to file a return of the tax imposed by section 4986 with respect to such oil, and

"(C) the producer shall be treated as having paid the amount of tax collected by the purchaser on the due date prescribed by section 6076 for filing the return for the taxable period in which such oil was removed from the premises.

"(2) Producer.—For purposes of paragraph (1), the term 'producer' means the person entitled to the deduction under section 611 for depletion with respect to the crude oil.

"Sec. 4989. Records and Information; Regulations

"(a) Records and Information.—Each person liable for tax under section 4986, each partnership, trust, or estate producing domestic crude oil, each purchaser of domestic crude oil, and each operator of a well from which domestic crude oil was produced, shall keep such records, make such returns, and furnish such information with respect to such oil as the Secretary may by regulations prescribe.

"(b) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this chapter."

(2) Clerical amendment.—The table of chapters for subtitle D is amended by adding at the end thereof the following new item:

"Chapter 45. Windfall profits tax on domestic crude oil."

(b) Technical Amendments.—

(1) The first sentence of section 164(a) (relating to deduction for taxes) is amended by inserting after paragraph (4) the following new paragraph:

"(5) The windfall profits tax imposed by section 4986."

(2) The first sentence of section 613(a) (relating to percentage depletion) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and (in the case of oil wells) reducing such gross income by the amount of the tax imposed by section 4986 (relating to windfall profits tax)."

(c) Time for Filing Return of Windfall Profits Tax.—

(1) Part V of subchapter A of chapter 61 (relating to time for filing returns and other documents) is amended by adding at the end thereof the following new section:

"Sec. 6076. Time for Filing Return of Windfall Profits Tax

"Each return of the tax imposed by section 4986 (relating to windfall profits tax) for any taxable period (within the meaning of section 4988(e)(7)) shall be filed not later than the 15th day of the third month (15th day of the fourth month in the case of an individual) following the close of the taxable period."

(2) The table of sections for such part V is amended by adding at the end thereof the following new item:

"Sec. 6076. Time for filing return of windfall profits tax."

(d) Certain Information Required To Be Furnished.—

(1) General rule.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by adding at the end thereof the following new section:

"Sec. 6050C. Information Furnished by Purchaser and Operator Regarding Windfall Profits Tax on Domestic Crude Oil.

"(a) Certain Information Furnished by Purchaser.—Under regulations prescribed by the Secretary, the purchaser of domestic crude oil (within the meaning of section 4988(f)) shall furnish to the person liable for tax under section 4986 with respect to such oil a monthly statement showing the following:

"(1) the amount of taxable domestic crude oil purchased from such person during such month,

"(2) the removal price of such oil,

"(3) the base price and the adjusted base price with respect to such oil,

"(4) the amount of such person's liability for tax under section 4986 with respect to such oil,

"(5) the severance tax liability with respect to such oil, and the severance tax liability which would have applied with respect to such oil under the rates in effect on March 31, 1979, and

"(6) such other information as may be required by regulations prescribed by the Secretary.

"(b) Information Furnished by Operator.—Under regulations prescribed by the Secretary, if the purchaser of domestic crude oil and the operator of the well from which such crude oil was produced make a joint election under this subsection, the monthly statement required to be furnished by the purchaser under subsection (a) shall be furnished by such operator.

"(c) Time for Filing Monthly Statement.—Each monthly statement required to be furnished under subsection (a) or (b) for any month shall be furnished before the first day of the second month which begins after the close of such month.

"(d) Certification Furnished by Operator.—Under regulations prescribed by the Secretary, the operator of the well from which crude oil subject to the tax imposed under section 4986 was produced shall certify (at such time and in such manner as the Secretary shall by regulations prescribe) to the purchaser the base price (within the meaning of section 4988(d)) with respect to such crude oil. For purposes of section 6652(b) (relating to additions to tax for failure to file other returns) such certification shall be treated as a treatment of a payment to another person.

"(e) Cross References.—

"(1) For additions to tax for failure to furnish information required under this section, see section 6652(b).

"(2) For penalty for willful failure to supply information required under this section, see section 7241."

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Section 6652(b) is amended by striking out "or section 6051(d)" and inserting in lieu thereof the following: "section 6050C (relating to information regarding windfall profits tax on domestic crude oil), or section 6051(d)".

(B) The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new item:

"Sec. 6050C. Information furnished by purchaser and operator regarding windfall profits tax on domestic crude oil."

(e) CRIMINAL PENALTY FOR FAILURE TO FURNISH CERTAIN INFORMATION.—

(1) IN GENERAL.—Part II of subchapter A of chapter 75 (relating to penalties applicable to certain taxes) is amended by adding at the end thereof the following new section:

"SEC. 7241. WILLFUL FAILURE TO FURNISH CERTAIN INFORMATION REGARDING WINDFALL PROFITS TAX ON DOMESTIC CRUDE OIL.

"Any person who is required under section 6050C (or regulations thereunder) to furnish any statement, information, or certification to any other person and who willfully fails to furnish such statement, information, or certification at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and upon conviction thereof, shall be fined not more than $10,000, or imprisoned not more than 1 year, or both, together with the costs of prosecution."

(2) CLERICAL AMENDMENT.—The table of sections for such part II is amended by adding at the end thereof the following new item:

"Sec. 7241. Willful failure to furnish certain information regarding windfall profits tax on domestic crude oil."

(f) INFORMATION FURNISHED BY PARTNERSHIPS, TRUSTS, AND ESTATES.—

(1) INFORMATION TO BE FURNISHED TO PARTNERS AND TO BENEFICIARIES OF ESTATES AND TRUSTS.—Subpart B of Part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

"SEC. 6050D. INFORMATION TO BE FURNISHED TO PARTNERS AND TO BENEFICIARIES OF ESTATES AND TRUSTS.

"(a) REQUIREMENTS.—Under regulations prescribed by the Secretary, each partnership, estate, and trust required to file a return pursuant to section 4989 for any taxable period shall furnish to each partner or beneficiary, as the case may be, a written statement showing the following:

"(1) the name of such partner or beneficiary,

"(2) information received by the partnership, trust, or estate pursuant to section 6050C.

"(3) such partner's or beneficiary's distributive share of the items referred to in paragraph (2), and

"(4) such other information as may be required by regulations prescribed by the Secretary.

"(b) TIME FOR FURNISHING WRITTEN STATEMENT.—Each written statement required to be furnished under this section with respect to any taxable period shall be furnished before the first day of the third month following the close of such period."

(2) CLERICAL AMENDMENT.—The table of sections for such subpart B is amended by adding at the end thereof the following new item:

"Sec. 6050D. Information to be furnished to partners and to beneficiaries of estates and trusts."

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on June 1, 1979.

TITLE II: TAX CREDITS

SEC. 201. (a) Paragraph (5)(A) of section 44C(c) of the Internal Revenue Code of 1954 (relating to the definition of the renewable energy source property) is amended by adding at the end thereof the following new clause:

"(iii) energy from the burning of wood for space heating, the heating of water or cooking of food, or any combination thereof, including any controls, ducts, stovepipes, footing or other item (other than a chimney) necessary for the safe and efficient operation of any such property, but not including any fireplace,".

(b) Paragraph (6) of section 44C(c) of such Code is amended by adding at the end thereof the following new subparagraph:

"(C) ENVIRONMENTAL RESTRICTIONS ON CERTAIN WOOD-BURNING ITEMS.—No credit shall be allowed under subsection (a) for expenditures with respect to any property described in paragraph (5)(A)(iii) which is to be installed in any metropolitan or other area after the date on which—

"(i) the Administrator of the Environmental Protection Agency certifies to the Secretary that the emissions from such items would cause air quality in such area to be in violation of any Federal law, or

"(ii) the Secretary of Agriculture certifies to the Secretary that additional consumption of wood in connection with such property would endanger forests in that area.".

SEC. 202. Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by inserting immediately after section 44C thereof the following new section:

"SEC. 44D. TAX CREDIT FOR HOME HEATING OIL.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle for the txable year, an amount equal to 25 percent of the total cost of heating oil purchased by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) may not exceed $200.

"(2) LIMITATION.—The credit allowed by this section shall apply only to oil purchased for a qualified use.

"(3) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return under section 6013, the amount specified under paragraph (1) shall apply to the joint return. In the case of a married individual filing a separate return, paragraph (1) shall be applied by substituting '$75' for '$150'.

"(4) LIMITATION BASED ON AN ADJUSTED GROSS INCOME.—The credit provided under subsection (a) shall be reduced by 1 percent of so much of the adjusted gross income of the taxpayer for the year as exceeds $15,000.

"(c) QUALIFIED USE.—The term 'qualified use' means use in a residence for residential purposes. In the case of use in a residence for residential purposes, the Secretary shall provide by regulations for the application of this section to condominium management associations (within the meaning of section 528(c)) or members of such associations, tenant-stockholders in cooperative housing corporations (as defined in section 216), and landlords and tenants in such a fashion that the amount allowed by subsection (a) is allowed, whether by allocation, apportionment, or otherwise, to the person paying, directly or indirectly, for the refined petroleum products so used.

"(d) TERMINATION.—This section shall not apply to taxable years ending after December 31, 1983.".

(b) REFUND OF EXCESS CREDIT.—Section 6401(b) (relating to amounts treated as overpayments) is amended—

(1) by striking out "and 43 (relating to earned income credit)," and inserting in lieu thereof "43 (relating to earned income credit), and 44D (relating to home heating oil tax credit),", and

(2) by striking out "and 43" and inserting in lieu thereof ", 43 and 44D".

(c) CLERICAL AMENDMENTS.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting immediately after the item relating to section 44C the following new item:

"SEC. 44D. Tax credit for home heating oil.".

SEC. 203. (a) Paragraph (2) of section 46(a) of the Internal Revenue Code of 1954 (relating to the amount of credit for the current taxable year) is amended—

(1) by striking out "and" at the end of subparagraph (A)(ii).

(2) by striking out the period at the end of subparagraph (A)(iii) and inserting ", and",

(3) by inserting at the end of subparagraph (A) the following new clause:

"(iv) in the case of qualified small hydroelectric power generation property, the small hydroelectric power generation percentage.", and

(4) by adding at the end thereof the following new subparagraph:

"(F) SMALL HYDROELECTRIC POWER GENERATION PERCENTAGE.—For purposes of this paragraph, the small hydroelectric power generation percentage is 10 percent with respect to the period beginning after December 31, 1979.".

(b) DEFINITION OF QUALIFIED SMALL HYDROELECTRIC POWER GENERATION PROPERTY.—Section 48 of such Code (relating to definitions and special rules) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) QUALIFIED SMALL HYDROELECTRIC POWER GENERATION PROPERTY.—

"(1) IN GENERAL.—For purposes of this subpart, the term 'qualified small hydroelectric power generation property' means section 38 property (determined without regard to this subsection (a)) acquired, constructed, or reconstructed in connection with a small hydroelectric power generation project.

"(2) SMALL HYDROELECTRIC POWER GENERATION PROJECT.—For purposes of paragraph (1), the term 'small hydroelectric power generation project' means a project located at the site of any existing dam which—

"(A) uses the water potential of such dam, and

"(B) does not have more than 15,000 kilowatts of installed capacity.".

SEC. 204. (a) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 193. PURCHASE OF CERTAIN HYDROELECTRIC POWER.

"(a) ALLOWANCE OF DEDUCTION.—There shall be allowed as a deduction for the taxable year an amount equal to 50 percent of the amount paid or incurred by the taxpayer for electricity which is purchased from a small hydroelectric power generation project and which is used by the taxpayer in his trade or business during the taxable year.

"(b) SMALL HYDROELECTRIC POWER GENERATION PROJECT.—For purposes of subsection (a), the term 'small hydroelectric power generation project' has the same meaning as such term is used in section 48 (q)(2).

"(c) Additional Deduction.—The deduction allowed under subsection (a) shall be in addition to any other deduction allowed under this chapter.".

(b) Conforming Amendment.—The table of sections for such part VI is amended by adding at the end thereof the following new item:

"Sec. 193. Purchase of certain hydroelectric power.".

Sec. 205. The amendments made by this title shall apply with respect to taxable years beginning after December 31, 1978.●

By Mr. CRANSTON (for himself, Mr. Williams, Mr. Riegle, and Mr. Stafford):

S. 1211. A bill to amend the Social Security Act to extend medicaid eligibility to certain low-income pregnant women; to the Committee on Finance.

MEDICARE COVERAGE FOR PREGNANT WOMEN

● Mr. CRANSTON. Mr. President, I am pleased to introduce legislation which would mandate medicaid coverage of low-income women who are pregnant for the first time. I am gratified to be joined in cosponsoring this amendment by the distinguished Senator from New Jersey (Mr. Williams), the distinguished Senator from Michigan (Mr. Riegle), and the distinguished Senator from Vermont (Mr. Stafford).

The amendment we are proposing to the medicaid program is one I had suggested last Congress to the Secretary of Health, Education, and Welfare. That suggestion was to broaden medicaid coverage to low-income women who are pregnant for the first time and whose income level would make them eligible for medicaid coverage if they had a dependent child. It seemed to me inconsistent to provide medicaid coverage to these women after their child was born but to refuse medicaid coverage to these women in the critical prenatal period when, to a major extent, the future health of the infant is determined.

I was delighted that my suggestion was accepted by Secretary Califano and that the administration, last year, did send Congress an amendment to the medicaid program that would provide this coverage to pregnant women. In fact, I was proud to introduce that amendment for the administration and was disappointed that action was never completed on it in the last Congress.

The basic thrust of our amendment is again proposed by the administration in this Congress as title II of legislation they have just forwarded to Congress—title I consisting of amendments to add a new child health assessment program (CHAP) to title XIX of the Social Security Act. Our introduction of this legislation today does not indicate any disagreement with the administration CHAP proposal which I have supported; it is intended only to express my conviction that pregnant women should be covered by medicaid and that this legislative proposal deserves to be given its own visibility.

Mr. President, experience has shown that without assurance of third-party reimbursement, many low-income women will not seek prenatal care but rather will arrive at the hospital emergency room when the birth of the child is imminent. This practice, obviously, creates a greater risk for the mother as well as the child.

Under the proposed amendment, the expectant mother can seek early prenatal care, secure in the knowledge that the physician fees will be covered. The result will be a greater chance for a healthy delivery and a greater chance for a healthy child.

I would like to point out, Mr. President, the specific benefits this proposal has in relation to the increased numbers of teenage pregnancies. These young women are particularly susceptible to bearing low-birth-weight infants. The report entitled "11 Million Teenagers" pointed out that low birth weight is not only a major cause of infant mortality, but also can lead to other childhood illnesses and neurological defects which may involve lifelong mental retardation—and quite possibly lifelong dependence on governmental support. That report went on to say that the death rate from complications of pregnancy is significantly higher for adolescents than it is for mothers in their twenties. Good prenatal care can help prevent these tragedies.

Our bill would help assure that these young women will get the all important health care they need during their pregnancies.

As the chairman of the Subcommittee on Child and Human Development of the Human Resources Committee, these issues are of major concern to me.

Mr. President, last Congress, as chairman of the Subcommittee on Child and Human Development, I chaired hearings on the issue of adoption reform. Several witnesses testified that the provision of birth-related costs to women with problem pregnancies would help stem the tide of black market adoptions, since women who have no other way of having their medical costs covered often resort to black marketeers. Baby sellers, these women have found, are all too ready to provide prenatal, natal, and postpartum medical coverage in exchange for the child. This situation is more tragic when viewed in the context of the teenage pregnancy epidemic. More than three-quarters of mothers who give birth at age 17 or younger have no health insurance at all. Only one-sixth are covered for prenatal care; fewer than one-fifth for payment of their hospital or doctor bill. These youngsters are ripe targets for black market exploitation.

The legislation we are introducing today would address this situation by providing assurances to women who do not have the economic resources to enable them to afford the all important prenatal care so necessary for their health and the health of their expected baby, that the cost of that care will be reimbursed by medicaid.

These women would be able to make their own decisions with respect to raising the child themselves free of economic coercion.

Under this bill, medicaid eligibility would be available for pregnant women whose resources would make them eligible for medicaid under the State medicaid program, and whose income does not exceed the higher of the State medicaid income eligibility standard or 55 percent of the poverty level. This latter level is approximately $4,140 for a family of four and $2,800 for an individual. Under current law, unless a woman has a dependent child and is poor, she is not eligible for medicaid. The medicaid coverage would be provided for pregnant women until 60 days after the termination of the pregnancy, even though the woman may become ineligible, because of increased employment income.

Mr. President, on the assumption that this legislation will not be enacted before July, the earliest effective date of its provisions would be the third quarter of fiscal year 1980; should it not be enacted until October, the provisions would not take effect until the fourth quarter of fiscal year 1980. In addition, the legislation allows time for the State legislatures to take the necessary legislative action to comply with its provisions. Thus, the fiscal impact of the bill will not be great for the first fiscal year. The maximum cost, assuming two quarters of effectiveness in all States, would be $46 million. If it were effective only in the last quarter of the fiscal year, the cost would be about $23 million. The cost for the first full year of implementation would be $94.1 million.

Mr. President, the following groups have indicated their support for this legislation:

The National Conference of Catholic Charities.

American Parents Committee Division of The Child Welfare League of America.

American Citizens Concerned For Life.

American Academy of Pediatrics.

American College of Obstetrics and Gynecology.

Coalition of Family Organization (COFU).

American Home Economics Association.

The Family Service Association of America.

The National Council of Family Relations.

The American Association of Marriage and Family Therapy.

Mr. President, I ask unanimous consent that the text of the bill we are introducing today be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1211

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1902(a)(10) of the Social Security Act (42 U.S.C. 139a(a)(10)) is amended by—

(a) inserting "(i)" after "(A)" in subparagraph (A);

(b) striking out "clause (A)" and inserting in lieu thereof "subparagraph (A)" each place it appears; and

(c) inserting after subparagraph (A) the following new clause:

"(ii) for making medical assistance available for care and services provided during pregnanacy and for 60 days following the termination of pregnancy to any woman whose resources (including the resources of her family) meet the resources test of eligibility for medical assistance under the State plan approved under this title applicable to a family with dependent children, and whose income either (I) meets the income test of eligibility for medical assistance under such plan applicable to a family with dependent children or (II) does not exceed 55 per centum of the amount estabilished for an individual or for a family of that size, as appropirate, by the income poverty guidelines for the nonfarm population of the United States as prescribed by the Office of Management and Budget (and adjusted annually) pursuant to section 625 of the Economic Opportunity Act of 1964;".

Sec. 2. Section 1902(a)(13)(B) of the Social Security Act (42 U.S.C. 139a(13)(B)) is amended to read as follows:

"(B) in the case of any individual described in paragraph (10)(A), for inclusion of at least the care and services listed in clauses (1) through (5) of section 1905(a), and".

Sec. 3. Section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)) is amended by inserting "(1)" after "e", and by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of this title, each State plan approved under this title must provide that any pregnant woman who is eligible for, has applied for, and has received medical assistance under this title and who becomes ineligible for such assistance because of increased income from employment of herself or her family, shall, nonetheless, remain eligible for all such medical assistance provided under the State plan until the end of the 60-day period beginning on the date of the termination of her pregnancy.".

Sec. 4. Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended by—

(a) striking out "or" at the end of clause (vi);

(b) inserting "or" at the end of clause (vii);

(c) inserting after and below clause (vii) the following new clause:

"(viii) women during pregnancy and during the 60 days following the termination of pregnancy,"; and

(d) striking out "and" before "(C)" in paragraph (4), and by inserting "and (D) prenatal and postnatal services" before the semicolon at the end thereof.

Sec. 5. (a)(1) Except as provided in paragraph (2) of this subsection, the amendments made by this Act shall apply to medical assistance provided, under a State plan approved under title XIX of the Social Security Act, on and after the first day of the first calendar quarter beginning at least six months after enactment of this Act.

(2) Where the Secretary determines that State legislation is necessary to permit amendment of the State plan under title XIX of the Social Security Act to meet the additional requirements imposed by the amendments made by this Act, he shall not find a failure to comply with the requirements of such title solely on the basis of such State's failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(b) The Secretary shall issue the regulations required by this Act within six months after the date of enactment of this Act.●

By Mr. HART:

S. 1212. A bill to amend section 312(a) of title 38, United States Code, to provide that certain veterans who suffer syringomyelia will be presumed to have incurred or aggravated such disease in military service if such disease is developed within 7 years after the veteran's discharge or release from the Armed Forces, and for other purposes; to the Committee on Veterans' Affairs.

SYRINGOMYELIA

● Mr. HART. Mr. President, syringomyelia is a rare but phyhically devastating disease caused by deterioration of the spinal cord and the medulla—the nervous tissue at the base of the brain which controls several vital life functions. The symptoms of this disease are muscular wasting and weakness, sensory defects, and digestive disorders.

The early manifestations of syringomyelia, like those of multiple sclerosis, are difficult to diagnose. Under current law, there is a 7-year presumptive period during which a veteran suffering from multiple sclerosis can receive disability compensation from the Veterans' Administration (VA). But, despite the fact that these diseases have similar symptoms and are equally difficult to identify, a veteran whose case of syringomyelia cannot be accurately diagnosed within 1 year of his or her separation from military service cannot be granted service-connected disability compensation.

I first became aware of this inequity when a young Vietnam veteran came to me seeking assistance. This veteran had experienced many of the symptoms of neural disorder within 1 year of his separation from military service. The VA had denied any consideration for VA service-connected compensation simply because it was medically difficult to diagnose syringomyelia in its early stages.

Mr. President, the bill I am introducing today will extend from 1 to 7 years the presumptive period during which a veteran suffering from syringomyelia can obtain service-connected disability benefits if it is determined that this disease was aggravated by military service. Second, this bill will require the VA to conduct a study to determine if the existing presumptive periods for other neurological disorders should be extended beyond the current 1-year presumptive period.

This legislation is supported by the American Legion, which adopted a resolution at its national convention last summer calling for swift congressional action to extend the presumptive period for syringomyelia. Additionally, the Denver City Council passed a resolution last year calling for the Congress to review the disparity between the presumptive periods established for similar diseases in determining a veteran's eligibility for disability benefits.

I ask unanimous consent that the Denver City Council Resolution No. 29 be printed in the Record at this point.

Mr. President, I believe that this bill will rectify longstanding inequities in the awarding of legitimate benefits to veterans, because they suffer from neurological diseases which cannot be accurately diagnosed within the current 1-year presumptive period.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 312 of title 38, United States Code, is amended by adding at the end of clause (5) the word "or", and by adding after clause (5) the following new clause:

"(6) syringomyelia developing a 18 per centum degree of disability or more within seven years from the date of separation from such services;".●

By Mr. HART (for himself and Mr. Armstrong):

S. 1213. A bill to amend the Federal Aviation Act of 1958 to provide a criminal penalty for placing, attempting to place, or attempting to have placed a loaded firearm aboard an aircraft; to the Committee on Commerce, Science, and Transportation.

PROHIBITING LOADED FIREARMS IN AIRLINE BAGGAGE

● Mr. HART. Mr. President, on November 24, 1976, a Frontier Airlines agent was killed in Denver when a loaded weapon in baggage he was handling accidentally went off. Since there was neither a State nor Federal law prohibiting placing loaded weapons in checked airline baggage, the owner of the gun was not prosecuted.

Although the Federal Aviation Administration may impose civil fines for checking loaded weapons in airline baggage, this has not proved to be much of a deterrent. The legislation I am introducing today on behalf of Sen. Armstrong and myself will amend the Federal Aviation Act to provide a criminal penalty for placing a loaded firearm in checked airline baggage. A similar bill has been introduced in the House by Representative Pat Schroeder and over 30 cosponsors. The legislation has the strong support of the Airline Employees Association, the Airline Pilots Association, and the Association of Flight Attendents.

Unfortunately, the accident invloving the Frontier agent in Denver was not an isolated incident. According to FAA records, there were at least seven gun handling accidents at U.S. airline terminals last year. And a recent spot-check of checked guns, conducted by Frontier Airlines at Denver's Stapleton International Airport, showed that more than one out of every 100 guns was loaded.

Mr. President, this legislation is based on commonsense and its purpose is straightforward: To keep firearms from going off in airline baggage and to protect the health and saftey of the airline employees that handle the baggage. I hope Congress will act quickly on this important matter.●

By Mr. BIDEN (for himself and Mr. Percy):

S. 1214. A bill to improve the physical security features of the motor vehicle and its parts, to increase the criminal penalties of persons trafficking in stolen motor vehicles and parts, to curtail the exportations of stolen motor vehicles, to stem the growing problem of "chop shops," and for other purposes; to the Committee on the Judiciary and the Committee on Commerce, Science, and

Transportation, jointly, by unanimous consent.

MOTOR VEHICLE THEFT PREVENTION ACT OF 1979

• Mr. BIDEN. Mr. President, today, I join Senator PERCY in introducing the Motor Vehicle Theft Prevention Act of 1979. This legislation addresses the escalating problem of stolen motor vehicles. It is an attempt to prevent the theft of automobiles by making it considerably more difficult for an individual to defeat the ignition lock system and thus easily drive off with someone else's car. It also attempts to help law enforcement officials recover stolen property by requiring identification numbers on valuable auto parts. This will also deter auto theft and aid prosecutors in convicting those responsible for stealing cars.

The uniform crime report (UCR) of 1979 indicated that nearly 1 million motor vehicles were stolen in our country in just 1 year. When combined with theft of vehicle's parts and contents auto theft represents 50 percent of all larcenies, significantly ahead of home burglaries and shoplifting. Chances are 1 in every 44 car owners will have his or her auto broken into or stolen within the year and that is assuming this type of crime will not grow in the coming 12 months. In Delaware my constituents face even worse odds, because the rate of auto theft is higher than the national average. In fact Delaware ranked 13th of the 50 States in a recent 1977 survey.

The dollar losses are equally staggering. It is estimated that over $3 billion worth of property—motor vehicles and its parts—are stolen each year. In addition, $60 million was lost as result of accidents, caused by the use of stolen vehicles. Another $200 million in losses can be attributed to criminal justice system costs related to auto theft. While someone might be lucky enough to avoid havinb his or her car stolen or a valuable part stripped from the automobile, no one escapes paying for this crime. We all suffer through higher insurance premiums. The cost of auto theft is borne by every car owner, because insurance companies pass along the cost of auto theft claims. As a result insurance rates are driven up. It is a cycle that affects us all and we cannot afford to ignore it. The dollar implications are just too large and the overall impact of inflation is significant because most families own at least one car and have that car insured.

In the past decade, the type of person who steals an automobile has changed. Ten years ago, joyriders or small-time, nonprofessional car strippers constituted the bulk of the problem. Today, the professional car thief commits a majority of auto theft offenses and accounts for most of the dollar losses. Regrettably, neither Government nor private industry has responded to this development. Federal regulations for standards relating to auto safety were an appropriate rule in the mid-1960's and reduced joy riding. The locking of the steering column and an alarm to remind a driver that a key was left in the ignition switch had a positive impact on incidents like the teenager who stole a car for the fun of it. But, these lock changes were insufficient to deter the criminal of the late 1970's. Today's professional car thief can defeat present steering locks in a matter of seconds. As a result, more cars are being stolen and fewer stolen cars are being recovered, because the pro repaints a car to ready it for resale or he might strip it of valuable parts at a chop shop. Therefore, the whole scope of the auto theft problem is different in 1979 than it was in 1966. To stop this illegal activity, or at least to slow it significantly, a new generation of improvements to the ignition locking systems must be adopted. Car manufacturers in Detroit have the technological capability to achieve these improvements, but so far, we do not see these features installed on any significant number of new cars. It is for this reason that new legislation is necessary to authorize the Secretary of Transportation to issue new regulations to prevent auto theft. If we can prevent the professional from easily starting a car, we put a large dent in his operations.

In recent years, the professional criminal and particularly elements of organized crime have muscled their way into this idea. They operate with a haughty sense of impunity and conduct their illegal activities in States across the country. Recent UCR figures serve as evidence that no population center is exempt from the consequences of the professional auto thief. Furthermore, the criminal elements use our interstate highway systems to facilitate their crimes, moving vehicles and parts to new and more lucrative markets. Delaware has had firsthand experience in this type of trafficking. Interstate 95, a major North-South corridor, runs through my home State and is used to transport stolen motor vehicles and their parts. Because of the increased movement of this stolen property on interstate highways and between States, the problem of auto theft has become much more than a local or even statewide issue. To deal effectively with these developments, Federal authorities must implement new measures. Auto theft has become a national phenomena.

I mentioned earlier that new antitheft Federal standards go beyond new ignition lock systems and better locks for doors, trunks, and hoods. The new legislation also calls for the placement of identification numbers on auto engines, transmissions, doors, and valuable sheet metal parts. This will aid law enforcement officials in identifying body shops that deal in stolen property and aid prosecutors in convicting those who run this type of illegal activity. Together with the establishment of tough Federal criminal penalties as well as other measures, it is hoped that auto thefts can be reduced.

This auto theft legislation also includes authority for Federal officials to seize auto parts which has had their identification numbers altered or removed. This forfeiture provision will have a number of positive affects on the auto theft problem. First, it will deter an individual from removing identification numbers, because that person will know from the very start that the penalty for such action is lost of possession of that part as well as possible Federal fine and imprisonment. Second, ID numbers will facilitate the return of the stolen part to its rightful owner. Third, the forfeiture provision will assist the law enforcement community in breaking up the chop shops organizations by depriving operators of recovering property seized during an arrest.

To guard against any abuse of this forfeiture provision, the bill removes prior mandatory forfeiture provisions. This bill gives law enforcement discretion as to when forfeiture is warranted. Hence they are no longer incumbered by an absolute requirement that any auto part which has had identification numbers tampered or removed must be forfeited. In addition, the forfeiture provision of this bill incorporates the laws relating to seizure and forfeiture under the customs laws. This will assure that due process is realized. There is an exception of forfeiture to protect an innocent party who had a stolen part unknowingly placed in his or her car. This exception is meant to protect that innocent person so that he or she will not be inconvenienced by this occurrence and will not be penalized unfairly for this oversight.

This bill also grants customs, certain powers now enjoined by other law enforcement officials. These powers were incorporated in the 1978 criminal code reform bill that passed the Senate early last year. We are including them again in this legislation, because customs is our frontline of defense against the illegal importation and exportation of stolen vehicles. They should be given adequate means to carry out their duties and fulfill their responsibilities. Granting them authority shared by other law enforcement officials has been long overdue.

With regard to the theft of off-road vehicles, this bill calls for a comprehensive study of the problem and instructs the Attorney General to report back to Congress on ways to deal with this issue. There seems to be a consensus that the theft of off-highway vehicles, mainly farm and industrial equipment, is a growing problem. However, a lack of meaningful data makes it impossible to determine the scope of the problem, let alone a corrective solution for it.

In summary, it is my opinion that the auto theft problem has expanded rapidly and is so widespread that action by Congress is warranted to insure that a new generation of measures can be instituted to reduce auto theft. This legislation, we think, will also result in a net savings to the consumer. While current projections indicate new ignition locks will cost anywhere from $17 to $35, and thus increase new car prices by at least that same amount, consumers should realize a greater savings in reduced insurance premiums as a result of fewer auto thefts. We all absorb the cost of this crime, because insurance companies spread out their losses across the board to all automobile policyholders. Even those that are lucky enough not to have their car stolen will pay for their crime through higher premiums. Therefore, we should all benefit from a reduction in auto theft, because there will be fewer claims and thus lower insurance premiums. Already in Massachusetts, some insurance companies have lowered their premiums to car owners who have installed antitheft devices. Think of what the consequences would be nationwide when meaningful antitheft standards are a reality.

This new legislation also has the distinction of creating no new increases in the Federal bureaucracy. It also creates no new paperwork. It will also save from extinction the honest automotive dismantlers and recyclers who operate within the law and pay taxes but are now threatened by unfair competition from illegal chop shops.

Furthermore, the bill will diminish the temptation and opportunity for young people, our Nation's most valued resource, to steal cars. This activity has long been the initial training ground for the development of the career criminals.

If we are serious about addressing this problem, we should be equally serious in establishing meaningful programs to limit criminal activity. I have confidence that Detroit has the capability to produce products necessary to accomplish the objectives of this legislation and trust they will cooperate in this endeavor.

I hope my colleagues will share my urgency in addressing this issue and that this legislation which we are proposing today will be quickly adopted by Congress and signed into law by the President.

I would also like to pay special tribute to Mr. Roger Harrison of my staff for his splendid work on this legislation and Stuart Stokes, Howard Marx, Richard Shapiro of Senator PERCY's staff.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF THE MOTOR VEHICLE THEFT PREVENTION ACT OF 1979

TITLE I—FINDINGS AND PURPOSES

Section 101 makes a series of findings by the Congress.

Section 102 states the primary purposes of the legislation.

TITLE II—IMPROVED SECURITY FOR MOTOR VEHICLES AND THEIR PARTS

Section 201 amends section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392) by adding a new subsection which would give the Secretary of Transportation authority to issue standards whose purpose would be to deter motor vehicle related thefts. Currently, the National Highway Traffic Safety Administration (NHTSA), the agency which implements this Act, is limited to issuing standards with a clear safety benefit. The new authority would permit issuing anti-theft standards. Such new standards could require improving the locking devices for the ignition, doors, trunk, and hood of motor vehicles as well as identification numbering systems for certain key components of the motor vehicle in addition to the motor vehicle identification number itself. The former would "harden" the motor vehicle and its parts against thefts primarily by the amateurs. The latter would make it more difficult for the professional thieves to dispose of the stolen motor vehicle or its parts.

Section 202 requires the Secretary of Transportation to consult closely with the law enforcement community in the development of the anti-theft standards. It also requires the Secretary of Transportation to examine all technological developments which may assist in accomplishing the Act's purposes. The section sets maximum timetables for the establishment and implementation of the anti-theft standards.

Section 203 ensures that any Federal anti-theft standards would preempt any such state legislation which is not identical to the Federal standard. This would not, however, prevent any state from enacting a state standard identical to the Federal standard and enforcing such state standard to the degree authorized by the Motor Vehicle Safety Act of 1966, as amended.

TITLE III—ANTI-FENCING MEASURES

Section 301 creates a new federal offense in section 510 of title 18, United States Code, relating to the alteration and removal of motor vehicle and motor vehicle part identification numbers required by the Secretary of Transportation. New Section 511 of title 18, United States Code, creates a statutory right of seizure for federal law enforcement officials, with two small exceptions noted hereinafter, which could result in forfeiture to the United States of any motor vehicle or motor vehicle part which has had its identification number altered, removed, tampered with, or obliterated. Section 511 incorporates by reference the laws relating to seizures and forfeitures under the customs laws.

The first of the two exceptions referred to above is where a motor vehicle part with a removed, obliterated, tampered with, or altered identification number has been attached back to a legitimate motor vehicle owned by an innocent purchaser of such part who had no knowledge of its illegal character. The second exception to the statutory right of seizure is where the motor vehicle or motor vehicle part has been given a replacement identification number by a lawful authority. Neither of these two exceptions is intended to limit the ability by law enforcement officials to obtain the custody of such motor vehicle or motor vehicle part for evidentiary purposes by the means of judicial process (eg. specific search warrant or subpoena issued by a judge for such property). Nor would either restriction prohibit the recovery of such property by its true owner in a civil suit if such owner is able to establish his ownership of such property during any civil proceedings. Admittedly however, in view of the lack of identification numbers on such property the chances of the true owner proving his ownership of such property is mainly academic. Moreover, the need for law enforcement to ever obtain any judicial warrant for the property covered by the two exceptions is remote because the innocent purchaser of such property will in almost all cases be cooperating fully and voluntarily with law enforcement in prosecuting those individuals responsible for the knowing illegal disposition of such property.

At present the Department of Transportation has issued regulations relating to only a vehicle identification number (VIN). (This is Federal Motor Vehicle Safety Standard No. 115 whose original effective date was Jan. 1, 1969.) Under Title II of this Act, the Secretary of Transportation will be given regulatory authority to require identification numbers for key components of the vehicle also. Consequently, after the enactment of Section 510 it would be a federal crime to remove or alter the VIN on any existing motor vehicle manufactured after January 1, 1969 or future motor vehicle since such identification number is already required by Department of Transportation regulations. On the other hand, the removal or alteration of the identification number for certain components (e.g., motor, transmission, and certain "crash" parts) would only become a federal crime when such removal or alteration occurred after the establishment of a Department of Transportation regulation requiring an identification number for such component. Neither Section 510 or 511 are intended in any fashion or manner to restrict or preclude the states from passing and enforcing their own criminal laws relating to the removal or alteration of identification numbers affixed by the manufacturer to the motor vehicle and its components. The definition of "motor vehicle" for sections 510 and 511 is found in section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391(3)).

Section 302 amends the definition of "Securities" in section 2311 of title 13, United States Code to specifically include motor vehicle titles. At present a fully executed motor vehicle title would qualify as a "security" under the provision "document evidencing ownership of goods, wares, and merchandise" in the definition of "securities" in section 2311 of title 18, United States Code. (See United States v. Dickson, 462 F. 2d 184 and United States v. Canton, 470 F. 2d 861.) However, a blank certificate, like a blank check, would not be a "security." Furthermore, to avoid the problem of when a motor vehicle title ceases to be a "security" it is felt necessary to expressly state when such character terminates. (See United States v. Teresa, 420 F. 2d 13.) In view of the fact that the regulatory scheme for vehicle retitling recommended by the U.S. Department of Transportation envisages the sending of old titles back to the state of original issuance at the time of retitling, it is felt, for purposes of a possible prosecution under 18 U.S.C. 2314 involving a counterfeit title, that it should be clear that the title remains a title until it is canceled by the state of issuance. There is ample justification for federal prosecution in these situations. First there is an interstate crime which by its nature normally causes problems if left solely to state prosecution. Secondly, the victim, i.e., the true owner of the vehicle, is in another state and the state which received the counterfeit title could be less disposed to use its criminal resources to protect the property of a citizen of a different state. And finally, the situation involving counterfeit titles will almost always involve ring and organized criminal activity. The federal jurisdiction will be generated by the defendant presenting a counterfeit out-of-state title and asking for a new title. The defendant by his actions causes the interstate transportation of the counterfeit title when it is sent back to the state of original issuance.

Section 303 amends section 2313 of title 18, United States Code, relating to the receipt of stolen motor vehicles which have been transported across state lines after being stolen. Under this amendment, Federal jurisdiction would attach and remain with the stolen motor vehicle once it crosses a state line after being stolen. Under the statute's existing language the prosecutor has to prove that the stolen vehicle was still retaining its interstate character at the time of the illegal operative act (i.e. receipt concealment, sale disposition, etc). This is a burden which has no benefits to proper law enforcement. It only increases the difficulties in prosecuting the fence or possessor of stolen property. Under the amendment the prosecutor would still have to prove guilty knowledge on the part of the defendant (i.e. he knew it to be stolen). Likewise, "stolen" retains its broad character. See *United States* v. *Turley*, 352 U.S. 407, (1957). The addition of the word "possesses" expands the statute to reach another criminal act of the fences of stolen property in order to facilitate their federal prosecution. Both of these amendments are patterned after proposed sections 1731–33 of the new Federal Criminal Code which passed the Senate last year (S. 1437 95th Congress).

Section 304 creates a new section 2319 to deal with traffickers in stolen motor vehicles or their parts which have had their identification numbers removed, obliterated, tampered with, or altered. The statute consistent with the thrust of the present Dyer Act policy of the Department, requires that the illegal possession of such a vehicle or part include an intention on the part of the possessor to dispose of the vehicle or part. The language of the statute is patterned after that contained in proposed section 1732 of the new Federal Criminal Code (S. 1437) which relates to trafficking in stolen property. As such, it is aimed at the dealers and peddlers of such stolen items. The statute is not designed to reach an individual who possesses such a vehicle or part for his own personal use even where the individual knows that the vehicle or part's identification numbers has been removed, obliterated, tampered with or altered. It is felt that those singular offenses, although certainly condemnable, should not inundate the Federal courts, which should concentrate on organized ring activity. The singular matter would be better handled by prosecution under appropriate state and local laws. The definition of "motor vehicle" for section 2319 is contained in section 2311 of title 18, United States Code.

Section 305 amends section 1961 of title 18, United States Code, commonly known as the RICO statute (Racketeer Influenced and Corrupt Organizations), to allow prosecution under this statute of those individuals and businesses which traffic is stolen vehicles and their parts. The presence of this coverage and a few prosecutions under it should have a significant deterrent impact upon those businesses engaging in the receipt and disposition of stolen vehicles and their parts.

Section 306 amends the Master Key Act (39 U.S.C. 3002) to prohibit the mailing of manipulative devices which are designed to open to make inoperable any of the locks on two or more motor vehicles. The provision also prohibits the mailing of any advertisement for such a device and authorizes the United States Postal Service to issue a mail stop order in an appropriate case. Violations of this section would be within the investigative jurisdiction of the United States Postal Service.

Section 307 is self-explanatory.

TITLE IV—IMPORTATION AND EXPORTATION MEASURES

Section 401 creates a new federal offense in section 552 of title 18, United States Code within the investigative jurisdiction of the United States Customs Service relating to the importation or exportation of stolen self-propelled vehicles, vessels, aircraft and the parts thereof and the importation or exportation of self-propelled vehicles and self-propelled vehicle parts which have had their identification number removed, obliterated, altered or tampered with. The section also defines "self-propelled vehicle", "vessel", and "aircraft". The section would obviously not be applicable to the importation or exportation of the conveyance or part by the lawful owner or his agent.

Section 402 creates two new sections in the Tariff Act of 1930. Section 626(a) subjects any individual who imports, exports, or attempts to import or export any stolen self-propelled vehicle vessel, aircraft or parts thereof or any self-propelled vehicle or self-propelled vehicle part having its identification number removed, obliterated, tampered with or altered, to a civil penalty of $10,000 per instance. Section 626(b) makes any of the above described self-propelled vehicles, vessels, aircraft or parts subject to seizure and forfeiture if they are imported or exported. This section would likewise not be applicable to the importation or exportation of the conveyance or part by the lawful owner or his agent. Section 627(a) authorizes the Secretary of Treasury to issue regulations concerning the exportation of used self-propelled vehicles. Section 627(b) defines "self-propelled" "aircraft" and "used" self-propelled vehicle.

Section 403 creates a new section in the Tariff Act of 1930 giving Customs officers the same powers of arrest as presently possessed by other Federal law enforcement officials. Under current law a Customs officer has authority to make an arrest without warrant only for violations of the narcotic drug and marijuana laws under section 581 of the Tariff Act of 1930, as amended (19 U.S.C. 1581), where the violation is committed in his presence or where he has reason to believe that the person to be arrested has committed or is committing such violation. The Customs officer, because of his strategic physical location, is often able to detect fugitive felons entering the United States and violators of the other Federal criminal laws such as the statutes prohibiting theft from interstate and foreign shipments (18 U.S.C. 659) and the interstate and foreign transportation of stolen property (18 U.S.C. 2312 and 2314). He cannot, however, under present law, make an arrest in such situations. He must seek the assistance of another law enforcement official who has the proper arrest authority. This can be difficult depending upon the time of day and his geographical location. The present limited arrest authority for a Customs officer is inconsistent with the arrest authority provided other Federal law enforcement officials and hampers effective enforcement of Federal criminal laws. Section 403 of the bill corrects this deficiency and is in accord with section 3013 of S. 1437, the "Criminal Code Reform Act of 1977," (95th Congress) which would likewise grant a Customs officer the same arrest authority possessed by other Federal law enforcement officials.

Section 404 repeals the provision in the Internal Revenue Code of 1954, as amended, giving Customs officers satutory arrest authority only for narcotic offenses.

TITLE V—VARIOUS REPORTS

Section 501 requires the Attorney General to file a report with Congress 18 months after the passage of the Act dealing with the growing problem of theft of "off-highway" vehicles in the agricultural and construction industries. The report will be prepared in consultation with the Secretaries of the Departments of Agriculture, Commerce, Transportation and Treasury. The section specifies those areas on which the Attorney General should report developments.

Section 502 requires the Attorney General to file with Congress a series of annual reports concerning the implementation and effectiveness of Titles II, III, and IV of the Act. The reports are to be prepared in consultation with the Secretary of Transportation, Secretary of Treasury, and the Postmaster General.

OUTLINE OF THE PROPOSED MOTOR VEHICLE THEFT PREVENTION ACT OF 1978

Title I. A Series of findings and purposes are set forth.

Title II. The National Traffic and Motor Vehicle Safety Act of 1966 would be amended to give the Secretary of Transportation authority to issue regulations which would help prevent the theft of the motor vehicle, its major components, and its contents taking into consideration several factors.

Title III. Title 18 of the United States Code would be amended to:

(1) Make it a federal crime to alter or remove any motor vehicle or vehicle part identification number required by the Secretary of Transportation;

(2) Make any motor vehicle or vehicle part which has a removed or altered identification number required by the Secretary of Transportation subject to seizure and possible forfeiture;

(3) Amend the definition of "securities" in the National Stolen Property Act (18 U.S.C. 2311) to cover motor vehicle titles until cancelled by state of issuance;

(4) Make it a federal crime to traffic in motor vehicles or motor vehicle parts which have had their identification numbers required by the Secretary of Transportation removed or altered; and

(5) Amend the RICO statute (Racketeer Influenced and Corrupt Organizations—18 U.S.C. 1961 et seq.) to include as a racketeering activity trafficking in stolen motor vehicles and their parts. This would be done by incorporating the present Dyer Act (18 USC 2312/2313) and the new trafficking statute described above within the definition of racketeering activity.

The Master Key Act in Title 39, United States Code (39 U.S.C. 3002), would be amended to cover other manipulative devices designed to open, circumvent, or make inoperable any of the locks of two or more motor vehicles. This change would prohibit the mailing of both the device itself and any advertisement of such devices.

Title IV. The Secretary of the Treasury would be given authority to issue regulations concerning the exportation of used self-propelled vehicles.

Title V. The Attorney General would prepare a report on the growing problem of the theft of off-highway vehicles (i.e. construction and farm equipment). The Attorney General would also advise Congress in a series of annual reports on the effectiveness of the Act.●

Mr. PERCY. Mr. President, for the past several months, the Senate Permanent Subcommittee on Investigations, of which I am the ranking minority member, has been investigating the growing problem of professional auto theft. The alarming findings demonstrate that Congress must take dynamic and immediate action to deal with this costly crime which is becoming increasingly dominated by organized crime. That is why today, together with my distinguished colleague, Senator BIDEN, I am introducing the Motor Vehicle Theft Prevention Act of 1979.

The Justice Department estimates auto theft cost the Nation upwards of $4 billion in 1978. This tab is picked up by the consumers and taxpayers: Motorists paid an incredible $3 billion in insurance for automobile theft coverage alone; and the taxpayers were billed another $1 billion for law enforcement costs associated with auto theft.

Much of these losses wound up as unreported profits pocketed by organized crime. This money is then used to buy into legitimate businesses, and to finance insidious narcotics, prostitution, and gambling operations. For example, in the southwestern United States there are thriving auto theft-narcotics barter operations. Stolen U.S. cars are sold in Mexico in exchange for narcotics which are smuggled back into the United States and sold for exorbitant profits on our streets.

The most lucrative aspect of auto theft today involves the "chop shop" operations flourishing in almost every major metropolitan area in the country. **Cars** are stolen on order and taken to clandestine garages where they are quickly "chopped up" or disassembled by highly trained crews. The body parts are then profitably sold in the legitimate auto repair market. According to the FBI, this rapidly spreading operation is "one of the most lucrative, illegitimate businesses today."

Statistics bear out the far-reaching impact of chop shop operations. In 1967, 86 percent of all stolen vehicles were recovered by law enforcement; however, by 1976, recoveries dropped to 59 percent. One reason for this dramatic decline in the recovery rate involves the fact that many of the unrecovered cars vanished into thin air—having been cut up and sold for parts. No car was left to recover.

Even when police stop and inspect trucks hauling hundreds of thousands of dollars worth of stolen body parts, they are powerless under present law to do anything, because the body parts have no identifying numbers on them. For example, the FBI in Chicago stopped a well-known auto thief hauling $250,000 worth of stolen Corvette body parts. However, the agents were unable to prove any part was stolen, and consequently had to allow the thief to drive his merchandise into a salvage yard known as one of the largest traffickers of stolen body parts in the Midwest. In short, auto theft has become a crime of huge profits and low risks.

With billion dollar profits at stake, it is no wonder that organized crime is viciously fighting to seize control of the chop shop operations. In Chicago alone, at least 16 persons have been murdered reportedly, because of their automobile theft activities. Almost all these murders have taken place in the last 4 years and none have been solved.

The impact on the consumer is overwhelming. One car is being stolen every 32 seconds in this country. And, auto theft coverage is skyrocketing nationally. In Chicago, automobile insurance rates were recently increased 16 percent.

Without Federal law enforcement assistance and new legislation to deal with the emerging "chop shop" syndrome, local police are stymied in their efforts to curb its escalation both in terms of numbers and profits.

In response to the alarming trend in motor vehicle theft, the Federal Interagency Committee on Auto Theft Prevention was formed in March 1975. The committee consists of representatives of the Office of Management and Budget, and the Departments of Transportation, Justice, State, Treasury, and Commerce. It was determined by the committee that the Federal law enforcement agencies, as well as State and local police units, lacked even the minimal enforcement tools needed to deal with these highly sophisticated and well-organized operations which are closely linked to organized crime.

Consequently, the committee drafted legislation which aggressively attacked the problem. For the past several months, my staff along with Senator Biden's staff have worked diligently with the Justice Department to strengthen and refine this important legislation. We are all now convinced that the Motor Vehicle Theft Prevention Act of 1979 is a superbly researched, well-written bill which will severely curb the escalating national auto theft problem.

Title II is the backbone of the bill. It gives the Secretary of the Department of Transportation the authority to promulgate regulations requiring automobile manufacturers to do the following: First, to strengthen the security systems on cars making them considerably more difficult to steal; and second, to place vehicle identification numbers of the principal body parts as a means of eliminating the black market for stolen body parts which flourishes today. The primary problem law enforcement has in investigating "chop shop" operations is that presently stolen body parts cannot be identified as stolen once they are removed from an auto. However, by marking the body parts, police can determine in a matter of minutes if a part is stolen, thus sharply reducing the ability of chop shop operators to market stolen body parts in the legitimate repair market.

The bill also provides for:

Making it a Federal offense, punishable by a $5,000 fine or 5-year imprisonment, or both, to alter the VIN. Professional "chop shop" operators could be fined $25,000 or imprisoned 10 years, or both.

Amending the National Stolen Property Act to include vehicle titles, so as to restrain fraudulent titling schemes.

Expanding the racketeering influenced and corrupt organizations (RICO) statute to cover "chop shop" operations. Those individuals who traffic in stolen vehicles and their parts could have their businesses seized by Federal authorities, and forfeited.

Prohibiting the sale or advertisement of devices used to break into automobiles.

Permitting the U.S. Customs Service to arrest individuals attempting to export a stolen auto. Currently, customs agents can only arrest narcotics or navigation law violators.

Giving authority to the Secretary of Treasury to issue regulations to make it more difficult to export stolen motor vehicles.

Directing the Attorney General to conduct a comprehensive study of the growing theft of agricultural and construction equipment.

The Senate Permanent Subcommittee on Investigations, of which I am the ranking minority member, has recently held important hearings into organized crime activities and will continue to do so. We have seen some significant patterns in organized crime activity. For example, time and again, we have seen organized crime find new sources of revenue in nontraditional areas.

In the case of the recent, highly professionalized auto theft operations, this legislation would provide the means necessary to thwart the professional automobile thieves and organized crime elements. Placement of identification numbers on various sheet metal parts is reliably estimated to cost the manufacturer no more than $5. This is a small price to pay to deter these criminals and deny them illicit profits. Elimination of these stolen car operations would save American consumers billions of dollars annually in reduced insurance and police enforcement costs.

As Americans continue to drive in greater numbers, and as the need for automobile transportation increases, because of urban sprawl, professional auto theft will surely continue to grow exponentially if left unchecked. Through the Motor Vehicle Theft Prevention Act of 1979, we have an opportunity to provide our law enforcement agencies with the means to successfully fight organized crime. All that remains is for the Congress to implement this well-targeted plan.

Mr. ROBERT C. BYRD subsequently said:

Mr. President, I ask unanimous consent that the Motor Vehicle Theft Prevention Act of 1979, introduced earlier by the Senator from Delaware (Mr. Biden), for himself and the Senator from Illinois (Mr. Percy), be jointly referred to the Committee on the Judiciary and the Committee on Commerce, Science, and Transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. SCHMITT (for himself, Mr. Cannon, and Mr. Stevenson):

S. 1215. A bill entitled the "Science and Technology Research and Development Utilization Policy Act"; to the Committee on Commerce, Science, and Transportation and the Committee on Governmental Affairs, jointly, and if one committee orders the bill reported, the other committee has 60 days in which to act, by unanimous consent.

SCIENCE AND TECHNOLOGY RESEARCH AND DEVELOPMENT UTILIZATION POLICY ACT

Mr. SCHMITT. Mr. President, today I am introducing for myself, Senator Stevenson, and Senator Cannon, the Science and Technology Research and Development Utilization Policy Act. The purpose of this legislation is to maximize the return to the public from our national investment in research and technology development by establishing a uniform Federal policy for the management and utilization of inventions developed under Federal contracts.

This bill is a revised version of S. 3627, a bill I introduced prior to the conclusion of the 95th Congress. Subsequent to its introduction I circulated the bill to leaders in industry, business, academia, government, and other vital sectors of our national economy for comment. Responses have been most encouraging and helpful. The revised bill which I and my distinguished cosponsors are introducing today reflects the many thoughtful views and suggestions of those who responded to my request for comments.

DECLINING INNOVATION

Mr. President, as most of my colleagues are undoubtedly aware, recent economic indicators suggest that the United States is experiencing an alarming decline in the rate of technological innovation and economic growth. Symptoms of this decline are reflected in the growing international trade deficit, diminishing national productivity, and the increasing penetration of domestic markets by foreign competitors.

The Senate Science, Technology, and Space Subcommittee, chaired by Senator STEVENSON and on which I serve as the ranking member, has had a longstanding interest in the industrial innovation process and Federal policies which adversely impact upon it. For the past 2 years the subcommittee in cooperation with the Banking Committee has conducted extensive oversight hearings examining the direction of Federal R. & D. and the Federal Government's role in promoting the development, application, and diffusion of new technologies. The problems are varied and complex—overburdensome and costly regulations, lack of an overall trade policy, counterproductive tax policies, and inadequate funding of basic research, to name just a few. Nevertheless, there are steps which the Federal Government can and should take to reverse the downward trend in the development of new products and processes.

GOVERNMENT PATENT POLICY

The role of the Federal Government in the industrial innovation process cannot be overstated. For more than a decade, Federal agencies have funded nearly two-thirds of this Nation's expenditures on R. & D. During this past fiscal year alone, the Federal Government provided more than $29 billion in research and development support. As a result of this huge national investment, thousands of inventions are identified each year which have traditionally formed a valuable source of new products and technology development.

Unfortunately, Federal policies and procedures for the management of the results of Federal R. & D. contracts have operated in the past to inhibit the process by which such benefits are made available to the American consumer. The fact that the Federal Government presently holds title to about 28,000 inventions developed with the assistance of Federal R. & D. funds and yet only 5 percent of these Government-owned inventions have ever been effectively utilized, helps to convince me that the present policies are not providing the maximum return to the public from its annual investment in science and technology research and development.

Mr. President, this is not a new problem. For the past 30 years, debate has flourished over the most appropriate Federal policy for determining ownership rights to the products of Government-funded research. Typically, the debate, and any hope for substantial patent policy reform, becomes bogged down in the "title" versus "license" arguments. National commissions, interagency studies, and two executive orders have failed to achieve the long-desired goal of a comprehensive Government patent policy. Individual Federal agencies commonly operate under varying statutory policies and procedures. Processing of normal waiver applications can take up to 2 years depending on the agency involved. The nature of the controversy clearly demands a legislative solution.

Federal patent policies which were originally designed to protect the public interest by preventing the so-called giveaway have in fact operated to discourage contractor bidding, eliminate incentives to innovate or disclose inventions, and delay the commercialization of inventions developed under Federal contracts. Ultimately, it is the American public who suffers from these misguided policies through the failure of potentially significant technological inventions to reach the marketplace.

SCIENCE AND TECHNOLOGY RESEARCH AND DEVELOPMENT UTILIZATION POLICY ACT

Mr. President, in my judgment there is a clear need for the establishment and implementation of a uniform Government-wide policy for the management and utilization of the results of federally funded research and development. The bill we are offering today would provide the framework for such a policy and is designed to achieve the following objectives:

First, the policy, as well as the implementing regulations, should be uniform in the sense that all agencies and Federal contractors operate under the same general rules and procedures;

The policy should permit some flexibility in policy implementation in recognition of the differing missions and statutory responsibilities of the various agencies engaged in research and development activities;

The policy should be as simple as possible and avoid the heavy administrative burden and delay experienced by both the contractor and the Government under current Federal policies;

The policy should provide the necessary incentives for private sector participation in Government contracts and for the rapid development of new technology in order to maximize the benefits to the public from its R. & D. investment;

The policy should foster competition and prevent undue market concentration and;

Finally, the policy should protect the legitimate rights of the Government to any inventions developed under a Federal contract where the specific nature of the research being performed demands full public access to the resulting inventions or preclude the granting of exclusive rights of ownership to the private contractor.

The approach suggested in this bill represents a truly middle-ground position between the traditional "title in the Government" policy and a full blown "license" policy that would unequivocally assign title to the contractor. Essentially, this bill would establish a presumption of title in the Government in those specific situations where it is necessary to assure full public access to resulting inventions.

The specific situations in which the Government would retain title are narrowly drawn, but I believe adequate to protect the public interest. The determination as to the Government's rights would be made at the time of contracting so the contractor will have a clear indication of the scope of his rights to any inventions developed under the contract.

In all other situations, and when the Government fails to make an adequate showing of the need for retaining principal rights to any inventions likely to be developed under the contract, it would be presumed that the contractor could elect to retain title to any such inventions.

To assure flexibility in the implementation of the policy, the Government would have the authority to waive its rights to title when found to be in the public interest. In addition, the Government is given limited "march-in" rights if the contractor fails to take reasonable steps to develop the invention.

The bill would also address the problem of effectively utilizing those inventions in which title is held by the Government. Clearly, there is a need for better coordination and direction of Federal efforts to facilitate the expeditious transfer of technology to the private sector. Title II would direct the Secretary of Commerce to establish a Federal technology utilization program under which necessary action would be taken to promote the utilization and protection of rights in Government owned inventions. This Government-wide program would be patterned after the highly successful National Aeronautics and Space Administration technology utilization programs. In addition, each Federal agency would be required to develop and implement a separate technology utilization program. The purpose of such programs would be to expedite the technology transfer process, including the secondary uses of technology for societal needs.

Mr. President, I am firmly convinced that Americans have lost neither their willingness nor their ability to innovate. Rather it is the system within which the innovation process functions that must be restructured to provide a more favorable climate for our traditional innovative spirit. The legislation we are offering today represents a significant step in the direction of reforming our existing Federal policies which impact adversely upon the innovation process, and we welcome the support of our colleagues in this endeavor.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—POLICY

SEC. 101. FINDINGS.

The Congress, recognizing the profound impact of science, engineering, and technology policy on the economic, social, political, technological well-being, and the health and safety of the Nation as a whole, hereby finds and declares that:

(1) The United States has recently experienced a decline in the process of industrial innovation and productivity which is integrally related to, and adversely impacts upon, domestic productivity, the rate of economic growth, the level of employment, the balance

of trade, and the attainment of other national goals.

(2) The national support of scientific and technological research and development is indispensable to sustained growth and economic stability, and it is in the national interest to maximize the benefits to the general public from such investment.

(3) Scientific and technological developments and discoveries resulting from work performed with Government contracts constitute a valuable national resource which should be developed in a manner consistent with the public interest and the equities of the respective parties.

(4) Current Federal policy with respect to the allocation of rights to the results of federally sponsored research and development deters contractor participation in Government contracts, delays technological progress, and stifles the innovative process.

(5) The present United States system for the acquisition of intellectual property rights resulting from privately funded research and development, while fundamentally sound, is in need of modifications to diminish the existing uncertainty and the high costs incurred in enforcing proprietary rights.

(6) There is a need for the establishment and implementation of a flexible Government-wide policy for the management and utilization of the results of federally funded research and development. This policy should promote the progress of science and the useful arts, encourage the efficient commercial utilization of technological developments and discoveries, guarantee the protection of the public interest, and recognize the equities of the contracting parties.

SEC. 102. PURPOSE.

It is the purpose of this Act to—

(1) establish and maintain a Federal policy for the management and use of the results of federally sponsored science and technology research and development; and

(2) insure the effective implementation of the provisions of this Act, and to monitor on a continuing basis the impact of Federal science and technology policies on innovation and technology development.

SEC. 103. DEFINITIONS.

As used in this Act the term—

(1) "contract" means any contract, grant, agreement, commitment, understanding, or other arrangement entered into between any Federal agency and any person where a purpose of the contract is the conduct of experimental, developmental, or research work. Such terms includes any assignment, substitution of parties, or subcontract of any type entered into or executed for the conduct of experimental, developmental, or research work in connection with the performance of that contract;

(2) "contractor" means any person or other entity that is a party to the contract;

(3) "disclosure" means a written statement sufficiently complete as to technical detail to convey to one skilled in the art to which the invention pertains a clear understanding of the nature, purpose, operation, and as the case may be, physical, chemical, or electrical characteristics of the invention;

(4) "Federal agency" means an "executive agency" as defined by section 105 of title 5, United States Code, and the military departments as defined by section 102 of title 5, United States Code;

(5) "Federal employees" means all employees as defined in section 2105 of title 5, United States Code, and members of the uniformed services;

(6) "Government" means the Government of the United States of America;

(7) "invention" means any invention, discovery, innovation, or improvement which is or may reasonably be patentable subject matter as defined in title 35, United States Code;

(8) "inventor" means any person, other than a contractor, who has made an invention under a contract but who has not agreed to assign his rights in such invention to the contractor;

(9) "made under the contract" or "made under a contract" when used in relation to any invention means the conception or first actual reduction to practice or such invention in the course of any work under the contract or under a contract, respectively;

(10) "nonprofit organization" means universities and other institutions of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a));

(11) "person" means any individual, partnership, corporation, association, institution, or other entity;

(12) "practical application" means to manufacture in the case of a composition or product, to practice in the case of a process or method or to operate in the case of a machine or system, and, in each case, under such conditions as to establish that the invention is being worked and that its benefits are available to the public either on reasonable terms or through reasonable licensing arrangements; and

(13) "qualified technology transfer program", when used in relation to a nonprofit organization, means a program which includes—

(i) an established patent policy which is consistent with the policy set forth in this Act and is administered on a continuous basis by an officer or entity responsible to the nonprofit organization;

(ii) agreements with employees requiring them to assign either to the organization, its designee, or the Government any invention conceived or first actually reduced to practice in the course of or under Government contracts or assurance that such agreements are obtained prior to the assignment of personnel to Government-supported research and development projects;

(iii) procedures for prompt invention identification and timely disclosure to the officer or entity administering the patent policy of the non-profit organization;

(iv) procedures for invention evaluation; and

(v) an active and effective promotional program for the licensing and marketing of inventions.

TITLE II—IMPLEMENTATION

SEC. 201. RESPONSIBILITIES.

(a) The Secretary of Commerce, hereinafter referred to as the Secretary, shall coordinate, direct, and review the implementation and administration of the Federal policy set forth in this Act with respect to the ownership of inventions resulting from federally sponsored research and development, and promote the efficient and effective utilization of the results of federally sponsored research and development.

(b) With a view to obtaining consistent application of the policies of this Act, the Secretary is authorized and directed—

(1) to consult and advise with Federal agencies concerning the effective implementation and operation of the policies, purposes, and objectives of this Act;

(2) subject to the authority of the Office of Federal Procurement Policy, to formulate and recommend to the President such proposed rules, regulations, and procedures necessary and desirable to assure the consistent application of the provisions of this Act;

(3) to accumulate, analyze, and disseminate data necessary to evaluate the administration and effectiveness of the policies set forth in this Act;

(4) to determine with administrative finality any dispute between a Federal agency and an aggrieved party arising under title III or title IV of this Act.

(5) monitor, on a continuing basis, the rights of the Government under section 304 of this Act in any invention made under a contract of a Federal agency, and take all suitable and necessary steps to protect and enforce the rights of the Government in any such invention; and

(6) to perform such other duties as may be prescribed by the President or by statute.

(c) For the purpose of assuring the effective management of Government-owned inventions, the Secretary is authorized and directed to—

(1) assist and coordinate agency efforts to promote the licensing and utilization of Government-owned inventions;

(2) accept custody and administration, in whole or in part, of Government rights in any invention for the purpose of protecting the United States interest therein and promoting the effective utilization of any such invention;

(3) develop and manage a Government-wide program designed to stimulate the transfer of Government-owned technology to the private sector through the development, demonstration, and dissemination of information regarding potential applications and evaluate and assist where appropriate the participation of the private sector in the technology transfer process;

(4) evaluate, with the assistance of the originating agency, Government-owned inventions in order to identify those inventions with the greatest commercial potential and to promote the development of inventions so identified;

(5) assist the Federal agencies in seeking protection and maintaining inventions in foreign countries, including the payment of fees and costs connected therewith;

(6) make market surveys and other investigations for determining the potential of inventions for domestic and foreign licensing and other utilization;

(7) acquire technical information and engage in negotiations and other activities for promoting the licensing and other utilization of Government-owned inventions and to demonstrate the practicability of the inventions for the purpose of enhancing their marketability;

(8) consult and advise Federal agencies as to areas of science and technology research and development with potential for commercial utilization; and

(9) receive funds from fees, royalties, sales, or other management of Government-owned inventions authorized under this Act: *Provided, however,* That such funds will be used only for the purpose of this Act.

(d) The Secretary shall submit an annual report of its activities to Congress, including therein (1) relevant statistical data regarding the disposition of invention disclosures resulting from federally funded research and development; (2) any recommendation as to legislative or administrative changes necessary to better achieve the policy and purposes of this Act; and (3) an analysis of the impact of Federal policies on the purposes of this Act.

(e) The Secretary shall establish such interagency committees as are necessary to assist in the review and formulation of rules, regulations, and procedures implementing the provisions of this Act.

(f) There are authorized to be appropriated to the Secretary of Commerce to carry out the provisions of this title, the sum of $3,000,000 for fiscal year 1980.

SEC. 202. AGENCY TECHNOLOGY UTILIZATION PROGRAM.

To assist in the transfer of Government-owned innovative technology resulting from Federal research and development for application and use in industry, agriculture, medicine, transportation, and other critical sectors of the economy, each Federal agency supporting research and development activities shall develop and implement a technology utilization program. Specific program objectives shall include, but not be limited to—

(1) expedite and facilitate the application and use of technology by shortening the time between generation of advanced technologies and their use in the economy and provide greater incentives for use of socially beneficial innovations;

(2) encourage multiple secondary uses of technology in industry, education, and government where there is a wide spectrum of technological problems and needs; and

(3) understand more fully the technology transfer process and its impact on the economy, and to manage and optimize the process in a systematic way.

SEC. 203. EXPIRATION.

The authorities conferred upon the Secretary under this title shall expire and terminate 7 years following the effective date of this Act unless renewed by action of Congress.

TITLE III—ALLOCATION OF RIGHTS—GOVERNMENT CONTRACTORS

SEC. 301. RIGHTS OF THE GOVERNMENT.

(a) Each Federal agency shall acquire on behalf of the United States, at the time of entering into a contract title to any invention made under the contract of a Federal agency if the agency determines—

(1) the services of the contractor are for the operation of a Government-owned research or production facility;

(2) acquisition of title is necessary because of the classified nature of the work being performed under the contract;

(3) because of the exceptional circumstances, acquisition of title by the Government is necessary to assure the adequate protection of the public health, safety, or welfare;

(4) in the case of a nonprofit organization, that such institution does not have a qualified technology transfer program as defined in section 103 of this Act; or

(5) the principal purpose of the contract is to develop or improve products, processes, or methods which will be required for use by Government regulations:

Provided, however, That the Federal agency may subsequently waive all or any part of the rights of the United States under this section to such invention in conformity with the provisions of section 303.

(b) The rights of the Government under subsection (a) shall not be exercised by the Federal agency unless it determines that one of the enumerated criteria exist and it files a determination statement with the Secretary.

SEC. 302. RIGHTS OF THE CONTRACTOR.

(a) In all other situations not specified in section 301, the contractor or inventor shall have the option of retaining title to any invention made under the contract. Such rights shall be subject to the limitations set forth in section 304 and the provisions of section 305. Said option shall be exercised by notifying the Government at the time of disclosure of the invention or within such time thereafter as may be provided in the contract. The Government shall obtain title to any invention for which this option is not exercised.

(b) When the Government obtains title to an invention under section 301, the contractor shall retain a nonexclusive, royalty-free license which shall be revocable only to the extent necessary for the Government to grant an exclusive license.

SEC. 303. WAIVER.

A Federal agency may at any time waive all or any part of the rights of the United States under this title to any invention or class of inventions made or which may be made by any person or class of persons under the contract of the agency if the agency determines that the condition justifying acquisition of title by the Government under section 301 no longer exists or the interests of the United States and the general public will be best served thereby. The agency shall maintain a record, which shall be made public and periodically updated, of determinations made under this section. In making such determinations, the agency shall consider the following objectives:

(1) encouraging the wide availability to the public of the benefits of the experimental, developmental, or research programs in the shortest practicable time;

(2) promoting the commercial utilization of such inventions;

(3) encouraging participation by private persons in the Government-sponsored experimental, developmental, or research programs; and

(4) fostering competition and preventing undue market concentration or the creation or maintenance of other situations inconsistent with the antitrust laws.

SEC. 304. MARCH-IN-RIGHTS.

(a) Where a contractor has retained title to an invention under section 302 or 303, the Federal agency shall have the right, pursuant to regulations and subject to the provisions of subsection (b), to—

(1) require the contractor to grant a nonexclusive, partially exclusive, or exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, or to require an assignment of title to the Government if the agency determines such action is necessary because the contractor has not filed a patent application on the invention within a reasonable period of time or has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the invention; or

(2) require the contractor to grant a nonexclusive, partially exclusive, or exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, if the agency determines such action is necessary—

(i) to alleviate a serious threat to the public health, safety, or welfare needs which is not reasonably satisfied by the contractor or its licensees or otherwise required for the protection of national security.

(ii) to meet requirements for public use by Federal regulation which are not satisfied by the contractor or its licensees; or

(ii) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which the technology relates, or to create and maintain other situations inconsistent with the antitrust laws.

(b) The rights of the Federal agency under subsection (a) shall be subject to the prior approval of the Secretary who shall make a determination after a formal hearing with affected parties present and conducted in accordance with the rules, regulations, and procedures adopted by the Secretary.

SEC. 305. GENERAL PROVISIONS.

(a) Each contract entered into by the Government shall contain such terms and conditions as the agency deems appropriate for the protection of the interests of the United States and the general public, including appropriate provisions to—

(1) require periodic written reports at reasonable intervals in the commercial utilization or efforts at obtaining commercial utilization that are being made by the inventor or contractor or their licensees or assignees: *Provided,* That any such information shall be treated by the Federal agency as commercial or financial information obtained from a person and privileged or confidential and not subject to disclosure under the Freedom of Information Act;

(2) reserve to the United States at least an irrevocable, nonexclusive, paid-up license to make, use, and sell the invention throughout the world by or on behalf of the United States and States and domestic municipal governments, unless the agency determines that it would not be in the public interest to acquire the license for the States and domestic municipal governments;

(3) require the prompt disclosure by the contractor or inventor to that agency of any invention made under the contract: *Provided,* That Federal agencies are authorized to withhold from disclosure to the public, information disclosing any invention made under the contract of an agency for a reasonable time in order for a United States or foreign patent application to be filed;

(4) require an election by the contractor within a reasonable time after disclosure as to whether the contractor intends to file a patent application on any invention made under the contract;

(5) require a declaration by the contractor within a reasonable time after disclosure of the contractors intent to commercialize or otherwise achieve the widespread utilization of the invention by the public; and

(6) reserve to the United States and the contractor or inventor rights in each such invention in conformity with the provisions of this title.

(b) Agency determinations as to the rights to inventions under this title shall be made in an expeditious manner without unnecessary delay.

SEC. 306. BACKGROUND RIGHTS.

Nothing contained in this Act shall be construed to deprive the owner of any background patent or to such rights as the owner may have thereunder.

SEC. 307. GOVERNMENT LICENSING AUTHORITY.

(a) A Federal agency may grant exclusive or partially exclusive licenses in any invention to which the Government has acquired title if the agency determines that—

(1) the desired practical application has not been achieved, or is not likely to be achieved within a reasonable period of time by the granting of a nonexclusive license;

(2) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth the investment of risk capital to bring the invention to practical application; and

(3) the proposed terms and scope of exclusivity are not greater than reasonably necessary to provide the incentive for bringing the invention to practical application.

TITLE IV—ALLOCATION OF RIGHTS—FEDERAL EMPLOYEES

SEC. 401. ALLOCATION OF RIGHTS.

(a) Except as otherwise provided in subsections (b) and (c), the Government shall obtain the entire right, title, and interest in and to all inventions made by any Federal employee if the agency determines that—

(1) the invention was made during working hours;

(2) the invention was made with a contribution by the Government of facilities, equipment, materials, funds, or information, or of time or services of other Government employees on official duty; or

(3) the invention bears a direct relation to the duties of the Federal employee-inventor, or are made in consequence of his employment.

(b) Where the interest of the Government is insufficient to require acquisition of title by the Government but the invention bears an indirect relation to the duties of the Federal employee-inventor, the employee shall have the option of acquiring title to such invention, subject, however, to the reservation by the Government of a nonexclusive, irrevocable, royalty-free license in the invention with the power to grant licenses for all governmental purposes. The Government shall obtain title to any invention for which this option is not exercised.

(c) In all situations not falling within subsections (a) and (b), a Federal employee shall be entitled to retain the entire right, title, and interest in and to any invention made by the employee.

SEC. 402. PRESUMPTION OF OWNERSHIP.

(a) In applying the criteria of section 401 to the facts and circumstances relating to the making of any particular invention, it shall be presumed that an invention falls within the criteria of section 401(a) when made by a Federal employee who is employed or assigned to—

(1) invent, improve, or perfect any article, machine, manufacture process, or composition of matter;

(2) conduct or perform research or development work, or both;

(3) supervise, direct, coordinate, or review federally financed or conducted research or development work, or both; or

(4) act in a liaison capacity among Federal or non-Federal agencies or individuals engaged in such work.

(b) The presumption established by subsection (a) may be rebutted by the facts or circumstances of the conditions under which any particular invention is made.

SEC. 403. REVIEW.

Federal agency determinations regarding the respective rights of the Government and the Federal employee-inventor are to be reviewed by the Secretary in accordance with rules, regulations, and procedures adopted by the Secretary whenever—

(1) the Federal agency fails to obtain title under the provisions of section 401(a); or

(2) the Federal employee-inventor who claims to be aggrieved by the determination requests such a review.

SEC. 404. INCENTIVES AWARDS PROGRAM.

(a) Subject to the provisions of this section, the agency is authorized, upon its own initiative or upon application of any person, to make a monetary award or otherwise offer recognition, in such amount and upon such terms as it shall deem appropriate, to any Federal employee-inventor for any scientific or technical invention determined by the agency to have significant value.

(b) Awards shall be granted pursuant to the provisions of chapter 45 of title 5 and chapter 57 of title 1 of the United States Code, and in accordance with regulations issued thereunder except as modified by this Act.

(c) In granting awards under this section, due consideration shall be given to—

(1) the extent to which the invention advances the state of the art;

(2) the amount expended by the employee-inventor for development of such invention;

(3) the importance of the invention in terms of its value and benefits to the Government and the United States;

(4) the extent to which the invention has achieved utilization by the public; and

(5) the amount of any compensation previously received by the employee-inventor for or on account of the use of such invention by the United States.

(d) If more than one applicant under subsection (a) claims an interest in the same contribution, the agency shall ascertain the respective interest of such applicants, and shall apportion any award to be made with respect to such invention among such applicants in such proportions as it shall determine to be equitable.

(e) No award may be made under subsection (a) with respect to any invention unless the applicant surrenders, by such means as the agency shall determine to be effective, all claims which such applicant may have to receive any compensation (other than the award made under this sectiton) for the use of such invention or any element thereof at any time by or on behalf of the United States or by or on behalf of any foreign government pursuant to any treaty or agreement with the United States, within the United States or at any other place.

(f) No award may be made under subsection (a) in any amount exceeding $100,000, unless the agency has transmitted to the appropriate committees of the Congress a full and complete report concerning the amount and terms of, and the basis for, such proposed award, and 30 calendar days of regular session of the Congress have expired after receipt of such report by such committees.

(g) A cash award and expense for honorary recognition of a Federal employee-inventor shall be paid from the funds appropriated for the sponsoring Federal agency.

TITLE V—MISCELLANEOUS

SEC. 501. REPEAL OF EXISTING STATUTORY RESEARCH AND DEVELOPMENT AUTHORIZATIONS.

The following Acts are hereby amended as follows:

(a) Section 10(a) of the Act of June 29, 1935, as added by title I of the Act of August 14, 1946 (7 U.S.C. 427(a); 60 Stat. 1085) is amended by striking out the following: "Any contracts made pursuant to this authority shall contain requirements making the results of research and investigations available to the public through dedication, assignment to the Government, or such other means as the Secretary shall determine.".

(b) Section 205(a) of the Act of August 14, 1946 (7 U.S.C. 1624(a); 60 Stat. 1090) is amended by striking out the following: "Any contract made pursuant to this section shall contain requirements making the result of such research and investigations available to the public by such means as the Secretary of Agriculture shall determine.".

(c) Section 501(e) of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 954(c); 83 Stat. 742) is amended by striking out the following: "No research, demonstrations, or experiments shall be carried out, contracted for, sponsored, cosponsored, or authorized under authority of this Act, unless all information, uses, products, processes, patents, and other developments resulting ing from such research, demonstration, or experiments will (with such exception and limitation, if any, as the Secretary or the Secretary of Health, Education, and Welfare may find to be necessary in the public interest) be available to the general public.".

(d) Section 106(c) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395(c); 80 Stat. 721) is repealed.

(e) Section 12 of the National Science Foundation Act of 1950 (42 U.S.C. 1871(a); 82 Stat. 360) is repealed.

(f) Section 152 of the Atomic Energy Act of 1954 (42 U.S.S. 2182; 68 Stat. 943) is repealed.

(g) The National Aeronautics and Space Act of 1958 (72 Stat. 426) is amended—

(1) by repealing section 305 thereof (42 U.S.C. 2457): *Provided, however,* That subsections (c), (d), and (e) of such section shall continue to be effective with respect to any application for patents in which the written statement referred to in subsection (c) of such section has been filed or requested to be filed by the Commissioner of Patents and Trademarks prior to the effective date of this Act;

(2) by inserting the following new section 305:

"SEC. 305. INVENTIONS AND CONTRIBUTIONS BOARD.—Each proposal for any waiver of patent rights held by the Administrator shall be referred to an Inventions and Contributions Board which shall be established by the Administrator within the Administration. Such Board shall accord to each interested party an opportunity for hearing, and shall transmit to the Administrator its findings of fact with respect to such proposal and its recommendations for action to be taken with respect thereto.";

(3) by striking out section 306 thereof (42 U.S.C. 2458(a));

(4) by inserting at the end of section 203(b) thereof (42 U.S.C. 2478(a)); the following new paragraph:

"(14) to provide effective contractual provisions for reporting of the results of the activities of the Administration, including full and complete technical reporting of any innovation made in the course of or under any contract of the Administration.";

(5) by inserting at the end of section 203 thereof (42 U.S.C. 2478) the following new subsection:

"(e) For the purpose of chapter 17 of title 35 of the United States Code the Administration shall be considered a defense agency of the United States."; and

(6) by striking out the following in such section: "(including patents and rights thereunder).".

(h) Section 6 of the Coal Research and Development Act of 1960 (30 U.S.C. 666; 74 Stat. 337) is repealed.

(i) Section 4 of the Helium Act Amendments of 1960 (50 U.S.C. 167b; 74 Stat. 920) is amended by striking out the following: "*Provided, however,* That all research contracted for, sponsored, cosponsored, or authorized under authority of this Act shall be provided for in such a manner that all information, uses, processes, patents, and other developments resulting from such research developed by Government expenditure will (with exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public: *And provided further,* That nothing contained herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder." and by inserting in lieu thereof a period.

(j) Section 32 of the Arms Control and Disarmament Act of 1961 (22 U.S.C. 2572; 75 Stat. 634) is repealed.

(k) Subsection (e) of section 302 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 302(c); 79 Stat. 5) is repealed.

(l) Subsection (e) of section 203 of the Solid Waste Disposal Act (42 U.S.C. 3253(c); 70 Stat. 997) is repealed.

(m) Section 216 of title 38, United States Code, is amended by striking out subsection (a)(2) thereof and by redesignating subsection (a)(3) thereof as (a)(2).

(n) Except for paragraph (l) of section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901; 88 Stat. 1978) is repealed.

(o) Section 3 of the Act of June 22, 1976 (42 U.S.C. 1959d, note; 90 Stat. 694), is repealed.

(p) Section 5(i) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831d(i); 48 Stat. 61), is amended by striking both proviso clauses at the end thereof.

(q) Section 5(d) of the Consumer Product Safety Act (15 U.S.C. 2054(d); 88 Stat. 1211) is repealed.

(r) Section 3 of the Act of April 5, 1954 (30 U.S.C. 323; 58 Stat. 191), is repealed.

(s) Section 8001 of the Solid Waste Disposal Act (42 U.S.C. 6981; 90 Stat. 2892) is repealed.

(t) Section 5 of the Act of July 3, 1952 (42 U.S.C. 1954(b)) is repealed.

(u) Section 303 of the Act of July 17, 1964 (42 U.S.C. 1961c-3) is repealed.

Sec. 502. Effective Date.

This Act shall take effect 6 months after the date of enactment of this Act.

Sec. 503. Authorization for Appropriations.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. SCHMITT. Mr. President, if I may have the attention of the distinguished majority leader and the distinguished minority leader, I have consulted on this bill with the Parliamentarian, and he informs me that its referral would be to the Governmental Affairs Committee.

I have talked with Senator Ribicoff, Senator Percy, Senator Cannon, and Senator Packwood, and we have all agreed, as have, I believe, Senator Robert C. Byrd and Senator Baker, that the following unanimous-consent agreement would be in order for joint referral:

I ask unanimous consent at this point that the Science and Technology Research and Development Utilization Policy Act just introduced be jointly referred to the Committee on Commerce and the Committee on Governmental Affairs, with the stipulation that once the bill is reported by either committee, the other committee has 60 days in which to act before it is automatically discharged from further consideration of the bill. This agreement is agreeable to the Senators I have mentioned.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from New Mexico has cleared the matter on this side of the aisle, as he stated. I have no objection.

Mr. BAKER. There is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered, with the correction that when it is ordered reported, the other committee may have 60 days.

Mr. SCHMITT. Mr. President, I accept that correction.

By Mr. DURKIN:

S. 1216. A bill to amend title IV of the Higher Education Act of 1965 to establish a system of student tuition advances to be repaid as an income tax imposed by the Internal Revenue Code of 1954, and for other purposes; to the Committee on Finance and the Committee on Labor and Human Resources, jointly, by unanimous consent.

TUITION ADVANCE FUND ACT

● **Mr. DURKIN.** Mr. President, I am today introducing legislation to enable students to meet the rising costs of higher education, the Tuition Advance Fund Act of 1979. My bill, similar to legislation I introduced in the last Congress, would remove the burden of college tuition placed on parents by creating a Government trust fund to make direct loans to students. Students are eligible whatever the income of their families. The loans, up to a maximum of $5,000 a year for 3 years, would be repaid by the student through the Internal Revenue Service in small yearly deductions, as a tax on earned income during the working lifetime of the student borrower. The student, and only the student, will be responsible for repaying the loan.

It is important that family income not be a bar to student borrowing, for in these days of high education costs, even a seemingly high family income may not be enough to allow a student to get a proper education. Students should be able to borrow, as long as it is clear, as it is under this plan, that they are directly responsible for repaying the loans.

During the last session, Senators Kennedy and McGovern joined me in cosponsoring the Tuition Advance Fund Act of 1978 as a floor amendment to the tuition tax credit bill. By so doing, we were able to bring the merits and mechanics of my proposal before the full Senate. However, the measure did not enjoy the benefit of Education Subcommittee consideration. Therefore, we agreed to withdraw the Tuition Advance Fund as a floor amendment in hopes of assuring its enactment as a viable, more encompassing college finance alternative duing the 96th Congress.

With the exception of a 10-year sunset provision which I have added, my Tuition Advance Fund bill strictly adheres to the principles put forward by Boston University President John Silber, who deserves credit for his thought and development of the plan. It authorizes the Commissioner of Education to make advances of funds to students to cover the costs of tuition and certain other related expenses up to a limit of $5,000 annually to undergraduates in their sophomore, junior, and senior years. In other words, to students who have made a commitment to their education. Also the student would have to attend an eligible institution, one which has allowed only reasonable increases in its charges to students.

In addition to being a financially and educationally responsible approach, the tuition advance fund repayment method is simple. Just as importantly, it avoids the problem of frequent default found with current student loan programs. Recipients will repay the money advanced to them during their working lifetime through the Federal income tax system. The student will begin payments once he or she ceases to be in school on at least a half-time basis and will continue until the amount borrowed plus a 50-percent surcharge has been repaid or until the recipient reaches age 65. The students, and not their parents, are the only ones responsible for the loans.

The funds will be withheld from the advance recipient's salary as a tax, and, as such, are not avoidable by declaring bankruptcy. The abuses which exist under the present student loan programs would not be possible. During the first few years, we would have to spend more money on the educational loans than we now do, but eventually, the program would be self-sustaining.

Two other aspects of the proposed repayment plan are important to note. First, students with an annual income of less than $5,000 during their repayment period will not be taxed during the years their income is below that level. Second, married individuals with a tuition advance obligation will repay 2 percent annually on the greater of (A) his or her individual earnings or (B) half of the combined income of both spouses.

Even though I supported the College Opportunity Act of 1978, I believe the existing Federal loan and grant programs only partly address the problem of rising education expenses for students. The same holds true for a proposed $250 tuition tax credit, a proposal I have persistently cosponsored and hope to see this Congress finally approve. However, by their very nature, both efforts can offer no more than partial solutions. In may mind, there is no question that a comprehensive program is needed now if a college education is to be a realistic goal for every American who wants to pursue one. Toward this end, the Tuition Advance Fund Act of 1979 promises financial relief that will help parents, students, and institutions of higher learning alike. I welcome public and congressional comment on this legislation, for a concerted effort is what we need to insure enactment.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1216

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tuition Advance Fund Act."

Sec. 2. Title IV of the Higher Education Act of 1965 is amended by adding immediately after part C thereof the following new part:

"Part D—Tax Collectable Tuition Advances to Students in Institutions of Higher Education

"STATEMENT OF PURPOSE AND AUTHORIZATION OF APPROPRIATIONS

"Sec. 451. (a) It is the purpose of this part to authorize the Commissioner to establish a program for the making of advances to cover costs of tuition and other education-related expenses to students at institutions of higher education and to provide for the referral to the Secretary of the Treasury for collection under the Internal Revenue Code of 1954 of those obligations which are in repayment status.

"(b) (1) There is hereby established in the Treasury a trust fund which shall be available, without fiscal year limitation, to the Commissioner for purposes of this part. There shall be deposited in such fund amounts appropriated pursuant to paragraph (2) and all amounts collected pursuant to section 5 of the Internal Revenue Code of 1954.

"(2) There is authorized to be appropriated, for each fiscal year beginning on or after the effective date of this part, to the fund established by paragraph (1) an amount sufficient to fulfill the purposes of section 452 of this Act, not to exceed $4,500,000,000 adjusted by the inflation adjustment factors established by the Commissioner under section 454(b)(2). Such authorization shall not apply to any fiscal year which is more than two fiscal years after the fiscal year (hereinafter referred to as the 'break-even year') in which the income from the unused portion of such fund plus the amount collected pursuant to section 5 of such Code for such break-even year exceeds the amount necessary to fulfill the purposes of section 452 of this Act for such break-even year.

"ELIGIBILITY OF STUDENTS BORROWERS AND TERMS OF OBLIGATIONS

"SEC. 452. (a) An advance shall be made by the Commissioner under the provisions of this part only to a student—

"(1) who has not successfully completed a program of undergraduate education and is thirty-five years of age or younger:

"(2) who is enrolled in such a program at an eligible institution, has successfully completed the first year of such program, and is in good standing as determined by the institution; and

"(3) who is carrying at least one-half the normal fulltime academic workload as determined by the institution.

"(b) No advance made under this part to any student for any academic year shall exceed $5,000, adjusted by the inflation adjustment factors established by the Commissioner under section 454(b)(2) or the allowable tuition and expenses, whichever is less. The aggregate unpaid principal amount for all such advances made to any student shall not at any time exceed $15,000, adjusted by the inflation adjustment factors established by the Commissioner under section 454(b)(2).

"(c)(1) An advance made under this part shall be evidenced by a note or other written agreement which—

"(A) is made without security and without endorsement;

"(B) provides for disbursement of the proceeds of the advance by check, payable to the institution at which the advance recipient is in attendance, requiring endorsement by such recipient;

"(C) provides that the portion of such proceeds allocable to nontuition expenses described in subsection (d)(2) shall be paid by such institution to the advance recipient upon presentation of satisfactory evidence to the institution that such portion shall be used for such expenses;

"(D) provides for repayment in accordance with section 5 of the Internal Revenue Code of 1954 during the period in which such student is in repayment status,

"(E) provides for repayment of the total principal amount of advances under this part plus an amount equal to 50 per centum thereof, subject to the limitations contained in paragraph (2);

"(F) entitles the advance recipient to accelerate without penalty repayment of the whole or any part of the advance, plus an amount equal to 50 per centum thereof, in accordance with regulations prescribed by the Commissioner; and

"(G) contains such other terms and conditions, consistent with the provisions of this part, as may be required by the Commissioner and agreed to by the borrower.

"(2) For purposes of this subsection and section 453, an advance recipient shall be deemed to be in repayment status from the beginning of the first calendar year which begins after such recipient ceases to carry at an eligible institution at least one-half the full-time academic workload as determined by the institution and certified to the Commissioner until the earlier of (A) the beginning of the calendar year in which such borrower will become sixty-five years of age, or (B) the date on which the total principal amount of advances made to the borrower, plus an amount equal to 50 per centum of the total of such advances, is paid in full.

"(d) For purposes of subsection (b), the term 'allowable tuition and expenses' means—

"(1) the tuition charged by the eligible institution at which the borrower is enrolled plus

"(2) an amount determined, in accordance with regulations prescribed by the Secretary, as necessary to cover education-related expenses such as transportation, room, board, and materials, but not exceeding $1,000.

"COLLECTION PROCEDURES

"SEC. 453. (a) The Commissioner shall, not later than January 1 of each year, certify to the Secretary of the Treasury for each borrower in repayment status on such date an amount equal to the sum of the total principal amount of advances made to such borrower plus an amount equal to 50 per centum of such total minus the sum of any amounts collected pursuant to section 5 of the Internal Revenue Code of 1954. A copy of such certification with respect to a borrower shall be sent by the Commissioner to such borrower.

"(b) Any borrower who receives a notice of certification under subsection (a) and who believes such notice to contain an error of statement or omission, or asserts a debt for which the borrower is not obligated or to which he desires to raise a defense or excuse, shall file an objection thereto with the Commissioner within sixty days after receipt of such notice. The Commissioner shall, within thirty days of receipt of such an objection, affirm, adjust, or withdraw such certification and send notice thereof to the borrower and to the Secretary of the Treasury. Such decision shall be reviewable by an appropriate district court of the United States as a final agency decision.

"DEFINITION

"SEC. 454. (a) The term 'eligible institution' means an institution of higher education as defined in section 1201(a)—

"(1) which has not, except under circumstances certified by the Commissioner as vital to the mission and purpose of such institution, increased undergraduate enrollment—

"(A) by more than 2 per centum in any academic year beginning after the enactment of this part; or

"(B) by more than 10 per centum in all the academic years beginning after such enactment;

"(2) which has not imposed any excess charges in any academic year beginning after the date of enactment of this part, except under circumstances certified by the Commissioner as vital to the mission and purpose of such institution.

"(b)(1) For purposes of subsection (a)(2), the term 'excess charges' means any amount charged by an eligible institution for tuition which exceeds the tuition charged by such institution in the academic year which ends in the calendar year preceding the calendar year in which this section is enacted (hereinafter referred to as the 'base tuition') plus an amount equal to the sum of—

"(A) such base tuition adjusted by the inflation adjustment factors determined under paragraph (2), plus

"(B) in the case of eligible public institutions, an amount not to exceed 10 per centum of such base tuition.

For purposes of applying subparagraph (B), no additional amount of tuition at any eligible public institution shall be taken into account unless the Commissioner determines that such additional amount is available to such institution to carry out its educational purposes.

"(2) The Commissioner shall prescribe a schedule for the calculation of inflation factors for purposes of paragraph (1) for each academic year beginning after enactment of this section which shall be based upon the increase in the Consumer Price Index as determined by the Secretary of Commerce for the calendar year preceding the calendar year in which such academic year ends.".

SEC. 3. (a) Part I of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to tax on individuals) is amended by redesignating section 5 as section 6 and by inserting after section 4 the folowing new section:

"SEC. 5. TAX IMPOSED FOR REPAYMENT OF FEDERAL TUITION ADVANCES.

"(a) IMPOSITION OF TAX.—In addition to the other taxes imposed by this chapter, there is hereby imposed on the includible adjusted gross income of every Federal tuition advance recipient in repayment status for the taxable year a tax equal to the lesser of—

"(1) the amount equal to the applicable percentage of such includible adjusted gross income, or

"(2) the sum of the aggregate amount payable on all Federal tuition advances of such recipient plus an amount equal to 50 percent of such aggregate amount payable.

For purposes of paragraph (2), the aggregate amount payable on any such advance shall be determined as of the last day prescribed by law for filing the return of tax imposed by this chapter for the taxable year.

"(b) APPLICABLE PERCENTAGE.—For purposes of subsection (a), the applicable percentage with respect to any Federal tuition advance recipient in repayment status shall be determined in accordance with the following table:

[In percent]

	Annual income of recipient					
	Up to $5,000	$5,000 to $10,000	$10,000 to $15,000	$15,000 to $17,500	$17,500 to $20,000	$20,000 and above
Total tuition advance fund obligation:						
Up to $3,750	0	2	2	2	2	2
$3,750 to $5,250	0	2	2	2	2	2
$5,250 to $6,750	0	2	2	2	2	2
$6,750 to $8,250	0	2	2	2	2	2
$8,250 and up	0	2	2	2	2	2

"(c) DEFINITIONS.—For purposes of this section—

"(1) TUITION ADVANCE.—The term 'tuition advance' means any advance made pursuant to part D of title IV of the Higher Education Act of 1965.

"(2) TUITION ADVANCE RECIPIENT IN REPAYMENT STATUS.—The term 'tuition advance recipient in repayment status' means for any taxable year any individual from whom a certification has been received by the Secretary pursuant to section 453(a) of the Higher Education Act of 1965 and has not been withdrawn pursuant to section 453(b) of such Act.

"(3) INCLUDIBLE ADJUSTED GROSS INCOME.—The term 'includible adjusted gross income' means—

"(A) in the case of a single individual, the adjusted gross income of such individual,

"(B) in the case of married individuals filing a joint return under section 6013, where both spouses are tuition advance recipients, an amount equal to the adjusted gross income of such individuals,

"(C) in the case of a married individual filing a separate return, or a married individual filing a joint return under section 6013 where the spouse of such individual is not a tuition advance recipient, the greater of—

"(i) the adjusted gross income of such individual, or

"(ii) an amount equal to ½ of the sum

of the adjusted gross incomes of such individual and such individual's spouse.

"(d) SPECIAL RULES.—

"(1) TAX TREATED AS INCOME TAX.—For purposes of this title, the tax imposed by subsection (a) shall be treated, under regulations prescribed by the Secretary, as an income tax imposed by this chapter.

"(2) MARITAL STATUS.—For purposes of this section, marital status shall be determined under section 143.

"(3) CERTIFICATION BY SECRETARY OF ADVANCE AMOUNT REPAID.—The Secretary shall certify to the Commissioner of Education the amount of tax paid under subsection (a) for the taxable year with respect to each tuition advance recipient in repayment status."

(b) (1) The table of sections for such part I is amended by striking out the item relating to section 5 and inserting in lieu thereof the following:

"Sec. 5. Tax imposed for repayment of Federal tuition advances.

"Sec. 6. Cross references relating to tax on individuals."

(2) Subsection (a) of section 6012 of such Code (relating to persons required to make returns of income) is amended by striking out "and" at the end of paragraph (6), by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(8) Every individual who, at the close of the taxable year, is a Federal tuition advance recipient in repayment status (as defined in section 5(c)(2))."

(3) Subsection (a) of section 3402 of such Code (relating to income tax collected at source) is amended before the period in the third sentence by inserting "and to reflect an additional amount of tax to be deducted and withheld by reason of the tax imposed by section 5".

(c) (1) The amendments made by this section shall apply to taxable years ending on or after the first day of the first calendar year beginning after the date of the enactment of this Act.

(2) The amendment made by subsection (b) (3) shall apply to wages paid on or after the first day of the first calendar year beginning after the date of the enactment of this Act.

SEC. 4. For the purpose of section 17 of the Bankruptcy Act, any tax imposed by section 5 of the Internal Revenue Code of 1954 shall be deemed to be a tax which became legally due and owing by the bankrupt to the United States within three years preceding bankruptcy.

SEC. 5. The Secretary of the Treasury and the Commissioner of Education shall, not later than January 15 of each year, submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate any recommendations for changes in the rates or methods of collection of the taxes imposed by section 5 of the Internal Revenue Code of 1954 that may be necessary to insure the continued solvency and availability of the trust fund established pursuant to section 451(b)(1) of the Higher Education Act of 1965.

SEC. 6. The Tuition Advance Fund shall terminate 10 years after the effective date of this Act unless prior to that date a law has been enacted which continues the Program.●

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill introduced by Senator DURKIN amending the Higher Education Act and the Internal Revenue Code be referred jointly to the Committee on Finance and the Committee on Labor and Human Resources.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object for just one moment—I find I have no objection. I understand it has been cleared.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. GOLDWATER (for himself, Mr. DECONCINI, Mr. DOLE, and Mr. LAXALT):

S.J. Res. 82. A joint resolution to designate the week commencing with the third Monday in February of each year as "National Patriotism Week"; to the Committee on the Judiciary.

NATIONAL PATRIOTISM WEEK

● Mr. GOLDWATER. Mr. President, it is my privilege today to introduce legislation providing for National Patriotism Week. I am joined in the proposal by my colleague from Arizona (Mr. DECONCINI), the Senator from Nevada (Mr. LAXALT), and the Senator from Kansas (Mr. DOLE).

Mr. President, the resolution would designate the 7-day period beginning with the third Monday in February of each year as a week when Americans, especially young people, can join together in expressing their pride in their Nation and their freedoms.

It is a special pride to me that the idea originated with an Arizonan, Miss Lori Cox of Scottsdale, who is now a junior at Arizona State University. The distinctive feature of the proposal is its emphasis on permitting young Americans to rededicate themselves to the highest values of the Nation. It is true that there is a Veterans Day, a Flag Week, and Fourth of July ceremonies. These each involve particular aspects of patriotism. But there is no time set aside especially for the expression and encouragement of patriotism among young people during the school year.

Therefore, the resolution we are introducing today sets aside a week when schoolchildren can concentrate on the achievements and greatness of their country. The resolution encourages primary and secondary schools to adopt an appropriate curriculum for the week, and I would hope that schools in all States would be willing to do this voluntarily.

Mr. President, the resolution recognizes the fact that the future of our country lies in the hands of our youth and in their understanding of the history and values of the United States.

In one of his Presidential messages, George Washington said that liberty presupposes an educated and responsible people who are watchful of their rights, but respectful to the laws. Providing for a Patriotism Week will help to foster the exact qualities which Washington considered necessary to a free people.

To some extent, observance of a National Patriotism Week may help revive the "Spirit of 1776" by which our original Patriots believed so strongly that the American people are unique in their character, their opportunity, and their mission.

Mr. President, I know the great majority of Americans still retain their confidence in our principles, traditions, and future, and I am proud to introduce legislation which may assist them in expressing that confidence. I ask unanimous consent that the resolution may be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 82

Whereas the freedom known in this country was won through great sacrifice and long tribulation; and

Whereas similar sacrifices have been made by the citizenry of the United States to extend liberty and well-being to other nations of the world; and

Whereas it is altogether fitting and proper to recognize such great freedoms, and to honor so great a nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week commencing with the third Monday in February of each year is hereby designated as "National Patriotism Week".

SEC. 2. The President is authorized and requested to issue annually a proclamation—

(1) calling upon the people of the United States to commemorate National Patriotism Week with appropriate celebrations and observances;

(2) encouraging primary and secondary schools to adopt an appropriate curriculum for that week including such elements as the study of the Pledge of Allegiance and the national anthem, national symbols, seals, and mottos, and national monuments, heroes, and accomplishments; and

(3) requesting each Federal agency to recognize such week by taking such action as it may deem appropriate.●

ADDITIONAL COSPONSORS

S. 252

At the request of Mr. GLENN, the Senator from Iowa (Mr. CULVER) was added as a cosponsor of S. 252, the Antiarson Act of 1979.

S. 294

At the request of Mr. MATHIAS, the Senator from Kentucky (Mr. HUDDLESTON), was added as a cosponsor of S. 294, a bill to repeal the social security offset provision.

S. 330

At the request of Mr. HART, the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 330, the Veterans' Administration Adjudication Procedure and Judicial Review Act.

S. 344

At the request of Mr. STAFFORD, the Senator from Tennessee (Mr. BAKER) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 344, a bill to amend section 131, title 23, United States Code.

S. 377

At the request of Mr. ROTH, the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 377, a bill to establish as an executive department of the Government of the United States a Department of International Trade and Investment.

S. 414

At the request of Mr. Bayh, the Senator from Massachusetts (Mr. Tsongas) was added as a cosponsor of S. 414, the University and Small Business Patent Procedures Act.

S. 446

At the request of Mr. Williams, the Senator from Connecticut (Mr. Weicker) was added as a cosponsor of S. 446, the Equal Employment Opportunity for the Handicapped Act of 1979.

S. 451

At the request of Mr. Schweiker, the Senator from Pennsylvania (Mr. Heinz) was added as a cosponsor of S. 451, the Diabetes Research and Training Amendments and the National Diabetes Advisory Board Extension Act.

S. 460

At the request of Mr. Stafford, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 460, a bill to encourage bicycling and physical fitness by assuring greater safety for bicycles parked at Federal office buildings.

S. 555

At the request of Mr. Morgan, the Senator from Alaska (Mr. Stevens) and the Senator from Texas (Mr. Bentsen) were added as cosponsors of S. 555, a bill to amend the tax laws of the United States to encourage the preservation of independent local newspapers.

S. 575

At the request of Mr. Hatch, the Senator from New Hampshire (Mr. Humphrey) was added as a cosponsor of S. 575, the Freedom From Quotas Act of 1979.

S. 587

At the request of Mr. Schweiker, the Senator from California (Mr. Hayakawa) was added as a cosponsor of S. 587, the Food Additive Safety Amendments of 1979.

S. 590

At the request of Mr. Javits, the Senator from Ohio (Mr. Metzenbaum) and the Senator from Arizona (Mr. DeConcini) were added as cosponsors of S. 590, the Clinical Laboratory Improvement Act of 1979.

S. 604

At the request of Mr. Hatch, the Senator from Wisconsin (Mr. Proxmire) was added as a cosponsor of S. 604, the Small Business Paperwork Cost Reimbursement Act of 1979.

S. 691

At the request of Mr. Danforth, the Senator from Maine (Mr. Cohen), was added as a cosponsor of S. 691, a bill to prohibit the use of appropriated funds to lobby members of state legislatures and legislative bodies of political subdivisions.

S. 720

At the request of Mr. Durkin, the Senator from Washington (Mr. Magnuson) was added as a cosponsor of S. 720, to amend the IRC to make certain woodburning equipment eligible for the residential energy tax credit.

S. 731

At the request of Mr. Schweiker, the Senator from Utah (Mr. Hatch) was added as a cosponsor of S. 731, a bill to amend titles XVIII and XIX of the Social Security Act to strengthen the capabilities of the States and the Federal Government to detect medicaid fraud and abuse.

S. 737

At the request of Mr. Stevenson, the Senator from Wisconsin (Mr. Proxmire), the Senator from Michigan (Mr. Riegle), the Senator from Massachusetts (Mr. Tsongas), and the Senator from Iowa (Mr. Jepsen) were added as cosponsors of S. 737, the Export Administration Act of 1979.

S. 816

At the request of Mr. Hayakawa, the Senator from Montana (Mr. Baucus) was added as a cosponsor of S. 816, to amend the Social Security Act as it relates to legal aliens.

S. 950

At the request of Mr. Durkin, the Senator from Montana (Mr. Baucus) was added as a cosponsor of S. 950, the Omnibus Solar Commercialization Act.

S. 955

At the request of Mr. Helms, the Senaator from Idaho (Mr. McClure) and the Senator from California (Mr. Hayakawa) were added as cosponsors of S. 955, the taxpayer's bill of rights.

S. 1060

At the request of Mr. Chiles, the Senator from Michigan (Mr. Riegle) and the Senator from Arkansas (Mr. Bumpers) were added as cosponsors of S. 1060, to provide food stamps for the elderly.

S. 1121

At the request of Mr. Hayakawa, the Senator from North Dakota (Mr. Young), the Senator from North Carolina (Mr. Morgan), the Senator from Texas (Mr. Tower), the Senator from Utah (Mr. Garn), the Senator from Idaho (Mr. McClure), the Senator from Alabama (Mr. Heflin), the Senator from Mississippi (Mr. Cochran), and the Senator from Alaska (Mr. Stevens) were added as cosponsors of S. 1121, a bill to amend the Saccharin Study and Labeling Act.

S. 1163

At the request of Mr. Dole, the Senator from Minnesota (Mr. Boschwitz) was added as a cosponsor of S. 1163, a bill to repeal the carryover basis provisions.

S. 1174

At the request of Mr. Stone, the Senator from North Carolina (Mr. Morgan) was added as a cosponsor of S. 1174, to amend the Agricultural Trade Development and Assistance Act to increase the uses and effect of U.S. food aid.

SENATE JOINT RESOLUTION 43

At the request of Mr. Durkin, the Senator from Connecticut (Mr. Weicker) was added as a cosponsor of Senate Joint Resolution 43, to proclaim March 21, 1980, as "National Energy Education Day."

SENATE JOINT RESOLUTION 81

At the request of Mr. Baucus, the Senator from North Dakota (Mr. Young), the Senator from Oregon (Mr. Packwood), and the Senator from Michigan (Mr. Levin) were added as cosponsors of Senate Joint Resolution 81, to require the Milwaukee Railroad to continue service.

SENATE RESOLUTION 166—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. JACKSON, from the Committee on Armed Services, reported the following resolution, which was referred to the Committee on the Budget:

S. Res. 166

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 673, a bill to authorize appropriations to the Department of Energy for national security programs for fiscal year 1980 and fiscal year 1981, and for other purposes.

Such waiver is necessary to permit the consideration of legislation authorizing new budget authority for fiscal year 1980 for national security programs of the Department of Energy. The Committee on Armed Services and the Committee on Energy and Natural Resources were unable to consider and dispose of the proposed legislation prior to May 15, 1979, because of the unusually heavy legislative workload of the committees early in the session.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to S. 673 as reported by the Committee on Armed Services.

SENATE RESOLUTION 167—SUBMISSION OF A RESOLUTION COMMENDING BROADCASTERS FOR TELEVISION PROGRAMING FOR THE DEAF

Mr. PERCY submitted the following resolution, which was referred to the Committee on Commerce, Science, and Transportation:

Senate Resolution 167

Whereas, Joseph A. Califano, Secretary of Health, Education and Welfare, recently announced that broad scale closed-captioned TV programing is now technologically feasible:

Whereas, the Public Broadcasting Service is primarily responsible for developing the technology which will soon make a variety of closed-captioned TV programs available to members of the public who are deaf or hearing-impaired;

Whereas, three major broadcasting systems, the American Broadcasting Company, the National Broadcasting Company, and the Public Broadcasting Service, have agreed to buy up to 20 hours of closed-captioned programing each week for prime time showing from the newly-incorporated National Captioning Institute;

Whereas, it is anticipated that the actions of these three networks will enable approximately 14 million deaf and hearing-impaired Americans to enjoy prime time closed-captioned television programs by early 1980; and

Whereas, this communications breakthrough for the deaf and hearing-impaired would not have been possible without the enthusiastic and dedicated efforts of the American Broadcasting Company, the National Broadcasting Company, and the Public Broadcasting Service: Now, therefore, be it

Resolved, That the Senate commends the American Broadcasting Company, the National Broadcasting Company, and the Public Broadcasting Service, for their concerted efforts to bring millions of deaf and hearing-impaired persons into the mainstream of American life by committing a significant portion of the resources of their respective industries to prime time closed-captioned TV programing.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the General Managers of the American Broadcasting Company, the National Broadcasting Company, and the Public Broadcasting Service.

Mr. PERCY. Mr. President, I am pleased today to submit a resolution commending the American Broadcasting Co., the National Broadcasting Co., and the Public Broadcasting Service for the work they plan to do in the area of closed-captioned television programing for the deaf and hearing impaired. I would also like to thank at this time all of my colleagues on the Senate Special Committee on Aging (Messrs. CHILES, DOMENICI, BRADLEY, BURDICK, CHURCH, COHEN, GLENN, HEINZ, Mrs. KASSEBAUM, MESSRS. MELCHER, and PRYOR) who have jonied me as original sponsors of this Senate resolution.

HEW Secretary Califano's recent announcement that the Public Broadcasting Service, with the assistance of funding from the Department, has developed the technology which will make closed-captioned television programing a reality is welcome news to the 14 million deaf and hearing-impaired Americans expected to enjoy prime time closed-captioned programs by early 1980. This technological feat represents a significant communications breakthrough for these millions of deaf and hearing-impaired persons.

Even more encouraging, however, is the news that the American Broadcasting Co., the National Broadcasting Co., and the Public Broadcasting Service have agreed to buy up to a total of 20 hours of captioning per week from the newly incorporated National Captioning Institute (an independent nonprofit organization) which will caption programs for broadcasting. The Institute, which will receive start up funds from the Department of Health, Education, and Welfare, will ultimately be self-supporting. It will be headquartered in the Washington, D.C., area, and a companion office will be set up near Los Angeles next fall to serve network and production operations in that area.

This communications breakthrough for the deaf and hearing impaired would not have been possible without the enthusiastic and dedicated efforts of the American Broadcasting Co., the National Broadcasting Co., and the Public Broadcasting Service. At this time, I would like to wholeheartedly thank and commend these networks for their concerted efforts to bring millions of deaf and hearing-impaired persons into the mainstream of American life by committing a significant portion of the resources of their respective industries to prime time closed-captioned television programing. I look forward to prompt and favorable consideration of this commendatory resolution by my Senate colleagues.

SENATE RESOLUTION 168—SUBMISSION OF A RESOLUTION TO PROTECT THE AMERICAN LEATHER TANNING INDUSTRY

Mr. DURKIN submitted the following resolution, which was referred to the Committee on Finance:

S. RES. 168

Whereas, the American leather tanning industry is suffering severe damage as evidenced by a $2.5 billion trade deficit in the hide, leather, and leather products sector, the closing of over 700 plants, resulting in the loss of over 76,000 jobs over the course of a recent eight year period,

Whereas, the supply of this vital raw material is dropping at a rate of 7% per annum, and will continue to decline within the context of the cyclical nature of the ten year cattle supply pattern,

Whereas, the industry is experiencing astronomical price increases in its basic material including 50 percent in the last year,

Whereas, the United States is the only supplier of cattlehides in the world which allows unrestricted access to this limited resource, exporting 62 percent of our nation's supply of this finite raw material in 1978 alone,

Whereas, the United States' present export policy persists in encouraging exports of cattlehides in a time of scarcity, by continuing to make it fiscally advantageous to sell for export, placing domestic buyers at a competitive disadvantage, a situation exacerbated by a weak U.S. dollar on the world financial exchange,

Whereas, the problems of supply and inflation within the industry worsened to such a degree that the tanneries of America face extinction,

Whereas this would have a detrimental, rippling economic effect, negatively impacting the footwear, glove, and leather products manufacturing industries, therefore, be it,

Resolved, That it is the sense of the Senate that the President, in accord with the office of the Special Trade Representative, must proceed with diligence and expediency in establishing a formal program which addresses itself to the shortages of supply, and inequities in international trade which plague the American tanning industry, with the understanding and intent that an adequate supply of this scarce raw material must be made available to domestic purchasers.

● Mr. DURKIN. Mr. President, I was concerned to read recently that the Prime Minister of Japan, in response to queries on Japan's refusal to lower its trade barriers, felt confident in declaring, "I cannot believe the U.S. Congress will be inclined toward taking protectionist measures."

Frankly, I am not sure the Prime Minister's assessment of the mood of Congress and the American people is accurate.

The failure of Japan to reciprocate in making the same trade concessions that have been exacted of the other participants in the Multilateral Trade Negotiations concluded in Geneva is a classic case of their wanting to have their cake and eat it too. I believe that the Japanese Prime Minister has seriously underestimated the mood of this Congress if he believes that we will not protect what is in our national economic interest.

The damage being perpetrated on the homefront in the name of free trade, so that Japanese cars can be assured a resting place in American driveways, is an affront to our manufacturing sector. Japan is by no means alone in its guilt, but merely representative of the inequities which currently exist in international trade.

It is impossible for U.S. industry to operate under a set of free market rules while competitors operate under completely different conditions. Such an imbalance is affecting the very viability of the American tanning industry.

Eight years ago, Argentina banned exports of raw hides, and since that time they have ordered an almost complete embargo on the export of tanned leathers, assuring their internal market of an uninterrupted supply source, at a controlled price. Following Argentina's lead the other cattle producing countries, located in South America and parts of Africa, Asia, and Europe, adopted a similar policy of severely constricting the export of raw hides. This leaves the United States in the untenable position of being the only major supplier of this vital raw material which continues to allow unrestricted access to its internal marketplace.

In the last year alone, the United States exported 62 percent of its cattle slaughter. Japan singularly consumed over 20 percent of our total supply, or 8.8 million cattle hides. Simultaneously, the Japanese refused to dismantle its barriers to allow the importation of tanned leathers. In other words, the largest buyers of American cattle hides maintain highly restrictive quotas on the import of tanned leathers and leather products, only to turn around and sell these same items on the American market.

There are no easy answers or instant remedies to be found for increasing the availability of this limited supply. The cattle slaughter supply is on the downswing in a 10-year cycle, and the supply cannot be expected to peak again until 1986. However, given present administration policy, by the time nature comes to the rescue, we can be assured that the American tanning industry will barely be alive.

The U.S. leather industry is hemmed in on all sides. Lending institutions are institutions are increasingly reluctant to continue financing an industry in decline; the chemical companies which furnish the tanning industry with dyes are resistant to developing new technologies; and tanners themselves are questioning the advisability of making long-term investments for pollution control devices and other expensive equipment. They can neither keep pace with the technological advances, nor afford to buy their basic raw material. Our export policy, or more appropriately, nonpolicy, on cattle hides is accelerating the industry's decline.

I believe in free trade, but free trade means fair trade, and this is clearly not what we have today. It is sheer economic insanity to continue to support a trade policy which undermines our domestic manufacturers, allowing unrestricted access to a limited supply, when we do not demand reciprocity in the world marketplace.

I refuse to watch silently as an American industry's livelihood becomes a pawn in the stratagem of international trade. The American tanning industry must survive as a viable manufacturing sector, and we must make every conscious effort to address ourselves to the gravity of their situation.

Today, I am submitting a resolution calling on the President, through his Special Ambassador for Trade, Robert Strauss, to develop expeditiously a program to deal with the cattle hide problem. The workers and business men and women in New Hampshire and across the country in the tanning industry deserve no less.●

SENATE RESOLUTION 169—SUBMISSION OF A RESOLUTION RELATING TO THE HEW REPORT ON IN-HOME SERVICES

Mr. COHEN (for himself, Mr. Chiles, Mrs. Kassebaum, Mr. Domenici, Mr. Heinz, Mr. Dole, Mr. Percy, Mr. Church, Mr. Bradley, Mr. Burdick, Mr. Packwood, Mr. Glenn, Mr. Pryor, and Mr. Melcher) submitted the following resolution, which was referred to the Committee on Finance:

S. Res. 169

Whereas, section 18 of the Medicare-Medicaid Anti-Fraud and Abuse Amendments (Public Law 95-142) directed the Secretary of Health, Education, and Welfare to report to the Congress within one year of enactment with respect to all aspects of the delivery of home health and other in-home services authorized to be provided under titles XVIII, XIX, and XX of the Social Security Act;

Whereas, the Secretary failed to submit such report in a timely fashion;

Whereas, the Secretary failed to include in such report recommendations for legislation with respect to home health and other in-home services, including the reasons for such recommendations, an analysis of the impact of implementing such recommendations on the cost of such services and the demand for such services, and the methods of financing any recommended increased provision of such services under such titles, as required by such section; and

Whereas, the Senate has expressed its will with regard to the need for expanded opportunities for receipts of home health and other in-home services, including the passage of medicare amendments to H.R. 5285 in the 95th Congress: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the report of the Secretary of Health, Education, and Welfare entitled "Report on Home Health Services Under Titles XVIII, XIX and XX" is not responsive to the requirements of section 18 of the Medicare-Medicaid Anti-Fraud and Abuse Amendments (Public Law 95-142); and

(2) such report be returned to the Secretary with the direction that it be revised to comply with the requirements of such section, including the requirement that recommendations for legislation be submitted, and that such report be returned to the appropriate committees of the Congress not later than September 1, 1979.

● Mr. CHILES. Mr. President, today I and a number of my colleagues are submitting a resolution to express the sense of the Senate that an HEW report on home health services recently submitted to Congress does not comply with the original legislative mandate, and that it be returned to the Secretary with a direction to resubmit a new report.

Two years ago, under Public Law 95-142, Congress asked the Department of Health, Education, and Welfare to make a comprehensive analysis of future directions for home health care services currently funded under medicare, medicaid, and title XX of the Social Security Act. The law asked specifically for an analysis of options available for expansion and management of home health services and for legislative recommendations. The extent was clearly to enlist the expertise of the Department to help us set some goals in home health care for our rapidly growing elderly and chronically ill population.

The report which was delivered to Congress, however, does not provide us with any assistance.

The Department acknowledges many of the serious problems we are facing in the development of home health services, and agrees that early action on a sound Federal policy on long-term care and home health care is essential.

The Department declines, however, to discuss any options for change, or offer any recommendations, on the basis of "budgetary restraints" and "insufficient information."

This response is not acceptable. The facts are that we have been talking about developing these services and building a system of community-based health care for older Americans for almost 20 years.

Major proposals for change have been made. The Department has never given these urgent problems the attention they deserve.

Representatives of HEW were given a chance to respond to these concerns about the report—on 2 separate days of hearings before the Committee on Aging on May 7 and May 21, and before the Finance Committee on May 21. That response has not been adequate either.

We are asking the Department to reconsider, develop the expertise it needs, and present Congress with long-range options for fashioning a comprehensive policy on long-term care and home health care. This may be an unprecedented step, but the needs are too great to allow such inattention and delay to continue.●

AMENDMENTS SUBMITTED FOR PRINTING

VETERANS' ADMINISTRATION HEALTH RESOURCES AND PROGRAM EXTENSION ACT OF 1979—S. 1039

AMENDMENT NO. 206

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to S. 1039, a bill to amend title 38, United States Code, to extend and revise a program of grants to State homes for veterans and to extend and expand a program of exchange of medical information, and for other purposes.

● Mr. HUMPHREY. Mr. President, I am today submitting an amendment to S. 1039, the Veterans' Administration Health Resources and Program Extension Act of 1979. My amendment will delete three benefit-reducing provisions of S. 1039.

Let there be no misinterpretation of what S. 1039 contains. S. 1039 means reduced benefits for thousands of needy veterans.

While there are many good provisions in this bill, such as the new chiropractic section which will provide this needed service to our Nation's veterans, I must point out the cuts which will be a hardship on many veterans. These cuts are in the areas of travel reimbursement, 1-year dental care after service discharge, and over-the-counter (OTC) drugs.

The travel reimbursement limitation section would require even the poorest veterans to pay the first $25 for travel to VA facilities during the year, 50 percent of the next $150 in travel expenses, and the VA would pay for travel expenses above that. This means that veterans in difficult financial circumstances—except the very poorest, those who receive $3,550 or less—will have to pay up to $100 per year for travel to VA facilities. Is this any way to treat the veterans who served this country so well? Cutting travel reimbursement will be a great hardship to many veterans.

S. 1039 also proposes to eliminate free nonprescription drugs to nonpensioned veterans. Veterans who are poor—except the very poorest, those receiving less than $3,550—will no longer be eligible for free OTC drugs. This removal of an existing benefit is a cruel betrayal of those who have risked their lives and limbs in this country's defense. In these inflationary times, when the prices of drugs are climbing, elimination of the free OTC drugs benefits is a callous action.

Yet another cut is proposed in S. 1039. Currently, a veteran is eligible for necessary dental services from a civilian dentist for 1 year after discharge. Section 203 would limit this dental care to 6 months rather than 1 year. The small savings that would result from this cut in an existing benefit does not equal the unfairness in such a cut. A veteran who has served his country should not be denied an existing benefit just to cut costs.

The veterans' organizations are clear in their message to the Senate on these cuts. The American Legion opposes them. The Disabled American Veterans opposes them. The Veterans of Foreign Wars opposes them. The Paralyzed Veterans of America opposes them. Let us be fair to the Nation's veterans and not go back on our promise to them.

The committee proposes tying the cost-savings realized by these benefit-reducing provisions to the maintenance of adequate VA health-care personnel levels. S. 1039 requires the Office of Management and Budget to quarterly certify that the VA has been allocated a sufficient personnel ceiling; without this certification, the cost-savings provisions lapse. This is absurd. First of all, our veterans deserve better treatment. Their benefits should not be bargaining chips for maintenance of adequate health care. We must not ask our veterans to sacrifice one benefit for something they already have earned—a good health care system.

Second, what incentive would there be for OMB to comply with this requirement? I assure my colleagues that there is none. I feel sure that OMB could juggle numbers and satisfy this certification requirement. The big losers in this game would be the veterans.

We can afford to fund existing veterans' benefits, if we order our priorities properly. Clearly, the debt we owe our veterans should be a high priority.

I urge my colleagues to support this amendment.●

TENNESSEE VALLEY AUTHORITY ACT AMENDMENTS OF 1979—S. 436

AMENDMENT NO. 207

(Ordered to be printed and to lie on the table.)

Mr. FORD submitted an amendment intended to be proposed by him to S. 436, a bill to amend section 15(d) of the Tennessee Valley Authority Act of 1933 to increase the amount of debt which may be incurred by the Tennessee Valley Authority.

Mr. FORD. Mr President, today I am submitting an amendment to S. 436 which I shall call up when that bill is pending. S. 436 increases the bonding limit of the Tennessee Valley Authority from $15 to $30 billion.

My amendment is identical to S. 970 introduced on April 10 with the Senator from Alabama (Mr. STEWART) as cosponsor. My amendment increases the membership of TVA's board of directors from three to five and sets residence requirements for some of its members.

Mr. President, I had hoped that the Committee on Environment and Public Works would have considered S. 970 with other TVA legislation in the last 6 weeks. I hoped in vain. It has suffered the same fate as a similar bill that I introduced on September 4, 1975.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 207

That section 2(a) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831a(a)) is amended (1) by inserting "(1)" after "(a)", (2) by striking out "three members" and inserting in lieu thereof "five members", and (3) by inserting at the end thereof the following:

"(2) The terms of office of the two additional members initially appointed pursuant to amendments made by the Tennessee Valley Authority Act Amendments of 1979 shall expire as designated by the President at the time of nomination, one at the end of the sixth year, and one at the end of the ninth year, after the date of such amendments. After such date of enactment appointments to the board shall provide three members on the board at all times who at the time of appointment were residents of states consuming power produced by the Corporation.".

(b) Section 2(d) of such Act is amended by striking out "two members" and inserting in lieu thereof "three members".

Amend the title to read:

A bill to amend section 15(d) of the Tennessee Valley Authority Act of 1933 to increase the amount of debt which may be incurred by the Tennessee Valley Authority, and for other purposes.

WATER RESOURCES DEVELOPMENT ACT OF 1979—S. 703

AMENDMENT NO. 208

(Ordered to be printed and referred to the Committee on Environment and Public Works.)

Mr. MAGNUSON (for himself and Mr. JACKSON) submitted an amendment intended to be proposed by them, jointly, to S. 703, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

GRAYS HARBOR

● Mr. MAGNUSON. Mr. President, for myself and my colleague (Mr. JACKSON), I submit an amendment to authorize the U.S. Army Corps of Engineers to provide navigation improvements to the Grays Harbor, Wash., project.

Grays Harbor is located midway on the coastline of the State of Washington, between the Columbia River and the Straits of Juan de Fuca.

It has historically been one of our leading west coast ports. Improved navigation facilities, as provided in this legislation, would result in maritime commerce coninuing to develop on Grays Harbor.

Last year, when the Public Works Committee reported the river basins authorization bill, it provided for a phase I study of the Grays Harbor project in accordance with the Chief of Engineers' report on December 22, 1977. Circumstances surrounding the project have changed considerably since that time.

On March 15 of this year OMB returned the Chief's report to the Secretary of the Army with instructions to resolve specific deficiencies before the report is transmitted to Congress for authorization.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C. March 15, 1979.

Hon. CLIFFORD ALEXANDER,
Secretary of the Army,
Washington, D.C.

DEAR MR. SECRETARY: Deputy Under Secretary Michael Blumenfeld's letter of January 16, 1979, submitted a report of the Chief of Engineers on Grays Harbor from Outer Bar to Cosmopolis, Washington, in accordance wtih Section 1-107 of Executive Order 12113 and requested information as to the relationship of the report to the program of the President.

The Chief of Engineers in his discussion of the report of the Board of Engineers for Rivers and Harbors notes that:

1. Sufficient information has been developed to show that channel enlargement would be economically justified but that the channel depths which maximize net economic benefits may be as much as 5 feet less than the reporting officers' recommendations;

2. The recommended channel dimensions may be substantially greater than those required for safe navigation at Grays Harbor and they appear to exceed traditional Corps of Engineers design standards;

3. The report of the Fish and Wildlife Service is the first part of a two stage report; the second stage is to be accomplished during Phase I planning.

We believe that deficiencies of the kind described above should be resolved before reports are transmitted to the Congress for authorization as a matter of general policy. We are, therefore, returning the report for appropriate further study which we understand can begin immediately with available funds. We also believe that the revised report should be submitted to the Board for its views when the deficiencies are corrected.

Sincerely,

ELIOT R. CUTLER,
Associate Director for
Natural Resources, Energy and Science.

Mr. MAGNUSON. Mr. President, the corps has now returned the report on Grays Harbor to the North Pacific Division Engineer with direction to resume studies leading to a recommendation for construction authorization. The preliminary estimate is that revision of the report will be completed in fiscal year 1981, and will be of essentially the same scope as would have been undertaken in a phase I study.

Mr. President, the economic growth of the Far East market has generally expanded. The economic potentials of the Grays Harbor area have been held back by navigation limitations. A phase I authorization on the Grays Harbor project will only result in further duplication and delay. It is going to be done eventually. I hope, therefore, that the Public Works Committee will find this legislation acceptable.●

● Mr. JACKSON. Mr. President, I am pleased to join with my colleague Senator MAGNUSON in offering this amendment to authorize the U.S. Army Corps of Engineers to provide navigation improvements to the Grays Harbor, Wash., project.

I believe it is important to note that the corps has been studying the feasibility of deeper draft on Grays Harbor since 1966. Economic potentials of the area are now being held back by navigation limitations—limitations that would be removed by this project allowing for maritime commerce to continue to develop on Grays Harbor.

It is also important to note that these navigation improvements will provide opportunities to diversify maritime commerce through handling of new types of bulk commodities.

The opportunities that deeper draft in Grays Harbor would provide to the economy of this region has been given careful consideration. A nationally significant "Estuary Management Plan" is being prepared by a joint local-State-Federal agency task force. Grays Harbor has sufficient zoned industrial land to take full advantage of improved navigation facilities. The plan, however, also provides for a balance in this estuary between development and nondevelopment.

The economic growth of the Pacific Rim countries is expanding and Pacific Northwest ports must play an increasingly important role in the future.

I join Senator MAGNUSON in urging the Public Works Committee to act favorably on this amendment.●

NOTICES OF HEARINGS

CONFERENCE ON S. 7

● Mr. CRANSTON. Mr. President, I announce for the information of the Senate and the public that the House-Senate conference on S. 7, the proposed Veterans' Health Care Amendments of 1979, is scheduled for 2:30 p.m., Wednesday, May 23, 1979, in room S–126 of the Capitol Building, rather than in room S–146 as previously announced.●

SUBCOMMITTEE ON INTERNATIONAL FINANCE

● Mr. STEVENSON. Mr. President, I announce that the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs will hold a hearing at 2 p.m. on Thursday, May 24, on U.S. loans to Zaire. The U.S. Government and U.S. commercial banks have loaned billions of dollars to the Republic of Zaire. Nearly all the loans are in default despite repeated rescheduling and refinancing of Zaire's debt. Despite uncertainty about the Government of Zaire's willingness to reform and stabilize its economy and its ability to repay its debts, the Export-Import Bank is proposing another $93 million in credit to Zaire for construction of the Inga-Shaba electric transmission line. This is the second cost overrun on the Inga-Shaba project. Construction of the 1,100-mile transmission line is now expected to cost twice as much and take twice as long as was estimated in 1973 when Eximbank extended a $239 million loan to Zaire for the project. The copper mining facilities may not be in condition to use the power once it reaches Shaba, and the line itself, together with the Inga hydroelectric generating equipment, may deteriorate before the electricity begins to flow so that the system can never be put into operation.

The International Finance Subcommittee will review the Bank's proposal, together with other public and private credit to Zaire, at the hearing on May 24. The hearing will begin at 2 p.m. in room 5302 of the Dirksen Senate Office Building. Persons wishing to submit testimony or desiring additional information may contact Robert W. Russell, Counsel to the International Finance Subcommittee, at (202) 224–0819.●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate today in order to hold a markup session on S. 428, the Department of Defense fiscal year 1980 authorization bill.

The PRESIDING OFFICER Without objection it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate today in order to hold a hearing on spent fuel from civilian nuclear powerplants.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

EDUCATING CHILDREN TO FEEL EQUAL

● Mr. COHEN. Mr. President, the quality of education is an issue of increasing concern in America today. We hear regularly of high school graduates who cannot read, of schools that are armed fortresses, and of educational programs that are not meeting student needs.

Only a few years ago, open classrooms were to revolutionize education in America. We are now in a back-to-basics movement. Still, problems remain. The feeling persists that we need to revitalize our educational system.

One man is doing something toward that end. Joseph Gauld, founder and headmaster of the Hyde School in Bath, Maine, has developed a program to teach "values for life, a sense of self-worth, of purpose, in addition to skills and knowledge."

Gauld's view is that "the present educational system teaches children narrow competitive values and selfish goals, including how to cheat the system and succeed on its terms." He feels it also debases teachers, who "feel so embattled and without direction, they spend a lot of their energy trying to unionize." At the same time, he sees the present system driving parents "to become ridiculously intense" about artificial measures like grades, where their children go to college, and the like, while being less concerned about the real content of what their children are learning.

At Hyde School, Gauld has followed a different approach. He says:

> His approach follows basic American tenets for genuine education . . . we try to base everything on this principle—the equality of children in school.

The Hyde School program has been designed on the premise that each child has a unique potential. Its curriculum is "the development of character—courage, integrity, concern for others, curiosity, leadership."

Gauld feels that decisive national action is needed to jar the American education system out of its inch-by-inch mentality. This must be done, he says, in order to "unleash the powerful untapped potentials in our children, all of our children. Every good teacher and parent knows they are there. Every child should know it too."

In a May 20 Washington Post article, "Educating Children To Feel Equal," Gauld outlined his views on education in this country and told of the success of his program at Hyde School. Some of the examples he cited reflect the potential of his approach.

All who are concerned about what this Nation is doing to educate its youth should read Joseph Gauld's piece. I commend it to your attention and request that it be printed in the Record.

The article follows:

EDUCATING CHILDREN TO FEEL EQUAL

(By Joseph W. Gauld)

For a number of years as a private school teacher, I was part of a team turning out "the best and the brightest," the kids who grow up to lead this country. I knew that something was terribly wrong. I knew we were dampening, even crushing, the natural spirit of many good young people. Yet we were also failing the most talented children, giving them false signals of superiority instead of challenging their minds.

I remember a tough, wiry kid named Phil who worked twice as hard as anyone else, but was deeply discouraged by his D in calculus. I tried to tell him that competitive grades in school don't mark one for failure. I was right: Phil turned into a successful consulting engineer.

I also taught Robert, a 14-year-old genius who was pampered by schools in awe of his natural abilities. Robert graduated from MIT at 18 with an A average, knowing little about himself. Eight years ago, he suffered a nervous breakdown and hasn't worked since.

Phil and Robert are two examples of the contradiction that is at the heart of American education. It is a system that erects complicated tests and measurements to grade our young people—yet we know that there is no correlation between a happy, fulfilling life and the grades given a child in high school or college.

As one teacher who is worried for his country, I say our present system is un-American. It fails to foster the democratic spirit. It is unfair. It favors those who have the right kind of test scores and batters the rest. It is not working, not producing the kinds of educated young people America needs.

Now, as an educator, I am following a different approach, one which follows basic American tenets for genuine education. At the Hyde School in Bath, Maine, which I founded in 1966, we try to base everything on this principle—the equality of children in school.

At Hyde, we assume that each kid does have a unique potential, and we designed our school on that premise. The curriculum I chose was the development of character—courage, integrity, concern for others, curiosity, leadership. Schools have always claimed to teach this, but we believe it has made a revolution in the traditional, narrow roles we usually give to student, teacher and parent.

The present system drives parents to become ridiculously intense about these artificial measurements, about where their child ranks and where he goes to college and so forth. But how many parents care—genuinely and constantly—about the real content of what their children are learning? Ask any teacher.

I am not talking about a "back to basics" curriculum fad. I am talking about teaching values for life, a sense of self-worth, of purpose, in addition to skills and knowledge. The present educational system teaches children narrow competitive values and selfish goals, including how to cheat the system and succeed on its terms. Ask any teacher.

This system debases teachers too. They feel so embattled and without direction, they spend a lot of their energy trying to unionize. Why do teachers feel compelled to protect themselves?

The fundamental question which I hope to raise is: How does this system help America? Are the kids more excited, more willing to be part of the great American experiment than children were 30 years ago? I think everyone knows the answer. I would love to start a lively long-distance argument over the reasons why and what we can do about it.

Changing education at a private boarding school is, of course, quite different from changing a public school. We demand a special level of commitment from families and we carefully screen our applicants. But, since we are testing principles of democracy, we try to work with all kinds of kids and we never expel a student. To emphasize the universal application of what we are doing, I will give examples of young people who were considered unreachable by conventional schools, public and private.

Children know who among them is working at full capacity. And they know who is faking it. At Hyde, we demand that students take responsibility for one another. In the right atmosphere, children will do this, once you have broken through the old "them versus us" ethic which says: "Don't rat on your buddies." Kids make terrific teachers and they discover that teaching is its own way of learning. One basic technique is constant self-examination. The students must write about themselves. Not the usual "what I did last summer" pap, but genuine explanations of their real problems and triumphs.

Here is what Kit wrote:

"We were reading our term papers in English class so others could evaluate them. When Jack read his, I had a sinking feeling . . . I recognized it as a story I once read. Since Mr. Hawley wasn't there, I told the class. Jack said he hadn't copied it, that he had worked very hard writing it and was offended. . . . My face was hot and I was shaking and stuttering. I handed him the book and told him it was word for word. He denied copying it again, straight to my face. I threw up my hands and walked out.

"I wasn't hurt that Jack lied to me. In a way, I pitied him, not for what he did—I've done some pretty stupid things myself—but for what he didn't understand. . . . It seems like such a burden to cry for other people. I don't like it, I don't want the responsibility . . . It seems like a rotten deal, like having someone confess something to you and leaving you with the burden of all their guilt."

This was written by a student who is thinking deeply about the nature of individual ethics. Kit came to Hyde from a mental institution. She is now an A student in college.

Learning is not simply a matter of the mind. Brad, a boy with high test scores, thought of himself as a "professional vegetable" and avoided sports, but Hyde makes all students participate, no matter how "uncoordinated" they think they are. Brad wrote later:

"The first day out for cross-country I said I couldn't run the three miles because I had weak ankles. But my teammates didn't buy it . . . Everybody started getting on my case and I really resented it. One practice I started walking and Tommy Baez came along and started physically pushing me. I said I had turned my ankle and I was so mad my first reaction was to hit him.

"But then I realized that was useless and started to cry. He really cut into my giving up on myself and my self-pitying attitudes. As he ran off, somewhere through my intense anger, I realized that maybe he was right and I started to run."

How does any school create a new ethic in which successfu lstudents take responsibility for other students' failures? Not by preaching to them. Teachers and parents must create programs which cultivate and expect this perspective for the students.

At Hyde, for example, we have our own "Community Action" program in which students help others in the surrounding community—a school for the retarded, a home for the elderly, City Hall, local political campaigns, an elementary school. These are all classrooms of extraordinary richness. They make students take on responsible roles, in which other people depend on them.

Charlie came to Hyde spoiled and pampered, the silver spoon still in his mouth. He got into a lot of trouble at first, breaking the rules and being assigned to "work crew" as punishment. But he was also tutoring an eight-year-old boy in elementary school. The boy came one day to go fishing with Charlie and found him on "work crew." He ran off in tears. Charlie wrote: "I was deeply moved because I didn't realize I had that sort of influence on him."

Today Charlie is a school leader, but it took an eight-year-old to teach him how to get there.

If we believe in democracy, then democratic citizenship ought to be integral to every school's curriculum. I do not mean "mickey mouse" student councils that patrol the halls. Students must learn democracy by helping govern their own school. A senior wrote:

"Every year the headmaster challenges the senior class to radically change the school. It is inspiring, frightening, sometimes threatening, but it does confront apathy and is essential to my education."

One product of this challenge is the "America's Spirit" musicals which the faculty and students write and produce every year. The show has toured 13 states now, including Job Corps centers, and it is a wonderful vehicle for learning on many levels—history, music, theater, character. We insist that each student can find a role—but each student must develop and grow to win a leading role. All sorts of talent is discovered in kids who thought they didn't have any.

Jimmy was a very poor student and rebellious enough to get expelled from a public school. In the "America's Spirit" campus production, he was urged to take Mark Twain and see if he could develop a character from his writing. Jimmy found Twain's skepticism and humor in harmony with his own. "We did the show on parents' week-end," Jimmy wrote. "That day my father and I sat down and told each other a lot of things we had never said before—about being ourselves and living up to our expectations. It was sort of a sad little talk, but it psyched me up. That night I never felt more like Mark Twain."

Teaching students to be responsible for their own ideas inevitably leads to real conflict. Jimmy later played a Vietnam pimp in another show and it led to an argument at the Pentagon with his uncle, an Air Force colonel. "He called me a traitor and a backstabber to my family . . . Then he refused to go to the show so I left. I felt badly, knowing he'd surely tell my relatives, but what really got to me was how much he reminded me of myself."

None of these changes for children will succeed if schools do not also change the roles assigned to teachers and to parents.

Teachers need to regain their professional pride and their creativity. If a parent doesn't like my diagnosis of his child's educational problems, he is likely to thumb his nose and reject it. Yet the same person would respond abediently to the youngest doctor fresh out of medical school.

Ironically, we found one of the best ways to reinvigorate teachers is to put them in the position of students—by pushing them into areas where they have no expertise, no credentials. The traditional education system weds the teacher to a subject but I once broke it up by making English teachers teach math and math teachers teach English. The learning improved greatly because the teachers were learning themselves. Does that surprise anyone?

The basketball coach had to take over the dance class and wrote later of this experience: "I couldn't touch my toes, let alone do the other exercises . . . The kids were tolerant, but persistent. I became their project. Humiliation has never been easy for me and I rarely quit on anything, so every night my living room became my dance parlor. I'd analyze the steps and try to stretch my 37-year-old body to bend a lot younger."

This brings us the last, most difficult, perhaps most important part: the parents. My conclusion, after 13 years at Hyde where we demand participation from parents, is that a student's commitment to his own value is directly related to the commitment he sees from his parents.

If a child is failing, is apathetic or is drifting without any sense of direction we are inclined to ask the *parents* what values *they* are conveying to the child. Our commitment, is to family education, not just child education, and the parents have their own required "curriculum" to follow.

This includes a "family learning center" at the school that all parents visit for three days. These are not relaxed, "see-your-kid-at-school" times. Parents are asked to write about experiences in their own lives which have caused them pride—or shame—and, if possible, to discuss and share these papers with their children. We tend to judge the quality of a paper by how much it "hurts" in the writing.

This winter and spring, groups of parents in six states and Washington spent hundreds of hours devising their own original "America's Spirit" shows, in which they portrayed their family roots, personal struggles and experiences. The shows were put on before the kids at parents' weekend.

In doing these shows many parents discovered strengths and weaknesses in themselves that had been covered over in the year since they were kids. Again, the process does lead to argument and conflict but it also leads to growth, for children and for parents.

It will take decisive national action to jar our education system out of its "inch by inch" mentality We need to redefine our American values and insist that our schools express them. I am not talking about easy patriotic gestures, but about the most rigorous self-examination—the kind of self-scrutiny which young people will take seriously. They will see through anything less.

Personally, I would call for a moratorium on all existing standards—test scores, course requirements, teacher training—in order to open the floodgates of ingenuity. Bring the parents into the school and the school into the family. Make the school take an active role in the community and give the community new teaching responsibilities in the school. Something this radical will create new problems. But I would bet on the creative capabilities of the American people.

Most important is this: Unleash the powerful untapped potentials in our children, all of our children. Every good teacher and parent knows they are there. Every child should know it, too.●

SAINTHOOD: A NEW DIPLOMACY

● Mr. HARRY F. BYRD, JR. Mr. President, this morning I received a note from the distinguished Senator from Minnesota, Senator Boschwitz, with which was enclosed an article from the New York Times of February 8, 1979. The Senator from Minnesota advised that he had not noticed the article when it was first published and felt it should be called to the attention of Senators. I am indebted to him for bringing it to my attention. Its headline reads as follows: "Young Praises Islam as 'Vibrant' and calls the Ayatollah 'a Saint.' "

Mr. President, Andrew Young is, I understand, an ordained minister, but his idea of sainthood, and for that matter of diplomacy, differs from mine.

I ask that the article reporting Ambassador Young's description of Ayatollah Khomeini as a saint be printed in the Record.

The article follows:

Young Praises Islam as "Vibrant" and Calls the Ayatollah "A Saint"

Andrew Young, the chief United States delegate to the United Nations, praised Islam yesterday as "a vibrant cultural force in today's world" and said that Ayatollah Ruhollah Khomeini, the Iranian Islamic leader, would eventually be hailed as "a saint."

Mr. Young, going considerably further in his views than has the Carter Administration, declared that it would be "impossible to have a fundamentalist Islamic state" in Iran because "too much Western idealism has infiltrated that movement."

"Islam is a vibrant cultural force in today's world and not something that died with the Middle Ages," the delegate said in an hour long meeting with the New York Forum, a group of New York City reporters at the City University Graduate Center. He said that Islam had been "revitalized with young people with Western educations," and added, "I don't think the Ayatollah realizes the force he is in control of."

Mr. Young has frequently strayed from Administration policy, and yesterday he seemed to be assuming that the Government of Prime Minister Shahpur Bakhtiar would not survive the challenge by the Ayatollah. On Tuesday, the United States reiterated its support of the Bakhtiar Government and "the constitutional process" in Iran.

Asked whether he was indeed writing off the Bakhtiar Government, Mr. Young backtracked somewhat and said, "It would be very good if there were some accommodation with the Bakhtiar Government."

Although he acknowledged that Ayatollah Khomeini had been accused of anti-Christian and anti-Semitic remarks, Mr. Young, who is an ordained minister in the United Church of Christ, predicted that "Khomeini will be somewhat of a saint when we get over the panic." While anticipating "a rough year ahead" in United States-Iranian relations, the United Nations delegate predicted that "in two years, our relations with Iran will be on a pretty even keel."

Mr. Young, who sat at the head of a conference table during the interview, appeared to take a harder line than the Administration toward the deposed Shah. While acknowledging that the United States could "not walk away from the Shah," he said that his downfall was not a case of too much technology or too much development; "The problem was basically repressive, he said."●

VIETNAM VETERANS' WEEK

● Mr. DOLE. Mr. President, last October, the President proclaimed, in accordance with a joint resolution passed by Congress, that the 7-day period of May 28 to June 3, be declared Vietnam Veterans' Week. I am here today to declare my full support and observance of this most appropriate and long-overdue commemoration of the brave men and women who sacrificed so much for us. It is, indeed, a fitting tribute to those who dedicated their efforts, and in many cases, their lives, to the service of their country.

There has been a continuing tendency in the last few years to let go of the Vietnam era; to put all the pain and suffering associated with the war out of our minds. This is certainly understandable, but not acceptable. It is important that we remember "honestly, realistically, and with humility" the courage and sacrifices of all Americans who served in our Armed Forces in Southeast Asia.

I have long been concerned about the situation with all of our war veterans and have spoken out on this problem in various forums in the past and introduced legislation to address this concern. Just a few months ago, I introduced a concurrent resolution in the Senate to establish a special investigatory commission to secure a full accounting of Americans still listed as missing in Southeast Asia. Past efforts to obtain a reasonable and accurate accounting from the Socialist Governments of Vietnam, Laos, and Cambodia have not been productive. These governments have provided next to no cooperation in our demands for a thorough accounting. We owe it to the memory of those men and women who fought in the conflict to continue the efforts to seek out the whereabouts of these men still in question. We owe it to the families of these men, as we have an obligation to resolve the doubts and questions they must have. In doing so, we offer our respect and gratitude to them and the loved ones they left behind.

We also bear a responsibility to those brave men fortunate enough to return to the United States. To those who still bear the wounds, both physical and psychological, we must acknowledge our continuing responsibility to help them build new lives. They returned home only to be confronted with a vast number of difficulties which confound their efforts to assimilate productively and comfortably back into the mainstream of society.

For one thing, they have been and are being denied adequate employment opportunities. Unemployment and underemployment have reached high rates among these veterans. The latest Census Bureau figures showed in a single year, 1 million Vietnam veterans were unable to find jobs that kept them employed all year round. Many failed to earn an adequate wage. Unemployment among minority veterans remains unacceptably high at 14.1 percent. In order to allow them to participate fully in American society on their own terms, they need and deserve better access and availability to a wide range of job opportunities.

The educational opportunities are equally insufficient. Our veterans face increased costs of education and decreased available funds. For the third consecutive year, the President's budget has not included 1 cent for a cost-of-living increase for our Vietnam veterans availing themselves of the GI bill. Complicating and hindering the situation further, in 1966, when the Vietnam era had produced over 1 million veterans, the GI bill paid only $100 per month for tuition and living costs. However, the law's requirement that veterans can only use these funds within a 10-year period has made the benefits obsolete for those veterans that were in the war at the beginning.

In the area of health care, there are presently many inadequacies and shortages due to the administration's budget cutting. Last year, the VA budget saw drastic cuts in medical personnel, beds, and additional facilities. The Congress appropriated funds to provide for the greatly needed beds and personnel for the efficient operation of our VA hospitals. However, the administration did not use these funds for this purpose, and, consequently, 3,132 beds were cut and 1,500 personnel were cut. Outpatient clinics are understaffed and underfunded, and the overall staff/patient ratio is well below that of private hospitals. The trend seems to be continuing in this year's VA budget. It is a justified obligation and responsibility. We must remember that a man who performed special service to his country deserves special treatment from that country.

In addition to all the inadequate opportunities in these very vital areas that they are facing, they must also deal with the negative image that they have been stereotyped with because of the unpopular nature of the war and the misunderstandings and confusion the general public has had for our involvement in this war. It is essential and proper for the well-being of these men to counter and correct this image.

As these Vietnam veterans are struggling to be accepted into a society that would rather forget this period of history, it is imperative that they not be overlooked or forgotten. I am hopeful that this week will serve to encourage support for more active assistance for those who still suffer from their experiences in that war and to correct an inaccurate image of the Vietnam veteran that has unjustly been attributed to them. I would like to join all the other Americans and my fellow colleagues in observance of Vietnam Veterans' Week as an expression of my respect and gratitude to those men who so bravely served our country in the Vietnam war. It is altogether appropriate and important that they be remembered.●

VIETNAM REFUGEES

● Mr. HUDDLESTON. Mr. President, the recent action by the Government of Vietnam in authorizing the release of 10,000 refugees a month adds to the dilemma facing the world today. Unfortunately, some are blindly urging that the United States accept all of these individuals without considering what the ultimate cost will be to the taxpayers of this country or what the impact of large-scale immigration will be upon our society.

I have urged on the floor of the Senate on several occasions that we must stop our ad hoc approach to immigration and devise a comprehensive policy which deals with total immigration numbers. The number of refugees in the world today is increasing steadily. There are approximately 13 million refugees and displaced persons in the world today and no indication that the number will decrease in the immediate future.

The action by Vietnam will compound this problem by adding an additional 120,000 per year to the swelling ranks. Because of this constant pressure, the United States must decide how many immigrants we can successfully assimilate, because we cannot possibly accept them all.

The House Select Committee on Population estimated that somewhere between 25 and 50 percent of population growth in the United States is attributable to legal and illegal immigration. If we continue our present policy, this percentage will increase substantially.

The administration is already making plans to accept another 120,000 refugees in 1980 under the Attorney General's questionable "parole authority." Can we anticipate that the Attorney General will add another 120,000 as a result of the recent announcement by the Government of Vietnam?

For a long time we have served as the "safety valve" for our neighbor to the south—Mexico—by adopting a policy of inaction in regard to illegal aliens. In so doing we have added a great deal of stability to the Mexican Government by relieving the political pressures that are associated with an exploding population and extremely high unemployment.

The action by Vietnam puts us in the position of also acting as a "safety valve" for a not-so-friendly nation. By accepting the hundreds of thousands of dissatisfied individuals in Vietnam we will also add to the stability of that government. The dissenters who would be most likely to generate political unrest within the country, and thereby bring about some internal changes, are removed by simply shipping them out of the country.

The reduction in population will relieve the Vietnam government of a huge burden by shifting the responsibility for supporting a substantial portion of their population to other countries.

I firmly believe that we should have a viable immigration policy in the United States which is based on the established needs of our Nation. However, we cannot have this policy as long as we continue to try to solve the problems of the world on a unilateral basis.

It is time to abandon our refugee policy which is based on setting an example for other countries and begin working with them as equal partners—with each doing only its fair share. As long as the United States is willing to accept a disproportionate share of the burden, you may be assured that others will willingly stand aside to let us do it.

I ask that the article from the May 16, 1979 Washington Post be printed in the RECORD.

The article follows:

[From the Washington Post, May 16, 1979]

VIETNAM OFFERS TO LET 10,000 LEAVE MONTHLY

(By Richard M. Weintraub and Christopher Dickey)

Vietnam announced yesterday that it is prepared to release as many as 10,000 refugees a month directly to countries such as the United States that are willing to receive them.

While the offer is designed to alleviate the crushing burden Vietnamese "boat people" have placed on the countries of Southeast Asia, it will present an immediate and serious problem for countries that have shown a willingness to resettle the refugees—primarily the United States, France and Australia.

United Nations officials involved with refugee issues had indicated previously that Vietnam was prepared to allow people to leave to join family members abroad, but the magnitude indicated in yesterday's announcement opens a new array of problems, according to experts here.

The sheer volume of emigrants proposed by Hanoi could prove "extraordinarily" embarrassing to the United States if this country cannot or will not accommodate them, one administration official concerned with immigration matters said.

The total anticipated cost of all refugee resettlement, even at present levels, the officials said, may run to more than $500 million a year and Congress has seemed reluctant to go higher—if, in fact, it eventually agrees to meet that figure.

U.S. quotas for accepting refugees for resettlement already are strained to the limit by the influx of people from Indochina coupled with an unexpected outflow of Jews from the Soviet Union.

The problem is compounded by the fact that the State Department's refugee program is expected to run out of funds by the end of this month, according to Ambassador Dick Clark, the special envoy in charge on refugee affairs.

Even if Congress approves a request for $100 million in supplemental funds, Clark said, there could be a period of up to two months in which U.S. refugee programs may be forced to a halt.

Clark expressed concern in a recent interview that this could come at a critical time because of U.S. efforts to gain the cooperation of Southeast Asian nations in a long-term resettlement program and because of the outflow of Soviet Jews—viewed as part of Moscow's effort to set a better climate in the U.S. Senate for the strategic arms accord and for preferential tariff status.

More than 250,000 refugees already are waiting in camps in Malaysia and Thailand for permanent resettlement and the monthly flow of refugees has been increasing steadily since last September, reaching almost 24,000 last month, according to figures compiled by the State Department.

These include Laotians fleeing to Thailand as well as Vietnamese escaping their homeland by boat. The figures do not include an estimated 150,000 Cambodians in Thai camps because most of them are believed to want to return home should conditions permit.

Vietnam's offer yesterday came at a meeting in Jakarta, Indonesia, designed to try to develop interim solutions to the increasingly troublesome refugee problem faced primarily by Malaysia and Thailand—the two main stopping points for the Vietnamese leaving by boat.

"We are ready to give full permission to those Vietnamese who wish to leave the country to do to join their families or to settle there," Ambassador Vu Huong said, according to news agency reports.

He said Vietnam decided to send people directly to countries willing to receive them in order to alleviate the burden of neighboring countries. Hanoi already has accepted 20,000 applications, Huong said, and is prepared to allow as many as 10,000 a month leave for an indefinite period.

Estimates of the numbers of Vietnamese seeking to leave the country have run as high as half a million, in addition to those who already have fled.

While Hanoi's decision was generally applauded by U.S. government officials and the private voluntary agencies responsible for refugee resettlement, several expressed reservations about the United States' ability and willingness to cope with an increased flow of as many as 10,000 a month.

Under present immigration law, noted Bob DeVecchi, Indochina Program Director of the International Rescue Committee, people coming directly from Vietnam to the United States technically would not be "refugees" since they are not already ouside their homelands.

If they have to be admitted under standard immigration procedures, only those who are immediate relatives of U.S. citizens would be allowed in without being considered under the worldwde U.S. immigration quota. Only a handful of the Vietnamese in the United States have fulfilled the five-year residence requirement for citizenship.

Most of the Vietnamese in the United States are legal permanent residents. The immigration preference system allows them to bring in only their spouses and unmarried minor children—not their parents or other relatives—and all these are restricted by a quota of 20,000 a year.

These provisions have been circumvented in the past for Eastern European and Cuban refugees through special legislation and executive action, but, DeVecchi said, "I think this will be a very long and drawn-out process, requiring a lot of money and an attitude on the part of Congress that I'm just not sure is there right now."

DeVecchi also expressed the fear that Hanoi's move might divert attention from the hundreds of thousands already living as unwelcome guests in the refugee camps of Thailand and Malaysia, although the U.N. High Commissioner on Refugees has made public assurances that this will not be the case.

One member of the Senate Judiciary Committee staff who worked on comprehensive refugee legislation now pending in Congress said that with Hanoi's announcement "the ball's in our court. . . . I think it's a very positive development . . . but I don't think the U.S. could process as many as 10,000 a month—and I don't think Vietnam physically could do that right away."

The main purpose of the meeting in Jakarta is to develop methods of taking pressure off the primary receiving countries, mainly by encouraging other countries in the region to designate islands that could be used as holding centers for those already chosen for permanent resettlement.

Indonesia said yesterday that it is offering Galang Island, south of Singapgore, and that it could accommodate 10,000 people. The Philippines said it would designate an island that could accommodate 5,000 persons.

The idea behind the holding centers is to take pressure off the camps in Malaysia and Thailand, as well as Hong Kong and other places, creating more room for new refugees arriving by boat.

Many refugees arriving in recent months simply have been pushed back out to sea as anger mounted over the Vietnamese influx in Thailand and Malaysia.●

NEED FOR EXPLOSIVES TAGGING RECOGNIZED

● Mr. **JAVITS**. Mr. President, the Committee on Governmental Affairs recently completed its hearings on S. 333, the Omnibus Antiterrorism Act. One of the key provisions of that legislation would require that explosives manufactured in this country contain an inexpensive and harmless tagging substance.

In the event of a bombing, this taggant would provide invaluable assistance to law enforcement personnel by instantly revealing the type of explosive used, its manufacturer, and the date it was made. In many cases, it would permit the entire distribution chain to be traced.

During the hearings, the taggant provisions were the subject of much discussion. I would, therefore, like to share with my colleagues a recent editorial from the Journal of Commerce, which recognized the need for explosives tagging, calling it "the first serious attempt in this country to deal with terrorist bombings." I submit it to be printed in the RECORD.

The editorial follows:

[From the Journal of Commerce, May 11, 1979]

TAGGING TERRORIST BOMBS

Eleven people died when, in 1975, a bomb went off in a luggage locker at New York's La Guardia Airport. Since then, Treasury agents have spent 1,800 manhours investigating the incident and New York police thousands of additional manhours. But to this day they have no clue to who did it or why. They cannot even say what type of explosive was used.

To combat terrorist bombings, the Treasury Department's Bureau of Alcohol, Tobacco and Firearms and local police chiefs are advocating that most explosives be "tagged" to permit their identification after a bombing. Small color-coded particles would be inserted in the explosives, identifying the type of explosive, its manufacturer and the date and shift when it was made.

At the bomb scene, investigators would use longwave ultraviolet light, which causes the taggants to fluoresce, to find them in the debris. Then, since most taggants would be magnetized, they would use magnets to pull them out of the rubble. Through the identification process, hopefully, the explosive would be traced from manufacturer to retailer to the ultimate buyer.

Other taggants—microscopic capsules containing an odorous inert material—would emit a vapor permitting them to be identified by equipment or specially trained dogs. In this way, bombs could be detected before as well as after detonation.

The idea has been incorporated in an omnibus anti-terrorism bill introduced in the Congress by Sen. Abraham Ribicoff, D-Conn. Within two years after the bill became law, tagging would be required for both identification and detection.

The bill has won the support of the Air Line Pilots Association, the Air Transport Association and the International Association of Police Chiefs. In the words of Glen Murphy of the police chiefs: "Terrorist groups are underground and difficult to infiltrate. The tagging bill would afford easier detection and eliminate costly law enforcement at all levels."

With such backing, it is hard to imagine that the bill would run into significant opposition. But it has. The explosives industry backed by the National Rifle Association is fighting the measuse tooth and nail. They contend that tagging would be useless, hazardous and inflationary.

Neal Knox, executive director of the gun group's Institute for Legislative Action, told the Senate Governmental Affairs Committee last week that terrorist bombings in this country dropped from 100 to 50 last year and that only 10 percent of those were politically motivated. The Treasury, he said, was asking Congress "to embark upon a multi-million dollar program to investigate juvenile delinquencies and attacks by one individual upon another."

Thefts of explosives, more than 20,000 pounds last year, make tracing explosives to the manufacturer of little value, opponents of the bill declare. Moreover, they say, contaminants in explosives sooner or later cause premature detonation. Their big argument, however, is that tagging is a scientific curiosity and hasn't been sufficiently tested.

This is disputed vigorously by Richard J. Davis, assistant secretary of the Treasury for enforcement and operations. The Aerospace Corp., a private concern with which the Treasury has been working, has been charged with giving the highest priority to the safety of taggants, he says, adding:

"Dynamites, water gels and slurries tagged with the finally selected identification taggants have met every safety test. These tests were established and conducted by the explosives manufacturers themselves. Based on these tests, the manufacturers were confident enough to market their own tagged explosives—seven million pounds."

Safety tests are now being run on all other classes of explosives, Mr. Davis says, "and under our approach no tagging would be required until these tests have been passed."

The riflemen don't like tagging because it would add to the cost of ammunition. One response might be to exclude black and smokeless powder, lawfully used by sportsmen, from the tagging requirement. But, according to the Treasury, while such explosives constitute a tiny portion of the commercially available cap-sensitive explosives, their use in bombings is much greater, 18.5 percent of all bombings, according to the Bureau of Alcohol, Tobacco and Firearms, 22.1 percent, according to the FBI.

If there is a problem with regard to the safety of taggants, it should be resolved. Senators Ribicoff, Jacob Javits, R-N.Y., and Ted Stevens, D-Alaska, have asked the Office of Technology Assessment to do just that. Otherwise, however, the added cost of taggants shouldn't be permitted to stand in the way of the first serious attempt in this country to deal with terrorist bombings.

A TRIBUTE TO NORMAN W. BULLY

● Mr. RIEGLE. Mr. President. I wish to call attention to the fact that the United Auto Workers in the Flint area are being deprived of the services of one of their most active members. For over 40 years, Norman W. Bully has served that organization in a multitude of positions. He has been chairman of the Michigan advisory council to the department of mental health, and served on the board of directors of the Michigan mental health society.

He has become involved in community action efforts ranging from the urban coalition to the UAW-CAP council to the region V crime commission. His commitment to my home area does not end there. Norm has also served—and that is truly an appropriate word for his unselfish approach to life—on the Genesee health planning council, the United Fund board of directors in the Flint area and the Genesee County consumers protection council. This is not anywhere near a complete list of Norm's contributions to the UAW and to Flint.

He began his public service in 1937 as a member of UAW Local 599 and held many positions with the local and in the international union. I could further enumerate the disparate activities that Norm has thrown himself into with boundless energy and vigor, but a simple accounting would not do him the justice that he richly deserves.

Norm is a trusted friend of mine. I have known him for many years, and have always been able to look to him for advice and assistance. He is someone who is truly in touch with his community. He has reached more lives than 10 people could, and has left an indelible mark on our community. I am certain that the Flint area will miss his active participation in community service programs, but I am equally certain that Norm will not stay idle for long.

A person with his drive and commitment will continue to make his unique contributions to the community in everything he does. That is simply his nature and way of life, and I wish him the very best.●

SOUTHERN CALIFORNIA COLLEGE OF OPTOMETRY'S 75TH ANNIVERSARY

● Mr. HAYAKAWA. Mr. President, I would like to say a few words today in honor of the Southern California College of Optometry, which is celebrating its 75th anniversary this year. The celebration of this occasion will take place on the opening day of the 82d Annual American Optometric Association Congress on June 18.

I would like to extend my best wishes, and hearty congratulations to the Southern California College of Optometry on this anniversary. I would also like at this time to insert in the RECORD a short history of the college so that my colleagues in the Senate will easily see what a fine institution has done for Californians for the past 75 years.

Mr. President, I ask that my brief statement and the history of this fine college be printed in the RECORD.

The material follows:

SOUTHERN CALIFORNIA COLLEGE OF OPTOMETRY'S 75TH ANNIVERSARY

As the nation moved into the 20th Century, great changes were taking place. America was being mechanized. The Industrial Revolution, by 1900 had brought automobiles, motion pictures, electricity, and ideas for air travel. Industry and modern science invited people to leave the fields and farms for urban living.

With this new movement toward industrialization and urbanization came the need for better vision care. People were becoming aware of the importance of vision and the role it played in their daily lives.

Concurrently, because of this demand, health professionals and educators alike became interested in optometry. But, at the turn of the century, little was known about the visual system. Optometry courses and education standards were poor by today's standards; and both the public and the practitioner did not understand the meaning of dimensions of optometry.

In light of these facts, optometry needed to be organized, regulatory laws needed to be passed in order to protect the public and eliminate unqualified practitioners, and education needed to be improved and standardized.

By 1901, the American Optometric Association had been organized three years, state associations were being started, and optometry laws were being passed in individual states. In 1903, California was the third state to pass an optometry law with the help of Governor George C. Pardee, M.D., a sympathetic and supportive ophthalmologist.

Among the schools founded during this period was the Los Angeles Medical School of Ophthalmology and Optometry, the forerunner of the Southern California College of Optometry. It was opened in 1904 by Marshall B. Ketchum, M.D. He saw a need for quality optometric education and vision care and responded to this need.

Dr. Ketchum came to Los Angeles to open a practice and quite by accident became one of the pioneers of education. His previous experiences with an oculist and as a medical educator set him apart from most physicians of the time. He was interested in the eye, its facets and function. When he opened his office in the downtown Los Angeles Philharmonic Auditorium Building he became known for his skills in refraction.

Physicians, pharmacists, opticians, jewelers, dentists and educators requested Dr. Ketchum to teach them about the eye, the use of the retinoscope and how to refract without cycloplegics.

At first these sessions were informal, held in Dr. Ketchum's office with a handful of students. But as their popularity grew, informal sessions became more formalized and a teaching institution became imperative. Dr. Ketchum's office was turned into SCCO's first facility.

So began the Southern California College of Optometry, an institution now celebrating its 75th Anniversary. An institution that grew from a small office to a seven acre campus, 12 students to 424, a base-zero budget to a 3.7 million dollar budget, one instructor to a 75-person faculty, and from a three-member Board of Trustees to an active 24 member board.

"The beginning of SCCO 75 years ago," said Richard L. Hopping, O.D., President, "is not much different from the other institutions founded at the time. All were not that well organized and academic standards left much to be desired. But of the 66 institutions opened around the turn of the century, SCCO is one of three that survived academic scrutiny and all the pains of maturation."

This maturation process came in many forms and moved the College in many directions. When looking back on the history of the Southern California College of Optometry, one becomes aware of the institutions specific educational trends. Definite growth can be charted in course offerings, education and entrance requirements, and faculty and administration improvements. This growth is partially due to the fact that optometry and optometric education were young in 1900 and just beginning to mature. And it was partially due to the aspirations and goals of the people involved with the College. No matter the growth motivation, the trends about to be examined all accrue to what SCCO is today.

During the first seven years of the College's existence, it was struggling to become an institution. But, by 1911, it had developed identity and recognition. The College was incorporated as a profit making concern. Dr. Ketchum was named president. Curtis M. Beebe, M.D. and W. P. Gillingham, M.D., served on the Board of Directors. And the faculty was comprised of Dr. Ketchum and W. S. Cherington, O.D.

By 1921 the College had outgrown its two-room facilities in the Philharmonic Auditorium Building moving into 16 rooms.

The faculty had grown to include such notables as William Ketchum, O.D., M.B.'s nephew, Ernest Hutchinson, O.D., Harry Fuog, O.D., Emma Jean Moynier, O.D., and Edwin H. Armstrong, O.D.

The student body exceeded one hundred full-time students. The growth in student population was largely due to the end of World War I. Returning veterans were taking advantage of the Federal Board Training Program which was similar to World War II's G.I. Bill.

This activity soon helped the College outgrow the Philharmonic Auditorium Building completely. To accommodate, it moved to the 11th floor of the Wright and Callender Building in 1922. With the move, came several other changes: The College was renamed the Los Angeles School of Optometry; and M. B. Ketchum turned his leadership reins over to his nephew William.

On a national level that same year, optometry was experiencing another step toward maturity. The first conference to establish optometric education standards was being hosted by the American Optometric Association. The accrediting process took four years. Existing optometry schools were visited and rated. Many were closed, others remain unaccredited. The Los Angeles School of Optometry was one accredited by the Council on Optometric Education.

In 1940, even with World War II in full swing, the College emerged like the legendary Phoenix from the pike of smoldering ashes. The faculty had grown to include 15 members who were mostly graduates of the College. Student enrollment was up. Support was more accessible. The College had become non-profit in 1933. And entrance and curriculum requirements and program length were once again revamped.

Requirements stated that students must have two years prior college education for entrance. Coupling this with two years of optometric studies, graduates were awarded bachelor of science degrees. An optional fifth year was available to those who wished to earn a doctor of optometry degree.

Even with the optometry curriculum longer and students satisfying fine arts and science requirements outside of optometry, the basic optometry curriculum remained much like it was in 1924 with few exceptions. Ocular pathology had been added but little else was new.

The winds of war had blown over in 1945 and with it blew in prosperity. The small facility was bursting with students. Funds were plentiful. The College prepared to move into facilities that were provided by the federal government.

In 1948, the College moved into its new home where it stayed until 1973. It was renamed the Los Angeles College of Optometry. And, during this 25 year period, the academic program changed more than any other time in the College's history.

Courses added to the curriculum in 1948, included statistics, orthoptics, neurology, psychological optics, ocular pathology, illumination, dispensing, socio-economic and legal aspects of optometry, genetics and subnormal vision aids. In less than 15 years, course work had taken a new turn.

This broadening was a result of consumer demands for more comprehensive vision care and practitioners and educators de-emphasizing the eye, becoming more aware of the total vision system. Optometry was moving away from its central focus on the eye alone and giving more attention to the support system of vision.

Not only were courses studied gaining greater importance, hours devoted to their study became significant. From 1947 to 1973, documents show that clock hours required for graduation doubled: the 1947–48 period specified 2404 clock hours; and the 1972-73 period specified 5700 clock hours.

The visible trends, at this time and still very much part of today at SCCO, included building a talented, innovative faculty, increasing the length of the program, upgrading admissions standards, and expanding the curriculum and academic/clinical clock hours.

1966 saw a fourth year introduced to the optometry curriculum, but entrance requirements did not change asking that students complete at least two years of undergraduate work. Under the four-year program, curriculum also remained much the same, but the attendance hours increased.

The faculty was comprised of both optometrists and non-optimetrists who were specialists in the optometric related sciences. This was a new trend in faculty. Prior to the 60's most faculty members were optometrists, but not specialists in any one particular segment of optometry or its consanguinous fields. In order to offer students a more defined and developed program, specialists and specialty areas began to be included on staff and in the curriculum.

As the College grew through the 60's so did the need for new facilities. Student enrollments were up and funds were available. As early as 1963, a Master Plan Committee was actively researching expansion. Southern California was scouted for building sites. After eight years, an Orange County site was found. HEW approved and funded a $1,988,000 matching grant to build a new campus. Plans for four buildings were drawn and construction began in 1972.

In early 1973, the College moved from Los Angeles to Fullerton. The name was changed to the Southern California College of Optometry and SCCO entered its "New Era of Excellence."

With this New Era has been the polishing of patinaed silver. The College family has been expanded along with curriculum, entrance requirements, and academic/clinical hours.

Full-time equivalent faculty now count 48. The curriculum includes courses that were never imagined in 1904—contact lenses, epidemiology, public health, developmental psychobiology, ocular motility, pharmacology, and visual psychophysics—and some that were the basis of the optometry curriculum 75 years ago.

Entrance requirements have little resemblance to those during the College's early years. The two year high school requirement has evolved into a set of four primary demands: Applicants must have completed two years of undergraduate work (most have four or more years of higher education); have high grade point averages; high Optometry College Admission Test scores; and be considered viable optometry candidates after a series of subjective interviews.

In 1977–78, students completed over 6064 clock hours for graduation. This a far cry from the 1904 program that was tailored to the individual student needs where hours were, for all intents and purposes, nonexistent.

From these meager beginnings in 1900, when optometric education and organized optometry were seedlings yet to be planted and nourished, bloomed learning centers and a profession where untilled ground lay less than 100 years ago. Yesterday's dreams turned into today's reality.

Optometry kept pace with the 20th Century: America was struggling to industrialize and urbanize, optometry was struggling to help people see their new world more clearly. As scientific and technological discoveries were made and prefected, optometry incorporated much of this into education and practice.

Optometric education responded to the learning needs of future practitioners. Practitioners, in turn, have been able to respond to the growing needs of the populace as they constantly demand better vision care.

The Southern California College of Optometry has been part of this. At times the institution silently grew while surviving two world wars, a depression, a recession, optometric legislation, academic regulatory laws and internal upheavals. Other times the institution has been a pacemaker in optometric education setting academic and clinical trends.

"While in the midst of our 75th Anniversary Celebration," said SCCO President Dr. Richard L. Hopping, "I can't help reflecting on our past, examining our present and looking forward to our future. I am proud of yesterday's growth and today's accomplishments."

"Since SCCO moved to Fullerton six years ago, the College family has shown a tremendous interest in program and curriculum development. Innovation is evident in our 25 outreach clinics, optometry and technician curriculum, pharmacology continuing education, moving toward regionalization, growing interests in research among both students and faculty and the use of computers and electronics in vision testing."

"I can only believe that the College will continue to mature as an institution providing quality education and vision care; and accept the responsibility of educating the public to optometry."

Optometric education at the Southern California College of Optometry has changed dramatically in 75 years. But there is one thing that hasn't. Better vision care is still in high demand. SCCO is dedicated to serving the public and providing better optometric education as it has been for three quarters of a century.●

ILLEGAL ALIENS OR POLITICAL REFUGEES?

● Mr. **HUDDLESTON.** Mr. President, last year the Congress created the Select Commission on Immigration and Refugee Policy which was given the specific responsibility of recommending changes in our outdated immigration laws. This Commission recently has been organized and the distinguished former governor of Florida, Reubin Askew, has been appointed its chairman. Unfortunately, there is an effort underway to bypass the Commission in its responsibility to review and evaluate our refugee policy. A major refugee reform bill is now pending in both houses of the Congress and there are indications that this bill may be reported soon in the Senate. While this would save the taxpayers some money by eliminating the need for the Commission to study the refugee problem, it is not the best way to carry out the long overdue evaluation and reform of our immigration laws.

Some have argued that the issues of illegal aliens and refugees are totally different and can therefore be handled by separate legislation. I disagree with this assessment. Our goal in this country should be to establish a comprehensive immigration policy which takes into consideration the total flow of legal immigrants, illegal aliens and refugees. Regardless of how we classify the immigrants, our ultimate concern is their total number and their economic, social, political and demographic impact on the United States.

A prime example of how these issues can overlap and why they must be considered jointly is the situation we have with Haitians in Florida. There are as many as 23,000 Haitians who have entered this country illegally in an effort to flee the poverty in their homeland. The presence of these individuals has become bogged down in a quagmire of lawsuits which has left their legal status in the United States in limbo for several years. The courts have been unable to decide whether they are illegal aliens or political refugees. This has left local officials with welfare costs for these people which some estimate to be $3 million a year.

I ask that an article from the May 14, 1979 Washington Post entitled "Haitians in America: Illegal Aliens or Political Refugees?" be printed in the RECORD.

The article follows:

HAITIANS IN AMERICA: ILLEGAL ALIENS OR POLITICAL REFUGEES?

(By Warren Brown)

MIAMI.—For thousands of Haitians, the way to America had the simple allure of a Madison Avenue advertisement: follow the sun.

And so they did. Fleeing poverty and tyranny, they boarded open boats and journeyed the 800 miles to the Florida shores.

"They asked someone, 'How do we get to the United States?'" said Fr. Gerard Jean-Juste, director of the Haitian Refugee Center here. "They were told, 'On the morning, the sun's rays come from Haiti. At night, they go to the United States. Just follow the sun. . . .'"

What they found was a nightmare. Some were jailed, some swiftly deported. But most of them have melted into south Florida's black ghettoes, where they try to survive without government assistance, without the legal right to work and constantly facing the threat of deportation.

The Haitian migration began in the early 1960s, about the same time the Cubans started arriving and more than a decade before the influx of an estimated 176,000 Indochinese fleeing the upheavals caused by the fall of South Vietnam in 1975.

Few people paid attention when the Haitian boats began coming ashore. Fewer still paid heed to Haitian claims that they were, and are, political refugees seeking freedom in the United States.

But now, in the wake of President Carter's human rights campaign and in reaction to attention given the Indochinese boat people, the case of the Haitian refugees has taken on new impact.

The Haitians sense this. They have increased their marches and demonstrations in Miami, stepped up their criticism of the Haitian government and worked with their lawyers to wage a full-scale battle against deportation proceedings. In short, they have started a new civil rights movement in south Florida.

Estimates of the number of Haitians living in south Florida range from 10,000 to 23,000. Between 3,000 and 5,000 live and work in the Palm Beach County town of Belle Glade—a blotch of urban blight in the midst of sugar cane and corn fields 76 miles northwest of Miami.

It is a curious life made all the more curious by the Haitian boat peoples' doubtful legal status, by their "certain kind of invisibility," according to Joseph Occhipinti, manager of the state employment office in Belle Glade.

"Most of the Haitians are without work permits, can't get work permits and are not supposed to work," Occhipinti said.

"But the corn fields around here couldn't be picked without the illegal Haitian—and they sure are being picked.

"So, I guess I have to tell you that the corn fields are being picked by nobody . . . It's a kind of slavery, but we don't have much control over it."

No one argues that the Haitians have not been treated differently than the Cubans or the Indochinese.

The Haitian boat people and their supporters say they are political refugees, entitled to the same federal protections and privileges given the 32,000 Hungarian refugees who fled communist oppression between 1956 and 1958, the 260,000 Cuban refugees who ran from Fidel Castro's regime between 1965 and 1973, and the masses of Indochinese who more recently fled to the United States.

The Haitian boat people say they are running from similar tyranny under the dictatorship of Haitian President-for-life Jean Claude Duvalier.

"We did not come to your country for food or money," declared Kenol Luxama, 27, a former newspaper reporter in Port Au Prince, Haiti.

"We came here thinking that we would get human rights in spite of the American support of the Duvalier regime," he said.

"But the things the American government has for us are jail and bail from the charities to get us out of jail. . . . What makes the Americans think we want their oppression more than we want Duvalier's oppression? All we want is our freedom," Luxama said.

The U.S. Immigration and Naturalization Service disagrees.

Most of the Haitians are economic refugees, having a status "no different than that of the illegal Mexican alien who crosses the border on foot," said Deputy INS Commissioner Mario Noto, whose name is greeted with cynicism in south Florida's Haitian communities.

Current federal law defines refugees as persons fleeing communism or the Middle East, Noto pointed out, and Congress enacted special programs to help the Cubans and Indochinese.

The Haitians lose on all counts, Noto said.

Accordingly, INS policy has been to jail Haitians arriving "without papers" and without funds to post bonds ranging up to $1,000.

In one instance last year, authorities "mistakenly" jailed an 8-year-old girl, Roselene Dorsainvil, who came ashore with her father. She was in the West Palm Beach City Jail with adult inmates for about two weeks.

The Dorsainvil incident was roundly denounced by church, civil and human rights groups.

Of the nearly 9,000 Haitians in south Florida now subject to deportation, about 3,200 have normally applied for political asylum since 1972, and more are applying every day. INS has approved 58 of the applications and has rejected nearly all of the rest.

The mass asylum rejections, the jailings and the "voluntary deportations" of hundreds of Haitians formed the basis for a federal lawsuit filed here last week on the Haitians' behalf.

The suit—entered by the Washington-based Lawyers' Committee for Civil Rights Under Law—alleges that the Haitians were denied due process from the moment of their arrival and singled out for special adversary action largely because they are black, poor and illiterate.

The racism charge was denounced by Noto as a "hurtful . . . unwarranted perception."

But it is a perception that persists, and the suit, accordingly, asks that INS reconsider all of the Haitian political asylum applications on grounds they were handled in a biased manner. The suit also asks the court to enjoin INS from deporting any other Haitians here seeking refuge.

The Haitian plight has touched a sensitive nerve in the south Florida area, particularly in sprawling Dade County, where hundreds of thousands of whites, Cubans and American blacks already are engaged in a struggle for economic and political power.

Fifty percent of Dade County's 1.53 million inhabitants are white, 35 percent Hispanic and 15 percent black.

Though many of the Haitian newcomers have been absorbed into the country's predominantly black northwest neighborhoods, they are not entirely welcome there. Their distinctive French Creole language, their tendency shared by most refugee groups to stick together, and their insistence on anonymity work to isolate them from many of their black American neighbors.

Still, there are indications that things are changing in the Haitians' favor. Recent demonstrations here for Haitian refugee rights have attracted outpourings of native black support, a significant white presence and some support from Cuban socialist groups.

The Carter administration has introduced legislation to broaden the federal definition of "refugee."

The Senate Foreign Relations Committee voted May 3 to cancel $18.4 million in U.S. aid to the Duvalier government on grounds that it has failed to implement fiscal reforms and clean up alleged rampant corruption. Haitian boat people and their supporters saw the vote as an endorsement of their view that economic disorder in Haiti is spawned by political oppression.

Rep. William Lehman (D–Fla.), a member of the House Appropriations subcommitte on foreign operations, took a trip to Haiti last month to assess conditions there. The State Department is now conducting a similar study.

Upon returning from his trip, Lehman said he believes the Haitians have been treated unfairly here.

"In a country that believes in human rights, that just ain't the way things ought to be done," the congressman said.●

RHODESIAN SANCTIONS

● Mr. HARRY F. BYRD, JR. Mr. President, over the weekend I read in the Newport News Daily Press an excellent editorial entitled "Rhodesian Sanctions" which urges a revised policy toward Rhodesia.

The editorial emphasizes that, although not simon pure, the process by which the newly elected Government in Zimbabwe-Rhodesia has been chosen was a fairer process than any other observed in Africa.

Mr. President, the editorial is an accurate indictment of the hypocrisy and failure of the administration's policy toward Southern Africa.

I ask that the editorial be printed in the RECORD.

The editorial follows:

RHODESIAN SANCTIONS

The Senate, by a topheavy 75 to 19 vote, has not "advised" President Carter to lift this country's participation in the economic sanctions laid on Rhodesia by the U.N. Security Council. The Senate further requested the president to make a final decision, one way or the other, on lifting sanctions within 30 days of the time the new government is installed in that South African nation.

This poses a prickly dilemma for the administration.

Mr. Carter has stood firmly behind his U.N. Ambassador Andrew Young's African policy to this point. In a nutshell, that policy has been to applaud, encourage and uphold the principle of majority rule in the African nations, emerging or otherwise.

Inasmuch as this country had gone without any African policy previously, it had the virtue of taking a stand, establishing a consistent reference point. It had the added pragmatic virtue of positioning us a peg or two to the left of the Soviet policy, largely because we applied it across the board instead of opportunistically case by case as the Russians were doing.

However, as with generalizations on any subject, this U.S. policy has its drawbacks and limitations. It does not distinguish between scoundrels like Idi Amin and the more democratically inclined black leaders who came to their positions with education compatible with 20th century governments and economies they aspire to establish. It does not distinguish between white minority rule situations where honest effort is being made to accommodate change and where such effort is being stoutly resisted.

The newly elected government of Rhodesia and the new constitution are not simon pure majority rule models of democracy. But it is underwritten by a 64 percent vote by the blacks of that nation. The election may have had some flaws, but we are hard put to point out a fairer process in the turmoil of post-World War II African history. How long has it been now that our own "enlightened republic" has struggled with the problems of socio-economic fairness to all? We recognize the need for evolution here. Can't we grant Rhodesia a little more time on the same count?

Yes, it will likely prolong the guerilla warfare situation by the dissident blacks. But there is nothing in the record of their action and rhetoric which indicates their participation in the recent process on their terms would have resulted in something more fair.●

NATIONAL ARCHITECTURAL BARRIERS AWARENESS WEEK

● Mr. WILLIAMS. Mr. President, last week our Nation celebrated National Architectural Barriers Awareness Week. Appropriate activities were scheduled which reflected a growing awareness by the public of the problems faced by disabled persons. I would like to take this opportunity to reflect on progress which has been made in recent years to enable our society to become more responsive to the needs of the disabled.

During the last several years, we have witnessed much progress for our Nation's handicapped persons. Regulations implementing the nondiscrimination provisions of the Rehabilitation Act of 1973 now require recipients of Federal funds to reduce or remove barriers which restrict the activities and participation of the handicapped.

The Education for All Handicapped Children Act (Public Law 94–42), which I authored, is beginning to provide handicapped children with a free and appropriate education in the least restrictive environment which fully meets their needs. Further, with the passage of the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978 (Public Law 95–602), disabled persons will now be provided new programs to help them reach their full potential. One new program thrust is designed to create a more independent living environment for a disabled person by providing services such as homemaker care, wheelchair repair, and peer counseling.

Civil rights candidates and new rehabilitation programs cannot solve all of the problems faced by the disabled. For them, barriers exist in many forms: The cold stare from well meaning onlookers; three steps to enter a bus for the wheelchair bound; the frustration and anger when no one tries to understand or speak to you because you are deaf.

We, as a society, are just beginning to understand the multitude of problems faced by disabled persons. While many of these barriers are architectural, many are also attitudinal. I am confident that as disabled and nondisabled work together these barriers will be eliminated. I look forward to the day of a barrier-free society when there will be no need for a National Architectural Barriers Awareness Week.●

SOLAR POWER

● Mr. HEINZ. Mr. President, solar power must be one of the key elements in meeting our present and future energy needs. Unfortunately, the Department of Energy has displayed neither the aggressiveness nor the competence to develop a meaningful solar energy program.

The May 1979 issue of Environmental Action contains an insightful article by Deborah Berkowitz which illustrates a few of DOE's shortcomings in the development of solar power. I commend the article to my colleagues attention and ask that it be printed in the RECORD.

The article follows:

THE 14 CARAT COLLECTOR

(By Deborah Berkowitz)

The Department of Energy likes to say that solar energy isn't economically "feasible," and from the looks of DOE's industrial solar energy program, you can see why.

When news of the rickety, complaint ridden solar industry started filtering into Washington last summer, DOE started searching for a scapegoat. In late September, a plausible scapegoat was found—the residential market the department was trying to convert to solar. Energy officials are now proclaiming that industrial solar energy is the centerpiece of DOE's "new" solar effort. Industrial Process Heat (IPH) is widely believed to be a key area for solar development, since much of the energy used by industry goes toward such simple operations as heating water. DOE's program is supposed to demonstrate how industry can already benefit from relatively modest, low cost investments in solar energy.

But instead, DOE is putting its dollars into demonstration projects that are anything but low cost.

Take the so called "small scale" solar project at Gold Kist's Decatur, Ala. soybean plant. DOE paid a total of $1.1 million to build a solar boondoggle, which today provides less than 2.5 percent of the plant's energy needs.

One of the project's more interesting features is a $165,000 grandstand, erected to jack the solar collectors off the plant's main parking lot. In most cases, solar collectors are placed either on the ground or on rooftops. But Gold Kist refused to give up its parking lot, the only suitable ground space for the solar collectors, and the roof couldn't support the collectors either. DOE, determined to build a solar facility at the Gold Kist plant, hit upon the idea of constructing the grandstand, saving both the parking lot and the solar system. A rather expensive solution—especially since, during the construction of the system, company employees became accustomed to parking in another nearby lot, and now no one parks beneath the grandstand anyway.

The Gold Kist facility may be the only IPH funded demonstration project with a grandstand, but in other ways it is typical of the extravagant systems the program has supported. From a $104,000 lumber drying project built by Lockheed to a $300,000 textile drying operation designed by Honeywell, IPH has funded solar operations that are, to say the least, expensive.

In a study commissioned by DOE, outside analysts found that IPH demonstration systems were "considerably too" expensive to be attractive to private industry. For example, labor and materials cost alone of the Gold Kist facility was well over half a million dollars. IPH was also told that industry will not buy systems with payback periods of more than three to six years. Nevertheless, all seven completed IPH systems have longer payback periods; five of the seven have payback periods of up to 15 years. And IPH considers these merely "experimental size" projects; full scale applications, say program officials, will run anywhere from two to five times the cost.

The IPH systems are also ridden with design errors. One federally subsidized snafu involves a Sacramento, Calif. Campbell Soup Co. plant, where solar energy is used to wash cans. The success of such a system depends on having a plumbing system which can transport hot water from the solar collectors down to the can washing lines. But the Campbell plant is old and has had many modifications in its plumbing system. So when DOE consultants started constructing the system, they had trouble untangling the plant's plumbing, and in the end, never quite did. The result is a $951,000 solar headache, a true plumbing fiasco. But with Campbell sure to flash its new solar face in the press, DOE was certain to get some good, free coverage. That alone was apparently reason enough for the system.

Over half the IHP projects were designed and built by the big government contractors—Lockheed, Honeywell, General Electric, Exxon to name just a few—that together form a sort of old boy network around the federal bureaucracy. For the most part, these firms have no desire to produce and market the systems they design for DOE. They're always paid a fixed cost for their services, so they're under no profit pressure to design innovative or cost effective systems.

Meanwhile, for almost five years now, private entrepreneurs have been marketing the same sorts of industrial systems that DOE is supposedly introducing to the industrial world—only for a fraction of the cost.●

TRIBUTE TO WILLIAM M. DUCHESSI

● Mr. PELL. Mr. President, I am saddened, as I know many of my colleagues are, at the death during the past weekend of William M. DuChessi.

Bill DuChessi dedicated his adult life to serving the working men and women of this Nation through the labor movement. Indeed, his life paralleled the development and growth of the labor movement as an effective instrument for the improvement of life of working men and women. Beginning as a boy working in a carpet factory, he became a charter member of a workers' organizing committee which became the foundation of the Textile Workers Union.

His abilities and his service to the organization earned him advancement to vice president of the Textile Workers Union, and later to executive vice president of the Amalgamated Clothing and Textile Workers Union. In addition, he served as a member of the general board of the AFL–CIO Industrial Union Department and as a member of the National Cope Operating Committee.

Bill DuChessi was best known to Members of the Senate through his knowledgeable participation in the legislative affairs of the union. He will be sorely missed.

I extend my deepest sympathy to his family.●

ROBERT JOHANSEN ON SALT

● Mr. McGOVERN. Mr. President, Robert Johansen has presented an extraordinarily lucid analysis of the problem with SALT in the May issue of Harper's magazine. It reflects my own thinking in many areas, especially concerning the impact of the SALT ratification process on the long-range escalation of the arms race. Mr. Johansen also places SALT in a larger context of the need to improve the security of the American people by moving toward a demilitarized security system. As I have stated, I remain uncommitted on whether I will support or oppose SALT II. Mr. Johansen's arguments will weigh heavily in my mind.

I submit "Arms Bazaar," by Robert Johansen, from the May issue of Harper's for consideration by my colleagues and ask that it be printed in the RECORD.

The text of the article follows:

ARMS BAZAAR

(By Robert C. Johansen)

Although I have spent most of my time in recent years trying to halt the arms buildup, I cannot in good conscience join the campaign to ratify the new treaty emerging from the Strategic Arms Limitation Talks (SALT II). An understanding of the political context surrounding the entire SALT process reveals that it discourages a halt to the growth of armaments. Military and civilian officials in the Pentagon understand this, which explains, perhaps, why they will endorse the SALT II treaty. Although the treaty does not dictate an increase in armaments, the negotiation and ratification processes provide the political conditions for an increase in military expenditures and overall destructive capability. Thus, I doubt that the provisions of the SALT II treaty are desirable enough that individuals and groups who want to reverse the arms race should devote their time, energy, and money to ratification.

To be sure, if we look only at the SALT II treaty itself, it might seem that we would be better off with it than without it. But that conclusion is a product of short memories and ignorance of the events surrounding the treaty, and forgotten is the intention, abandoned after SALT I, of achieving a treaty of unlimited duration. (SALT II will last until 1985.) It is also forgotten how much lower was the number of warheads, how much more stable was the strategic doctrine, how much less capable the superpowers were of fighting a nuclear war when SALT began than they are today. If one measures from the beginning of SALT in 1969, it is hard to believe that arms opponents would be in any worse position if there had been no SALT at all. SALT helped to make multiple warheads (or MIRVs: multiple independently targetable reentry vehicles) acceptable, and now it is giving a boost to the cruise missile, the M-X (a mobile missile), and the shift to a nuclear war-fighting capability, as opposed to a posture aimed simply at deterring an attack. Since SALT I was signed, the United States has deployed roughly 4,000 of the 10,000 warheads in its strategic arsenal. The achievement of both SALT I and SALT II is to curtail relatively insignificant parts of a quantitative arms race so that more money and brainpower can be devoted to a significantly more dangerous qualitative arms race.

The value of SALT is also miscalculated because political leaders are eager to attribute historic importance to their work—an importance that history often later belies. SALT II is based on slightly revised missile ceilings agreed upon by President Ford and Soviet President Leonid Brezhnev at Vladivostok more than four years ago. Ford described the Vladivostok Accord as "a real breakthrough that puts a cap on the arms race, . . . thus preventing an arms race with all its terror, instability, war-breeding tension, and economic waste." Secretary of State Henry Kissinger observed that when the accord was formally ratified, this "major breakthrough (would) be seen as one of the turning points in the history of the post-World War II arms race." More than four years have passed, and the Vladivostok ceilings have not been significantly exceeded by either side. Nonetheless, no evidence supports the contention that a major breakthrough has occurred in putting a cap on the arms buildup. Indeed, now that he is no longer Secretary of State, Kissinger seemed to possess a steadier grasp of the facts when he said recently that the SALT II treaty "at best slightly limits existing weapons programs."

SALT is more a charade than an arms reversal program. It serves the political needs of politicians, not the security needs of the human race. Leaders act as if they are making something big happen, but progress is recorded only in the military budget and in destructive capability. Weighty Senators, whether they be Henry Jackson seeking to expand his power in the Democratic party or Howard Baker and other Republican Presidential apprentices, appear on the political stage as actors exercising seasoned judgment and cautious wisdom by suggesting that they might oppose ratification because SALT II would restrict the United States too much. Always eager for drama, the media eagerly pick up an impending battle on Capitol Hill, make it newsworthy, and describe mere political theater as vital to the future of the Republic—meanwhile ignoring what is significant about the public's loss of control over the militarization of the planet.

Not all of these people understand that they participate in a charade, but neither do they seriously question how present military policies, with or without SALT, will increase human security in the long run. The quality of the charade is illustrated by the President's strategy of trying to increase the number of Senatorial votes for SALT II ratification by appointing a career military officer, George Seignious, to head the Arms Control and Disarmament Agency. If the Washington climate is so hostile to arms reductions that a military official and previous opponent of arms control must head the agency responsible for reductions in order to get Senate ratification of a treaty as harmless to the military as SALT II, can anyone really believe that we are about to take a significant step down the road toward arms reductions?

The greatest threats to peace by arms competition today are the qualitative improvements that make weapons faster, more deadly, more accurate, and more difficult to detect or defend against. SALT II will not prevent a single important qualitative development now on the drawing boards.

Proponents of SALT II, whether in Moscow or Washington, point out that SALT II is desirable because it will contribute to détente. That may or may not be true, but we should recall that military expenditures, even after discounting inflation, have risen faster during détente than previously. SALT II will not scale down the diplomatic advantages the two military giants enjoy in their relations with other countries—advantages derived in part from their military power. As a result, other governments will continue to feel the need for more arms if they seek to reduce inequities in global decision-making.

Détente and the SALT agreements between the United States and the Soviet Union signal not an end to arms competition, but instead an accord between the two most heavily armed governments on how to manage the undiminished arms competition. SALT II is a clever managing device to enable the United States and the Soviet Union to put fewer resources into the type of weapons—stationary, land-based, single-warhead ICBMs (intercontinental ballistic missiles)—in which an increase in their superiority over the rest of the world's governments will no longer matter. Moscow and Washington will then pour more money and brainpower into areas of technology where they can further outpace the rest of the world militarily.

Even with the promise of successful negotiations, the Carter Administration has already projected for the next several years an average annual increase in military expenditures of 3 percent above inflation. In sharp contrast to his campaign pledge of a $5–$7 billion cut in the military budget, President Carter recently declared: "Our goal . . . is to increase the real level of defense expenditures. This is our goal." Increased spending by the United States and the Soviet Union will be used in part to develop and produce advanced nuclear warheads and delivery systems.

When the number of strategic missiles was limited by SALT I seven years ago, Defense Department officials used this limit as an argument for putting more than one warhead on each missile. This technological "improvement," when later imitated by the Soviet Union, produced new Soviet capability that now makes the U.S. ICBM force vulnerable to Soviet attack and therefore becomes the excuse in the United States for a new mobile ICBM, the M-X. Pentagon officials also agreed to support SALT I on condition that they could develop the cruise missile, which was not covered by SALT I. The cruise missile, paradoxically, is a stumbling block in negotiating a SALT II agreement, and it will make extremely difficult the inspection of any future effort at limitation.

When SALT II established a ceiling of 1,320 MIRVs at the 1974 Vladivostok meeting of President Ford and Soviet President Brezhnev, this high missile ceiling quickly became a target for large additional deployments. At the time the U.S. had deployed 832 missiles with multiple warheads. The Soviet Union had none. That historical moment presented an easy opportunity to have MIRVs banned completely, but they were not, because of the guiding principle for arms-control negotiations: limit the weapons considered least important to develop, and allow unrestricted development in other areas.

SALT II negotiators have carefully followed this principle. The treaty will allow the further testing of a MaRV (maneuverable reentry vehicle) to increase warhead accuracy. This is useful primarily for attacking an opponent's nuclear forces and for establishing a nuclear war—fighting capability. Such targeting precision is not necessary for simple deterrence of an attack. It will, however, stimulate a response from the Soviet Union, which will then make the U.S. deterrent more vulnerable and therefore will be used as the rationale for new U.S. deployments. The high MIRV ceiling in SALT II, for example, is already being used to justify the need for the M–X. Few people recall that the earlier U.S. arms-control decision not to try to ban MIRVs is now the stimulant for an entirely new ICBM.

U.S. negotiators in SALT II protected the right to develop the M–X, a larger, more accurate missile, with the intention of making it mobile so as to keep the Soviet Union guessing where it is stationed. Because of its multiple warhead capability, this missile will increase the threat to Soviet land-based missiles, make Soviet leaders more uneasy during a crisis, and stimulate them to match new U.S. technology. It will also make inspection of any future limitations much more difficult, thus decreasing the prospects for genuine strategic reductions if there should ever be a SALT III treaty. The decision to develop this new missile became a foregone conclusion as the negotiations proceeded, not because there was a security need for it, but because a payoff was needed for Pentagon officials to get their support for SALT II. Thus, the more arms-control negotiations appear to be serious and successful, the more rapidly the normal resistance to unnecessary new arms programs erodes, which is why "success at SALT" has meant an increase in military expenditures and destructive capability.

The promise of a SALT treaty in some cases has speeded up the rush toward more numerous and destructive weapons. Secretary of Defense Harold Brown, for example, recently directed Air Force and civilian analysts to accelerate planning for the best way to deploy the M–X missile so that President Carter could announce plans for the more deadly intercontinental missile in time to help ease the way for Senate approval of the SALT II agreement. SALT II will also allow the development of the Trident submarine, the longer-range Trident missile, the cruise missile, and the neutron weapons. The SALT II ceilings on missile launchers are not sacrificial ones. The United States has not wanted more launchers (as opposed to warheads) than it now has, a level below the ceilings in SALT II. The Soviet Union will have to dismantle approximately 150 to 250 aging launchers, but it will more than compensate for these by adding hundreds of warheads to its other missiles.

In brief, SALT II legitimizes the nuclear weapons below the ceilings, encourages building up to those ceilings, and, outside the ceilings, explicitly allows new weapons that will make future reductions more difficult. It fails to move the United States, the Soviet Union, other nuclear powers, and countries approaching nuclear capability closer to the renunciation of nuclear arms.

Motivated by a desire to hold political ground against the advance of growing conservative forces, many people argue that advocates of arms reduction must work to ratify a relatively useless SALT II primarily because we later on want a more desirable SALT III. Yet this is an admission that SALT II is not worth the lobbying effort in itself. If that is so, we should lobby now for the comprehensive arms reductions that we unrealistically hope will be part of SALT III, and forget about SALT II. If such a lobbying effort were successful, SALT II would be passed easily. In other words, lobbying for a demilitarized global security system would, as a side effect, encourage the ratification of SALT II, but lobbying for SALT II will not give us comprehensive arms reductions.

Organizations with offices in Washington get easily caught up on counting votes to achieve legislative "victories," without careful assessment of whether a victory matters in the long run. A treaty ratification campaign offers a concrete goal, something useful for mobilizing constituents and contributors. It is exciting to have lunch with Washington influentials to plan strategy for a legislative battle. Those tasks are important, but *only* when the battle is over a fundamental issue, and SALT II definitely is not. Nonetheless, during 1978, leaders from labor unions, liberal lobbying groups, and almost all peace organizations joined the SALT bandwagon.

Unfortunately, a campaign to ratify SALT II will lead the public into the mistaken belief that the best road to genuine arms reductions is through negotiations similar to SALT I and SALT II. Yet this approach will not produce a demilitarized security system because it aims to manage the arms competition, not to terminate it. Negotiators—no matter how well-intentioned—cannot reduce arms substantially at the same time that they rely heavily on them for security and diplomatic influence. Arms can be significantly reduced only when security can be achieved through means that do not depend so completely on national military forces. This requires us to think seriously not about piecemeal, stopgap measures of arms stabilization or control within the present international system, which is a war system based on the threat or use of force, but about steps to take toward the creation of an alternative security system.

A transnational monitoring agency that includes third parties is an essential part of any long-range policy to increase security while decreasing dependence on arms. Yet with characteristic arrogance the U.S. and Soviet governments act as if they were the only two governments in the world that have a right to monitor their nuclear postures—postures that cannot avoid affecting every inhabitant of the planet. Nor is it any credit to our NATO allies that they allow the United States to take this position. The verification of SALT II could be carried out by a global, multilateral agency. Establishing such an agency would be a positive accomplishment. Even with such an agency for monitoring SALT II, the United States could still maintain national means of verification to reassure those who might doubt the reliability of the global agency during its infancy. But because it has no long-range policy for arms reductions, and despite the absence of any reasonable argument against this idea, the United States refuses initiatives in this direction.

Far from strengthening international peacekeeping organizations and increasing their representativeness, SALT II advances the system of great-power dominance over the economically and militarily less-powerful societies. The attitudes supporting SALT II will, in my opinion, someday be seen as a late-twentieth-century manifestation of old-fashioned imperialism. The Big Two, which produce ever-greater military fruits despite détente, hold most of the world's population hostage to the threat of instant genocide. Moreover, the world's people are subjected to taxation without representation—through the worldwide, negative economic consequences of unnecessary military expenditures. Much of the world's population suffers under political repression partly encouraged by militarism and alliance-building that are nurtured by U.S. and Soviet postures. The SALT II treaty may be a positive expression of political collaboration between the Kremlin and the White House, but it is not a serious effort to achieve a secure and peaceful world or a life of greater justice for many other societies of the world, conditions that are prerequisites to genuine peace.

To oppose the political Right is easier than to oppose the war system, but it is also less promising. To think seriously about abolishing war as an accepted institution means a fundamental questioning of the present international system, where we all enjoy privileges because of the present global distribution of power and wealth. Yet without commitment to demilitarization of the world security system, one or two weapons systems will come and go, as SALT fails or succeeds. But the return to new arms buildups, like the craving for a fix by an unreformed addict, will always return until steps are taken to kick the military habit completely—a message that should be carried to our Senators rather than the appeal to vote "yes" on SALT II.

For those who will work for ratification of SALT II, despite these arguments, I suggest that any Senator who is asked to vote "yes" on SALT also be asked to put meaning into that vote by a public pledge to vote for a 10 percent annual reduction in military expenditures, to be continued indefinitely if reciprocated by the Soviet Union. Of course, if a vote for SALT II were synonymous with a vote for a budget cut or even a freeze, the Pentagon would oppose it and SALT II would fail—unless a strong public movement had been established to insist on moving toward an alternative security system. This reality exposes the true meaning of SALT.

The nongovernmental arms-control community in 1979, supposedly on the cutting edge in pressing the government toward more enlightened policy, is actually far less progressive than were some government officials years ago. Since the 1950s, the growth of military influence and mentality in our Legislative and Executive chambers has spread to a majority of public-opinion leaders. That the spread has been without maliciousness does not make its impact upon the body politic any less malignant. In 1961, the U.S. representative to the United Nations could declare: "We do not hold the vision of a world without conflict. We do hold the vision of a world without war—and this inevitably requires an alternative system for coping with conflict. We cannot have one without the other." Today, such ideas are not even the object of serious study, let alone advocacy, by Washintgon arms controllers in or outside the government. Both the pro-SALT II Carter Administration and the anti-SALT II conservative Republicans accept most of the same assumptions about the international security system; neither group tries to change those assumptions. They say, in effect, "A war system is here to stay—at least during my term of office. To move beyond rhetorical flourishes and to take action to reverse the arms buildup and to replace the war system with a peace system is unrealistic."

The U.S. public and the world's public face a problem similar to the one we faced in the Vietnamese conflict. Few U.S. political leaders then wanted to suffer the assumed political costs to their own careers by advocating a withdrawal of U.S. personnel, regardless of how unpromising were the prospects for U.S. military forces. In the late 1970s, few political leaders are willing to accept the assumed political costs of advocating a practical program for abolition of war, regardless of how unpromising may seem the long-range prospects for continuing the escalation of armaments.

It is time for a new antiwar coalition to come together. In addition to familiar antiwar activists, this time it must include environmentalists, feminists who understand how deeply ingrained, erroneous, and unjust are the myths about power, the poor, who suffer the most from militaristic consumption of resources, and political conservatives who believe that some variation of a system of law and nonviolent conflict resolution, which resolves disputes domestically, should be developed for world society.

Given the political will, it is possible to implement a feasible step-by-step approach that would move us toward the abolition of war as an accepted institution, much as slavery shifted in our thinking and behavior from an acceptable to an unacceptable human institution during the 1800s. In effect, the portion of human interactions across national boundaries that now is part of a war system would be transformed into a peace system. A peace system already governs many of those human interactions, such as trade and travel. The idea of abolishing war, which at first glance seems blushingly unrealistic, turns out upon further examination to be realistic enough that it already has been partly implemented. In fact, peaceful resolution of conflicts is the rule, not the exception, for most human interactions within nation-states and even in the majority of relations across national boundaries.

The full blossoming of the abolitionist idea depends upon cultivation by people bold and imaginative enough to see that nonviolent conflict resolution, with appropriate institutional reform and attitudinal change, can be expanded to all areas of international life.

Finally, unexamined enthusiasm for SALT comes easily because we have lost a clear moral sense of right and wrong. It is a tragic self-deception to think that the important point for peace advocates in 1979 is that we will be better off with SALT II than without it. A more accurate message is that the weapons that now exist and will remain after SALT II are morally unacceptable. No less than a gas chamber for innocents, a nuclear furnace for any purpose is a fundamental denial of the most revered ethical teachings of Western and non-Western civilizations.

Yet the U.S. and Soviet military postures are not aimed at eliminating the role of nuclear weapons or military power in human affairs—with or without SALT. The military officials of the two countries are not in alliance to spur the arms race and to violate the global human interest, but the effect is the same as if they were. And the mutual U.S.-Soviet military stimulation, with its attendant consequences of nuclear proliferation and destabilizing weaponry, poses a greater threat to the human race than does the present Soviet arsenal to the U.S. population.●

A. PHILIP RANDOLPH

● Mr. HUDDLESTON. Mr. President, I take pride today in paying special tribute to A. Philip Randolph. During his 90 years of life, Mr. Randolph was a tower of strength in the struggle for equal opportunity for all American citizens and the organized labor movement. Mr. Randolph's exceptional organizational ability was evident in his founding of the Brotherhood of Sleeping Car Porters and serving as director of the now historic "March on Washington" for jobs and freedom in 1963. In 1955, he was elected to the first AFL-CIO Executive Council.

One of the most fitting tributes we can pay Mr. Randolph will be the continued support of the A. Philip Randolph Institute founded in 1965 to work primarily in the areas of minority voter registration and political awareness programs. The Louisville Chapter of the A. Philip Randolph Institute was organized in 1976. In the past 3 years, this chapter has been successful in registering more than 24,000 citizens to vote in Louisville and Jefferson County.

Mr. Randolph's contributions to our society were many. It is my sincere hope that the ideals for which he worked so tirelessly will soon become a reality.●

THE VIETNAM LESSON

● Mr. McGOVERN. Mr. President, the Washington Post reported last weekend that the Vietnam war has become nearly a forgotten historical experience in the high schools and high school textbooks in the Washington area. The Post surveyed local textbooks and visited four high schools to interview teachers and students about how the Vietnam war is being taught and remembered. Apparently, the absence of serious discussion about the war which is apparent in our national political dialog is being reflected in our schools as well. The reporter from the Post felt herself lucky to find even a few paragraphs about the war in the textbooks. The major confrontations, debates, the heart-rending images from a wartorn Asian country—all of the symbols which shaped American society for a decade apparently are not being effectively communicated, discussed or evaluated in our classrooms.

The danger of repeating a forgotten history may be too commonplace to raise here. But the Vietnam war is not merely a portion of our history—it remains a contemporary image which our foreign policy still needs to come to terms with. We talk of avoiding new Vietnams in Yemen or Africa. We talk of carcinogenic herbicides from Vietnam affecting our veterans. In these and many more examples, the Vietnam war is an important touchstone of current public policy choices. We simply cannot afford to forget.

Recently, German television showed the holocaust dramatic series. The world watched with great interest to see how the German people would react. I do not want the young people of America to have to wait 30 years to confront a major formative experience in their country's history. Unless Vietnam and American policy are discussed in the curricula of our schools, I fear this may be the result.

Mr. President, I submit for printing in the RECORD the text of the Washington Post survey on teaching about Vietnam as well as an additional article on historical memories about the Vietnam war.

The texts of the articles follow:

A LESSON LOST: VIETNAM BECOMES A BLUR TO HIGH SCHOOL STUDENTS

(By Martha M. Hamilton)

At McKinley High School in Washington, a senior who is asked about the war in Vietnam responds in earnest, "Is that the one where they dropped the bomb on Hiroshima?"

That is an extreme example, but visits to four high schools in the Washington metropolitan area, talks with teachers and students and a look at the history textbooks in high schools, show that the Vietnam war as a lesson has faded, almost become lost.

A history text used at Groveton High School in Fairfax County had a separate six-page section on Vietnam in its 1969 edition. The 1975 edition of the same book treats Vietnam in a 2½-page section titled, "Vietnam; The Black Revolt; The Student Protest."

Looking at textbooks used in local high schools, a reader who lived through the Vietnam era is struck and surprised by what is not there. Absent in several books is even passing mention of the Kent State shooting, the May Day demonstration, the My Lai massacre, the 1968 Chicago Democratic convention or even North Vietnamese leader Ho Chi Minh.

Also missing from the books are the photographs that burned themselves into the memory of those who lived through the times—the naked and frightened Vietnamese girl fleeing down the road away from a napalm attack, the suspected Vietcong terrorist having his brains blown out, Buddhist monks burning themselves or American helicopters evacuating troops with soldiers hanging from the runners.

For many students in the area's high schools, Vietnam will be reduced to a couple of paragraphs from these texts. Or it may be a teachers brief recital of a confusing array of facts in the rapid-fire final weeks of the semester when time catches up with history and students are more apt to be concentrating on the coming summer. Several teachers say they may not even get to the Vietnam era.

There are students who will learn more about the war, but they are the exception. In courses in contemporary issues for sophomores at Walt Whitman High School in Bethedsa, for instance, teachers may spend a few days on the war that divided the nation.

In such a class one day last week the words "secret bombing . . . McGovern . . . Vietnamization bounced off the walls of the sunny classroom like echoes from the past and seemed out of place.

Outside the classroom, students were hanging posters advertising the senior prom and majorette tryouts.

Ashby Bryson, a teacher at Whitman, said he once led his class in antiwar cheers to try to recreate the times and the passion they provoked. "Ho-Ho-Ho Chi Minh; NLF is gonna win," and "Hey hey, LBJ; how many kids did you kill today," they chanted.

But for his students the emotion just was not there.

Nonetheless the students look back on the war with a youthful certainty.

"It was stupid," said Pat Prevo, a junior at Bowie High School in Prince George's County. "We didn't have any reason to go in and we never got anything out of it."

Vietnam comes through to most students in terms that are stark and absolute—that it was all wrong, that it made no sense, that it was a grotesque failure totally at odds with American national purpose.

The students at the four schools used words like stupid, dumb, disaster and mistake to describe the war. They are bemused by what they consider an almost quaint fear of communism that propelled America into Vietnam. They are at a loss to understand how it happened.

"I think the biggest mistake was killing all those innocent people," said Frances A. Pullian, a junior at McKinley. "I don't even know what the war was about."

"With all the movies that have come out this year, 'The Deer Hunter,' 'Friendly Fire,' and all that, they give the impression that our government was wrong," said Larry Greenberg, a student at Whitman. "For those who weren't there, those in our generation, certainly everybody is going to say the government was wrong."

"I feel like we're missing something," he said later. "There's something in the fact that the whole government was for it. We must be missing something if we can only see why we should have been against it."

While the students appear to perceive American motives as wrongheaded at best, they also appear less critical of the motives of North Vietnam and others who fought against South Vietnam.

"Why weren't there protests in North Vietnam?" asked Joseph Wrona, a Whitman teacher, of his class. Wrona was asking generally whether there might have been oppression and suppression of dissent in North Vietnam as well as in South Vietnam.

"Because they were all happy and healthy," said one voice from the class. "Because they were all fighting for the same thing," came a chorus of several others.

The war has bred a generation of isolationists among current high school students, most teachers say, "They don't want us to get involved, and that applies not just militarily but to economic assistance as well," said Stanley Boyd, a teacher at McKinley.

"We should worry more about the problems in the United States than going off to those foreign states," said Sonja Ahmad at McKinley.

"They're learning the lesson of the previous war," said teacher Elizabeth Mark at Groveton High School. Just as feelings that the United States should have intervened sooner in World War II prompted some American actions in the post-World War II period, a feeling that the United States should never have gotten into Vietnam has provoked feelings of isolationism, she said.

But she added: "It may be the wrong lesson."

Whatever the lesson, it is not one that interests high school students particularly.

"The one thing I remember about the war was looking at the TV and seeing a bunch of dead bodies," said Whitman student Henry Strauch, who said the pictures didn't impress him much.

Many students were still in elementary school when American troops were withdrawn from Vietnam. Their impressions of the war are second hand.

"It feels kind of strange, like we're on the outside looking in," said Arjun Chammugam, another Whitman student.

"Students don't get excited about it," said Mark. "It's amazing to me. It's so quick. It's over," she said.

In contrast to the students, the teachers' memories of the war are sharp and often painful. For some, it revives memories of long, cold nights on anti-war marches or combat experience in Vietnam. Only a few teachers said they had not been active on either side of the debate over the war.

Teachers often supplement the texts with other material of their own experience. At Bowie, Mary Lou Mortlock said she invites a former student who served in the war to show slides and talk about his experiences.

Another Bowie teacher, Thomas Boltz, who served as an Army lieutenant in Vietnam and teaches at Bowie, uses photographs he took while he was over there.

"I have a feeling of bitterness," said Boltz. "The thing that makes me so bitter is what I feel is the stigma and unfairness given to the men who went over there." Boltz said he tried to attack myths that have grown up around the war, such as the myth "that everybody in combat was a cold-blooded killer" or "that everybody ran off to Canada."

With all the immediate and historical perspective the teachers say they try to bring to the subject, students are still less interested in Vietnam than World War II or more immediate foreign crises that could curtail gasoline supplies.

"By and large, the war's ignored, neglected, not treated," said Boyd, at McKinley. "That's unfortunate because the students are not learning anything from the war." Boyd is a Quaker who went to North Vietnam as part of a four-member teacher delegation sponsored by the American Friends Service Committee in 1975 and was there during "the liberation of South Vietnam."

"Anything that happened 5 years ago could have happened 100 years ago" in terms of student interest, said Jack Hiller, chairman of the social studies department at Groveton High School.

"Perhaps the attitude of our students is like the attitude of German students to World War II," said Hiller, who said he supported the war and still believes the U.S. record in the war is better than generally perceived. "They don't want to think about it."

Later, walking down a hall, Hiller said, "I don't know if the kids feel that. Maybe we feel that and don't tell them about the war.

"Americans don't like losers," he said.

VIETNAM COMES HOME

Englishmen who fought at Ypres and the Somme carried the Oxford Book of English Verse in their haversacks; such literary brigades in the trenches would find their minds chiming with a line of Keats, or William Dunbar's Timor Mortis Conturbat Me. The Americans in Vietnam usually packed more kinetic cultural effects. Images given them over the years by movies and television would sometimes unreel in their brains as they moved toward a tree line or a Vietnamese village, and in bizarre synaptic flips between reality and pictures, they would see themselves for an instant as, say, Audie Murphy winning his Congressional Medal of Honor in To Hell and Back. One writer called these dislocating fantasies "life-as-movie, war-as-war-movie, war-as-life." The men could ridicule "John Wayneing," but the effect was metaphysically spooky. And, of course, it could get you killed.

Much of the American grief in Vietnam was played out in the national imagination by way of movies and television. If the grunts on search-and-destroy in the Central Highlands sometimes kept themselves going with a jolt of John Wayne from The Sands of Iwo Jima, the people at home took their war each night live in their living rooms, mainlined by television directly into the bloodstream. Vietnam was so intimately recorded that it became almost unendurably real—yet also impossibly remote, 9,000 miles away, a dark hallucination. And along with the war on the tube came the rest of the theater of the '60s: riots, assassinations, the antiwar moratoriums, the Yippies' carmagnoles, the circus of the counterculture.

By the late '70s, those eruptions seemed as long ago as the Great Awakening or the Indian wars. Besides the sheer passage of time, there appeared to be a willful repression of the nation's longest war and its only military defeat. The forgetfulness amounted almost to national amnesia. Two or three years ago, literary agents would tell their writers: "I can sell anything you do, but not about Vietnam." Except for a foolishly frisky little combat comedy called The Boys in Company C, Hollywood would not touch the war—unless you count John Wayne's 1968 Green Berets, which might as well have been produced by William Westmoreland. As Director Arthur Penn (Bonnie and Clyde) put it several years ago, "I don't believe the war in Vietnam can be treated in a 'popular film.' We have no capability to confront events of that enormity head-on." It was taboo, a secret, like a spectacular case of madness in the family.

But now the psychological time-lock on Vietnam seems to have expired. Books have been tumbling out of typewriters, laden with confessions, accusations and revisionist history. American foreign policy, which for much of the '70s has suffered from a post-Vietnam, post-Watergate reticence and drift, has grown somewhat more assertive; there are even signs of a backlash of truculence in some quarters.

Viet Nam was thrust into the forefront of most Americans' consciousness last week in a surprising but somehow fitting manner: at the Academy Award presentations witnessed by an estimated 70 million TV viewers in the U.S. So it was movies and television again that brought the war back; the technological media of illusion fancifully reconstructing what was in some ways the most illustory experience in the national history.

Ordinarily, the Academy Awards are a nice, long evening's wallow in the junk culture; you send out for Chinese food or pizza, make popcorn, keep score, watch for the awful fashions and the stilted soliloquies of acceptance. But this year, beneath the usual wisecracks and show business sentimentality, there was more interesting drama. Jane Fonda, anathematized for years because of her radical politics and trip to Hanoi during the war, won the Best Actress award for her role in Coming Home, an antiwar film focused sympathetically on the suffering of wounded American veterans (Fonda, who is relentless, gave half of her acceptance speech in sign language "because there are 14 million deaf people in this country." New York Daily News Critic Rex Reed wrote bitchily that it "looked like an audition for The Miracle Worker.") Jon Voight, who played opposite Fonda as a paraplegic vet, won the Best Actor award.

At the end of the 3-hr. 20-min. ceremonies in Los Angeles' Dorothy Chandler Pavilion, John Wayne himself came on. The old martial role model, looking gaunt but energetic, his stomach and one lung gone to cancer, presented the Oscar for Best Picture of 1978. It went to another Viet Nam movie, The Deer Hunter, Director Michael Cimino's story of young Ukrainian-American steelworkers from Clairton, Pa., who play pool, drink beer, watch football on TV, get drunk at a wedding, hunt deer and then go off to fight the war in 1972. It was the fifth Oscar for The Deer Hunter that night. The audience could only guess at the complexities of feeling that ricocheted around John Wayne's mind as he handed over the prize.

The Motion Picture Academy in years past has displayed a distaste for political controversy; half a decade ago, a streaker was more acceptable than an Oscar winner with the temerity to rail against the war. But as a headline in the Los Angeles Herald-Examiner put it last week, THE WAR FINALLY WINS. The awards to two films about Viet Nam suggested not so much that the academy has gone hotheadedly controversial as that it judged, like the rest of the nation, that Viet Nam has receded enough to keep any discussion of it from exploding into a civil war.

The heat is by no means gone, of course. Outside the awards ceremonies, a remnant group of Viet Nam Veterans Against the War shouted protests about The Deer Hunter, which in style and message is a world away from Coming Home. The vets echoed the criticism of many old antiwar activists, who regard Cimino's cartoon treatment of the Vietnamese (played in the movie, incidentally, by Thais) as screaming sadists, much given to atrocity. Fonda called The Deer Hunter "a racist, Pentegon version of the war"—a judgment she reached without having seen the movie. Gloria Emerson, who covered the war for the New York Times and and wrote a phosphorescently indignant book called Winners and Losers, declared last week: "Cimino has cheapened and degraded and diminished the war as no one else."

Coming Home has at least the charm of its political clarity; is is a straightforwardly and movingly antiwar movie that is saved from being a mere tract by its rich performances and its compassion for the Americans who fought and suffered in the war. The Deer Hunter is far more elusive—more forceful, less coherent, more artistically ambitious but also dangerously close to political simplism, historical inaccuracy and moral kitsch.

The fascinating difference between the two films is that The Deer Hunter presents a version of the American experience in Viet Nam that is utterly at variance with the view widely held among intellectuals, of barbarously overarmed Americans, a nation of William Calleys, doing battle against the frail, gentle, long-suffering Vietnamese. Cimino's victims are the rambunctious guys from Clairton, blue-collar heroes who took their wholesome patriotism to Viet Nam and there found themselves alone, morally adrift among savage Southeast Asian exotics who are forever forcing them to play Russian roulette. There is no record or recollection, incidentally, that the game was ever played during the American years in Viet Nam, although some old hands recall a few episodes in the '20s and '30s.

Cimino's tale may or may be a bad description of what happened in Viet Nam; it depends on one's politics. It is the implication of American innocence that enrages some critics of the film. Partly the difficulty lies in trying to extrapolate a general statement of American performance in Viet Nam from the individual American stories that Cimino presents. The director, now working in Montana on a new film about the immigrant voyages west, speaks bitterly of Fonda's charges about his film. His characters, says Cimino, "are trying to support each other. They are not endorsing anything except their common humanity—their common frailty, their need for each other." Although it may be reading the film too much as allegory, the ending, with the survivors back in their shabby Pennsylvania steel town, sitting around a table and softly singing God Bless America, has the effect of being an absolution, a subtle exoneration of the American role in Viet Nam. Cimino might have intended the scene more as an exoneration of the men who were called on to fight there than of the policymakers who sent them. But that is not necessarily the psychological effect upon his audiences. In any case, as Cimino rightly says, "It will take a lot of films to get at Viet Nam. It's still very mysterious to us."

Coming Home and The Deer Hunter, in any case, are only the beginning. Still to come is Francis Ford Coppola's long delayed $35 million Apocalypse Now, opening in August. Coppola has based the film on Joseph Conrad's Heart of Darkness, translated the tale of savagery and evil from the Congo to Viet Nam. There, Marlon Brando, playing the Mr. Kurtz character, is a renegade Army colonel who has taken over a remote province and set up his own war against the Communists. Captain Willard (Martin Sheen) is sent to assassinate the rebellious Kurtz. The movie is already 1½ years behind its original release date and millions of dollars over budget. Coppola has gambled his own reputation and the considerable fortune he made from his Godfather movies on the film's success.

Television is attempting a Deer Hunter of its own: Friendly Fire, an ABC made-for-TV movie based on C.D.B. Bryan's 1976 nonfiction book (April 22, 8 p.m.). Carol Burnett and Ned Beatty play an Iowa farm couple who turn against the war when their son is killed by an errant U.S. artillery round in Viet Nam. As their anger grows more obsessive, they gradually alienate their lifelong friends and even their own family. In Bryan's book, the process is deeply moving, but the TV version is cluttered with clichés and civics lessons. The best TV show about the American involvement in Asia remains CBS's Korean War sitcom M*A*S*H—and M*A*S*H, though controversial by old TV standards, is antiwar in a context shorn of politics and anethesized by the bedside black humor and reassuring personalities of its principals.

Playwright David Rabe's trilogy The Basic Training of Pavlo Hummel, Sticks and Bones and Streamers, explored military brutalizations in the Viet Nam era. This week in Manhattan Actor Michael Moriarty is opening in David Berry's play G.R. Point, an equally brutal work about men doing graves registration duty in Viet Nam. Its refrain: "The 'Nam hasn't got any heroes. Dead is dumb, and dead in the 'Nam is the dumbest of all."

More and more examinations of the war are also being published. The best of the war novels and memoirs, in many ways, is Michael Herr's Dispatches (1977). Herr, who spent a year in Viet Nam covering the war for Equire, writes prose that resembles some weapon the Pentagon developed especially for Viet Nam—hallucinatory, menacing, full of anxiety, death and a stunning, offhanded sort of accuracy. Herr is a writer with the talent of a smart bomb. Like James Webb in his fairly straightforward 1978 novel Fields of Fire. Herr is able to locate the thing inside the soldiers, and himself, that enjoys the appalling charm of war. Writes Herr: "But somewhere all the mythic tricks intersected, from the lowest John Wayne wet dream to the most aggravated soldier-poet fantasty, and where they did I believe that everyone knew everything about everyone else, every one of us there a true volunteer. Not that you didn't hear some overripe ——— about it: Hearts and Minds. People of the Republic, tumbling dominoes, maintaining the equilibrium of the Dingdong by containing the ever-encroaching Doodah; you could also hear the other, some young soldier speaking in all bloody innocence, saying: 'All that's just a load, man. We're here to kill gooks. Period.' "

Philip Caputo's 1977 memoir, A Rumor of War, another excellent and painfully earned book, recalls how he was inspired by John Kennedy's "Ask not what your country can do for you * * *" Caputo joined the Marines: "Having known nothing but security, comfort, and peace, I hungered for danger, challenges, and violence." At the end of his three-year enlistment, Caputo writes, "I came home from the war with the curious feeling that I had grown older than my father, who was then 51 * * * Once I had seen pigs eating napalm-charred corpses—a memorable sight, pigs eating roasted people."

There have been other admirable Viet Nam books recently: Tim O'Brien's Going After Cacciato, Larry Heinemann's Close Quarters and Frederick Downs' The Killing Zone. Josiah Bunting, a novelist (The Lionheads) and former Army officer who served in Viet Nam and is now president of Virginia's Hampden-Sydney College, points out an anomally of Viet Nam. "The Norman Mailers and William Styrons and all those guys stayed at Harvard for this war. The real literary genius never went." Nonetheless, Bunting expects that "within the next three or five years, there will be a major, successful Catch-22-style novel and film about Viet Nam. Only then will we be far enough away so as to see behind the grotesque and see how miserably and squalidly funny the whole thing was."

Movies, TV shows, plays and memoirs will eventually construct a mythic reality around the American experience in Viet Nam. World War I's catastrophic trench warfare, which nearly wiped out a generation of England's best and brightest men (France's and Germany's as well), was so utterly new and unfamiliar that a highly literate assemblage spent the next decade, at least, formulating a conception of what it had all been about. Something of the same process is occurring regarding Viet Nam.

Meantime, events in Indochina and the labors of revisionist historians and other experts with second thoughts are bringing the American tragedy there into a new perspective. The war that was fought so much with symbols in the American mind has now acquired an entirely new set of symbols: the boat people fleeing and drowning, former South Vietnamese soldiers in re-education camps ringed with barbed wire. Pol Pot's murderous regime in Cambodia. When the French were colonizing Indochina in the middle of the 19th century, the Vietnamese were just in the process of conquering Cambodia. Now they have invaded again, and have subordinated Laos as well, advancing that much closer to a possible Vietnamese elevation to the status of overlord. Their move against Cambodia spurred the Chinese, who supported Hanoi through the long American war, to invade the northern provinces of Viet Nam just after normalizing relations with the U.S.

The psychological effect on Americans of all this crisscross Realpolitik is to lift a lot of the moral burden off the American involvement. At the least, it seems less tenable to hold that the U.S. was guilty of the uniquely satanic imperialism that antiwar critics often saw—and still frequently see—behind American policy. The new conflicts in Southeast Asia add an element of retrospective perplexity to analysis of what the U.S. was doing there.

New voices of reconsideration are heard. Jean Lacouture, the French journalist and biographer of Ho Chi Minh and long an expert on Viet Nam, has now called for "trials" of Communist crimes in Indochina since 1975, when Saigon fell to the North Vietnamese army. Guenter Lewy, a University of Massachusetts political scientist, fired what may be the opening shot of a revisionist view of the war in his 1978 book, America in Viet Nam. Lewy examines the process of U.S. involvement and concludes that though the performance was unsuccessful, it was legal and not immoral. Leslie Gelb, now the State Department's director of politico-military affairs, makes a persuasive and subtle case in his new book, The Irony of Viet Nam: The System Worked. Despite his inflammatory (to war critics) title, Gelb's thesis is limited and, as he says, ironic: "American leaders were convinced that they had to prevent the loss of Viet Nam to Communism, and until May 1975 they succeeded in doing just that. It can be persuasively argued that the United States fought the war inefficiently with needless costs in lives and resources. As with all wars, this was to be expected. It can be persuasively argued that the war was an out-and-out mistake and that the commitment should not have been made. But the commitment was made and kept for 25 years."

In a sense, the formal foreign policy lessons that the U.S. learned from Viet Nam have been easier to absorb than the deeper psychological and personal meanings, which will be years in unfolding. Says Columbia University Historian Henry Graff: "America has learned for the first time that not everything it attempts comes off successfully. What we regarded as decency, honor and pride were not implemented in the world satisfactorily to make others see us as we thought we ought to be seen. That this could have happened to us is what The Deer Hunter is really all about."

After Viet Nam, John Kennedy's "pay any price, bear any burden, meet any hardship . . ." formula rings like the penny-bright, dangerous rhetoric that it was. The old policy of containment is, of course, long dead, as is the corollary view of a Sino-Soviet Communist monolith probing ever outward. It was precisely the containment-monolith-domino view of geopolitics that led the U.S. into Viet Nam. Says Henry Kissinger: "We've learned two somewhat contradictory things. One, that our resources are limited in relation to the total number of problems that exist in the world. We have to be thoughtful in choosing our involvements. Secondly, if we get involved, we must prevail. There are no awards for losers." Anthony Lake, director of the State Department's policy planning staff, uses more cautious phrasing: "What Viet Nam should have taught us is to be very clear-eyed about our interests and the situations we are getting into when we use our military power. It should not have taught us that we should never use our power. We should be very careful about doctrinaire answers or lessons—either that we should have intervened anywhere, any time or—in response to our Viet Nam experience—that we should not intervene anywhere any time."

In all, the U.S. seems to have become more cautious and considered in international politics as a result of Viet Nam. Allies, especially in Western Europe, have adopted a somewhat schizophrenic line toward the U.S., first condemning its Viet Nam War policies as obnoxiously aggressive, now worrying its policies elsewhere are contemptibly weak. Says former Under Secretary of State George Ball: "Rather than snickering at America's alleged impuissance, our allies should rejoice that we have now achieved the maturity they accused us of lacking during our Viet Nam adventure."

It is the psychological, moral and spiritual adjustment that has proved more difficult and problematic. Some, of course, believe Americans are an oblivious people, who have simply cruised on and learned nothing. "We have no national memory," Lillian Hellman once told Gloria Emerson. "Maybe it's a mark of a young and vigorous people. I think we've already forgotten Viet Nam." When William Westmoreland, former U.S. commander in Viet Nam, appears on campuses these days, he finds "total change. Crowds are larger, open-minded. Now there's very little criticism, and mostly from professors." Of course, the kids Westmoreland is addressing would have been only about eight years old at the time of the Tet offensive. To them, he could almost be talking about Carthage.

Viet Nam fragmented America into constituencies that even now identify themselves according to their war grievances. The veteran vs. draft resister issue can still stir anger. William Keegan, now 29, a steel-foundry worker in Churchill, Pa., served for a year in Viet Nam as a medic after being drafted. He says bitterly: "The real heroes seem to be the guys who ran away to Canada to dodge the draft. Where will the country be if we ever face a crisis again? We'll have a heck of a time getting people to fight, and other countries know this." But many draft resisters, slipping into their 30s, also sense their communities distaste, the snarls of veterans from the nation's more straight forward wars. Still, this month brought at least a modest symbol of reconciliation when Robert Garwood, the Marine private who spent the past 14 years in Viet Nam and may be formally charged with collaborating with the enemy, came home to Greensburg, Ind. His townspeople carefully refrained from passing any judgment on him; they warmly welcomed him back.

One of the heaviest casualties of the Viet Nam War was trust in institutions, in experts, in majorities and consensus. That deep-dyed skepticism, born in the great credibility gaps of the war and Watergate, is one of the most profoundly significant effects of Viet Nam. Says Dr. Ronald Glasser, a Minneapolis physician who, after his Army service, wrote 365 Days, one of the finest evocations of the war: "The present inflation, Watergate, our lack of belief in expertise, our confusion, all of these things came out of that war. When someone tells me a nuclear power plant has six back-up systems, I'm immediately suspicious."

To Walter Capps, professor of religious studies at the University of California at Santa Barbara, "Viet Nam means that patriotism can never again be understood in the simple way it was before." It was a loss of innocence for a people accustomed to regarding themselves as uniquely virtuous—so much so that some of them took to seeing themselves as uniquely evil. As Critic Morris Dickstein has written: "In Viet Nam, we lost not only a war and a subcontinent; we also lost our pervasive confidence that American arms and American aims were linked somehow to justice and mortality, not merely to the quest for power."

In an interview not long ago with Public Television's Bill Moyers, the poet Robert Bly argued that Americans have yet to experience a necessary catharsis: "We're engaged in a vast forgetting mechanism and from the point of view of psychology, we're refusing to eat our grief, refusing to eat our dark side, we won't absorb it. And therefore what Jung says is really terrifying—if you do not absorb the things you have done in your life, like the murder of the Indians and bringing the blacks in, then you will have to repeat them. As soon as we started to go into Viet Nam, it was perfectly clear to me that what was about to happen was that the generals were going to fight the Indian war over again."

Yet there has been dislocation, loss and grief. Dr. Harold Visotsky, chairman of the department of psychiatry at Northwestern University, speaks of the "loss of youth, damaged lives, loss of the chance to be young —jumping from youth to middle age." Such losses were sustained by a comparatively small part of the population, of course—the poorer, less visible young men who could not escape the draft through college.

Some psychologists believe Vietnam was like a death in the American family; it may demand that the country somehow go through the various stages of mourning: denial, anger, depression and finally acceptance. "If people don't mourn," says Loyola University Psychologist Eugene Kennedy, "they have other problems. Many of our problems now stem from wanting to be quit of Viet Nam but not wanting to work through it. We still tend to deny it: we don't want to hear about the lives sacrificed, and who they were—that they were not the boys in college, but that we sacrificed the sacrificeable ones."

Visotsky, a bit grandiosely, calls movies like Coming Home and The Deer Hunter "Hollywood's version of our Nuremberg trials." But it is much easier for a people to try its defeated enemies than to sit in intelligent judgment on its own defeat. Victory requires only an idiot grin; defeat demands patience and improvisational wit. Americans should not become impatient with the stages of their adjustment to fallibility. It may be that America's most profound moral experience was the Civil War, but as both races understand, the nation has scarcely begun to absorb all of its implications.

HEROES WITHOUT HONOR FACE THE BATTLE AT HOME

In wars past, when Johnny came marching home, he could expect cheers and bands. He could also look forward to a gratitude that helped him come to terms with the horrors he had endured and gave him a feeling that his sacrifices meant something. For the Viet Nam veteran, coming home was far less glorious. "You know about the class of '46, the guys who came back after World War II, greeted with parades and jobs," says Alan Fitzgerald, 30, a drafted infantryman who fought near the Cambodian border in 1970. "When I came back and landed at San Francisco airport with 200 others, we were spit on and kicked at."

The U.S. sent 2,796,000 soldiers to Viet Nam, of whom 303,000 were wounded and 57,147 killed. For those who returned, the physical and emotional toll was drastically increased by the unpopularity of the war and America's unresolved guilt about its role. "Get that in Viet Nam?" a fellow student asked Veteran Frederick Downs as he walked across a college campus with a hook where his left hand should have been. When Downs nodded, the student snarled: "Serves you right." Says Michael Murray of Lewisboro, N.Y.: "They were down on us when they should have been down on the people who sent us there."

What makes re-entry all the more difficult is that the Viet veteran has been stereotyped as angry, alienated, semiliterate and drug-prone. Some veterans feel that their experience in Viet Nam makes prospective employers wary. Says Bruns Grayson, who went on to Harvard and Oxford after five years in Viet Nam: "What I find offensive is the feeling that all Viet Nam vets are latent psychos or, like Jon Voight in Coming Home, sensitive and guilt-ridden. These are comic-book caricatures." Charles Figley, a Purdue University psychologist who wrote a study of his fellow Viet Nam veterans, agrees: "All the myths about the guy being a walking time bomb are just total and utter fantasy. Most have readjusted remarkably well, considering the circumstances."

Indeed, the statistics indicate that Viet Nam-era vets are not doing so badly. Their median income is higher than that of non-veterans in the same age group. At least 65 percent have used the G.I. Bill to further their education; only 51 percent made use of it after World War II. The unemployment rate for veterans 25 to 29, however, is 7.7 percent vs. a 5.5 percent overall average for that age group.

In many ways, the statistics are misleading. Says California's Democratic Senator Alan Cranston: "The gross indicators show they're doing well, but when you look closer at the educationally disadvantaged, the young, minorities and the disabled, you see some serious problems." These problems are masked because the figures lump together all 8.8 million veterans of the Viet Nam era, and fewer than one-third of them actually went to Viet Nam. Those who did tended to be the blacks, the poor and the less educated. One million of them have not been able to find jobs that keep them fully employed. Of the Viet Nam-era veterans who joined the armed forces without completing high school, half have not chosen to continue their education.

According to Cleveland State University Psychologist John Wilson, the problems are particularly acute among those who saw combat duty. Using a sample of Cleveland-area veterans, he found that of those who served in battle zones, 48% of the blacks and 39% of the whites are now unemployed, and 31% of the blacks and 22% of the whites are now divorced.

Veterans Administrator Max Cleland, 36, whose right arm and both legs were blown away by a grenade near Khe Sanh, has begun pushing programs to alleviate some of the Viet vets' problems. Among the initiatives:

A psychological counseling program, initially costing about $10 million a year, to be conducted in storefront offices across the country. The plan, first proposed by Cranston, has been passed by the Senate three times, but not by the House, because it previously did not get strong enough Administration backing.

A tax-credit program, begun this year, for firms that hire disadvantaged workers and give preference to veterans.

Extension of the G.I. Bill for those who have not completed high school. The benefits currently expire ten years after a veteran has left the service. One strong complaint among veterans is that the provisions have not been as beneficial as the World War II G.I. Bill.

John Kerry, one of the founders of Vietnam Veterans Against the War, feels the VA is not generous in other areas either. He is particularly bitter about the medical care provided: "With the amount of money they pay, they don't attract graduates from the best medical schools. There are a lot of foreign doctors in the VA hospitals as a result, which is a morale problem, if not a medical one."

Psychologist Figley feels the trend toward dealing more openly with the war will be good for the disaffected veterans. After World War II, the long voyages home aboard troopships gave soldiers a chance to talk out their experiences and begin to absorb them. Viet Nam returnees often came home by jet, singly or in small groups. What is more, they came home to a society that was not anxious to hear about their traumas. Says Veteran Bill De Bruler: "After exchanging experiences, you feel cleansed in an odd way and you forget for a while that what you did was all for naught."

For the vets, one of the war's most troublesome legacies is a pervasive disenchantment, unregistered by statistics and unsolved by legislative programs. It is caused by the feelings that the service they rendered was meaningless and the nation's anguish and anger over Viet Nam were transferred unfairly to them. Not long ago, a Viet Nam veteran in Minneapolis was asked if there was anything he would particularly like to say to Max Cleland when the VA chief arrived in the city for a scheduled visit. The vet brooded for a moment, then replied, half sardonically, half plaintively: "Yes. 'When are we going to get our parade?' "

UPDATING EXPORT LEGISLATION

● Mr. MATHIAS. Mr. President, in 1978, we succeeded in terminating the dictatorial power available to eight Presidents of the United States.

Four states of national emergency declared by Presidents over the past 45 years have been finally ended. They were intended to be in effect only during the banking crisis in 1933, the Korean war in the early 1950's, the Post Office strike of 1970 and the economic crisis of 1971.

Under these anachronistic declarations, the President could invoke some 470 far-reaching statutes. They gave him authority—without consulting Congress—to send Armed Forces into action abroad, institute martial law, seize property of citizens, restrict travel, and take control of the communication media. The Office of the President had at its command the ability to take over vital aspects of American life.

We live under a form of government which we call a Republic. We inherited that term from ancient Rome. We have tried to embody many of the ideals of ancient Rome in our society, our politics.

One of these was that all power should not be concentrated in a single official for a day longer than necessary. When mortal danger threatened the Roman Republic, unusual emergency powers were placed in the hands of an official whom they called a dictator.

If the danger lasted only a week, the dictator lasted only a week. But the day the crisis was over, the powers were returned to constitutional institutions.

We forgot that part of the Roman story, and for 45 years we allowed arbitrary powers to accumulate in the Office of the President.

Finally, we saw the danger of this situation and enacted the National Emergencies Act of 1976, signed by President Ford on September 14, 1976. It terminated the still existing states of emergency and also provided for close congressional supervision and review of future emergency declarations.

Recently, we eliminated another anachronism that arose under emergency conditions—the Renegotiation Board. This relic of the past was originally intended to win back excess profits during the Korean war when defense contractors were perforce retained on a cost-plus basis.

After the war ended, and the extraordinary circumstances that gave rise to the Board vanished, the Board continued to operate as a safety net for slipshod Government negotiators, to the great disadvantage of both the U.S. taxpayer and American business. We put it out of its misery last month.

We can be proud of these great strides toward a peacetime economy, yet we have another challenge to face—the Export Control Act. During World War II, pervasive economic controls were imposed as the country geared up for wartime production, including export controls. Following the war these controls were ended—except for export controls. As we learn in the following article:

> [M]any materials and commodities, important not only to the reestablishment of consumer goods industries in the U.S. but also to the recovery of Western Europe, were in extremely short supply. The fear that the intense foreign demand would pull scarce goods out of the United States, plus the need to allocate the few exports that we could spare as equitably as possible among the countries whose needs were greatest, were the main reasons for continuing, on a year-to-year basis, the wartime restrictions on exports.

As economic conditions improved after the war, the need for export controls diminished and would probably have expired had the cold war not intervened. After the Berlin blockade and the Soviet-inspired coup of Czechoslovakia, Congress and the President formalized the wartime controls in the Export Control Act of 1949. This was the first time Congress ever imposed far-reaching controls in peacetime, and Congress justified its action in terms of the rampant encroachments of the Communist monolith.

I think the world has changed a great deal since those dark days, and the Export Control Act should reflect those changes. I am currently drafting a bill that would change the law dramatically to reflect the changed political circumstances we face in today's world. The time has come to remove outmoded restraints on American business which hurt the country more than they help, and cause the country to lose much-needed exports. When we lose exports, we hurt our balance of trade, and the American worker loses jobs.

I ask unanimous consent that the article by Mr. Sherman Abrahamson, recently published in the Government Executive, be printed in the RECORD.

The article follows:

UPDATED EXPORT LEGISLATION

(By Sherman R. Abrahamson)

Evidence abounds showing the relative decline of the U.S. economy. Over the past decade or two, we have had lower annual rates of economic growth than all other industrial countries except perhaps the United Kingdom; our share of world exports of manufactured goods has dropped about one-third—in no other OECD country has the decline been so steep; our increase in labor productivity has been the least of all other industrial countries including the U.K.; and our inflation record is the worst among all other OECD nations except for the U.K. Much other evidence could be cited, of course, but the picture is clear; the U.S. economy has been declining in recent years.

Causes of the decline are many and range over a broad spectrum. This paper examines one of the most critical of them, which is the relative decline in our capability to export manufactured goods. This decline has had a depressing effect on our economic growth, balance of payments, and employment, and has worsened our inflation. These in turn have eroded our national security. High on our national agenda, therefore, should be the restoration of our former preeminence as the world's leading producer and exporter of superior products for both home and industry.

Before World War II, U.S. business firms generally had been encouraged by our government to sell commercial goods, services, and technologies to all foreign buyers in time of war. A strong export performance had been recognized since the birth of our nation as essential to the strength of the dollar.

Following the end of World War II, most of the special wartime controls over various phases of our economy were quickly terminated, but export controls were not. Many materials and commodities, important not only to the reestablishment of consumer goods industries in the U.S. but also to the recovery of Western Europe, were in extremely short supply. The fear that the intense foreign demand would pull scarce goods out of the United States, plus the need to allocate the few exports that we could spare as equitably as possible among the countries whose needs were greatest, were the main reasons for continuing, on a year-to-year basis, the wartime restrictions on exports.

First in Peace—Postwar improvement of economic conditions both here and abroad undoubtedly would have brought about a dismantling of the export control apparatus had the Cold War not developed. But the expansion of Soviet influence and control in Eastern Europe, the growth of communist power in China, and the Berlin blockade in June 1948, convinced both Congress and the executive branch that the repeated extensions of the wartime controls on exports did not provide an adequate legislative basis for controlling exports in the Cold War situation. On February 28, 1949, therefore, Congress passed the Export Control Act.

Noteworthy is the fact that it was the first comprehensive set of export restrictions ever legislated by Congress during peacetime. Even so, the Act was initially conceived as a temporary measure—it was given a two year life—and might well have been allowed to lapse had it not been for the Korean War. The Act was renewed six times in its original form, and was renamed the Export Administration Act in 1969, which also has been renewed several times with only minor modifications. It expires on September 30, 1979.

This thirty-year old statute has given to the President more power to control U.S. foreign commerce than any other single piece of legislation. Subject only to the vaguest standards of foreign policy, national security, and domestic shortages caused by excessive exports, the Act gives him authority to cut off the entire export trade of the United States, or any part of it, and to prohibit any U.S. firm or person from exporting any product, service, or technology from the United States. Furthermore, the procedures for using this power are left almost entirely to his discretion, and at the same time heavy administrative and criminal sanctions may be imposed for violation of any regulations he may introduce. Finally, the functions exercised under the Act are exempted from administrative procedures and from judicial review.

Exercise in Illusion—Supporters of U.S. export controls believe first and foremost that they have retarded the expansion of the military industrial potential of the U.S.S.R. and other communist countries. This contention is grounded upon faith in the efficacy of the bottleneck theory of military-industrial development, which theory has been discredited thoroughly in many analytical studies. The elemental truth of the matter is simply that the export control policy of the United States has had no discernible effect on the growth of military power of any of the communist countries.

Another benefit claimed for U.S. export controls has been its utility in furthering U.S. foreign policy. Over the years hundreds of export transactions requiring export licenses from the Commerce Department prior to shipment of commercial goods have been explicitly disallowed on foreign policy grounds. Presumably the policy makers intervened in these sales to indicate U.S. dissatisfaction with the behavior of the buyers, the theory being that such intervention will be so disruptive to the buying countries that they will change their behavior to a style more consonant with the wishes of the United States. U.S. business firms have experienced intervention by our government in normal commercial transactions with most of the countries in the world, including a number of our NATO allies.

In not one instance can these interventions be shown to have produced the desired behavioral change in the buying country.

A third benefit claimed for our export controls is that they have protected the domestic economy of the United States from shortages of particular goods that would have been caused by excessive exports. Such protection, it is claimed, have retarded price increases and hence are effective weapons in our fight against inflation. Here again claims cannot be substantiated. On the contrary, both economic theory and U.S. experience with peacetime short supply controls come to the same conclusion: export controls are not the answer. Instead of maintaining adequate supplies in the U.S. and retarding price increases, they have severely distorted the workings of the market, encouraged traditional buyers of U.S. materials and products to seek out more reliable suppliers in other countries, and diverted to foreign production capital investment that was badly needed in the United States. None of these effects were intended by the framers of the enabling statutes.

The foregoing is not intended to be an exhaustive treatment of the benefits that were perceived to accrue from U.S. export controls. Instead, it is merely to summarize the principal gains foreseen. Unfortunately, none of them have been realized.

A Tale of Woe—If gains anticipated from export controls have not materialized, a fair question is what have been our losses. To answer this question we recognize immediately that no methodology can be developed that will accurately represent the total amount of business lost by U.S. firms. Perhaps the best approach to a reasonably accurate estimate of the annual losses would have been systematic annual surveys of the exporting business community designed along the following lines: (1) asking each firm whose export license application had been approved whether the transaction actually occurred and payment received, and if not, why not, and to whom was the business diverted; (2) asked each firm whose export license application had been delayed or denied to provide whatever information it could about the ultimate disposition of the transaction and to estimate the effect of abortive transactions on future business with the intended buyer; and (3) asking each firm that made a serious but unsuccessful effort to get an order to determine whether the order was filled by a competitor nation firm and if so why.

Not one such survey has ever been conducted by the Department of Commerce in its 30-year stewardship of the U.S. export control program. Even if it had been, however, the annual totals of lost business derived from the survey would be severely understated. Here is the explanation. First, most of the 20,000 firms (probably 90%) that constitute the U.S. exporting community deal in products that do not require specific export approval from the U.S. government. However, a broad range of manufactured goods is under export control, which means that sales abroad must be approved in advance by government authorities. Such controls apply to many of our products of new technology—those in which the U.S. has a competitive edge in world markets. Unfortunately for our trade balance, an undetermined but significantly large number of firms manufacturing these products have been and continue to be unwilling to incur the additional and frequently unpredictable costs of exports that require specific government approval for each transaction and therefore have not and will not pursue such business.

Second, overseas buyers expecting prompt delivery of U.S. goods have been disinclined to reorder from U.S. suppliers whenever deliveries have been subject to protracted delays or to outright cancellations on a force majeure basis. Moreover, such disappointed buyers stimulate other buyers to search for suppliers other than those in the United States for needed imports. As a result, U.S. firms have been and continue to be "sourced out" of many large foreign projects.

Third, U.S. firms have gone abroad with their technology to avoid or to minimize the effects of U.S. export control regulations. In some cases the flight has taken the form of licensing (selling the manufacturing know-how) a foreign firm to produce the product or service. In other cases, the flight has taken the form of establishing wholly-owned subsidiaries. Other forms of technology transfer to foreign countries also have occurred, many for sound business reasons, and would have occurred whether or not the U.S. had an export control program.

The point to be made here, however, is that a number of U.S. firms have moved their production facilities out of the United States during the past 30 years, and among their reasons for doing so was to reduce the burden, and hence costs, of U.S. export controls over widely available commercial goods and technologies.

Summing the losses of export business that disappeared into those drains yields a large number of dollars indeed. On an overall basis, the losses in 1978 alone are estimated to have amounted to $10 billion dollars. These transactions would have provided 400,000–500,000 jobs for U.S. workers, most of which would have been skilled jobs. The indirect effects of these losses to our economy are even larger, not to mention the social and psychological damages to unemployed workers that cannot be expressed in monetary terms.

Military Effects—Before turning to the issue of what a new export law ought to look like, a final question must be addressed. That question is whether liberalization of U.S. export controls on products, services, and technologies that are readily available in the commercial marketplace would benefit foreign countries more than the United States. This, of course, is the general question that is answered in the negative by textbooks in economic theory: gains from trade benefit equally both buyer and seller. But trepidations about reducing U.S. export controls are not allayed with this general answer, though it be demonstrated with a hundred different examples. The fear is that freedom to purchase U.S. commercial goods, services, and technology will provide a potential U.S. adversary the essential ingredients for rapid advance of its military capability to such extent as to threaten the national security of the United States. The key question to be answered then is whether this fear is a real one and if so why, or if it is an imaginary one.

Proving that such fears are baseless and hence imaginary to the satisfaction of those who hold them is futile. Nevertheless, the attempt must be made. First, a word about military capability. In its broadest sense, it derives from a country's total resource base, ranging from its geographic position on the earth, size, and endowment of natural resources to the quality and quantity of its people. In a narrower sense, it derives from the share of national income that the country's administrative authorities allocate to military forces and their equipment. Our concern is focused on this narrower concept.

Those who would continue to prevent such foreign buyers as the Soviet Union, for example, from being able to select their purchases from the full range of U.S. goods, services, and technologies with the same freedom that British or French buyers can, inadvertantly attribute to such buyers an omniscience that is without parallel.

They must believe that Soviet buyers have complete information about all of the millions of constantly changing price relationships involved in both the U.S. and the U.S.S.R. to enable the Soviet buyers to choose those that will benefit them more than us. Apparently, they do not know that domestic prices in the centrally planned economy of of the Soviet Union are set administratively and therefore do not reflect resource costs to anywhere near the same extent that prices do in the market economy of the United States.

Consequently, prices in the Soviet Union, denominated as they are in rubles, which are not convertible into any acceptable international currency, cannot perform a rational allocative function for goods, services, and technologies. Under these conditions, comparative advantage is impossible for the Soviet Union to determine not only in transactions with the United States, but also with all other countries, including other centrally planned economies. The bottom line, therefore, is that Soviet buyers simply cannot find optimum solutions to their import problems and moreover never will be able to as long as they have a centrally planned economy.

So what is to fear? Allowing the Soviet Union or any other country to buy U.S. commercial goods, services, and technologies on normal commercial terms without any other restrictions cannot be shown to yield them more benefits than accrue to us. The logical implication of this reality is that export controls cannot be applied selectively by the U.S. government so as to improve the chances that our gains from whatever purchases we allow them to make are greater than theirs.

Such rational argument notwithstanding, there can be no denying the placebo effects of export controls on American perceptions of national security. We can, however, no longer afford this costly self-delusion. The time to acknowledge explicitly that such controls bear the same relationship to U.S.

national security as placebos do to sufferers of psychosomatic ailments is long overdue. Of course, we must recognize that certain exports from the U.S. of materials, products, services, and technologies developed and produced for normal commercial needs have the appearance of contributing so significantly to the military potential of any foreign country as to jeopardize our national security.

Such existing statutes as the International Security Assistance and Arms Export Control Act of 1976, Trading with the Enemy Act, Nuclear Nonproliferation Act of 1978, and the Mutual Defense Assistance Control Act of 1951 provide sufficiently broad latitude for the President to maintain export controls over whatever military and military supporting products, services, and technologies that he believes are essential for the protection of our country.

Nevertheless this basic fact remains: neither the Soviet Union nor the United States can differentiate intelligently and objectively which to buy or to embargo so as to on the buyer's side, maximize the contribution to military capability or, on the controller's side, to minimize the jeopardy to our national security.

A better strategy against potential adversary countries is to make them as dependent as possible upon the United States. The reason is fairly obvious: the more an opponent is dependent upon us, the more vulnerable his economy, especially his military-industrial base, is to damage from economic warfare at a time when it really counts, that is, shortly before and during war. This dependency argument applies not only to goods and services, but to technology as well.

Evidence for the utility of export controls over commercial goods must, therefore, be sought in the short-run and are, appropriately enough, the subject of economic warfare. Even so, their utility ultimately depends upon adroit application over a very short time frame to achieve very limited objectives. They certainly have not been and cannot be used effectively during peacetime, and therefore are not needed in currently applicable export legislation. But to rid our country of the worst of them, we must change the law that controls exports.

Suggested Changes—The present legislation controlling exports clearly has outlived its usefulness. Indeed, even the most conscientious efforts to administer it have resulted in enormous losses of U.S. export business. These losses in turn have crippled economic growth and innovation; have reduced dividends, profits, and tax revenues; and, most important of all, have lost jobs for U.S. workers.

What is needed is a new export law that establishes an unambiguously positive export policy needed to convince U.S. businessmen that its government will give long-run support to their efforts of developing and expanding overseas markets for U.S. commercial goods, services, and technologies. Achievement of this objective, however, requires that the new law remove the President's authority to impose transaction-by-transaction licensing requirements on exports of commercial goods, services, and technologies to all countries with which the U.S. maintains diplomatic and/or trading relations except under certain limited conditions, such as explicitly declared national emergencies. The new law should also eliminate a number of specific disincentives to U.S. exporters embodied in the present Act, such as the Foreign Boycotts section.

The new law should not, of course, reduce any of the controls over U.S. exports of military goods, services, or technologies. On the contrary, its reach should be clearly limited to only those goods, services, and technologies covered by the Export Administration Act of 1969 as amended and extended, i.e. commercial products, services, and technologies.

A new statute modeled along these lines not only would be less complex and shorter than the existing one, but it also would be significantly different in several important respects. As far as national security and foreign policy are concerned, however, it would maintain in force all the legislative bases necessary for accommodating these priority concerns. Conceptually straightforward the proposed law could be administered efficiently, effectively, and economically.

Of greatest importance, however, by eliminating capricious, stop-go export licensing and other bureaucratic redtape on hundreds of thousands of normal business transactions and creating instead a positive environment for U.S. exports, its passage would be a huge stimulus to our export activity.

This invigoration would produce multiple benefits to our national security, our national economy, and a sharp increase in the number of good jobs. Our country needs such a law *now*.●

SUPPORT FOR ARMS REDUCTION

● Mr. McGOVERN. Mr. President, the European military balance has remained impervious to arms control. Despite a political détente in Europe and an economic détente between East and West, military relations between the two blocs continue as they have for 30 years. Yet it is hard to see how we can address other aspects of our security as long as the European question is not given serious arms control attention. The role of Soviet military forces in Europe has raised questions about Soviet intentions in other areas as well, such as strategic systems. In addition, it is estimated that roughly $70 billion of the U.S. military budget is attributable to European defense.

For these reasons, I was encouraged to find a strong interest in European arms control in the most recent Great Decisions ballot carried out by the Foreign Policy Association. While there was strong support for maintaining a military balance between East and West, the participants gave the highest priority to arms control agreements through which both sides would reduce their current forces.

I submit for printing in the Record the tally of this Great Decisions ballot as one indication that strong public support exists for strong American involvement in the mutual balanced force reduction talks in Vienna.

The text follows:

Seek European Military Balance Through Arms Reduction Talks, But Strengthen NATO Too, Most Great Decisions Ballots Suggest

To keep the East-West military balance in Europe, the United States should give first priority to seeking agreement with the Soviet Union on reduction of armed forces on both sides.

Strengthening the North Atlantic Treaty Organization to counter the Soviet arms buildup of recent years also deserves high priority.

Too much reliance on nuclear weapons, whether in U.S. hands or under NATO authority, is not a good way to keep the balance.

Such seem to be the preponderant views among Americans who studied and discussed the topic "NATO and the Russians" as part of the Foreign Policy Association's annual nationwide foreign policy discussion program Great Decisions '79. Based on returns of the annual FPA Opinion Ballot received by late March on this topic—

53 percent say first priority should go to seeking agreed reductions of forces on both sides; another 23 percent would go along with this course without enthusiasm, while only 11 percent are opposed.

44 percent say first priority should go to strengthening NATO; another 30 percent would go along with this idea; only 13 percent are opposed.

By contrast, reliance on U.S. strategic nuclear weapons to maintain the balance drew only 21 percent in favor with 40 percent opposed, while development of a nuclear capability controlled by NATO, not the United States, drew least support—14 percent for and 47 percent opposed.

Clearly, although it takes two sides to make a balanced agreement on arms reduction, most Great Decisions participants want to see a high-priority U.S. effort to achieve such an agreement with the Soviet Union in the "mutual and balanced force reduction" talks under way in Vienna since 1973. But the major percentages favoring—or at least willing to go along with—an increase in NATO strength suggests that most respondents were unwilling to put all their eggs in the force reduction basket.

A plurality of Great Decisions participants turn out to be markedly cost-conscious when it comes to NATO expenditures. On the premise that NATO can be strengthened only at the expense of higher taxes, a greater budget deficit or a sacrifice in expenditures to maintain the quality of life in the United States, participants were offered three different priorities. The largest group, 44 percent (with 11 percent opposed), say priority should go to holding the line on taxes and the budget deficit. Another 26 percent (18 percent opposed) stress maintaining the quality of life in this country. Only 24 percent clearly favor strengthening NATO "regardless of cost," while this option is opposed by 31 percent.

These results suggest that more respondents favor strengthening NATO than are willing to pay for it. The contrary pull between economy and military strength is suggested by some comments written on the ballots. A participant from Texas commented: "I would favor standardization of the arms used by NATO and more unification of resources—but not regardless of cost." A Californian wrote: "Strengthen NATO at a reasonable cost, with a mild reduction in the material quality of our life and concurrent efforts at negotiating armament reductions." According to a respondent from New Jersey, the problem is to find the proper balance between guns and butter. Such comments indicate a belief that NATO could be strengthened without adding substantially to the burdens of the American taxpayer.

Before discussing each Great Decisions topic, participants in discussion groups study the pros and cons in FPA's Great Decisions annual and other available sources. Typical participants evidently have more education and more exposure to international affairs than the national average. Moreover, those responding are far more inclined than the average citizen to make their foreign policy views known to public officials. The views reflected in the balloting are thus not necessarily representative of the U.S. public as a whole.

The percentages given here are based on 2,272 ballots received as of March 23. A final tabulation will be made in late May. In 1978, some 55,000 ballots were received on the eight Great Decisions topics of that year.

A table showing the complete results of this preliminary tabulation follows:

TOPIC 3.—NATO AND THE RUSSIANS

[In percent; total ballots: 2,272 received through Mar. 23]

	Favor	Go along without enthusiasm	Oppose	No opinion
1. In order to maintain the military balance in Europe, the United States should:				
(a) Give first priority to strengthening NATO	44	30	13	13
(b) Give first priority to concluding agreements with the Soviet Union that would lead to the reduction of military forces on both sides in Europe	53	23	11	13
(c) Work to develop a nuclear capability that would be under NATO control rather than exclusively under United States control	14	22	47	17
(d) Rely mainly on the U.S. strategic nuclear capability to deter Soviet pressure in Europe	21	21	40	18

	Favor	Go along without enthusiasm	Oppose	No opinion
2. If it becomes clear that NATO can be strengthened only at the cost of a larger budget deficit, increased taxes, or reduction of expenditures to maintain the quality of life in the United States, the United States should give priority to:				
(a) Strengthening NATO regardless of cost	24	29	31	16
(b) Maintaining the quality of life in the United States	26	31	18	25
(c) Holding the line on taxes and the budget deficit	44	24	11	21

●

BEN FORTSON

● Mr. TALMADGE. Mr. President, the State of Georgia mourns the passing last weekend of Ben Fortson, who served as secretary of state for the past 34 years.

As the dean of Georgia's elected constitutional officers, no other public official earned and so richly deserved the love and the respect of the people of Georgia than that which Mr. Ben enjoyed throughout his long career of public service.

He was an outstanding leader and great Georgian who devoted most of his life to the progress and well-being of his State and Nation. Although paralyzed in both legs by an automobile accident at the age of 25, Mr. Fortson was one of the most active and politically involved men in all of the Georgia State government. He began his political career in 1938, serving two terms in the State Senate and subsequently two terms in the House of Representatives before being appointed Secretary of State in 1946.

Among the many duties of his office, which included serving on 11 different State boards, authorities and commissions, Mr. Fortson was keeper and custodian of the great seal of Georgia.

More than that, he was keeper and custodian of the public trust.

All Georgians are in his debt. He was a veritable institute in the State capitol. I know he will be sorely missed by all Georgians, young and old and I join the State in extending my heartfelt sympathies to his daughter and grandchildren.

I submit for the Record various editorial eulogies and newspaper articles from the Atlanta Journal and Constitution about the life of Mr. Fortson.

The articles follow:

[From the Atlanta Constitution, May 20, 1979]

Ben Fortson Dies—Georgia's Longtime Secretary of State Is Dead at 74

(By Prentice Palmer and Bill Montgomery)

Secretary of State Ben W. Fortson, perhaps Georgia's best-known and best-loved politician, died unexpectedly Saturday night at his DeKalb County home. He was 74.

DeKalb Commission Chairman Walt Russell said Fortson, dean of the state's constitutional officers and secretary of state for the past 34 years, was dead when an Emergency Medical Service ambulance arrived at his home about 11 p.m.

The cause of death was not immediately known but Russell said he assumed Fortson suffered a heart attack.

Gov. George Busbee, one of Fortson's closest friends, was informed of the death by Russell minutes after it happened.

"No person loved Georgia more than Mr. Ben, and no person will be missed by more Georgians," Busbee said. "He was a great person and a great friend."

[From the Atlanta Journal, May 21, 1979]

Mr. Ben Fortson

Georgia has lost one of the fixtures of its state government—Mr. Ben Fortson, secretary of state for 33 years, who died unexpectedly Saturday night at the age of 74.

Confined to a wheelchair as a result of an auto accident that occurred when he was 25 years old, Fortson technically was a handicapped person. But qualities of mind and spirit enabled him not only to overcome that handicap but to excel in all that he did.

His qualities of spirit included the highest dedication to public service. He put in long hours, and was noted for sleeping on a sofa in his office if forecasts of bad weather held any possibility he might be late for work the next day.

Ben Fortson had no enemies—a fact which might not be unusual for a man who was ineffectual and took no stands, but in the case of a man who was both effective and outspoken it was a sign of an unusual degree of respect for the man's integrity. The outstanding characteristic of Ben Fortson was his honesty, and a reputation for integrity made him politically invulnerable.

Indeed, perhaps the essence of the Ben Fortson story from the time of that auto accident was invulnerability. Neither that tragedy nor the hazards of politics ever got him down. Georgians in all walks of life will miss Mr. Ben, but his memory will remain to inspire us to do our best as he always did.

[From the Atlanta Constitution, May 22, 1979]

"Mr. Ben"

An institution has passed from state government. Ben Fortson, Georgia's secretary of state for 33 years, is dead of a heart attack at age 74.

It is not enough to say simply that "Mr. Ben" was a fine and wholly accessible public servant or that he was a raconteur of unmatched talent. He was all of those things and more. He was a man of integrity, an elected official who gave politics a good name.

He was in the headlines, but not often. His celebrated battle against the pesky starlings entertained us over the years. His rescue of the Great Seal of Georgia during the famous two-governor controversy was one of the few admirable acts to occur during that scandalous time.

He was consistently one of the top vote-getters in the state, although his office has broad powers and might have tempted younger men to challenge him so that they might have a place in Georgia's political sun. At one time, he considered running for governor, then changed his mind in favor of spending the rest of his days as secretary of state.

"Mr. Ben's" office rode herd on a wide range of matters ranging from regulating securities to keeping tabs on elections. As a public servant, he was a taxpayers' dream—easy to see, easy to get information from and always friendly.

He was totally dedicated to his job. He would even spend the night in the Capitol if he feared inclement weather might keep him from work the next day.

It will be a long time before another "Mr. Ben" comes this way. But he has left a legacy of stewardship in government that others in elective office would do well to emulate.

[From the Atlanta Constitution, May 22, 1979]

Fortson To Lie In State At Capitol

(By Frederick Allen)

The body of Georgia Secretary of State Ben Fortson, who died unexpectedly Saturday night of a heart attack, will lie in state from 9 a.m. to 4 p.m. Tuesday in the Rotunda at the state Capitol.

Memorial services for the popular politician, known to one and all as "Mr. Ben," will be Tuesday at 5 p.m. in the Rotunda, followed by graveside services Wednesday at 11:30 a.m. in Fortson's hometown of Washington, Ga.

Fortson, who served as secretary of state for 33 years, died of a heart attack at his home in DeKalb County Saturday night. He was 74.

Gov. George Busbee issued an executive order Sunday requiring all state flags to be flown at half-mast in memory of Fortson.

Survivors include his daughter, Mrs. George Mandus of Atlanta; sisters, Miss Mary Fortson of Atlanta and Mrs. Charles M. Barrow of Cochran; brothers, Edwin B. Fortson of Athens, Fred O. Fortson of New York, N.Y., Warren C. Fortson and Charles W. Fortson Sr., both of Atlanta.

Mr. Ben, who regularly outpolled Georgia's higher-ranking politicians in elections, had become almost as much a part of the state Capitol as its gold dome.

Visitors to the Capitol could find Fortson most days holding court with an open office door. He was, without question, the most accessible politician in modern Georgia history.

He enjoyed chatting with reporters, and though he wasn't particularly good on names, he would often call out, "Mr. Newspaper Man!" and invite them into his office to tell them stories about Georgia politics.

Fortson's office served as a museum, stocked to the rafters with mementos and plaques.

He made it a point to keep full hours, and was well-known for his practice of sleeping in his office overnight when predictions of bad weather threatened to make the roads impassable.

He was best known as a fiery, raspy-voiced orator with a deeply held sense of patriotism. He once pointed to the flag he wore in his lapel and said, "I wear it here because I love it."

He frequently said that one of his greatest honors came in 1974, when he received an unprecedented invitation to address a joint session of the Georgia General Assembly, an opportunity never before afforded any constitutional officer of the state. He took the opportunity to chide the legislators. Get a bucket of water, he told them, and thrust your hand into it, then pull it out. "The hole that remains is the measure of how much you will be missed in politics," he said.

In recent years, Fortson was consulted before every election for an estimate of voter turnout, and most reporters referred to him as "Georgia's foremost poll-watcher." He warned repeatedly of the dangers of voter apathy.

Fortson was born Dec. 19, 1904, in Wilkes County, Ga., and studied at Emory at Oxford, Starkes University, Georgia Tech and John Marshall Law School in Atlanta.

In 1929, Fortson, after an auto accident left him paralyzed in both legs, was wheelchair-bound at the age of 25.

He often recounted how doctors told him he probably would live only 10 years after the accident, and he attributed his longevity to the Lord.

He began his political career in 1938, when he was elected without opposition to the state Senate. He served two terms in the Senate, and later two terms in the Georgia House of Representatives before being appointed secretary of state in February, 1946, to fill the unexpired term of John Wilson, who died in office.

As secretary of state, Fortson oversaw elections, registration of corporations, professional licensing boards, state land sales, the state archives and numerous state records and documents. He also served on 11 different state boards, authorities or commissions.

Perhaps his most celebrated duty, however, was keeper of the great seal of Georgia, which must be stamped on all documents before they become official.

During the famous "two-governor" controversy of 1947, when two pretenders fought for the governorship after Eugene Talmadge died, Fortson kept the great seal in his wheelchair, in effect sitting on it until the matter was resolved.

The hiding of the seal gave rise to the longest-running joke in Georgia politics, as Fortson delighted in quipping that the experience "made a lasting impression on me!"

Fortson did battle with a number of fly-by-night corporations over the years, warning citizens away from bad risks, but he was best noted for a fight he lost. He tried for seven years to shoo some 1.5 million starlings away from the Capitol.

In 1973, he wrote to the mayor of Waterbury, Conn., who had a similar starling problem. "It doesn't make any difference what you do," Fortson advised. "It won't work."

(Actually, Fortson finally had a limited success chasing the starlings. After several years of failing strategies—including one occasion when he tried shooting them with a rifle—Mr. Ben orchestrated a three-day fusillade of roman candles, which worked for a while.)

Another battle he lost, during former Gov. Jimmy Carter's tenure, was control of the Capitol grounds, which passed to the Georgia Buildings Authority and director Steve Polk, who created the popular Garden Room restaurant on state property across the street from the Capitol.

But Fortson's popularity and cheerful crustiness permitted him to take liberties with members of the General Assembly. While most department heads would slink into appropriations meetings and ask humbly for their budget requests, Fortson was always colorful and never bashful. He was probably the only man in Georgia who could call white-haired state Senate Appropriations Committee Chairman Paul Brown "son" and get away with it.

Fortson also seemed immune to the sort of criticism that would have injured other political figures in Georgia. Earlier this year, when a state audit took exception to Fortson's handling of securities dealers, he responded angrily with an attack on "the computer mind."

Said Mr. Ben, "I talk loud, and I don't like a whole lot of things, but I'm not mad at anybody. You can't take a securities division and run it like a computer mind."

Fortson, never wildly enthusiastic about bureaucratic procedures, liked to say he could judge a man by his handshake, the look in his eye and what his friends said about him.

After his first election campaign in the fall of 1946, when he retained his new job by carrying 151 counties to his opponent's eight, Fortson was unbeatable, and his hold on the job frustrated countless young politicians who would have liked to use the post as a stepping stone to higher office.

Over the years, speculation arose from time to time that Fortson would run for governor, but he eventually decided to make a career of being secretary of state.

Before one election, amid rumors that he would retire, Fortson told a newsman: "Unless Gabriel blows his horn or the people vote me out, I'll be back. And Gabriel's going to have to blow pretty loud."

Gabriel's trumpet turned out to be the only thing that could take Mr. Ben from the office he loved.

[From the Atlanta Constitution, May 22, 1979]

Body of Fortson Will Lie in Capitol Rotunda Today

(By Chester Goolrick)

For the first time in a long while the oaken double doors to Ben Fortson's office were closed Monday, in symbolic tribute to the man whose absence was being mourned at the Capitol and all over the state.

Outside, the flags flew at half-staff by order of the governor, while in the room where the late secretary of state had welcomed schoolchildren and visitors, old friends and political allies greeted each other with sympathetic embraces and sad, philosophical shrugs of their shoulders.

Fortson, who died unexpectedly Saturday night of a heart attack, will be brought back to the Capitol Tuesday and will lie in state in the Rotunda from 9 a.m. until 4 p.m. The services, which will not be open to the public, will begin at 5 p.m. Fortson will be buried in Washington, Ga.

Among those attending the services in the Capitol Rotunda will be First Lady Rosalynn Carter. Mrs. Carter will represent the president who, as governor of Georgia, worked with Fortson from 1970 to 1974.

With Fortson dead, his narrow modest office on the first floor of the Capitol became a shrine of sorts, filled with the relics of a life in politics.

Visitors walked into Fortson's office through a side entrance, paused for a moment to look at the plaques, awards, citations, keys to various cities, cartoons and drawings that this immensely popular man had accumulated, and smiled to themselves. Photographers were sent to take pictures of each wall to make sure that the look of the office—as colorful as Fortson was in life—could be preserved.

Fortson was, among other things, a man who liked to keep everything. Ann Adamson, the assistant secretary of state, pointed to his desk Monday and explained what had happened when she tried to clean it off several years ago.

"He went out of town for a while, and I took everything off the desk," she said. "But I made sure to make a diagram so that I could put everything back in exactly the same place. When he got back, Mr. Ben just complained that he couldn't find anything any more."

The mountains of paper were still there Monday morning, sitting on the ancient, battered desk—the letters he was to read, the scrawled appointment slips, the encyclopedias and desk pen sets. This was the office, as a scarlet carpet announced to visitors, of Ben W. Fortson, Jr.

Several years ago, Fortson, who was secretary of state for 33 years—a term of nearly unrivaled political longevity—had his office repainted, and before the painters arrived he had most of his political memorabilia hauled over to the state Archives for storage. No matter: the office walls, as befitting a man whose popularity was remarkably enduring, filled up again.

Here is, for instance, a picture of Mrs. George Busbee, a red rose at her throat, with the inscription, "To Mr. Ben—a picture of our girl friend."

Over here, to the right of the door, is a drawing of an eagle, with a feisty look in his eye not unlike that worn by Fortson when he was at the height of his oratorical art, looking out over the ocean and a sailing ship. "You are one of Georgia's greatest statesmen," the handwritten note says.

He had, it turns out from a tour of his office, an honorary degree in ornithology—in satiric recognition of a famous, funny speech he used to make about his unending battles with a flock of starlings.

He was an honorary citizen of Texas, an honorary member of the Georgia Commercial Flower Growers Association, a member of the research committee of the Interstate Oil Commission. He held the city key to Claxton, owned a light-blue farmer's hat advertising "Swine Time" in Climax, and displayed a set of Genuine Indian Peace Pipes from the Qualla Reservation in Cherokee, N.C.

That's just a beginning. On the long wall nearest his desk, Ben Fortson had managed to accumulate 72 awards and souvenirs of various sorts in recent years. Among the plaques and citations (Woodmen of the World, the Jenkins County Jaycees, the Exchange Club of Atlanta, a "Flying Colonel" designation from Delta Air Lines, the Georgia Registered Professional Sanitarians, and so on) are drawings of Fortson and his friends and comical captions.

Ann Adamson, who is being mentioned, with some degree of regularity, as Fortson's successor, had difficulty locating the one thing she wanted from the wall Monday—a prayer that is to be read at the funeral. "It was one of Ben's favorites, and I think it describes him best."

She read, there in that office where Ben Fortson lived for more than three decades of flamboyant political life: "May I still remember the bright hours that found me walking over the silent hills of my childhood, or dreaming on the margin of the quiet river, when a light glowed within me and I promised my early God to have courage amid the tempest of the changing years."

[From the Atlanta Journal, May 22, 1979]

Colorful Piece of State History—An Institution—Gone Now

(By Mike Christensen)

They called him Mister Ben. For more than 30 years he had been in the cluttered, corner office with the wide-open doors, his voice echoing in the marble halls of the state capitol.

Sitting in a wheelchair pulled up behind his wooden desk, Secretary of State Ben W. Fortson Jr. seemed as solid and unchanging as the statues that commemorate Georgia's history, except that you could lounge in a chair and talk to him about all he had seen. And that was a lot.

Now he is gone, and a colorful, vibrant chapter in the state's political past grows dimmer.

He was born in the Wilkes County village of Tignall, the eldest of eight children, and spent some early years in Arlington, where his father was a bank cashier.

At 15 he entered Emory at Oxford, transferring to Starkes University in Montgomery, Ala., after a year, and in 1923, entered Georgia Tech, where he was a light heavyweight boxer.

In 1929, while working in Washington, Fortson was involved in an auto accident that injured his spine and left his legs paralyzed. He would never walk again.

Nine years later he entered politics, elected without opposition for two terms in the state House of Representatives from Wilkes County. In 1945, as World War II drew to a close, he was elected Secretary of State, a job he never left.

"As long as I live, I'll wear the flag," he once said, and he stuck to that promise even when patriotism seemed to go out of style and school children visiting the capitol giggled when he talked about the country and what it meant.

He felt the same way about the state and its Capitol and the other mementoes of Georgia's past. He kept the Great Seal of the state in his coat pocket so he could show it to school groups and explain what is was all about.

He had grown close to that seal over the years. In 1947, when three men were trying to control the governor's office after a disputed election—Herman Talmadge, M.E. Thompson and Ellis Arnall—Fortson sat on the seal and refused to let anyone touch it.

From offices scattered through the Capitol and the city, Fortson administered Georgia's elections, kept track of corporations and preserved history at the state archives and in the Capitol corridors.

[From the Atlanta Journal, May 21, 1979]

MR. BEN'S BODY LIES IN STATE IN ROTUNDA

(By Marcia Kunstel)

Flags waved at half-staff in Georgia Monday while mourners paid their final Capitol visit to Secretary of State Ben Fortson, a political legend whose presence permeated the statehouse for 33 years.

Fortson's body was to lie in state in the Capitol rotunda from 11 a.m. till 4 p.m. Monday, not far from the office where the 74-year-old politician maintained an open-door policy and a reputation as one of the state's most accessible, gregarious and patriotic figures.

A memorial service was to be in the rotunda at 5 p.m. Tuesday for Fortson, who died Saturday night of a heart attack. Burial will follow at 11:30 a.m. Wednesday at Rest Haven Cemetery in Washington, Ga.

A public servant for most of his life, Fortson was hailed Sunday in tributes that extended from Atlanta to the White House.

"The death of Ben Fortson is a loss to all Georgians," said President Carter, one of the former governors who served with Fortson during his long tenure. "He loved his state and its people and acted on that love through a lifetime of public service.

"The people of Georgia shared his affection and repeatedly returned him to his post as secretary of state through an era of profound political, social and economic change."

"Georgia has lost one of her true giants," said Gov. George Busbee, who directed the flag tribute. "Although bound to a wheelchair, Ben Fortson stood tall as a living monument of courage, integrity and morality.

"During his long years of service, he set the standard for others in public office to follow. A state Capitol without Ben Fortson is hard to imagine."

Sen. Herman Talmadge, D–Ga., called the death of Fortson "a tremendous blow to the state of Georgia.

"He was probably the most beloved citizen in the state. He was a remarkable man."

Fortson, who traveled in a wheelchair since an automobile accident in 1929, was known by multitudes of Georgia friends as "Mr. Ben."

He was appointed to the job of secretary of state, after serving in both the Georgia Senate and House.

"I called him in Washington, Ga., where he lived, and told him to come to Atlanta, that I had to see him," Arnall remembered. "When he walked into the governor's office I said, 'Ben, hold up your hand, I'm going to swear you in as secretary of state."

"The state will be much poorer without him."

Former Gov. Marvin Griffin, recuperating from surgery, recalled one conversation with Fortson: "I once told him, 'Ben, you can be secretary of state until the day you die, or you can get up out of that wheelchair and win a 100-yard dash, and then you can get elected governor of Georgia, and then nobody will ever hear of you again.'

"He'd laugh and say, "I don't believe I want to.' He'd say, 'I'm happy where I am.' "

Georgia Sen. Sam Nunn, described Fortson as a man who "combined intellectual wisdom with common sense. He accepted his handicap, but never deviated from his duty and his devotion to the state and the nation."

Several officials recalled one of Fortson's more celebrated Capitol battles—with unrelenting starlings which the secretary of state vowed to chase from their roosts in Capitol trees.

"He had an awful time trying to get those birds out of the trees there at the Capitol," said state Rep. Joe Mack Wilson, D-Marietta. "He put stuffed owls up there in those trees, and those starlings toted the owls off. He put tin cans up there and would pull the strings up to those cans.

"That didn't work. I don't know how he got rid of those birds. Maybe they left when they were ready."

"Ten times as many people saw him as any of the other state officials," said House Speaker Thomas Murphy. "He liked to see people, and he liked to talk to them.

"That was his way of politickin', I guess. No question he was successful at it. He never had any serious opposition."

[From the Atlanta Constitution, May 21, 1979]

'MR. BEN' FORTSON: GEORGIA'S MOST-PUBLIC OF PUBLIC SERVANTS

(By Beau Cutts)

Over the years, tens of thousands of adults—Georgians and Yankee tourists alike—would hear the warm greeting "hello" through the open door of Georgia's most-public public servant.

Ben W. Fortson Jr. maintained his office by a busy thoroughfare on the second floor of the state Capitol. His open-door policy was literal.

Visitors to the Capitol would be treated to a loud, gregarious voice coming from a man in a wheelchair. His message was historical and patriotic, and he could talk about love of state, country, and fellow human beings as few people could.

"The Georgia State Capitol will seem a far more lonely place without Mr. Ben," reflected President Jimmy Carter, who worked in the Capitol with Fortson while the president was governor and state's senator.

"Ten times as many people saw him as any of the other state officials," said Georgia Speaker of the House, Thomas Murphy. "He liked to see people, and he liked to talk to them. That was his way of politickin', I guess. No question he was successful at it. He never had any serious opposition."

Fortson became Secretary of State shortly after World War II. His popularity—not only with visitors to the capitol but also with soldiers to whom he sent Georgia flags, as well as with voters throughout the state—was never seriously challenged at the polls.

Marvin Griffin, Georgia's governor from 1955 to 1959, commented: "I once told him, 'Ben, you can be Secretary of State until the day you die, or you can get up out of that wheelchair and win a 100 yard dash, and then you can get elected governor of Georgia—and then nobody will ever hear of you again.'

"He'd laugh and say, 'I don't believe I want to.' He'd say, 'I'm happy where I am.' "

Assistant Secretary of State Ann Adamson joined Fortson in 1952. "He enjoyed it. He enjoyed being with people. He enjoyed being with young people. That's how he stayed in tune with what's going on. He was Secretary of State seven days of week," she said.

Several years ago, during dissention in this country over the Vietnam war, the well-known Secretary of State was going down a sidewalk when someone stopped him and asked, in a critical tone, about the American flag lapel pen he was wearing.

Mr. Ben politely informed the questioner on some of the fundamental elements in American history and advised that Americans ought to appreciate their heritage.

"He wore that American flag all the time," said Assistant Secretary of State Adamson. "He came in one day and said he would be buried with it on—and he will."

Fortson also had a reputation of helping out the newcomers to Capitol politics, remembered former Fulton County Commission Chairman Charlie Brown, who also was a state senator from Atlanta before running for county office.

Brown, who also spent four decades in public office, recalled that when he was first elected to the Georgia Senate in 1956, Fortson was the first state official to offer him assistance.

"He was the most gracious of all the public servants," Brown said. "He was a real help when I first came to the Senate."

Fortson's reputation for honesty was widely appreciated. He also had a famous name, partly through his own practice of having "Ben W. Fortson, Jr." printed at every opportunity. *Millions* of State brochures, information packets, signs, poll instructions and other printed matter coming from his office bore the name of the Secretary of State.

"Every school kid in Georgia for the last 25 years has seen his name," commented one veteran politician.

Atlanta Mayor Maynard Jackson offered his sympathy Sunday afternoon.

"Death has silenced a unique and admired voice in state politics and state pride. The people of Atlanta join Valerie and me in our praise of Secretary of State Ben Fortson and our prayers for his family and friends," the mayor said.

Recently, Fortson and the mayor had gotten into public squabble. Fortson had accused the city administration of allowing the Cycleorama, the large painting depicting the Civil War of Battle of Atlanta to fall into disrepair. Jackson vehemently denied the secretary of state's charge.●

THE ARMENIAN PEOPLE

● **Mr. DOLE.** Mr. President, on May 28, 1918, the Armenian people at last came to the end of their long quest for self-determination. The persistence of the

Armenian people in pursuing this goal is proof of its cogency. In order to better appreciate the importance of this historic occasion, I would like to cite some of those enormous obstacles the Armenian people overcame in order to gain independence.

Armenia has been subject to foreign domination almost continuously since the days of the Roman Empire. It was subjugated by many different nations, and in the 16th century was enslaved by the Ottoman Empire. This domination became particularly invidious when the Turks began a genocidal campaign against the Armenians in 1894. This brutal massacre, steeped in history, reached its peak in 1915, when 1,500,000 Armenians were slaughtered.

On May 28, 1918, realizing it was the only way to escape Turkish oppression, the Armenians proclaimed themselves free and independent. Fighting bravely, the Armenians succeeded in driving out the oppressors. The Treaty of Sevres, signed by Turkey and the allies in 1920 enlarged the new nation to include most of historic Armenia.

Mr. President, lamentably, this treaty was never adhered to. In November of the same year, Armenia was invaded from the west by Turkey and from the east by Russia. Caught in the jaws of this huge vise, the young nation was crushed and divided between the oppressors.

I have no doubt that one day Armenia will again be a free and independent nation. A people that can retain their national identity, despite the kind of suffering the Armenian people have endured, possess the strength of will to guarantee their eventual freedom.

Mr. President, I call on the Senate to join in commemorating such a courageous people as the Armenians. In this manner, we can continue to draw inspiration from the Armenians' courageous struggle for freedom and self-determination. The determination of these peoples should serve as a beacon of hope to all struggling for their freedoms under the dark pale of oppression.

Mr. President, may our defense of freedom be as unyielding as the Armenians' quest for it.●

GETTING THE MOST FOR OUR RESEARCH AND DEVELOPMENT DOLLAR

● Mr. BAYH. Mr. President, at a time when all of us are greatly concerned about Government spending, I have become convinced that we are not getting the most out of the billions of dollars that we spend each year for research and development.

The Senate Judiciary Committee received testimony on Wednesday, May 16, 1979 on my bill, S. 414, the University and Small Business Patent Procedures Act. This bill would allow small business and nonprofit organization researchers to retain patent rights to inventions that they make under Government-supported research and development. S. 414 also protects the legitimate rights of the funding agency to use for itself the inventions that it helped to fund while providing that whenever one of these inventions reaches a certain level of success in the marketplace, the Government would be paid back for its investment in the research project.

Many witnesses from the small business community and from nonprofit organizations told us that the present Government policy of retaining patent rights to inventions arising out of federally supported research and development was stifling innovation by providing no incentive to the inventor to try and undertake the risk and expense of developing and marketing a new invention. The Comptroller General of the United States, Mr. Elmer B. Staats, confirmed this situation in his excellent statement to the committee.

The General Accounting Office has been studying the effects of the present policies on innovation since last fall. Mr. Staats told the committee that a previous study had concluded in 1971 that in order to get the maximum return from our research dollar private contractors should be allowed to retain title to inventions as an incentive for commercialization, while provisions should be made to protect the legitimate rights of the funding agency. Mr. Staats said that the situation has gotten worse in the last 8 years, and concluded by saying that S. 414 was a necessary step toward implementing an efficient patent policy. I have placed some excerpts from Mr. Staat's statement at the conclusion of my remarks. I hope that my colleagues will take the time to read this important testimony.

I have recently read an excellent article which appeared in Time magazine on May 14, 1979, entitled "Connecting For Innovation" by Mr. Marshall Loeb. Mr. Loeb points out in this article the contribution that our universities could make toward boosting our productivity and innovation if only the shackles of the present patent policy were removed. As Mr. Loeb says:

> Our problem . . . is that the Daddy Warbucks of university research is the Government. Washington is dandy at ordering up explosive missiles and exotic miscellany, but it rarely has its eyes on the marketplace. If potentially commercial discoveries are made, the feds are often reluctant to part with the rights. But with an exclusive license, companies are unwilling to risk the daunting expense of trying to convert basic research to products that serve people.

This is exactly the point. The agencies have a very poor track record at commercializing the 30,000 patents that they now retain. Only 4 percent of these are ever licensed to be developed by private industry. It is time to implement a policy which applies uniformly to every agency, allowing the inventor of important discoveries to develop them to their full potential, while protecting the rights of the agencies to enjoy the fruits of their research. S. 414 is such a policy and is now being supported by 27 of my Senate colleagues.

I would also like to point out that one of the supporters of S. 414, my good friend Senator JACK SCHMITT, is today introducing legislation that would also address the problems of large business contractors. I have certainly valued the experience that Senator SCHMITT brings into this area of science policy, and I am looking forward to working with him to enact the best possible legislation to deliver the full benefits of Government-supported research and development to the marketplace where they can benefit the public.

I submit excerpts from the Comptroller General's testimony and Mr. Loeb's article to be printed in the RECORD at the conclusion of my remarks.

The articles follow:

EXCERPTS FROM THE TESTIMONY OF MR. ELMER B. STAATS

EXECUTIVE AGENCIES PROCEDURES AND PRACTICES

The need for legislation is also supported by our review of current patent procedures and practices at selected agencies. We expect to report the details of our findings to this Committee by the end of June. We found that the Presidential policy has not been implemented uniformly. Agencies, in establishing procedures for determining rights to inventions, are often free to move in almost any direction.

The most notable recent changes have taken place at the Department of Health, Education, and Welfare and the Department of Defense with respect to nonprofit organizations. These two agencies follow the policy established by the Presidential Memorandum and Statement as revised in 1971. During fiscal year 1978 they provided over 60 percent of Federal R&D funding for colleges and universities.

We will also discuss the Department of Energy and the National Aeronautics and Space Administration, both of which operate under policies established by statute.

Department of Health, Education, and Welfare

Administrative developments during the last 2 years at the Department of Health, Education, and Welfare (HEW) appear to be leading to a reversion to policies and practices followed at the Department prior to GAO's 1968 report to the Congress.

At that time we reported that HEW was taking title for the Government to inventions resulting from research in medicinal chemistry. This was blocking development of these inventions and impeding cooperative efforts between universities and the commercial sector. We found that hundreds of new compounds developed at university laboratories had not been tested and screened by the pharmaceutical industry because manufacturers were unwilling to undertake the expense without some possibility of obtaining exclusive rights to further development of a promising product.

To correct this, we suggested to the Secretary that HEW expedite determinations of rights and use Institutional Patent Agreements (IPAs) which would permit universities with approved technology transfer programs to retain title. HEW followed our suggestions and, as of October 1978, had implemented agreements with 72 institutions. The National Science Foundation, another major agency supporting R. & D. at colleges and universities, began using these agreements in 1973. IPAs were endorsed for Government-wide use by the Committee on Government Patent Policy in 1975 and Federal Procurement Regulations on IPAs were issued in 1978.

In July 1978 HEW's Office of General Counsel circulated for comment a patent policy draft report recommending that the Department's use of IPAs be reconsidered because IPAs delegate to grantee institutions power over the desirability, method, and pace of development of inventions. This, the report stated, was conceptually inconsistent with any HEW objective other than rapid commercialization.

Beginning in November 1977, the HEW Assistant General Counsel for Business and Administrative Law had begun delaying review of case-by-case determinations of rights prepared by the Patent Branch. In a statement issued August 15, 1978, the General Counsel acknowledged that a backlog of cases existed and said it resulted from a more careful review. The purpose of this review, according to the General Counsel, was to make sure that assignment of patent rights to universities and research institutes did not stifle competition in the private sector in those cases where competition could bring the fruits of research to the public faster and more economically.

We found that the Assistant General Counsel's review of draft determinations during this time was averaging 6 months. We examined four cases in some detail. In three, the review affirmed the correctness of the Patent Branch's determination to grant title to the contractor. These reviews took from 8 to 15 months to complete. Review of the fourth case took about 14 months, reversing the determination of the Patent Branch and retaining title for the Department.

The Pharmaceutical Manufacturers Association is concerned about HEW's delays in processing individual cases, reevaluation of patent policy options, and possible reversion to patent practices and procedures used prior to our 1968 report. In a recent letter to the Secretary of HEW, the Association stated that the research-based prescription drug industry feels more strongly than ever that an exclusive interest is essential if Government-financed new drug compounds are to enter clinical programs funded by the private sector. The Association argued, "In our view, HEW's patent policy should not be structured so as to 'restrain or regulate' the availability of inventions resulting from HEW research. This strikes us as truly an attempt to suppress technology to the detriment of the public."

Department of Defense

The policies and regulations of the Department of Defense are based on the Presidential policy. Most Defense contracts allow contractors with an established commercial position to retain title to their inventions.

Because nonprofit institutions generally lacked an established commercial position, Defense interpreted the Presidential policy as requiring the use of a deferred determination clause—where rights are determined after an invention has been identified. However, for many years the Department got around this by using a "special situations" section of the Presidential policy to put a title-in-the contractor type of clause in contracts with certain qualifying universities and nonprofit organizations.

In August 1975 Defense, with no advance notification, revised its regulations, discontinuing use of the "special situations" exception. Instead, it required universities which wanted a title retention clause to furnish information to the contracting officer for determining whether the work to be performed was in a field of technology directly related to an area in which the university had an effective technology transfer program or an established commercial position.

Because of the additional administrative burden, many research institutions subsequently elected not to submit the information Defense required for the title retention clause. As a result, there was an 80 percent increase in the use of deferred determination clauses by Defense during fiscal year 1976. Our review of cases processed during that year showed that, although contractors' requests for greater rights in identified inventions were approved in all cases, the Department took from about 1 to more than 7 months to make those determinations.

The University Patent Policy Subcommittee of the Committee on Government Patent Policy reported that it appeared that a deferred determination often acts against the expeditious development and utilization of inventions by delaying a decision that could have been made at the time of funding. Administrative costs of both the Government and universities are unnecessarily increased by the need to prepare, review, and respond to requests for rights on a case-by-case basis.

The Navy noted in February 1976 that not only had an additional administrative burden been placed on universities, but that the time necessary for contracting and patent officers to make a determination on the appropriate patent clause had increased drastically. In 1977 the Air Force, after conducting a thorough review of the revised policy, determined that the practice of qualifying institutions for each contract was moving in a direction counter productive to a cost effective, reasonably acceptable policy.

To date, Defense has not implemented the use of Institutional Patent Agreements. This inaction and HEW's reconsideration of the use of IPAs are particularly difficult to understand because they run counter to the 1975 Committee on Government Patent Policy study and the considerations which led to the regulations issued in 1978.

Department of Energy

The Atomic Energy Act of 1954 and Section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, govern Department of Energy (DOE) patent policy. Section 9 is probably the most detailed, comprehensive individual statute enacted to date. It provides that, normally, the Government will take title to inventions. But, it also gives the DOE Secretary discretionary authority to waive the Government's rights in favor of the contractor if certain criteria are met.

The results of operations under the Nonnuclear Energy Act of 1974 are significant because, as I noted previously, the same language has been incorporated by reference in other statutes. DOE appears to be functioning adequately under its legislated patent policies. However, there are problems. Our review of a recent year's cases showed that the time for determining rights to identified inventions was lengthy, averaging about 13 months. DOE recognizes that its policy creates problems for both the Department and its prospective contractors. Delays in the R&D contracting process are caused by the substantial burdens created by petitioning, negotiating, and determining waivers.

We feel that a patent policy that provides for Government ownership places a burden upon the Department to see that the resulting technology is utilized. It becomes the Government's responsibility to obtain domestic and foreign patents, to advertise their availability for licensing, to negotiate licensing agreements, to develop related technology packages, and to enforce the patents against unlicensed users. Since the Department has only limited resources to carry out these functions, it is likely the commercial potential of some DOE funded inventions may never be realized.

DOE's mission is to work in a cooperative relationship with industry to develop commercial energy alternatives. It works, therefore, in areas with high commercial sensitivity. In this respect, the Department noted that there are contractors which refuse to work with it because of its patent policies.

One other problem we noted is that DOE has taken the position that Section 9 does not allow it to use Institutional Patent Agreements whereby a contractor or grantee with an approved technology transfer program has first option to principal rights. It is possible that other agencies governed by the same statutory language may not adopt patent policies in line with the IPA approach. The proposed Act we are considering today (S. 414) will eliminate the uncertainty by authorizing the IPA approach.

CONNECTING FOR INNOVATION

One reason for America's lag in productivity and gap in balance of payments is that the U.S. has lost much of its lead in innovation. Not in a long time have Yankee tinkerers produced an invention to rival nylon or the transistor. U.S. scientists and engineers have brought forth some fascinating new products, including talking toys and maybe the Moodymobile, but the ingenious Europeans and Asians are being granted an ever increasing share of the patents.

This deeply troubles John Hanley, a soap supersalesman who rode the Tide to the top at Procter & Gamble and in 1972 floated over to become chief executive of one of its major chemical suppliers, Monsanto Co. Now Hanley, 57, is hard-selling a provocative idea: that technology could leap ahead if two basic but often distant institutions would join forces. Those two are U.S. universities and U.S. corporations.

In a promising pilot, Hanley's firm has committed $23 million to a joint project with the Harvard Medical School to find new means of combatting cancer. For four years, at both Boston and Monsanto's campus-like home in suburban St. Louis, scientists from the college and the company have been unwinding the secrets of "molecular messengers," which control the growth of tumors. Besides money, Monsanto, like many another firm, has quite a bit of technical expertise to offer. Says Hanley: "We can, in fact, bring something to the party."

Its own biochemical research has taught Monsanto to manipulate cells. The making of ingredients for simple toothpaste has unlocked some mysteries of dental cavities. Thus the company's scientists are also working with those at the Harvard Dental School to find ways of controlling diseases of the teeth and gums.

Of Monsanto's Harvard connection. Hanley says, "A lot of people in both education and business are watching this project. Exxon, for example, is looking at it. They have some fledging arrangements with M.I.T., and I gather that they want more. There isn't a month that goes by that some paper shuffler like me doesn't inquire. 'How're you coming along?' David Rockefeller was in my office a few weeks ago and asked if we could make the same kind of deal with Rockefeller University."

Harvard and Monsanto are aiming at a tough scientific target, but Hanley figures that it is equally significant that they are demonstrating a means for working together to increase the effectiveness of the research under way in U.S. universities. Compared with cash-short colleges, companies have far larger resources to invest in basic research, and they are much more expert in managing that research, directing it to the market and recruiting scientists. "The transferral of technology from the university to the marketplace is a very flawed mechanism in this country," says Hanley. "It doesn't work worth a damn."

One problem, in his view, is that the Daddy Warbucks of university research is the Government. Washington is dandy at ordering up explosive missiles and exotic miscellany, but it rarely has its eyes on the marketplace. If potentially commercial discoveries are made, the feds are often reluctant to part with the rights. But without an exclusive license, companies are unwilling to risk the daunting expense of trying to convert basic research to products that serve people. Hanley argues that companies should be allowed to buy such licenses by paying the Government whatever it has put up to finance the research, plus royalties. And, he contends, private corporations should do much more to supplement public officials as the bankrollers of campus scientists.

Beyond just putting up cash, he says, companies should combine broadly with universities on specific projects, sharing scientists, pooling knowledge. Now Hanley surveys the university horizon for joint ventures. He wants, among many other things, to find means of reducing noise in factories and ways of using recombinant DNA to produce new products. As he says: "In just about any field—you name it—there is potential for a university and an industrial concern to work together." ●

THE CIVIL DEFENSE PROGRAM

● Mr. GARN. Mr. President, one of my constituents, Prof. John R. Christiansen of Brigham Young University, has written a particularly cogent analysis of the U.S. civil defense program. Since the 1960's, the United States has had only the bare bones of a civil defense program. In fact, this most serious issue has to often been treated in a simplistic and derelict fashion.

I think that the American public and Government officials need to recognize the importance of civil defense in the overall defense posture of this country. That is why I would like to bring Professor Christiansen's article, "Our Nation's 98-Pound Weakling: Civil Defense in the 70's," to the attention of my colleagues. Mr. President, I ask that Professor Christiansen's article be printed in the RECORD.

The article follows:

OUR NATION'S 98-POUND WEAKLING: CIVIL DEFENSE IN THE 70'S

(By John Christiansen)

Does anybody think about civil defense anymore? The answer to that question is an unsettling "Yes" and "No." A recently completed nationwide study by Professor Jiri Nehnevajsa of Pittsburgh University showed that less than 5 percent of Americans are aware of current civil defense issues. On the other hand, this study revealed that the last months of 1978 saw more publicity concerning civil defense than had appeared in the whole past decade. What has sparked this recent flurry of concern and debate in the news media that has not found its counterpart in general conversations? It is the conclusion by many rational and knowledgeable people in the United States that nuclear war is *not* unthinkable anymore.

Most people—if they think about nuclear war at all—either hope it will never occur or believe it will be over in a flash. Few assume that anything they can do, or that purposeful planning can do, will diminish the nightmare. On the other hand, many military strategists have been thinking a lot about civil defense lately. To them, planning for the worst may prevent a nuclear exchange in the first place, or secondly, ameliorate the situation, should one occur.

The major factor in rethinking the unthinkable is the increasingly obvious fact that leaders of the Soviet Union and other countries have been thinking about it for a long time and acting accordingly.

If over all Soviet military spending has not been worrying strategists enough—it has exceeded by 25 to 50 percent the U.S. expenditures each year for many years—the civil defense budget has. In this category the Soviets have been out-spending the U.S. at a 10-to-1 clip. The result of these expenditures has given the Soviet Union parity with the U.S. in offensive nuclear capabilities and clear superiority in defense.

Vast defensive programs were launched by the Soviets in the 1960s. These are designed to protect people and industry from the effects of nuclear conflict. The Soviets have built shelters near apartments and offices to accommodate their urban population during emergencies in which there is little warning. Factories and industrial plants have likewise been distributed throughout the country so as to minimize the likelihood that they would be damaged during a nuclear war. Additionally, new plants are "hardened" so as to withstand considerably more blast effect than normal. Interestingly enough, the Soviets are not the only ones involved in such programs. The People's Republic of China has constructed underground cities that can protect their populations in a nuclear damage. Likewise, Sweden and other European countries have relatively sophisticated plans for "short-warning" nuclear emergencies, and plans for relocating entire urban populations into the countryside if extended warnings are given.

The building of underground cities in China, plans for relocating populations in Russia and Sweden, compulsory training of all workers in Russia, equating civil defense staff positions with offensive ones in the Soviet military hierarchy, and continued high-level funding for civil defense in China and Russia all diminish the prevailing myth in the U.S.—that a nuclear war would result in the end of the world. This myth was refuted in 1958 by future-thinker Herman Khan in The Rand Corporation's unclassified "Report on a Study of Non-Military Defense," and later in Khan's *On Thermonuclear War*, Free Press, 1960. Yet, most governmental leaders and the public in the U.S. still do not recognize the significance of the essential finding of Khan's study and book:

"... for at least the next decade or so, any picture of total world annihilation appears to be wrong, irrespective of the military course of events." (*On Thermonuclear War*, p. 22.)

* * * * *

If we have a viable civil defense, then the Russians may begin to respect us as not complete fools. And what's more they may get the idea that, instead of relying on a first strike in desperation, we rely on reasonable defense.

What concerns the strategists most regarding the build-up of civil defense in other countries, therefore, is the vast imbalance developing between the U.S. and those countries having adequate civil defense systems, and the possibility of intimidation resulting therefrom. The Mutually Assured Destruction (MAD) policy which governed the balance of power between the Soviets and the U.S. is now antiquated. That policy was based on the proposition that the two nuclear superpowers ought to have equally powerful offensive weapon capabilities. That way, each could destroy the other's population even though one country might attack the other first. The ICBM's were protected so that even with the population virtually wiped out, an equally destructive attack could be made in return. Under this policy the SALT and other agreements have allowed the Soviets and the U.S. to achieve virtually equal destructive capabilities.

Today, however, while the Russians still have the power to destroy as many as 60 percent of the U.S. population, they have protected their population with an effective civil defense system. The MAD policy seems to be badly out of kilter. Indeed, the possibility for intimidation has become acute. As Wigner has said:

> Let me say finally . . . what I am most afraid of. It is not a first strike by the Russions. It is not that the cities of the Soviet Union would be evacuated and that this would be followed by a first strike. It is that the cities would be evacuated and then would be told that "we cannot stand this aggressiveness and imperialistic tendency of the United States any more. We must demand something like the evacuation at least of West Berlin or the return of Alaska. . . . If you don't do this tomorrow 60% of your people will be destroyed."
>
> This is called "nuclear blackmail." It is something similar to what Hitler did at the Munich meeting. . . .

Support of the views of Khan, Wigner, and Teller may be seen in the Federal Fiscal Year Budget of 1980, and some reorganization plans involving civil defense. The FY 1980 budget increases the appropriations for civil defense by $109 million. Despite this increase, however, the loss of buying power requires even the proposed budget to be joined with the budgets of 1976 and 1977 as among the lowest in U.S. history. Compared with the Soviets' expenditure of over $1 billion annually for the past 10 years, the proposed U.S. budget is puny. However, another significant change has been proposed by President Carter.

The Carter administration has proposed that a new governmental agency, the Federal Emergency Management Agency (FEMA), be organized to deal with emergency preparedness and all national disasters, whether natural, manmade, or from nuclear attack. Three existing govenmental agencies will be abolished and be consolidated into the one agency. There appears to be some reason to believe that the new agency will upgrade the priorities for civil defense in the United States.

Justifying his low-key support for a defense plan similar to the Soviet's for relocating civilian populations during nuclear emergencies, President Carter said:

> And the fact that we are assessing how we would go about partial evacuation of our major cities if war became possibly imminent is, I think, not a radical thing. It's not designed for propaganda purposes. It's not designed to influence Congress to approve SALT. It's just a routine matter that is being pursued by me.

As a matter of fact, low-key efforts to provide comparable protection to that of the Soviet and Chinese civil defense systems have been going on in the United States for more than 10 years, although badly handicapped by lack of public and governmental support and budget. During these years, evaluations have been made of not only potential enemies' civil defense, but the adequacy of civil defense in the United States. As a result, plans for accommodating the U.S. population in fallout shelters except in a unique emergency have been abandoned. The reasons for scrapping the fallout system included the following:

The rapidly increased Soviet potential for destruction of lives and property by blast and heat through using many very powerful intercontinental ballistic missiles.

The total number of fallout shelters in the U.S. could accommodate less than half the population;

The majority of the public is unaware of the location of those shelters;

Nearly all of the fallout shelters lack sufficient food and water supplies owing to lack of funds for stocking;

Demonstrations that people could easily be shown how to determine the suitability of own homes as fallout shelters, and that they would voluntarily share suitable homes with others;

Further research demonstrations that people were also willing to travel from threatened areas to safer places during nuclear crises, and that nearly all of those in the safe areas would welcome evacuees into their communities and even homes if necessary; and

Demonstrations that the postattack environment would not only support life, but that life styles could be normalized for those adequately protected in a year or two at most.

A coordinated research and demonstration program by the Federal agency charged presently with civil defense, the Defense Civil

Preparedness Agency (DCPA), and other agencies has resulted in plans to provide protection in times of nuclear emergencies. Many states like Utah have been working on this seven-year plan. Sufficient work has been done now that this plan could be activated in a nuclear crisis. Many details need ironing out, however. It is similar to that of the Soviet Union's, but takes advantage of certain features of American society not found in the Soviet Union to make it work. The advantages used are: the strong altruistic norm in America, based on a Judaeo-Christian ethic to help others in need; the characteristic of Americans to build a lot of big buildings and homes, whether they are economically feasible or not; and the love affair that Americans have with vehicles. Putting all this together, the civil defense planners have reasoned (and demonstrated in many "low-profile" field-tests) that there are enough buildings and houses in America's hinterlands to nicely tuck away all those who ought to be moved from high-risk areas during nuclear emergencies. Moreover, there are enough willing people in the "host areas" to take care of the refugees, and (shame on you who thought we had too many cars) that 150 million cars, buses, and trucks, not to speak of motorcycles, planes, and skateboards are sufficient to move all who might have to be moved safely.

Research conducted by Brigham Young University, as well as by other universities in the U.S., as a great number of private research agencies serves as the basis for present-day civil defense planning and programs. Social scientists and engineers at BYU have worked on programs for building "expedient" shelters—those designed to provide safety from heat, blast, and fallout during emergencies. They have likewise conducted large field-tests in Colorado and Utah, designed to show how people can be shown how to evaluate the safety of homes as shelters, and share their homes with others forced out of their own homes.●

THE SECRET NATIONAL DEBT

● Mr. EAGLETON. Mr. President, John Dillin of the Christian Science Monitor has written an excellent piece entitled "Federal Pensions: The Secret National Debt." In this article, Mr. Dillin discusses the undue stress the current military retirement system places on the Federal budget, and the disastrous impact it will continue to have if long-overdue reform is not implemented.

The article points out that the U.S. Treasury still provides pensions related to both the Civil War and the Spanish-American War:

> The Veterans Administration . . . last month mailed $70 "pension" checks to 103 widows and 142 needy offspring of Civil War veterans . . . Last year, these ancient pensions cost the US Treasury $255,0000.
>
> The Spanish-American War, the shortest (114 days) the nation ever fought, rates just a few paragraphs in many history books. But as a result of that war 81 years ago, 15,750 persons still draw pensions that last year cost taxpayers over $18 million.

It is no secret that military pay is now comparable to civilian pay. And it is no secret that military retirees enjoy a very comfortable pension arrangement. Consider these statistics:

> The typical U.S. military officer's pension, based on 20 years of service, has a lifetime value of $420,000. The average value after 30 years of service is $590,000.
>
> . . . The typical lifetime value of a pension for a comparable official in the private sector, after 30 years of service, is $135,000.

Mr. Dillin goes on to point out other advantages military retirees have over civilian retirees. For one thing, military pensions benefit from protection against inflation. For another, military retirees may begin to draw retirement benefits after 20 years of service, while their civilian counterparts most often must wait until age 65 to begin drawing their benefits.

Mr. President, I can think of few other issues with such other inflationary potential and such an immediate need for reform. The administration advises that it intends to submit a comprehensive reform plan to Congress by "late spring." Frankly, I am skeptical that this plan will contain anything of substance by the time it gets here, but I do think this is a step in the right direction. Since 1966, there have been six Presidential Commission appointed to study and pass on recommendations on the military retirement system. To date, not even the smallest reform has been implemented. And, in that same period, the cost of military pensions to the taxpayer has risen from $1.4 billion annually to $10.3 billion annually.

Mr. President, I find John Dillin's article a cogent discussion of a vitally important subject. I ask that it be printed in the RECORD and I commend it to the study of my colleagues.

The article follows:

[From the Christian Science Monitor, May 16, 1979]

FEDERAL PENSIONS: THE SECRET NATIONAL DEBT

(By John Dillin)

(The military has by far the best retirement system, the most costly in the country, and the federal civil service has the second best. So says a ranking White House official regarding the present federal pension system. Meanwhile, the federal government continues piling huge debts on future taxpayers to support tomorrow's government retirees. U.S. Rep. Les Aspin (D) of Wisconsin calls federal pensions "a secret debt the public isn't aware it will have to pay." Second of a series.)

WASHINGTON.—About the first of every month, the State of Georgia sends out $110 checks to each of four widows of veterans of the War Between the States.

Today, 114 years after Gen. Robert E. Lee surrendered his tattered Southern Army at Appomattox Court House, the taxpayers of Georgia are still paying for that mighty conflict.

Few comprehend the full cost of war—whether it be a shooting war, like World War II, or a drawn-out cold war between the United States and the Soviet Union.

Like Georgia taxpayers, other Americans share in this ongoing cost of long-finished battles.

Some fiscal analysts suggest the U.S. could still be making payments to surviving relatives of Vietnam war veterans in the year 2090.

Past experience shows that prediction is not farfetched.

The Veterans Administration in Washington reports that last month it mailed $70 "pension" checks to 103 widows and 142 needy offspring of Civil War veterans, both Union and Confederate. Last year, these ancient pensions cost the U.S. Treasury $255,000.

The Spanish-American War, the shortest (114 days) the nation ever fought, rates just a few paragraphs in many history books. But as a result of that war 81 years ago, 15,750 persons still draw pensions that last year cost taxpayers over $18 million.

ONLY A HINT OF WHAT'S AHEAD

These echoes of times past are only a hint of what lies ahead, for Congress and the executive branch continue to pile monumental debts on future generations of taxpayers.

Hundreds of billions of dollars will eventually have to be paid out of today's children to tomorrow's government retirees—military men and federal civil servants.

For tomorrow's taxpayers, it is the legacy of an empty purse. Says U.S. Rep. Les Aspin (D) of Wisconsin:

"Pensions are a secret national debt the public isn't aware it will have to pay."

The Soviet-U.S. competition for dominance around the globe has brought this nation, for the first time in its history, large and expensive standing armies.

Critics of military spending are apt to turn their fire at the latest weaponry: a $2 billion aircraft carrier, the new battle tank from Chrysler, a new jet fighter. Less attention goes into long-term costs—costs that aren't altogether reflected in today's budgets.

Just paying for retirement programs for servicemen currently on duty, or already retired, will eventually mean outlays for US taxpayers of $225 billion, according to a study by the US Treasury. The implied debt keeps rising with each new career soldier, sailor, or airman who signs up.

OUTLAYS SOAR IN RECENT YEARS

As year goes into year, actual outlays for retired "cold warriors" are soaring rapidly as they finish 20 or 30 years of service.

In 1965, there were only 462,000 military retirees, receiving $1.4 billion annually, notes the General Accounting Office (GAO) of Congress. By last year, that figure had jumped to 1.2 million retirees getting $9 billion. Projections put the cost at $13.8 billion in 1983 for 1.4 million retirees.

White House and congressional officials estimate that unless something is done, annual outlays for retirement pay could rise 30 percent more (not counting inflation) by the year 2000.

When the B–1 bomber was still a subject of emotional debate here, one congressional experted noted" Liberal critics of the Pentagon who declaim against the cost of the B–1 bomber should realize that military pensions involve 5½ time more money [than the B–1] in the [current] budget."

The White House, which has watched pension costs steadily rise, soon will act. For months, administration officials, including top ranks at the Pentagon, have been crafting a plan for pension overhaul.

Yet whatever President Carter proposes, the outlook remains uncertain.

At the heart of the "problem," as critics see it, is the 20-year-and-out retirement system.

At present, a man or woman who is qualified and can keep winning advancement can serve for 20 years and retire at half salary (base pay), often by the age of 40.

Military officials like the current system, which they assert keeps the armed forces "young and vigorous."

The Pentagon, defending the status quo in a letter to the General Accounting Office last year, noted:

"The current [system] permitted the United States to enter both the Korean and the Vietnam conflicts without the problems which faced us at the onset of earlier emergencies—a force with many members too old or ineffective to withstand the rigors of combat. . . ."

The letter continues: "Even rear-area personnel must be able to perform their duties continuously with little rest for protracted periods in support of combat operations. The fact that these personnel may live under the physical or mental strain of the constant threat of attack and must be prepared to fight, as was the case in Vietnam, cannot be discounted."

PENTAGON HIGHLY CONCERNED

The concern about superannuated soldiers cannot be overemhasized, from the Pentagon's view. It is said that at the outset of the Civil War, President Lincoln found himself saddled with officers so old that many could no longer mount a horse. A number of Army captains were in their 60s—30 years older than most are today.

Yet there can be no dispute that today's soldier serves in a different capacity than his counterpart of yesteryear.

The President's Commission on Military Compensation observed in a report to Mr. Carter that in 1865, in Mr. Lincoln's day, 90 percent of all military men served in ground combat and general-duty occupations. A mere 3 percent worked at "white collar" jobs.

The latest figures cited in the report (1963) show that white-collar jobs in the military have grown to 42 percent of the total, while ground combat strength has shrunk to only 14 percent.

As a further illustration, back in 1865, only 1 soldier in 1,000 worked as a mechanic. Today's complex military weaponry demands that 1 soldier in every 4 serve as a mechanic.

Under these conditions, is it good management to boot out a soldier at the first sign of gray hair and middle-age spread? Or are his intelligence and experience more important than his muscles?

ACCOUNTING WATCHDOG REPORTS

The GAO leans heavily toward intelligence and experience. And it finds the current system:

Item—causes the services to lose many skills.

Item—does not provide incentives to perform hazardous duties, since a clerk-typist gets the same early-retirement benefits as a paratrooper.

Item—fails to attract young members, who aren't really interested in retirement benefits.

Item—creates an arbitrary career length that gives military managers too little flexibility.

It's this kind of criticism which the White House must address with its new plan, and which Congress must consider in any overhaul of military pensions.

"It's ludicrous," complains a ranking White House official. "The military has by far the best retirement system, the most costly in the country, and the federal civil service has the second best. The private sector does not even come close. Should the taxpayers be required to support something that's better than anything they've got?"

While the public is generally familiar with military-pension benefits, the generous system available to federal civil servants is less well known.

LIFETIME VALUE CONSIDERED

One way of comprehendinng the cost and benefits of various pensions is by their so-called "lifetime value"—as detailed by a White House study group.

The typical U.S. military officer's pension, based on 20 years of service, has a lifetime value of $420,000. The average value after 30 years of service is $590,000.

Federal civil servants who retire with 30 years of service can quit work at age 55. Over their lifetimes, the pension for those equivalent to an officer's rank would be worth an average $465,000.

By contrast, the typical lifetime value of a pension for a comparable official in the private sector, after 30 years of service, is $135,000.

The sharp difference in value, and the ultimate cost to taxpayers can be accounted for by several factors.

First, federal pensions are protected, dollar for dollar, against inflation. Virtually no private pension system in the nation offers similar protection.

Further, while most workers in industry must wait until age 65 to get full benefits (lesser benefits can often be drawn at an earlier age), federal civilian pensioners retire with undiluted payments at age 55, provided they have 30 years of service.

SCALES TIPPED FOR FEDERAL WORKER

In sum, many military retirees work 20 years and collect retirement benefits for 40. Many civil servants work 30, and collect 30. Many in private industry work 40, and collect 20. And while private pensions are eaten away by inflation, federal pensions are automatically ratcheted upward to keep pace.

Atop all of this are two other advantages that tip the scales for the federal worker: Employees of the government, such as those in the blue-collar trades, often make more than comparable workers on the outside. So their pensions are calculated on a higher base.

Also, federal civilian workers don't make payments to the social security system. Social security, over the years, has become more and more a "welfare" system, with benefits skewed toward those with lower incomes. This imposes penalties on the best-paid workers, which would mean federal workers, if they participated. Their exclusion from the system means federal civilian employees aren't required to make these "welfare" payments.

Reformers often suggest social security is the best place to start bringing federal workers into line with the private sector. During the last Congress, heavy pressure was applied to make federal employees pay social-security taxes (the military already does) and to blend the federal retirement system with social security.

SOME COLLECT BOTH WAYS

Ironically, many federal employees eventually collect social-security benefits even without a lifetime of paying the taxes, and that angers critics further.

It's all very legal. Social security has a so-called "minimum benefit" plan ($120 a month) for the very poor who might have just worked at odd jobs during most of their lives with very little in earnings. At one time it was possible to qualify for the minimum benefit by earning only $1,200 over a six-year period.

Often, as a result of summer jobs or weekend work, federal employees qualify for this "poor man's benefit," and collect more in one month than they paid to social security during their entire lifetimes.

Of all federal retirees, 40 percent also collect social security, and three-quarters of those do it under the "minimum benefit" provision.

In addition to collecting their $120 a month, federal retirees under social security also qualify for "medicare," another windfall.

With a number of study groups and official commissions looking into generous federal pensions, change appears imminent.

Yet resistance is strong. The pension system builds entrenched pressure groups which can overwhelm congressional reformers and keep the federal money tree blooming.●

CHAIRMAN OF ADVISORY COMMISSION ON WHITE HOUSE CONFERENCE OUTLINES HIS VIEWS ON SMALL BUSINESS

● Mr. **NELSON**. Mr. President, as the Senate is aware, the Nation's first White House Conference on Small Business will take place in Washington, D.C., January 14 through 17, 1980.

The Washington Conference is to be preceded by 12 regional meetings and 45 statewide forums in each State of the union, which are now underway. It is expected that between 25,000 and 35,000 businessmen will participate in these meetings and 2,000 will be chosen as delegates to the Washington proceedings next year.

Playing a key role in the Conference is an advisory commission of 11 eminent representatives of the small business community chosen by President Carter.

To lead the advisory committee, the President selected Arthur Levitt, Jr. Mr. Levitt who has been chairman of the American Stock Exchange in New York since January 1978, has emerged as a knowledgeable and effective spokesman for small business and the free enterprise system.

In a recent address, Mr. Levitt expressed his views about the importance of small business, describing it as—

> The leveraged end of the corporate spectrum . . . where entrepreneurs introduce and test the new ideas, new products (and) new concepts which refresh, renew and continually regenerate the whole economy.

Because of these innovations, the address concludes that small- and medium-sized firms with under 1,000 employees have accounted for about a quarter of U.S. growth in the last 40 years, and firms with under 100 employees have accounted for half of this.

Mr. Levitt also stated that the White House Conference:

> Offers the country's best hope of removing . . . one of the major (problems of) the small business community—the lack of coordination between the three forces which have the most vital impact on its destiny . . . the Congress, the Administration, and the private sector.

I ask that Mr. Levitt's thoughtful and informative remarks of April 30, 1979 to the Small Business Council of the U.S. Chamber of Commerce be printed in the RECORD.

The remarks follow:

REMARKS OF ARTHUR LEVITT, JR.

Whether it's a first visit—or a five hundredth—Washington has a special impact on every American who comes here.

The range and mass of federal concerns—Defense, Health, Energy, Agriculture, Space—is staggering.

And when you're just one person here to talk about small business it can be downright intimidating.

Where do we begin if we want to tell our government about where we stand? Or where we think our country stands?

I'd like to recommend a simple solution this morning . . . just remember that we're business people. Good ones. That's how we got here. So however differently we talk, or look, or even work . . . we all know how to look at our own country as a business proposition.

And I'm not sure how many others there are in town today who do.

Perhaps that's one reason why . . . with only twenty years left in the twentieth century . . . this is where America stands:

Today we have the highest percentage of obsolete production facilities of any country in the industrialized world.

Today we invest the lowest proportion of our gross national product in capital equipment of any industrial country.

Capital, of course, comes fundamentally from savings, and we have the lowest rate of savings in the world.

And the lowest rate of investment in production of any industrialized nation.

The list of categories in which U.S. product superiority is threatened continues to grow.

And what is perhaps most crucial—we have the lowest rate of productivity increase among major industrialized countries.

I think you can imagine the response of the press and politicians if these facts referred to fighter planes, or shoddy health care, or unemployment. But they are about our national security, and well-being. The Pentagon should be as concerned as the Commerce Department. So should HEW. And so should the public.

Yet when we meet to talk about small business, we usually focus on our own specific pains. I don't mean all we do is complain—these days you *have* to be an optimist to be in small business.

But we tend to leave public opinion to the multi-national giants with Pentagon-sized PR budgets when in fact they may even be part of our problem. We who represent small and mid-range businesses have not seen it as *our* job—and that is a very big mistake.

Because the result is that people don't know that America's real business strength is as close to home as the store next door . . . that our small businesses are the real quality and depth of our nation's economic defenses.

They don't know that small businesses now account for almost half of America's non-farm GNP and *over* half of all private employment. Of nine million new jobs created between 1969 and 1975, three million were in state and local governments and *six* million were created by small business.

I know our most conspicuous images of business are the huge multinational mega-businesses. But the Ford Motor Company was not created spontaneously when Henry Ford built a car in his backyard, nor was General Electric when Thomas Edison turned on the light, nor the huge farm machinery industry from Cyrus McCormick's first success.

They all started out because individuals had ideas, and others had enough faith in their ideas to invest the money to develop them. They all began . . . as small businesses. Not all small companies grow into giants, of course—but all giants result from the growth or consolidation of small businesses.

So small business is important not only in itself, for its own sake. It is important because it is the birthplace and nurturing place that produces *all* of America's businesses. More than half of the major corporations listed today on the New York Stock Exchange started out as small companies traded on what we call the "People's Exchange," which I have the honor to chair.

But small business produces more than big businesses. It also produces big progress. This, you might say, is the leveraged end of the corporate spectrum: it's where entrepreneurs introduce and test the new ideas, new products, new concepts, which refresh, renew, and continuously regenerate the whole American economy.

The Office of Management and Budget says in a recent 20-year period firms with fewer than 100 employees created a quarter, and firms with fewer than 1,000 employees created half of all major new inventions. The Commerce Department finds that nearly half of America's growth in the 40 years before 1970 resulted from this sort of innovation. What we call "R. & D. intensive" products were for years the bulwark of our balance of trade.

Many of today's popular products were the inventions of fledgling firms: xerography, automatic transmissions, shrink protection for knitted wear, FM radio, the catalytic cracking of petroleum, the Helicopter and—check your pockets, you're all carrying a small business invention—the ballpoint pen.

Companies in this robust sector also grow faster, and create jobs faster than larger, more mature companies.

Since small business makes such a contribution in itself—and more important, since it is the root system that supports and sustains the whole business structure of the United States—we might expect the country to enable, indeed encourage small businesses to get started; to persevere; to survive, and to grow. We might expect incentives, shelter, cooperation, freedom to act. We might. But we know better. And that is why we're here.

As small business leaders we have had to be masters of tactics in order to survive. But we have had neither the time, nor the resources, to develop together the strategies essential to our future.

I believe we have a great opportunity in the White House Conference on Small Business that President Carter has called for January of 1980. The President stated that the purpose of the Conference is:

"To identify the many special problems facing small business and design an agenda that can address these problems in a constructive way."

The White House Conference has already taken the position that small business should be helped to increase competition, improve productivity, enhance export capabilities, increase employment opportunities, and stimulate community development.

The White House Commission, of which I am honored to be chairman, will help formulate policy recommendations to be presented to the President in the spring of 1980.

Our most important task will be helping to create a strategic plan for small business during the decade ahead and to define legislative, administrative and private sector initiatives to support and nurture this critically important national resource.

By August, 1979, we will have talked to over 25,000 persons engaged in small business in all 50 states. We're asking all of them what they see as their greatest needs, their most promising opportunities.

The single most important problem they point to is not, as might be anticipated, one that peculiarly affects their own individual business or industry. It's the one that affects us all: inflation.

Most people know inflation erodes fixed incomes. Far fewer realize that it exhausts productivity by leading not to investment, but to hoarding. And as we become borrowers and lenders, we produce less.

What we do produce becomes more expensive—and each group demands more special protection to stay ahead of the pace. And a small business, unhappily, is much more sensitive to inflation than a larger one that can spread its effects over a much wider product or geographic base.

And so inflation breeds caution, not courage. Risk is punished, defense rewarded. Inflation finally creates a climate of fear in which economic wisdom is symbolized by an armed family sitting alone in their bunker on their bags of silver, canned beans, and shotgun shells. Maybe that's prudent. But prudence ceases to be a virtue when it has become a prison for our entrepreneurs. Do we really want to live in a society where that sort of thing is sound economic advice?

Even the fear of inflation is itself inflationary. Why bother to build capital to invest for a later return of worthless money? Borrow fast to consume now—before inflation takes it, or the government taxes it.

But we are fortunate in one thing: that the majority is not happy about it. And it is not silent either.

They can sense that institutionalized inflation causes national fear, not security. And small business is particularly angry that, far from setting an example our government has been the worst offender. The druggist in Bangor, the motel owner in Sarasota, the automobile dealer in Wichita, the dry cleaner in Tucson want their government to quit doing what they can't do: that is, spend more than it takes in.

If inflation takes the blue ribbon in the small business problem sweepstakes, then lack of capital and excessive regulation place and show.

By now I hope we are all familiar with the Laffer curve, which clearly plots out the old saying that the power to tax is the power to destroy. But even more striking is that the curve can work in reverse. There is a wonderful example from—of all places—the Soviet Union, where farm workers are allowed to keep only 10 percent of what they produce. In other words the tax rate is 90 percent. But even in the Soviet Union . . . where there's a tax, there's a loophole. Each farmer is allowed to keep all that can be grown on one acre, where the tax rate is zero. And this tiny tax shelter—only one percent of all cultivated land—produces an incredible 27 percent of Russia's total agricultural output.

Of course, the U.S. is more complex—we're a mostly-capitalist economy trying to support an almost socialist state. This can't go on if we continue taxing away our capital.

Our government now takes 37 percent of the value of all goods and services we produce, and borrows whatever else it needs. Where can we find the savings to finance research, technology, growth, and employment if we don't even have the incentive of a one-acre plot of land? All the talk about "record profits" might be a bit softer if adjustments were made for inflation the way they are when wages are discussed.

We have simply got to stop apologizing for profits. They are what creates, finances, and defends our economy. We have to help the public understand that to conquer inflation in the long run, it's not enough to have general tax cuts. If a larger proportion of national income is to be reinvested in production, we have to decriminalize profits and create specific tax incentives to encourage savings and investment.

For example, the last Congress voted to tax 40, instead of 50, percent of capital gains. Germany and Japan, our two toughest competitors, don't tax capital gains at all—but at least we're starting to move in the right direction. The last Congress also reduced the effective tax rate on the first $100,000 of corporate profits from roughly 34 to 27 percent, another stimulant for small business.

One thing we all know about the equity market since the early '70's is that for all practical purposes small business has been shut out.

However, Senators Weicker of Connecticut and Moynihan of New York have introduced a bill—with the assistance and support of the American Stock Exchange—entitled The Small Business Investment Incentive Act of 1979—which would give individual investors a 10 percent tax credit for their investment of up to $7,500 in new issues of small and medium-sized companies.

France last year took similar—but stronger—action. It gave taxpayers a $1,200 deduction for four years for investing in French stocks and bonds. Volume on the Bourse went up 75 percent, stock prices shot up, and new issues ran far ahead of the year before. French companies that raised barely a half billion francs in new equity last year, expect to raise three to four billion this year, and five billion in 1980. What is more, it appears that this investment surge is from small investors, many of whom are buying stock for the first time.

There are encouraging signs. Recently, the SEC changed the requirements to make it easier and less expensive for companies with less than $1 million in assets to make up to $5 million in initial stock offerings.

And Senator Gaylord Nelson of Wisconsin has introduced the Small Business Capital Preservation Act, a rollover bill which would defer taxes on small business capital gains that were plowed back into small business.

But I certainly don't have to tell *you* what ought to be done about taxes. The Chamber's Center for Small Business has analyzed the needs and made excellent proposals for tax reforms—which parallel many backed by the Amex.

It's bad enough for the country to fail to give small business the tax incentives it needs to grow, but it's downright painful for it to actually impose disincentives and obstacles in the form of excessive government regulations.

This reminds me of an old song named "the Preacher and the Bear" that was performed by Phil Harris—some of you look old enough to remember Phil Harris—a couple of decades ago. It was about a preacher who was strolling in the woods one day, and met a fierce, hungry grizzly bear. Taking quick refuge in a handy tree—in the branches nearest heaven—just out of reach of the snapping fangs, the preacher prayed, chorus after chorus. And each prayer ended with the plaintive plea:

"O Lord, if you can't help me, for heaven's sake, don't help that bear."

We small businessmen can echo that prayer to our regulators: If you can't help us grow, for heaven's sake, don't tear us apart.

When regulatory red tape and expense reaches the point that a corporation the size of Sears, Roebuck decides to forego all government business, rather than comply with the bureaucratic agonies required of companies that do business with the government, then you know the situation is getting out of hand.

If huge corporations find regulation so onerous, however, think of its disproportionate effects on small businesses. One study shows that, per $100,000 of sales, regulatory reporting costs small companies $152, larger ones $4. The requirements are theoretically the same for all—but their impact certainly is not.

Nor can small businesses afford the public relations and lobbying efforts to try to change requirements that the major corporations mount.

The ultimate bill, of course, winds up with the consumer, who pays for everything, when all's said and done.

The President has recently proposed the most sweeping regulatory reform in 30 years, and there are a number of Congressional initiatives underway.

The thrust of the proposed reform is to apply cost-benefit analyses to all proposed new rules; gradually to review all existing rules in the light of their costs and benefits; and to have all rules expire in a set number of years unless they're fully re-justified and re-enacted.

Right now even the most battle-worn among us can sense something new. On all of these fronts: inflation, capital formation taxes, and regulation. Washington is ready to listen.

For the first time in many, many years, our government is not so consumed by a foreign crisis, or caught up in a political scandal, or so preoccupied by social issues that—important as these problems are—it can go on ignoring the dangers to our domestic economy

In the White House Conference we have our best hope of removing at last one of the major impediments endured by the small business community—the lack of coordination between those three forces which have the most vital impact on its destiny.

I am speaking, of course, about the Congress, the Administration, and the private sector. All too often these institutions, despite a sincere desire to encourage and advance the interests of new and growing businesses have each come up with separate programs, legislation and policies.

A vivid case in point was last year's omnibus small business bill, passed by Congress but vetoed by President Carter.

I really don't wish to comment on the merits of the bill or its ultimate veto. There were legitimate arguments to be made on both sides, but the ultimate loser was small business.

There are countless other examples. It is here that I feel the Chamber can perform its most vital service: to act as a kind of "honest broker" between these three forces, seeing to it that the unique opportunity presented by the 1980 White House Conference and subsequent Commission report to the President is not undermined or eroded, but rather serves as a bridge between the private sector, the Congress and the Administration. Key members of the Chamber must see to it that we speak with a common voice.

And finally, I have faith in our ability as business people and citizens to create a case that will not be too difficult to sell to our friends, neighbors, and fellow business people back home. Because the market for our kind of common sense is wide open. And because all of us have had to sell to live.

Let's not forget that for all the power and sophistication of this city—a sale made back there becomes a case won here.

And I believe that as we move actively and unashamedly into the marketplace of ideas, more of our own people will join us, as will much of official Washington, in the realization that there is finally more security to be found in meeting the challenges of production together than in clinging to the illusions of separate protected sectors.

Together we are the basic line of defense for America's economy.

Together, there is nothing small about America's small business.●

INTERNATIONAL WILDLIFE CONVENTION HAS PERILS FOR UNITED STATES

● Mr. **TALMADGE**. Mr. President, a proposed international convention on migratory species of wildlife has drawn some serious questions and reservations from respected wildlife conservationists across the Nation.

The proposal, called "Convention on the Conservation of Migratory Species of Wild Animals," was submitted to national governments by the Federal Republic of Germany. It reportedly arises from an action plan recommendation of the 1972 Stockholm Conference on the Human Environment. The Federal Republic of Germany has scheduled an international conference in Bonn from June 11–23, for the stated purpose of adopting the convention. I understand that the United States plans to participate in this conference.

Daniel A. Poole, president of the Wildlife Management Institute said of the proposed treaty:

> This draft Convention confronts the North American wildlife profession with a dilemma. Certainly, there is no objection to encouraging and assisting nations and other units of government to protect and maintain both resident and migratory fish and wildlife. This approach has been available for years through various assistance and exchange programs.
>
> However, the draft Convention raises serious questions about the cost of such encouragement and assistance in terms of disruption of long-established relationships among levels of government in any one country, such as among federal and provincial levels in Canada, and among federal and state levels in the U.S. There is uncertainty, too, about the integration of such new authority with carefully drafted agreements such as already exist for migratory birds involving Canada, Mexico, the U.S., the Soviet Union, and Japan.
>
> It may be that a Convention can be drafted that, in effect, would give certain nations an outside push to do things that they have not been able to initiate on their own, while at the same time, avoiding trespass on established domestic policy and practice. Such opportunities and options should be evaluated by individuals having knowledge of the evolution of North American fish and wildlife policies and programs, who are experienced in their implementation, and who are aware of the social, economic, ecological and other factors.

The International Association of Fish and Wildlife Agencies, whose members include State, provincial, and Federal fish and wildlife agencies in Canada, Mexico, and the United States, has recommended that "the United States, Canada, and Mexico cannot be participating members and certainly not signatory parties to the proposal in anything like its present form."

The Association, which represents those agencies legally responsible for wildlife in North America, found the draft convention to be "basically unrealistic, confusing, biologically naive, and contrary to the interests of the United States, Canada, and Mexico." It also questioned whether the proposal would serve its intended purpose for other nations where cooperation is needed.

The Association offered some specific reasons for its opposition. It said there is insufficient time before June 11 to resolve the very fundamental problems remaining in the draft. The current draft of the convention was not received by the State fish and wildlife agencies until February 1979.

The Association questioned the "supreme authority for wildlife programs" which the convention suggests. It noted that the proposal would establish "a complex international structure and a conference as the supreme decisionmaking organ which fails to recognize the differences among nations and their responsibilities." The Association said:

> The Convention treats all parties as unitary states, which have exclusive authority as opposed to federal states. In federal states, including the United States and Canada, legislative power is divided between the legislature of the federation (e.g. the U.S. Congress) and legislatures of constituent units (the states and provinces).

The convention would preempt both State and Federal authority, the Association said, by obligating the party States to sweeping actions as determined by conference of the parties through simple majority vote of parties present and voting. "Obviously," the Association said, "a coalition of smaller, unaffected nations could impose their will upon other affected party States."

The convention would be an "international instrument for the regulation of land, water, or airspace; for the regulation of development; and for the control of environmental pollution," the Association said. And, the Association contends "Generalized diplomatic language, and the inadequate treatment of difficult issues, invites misinterpretation and legal challenge by those who would use the convention to thwart management and override national jurisdictions."

Definitions in the convention worry the Association also. For example, "migratory species" would cover all wild animals which periodically cross national boundaries for such things as breeding, rearing, feeding, and so forth. "From a practical standpoint," the Association said, "the interpretation goes far beyond the traditional concept of 'migratory'; and lacking qualification, it embraces all wild animals—vertebrate and invertebrate that move across national boundaries * * *." And because it covers an entire population or parts of a population, members of which cross boundaries, it would include all of the members, whether or not they cross national boundaries, the Association said. Such a broad interpretation covers such things as insects, rodents, and aquatic forms, few of which are under the jurisdiction of fish and wildlife agencies.

The Association also has serious concerns on how the proposed convention would affect existing international treaties, conventions, and agreements. It noted that the convention would complicate the negotiation of new agreements and limit the flexibility of member States to negotiate new agreements. To this extent, the Association said, the convention could discourage the kinds of actions between and among nations it is intended to promote.

Mr. President, it seems to me that this proposed convention could have far-reaching effects into all types of land and water uses in this country. Perhaps we should heed the warning of those who are legally responsible for wildlife and take a closer look at where we stand with regards to this proposed convention.

Certainly there would be no opposition to assisting other nations with their wildlife conservation efforts. But simultaneously we must protect our own wildlife conservation programs which are without question among the most advanced and successful in the world. Furthermore, I believe that the lasting achievements made in resource management have been made through working with, rather than against, competing interests. We should avoid any mandate, international or otherwise, that would over balance this partnership one way or the other.

Mr. President, on April 20, 1979, I wrote a letter to Secretary of State Cyrus R. Vance, asking a number of serious questions about the proposed convention. The most important of these dealt with whether the convention agreement would represent a formal treaty, which would have to be approved by the Senate. It is inconceivable to me that the Senate would approve any international agreement which would give groups of other nations cart blanche authority over the uses of public and private lands in the United States. I ask that my letter to Secretary Vance be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, D.C., April 20, 1979.

Hon. CYRUS R. VANCE,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: It has been brought to my attention that the State Department plans to participate in the final drafting of a "Convention on the Conservation of Migratory Species of Wild Animals" at Bonn, West Germany, beginning June 11 of this year.

A review of the second revised draft of the treaty raises a number of questions which I believe need to be answered before the Bonn meeting occurs.

1. Is it intended that the instrument will be a formal treaty requiring ratification by the U.S. Senate?

2. If the instrument is something other than a treaty, how are its terms to be enforced?

3. What kind of enabling legislation for implementing the terms of the Convention do you plan to present Congress?

4. Has the Senate Foreign Relations Committee been asked for comment?

5. What other Congressional Committees, or members, were asked for comment?

6. Detail the advantages to be gained by the United States as a result of becoming a signatory to this Convention.

7. Detail the impacts you foresee on the ability of public and private land managers to achieve goals other than the conservation of a migratory wild animal. For example, if there were a conflict between the otherwise legal desires of a landowner and the welfare of a listed migratory wild animal, which would prevail?

8. What specific language will the United States accept as definitions of such terms as "migratory species"; wild animal"; "conserve, conserving, conservation"; "conservation status of a migratory species"; "range"; "habitat restoration"; "protection"; "preventing, removing or compensating for disturbance and obstacles to migration", which are either not defined or presently defined so broadly as to invite misinterpretation?

9. Who will determine adequacy of a species' status? What evidence will be required?

10. What are the standards for adequacy?

11. Do the protection provisions apply to all land ownerships—federal, state, municipal, and private?

12. What will be the effect of the Convention on existing treaties related to wildlife?

13. What statutes and regulations—federal, state, or local—will be affected?

14. What language will the United States require to insure preservation of the division of powers and responsibilities between central governments and their constituent states?

15. If necessary language changes are not made, will the United States become a party to the Convention?

16. Do you believe that Article III, paragraph 2, establishes an international body as the supreme arbiter of land, air, and water use of parties to the Convention? What specific language are you offering to insure this will not be the case?

17. Why does the proposed Convention not provide for those most affected to be present as observers? For example, the definition of "any body technically qualified in protection, conservation and management of migratory species" would appear on its face to exclude agricultural organizations, forestry groups, and many other groups concerned with land management? How do you propose to change this situation?

18. How many land management professionals will be a part of the official delegation? If the answer is one or none, why is this the case? How many land management professionals will be in Bonn as staff to the United States delegation?

19. Given the United States' ineffectual activities at the recent Convention on International Trade in Endangered Species of Flora and Fauna held in Costa Rica, what leads you to believe our efforts will be any more effective in Bonn?

20. The Convention would allow two-thirds of the parties present and voting to change any part of the Convention. Given the probable make-up of the parties, it seems very likely that nations with a minimum at stake will be making decisions which might bind the United States. How do you propose to overcome this defect?

I would like to have your answers to these questions, for the record, no later than May 15, 1979. This will assure time for any additional questions which need answers and for any Congressional hearings deemed necessary.

Your prompt attention to this matter will be appreciated.

With every good wish, I am
Sincerely,
HERMAN E. TALMADGE,
Chairman.●

SELECT COMMISSION ON IMMIGRATION POLICY

● Mr. KENNEDY. Mr. President, the Select Commission on Immigration and Refugee Policy, which was created by Public Law 95-412, held its first meeting this afternoon under the chairmanship of former Gov. Reubin Askew of Florida. It was an organizational meeting, to launch the Commission's work, and to begin its challenging task of overhauling our Nation's outdated immigration laws.

We were pleased that all 16 members of the Commission were able to attend. The membership, as created by statute, include the following:

PUBLIC MEMBERS

Hon. Reubin Askew, Chairman, Former Governor of Florida.

Joajuin Otero, Vice President, International Railway Clerks Union (AFL-CIO).

Judge Cruz Reynoso, California Court of Appeals.

Rose Matsui Ochi, Executive Assistant to Mayor Tom Bradley, Los Angeles, Calif.

CABINET MEMBERS

Cyrus R. Vance, Secretary of State.
Griffin B. Bell, Attorney General.
F. Ray Marshall, Secretary of Labor.
Joseph A. Califano, Jr., Secretary of HEW.

SENATE JUDICIARY MEMBERS

Edward M. Kennedy, Massachusetts.
Dennis DeConcini, Arizona.
Charles McC. Mathias, Jr., Maryland.
Alan K. Simpson, Wyoming.

HOUSE JUDICIARY MEMBERS

Peter W. Rodino, Jr., New Jersey.
Elizabeth Holtzman, New York.
Robert McClory, Illinois.
Hamilton Fish, Jr., New York.

Mr. President, I want to commend Governor Askew for the leadership he has already given to the Select Commission. His appointment as Chairman—and that appointment of the other public members by President Carter—is the best evidence yet that the Commission can successfully underake its difficult task, and demonstrates the administration's strong support for the Commission.

As I noted in my opening statement prepared for today's meeting, the mandate of the Commission touches the heart of what America is today and will be tomorrow. Few other public policy issues will shape America's future to the extent that it will be shaped by the policy we adopt on immigration. It reflects the fundamental values and historical traditions of our country, and contributes to the strength and vitality of our society.

Immigration is both America's past and future. It demonstrates our confidence that new challenges and promises remain in our land. It honors our traditional concern for family reunion. It strengthens the economic and cultural life of our country, and it assures that America's door remains open to refugees and others in need—such as the "boat people" today in Southeast Asia.

Yet, as important as immigration has been to America's life and history, our current law and policies are inadequate to handle the migration issues of our time. The existing statute is a generation out of date. It is filled with unnecessary, discriminatory, and obsolete provisions.

Rewriting our immigration law is the task before this Commission. Recent history tells us that only rarely do we have the opportunity to accomplish this goal. Only twice in the past three decades has Congress been able to act upon recommendations for meaningful immigration reform.

We now have such an opportunity—a chance to escape the pressures of the moment and consider the longer perspective. We can consider immigration policy in light of the Nation's future economic and national interests, without losing sight of our immigrant heritage or our humanitarian traditions.

This task will require the Commission to consider many areas and many aspects of current immigration law and practice.

First, we need a comprehensive overhaul of the 1952 act. Our departure point should be the spirit of the 1965 amendments, refining the new policies and systems established at that time.

Second, we must review and reform the nationality and naturalization provisions of current law.

Third, we must humanize the administrative practices and procedures of the law.

Fourth, we must seek ways to bring more order into the structure and decisionmaking process of the scattered bureaucracy which today interprets and implements immigration law.

Finally, we must find feasible and humane alternatives for dealing with the question of undocumented and out-of-status aliens, and all the problems associated with this issue.

These are just a few areas that will command the commissions attention in the days ahead. Clearly, they are difficult and controversial questions. Little if any understanding exists on these questions, and we are far from any national consensus. There has been a serious lack of attention—and an ever greater lack of information—on immigration in recent years. The task of the Commission is to address these challenges and to develop a blueprint for reform.

We need more information and facts, and less myth and stereotype. We need more thought and analysis, and less hysteria. We need proposals that plan for the future—that will help us make America what we want it to be in the decades to come. That is the goal of a wise and responsible immigration policy. It is also the challenge before this Commission.

As Oscar Handlin wrote when he began his study on the Uprooted:

> Once I thought to write a history of the immigrants in America. Then I discovered that the immigrants were American history.

The work of the Select Commission, Mr. President, will assure that they remain a part of our future as well.●

REMARKS OF SENATOR MATHIAS ON THE C. & O. CANAL

● Mr. DURKIN. Mr. President, as an ardent conservationist concerned with the long-term future of the natural resources of our planet, I was pleased to read a speech of one of my like-minded colleagues, Senator MATHIAS. The senior Senator from Maryland addressed the 25th anniversary meeting of the C. & O. Canal Association at Glen Echo, Md., on Saturday, April 28.

I would like to share his comments on the canal with my colleagues and ask that his speech be printed in the RECORD.

The speech follows:

TRANSCRIPT OF EXTEMPORANEOUS REMARKS BY SENATOR CHARLES McC. MATHIAS, JR.

We've just had a wonderful 25th anniversary address so all I will do is give you a very brief postscript. It's amazing and wonderful to look back over the past 25 years and see all that has happened to the C & O Canal since 1954 when Justice William O. Douglas took his historic walk to save the canal.

It's the custom these days for those of us who serve in public life to make disclosures and I want to make a disclosure here at the beginning of my remarks. I did not hike today. It is my loss—I am poorer for it—but I had to be in another part of Maryland. So for a change I was not able to get out on the towpath today. But I know what a tremendous experience it is and I urge those of you who did participate in a bit of this hike but who don't know the whole canal, to get out and just see how wonderful it is in every part.

In fact, I was just sitting here thinking what my favorite stretch of the canal is? It's hard to say because there is a different character, a different quality to each mile on the canal. If you know it, the entrance to the Paw Paw Tunnel has certain unique fascinations; the stretch along the Dargan; the stretch right between Great Falls and Georgetown—every mile you can think of has some particular characteristic that makes it worth knowing the whole canal. So I hope that those of you who were not able to hike the whole two weeks, who don't know the canal in all of its variety, in all of its unique character, will keep at it year after year until you feel that you really know it well.

Of course, if you can't be out hiking the canal, seeing the beauty of the landscapes, seeing all of the plants and the trees, you can read about it. You can think about it. You can talk to people about it because part of the interesting wildlife along the canal over the years has been the people who lived along it. When I use the word "wildlife", I use it advisedly. Some of you know "Hooper" Wolfe up in Williamsport, who has a long enough memory that he can remember some of the wildlife on the canal. In his oral history of the canal, "Hooper" says that some of the boat crews had no other home but the boats they lived on and one of the reasons they liked to winter in Williamsport was because the two coal yards there—Cushwa's and Steffey's—didn't have fences around their coal piles and so that removed the need for these crews to have to buy any fuel in the wintertime.

Another reason that he ascribed to their liking winter in Williamsport was because, if a few drinking strangers would happen by, they could arrange a card game on one of the boats that was laid up for winter and they were able to arrange it so that the strangers had no chance of winning.

It's interesting to use our off-canal moments, our off-towpath moments, to reflect on the history of the canal. There is a direct connection between the C & O Canal and that old Potomack Company founded by George Washington, first President of the Potomack Company as well as of the United States, who broke ground for the predecessor of the C & O—the canal around Great Falls on the 4th of July in 1785. That wasn't the most successful of all canals, of course, but it did give the people along the Potomac Valley the concept that you could navigate up the Potomac Valley. It was some years later, again on the 4th of July, 1828, that the C & O Canal was actually founded by John Quincy Adams when he broke ground at the site where the canal crosses Wisconsin Avenue in Georgetown. As you go through Georgetown, if you haven't stopped and looked at that monument, right there by the bridge over the canal on Wisconsin Avenue, you ought to do it because it's a fascinating relic of an historic occasion, one that's very closely related to this 25th anniversary we're celebrating here tonight.

Also, when we think about people who have contributed to the canal, we shouldn't forget the thousands of people who are nameless now, whose names are forgotten, but whose work is all around us on the canal—the Irish immigrants, for example, who came to dig the canal. When you look at the canal, when you enjoy the canal, reflect a little bit on the fact that it didn't just happen, that people had to make it happen. People had to be there with shovels and pick axes and very little else, perhaps a little black powder, and dig that canal and make it work. It's a fantastic human achievement, given the kind of tools that were available, and we owe a tremendous debt to the men who actually dug that ditch and filled it with water and gave it to us as a part of our heritage.

Of course, again, the Irish laborers who dug the canal were part of the "wildlife" "Hooper" Wolfe talks about. He reminds us that Irishmen sometimes don't get along in Ireland and they also sometimes don't get along when they leave Ireland. "Hooper" says there were two kinds of Irishmen working on the canal, one was from Cork, called the Corkonians, and another group was the Longford Irish, called the Fardowners. It seems that whenever they were not actually digging that ditch, they had a tendency to get together and fight each other. On one occasion, in the winter of 1834, while they were working on Dam Number Four, they actually indulged their local rivalries to such an extent that several of them were killed and they had to call out the militia to restore order and get on with building the canal.

But, finally, in 1850, in spite of all these disruptions, the canal was finished and continuous navigation from Cumberland to Alexandria was celebrated in Cumberland with appropriate ceremonies. It was a great time for celebration; it was an achievement which enabled 200 boats to work the canal pulled by 3,000 mules back and forth on that towpath. This gives you an idea of the scope of this whole project and the kind of excitement that there must have been up and down the Potomac Valley as these 200 boats plied their way carrying passengers and freight between Cumberland and Georgetown and Alexandria. So it's a great cavalcade of human history as well as a great natural spot that we celebrate when we commemorate this 25th anniversary of the beginning of the Canal Park.

We must keep faith with all of these people who worked on the canal. By keeping faith we have to preserve the work that has been done by those who had the original vision and determination to bring both the canal and the Canal Park into being—among them the forgotten men who dug the canal, the forgotten boatmen who created a whole lifestyle on the canal and those who preserved this canal, who actually took that first canal walk 25 years ago this spring and sent a signal which was received in the right places so that, instead of pouring concrete in the canal, we're now able to walk along it and enjoy it as an important part of the heritage of America.

Of course, of all the people with whom we have to keep faith Justice Douglas is certainly the most important because he gave that spark, he gave that signal, at just the right, critical moment. His role has been properly recognized by the Congress; his role has been properly recognized by the public and it will never be forgotten as long as the C & O Canal National Historical Park exists.

It has been my good fortune to serve in the Congress with a number of people who have been extremely active in pursuing the interests of the C & O Canal. Glenn Beall, Jr., both in the House and in the Senate, was extremely interested in the park, was always cooperative and helpful in any kind of park project. Gil Gude had an extraordinary knowledge of the whole Potomac Valley and of its interests.

But there are two people tonight that I would particularly like to remember. One of them is Glenn Beall, Sr., who served as a member of Congress from the old Sixth Congressional District and later as a member of the Senate. I have talked with him about the original legislation which was introduced to make the C & O Canal a national park. Senator Beall told me that he had been under heavy pressure, as apparently had the editors of the Washington Post, to endorse the concept of a parkway—a highway running up on the foundations of the canal. After this historic walk 25 years ago this spring, it wasn't just the editors of the Post whose views were turned around, but Senator Beall was also there and he was so struck by the spirit conveyed by the hikers that he went down to Congress and introduced the first C & O Canal legislation. And that was a landmark bill. That's where the park itself began. That's not where the canal began, but the park began with Glenn Beall, Sr.

It was a tough job to get that bill through Congress. It was not easy because we had many doubters. I remember one of the most senior, important members of the House of Representatives, who every time he'd see me coming down the hall would start to laugh and he'd say, "Ha, ha, ha—imagine a national park 20 feet wide." That was the kind of opposition we had to overcome and it was Glenn Beall, Sr.'s bill which was the first seed that finally blossomed into the C & O National Historical Park. I hope that someday there will be some rock or some tree or some shrub or some spot of ground dedicated to the memory of Glenn Beall, Sr., for his work in introducing the first C & O Canal Park legislation. Such recognition of his great contribution is overdue.

Then secondly, I'd like to mention Goodloe Byron, who actually died on the towpath of the C & O Canal he loved so much. Goodloe and I worked together on any number of projects in relation to the canal. I would also hope that his years of dedication and interest and investment and real love of the canal would be marked by some spot or some stone along the canal in memory of his particular effort.

It hasn't always been easy to get the legislation and the appropriations through to protect the canal from the kind of incursions and invasions that people are always ready to inflict upon it. But the members of Congress with whom I've served have always been willing and ready and, happily, able to do the necessary and the park has become a reality, with all the protections that in this country we now give our National Parks. The fact that there are so few wilderness areas in the East, so few near the metropolitan areas of the Atlantic Coast gives a special value to the C & O Canal National Park. You can get to it. You can literally walk out on it and that is of great importance, I think. You don't have to take a long trip; you don't have to plan it months in advance, you can get there easily and it can be balm to the soul for people who need it in the great cities of the East.

I want to close by quoting a line from Justice Douglas' autobiography that to me synthesizes what this canal can mean, what any wilderness area can mean, to those who care for it and use it. Justice Douglas writes that—

"The subconscious carries a heavy burden of our worries, concerns, and problems. On a long hike it functions free of additional tensions and pressures. And somehow or other it seems to unravel many a tangled skein of problems during a six-to-eight hour hike. The process is a mystery, though I have experienced it again and again."

And so tonight, I commit to you the protection of this mystery and the preservation of this mystery not only for the next 25 years but for the next 2500 years.●

ARIZONA LEGISLATURE PROPOSES REPEAL OF FEDERAL INCOME TAX

● Mr. **GOLDWATER**. Mr. President, the Arizona State Legislature has presented me with a copy of a memorial passed by both Houses earlier this year requesting the national Congress to propose an amendment repealing the 16th amendment and, thereafter, prohibiting the Federal Government from taxing personal incomes, estates, or gifts.

Moreover, the Arizona memorial also calls for a constitutional amendment prohibiting the Federal Government from engaging in any business, professional, commercial, financial, or industrial enterprise, except as specified in the U.S. Constitution.

Mr. President, this memorial, which I submit for the Record, is evidence of the fact that the people view with growing concern the interference of the central Government in the individual lives and liberties of American citizens and it should send a strong message to all lawmakers, as well as bureaucrats and regulators.

The memorial follows:

House Joint Memorial 2001

Whereas, the people of the State of Arizona view with growing concern the interference of the Government of the United States in the individual rights and liberties of all persons.

Wherefore your memorialist, the Legislature of the State of Arizona, prays:

1. That the Congress of the United States propose to the state legislatures an amendment to the Constitution of the United States or call a convention for such purpose, as provided by law, to add to the Constitution of the United States an article providing as follows:

Article —

Section 1. The Government of the United States shall not engage in any business, professional, commercial, financial or industrial enterprise except as specified in the Constitution.

Section 2. The Constitution or laws of any state or the laws of the United States shall not be subject to the terms of any foreign or domestic agreement which would abrogate this amendment.

Section 3. The activities of the United States Government which violate the intent and purposes of this amendment shall, within a period of three years from the date of ratification of this amendment, be liquidated and the properties and facilities affected shall be sold.

Section 4. Three years after the ratification of this amendment the sixteenth article of amendments to the Constitution of the United States shall stand repealed, and thereafter Congress shall not levy taxes on personal incomes, estates or gifts.

2. That the Secretary of State of the State of Arizona is directed to send a duly certified copy of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and to each Member of Congress from the State of Arizona.●

SOLAR ENERGY

● Mr. **DURKIN**. Mr. President, if our Nation is to ever successfully make the transition to solar energy, the initiative of citizens at the grassroots level will be essential. There is no energy source more appropriate to a nation of self-reliant individuals. In my own State of New Hampshire, where people have always prided themselves on their rugged individualism, solar energy has many enthusiasts, and even more importantly, many solid citizens who have begun to quietly make the move to the solar economy.

I would like to share with my colleagues the story of one New Hampshireman, Mr. Harry Simpson of Ossipee, who is using solar energy effectively to save costly oil.

I ask that an article from the Carroll County Independent about Mr. Simpson be printed in the Record.

The article follows:

Ossipee Man Enlists Sun To Save Costly Oil

(By John Mezger)

Center Ossipee.—Two years ago, Harry Simpson of Center Ossipee knew that something was up with the price of home heating oil. He read an article about potential savings from solar heating in a magazine, and got the idea to try installing his own solar heating unit for his hot water heater.

Hearing of an available Housing and Urban Development grant for anyone who installed solar heating to the proper specifications, Simpson investigated. He found that he could get a $400 rebate, provided that all the components of the solar heater were purchased in one place.

A SAVER

Now, Simpson can smile when he talks about his experiment with solar heating, because after its first winter of operation it is saving enough so that he thinks it will pay for itself in about five years, and be a money-saver after that.

He installed the system himself, after purchasing it from Solar Alternatives, Inc. in Brattleboro, Vermont. He says the company gave him a lot of assistance with the design, using his measurements of the house.

The heater includes aluminum roof collectors which use copper tubing and a sheet absorber plate. Sunlight heats a non-toxic anti-freeze liquid, which is pumped through a heat exchanger in the water storage tank. The system is simple, but it works well, Simpson says.

WORKS WHEN CLOUDY

Monday morning was rainy and chilly, but the collector, mounted on the roof of the house with a southern exposure, absorbed enough sunlight to "make" some hot water. And during the cold snap in February, when the sky was clear for a week, the collector heated the water enough to last four days after skies clouded up. "The outside temperature doesn't have too much to do with it," Simpson explained.

When there isn't enough sunlight to keep up with the Simpson family's use of hot water, an oil-fired hot water heater takes over.

Simpson, wife Susan and their two children used to use one and a half to two gallons of oil each day heating water. But now it uses about half the oil it used to. "Year 'round, I'll probably save more than 50 percent," he said. In the summer, he estimates he'll be able to go three days between sunny days without needing the oil heater for water.

$1600

Being handy has helped him save with the solar heating system. He bought the pipe, fittings, and insulation for the work himself, and put in about two weeks of straight labor. The final heating system cost him about $2,000 plus labor, minus the $400 from the federal government.

He estimates the labor could be contracted for $200 to $300.

Harry Simpson thinks anyone who has a house with a good exposure to the sun should look into solar heating for their water heaters. Although the town of Ossipee hasn't approved tax credits for solar heaters yet, the $400 from HUD might still be available for those who apply to the Governor's Council on Energy.

A Governor Wentworth School Board member, Simpson also works on the committee which has been involved with a Kingswood High project studying solar energy, directed by David Kinmood.●

INFLATION, A CLASSIC CASE

● Mr. GARN. Mr. President, perhaps the only thing that exceeds the number of prescriptions for relieving the Nation's increasing inflation is the number of diagnoses. Some blame oil, some blame food. Some blame business and some blame labor, while the administration blames both. The variety of analyses underscores the need for accurate diagnosis, for in spite of all of the publicity on the efforts of President Carter, his guidelines, and the Council on Wage and Price Stability, inflation has worsened rather than improved.

I do not mean to give all of the various explanations for our current inflation equal weight. Some strike me more as rationalizations than rational analyses. In a recent article in the Wall Street Journal, Paul McCracken cogently argues that the current inflation is less difficult to understand than many would wish to confuse the public with. He notes:

> While there is a tendency to resist the straight-forward analysis which points out that the king has no clothes on, a careful examination of the evidence leads ineluctably to the conclusion that the American economy is now simply in the throes of a classic inflation.

For the past couple of years the production of demand has simply exceeded the production of goods and services in the economy. This has been due to demand-creating activities of the government as well as due to policies that have hampered productivity, capital formation, and other crucial factors of supply. Thus, Mr. McCracken notes:

> We have, in short, been trying to activate with more demand an economy afflicted with arthritic tendencies.

Mr. President, this analysis by the former Chairman of the Council of Economic Advisers is one of the finest that I have read in a long while. It makes a lot of sense. I commend it to my colleagues and ask that it be printed in the RECORD.

The analysis follows:

OUR UNMYSTERIOUS INFLATION

(By Paul W. McCracken)

What is to be made of this sharp acceleration in the rate of inflation?

Only three months ago the Eggert panel of economists was projecting an average rise in the price level (as measured by the GNP price index) from 1978 to 1979 of 7.8%. This was almost identical with the 7.7% rise projected by the President in his Budget Message and Economic Report. Projections disgorged by the complex econometric models were in the same range. The citizenry generally, as often happens, were a bit more realistic in their expectations. In January, the University of Michigan Survey Research Center found that the average expected price increase for the year ahead was 9.3%, and this has continued to rise.

If, in fact, prices continue to rise at rates that have prevailed so far in 1979, the year's price level will be about 11% above that for 1978, and during the year the price level will have risen something like 13%. And, if that pace were to continue, by the latter part of 1984 prices on the average would be double those confronting buyers today.

The more moderate earlier projections of 1979's rate of inflation may yet be realized. Two-thirds of the year still lies ahead. If, however, the January 1980 Economic Report to the President is able to record a rise in the price level for this year below 8%, the rise from here to the end of the year will have to be limited to something like a 5% to 6% per year pace. And short of draconian measures, the probability that such a deceleration will occur is low.

What has happened?

Oil prices have, of course, been rising, and they have particularly high visibility. In fact, a price index giving a weight of about 50% each to prices of hamburger and gasoline would be a reasonably good indicator of political pressures generated by inflation.

While prices of oil and gasoline are a subject about which our solons in Washington can generate a mighty rage, particularly if the television cameras are running at full throttle, oil prices do not explain the current inflation. Even the recent large rise in these prices leaves most of the current acceleration unexplained. (And it is not amiss to remind government that some prices for which it has quite direct responsibility have not behaved so impeccably— e.g., the 14% rise in postage prices during 1978.)

Nor is just food—though the 20% per year rise in food prices has been a major source of the rise in both the rate of inflation and consumers' wrath. Even these sharp increases, however, leave in the statistical sense about three-quarters of the recent decline in the dollar's purchasing power unexplained.

FURTHER PYROTECHNICS EXPECTED

While wage negotiations have occupied the center of the stage much of the time this year, there has as yet been no acceleration of wage inflation to parallel or explain the acceleration of price inflation. Further pyrotechnics can be expected here before the year is over, and Procrustes, the legendary Attica highwayman, would watch with awe as our wage-price managers simply lop off whatever of the incoming settlements do not fit.

The rise in average wage rates remains, however, consistent (assuming a continuation of negligible gains in productivity) with the 7% to 8% rate of inflation that had earlier been predicted. Naturally, if wage settlements break loose and move well into the double-digit zone, they will for the rest of the year mean more inflationary trouble, but they did not start us off on the current spiral.

While there is a tendency to resist the straight-forward analysis which points out that the king has no clothes on, a careful examination of the evidence leads ineluctably to the conclusion that the American economy is now simply in the throes of a classic inflation. Demand has been pushed too hard against the outer limits of our productive capacity. It would perhaps be less shattering to our sense of sophistication to believe that some mysterious new inflationary sickness has infected the economy, but the 1979 problem is an excessively rapid expansion in the demand for output relative to our productive capacity.

The evidence for this is clear. Exports of manufactured goods have been moving upward, since mid-1978, at a 25% per year rate. This, of course, was desirable in order to redress the imbalance in our external payments, but accommodating these large increases required appropriately moderated increases in the domestic demand for output. This moderation was not forthcoming. The result is that prices of raw materials, excluding fuel and foodstuffs, thus far in 1979 have been rising at a 30% per year rate.

Unfilled orders for durable goods have been exploding with annual rates of increases in the 40% zone. And unfilled orders for primary metals have been pushing upward at rates that would double the backlog by the year-end. (That this in some markets reflects multiple ordering is simply additional evidence of a tight economy.) The volume of advertising for help remains heavier relative to the size of the labor force than was true a year ago or before the 1974–75 recession. The proportion of companies reporting slower deliveries is at a level exceeded only by the brief spasm in 1966 and the overheated conditions of 1973 incident to that bout with double-digit inflation. These are all indicators of an economy under heavy demand pressures.

How, in a country with the best economic information system in the world could this have come about?

For one thing, we have not yet really faced up to the implications of the fact that the capability of the U.S. economy to increase output has declined sharply as gains in productivity have been reduced to negligible proportions. In the five years from 1973 to 1978, output per hour (in the nonagricultural private economy) rose at the average rate of only 0.8% per year. We have, in short, been trying to activate with more demand an economy afflicted with arthritic tendencies.

The single most important explanation for this growing inability of the economy to deliver gains in productivity and real income is almost certainly the sluggish rates of capital formation that have prevailed during much of this decade. From 1975 to 1978 the amount of new plant and equipment put in place (in real terms) per person added to the work force has been about one-third below that for the 1955–1970 period, and the shortfall has been 50% for the amount put in place per person actually employed.

The figures would look even more grim if the considerable part of this capital formation required for purposes that do not improve measured productivity or capacity were excluded from the calculations.

This shortfall has had two quite predictable results. One is that we are running into shortages of plant capacity before the unemployment rate is down to anything like the 4.5% average that prevailed during the 1960s (largely "Republican years") or the 4.7% average for the 1960s (largely "Democratic years"). The casualties from this lack of investment activity are not economists or civil servants or corporate executives. And they are certainly not those who have gained affluence, influence and fame (and often all three) as professional opposers of new plants, new refineries, new generating equipment and the other requirements of an economy capable of opening up abundant job opportunities. The casualties of these activities are, of course, those still unemployed who now could be moving into regular employment if more plants, with their "Help Wanted" signs posted, had been built.

THE OTHER "DIVIDEND"

The other "dividend" from this shortfall in capital formation is, of course, sluggish gains in productivity and real incomes. The operator of a large earthmover can rearrange more of the landscape in an hour than the operator of a small machine, but the larger one involves more capital formation (and saving). Moreover, it is with new equipment that the new and more advanced technology is actually put to work in production.

We may have here a perverse process at work. The reduced capability of the economy to deliver gains in real incomes has forced families, long accustomed to roughly a 30% increase in the real purchasing power of their paychecks each decade, to involve more of their numbers in employment. The spreading of our capital stock over more members, however, further adversely affects productivity forcing yet more into employment, further limiting gains in productivity, etc.

There is, of course, no inherent reason why an economy with only a slowly growing capacity to produce cannot have a reasonably stage price level, and this leads to the immediate source of the current problem. The fact is that we have quite simply pursued overly expansive demand management policies—with adverse results compounded by these misjudgments about the upper limits in our capacity to produce. Budget policy in the conventional sense has its problems, and stronger constraints on the pressures forcing enlarged public outlays are needed.

The main source of excessive demands, however, is quite simply a monetary inflation—broadly defined to include the management of the economy's liquid assets generally. Throughout last year the supply of liquidity (the money supply, liquid Treasury obligations, CDs and other money market instruments) was growing at an 11% to 12% rate.

The current inflation will not be brought to heel until markets impose strong disciplines on wage and price increases. This means, it cannot too often be repeated, market conditions such that excessive price increases mean lost sales and outsized wage increases mean lost jobs. And these market conditions begin to emerge only when we find ways to assure that the creation of money and other liquid assets begins to match the slow pace at which the economy can now increase real output.●

ARIZONA LEGISLATURE OPPOSES ABROGATION OF TAIWAN DEFENSE TREATY

● Mr. GOLDWATER. Mr. President, as the Members know, I am presently contesting in Federal court President Carter's action in abrogating our defense treaty with Taiwan without the advice and consent of the Senate. It has been my contention that the Senate, being a partner with the President in treatymaking authority, also possesses a special interest and role in any method used by the United States for the termination of a treaty.

I am gratified therefore that the legislature in my home State of Arizona has seen fit to go on record in favor of this position. By concurrent resolution, the Arizona legislature expresses the opinion that the President should not take unilateral action in the termination of any treaty ratified by the U.S. Senate.

Without objection, I ask that the resolution be printed in the RECORD.

The resolution follows:

SENATE CONCURRENT RESOLUTION 1001

Whereas, under the Constitution of the United States, treaties are solemn undertakings of the duly established authorities;

Whereas, by article VI of the Constitution and decisions of the Supreme Court, treaties are deemed to be part of the law of the land;

Whereas, article II, section 3, of the Constitution states that the President "shall take care that the laws be faithfully executed;"

Whereas, the Senate, being a partner with the President to the treatymaking authority, possesses a special interest and role in the method used by the United States for the termination of treaties;

Whereas, in accordance with the separation of powers, the President should not unilaterally terminate a treaty absent a material breach by another party;

Whereas, the termination of a defense treaty is a decision of the highest national importance which, under the checks and balances system, should receive the added deliberation provided by the participation of the Senate or Congress;

Whereas, as a matter of actual practice under the Constitution, treaties or obligations thereunder generally have been terminated by the United States only upon having been given by the President acting pursuant to or in anticipation of the authorization or direction of the Congress or Senate;

Whereas, under United States practice, the Senate and House of Representatives have acted jointly in the enactment of legislation terminating over forty treaties;

Whereas, the United States has never terminated a defense treaty with a friendly government; and

Whereas, bipartisan support in the United States Senate was instrumental in creating the entire structure of interlocking and interdependent treaties which has helped safeguard the peace and security of the Nation in the period following World War II.

Therefore

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. That, in accordance with the separation of powers under the Constitution, the President should not unilaterally abrogate, denounce or otherwise terminate, give notice of intention to terminate, or suspend any of the security treaties comprising the post-World War II complex of treaties, including mutual defense treaties, without the advice and consent of the Senate, which was involved in their initial ratification, or the approval of both Houses of Congress.

2. That the Secretary of State of the State of Arizona transmit certified copies of this Resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to each Member of Congress from Arizona.●

THE COMMUNITY MENTAL HEALTH ASSISTANCE ACT

● Mr. DURKIN. Mr. President, I am very pleased to join my distinguished colleagues from Vermont, Senators ROBERT STAFFORD and PATRICK LEAHY, as a cosponsor of S. 458, the Community Mental Health Assistance Act of 1979. This legislation will make mental health services more readily available to elderly and disabled Americans. It is aimed at ridding current medicare law of an antiquated, institutional bias and, by so doing, the bill gives deserved recognition to the significant contributions made by providers of mental health services at the local community level.

According to the President's Commission on Mental Health, senior citizens are among those who have the greatest need for treatment, but they are the most underserved. In no small way, I believe medicare law is to blame. Coverage for mental health services has not been amended since 1965. It is extremely limited and needs to be changed.

Despite an effective shift in location of mental health services, from remote long-term custodial institutions to community-based care, medicare, is ignoring older Americans who seek help for mental illness. This is best evidenced by the fact that 80 percent of limited medicare expenditures for mental health is spent for institutional inpatient services. Without change, the current program can only serve to encourage costly treatment which is inappropriate and unnecessary.

With these concerns in mind, I am cosponsoring this legislation. A major result of this bill will be to reduce institutional care and increase ambulatory care services for elderly Americans who are mentally ill. The legislation establishes community mental health centers as "providers" under part A of medicare. It allows reimbursement for up to 25 out-patient visits and 60 partial hospital visits per year for persons who otherwise would have to be hospitalized on an inpatient basis. Given the strict controls over medicare funding that this bill provides, the Community Mental Health Assistance Act of 1979 promises to be fiscally conservative and highly responsive to an important human need.

As one who worked hard to insure medicare coverage for rural health clinic services during the last Congress, I believe community mental health centers should be granted similar eligibility for cost reimbursement. Passage of the Community Mental Health Assistance Act will implement two of the most important financing recommendations of the President's Commission on Mental Health, the recommendations of the Rural Health Task Force, and the Elderly Mental Health Task Force to the Commission. I urge favorable Senate action on this measure.●

OIL PROLIFERATION POLICIES

● Mr. DURKIN. Mr. President, the key to assuring our oil dependent Nation an adequate oil supply in the remaining years of this century is an aggressive program of exploration and development in those areas of the world where oil may yet be found in significant quantities.

In recent times policies to accelerate exploration have been labeled "oil proliferation" policies. In reality this is a new name for an old problem, namely, how to undermine the multinational oil companies' stranglehold on world oil supplies by finding additional supplies beyond their control. In the days before OPEC, when the multinational oil firms dominated international oil production, the U.S. Government was unwilling to take those steps which could have assured adequate drilling because of the immense corporate power these companies wielded. Today, when the oil companies serve as the errand boys of the Arab dominated cartel, U.S. national interest demands an ever greater effort to expand exploration and production so as to increase supply and thus moderate prices.

Despite major oil company opposition the U.S. Government has begun to take the first tentative steps toward putting the U.S. national interest above the interest of those firms who benefit from tight supplies.

These efforts are a welcome change, which I support heartily. I hope the Carter administration will have the perseverance to continue with this initiative beyond the early stages.

A recent article in the Washington Post documents these efforts and their potential for reducing our long-run dependence on the cartel. I recommend this article to my colleagues, and ask that it be printed in the Record. The article follows:

[From the Washington Post, May 6, 1979]

Tycoons and Developers Quarrel Over Third World's Oil

(By J. P. Smith)

The prospect of a vast and untapped global supply of oil beyond the control of the existing energy cartel is casting a powerful lure in such staid institutions as the World Bank, the United Nations and the U.S. Treasury Department.

The new hope centers on the oil-producing potential in the undrilled regions of Africa, Latin America and Asia.

Already the World Bank has embarked on a $3 billion funding program in these regions which its energy experts believe could raise world production by 6 million barrels a day, the equivalent of Iran's production before the coup.

All this would seem to fit the prescription written five years ago for the United States and other industrial nations when crude oil prices quadrupled against a background of shrinking reserves. What could better fit the bill than a new and globally diversified supply base for the world's crude oil consumers?

There are already strong stirrings of discord among big oil, the Carter administration and the World Bank over the exploration-financing program as well as the share of the international oil companies in tapping the new supply source.

In January the chairman of the world's largest oil company, Exxon's Clifton Garvin, privately called on Treasury Secretary W. Michael Blumenthal to urge that the bank's program for the non-OPEC countries be abandoned.

He told Blumenthal that such programs of exploration for oil and gas are "inherently risky" and "ill-suited to bank lending." Should the World Bank wish to go forward nonetheless, Garvin told the treasury secretary, it should insure that drilling opportunities were "first offered to industry on reasonable terms." Blumenthal serves as a U.S. director of the international lending organization.

World Bank and Carter administration officials were surprised at Garvin's plea.

Promise of new Third-World oil coming into world markets also means downward pressure on prices, and undercutting the OPEC grip.

Blumenthal did not follow Garvin's advice and the bank program, earlier endorsed by the Bonn Summit, was approved.

What was curious about Garvin's argument, however, is that two months later Exxon took a different tack. In an announcement that sent tremors through international oil circles, Exxon said it would no longer be selling crude oil to European and Japanese companies in the 1980s. Supplies then would be too tight, Exxon said.

This episode illustrates vividly the most compelling energy question facing the nation: can we avert a world oil shortage by developing oil resources outside of OPEC? And, if possible, will it be with or without the major oil companies?

The outlines of an answer are entwined in the explanations of why Exxon would be discouraging future oil production, while at the same time planning future cutoffs in its oil sales—paths that appear contradictory.

William Slick, an Exxon vice president, explains: "We're not against oil development . . . we're against loaning money through the World Bank to national companies that compete against our private companies."

A sterner assessment of Exxon's motives is offered in a February Congressional Budget Office report: "Guaranteed loans from the World Bank and other sources can only damage further the competitive position of the international oil companies," the CBO said.

Does this mean that the world must forgo added oil production unless the major oil companies do it? Blumenthal answered no.

Still other questions remain, however. Do companies like Exxon and the other majors have a continual incentive to seek new oil production? On this point, the CBO study, "A Strategy for Oil Proliferation: Expediting Petroleum Exploration and Production in Non-OPEC Developing Countries," suggests that the answer may also be no.

The CBO says there are two reasons why "the companies might deliberately ignore prospects" for oil production in developing countries. "By restraining supplies, prices are kept high" and "the companies see their futures as marketers for OPEC and do not want to jeopardize their status by negotiatons with potential competitors."

CBO's suggestion is reinforced by a disclosure Exxon made at a Senate Foreign Relations subcommittee hearing several years ago. Asked by Sen. Charles H. Percy (R.-Ill.) why Exxon did not develop what company geologists suspected could be 10 billion barrels of oil reserves in Oman, Exxon executive Howard Page said, "I might put some money in it if I was sure we weren't going to get some oil, but not if we were going to get oil because we are liable to lose the Aramco concession."

Aramco, the Arabian American Oil Co., is made up of Exxon, Mobil, Standard Oil of California and Texaco, and produces most of Saudi Arabia's oil. Page, in other words, said Exxon did not want to increase oil production if it jeopardized relations with the Saudis, or forced a reduction in Saudi oil production.

There are occasions then—if the CBO is right—when the major oil companies could act, either consciously or inadvertently, as obstacles to increasing oil production and finding new oil supplies.

If the suggestions posed by CBO and the incident cited by Page are correct, oil companies are not likely to develop new supplies that would threaten their market shares or profit margins.

Setting aside the issue of the companies' role, the great challenge confronting the world, if Energy Secretary James R. Schlesinger Jr.'s warnings of a 1980s oil squeeze are correct, is how to increase non-OPEC oil production.

Garvin's letter added still another argument why the United States should oppose the bank program. "Industry activity in these [non-OPEC] countries has been extensive." Garvin wrote.●

AMERICANS OVER 50

● Mr. EAGLETON. Mr. President, as chairman of the Senate Subcommittee on Aging, I would like to call to the attention of my colleagues a recent commentary by Mr. Joseph Costantino broadcast on WRTH radio in St. Louis. Mr. Costantino offers some excellent insights on the problems facing Americans over 50. Mr. Costantino's observations will be of value to everyone concerned with the problems of the elderly. I ask that Mr. Costantino's commentary be printed in the Record.

The article follows:

The Forgotten Minority

Someday, somewhere, someplace, I hope someone will erect a monument to those Americans who are over 50 years of age.

Never has a group of citizens had to make more adjustments, fight in more wars, rebuild so much and yet find in their later years they are the forgotten, the neglected, the abused part of our population. In an age of a high degree of attention to minorities, the over 50 part of our population is the "Forgotten Minority".

Consider what these generations had to make in adjustments—they began life in a terrible depression. In their early years they knew hunger, unemployment—now they are caught in a raging inflation that rapidly erodes their savings or pensions. Many of the over 50's are hungry again, and as sad as it is, it's true, some are forced to eat canned dog food because that's all they can afford.

They grew up in the age of the Model "T" and Model "A" autos. Now we have airlines that fly at twice the speed of sound.

Their first paychecks didn't have a single deduction . . . there was no income tax, no Social Security, no state taxes. Today they find their paychecks shrunken by up to 30 percent by the various deductions made from their base pay.

Many volunteered to go into service on the day after Pearl Harbor. Millions gave up life with their wives, children and friends to fight in Africa, Europe or the South Pacific. Too many of this generation didn't come back after World War II. Others came back crippled and maimed. Then 20 years later, too many saw their sons flee to Canada, or to underground hide-outs to avoid military service.

They tried to give their children the things they didn't have—abundant food, college educations, clothing, automobiles, travel to the world's scenic wonders. They followed Doctor Spock's advice, suffered through the great errors of the "progressive education" concept and were heartbroken when their children turned on them, ridiculed their parents morals and life concepts—and joined the flower children in the Haight-Asbury; the rioters at Kent State and Berkeley: the communes in Taos; the Chicago 7 in Grant Park; and the drug culture in every major city.

And how does this strange, violent, young generation now treat the elderly? They rob them, mug them, assault and cheat them because the elderly can't fight back. They're not as strong as those that beat them. The over 50's believe in the "Golden Rule" and find that that is now considered an outmoded, backwards concept.

Some of their children ask them to accept their "open living" without benefits of marriage. The smoking of pot, the din and roar of rock music, the abuse and ridicule of "older people."

The over 50's find it hard to find a movie that isn't filled with violence, sex, horrors beyond description. Most music on radio is like the howl of a pack of hyenas, they find it increasingly difficult to tune in for good music.

TV panders to the lowest tastes in its history, like movies, shows filled with violence, and sex thinly disguised as "entertainment".

Someday, somewhere, someplace, somehow, someone is going to erect a monument to the "Forgotten Minority", those over 50 years of age . . . and I want to be one of the first to pay homage to the most abused and neglected of today's Americans.●

EXPORT ADMINISTRATION ACT

● Mr. STEVENSON. Mr. President, I ask that the following cosponsors be added to S. 737: Senators PROXMIRE, RIEGLE, TSONGAS, and JEPSEN.

Mr. President, on behalf of Senator HEINZ and myself I welcome Senators PROXMIRE, RIEGLE, TSONGAS, and JEPSEN as cosponsors of S. 737 and invite other colleagues to join us in sponsoring this legislation during World Trade Week. S. 737 revises the Nation's export control authority by focusing export restrictions on those few items whose export can and should be effectively controlled in order to protect vital national interests and by providing greater efficiency in export licensing. The lack of a clear, sensible, and soundly administered U.S. export control policy restricts and discourages billions of dollars worth of potential U.S. exports and tarnishes the reputation of U.S. businessmen and reliable suppliers. S. 737 will help expand U.S. exports and, thereby, add to U.S. production and jobs, while minimizing Government interference with international commerce.

The Committee on Banking, Housing, and Urban Affairs unanimously agreed to report S. 737 favorably. I invite my colleagues to study the bill and the committee report, No. 96–169, and lend their support to early passage of S. 737.●

DIPLOMATIC RECOGNITION OF RHODESIA

● Mr. HARRY F. BYRD, JR. Mr. President, the Senate has by an overwhelming vote on May 15 urged the removal of trade sanctions against Zimbabwe-Rhodesia.

On May 18, the able and highly respected newspaper columnist Roscoe Drummond wrote a significant column captioned "The Arguments for Recognizing Rhodesia's New Regime."

Mr. Drummond's thesis is that a refusal to recognize the popularly elected black Government of Rhodesia is both unjust and unwise.

Mr. Drummond asks the interesting question:

> Why should the United States wish to have any part in a maneuver which would have the effect of helping Soviet-aided political leaders to resume their effort to put Rhodesia under the influence of Moscow?

The article follows:

THE ARGUMENTS FOR RECOGNIZING RHODESIA'S NEW REGIME

(By Roscoe Drummond)

WASHINGTON.—The news from the White House reads: "President Carter decided to stand by his embattled Rhodesian policy" of continuing economic sanctions and refusing to recognize the popularly elected black government.

Why should the United States withhold recognition of a Rhodesian government which won 67.27 percent of approval of the nation's black voters, who were able to go to the polls and elect a government of their own choosing?

Why should the United States punish Rhodesia for the past sins of the Ian Smith government, when the black voters of Rhodesia have removed it from office and installed a black prime minister in his place? Why should the United States want to retain sanctions against a country whose new constitution was approved by its black leaders and accepted decisively by its black voters?

Why should the United States disdain recognizing Rhodesia, whose government has abolished every racial discriminatory law on the statute books and whose new multiracial government will be administering the new laws?

Why should the United States be playing into the hands of the two self-proclaimed Marxist leaders of the so-called "Patriotic Front" who fled the country to make war on their own people and to try to disrupt the elections by force of arms? Shouldn't we instead welcome the verdict of the Rhodosian black people, who voted for peace and freedom?

Why should we close our eyes to the documented fact that the leaders of the "Patriotic Front" never wanted elections because Marxists oppose all elections unless they can be the only party? Why should the United States side with the wishes of the leaders of the "Patriotic Front" who, though invited to take part in the elections, refused, knowing that they would lose?

Why should the United States apply a double standard in recognizing the governments of Africa—that is, rush to recognize black-controlled governments which seize power by military coup and shrink from recognizing the Rhodesian government which comes to power by free elections?

Why should the United States keep economic sanctions against Rhodesia, which created a one-person, one-vote political system far more democratic and inclusive than all but two or three other African states? When black-controlled nations in Africa disdain free, democratic elections, why should we recognize them and disdain the verdict of Rhodesia's free democratic elections?

Why should the United States try to force the newly elected multiracial government to reward the "Patriotic Front" party by inviting it to share power as the result of an election which it opposed from the beginning?

Why should the United States wish to have any part in a maneuver which would have the effect of helping Soviet-aided political leaders to resume their effort to put Rhodesia under the influence of Moscow?

I really can't make it out. Can you? ●

IMPROVED RAIL PASSENGER SERVICE

● Mr. DURKIN. Mr. President, as longtime supporter of improved rail passenger service in the United States, I am appalled by the fact that Amtrak today stands on the brink of extinction.

If Congress does not voice its objections by the end of this month, some 43 percent of the Amtrak system will be abandoned, leaving this Nation with only the skeletal remains of a rail passenger system.

I simply cannot accept this meat-ax approach to restructuring. I have heard Secretary of Transportation Adams' arguments for the new Amtrak route plan many times: That Amtrak is now an inefficient operation and eliminating almost half of its current routes will result in a more cost-effective system. With all due respect to the Secretary, I have never been able to understand the logic of his arguments in light of the gasoline shortage. The Federal Government should be doing everything in its power to get people off the highways, not creating situations where more people will be forced to use their cars.

Tom Wicker, the distinguished columnist of the New York Times, has written an excellent column on the Carter administration's nonsensical approach to Amtrak.

I ask that the following column be printed in the RECORD.

The article follows:

A MEAT AX OVER AMTRAK

(By Tom Wicker)

Too little public attention is being paid to the fact that sometime this month Congress must decide whether to accede to Carter Administration proposals to cut Amtrak rail passenger service by 43 percent.

To do so seems quixotic in the face of the growing energy crisis. But it's true that Amtrak is a costly and so far unsatisfactory service, and in the absence of public outcry Congress probably will go along with Transportation Secretary Brock Adams's contention that a smaller rail passenger system would make more sense. Mr. Adams argues that a truncated Amtrak would cost less in subsidies but be capable of expansion if automobile travel ever had to be curtailed.

Maybe so, but the likelihood is that Carter Administration budget concerns are at the root of the drive for curtailed rail service. That suspicion is heightened by reports that the Department of Transportation also is cutting Amtrak's order for Superliner cars from 284 to 197; deferring until 1983 Amtrak's plan to purchase other new passenger cars in 1981; and delaying from 1980 to 1981 an order for locomotives.

None of that seems to support Mr. Adams's claim that he wants to improve service within a smaller Amtrak system. Besides, on close examination, the idea that a curtailed service would be a better service seems simplistic. Changes need to be made but cutting service by 43 percent strikes many transportation experts as a strange way to begin.

Anthony Haswell of Chicago, founder of the National Association of Railroad Passengers, is one of the more authoritative critics of the Adams proposal—but not because he is an Amtrak admirer. In fact, he recently wrote Representative Sid Yates of Illinois that Amtrak "borders on a national disgrace. Many of the trains are on slower schedules than 40 years ago and on top of that have a terrible record of on-time performance. Heating and/or air conditioning breakdowns are a routine occurrence. Amtrak revenues now cover only 37 percent of its operating expenses . . . Amtrak trains bear no more relation to 'modern and efficient' rail passenger service than a turkey does to an eagle."

But in a separate letter to the editors of The New Republic, Mr. Haswell warned against "equating the case against Amtrak, which is strong, with the case against the passenger train, which is weak." Modern passenger trains, he pointed out, "are less polluting than automobiles, and much quieter than jets.

"Very little new right-of-way will be needed for modernization of train service, and the cost of upgrading tracks will in most cases be more economical than building new expressways. Moreover, modern trains are relatively more energy-efficient than autos or planes."

On the other hand, "unlimited expansion of highways, airports and parking facilities will seriously damage the environment in terms of land occupation, air pollution, and noise levels." And even Amtrak has been able to show—in the Northeast Corridor, between Los Angeles and San Diego, on the Chicago-Detroit route—that "Americans will ride trains in large numbers when good service is provided."

What therefore needs to be done to achieve the tremendous potential of modern passenger trains? Mr. Haswell gave this prescription to The New Republic:

"Sufficient capital funding must be provided to upgrade track for fast and dependable service . . . obsolete repair, maintenance, and servicing facilities must be modernized . . . government must face up to the problem of wasteful labor practices mandated by labor agreements . . . government must also obtain the full cooperation of the various private railroad companies with publicly sponsored passenger operations . . . resources should be concentrated on short-to-medium distance routes in densely populated areas."

That, of course, is a far more complex prescription than Mr. Adams's 43 percent cut, which by itself would accomplish none of the objectives stated by Mr. Haswell. And as if to emphasize the simplistic nature of the cutback plan, Mr. Haswell sharply questioned the Adams proposal to continue certain long-distance routes on a less-than-daily basis—for example, triweekly service between New Orleans and Los Angeles.

Better results for taxpayers and travelers would be obtained, he suggested, from "separate sets of daily trains operated between Tucson/Phoenix/Los Angeles and between San Antonio/Houston/Baton Rouge/New Orleans." He even raised the question whether "a single entity operating an integrated national network" should not give way to "several separate regional entities" since the real need for passenger trains is "within distinct megalopolitan regions."

These views may be debatable but they do suggest Congress will be deluding itself and the country if it merely swings the Administration's meat ax. The task of providing decent rail passenger service as an alternative to more cars and more freeways is far more complicated than that.●

SUBSIDIZED MILK PROGRAMS

● Mr. BELLMON. Mr. President, I will be offering an amendment to S. 292, the WIC authorization bill, which is expected to be considered in the next few days. My amendment will eliminate the Federal subsidy for milk served to children who already have access to subsidized milk as part of the school lunch or school breakfast programs.

Last week, the chairman of the Senate Budget Committee (Senator Muskie) and I joined in a "Dear Colleague" letter which explained the special milk program amendment (No. 196) as well as another amendment that I am offering on the summer food service program (No. 197).

I have just received a letter from Secretary of Agriculture, Bob Bergland, which specifically addresses many concerns raised by the dairy industry regarding the effect of my amendment on their incomes and on the availability of milk to children in affected schools.

These materials explain in great detail why the amendments should be adopted as well as demonstrate the minimum impact on child nutrition that these reforms will have.

I ask that this material be printed in the Record.

The material follows:

U.S. Senate,
Washington, D.C., May 18, 1979.

Dear Colleague: We will be offering two amendments to the Special Supplemental Food Program Authorization Bill (S. 292). These amendments will (1) eliminate unnecessary expenditures resulting from duplication between the Special Milk Program and other Federal school feeding programs (Amendment No. 196), and (2) curb fraud and abuse in the Summer Food Service Program (Amendment No. 197).

Both of these reforms were included in the larger package of legislative changes, in child nutrition programs, submitted by the President in March of this year. Both were recommended by Senator McGovern's Nutrition Subcommittee, which held two days of hearings on the President's proposals, and incorporated into the Senate Agriculture Committee's March 15 report to the Budget Committee. The Senate Appropriations Committee also recommended these reforms in its report to the Budget Committee. The Special Milk amendment is expected to save $118 million in FY 1980 and the Summer Food Service amendment is estimated to reduce costs by about $37 million.

The Senate version of the First Concurrent Budget Resolution for FY 1980 assumed a $300 million savings from legislative changes in child nutrition programs. S. 292, as it would be changed by my two amendments, would achieve about two-thirds of these savings. The House went even further this week by assuming the full savings proposed by the President—$500 million—in their version of the budget resolution.

We cannot emphasize too strongly that these amendments are not massive cut-backs in food assistance to needy children. Indeed, included in the two amendments are program changes that will help assure needy children of Federal nutritional assistance of which they may be deprived under current law.

The $155 million savings in these amendments will be accomplished through elimination of fraud, abuse and program duplication.

Other parts of the Administration's child nutrition proposals appear to be meritorious. These other proposals, however, involve larger policy issues and philosophical judgments and we believe they can best be addressed through careful committee consideration.

We urge you to closely examine the attached analysis which explains the two amendments. Should your staff have questions on them, please call Stephen Kohashi (4–0335) or Dick Woods (4–6002) or Senator Bellmon's staff, or Rob Fersh (4–0564) of Senator Muskie's staff.

Sincerely,

Edmund Muskie,
Chairman.
Henry Bellmon,
Ranking Minority Member.

Amendment No. 196 to S. 292: Special Milk Program

This amendment limits participation in the Special Milk Program to public and private schools and child care institutions that do not participate in programs providing meal service with milk under the National School Lunch Act and the Child Nutrition Act of 1966 and to summer camps.

The Federal government currently subsidizes the cost of milk served in schools to children, regardless of ability to pay; whether or not milk is being made available to these children as part of the school lunch or breakfast programs. In some schools, this means that Federally subsidized milk is provided to children up to three or four times a day.

To eliminate this duplication of benefits, the amendment will restrict the Special Milk Program to those schools and institutions that do not already have Federally subsidized meal service programs.

It is expected that the price of milk at affected schools will simply rise by the rate of the subsidy—about eight cents in FY 1980. The average price of milk will be about 15 cents and at that level, it is estimated that 62 percent of the children will still purchase milk. This figure includes children who will switch over to the regular meal services programs which include milk.

Overall milk consumption is expected to drop by only two-tenths of one percent of current United States production, and affect the price of milk by one half of one percent—about six cents of the current $11.90 per hundred-weight price.

Despite the $118 million reduction in the Special Milk Program, total USDA food assistance programs expenditures for dairy products will rise in FY 1980 by an estimated $83 million and total almost $2 billion.

Subsection "(C)" of the amendment restores the mandatory requirement that free milk be made available to needy children in schools that participate in the program. Congress amended the Child Nutrition Act last year and inadvertently made this free milk optional to participating schools. This will assure needy children access to free milk in participating schools that don't otherwise make subsidized or free milk available as part of a balanced meal.

The last subsection of the amendment is a technical update of the reimbursement formula for the program and has no programmatic effect.

The overall cost savings estimated for the amendment is $118 million. Without these changes, special milk program costs in FY 1980 are estimated to be $150 million.

Amendment No. 197 To S. 292: Summer Food Service

This amendment would eliminate as eligible sponsors of summer food programs private non-profit organizations that either serve 500 meals or more per day or who serve meals at more than three sites, and who obtain their meals from a food service management company. This will curb widespread fraud and abuse in the program that has been documented by the General Accounting Office and the Department of Agriculture's Office of Inspector General.

Sponsors who serve migrant children, as well as private non-profit schools, including colleges and universities, would continue to be eligible as sponsors.

Particular difficulty has been encountered in maintaining adequate controls over large private non-profit sponsors that contract with private food vendors. These sponsors have been the source of most of the program fraud and abuse that has plagued the summer program and has resulted in the misallocation of Federal funds.

It is anticipated that some needy children will be affected by this change in eligibility of sponsors. However, in order to ameliorate the effects of the change on eligible children, the amendment requires active outreach efforts by States.

Two other provisions of the amendment require that up to two percent of the funds expended for the program in any State will be used for State audits and makes a matter of law the current administrative requirements that private non-profit institutions have their programs audited prior to final payment.

The last provision of the amendment provides a minimum grant of $30,000 to each State for administration of the program. This will lessen the growing trend of States to turn the program over to direct Federal administration, and will also provide the States resources to do a better job of running the program.

USDA estimates that the amendment will save $37 million in FY 1980. The additional audit and administrative provisions will add about $3.5 to $4.0 million to the program cost. Without this amendment, FY 1980 costs are estimated at $135.8 million.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 21, 1979.

Hon. HENRY BELLMON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BELLMON: This responds to your recent letter concerning the Administration's proposal to limit the Special Milk Program (SMP) to schools and other outlets which have no other Federally subsidized meal program. It should be noted that all of USDA's Child Nutrition Programs contain specific food requirements which include milk as a beverage. Thus, no child will be denied access to free or subsidized meals, which include milk, as a result of our proposed change.

Shortly after the 1980 Budget was released, the Department prepared a brief paper which discusses the rationale for our proposed change in the SMP and presents relevant information about the program in response to questions received from GAO, Congressional staff and other interested persons. I have enclosed a copy of that paper for your information. Also enclosed is a copy of the Special Milk Program Evaluation and a brief fact sheet.

Enclosed with your letter was a letter that you had received from the National Milk Producers Federation (NMPF) and a copy of testimony they delivered before the Subcommittee on Elementary, Secondary and Vocational Education of the House Committee on Education and Labor. The enclosed paper responds to many of their points; however, we would like to add several additional points in response to their letter and testimony.

1. In their letter, the NMPF states that elimination of the Special Milk Program means a 38 percent drop in milk consumption by school children. This is not true. The Special Milk Program study indicates that average milk consumption at school is only 11.6 percent lower in schools without the SMP that participate in the National School Lunch Program. The mean number of half-pints of milk consumed by students in schools with both the school lunch and milk programs is 1.03. For schools without the milk program, the comparable figure is .93 half pints.

2. On page 4 of the NMPF testimony, they indicate that the SMP has served as a stimulus to milk consumption. They base this statement on Special Milk Program study. What they fail to point out is that the same study indicated that the National School Lunch Program plays a substantially greater role in increasing milk consumption at school than does the Special Milk Program (page 30).

3. On page 4 of the NMPF testimony, they contend that less than 20 percent of Special Milk Program milk is served to low-income or paying children who are already receiving milk with lunch. In light of the study finding that 30 percent of SMP milk is consumed by students who eat Type A lunches, we disagree with their statement. Moreover, we do not agree that elimination of the SMP in schools with the National School Lunch and/or School Breakfast Program would be discriminatory since all children have equal access to these programs within the school.

4. On page 6 of the NMPF testimony, they discuss milk waste in various categories of schools. They do not mention that milk waste is lowest in schools that participate in only the Special Milk Program—the specific schools that we propose be allowed to continue participation. The specific lunch time milk waste level in SMP only schools is only 3.5% compared to 11.9% in schools with both the NSLP and SMP. Similarly, in schools with only the SMP, 88% of all cartons or glasses of milk served at lunchtime were completely consumed, compared to schools with both NSLP and SMP where only 73.7% of cartons or glasses of milk were completely consumed.

5. On page 6 of their testimony, the NMPF asserts that no Federal funds are allocated to schools to administer the SMP. While this may be technically true, it is somewhat misleading in that the combination of Federal reimbursement and children's payments for milk generally exceeds the price paid to the dairy for the milk, in order to absorb labor and other incidental costs of administering the SMP. Thus, the administrative costs of the SMP can be considered to be absorbed by either the Federal Government or by children paying for milk served through the program.

6. On page 9 of their testimony, the NMPF discusses the impact on farm income of the proposed change in the SMP. Their discussion of this point is particularly misleading. The SMP study shows that a la carte milk sales in schools dropping out of the SMP were only 38% below sales while they were in the SMP. Thus, it is not appropriate to assume a $220 million reduction in retail sales of Class I milk, since at least 62% of these sales would continue in the absence of the program.

In closing let me express my thanks for the opportunity to provide you with additional information about our proposal to reduce the size of the Special Milk Program by eliminating its overlap with our other child nutrition programs which provide milk as part of a complete meal. Please let me know if we can be of assistance in providing any further information for your use.

Sincerely,

BOB BERGLAND,
Secretary.

EFFECTS OF LIMITING SPECIAL MILK PROGRAM TO SCHOOLS AND OTHER OUTLETS WHICH HAVE NO OTHER FEDERALLY SUBSIDIZED MEAL PROGRAM

Cutbacks in the Special Milk Program (SMP) have been proposed by every President since Lyndon Johnson. In FY 1980, such a cutback would represent a saving of $110 million. The Senate has already assumed this saving in the First Concurrent Budget Resolution for 1980.

PROGRAM PARTICIPATION

62 percent of the milk consumed in the Special Milk Program would continue to be consumed by children at school in the absence of the program. Most of this milk consumption would come from students continuing to purchase milk at higher prices in the absence of Special Milk Program subsidies. The rest of the consumption would result from increased participation in either the National School Lunch Program or the School Breakfast Program.

In FY 1980 child nutrition programs will include an estimated $677 million in purchases of milk as part of regular meal service in these programs. Moreover, poor children can receive free milk as part of a free school meal, and near-poor children receive their entire lunch, including milk, at a reduced price of 10 cents, or at most 20 cents, per meal.

The average rate of reimbursement per half-pint of milk in 1980 is projected at 7.5 cents. The average charge to students per half pint is projected at approximately 8.0 cents. For schools excluded from the SMP in FY 1980, there would be a charge of approximately 15.5 cents per half pint instead of 8 cents.

IMPACT ON DAIRY INDUSTRY

The maximum volume of milk which would no longer be used in schools as a result of this change is 285 million pounds. A 285 million pound reduction represents about 0.2 percent of total milk production. A decrease of this magnitude would be expected to lower farm milk prices by about ½ of 1 percent, or about $.06 cwt.

Any minimal price impact should be offset by the expansion in the Special Supplemental Feeding Program for Women, Infants and Children (WIC). The 1980 budget calls for a $200 million increase in WIC funding over 1979 levels. Well over half of the WIC foods are directly related to the dairy industry (i.e. milk and cheese).

The total value of milk used in USDA Child Nutrition and WIC programs in 1980 will be $1,063.9 million, over $4.5 million greater than 1979 usage.

Food Stamp Program participants spend 13.8 percent of their total food expenditures on dairy products. In 1978, dairy expenditures by program participants were an estimated $713 million. Such dairy purchases are projected to increase by at least $174 million, to $887 million in 1979.

Milk prices have been running well above support levels, and are likely to remain above support levels during most of FY 1980. Thus, the Special Milk Program change should not result in major additional purchases by the Commodity Credit Corporation (CCC). However, the estimated CCC cost of purchasing all 285 million pounds of milk is $30–35 million (compared to estimated savings of $110 million in the Special Milk Program).

Milk and dairy support through FNS programs

Child Nutrition Programs and WIC

The chart below compares the amount and value of milk which will be used in the Child Nutrition and WIC Programs during fiscal year 1979 with the value of milk that will be used in fiscal year 1980. The 1980 projections assume reduced levels of Special Milk and Summer Food Service Program operations.

[In millions of dollars]

	Value of milk used in USDA child nutrition and WIC program[1]	
	Fiscal year 1979	Fiscal year 1980
NSLP[2]	$473.2	$507.9
SBP	55.9	60.5
SMP	208.6	46.9
CCFP	34.5	51.7
SFSP	15.6	10.9
Subtotal	787.8	677.9
WIC[3]	271.4	386.0
Total	1,059.2	1,063.9

[1] Value of half pint of milk equals 10.98 cents in fiscal year 1979 and 11.88 cents in fiscal year 1980.

[2] These are maximum amounts since older students, under the "offer versus served" provisions of the NSLP, may choose as few as 3 of the 5 components in the type A meal. These selections do not always include milk.

[3] Includes all dairy products, most of which are fluid milk.

N.B.: NSLP—National School Lunch Program. SBP—School Breakfast Program. SMP—Special Milk Program. CCFP—Child Care Food Program. SFSP—Summer Food Service Program. WIC—Special Supplemental Food Program for Women, Infants and Children.

Source: Office of Legislative Affairs and Public Information, Food and Nutrition Service, U.S. Department of Agriculture, May 14, 1979.

COMPARISON OF MILK SERVED IN SCHOOLS AS PART OF THE NATIONAL SCHOOL LUNCH PROGRAM AND THE SPECIAL MILK PROGRAM

	Special milk program—½ pints/ in thousands	School lunch program—½ pints/ in thousands	Percent of milk served as part of SMP
1955	450, 000	1, 803, 000	20. 0
1957	1, 752, 000	1, 777, 000	49. 7
1958	1, 918, 000	1, 882, 000	50. 5
1959	2, 176, 000	2, 008, 000	52. 0
1960	2, 384, 000	2, 153, 000	52. 5
1961	2, 476, 700	2, 251, 000	52. 4
1962	2, 631, 000	2, 427, 700	52. 0
1963	2, 765, 000	2, 554, 800	51. 9
1964	2, 929, 000	2, 702, 100	52. 0
1965	2, 966, 800	2, 892, 500	50. 6
1970	2, 901, 400	3, 565, 100	44. 4
1975	2, 139, 000	4, 087, 000	32. 8

Source: Food and Nutrition Service, U.S. Department of Agriculture, May 14, 1979.

Special Milk Program—Fiscal Year 1980 Budget

The President's Budget for fiscal year 1980 calls for limiting the Special Milk Program to schools and other outlets which have no other Federally subsidized meal program. A number of questions concerning the impact of such a change on both program participants and the dairy industry have been asked by GAO, Congressional Staff and other interested persons and groups. The purpose of this paper is to answer as many of these questions as possible.

BACKGROUND

All of USDA's Child Nutrition Programs contain specific food requirements which include milk as a beverage. Thus, under the proposal in the budget, all children who currently have milk available to them at meal time will still have milk available through the other Child Nutrition Programs.

The most comprehensive survey of the Special Milk Program was conducted by the Department in 1975. Data from that survey were used extensively in the assessment of the impact of the proposed program changes discussed below. The study addressed only schools, but since approximately 98 percent of SMP milk is served in schools, the data may be considered representative of the entire program.

PROGRAM PARTICIPATION BY SCHOOLS AND CHILDREN

As of October 1978, there were 83,403 schools and Residential Child Care Institutions (RCCI's) participating in the Special Milk Program (SMP). During the fiscal year 1978, a total of 1,966.6 million half-pints of milk were served in schools and RCCI's under the SMP. Current estimates for fiscal 1979 indicate that about 1,900 million half-pints will be served, while the budget anticipates that only 395 million half-pints will be served in fiscal 1980.

The following table presents the program participation status of schools, with corresponding enrollment figures, as of January 1975.

Programs	Schools		Enrollment—millions	
	January 1975	Current	January 1975	Current
NSLP	83, 530	92, 843	44. 19	44. 9
SBP	11, 225	24, 336	7. 38	11. 17
SMP	79, 408	83, 910	40. 57	
NSLP and SMP	71, 341		37. 87	
SBP and SMP	8, 951		6. 26	
SMP only [1]	8, 067		2. 70	

[1] The figures for SMP only schools were derived by subtracting the number of NSLP schools with the SMP from the total number of SMP schools. This assumes that all SMP schools with the SMP also participate in the NLSP. This assumption is supported by preliminary findings from the school breakfast program survey.

Schools that participated only in the SMP (and would still be eligible to participate after enactment of the legislative change advocated in the budget) represented just over 10 percent of all SMP school as of January 1975. In terms of school enrollment, those SMP only schools represent just under 6.7 percent of total enrollment in SMP schools. There is no evidence that the profile of schools participating in the various child nutrition programs has changed substantially since 1975, with the exception of some growth in the School Breakfast Program. It appears that virtually all of this growth has occurred in schools already offering the SMP and NSLP.

In January 1975, 45 percent of all SMP schools made milk available only once per day; 96 percent of these schools which offered milk only once per day offered it at lunch time. Based on these percentages, it appears that virtually all schools currently participating in the SMP offer milk at lunch time. The remaining 55 percent of schools are distributed as follows: 27 percent offer milk twice per day; 24 percent offer milk three times per day; and 4 percent offer milk four or more times per day. There is no reason to believe that these percentages have changed substantially since January 1975.

Of all milk consumed in the SMP as of January 1975, 43 percent was reported to be consumed by students who eat bag lunches. Based on current program levels, this 43 percent amounts to an annual level of 845.6 million half-pints.

On a daily basis, assuming 180 school days per year, approximately 4.70 million half pints of milk are served to students eating bag lunches.

At the time of the SMP Survey, 66 percent of all SMP milk served in schools was served at lunch time. Assuming that this percentage has remained relatively constant since 1975, and given projected budget level of $142 million for fiscal 1979, savings, if the SMP were limited to non-lunch time, would be approximately $93.7 million (if such a change had been implemented prior to the beginning of fiscal 1979). Savings in fiscal 1980 would be slightly greater because of increases in reimbursement levels due to inflation. However, to the extent that schools might increase milk service during non-lunch periods, savings would be reduced.

The average rate of reimbursement per half-pint of milk is projected to be 7.54¢ in fiscal 1980. In January 1974 the average price charged to students was 5.75¢/half-pint. In January 1975 the average price was 6.07¢/half-pint. If the same annual percentage rate of increase in price is projected (i.e. 5 6% per year) through to January 1980, the average can be projected at approximately 8.0 cents. By adding the average reimbursement rate to the 8 cent charge, a price of approximately 15.5 cents may be projected for schools excluded from the SMP in fiscal 1980.

IMPACT ON DAIRY INDUSTRY AND PRICE SUPPORT ACTIVITIES

The decrease in program size in terms of half-pints of milk served to children between fiscal 1979 and 80 is projected to be 1,505 million (from 1,900 million to 395 million). Thus, the program is projected to be approximately 21% of its current level. The 1,505 million half-pints represents just over 750 million pounds of fluid milk. This amount of milk represents approximately 1.34% of total fluid consumption in the United States. In terms of total milk production (including manufacturing uses) 750 million pounds represents less than 0.6 percent of total production.

Data from the Special Milk Program Survey suggest that 62 percent of the milk consumed in the Special Milk Program would continue to be consumed by children at school in the absence of the program. Most of the "replacement milk" would result from students continuing to purchase milk at higher prices in the absence of SMP subsidies, with a smaller portion of the "replacement" coming from increased participation in either the NSLP or SBP. There are no existing data which give any indication of the extent to which children might increase milk consumption at home or bring milk from home in the absence of the SMP. Thus, existing data suggest that the maximum volume of milk which would no longer be used in schools as a result of this change in the SMP is 285 million pounds (38%×750=285 million lbs.)

A 285 million pound reduction in milk usage in schools represents slightly more than 0.2 percent of total milk production. A decrease of this magnitude would be expected to lower farm milk prices by about one-half of one percent or about $.06/cwt. Milk prices in January 1979 were about 86¢ above price support and have been running about 50¢ above support levels since July. Milk prices during the fiscal year 1980 period are currently projected to remain above price support levels. Thus, the SMP change should not result in major additional purchases by the Commodity Credit Corporation (CCC).

It is perhaps more appropriate to consider the impact of the SMP reduction not by itself, but in light of anticipated increases in the Special Supplemental Food Program (WIC). The 1980 budget calls for a $200 million increase in WIC funding over 1979 levels. Well over half of the WIC foods are directly related to the dairy industry (i.e. milk and cheese). It seems reasonable that most, if not all, of the decrease in dairy prices resulting from the SMP reduction will be offset by increases in WIC Program levels.●

MORE INFORMATION ON THE RESOLUTION (S.J. RES. 81) TO REQUIRE THE MILWAUKEE RAILROAD TO CONTINUE SERVICE

Mr. BAUCUS. Mr. President, yesterday my colleague Senator MELCHER and I introduced Senate Joint Resolution 81 along with the cosponsorship of Senators MAGNUSON, JACKSON, MCGOVERN, CHURCH, and BOSCHWITZ. Today, I would like to add the names of Senators YOUNG, PACKWOOD, and LEVIN as additional cosponors.

I would like to summarize again the reason for this resolution. To begin with, it seeks to "hold harmless" all the parties for 45 days in order that a long-term solution to the Milwaukee Railroad bankruptcy can be worked out.

This is the situation as it exists today. As I see it, if Congress does not act immediately on this resolution, the bankruptcy judge will almost certainly grant in the next few days the trustee's petition to embargo—that is a legal fiction for a defacto abandonment—over 7,000 miles of Milwaukee's trackage. The result of this action will be not only to cause several thousand employees to lose their jobs and hundreds of shippers to lose good rail service, but more importantly, it will set the stage for the ultimate dissolution of most of the Milwaukee Railroad.

The past few days convinced me that, if the railroad could be kept together for a short period, there is a strong likelihood that the shippers and employees of the Milwaukee Railroad can buy it and operate it profitably.

PURPOSES OF THE RESOLUTION

Mr. President, to avoid the problems outlined above, my resolution pursues three purposes. First, it seeks to provide Federal support for 45 days which will allow the Milwaukee Railroad to keep operating by paying its operating losses out of Emergency Rail Services (ERSA) Funds.

Second, it will permit the Department of Transportation to have sufficient time to finish three feasibility studies currently underway. These studies include a critique of the proposal by the organization named "Save Our Railway Employment" (SORE) to purchase the railroad through an employee stock ownership plan. The second study is a critique of the financial analysis of the railroad conducted by the Booz, Allen and Hamilton Consulting Firm. The third study is a financial feasibility study for operating the Pacific coast extension line of the Milwaukee—the route originating in Minneapolis and terminating in Seattle—which was required of the Federal Railroad Administration by legislation enacted in the fall of 1978.

Third, it will allow employees and shippers to have additional time and data with which they can decide whether and how they might purchase and operate the Milwaukee Railroad.

ARGUMENTS FOR THE RESOLUTION

Mr. President, there are four basic reasons why the Senate should move expeditiously on my resolution.

First, if directed service is ordered by the Interstate Commerce Commission, the Milwaukee operation on the western lines will be effectively disbanded, and that will eliminate any real chance there might be for an employee-shipper purchase of the Milwaukee Railroad.

Second, based on the testimony submitted yesterday to the transportation Subcommittee, my resolution will cost less than directed service ordered by the ICC. This is true for at least three reasons. First, by definition, directed service pays an additional 6-percent fee to private carriers, but under my resolution, the Milwaukee would only be reimbursed for its costs. Second, since 3,000 to 5,000 employees will be furloughed as a result of the directed service plan, there will be additional income security costs to the Federal Government for such things as unemployment compensation, food stamps, and the like. While I do not have precise estimates on those costs, I would suspect they would amount to up to $30 million in the first year. Third, the ICC Chairman yesterday in his testimony before the Transportation Subcommittee indicated that he would prefer to see an ERSA "drawdown" over an ICC directed service order.

The third argument for my resolution is that, in my judgment, directed service probably will not work. According to testimony presented to the Transportation Subcommittee yesterday, the Interstate Commerce Commission has only once directed service in its entire history, and that was for a single section of track less than 100 miles long. In this particular case we are faced with over 7,000 miles of track. And there will be numerous carriers, not a single carrier given responsibility under the ICC directed service plan to replace the service previously provided by the Milwaukee.

Last week when I listened to testimony offered to the bankruptcy court in Chicago, the ICC planners who were witnesses indicated that there were numerous facets of the ICC directed service plans that were not yet worked out. Under cross-examination, the principal ICC planner indicated that many of these unfinished aspects would probably not be worked out before the ICC plan was called on to be put in place. If this happens, shippers will be denied service that they would otherwise receive under continuation of Milwaukee road operations. This would not happen under my resolution.

The last reason for immediate passage of my resolution is that it provides the Department of Transportation the breathing room it needs to finish the various studies mentioned above. The completion of these studies will allow more informed judgments on behalf of employees, shippers, and potentional lenders—both public and private—who might be interested in working out an employee-shipper purchase of the railroad.

EMPLOYEE STOCK OWNERSHIP PLAN

Mr. President, as I mentioned before, my resolution (S.J. Res. 81), and the bill I introduced May 7 (S. 1083, the Emergency Assistance to Agricultural and Natural Resources Rail Lines) both contemplate the transfer of ownership from the Milwaukee Railroad's trustee in bankruptcy to new entities financed by the current employees and shippers of the Milwaukee Railroad.

I recently asked Mr. Louis Kelso, a nationally known tax attorney, who is commonly known as the "father of employee stock ownership plans," to assist me in developing a proposal that I could take to employees and shippers to get their reaction.

In response to my request, Mr. Kelso prepared the following document:

May 16, 1979.

A Tentative Conceptual Proposal for a Employee/Shipper Stock Ownership Plan for the Milwaukee Railroad

The proposed New Milwaukee Railroad Corporation, owned 50 percent by employees through an ESOP (Class A Common Stock) and 50 percent by shippers through a "Shippers Stock Ownership Plan" (SSOP) (Class B Common Stock), with public and private loan financing/covering shipper subscriptions, payable in installments synchronized with anticipated future revenues and public and private loan financing to the ESOP, covering the ESOP's cash purchases of the class A common stock. The proposal is based upon untested data and only represents one possible alternative method of joint employee-shipper ownership of the new railroad company. It assumes federal adoption of changes in the corporate and individual tax laws so that subscriptions can be purchased on dividends deductible by the new railroad and not taxable to the shipper buyers until subscriptions are paid in full except upon sale of the stock. The proposal also assumes congressional legislation exempting the shippers Stock Ownership Plan from all existing anti-kickback legislation both for the new Milwaukee Railroad and for all railroads generally that may adopt SSOPs.

Shippers Stock Ownership Plan (SSOP)

For building equity ownership into railroad consumers.

A brief functional description of the technique for building capital ownership into Railroad shippers will be useful here.

1. Escrow accounts with any designated banks, or with the railroad itself, would be established for each of the consumers.
2. The railroad would accept subscription by each of its shippers to their proportionate part (based on their relative volume) of Class B stock. Payments on this subscription would be synchronized with the railroad's cash requirements and represent 45 percent of net earnings after debt service and depreciation. Methods for adjusting the subscription for changes in volume would be designed.
3. The subscription by each shipper would be payable solely and exclusively from the dividends received by the shipper from the railroad.
4. The railroad would be contractually committed, or perhaps legally required, to make a full pay-out of the proportionate earnings attributable to shippers acquiring its stock through capital-ownership financing escrows. Such dividends would be made deductible from corporate income for tax purposes, both at the state and federal levels.
5. Until the railroad shipper stock has been paid for on a share-by-share basis, the dividends received would not be taxable to the shipper. However, as soon as the stock is paid for, again on a share-by-share basis, the dividends would become taxable income to the shipper, and would have the effect of offsetting, that is, reducing, the shipper's transportation bill.
6. Thus the overall effect of the application of two-factor principles to railroad financing would be to hold down costs of production, on the one hand, by providing employees with an increasing second income through their capital ownership and motivating them to restrain their demands for progressively more pay in return for progressively less work (as at present), while, on the other hand, raising the power of the shipper to pay his or its transportation bills. The pay-out period on most financings would be five to seven years, we estimate.

ASSUMPTIONS

1. Class A & Class B stock of New Milwaukee Railroad, each share 50 percent of net income after debt service and depreciation.
2. Modify law so that corporate income applied to debt service not taxable as corporate income (for SSOP).
3. Corporate income applied through dividends—to purchase price of Class B stock not taxable as income to shippers until eventual sale; then at capital gain rate.
4. Suspend further pension contributions for all workers under 55 and substitute ESOP rights.
5. Negotiate stock acquisition trade-offs with employees and unions in return for elimination of onerous work rules and greatly increase efficiency of labor.
6. Develop long-range communications policy to unify interest of workers, stockholders and shippers.
7. Blueprint marketing strategy for long-range success.
8. A re-educated present management, or a new management, or a combination of both, operates the New Milwaukee Railroad on capitalist terms.

EMPLOYEE-SHIPPER MEETINGS

Mr. President, on Thursday, May 10, I mailed invitations to several score interested parties who I thought might be interested in one of the following three meetings:

Tuesday, May 15: State Officials:

Time: One hour following adjournment of Milwaukee Bankruptcy Court proceeding.

Place: Union League Building, 65 West Jackson, Room 700, Chicago, Illinois, (312) 427–7800.

Invitees: State Attorneys General; State Rail Planners; and other State Officials from States served by the Milwaukee; Commerce and Finance Committee Staff.

Convening officials: Senator Max Baucus and Louis Kelso.

Wednesday, May 16: Shippers:

Time: 9:30 a.m.

Place: Finance Committee Main Hearing Room, Room 2221, Dirksen Senate Office Building, Washington, D.C. 20510.

Invitees: Principal Shippers on the Milwaukee; Senators and Congressmen and their Staffs from affected States; Top Officials from Federal Agencies and Departments who are concerned with the Milwaukee situation.

Convening officials: Senators Max Baucus and Russell Long and Louis Kelso.

Wednesday, May 16: Labor Executive Meeting:

Time: 1:30 p.m.

Place: Finance Committee Main Hearing Room, Room 2221, Dirksen Senate Office Building, Washington, D.C. 20510.

Invitees: Labor Executives for Leading Rail Unions which represent Milwaukee employees; Senators and Congressmen and their staffs from affected States; Top Officials from Federal Agencies and Departments who are concerned with the Milwaukee Situation.

Convening officials: Senators Max Baucus and Russell Long and Louis Kelso.

The following people attended these meetings and discussed the proposal prepared by Mr. Kelso:

ATTENDEES AT CHICAGO, MAY 15, 1979 MEETING ON MILWAUKEE

Name, address, phone, and representing:

George D. McCarthy, 1730 K St., N.W. Wash., DC 20006, 202–634–3907, Old West Reg. Co.

Adrian Parmeter, President, ALP Investment Corp., 7829 Esterel Dr., LaJolla, CA 92037, 714–452–7647, J. Wickim Law Firm, Seattle.

John F. Conrad, Hwy. Admn. Bldg., Olympia, WA 98504, 206–753–3389, WA State DOT.

Douglas N. Owens, Hwys-Licenses Bldg., Olympia, WA 98504, 206–753–2282, WA Utilities & Trans. Comm.

Louis O. Kelso, Kelso & Co., Inc., 111 Pine St., San Francisco 94111, 415–788–7454, Kelso Co.

James L. Stropkai, Michigan Dept. of Atty. General, 436 State Hwy. Bld., Lansing 48909, 517–373–1470, Michigan DOT.

Jared H. Becker, Michigan Dept. of Transportation, 425 West Ottawa, Lansing 48909, 517–373–3335, Michigan DOT.

Sherri Alston, 413 Trans. Bldg., St. Paul, MN 55155, 612–296–8047, Minnesota DOT.

Frank Wilner, Public Serv. Comm., State Capitol, Bismarck, ND 58505. 701–224–2400, Director of Traffic, ND Public Serv. Comm.

Denny Moreen, State Capitol, Helena, MT 59601, 406–442–2023, MT AG Office.

G. McCormack, 327 S. LaSalle St., Chicago, IL 60604, 312–922–5871, Port of Seattle.

Walt Rockey, 536 S. Clark, Chicago, IL 60605, 312–353–8026, Fed. Railroad Adm.

Ronald K. Kerr, Box 7129, Boise, ID 83707, 208–384–2580, Idaho DOT.

Bill Yager, 1107 DSOB, Wash., DC 20510, 202–224–2651, Senator Baucus.

Terry Whiteside, Capitol Station, Helena, MT 59601, 406–449–3124, MT Dept. of Ag.

Henri F. Rush, ICC, Wash., DC 20423, 202–275–7180, ICC.

Dick Schiefelbein, ICC, Wash., DC 20423, 202–275–7193, ICC.

Frank E. Quinn, P.O. Box 674, Hillside, IL 60162, 312–544–8100, United Trainship Inc.

James R. Myers, Trans. Bldg., Pierre, SD 57501, 605–773–3710, SD DOT.

William H. Brodsky, 427 S. Princeton, Itasca, IL 60143, 312–773–2180, SORE.

O. Yale Lewis, Jr., 500 Maynard Bldg., Seattle, WA 98104, 206–622–9603, MT and SORE.

Peter Lee, 176 E. 5th, St. Paul, MN, 612–298–2902, BN.

ATTENDEES AT LABOR OFFICIALS MEETING ON MILWAUKEE, MAY 16, 1979

John R. Michael, ICC, Wash., D.C., 202–275–7846.

Bob Heath, FRA, Wash., D.C., 202–426–8220.

Colin Pease, DOT, Wash., D.C., 20590, 202–426–4000.

Gerry Johnson, SORE, 500 Maynard Bldg., Seattle, WA., 98104, 206–622–9603.

Karen Funk, Rep. Daschle, 510 CHOB, Wash., D.C., 20515, 202–225–2801.

Bruce Hatton, ICC, Wash., D.C., 202–275–7524.

Edward J. Lackowicz, IBEW, 1125 15th NW., Wash., D.C. 20005, 202–833–7472.

Michael S. Wolly, Railway Employees Dept., 1125 15th St. NW., Suite 400, Wash., D.C. 20005, 202–833–8855.

Bob Bollington, UTU, 400 1st St., Room 701, Wash., D.C. 20002, 202–783–3939.

John E. Hansen, VP–BRS, 400 1st St. NW., 20002, 202–628–5935.

Don Beattie, Dir., Govt. Affairs, RLEA, 400 1st St. NW., Wash., D.C., 202–737–1541.

Bryan Whitehead, Bro. of Railway & Airline Clerks, 400 1st St. NW., Wash., D.C. 20002, 202–783–3660.

Joni A. Lawler, Rep. Marlenee, 126 CHOB, Wash., D.C. 20515, 202–225–5155.

Bruce Nelson, Rep. Williams, 1233 LHOB, Wash., D.C. 20515, 202–225–3211.

D. H. Murray, Milwaukee RR, Wash., D.C., 202–833–9017.

M. M. Allcor, BMWE, 400 1st St. NW., Wash., D.C. 20002, 202–638–2135.

Jim Snyder, UTU, 400 1st St. NW., Wash., D.C. 20002, 202–783–3939.

Edward Friedman, RLEA, 1050 17th St. NW., Wash., D.C. 20036, 202–296–8500.

P. J. Bobly, BMWE, 925 Lumber Exc. Bldg., Minneapolis, MN. 55401, 612–335–2430.

ATTENDEES AT SHIPPERS MEETING MAY 16, 1979

John Mattras, Atty. ICC, 12th & Constitution NW., Wash., D.C., 202–275–7677.

Dan O'Neal, Chairman, ICC, 12th & Constitution NW., Wash., D.C., 202–275–7252.

Paul Stepner, Pillsbury Co., 608 2nd Ave. S., Minn., MN, 55803, 612–330–4381.

Donald E. Mahl, Benson Quinn Co., 1075 Grain Exchange, Minn., MN, 55415, 612–332–8551.

Fred Simpson, SORE, Box 10629, Bainbridge Is., WA, 98110, 206–842–4301.

Donald A. Frederick, Nat'l Council of Farmer Co-ops., 1800 Mass. Ave., NW., Wash., D.C., 20036, 202–659–1525.

Mary Jo Jacobi, 3M Company, 1101 15th St., NW., Wash., D.C.,, 20005, 202–331–5578.

Warren Hoehn, Ford Motor Co., World Headquarters, American Rd., Dearborn, MI, 48121, 313–337–9060.

L. Ralph Mecham, Anaconda Co., 1700 Pa. NW., Suite 525, Wash., D.C., 20006, 202–393–0400.

James M. Quigley, V.P., Govt. Aff., Champion Int'l Co., 1800 M St., NW., Wash., D.C., 20036, 202–785–9888.

Pauline Shoback, Kirkland & Ellis, 1776 K St., NW., Wash., D.C., 202–857–5083.

Paul Dempsey, Economic Development Admn., Room 7826, EDA, Dept of Commerce, Wash., D.C., 20230, 202–377–2659.

D. R. "Chip" Terrill, Senator Melcher, 1123 DSOB, Wash., D.C., 20510, 202–224–2644.

Justine Fischer, U.S. DOT, Wash., D.C., 20590, 202–426–4000.

Ellen Seidman, U.S. DOT, Wash., D.C., 20590, 202–426–4000.

Bob Vermut, U.S. DOT, Wash., D.C., 20590, 202–426–4000.

Colin Peare, U.S. DOT, Wash., D.C., 20590, 202–426–4000.

Joni A. Lawler, Cong. Ron Marlenee, 126 CHOB, Wash., D.C., 20515, 202–225–5155.

W. Paul Schmechel, President, Montana Power Company, 40 E. Broadway, Butte, MT, 59701, 406–723–5421.

OUTCOME OF EMPLOYEE-SHIPPER MEETINGS

Mr. President, as a result of these meetings, Senator Russell Long, chairman of the Surface Transportation Subcommittee, received the following telegrams of support from employees and shippers:

BUTTE, MONT.

Re Milwaukee Railroad Western Energy Company and Montana Power Company

Hon. RUSSELL B. LONG,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.:

Believe that a workable plan involving employee and shipper ownership of the Milwaukee Railroad can be developed. We are interested in pursuing such a plan. We believe that the plan will result in the continued operation of the Milwaukee Railroad, which is essential to the economy of our area and for transportation of coal to serve the energy objectives of this Nation.

W. P. SCHMECHEL,
President of Western Energy Co. and President of the Montana Power Co.

LEWISTOWN, MONT., *May 18, 1979.*

Senator RUSSELL LONG,
Senate Office,
Washington D.C.:

We need the Milwaukee Railroad in Montana and are very much interested in an employee owned and a shipper owned rail line in Montana.

HENRY MCDUNN,
Manager GTA Terminal.

BILLINGS, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

FARMERS UNION GTA LINE ELEVATOR.

BUTTE, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

FARMERS UNION GTA SQUARE.

CUT BANK, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

NORMAN O. JOHNSON.

MOORE, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

RAY KING.

BIG SANDY, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need a Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned line in Montana.

TOM WORSLEY.

THREE FORKS, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

FARMERS UNION GTA ELEVATOR.

SHELBY, MONT.

Senator RUSSELL LONG,
Washington, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shippers owned rail line in Montana.

J. HULTIN,
Farmers Union Grain Terminal Association.

TORONTO, CANADA.

Hon. RUSSELL A. LONG,
Washington, D.C.:

Reference your telegram concerning Milwaukee Railroad, our answer is quote yes unquote.

FRED J. KROLL.
International President,
Brotherhood of Railway and Airline Clerks.

RUDYARD, MONT.

Senator RUSSELL LONG,
Washington, D.C.

We need Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

FARMERS UNION GRAIN TERMINAL ASSN.

WINIFRED, MONT.

Senator RUSSELL LONG,
Washington, D.C.

We need the Milwaukee Railroad in Montana and we are very interested in an employee owned and shipper owned rail line in Montana.

PAUL SIELSTAD,
Manager GTA Elevator.

SUMMARY

Mr. President, I have included these materials today to give my colleagues a more complete picture of the legislative action I propose be taken immediately on the Milwaukee. To summarize, I urge my colleagues to move quickly with me in enacting a resolution that will "hold harmless" all the parties affected by the Milwaukee bankruptcy for 45 days in order to allow the Government enough time to fashion a long-term solution to the Milwaukee problem. Hopefully, within that period, the court will not act to permit an abandonment of the lines, and the employees and shippers will have enough time to work out a tentative plan for acquisition of the railroad.

As I mentioned on the floor yesterday, if Congress does not act quickly to save the Milwaukee, a priceless resource will be lost to the west and to the Nation. If this were to happen, as we move into the 21st century, and as the resources of the west are developed further, our Nation will realize increasingly what an irreplaceable resource we have lost. I trust my colleagues will not permit this to happen and will move expeditiously on the matter at hand.

ORDERS FOR RECOGNITION OF SENATORS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of Mr. TSONGAS on tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after Mr. TSONGAS has been recognized under the order previously entered, the Senator from Colorado (Mr. HART) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, what is the order for the convening hour tomorrow?

The PRESIDING OFFICER. Ten.

Mr. ROBERT C. BYRD. I thank the Chair. I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATION OF PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the order for the recognition of Mr. JEPSEN tomorrow, if there is any time remaining prior to the hour of 10 a.m., it be utilized for routine morning business, and that Senators may be permitted to speak therein up to 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE CONSIDERATION OF SENATE RESOLUTION 163 ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 10 o'clock tomorrow morning the Senate proceed to the consideration of Calendar Order No. 203 without prejudice to the other orders that have been entered heretofore, that they follow in their train.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and at 7:30 p.m. the Senate recessed until tomorrow, Wednesday, May 23, 1979, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 22, 1979:

THE JUDICIARY

Richard D. Cudahy, of Wisconsin, to be U.S. circuit judge for the seventh circuit, vice a new position created by Public Law 95-486, approved October 20, 1978.

Susan H. Black, of Florida, to be U.S. district judge for the middle district of Florida, vice a new position created by Public Law 95-486, approved October 20, 1978.

Joseph C. Howard, Sr., of Maryland, to be U.S. district judge for the district of Maryland, vice a new position created by Public Law 95-486, approved October 20, 1978.

Shirley B. Jones, of Maryland, to be U.S. district judge for the district of Maryland, vice a new position created by Public Law 95-486, approved on October 20, 1978.

James B. Moran, of Illinois, to be U.S. district judge for the northern district of Illinois, vice a new position created by Public Law 95-486, approved October 20, 1978.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Hillman Dickinson, [redacted] Army of the United States (brigadier general, U.S. Army).

TENNESSEE VALLEY AUTHORITY

Robert N. Clement, of Tennessee, to be a member of the board of directors of the Tennessee Valley Authority for the remainder of the term expiring May 18, 1981, vice William Lewis Jenkins, resigned.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. William Y. Smith, [redacted] U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsecton (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John Steven Pustay, [redacted] [redacted], U.S. Air Force.

EXTENSIONS OF REMARKS

CONSCRIPTION

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. PAUL. Mr. Speaker, it was the considered belief of the great British military historian, B. H. Liddell Hart, that "conscription serves to precipitate war."

Because we are hearing so much clamor for reestablishment of registration and the draft, I would like to bring to my colleagues attention an eloquent excerpt from Mr. Liddell Hart's "Why Don't We Learn From History," published in London in 1944.

The excerpt follows:

CONSCRIPTION

We learn from history that the compulsory principle always breaks down in practice. The principle of restraint, or regulation, is essentially justifiable in so far as its application is needed to check interference with others' freedom. But it is not, in reality, possible to *make* men do something without risking more than is gained from the compelled effort. The method may appear practicable, because it often works when applied to those who are merely hesitant. When applied to those who are definitely unwilling it fails, however, because it generates friction and fosters subtle forms of evasion that spoil the effect which is sought. The rest of whether a principle works is to be found in the product.

Efficiency springs from enthusiasm—because this alone can develop a dynamic impulse. Enthusiasm is incompatible with compulsion—because it is essentially spontaneous. Compulsion is thus bound to deaden enthusiasm—because it dries up the source. The more an individual, or a nation, has been accustomed to freedom, the more deadening will be the effect of a change to compulsion.

These logical deductions are confirmed by analysis of historical experience. The modern system of military conscription was born in France—it was, ironically, the misbegotten child of Revolutionary enthusiasm. Within a generation, its application had become so obnoxious that its abolition was the primary demand of the French people following Napoleon's downfall. Meanwhile, however, it had been transplanted to more suitable soil—in Prussia. And just over half a century later, the victories that Prussia gained led to the resurrection of conscription in France. Its re-imposition was all the easier because the renewed autocracy of Napoleon III had accustomed the French people to the interference and constraints of bureaucracy. In the generation that followed, the revival of the spirit of freedom in France was accompanied by a growth of the petty bureaucracy, parasites feeding on the body politic. From this, the French could never succeed in shaking free; and in their efforts they merely developed corruption—which is the natural consequence of an ineffective effort to loosen the grip of compulsion by evasion.

It is generally recognized today that this rampant growth of bureaucratically-induced corruption was the dry-rot of the Third Republic. But on deeper examination the cause can be traced further back—to the misunderstanding of their own principles which led a section of the creators of the French Revolution to adopt a method fundamentally opposed to their fulfillment.

It might be thought that conscription should be less detrimental to the Germans, since they are more responsive to regulation, and have no deeply rooted tradition of freedom. Nevertheless, it is of significance that the Nazi movement was essentially a voluntary movement—exclusive rather than comprehensive—and that the most important sections of the German forces—the air force and the tank force—have been recruited on a semi-voluntary basis. There is little evidence to suggest that the ordinary "mass" of the German army has anything like the same enthusiasm; and considerable evidence to suggest that this conscripted mass constitutes a basic weakness in Germany's apparent strength.

Twenty-five years spent in the study of war, a study which gradually went beyond its current technique to its well-springs, changed my earlier and conventional belief in the value of conscription. It brought me to see that the compulsory principle was fundamentally inefficient, and the conscriptive method out of date—a method that clung, like the ivy, to quantitative standards in an age when the trend of warfare was becoming increasingly qualitative. For it sustained the fetish of mere numbers at a time when skill and enthusiasm were becoming ever more necessary for the effective handling of the new weapons.

Conscription does not fit the conditions of modern warfare—its specialized technical equipment, mobile operations, and fluid situations. Success increasingly depends on individual initiative, which in turn springs from a sense of personal responsibility—these senses are atrophied by compulsion. Moreover, every unwilling man is a germcarrier, spreading infection to an extent altogether disproportionate to the value of the service he is forced to contribute.

Looking still further into the question, and thinking deeper, I came to see, also, that the greatest contributory factor to the Great Wars which had racked the world in recent generations had been the conscriptive system—the system which sprang out of the muddled thought of the French Revolution, was then exploited by Napoleon in his selfish ambition, and subsequently turned to serve the interests of Prussian militarism. After undermining the eighteenth century "age of reason," it had paved the way for the reign of unreason in the modern age.

Conscription serves to precipitate war, but not to accelerate it—except in the negative sense of accelerating the growth of war-weariness and other underlying causes of defeat. Conscription precipitated war in 1914, owing to the way that the mobilization of conscript armies disrupted national life and produced an atmosphere in which negotiation became impossible—confirming the warning, "mobilization means war." During that war its effect can be traced in the symptoms which preceded the collapse of the Russian, Austrian and German armies, as well as the decline of the French and Italian armies. It was the least free States which collapsed under the strain of war—and they collapsed in the order of their degree of unfreedom. By contrast, the best fighting force in the fourth year of war was, by general recognition, the Australian Corps—the force which had rejected conscription, and in which there was the least insistence on unthinking obedience.

A system of conscription entails the suppression of individual judgment—the Englishman's most cherished right. It violates the cardinal principle of a free community: that there should be no restriction of individual freedom save where this is used for active interference with others' freedom. Our tradition of individual freedom is the slow-ripening fruit of centuries of effort. To surrender it within after fighting to defend it against dangers without would be a supremely ironical turn of our history.

An argument in favor of conscription has long been the rule in the continental countries, including those which remain democracies, we need not fear the effect of adopting it here. But the deeper I have gone into the study of war and the history of the past century, the further I have come towards the conclusion that the development of conscription has damaged the growth of the idea of freedom in the continental countries, and thereby damaged their efficiency, also—by undermining the sense of personal responsibility. There is only too much evidence that our temporary adoption of conscription in the last war had a permanent effect harmful to the development of freedom and democracy here. For my own part, I have come to my present conviction of the supreme importance of freedom through the pursuit of efficiency. I believe that freedom is the foundation of efficiency, both national and military. Thus it is a practical folly as well as a spiritual surrender to "go totalitarian" as a result of fighting for existence against the totalitarian States. Cut off the incentive to freely given service, and you dry up the life-source of a free community.

We ought to realize that it is easier to adopt the compulsory principle of national life than to shake it off. Once compulsion for personal service is adopted in peacetime, it will be hard to resist the extension of the principle to all other aspects of the nation's life, including freedom of thought, speech, and writing. We ought to think carefully, and to think ahead, before taking a decisive step towards totalitarianism. Or are we so accustomed to our chains that we are no longer conscious of them?●

"MY FLAG AND MY FREEDOM"

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. SHUMWAY. Mr. Speaker, at this time I would like to share with my colleagues the essence of Americanism and love of our flag as captured in an essay written by Miss Lisa Shearer of June Lake, Calif. Lisa, who is 9 years old and a fourth-grade student, submitted her essay to a National Flag Day program sponsored by the June Lake-Lee Vining Lions Club in conjunction with the staff and student body of her grammer school. She is certainly to be commended, complimented, and applauded for her very fine effort, and those who have established this program should surely be encouraged.

I only wish that more Americans in the adult world would find it in their hearts to pen so patriotic an assessment of this great Nation and its meaning to them. However, as long as youngsters such as Lisa Shearer have such a firm grasp on Americanism and such pride in their Nation, I shall have faith in our future.

The essay follows:

MY FLAG AND MY FREEDOM

(By Lisa Shearer)

The American Flag is the symbol of courage, strength and beauty to me. It reminds me of the freedom I have because of all the soldiers who fought and died to keep America free. Although we may still have wars with different flags waving in the smokey air, there is no flag as great as "Old Glory." I enjoy the freedom of going to the church of my choice, and not having to follow the orders of Kings. I am able to go to different states without guards or special papers, and most important is that I can read what I wish, I can say what I feel.

I'm free to be me.

I feel privileged to be living under a flag that represents brotherhood, truth and justice.●

INFANT NUTRITION ACT OF 1979

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MILLER of California. Mr. Speaker, our colleague, Mr. DELLUMS, has introduced the Infant Nutrition Act of 1979, and I wish to make a brief statement on the legislation.

Last summer, a CBS special news program brought to light for approximately 9 million American television viewers the 10-year-old controversy surrounding exportation, promotion, distribution, and use of infant formula products affecting developing countries. The program provided on-the-scene reporting by Bill Moyers of "baby bottle disease" and death faced by infants in the Dominican Republic as the result of misuse of infant formula. Such misuse is common in most developing countries, and results from a number of factors: Families rely on contaminated water supplies; they lack facilities for sterilization and refrigeration; and often parents do not understand instructions accompanying the formula because of high illiteracy levels. In addition, infant formula can cost up to 40 percent of a Third World family's income, causing the formula to be overdiluted with contaminated water and resulting in malnutrition, gastroenteritis, other serious illnesses—and death—to the infants. The CBS documentary also focused on apparent kickback schemes between formula companies and medical associations in the Dominican Republic. The CBS report represented only a fraction of the worldwide problem, and yet Moyers later commented that U.S. formula companies tried to keep the documentary from being aired. Clearly, this tragic story not only needs to be aired but to be remedied.

In a House report on the International Development and Food Assistance Act of 1977, it was stated that "businesses involved in the manufacture, marketing, or sale of infant formula have a responsibility to conduct their overseas activities in ways which do not have adverse effects on the nutritional health of people of developing nations." Mr. Speaker, passage of the legislation which I am cosponsoring would help to meet this goal. The major provisions would require U.S. manufacturers of infant formula to prove that their products would not contribute to undue illness or death among infant populations in developing nations. In view of the estimates that at least 10 million cases of "baby bottle disease" occur annually in the Third World, I hope my colleagues serving on committees with jurisdiction over the matter will support this legislation.●

GIVE THEM A KING

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. PAUL. Mr. Speaker, the attempts to revive registration and the draft bring to mind an episode in the history of Israel when the Israelites began demanding a king so that he could lead them, just as kings led all the other nations near Israel. At that time, the Government of Israel was quite decentralized, and judges, appointed by the prophet Samuel, governed the people. Because the judges "turned aside after dishonest gain and accepted bribes and perverted justice," the elders of Israel came to Samuel to ask him to appoint a king. The account of what happened next is taken from the New International Version of the Bible, I Samuel 8: 6–18:

> But when they said, "Give us a king to lead us," this displeased Samuel; so he prayed to the Lord. And the Lord told him: "Listen to all that the people are saying to you; it is not you they have rejected as their king, but me. As they have done from the day I brought them up out of Egypt until this day, forsaking me and serving other gods, so they are doing to you. Now listen to them; but warn them solemnly and let them know what the king who will reign over them will do."
>
> Samuel told all the words of the Lord to the people who were asking him for a king. He said, "This is what the king who will reign over you will do: He will take your sons and make them serve with his chariots and horses, and they will run in front of his chariots. Some he will assign to be commanders of thousands and commanders of fifties, and others to plow his ground and reap his harvest, and still others to make weapons of war and equipment for his chariots. He will take your daughters to be perfumers and cooks and bakers. He will take the best of your fields and vineyards and olive groves, and give them to his attendants. He will take a tenth of your grain and of your vintage and give it to his officials and attendants. Your menservants and maidservants and the best of your cattle and donkeys he will take for his own use. He will take a tenth of your flocks, and you yourselves will become his slaves. When that day comes, you will cry out for relief from the king you have chosen, and the Lord will not answer you in that day."

Despite this solemn warning, the people insisted that Samuel appoint a king "to lead us and to go out before us and to fight our battles." What was the result? The Lord answered, "Listen to them and give them a king." I trust that the same result will not be forthcoming in the United States in 1979 and 1980.●

TRIBUTE TO BISHOP MILIVOJEVICH

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. DERWINSKI. Mr. Speaker, I would like to call the attention of the Members to the death of Bishop Dionisije Milivojevich of the Free Serbian Orthodox Diocese of the United States and Canada. Bishop Milivojevich passed away last Tuesday, May 15, in the Condell Memorial Hospital in Libertyville, Ill.

Bishop Dionisije was European-educated and became a naturalized citizen after coming to the United States. He was appointed bishop of the Serbian Orthodox Church in 1938. At the time of his appointment and election as bishop, he was the youngest prelate in all of the orthodox churches. Previous to his career as a clergyman, Bishop Dionisije served in the Serbian Army during World War I and was wounded in action during the Balkan war campaign.

After the Communists gained control of the Government of Yugoslavia in 1945, Bishop Dionisije was determined that the Serbian Orthodox Church would retain its autonomy. This determination led to the legal, political, and religious complications that followed.

The bishop, spiritual leader for thousands of Serbian-Americans, had fought against what he described as a Communist conspiracy for more than two decades. In 1963, church leaders in Belgrade ordered Bishop Milivojevich defrocked, and sought control of the millions of dollars in property owned by the church in North America.

Since then, the bishop has waged a series of court battles from his headquarters in St. Sava's Serbian Orthodox Monastery in Libertyville.

Earlier this year, he lost an appeal in the Illinois Supreme Court but managed to hold the monastery, where he continued to reside until his death. The fight for control of the church property continues.

Bishop Dionisije was a man of great courage, faith, and strength. He showed remarkable stamina in the face of the great problems he faced. He was a recipient of loyal support from his church members, who undoubtedly sustained him in his years of struggle to preserve the Free Serbian Orthodox Church.

Bishop Dionisije Milivojevich was dedicated to the preservation of the autonomy of the Serbian Orthdox Church as he was dedicated to the cause of freedom throughout the world. His passing is a real loss to his followers, who will long remember him for the leadership and inspiration that he provided. He will be remembered for the tremendous contribution he made in the preservation of the freedom of the Serbian Orthodox Church.

Bishop Dionisije is succeeded by Bishop Iriney, whom he named as his successor before his death.●

LYNDON BAINES JOHNSON INTERNS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BONKER. Mr. Speaker, within a few months the LBJ interns will be arriving bringing with them fresh ideas and new perspectives to lighten the workload in each office.

As one who began his career in Government in such a position, I know firsthand the impact that the LBJ experience can have in leading young minds into the public service.

As part of the selection process, I asked each candidate to respond to the following question:

> Should a congressman vote for mandatory controls on energy consumption and/or price and wage guidelines even if such measures are strongly opposed by his or her constituents?

Mr. Speaker, I request permission to submit the two top essays to my colleagues. The first is by Karen Wishart of Issaquah, Wash., who will be serving as the LBJ intern, and the second is from Scott Jackson, a young man of promise from Sequim, Wash., who will be interning in our senior Senator's office this year.

The essays follow:

Essay by Karen Wishart

Exclusive power to hire and fire members of Congress is ultimately held by the constituency. As political representatives congressmen can act either as delegates, always expressing the wishes of their constituents, or as trustees, exercising personal discretion and judgment on specific propositions as they arise. The political consequences of acting in opposition to the wishes of the district must be recognized and balanced against other factors, most prominently, the congressman's informed perception of the public interest.

This conflict between constituency and conscience is especially relevant in the consideration of mandatory controls on energy consumption and wage and price guidelines. At a time when U.S. dependence on foreign oil shows no sign of declining and domestic inflation continues to spiral, the cry for action must be answered even if it entails politically unpopular sacrifices by constituents.

Although five years have passed since the Arab oil embargo took its toll on American consumers, the U.S. energy policy is still no energy policy. It is widely acknowledged that the potential for conservation is significant enough to dramatically reduce this nation's dependence on OPEC oil. Voluntary cutbacks have been insufficient, and our dependence on foreign sources of oil is greater now than it was prior to the 1973–74 embargo. The U.S. oil import bill seriously contributes to balance of payment problems and maintains our vulnerability to future embargoes. Because these problems show no signs of abating without mandatory controls on energy consumption, action must be taken by the Congress.

The coexistence of unemployment and high inflation is an economic mystery with no end in sight. Although there is not a guaranteed panacea for domestic economic woes, something must clearly be done to slow rapidly increasing prices. Wage and price guidelines, while not solving the problem altogether, have previously provided temporary relief from inflation. A member of Congress must weigh his or her perceptions of the economic benefits to be gained from such a policy against the force of opposition which would ensue from the constituency.

Policies entailing immediate sacrifices without immediate results are, in most cases, politically unpopular. The intangible, future benefits to be gained from either mandatory controls on the consumption of energy or wage and price guidelines will not win many political prizes for a member of Congress.

It is an inherent dilemma of the congressional policymaking process that long-term policies which may be in the nation's best interest are not enacted because of the political problems which these policies create in the short term for congressmen seeking reelection. In representative government a congressman is responsible to the constituency; but members of Congress are also asked to act in the public interest, however ambiguous that concept may be. Ultimately, this public responsibility transcends constituent responsibility because the trust that we as voters place in our elected officials implies that responsible discretion may be used.

Essay by Scott Jackson

"Should a congressman vote for mandatory controls on energy consumption and/or price and wage guidelines even if such measures are strongly opposed by his or her constituents?"

I would encourage a congressman to vote his or her conscience when asked to sanction mandatory controls on energy consumption or to formulate enforceable wage and price guidelines. After carefully analyzing these issues from all perspectives, the congressman has an obligation to make a decision which seems most appropriate to the situation, regardless of his or her constituent's protests. This is especially true in times of potential national crisis of which both our present inflationary trend and our present scarcity of useable energy can be defined. There is a difference between issues of local and national character and the congressman must be able to make the distinction. In keeping with the United States Constitution and past federal action, the welfare of the nation as a whole must take precedent over the desires of particular sections of the country.

This is not to say that a congressman should not listen to his or her constituent's views regarding national issues or that a district's concerns be taken lightly. It is rather to suggest that in the final analysis a congressman must stand on a decision and justify it by his or her previous record of experience and honesty. A congressman has been elected by his or her electorate to not only satisfy individual needs but to make decisions for the national good. It is highly critical in issues concerning energy consumption and the economy, that a congressman be able to separate constituent's prejudices from what is best for the nation, if the two conflict.●

CHILE'S INTOLERABLE BEHAVIOR

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MILLER of California. Mr. Speaker, this weekend the New York Times editorialized on Chile's recent decision not to extradite three Chileans charged with involvement in the Letelier murder case. The Times minced no words in calling Chile's failure to act "intolerable" and "a disgrace."

The assassination of Orlando Letelier and Ronni Karpen Moffitt was a clear act of international terrorism. Chile's refusal to extradite three ex-DINA officials indicted by a Federal grand jury is a direct affront to the American people and the U.S. Government.

Together with Representatives Tom Harkin (D.-Iowa), Toby Moffett (D.-Conn.) and 32 cosponsors, I intend to introduce a resolution expressing the sense of Congress on the refusal of the Chilean Government to act.

I insert the Times editorial of May 19 in the Record:

Chile's Intolerable Answer

Because the Chief Justice of Chile has denied a request for their extradition, three Chileans charged with ordering a political assassination in Washington three years ago may never be held accountable for their acts. As the United States prosecutor in the case has said, this ruling is a disgrace. It may still be reversible, but only if the Carter Administration make unambiguously clear its own determination to serve justice and to deter political terrorism.

Orlando Letelier, Chile's most prominent political exile, and Ronni Moffitt, his American co-worker, were killed in September 1976 when a bomb exploded underneath their car in Washington. The United States prosecutor, Eugene Propper, persuaded a Federal grand jury to indict nine persons including two top officials of the Chilean intelligence agency, DINA, and an American citizen working for DINA who has confessed to planting the bomb and has cooperated with the prosecution in exchange for a reduced sentence The three Chileans remain beyond American reach in their native country.

Chief Justice Bórquez of Chile offered two reasons for refusing extradition. The evidence against them carries little weight, he says, because it rests heavily on the self-serving testimony of the American DINA agent. The Chief Justice also says that a treaty between Chile and the United States allows Chile to refuse extradition, as the United States has done in the past. So he ruled that a Chilean military tribunal ought now to consider whether Chileans should try the DINA men.

But these are pretexts, not reasons. According to international practice, a significantly lesser standard of proof is required for extradition than conviction. The judge was given testimony corroborating many of the American agent's assertions about the three Chileans. It was on the basis of such testimony that an American jury convicted three Cuban accomplices in the case.

Because the case involves the former head of their national intelligence agency, some Chileans believe their sovereign rights are at stake. But surely American sovereignty requires the prosecution of foreign agents who plan political crimes in the capital of the United States.

Not much can be expected from an appeal to a panel of Chile's Supreme Court unless President Augusto Pinochet intervenes as a matter of national policy. So far, it has been possible to argue for patience, as the United States Justice Department argued in opposing Congressional efforts to press for extradition. Now it is clear that any faith in the independence of Chile's judiciary was misplaced.

The United States needs to make its displeasure plain, through every channel. It is shameful that human rights are violated daily by President Pinochet's regime in Chile. It is intolerable to let that regime shield those charged with plotting murder in the United States.●

COMMENCEMENT COMMENTS REFLECT PRIDE AND PROFESSIONALISM OF NURSING AT CATHOLIC UNIVERSITY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. FAUNTROY. Mr. Speaker, a constituent of mine, Mrs. Heidi Wynn Maloni, was chosen by her class of fellow baccalaureate students to deliver commencement remarks on behalf of the 1979 graduating class of the Catholic University School of Nursing.

Mrs. Maloni's remarks, delivered on Saturday, May 12, reflect a sense of pride and professionalism that speak volumes about this fine institution as well as the nursing students themselves.

I would like to enter Mrs. Maloni's comments in the RECORD at this time and commend them to my colleagues:

MRS. MALONI'S COMMENTS

I was scanning the May issue of the American Journal of Nursing the other day. And a book title caught my eye—The Nurse Person. I had to think about that. I asked myself what that meant—a "nurse person"!

I thought a "nurse person" has to be much more than a person who is a nurse.

To me, "nurse person" implied a certain individuality; it implied a sense of role and a sense of self.

I became more intrigued with this idea of a nurse person, so I checked the book out of the library and read it.

The authors, Lillian Simms and Janice Lindberg, designed the book as a guide for baccalaureate nursing students to develop their full potential within a nursing role.

Simms and Lindberg maintain that the "holistic nature of the nurse person cannot be ignored." This suggests the need for the growth and development of the nurse as a person, the acquisition of skills and then the implementation of that individualism and skill in the interpersonal world of patient care.

The book calls contemporary nursing practice "goal directed, deliberately carried out, and recipient or patient centered."

Simms and Lindberg say that modern nursing practice must move away from the simple task oriented and medical model, based on mere knowledge of technical skills, to a theoretical framework that sees man in a multidimensional way and views nursing as a profession "fostering independence, creative thinking and personal accountability."

The transition to professional self always involves maximizing human potential. The acquisition of technical skills alone does not provide the necessary base for independent thinking and acting so necessary in today's nursing practice.

A new breed of nurses is needed to meet the demand of today's changing world—nurses who are willing to stand up and be counted for their convictions nurses who know their own worth and skills.

In this context, I thought about our education at the Catholic University School of Nursing. I can only state in the most forceful way that our education at Catholic University has prepared us completely for the transition from student to professional.

The program fostered independence and creative thinking. It is contemporary in every sense of the word. Our curriculum focused on man's holism and uniqueness and led us to understand, as nursing students, the significance of preventive care.

Our faculty met the challenge of developing us as "nurse persons." They personified the ideals of nursing. They fostered our growth and development by encouraging freedom of thought and individualism.

We expressed ourselves without censure—and we were taught to take responsibility for our actions.

Our class is leaving Catholic University with more than a textbook education because of a supportive and knowledgeable faculty who helped in the development of our potential and our sense of self.

We are leaving with strong skills in communication, problem solving and creative thinking. We are leaving with the ideal of nursing as a way to improve the general quality of life.

We have been educated. We have been prepared to meet the demanding world of nursing practice.

The question remains, however. Can we continue to maintain our independent thinking in a care environment? Can we maintain our responsibility to our professional commitment?

Our most important resource in meeting the challenge of modern nursing practice is what is in each of us right now. I would not worry about the challenge of contemporary nursing care, because it is going to be largely what we make it.

Much of what we are and what we do as nurses will come from the standards and ideals we maintain, the methods we employ, and the sense each of us has that we are nurse persons.

As students, a spirit of camaraderie grew among us. We shared mutual experiences and goals. We learned from our instructors and from each other.

What spirit of camaraderie will we carry into the world of nursing practice? Will we remain true to our ideals and goals? Will we foster a strong sense of self and unite our profession?

The Catholic University School of Nursing has taught us how to reflect on the objectives and goals of modern nursing practice. Our education has given us the skills to implement the nursing process. We have evolved the theoretical framework necessary to succeed.

Therefore, it is within each of us to overcome the obstacles and become a "nurse person" and make the world of patient care and our profession the better for it.

Thank you.●

THE BARTER SYSTEM—TRADE WITHOUT MONEY

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BRINKLEY. Mr. Speaker, at a February 14, 1979 meeting with Georgia farmers the Georgia delegation expressed their support of the agricultural community. Many needs were discussed and one of my ideas presented related to a barter system. In earlier discussions with our colleague LESTER WOLFF of New York, he had stimulated this line of thought because of his service on the Foreign Relations Committee and the emerging trade with mainland China. The potential of this relationship is an exchange of grain for oil.

The two great needs in the world today are: First, oil; and second, food. We have an abundance of the latter and our trading partners could sell that which they could not consume.

A pilot project between the United States and Mexico would serve as the perfect proving ground for the barter system. Swapping our agricultural commodities for Mexico's oil and natural gas would be mutually beneficial for both countries. The proposal holds great possibilities and merits serious consideration. We must remember we cannot go on doing things the way we have always done them when it is not to our best advantage.●

NEW YORK CITY COUNCIL URGES CONGRESS TO REJECT OIL DEREGULATION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. WEISS. Mr. Speaker, the American people do not believe that the deregulation of domestic crude oil prices will significantly increase our energy supply, but will in fact result in an inordinate increase in the already excessive profits of the oil companies.

The Council of the city of New York recently adopted the following resolution calling upon the Congress to reject the proposed deregulation, which I would like to bring to the attention of our colleagues. I believe the resolution is an accurate and timely statement of the deregulation issue. If we in the Congress fail to heed its warning, our constituents across the country are surely going to suffer the unbearable burden of ever-increasing costs of production, consumer prices, and fuel costs to homeowners and renters.

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION CALLING UPON THE CONGRESS OF THE UNITED STATES TO REJECT THE PROPOSED DEREGULATION OF DOMESTIC CRUDE OIL PRICES

Whereas, During the past two years home-heating oil costs have increased almost as much as during the previous eight years, due in part to natural gas deregulation last year resulting in extra profits of $2 billion to the major oil companies; and

Whereas, The first quarter reports of the major oil companies in 1979 already indicate a shocking increase in corporate profits over last year; e.g., Occidental Petroleum up 174% to $87.9 million, Exxon up 37% to $955 million, and Standard Oil of Indiana up to 28% to $349.1 million; and

Whereas, The President is now proposing that on June 1, 1979, the price of domestic crude oil also be deregulated, allowing prices to rise to the world market Organization of Petroleum Exporting Countries (OPEC) level; and

Whereas, Existing regulation of domestic oil saves the American consumer $15 billion a year; deregulation would inevitably result in at least an increase of 20 cents per gallon of gasoline and a major increase in the cost of home-heating oil; and

Whereas, As of March 1, 1979, oil refiners were already permitted to add an increased percentage of crude oil and refining costs to gasoline prices, increasing their profits by $5 billion a year; and

Whereas, The proposed June 1st deregulation is expected to bring these major oil companies an additional $15.4 billion in profits over the next three years; and

Whereas, The Administration has also proposed a "windfall" profits tax (ostensibly at a rate of 50 per cent) to curb these vast oil company profits under deregulation; and

Whereas, This tax proposal contains many loopholes including partly exempting oil now in production, oil from marginal wells and oil from the Alaskan North Slope combined with making the tax deductible and phasing it out completely in 1990; and

Whereas, Taxes on the expected $15.4 billion in additional oil profits would collect approximately $3.3 billion in "windfall" taxes, $5.1 billion in Federal income taxes, and $1 billion in state taxes, still leaving $6 billion, or 39 per cent of the total, for the oil companies; and

Whereas, The inordinate increases in oil costs and profits which would inevitably result from a June 1st deregulation are both highly inflationary and completely inequitable and in no way mitigated by the Administration's token "windfall" profits tax; and

Whereas, The highly inflationary impact of deregulation of domestic gas prices would not only produce even greater profits for the oil companies, but would immediately be passed along in exorbitant costs of production, consumer prices and fuel costs to homeowners and tenants; now, therefore, be it

Resolved, That the Council of The City of New York calls upon the Congress of the United States to reject the proposed June 1, 1979, deregulation of domestic crude oil prices.●

A TRIBUTE TO THE LATE WILLIAM M. DuCHESSI

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. ADDABBO. Mr. Speaker, I am sure that many in this Chamber share by great sadness over the recent death of William M. DuChessi, the executive vice president of the Amalgamated Clothing and Textile Workers Union.

Few have devoted nearly their entire lives to one industry as he had, starting his career in a local carpet firm at the ripe old age of 14. Beginning in 1937 when he first became a member of the TWUA, Bill DuChessi became increasingly involved in the union's activities. His rise up the union ladder was just as much an outgrowth of his concern for fellow workers as it was a tribute to his administrative skills.

A member of the TWUA organizing staff and county joint board manager in New York, DuChessi later became a regional director for Maryland and West Virginia. He was elected vice-president and member of the executive council in 1955, and came to Washington in 1967 as legislative director, later becoming general secretary-treasurer. In 1976 when TWUA merged with Amalgamated Clothing, Bill DuChessi was elected to the position he held at his death.

As if this all was not enough to keep him completely active, this native New Yorker also served on several other industry and AFL–CIO boards. He was even named by former Speaker Carl Albert to serve this House as a member of the Commission on Administrative Review.

I extend my thoughts and prayers to his wife, Shirley and all his family and friends. I would also want them to know that Bill DuChessi's strong leadership will remain a model to us all—a dynamic legacy from a vibrant man.●

NORWIN EDUCATOR HONORED

HON. DON BAILEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BAILEY. Mr. Speaker, May 25 is a very important date for a group of high school students from Norwin Senior High School in North Huntingdon, Pa. It is that date that these young persons have chosen to honor a greatly admired teacher of theirs, John Polivka, for his 20 years of sincere dedication to the teaching profession.

As this tribute indicates, Mr. Polivka, a graduate of the University of Pittsburgh, has not only served as an outstanding educator but he has unselfishly devoted many hours of hard work toward organizing various student activities.

During his 14 years as a member of the Norwin School District faculty, he was instrumental in organizing a social studies resource center at the high school, served as social studies department chairperson, and introduced and developed a TODAE (thinking objectively through discussion, analysis and evaluation) curriculum from which many students have benefited. He has always taken active roles in student sponsored activities and has supported them in whatever means that he could to insure their projects' success.

The admiration that his students harbor for him is best exemplified in a letter written to President Carter and myself by Constance Hreha, a 16-year-old resident of the 21st Congressional District of Pennsylvania. A portion of that letter reads as follows:

> My history teacher, Mr. John B. Polivka, will this year celebrate his 20th anniversary as a teacher. To label Mr. Polivka as a mere teacher would be an injustice. This gentleman personifies the meaning of the word Teacher. If every teacher in America were as dedicated to their profession as Mr. Polivka, this nation would far exceed any nation that ever existed in intelligence, patriotism and human decency. His classes are the high point of every student's day. Mr. Polivka's obvious love for his country and its past are instilled in his students through sheer enthusiasm. Every student who ever attended one of his classes comes away with a genuine appreciation for their forefathers. The teacher, rather than the subject matter, is what keeps the attention of every student who is fortunate enough to be scheduled into one of his classes. But the subject matter is what keeps Mr. Polivka going. His idols, Thomas Jefferson and Teddy Roosevelt, have become our heroes and American History is now a favorite subject of conversation in my home.●

THE MYTH OF INCUMBENT PROTECTION

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. GREEN. Mr. Speaker, opponents of H.R. 1, which would provide partial public financing for House elections, have in the current public and congressional debate over the matter often alleged that the bill would guarantee the reelection of incumbents and discourage potential challengers. I firmly believe that this notion is unfounded and one of the most unfortunate misconceptions in relation to the proposal.

Indeed, as a cosponsor of H.R. 1, I believe that the measure would in fact give incentive to challengers and would, in most cases, provide them with a better opportunity for success than currently exists.

The noted columnist Albert Hunt wrote an excellent piece which touches on this very point and which appeared in the May 21 Wall Street Journal. Given the impending vote on the bill in the Committee on House Administration, this article is most timely and I am having it reprinted in the RECORD for my colleagues' review. As Mr. Hunt correctly points out, it is hard to imagine an electoral system which provides for greater incumbent protection than our present one. The column notes that:

> In the past two House elections, the reelection rate under the current system was 96 percent.

I believe that Mr. Hunt logically and forcefully answers all charges that H.R. 1 is an "Incumbents' Protection Act" and I recommend this article to my colleagues.

THE MYTH OF INCUMBENT PROTECTION

(By Albert R. Hunt)

WASHINGTON.—Public financing of congressional elections "is essentially and irrevocably an incumbent protection device."

That is the bold warning emblazoned on a "fact sheet" prepared by Rep. Bill Frenzel, a Minnesota Republican and one of Congress's most serious students of campaign financing. Mr. Frenzel is assailing a bill that would extend partial public financing to House general elections, a bill symbolically labeled H.R. 1. He charges: "The spending limits that invariably accompany public financing can only aid incumbents, since challengers need to spend more to win."

It is a powerful argument. Any measure that adds to incumbents' existing advantages—expense allowances, constituent services, free mailings and other perquisites—is unhealthy. That would seem especially true for the Republican Party, which for 25 years has been a minority in the House where it currently is outnumbered 276 to 159. Most of the GOP leadership has lined up against the campaign-financing bill.

Yet two of the chief sponsors of this so-called "Incumbents Protection Act" are prominent House Republican leaders, Barber Conable of New York and John Anderson of Illinois. Nobody would suggest they are eager to relegate their party to guaranteed minority status. They and some of their supporters strongly argue that public financing would aid challengers more than it would protect incumbents.

Moreover, under public financing "the major beneficiaries . . . would be Republicans," asserts Stephen Hess, a political scientist and a longtime Republican braintruster. The reason: "The present system of private funding favors incumbents; and since most House incumbents are Democrats, ergo most challengers will be Republicans and will be advantaged by H.R. 1 over the existing system."

That's one reason many veteran Democratic House incumbents oppose the bill, despite its support by the Democratic leadership.

There are perhaps more significant considerations in examining public financing of House elections, such as the effects on the political system and whether enforcement would create another bureaucratic monstrosity. But the question of the impact on challengers vis-a-vis incumbents is the dominant political issue.

PLENTY OF AMMUNITION

A careful combing of the spending statistics for the last two House elections suggests that there is plenty of ammunition for the argument that public financing would help challengers and make more races competitive. One reason is that incumbents generally are able to outspend their opponents and the proposed plan would tend to equalize spending.

Under H.R. 1, the federal government would provide up to $60,000 to a House candidate by matching private individual contributions of $100 or less. Anyone taking public money would have to abide by a spending limit of about $210,000 in 1980.

The legislation covers only House general elections; the Senate has thwarted congressional public financing plans in recent years. To qualify for any public money, a candidate would have to privately raise $10,000 in small contributions. Also, any candidate could refuse public funds and spend unlimited amounts.

The plan compares with a current system that limits contributions from individuals to $1,000 a candidate and to $5,000 from Political Action Committees, or PACs, without spending limits. Under this system, 371 of 383 incumbents were reelected in November 1976. In 1978, 368 of the 381 general election incumbents won.

Talk about an incumbents protection act! In the past two House elections, the reelection rate under the current system was 96 percent.

Certainly, nonmonetary factors affected the outcomes of these elections, but the spending statistics bolster the contention that the current financing system favors incumbents. In 1978, on top of all their other advantages, incumbents outspent challengers by better than a 3-to-2 margin, according to the Federal Elections Commission.

Some Republicans hope the proliferating corporate PACs will come to their rescue, but they may have a long wait. Despite a late rush of corporate PAC money to Republican challengers last fall, spurred by strong Republican-leadership complaints and critical news accounts, incumbent Democrats came out well ahead. Overall, according to the FEC, corporate PACs gave more than $2.12 million to Democratic incumbents, more than twice the $986,000 given to GOP challengers.

When labor and other PACs are considered, the figures are even more lopsided. In all, House Democratic incumbents received $10.43 million from PACs last fall, or almost three-and-a-half times the $3.04 million received by GOP challengers. (Even the affluent Republican Party coffers failed to make up this disparity.)

The explanation is simple. "It's a lot easier to invest in a known than an unknown entity," explains one corporate PAC manager. "That counts for a lot more than party labels."

Republicans don't disagree. But they contend the public financing proposal, with its spending ceiling, would undermine the one real shot challengers have to overcome incumbents—mounting an unusually expensive campaign. "Historically, successful challengers have usually been 'high spenders'," asserts Republican national party chairman Bill Brock.

The Republican House campaign committee calculates that in 1978 the 19 successful challengers—14 were Republicans—spent an average of slightly more than $200,000 in the general and primary elections, while defeated incumbents in those races spent an average of $173,000. The conclusion: Only six or seven of those challengers would have won if H.R. 1 would have been law in 1978.

That conclusion, however, is questionable. First, the public financing bill would only affect general election spending; so primary outlays have to be knocked out in any comparisons. Second, an analysis of those 1978 elections shows that, after adjusting for inflation, only eight of the 19 successful challengers spent more than the proposed limit in the general election and most of those were only a relatively small amount over.

Further, two of those outsiders—Republicans Ron Paul of Texas and Daniel Lungren of California—were outspent by Democratic incumbents by almost $100,000 apiece. So a spending ceiling might have aided them.

In many other instances, it's easy to see how some losing 1978 challengers could have fared better under the proposed public financing plan. Ironically, one of these is Republican Duane Alton in Washington State, who lost by only 8,000 votes to Rep. Thomas Foley, one of the authors of H.R. 1. In the general election, incumbent Foley spent $243,000, more than double Mr. Alton's outlays. Under the public financing proposal, both candidates would have received and spent close to the maximum permissible, eliminating most of Rep. Foley's financial advantage and, just possibly, his 8,000-vote margin.

CURTAILING FREE RIDES

Perhaps more significantly, consider the number of noncompetitive House races last November. In 68 House elections, there was only one major party contestant, benefiting 49 incumbent Democrats and only 19 Republicans. Backers of public financing assert the lure of federal matching money would curtail the free rides by attracting more challengers.

The other side of that coin is that only 69 of the 435 races last November were decided by 10 percentage points or less. Advocates of public financing argue that such aid would help turn at least some of the many one-sided elections into closer contests by helping long-shot aspirants, who usually are hindered by an inability to raise money.

Even when a challenger spots a vulnerable incumbent and starts raising big money, such action usually prods the incumbent into a spending race that maintains the odds even though the incumbent may be outspent. For instance, in 1976, Colorado GOP challenger Ed Scott spent $147,719 and came within a whisker of defeating incumbent Tim Wirth. Sensing victory, in 1978 candidate Scott pulled out all the money stops and spent an astounding $425,663. In turn, Rep. Wirth more than doubled his 1976 outlays to $384,194. The Democratic Congressman widened his margin to 11,000 votes from 2,400.

Whatever the other arguments for and against public financing of congressional elections, all of this cast serious doubt on House GOP chief Guy Vander Jagt's claim that public financing "preserves and protects the incumbent in perpetuity."

Apart from all the dry data, there is an even more convincing argument—if public-financing were an incumbents protection act, it would have been enacted by the incumbents years ago.●

THE CONSCRIPTION IDEA

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. PAUL. Mr. Speaker, "In Virginia," wrote Thomas Jefferson to John Adams in 1777, "a draft was ever the most unpopular and impracticable thing that could ever be attempted. Our people * * * had learned to consider it as the last of all oppressions."

In 1955, Dr. Dean Russell, then a member of the staff of the Foundation for Economic Education, wrote an essay called "The Conscription Idea." Published by the foundation (Irvington-on-Hudson, N.Y.), Dr. Russell's article is of great contemporary significance, even though almost a quarter of a century old. I would like to bring excerpts from it to my colleagues' attention.

THE CONSCRIPTION IDEA

(By Dean Russell)

While many sincere and patriotic Americans have been quick to advocate conscription in almost every real or imagined emergency, it was generally considered an un-American and undemocratic idea in the United States until 1917.

It is true that conscription was tried for a time in the Civil War, but it seems to have done far more harm than good. The Draft Act became law in March of 1863 and the first call-up was made the following July. The resulting "draft riots" in New York, Boston, and other places necessitated the calling of regiments from the battlefields of Gettysburg to shoot American citizens who were rebelling against the then un-American idea of conscription.

Pitched battles raged in the streets of New York City for several days. Hundreds of people were hanged or shot, and property damage was enormous.

Some historians claim that one of the reasons General Meade didn't follow up his advantage over the retreating army of General Lee after Gettysburg was because so many of his soldiers were engaged in suppressing the "draft riots" behind his own lines. Still other regiments had to be held in readiness in case they were needed.*

The Draft Act was so unpopular that it garnered fewer than 50,000 soldiers, or less than three per cent of the total forces, in four draft calls! It hurt morale, encouraged favoritism and graft, and may well have actually lengthened the war.

The Confederacy also had a Draft Act—a year earlier and more extensive than that of the North. In fact, contrary to popular belief among us Southerners, the Confederacy had to draft most of its soldiers. This only multiplied the loss of life and the bitter consequences of a cause that became hopeless on the day it was subjected to the test of force. Our Southern leaders who showed such wisdom in most respects should have known that conscripts and slaves are not assets in building a sound civilization.

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* Richard B. Morris, *Encyclopedia of American History.*

The idea of conscription was discussed—and rejected by the central government—in both the Revolutionary War and the War of 1812. After it was tried toward the end of the War Between the States—with such unfortunate consequences—it was rejected again. But with our entry into World War I, this form of involuntary servitude began to receive the popular support necessary to establish it as a permanent tradition in America.

Of all reasons, the idea of conscription was reactivated in 1917 in the name of freedom and as a means "to make the world safe for democracy"! Apparently our leaders believed that it was also the only way they could raise a large enough army to send abroad to fight in a war that didn't concern the territorial, trade, defense, or humanitarian interests of the United States. . . .

It seems to me axiomatic that a person who wants to do a thing has a far better chance of doing it more efficiently and more effectively than a person who is forced to do it against his will. One of my grandfathers honestly believed that slavery is cheaper than paying wages determined by a free market. But in spite of the seeming plausibility of his argument, he was wrong economically as well as morally. Actually, as any student of human actions and motivations in a free market can understand, the slave owners could have made more money by freeing their slaves and paying them wages.

For the same reason, conscripts and conscription are less effective and less efficient than volunteers and voluntary action. The Navy, the Air Force, the Marines, and the Seabees have always worked on the principle that volunteers are more effective than conscripts in war as well as in peace. I have no reason to suppose that the Army actually prefers conscripts to volunteers. The average conscript will always cost more and do less than the average volunteer . . .

I have every reason to believe that more than 90 percent of all Americans will voluntarily defend their country when it is invaded or when they think that there is any danger of invasion by a foreign foe. For example, when the Japanese bombed Pearl Harbor in December of 1941, what percentage of the American people do you believe stood ready to volunteer in some capacity to help repulse any further onslaught against peace-loving Americans and their legitimate territory? I say more than 90 percent. . . .

Actually, I can see no more logic in conscripting privates than in conscripting cadets for West Point. The reasons which would cause a person to reject the one are the same reasons which should cause him to reject the other. It is true that conscripted troops under voluntary commanders—like slaves under masters—may offer surface appearances of strength and efficiency. But since it is organized on a wrong principle, the inherent weakness in the system will eventually betray the people who are foolish enough to trust in it. . . .

I have more faith in myself and in my fellow Americans than do these politicians and humanitarians who desire to defend my freedom by depriving me of it. Obviously, it would be easy enough to hire good and patriotic men to devote their lives to the task of planning and maintaining defenses against any possibility of invasion from abroad. And I am convinced that the rest of us would be available for voluntary duty whenever an invasion occurred or seemed imminent. . . .

The overwhelming majority of our founders and early patriots were opposed to compulsory military service, even under such desperate circumstances as Valley Forge; most of them rejected the conscription idea as a direct violation of the freedom for which they were fighting and which they wanted to pass on to their posterity. They also warned us to stay out of foreign squabbles and to fear the persons who desire authority over other persons.

"Times have changed," of course. But the principles haven't. They never do. If we continue to ignore them, it is at our peril.●

PARAGUAYAN POLICE OFFICIAL BEING SUED IN THE UNITED STATES FOR HUMAN RIGHTS VIOLATIONS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MILLER of California. Mr. Speaker, as chairman of the Human Rights Committee of Members of Congress for Peace Through Law, I take great pleasure in initiating the MCPL Human Rights Series.

On a regular basis, an MCPL member will be inserting in the RECORD an article, editorial, or other newsworthy item discussing human rights violations around the world, developments in human rights law and the human rights policy of the United States and other countries.

The May 17, 1979, Washington Post article reprinted below, "Higher Court Given Suit Against Latin Officer," describes a precedent-setting human rights suit brought against a former Paraguayan police official who was picked up on April 4 by U.S. immigration officials for overstaying his tourist visa.

A Federal damage action was brought against the Paraguayan, Americo Pena Irala, by Dr. Joel Filartiga and his daughter, Dolly, under a section of the United States Code which allows an alien to bring a personal injury suit in this country for violations of the law of nations and U.S. treaties. Dr. Filartiga runs a health clinic in Paraguay and is a leading political opponent of the regime of Paraguayan President Alfredo Stroessner.

The lawsuit charges that Pena, in his individual capacity and in his official capacity as a chief inspector of police and member of a Paraguayan torture squad, kidnaped, tortured, and murdered Joelito Filartiga in retaliation for his father's opposition to the Stroessner dictatorship.

The Second Circuit Court of Appeals must now determine whether or not a court of law in the United States has jurisdiction in prosecuting foreign human rights violators.

I commend the following article to your attention:

HIGHER COURT GIVEN SUIT AGAINST LATIN OFFICER

(By Lee Lescaze)

NEW YORK.—A suit seeking to establish that foreign human rights violators who come to the United States risk being sued in U.S. courts was taken to the 2nd Circuit Court of Appeals today after a lower court ruled that it does not have jurisdiction.

The suit, brought by the father and sister of a youth allegedly tortured to death in Paraguay by policeman Americo Pena-Irala, was filed here after Pena was discovered by immigration authorities living in Brooklyn.

It was brought under a section of the U.S. Code that gives U.S. courts jurisdiction over violations of the international law of nations. However, the section has been used in the past only for commercial claims, not for human rights violations.

In arguing against the suit, Pena's attorney, Murry D. Brochin, said it would open the door "for any alien who chances to catch an official of a foreign government in the United States against whom he thinks he has a claim."

Brochin said, "This is a case entirely concerning Paraguay and Paraguayans."

Peter Weiss argued for the plaintiffs, Dolly Filartiga and Dr. Joel Filartiga, that "in the last 30 years human rights has emerged as a central concern of international law."

He said the Filartigas have no legal remedy in Paraguay because the courts there are controlled by a dictator, Gen. Alfredo Stroessner, and Pena has special protection as a former police chief inspector.

U.S. District Court Judge Eugene H. Nickerson said it was cogent to argue that an emerging standard of international law condemns torture. But he dismissed the Filartigas' $10 million damage suit on the ground that earlier decisions by the 2nd Circuit Court of Appeals deny him jurisdiction over a suit arising from a crime in a foreign country unless the crime affected the U.S. relationship with that country.

Pena was seized April 4 and ordered deported for being in the United States illegally. His tourist visa had expired.

Pena, who resigned from the police after the death of 17-year-old Joelito Filartiga became controversial in Paraguay, has made no move to resist deportation. An order keeping him here until Nickerson reached his decision expires tomorrow.●

RESTRICTED WATER SUPPLY IN EL DORADO COUNTY

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. SHUMWAY. Mr. Speaker, I would at this time like to address my comments to a situation of great significance to the people of my district.

During the early 1940's, the Sly Park Unit of the Central Valley Project (CVP) was originated to alleviate a restricted water supply in El Dorado County. Storage and distribution for the project was conceived and built years earlier by the El Dorado Irrigation District. These improvements comprised the initial stage of the overall plan so subsequent construction and improvements by the Bureau of Reclamation in the 1940's was the second stage of the CVP's Sly Park Unit. Later expansion of the system was considered but never materialized since the district could neither afford nor show justification for the increased supply.

However, now almost 40 years later, the need for this subsequent stage does indeed exist. The El Dorado Irrigation District has seen a steadily increasing population as well as an increasing demand for irrigation water. Hence, the needs for new water are outstripping the existing limited supply.

To alleviate the current water shortage in El Dorado County and to keep abreast of future increased demands, the North Fork of the Cosumnes River could be tapped by a tunnel leading into Camp Creek and thence be conveyed through the existing Camp Creek Tunnel into the Sly Park Reservoir.

It is estimated that the cost of construction of the North Fork Cosumnes Tunnel and diversion system will not exceed $10 million.

Mr. Speaker, the same situation which existed in the early 1940's again plagues us. To remedy this problem, I am introducing today appropriate legislation.●

THE CARTER HEALTH PROGRAM

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. McDONALD. Mr. Speaker, although President Carter has yet to submit his full health plan to the Congress, the outlines of what is coming are fairly clear. What is certain, however, is the extraordinary cost of such a plan. There will be no "free" health care and in fact there will be a lesser quality of health care in most cases as Prof. Hans Sennholz, chairman of the economics department at Grove City College recently pointed out in an article in Private Practice magazine for May 1979. My colleagues who favor such legislation would do well to read this article and think again before rushing to endorse such legislation.

The article follows:

THE CARTER HEALTH PROGRAM

(By Hans F. Sennholz, Ph. D.)

Last month the Carter Administration announced the first stage of its multi-phase national health insurance program, a program grounded on the ten general principles the president unveiled last July. Congress will soon be presented with enabling legislation. The implementation of his plan will depend on economic conditions and on the other demands made on the federal budget.

The Carter principles encompass provisions for free health care for all Americans and freedom of choice for all patients in selecting physicians, hospitals, and other health delivery systems. They are designed to strengthen competitive forces, apply stringent cost-containment measures, increase the availability of ambulatory and preventive services, direct personnel to underserved regions, assure patient representation, and eliminate substandard care for the poor.

We must note that the American Medical Association did voice a few reservations about the Carter proposals. But organized labor and its spokesman, Senator Edward M. Kennedy, rejected them outright as a "piecemeal approach" with too many financial conditions and reservations. The labor-Kennedy plan calls for an immediate comprehensive system of socialized medicine.

Most physicians vigorously oppose not only every point of the Carter program, but also its very intent and design: the nationalization and politicalization of health care. They advocate freedom as the most beneficial system for all activities and pursuits, including for medical services. Even if freedom were not the most efficient and productive system, they would still choose it because freedom, in and of itself, has incalculable moral value. A free society, they believe, must take certain chances for the sake of freedom—chances which need not be taken in a police state because freedom there has no value.

It would take volumes of critical analysis to refute the errors and fallacies of the ten Carter proposals. In this column we must limit ourselves to a few basic observations on the moral and social implications of the program.

Unfortunately, half the work that is done in politics is to make things appear what they are not. The ten Carter principles promise to bring us "free health care," but will actually give us the most costly and captive system ever designed. Its very nature is so deceptive—we can never foresee its consequences.

Beyond taxes, government has no source of income. Every penny it spends, every benefit it bestows, must be extracted from the labors of a taxpayer. For every government beneficiary of health care there must be a victim, one who is deprived of food, clothing, housing, education, or some other essential. In fact, the victim's loss must logically be greater than the beneficiary's gain because of the costs of the forced transfer, i.e. the medical bureaucracy that dispenses the benefits and the bureaucracy that extracts the income from the victims. But even without such cost considerations we are always aware that income redistribution by governmental force not only creates economic and social conflict but also reduces economic well-being. After all, resources are redirected from areas where they served valuable ends to areas where they are misused and abused because they are making something available for "free." The bureaucracy needed to prevent the inevitable abuses will add additional costs that will reduce even further the economic well-being.

The Carter program would unleash more corruption and breed more scandals than any other political welfare scheme ever devised. Bureaucrats and politicians would sit in judgment of a health care industry torn by conflict and strife and rendered impotent by countless regulations imposed to prevent and/or correct the inevitable abuses. They would exculpate the "poor" and "underprivileged" from their role in such abuses, but severely condemn the physicians who might yield to the temptations. Where there is no freedom, the political authorities endeavor to establish order through fines and imprisonment.

The administration's proposed plan would render the health care industry completely dependent on the political process. The fate of health care—the quantity and quality of services rendered and the income and employment of all members of the industry—would be determined by the annual budget considerations and fund appropriations. Since the medical profession would have to compete with other federal expenditures such as housing, education, and national defense, its share of the federal pie would always be uncertain, if not precarious. Consequently, the industry would need to be organized effectively to engage in ardent political lobbying. It would have to convince every congressman and senator that it deserves a big slice of the pie. Failure to do so would bring instant contraction and depression to the industry.

The fund appropriation process would ultimately determine the income of every health care producer. It is common knowledge that physicians today are earning the highest income of all professionals. Some, in fact, are earning even more than US Congressmen and Senators. How long do you think this will last in socialized industry? After a few scandals come to light and public hearings point the light of the media to physicians' incomes, the Congressional appropriations will be made "lean" and "just"; that is, severely cut. Or, in a more subtle manner, inflation may be used to erode physicians' incomes until they fall below that of the politicians in charge. Is it not "just" that the founders and promoters of the system, i.e. the bosses, enjoy higher incomes than the workers?

There is virtual unanimity of opinion among physicians that the Carter plan, if enacted, would cripple the industry and enslave its members. But many millions of misguided Americans are applauding the program because it promises immediate benefits. Blinded by their own greed they embrace the principles of political redistribution that makes everyone's labors the property of the state. They do not understand the concept of freedom—the God-given right to pursue our own ends, in our own way, as long as we do not deprive others of theirs, or impede their efforts to attain it.

It is not ease, but effort, that makes men. Physicians have encountered and overcome difficulties in every station of their lives. Now they are confronting the greatest danger ever: the socialization of their industry, which would make their labors the property of politicians and regulators.

It is better to meet danger than to wait for it. We do not know the outcome of the political battle that will determine the future of American medicine. But we do know that the crucial battle is raging now. To be weak is to be vanquished. Strengths alone knows conflict and victory.●

MRS. WYNN MELTON LACEY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. WAXMAN. Mr. Speaker, culminating more than two decades of service as an officer of the Studio City Chamber of Commerce in the San Fernando Valley of Los Angeles, Mrs. Wynn Melton Lacey will be honored at a dinner-dance and installation on June 21, 1979. Mrs. Lacey, as the chamber's outgoing president, has provided it with the same outstanding leadership which has marked her success in other fields. Mrs. Lacey attended Northwestern University and Catholic University, majoring in speech, drama, and set designing, and then attended UCLA for the study of interior decorating. She has owned a well-established business in Studio City for 27 years.

Her desire to serve her community has resulted in active participation in many organizations; notably, she has been a board member of the Studio City Chamber of Commerce for 19 years and its vice president for 2 years before assuming the presidency. She was president of the Soroptomist Club for 2 years, and has served as an officer of the Business and Professional Women's Club of Studio City.

A warm, outgoing person, Wynn devotes herself to helping other merchants in her community. Her success in the field of interior decoration is a model for others to follow. The mother of two married children, Wynn Melton Lacey is an embodiment of the renaissance woman, successful in all her endeavors. I am happy to join the Studio City Chamber of Commerce in doing her honor.●

INTERNATIONAL COMPETITION

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BOB WILSON. Mr. Speaker, I believe the major cause of our balance of payments deficit and trade imbalance to be the climate of international competition that is tilted unfairly away from the United States. Whereas our import tariffs tend to be low and imports can be marketed relatively inexpensively in our country, not so abroad. Foreign countries have tacked large import tariffs onto the goods we export thus causing our products to be sold abroad at prices much higher than those against which they are competing.

As an example, the following article cites our trade with Japan and mentions that Japanese saki is taxed at 25 cents a gallon when it enters the United States, but that our domestic wines are hit with a $5 charge per gallon when entering Japan. That is just plain wrong, especially when viewed in the light of Japan's numerous protestations that they are bending over backwards to ease the huge trade imbalance between the two countries.

With regard to trade in general and Japan in particular, I commend the following from the San Diego Wine Spectator to the attention of my colleagues in the hope that if enough wood is piled on the fire, someone will notice the heat.

The article follows:

WINE IMPORTS CREATE BILLION $ TRADE DEFICIT; BARRIERS A CAUSE

MENLO PARK, CALIF.—The international marketing firm of Boles & Company, Inc., has reported that the U.S. has sustained more than a billion dollar trade deficit in wine over the last two and a half year period.

According to president John M. Boles, imports of foreign wine in 1976 amounted to $310 million and exports $5.6 million. In 1977, the figures were $387 million and $8.2 million respectively. Through August of 1978, wine imports amounted to $356 million compared to exports of $5.9 million.

In the same two-and-a-half-year period, the U.S. exported less than one-half of 1 percent of imports, and in calendar year 1978, the wine imbalance will approximate 2 percent of the overall national trade deficit.

Boles & Company, Inc. indicates that numerous factors can be attributed to the lack of success in exporting U.S. wine, the most critical being non-reciprocal trade and tariff policies on behalf of our major trading partners. As an example, the company points out that foreign wines brought into the United States are subjected to import taxes of about 37 cents per gallon, while U.S. exports are taxed, by importing countries, anywhere from twice that figure to several dollars per gallon.

From another perspective, Japanese Sake, imported into the United States, is taxed at 25 cents per gallon compared to a tax of $5 per gallon on U.S. wine entering Japan.

In calendar year 1977, the four best customers for U.S. wines were Canada at $2.4 million followed by the Netherland Antilles and Nigeria, each at $700,000 and The Bahamas at $600,000. On a combined basis, total sales of U.S. wines to Japan, Western Europe and all of our other trading partners were less than exports to the Netherland Antilles.

"The lack of success in exporting wine has very little to do with the quality and prices offered by U.S. producers," says Boles. "Foreign import restrictions and multiple layers of taxation make it almost impossible to compete in foreign markets. It is both clear and indisputable that the U.S. market is substantially more open to foreign producers than their markets are to us.

"One of the most frustrating situations, for instance, is that of Japan," Boles continues, "taking into account our trade imbalance with them coupled with their much publicized intentions to import more U.S. goods. Although the wine example is interesting, it is by no means unique.

"U.S. manufacturers, from sophisticated technology products to relatively simple consumer items, continue to be frustrated in their export development activities. Certainly not all of the blame can be placed on foreign restrictive trade policies. We, at both the private and public sector levels, must learn to be most effective in a truly competitive world market place."

Boles & Company, Inc., an international trading company headquartered here with offices and subsidiaries in Europe, Australia, Latin America and Japan, markets a wide variety of products ranging from computer and defense systems to consumer products.●

IRANIAN INJUSTICE

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. HARRIS. Mr. Speaker, I want to mention that yesterday, I cosponsored House Concurrent Resolution 121—a resolution urging the new government of Iran to utilize recognized standards of law in its treatment of those accused of crimes, and to honor its pledge to safeguard the life and property of all minorities in Iran.

Furthermore, I have written Secretary-General Kurt Waldheim about my shock and outrage over the execution of a 69-year-old industrialist, for his "contacts with Israel and Zionism."

On this same important matter, I have received a statement from one of my constituents who feels very strongly about this matter. Mr. Jules Bernfeld, chairman of the Institute To Reduce Human Violence Through Religious Studies, has made the following remarks:

The killings and violence instituted in Iran are a disservice to the cause of non-violence as pursued by most religious leaders. The violence in Iran, conducted by a religious leader and supported by spectators publicly voicing approval of the violence in the name of God is a spiritual tragedy. Retribution of this kind, ordered by, approved, and condoned by a man of religion within the structure of government is a negative reflection of the world religious community.

The social responsibility of the religious community is to promote reform and social justice and encourage greater respect for humans through enlightened leadership and effective use of spiritual instrumentality.

It is now upon the shoulders of all religious leaders throughout the world to speak out aggressively against the acts of violence being perpetrated in Iran in the name of religion. Not to do so will be to condone the killings and violence.●

EQUAL ACCESS FOR HANDICAPPED CITIZENS

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. NOLAN. Mr. Speaker, today I am introducing two pieces of legislation which will facilitate the removal of architectural barriers presently preventing handicapped Americans from full participation in society.

The first bill will extend the expiration date of the tax provision which allows private businesses a tax deduction of up to $25,000 a year for expenses incurred in removing architectural and transportation barriers. Under present law, the tax deduction will expire on December 31, 1979, and my bill will extend that date to December 31, 1980.

I strongly believe this tax incentive should be extended. Despite efforts to remove architectural and transportation barriers, such barriers remain widespread in business and industry. National handicapped organizations, including Paralyzed Veterans of America and the National Center for Barrier Free Environment have informed me that in their experience private businesses remain generally unaware of this tax provision. Therefore, extending the tax deduction will provide the business community with an extra year to learn of the provision and begin modification of their facilities and vehicles.

In order to successfully publicize the tax deduction and increase public awareness about architectural barriers, my second proposal would authorize the President to proclaim the third week of May 1980 as "National Architectural Barrier Awareness Week."

This Nation has utilized the third week of May the past 2 years to observe Barrier Awareness Week. Awareness Week brings together handicapped groups, public officials, and concerned private citizens to participate in activities designed to increase public sensitivity and knowledge about architectural barriers. Although the past two Awareness Weeks have helped break down "barriers," much more publicity needs to be generated to educate citizens on barrier problems and solutions.

In essence, a continuing national effort to remove architectural barriers is necessary if the millions of handicapped citizens in this Nation are to enjoy the opportunity for development and achievement available for all Americans.

Please help me continue this national effort by cosponsoring these two pieces of legislation. To cosponsor, please contact Peter Helfer at 52331.

THE PEACETIME DRAFT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. PAUL. Mr. Speaker, I would like to call the attention of my colleagues in the Congress to an editorial that appeared in the Colorado Springs Gazette Telegraph on May 1. Some may object to the use of the term kidnaping in the editorial, but it is accurate, though shocking. The current efforts to revive a peacetime draft through the reinstitution of registration must be stopped. The enormous theft and looting that the Federal Government perpetrates is petty compared to the prospects for the kidnaping of our sons and daughters that a draft would offer. I oppose the draft and registration for the same reasons that I oppose the Government taking of private property: It is theft.

The article follows:

GREETINGS!

If we don't watch out, the federal government is going to start kidnapping our sons again. And maybe even our daughters.

Although barely more than a rising whisper at this point, there nonetheless is a burgeoning movement in Congress aimed at reinstituting the selective service system.

And as the movement gains steam you should be prepared for an elaborate scare tactic show to be put on by "your" representatives.

They know you'd have to be scared to tolerate the draft and all its heinous implications, because no one in a calm, rational state of mind would willingly agree to such wickedness.

As a matter of fact they're already playing the horror show's overture. Gen. Bernard W. Rogers, the Army's chief of staff, in March called for the draft's immediate return, with 75,000 to 100,000 young men to be seized for military training and six years of "standby" reserve duty.

Rogers' rationale is that voluntary service has been a flop, with enlistments running appreciably below what the military believes to be necessary levels.

The general says he wants a ready manpower pool chiefly to replace battlefield casualties.

Battlefield casualties. There's a phrase with a nice ring to it.

It would be most pleasing to say here that we're convinced the American public never will go along. But that doesn't appear to be the case; a recent national survey showed 49 percent of the populace in favor of renewing conscription.

These survey results are worrisome and depressing but not by any means shocking. Americans by and large, propagandized right from the cradle, long ago lost their sense of freedom, their appreciation of freedom and most of all their energy to promulgate freedom.

Now the government will define "freedom" for you in its own special way, telling you in the most gaudy of red, white and blue neon terms that in order to be free, you've got to give your sons to the government. It's the patriotic thing to do.

What they're really saying, folks, is that they're a little low on cannon fodder these days and won't be able to put on a war someplace without help.

If the agonized years of the Vietnam conflict taught us nothing else, we should at least have been left with the lesson that attempts to solve human problems on the battlefield are in the long run useless.

Even in short-run crises in which military action maybe sensible for the common defense, a resort to the draft is conceptually wrong. In weapons technology we have reached the science fiction age: lasers, electronic force fields, neutron bombs, and so on. It is unbelievably reactionary—and morally outrageous—to think of throwing human fodder at an enemy because the development of such weapons, out of a misguided Chamberlainian politics, was frustrated.

We wonder specifically what the families of the 50,000 American soldiers who died in Vietnam think of the bring-back-the-draft plea. Are you sickened at the thought? Or did you somehow feel a bit more free after receiving that impersonal telegraph and decorating your son's "official" technicolor military photograph with black cloth?

Would you like to see it all happen again? Then just be patient. And, most important, be silent.

The warlords just love silent types.●

CYPRUS

HON. JAMES A. COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. COURTER. Mr. Speaker, due to the persistent efforts of United Nations Secretary General Kurt Waldheim, a basis for resumption of the negotiations on Cyprus has been established. We owe him a debt of gratitude.

Although we have no concrete results at this time, Saturday's communique gives us room for cautious optimism. The intercommunal talks, which will resume next month, must address a complicated array of issues: How to end the illegal Turkish occupation of the island, how to resettle the thousands of Turkish refugees displaced by the Turkish invasion, and how to formulate a constitution for a united and independent Cypriot state. Through the Secretary General's efforts, a framework for negotiations to resolve these and other problems has been established.

Since the communique was issued, the difficulty of the upcoming negotiations has been made clearer than ever by Mr. Denktash's statement that the two sides are still "180 degrees apart." While I was encouraged by the communique's statement that the resettlement of Varosha would be a top priority of the negotiations, not contingent on overall settlement, I am disappointed that no timetable is attached to this goal. I am also disappointed to see that the territory Mr. Denktash offers is capable of holding only a fraction of the 35,000 Greek Cypriots displaced from that city. I hope that Secretary General Waldheim will press for a truly expeditious settlement of this particular issue as a demonstration of good faith on the part of the Turkish Cypriots, and that he will press for a settlement along the lines of the U.S. proposal of last November, with unlimited resettlement in an adequate amount of territory.

Clearly, the Secretary General has his work cut out for him. Let us hope that his skill and patience will bear fruit in his effort to bring the Greek and Turkish Cypriots to a just and enduring settlement.●

VIETNAM VETERANS WEEK

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. ROBERTS. Mr. Speaker, the Congress and the President have set aside the week of May 28 to June 3 as a time to honor those who served their country during the Vietnam era. In doing so, I think we are obliged to recognize the contributions made by our great veterans service organizations in caring for the needs of the Vietnam veteran and protecting the rights of all veterans and their families on a daily basis.

To sum up the meaning of Vietnam Veterans Week, I would like to bring to the attention of my colleagues an article by Mr. John M. Carey, the National Commander of The American Legion. The Legion counts 650,000 Vietnam era veterans among its membership. Commander Carey has shown great concern for the Vietnam veteran, and is a true supporter of veterans of all wars.

VIETNAM VETERANS WEEK

(By John M. Carey)

America has always honored tradition by welcoming her war heroes home with open arms. Although few veterans expect a ticker tape parade, none could have anticipated the mood of public resentment and nagging dishonor that greeted the veteran of Vietnam. Much attention has been devoted to the politics of that conflict. Now is an appropriate time to take notice of the servicemen and women we engaged during that period of our history, and to recognize where they fit into our society today.

There is no inherent glory in going off to war. Only uncertainty. Separations are not made sweeter by the call to arms, no matter how noble the cause. Looking back to the late 60's and early 70's we may have been firm in our commitment, but somehow time acts as a tempering agent as philosophies change. Not so for the soldier. Once committed, his options are limited. He is still wearing his country's uniform in the foxhole or rice paddy, regardless of the war's label. Why, then, should society turn its back on this particular veteran? True, there were no Iwo Jimas or Guadalcanals in this war to stir the nation to dogged, determined fervor. Yet Vietnam produced more Marine Corps combat casualties than World War II. Although two-thirds of those who served in World War II were drafted, this figure is reversed for the Vietnam era, where fully two-thirds volunteered. Hardly the image of shiftless irresponsibility some have attached to the Vietnam veteran.

We have witnessed a classic stereotype arbitrarily attached to the veteran of Vietnam. He is the drug user, alcoholic, psychological misfit. He is unemployed and unemployable. He has been depicted in print and on film as the unreliable remnant of an unpopular war. Only recently have the creative arts begun to treat the Americans for Vietnam less as a national threat and more as a reserve to be valued. Is this a sign of shifting public opinion?

Congress has responded by legislating a week of recognition for the Vietnam veteran. In his proclamation authorizing this period as May 28 to June 3, President Carter acknowledged, "Instead of glory, they were too often met with our embarrassment or ignored when they returned." This may be true, but it might be most helpful to the Vietnam veteran if we recognize how much further he can go with a supportive, as opposed to disdainful, nation.●

ANDERSON SUPPORTS 7 PERCENT INCREASE FOR FEDERAL EMPLOYEES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. ANDERSON of California. Mr. Speaker, I sincerely regret the fact that Members of the House did not have the opportunity to record their vote, and their position, on the 5.5-percent comparability increase for Federal employees that has now been set in the preliminary budget for fiscal year 1980.

Frankly, we are dealing with a contradiction of terms when we speak of comparability and 5.5-percent raises in the same breath. This is because a 5.5-percent increase only guarantees a continued state of inequity between the salaries of Federal employees and those holding similar positions in the private sector.

In October 1978, Federal employees received increases of 5.5 percent despite a much higher inflation rate. So their real earning power actually decreased, dropping them behind their friends who do not work for the Government. Instead of compensating for that decrease this year, this budget would actually perpetuate it.

The President has asked all U.S. workers and companies to follow guidelines holding wage and price increases to 7 percent. Many are following these guidelines, some are not. I do not understand why Federal workers, our Nation's civil servants, are required to take less of an increase than most everyone else who contributes to the American economy.

Mr. Speaker, I would have voted for the Barnes amendment to the first concurrent resolution on the budget were I given the opoprtunity to do so. I hope that we will yet have the chance to stand by the country's employees, and see that they get raises this October generally comparable to those of their private sector counterparts. They are certainly entitled to this in the interest of fairness.●

FREE COMMENT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. DERWINSKI. Mr. Speaker, on a number of occasions I have spoken in favor of realism in our assessments of the People's Republic of China (PRC) and against the rosy views of so many Western visitors, often taken in by the Chinese guided tours.

Several years ago, Prof. Edward N. Luttwak wrote in Commentary magazine that, "resident Peking correspondents do not file stories offensive to the Chinese because they are all specialized China experts whose jobs depend on their visas." That insight explains some of the less-than-objective stories coming out of the PRC. But whatever the reasons, for our inadequate understanding of Communist China, faulty appraisals have caused us trouble in the past and probably will again.

The following article, published by Freedom House, reprinted from Freedom at Issue, May–June 1979 issue, mentions another aspect of the problem. It points out that the scholarly work of Miriam and Ivan London in interviewing escapees from the PRC over the past 15 years has been largely ignored by the "China watchers." Luttwak's explanation would not apply in this case thus raising the question why the data from the Londons have been ignored by our major media outlets.

The article follows:

MR. TENG AND SHIRLEY MACLAINE

What must Teng Hsiao-p'ing think of us? We do not mean his rodeo rides and ten-gallon hats. These are rites indulged by many politicians. We refer to the affront provided by actress Shirley MacLaine serving as interlocutor at the formal presidential entertainment at the Kennedy Center in Washington. With Ms. MacLaine beaming, moreover, American children serenaded Teng with—for him—a particularly obnoxious Maoist reference. The lyric:

I love Peking's Tien An Men
Before Tien An Men the sun is rising
The great leader Chairman Mao
Is leading us forward.

Tien An Men Square was the scene of riots in April 1974 dubbed "counterrevolutionary." Chairman Mao blamed Teng for the demonstrations. Teng was dismissed from the vice-premiership and disgraced for a second time. Only after Mao died in 1976 was Teng again rehabilitated. Obviously, the paean to Tien An Men Square and its association with Chairman Mao could recall little pleasure for Teng in 1979.

With the president at his side, and a national television audience watching, Mr. Teng may be excused a certain incredulity. Here was an actress (a far lower estate in China) playing at international politics even while disclaiming that intention. She had, after all, returned from China in 1973 singing the praises of the now discredited regime. Mr. Teng—the honored guest of 1979—languished in disgrace from 1966 to 1973, a victim of the very regime Ms. MacLaine had fulsomely praised. And the Chinese people Ms. MacLaine had so admired for their free spirit and cooperativeness were, at that time, suffering acutely from the repressions and counterrepressions of Maoist rule. These same people, too, had suffered intermittently from hunger, were plagued by growing crime and civil unrest, and were not at all the way Ms. MacLaine's tour of the Potemkin villages had led her to report.

Ms. MacLaine's China myths were best forgotten, not paraded on national television, and certainly not before the guest who was placed in disgrace by the regime and the system of oppression Ms. MacLaine hailed and publicized.

Devotees of Mao such as Ms. MacLaine are obviously upset because so many Chinese—it now becomes clearer—do not see China as she says she did.

While noting a false prophet, it is far more satisfying to recognize the true. Two of the latter are not members of the small but vocal ring of "old China hands." They are Miriam London and Ivan D. London. They have been writing for fifteen years that dissent, hunger, and general dissatisfaction were growing in the People's Republic (see *Freedom at Issue*: November-December 1975, March-April 1977, September-October 1978, November-December 1978). They based their reports on extensive interviewing of escapees from all regions of China.

The China experts discounted "refugee reports." The Londons responded with voluminous data not available to those few "travelers" permitted to visit the PRC.

The Londons were as right as Shirley MacLaine was wrong.●

THE SAD STATE OF THE PASSENGER TRAIN

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. PURSELL. Mr. Speaker, while our friends in such countries as Japan, France, and Great Britain brag about their modern passenger train service, we in the United States are faced with a proposed 43-percent cutback in the route structure of our National Railroad Passenger Service (Amtrak).

Although the most recent round of gasoline shortages, as well as an airline strike, has driven up Amtrak bookings considerably, it appears that Congress will go along with most of the proposed reductions. The weekly "Essay" in the current issue of Time magazine comments on this situation, and I would like to share it with my colleagues:

THE SAD STATE OF THE PASSENGER TRAIN

Certain public services are so obviously desirable that they are beyond debate in modern urban societies. The thought of doing without schools, parks, hospitals, street lighting and such could scarcely enter a civilized mind. The ever wandering human species recognized roads as obvious necessities soon after man began meandering across the earth. Later, mechanical wonders that aided travel were put in the same category. Today every ranking industrial nation nurtures the use of cars, buses and airplanes. Along with these, railroads are treated as indispensable in every well-developed country—except one.

The amazing exception happens to be the U.S., a nation that pioneered in railroading with more vigor and daring than any other in the 19th century. It also did so on a grander scale, binding an immense continent with tracks and producing trains of such magnificence that they moved Nathaniel

Hawthorne to exclaim: "They spiritualize travel!" Most Americans once agreed, and even today travelers lucky enough to wind up on a good train find this way of traveling superior in every way to the fumes and peeves of the throughways and the sardine-can intimacy of the time-rupturing jet planes. Yet, in spite of the heroic past, the U.S. has let its passenger rail travel system fizzle and sputter down into a national embarrassment.

Today service is scant, schedules are unreliable and amenities are often sparse. The equipment includes, in the forthright phrase of Amtrak President Alan Boyd, "a lot of junk." The situation might be called ridiculous if only in light of the universal recognition of the passenger train as the most expedient mode of moving large numbers of people from city to city. In an energy-short era, the railroad, fully exploited, offers the most fuel-efficient means of public transport.

The plight of U.S. passenger travel is downright humiliating when it is compared with the superb services of, say, Japan, France and Britain. British trains run so close to the mark that passengers carp about a five-minute overdue arrival. Japan's celebrated bullet trains, at up to 130 m.p.h., make the U.S. counterparts seem like earthworms. Naturally such service does not come free. Britain subsidizes its trains at a yearly rate of $728 million, Japan (with less than half the U.S. track mileage) at $4.1 billion and France at $930 million.

When Amtrak was created eight years ago there was hope for improved U.S. passenger trains, and there was even some progress. But now, with the country still needing to do a great deal better, it stands at the verge of deliberately doing worse. Reason: a Department of Transportation plan that would amputate 12,000 miles from Amtrak's 27,500-mile system. It would also wipe out some popular trains, including the Washington-New Orleans *Crescent* and New York-Canada *Montrealer*. This would be accompanied by slashes in Amtrak funds, forcing the company into offering truncated services at higher fares.

Though the plan would likely reverse the recent trend of growing ridership, Transportation Secretary Brock Adams insists that it is constructive. Still, he has pushed it in Congress mainly as a handy device for saving perhaps $300 million a year. Congress, which must reject or acquiesce in the scheme by May 22, has so far seemed woefully ready to let it go into effect without substantial changes.

Rail travel advocates fear that, on top of the sudden loss of almost half of Amtrak's system, the plan might mark the beginning of the end for all significant intercity rail services in the U.S. Even if it may be too late to stop the DOT plan, it is not too late to examine how the U.S. came to such a shabby pass.

The amputation plan embodies a whole bundle of questionable notions that have long clouded the prevalent American view of passenger rail service. A conspicuous one among them was evident in the chartering of Amtrak, which was directed to function as a profit-making organization. The cold fact is that no national passenger system, in the final accounting, ever pays its own way. Amtrak's succession of deficits ($600 million this year) was inevitable, and the DOT reaction rested on yet another flawed notion: the remedy for an insufficient passenger system is to cut it back and make it even less sufficient. These and other peculiar notions—including the specious belief that Americans do not really like to ride railroads—add up to a sort of official mythology of passenger travel in the U.S.

The odd thinking that has long held sway in national rail travel policy springs out of a stubborn resistance to rail travel as a public service justified not by profits but by its contribution to social convenience and well-being. After all, municipalities everywhere subsidize local mass transit and recognize the obvious need to do so. Washington still thinks of automobile transportation as strictly private, even though the Federal Government alone has invested some $48.6 billion in roads since 1971. Airlines are similarly considered private, even though they would be as financially strapped as Amtrak if they were billed for only the nearly $2 billion the public pays each year for the air traffic control systems. Every attentive citizen, finally, becomes aware of the inextricable public-private money mix that sustains all transport. But the strangest thing—and perhaps the most revealing—is that nobody gets worked up about it except when the issue of railroads comes up.

This peculiar official sentiment is linked, underneath, to a mental picture of the railroad industry that lingers from the past. The trains that used to inspire novelists and songwriters were contrivances of freebooting laissez-faire capitalism, and they became symbolic monuments to a time that believed that any enterprise that could not make a profit deserved to die. In fact, though, an extensive passenger-train network tenuously survived into the 1940s, when, suddenly needed for war duty, it worked profitably at capacity. Then, in the postwar period, when the nation lavished attention and money on the development of air and highway transport, rail travel sank into the red. One reason was that the mail subsidies that used to help pay the basic cost of a passenger train were increasingly handed to truckers and airlines. Passenger trains fell into the trend of continual service cutting that both reduced chances for a comeback and encouraged Americans to turn more and more to cars.

Despite this unfortunate history, the nation that has so superbly cultivated highway and air travel could plainly do just as well by rail travel if it chose. The energy crunch alone, which is already creating a surge of new riders on Amtrak's long-run trains, is good cause for so choosing. But there are many other reasons for doing so, not least that train travel at its best, in addition to being highly efficient, is perhaps the most attractive form of travel for millions. Before any obviously desirable passenger system can be built, however, the country will have to realize that it is not the passenger train, but only its thinking about it, that is obsolete.●

SUPPORT FOR AMTRAK AUTHORIZATION BILL

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MITCHELL of Maryland. Mr. Speaker, I would like to take this opportunity to offer my support for H.R. 3996, the Amtrak authorization bill as reported by the House Transportation Subcommittee and the Full Interstate and Foreign Commerce Committee. I congratulate both Representatives James Florio of New Jersey, chairman of the subcommittee and Maryland's Representative Barbara A. Mikulski, a member of the subcommittee, for saving commuter trains and putting a moratorium on the collection of full fares from those who now ride regular Amtrak trains with commuter tickets.

I believe the administration's restructuring plan for Amtrak would have eliminated many services provided to commuters especially those who travel between Baltimore and Washington. These commuters would have faced severe hardship in trying to reach their jobs by car in view of the current energy crisis.

In behalf of my constituents, I will be pleased to support the efforts of my colleagues, Representatives Florio and Mikulski, when this legislation reaches the floor of the House for a vote.●

MORE FALLOUT FROM THREE MILE ISLAND

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BROWN of California. Mr. Speaker, as the impact of the supposedly improbable accident at Three Mile Island nuclear powerplant sinks in, it becomes more clear that this profound event is having many significant side effects.

One such effect has been the belated recognition by the other countries of the world that President Carter's nonproliferation policy is both prudent and achievable. The reaction of electorates and governments throughout the world has been to halt, or at least slow the pell-mell rush toward a maximum nuclear power strategy. Whether one agrees or disagrees with this reaction, it is a fact that not only has the demand for nuclear power dropped, but its very survival as a major energy source is in doubt.

The Nations of the world can use this forced hiatus for nuclear power to look anew at nuclear power safety, nuclear fuel cycle safeguards, nonproliferation goals, and the back end of the nuclear fuel cycle. Halting the premature commitment to proposals like the Clinch River Breeder Reactor is one way this Congress can show its prudence. Expanding our nuclear safety and safeguards research and development is another way we can use our resources wisely.

Mr. Speaker, at this time I wish to insert in the Record an editorial from the Los Angeles Times which underscores the points I made above.

The article follows:

[From the Los Angeles Times, May 22, 1979]

THE SHOCK WAVES SPREAD

When the frightening accident occurred at the Three Mile Island nuclear-power plant near Harrisburg, Pa., in late March, the governments of other countries with large investments in nuclear energy sent scientific teams to investigate the causes of the incident. But they all hastened to assure their own peoples that "it couldn't happen here."

By now it is apparent, however, that shock waves from the Three Mile Island accident have spread around the world, and that the future of nuclear power is in doubt everywhere.

The West German state of Lower Saxony last week vetoed plans by Chancellor Helmut Schmidt's federal government to build a $6.5 billion nuclear-fuel-reprocessing and waste-disposal complex near the town of Gorleben.

On Sunday voters in Switzerland approved a new law requiring the approval of both houses of parliament before nuclear-power plants can be built. Even in France, where nuclear-power development actually was accelerated after the accident at Three Mile Island, the government is under growing pressure to reexamine—and to justify—its energy priorities.

Lower Saxony's disapproval of the Gorleben project constitutes a serious blow to Schmidt, whose government is heavily committed to nuclear energy. Actually, Lower Saxony has not closed the door to the waste-disposal portion of the project. But the antinuclear movement can now be expected to zero in on proposals to bury highly radioactive wastes in underground salt domes in the area.

It is clear that what an official of the International Energy Agency recently called an "accumulation of uncertainties" hampering nuclear-power development has grown—and that worldwide concern over the Three Mile Island accident is a big factor.

The American and other governments say that there is no way to avoid substantial dependence on nuclear power in the years ahead unless people are willing to accept drastic limits on living standards, and the facts seem to bear them out. The American Petroleum Institute estimates, for example, that cold-turkey abandonment of nuclear power in the United States alone would require close to 2 billion extra barrels of oil yearly by 1988.

However, the Three Mile Island accident has raised a real question as to whether government regulators will be able to insure the safe operation of nuclear-power plants. If the answer turns out to be no, the implications—in terms of the development of alternative energy sources—should be faced sooner rather than later, not just in this country but all over the world.●

AMERICAN MOTORS CONSERVATION AWARD PROGRAM

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. DINGELL. Mr. Speaker, I wish to bring to the attention of this House and the American people a program that concerns the conservation of our natural resources.

American Motors Corp. will observe the 25th anniversary of its conservation award program on June 13, 1979, here in Washington. The awards have been presented annually since 1954 to recognize both professional and citizen conservationists who have worked diligently to impress upon all of us the importance of the conservation of our renewable natural resources. In these 25 years, 480 individuals and 56 local, national, and international groups have been recognized.

The selection of the award winners is made by an awards committee made up of recognized conservation authorities.

I wish to commend the corporation for its continued concern with our Nation's natural resources and certainly endorse the stated purpose of the American Motors Corp. conservation awards:

> Conservation of natural resources remains today a critical need. Yet, we have gained much in knowledge and in recognition of the problem. For this, we unquestionably owe a debt of gratitude to the outstanding individuals and organizations (that have been recognized by the awards) as well as others like them who are leading the way in the battle for a better, cleaner, more livable environment."●

GUAM LEGISLATURE OPPOSES TAX CHANGES

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. WON PAT. Mr. Speaker, the Guam Legislature has forwarded to my office resolution 164 which expresses their collective concern over language contained in section 301 of H.R. 3756, the omnibus territories bill of 1979.

I share the concern expressed by the legislature which fears that section 301 could permit an unwarranted Federal intrusion into the internal affairs of the Government of Guam. The bill calls for the Federal Government to assume the administration and collection of income taxes in Guam, the Virgin Islands, and the Northern Marianas. Presently, Guam and the Virgin Islands collect these taxes.

On May 7, 1979, during House debate on H.R. 3756, I expressed my concern over this matter and to his credit, my good friend, Congressman PHILLIP BURTON, who authored section 301, recognized my opposition.

I am pleased that the Guam Legislature has taken this opportunity via resolution 164 to make its views known on this very crucial matter. Because of the importance this has to Guam, I insert the text of resolution 164 in the RECORD at this time:

RESOLUTION 164

(Relative to requesting the United States Senate to amend certain provisions of H.R. 3756, the Omnibus Territories Bill of 1979.)

Be it resolved by the Legislature of the Territory of Guam:

Whereas, Representatives Phillip Burton and Antonio B. Won Pat have proposed the inclusion in the Omnibus Territories Bill of 1979 of a provision which would require the Internal Revenue Service of the United States government to be responsible for tax collection within the territory; and

Whereas, since 1950, tax collection has been entirely the province of the Territorial government; and

Whereas, to now allow a Federal incursion into the power of the people of the territory of Guam to rule themselves would be a gigantic step backwards; and

Whereas, Guam already suffers tremendously from inflexible federal regulation of interests vital to it, e.g. the federal Department of Labor and federal Bureau of Immigration and Naturalization Service's heartless handling of immigration matters pertinent to the territory; and

Whereas, the people of the territory desire more rather than less home rule; now, therefore, be it

Resolved, that the people of the territory of Guam, through their elected representatives, respectfully request the U.S. Senate to amend H.R. 3756 as follows:

On page 7 of said bill, delete lines 21 through 25.

On line 1, page 8, change the number "(2)" to "(b) (1)."

On line 4, page 8, delete the following words: "(other than customs."

Delete all of line 5.

On line 6, delete the words: "graph (1) applies)"

On line 14, change the word "paragraphs" to "paragraph" and delete the word "and"

Delete line 15.

Renumber the subsections as appropriate.

Section 301. (b) will thus read:

"The Secretary of the Treasury shall, upon the request of the Governor of Guam, administer and enforce the collection of any tax the proceeds of which are covered into the treasury of Guam under this section, and any tax imposed by local law, without cost to the government of Guam. The administration and enforcement of any such tax shall continue until such time as the Governor of Guam, acting pursuant to legislation enacted by the legislature of Guam, requests the Secretary to discontinue the administration and enforcement of such tax."

Resolved, that rather than consider such regressive measures as contained in certain provisions of H.R. 3756, it is respectfully requested that the Congress turn its attention to provisions which would be salutary for Guam such as those listed hereinafter:

1. Exempt Guam from the provisions of the Jones Act.
2. Appropriate $25,000,000 for the relocation of the ammunition wharf at Apra Harbor.
3. Release federal properties at Cabras Island so that the area can be economically developed.
4. Prohibit the recruitment of alien workers to replace local workers at the Navy Public Works Center.
5. Designate central avenue at NAS Agana road as a public thoroughfare.
6. Require the Department of Defense to patronize local building contractors—at least as subcontractors on multi-million-dollar projects.
7. Release federally-held properties which are not now being utilized—and have not been for at least the past 20 years.
8. Liberalize provisions of Headnote (3A) so that goods manufactured in Guam may be exported to the continental United States without so much red tape. If the National Government can be liberal to foreign countries—some of them not so friendly—then the least it can do is to be fair to an American territory.
9. Permit the people of Guam to vote in presidential elections and have voting power in the Congress; and be it further

Resolved, that the Speaker certify to and the Legislative Secretary attest to the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States, Secretary of the United States Department of the Treasury, all members of the United States Congress and to the Governor of Guam.●

PITTSBURGH'S KENNYWOOD PARK OPENS FOR 82D SEASON

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, Pittsburgh area residents for more than four generations have thrilled to the sights, sounds, and excitement of Kennywood Park, one of the Nation's oldest amusement parks.

With four of the Nation's finest roller coasters and dozens of other rides and attractions, Kennywood Park has hosted millions of visitors and picnickers.

While constantly improving its rides

and other facilities, the owners of Kennywood have never altered the wonderful character of this area landmark.

The Pittsburgh Post-Gazette of May 11, carried a feature on Kennywood as the park begins its 82d year.

I would like to include that article in the Record at this time:

Kennywood Coasts Into 82nd Season

(By Peter Leo)

Back in the days when Sunday was truly a day of rest and railway lines ran at a profit Kennywood Park was born.

The year was 1898 and Kennywood was one of a half dozen "trolley parks," small amusement parks with picnic groves used by the fiercely competitive trolley companies to attract customers.

Getting there was half the fun on the open-air trolley that wound its way from Oakland through suburban Squirrel Hill out past the somber steel mills along the Mon to a wooded bluff high above the river.

The other trolley parks are long gone, but Kennywood survives and thrives, clean and leafy, a tradition-bound park of human scale in an age of conglomerate-run extravaganzas.

Today, after three warmup weekends, Kennywood opens its 82nd season in earnest on a daily basis. By Labor Day more than one million people will have passed through the gates of Kennywood, devoured 350,000 hot dogs, 500,000 pizzas and 700,000 puffs of cotton candy and had an immeasurable amount of fun.

They will find new rides and new features. They may lament the passing of an old standby like the Rocket. But as Kennywood changes it tries not to lose touch with its roots as a picnic grove and family gathering spot of another time.

So next to the spanking new Monongahela Monster (the Rocket's replacement over the Kennywood lagoon) you'll still find the stately carousel with its old world charm, a designated historic landmark with wooden horses four abreast. It was carefully restored four years ago to its 1927 grandeur by art students from Carnegie-Mellon University under the supervision of a European master.

And, of course, Kennywood's acclaimed roller coasters (rolly-coasters to youns locals), a recent and breathless discovery by the big new parks around the country, have long been a tradition.

Kennywood has been a part of growing up for generations of Pittsburgers—Harry Henninger among them. He started at age 16 as a lockerroom boy in the now-gone swimming pool.

Now 32, Henninger, following a family tradition, is manager, a soft-spoken man with a quiet sense of humor and an unabashed affection for Kennywood.

It's like administrating a miniature city, but Henninger sometimes gets no respect. "I still have a tough time getting a credit card," he grins. "They find out where I work and say, 'Don't you have a fulltime job?' "

The same with friends and neighbors. Why, they wonder aloud, doesn't he head for some warmer clime the day after Labor Day and surface a couple of days before the spring opening?

Let it be known that Harry Henninger has a fulltime job. The four months of summer fun at Kennywood are the product of eight months of labor by a year-round crew of 55 people.

They keep thousands of trees trim and healthy, plant 4,000 tulips, fertilize the flower beds, put up a new building or tear one down ("There doesn't seem to be a year we don't tear down some building", sighs Ray Waugaman, who supervises the outdoor work), haul, store and paint some 1,300 picnic benches and no-one-knows how many park benches, keep the lagoon free of algae . . . and worry a lot.

"You work in the mud all winter", says Henninger. "It looks terrible three weeks before opening. You pound your head and say, 'Lord, we'll never make it.' "

But they always manage to.

The big push starts March 1. "The place literally looks like a bomb disposal area with the midway all torn up and the rides all torn apart."

This is not due to the elements of marauding vandals. Kennywood, which prides itself on its safety record, tears every steel ride down to its nuts and bolts. Every steel member is sand-blasted, says Henninger. The welds and steel are tested for strength.

The park has its own utilities, own water and electric substation, a restaurant that seats 400, a cafeteria for 300, banquet facilities for 700 and a cafeteria for the 850 peak time employees. It serves 2,000 meals a day. Harry's cousin, Bill Henninger, supervises the food end.

There's a construction warehouse, where amusement ride cars are built and repaired. The biggest project over the winter was the demolition of the decaying Rocket, the old familiar landmark in the heart of the park.

In its place atop a new platform is the green and yellow Monongahela Monster, somewhat indigenous though Oregon-made ($250,000). Under the platform is an entertainment area for live music or just sitting around, meant for the parents who have passed their time at Kennywood and are contemplating the happy prospect of returning home as soon as possible.

Sportland, home to seven different carnival games, was rebuilt. Also new is a movie theater which gives a wrap-around cinerama effect with a screen in the shape of an 180-degree sphere. In the theater, the faint of heart can take a vicarious ride on Kennywood's renowned Thunderbolt, considered world champ by some roller coast buffs.

The real thing can be deceiving. Its low slung as major league coasters go, rising only 64 feet above the ground, but there's a 95-foot drop at the point where the coaster follows a dip in the terrain. At its terrifying best, the Thunderbolt moves at 62 mph and can make 2 minutes and 50 seconds seem like an eternity.

Harry Henninger was among those who used to feel life without roller coasters is very possible. But when he went to work at Kennywood, he was too embarrassed to say 'No' any longer. Now he considers himself "a connoisseur of fine roller coasters."

A man given to reflection, he finds intriguing the "totally disorienting" quality of the Thunderbolt and the "physical and mental stimulation that can be compared with any other activity."

Mental stimulation? "For some, it's playing with danger, like possibly they won't make the ultimate. I wouldn't exactly call it a death wish . . ."

The Thunderbolt is one of four Kennywood coasters—all unique in their own way. In descending order on the fright scale, they are: the Racer, the only coaster in existence with cars side by side on one track; the Jackrabbit, unique because of its camelback or double dip (one right after another); and the Little Dipper for little kids.

Henninger is amused by the recent discovery of the roller coaster by the big parks. "We get a chuckle out of their marketing—'roller coasters are great.' We've known they were great since 1900."

While the coasters date back to the 20s, not a stick of wood in the structures does. All the wood is replaced every five to 10 years for safety's sake.

Henninger and his staff are looking forward to a smooth—and dry—summer. "A wonderful rain," says Henninger, "is one that starts at midnight and ends at 6 a.m."

There are busy days ahead, but, adds the manager, "the real work is in the winter."●

IS GEORGE WILL THE EDWARD GIBBON OF WRIGLEY FIELD?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MICHEL. Mr. Speaker, as a part of a life-long program devoted to self-discipline and the ability to endure hardship, I long ago became a fan of the Chicago Cubs. As someone recently remarked, the last time the Cubs were in a World Series, in 1945, Germany and Japan were defeated. Thirty-four years later Japan and Germany are in great shape and the Cubs still have not won, which goes to show you who has the better rebuilding effort.

Nationally syndicated columnist, George Will, an otherwise sane and sensible fellow, is also a long-time Cubs fan. Every now and then he tries to explain to those outside our little cult just what it means to be a Cub fan. Will, noted for his graceful style, is never more elegant than when he writes of the Cubs and their continuing and perhaps eternal decline and fall. He is the Edward Gibbon of Wrigley Field.

At this point I wish to insert into the Record, "White Towel of Surrender" by George Will, from the Washington Post, May 17, 1979:

White Towel of Surrender

(By George F. Will)

I have come, suddenly, to a jolting conclusion: Chicago Cubs fans, of whom I am one, are at least symptoms of what ails the West, and may be what ails the West.

This thought broke like thunder in the quiet of my sluggish mind when, on opening day, a Cubs fan cheerfully said that all the team needed to be a winner were "three starting pitchers and an outfielder."

The fan was not being witty, as Oscar Wilde was when he described a particular woman as "a peacock in everything but beauty." Rather, that Cubs fan, like most of them, fits the description of Lord Halifax, Britain's foreign minister at Munich: "He had an infinite capacity for being trodden on without complaint." But Cubs fans can complain, as I learned when, on the eve of the season (on the "Today" show), I said, approximately, this:

When the Mets were dreadful, they were cute. When the Red Sox blew the pennant, they had tragic dignity. But the Cubs are just mediocre, and if they play this season they will just embarrass themselves and their fans. If, however, they flatly refuse to come out of the dugout, they can give the world a shining example of a heroism suited to an age of anti-heroes, lowered expectations, tempered hopes, contracted horizons and expensive beef: heroic resignation. A white towel hoisted over the dugout would be a banner to which realists could repair, a symbol of unconditional surrender to undeniable facts.

This thought touched the flaming, tigerish spirit for which Cubs fans, unlike their team, are noted. Many fans have communicated with me in simple, austere terms—the philosophic gist being that I am the sort of person who would be much improved by being drawn and quartered.

But Cubs fans exemplify the muddiness of mind that made Munich (and Suez, the Department of Energy, and other calamities) possible. They fancy themselves idealists, but theirs is a dotty idealism that confuses ecological and athletic criteria. They idealize the team for playing at home on real grass, illuminated by solar energy. An idealist, as H. L. Mencken said, notes that a rose smells better than a cabbage and concludes that a rose also will make better soup.

But I have received a letter from a Virginia lawyer whose professional address—on Jefferson Davis Highway—suggests that he should be heard on the subject of losers. John Nies says that my strategy for the Cubs—unconditional surrender—is "by Washington standards rather barren.

"As Mr. Califano will tell you, the situation in which the Cubs find themselves is not of their own making. The basic truth of the matter, at least in Washington, is that failture in *any* enterprise is always someone else's fault. This is the corollary, of course, of the proposition that success is a product of avarice and related vices."

Nies has some suggestions:

"First, consider the possibilities of affirmative action. The Cubs' ineptitude is obviously the product of years of neglect. This can be corrected by requiring the Yankees and the Red Sox to accept as starters those Cubs who, because of broken homes or other socioeconomic reasons, have a batting average of less than .100 or who can't throw a ball straight more than five feet. This program, called Ineptitude Transfer (IT), if carefully monitored, should be productive.

"Next, let us think about whether it is really fair to retire a Cub hitter after three called strikes, which is the same standard used to judge the skills of a Ted Williams or a Reggie Jackson. . . ."

It is too much to hope that government will accept the truth taught by competitive sports—and even by uncompetitive sports, such as the Cubs play. The truth is that, as a carpenter once said to William James, "There is very little difference between one man and another, but what little there is, is very important."

A concluding unscientific postscript:

Since my season-opening fit of foul temper, the Cubs have been, if not awesome, at least marginally adequate. This year the June Swoon did not come, as it usually does, in early May, which may, or then again may not, prove something.●

MAY—OLDER AMERICANS MONTH

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. LEACH of Iowa. Mr. Speaker, since this is Older Americans Month, I would like to say a few words about the remarkable contribution of a group of older Americans from the Quad-City area. I refer to the Quad-City Plus-60 Friendship Club.

Born in late 1975, it now has almost 43,000 members, most of whom are past the age of 60, retired or semiretired and living on a limited income. The membership also includes handicapped people of any age.

These wonderful people are out to improve the economic, cultural, and educational status of older Americans and handicapped Americans.

The club is unique to the country. It has obtained the cooperation of over 125 businesses in the Quad-Cities who honor their membership cards and provide discounts to members on goods and services.

The club arranges concerts, variety shows, Christmas shows, bazaars, and dances for attendance by the membership.

The club has taken chartered trips to Norway, Sweden, Hawaii, the Caribbean, San Francisco, Lake Tahoe, Lake Louise and Banff, the Orange Bowl, Texas Padre Island, Washington D.C., Niagara Falls, Chicago, and St. Louis. Some of these trips lasted up to 14 days.

The club has arranged with the Adult Education Department of the Davenport Public School system for special courses and a 50-percent discount from regular tuition on all courses. Blackhawk Community College, St. Ambrose, and other area colleges also offer club members reduced tuition.

Just this May, the club is holding a bowling tournament, putting on a variety show, attending a lilac festival, holding a dance, and a golf tournament.

Two members, Mauritz Anderson and Bertrand Wells, were just here in Washington participating in the senior citizen intern program.

I wish to applaud the Plus-60 Club for its marvelous achievements, and the membership for their positive attitude toward life. Being a little older or having a disability does not mean that anyone has to stay at home and out of the way. I wish also to congratulate Paul Bellman and his employer, the Quad-City Times, for their volunteering efforts in organizing this wonderful group of people and helping them in so many ways.

The Quad-City Plus-60 Club is an inspiration to our community, a model for the Nation.●

AN AMERICAN KEY TO PEACE IN RHODESIA

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BOB WILSON. Mr. Speaker, I would like to call to the attention of my colleagues the following editorial from the New York Times of Saturday, May 19, 1979, on the subject of Rhodesia:

AN AMERICAN KEY TO PEACE IN RHODESIA

To the Editor:

The hesistancy of the Administration's response to the recent elections in Rhodesia does not augur well for the primary task of bringing peace to the country. Your April 26 editorial also misses the point. This is not a classroom exercise in political science. What is involved is the vitality of a country. The situation calls for a complete reassessment of the Administration's Rhodesian policy.

The State Department and The Times dismiss the "internal settlement" and the transitional government as tainted with the illegitimacy of the revolutionary order. Both overlook the illegitimacy of the revolutionary origin of the United States, now cloaked in humanistic mythology.

Governments which owe their authority to revolutionary origins can and do acquire validity, such as the U.S. and Britain. One can advance a cogent argument for the legitimacy of the Rhodesian authorities based on accepted principles of jurisprudence and international law. However, legal argument will not resolve Rhodesia's problems, and resort to glib legalistic language conceals the true nature of the choice facing the Administration.

The question of recognition of Rhodesia is political, not legal. The naiveté of the State Department and its African advisers is frightening. The United States has no credibility in black Africa. Accordingly, there is nothing to be lost in adopting a realistic position to a situation where the futility of making further attempts to effect a compromise is apparent.

The widely disseminated view of the members of the Patriotic Front as benign liberators of the oppressed is misplaced. The motives of its leaders are indistinguishable from those of politicians anywhere, and they have demonstrated their unwillingness to participate in any electoral process. While it is recognized that the Patriotic Front numbers more than a mere handful, no one has convincingly demonstrated that the guerrillas command the support of a greater percentage of the country's population than the white minority.

It is also erroneous to regard African leaders such as Bishop Muzorewa and Ndabaningi Sithole as inherently suspect because of their participation in the internal settlement, as The Times implies in talking about the "Smith group." They are pragmatic politicians who saw a chance for securiing personal power and opted for a route which included participation in drafting a new constitution.

The transitional government and the elections have produced positive features which in no way compromise commendable aspects of American foreign policy. It is clear that Bishop Muzorewa received the support of the majority of the people who voted in the election. The measure of the fairness of the election is still to be determined. I suggest that credence should be given to the report of the electoral commission established by the transitional government to adjudicate allegations of electoral irregularities.

It is hard to challenge the credentials of the commission's chairman, a respected and vigorously independent law professor. Another significant feature is the number of whites who have remained in the country. These people must be presumed to be willing to live under a black government.

Rhodesia should not be approached as a pedantic exercise. Innocent lives are being lost daily, and there is a universal yearning for peace. Recognition will not immediately end the guerrilla conflict, but it holds the best prospects for an early peace by encouraging support for an elected black government.

DONALD I. N. MCKENZIE.

CHICAGO, *May 2, 1979*

(The writer practiced law in Rhodesia until 1975.)●

MCPL NUCLEAR ALERT SERIES: III

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. JOHNSON of Colorado. Mr. Speaker, I would like to insert "The Savor of SALT" into the RECORD. In this column, Anthony Lewis analyzes one aspect of SALT II—verification—and concludes that the SALT II Treaty would improve, not undermine, our ability to monitor the Soviet Union. Mr. Lewis makes three points: That the treaty prohibits interference with "national technical means" of insuring its compliance; it prohibits concealing anything "in a way that would prevent effective monitoring of compliance with the treaty;"

and finally, it authorizes a procedure for consultation on any questions of compliance—which would be impossible in the absence of a treaty.

While many people still feel that these provisions are insufficient, the alternative without the treaty is not only an accelerated buildup of nuclear arms on both sides, but a diminished ability for each to determine accurately the other's total arsenal. Rejection of SALT II does not enhance our ability to monitor Soviet strategic or conventional weapons.

In order to bring attention to the critical problems of worldwide nuclear arms buildups, MCPL initiated the MCPL nuclear alert series. As part of that series, and under unanimous consent, I wish to insert this article from the May 21 New York Times into the RECORD:

THE SAVOR OF SALT

(By Anthony Lewis)

WASHINGTON.—The instinctive American skepticism toward absolute claims should serve the country well as it debates the second strategic arms limitation agreement in the months ahead. For what is at issue is not perfection but the balance of advantage: whether ratification of the treaty would on balance make us more or less secure.

The point is well illustrated by the question of verification, which will play a crucial part in the debate. American experts know in extraordinary detail the mechanics and the performance of the Soviet Union's present strategic weapons. They say they are confident that we will be able to monitor changes in or additions to that armory.

But there is no such thing as absolute knowledge of what the Russians are up to, in this or any area. There will always be a band of uncertainty. The question, rather, is whether the uncertainty would be greater with the treaty or without it.

When the verification issue is viewed in those terms, I think the case for SALT II is strong. In three fundamental ways the treaty enhances our ability to monitor Soviet activity. If the treaty were to fail, the band of uncertainty would be greatly broadened.

First, the treaty binds the two parties not to interfere with "national technical means" of checking compliance with its terms. That includes not only satellites but trawlers, planes and stationary electronic equipment.

The idea of technical spying does not seem surprising to us nowadays; the concept has become accepted under SALT I. But back in the 1960's there was real American concern that the Soviets would not accept it—that they would denounce satellite surveillance, for example, as a violation of national sovereignty. And without agreement on the point they could still jam our apparatus or even shoot down satellites.

Second, the parties agree not to conceal anything in a way that would prevent effective monitoring of compliance with the treaty. The importance of this provision is that it allows either side to raise questions way short of any actual evidence of cheating—if missiles are hidden by new structures, for example.

There is a philosophical as well as a technical point in these aspects of the treaty. They legitimize the idea that strategic weapons developments are not exclusive national secrets—that there is a larger interest in letting the other superpower know. Because the United States is an open society, in which new weapons systems always involve public debate, it is an enormous advantage for us to have the Soviets accept this principle.

Third, the treaty would continue and broaden the arrangement made under SALT I for immediate discussion of any questions about compliance. The earlier treaty created a Standing Consultative Commission for this purpose, and it has actually worked as an effective device to explore suspicions of violation.

For example, American experts became concerned a few years ago about the possibility that a Soviet antiaircraft missile was being converted to an antiballistic missile system. What made them suspicious was the use of a certain type of radar with the missile. When the U.S. raised the issue the radar was withdrawn from that use, giving assurance that the missiles were not in fact being converted.

In another episode, the Soviets came to the Standing Consultative Commission and said they were running behind schedule on some dismantling of old devices under SALT I. They sought an extension and got it in return for delay in installing new devices. Because the U.S. was informed, fear and tension were avoided.

In short, the two SALT agreements institutionalize consultation on these matters. Without a treaty in operation, the forum for raising such concerns would simply not exist—and there would be a significant, a destabilizing, loss of confidence.

Of course the Senate must be satisfied that American officials will vigorously raise any suspicions within the SALT compliance framework. But it is extremely important to appreciate the benefits to this country of having a recognized forum for serious, technical discussion with the Soviets on nuclear weapons: the benefits in knowledge and assurance and stability.

Genuine belief in the comparative advantages of SALT II, on verification and other issues, must explain why Administration officials are going into this battle with more sense of confidence than in many others. Secretary of State Vance put it the other day:

"The issue is really a simple one: Does the treaty enhance our security and our allies'? Are we better off with it or without it? I think the facts will show that we are infinitely better off with it. I have faith that we can convince the Senate and the American people." ●

PEACE IN OUR TIME THIS TIME?

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BROWN of California. Mr. Speaker, with the current SALT II Treaty being discussed, it is important that we keep our perspective during discussion on the different throw weight, megatonnage, and destruction scenarios and remember that disarmament is our eventual goal. There is a danger of becoming so enamored with the negotiation process and the technology involved that equity becomes more important than meaningful progress toward disarmament. Even the most productive negotiations have been unable to match the awesome march of technology.

By way of adding perspective to these discussions I commend to my colleagues the following lecture delivered by Philip Noel-Baker upon his being awarded the Nobel Peace Prize in 1959. It is a tribute to Lord Noel-Baker that his words still apply today. At the same time this 20-year-old speech represents a tragic indictment of the lack of progress in our past arms control efforts.

The speech follows:

SPEECH BY PHILIP NOEL-BAKER

It is vital that the citizens of every country should realize the true nature of the present Arms Race. What are the salient facts?

First, it is by far the most potent factor in the conduct of our international affairs.

Second, it is the strangest paradox in history; every new weapon is produced for national defence; but all experts are agreed that the modern, mass-destruction, instantaneous delivery weapons have destroyed defence.

Third, it is a patent error to speak as though, for an indefinite future, there will be two military "giants," and no more. If the Arms Race goes on, in ten years there may be six or even more, and who knows which nation will be the greatest giant.

Fourth, the advance in weapons has already brought us within measurable distance of the sudden, decisive, irreparable knockout blow.

Fifth, military research is not standing still: the highest authorities tell us that weapon progress will be as great in the next 15 years as in the past. The dangers of the weapons will continually increase.

Sixth, we are continually being conditioned to their use. Fifty years ago the Hague Conventions codified the Laws of War, forbidding gas, or other poison, the use of fire, bombing from the air, attacks on open towns and civilians, either on land or sea. Within ten years all these Rules had been violated in the First World War. But the Second World War was incomparably more degraded, and degrading than the First.

In the First War, we had poison gas—I was at Ypres when the chlorine cloud was first released—a gas wall, a hundred feet high and two miles long; I saw the French Colonial Troops flying in terror, and throwing away their weapons as they ran; I saw the Canadian soldiers choking to death, with an evil yellow froth oozing from their mouths; we had poison gas, but no gas chambers; we knew the ferocious cruelty that sometimes goes with dare-all heroism, but not the organized sadism of the Concentration Camp.

We had spying and treason and executions; but not the Gestapo's torture chambers, with the thumbscrew and the rack.

And what is happening to us now, as we prepare for the Third Great War?

When Hitler was exterminating 7 million Jews in Poland, we had millions of German prisoners in our hands; we did not kill them; we took no reprisals of any kind. But now Governments are constantly asserting that if they or their Allies are attacked, they will instantly reply with weapons that will wipe out tens of millions of men and women and little children, who may bear no shadow of personal responsibility for what their Government has done.

What is left of the morality on which our Western civilization has been built?

How can we end the Arms Race? I start with a forthright proposition: it makes no sense to talk about disarming, unless you believe that war, all war, can be abolished. . . . I believe all talks about Disarmament will fail. This rules out attempts to limit war by new laws or understandings about how weapons will be used. I fear we should not get far with the kind of partial measures which have been debated . . . everyone would favor partial measures, if they were real, if they created confidence, if nothing better could be done.

Some people honestly believe that small steps will be much easier to take than large ones; they quote proverbs to support their point: the crude English, "Don't bite off more than you can chew"; the elegant French, "The better is the enemy of the good"; the Russian, "The slower you ride, the further you go."

I prefer the words of our great economist and political thinker, John Stuart Mill:

"Against a great evil, a small remedy does not produce a small result; it produces no result at all."

Or the saying of Lloyd George:

"The most dangerous thing in the world is to try to leap a chasm in two jumps."

In the age when the atom has been split, the moon encircled, diseases conquered, is disarmament so difficult a matter that it must remain a distant dream? To answer "Yes" is to despair of the future of mankind.●

THE DIPLOMACY OF FORCE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MILLER of California. Mr. Speaker, I wish to alert my colleagues to an article on the use of force by the United States as a tool of our foreign policy. The article, which appeared in the Brookings Bulletin, is a summary of the recent book "Force Without War: U.S. Armed Forces as a Political Instrument." This is an important consideration of both our total foreign policy, and our Nation's defense posture, as we move to examine the SALT II accord. I hope that this article, and the whole book, can get the close examination that they deserve.

The article follows:

THE DIPLOMACY OF FORCE

Some three dozen times since the Second World War, the stream of world events has been punctuated by dramatic confrontations in which world tensions increased sharply. The trappings of these crises are familiar: late-burning lights at the White House, the Department of State, and the Pentagon; hastily called press conferences at which ominous-sounding statements are read by bleary-eyed officials; and inevitably, briefing charts showing the movement of elements of the armed forces.

Those movements and other changes in the state of military readiness are the idiom of crisis diplomacy. They serve to prepare the armed forces should they be called upon to protect U.S. interests in whatever situation is at risk; and they reinforce and sometimes are used to substitute for diplomacy—to warn, to reassure, and generally to signal U.S. policy intent.

In roughly 180 less serious incidents, U.S. policymakers used armed forces to protect American interests abroad or to secure various other objectives. What has been the result of this military activity? Are the prospects for success in such ventures good enough that policymakers should consider the armed forces an important option? More to the point, in what circumstances are discrete uses of the armed forces for political objectives likely to succeed, and when are they likely to fail?

In *Force without War: U.S. Armed Forces as a Political Instrument*, a team of analysts led by Barry M. Blechman and Stephen S. Kaplan examines those incidents to learn how the United States has used military power for political ends since the Second World War, how those actions affected the behavior of foreign governments, and the benefits, if any, they brought the United States.

Blechman and Kaplan find that between 1946 and 1975 the United States used its armed forces as a discrete political instrument some 215 times. The incidents ranged from a visit to a foreign port by a single American warship to the deployment of major ground, air, and naval units against a backdrop that included the mobilization of reserves and the alerting of strategic nuclear forces.

They have some good news and some bad news for policymakers and the public. The good news is that American objectives were usually achieved during the first six months following the use of force. The bad news is that the "success rate" eroded sharply over time, often disappearing within three years.

The lesson is that discrete uses of military force to attain political objectives serve mainly to delay unwanted developments abroad. The value in "buying time" is to keep a situation open and flexible enough to prevent adverse developments while statesmen devise more fundamental policies to provide the basis for successful alliances or for stable adversary relations.

THIRTY YEARS OF ACTIVISM

Over the thirty-year period covered by the study, excluding the wars in Korea (1950–53) and Vietnam (1965–72), the United States employed force without war an average of 7.2 times per year. Beginning in 1956 the number of incidents per year increased gradually, peaking at twenty in 1964. On the average, twelve incidents occurred each year during 1956–65, which the authors call "a time of great American activism." The activist period ended abruptly in 1966, when there were only three incidents, and the frequency of incidents has remained relatively low ever since. But it will not necessarily remain low.

To account for these changes in the annual number of incidents, Blechman and Kaplan compare the annual variations with several indices of change in the international environment and in the U.S. domestic scene.

The international factor most closely related to changes in the frequency of incidents was whether the United States was or recently had been involved in a limited war. During and after the Korean and Vietnam wars, U.S. policymakers used the armed forces in discrete political operations far less often than they did at other times. Another factor was the overall U.S.-Soviet balance of strategic nuclear weapons. As the USSR gained in nuclear strength relative to the United States, especially after the mid-1960s, the United States employed its armed forces less often for political purposes.

On the domestic scene, the authors find a strong correlation between increases in the number of incidents and the President's popularity as measured by the percentage of respondents who approved the President's performance in the Gallup poll. They find an even stronger correlation with the nation's sense of confidence as reflected in Standard and Poor's average annual composite stock price index, discounted for inflation and real economic growth.

Blechman and Kaplan infer from this analysis that as memories of Vietnam fade from American minds, the United States may make freer use of its armed forces for political ends, especially if more opportunities present themselves abroad or the nation's confidence returns to previously high levels. Judging from past experience, however, they do not expect large or numerous interventions in sub-Saharan Africa, the Indian Ocean area, or South America; nor are U.S. policymakers likely to engage again easily in Southeast Asia.

THE NAVY CARRIES THE BALL; OTHERS SCORE THE GOALS

Since the Second World War the Navy has been the chief instrument in the United States' political uses of the military—at all times, in all places, and in all situations. Naval units participated in 177 of the 215 incidents, or more than four out of five. In nine of the thirty years the Navy was involved in every incident, and in only five years (1949, 1953, 1955, 1960, and 1966) did the Navy participate in less than 70 percent of them. Aircraft carriers took part in 106 incidents in all, or about 60 percent of those involving naval forces.

Land-based forces were used far less often and rarely without the simultaneous participation of naval units. Land-based air units engaged in 103 incidents, or roughly half the total; ground combat units took part in only 45 and were used alone in only 3.

Implicit or explicit threats to use strategic nuclear weapons were made nineteen times. Overt threats were directed at the USSR in four episodes—the Suez, Lebanon, and Cuban missile crises and the October 1973 war in the Middle East—and on ten other occasions Air Force strategic bombers were moved closer to the USSR or China, placed on increased alert, or their withdrawal from a region abroad was delayed. In short, the United States has used explicit nuclear threats sparingly and with decreasing frequency as superpower relations have improved, but also as its strategic dominance over the Soviet Union has declined.

When Blechman and Kaplan analyze the levels of force involved in the 215 episodes, the Navy's role changes perceptibly. When policymakers have chosen to use the highest force levels—a strategic nuclear unit or major conventional forces—they have turned first to land-based air, second to naval, and third to ground forces.

The picture changes again in the authors' analysis of outcomes—the degree to which U.S. objectives were attained in the short and long run. They find that land-based combat aircraft were more often associated with positive outcomes than were naval forces. Positive outcomes were also more frequent when land-based ground forces were used alone as compared with the use of Marine units aboard amphibious vessels.

Contrary to conventional wisdom and U.S. practice, these findings underscore the generally greater impact of land-based over sea-based forces when used for political purposes. While military units at sea afford a president flexibility, the use of land-based forces implies a greater commitment and makes a stronger impression.

WHAT MAKES FOR SUCCESS?

In addition to examining the use of U.S. armed forces, Blechman and Kaplan explore a broad range of situational factors that help to explain the success or failure of American interventions abroad. Among their findings:

Favorable outcomes occurred most often when the American goal was to maintain the authority of a specific regime abroad. Indeed, maintaining the authority of a regime was the one kind of objective associated with favorable results over the long term.

Outcomes were least often favorable when the goal was to support third parties, as when U.S. military activities were intended to persuade the Soviet Union to stop supporting hostile initiatives by its allies or clients.

When U.S. policymakers used the armed forces to reinforce behavior—for example, to persuade a hostile state to continue to do something (stay at peace, for instance), or to encourage a friendly state to remain on the same course—military demonstrations had favorable outcomes relatively often, in contrast to attempts to change foreign behavior.

Positive outcomes were especially frequent when the President's popularity was either very low or very high, as measured before the use of armed force, and were most frequent when the President was least popular and presumably lowest in standing with the American people. In those instances, foreign decisionmakers may have perceived the President as being especially committed, if not desperate, to attain his objectives.

Positive outcomes were less frequent when the USSR participated in the incident and least frequent when Moscow used or threatened to use force. Recognizing this, U.S. policymakers used larger units of the armed forces in incidents involving the USSR, but those forces could not wholly compensate. And when Moscow was heavily committed, as shown by the use of or threat to use force, American objectives were not likely to be attained even in the short term. On the other hand, the data do not support a hypothesis that the strategic balance between the United States and the USSR influences outcomes.

These findings are supported by detailed case studies of ten postwar crises: the Laotian war of 1962 and the Indo-Pakistani war of 1971, by David K. Hall; Lebanon, 1958, and Jordan, 1970, by William B. Quandt; the Dominican Republic, 1961–66, by Jerome N. Slater; the Berlin crises of 1958–59 and 1961 by Robert M. Slusser; and Yugoslavia, 1951, and Czechoslovakia, 1968, by Philip Windsor.

Blechman and Kaplan conclude that political-military functions should be taken into acount in determining the structure and characteristics of U.S. forces, and that the circumstances in which those forces might be used should be made clear to potential adversaries. But their last word is cautionary:

"The discrete use of the armed forces for political objectives should not be an option that decisionmakers turn to frequently or quickly to secure political objectives abroad; it should be used only in very special circumstances. . . . Over the longer term such uses of the armed forces were not often associated with positive outcomes. Decisionmakers should thus not expect them to serve as substitutes for broader and more fundamental policies tailored to the realities of politics abroad, and incorporating diplomacy and the many other potential instruments available to U.S. foreign policy."

Barry M. Blechman, head of the Brookings defense analysis staff when this study was prepared, became an assistant director of the U.S. Arms Control and Disarmament Agency in 1977. Stephen S. Kaplan is a research associate in the Brookings Foreign Policy Studies program and a coauthor of *Arms across the Sea* (Brookings 1978). Their work was supported by the Advanced Research Projects Agency of the Department of Defense.●

LEAPING FOR GLORY

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. SHUMWAY. Mr. Speaker, having the honor of representing Calaveras County, Calif., here in in Congress, it is my pleasure to share with my colleagues the Washington Post's zesty description of an eagerly anticipated annual event in my district: The Calaveras County Jumping Frog Contest. The article captures the excitement of the occasion without need for additional embellishment:

The article follows:

[From the Washington Post, May 22, 1979]

LEAPING FOR GLORY AT THE 51ST CALAVERAS COUNTY JUMPING CONTEST

(By Cynthia Gorney)

ANGELS CAMP, CALIF., May 20—Willie was a dark frog, in his way; he was young, and exquisitely muscled in the upper leg, where it mattered, but the competition was savage and his jockey was just a kid.

At 14 Frank Fasano had as much experience as almost any Angels Camp frog jockey—his uncle, after all, was Frank Borrelli Sr., whose frog broke the world record on that incredible afternoon in 1976 when the record was shattered three times, and young Fasano had won the junior championship twice, once taking it back from his own brother Bob. But none of that seemed to matter quite so much when you took one look at the lineup:

Denny Matasci, whose legendary frog E. Davey Croakett practically flew through his required three hops in 1976, besting even Borrelli's frog and setting a new world's record of 20 feet 3 inches, an achievement still emblazoned across the jumping frog jubilee stage.

Bruce Hamilton, Matasci's young blond protege, who had broken off to form a new frog jockey team of his own and then walked off last year with the jubilee championship.

Mike Downey, who arrived at Angels Camp with a mobile electric hydromassage frog tank, equipped with three thermometers (two of them digital readouts) to insure that the frogs' water maintained a precise C.T.M.—Critical Thermal Maximum.

That was just the beginning. For the entire Oregon Frog Team had come down to Calaveras County, all the way from Sweet Home, Ore., and by Saturday evening their feisty splasher named Marko had already jumped 21 feet 10 inches—not an official record breaker, because only the final jumps count for the record, but still a distance to give a jockey pause. Croaker Jack Jumper, a promising local frog urged on by Calaveras County jocket Vernagae Lee, had jumped an astonishing 22 feet 2 inches in the prelims, raising fervent hopes that Angels Camp might once again regain the world title it lost many years ago to visiting frog jockeys.

And Bill Steed, who had been booted from the Jubilee in 1978 after a frog abuse scandal (he was accused of pressing air out of a frog's thorax to make it stick its legs in the air and grasp a small barbells set, a charge Steed insists was trumped up) qualified two frogs for the finals. M'Sieur Jacques, Steed's top qualifier, had reached 17 feet 8 inches on Saturday afternoon—a very respectable jump.

RIBET I

So when Willie's number came up the crowd was still a little restless, full of beer and sunshine, and cheering loudest for the good-natured, shaggy jockeys from Bruce Hamilton's team. Anyway, Willie's preliminary jump had only been an even 17 feet, which is nothing to get really excited about.

Fasano was cool, though.

He walked out on stage with Willie in his hands, gazed briefly at the carpeted jumping area, and then held out his frog, using the popular Matasci-Guzules-Guidici grip, which requires grasping the frog's back with the thumb and forefinger.

Fasano opened his fingers, and Willie dropped to the pad.

Willie looked alert. He arched his back some, with a touch of arrogance—a sure sign, frog jockeys say, that something good is coming. Fasano backed up a little and got ready.

Then Fasano fell to his knees, smashed his hands palm down next to Willie's behind, and screamed, "JUUUUMP!".

Willie jumped. Willie shot into the air, sprang to a graceful landing, and then shot up again, almost before Fasano could scramble in behind him to scream "JUMP!" again. By his third jump, Willie had covered nearly the whole orange carpet—and even as the judges hurried in, stretching their tape measure from his third landing spot to the pad from which he had catapulted, the crowd knew it had seen the best moment of perhaps a great frog. The final measurement was 20 feet 1¼ inches—just an inch and a half short of the record, but long enough to make this handsome seventh grader the youngest frog jockey ever to win the world title.

"Gustine frogs," Fasano's father Eugene declared afterward, referring to the part of the country where Willie had been found, "are the best frogs in the world."

RIBET II

As is by now internationally known, every May Calaveras commemorates the short story written by Samuel Clemens on the basis of some notes he made in the fall of 1865 while staying in the town of Angels Camp. The notes, taken following a mid-billiards-game conversation with an old local, read as follows: "Coleman with his jumping frog bet stranger $50—stranger had no frog and C got him one—in the meantime stranger filled C's frog full of shot and he couldn't jump. The stranger's frog won.

Clemens, according to the local version of things, thereupon went back to his cabin in Jackass Gluch and wrote "The Celebrated Jumping Frog of Calaveras County," which made him, so to speak.

These weeks before the 51st Calaveras County Jubilee finals had been frantic: all the frog-box cleaning and preparation, the setting of water temperatures, the dark hours spent wading with a flashlight through the creeks and cattle ditches of northern California in search of healthy frogs.

The best of the frog jockeys would say afterward that they worked by instinct as much as anything, squinting at the yellow frog eyes that gleamed in the night like a highway reflector in a headlight glare. Eyes about an inch apart promised good size, somewhere over the 4-inch minimum requirement, but small enough that the frog wouldn't turn out to be some fat old bullfrog who could barely shift his bulk off the jumping pad.

It was also necessary, of course, to find frogs without bellyfuls of recently-consumed large meals (whole crayfish are popular, and an experienced frog handler can feel instantly the outline of a crayfish shell in the frog's belly), or eggs. Jumping a pregnant frog would be unkind as well as dumb, and frog safety, particularly in light of the unfortunate Steed incident, was paramount at the jubilee this year.

The public frogs, the ones brought in en masse by the Angels Camp Boosters for temporary loan to novice jockeys-sans-frog, were protected by a much-heralded Frog Safety System, which was demonstrated at a press conference six days before the finals. The system's bulwark was a set of six frog-holding tanks (two of them named, respectively after the great E. Davy Croakett and another particularly well-liked frog, Man O'Warts) and two rest and relaxation tanks, all surrounded by wire mesh, and guarded by a security patrol. It was hoped that this would prevent over-jumping, frog tampering, drugging and any other form of abuse that might cast a pall over the competition.

RIBET III

The private frogs rested in individual compartmentalized, sliding-top frog boxes, each protected primarily by a stern set of written regulations and an implicit code of honor among the veteran jockeys. "I have not eaten a frog leg in my life," Mike Downey, who is generally a carpet sales vice-president from Concord, Calif., said with some asperity. "I don't intend to. Be like eating your dog."

The Downey hydromassage unit was an innovation, and the source of some rumor and interest; Downey himself, after a disappointing final showing, decided he would add a power air vent to the unit and try it again next year.

But if he intended to change his Critical Thermal Maximum, Downey would not let on. Frog temperature is thought by many jockeys to be the key to a great jump since frogs become lethargic when they're too hot and start hibernating when they're cold. It is also a closely guarded secret. "It's a very critical temperature you get to," Downey said.

He had logged, in a red plastic binder, the precise personal data of every frog jumped by the Downey group for the 17 years they have attended the jubilee: Castor Bean, Clusterberry, Cotton Top, Bee Flood, Fuzzy Tongue, all logged in by sex, size, weight, water temperature and jump distance.

It was more than just C.T.M. that separated the fine jockeys on Sunday though—it was technique, the jockeying skill that is so much a by product of experience. Tom Beatty, a Visalia, Calif., restaurant owner (whose great hope called Snort did a smashing 18 feet 11 inches in the prelims but then pooped out), said he favors the feet-first scare technique, in which the jockey stomps the stage to either side of the frog's behind while shouting some terible shout, much like a samurai preparing for battle. This has the advantage of quick recovery, allowing the jockey to spring forward and scare the frog into its second jump, but there is always the danger that the jockey will find himself standing right over the frog, thus confusing him.

"That happened with Bandit I," Beatty said. Bandit I had gone 16 feet 3 inches on his first two jumps, but on the third Beatty landed wrong and the frog, alarmed, hopped off to the side. "I over jockied him," Beatty said.

Once in a long while a jockey using the feet-first scare technique will also find himself landing on the frog, but that is quite tragic and rare and it is best not to think about it.

RIBET IV

The Oregon frog team, which presented a formidable threat in the preliminaries but suffered some awful blows toward the end, used the unusual hindlegs frog drop they are credited with having introduced to Calaveras county (the jockey swings the frog by its legs onto the pad), and added interest by crouching behind certain hesitant frogs and blowing vigorously on their hindquarters.

"So far as I'm concerned," said John Hand, the grass-seed buyer who coaches and leads Oregon team (its members are primarily his immediate family), "Matasci's the all-round guy to beat. He's got good frogs. We've learned a lot from him. He's learned a lot from us. But I think we've got some really good frogs."

There were a small number of frog fatalities, due to drownings, overexhaustion and accidental trauma. It was understood that these frogs would be put quietly to rest. The jockeys, for their part, agreed that as usual they would release their frogs back into the wild—although the Matascis said their best jumpers would be placed in a certain hidden pond, a frog stud pond, if you will, where. Davy Croakett was taken to produce more champions like himself.

Willie, according to his jockey, will probably be returned to a frog swamp much like the one from which he came.●

CONQUEST OF CANCER WINS FRENCH ACCLAIM

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BRINKLEY. Mr. Speaker, I have testified for several years in support of larger appropriations for the National Cancer Institute for humanitarian reasons and because cancer research is now saving this country at least $11 billion per year.

That $11 billion is no idle figure. It represents only the "mortality" costs, as calculated by the National Center for Health Statistics. It applies to the 291,000 patients which the National Cancer Advisory Board was told recently are being saved yearly through early detection, surgery, radiotherapy, and chemotherapy. The same per patient "morality" cost is "saved" by the survival of these 291,000 patients as is "spent" when 395,000 cancer patients die per year. The National Center for Health Statistics also calculates the cost of cancer care, the cost of time patients must take off from work because of their disease. But I include none of that here.

This signal achievement by research in saving this country's patients and their families and insurance companies, a total of at least $11 billion a year, is certainly commendable and has drawn worldwide notice.

I would like to place in the RECORD the following article by Prof. Georges Mathé, published in LeMonde, November 22, 1978. Dr. Mathé is a world-recognized cancer scientist. Ambassador Francois de Laboulaye, who represents the French Government in Washington, kindly had the article translated for the Honorable William McCormick Blair, Jr., a former U.S. ambassador who made it available to me. It shows the great respect that people overseas have for the National Cancer Institute's work, which the Congress in 1971 called the conquest of cancer program.

"SLOW PROGRESSION TOWARD VICTORY"

(Translation of Article by Prof. Georges Mathé)

In December 1971 Richard Nixon launched the "conquer cancer" program in the style, if not the actual size, of the space program. In 1978 it is not possible for anyone to make an evaluation of the results achieved. Scientific "discoveries" call for a 12-year development period (before they are made known), but they also require even longer before they are recognized and applied.

The choice of this program by politicians is in itself a unique victory for world history. We must salute the American people for supporting a cause of this kind and for devoting a budget to it that is normally worthy of the amounts spent on the destruction of humanity (i.e. on armaments) or on its degeneration (excessive reliance on technology gadgetry).

The victory does not however stop there. The success may also be read from the figures that the medical profession is pleased to bring to the attention of those who clamor for results:

(a) Infant mortality caused by cancer has dropped 40 percent over the last 20 years.

(b) Eight types of cancer, which in an advanced state were incurable 20 years ago, may now be cured: lymphatic leukemia in children; Burkitt's tumor; cancer of the kidney, called Wilm's tumor; embryonal rhabdomyosarcoma; cancer of the placenta, called choriocarcinoma; Hodgkin's disease, certain lymphosarcomas; certain so-called embryonal testicular cancer. Such great progress has been made in the treatment of a ninth type (small cell carcinoma) that it is considered to be potentially curable.

The fateful figure of 70 percent for overall mortality due to cancer five years ago after diagnosis has not changed appreciably, the reason being that the types mentioned above are fairly uncommon compared to the "tough" cancers. The incidence of these cancers is increasing especially in the case of certain lung cancers connected with the use of tobacco which is continuing to rise.

(c) Another reason is that the results of a new therapeutic approach have not yet had time to affect the overall mortality rate after five years (tests have only been carried out for two or four years). The new approach is based on the notion that the reason why 70 percent of the patients operated on for cancer suffer a relapse is because a number of tumorous cells have already moved from the site of the original tumor at the time of surgery to new locations for future metastases. Hence the experiments in postoperative medical treatment: chemotherapy (treatment by use of chemical medicines which prevent cells from multiplying) and immunotherapy (which strengthens the body's natural resistance to cancers).

It is known today that postoperative chemotherapy increases significantly and noticeably the chances of curing breast cancer in certain categories of women, adolescents suffering from two types of bone cancer (known respectively as Ewing's tumor and osteosarcoma), cancer of the large intestine and cancers of the ovary. Immunotherapy can have significantly favorable results also for certain types of leukemia and lymphosarcomas, for melanomas, lung, breast and stomach cancers and cancer of the ovary, and less significant but still encouraging results in the case of tumors of the throat.

(d) In addition new weapons for chemotherapy and immunotherapy have become available. The last five years have witnessed the largest increase in their number. In the field of chemotherapy there are new synthetic compounds: cis-platinum and new nitrosoureas (one of which is French), numerous microbal extracts, especially anthracyclins (one French, one Japanese, one Italian and one American), new derivatives of plant extracts (vindesin). In the field of immunotherapy there is a hormone (thymosin, American), a microbe "pseudomonas aeruginosa", microbic extracts (in particular French M.D.P. and bestatin from Japan), and synthetic compounds (glucan, American; levan, Israeli; and krestin, Japanese).

(e) Links have been established between chemotherapy and immunotherapy by the development of interferon and the discovery of the tumor necrosing factor.

(f) It has been possible under laboratory conditions, to reconvert "transformed" cells or cells which are quite clearly cancerous back into cells that behave normally.

Therapeutic research is therefore making progress which is both regular and noticeable, and its development should not be slowed down.

CONCENTRATING ON PREVENTION

Some people believe that a greater effort should be made in the area of prevention. I fully subscribe to this point of view.

I willingly participate in campaigns to educate and inform the public on the carcinogenic effects of tobacco, alcohol, the excessive consumption of rich foods, exposure to sun and the absence of hygiene. I would also like to see research in the psycho-sociological causes that account for the failure of previous campaigns to reduce the role of these factors, and more studies conducted on anti-carcinogenic substances such as retinoides.

With respect to the American program, it should be noted that its contribution to overall progress is disproportionate to its share of the world budget.

It is important to remember that a substantial amount of the American budget has enabled Israeli, Scandinavian, Canadian and European institutes—especially the European Organization for Research on Treatment of Cancers (EORTC) whose sole government funding comes from the United States—to operate. Thus the "conquer cancer" program has not only broadened American research but also stimulated research in other countries.

It does not seem to me unreasonable to suppose that if the "conquer cancer" program has not made greater progress toward its goal it is because American cancer experts have not been faced with the "challenge" that their physicians found among Soviet physicians. Europe should have presented them with this challenge and must do so.

Europe should also take up the challenge and stimulate interest in the problem.

Each of the states in Europe can do this at national levels. By means of cancer programs and thanks to French-American cooperation, an initiative directly attributable to the President of the Republic, France has developed a policy of research in this area. I therefore appeal to our President to extend his policy of French cancer research to Europe; a desirable move might be to convert the EORTC into a major European cancer institute along the lines of the National Cancer Institute (NCI) in the United States.

An eventual challenge from Europe will become credible only if Europeans want it and show their determination by supporting such research just as Americans do by supplementing public funds of $937 million with philanthropic contributions of more than $300 million. We are making progress in this respect. It is up to each of us to contribute to the slow progress toward victory, a victory that must be shared by all countries and all researchers for the benefit of the sick.●

EIGHTEEN-MONTH MORATORIUM ON SACCHARIN BAN

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. CARTER. Mr. Speaker, today I am introducing legislation to extend for 18 additional months the current moratorium on the Food and Drug Administration's proposal to ban saccharin and saccharin products. I am pleased that this position to extend the moratorium has recently received the support of the American Medical Association.

Based on a review of the National Academy of Science's recent report on saccharin and food policy, I believe that a major review and revision of our food regulatory authorities is needed, and that final regulatory decisions with respect to saccharin should be made within the context of that new authority.

As you know, the NAS report was carried out in response to provisions of the Saccharin Study and Labeling Act of 1977 which called for a study of food safety policy in the United States as well as an assessment of the health risks and benefits of saccharin.

Although there was a broad spectrum of views regarding the proper action to take on saccharin, which the panel did agree must be viewed as a potential carcinogen in humans, most members of committee did not believe that a total, immediate ban of saccharin would be a sound regulatory step at this time. Nor did the committee favor the unrestricted use of saccharin.

Stressing the need for a comprehensive regulatory system, the NAS panel generally favored revision of food laws to create a more rational framework for food safety regulation. For example, it was suggested that food laws be revised to allow food substances to be assigned to three categories of risk, and to permit consideration of benefits and risks in regulatory action.

I believe the Academy's recommendations provide a constructive framework for congressional review of food policies, and I would urge that priority be given to revising our authorities in this area. In my view, we can complete the necessary legislative action for this food policy review within the 18 months remaining in this Congress, and I am willing to do all that I can to meet that deadline.

As those of us who were in the Congress at the time we enacted the original 18-month moratorium will recall, part of the dilemma regarding action on saccharin arises from the fact that it is the sole nonnutritive sweetener available to diabetics and others in this country who use it to control their consumption of sugar. Other nonnutritive sweeteners are being researched. It is my hope that a substitute for saccharin can be developed about which there will be no scientific doubt as to its benefits and risks. It is my hope as well that the development of such a substitute might be able to be completed in the 18-month period I am proposing in this legislation.

As on so many other issues we deal with in Congress, we must strike a balance for the public welfare in the matter of saccharin. I believe the 18-month moratorium I am proposing provides a reasonable balance, and I would ask that my colleagues carefully consider it.●

HEARINGS ON NUCLEAR REACTOR SAFETY

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. WYDLER. Mr. Speaker, this week the Committee on Science and Technology will hold 3 days of hearings on a most critical energy issue, nuclear reactor safety. Since the Three Mile Island accident, this topic has been the subject of much discussion in the media. I believe these hearings will allow for a relatively balanced view of the technology so that we in the Congress can use the TMI accident as a constructive basis for enhancement of nuclear safety.

The first day of hearings on Tuesday will cover the status and philosophy of nuclear safety technology. A panel of four will discuss this subject ranging from design aspects of plant components to across-the-board criticism by the representative of an environmental group. In addition, the subcommittee will hear from the Nuclear Regulatory Commission on regulatory research and receive testimony on the recent critique of the famous Rasmussen report on nuclear reactor safety. This Tuesday hearing will be a basis for putting the TMI incident in perspective.

On Wednesday, the hearing will focus on the theme "Three Mile Island, What Happened? What are the Technological Implications?" The subcommittee will hear the industry, utility, regulatory and State government perceptions of the accident. I think it is already clear to the committee that the interface between man and machine requires improvement for nuclear powerplant operation. Human error played a significant role at Three Mile Island and the operators further seemed to be at the mercy of a limited display of instrumentation to adequately interpret critical data.

The final hearing day on May 24 may prove the most valuable of all since we will hear three unique perspectives on safety. First, representatives of the Swedish Atomic Industry will provide details on their own approach to nuclear safety and the manner in which it may have changed as a result of TMI. Dr. George Low, former Deputy Administrator of NASA, will describe the Apollo safety philosophy so that we can measure nuclear systems safety against another benchmark. NASA constructively turned from its tragic Apollo 204 fire to enhance its safety program and procedures. I hope that the recently appointed Presidential Commission will complement our efforts by identifying their highest priority program elements for safety enhancement.

Our final hearing witness will be Adm. Hyman Rickover, the very gifted and singularly dedicated head of the naval nuclear propulsion program. Admiral Rickover has painstakingly put together an extremely solid program for selection and training of personnel. The outstanding "track record" of the Navy's reactor power vessels testifies to the value of this approach. We must try to understand which key ingredients of the naval program can be transferred to the civilian nuclear power community at an acceptable cost.

Mr. Speaker, it is time to make some careful decisions about what is needed to enhance nuclear safety in the cold light of reason. We have heard the shrill but unrealistic cries of "moratorium" from the doomsayers. The Congress must rise above the simple temptation to succumb to emotional zeal and take action to hammer out a program for constructive improvement. The Nation will look to these hearings for an objective view and a nuclear safety agenda based on commonsense.●

THEY HAVE DONE IT AGAIN

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. CONABLE. Mr. Speaker, one of the troublesome aspects of the administration's energy policy for the past several years has been the emphasis on raising taxes and costs, rather than increasing energy supplies. With all the talk about windfall, it has seemed to me that the President was determined that the greatest windfall should accrue to the Federal Government through increased tax revenues. The Wall Street Journal has recently discussed this curious policy and I insert it in the Record for the information of all who are concerned about the Nation's energy policy:

THEY HAVE DONE IT AGAIN

In energy circles an apocryphal story is going around about George Washington at Valley Forge. Brigadier Pulaski comes up to him and complains that the troops are almost out of firewood. Washington ponders, and then exclaims. "I've got it! Let's slap on a big firewood tax."

The point, of course, is that General Washington would never have been so silly. As a matter of historical record, unhappily, this overestimates the wisdom of the Founding Fathers. Washington's miseries at Valley Forge were in fact exacerbated by precisely the same sorts of policies that exacerbate our energy problems today—see Notable & Quotable on the page opposite. But at least the Founding Fathers were capable of learning from their mistakes. Our present leaders seem to learn nothing from their own errors, let alone historical ones.

The Carter administration was bloodied in public debate and in the Congress when its first energy program proposed to solve the so-called crisis by slapping heavy taxes on energy. It did learn something from the experience, and has now proposed to gradually remove the price controls that in any event expire in 1981. But, it says, this must be accompanied by a big new tax on energy. They've done it again.

This time, indeed, the administration has outdone itself. Its OPEC tax—a 50% tax on any future increases in the real price of energy—carries a double whammy. First, it converts controls that expire in two years into a permanent tax. Second, as our Paul Craig Roberts has demonstrated, it falls most heavily on oil that has not yet been discovered. It not only drains revenues from the oil business, but dampens the incentive to find new energy.

"Incentives" to produce oil exist when the price is large enough to cover the costs of finding and producing it, including the kind of cost called "profit," which pays the price of capital and risk. Oil is getting harder to find and more expensive to produce. So much is recoverable at $16, more at $18 and still more at $20. But to cover the costs, these prices must go to the producer. So if the government takes 50% of any price increase above $16, the $18 oil cannot be recovered until the price reaches $20, the $20 oil cannot be recovered until the price hits $24, and so on. All in the name of producing more energy.

It's hard to see how so perverse a proposal could come from folks who say they want to solve an energy crisis. But look at it this way: With the OPEC tax, the U.S. government is dealing itself in as a member of OPEC. As the price of oil soars, so will its revenues, just like the other members of the cartel. The government already reaps automatic profits from inflation, which pushes taxpayers up into higher brackets on the progressive income tax even if their real income is unchanged. Now it wants to work the same deal with the energy problem.

Even though it applies to not-yet-discovered oil, administration semantics are peddling the OPEC tax as a tax on a "windfall." The whole notion of a "windfall" is suspicious enough to start with; the logic suggests, for example, that if you sell your house at a gain without making improvements the "windfall profit" belongs to the government. But surely if "windfall" means anything it applies to gains on selling already discovered oil at a higher price; Mobil Oil makes a good deal of sense in suggesting that it's willing to give up any actual windfall if only the government will leave future oil alone.

The administration apparently wants to propose some kind of tax, simply for fear of being mugged by Ralph Nader, James Flug and Toby Moffett. If there must be a tax it ought to meet two criteria: First, it ought not to penalize the production of new oil. Second, it ought not to be a revenue measure disguised as an energy proposal. A reasonable proposal would be a dollar-amount excise tax per barrel of oil, offset by permanent reductions in the personal income tax, preferably on the present super-rates on investment income. This would promote energy conservation and offset any resulting drag on the economy through new incentives for investment and growth.

While such tax changes would stimulate the economy generally, even they would give no special boost to energy production. For that you need simple decontrol with no tax, which might happen in 1981, depending on the political fortunes of Nader, Flug, Moffett, and Co. For our part, we would rather fight it out in the 1980 elections than take an earlier phased decontrol package that carries the price tag of letting Mr. Carter join OPEC.●

U.S.S.R. INCREASING METALS PURCHASES IN WORLD MARKETS: THE NEED FOR A NONFUEL MINERAL POLICY

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. SANTINI. Mr. Speaker, the May 21 edition of Business Week has an article that should be read by colleagues who want some positive assurance that the administration will get down to Earth in its Nonfuel Mineral Policy Review. The article, entitled: "Soviet Union, The Mysterious Switch Into Metals Buying," highlights how the Russians and their satellites are shopping in world markets for lead, copper, zinc, aluminum, molybdenum, and cobalt, all of which they produce. At the same time, they have ceased or severely cut back their exports of such metals as nickel, platinum, and titanium, the latter two of which we rely on U.S.S.R. imports for 26 and 37 percent respectively, of our needs.

Speculation about the reasons for Russia's purchasing strategy range from internal production problems, increased industrial needs, or possibly the Sino-Vietnamese border conflict. I wonder if it is not a case of speculating on rising metal prices, buying international metal futures of a sort.

The article points out how the entrance of the U.S.S.R. into world markets, already tight for metals such as molybdenum, lead, and cobalt, is having far-reaching effects on Western governments and industry. It is the lack of having an analytical capacity in the United States to assess the whole of numerous factors that affect U.S. minerals availability that concerns me relative to the indecisions that seem to be the only product so far of the administration's Nonfuel Mineral Policy Review.

With respect to the tight conditions in the world molybdenum market, I'm reminded of the often-heard argument, both from inside and outside Government, that Government should stop development of new U.S. molybdenum deposits on the grounds that we already produce enough to satisfy our needs. This short-sighted view does not consider how we benefit by new molybdenum discoveries and that exports of this important alloying metal to our Western friends in 1978 brought in $350 to $400 million to help buy OPEC's oil.

The article follows:

SOVIET UNION: THE MYSTERIOUS SWITCH INTO METALS BUYING

The West has depended heavily on the Soviet Union in recent years for regular shipments of such key metals as gold, lead, and titanium sponge, which is used in jet engines and missiles. But for several months now, the Soviets have been buying more and selling less in the world's jittery markets. And there is no letup in sight. That surprising switch in Moscow's strategy is triggering consternation among users and delight among mining companies, as well as new planning by government and industry officials in the U.S. and Western Europe.

Traders in New York and London report that the Russians and their satellites are shopping for lead, copper, zinc concentrates, high-grade aluminum, molybdenum, and cobalt, all of which are produced in the Soviet Union. And the Soviets have either ceased or severely cut back exports of such metals as platinum, nickel, and titanium sponge.

The impact of the Soviet moves is hard to gauge fully—Moscow stopped publishing nonferrous metals statistics two years ago. As one New York trader put it: "They pick their shots carefully and work through intermediaries. The market only ruffles its feathers a long time after their purchases have gone through." Traders estimate Soviet purchases of nonferrous metals over the past six months at about $300 million, but they add that the Russians are not the sole factor behind rising prices—inflation, speculation, and strikes also play a role. In the case of cobalt, inventory building has been sparked by the instability in Zaire, on which the West depends for more than 75 percent of its supplies.

Pressure on prices. The Soviet moves puzzle Western officials. Speculation in the West about the reasons range from a military buildup related to the Sino-Vietnamese conflict to the effects of a harsh winter (the Soviet Union's worst since the early 1950s) on production during the first quarter of the year—or simply increased industrial growth. But as one frustrated London metals trader concedes: "Nobody really knows what the hell is going on there."

What is known are the far-reaching effects of Moscow's new strategy on Western industry and on government planning. These include fueling the recent boost in metals prices, particularly in London, where lead prices over the past year have doubled to $1,150 per ton and could hit $1,600 later this year as shortages worsen. Although copper is down from its April peak, it is presently at 88.2¢ per lb. compared to 70.9¢ at the beginning of the year, and zinc is up to 35.8¢ per lb. from 31.7¢.

Pressures have also grown in the U.S., West Germany, and France to increase stockpiles of strategic materials. On May 3, West Germany's Bundesbank announced the creation of a $300 million credit line to finance a strategic materials stockpile. France plans to resume spending later this year on a $465 million metals stockpile.

Meanwhile, buoyant metals prices have stirred interest in expanding processing plants and opening long-dormant mines in the U.S. Oregon Metallurgical Corp., a major user of titanium sponge, now is bringing on stream a new, 6 million lb. plant to produce the metal. Oregon's president, Henry F. Peters, says he is already thinking of expanding its capacity by an additional 50%. "Despite recent shortages," he says, "commercial aircraft manufacturers are unlikely to switch out of titanium."

Reopenings. New mining activity extends to metals such as copper and cobalt, a virtually irreplaceable metal used in cutting tools and as a petrochemical catalyst. Amax Copper, Anaconda, and Asarco are among the U.S. companies planning to open or reopen copper mines in Arizona. Noranda Mines, the Toronto-based metals producer, is studying the reopening of the Blackbird cobalt mine in Idaho with an on site refinery that could be in operation by 1981.

Nervousness about Soviet buying is particularly evident in London, the world's pivotal metals trading center. One trader says that if lead reaches $1,600 per ton, it is likely that battery makers, major users of lead, would be driven out of the market. The Soviet Union, Poland, and Czechoslovakia have been buying substantial quantities of lead, zinc concentrate, and aluminum in France. Asks a puzzled official of Aluminium Pechiney: "Why have they been dragging their feet for five years on their plant to build a 500,000 tons-per-year aluminum plant?"

Alfred Powis, chairman and president of Noranda Mines, says: "It's difficult to draw a single conclusion from the Soviet activity. Some effects, such as the U.S. drawing down excess inventories in copper and nickel are healthy." But he describes as "unhealthy" the entry by the Soviets into "tight" markets such as those in lead, cobalt, and molybdenum.●

GASOHOL: A 100 PROOF IDEA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. MICHEL. Mr. Speaker, contrary to the popular saying, there is one thing that is even more powerful than an idea whose time has come—it is a technological development that meets a need. Such a development is gasohol. It is not a new idea, but it is a good one.

Columnist Jack Mobley of the Chicago Tribune says that gasohol "has captured the interest of the public and I don't think there's anything the oil companies or even the Federal Government can do about it." A recent news item in the Pekin Times says that Brazil is now aiming for a 30-percent alcohol mixture compared to the current 10 percent now used in the United States.

At this point I wish to insert in the Record "Bill May Help Sow Hope for Gasohol" by Jack Mobley, Chicago Tribune, May 16, 1978, and "American Distilling Considering Making Alcohol for Gasohol," Pekin Times, April 25, 1979.

The articles follow:

Bill May Help Sow Hope for Gasohol

(By Jack Mobley)

The Government has agreed to pay American farmers not to plant crops on 17.8 million acres this year.

For the last 16 years, the government has paid an average of $1.6 billion a year to farmers to keep land idle.

Wouldn't it make sense to pay farmers to plant grain on these acres and use the grain for alcohol for use as fuel?

It would, and finally there is a bill in Congress to make it possible. Hearings are being held Wednesday in Washington on a proposed law introduced by Rep. Berkley Bedell, an Iowa Democrat.

Dave Hallberg, Bedell's legislative director, explained the proposal to us over the phone from Washington. The principle is simple. "Money the government now pays to keep farmland vacant would be used to establish a foundation for a private-sector fuels industry," Hallberg said.

"The bill would allow full production of grain, and earmark 10 per cent of the corn crop for alcohol." It would fix a Catch 22 situation in that farmers hesitate to grow crops if they aren't sure of a market, and investors have been unwilling to risk building new facilities if they aren't sure of raw material.

Under Bedell's bill the government would rearrange subsidies for a few years until the industry gets rolling, and then step out of it.

Hallberg gave more detail. "The law would allow the Secretary of Agriculture to make available crops now under his control. For example, the government owns 200,000 tons of sugar that are in danger of spoilage. They could be used to make alcohol.

"By 1982 we would offer corn producers a guaranteed price of $2.75 a bushel. Then the secretary would take 10 percent of the crop and sell it to alcohol plants for 80 percent of that price. That means a 20 percent subsidy.

"That would work out to less than the government now pays farmers to grow nothing. The feed-grain portion of the set-aside program last year cost about $800 million. Our estimate of the subsidy to alcohol producers is $300 to $500 million. If you're going to pay farmers not to plant crops, you might as well burn the money.

"We're not saying this is a panacea to the energy problem, but it's a good beginning of significant displacement of imported oil, and it's something that will benefit the farmers."

Advocates of gasohol do not say it will solve the energy problem. They say it will help solve it. Up to 10 percent gas saving with alcohol, and development of solar energy, and of oil from shale, and more efficient use of engines can combine to relieve the shortage.

I can't help feeling that if the oil shortage is genuine and not manipulated, the oil companies would be getting behind gasohol instead of fighting it. Here's an example. "Why are the oil companies opposed to gasohol?" is a question in the Q & A column of Sun Public Affairs Letter.

Sun's answer: "In general, we are not opposed to alcohol fuels if they can be produced economically. As for gasohol, it takes more energy to make a gallon of gasohol than you get when you burn it. It's a net energy loser."

It used to be a net energy loser in obsolete production methods. A Chicago company at this moment is drawing up architectural plans for an alcohol plant in Illinois which will produce 57,000 gallons of alcohol fuel a day. It will use mostly waste material—waste molasses, distressed wheat, grain screenings, cull potatoes, and baled wastepaper.

The energy ratio is a 1.26 in, 4.38 out, or an energy plus of more than three-to-one in favor of alcohol.

Why isn't the oil industry leading in research to find ways to make alcohol at a lower cost in energy and dollars instead of trying to throw a monkey wrench into smaller industry's work?

The apparent answer is that a gasoline shortage leading to higher prices is more to their economic advantage than development of a fuel from renewable sources that can be manufactured by anyone from an enterprising farmer to a giant food processor.

Fortunately, the idea of gasohol has captured the interest of the public and I don't think there's anything the oil companies, or even the federal government, can do to stop it. Delay it, yes, but not stop it. Let's watch how Berkley Bedell's bill goes, and how Illinois legislators vote on it.

American Distilling Considering Making Alcohol for Gasohol

(By Dave Watters)

The technical director of the local American Distilling Co. plant told members of the Pekin Kiwanis Club Tueday that his company currently is examining all aspects of the quantity production of alcohol to be used as a gasoline additive and said the question is expected to be taken to the firm's board of directors in the near future.

Devon McLain told the group during a luncheon meeting at Sunset Lanes that American Distilling could "sell all the alcohol we could produce (for non-consumption purposes), but you must know you're going to be in good financial shape" before becoming committed to a long-range quantity program.

And one of the major problems with the use of gasohol, he said, is that of producing enough alcohol to mix with gasoline at a 10-to-1 ratio to make a dent in the nation's consumption.

Currently, he said, American Distilling can produce about 25,000 gallons of alcohol a day (eight to nine million gallons a year), but the United States uses 124 billion gallons of gasoline a year, meaning 12.4 billion gallons of alcohol would be needed.

McLain said the ADM plant in Decatur, the largest producer of non-beverage alcohol in this area, currently is turning out 75,000 gallons a day, but intends to double that figure in 60 days, then triple it after that.

"So we need more technology and more plants scattered around the country to use a variety of materials," he said.

And that matter of materials with which to make alcohol is another problem, because to use grain alone for gasohol would use too much of the nation's supply of grains.

However, many other possibilities exist, including potatoes, whey from waste yeast discarded by breweries, even waste paper.

In fact, McLain said, his company has been working with the nearby CPC International plant attempting to use CPC waste products for that purpose.

Although the cost of gasohol would be rather high, he said, it would increase mileage by perhaps three to five percent and would burn much cleaner, giving a more efficient engine.

As a result, he said, those using gasohol often have to change filters several times during the early stages of use because tars and rust are carried out of the engine.

Considerable controversy has arisen, he said, over the mileage increase figures, with some tests showing as much as 7 percent and others as low as 3 percent.

In response to a question, McLain said that if alcohol is produced at the local plant for use in gasohol, "it would be an entirely different system," because it would not have to be refined down to nearly the degree necessary for beverage purposes.

"We could conceivably produce both or one or the other," he said.

With the world energy picture very much in mind, Brazil has done a lot of work in the gasohol field, he said, and is now aiming for a 30 percent alcohol mixture by 1985 and 100 percent by the year 2000, although engine changes will be required to burn pure alcohol.●

STRATEGIC MATERIALS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● **Mr. BOB WILSON.** Mr. Speaker, I include in the RECORD for the information of my colleagues, an article by Bohdan Suprowicz, president of 21st Century Research:

STRATEGIC MATERIALS: FEAR SOVIET SUPERCARTEL FOR CRITICAL MINERALS

(By Bohdan Suprowicz)

Prospects are increasing for the formation of a supercartel, controlled by the U.S.S.R., which could wield global domination over several strategic materials. Only a few more nations in southern Africa would have to fall under Soviet influence in order for the elements for such a supercartel to be in place.

Nearly the total world supply of such minerals as chromium, cobalt, gold, platinum, palladium, diamonds, and several other critical materials comes either from these nations in southern Africa, or from the Soviet bloc. Over 80% of world production of most of these minerals could conceivably be controlled by the potential Soviet supercartel—over 70% of cobalt, over 60% of manganese.

The OPEC cartel imposed a successful embargo of crude oil in 1973, yet OPEC controls only about 52% of world oil supplies.

Trade among Soviet bloc nations is conducted within an economic community called COMECON. Non-European membership in COMECON is increasing. Cuba, Vietnam, and Mongolia are already members. Angola has begun to participate as a COMECON observer member. It appears inevitable that both Angola and Mozambique will become COMECON members, thus paving the way for possible future Soviet economic and political expansion in southern Africa.

The primary sources of strategic materials in southern Africa are Zaire, Zambia, Rhodesia, and South Africa. Rebel activity and political instability in this whole area has been steadily increasing. Marxist-Leninist regimes have already taken over in nearby African nations, and further takeovers seem quite possible.

If the Soviet Union should manage to extend its influence into these areas, it could have the power to gain political and economic concessions by "peaceful" manipulation of materials supplies to consumer countries.

SOVIETS SELF-SUFFICIENT

Among the world economic powers, the Soviet Union alone is almost entirely self-sufficient in strategic materials. Even China, with large undeveloped resources at present, must import about 15 strategic materials that are not sufficiently available domestically. The United States is considerably worse off. We must import about 30 to 40 strategic materials, and to protect against cartels or embargoes we must maintain costly stockpiles. Western Europe and Japan have even greater dependence than the U.S. on imported oil and other strategic materials.

Major studies of possible cartel actions in other materials after the OPEC oil embargo concluded, for the most part, that little danger exists. It was found that—except for possibly aluminum, chromium, platinum, and iron ore—cartel possibilities were judged to be low or economically unattractive. Even in those cases where cartel action appeared to be a possibility, most analysts felt that success would be uncertain. Use of substitute materials and the development of alternate sources seemed, in most cases, to deter or to doom any such cartel to failure within a short time.

These cartel studies, done by organizations such as the Hudson Institute, Charles River Associates, the Department of State, and the Council of International Economic Policy, played down potential dangers. They did grant that some cartels will continue to exist in the form of state trading organizations, or government-industry consortia in foreign countries, but their effects on the supplies of strategic materials are unlikely to have an impact similar to that achieved by OPEC.

One study did point out, however, that if collusion did occur among exporters of chromium, platinum, nickel, and cobalt, it would very seriously affect the economy of the United States. Domestic resources of those materials are sparse and of low grade.

One weakness of these studies is that they tend to assess cartelization potential for a commercial objective in each single commodity separately, and they are primarily concerned with its effects on the United States. A broader view of potential cartels, viewing events and political relationships not necessarily involving the U.S., results in a less favorable appraisal.

CHINA WAS CUT OFF

Indeed, the devastating effects of the denial of supplies of chromium, nickel, cobalt, and platinum to a country without its own exploitable deposits was dramatically demonstrated in the case of China. Almost 100% of China's rapidly growing demand for these metals was imported from the Soviet Union up until 1961. China's own reserves of these materials were either nonexistent or negligible. Then came the celebrated Sino-Soviet rift of 1961. Soviet economic aid was suddenly withdrawn.

The recall of 10,000 Soviet technicians and a freeze on new plant construction in China received wide notice. But probably much more serious to the Chinese economy was the Soviet decision to cut back shipments of chromium, nickel, cobalt—even oil—to China.

The Soviet strategic materials embargo dealt a crippling blow to China's emerging industrialization program. It was all the more effective because, at the time, trade with China was also embargoed by the United States. Furthermore, the U.S. was using its foreign aid to further restrict trade between China and numerous third-world countries in Asia and Africa. Paradoxically the Soviet Union, not the free West, turned out to be the major beneficiary of those policies.

In desperation China turned even to South Africa. There are records of some trade between those countries in the early 1960's. Almost immediately Chinese trade initiatives in South Africa were condemned by Soviet propaganda as a betrayal of the cause of black African states.

China saw an opportunity to solve its problem when, as a result of ideological disputes, Albania suddenly broke off diplomatic relations with the Soviet Union. Albania happens to be the third largest chromite producer in the world, after the Soviet Union and South Africa. Its production is estimated at 837,000 metric tons in 1976, larger than that of Rhodesia or Turkey. Albania also has some nickel, copper, iron ore, and even oil, enough to make it self-sufficient in domestic energy supplies. Albania's industrial resources position sets it apart from other East European countries, all of which must rely on the Soviet Union for much of their energy and raw materials.

The "Albanian Connection" did not come cheap to China, which extended over $359 million in foreign aid to Albania by 1971. In addition China equipped Albanian armed forces with tanks, guns, aircraft, and ships, including four Chinese-built submarines. Additional Chinese aid since 1971 has also included assistance in construction of the Elbasan Metallurgical Complex in Albania to produce steel, nickel, and cobalt.

The complex's planned ferronickel capacity is 800,000 tons per year by 1980. China helped Albania expand a nickeliferrous iron ore mine at Gur-i-Kuq. A chrominum concentrator and a ferrochrome plant were built with Chinese aid at Burrel. In 1974 a huge 250 MW Mao Tse-tung hydroelectric power plant was commissioned and another 500 MW power plant started at Fierze in order to provide enough electricity to process Albanian ores.

SORTIES TO AFRICA

Nevertheless, having experienced the Soviet embargoes, China was not going to rely on Albanian sources alone for its strategic materials. Chou En-lai himself visited several countries in Africa during the mid-1960s, ostensibly to extend Chinese foreign aid to newly emerging black African states.

The largest Chinese aid project turned out to be the Tazara railroad built at a cost of over $400 million but completed well ahead of time. It links the port of Dar es Salaam on the Indian Ocean coast of Tanzania—via 1100 miles of railroad track through some of the most forbidding terrain of Zambian mineral country. The Tazara railroad connects with the existing Zambian, Zairean, Rhodesian, and South African rail networks. It provides an independent access to the huge resources of chromium, cobalt, copper, diamonds, platinum, and many other strategic materials that must be imported by China. The Soviet stranglehold designed to subjugate China by means of a strategic materials embargo was broken. But more recently, with recent Soviet-Cuban adventures in African countries, a new threat for China is emerging there.

With Angola and Mozambique already in the Soviet camp, convenient staging areas are now available for various "liberation" movements. Zaire and Zambia appear most threatened currently by the Soviets, who are providing arms and military advisors, along with Cuban troops and East German advisors. Marxist regimes in Zaire and Zambia would put the Soviets on a good position for taking over Rhodesia and Namibia. Angola and Mozambique provide the Soviets with arms supply bases. But they also provide opportunities for control of sea lanes around the African continent, and shipping links with the COMECON supplier countries of the Soviet bloc.

The repeated attempts to take over Shaba Providence in Zaire, which controls 60 percent of global cobalt resources, is not accidental. After Zaire, the Soviet Union and Cuba together are probably the largest cobalt producers in the world. Should Shaba fall into their hands, the Soviet Union would effectively control almost 80 percent of global cobalt supplies. The Soviets would also gain, as a bonus, control over the largest sources of industrial diamonds and a significant portion of world copper production.

The loss of control over such a large proportion of world cobalt production alone would be unacceptable blow to the free world. Cobalt plays an important role in various defense applications. Particularly affected would be the jet engine industry, since cobalt is a necessary ingredient in making heat-resistant alloys for use in turbine blades.

Some of the effects of sudden cobalt shortages, resulting from the recent Shaba invasion, have already been felt in the commercial sector particularly in electric motors which use cobalt steels for permanent magnets. Cobalt shortages would also affect silicon carbide tools, superalloys, catalysts, and consumer goods such as loudspeakers.

Some political scientists believe that the fall of Zaire would almost certainly mean an end of the pro-Western government in Zambia next door. This could shift additional sources of cobalt, copper, beryllium, and lead to Soviet control. Rhodesia and Namibia might then be taken over by Marxist forces, forming a solid front against South Africa itself. South Africa is extremely concerned about the apparent lack of perception by the United States and some other countries of this possible threat, not only to South Africa but to the consumers of its strategic materials.

SOUTH AFRICA TOO?

South Africa, as the strongest nation in Africa, and seemingly on the verge of developing its own nuclear weapons capability, would be a tough nut to crack. But the racial situation in that country provides the Soviet Union with an unusual political advantage. The Soviets exploit this by supporting actions against South African apartheid policies, particularly if these originate in capitalist and democratic countries. Even the human rights stance of the Carter Administration provides a convenient means to blunt a more determined posture by the United States against Soviet-Cuban advances in South Africa. Thus, unless a long-term and lasting solution is not arrived at soon, there is potential danger that even South Africa could fall under Soviet domination.

Free world politicians, particularly those strong on human rights issues, tend to dismiss the possibility of a Soviet supercartel in southern Africa as a scare story that is unlikely to take place. They fail to understand that even partial fulfillment of such a scenario would have disastrous effects on Western economies. It is interesting to note that the OPEC cartel possibility was also pointed out well ahead of time, only to be dismissed as irresponsible in many quarters until it took place.

The Soviet bloc, it is interesting to note, also controls 22% of world oil production. If its borders were not closed to free trade and capital investment from the West, OPEC would not find it so easy to implement an embargo. In a way, the OPEC cartel was made possible by the existence of a huge Soviet state oil monopoly outside the control of global market forces.

The minerals supercartel the Soviets might form with the takeover of southern Africa presents tremendous political opportunities. It would give them a powerful economic hand in dealing with the West.

Since China is also dependent on strategic materials from Africa, the Soviets could see embargoes or threats of them to bring the Chinese back into line with the industrialized Western nations and Japan. In short, such a move could destroy the "China card" that the Soviets fear the Western powers may start to play.

Not surprisingly, China has been active in Angola, supporting movements that oppose those supported by the Cubans and Soviets. Because of the joint economic dependence on African sources, the communist regime in China may have to join forces with the Western capitalist powers to face a common threat.

China also has long-term investments in Africa, which it could look forward to having repaid in the form of strategic materials shipments in the future. Some of those agreements may not come into repayment stages until the mid-1980's.

WHY CUBAN TROOPS?

China's involvement in Africa may have prompted the Soviets to order Cuban troops to Angola in the first place. At the time of the Angola crisis China was completing its Tazara railroad in nearby Zambia and Tanzania with an estimated 16,000 Chinese, most of them People's Liberation Army (PLA) Railroad Construction Corps personnel. In neighboring Zaire a Chinese general and military advisors were also helping to train anti-Soviet Angolan liberation forces. This may have led the Soviets to match the Chinese presence in that area with 16,000 Cubans. Thus, the Western powers may have inherited a Sino-Soviet struggle for African resources which has been underway since the 1960's.

An economic argument against any successful cartelization by developing countries points out that those countries must export their minerals in order to survive. This is true for countries dependent on exports of minerals to earn hard currencies needed to buy machinery and equipment, or to import food because few are self-sufficient in agriculture.

However, a new twist is introduced if developing countries fall under Marxist domination and join Comecon. Trade between communist countries is conducted by means of annual trade and payment agreements. Hard currency requirements do not come into play. Under such agreements the Soviet Union and Eastern European industrialized nations could supply Southern African countries with all the machinery and transportation equipment—and even arms—they might require. The Soviets could also stabilize or reduce domestic production of strategic materials while meeting industrial demands through increased imports from southern Africa, once it is under Soviet political control. Such action would have devastating effects on most Western economies. Prices would explode for a rapidly shrinking supply of strategic materials. This could even precipitate communist takeovers, particularly in Western European countries.

LENIN'S PLAN?

Such a possibility could be at the root of the Soviet's long-range global policy. Lenin himself pointed out in his works that a communist takeover of Europe would not be possible until control of southern Africa is in Soviet hands. He knew even then that minerals from that region are the lifeblood of European industries.

Uncertainty over the future of mineral-rich southern African nations has helped force reexamination of stockpile policies in the United States. In 1975 a Materials Shortage Steering Committee was formed under the initiative of the Department of Defense. Under its direction a number of studies focused on the consequences of possible disruptions of strategic materials supplies.

A "vulnerability index" came out of this work, rating the relative importance of particular materials to national security and the economy. This index was used by the Army War College Strategic Studies Group to identify which materials are most vulnerable to foreign disruption. Chromium and platinum led the list, followed by tungsten, manganese, aluminum, titanium, cobalt, tantalum, nickel, mercury, and tin.

Another finding: Strategic stockpiles in the United States contained 93 different materials valued at over $8.3 billion (as of September 1977), but scattered in at least 122 locations.

EUROPEAN DILEMMA

Most European nations have no stockpiles, and are thus virtually at the mercy of their suppliers. The American stockpiles are viewed as a hedge against supercartel action. If southern Africa fell to the Soviets, however, Europeans might be faced with choosing between the Soviet supercartel with known long-term resources, and a U.S. emergency action based on short-term stockpiles.

On top of the fragmentation of interests between Western nations (and large corporations), one must consider the absence of a U.S. foreign trade policy. We are almost unique among Western nations in not having such a policy. Adding to the confusion is the lack of understanding of the real issues involved by public opinion in the West. Current Western policy could lead to another possible outcome in southern Africa.

In this scenario, South Africa, impatient at the lack of sufficient support by the West, could take the initiative to form a federation of strategic materials countries. To accomplish this it might use its military strength to "liberate" Angola and Mozambique from Marxist governments. South Africa would probably have to demonstrate its nuclear capability before pursuing this course. These moves would be likely to provoke reactions from the Soviets that the West would prefer to avoid.

But if South Africa were able to achieve such a "coup," it might create a powerful new state. The Federation would be self-sufficient in agriculture, and could boast excellent supplies of minerals, coals, uranium, and Angolan oil. The elements would be there for rapid industrialization, but most likely not under democratic lines.

This outcome would not have as powerful effects as the creation of a Soviet supercartel, but as long as the Soviets retain the COMECON structure, such a Southern African federation could thrive just as the OPEC cartel has done. The results might be even more distasteful for Western Europe, Japan, the United States, and China. ●

WHY WE MUST NOT RELAX JACKSON-VANIK

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

⊙ Mr. KEMP. Mr. Speaker, when some of our colleagues are urging the watering-down or even the outright repeal of the Jackson-Vanik amendment and when Israeli experts are predicting that the Soviet-sanctioned exodus of Jews from the Soviet Union is likely to total 250,000 or more persons in the next 3 to 5 years, I believe it is important to examine current Soviet emigration policy in perspective.

Are the Soviets so desperate for U.S. trade and technology that they are willing—at long last—to heed congressional and free world opinion and pressure to relax emigration restraints?

Is the Soviet desire for Senate approval of SALT II a factor in the relaxation?

I see no changes in the Soviet Union which would restrain Kremlin leadership from reverting to harsh and brutal treatment of visa applicants. I perceive no change in Soviet efforts to expand the influence of Soviet-brand communism in Africa, the Middle East, or elsewhere. Nor is there any indication of the lessening of Soviet support for such terrorist organizations as the PLO. Jewish dissident Anatoly Shcharansky is still in Chistopol Prison. Other dissidents are still confined to mental institutions and the Gulag Archipelago for simply expressing convictions banned by the Soviet hierarchy.

Our Government has rightly sought oral assurances from the Soviets that current, liberalized emigration policy will continue. But we should be more firm. We must exercise a cautious and continuing scrutiny of Soviet policies in regard to all human rights, including the right to emigrate, with a skeptical hope that at some point of time a pattern of consistent improvement on these issues will be firmly established. Until such a pattern is manifest, we must hold firm on Jackson-Vanik.

One can ascribe many motivations to the twists and turns of Kremlin behavior. But whatever the suppositions, there is an enlightening history of trends in Soviet emigration policy and United States and Israel reaction to such policy.

My friend David Korn, the chairman of the UJAF-funded Committee for the Resettlement of Refugees, has chronicled this history in a scholarly manner. At this point, I should like to add his work, as it appeared in the April edition of the National Jewish Monthly, to my remarks:

Fifty Thousand Jews To Leave U.S.S.R. This Year—but Lately, 64 Percent Are Coming to the United States

(By David Korn)

Jerusalem.—"The Russian Jews are leaving, the Russian Jews are leaving, but they are not coming" is the slogan here. Israeli officials believe that the Kremlin has finally decided to allow a sizable number of Jews to leave the Soviet Union. But more than 60 percent now choose to settle in a country other than Israel.

Israeli experts predict that unless political conditions change drastically, the exodus may involve 250,000 people over the next three to five years—if not more. Their estimate is based on requests by Soviet Jews for invitations to join their Israeli relatives. Such an invitation is necessary to qualify for an exit permit. In 1978, invitations totaled 140,000, the highest ever. In 1968, there were fewer than 7,000.

Experts attribute the steep rise in emigration figures to several factors:

1. Other minorities and nationalities in the Soviet Union are not demanding an exodus of their own, as the Kremlin had feared they would. Soviet leadership has come to the conclusion that the Jewish demand for exit visas does not threaten the Soviet system.

2. The American Congress and public opinion have proven formidable opponents to the Kremlin. There is a growing feeling in the Soviet Union that technology and trade are more important to the country than what happens to the less than one-half of one percent of the population that is demanding to leave.

3. Departing Jews cannot sell their apartments on the free market; they must resell them to housing cooperatives at the original price. Emigrating Soviet Jews are thus leaving a legacy to the Soviet economy. Apartments are hard to get and the Soviet construction industry has not been able to keep up with the demand.

4. Most of the people given permission to leave are the so-called "non-productive elements." Very few are intellectuals; even fewer possess valuable industrial or scientific skills.

5. The Kremlin has decided to get rid of potential troublemakers as well as those Jews whose loyalty cannot be relied on. To make sure that Jews who have any doubts at all about staying get the message—Leave!—the Soviet press has published vicious anti-Semitic propaganda in the last twelve months.

Soviet Jewish emigration can be divided into several periods. Between 1948 and 1953, Stalin's final years, eighteen people were allowed to leave for Israel. During the Khrushchev era—from 1954 to 1964—2,418 Jews emigrated. In the first year under Leonid Brezhnev, 1,450 people left for Israel.

The first inkling of a formal decision by the Kremlin to allow Soviet Jews to leave was given by Prime Minister Alexei Kosygin at a press conference in Paris in 1966. In his reply to a question on family reunification, Kosygin said: "Individual persons raise the question from time to time. There are even persons who say that in the USSR there allegedly is anti-Semitism. There is no such thing in our country and there cannot be. . . . As for reunification of families—if there are any families that want to meet or to leave the USSR, the way is open for them and there is no problem there."

Kosygin's answer was published in *Izvestia* the next day. In the six months following Kosygin's statement, 1,162 persons were allowed to leave.

The six-day war in June 1967 marked a suspension of the exodus until September 1968. During those fifteen months, many Western Jews traveled to Russia and met secretly with Jews who wanted to leave but were afraid to apply for exit permits.

Western pressure and particularly American pressure forced the Soviet Union to reconsider its no-permits-granted policy. In the last three months of 1968, Soviet authorities approached Jews with the suggestion that they apply for exit visas. In the last quarter of 1968, Soviet Jews requested 6,500 invitations from their families in Israel. In 1969, the figure rose to more than 27,000. This unexpected volume of applications troubled Kremlin leadership, which ordered a slowdown. Individuals who applied for visas were immediately relieved of their jobs and their school-age children were beaten up, often in full view of their teachers.

The Soviets were afraid that the desire to abandon the sacred land of communism might be contagious and infect not only some of the 146 other ethnic groups officially recognized by the state, but Russians as well. Marriage to a Jew became fashionable because it could provide an exit from Russia. Among the other nationalities, only a few thousand ethnic Germans and a few hundred Armenians asked to be reunited with their families in the West.

The second half of 1969 marked an important period in the lives of Soviet Jews: For the first time in Russian history, there was open and public protest; letters and petitions were signed by those who were no longer afraid of the secret police. The protests not only proved dissatisfaction but spelled out the desperate situation in which Soviet Jews found themselves. They were—and are—the only major ethnic group in the country that is denied education in its own language.

SOVIET JEWISH EMIGRATION SINCE 6-DAY WAR

Year	Israeli visas issued	Emigrants leaving	Arrivals in Israel	Emigrants to countries other than Israel	New invitations sent
1968	379	229	231		6,786
1969	2,902	2,969	3,033		27,301
1970	1,046	1,027	999		4,830
1971	14,310	13,022	12,819	58	40,794
1972	31,478	31,681	31,652	251	67,895
1973	34,922	34,733	33,477	1,456	58,216
1974	20,181	20,628	16,816	3,879	42,843
1975	13,139	13,221	8,531	4,928	34,145
1976	14,138	14,261	7,279	7,004	36,104
1977	17,159	16,736	8,348	8,483	43,062
1978	30,594	28,865	[1] 12,231	16,867	105,711
Total	180,248	177,382	[1] 135,416	42,926	467,687

[1] The figure is not final

ARRIVALS IN VIENNA[1] FROM TWENTY CITIES

[Monthly average]

City	1973	1974	1975	1976	January to September 1977
Moscow	126	115	100	108	117
Leningrad	70	64	64	104	101
Kiev	142	89	82	86	127
Odessa	138	144	152	232	228
Tashkent	87	25	7	9	12
Kishinev	106	189	68	80	117
Minsk	37	15	16	17	16
Chernovitz	399	119	57	60	75
Riga	107	53	29	29	36
Lvov	83	68	45	48	50
Tbilisi	162	67	19	16	13
Vilnius	106	40	21	17	20
Samarkand	107	94	3	3	9
Dushanbe	78	19	5	8	13
Kaunas	39	11	5	3	7
Kutaisi	146	34	9	4	4
Sukhumi	103	29	6	4	2
Derbent	9	84	55	36	15
Kharkov	5	9	26	42	50
Mukachevo	35	9	4	5	2
Others	811	440	327	274	254
Total average for U.S.S.R	2,894	1,719	1,101	1,188	1,267

[1] Jews emigrating from the Soviet Union first stop in Vienna.

The Soviets responded by dispatching communist Jews to various international gatherings, particularly in the United States, in an attempt to convince the world that Soviet Jews do not want to go to Israel.

Domestic and foreign policies shifted again, and in 1971, 14,310 Jews were allowed to leave—a twelvefold increase over 1970.

On October 1, 1971, Prime Minister Kosygin acknowledged that an increasing number of Jews were being allowed to leave his country. At the same time, he hinted at the unexpected "diploma tax," which charged Jews for their education. Kosygin said, "Of course we keep back a certain number of people who have just finished their education; vast sums of money have been spent on them. Nor can we supply Israel with an army of soldiers."

For Soviet Jewish emigration, 1972 and 1973 were record years. Credit is due President Richard Nixon and Secretary of State Henry Kissinger, but especially Nixon, who with quiet diplomacy succeeded in getting a large number of activists out of Russia. He saved the lives of Edward Kuznetsov and Mark Dymshits, who had been sentenced to death in a 1970 hijacking trial.

The August 1971 diploma tax decision—which compelled Soviet Jews to pay from $5,500 to $23,000, depending on their level of education—backfired. The West reacted with anger. By April 1973, the tax had been quietly canceled; Brezhnev was planning his visit to the United States. Yet anti-Jewish propaganda continued.

Also in 1972, the American public, the State Department, the White House and Congress began active lobbying on behalf of Soviet Jews. The Jackson-Vanik amendment, adopted in 1974, has been one of the results. It denies credits for the purchase of American goods, and withholds most-favored-nation status if a state prevents free emigration. The amendment was a slap in the face for the Russians; in retaliation, they limited departures.

Then came the Nixon and Brezhnev visits, and the situation improved slightly. Emigration was not stopped on account of the Yom Kippur war. But the Soviets did reduce the number of exit permits from 35,000 in 1973 to 20,000 in 1974.

In 1972, 250 Soviet Jews with visas to Israel declared themselves political refugees and found asylum in the United States. Attorney General John Mitchell had issued a parole authority, allowing political refugees to come to this country without a specific quota—provided that the sponsoring agency in the United States assumed responsibility for the newcomers. Jews visiting the Soviet Union as well as Jewish organizations informed Soviet Jews that they might be allowed to come to the United States.

Immigrant absorption officials in Israel argue that Soviet Jews applying for emigration to Israel are not political refugees and therefore should not be entitled to benefit from the parole authority. Their interpretation is that a political refugee is a person who, because of his political views, has no country to go to after he leaves the land where he has been persecuted. In the first place, Israelis claim, Jews are not persecuted politically but religiously. Second, they apply for visas to Israel in order to join relatives. Third, they are considered people returning to their own country, Israel. Fourth, it is Israel that bears the exorbitant cost of sponsoring them by searching for their relatives and making arrangements for their departure.

Israelis feel that they are being taken for a ride. After all, they claim, if a Soviet Jew wants to go to the United States, he should apply directly to the American Embassy, or go to Israel and apply for an American visa in Tel Aviv.

What is hurting Israelis is the steady increase of Soviet Jews choosing America over Israel. The percentage of Soviet Jews who emigrated to America rose from zero percent in 1971 to 57 percent in 1978.

The Hebrew Immigrant Aid Society (HIAS) recently announced an expected 100 percent increase in emigrants to the United States. The number of Soviet Jews opting for the United States or other Western countries is now 64 percent.

Originally, Soviet Jews chose the United States over Israel on account of their American relatives and because of better economic conditions. In addition, Soviet Jews are wary of war in the Middle East, and of military service for their children.

On several occasions, Israelis have protested to HIAS that it "buys" Soviet Jews with promises of a better life in America. HIAS denies these accusations.

No Israeli or American is demanding that the U.S. government refuse admittance to Soviet Jews or abolish the parole authority that allows political refugees to qualify for immigrant status beyond the regular quota. Nobody wants to recreate the 1939–45 period, during which many Jews who were denied admission to the United States were killed by the Germans.

Israelis conducted a survey among Soviet Jews leaving for the United States. Only 16 percent of them indicated that they would have stayed in Russia had Israel been their only choice. Of that 16 percent, more than one half were in fact non-Jews or came from mixed marriages.

Israelis complain that young, productive Soviet Jews go to America, but that the hardship cases end up in Israel. They argue that Israel needs more Jews, and that Soviet Jewish immigration is vital. They claim that Soviet Jews become assimilated once they settle in the United States. "When they come to Israel, we make Jews out of them," one high-ranking Israeli sums up, "when they go to the United States, they become Gentiles."

Israelis dealing with Soviet Jewry are bitter over what they characterize as "the Soviet Jewry business in the United States." They complain that every American Jewish organization has funds and large staffs to deal with the newcomers, every metropolitan center has personnel assigned to Soviet Jews; English language schools are formed and training programs are organized.

The cost per adult—from his arrival in Vienna and three to five months in Rome prior to the trip to the United States and resettlement—amounts to $10,000, not counting volunteer medical attention and dental work. In 1978, 16,867 Soviet Jews settled in the United States, and 99 percent of their absorption costs came from private donations, coordinated by the United Jewish Appeal Federations (UJAF).

Some Jewish organizations collect money on behalf of Soviet Jews and dispose of it without any control from UJAF. While the National Conference on Soviet Jewry speaks for the establishment, splinter organizations develop their own programs, such as those for the "adoption" of prisoners of conscience in Siberia. There ought not to be conflict among those organizations, but there is. They are vocal and attract a large number of young followers, and their work on many occasions overshadows that of the National Conference.

Israelis feel that time works against them, too. They fear that the Soviet exodus is temporary and that those who leave should go to Israel. Israelis are apprehensive about a future honeymoon between Russia and an Arab country—Saudi Arabia, for instance. Such an alliance may depend on Russia's closing the doors on Jewish emigration.

Israelis claim that resettlement costs in the United States are much higher than in Israel, where there are retraining schools. Moreover, in Israel, professionals such as doctors are allowed to practice without reschooling or having to pass up examination.

Almost every Jewish family in Russia has at least one immediate or distant member in Israel or in another Western country. Since 1968, Israeli families have sent close to half a million invitations to their relatives in the Soviet Union. Assuming that 13 percent are renewals, there are at present at least 250,000 Jews who plan or want to leave the Soviet Union.

A little-noted fact is that in 1978, 79 percent of the emigrants came from the twenty largest cities, which suggest that the government has decided to make those cities free of Jews. The exodus has barely touched small cities and villages, where Jews are still afraid to apply for emigration despite the fact that relatives in Israel have sent more than 100,000 invitations.

Jews who remain in the Soviet Union fall into the following categories: One, those who do not wish to leave at the present time or, two, are unable to leave because the authorities characterize their work as affecting state security. Three, those who are willing to go, but whose children are not, or, four, who have elderly parents and don't want to leave them behind. Five, elderly people on pensions. Six, intermarried couples who don't want to leave and, seven, Jews assimilated over several generations, some of whom don't admit to being Jewish, lastly, Jews in good positions who don't want to lose their jobs or change their lives.

Israelis consider "dropping out" in Vienna a tragic episode. They argue that Soviet Jewish emigration to North America fulfills the historic Russian objective of making their Jews lose their Jewish identity.

But the majority of American Jews are of Russian descent, and it would be unthinkable for American Jews to enjoin other Russian emigrants from going to the United States. The issue is of such importance that in the last three Presidential elections, the standard bearers of both political parties devoted much of their time to Soviet Jewry. No candidate for any elective office in a Jewish area could be elected if the candidate took an inhospitable stance toward Soviet Jews.

In this fiscal year, the U.S. Congress has appropriated $20 million to help immigrants from Eastern Europe resettle. The great majority of them are Soviet Jews.

If HIAS predictions are correct, the number of Jews coming to the United States will double in 1979—reaching 25,000. Close to one quarter billion dollars will have to be raised to pay for their resettlement, and funds allocated for other needs may have to be reduced.

Where Soviet Jews settle has become a moral and political issue over which Israeli interests and American Jewish sentiments clash.●

BROWN AGAINST BOARD OF EDUCATION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BROWN of California. Mr. Speaker, I wish to submit to the RECORD an editorial written by the New York Times, May 17, 1979.

This article appeared on the 25th anniversary of the Supreme Court's decision in Brown against Board of Education. It notes one of the transforming events in American history that occurred 25 years ago on May 17, 1954. The decision of the Supreme Court in Brown against Board of Education has altered the entire school generation. I think it is important that we understand the origins and the implications that have been wrought in this society since this landmark decision.

I urge my colleagues to read this editorial which reflects a revolution of great magnitude:

An Age of Liberation

Twenty-five years ago, the Supreme Court's decision in *Brown v. Board of Education* looked important because of how it might change American education. Today it is clear that *Brown* was monumental because of how it has changed American life. Our society is now less separate and more equal because the Court inspired a majority of Americans to accept equality as our goal. The nation is still far from achieving that goal; the glass may not even be a quarter full. But this remains an anniversary worth observing.

There does not appear to be much to celebrate about school desegregation at the moment, not considering the legal thicket the courts have entered. A generation ago, the issue seemed so simple: segregated schools were unconstitutional and dual systems had to be undone. But the questions became more difficult:

What about schools, North and South, that were not *purposely* segregated? What if racial isolation occurred because of housing patterns? How much racial balance constitutes valid desegregation? When is busing required? How much? When should the courts require combined city-suburban desegregation?

Gradually, the courts have become mired in detail. Two recent studies gave Southern states better marks than other regions of the country for their school desegregation efforts. But by and large there has been little change in the nature of education for black children.

However, it is not a failing of the courts that there are today few examples of stable, integrated public schools. *Brown* initiated much educational reform—and much of the nation's social progress of the last 25 years. True, it took marches and protests to open doors and change attitudes; but the Supreme Court had told the American people what was right and gave critical moral force to the civil rights movement in Washington and around the country. Desegregation of schools was followed by advances in voting rights, public accommodations and employment. In that sense *Brown* was the impetus for an age of liberation.

Discrimination and disadvantage are no strangers to modern American society. But it is far different from the shameful, painful world of "separate but equal," and the differences have come about through constitutional means. In 1954 there was a handful of black elected officials; today there are more than 4,000, at every level of government. Similar change is visible in business and professional life. It would be hard for youngsters to believe that 25 years ago there were only a few blacks playing professional sports. Blacks in America are, among other things, now better situated to press their own causes.

Still, to observe May 17 honestly is to recognize that 25 years do not erase 250. The battle signaled by *Brown continues.*●

FOREIGN OIL TAX CREDIT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. ROSENTHAL. Mr. Speaker, the Committee on Government Operations Subcommittee on Commerce, Consumer, and Monetary Affairs which I chair has held hearings in the 95th and 96th Congresses on the subject of foreign tax credits claimed by U.S. oil companies. House report 95–1240 entitled "Foreign Tax Credits Claimed by U.S. Petroleum Companies" originated with this subcommittee. Further studies and hearings have been undertaken by the subcommittee which confirms the abuse of granting through private treasury IRS rulings of foreign tax credits for U.S. oil companies. The result is a "bending of the law" and a loss to the Treasury of over $1.5 billion per year. Such rulings cry out for revocation or prohibition by law.

In this context I wish to bring to my colleagues' attention the excellent contribution on this subject by Ernest Conine, a Los Angeles Times editorial writer, entitled "Oil Firms Scurry to Preserve Golden-Gimmick Tax Dodge", which appeared in the Los Angles Times on December 5, 1977. The article is as timely now as when it was written.

The article follows:

Oil Firms Scurry To Preserve Golden-Gimmick Tax Dodge

(By Ernest Conine)

The Internal Revenue Service at long last, has screwed up its courage and is proposing to revoke an old tax ruling that has enabled the big international oil companies to escape billions of dollars in U.S. taxes during the last 27 years.

Insiders suspect that, even if the Administration goes along with the recommendation, we won't really have to watch grown men cry. The oil companies already are said to be working on ways of insuring that their "golden gimmick" lives on in another form.

Even so, the story of the controversial tax ruling is worth recounting if only to demonstrate how governments can do incredibly stupid and counterproductive things, though perhaps with the best of intentions, when democratic processes are circumvented.

The ruling, which has enriched the oil companies and Arab potentates at the ultimate expense of the American people, was formally issued by the IRS in 1955. But its roots go back to 1950, when the Truman administration was anxious to buy the good will of Saudi Arabia's King Ibn Saud without arousing the pro-Israeli bloc in Congress.

At the time, the United States was importing only a fraction of the oil it consumed—and most of that came from Venezuela. But it was already obvious that the huge oil reserves in the Middle East were of enormous economic and strategic importance to the United States and the West European democracies. And the biggest reserves of all were in Saudi Arabia, where the concessions for oil production and development were held by Arabian-American Oil Co.

Thus the State Department paid respectful attention when, in 1950, Aramco asked Washington's help in dealing with Ibn Saud's demands for more money.

If the U.S. national interest really justified a government subsidy of some kind for Saudi Arabia, the straightforward thing would have been to extend foreign aid to the desert kingdom. But that would have required congressional action, and the Truman administration did not relish the battle that might have ensued over help to a prospective enemy of the embattled new state of Israel.

What the Saudi Arabian king really wanted was the same deal that the oil companies had given Venezuela not long before—a 50–50 split on revenues from the sale of his oil.

According to testimony before a Senate committee almost 25 years later, the discussions between Aramco and the State Department produced a solution-by-subterfuge that would give the king what he wanted.

Aramco would make additional payments to the king, but these would be regarded by the American government not as royalties on oil production but as income taxes paid to a foreign government.

The distinction was important. Under U.S. tax laws, royalties would be treated as deductible business expenses, meaning that the tax break would be only about 50 cents on the dollar. But foreign taxes could be treated as credits and subtracted, dollar-for-dollar, from the companies' U.S. tax bill.

The effect of the arrangement, which was legitimized by a cooperative IRS during the Eisenhower administration, was to take money out of the U.S. Treasury and deposit it in the pockets of the king.

As Anthony Sampson observed in his book, "The Seven Sisters," the scheme was really a means of providing "foreign aid to a kingdom which was important strategically, without having to submit it to Congress . . . It was not until six years later that the tax device was publicly aired."

The first-year loss to the Treasury was only about $50 million. But the oil companies realized quickly that they had a good thing going—and moved to exploit it accordingly.

The tax ruling ended up being applied, of course, to the oil companies' operations all over the world. And it generated a huge inducement to invest in oil development abroad rather than at home, where the golden gimmick was not available.

It may not be entirely coincidental that, by 1973, the five largest U.S. oil companies were making two-thirds of their profits from overseas operations. And they were paying few or no taxes on those earnings.

IRS Commissioner Jerome Kurtz told a House government operations subcommittee the other day that application of the 1955 ruling had cost the Treasury $5.6 billion in uncollected taxes from 19 oil companies in the last five years alone.

Oil lobbyists argue that taking away the tax credit at this late date would be a mistake, that it would put them at a disadvantage with European oil companies in competing for foreign oil supplies that, like it or not, are vital to the U.S. economy.

It can also be argued that the Treasury's gain, if the existing rule were revoked, would be the consumer's loss; the companies might have to raise prices enough to pay the higher tax bills.

On balance, though, the arguments in favor of wiping the slate clean are more convincing.

Surely it isn't fair that, as a result of foreign tax credits, oil companies frequently pay only a fraction as much U.S. tax on their earnings as the typical nonpetroleum corporation. Equity is as important for corporate taxpayers as for individuals.

And, everything considered, revocation of the 1955 tax ruling should help consumers, because the oil companies would then have a greater incentive to resist the price increases imposed by OPEC, the Arab-dominated producers' cartel.

Finally, revocation would remove a disincentive for the development of domestic energy resources that doesn't make sense any more, if it ever did. As pointed out by Rep. Benjamin S. Rosenthal (D-N.Y.), an arrangement that "encourages U.S. companies to develop foreign production at the expense of domestic operations (is) contrary to our goals of energy independence."

Maybe, as Washington gossip has it, industry lawyers will easily figure out new contractual arrangements with the oil-exporting countries that will enable the companies to keep on taking huge tax credits even if the 1955 ruling is revoked.

But at least the new gimmicks could be publicly examined, and allowed or disallowed on their merits. It is unfortunate that nothing so honest and sensible happened back in 1950.●

DANGERS OF ASBESTOS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BOB WILSON. Mr. Speaker, I have spoken out before in this body on the dangers of asbestos, and will do so again and again. The danger I speak of is called mesothelioma. More commonly, it is cancer of the lung lining. It is caused by asbestos.

Asbestos is virtually indestructible, which is why it has been used for decades in building construction as a fire retardent. But the danger is insidious. When allowed to break down, the fine fibers can be borne in the air and inhaled, with the victim totally unaware that the fibers have entered his respiratory system.

Mr. Speaker, any attempt to minimize the dangers inherent in asbestos is represensible, and I hope that the following article will give all of us a better idea of just what we are dealing with.

ASBESTOS HEARING IS TOLD OF PLAYING DOWN DANGER

(By Bill Richards)

International asbestos manufacturers last year sought to play down the dangers of the cancer-causing mineral because they feared it would cut into European sales, according to documents released yesterday by a California congressman.

Rep. George Miller (D-Calif.) told a hearing of the House subcommittee on labor standards that minutes of the European Advisory Council of the Asbestos Information Association contained indications of fears by asbestos manufacturers that their European asbestos products could end up with a "skull and crossbones" label.

AFL–CIO officials at the same hearing charged the asbestos industry in the United States of "knowingly causing great suffering and death" among asbestos workers to make money.

"We feel some employers are guilty as hell," said Allen B. Coats, a general representative of the AFL–CIO metal trades department.

The head of the labor standards subcommittee, Rep. Edward P. Beard (D-R.I.), said he would introduce legislation to force asbestos manufacturers to turn to substitutes for their product where possible.

"And I call on scientists and engineers to come up with substitutes," Beard said.

Miller has been a sharp critic of the asbestos industry. He urged that responsibility for the billions of dollars in lawsuits filed in the last few years against the asbestos manufacturers by workers and others with asbestos-related disease not be paid by federal tax money.

The asbestos industry has supported a bill that would establish a joint industry-federal fund to pay for the costs of asbestos lawsuits.

Federal cancer experts have estimated that up to 17 percent of all cancers expected to develop in the United States in the near future will be caused at least partly by asbestos exposure.

Documents turned over last year to newspapers and another congressional committee chaired by Miller showed that senior asbestos industry officials sought to suppress information in the United States about asbestos dangers as far back as the late 1920s.

Miller yesterday released additional documents, which included minutes of the Asbestos Textile Institute, another asbestos industry trade group, which met in 1957. Representatives of most of the large U.S. asbestos manufacturers attended that meeting, according to the minutes.

At the meeting the asbestos officials declined to pay for a study on asbestos dangers because of a Canadian study already under way and because of the $7,500 cost of such a study.

"There is a feeling among certain members that such an investigation would stir up a hornets' nest and put the whole industry under suspicion," the memorandum of the minutes says.

In his statement yesterday, Miller also cited a 1973 letter to the Raybestos-Manhattan Co. from Dr. John Marsh, head of the firms environmental affairs division.

In the letter, Marsh warned of the "seriousness of the asbestos health issue," and noted that a 1973 meeting in which he outlined asbestos problems "would be more than sufficient to shock people into action."

"This has not happened," Marsh wrote, according to Miller.●

VIETNAM VETERANS WEEK

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. ROBERTS. Mr. Speaker, on March 20, 1979, President Carter signed a proclamation declaring the week of May 28 to June 3 as Vietnam Veterans Week. In addition, the President is urging Federal, State, and local governments, as well as the private sector, to join together in recognition of the great service of veterans who served in our Armed Forces during the Vietnam era.

Mr. Speaker, those of us who have the responsibility of seeing that the needs are met for all veterans who served during a period of war or national conflict join the President in placing a special emphasis on Vietnam Veterans Week. I hope all our citizens enthusiastically support this effort.

Mr. Speaker, there follows the comments of the President and the proclamation he issued on March 20, 1979.

THE WHITE HOUSE,
Washington, D.C.

I want to share with you the enclosed Presidential Proclamation and other information about Vietnam Veterans Week this May 28–June 3, 1979.

This Nation's moral debt to Vietnam Era veterans still remains outstanding. The Congress and I feel strongly about this matter. They served their country during a painful time in a bitter war. They returned home to a country divided over the war. They never received the welcome we showered upon returning veterans of past wars. As a Nation, we have not yet fully recognized those who fought in Southeast Asia for their service and sacrifice. Vietnam Veterans Week offers the people of the United States a timely opportunity to convey our honor and appreciation.

I strongly urge you to join me in recognizing Vietnam Era veterans for their service to America—both in the military in wartime and in their communities as returned civilians. I urge your active participation and that of your organization or community in this observance.

Your involvement will help ensure that we appropriately salute the veterans of the Vietnam War, and let them know we are grateful and proud of them.

JIMMY CARTER.

VIETNAM VETERANS WEEK, 1979

(By the President of the United States of America)

A PROCLAMATION

We are a peace-seeking Nation and we are at peace, but we must not forget the lessons war has taught us, nor the brave men and women who have sacrificed so much for us in all our wars.

The decade now drawing to a close began in the midst of a war that was the longest and most expensive in our history, and most costly in human lives and suffering. Because it was a divisive and painful period for all Americans, we are tempted to want to put the Vietnam war out of our minds. But it is important that we remember—honestly, realistically, with humility.

It is important, too, that we remember those who answered their Nation's call in that war with the full measure of their valor and loyalty, that we pay full tribute at last to all Americans who served in our Armed Forces in Southeast Asia. Their courage and sacrifices in that tragic conflict were made doubly difficult by the Nation's lack of agreement as to what constituted the highest duty. Instead of glory, they were too often met with our embarrassment or ignored when they returned.

The honor of those who died there is not tarnished by our uncertainty at the moment of their sacrifice To them we offer our respect and gratitude. To the loved ones they left behind, we offer our concern and understanding and our help to build new lives. To those who still bear the wounds, both physical and psychic, from all our wars, we acknowledge our continuing responsibility.

Of all the millions of Americans who served in Southeast Asia, the majority have successfully rejoined the mainstream of American life.

To them, and to all who served or suffered in that war, we give our solemn pledge to pursue all honorable means to establish a just and lasting peace in the world, that no future generation need suffer in this way again.

Now, therefore, I Jimmy Carter, President of the United States of America, call upon all Americans to observe May 28 through June 3, 1979, the week of our traditional Memorial Day, as Vietnam Veterans Week. On this occasion, let us as a Nation express our sincere thanks for the service of all Vietnam era veterans.

I urge my fellow citizens and my fellow veterans, and their groups and organizations, to honor the patriotism of these veterans, and to recognize their civilian contributions to their communities in America today.

I call upon the state and local governments to join with me in proclaiming Vietnam Veterans Week, and to publicly recognize with appropriate ceremonies and activities yesterday's service and today's contributions of Vietnam era veterans.

In witness whereof, I have hereunto set my hand this twentieth day of March, in the year of our Lord nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and third.

JIMMY CARTER.●

ON REMEMBERING THE HOLOCAUST

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. DORNAN. Mr. Speaker, there was a time in Europe when it seemed as if all of the devils in Hell had been unleased upon the world. It seemed as if those demons were the carriers of a great plague, contaminating the minds and hearts of men, and leaving in their wake an unprecedented record of death, destruction and desolation.

Symptomatic of this sickness was the mass stupor it seemed to induce over the minds and hearts of men who were the inheritors of the civilization of Einstein and Schweitzer, Goethe and Mozart, Luther and Shakespeare, Augustine and Aquinas, Cicero, Plato and Aristotle, and indeed, inheritors of the transcendent truth of history itself, as embodied in the sacred word of God. What was this terror that had stilled the tongues of the civilized world? Was it a profound disbelief? Was it simply unthinkable that the unthinkable was indeed happening on a mass scale? Elie Wiesel reminds us of one simple truth: "Not one bomb was dropped on the railway tracks to the death factories." Europe's Jews were led to slaughter and the dreadful reports that leaked regularly from the Northern Hemisphere's darkened continent went unheeded. It was as if millions of human beings were being buried alive, their screams for mercy unable to penetrate the other pressing concerns of the war. The Western world had become dulled in its moral senses.

Mr. Speaker, had modern man become so obsessed with a progressive view of history, had he become so enraptured with the secular myths of the enlightenment that he simply could not bear the shattering of his modernistic preconceptions? It had become so fashionable for students of human nature, in the lecture halls of advanced centers of learning, to debunk the concept of original sin; it became almost the rite of initiation for entrance into the most sophisticated circles of Western society.

Human promise, we were told, was greater than the imaginative projections of even the most enthusiastic theorists of unending progress, devout adherents to the linear notion of historical change. In their excitement about human potential, an undeniable truth, Western men had forgotten another simple truth: The problem of evil. Western intelligentsia had forgotten another simple truth, a truth as simple as Elie Wiesel's observation that not one bomb had been dropped on the railway tracks to Dachau and Auschwitz: "The Fear of the Lord is the beginning of knowledge; but fools despise wisdom and instruction."

Mr. Speaker, the plague that carried away so many helpless innocents of Jewish families amidst the momentous clash called the Second World War was the plague of totalitarianism. Nazism was a particularly virulent strain of this modern disease, which is still with us, now and again, breaking out in violent and bloody epidemics in Africa and Asia. The plague of totalitarianism festers in the Soviet Union and China slowly suffocating dissidents whose only crime is a simple desire for intellectual and religious freedom.

This disease has a number of causes, but its root cause is the deification of political power, the exaltation of the will of man above the will of God, and the absolutization of that perverse and destructive human will in its most powerful political form—the monster state. It is a latent disease, always with us, stalking us in our endeavors to resolve the immense problems which are peculiar to our time; and it is potentially more powerful than ever before because the latest advances in modern technology enable the totalitarian state to achieve its oppressive and murderous ends on a grand scale.

Mr. Speaker, the horror of it all offers yet another temptation—the sin of despaid. When confronted with events of the magnitude of the holocaust our tormented minds are thrown into confusion. The weakest among us are driven into blasphemy. Others ask, "Where is God?" Where is his strong right arm? Why does he hide his face? And we ponder the greatest and most troublesome questions of philosophy and theology. Suddenly, all of the pragmatism that governs so much of what we modern men do seems utterly meaningless. We are thrust, by the very force of events, back to the basic questions of life and death. But even in this crucible of doubt, there is a kind of liberation. Our condition is itself rebuke to a false faith, a belief in the innate goodness of man and the perfectability of human nature. Perhaps Solzhenitsyn's greatest contribution to the United States, after coming here as he said, out of the "dragon's belly," was to warn our normally enthusiastic people of the snares and the delusions of modern secularism, the long road to nowhere.

Mr. Speaker, the tragedy of the holocaust will have been in vain if we do not learn from its terrible lesson. It is a simple lesson. We must never fail to raise our voices or to take appropriate action in defense of those who are victimized by the genocidal madness of the totalitarian monster state. We must never shunt aside a resolution in the House or the Senate that calls upon our righteous anger in condemning the slaughter of Africans in Equatorial Guinea, Uganda, or the Sudan, or Cambodians, or Laotians, or Lebanese or Armenians. There is a time and a place for such righteous indignation, even among the other pressing concerns that assault our time and our energies. This Congress, the legislative power of the West's greatest Republic, is the proper forum for the exercise of the moral imagination of a free people. It is no exaggeration to say that what we do, or do not do, here on the floor of this House will follow us for the rest of our lives, even to the grave, especially when the issues we must determine carry with them grave moral, as well as political, responsibilities.

Mr. Speaker, I was deeply moved by the magnificent, yet beautifully simple, speech of Mr. Elie Wiesel at the recent ceremonies beneath the Capitol Rotunda in commemoration of the victims of the holocaust. Rarely have I been more deeply moved by the words of any man. Perhaps, that was because I could not help reflecting on the fact, as he spoke, that he was speaking, not as a student of either history or modern political life, but from an experience which only a few can even begin to imagine. I, therefore, beg the indulgence of my colleagues. I ask them to please take the time to read Wiesel's remarks, and consider, once again, the lesson that can so easily escape a free and prosperous people so far removed from the more recent holocausts that again plague the human race.

The remarks follow:

THE HOLOCAUST: BEGINNING OR END?

(By Elie Wiesel)

Mr. President, Mr. Vice President, Mr. Speaker, Leaders and Members of the House and the Senate, Distinguished Guests:

Allow me to tell you a story.

Once upon a time, faraway, somewhere in the Carpathian mountains, there lived a small boy, a Jewish boy, whose dreams were filled with God, prayer and song.

Then one day, he and his family, and all the Jews of his town, were rounded up and exiled to a dark and evil kingdom. They arrived there at midnight. Then came the first separation, the first selection.

As the boy stood with his father, wondering whether his mother and sisters will come back, an inmate came to tell them the truth; this road led to the final destination of the Jewish people; the truth was there: in the fire, the ashes, the truth was in death. And the young boy refused to believe him; it had to be a lie, a nightmare perhaps, this could not be happening, not here, not now, not in the heart of civilized Europe, not in the middle of the twentieth century. Father, said the boy: if this were true, the world would not be silent. . . . Perhaps the world does not know, said the father. And father and son walked on, part of an eerie nocturnal procession, toward mysterious flames of darkness.

Thirty-five years later—almost to the day—the same Jewish boy stands before you with a deep sense of privilege, to remind our contemporaries that in those times of anguish and destruction, only one people—the Jewish people—were totally, inexplicably abandoned—only one people were simply, cynically handed over to their executioners.

And we, the few survivors, were left behind to bear witness and tell the tale.

But before doing so, allow me, on behalf of your Commission on the Holocaust and its Advisory Board, to thank you, Mr. President, for summoning our Nation—and all nations—to keep their memory alive.

We also wish to express our profound gratitude to all the distinguished guests and national leaders for being here today at this unprecedented assembly, responding to this call for remembrance. No other country, and its government, besides Israel, has issued or heeded such a call, but then Israel is a case apart. Israel's commitment to memory is as old as its history itself.

On my first night in the camp, which was the last for most of my friends, my family, my relatives, my teachers, I wrote:

"Never shall I forget that night, which has turned my life into one long night, seven times cursed and seven times sealed. Never shall I forget that smoke. Never shall I forget the little faces of the children whom I saw being thrown into the flames alive beneath a silent blue sky. Never shall I forget that sky."

Never shall I forget those flames which murdered my hopes forever.

Never shall I forget the nocturnal silence which deprived me, for all eternity, of the desire to live.

Never shall I forget those moments which murdered my soul and turned my dreams into dust, into smoke. . . . Never shall I forget these words even if I am condemned to live as long as God himself.

But Mr. President and friends—what does one do with such memories of fire—with so many fragments of despair? How does one live in a world which witnessed the murder of one million children and remained world?

Those of us who were there are haunted by those whose lives were turned into ashes, by those whose cemetery was the sky.

Terror-stricken families hiding in ghetto-cellars. Children running with priceless treasures: a potato or two, a crumb of bread. Endless lines of quiet men and women on their way to mass graves, reciting the Kaddish, the prayer for the dead, over themselves. Teachers and their pupils, mothers and their infants, rabbis and their followers, rich and poor, learned and illiterate, princes and beggars—all pushed inexorably toward death. Father, says a young boy, is it painful to die? Must I die? Think of something else, answers the father. Think of tomorrow.

Treblinka and Ponar, Auschwitz and Babi-Yar, Majdanek and Blezec: What happened? Did creation go mad? Did God cover his face? Did the Creator turn against his creation? Did the God of Israel turn against the people of Israel? The question everyone asked upon arrival inside the gates was: What does it all mean? Was there a design, a secret pattern?

We didn't know, we still don't. How can anyone explain evil of such magnitude? How can anyone comprehend so much pain and anguish? One cannot conceive of Auschwitz with or without God. But what about man? Who can understand the calculated deprivation of the killers? The indifference of the onlookers? When Jews did have a possibility of leaving Europe, how many countries were there ready to accept them?

What was the Holocaust: an end or a beginning? Prefiguration or culmination? Was it the final convulsion of demonic forces in history? A paroxysm of centuries-old bigotry and hatred? Or, on the contrary, a momentous warning of things to come?

Turning-point or watershed, it produced a mutation on a cosmic scale, affecting all possible areas of human endeavor. After Auschwitz, the human condition is no longer the same. After Treblinka, nothing will ever be the same. The Event has altered man's perception and changed his relationship to God, to his fellow man and to himself. The unthinkable had become real. After Belsen, everything seems possible.

Admittedly, I belong to a traumatized generation, hence I speak of my people, the Jewish people. But when I, as a Jew, evoke the tragic destiny of Jewish victims, I honor the memory of all the victims. When one group is persecuted, mankind is affected. Still, for the sake of truth, we must remember that only the Jewish people's extermination was an end in itself. Jewish victims, stripped of their identity and of their death, were disowned by the whole world: they were condemned not for what they did or said, but for who they were: sons and daughters of a people whose suffering is the most ancient in recorded history.

Every occupied nation, every underground movement received help from London, Washington or Moscow. Not the Jews: they were the loneliest victims of the most inhuman of wars. A single air-drop, a single rescue mission would have proved to them, and to the enemy, that they were not forgotten. But, Mr. President and friends, the truth is that they were forgotten.

The evidence is before us: the world knew and kept silent. The documents that you, Mr. President, handed to the Chairman of your Commission on the Holocaust, testify to that effect. Actually, pictures of Auschwitz and Birkenau had reached the free world much earlier. Still, when the Hungarian Jews began arriving there, feeding the flames with ten to twelve thousand persons a day, nothing was done to stop or delay the process. Not one bomb was dropped on the railway tracks to the death factories. Had there been a similar Joint Session of Congress then, things would have been different for many Jews. . . .

And yet, and yet when the nightmare lifted, there was no hate in the hearts of those who survived. Only sadness. And, paradoxically, hope, hope as well. For some reason they were convinced that out of grief and so much suffering a powerful message of compassion and justice would be heard and received. They were convinced that the Messiah would come and redeem the world. They were convinced that, after Auschwitz, people would no longer yield to fanaticism, nations would no longer wage war, and racism, antisemitism and class humiliation would be banned forever, shamed forever.

Little did we know that, in our lifetime, we would witness more wars, new racial hostilities, and an awakening of Nazism on all five continents. Little did we know that, in our lifetime, books would appear in many languages offering so-called "proof" that the Holocaust never occurred, that our parents, our friends did not die there. Little did we know that Jewish children would again be murdered, in cold blood, by killers in Israel.

The survivors advocated hope, not despair. Their testimony contains neither rancor nor bitterness. They knew too well that hate is self-debasing and vengeance self-defeating. Instead of choosing nihilism and anarchy, they chose to opt for man. Instead of setting cities on fire, they enriched them. Many went to rebuild an ancient dream of Israel in Israel; they all chose to remain human in an inhuman society, to fight for human rights everywhere, against poverty everywhere and discrimination, for humankind, always.

For we have learned certain lessons. We have learned not to be neutral in times of crisis, for neutrality always help the aggressor, never the victim. We have learned that silence is never the answer. We have learned that the opposite of love is not hatred, but indifference. What is memory if not a response to, and against, indifference?

So let us remember, let us remember for their sake, and ours: memory may perhaps be our only answer, our only hope to save the world from the ultimate punishment, a nuclear holocaust.

Let us remember, let us remember the heros of Warsaw, the martyrs of Treblinka, the children of Auschwitz. They fought alone, they suffered alone, they lived alone, but they did not die alone, for something in all of us died with them.●

THE OUTRAGEOUS SYSTEM OF IMPORTING OIL, AND ALTERNATIVES TO IT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. CONYERS. Mr. Speaker, the existing arrangements for purchasing foreign oil, which account for about 44 percent of domestic oil use, are a marvel to behold. The price of imported oil, currently $16 or more a barrel, bears no relation to the cost of producing it, estimated at 25 or 30 cents. The price is determined solely by a small number of oil-producing countries without any negotiation or bargaining on the part of the consuming countries. The high price of such oil is reinforced by completely unwarranted claims of an impending oil shortage, despite the evidence of as much as 6,000 billion barrels in world petroleum reserves that, at the current rate of consumption, could supply the world's needs for another few hundred years. And the whole import system is managed by a small number of enormous private multinational oil corporations, whose own fortunes are tied together intimately within the fortunes of the oil-producing countries and, therefore, who utterly lack any incentive whatsoever to bring prices down, diversify and expand the sources of supply, or create alternatives that would insure a measure of energy self-sufficiency in the future. These arrangements are perfectly understandable from the point of view of the profit and growth of the oil companies. They make no sense at all from the point of view of the national interest, and the terrible economic, social, and political dislocations they have subjected us to.

It required a reading of Craig S. Karpel's brilliant analysis of oil imports in the January 1979 issue of Harper's to understand the reasons why such a defenseless system has been allowed to continue. The system continues, because of the very powerful interest-groups that benefit from it, an understanding of which is a first step in changing it. I highly recommend the article entitled, "Ten Ways To Break OPEC," excerpts of which follow:

TEN WAYS TO BREAK OPEC

THE ENERGY CRISIS

The notion that there is an energy shortage that requires us to salaam before OPEC, I discovered, is a canard promulgated by the cartel, its domestic claque, and a credulous press. Bernardo F. Grossling, a geophysicist with the U.S. Geological Survey, has performed a study for the World Bank that estimates total global petroleum reserves as high as 6,000 billion barrels—ten times the figure for proven reserves lugubriously cited by James R. Schlesinger and his retinue. This is 281.6 years' supply at the current rate of consumption, and does not include the prospect of enhanced recovery from conventional fields, heavy crudes such as those from Venezuela's huge Orinoco Belt, and oil from Antarctica, the continental slopes and rises, the ocean floor, the latter three exceptions comprising 74.7 percent of the earth's surface. "It also appears likely," Grossling has said, "that the real costs of the new oil to be found will be significantly smaller than the price set by OPEC or the marginal cost in the U.S."

OPEC is not, then, the only prospective source of foreign oil. Huge untapped structures exist in such areas as La Brea-Pariñas, Peru; northwestern Argentina; the Paleozoic play of northwestern Brazil; the Chad Basin; the Congo Basin; the Etosha Basin in Namibia; the Paris Basin; northern Italy; the Thrace Basin; the Baluchistan folds of Pakistan; Bangladesh; Burma; South Australia; Bonaparte Gulf, Australia; the Arctic Islands; the Mackenzie Delta in Canada; the Yukon subsalt play, and so forth and so on. OPEC has been able to force a suspension of the law of nations, but not of the law of supply and demand. Quadrupled oil prices have stimulated exploration and resulted in startling discoveries. When OPEC seized power in 1973, Mexico's proven oil reserves were considered to amount to no more than 2.8 billion barrels. In September, 1978, Petroleos Mexicanos announced proven reserves of 20 billion barrels. Industry sources say this figure is "very conservative" and tally proven reserves at 30 to 50 billion barrels. Dr. Sevinc Carlson, of Georgetown's Center for Strategic and International Studies, now indicates that "Mexico's reserves might be second only to those of Saudi Arabia," which now stand at 151.4 billion proven barrels. Grossling places total Mexican reserves at 160 billion barrels or more. Other estimates run twice that high. The Abu Dhabi daily *Al-Ittihad* describes Mexican oil as "a real threat and a dangerous competitor."

OPEC knows that we quake in unreasoning terror at the merest threat of a second oil embargo. Lately the cartel has begun intimating that it will cut us off if we do not eliminate quotas and tariffs on imports of petroleum products, impediments that discourage OPEC from moving downstream into the refining, marketing, and manufacture of petrochemicals. "It may not be long," Ali Khalifa al-Sabah, oil minister of Kuwait and chairman of OPEC, said in October, 1978, "before the removal of such practices becomes a condition of supply of crude oil." This is an implicit demand that we shut down an appreciable portion of two American industries. Were we to accede to such bluster, one wonders how long it would be before OPEC was requiring that it be allowed to manufacture penicillin for the U.S. as a precondition for supplying us with gasoline.

Perhaps the most paralyzing myth is that, aside from attempting to conserve energy and switch to alternatives, the U.S. is helpless before OPTC's shakedown of the industrial economies. Quite to the contrary, so many techniques are available to diminish OPEC's monopoly control that the cartel's elite must consider us to be a nation of fools and weaklings for not having implemented them.

1. ADOPT A STRATEGY OF OIL PROLIFERATION

The approach that enjoys the most enthusiastic following on Capitol Hill among those who appreciate the need for—and relative technical ease of—disengaging from our waltz with OPEC is what William C. Lane, Jr., formerly on the staff of Sen. Frank Church's Subcommittee on Foreign Economic Policy, has called "a strategy of oil proliferation." Lane points out in a privately circulated paper that there are twice as many oil wells in Kansas as in all of South America, three times as many in Arkansas as in all of Africa. He urges more exploration and development of oil and gas outside of OPEC.

The world "overhang" of oil—the difference between what can be produced and what actually is produced—is currently 20 percent of world production, or about 11 million barrels a day. According to S. Fred Singer, professor of environmental sciences at the University of Virginia, "an increase of overhang of only 4–5 million barrels a day may be enough to influence the cartel price. (Once certain cartel members find that they must cut back on their production [to maintain OPEC's posted price], they may be anxious to sell under the table at a reduced price.) The overhang can be raised by increased oil production anywhere in the world, and by greater conservation measures including also switching to other energy sources."

Several encouraging initiatives are already being pursued in the area of oil proliferation. Last year the World Bank, which previously had a policy against lending to less-developed countries [LDCs] for oil drilling, made a modest loan to India to finance wells in the Bombay High field. The World Bank is also now considering the possibility of encouraging legislation within LDCs that would be favorable to oil exploration; financing the assembly of additional information on potential oil resources in such countries; funding geological studies for foreign national oil companies to determine whether formations merit exploration; and financing additional study of untapped discoveries.

2. SUPPORT A FUTURES MARKET IN PETROLEUM PRODUCTS

Trading in futures contracts for heating and fuel oil has been initiated by the New York Mercantile Exchange. If contracts for future delivery of oil products come to be traded actively, prices of gasoline and fuel oil will fall in a slack market. As the major oil companies saw the prices of their refining divisions' products declining, they would have no choice but to press OPEC to cut crude oil prices. There has been some question in the trade as to whether existing storage facilities are ample enough to meet the futures market's needs. The federal government could remove this reservation by building storage facilities for the exchange as part of the Strategic Petroleum Reserve, which traders would fill with oil products at no cost to the taxpayer. To prime the exchange's pump, all government procurement of oil products could be channeled through the market.

3. IMPLEMENT AN OIL IMPORT QUOTA AUCTION SYSTEM

M.I.T.'s M. A. Adelman, generally considered the foremost petroleum economist, regards breaking OPEC as both necessary and possible. He has proposed that the federal government estimate the number of barrels of imported oil needed each month, and print that number of import authorization tickets. "No barrel could be imported without a ticket," Professor Adelman explained to me. "The tickets would be sold at monthly auctions by sealed bids. If our import needs for the current month were under or overestimated, the next month's printing of tickets could be adjusted accordingly.

"The tickets would have no scarcity value—only a small convenience value, since importers and exporters would need them to bring oil into the U.S.

"Secrecy would be achieved by letting anybody bid for the tickets, with no requirement except a certified check for the deposit. A lawyer or prober deposits a check for several dozen million dollars, without revealing whom he's acting for. There would be a second barrier to knowing who the real bidders are because there would be a resale market for the tickets. A given shipload of oil arriving here could be covered by tickets issued to various people at various times.

"Once even one government began paying more than a few cents for tickets bought covertly, every other OPEC member would be under the gun: either buy tickets or lose your whole market in the U.S. For instance, Libya, Indonesia, Venezuela, Algeria, and Nigeria sell us, respectively, 31, 36, 45, 72, and 49 percent of their production. They'd have to bid for tickets or face drastic sudden losses in income. If they tried to sell their oil elsewhere in the midst of the current world glut, the OPEC price would crumble.

"Also, cheating on price to get a bigger slice of the U.S. market would be very tempting to any OPEC country wanting extra revenues. To do this, they'd need to buy more tickets, and the competition among the OPEC cheaters and the OPEC countries struggling to maintain their U.S. market share would drive the price of the tickets higher and higher.

"The revenues from the auctions would amount to rebates to the U.S. Treasury by OPEC countries for the privilege of access to the American market. The official price of OPEC oil might remain the same, but the real price paid by the U.S. economy would be reduced by the proceeds of ticket sales. These revenues could be refunded to all consumers, or used to subsidize low-income consumers, public transportation, or energy research and development.

4. ANNOUNCE A CONTINGENCY PLAN FOR SUPPLY DISRUPTION

As proposed by Arthur W. Wright, of the University of Massachusetts, this could include a commitment to allow oil prices to rise temporarily if necessary to clear the market, and a standby excess-profits levy, refundable to consumers, to tax away from oil companies any windfall profit received from a sudden temporary price rise. Announcement of such a plan, by making it known to OPEC that there will be no repeat of the 1973–74 consumer panic, would deter another pseudo-embargo.

5. INCREASE THE SIZE OF THE U.S. STOCKPILE

Prof. Robert S. Pindyck has pointed out that the planned one-billion-barrel Strategic Petroleum Reserve will hold only three months' supply of imported oil. A year's supply would be the best deterrent. The stockpile goal should be expanded to at least four billion barrels.

6. ACCELERATE THE CREATION OF THE STOCKPILE

The one-billion-barrel level is not scheduled to be reached until 1983. "They should fill that stockpile as fast as physically possible," Professor Adelman says, "and hang the expense."

7. LICENSE EXPORTS TO OPEC COUNTRIES

The federal government has statutory authority to license exports of U.S. goods when necessary for the national security. One way of strengthening our bargaining position with OPEC—as well as reducing the vested interest of exporters of heavy machinery, transport equipment, and construction services and high oil prices overseas—would be to require licenses for exports to oil-producing countries, as was recommended by the General Accounting Office in January, 1978. Fees for such licenses could vary from nominal to prohibitive according to the responsiveness of each country to U.S. energy needs.

8. DENY ARMS TO COUNTRIES THAT RAISE PRICES OR CUT PRODUCTION

John C. West, the U.S. Ambassador to Arabia, said that as a result of supplying the Saudis with our most sophisticated war planes "two things will follow automatically. We will keep an oil-price freeze through 1978, and Saudi Arabia will [remain] on the dollar basis indefinitely." It is astounding that all we could wring from the Saudis in exchange for supplying them with warplanes in the 1980s was a promise to hold the line on price for seven-and-a-half months in 1978. U.S. weapons are the most advanced in the world and OPEC countries covet them, blather about their taking their custom elsewhere notwithstanding. Arms sales to oil-producing countries should be contingent on their long-term performance in meeting U.S. energy needs.

9. LIMIT THE PRICE OF FOREIGN CRUDE OIL IN THE U.S.

Under an ingenious plan proposed by Dr. Arnold E. Safer, the price at which oil could be imported into the U.S. would be set at an amount somewhat lower than the world price—say, $10. An "import price differential payment" representing the approximate difference between the set figure and the OPEC price of about $13 would be negotiated directly between the U.S. government and the individual oil-producing governments. The oil companies are now incapable of bargaining OPEC down because they compete with one another in appeasing its members in the hope of maintaining "preferred access" to each country's oil. If this plan were adopted, the companies would be removed from negotiations with producing countries over prices and be replaced by the U.S. government, which would be susceptible to voter pressure to keep the differentials the Treasury would pay as low as possible. Such payments could be used further to dilute the cartel's cohesiveness by making them higher for those countries that agree to increase their oil production and lower for those that restrict it in an attempt to maintain OPEC's artificially high price.

10. RECTIFY DOMESTIC POLICIES

The mismatched mélange of domestic energy policies now in place amounts to a sort of Project Dependence, including a moronic "entitlements" program that pays refiners an incentive to import OPEC oil. An official from the Department of Energy, devoted more to the well-being of the country than to that of his agency, suggested to me, not altogether facetiously, that the most effective way of breaking OPEC would be to eliminate the Department of Energy. "Aside from OPEC there's no real energy problem," he said. "If OPEC were out of the picture there'd be no need for an energy department. We manage to get along without a steel department, after all. The existence of the DOE means that 17,000 hungry, cunning people in this town depend directly on OPEC for their livelihood."

This survey by no means exhausts the possible components of an international energy policy designed to diminish OPEC's power. The current Administration, however, consciously rejects any such strategies. In a recent article in *Bankers Monthly*, George W. McKinney, Jr., senior vice-president of Irving Trust Company, accuses the Carter Administration of "continued support of OPEC oligopoly pricing capabilities." Carter's transition economic task force specifically recommended the Adelman plan, noting that "a trial period is pratically costless, and anything that would contribute to the permanent lowering of oil prices is to be welcomed." The plan was conspicuously absent from Carter's energy program.

The dramatic upward revision of estimates of Mexican reserves in 1978 would lead one to hope that the Administration would respond by using every economic and diplomatic lever at hand to encourage Mexico to become a major hydrocarbon supplier to its most natural customer. Instead, the Administration has refused to pay $2.60 per thousand-cubic-feet for Mexican natural gas, while agreeing to purchase liquefied natural gas from Algeria at $4.50. An article in the Wall Street Journal of July 5, 1978, by Lawrence Goldmuntz, president of Economics and Science Planning, Inc., formerly assistant director of civil technology in the Executive Office of the President, and an authority on Mexican oil, created widespread interest in Mexico's energy potential. The following month an Administration source was cited in another article in that newspaper as comparing Mexico's "breakneck expansion of oil sales to a derelict selling his blood in the morning to buy an afternoon bottle of wine," no doubt an example of the delicacy with which the Administration intends to cater to Mexico's sense of national pride in future energy negotiations. For the tone of Administration policy, hear Harry E. Bergold, Jr., Assistant Secretary of Energy for international affairs: "To the extent that the things we did in 1973 or 1974 aimed at attacking or breaking up the cartel, we have changed our policy. We're trying to let the key producers know we're prepared to work with them."

The Administration has been influenced to stay away from Mexico, Adelman, et al., by the State Department, whose old Arab hands fret that were we to put OPEC out of business, the result could be "destabilization" in the Persian Gulf—revolutionary takeover or invasion by neighbors. The countervailing view, that in the first place OPEC is destabilizing our societies (e.g., Italy), and in the second, escalating revenues are turning narrowly based oil-producing regimes into ever greater prizes for overthrow from within and incursion from without, is rejected out of hand, as is the fact that such ultraradical regimes as Libya and Iraq remain exceedingly anxious to sell their oil to us. Great weight is accorded the notion that Saudi Arabia, whose most recent change of government was effected by the assassination of the head of state while sitting on his throne, and which feels compelled to maintain two separate armies—the mission of one of which is to guard the regime against the other—is a paragon of stability. The Arabists have the last word at State, and State has the last word on U.S. international energy policy.

The political support for the State Department's position comes from a coalition within the U.S. that benefits from high oil prices overseas: manufacturers of heavy machinery and transport equipment, who last year exported nearly $13 billion worth of goods to OPEC countries, five times as much as before the price rise in 1973 but less than half what we pay out for OPEC oil; international construction companies engaged by OPEC governments, which are undertaking projects like the petrochemical complex at Jubail, Saudi Arabia, the most expensive single building project in the history of civilization; banks that serve as depositories for more than $50 billion in OPEC surpluses and that have loaned OPEC governments more than $12 billion that can be repaid only if oil revenues remain high; oil companies, which see each OPEC price escalation as increasing the eventual value of their domestic reserves; weapons manufacturers that are selling to OPEC amounts of military material unprecedented in the annals of the arms trade; and a caravan of lawyers (e.g., Clark Clifford, J. William Fulbright) and publicists hired by OPEC governments to look after their interests at the petrodollar wellhead.

Outside of this coterie of direct beneficiaries of OPEC, there is no one among us whose life is not diminished by the economic, political, social, and moral dislocations caused by the foreign oil monopoly. That our institutions have failed to come to grips with this epochal issue is a challenge to those who recall that the founding of this nation was instigated by an unconscionable tax on a commodity not nearly so basic as petroleum is today. The time for rallying the constituency whose quiescence up till now so perplexed and disturbed my White House friend is ripe. There are men and women among our nation's energy policy makers who perceive that OPEC's monopoly exaction is a global tea tax, eroding the economic underpinnings of liberty worldwide. They can only move if the most far-seeing of their countrymen make it known that they are with them. To dump a shipload of Libyan oil in Boston Harbor would make the point nicely but the environmental impact would be lamentable. More circumspect avenues of expression must be pursued if the industrial and developing worlds are not to languish, needlessly, in subjection to petrocratic tyranny.●

ALCOHOL ABUSE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1979

● Mr. BROWN of California. Mr. Speaker, I would like to bring to the attention of my colleagues the present focus on the problems of alcoholism and alcohol abuse. Last week, the Secretary of HEW, Joseph Califano, launched a major initiative to combat the problems associated with alcohol abuse. Announcing his program, Secretary Califano stated:

> It's time to prove to the American people that alcoholism is not only a treatable disease, but a beatable disease.

Last week, the Senate passed S. 440, a bill to authorize more than $200 million over the next 3 years for alcoholism treatment and prevention. And, last week, Mr. WAXMAN and other cosponsors introduced similar authorizing legislation for the treatment of alcohol abuse.

Mr. Speaker, these initiatives are aimed at one of the most serious problems in this country today. Alcoholism and alcohol-related problems cost this country more than $43 billion in lost production, medical, and public assistance expenses, police and court costs, health costs, and other unnamed expenses. Department of HEW reports that more than 10 million people in the United States can be classified as problem drinkers, more than 3 million youths between the ages of 14 and 19 have problems related to alcohol misuse, and more than 200,000 deaths each year may be attributed to alcohol use and abuse. Roughly speaking, that is more than 1 person in 15 who is directly affected by problems associated with alcohol abuse. No doubt that number would increase dramatically if we counted the persons whose lives are indirectly affected through family members who are alcoholics or through the loss of loved ones.

If all the persons with alcohol-related problems were grouped together, their number would be larger than one-fourth of the countries in the world today.

Mr. Speaker, I can think of few problems that affect the lives of more people in this country today. This problem has reached such proportions that it should be listed as a major priority by both Congress and the administration. While the times demand that we scrutinize and justify each expenditure we authorize, I can think of no problem that is more demanding and few programs that are more justified. But our efforts should not stop at the level of authorizing Federal expenditures. This is one problem that will not go away by throwing money at it.

I believe that one of the first things this Congress can do to address the problem of alcohol abuse is to consider serious and responsible legislation addressing the industry itself. That is to say, in addition to our efforts to provide for the treatment of alcohol abuse and to educate the public on the dangers of alcohol abuse, we should encourage the industry to take a more active and responsible role in this effort.

One proposal that is presently before us is to require warnings on alcohol labels to the effect, "Caution: Consumption of alcoholic beverages may be hazardous to your health." This proposal was recently considered and passed by the Senate as a rider to S. 440. I endorse such a provision as an important step to educate the public of the potential hazards of alcohol abuse.

Alcohol beverage warning labels has also received endorsements from other groups including the American Council on Alcohol Problems and the American Medical Association.

Although the costs of such a labeling requirement has not been estimated, I believe the costs would not outweigh the benefits to both the public and the industry.

Warning labels would stand as an important part of our effort to educate the public of the possible dangers of alcohol abuse. A study by the Surgeon General of the public health campaign against cigarettes showed "notable changes" in the public awareness of the health consequences of cigarettes. A significant part of that campaign was the requirement of warnings on cigarette labels and advertising. These warnings stood, not as a nuisance to the industry, but rather, as a symbol of the industry's concern for the general health and safety of the public. These labels show that the tobacco industry is a willing participant in the campaign to inform the public of the potential effects of smoking. We have now embarked on a similar campaign in the fight against alcoholism and alcohol abuse and I believe the provision of warnings on alcoholism labels would stand as a good faith measure by the alcohol industry to support this effort.

Some of my colleagues have suggested that such labels would amount to "over regulation" of the alcohol industry. However, court decisions since the early 1900's have recognized liquor as a commodity "peculiarly subject to regulation." Furthermore, these warning labels would be a small step in the direction we need to take to reduce the size and severity of this problem.

I believe we should be looking at the problems of alcoholism from a number of different angles, environmental effects, health effects and others. This can only be effectively monitored if the different agencies are given jurisdiction in this area. Our present statutory scheme does not allow for this as one Federal district court has determined that the Treasury Department (BATF) has exclusive jurisdiction in this area. While I respect the competence of the BATF to oversee the alcohol industry, I see the other agencies, including HEW and FDA, as having a coordinate role in defining a meaningful regulatory scheme.

Another proposal that I have continually supported is to eliminate the business deduction for the advertising of alcoholic beverages. This proposal would serve a dual purpose of reducing the amount of advertising for alcoholic beverages and generating revenues to support our expenditures for treatment and prevention. These measures and others are necessary to deal with our national crisis, alcoholism and alcohol abuse.●

SENATE—*Wednesday, May 23, 1979*

(Legislative day of Monday, May 21, 1979)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. DAVID L. BOREN, a Senator from the State of Oklahoma.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord of all life who has said "Come unto me, all ye that labor and are heavy laden, and I will give you rest," we come to Thee at the beginning of this day. We ask not that our burdens be removed but for strength to carry them. Come to our waiting hearts, for our hearts are restless until they rest in Thee. We need the quiet places, the still waters, the green pastures if our jaded and frayed spirits are to be restored. Give us eyes to see all that is beautiful, ears to hear all that is true, and minds to know Thy will. With Thy benediction upon us, may we face this day with such purity of heart and singleness of purpose as shall advance Thy kingdom.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 23, 1979.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DAVID L. BOREN, a Senator from the State of Oklahoma, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. BOREN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order the distinguished minority leader is recognized.

Mr. BAKER. Mr. President, I have no need for my time this morning, and no request for it. I am prepared to yield my time back or yield it to the majority leader.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader. Mr. President, I have no need for my time.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 1030

Mr. ROBERT C. BYRD. Mr. President, I have cleared this with people on my side of the aisle, especially Mr. Jackson, Mr. Johnston, and Mr. Durkin. I have discussed it with the minority leader. I believe there is agreement all the way around. I propound the request as follows:

At such time as S. 1030, a bill to authorize the President to create an emergency program to conserve energy, and for other purposes, is called up and made the pending business, no nongermane amendments be in order, with the exception of two amendments by Mr. Helms and one amendment by Mr. Hatch, all of which have been identified and the contents are known to the principals whom I have named on this side of the aisle.

Mr. BAKER. Mr. President, reserving the right to object, I shall not object. The agreement is satisfactory and I join the majority leader in making the request. We have cleared it with Senator Domenici, who is cosponsor of this measure, and, as the majority leader says, with Senator Hatch and Senator Helms, who have identified amendments which will be dealt with and which are eligible, notwithstanding that they may not be germane.

With those clearances, I am prepared now to join the majority leader in that request.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Wisconsin (Mr. Proxmire) such of my time as he may desire.

THE GENOCIDE CONVENTION: IT IS TIME TO TAKE ACTION

Mr. PROXMIRE. Mr. President, the United States was one of the early advocates of international action to uphold the dignity of man and preserve human rights. It was this kind of leadership which led to two historic breakthroughs in 1948: The United Nations adoption of the Universal Declaration of Human Rights and the Genocide Convention. This country set a pace in the fight to protect human rights. But where do we now stand with the Genocide Convention?

For 30 years now, the Genocide Convention has been gathering dust as it awaits ratification by the Senate.

President Woodrow Wilson once wrote:

> Only a person who is cognizant of the past can be a truly "practical" man, one able to free his mind from contemporary illusions and misconceptions and to select the path of safety and progress. He should also be a moral person, finding in the lessons of history pragmatic proofs of the Golden Rule, pointing toward individual human rights and responsible democracy as the goal posts of civilization.

Now is the time to be practical, as President Wilson declared, and strive toward becoming one of the great schools of civilization. We can make a great step toward this ideal by finally ratifying the only international treaty which seeks to preserve and protect our most fundamental human right, the Genocide Convention.

Mr. President, I thank the majority leader for yielding.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield such time as the Senator from Maine may need.

Mr. COHEN. I thank the distinguished majority leader.

SENATE RESOLUTION WITH RESPECT TO THE SECTION 18 HOME HEALTH REPORT

Mr. COHEN. Mr. President, yesterday I introduced a resolution expressing the sense of the Senate that the report by the Secretary of Health, Education, and Welfare with respect to home health and other in-home services ignores the legislative mandate that authorized it and as such is unacceptable to the Congress.

In the fall of 1977, the Senate passed legislation entitled the "Medicare-Medicaid Anti-Fraud and Abuse Amendments." Section 18 of the legislation authorized a comprehensive report on home health and other in-home services to be prepared by the Department of Health, Education, and Welfare, and to be delivered to the Congress within 1 year of enactment. This legislation, Public Law 95–142, was signed by the President October 25, 1977. After exceeding the deadline for submitting the report by nearly 6 months and expending $62,000, the Department transmitted a document to the Congress the substance of which did not satisfy congressionally mandated requirements, particularly with regard to the requirement for legislative recommendations.

Many reports are transmitted on a pro forma and perfunctory basis, but considering the importance attached to this report—as a guide to future congressional action—this kind of lackadaisical approach is unacceptable. The low priority attached to this report by HEW was apparent at a hearing held by the Special Committee on Aging, of which I am a member, earlier this month. Persons not even responsible for the preparation of the report were sent to present the Department's position. The committee had no choice but to recess the hearing. Yesterday, the committee reconvened that hearing with Hale Champion, Under Secretary of the Department, as the witness.

Even Mr. Champion, who personally supervised the editing of the report admitted under questioning that the report failed to expand the knowledge of the Congress or the administration on the subject of in-home services. At that time, I suggested that the Department voluntarily withdraw its report, revise it in a timely fashion, and present the Congress with a document worthy of our attention. But the Department has insisted that its original supposition that it could not provide us with legislative recommendations because of budgetary constraints.

Cost is of course important in assessing our national priorities. Yet Congress has the constitutional prerogative to set those priorities. I have been told that HEW would be willing to analyze information on the subject which has been made available since the report was released.

The Department spokesman said nothing about HEW's willingness to withdraw the report and change the substance of the original report to bring it into compliance with the law.

As the author of legislation which led to this report, I have a deep interest in seeing that the intent of the Congress is carried out. This concern is shared equally by the other members of the Special Committee on Aging, and members of the Senate Finance Committee, through which the section 18 report was transmitted. These members have joined me as principal cosponsors on a "sense of the Senate" resolution I have prepared to refuse to accept this document as satisfying either the spirit or the letter of the law.

The resolution further indicates that the Senate has no intention of releasing HEW from its obligation under the law for legislative recommendations. I have been told that, given 3 months, the Department could provide us with the recommendations sought. Therefore, the resolution directs the Secretary to return the report to the appropriate committees of the Congress not later than September 1. Congressmen Pepper and Waxman are introducing a similar resolution in the House.

Mr. President, this resolution makes the clearest possible statement to the Department that the Senate will not allow this opportunity to chart a home health policy for the Nation to run aground on the rocks of bureaucratic intransigence.

I ask unanimous consent that the resolution be printed in full for the benefit of my colleagues in the Senate.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S. Res. 169

Whereas, section 18 of the Medicare-Medicaid Anti-Fraud and Abuse Amendments (Public Law 95–142) directed the Secretary of Health, Education, and Welfare to report to the Congress within one year of enactment with respect to all aspects of the delivery of home health and other in-home services authorized to be provided under titles XVIII, XIX, and XX of the Social Security Act;

Whereas, the Secretary failed to submit such report in a timely fashion;

Whereas, the Secretary failed to include in such report recommendations for legislation with respect to home health and other in-home services, including the reasons for such recommendations, an analysis of the impact of implementing such recommendations on the cost of such services and the demand for such services, and the methods of financing any recommended increased provision of such services under such titles, as required by such section; and

Whereas, the Senate has expressed its will with regard to the need for expanded opportunities for receipts of home health and other in-home services, including the passage of medicare amendments to H.R. 5285 in the 95th Congress: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the report of the Secretary of Health, Education, and Welfare entitled "Report on Home Health Services Under Titles XVIII, XIX and XX" is not responsive to the requirements of section 18 of the Medicare-Medicaid Anti-Fraud and Abuse Amendments (Public Law 95–142); and

(2) such report be returned to the Secretary with the direction that it be revised to comply with the requirements of such section, including the requirement that recommendations for legislation be submitted, and that such report be returned to the appropriate committees of the Congress not later than September 1, 1979.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

Mr. BAKER. Mr. President, I yield back any time I have.

The ACTING PRESIDENT pro tempore. All time has been yielded back.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of Mr. JEPSEN be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 10 o'clock, with statements therein limited to 2 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may speak up to 5 minutes each therein, in that period.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CANADIAN ELECTION

Mr. STEVENS. Mr. President, as the Senator from the only State that can refer to the Canadians as our southern neighbors, it was with great interest that I watched the results from the Canadian election come in last evening and noticed the final reports in this morning's newspapers.

It is apparent that the Canadian people have philosophically turned to the middle, and perhaps to the right, in terms of their political thinking.

I believe it is important for this Nation to move quickly in establishing relationships with the new government, and I am hopeful that the President will act quickly in doing so.

We in Alaska are waiting for final approval of a project to take our Alaskan North Slope gas to markets in what we call the south 48—in the continental contiguous States of our Union.

It is important that we know whether there is going to be a change in policy in the new government. We must set up meetings, not only at the executive level, but also on a legislative level, with the new members of the House of Commons in our neighboring country with whom we have enjoyed such good relations.

It is important to note that not only is there a new government in Canada, but a new one in Britain as well. The effect of these two changes, I think, is going to be most important as we attempt to maintain our relationships with these two countries, and they will be particularly important to my State of Alaska.

We are the only Americans who have to drive through a foreign nation in order to get home if we want to go by road. Alaskans spend a great deal of time in our neighbor to the south, and we have great personal relationships with the Canadian people.

I hope that the upcoming Canadian-United States Interparliamentary Conference, which will take place in western Canada and in my home State of Alaska, will give us an opportunity—those of us in the Congress—to meet and welcome these new neighbors of the Canadian Parliament.

I take this occasion to urge all those Members of the Senate who want to pursue relationships with the members of the legislative branch of Canada to join in that trip which will take place during the August recess.

Mr. President, I think we should also express our regrets to Prime Minister Trudeau. Prime Minister Trudeau has been a good friend of this country and a friend of Alaska. As in any situation, we are sorry to see a friend retired. But I look forward to developing good strong ties with the government which will be headed, apparently, by Mr. Joe Clark, the progressive Conservative who appears to have won the election in Canda.

I am just told that the final returns indicate there are 136 members of Mr. Clark's party. That represents a gain of 38 seats and should lead to the position where he will become Prime Minister of Canada.

I thank my friend for yielding.

ORDER FOR RECOGNITION OF SENATORS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, how many orders are there for the recognition of Senators on tomorrow?

The ACTING PRESIDENT pro tempore. There are two orders, one for the Senator from Massachusetts and one for the Senator from Colorado.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that following those two orders, Mr. PRYOR be recognized for not to exceed 15 minutes, and that Messrs. DOMENICI and JEPSEN be recognized for not to exceed 15 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may have an order for 15 minutes at that time, following those orders.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, in view of the number of orders that have been entered for tomorrow, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 o'clock tomorrow morning, rather than 10 o'clock.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AN INTERNATIONAL WHEAT EXPORTERS CONFERENCE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Senate Resolution 163, which will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 163) relating to an International Wheat Exporters Conference.

The Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. Debate on this resolution will be limited to 3 hours, to be equally divided between and controlled by the Senator from South Dakota (Mr. MCGOVERN) and the Senator from Indiana (Mr. LUGAR), with no amendments in order.

Mr. ROBERT C. BYRD. Mr. President,

the Senator from South Dakota is aware that Mr. Lugar will begin the discussion of this matter, so I am expressing the hope that the matter can proceed. Senator McGovern will arrive in the Chamber a little later. He is engaged elsewhere at the moment. Mr. Lugar is in the Chamber and is ready to make his opening remarks.

The ACTING PRESIDENT pro tempore. The Senator from Indiana is recognized.

Mr. LUGAR. I thank the majority leader.

Mr. President, today we commence discussion of Senate Resolution 163. Because the proponent of the resolution, the distinguished Senator from South Dakota, is not present and will make a presentation on behalf of the resolution in due course, and because my position will be one in opposition, I will commence by stating the resolution which is the basis for our debate today. It reads:

> *Resolved*, That it is the sense of the Senate that the collapse of international negotiations and the current situation in the world wheat market makes it imperative that the President actively work toward convening a negotiating conference of wheat exporting nations with the intent of reaching a cooperative arrangement to improve wheat trade policy and achieve equitable prices for producers while assuring adequate supplies for consumers.

Mr. President, this resolution comes, as is implicit in its format, because international negotiations that might have established a price for wheat between those who sell and those who buy in the world markets have collapsed, and for good reason. For the moment, there is a surplus of wheat generally in the world. Those nations which are buyers see no particular reason to enter into arrangements. This will be the gist of much of my argument, that the negotiations have collapsed likewise because, historically, those nations which are exporters have not been able to work out arrangements of what otherwise would be called a cartel—that is, a selling arrangement in which the shares of the market are reasonably well defined and in which supply is controlled and therefore price effective.

I state candidly that one of the things that disturbs me about this resolution, in addition to its philosophical content, which we will be discussing, is that it is presented simply as a very stark statement, a sense of the Senate resolution, without the binding effect of law—simply a sense of the Senate resolution advising the President to do something he might or might not wish to do. But it advises him to set up a group or to take charge of trying to make certain that we are involved with a group that will have something to do about the supply of wheat in the world.

There is refreshing language that wheat trade policy might be improved to achieve equitable prices for producers. The word "equitable" certainly is of the essence—equitable at least in the sense that I believe the proponents wish to achieve higher prices for wheat.

Certainly, we have had a great debate in this body as to what is an equitable price for producers of wheat, some contending that parity, 100 percent of parity, or 90 percent of parity might be equitable. Others are hoping for at least improvement over the current situation.

The resolution then goes on, disarmingly, to add in the same sentence: "Assuring adequate supplies for consumers." The word "consumers" is undefined, as to whether they are domestic consumers in the United States of America or consumers in the world as a whole, at a time when clearly the shortages are abundant or, rather, the shortages are manifest and the wheat is not abundant.

I think this is the type of resolution that normally would set up alarm bells all over the agricultural community. Certainly, it would set up alarm bells among those who are interested in world trade, interested in general foreign policy. I suggest that one reason the alarm bells have not gone off is that this resolution appeared in the Committee on Foreign Relations last Thursday morning. It appeared at the tag end of a meeting in which serious consideration was being given to the problems of Iran, and it came because it was convenient not to have another meeting in the afternoon to take it up in a more formal session.

Finally, eight members of the committee were found for a quorum; and by a vote of 7 to 1, and with a minimum of debate on the subject, simply because most members, understandably, were eager to get to the floor, the session having commenced at 9:30 that morning, as I recall, the resolution was reported. It is now before the Senate.

To my knowledge, this resolution has not been considered by the Committee on Agriculture. The groups in our society that normally would have a great interest in this situation are wheat growers, the American Farm Bureau, the farm bureaus of various States, the Consumer Federation of America—just to name a few groups that normally are very much interested in the price of food.

Mr. Kahn, the inflation fighter, has not been heard from on this matter; and my guess is that Mr. Kahn is not even aware that such a resolution abounds in this body at this time.

Since it was reported by the Foreign Relations Committee by a vote of 7 to 1 last Thursday morning, there has been a concerted attempt to move it right on through, with a minimum of difficulty. The purpose of having this debate this morning, on my part, is simply to stop the railroad, in essence, to say that this is a pretty serious thought. It may be presented later as almost an innocuous gesture, sort of the thing that a Senator who has a good number of constituents who are wheat growers might offer for the sake of argument and to mollify their grief.

However, we are talking about the sense of the Senate being a request to the President of the United States to take leadership in setting up a cartel arrangement for wheat in the world. That is the sense of this resolution. That is what we are asking the President to do. If this body, in fact, by a rather large vote, says to the President, "We believe we should begin to get together in a cartel arrangement," that is what this resolution is all about, and this resolution will undergird that.

That is why I want to take the time of the Senate for at least a few moments this morning to discuss a cartel arrangement, albeit an informal one, one that sort of smoothly glides through without a lot of fuss. Nevertheless, this is a cartel arrangement.

Mr. President, let us discuss why a cartel arrangement for wheat, or, if the proponents of the resolution want to call it, as they do in line 6 of the resolution, a cooperative arrangement—cooperation, presumably, among those who now export wheat in the world, to achieve equitable prices has not worked and will not work. I think that is important to say, likewise, that if the purpose of the resolution is to try to assure wheat growers in this country that the Senate is attempting to do something for them they are likely to be very disillusioned by the result of this mechanism.

The problem with a cartel arrangement for wheat and for that matter for most other situations is that the item that you are trying to draw up the cartel for has to be fairly narrowly controlled by one country, two countries, a few countries. Certainly, in the context of petroleum and various food products, the thought has abounded in our society that we might in fact trade a bushel of wheat for a barrel of oil. Bumper stickers to that effect appear on cars in this country. And, indeed, that has been the sort of notion that has led to this type of resolution.

The thought is that if the OPEC countries are able at least through the 12 of them and the marketing authority they have to set a price for a barrel of oil and to continually escalate that why should not we, the United States of America, in a prominent position in the wheat market, do the same thing with regard to wheat? Why should we not in behalf of our wheat producers go to bat for them in the same way the OPEC nations do for their oil producers?

Unhappily, Mr. President, almost every country in the world produces wheat, and those that do not produce wheat have near substitutes, and that is the operative aspect of this. An item in order to have a cartel drawn up around it cannot have easy substitutes. And furthermore there must be relatively few players in the game, but in the case of wheat there are many players in the game. As a matter of fact of all the wheat production in this world, the United States of America produces only 11 percent of all the wheat produced, the European Economic Community, EEC, produces about 11 percent, Canada produces approximately 5 percent, Australia produces approximately 4 percent, and Argentina 2 percent. And these are the countries that export wheat on occasion.

If one adds up all of those, the two 11's, the 5, the 4, and the 2, you come to 33 percent. All of that wheat is not available for export. This means two-thirds of the wheat of the world is produced by tens of other countries and, by and large, they will continue to produce wheat and in most cases, we are hopeful as a matter of foreign policy that they will have dramatic increases in their productivity and their yields.

In the world trade for wheat, to set the record straight, this morning, the United States in the 1978–79 marketing year had approximately 43 percent of the world export trade in wheat, the EEC 4 percent, Canada 20 percent, Australia 14 percent, and Argentina 4 percent. Those are the potential players in the game. We have by far the dominant position, presumably, therefore, the most gain or, alternatively, the most to lose in a cartel arrangement given our prominence.

The facts of life are that all of these countries involved have different arrangements for marketing their wheat abroad. Our arrangements have, by and large, been through private enterprise, through private firms trading in the word market. That is not, as we know, the case with the Canadians where a marketing board essentially centralizes this function through a governmental trading process.

A cartel arrangement for wheat suggests a rather drastic rearrangement of marketing procedures in this country, something that most people in the grain business, whether they are grain producers, in farming, or those at the elevators, or those in the grain trading companies, have not favored in the past, not by a long shot.

This type of resolution, as a matter of fact, if word came to all these parties that such a thing was afoot, would have brought them to the Senate, to the House of Representatives and to the Capitol, and I suggest, again, Mr. President, one reason they have not all arrived is that most do not have the slightest idea we are even discussing such a notion, have no idea that the sense of the Senate is about to direct the President to get into a cartel arrangement. And that is why this is serious business. To simply have let this slide through on a lick and a promise would have been a disservice, in my judgment, but, nevertheless, here we are this morning with a cartel arrangement on our hands. I think we should review, the problems that we might have as well as the possibilities. What sort of scenarios might come about?

I wish to quote extensively, Mr. President, from a Congressional Research Service paper of April 1, 1977, written by Janice E. Baker, analyst of the Food and Agricultural Section, Environment and Natural Resources Policy Division of the Congressional Research Service. In her report she points out some arguments against the use of food power in these sorts of situations that might be contemplated by the cooperative arrangement. I mention this because very clearly the idea of a cooperative arrangement to influence the price of wheat assumes that we are going to use a power arrangement, that we are going to move outside the normal marketing arrangements and attempt to obtain some influence internationally. It could be for a number of reasons, with one reason being to raise the price of wheat domestically.

I shall quote what Mrs. Baker had to say, because I think this is instructive to our situation this morning. She says:

> While opponents of deliberate governmental use of food power strategies agree that the United States has some influence internationally because of its abundant food supplies, they point out the moral questions involved in withholding available food from hungry people, and practical issues that could make the exercise of food power ineffective.

I pause here to note that we are indeed talking about the withholding of available food from hungry people, because a cartel means control of supply; it means the diminishing of supply. A cartel arrangement is not one entered into by people, who want to go flat out in terms of agricultural production, who are encouraging an overabundance of supply and therefore a decline in price.

What we are talking about this morning, Mr. President, is one in which supply is to be controlled by nations that the President might call together to try to see how marketing arrangements could be set up. So, we are prepared apparently to do that, even in the face of the fact that a great number of people in this world not only are hungry, but are starving and although we would not have confronted precisely the idea of deliberate withholding of food for food power arrangements that, in fact, will be the effect.

I quote again from Mrs. Baker:

> These critics of food power . . . note that U.S. food power can be effective only if world food supplies remain tight and grain is not readily available elsewhere. Some spokesmen believe that longterm political manipulation of food supplies is no more feasible on a worldwide scale than it would have been against OPEC in 1973. Attempts to manipulate food supplies and prices could lead other nations to intensify their own agriculture or to invest in nations that compete with the United States. Others believe that the United States has a moral duty to use its capacity to produce abundant food to help feed hungry people, regardless of their nationality.
>
> Although Clayton Yeutter hopes that food power will gain trade concessions for the United States in Geneva, he thinks that the United States should not count heavily on its food power in other areas. He notes that wheat can be grown in many areas of the globe. If the price doubled or tripled, production would increase in the Soviet Union, Australia, Argentina, China, and Western Europe. Yeutter has also pointed out that oil producers can curtail or expand the supply of oil simply by turning valves on their wells, but crop production cannot be adjusted as easily or as quickly.
>
> A major reason put forward against the use of food power is that farmers generally oppose the use of food as an international bargaining tool and might not be supportive of such efforts. Farmers generally fear that their prices and markets will be adversely affected by political uses of food power.

Jim Thompson, writing in Prairie Farmer, points out the domestic dangers of food power. He argues, that, however, food power may be used internationally, it would depress U.S. farm prices, disrupt markets, and demoralize U.S. farmers. He advocates a food policy that gives farmers unrestricted access to world markets and protection against price declines caused by political manipulation of trade.

Oren Lee Staley, president of the National Farmers Organization, has offered a suggestion that could offset farmers' apprehensions about food power. At a hearing before the Senate Subcommittee on Foreign Agricultural Policy, Staley stated that if the Government is going to use farm products as a weapon in international affairs, it should buy farm products at a fair price, just as it purchases airplanes or munitions, and "play international politics with everyone's property—not the farmers' products and solely at the farmers' expense." Under this proposal, the Government would purchase farm commodities from the farmers at fair market prices and then use the Government-owned products for trade or aid, in accordance with national food power policies.

In fact, Mr. President, most farmers in our country throughout debates on this subject have heartily opposed the Federal Government's doing what Oren Lee Staley has suggested mainly because they saw a huge overhang, huge reserves, that could be manipulated for political purposes domestically, quite apart from the alleviation of any international famine and, as a result, the Federal Government has not pursued this course.

What I fear, Mr. President, is with Resolution 163 before us today, the Federal Government is about to embark on precisely a different course, that is, as opposed to paying farmers for produce that is vitally needed in the total world situation, that the United States would enter with Canada, with Australia, with Argentina, perhaps with the European community, into cartel arrangements to restrict supply and not to increase it, to restrict supply and to try to hike the price of wheat through such arrangements.

What is amazing is that in the same resolution thought is given to how equitable arrangements could come for consumers and, indeed, Mr. President, I would suggest that often various nations that have entered into cartel arrangements have tried at least a two-tier market in that sort of situation, that is, a price for those at home and a price for those abroad.

There is a notion behind the cartel arrangements that in the export markets wheat might be sold at one price, highly inflated, but somehow or other it would not affect the domestic market and that consumers of wheat in this country would have a relatively low price.

There is absolutely no evidence, Mr. President, that such an arrangement in the real world has ever worked out. There is very, very little sympathy for such an arrangement being attempted in this country, given a free market situation in which the very same persons involved in selling abroad and selling at home are identical.

How all the sets of books and arrangements begin to come to the fore is clearly not observable, but that surely should have been considered before the Committee on Foreign Relations, by a vote of 7 to 1, passed a cartel-inducing arrangement, because we are talking about a very substantial rearrangement of the marketing arrangements for wheat in a free enterprise economy, if this sort of thing really comes to fruition.

The proponents of this resolution cannot have it both ways. Some have argued—and I suspect it will be argued by many in the Senate today—that this resolution does not amount to anything, that it is simply a piece of paper that you send over to the White House, confident that the President will file it in a "deep 6" cabinet.

You can attack the President for not taking action, for not doing something for wheat growers. But I am doubtful that the President and the Secretary of Agriculture, operating in any sort of a responsible way, would pay 5 seconds, worth of attention to this situation.

What we are saying, I suppose, if we argue that way is that such a resolution, because it is a sense of the Senate, is not binding, it is advisory to the President. It says good words about both producers and consumers, and is harmless and, as a result, we ought to float it through and say no more about it, and if anyone says more about it, you might go out to a wheat-producing State and point out to the farmers that you tried to help them. But, by and large, no one else in Washington was listening and, having done your best, that is about it.

Now, the other side of the coin, Mr. President, is that the resolution is serious and that is a more formidable possibility. Let us say that the President and the Secretary of Agriculture did take the Senate seriously on this, and they did start setting up a cooperative arrangement, thinking toward the effectiveness of a cartel arrangement in this situation. Then we really do have a lot of problems, and I would predict at that point, Mr. President, that this debate today, obviously not of monumental consequence to the Senate, would become monumental. Everybody would be out on the ramparts, storming around and wondering who was asleep at the switch. Why could not anybody see that American agriculture was about to be rearranged, with the Senate, almost by unanimous consent, suggesting that the President start the rearrangement?

I think that is a serious possibility, that sometimes the President may fool us. Maybe he will listen on occasion to one of these things, and not appreciate that we really were not taking it seriously, and we did not want him to do anything.

So it is with that thought, Mr. President, that I think we have to take a look at what would happen. That is, let us say, we do go into a cartel or semicartel arrangement. I think we have different sorts of customers of the cartel. One group is the so-called developed nations. Among those would be Japan, and the Soviet Union, for example, big customers right now as far as wheat sales of the United States are concerned.

We have already had experience with what happens in an on-again—off-again situation in Japan.

Unfortunately, the soybean embargo of 1973 has already happened and is instructive of what happens in Japan when the United States begins to play hardball in this sort of way.

In essence, what happened is that Japan intensified its own domestic agriculture. It intensified its arrangements with other nations upon which it felt it could count with greater certainty. We are reaping 6 years later, in terms of our international negotiations with Japan on agricultural matters, the rather bitter harvest of the soybean embargo of 1973.

In fact, in the Senate of the United States again and again people have lamented, how could we have been so shortsighted? How could we have stopped the shipments to a good customer who had reliance upon us? Well, we did so on that occasion, Mr. President, because we had domestic political difficulties. There was at least abroad in the land at that time the thought that the price of soybeans would be severely inflated, and that we ought not to exacerbate that problem by exports and, therefore, even though Japan had a great dependency, and we clearly had a moral obligation to supply that basic foodstuff, we forgot about it in our expediency, and we arranged the supply situation indeed governmentally, and we created a whole set of problems that abound still in 1979.

It is no wonder that the Japanese have been somewhat skeptical about our ability to deliver since that time.

I would suggest that with regard to the Soviet Union, there are a good number of things that might occur there. Very clearly, the Soviet Union's desire to import from us is based upon the expediency of the moment. It has been, however, a great advantage to us as American farmers to have at least arrangements that offered some certainty of marketing arrangements from year to year, that we could get supplies moved off in that direction. We have been eager to do that under most conditions in most years, at least from the producers' side.

Now, from time to time, on the consumers' side, people have said too much is being shipped to the Soviet Union, it has been too helpful to them and disruptive of prices in this country; that in essence prices would be lower if we kept the grains here as opposed to sending them to the Soviet Union.

Senate Resolution 163 really does not address that problem. And after all, we cannot have it both ways. If supply is to be restricted, inevitably it will mean higher prices domestically as well as abroad. It will mean some tipping of the cap to the consumer, but essentially this is a producer-controlled situation, and will eventually result in higher prices all around.

If we go into a cartel arrangement, we are very likely to witness the ability, if not by the Japanese, maybe by other consumers, to set up what is known as a countercartel. Cartels can work both ways, Mr. President. Momentarily awed as we are by the strength of the OPEC cartel, the facts of life are that the producer cartel in that situation really has it all its own way. Arrangements on the part of oil-consumer nations have been totally ineffective in working out a countercartel arrangement of consumers. But with a commodity as diffusely produced and consumed as wheat, the possibilities of the consumer nations when they are large, the size of Japan and the Soviet Union, working out a counterarrangement really have to be considered, and I doubt whether they have been by the proponents of this resolution.

In short, I am suggesting, Mr. President, that even if the cartel arrangement is set up after the President calls together these representatives of various countries, and they agree to come, and we try out our strength, that it will be ineffective and counterproductive; that we will succeed, as a United States of America group of farmers, in losing a good part of the Soviet and Japanese markets; and that as a result we will be net losers in this process.

Now, of course, there are other possibilities. It has been suggested by the bumper stickers that I mentioned before that we bargain with OPEC in this matter. That implies, Mr. President, that the desire of OPEC nations for wheat is as strong as is our desire for petroleum. That defies all commonsense, and is obviously simply not true. Indeed, we have been delighted that as foreign exchange has come into the OPEC nations, they have developed more of a taste for some of our food exports, and they have been moving along better in that respect. If we are fortunate, we will be able to sell more to them in the future, and hopefully they will want to buy more from us. But we are not in a position to enforce a counter-cartel arrangement for oil with OPEC. The objective facts of the matter show, on the face of them, that that is absurd. As a result, if we take the position of attempting to set up a cartel with regard to wheat and Saudi Arabia, very clearly, given the demand the Saudis have for wheat, they could easily transfer their purchases elsewhere, or make a substitute of rice or other near substitutes, and simply leave us in the lurch.

Unhappily, the third group of situations are those of the so-called developing nations, or the underdeveloped nations. Here, Mr. President, a food cartel could be very powerful indeed. In fact, shutting off food supplies could be absolutely deadly. If it is our intent, in thinking about resolutions of this variety, to throw our weight around, very clearly we ought to go to those nations that have enormous deficiencies in food and nutrition now, and there are a great number on this Earth. They are desperately in need of wheat, and other foodstuffs. But as a rule they do not have the foreign exchange to buy it.

We have been involved in Public Law 480 distributions of various sorts, both through concessional grants, now, or intermediate and long-term credits for setting up agricultural infrastructure in those countries. That has been important, we felt, in the development of potential markets for our country. We have hoped their economies would strengthen and their taste for the sorts of foodstuffs we have to export would intensify to the point that we would have some good customers in the future, and they would have the exchange with which to buy it.

But that is a long-term procedure, a humanitarian procedure which really has no relationship whatsoever to the supply-controlled cartel situation.

I recite all of this tediously, Mr. President, because there still lurks in the minds of some people the thought that a wheat cartel could be effective. I am arguing, Mr. President, that even if we set one up, it would hurt the United States of America. It would hurt our market in Japan. I think it would be irrelevant as far as the Soviet Union is concerned. My guess is either they would curtail purchases generally or obtain them elsewhere. It would devastate our policies with regard to the underdeveloped nations, painstakingly set up under Public Law 480, food for peace, and humanitarian programs in the past.

That is why we have, it seems to me, two equally unfortunate arguments in favor of Senate Resolution 163. The one, as I stated, Mr. President, is that it would not make any difference; it is simply an almost irrelevant sop to be thrown in the direction of the wheatgrowers. The second is that it would make a difference, that in fact it would lead to supply arrangements that would manage the price of wheat in such a way that, through the use of our economic muscle collectively with Australia, Canada, Argentina, and the European community, if they wanted to be involved in this sort of thing, we might get our way and get higher prices, but I am suggesting that in fact we would really destroy our markets and our market position in that prospect, and I am also suggesting that prices for American consumers would rise at the very same time, so that we would all be losers.

My theories are not new, Mr. President. As a matter of fact, one arrangement like this after another has been suggested throughout the 20th century. Those who are economic historians of agricultural policy or the general policies of this country will note that all of them have been equally ineffective, whatever the illusion or the idea might have been.

Mr. President, I would suggest something that I think is possibly equally important to the well-being of people in our own country as producers and as consumers: I have been struck, as I know many in the Senate have been, by the extraordinary work done under the name of the "Green Revolution" by Dr. Norman Borlaug of the international wheat research and production program. Dr. Borlaug, a Nobel Prize winner, man of enormous capacity in taking a look at production problems and distribution problems in this world, shared, as a matter of fact, a number of his insights with Senators and Members of the House of Representatives at the Library of Congress last night.

His ideas, I believe, are fresh in front of many of us.

Dr. Borlaug in a scenario of the development of the world's population and the development of food production, pointed out that we are likely to see a doubling of rural population between the year 1975 and the year 2015. We will need, during that period of time, a doubling of the world's food production, if we are to remain even with the situation in which the people of the world now find themselves. A great number of the world's people now find themselves in nutritional deficiency, a few stages above starvation, but clearly in an area of severe malnutrition.

Dr. Borlaug made the point last night, and he has made it on a number of occasions, that in the next 40 years we are talking about a doubling of food production. That means an increase larger than the total of all food that is now produced in the world and has been produced, really, historically. It is a mind-boggling process. It is not clear that the world can, in fact, double food production in the next 40 years. There are a number of constraints which Dr. Borlaug and others have pointed out. Among them are that record yields have been relatively flat in developed nations for several years. The breakthroughs that we had seen earlier in the century and in the midpoint of the century simply have not been occurring in the profusion to which we have become accustomed. Therefore, very great research will be required if we are to have breakthroughs in our own situation, which is a highly productive and developed one, quite apart from other situations dependent upon that technology.

Dr. Borlaug and others have pointed out that there have been severe losses of top soil throughout the world on an aggregate basis, year by year.

The problems in the Sahel area of Africa are instructive in this regard, in which it is apparent that hundreds of thousands of acres are simply disappearing from the productive base of the world's food supply.

So, Mr. President, we have some potential difficulties in breaking through the barriers, the top yields. We may be having a situation in which we are losing ground worldwide in terms of the numbers of acres, even if we had higher yields per acre in that process.

We face a proposition, Mr. President, even with very substantial success in population programs in many countries of the world, where a doubling of population is likely to occur in the next 40 years and a doubling of food production required, which is simply not in the cards unless the United States of America and our allies, and all we can influence, move right along with that.

I mention that, Mr. President, because however you might argue resolution 163, it is not a full production resolution. The gist of resolution 163 is curtailment, control—control of supply—and thus the affecting of price through that control. It flies in the face of everything that is going to need to occur in this world in the next 40 years. It is a temporary political expedient thrown out because there is distress among the wheatgrowers in this country.

Mr. President, I share that sense of distress. On the farm that I have in the State of Indiana we grow wheat. I know a good bit about the price of wheat because I am involved in that business and I have been all of my life. I know a lot of wheatgrowers in the State of Indiana. They are not as numerous as wheatgrowers in other States. As a matter of fact, wheat is a third crop in our State behind corn and soybeans, but a good bit of the wealth of Indiana comes from wheat.

To the extent the price of wheat goes up, the State of Indiana is going to prosper very substantially. I am arguing this morning in behalf of those people who produce wheat. But, Mr. President, I am also arguing in terms of both the intermediate and the long term prospects for American agriculture. To the extent that we get into these short term expedients of cartel arrangements or suggestions of them, in my judgment we are going to harm our export markets, and the wheat game is an export game. It has been for a long time. It will continue in American agriculture throughout our lifetime to be a question of how do we expand our markets and how do we make certain that American wheatgrowers get into those markets.

Mr. President, I have argued this morning in behalf of American agriculture and its future. I argue, I would hope, likewise, in behalf of all Americans who are deeply concerned about the long run supply situation in the world. I think we can make a strong case that American agriculture will be best served by maintaining the types of competitive market arrangements and free enterprise that we now have.

I am certain that the cause of people who are hungry throughout the world will be better served in that respect because our system is one that encourages production, and our system must always be one that encourages production as opposed to discouraging it and attempting to control supply in some type of cynical international manipulation that, as I pointed out, Mr. President, simply would not work, and perhaps in a moral sense should not work, when we are dealing with something so basic as food supplies for the people of this world.

Mr. President, I would suggest that Senate Resolution 163 ought to be rethought in a good number of ways. There is discouragement that the arrangements that might have come about through wheat producers and consumers in the world have not led to very much of a conclusion. As resolution 163 suggests, there was really a collapse of those conversations.

From time to time there have been suggestions that if only we could get together with the Canadians, to take one example, that between our country and the Canadians we have a great deal of the world supply of wheat and surely we ought to be able to manipulate the price if we tried hard to do so. Granted that we have a private enterprise marketing system while they have a government board, maybe we could. I am doubtful, given the amount of wheat that both of us have as part of the total world supply and the substitutes that can come into it. But, as the conversation goes, we ought to get together wih them. In fact, such conversations do take place with some frequency. Reports have been made to the Senate Committee on Agriculture from time to time of such conversations. We know that informal talks along those lines have taken place.

What also appears to occur, however, Mr. President, is that when conversations become serious, they are very likely to be undercut simply because the world market is a very big place, and sellers are inclined to sell where they find some advantage in doing so. We might enter into these conversations with the best of motives, and so might Canadians and others. But we find then how little control we have over the supplies, and we go backward and forward in international trade through ships of various nations, with various transfers that can be made of these options.

I am suggesting, Mr. President, that they go back to the drawing board and begin thinking in terms of a much stronger export policy for this country, an advocacy of marketing as opposed to a rather narrow one of how we are going to control supply and try to manipulate price in such an arrangement. Because that will not work. The advocacy of marketing probably will work.

In fairness to the U.S. Department of Agriculture, to wheatgrowers, and to wheat marketers, a pretty good job is being done as a steamroller of greater marketing skills, combined with a mighty good product to sell, moves ahead. That is clearly a superior operation. That is the operation on which we should be focusing, as opposed to confusing the issue by the thought that this body, by passing a resolution expressing the sense of the Senate, really seriously wants the President to begin to initiate cartel arrangements and discussions of supply control.

Mr. President, I ask unanimous consent that three tables, showing world production of wheat by selected countries, be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—WHEAT: WORLD PRODUCTION BY SELECTED COUNTRIES

[Million metric tons; July to June basis]

	1970/71	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79
World production	315.8	348.4	343.4	371.6	357.2	350.1	415.1	381.9	435.8
United States:									
Metric tons	36.8	44.0	42.0	46.4	48.5	57.8	58.3	55.4	49.0
Percent	12	13	12	12	14	17	14	15	11
European Economic Community:									
Metric tons	34.7	40.1	41.5	41.4	45.4	38.1	39.4	38.5	48.3
Percent	11	12	12	11	13	11	9	10	11
Canada:									
Metric tons	9.0	14.4	14.5	16.2	13.3	17.1	23.6	19.1	21.1
Percent	3	4	4	4	4	5	6	5	5
Australia:									
Metric tons	7.9	8.6	6.6	12.0	11.4	12.0	11.7	9.3	18.5
Percent	3	2	2	3	3	3	3	2	4
Argentina:									
Metric tons	4.9	5.7	6.9	6.6	6.0	8.6	11.0	5.3	8.0
Percent	2	2	2	2	2	2	3	1	2

TABLE II.—WHEAT: WORLD TRADE BY SELECTED COUNTRIES

[Million metric tons; July to June basis]

	1970/71	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79
World trade	54.8	52.4	67.4	62.6	63.9	66.4	62.8	73.0	72.5
United States:									
Metric tons	19.9	16.9	31.8	31.0	28.0	31.5	25.8	31.1	31.0
Percent	36	32	47	50	44	47	41	43	43
European Economic Community:									
Metric tons	3.4	4.1	6.0	5.2	6.9	8.0	5.3	5.5	10.0
Percent	6	8	9	8	11	12	8	8	14
Canada:									
Metric tons	11.5	13.7	15.6	11.5	11.2	12.1	12.9	16.0	14.5
Percent	21	26	23	18	18	18	21	22	20
Australia:									
Metric tons	9.5	8.7	5.6	5.4	8.3	7.9	8.5	11.1	10.0
Percent	17	17	8	9	13	12	14	15	14
Argentina:									
Metric tons	1.6	1.3	3.4	1.1	2.2	3.2	5.6	2.6	3.0
Percent	3	2	5	2	3	5	9	4	4

Source: USDA/FAS Foreign Agriculture Circulars: World Grain Situation.

TABLE III.—WHEAT: WORLD PRODUCTION AND TRADE BY SELECTED COUNTRIES

[Million metric tons; July to June basis]

Year	World production	World trade		5 major exporters [1]				
		Metric tons	Percent of world production	Aggregate production	Aggregate percent of world production	Aggregate trade	Aggregate trade as a percent of world production	Aggregate trade as a percent of world trade
1970/71	315.8	54.8	17	93.3	30	45.9	15	84
1971/72	348.4	52.4	15	112.8	32	44.7	13	85
1972/73	343.4	67.4	20	111.5	32	62.4	18	93
1973/74	371.6	62.6	17	122.6	33	54.2	15	87
1974/75	357.2	63.9	18	125.2	35	56.6	16	89
1975/76	350.1	66.4	19	133.6	38	62.7	18	94
1976/77	415.1	62.8	15	144.0	35	58.1	14	93
1977/78	381.9	73.0	19	127.6	33	66.3	17	91
1978/79	435.8	72.5	17	144.9	33	68.5	16	94

[1] United States; European Economic Community; Canada; Australia; and Argentina.

Mr. LUGAR. Mr. President, I reserve the remainder of my time and I suggest the absence of a quorum.

I ask unanimous consent that the time for the quorum call not be charged to either side.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Who yields time?

Mr. MELCHER. Will the Senator from Indiana yield 10 minutes to me?

Mr. LUGAR. Mr. President, may I ask on which side of the issue the Senator from Montana will speak?

Mr. MELCHER. There is only one side to this, I inform my good friend from Indiana. That is the side of God, the angels, Senator McGovern, Senator Church, and myself.

Mr. LUGAR. Mr. President, as a matter of parliamentary inquiry, is it possible that I might cede to the Senator from Montana some time from the side of the proponents of the issue? They are not represented.

The ACTING PRESIDENT pro tempore. With unanimous consent, since the Senator from South Dakota is not on the floor, time could be yielded from the time of the Senator from South Dakota—with unanimous consent.

Mr. LUGAR. I ask unanimous consent that such time as the Senator from Montana may need to make his argument may be yielded from the time of the Senator from South Dakota.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I ask unanimous consent that the following members of the Foreign Relations Committee staff be granted privilege of the floor: Janice O'Connell and Gary Wenske, Owen Donley of Senator McGovern's staff, and Melissa Bristow of Senator Zorinsky's staff.

The PRESIDING OFFICER (Mr. Pryor). Without objection, it is so ordered.

Mr. MELCHER. Mr. President, almost a year ago three of us from the Senate Agriculture Committee, Senator McGovern, Senator Bellmon, and myself, met in Winnipeg with our counterparts in the Canadian Senate Committee on Agriculture, with the entire Canadian Wheat Board, and also with the Minister of Wheat and Transportation.

It was a meeting to determine whether we had common ground in believing that Canada and the United States should formulate an agreement on the sale price of wheat that is exported from our two countries. We had been advised previous to the meeting of the strong interest for a number of years of Canadian officials for such an agreement.

We were aware that the Australian Wheat Board had also shown a great deal of interest in such an agreement in behalf of their country and their wheat producers.

We were also aware that possibly Argentina would share that interest with us here in the United States.

The meeting at Winnipeg last year clearly demonstrated that the Canadians were very serious about seeking such agreement with the United States and the other two major exporting wheat countries that I have mentioned. Since that time, we have had another joint meeting here in Washington, I believe it was last September. Members of the Canadian Senate Agriculture Committee came to our capital and met with us and with other Senators who were interested in wheat exports. Also, Members of the House attended who were interested in the same proposal.

As a followup to that, there has been a meeting between Canadian, Australian and Argentinian officials and Secretary of Agriculture, Bob Bergland, just recently in Saskatoon, Canada.

We have not arrived at a point when it is clear that the policy of the U.S. Government will be to join with the other governments, namely, Canada and Australia and Argentina, in arranging for an agreement which says that the sale price of wheat in export trade will be at a price which at least covers the cost of production. We would like to have that, for obvious reasons.

From the producer standpoint, it is clear that unless we can be assured of the cost of production, we are very foolish to continue raising wheat year after year.

From the standpoint of countries that are exporting wheat, often at less than cost of production, it is obvious that it is very damaging to do so in terms of balance of payments. The very fact that it creates an adverse balance of payments, or contributes to an adverse balance of payments, leads me to believe that it is an inflationary factor, that it should be addressed as inflationary, and should be corrected.

I cannot report that the joint meeting with Secretary Bergland and Canadian officials at Saskatoon a few weeks ago was a successful one. But I think the very fact that our Secretary of Agriculture is meeting with the other countries' officials is encouraging.

We have a number of problems that are connected with this. Many of our producers and grain exporting companies have long said that they have difficulty understanding what the prices of export sales by the Canadian Wheat Board were, what the actual sale price was.

The complaint has also been made from time to time from various sides that without knowing what those actual sales prices on export wheat are, there is always a suspicion that there has been an undercutting of one another's price.

That, perhaps, has been the most consistent criticism, sometimes of grain companies from our country, sometimes from producers of the Canadian Wheat Board on their part, wondering what our sales prices were, and wondering whether we actually published the actual price.

I can judge that has been a source of criticism from the Australian Wheat Board also from time to time.

If I understand correctly what the Secretary, Bob Bergland, and the Canadian officials discussed, it was taking these preliminary steps to try to arrive at a mutual understanding on procedures involved in notifying or publishing the actual price of particular sales.

I suspect that when we talk about making an agreement for a stable and fair price on wheat that is sold abroad, some people will feel that this is somehow forcing up the price of a very important cereal grain, making it difficult for underdeveloped countries to participate in purchasing wheat that would not help to alleviate hunger in those countries, with a hunger problem.

It would be fair for anybody to think that that is the intent of any of us, whether it is those of us from the United States, or from Canada, or from Australia, or from Argentina.

No. We are not attempting in any way to put the price of wheat at a price that would deny poor countries the opportunity to have American wheat or, for that matter, Canadian, Australian or Argentinian wheat.

I want to remind my colleagues here in the Senate that our food for peace plan is designed to provide food and nourishment for those countries that cannot buy on the regular markets, that are too poor to do so, or which have such acute hunger problems they can not possibly meet their needs with cash purchases.

I point out that, for many countries, a price of $3.50 per bushel is beyond their capability right now, but that $3.50 per bushel is a price below the cost of production for Canadian or American producers—and, I suspect, for Australian or Argentinian producers.

The point is that no matter how cheap it is, there are some countries which are not going to be able to pay for the wheat that is sold on the open market. So, to cover that in a humanitarian way, we have our food for peace program, which can sell the wheat for so-called soft currency, or can make outright grants to those countries which need it badly and cannot afford to pay for it under any conditions. Canada has a similar program and I think does its fair share, along with the United States, in making sure that our abundance of grain is shared by the truly hungry and poor countries throughout the world.

Unless we can have some arrangement to arrive at minimum prices for wheat that is sold abroad, there is some question as to the continuation of the production of wheat at current levels in this country and in Canada. I cannot speak as to the situation in Australia or Argentina in regard to that. But I think it would be fair to say that unless the producers of wheat in the United States and Canada can be assured of a long-range outlook for a stable, fair price above the cost of production, we will have to anticipate that our production level of wheat will drop in this country and in Canada as farmers turn to other crops. It must be remembered that the cost of production for agriculture mounts continually.

The most recent dramatic event that has affected the American agricultural producers is the lack of adequate diesel fuel, even at much higher prices, which climb continually.

The lack of adequate diesel fuel prevents the farmers, in many instances, from having sufficient fuel to do their spring planting, to get into the fields in a timely fashion and to do the necessary work. Not only is the diesel fuel scarce, not only does it cost more when you can get it, but also, the fact that individual farmers cannot have it at the time they need it means that production costs will climb in relation to the crop that is harvested.

So we have a two-edged blade here. As diesel fuel goes up and you cannot get it in sufficient quantities when you need it, not only does it cost you more, but also, it results in higher costs per unit of crop raised, per bushel raised. Obviously, if you do not get your spring work done when you are supposed to, you are not going to get as good a crop as otherwise.

Farmers always have been the victims of nature and weather conditions. They can only work in the fields when it is dry enough to work. They can plant only when it is time to plant and the soil is warm enough and the seed will germinate. They cannot gear themselves to go into the field just when they happen to be ready or when diesel fuel happens to be present. If they are out of diesel fuel, they are not in the field. The tractors cannot run. If they are not in the field when the weather is right, then I can guarantee everyone, the American public in particular, that costs will rise because of that. The second factor, of course, as I mentioned previously, is that diesel fuel costs are going up.

I stress this now to keep in mind that if we are going to have a continuation of abundant supplies of wheat in the United States and in Canada, we are going to have to assure these two countries that, looking down the road, there will be a stable, dependable price for wheat and that they can continue to devote the same amount of acreage to raising this particular crop.

It must be borne in mind that only one-third of the crop that is raised in the United States is actually consumed in this country and that the remainder is exported, and that the price depends on how much the demand is around the world. So it is extremely important that price is a fair one from the aspect of our producers, from the aspect of our balance of trade. I think I can say the same for Canada. I believe it also is important for the assurance of the world market that there will be abundant supplies of wheat available to meet world demands in the years to come, that also means it is extremely important that there be some assurance of price.

The resolution before the Senate would ask the President to make sure that international discussions are continued "with the intent of reaching a cooperative arrangement to improve wheat trade policy and achieve equitable prices for producers while assuring adequate supplies for consumers."

I believe that very short sentence says a great deal. It emphasizes the importance that I believe our country should place on such procedures.

I am delighted that the Senate is considering this resolution today, and I hope that when it is adopted, the President will pay attention to it.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, will the Senator yield me 5 minutes?

The PRESIDING OFFICER. Does the Senator from South Dakota yield the Senator from Kansas 5 minutes?

Mr. McGOVERN. I yield such time as the Senator from Kansas may desire.

Mr. DOLE. Mr. President, I yield to the distinguished Senator from Indiana for the purpose of obtaining the yeas and nays.

Mr. LUGAR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, the Senator from Kansas has read the resolution carefully and has re-read it carefully. This resolution urges the President to actively work toward convening a negotiating conference of wheat exporting nations with the intent of reaching a cooperative arrangement to improve wheat trade policy and achieve equitable prices for producers while assuring adequate supplies for consumers. That in itself is a very large order.

It is well known by most Members of the Senate, and certainly by producers across this country, that wheat growers are in serious financial trouble. Wheat growers in Kansas and other States need a higher price for their product. Consumers in America and around the world can buy all the wheat they want at very low prices. Prices for wheat now do not let many wheat growers cover their cost of production.

I am going to vote for this resolution because I feel it is important that the exporting nations continue to meet and discuss world wheat problems. A continuing dialogue will keep the channels open and will keep the wheat exporting nations alert and aware of the financial problems faced by wheat growers around the world.

We must have continuing discussions and they might bring about some solutions to the problems of price, marketing conditions, subsidies, supply management and other problems that face the world wheat market.

I believe that much of what this resolution calls for is already being done. Talks among wheat exporting nations have not resulted in many constructive solutions. A recent meeting in Canada produced little new or meaningful answers. I believe there are going to be some more meetings in June and at later dates, whether we adopt the resolution or not.

So, even though the Senator from Kansas will vote for the resolution, it does not mean anything. It is not going to accomplish anything. But it might give some hope to some wheat producer—perhaps a false hope—that there is some activity in the high levels of this Government to try to improve his plight.

With all the meetings that have been held and are going to be held I believe the resolution only supports and endorses efforts that are already in progress. I do not believe any new meetings will result from the passage of the resolution.

The leaders of the wheat exporting nations that met in Canada reviewed the current and longer term market outlook, the collapse of recent international wheat negotiations, the need for adequate world food security and potential areas for continuing exporter cooperation.

The leaders were of the view that there was no evidence that remaining differences in the International Wheat Agreement talks could be resolved in the immediate future. The leaders did reaffirm support for continuing multilateral cooperation on wheat trade and food aid within the framework of the International Wheat Agreement of 1973.

The leaders did agree that senior policy and marketing officials from major exporting countries should meet at least twice a year to insure greater coordination of policies relating to the production and marketing of wheat.

The ministers were confident that, as a result of the discussions in Canada, that a sound basis had been established for future cooperation and agreed that they would be available to meet, as necessary, to further the interests of wheat production, trade and food security.

I understand that discussions will be continued with other wheat trading countries under the auspices of the IWC (International Wheat Commission) on the possibilities for successfully concluding a new International Wheat Agreement.

In other words, they are going to meet to discuss those possibilities. I hope they are not very successful.

I am hopeful some new breakthroughs can be made in this area, although the agreements and negotiations in the past have not been very productive. I have spoken out on the fiscal waste and unwise manpower utilization of such counter-productive effort as have been involved in these negotiations in the past.

Why do we keep devoting so much energy to regulating the market when all of history reveals that the U.S. farmer has benefited most when markets are free? I hope future discussions will concentrate more on the free market and ending Government subsidies around the world than on cartels and other such market arrangements.

To those who still have an affection for the so-called stability introduced by international commodity agreements, I need only refer you to their long history of failures. We should not condemn farmers to a repetition.

The economic creatures of international governmental agencies cannot make the forces of supply and demand disappear. In the short run those forces may be checked, shifted, blunted or even temporarily suspended. But the consequences cannot be evaded forever.

The last international grains agreement, with maximum and minimum prices, was an international economic disaster, especially to U.S. wheat growers.

In mid-1975, the Subcommittee on International Trade of the Senate Committee on Finance asked the U.S. International Trade Commission to undertake a study of the experience of the United States with international commodity agreements.

Let us examine the conclusions of this independent governmental body:

> The failure of the 1967 agreement, during which prices remained below the minimum, was due primarily to the accumulation of burdensome stocks which the national governments would no longer carry. The agreement was powerless to require importing countries to pay minimum prices or to prevent exporting countries from selling below minimum prices.
>
> Member governments have generally not been willing to buy and sell within agreed price ranges unless the natural and usually unpredictable market forces of supply and demand happen to result in equilibrium prices within that range.

Rigged international marketing is inherently bad. To quote the International Trade Commission again:

> International Commodity Agreements take various forms, but in general they are agreements between government of both producing and consuming countries that attempt to raise and stabilize the prices of commodities. In the pursuit of these objectives, such arrangements impose restrictions on the free movement of commodities in international trade. They often result in economic waste and the misallocation of scarce productive resources, and historical experience has demonstrated their frequent failure to achieve their objectives.

The United States is an efficient, abundant producer, and it possesses a strong, competitive marketing system. These strengths are best utilized under liberalized, competitive trading conditions, where productive capacity and marketing services—rather than special arrangements or market sharing—are the basis for market opportunities.

The free markets serve the public more quickly and more efficiently than any international cartel agreement ever could. The U.S. Government should abandon the international agreement concept of this type.

In this category I include the export cartel concept for wheat being proposed by some legislators.

And I heard earlier this morning the distinguished Senator from Indiana talking about I guess the concept of no crude-no food. That may at first blush have a lot of appeal, but I doubt that it would be very effective. We are doing some research in that area. In fact, there was an article in this week's U.S. News & World Report that evaluated a number of such arrangements and the shortcomings in each.

Mr. President, I ask unanimous consent that that article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. Mr. President, will the Senator yield me 1 additional minute?

Mr. McGOVERN. I yield 1 additional minute to the Senator from Kansas.

Mr. DOLE. Mr. President, finally, as the Senator from Kansas indicated earlier, I support the resolution because I believe dialog should continue. I would hope the discussions would center on how to free the market from all the restrictions now found in the world, how to end unfair subsidies and import-export restrictions, and all the other arrangements that destroy and alter the free market.

If future discussions were centered around this concept, I believe they would be more productive than in the past and certainly of more benefit to the American wheat producers and the American consumer.

I thank my distinguished colleague for yielding.

EXHIBIT 1

IF U.S. DECIDED TO HIT BACK AT OPEC

As oil prices go up and supplies go down, demands are spreading for the United States to retaliate against the Arab nations behind these problems.

The big question is: How?

One popular demand is that the U.S. stop exporting food to the chronically food-short countries that belong to OPEC, the Organization of Petroleum Exporting Countries.

"Cheaper crude or no more food" is the refrain of a song that is sweeping the grain-growing Middle West.

It is suggested that the U.S. should hike its grain prices the way the Arabs and other OPEC members outside the Mideast have hiked their oil prices.

"A bushel of grain for a barrel of oil," says bumper stickers appearing on many automobiles. That would mean that Arabs would have to pay prices of $18 or more for a bushel of U.S. wheat they now buy for less than $4.

Several other forms of retaliation are being suggested:

Cut off the sales of U.S.-made machinery and other capital goods that are needed by the underdeveloped economics of the OPEC nations.

Block the 35 billion dollars' worth of assets that are held in this country by OPEC members.

Stop economic and military aid, and quit selling weapons to OPEC countries.

Withhold Western technology that the Arabs want for development of their oil-based economies.

Many of these retaliatory actions are within the power of the U.S. government. The problem is this: Experts say that none would be effective. And they warn that attempts to apply them could lead to Arab counteractions that would only make matters worse.

CUT OFF FOOD

Take the idea of cutting off food sales. It sounds attractive. The U.S. alone sold OPEC nations 1.8 billion dollars' worth of food, including 1.4 billion dollars' worth of grains and cereals, last year. The U.S. supplied more than half of those nations' imports of wheat and nearly 20 percent of their total agricultural imports.

It would seem, offhand, that the loss of such vital supplies would hurt. But authorities questioned by *U.S. News & World Report* dismissed as futile any attempt to use American-produced food as a weapon against OPEC.

"Forget it," said Allan Grant, president of the American Farm Bureau Federation. "It won't work."

"Someone would sell the Arabs what little grain they need," said Secretary of Agriculture Bob S. Bergland.

"American grain exports to the OPEC nations are in no measure equal to the volume of oil we receive," pointed out Carl Schwensen of the National Association of Wheat Growers. While selling only 1.4 billion dollars of grain to OPEC countries, the U.S. bought about 30 billion dollars' worth of OPEC oil last year, and the total will be much larger this year.

As for pegging the price of exported wheat to the price of imported oil, Secretary Bergland commented dryly: "There's not much market for wheat costing $18 a bushel."

The only way the U.S. could raise export prices on wheat and make it stick would be through close cooperation with the other big wheat-growing nations—Canada, France, Australia and Argentina. These five nations account for about 85 percent of all the world's wheat exports.

"Even if we could agree among ourselves to set minimum prices, we'd never be able to enforce them," said Secretary Bergland.

At a meeting in Saskatoon, Canada, in mid-May, representatives from four of the major exporting nations agreed to cooperate in stabilizing world wheat prices and to seek to establish an emergency world wheat reserve. But they did not even discuss the possibility of forming a wheat cartel.

Senator George McGovern (D-S.D.) is a leader in a movement to form an Organization of Wheat Exporting Countries (OWEC). But, he said: "This is not an answer to OPEC. I don't see how it could be used effectively against the Arab countries. It is only something we should do in our own interest. It makes no sense for us to be selling our wheat abroad at prices below the costs of production."

OTHER SUPPLIERS

What about economic sanctions, such as cutting off sales of machinery and manufactured goods to Arab nations?

The experts' answer: Although OPEC economies rely heavily on imports of capital goods and weapons, their needs can be met by a number of suppliers, including Japan, France and West Germany.

No major industrial nations seem interested in joining any retaliatory action against OPEC.

In Britain, which is now producing most of the oil it needs, one official pointed out that Western nations contemplated an econcmic crackdown on the Arabs five years ago, only to back away from such action. He said: "It wasn't a good idea then and it isn't now. It would be counterproductive." From another British official came this comment: "It seems as though you Americans are looking for scapegoats for the position you find yourselves in—anybody except yourselves and your habits of consumption."

West Germany could damage Saudi Arabia and its neighbors by refusing to supply them with equipment and know-how. But German officials flatly reject such policies. "Any kind of economic retaliation would not help at all, but rather worsen the situation," said one official. A German fear is that retaliation might contribute toward stirring up an Iranian-style revolution detrimental to Western interests and enable the Soviet Union and its allies to increase their political, economic and military influence in the Mideast.

French policymakers said they do not support economic retaliation.

In Japan, officials and businessmen are horrified at even the thought of attempting any retaliatory action. On the contrary, Tokyo's goals are to obtain oil at any price and avoid giving the Arabs any offense. Japan not only gets 78 percent of its crude oil from the Mideast, but also provides large amounts of industrial equipment and technology to that area. Last year, sales to the Mideast totaled 10.7 billion dollars, accounting for 11 percent of Japan's global exports.

The Swiss, like most other Europeans, do not believe economic retaliation would be an effective weapon against the Mideast oil cartel. Italian officials said their policy is to avoid international confrontations on the oil problem.

American diplomats make clear that they have no stomach for the retaliation idea. As one State Department official put it: "It would be practically impossible to influence Arab decisions—on oil or on political matters—through economic retaliation."

DEFENSIVE MANEUVER

One thing the U.S. could do on its own is block assets that the OPEC nations hold in this country. They total about 35 billion dollars in such forms as deposits in U.S. banks, Treasury securities and corporate stocks and bonds. But they represent only one fourth to one third of the total investable surplus funds of the oil-exporting nations. Thus, experts note, the OPEC countries have already protected themselves against a blocking move by distributing their investments widely around the world.

The U.S., acting alone, could also stop foreign aid to OPEC nations. But the amount of such aid is not massive, totaling 815 million dollars in 1978. Deliveries of American military sales to the region totaled 4.3 billion dollars last year, with another 7 billion contracted for later delivery. But U.S. officials are wary of driving the Arabs into relying on the Soviets for arms.

As experts sum up the problem: While the U.S. cannot turn elsewhere for oil, OPEC nations can find many other places besides the U.S. to supply the things they need from abroad. So there is not really much the U.S. can do except to conserve the oil supplies it has, seek new sources outside OPEC—and, meanwhile, pay whatever oil price the Arabs demand.

Mr. McGOVERN. Mr. President, I yield 4 minutes to the Senator from Nebraska, Senator Exon.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I thank you, Mr. President, and I thank my distinguished friend from South Dakota.

Mr. President, I am delighted to rise in support of the resolution that we are debating at this time. I hope that I will not burden the Senate too much by repeating too much of what I said in my maiden speech in this Chamber on March 12 last, wherein I talked about essentially the same thing we are talking about here.

It comes down to the fact, I suggest to my colleagues, that unless something as is suggested in this resolution comes to pass, we are going to sap and abuse the legitimate instrument of economic policy that we have in putting our food plan to better use to help solve the problems of Americans, including inflation and certainly the deficit of trade that has plagued our economy for a long, long time.

I was very interested in the remarks that were made by my colleague from Kansas. I also agree that if we had a free marketplace or free trade, we would probably be a lot better off in many areas. But the facts of the matter are, as I pointed out on March 12, we do not have free trade. We have no semblance of free trade or a free marketplace in agriculture today.

I only cite the fact that about 18 months ago I was in Switzerland, and in Switzerland I found that the Swiss Government was subsidizing their domestic wheat producers to the tune of $11 a bushel.

In the Common Market countries, they are subsidizing their domestic producers of wheat between $5.50 and $7 a bushel, and it has been well documented, of course, with the Japanese that for most of the food products they buy from us they multiply those by two or three times before they pump them into the Japanese economy.

We are proud of the fact—and there has been reference to it by gifted speakers all across the land—that in the last year we exported some $26 billion or $27 billion worth of agricultural products abroad, and were it not for that our international trade deficit would have been $53 billion or $54 billion rather than the actual net figure of about $28 billion.

But while we recognize that foreign trade is important, let us remember that if we double and triple and double again the total amount of food exports, if we are exporting a substantial amount of those products below the cost of production at home, we are only putting in peril the great food plant we have in America that, I think, has been abused and misused for far, far too long by a whole series of administrations representing both political parties.

Therefore, I think the resolution we have here is a mild step in the right direction. In my opinion, we should be going much further, and I am hopeful that we will have sound approval of this resolution when it is voted on today.

I thank my friend from South Dakota and I yield back any remaining time that I may have.

Mr. McGOVERN. Mr. President, I yield such time as he may consume to the senior Senator from Nebraska (Mr. Zorinsky).

The PRESIDING OFFICER. The senior Senator from Nebraska is recognized.

Mr. ZORINSKY. I wish to thank my distinguished colleague from South Dakota.

I am speaking on behalf of this resolution and in support of it.

Mr. President, every day for the past 2 months my office has been deluged by a tidal wave of post cards and letters carrying a single terse message: "A barrel of oil for a bushel of wheat."

The economics of the proposal are dubious, but the sentiment is valid.

Senator Lugar maintains that the analogy of wheat exports to oil exports is not valid. Both the economics and the moral implications are different. That is true. But no one proposes that the United States should help develop a wheat cartel which behaves exactly as OPEC does.

Rather, I would point out that OPEC is an international commodity agreement which has hinged on cooperation. I do not suggest that our country and the other wheat exporters should act as unscrupulously as OPEC has; merely that we could employ the same tools to raise the price our farmers receive for their wheat, and to stabilize the world market price.

Our country is the world's second largest wheat producer. The United State's is by far the world's greatest wheat exporter. Nearly 44 percent of the world's wheat exports originate on American farms.

Our country has been the leading exporter of wheat for many years. But we have not led the effort to receive a fair price for our produce. Rather we have lagged behind our competitors, and have allowed our country's farmers to suffer the onus of becoming a residual supplier.

We have within our grasp the means of reversing this trend, and turning our country's enormous productive capacity into an economic gold mine. Cooperation, Mr. President, is the crucial key—cooperation with the other wheat exporting nations of the world.

The United States, along with Canada, Argentina, and Australia, supplies world markets with more than three-quarters of global wheat exports. A cooperative wheat export agreement with these three nations could insure American farmers a fair price for their produce. This, in turn, would diminish the need for costly domestic price support programs, and would help to balance the current trade deficit.

Skyrocketing gasoline and oil costs are a daily reminder of the success of the oil producing countries in enforcing such a global pricing agreement. I do not imply, Mr. President, that the situations are synonymous, merely that the OPEC agreement demonstrates beyond doubt the potential for world commodity agreements.

We have during the past few years attempted to agree with both importing an exporting countries on an International Wheat Agreement involving a complex system of stockpiles and quotas. All negotiations to achieve such a compact have failed.

It is time, Mr. President, to pursue a different avenue. Let us band together with other major wheat exporters to charge a reasonable price for our wheat. Let us make cooperators of our competitors, for our mutual benefit.

The Senate has before it a resolution expressing the sense of the Senate that the President should actively work toward an international wheat export agreement. I wholeheartedly support the resolution, and add my fervent hope that the President and the Secretary of Agriculture will seize the earliest possible opportunity to open negotiations for such an agreement.

I have been disappointed in the past that the United States has not actively pursued a wheat agreement with fellow exporters. I now urge the administration to steer our country toward its rightful and necessary position as the leader in this effort, in order that we may better serve our Nation's farmers.

I would like to thank the Senator from South Dakota for this opportunity to express my views on this resolution. I hope the Senate will show its affirmative support for its passage.

Mr. McGOVERN. Mr. President, I thank the Senator from Nebraska.

I yield myself 15 minutes.

Mr. President, I, first of all, want to thank the Senator from Indiana (Mr. LUGAR) for proceeding first today on the discussion of this resolution. There were a half dozen Senators who went to the White House this morning on the diesel fuel crisis, which is a very serious one in the rural sectors of the country. A good many of our fuel dealers are out of fuel and unable to supply the needs of farmers. It is interfering with the planting of crops all across the Midwest.

So along with the two Nebraska Senators, Senator EXON and Senator ZORINSKY; Senator HART, of Colorado; Senator CULVER, of Iowa; Senator KASSEBAUM, of Kansas, and myself, we had an hour-long meeting with the President this morning on this subject in which the President and also the Secretary of Energy, Mr. Schlesinger, assured us that they were going to do everything within the power of those offices to try to expedite the allocation of fuel to the agricultural States.

I am sure the President is painfully aware now of the problems we are up against in the food-producing sectors of the country, and that he is aware that this is a problem that affects not only all farmers but all citizens who are concerned about the Nation's food supply.

At least for myself, I came away from that meeting this morning somewhat more encouraged that the administration is going to use the full power of the executive branch to do everything possible to make diesel fuel available for tractors and other farm operations that are essential to producing the Nation's food.

In any event, that was the reason we were unable to be here when the resolution on the international wheat situation was laid down, and we are grateful that Senator LUGAR was willing to give his arguments in opposition to this resolution before we heard the arguments in support.

Now, Mr. President, I am pleased to lead the proponents of this resolution, which was reported from the Senate Committee on Foreign Relations last week, and which directs the President of the United States to take the lead in convening representatives of exporting wheat nations in negotiations that are aimed, first of all, at insuring wheat producers a fair price for their wheat; and, second, insuring consumers a stable supply of this principal grain that is used throughout the world for human consumption.

I might say, Mr. President, there may have been some confusion about the amount of time the Senate Committee on Foreign Relations spent on this resolution. One entire session of the committee was devoted to hearing witnesses on this resolution and on other proposals, and then a second followup session of the committee was held during which time, after some discussion, it was reported from the committee by a vote, as I remember it, of 7 to 1.

If I may indulge the Senate for a moment of background on this resolution, let me say that it came about during the Committee on Foreign Relations deliberations on the extension of the 1971 wheat protocols, commonly known as the International Wheat Agreement of 1971.

Negotiators of exporting and importing nations have, for the past year and a half, been working in London and in Geneva to negotiate a new world wheat agreement, and some 70 countries were involved in those discussions. Included on their agenda was the accumulation of world wheat stocks, as well as the pricing of wheat not covered in the 1971 accords.

Mr. President, earlier this spring it became evident, I think, to everyone who was following those deliberations in Geneva and London, that a solution of the various international problems was frankly impossible and the negotiations just, to put it bluntly, collapsed.

This left the world situation back in the terms of the 1971 agreement, which we have already extended three times. I, for one, feel that the accords should be extended, because I represent a major wheat-producing State, and I know how important a satisfactory agreement is to both exporters and importers. Another Senator who shares my feeling is the distinguished chairman of the Senate Foreign Relations Committee (Mr. CHURCH), who is, necessarily absent today, and another is the distinguished Senator from Oklahoma (Mr. BELLMON).

Mr. President, as a result of the hearings before the Foreign Relations Committee, the present resolution was reported by that committee to the Senate last Thursday. It was reported in recognition of the fact that North American wheat producers are forced to sell wheat on the international market at prices that are below their actual cost of production.

I might just say, Mr. President, that the farm price of wheat is now selling on the international market for about $3.10 a bushel. That stands in sharp contrast to the fact that the same wheat was selling 5 years ago for $5 a bushel. We know, Mr. President, what has happened to other important commodities during that 5-year span. The price of oil, to take just one commodity that is important not only to farmers but to all of us, has quadrupled in the same 5-year period that we have seen international wheat prices declining from roughly $5 a bushel to a little over $3 a bushel.

This situation borders on the ridiculous, when we keep in mind that the United States and Canada alone supply two-thirds of all the wheat that moves in international commerce. If you add to that the exports of Australia and Argentina, Canada, the United States, and these other two countries export 85 percent of all the wheat that is moving in international commerce.

I say, Mr. President, that it is unbelievable that those four countries are cutting each other's throats in the exportation of wheat abroad, driving the price down considerably below where it was 4 or 5 years ago, at the same time that countries that control only 40 percent of world oil supplies, namely, the OPEC nations, market their products under arrangements that have quadrupled oil prices since 1973.

Mr. President, it is not my suggestion that we and other exporters pursue the same course that OPEC has, although there are those in the land who have publicly advocated "a bushel of wheat for a barrel of oil." I think most of us here know we are not going to get that kind of a deal. Oil, after all is a finite product which will one day be exhausted, perhaps in 35 or 40 years, whereas we hope that as long as there is land we can continue to produce wheat, so it is a renewable commodity. Wheat and oil are far from a mutual exchange, and it is not realistic to attempt to equate a situation where minimal quantities of wheat are sold to OPEC countries in terms of the vast amounts of oil we import.

Nevertheless, it is in our national interest that we take steps to protect that segment of our agricultural community who must market their commodity for cash rather than realize a price for it after it is fed to animals; as is the case with most of our feed grains.

As a Nation we have been producing over the last few years anywhere from 1.8 billion bushels of wheat, with a substantial set aside to 2.1 billion bushels without a set aside. Prices paid to farmers have ranged from $2.30 in 1977 to a substantially better price of about $3.30 per bushel today. In spite of this general upswing in prices, United States and Canadian cost of production is at least $3.50 to $3.60 a bushel.

Mr. President, in the face of those facts, how can any reasonable person argue that it makes any sense for Canadian and American exporters to be deliberately driving down the price to each other, at a time when consultation between these two countries, hopefully with the cooperation of Argentina and Australia, would enable them to work out an arrangement under which our producers would receive a fairer price?

Mr. President, let me just make the point here as simply as I can of what is happening in terms of some of our markets today, on wheat. The farm price of wheat to the European nations at a little over $3 a bushel, which they in turn pad by an import levy that runs it up to somewhere around $6 or $7 a bushel before it is sold to their millers. The difference between what the importing agency pays the American farmer of a little over $3 a bushel, and the $6 or $7 that is charged to the European consumer, goes right into the treasuries of those European countries.

An even sharper situation exists in Japan, where we are selling the Japanese wheat at farm prices of a little over $3 a bushel, and their government adds on an import fee that runs the price up to $10 or $11 a bushel, and that difference between what the American farmer receives and what the Japanese miller ultimately pays again goes right into the treasury of the Japanese Government, to the extent of some half a billion dollars a year.

Mr. President, again I ask, how can anyone argue that it makes sense to ask the American and Canadian wheat farmers to produce and sell wheat at a little over $3 a bushel that actually costs them $3.50 to produce, if we are going to include a reasonable profit, and then have all of the profit on that commodity skimmed off by these importing countries? It not only deprives our wheat producers of income that would add to their economic strength, but it further aggravates an already serious balance-of-payments deficit with Japan and other countries. We ran a trade deficit with Japan last year of close to $12 billion, and part of that $12 billion that we are in deficit to Japan is a consequence of this unconscionable international wheat pricing situation, where we are literally giving wheat away that, with a little cooperation on the part of the wheat exporting countries, could be sold at a fairer price.

Mr. President, to avoid any misunderstanding of what we are talking about here today, nobody is proposing that we quadruple the price of wheat, as was done by the oil exporting countries with oil. If we did that, we would be getting somewhere around $13 to $14 a bushel for wheat. What we are talking about is a reasonable increase in the world price of wheat that would give our farmers their cost of production plus a reasonable profit, so that wheat, instead of selling on the international markets for $3 or $3.30 a bushel farm price, would sell at a range of $4 to $5 a bushel.

This effort is not new to either the Congress or the administration. I think it is well known both here and in the media that almost a year ago Senators MELCHER, BELLMON, and I traveled to Canada to meet with our counterparts in the Canadian Parliament, led by Senator Hazen Argue, Chairman of the Standing Committee on Agriculture of the Canadian Senate, and his colleagues. The meeting was also attended by Canadian Wheat Minister Otto Lang and members of the Canadian Wheat Board.

They made clear to us at that time, a year ago, that they were ready to cooperate with the United States in ending this price cutting war that is going on between Canada and the United States to arrive at a reasonable price that our grain could be sold for on international markets.

We also received written assurances from representatives of the Argentinian and Australian Governments that they would cooperate toward that end.

Our concerns were mutual and our solutions were unanimous—the establishment of international cooperative pricing agreements drawing in the other major exporters, Australia and Argentina.

The Canadians were positive and assured us of no price war. The U.S. Department of Agriculture was less than cooperative and ignored our efforts and suggestions. Last fall, the Canadian Senators came to Washington in much the same spirit, but received little more than passing attention from the administration. Meanwhile, both United States and Canadian producers were receiving substantially less than $3 a bushel for their wheat.

Let us remember, Mr. President, that our Nation consumes only between 700 and 800 million bushels of wheat in our domestic diet. Over 60 percent must find a home on the world market. The same is true in Canada.

With this in mind, it is interesting to trace a bushel of wheat in world trade. Recently, gulf port prices were about $3.80—probably about $4 today. It costs about $1 to ship a bushel of wheat to Japan—$0.70 to the European community.

As I say, the Japanese levy an import duty of nearly $7 a bushel, making it $12 a bushel by the time the wheat reaches the Japanese miller. Western Europe countries pursue the same practices to a lesser degree.

The result is that the Japanese Government was enriched by a half billion dollars last year and the European Economic Community about $350 million.

It is downright foolish for the import levy to be higher than the original producer receives for the product. It is foolish to pursue domestic policies that will eventually bankrupt the great American breadbasket while enriching foreign treasuries and worsening our own balance of payments. Only $1 per bushel more to wheat farmers would put them in the black and subtract a billion dollars from our balance-of-payments deficit.

To those detractors of this resolution who might oppose it on the grounds that it inhibits free trade, let me say that if you believe that wheat trades freely you are living in a dream world. What is free about a market where levies exceed original cost? What is free about a world economic condition where we support wheat prices at lower dollar levels than any nation in the world?

Mr. President, I ask unanimous consent that a recent table prepared by the National Farmers Union of dollar values for wheat be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Wheat support or guaranteed price, Oct., 1978

[In U.S. dollars per bushel]

Egypt	$1.82
United States	2.35
Australia	2.37
Argentina	2.72
Pakistan	2.72
Canada	3.02
E. Germany	3.05
Turkey	3.13
Mexico	3.13
Israel	3.75
India	3.84
New Zealand	3.86
USSR	3.89
Yugoslavia	3.97
Peru	3.97
Chile	4.08
United Kingdom	4.08
Syria	4.21
Hungary	4.38
Lebanon	4.46
Sweden	4.54
Portugal	4.57
Czechoslovakia	4.62
Uruguay	4.79
Ireland	4.92
Spain	4.93
Poland	4.93
Kenya	4.95
Iran	5.39
Greece	5.39
Netherlands	5.50
Italy	5.52
Belgium	5.74
Morocco	5.80
Colombia	5.96
Ecuador	5.99
Denmark	6.34
Austria	6.53
W. Germany	7.02
Guatemala	7.10
Brazil	7.48
Taiwan	7.56
Norway	9.58
Nigeria	9.99
Korea	10.48
Switzerland	17.52
Japan	22.97

Mr. McGOVERN. To those detractors who would call such a step inflationary, let me say that they are wrong. The wheat in a 60 cent, 1 pound loaf of bread is presently about 4 cents. The labor, wrapper, and advertising all cost more than the wheat.

Recently a major miller visited my office and told me in all frankness that the most significant aspect of his milling business was the cost of the wheat. He said, in fact, that he would rather pay $4.50 a bushel for wheat than $3.50 because he realized that his suppliers were not making any money. He characterized the increase in the ultimate flour price as "minimal."

Mr. President, this proposal is not outlandish, nor is it unreasonable, nor is it without precedent. Earlier this year the Senate Agriculture Committee, on which I serve, commissioned a study of international cooperation on wheat prices from the National Association of State Universities and Land Grant Colleges. We did this because of the reluctance of USDA to participate in such a venture.

The study is forthcoming and in my judgment will be a valuable tool to the President should he elect to follow the advice contained in this resolution.

Additionally, only last May 10, at the invitation of Canadian Wheat Minister, Otto Lang, representatives of the four major exporters met in Canada to discuss items of mutual interest with respect to wheat including the price return to producers. I ask unanimous consent that the press release from that meeting be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McGOVERN. In conclusion, Mr. President, let me again congratulate the chairman of the Senate Foreign Relations Committee (Mr. CHURCH) for his wisdom in bringing this resolution before the committee. Let me add, that I was his principal cosponsor. It is important that the President know how the Senate feels on this important question and in my own judgment it is high time for both he and the U.S. Department of Agriculture to act swiftly to protect the hand that feeds us all—the American farmer.

This resolution has the unqualified endorsement of the National Association of Wheat Growers and the National Farmers Union, both of whom made recommendations in relation to its language.

I urge the Senate to act positively on the recommendations of its Foreign Relations Committee. Let me say, too, that the resolution has substantial support from the Senate Agriculture Committee as well.

Mr. President, it seems clear to me at this time that the United States, acting in its own interest, and I think in a spirit of justice and fair play, ought to take the lead as the world's leading wheat exporter in convening a conference with our counterparts in Canada, Australia, and Argentina, to see if we cannot do something about this unfair and entirely too low price on international wheat.

EXHIBIT 1

JOINT STATEMENT—MINISTERIAL MEETING OF WHEAT EXPORTING COUNTRIES

Ministers from major wheat exporting countries met today in Saskatoon to discuss matters relating to international trade in wheat.

Participating in the meeting were the Secretary of Agriculture for the United States, Bob Bergland, the Secretary of Agriculture for Argentina, Sr. Jorge Zorreguieta, the Honourable Otto Lang, Minister Responsible for the Canadian Wheat Board and a representative of Mr. Douglas Anthony, Minister of Trade and Resources from Australia.

Specifically, Ministers reviewed:

The current and longer-term market outlook;

The outcome of recent international wheat negotiations;

The need for adequate world food security, and

Potential areas for continuing exporter cooperation.

Ministers noted the recent improvement of wheat prices and the basic underlying market trend toward greater world consumption of both food and feed grains.

Ministers agreed that in present market circumstances, there was no need to vary their national marketing policies. They considered that countries should closely monitor developments in the market to ensure that national production and marketing policies do not lead to a deterioration of prices.

Problems of higher costs of producing, transporting and handling grain and physical constraints in the system should be examined. Ministers stressed that in order to encourage a growing supply of wheat to meet expanding world demands, it is essential that producers receive an adequate return from the market.

Ministers noted that world wheat production has been generally favourable in recent years but stocks are not excessive in relation to world needs. In view of the increasing importance of wheat trade in meeting world wheat consumption, Ministers believed that importing countries should be encouraged to build food security stocks in the current situation of ample supply. Ministers agreed that exporting countries should manage their respective production and stock policies to ensure that adequate supplies are available in the future.

In reviewing the outcome of the United Nations Conference to negotiate a new International Wheat Agreement, Ministers regretted that a consensus could not be achieved. They were of the view that there was no evidence that remaining differences on the basic elements of acceptable price levels and adequate grain reserves could be resolved in the immediate future. However, Ministers reaffirmed support for continuing multilateral cooperation on wheat trade and food aid within the framework of the International Wheat Agreement of 1971.

Ministers were confident that a better understanding of each other's system would be useful in identifying areas for future cooperation and coordination. They agreed that there were several issues on which more intense review could be useful. Among these were the effect of national support programs on the price of wheat; the impact of rising production costs; the comparability of returns to farmers in various producing regions; and the potential world market for wheat.

Ministers were strongly of the view that there is an important relationship between security of world food supply to consumers and assurance of an adequate return to producers. They therefore decided that:

Senior policy and marketing officials from major exporting countries should meet at least twice a year to ensure greater coordination of decisions relating to the production and marketing of wheat;

Consideration will be given to initiating specific studies of questions of mutual interest in order to build communications at all levels between marketing and operating officials as well as producers of the exporting countries;

Special attention in this respect would be given to safeguarding adequate producer returns within national systems in order to encourage sufficient wheat supplies;

Steps necessary to ensure supplies for world food aid and for emergencies should be introduced or continued;

Discussions will be continued with other wheat trading countries under the auspices of the IWC on the possibilities for successfully concluding a new international wheat agreement.

Ministers were confident that, as a result of their discussions, a sound basis had been established for future cooperation and agreed that they would be available to meet, as necessary, to further the interests of wheat production, trade and food security.

● Mr. BELLMON. Mr. President, in 1978 the United States produced 1.8 billion bushels of wheat. Supply deviations occur depending upon market price incentives, set-aside requirements and weather patterns. Carryover for the new crop year which begins June 1, 1979, is projected to be 950 million bushels. Under our current farm program and the current wheat agreement, the President's budget predicted the average price received by farmers will be below $3 per bushel for the crop year that will soon begin. With today's production costs of about $4 per bushel, this price means that wheat growers are selling at a loss and unless conditions change our country will ultimately face a food shortage.

The long range demand for food grains, soybeans and feed grain is excellent. According to W. David Hopper, vice president, South Asian Region, the World Bank, in a statement before the Congressional Roundtable on World Food and Population, February 27, 1979:

> In all, the demand for food on a global basis can be expected to increase at close to 3.0 percent per annum, approximately four-fifths of which is population expansion and the remainder due to income growth. A growth of 3.0 percent per year implies a doubling of food requirement in 24 years. Holding the present pattern of food distribution constant, and assuming a continuation of present population and economic expansion growth rates, there will be a world food need of approximately 3.0 billion metric tons of grain by the turn of the century.

In a similar projection, before the same roundtable on January 23, 1979, Maurice J. Williams, Executive Director of the World Food Council, United Nations, Rome, Italy, stated:

> In the next 15 years the demand for food grains in the developed countries will increase tremendously—by an estimated 200 million tons, or nearly equivalent to the current production of grain in the United States. During this period demand in the developing countries will increase by 350 million tons, (13 billion bushels) and under current patterns of production well over 100 million tons (3.7 billion bushels) of this increase in developing world demand would have to be met by increased exports from North America.

Unfortunately, the near term demand for wheat is not good. If the administration's projected price of under $3 is accurate, many young people may be forced to abandon farming. The average age of American farmers is going up rapidly so there is need to keep young people in the food producing business.

Mr. President, it is interesting to note that even though grain producing countries are now exporting grain at prices below costs of production, our foreign consumers are not benefiting from our largess. For instance, last year Japan imported 121 million bushels of U.S. wheat which they had bought at on-the-farm prices of about $3 per bushel. Once it reached Japan, this wheat was resold for $8.80 per bushel. This resale policy provided an income of over $500 million in revenue to the Japanese treasury.

A similar situation exists with the European community which last year placed a duty of $3.90 per bushel on the 84.5 million bushels of wheat they imported from the United States. The European Community Governments thus netted over $325 million in revenues.

The above phenomenon is more objectionable when it is realized that in 1978 the United States had a deficit in its trade accounts with Japan of $11.6 billion and a deficit of $3 billion in its trade with West Germany.

It is plainly in our national interest to establish a trade policy which provides a fair income to our grain producers and which reduces the opportunity for other countries to profit at our expense.

As the members of the committee well know, wheat agreement negotiations were adjourned in February after the participating countries, representing both importers and exporters, could not resolve several major issues. The areas on which a consensus was not achieved in the Geneva negotiations were:

First. Specific reserve stock contributions by member countries necessary to provide and to insure an adequate total reserve,

Second. The extent to which separate economic provisions for developing countries should be incorporated into the agreement, and

Third. The price levels at which stock acquisitions or releases would occur.

Our negotiators worked 12 months in Geneva on a new wheat agreement that would provide economic protection to our wheat growers. However, after laboring a year, the negotiators were forced to conclude that an equitable agreement could not be reached between importers and exporters.

Last February 6, I introduced legislation to encourage the establishment of an International Grain Exporting Stabilization Commission. The legislation is designed to place a floor under world grain prices and end the cut-throat competition among exporting countries. If cooperation among exporting countries can be established, government expenditures for farm subsidies will decrease, consumers will be assured of a dependable supply of food at a reasonable cost, producers will receive fair prices and developing countries will have the incentive to increase their food grain production.

The International Grain Exporting Commission Act of 1978 requests the President to take such action as is necessary to establish an international grain exporting commission to be composed of the major grain exporting countries. The Commission would establish a minimum world export price.

Although the management and policies of the Commission would be established by the member countries of the Commission, I envision the Commission implementing an export licensing program. No member country would export grain without an export license issued by the Commission. When the Canadian Wheat Board, Australian Wheat Board, United States Grain Company, or other qualified exporters desire to sell grain, an export license covering the amount of the sale would first be purchased by the exporter at a price per bushel reflecting the difference between the market price and the established export floor price. The grain would then be exported under existing procedures by member countries.

The Commission would retain enough of the revenue from the sale of licenses to cover its modest operating expenses. The balance would be rebated to the treasury of the country from which the grain was exported.

In the case of the United States, my plan envisions that the U.S. Treasury would first apportion a percentage of the remaining revenues to the poorer of the developing countries based upon the amount of grain purchased. The balance of the revenue would be transmitted directly to grain producers according to the amount of grain produced and sold.

There are many benefits which would come from this program. Let me list them again:

First. Cost of the current farm program to the Federal Treasury would be dramatically decreased. A large percentage of the grain grown in this country goes into the export markets. Under the terms of my proposal, the price of the grain would rise to levels sufficiently high so that deficiency payments under the farm program would no longer be required.

Second. Income of grain growers would rise to a level moderately above the costs of production.

Third. The domestic price of food would not be affected since the program affects only the price of exported grain.

Fourth. Our balance of payments would be significantly strengthened.

Fifth. Food producers in developing countries would have an important new incentive through higher prices to meet future in-country food demands.

Sixth. Japan and Europe would no longer be able to enrich their treasuries at the expense of American grain growers.

Seventh. The OPEC countries would be required to pay a more nearly equitable price for their grain imports.

Mr. President, there undoubtedly is room for improvement on what I have proposed. Also as the Senate well knows, only the President has the authority to propose that the United States be a party to the type of international agreement I have outlined. Accordingly, I am supporting Senate Resolution 163 which expresses the sense of the Senate that the collapse of international negotiations and the current situation in the world wheat market makes it imperative that the President actively work toward convening a negotiating conference of wheat exporting nations with the intent of reaching a cooperative arrangement to improve wheat trade policy and achieve equitable prices for producers while assuring adequate supplies for consumers.

The current wheat export situation is totally unacceptable to the United States and other wheat exporting countries. The current wheat export price of just over $3.50 per bushel makes it necessary for the President to pursue actions that will increase world wheat prices to at least the cost of production which is about $4.50 f.o.b. at the ports. I urge the adoption of Senate Resolution 163 to encourage the President to get the wheat exporting countries together so that the United States may propose actions that will increase the world wheat price.●

Mr. HART. Will the Senator yield 3 minutes?

Mr. McGOVERN. I yield.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. HART. I yield.

Mr. DOMENICI. Is there anyone else who desires time, or can I follow the Senator from Colorado with 3 minutes?

Mr. McGOVERN. I do not know of anyone else who has asked for time. That being the case, I will certainly yield to the Senator from New Mexico.

Mr. HART. I thank the Senator from South Dakota, the sponsor of this resolution. I wish to be added as a cosponsor. I identify myself very much with his remarks.

Mr. President, there is a simplistic notion in the land, which has even been raised to the art of popular music, that we can somehow solve two crucial problems with one decision. That is to barter grain for petroleum. If those problems could be solved that simply, of course, I think someone would have acted on it sometime ago. There is a feeling it is a policy so attractive that it somehow escaped the notice of everyone in the Government in Washington and that this is symptomatic of the problems of governing these days.

The fact of the matter is that it is not. The United States may be a major supplier, it may be the major supplier, of wheat and other grains to the world, but the fact is we do not control the market.

As the Senator from South Dakota in this resolution acknowledged, there are other major producers and suppliers, including the Canadians, Australians, and many others.

Second, Mr. President, it turns out, perhaps unfortunately, that the producers of oil are not at the same time the major consumers of grains and wheat. They do purchase some supplies from us, but the fact of the matter is that their economies are not as dependent on our grain as our economy is dependent on their oil. So there is not the kind of 1 to 1 trade-off that the popularizers of this notion, both in music and political rhetoric, would have it.

The fact of the matter is, Mr. President, that we are not doing nearly enough in terms of cooperative marketing with our producing associated nations. I am against cartels. We are presently at sort of a peaceful war with the major cartel in the world, namely the petroleum cartel. We do not respond to that by forming another cartel, namely the grain producing cartel.

Cartels are an anathema to a free market. There are major oil producers in this country who say we have to let oil rise to the free market level. The fact is there is not a free market. The market price has been dictated by a cartel. When you have a cartel you do not have a free market. The same economic principles apply to grain production. If you form a cartel you automatically eliminate the free market.

Most of the producers of grain in the State of Colorado that I know are for a free market. They want bargaining power.

Mr. President, will the Senator from South Dakota yield 1 additional minute?

Mr. McGOVERN. I yield.

Mr. HART. I think we can follow the lead of the sponsors of this resolution and call for a negotiating conference on wheat exporting with the intent of reaching a cooperative arrangement to improve wheat trade policy and achieve equitable prices while still protecting the consumers. That to me does not suggest a cartel. It does suggest the kind of cooperative marketing on the part of the major producers that makes a great deal of sense, which protects our producers and which protects our consumers at the same time.

I hope that while we try to dispell the simplistic notions that we can break the oil cartel by forming a wheat cartel, we also understand that there are some very progressive and meaningful policies that can be pursued with regard to marketing of our wheat around the world. They are not violative of a free market but at the same time protect and enhance the role of the individual wheat producer here in this country.

I want to thank and congratulate the principal sponsors of this resolution. I think it is right on target and exactly what this country ought to be doing. I thank the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I yield 3 minutes to the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I first commend Senator McGovern and Senator Bellmon. It is my recollection that they basically initiated a process which ended up with this resolution before the Senate. I personally was a cosponsor of the Bellmon bill, which I think Senator McGovern is familiar with, and which would have done much the same thing as this resolution will do.

Mr. President, I want to speak briefly to the issue and encourage the adoption of the resolution.

First, I think it is obvious from my conduct in the past 6½ years as a U.S. Senator that there are few people who believe in the free enterprise system and free market than do I. Just intuitively, having been brought up in a home with an immigrant father who had a business, I was very much, and remain very much, tied to the enterprise system. Yet today I rise in support of a resolution which is a suggestion that the United States and other major wheat producing countries, in particular our great neighbor Canada, begin to talk about lessening the competition in the world market for this valuable product, this tremendous foodstock called wheat. I am prompted to do that because these days and these times demand it, in my opinion.

While the United States of America attempts, through various ways and different policies, to stabilize agriculture in America, to encourage the small family farm so that it will exist, and to encourage production of foodstuffs here in our Nation, it is unequivocal that our basic export called wheat is taken advantage of in the world market and, as a consequence, here at home we go from one low to another low.

Then, in a couple of years, it brings a little bit of profit to the farmers, it goes back down to another low.

I think it is time that at least the great nations, Canada and America, joined by other nations that export wheat, sit down and talk about what they can do to eliminate the kind of unfairness that is real and that infuriates the American people; the kind of unfairness that prompts what Senator Hart talked about today: Why not a bushel of wheat for a barrel of oil; the kind of unfairness that causes Japan to charge more on a tariff for our wheat than the wheat brings in the market. That is something that the American people cannot understand and they are right. When American wheat was bringing $3, Japan had a tariff on it of $6 or more. American people rightly do not understand how we can continue to import their Toyota cars and other things, with little or no tariffs, and they put a tariff, which is a tax on our wheat which, in some instances, was twice the value of the wheat.

I know there are those who say we should not get together and sound like a cartel. After all, we are free traders in America. Yes, we are, but when the time arrives that, for years, the American farmer is growing wheat and being paid less than the cost to produce; when, for years, American wheat is in the world market at that kind of price; and when, for years, our trading partners have tariffs on our wheat of the type I have just described—and Japan is not singular. Most of Western Europe is similar. Then I say it is time we be practical and try—I am not sure it will work, but try to do something about it.

It is for that reason that I rise in support of this. I think it is high time that, on a country-to-country basis, two great wheat producers, Canada and America, begin to talk about alleviating this kind of domestic crisis, this kind of crisis that, in the United States, is real. American farmers cannot make a living, yet they are the greatest producers in the world, and we are exporting it, basically, with two or three other countries, feeding the world. At least as to those affluent countries, they ought to pay the right price.

I have read the resolution carefully. It does not mandate a cartel, it does not mandate price fixing. But it does mandate that, if it becomes law, our President begin to negotiate for the eventuality that I have described and that the resolution sets forth.

I thank the Senator for yielding time.

Mr. LUGAR. Mr. President, I yield myself as much time as I require.

Mr. President, all of the speakers in this debate have spoken about their support for American farmers, especially for wheatgrowers, the subject of our debate today. During my early remarks in this debate, I pointed out that I am a wheat farmer. On our farm, we are hopeful of having a good yield this year and, I hope, a good price per bushel for the wheat. I attempted simply to make that point at the outset so that it is clear that we are all concerned about higher prices for American wheat producers so they will make a profit, so that the American wheat farmer will be strengthened.

I have argued, Mr. President, thus far in a singular and unique fashion, that this resolution will not help the American wheat farmer. One of the unique things about this debate is that it has all been among, essentially, people favoring wheat producers, although, certainly, we are all concerned about the consumers, and the resolution, in fact, speaks to adequate supplies for the consumers.

Frequently, in a debate of this sort, we have producers on the one hand and people representing consumer organizations on the other. The consumer organizations have not been represented, per se, in this debate. Implicitly, we are all hopeful that consumers will come out fairly well. But we have talked about producers and what will be best for wheat farmers in this country. That is certainly the standpoint from which I approach this argument.

The difficulty with the resolution, Mr. President, is that its proponents take it as trivial on the one hand and very serious on the other. They cannot have it both ways, although both ways, in my judgment, lead to a fairly weak argument. It has been argued by the distinguished Senator from Kansas (Mr. Dole) that the resolution will not do much harm; that, essentially, it is relatively inconsequential in its import; it simply speaks to an attitude that we all have, that we hope well for the wheat producers. Senator Dole went on to point out, however, his reliance on free markets to boost imports and to look after the interests of both producers and consumers in this country.

On the other hand, the major proponent of the bill, the distinguished Senator from South Dakota (Mr. Mc-

GOVERN), has spoken more seriously, as have others. Both distinguished Senators from Nebraska, for example, and the distinguished Senators from Colorado and New Mexico have spoken to the importance of cooperative arrangements. Of course, that is the area that I take seriously.

I gather that the importance of this resolution is not a perfunctory campaign-year type of rhetoric that is simply thrown out on the plains, hoping that somebody will pay attention to it. This resolution, as I read it, asks the President of the United States to bring together a negotiating conference of wheat-exporting nations, a serious purpose, unless the whole exercise is one of futility, in which we do not anticipate that the President will pay any attention to it. If he does pay attention to it, he is moving toward a cartel arrangement.

The word "cartel" is one that folks do not want to use. They will say, "No, it is a cooperative arrangement." But I am suggesting that this means a curtailment of supply, a change in price through curtailment of supply.

I have tried to argue that such arrangements in the past have been futile, and especially futile in wheat, because wheat is grown by almost every country on the Earth and the countries that we have suggested might come together in this cooperative arrangement produce less than 25 percent of it. The arrangement, whatever it is, can be undercut backward and forward. And even if it did work, I have suggested it would undercut our own American exporters, our own American wheat producers.

Mr. HELMS. Will the Senator yield?

Mr. McGOVERN. Will the Senator yield at that point?

Mr. LUGAR. Let me yield, if I may, in succession to the Senator from North Carolina and then to the Senator from South Dakota.

Mr. HELMS. I thank the Senator. I shall be very brief.

I say the Senator is unquestionably correct. I, for one, commend him for the point he is making so eloquently here.

Mr. President, I want to associate myself with the remarks of the distinguished Senator from Indiana (Mr. LUGAR), in which he voiced concerns that the thrust of Senate Resolution 163 is to pave the way for a wheat cartel. The prospect of such a cartel does not bode well for the American farmer, inasmuch as any such mechanism would require some form of production controls and division of markets.

This, Mr. President, would interfere with our efforts to market our wheat through the free enterprise system; it could put our farmers in the dangerous position of having to produce at the directive of foreign countries.

This is certainly not in the best interest of the U.S. agricultural sector. What is in the best interests of our farmers is that they be allowed to penetrate new export markets and to expand those export markets which they already have.

In recent years, we have witnessed a surge in agricultural exports. During fiscal year 1978, the United States exported $27.3 billion worth of agricultural commodities. It is expected that the value of agricultural exports will climb to $32 billion in fiscal year 1979. The production from one out of every three acres planted by American farmers finds its way to markets abroad. Clearly, the farmer depends upon exports for a major portion of his income. To put a ceiling on how much a farmer can export will place severe restraints on farm income.

Insofar as Senate Resolution 163 allows for the continuation of a consultative arrangement among wheat exporting nations, I find no fault with its provisions. We must keep the lines of communication open. However, I oppose any interpretation of this resolution that puts the Senate on record as favoring a wheat cartel.

(Mr. NELSON assumed the chair.)

Mr. LUGAR. Mr. President, I thank the distinguished Senator from North Carolina.

I am happy now to yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I note the Senator's point that the major wheat-exporting countries that we have referred to produce only 25 percent of the wheat that is produced in the world; but is the Senator aware that those four countries are exporting 85 percent of all the wheat that moves in international commerce? When a country cannot produce enough wheat to feed its own people, they are not in the export market. To say that other countries are producing 75 percent of the world's wheat is simply to draw attention to the fact that most of the wheat production in the world is consumed at home, for the simple reason that there is not enough food in those countries.

I think what we have to keep an eye on is the realities of the situation. The realities are that the United States, Canada, Australia, and Argentina control 85 percent of all the wheat that is moving in international commerce.

This resolution does not call for any specific formula. It does not talk about a cartel. It does not talk about setting prices. It does not talk about market sharing.

These are all problems that would have to be worked out.

I regret I was not here earlier today to hear the Senator's opening speech on this subject, but I am told he raised a number of practical questions with regard to establishing a more equitable world price on wheat.

I readily concede virtually everything the Senator said. There are problems in working out an arrangement of this kind, but that is the purpose of negotiations.

We cannot anticipate on the floor today all of the practical problems we will encounter in sitting down with other wheat exporting countries. But we are never going to get at those problems if each country takes its own course without regard to what the others are doing. All we have then is a price war in which Canadians and Americans are competing with each other to see who can grab the largest share of the market by driving the price the lowest.

We used to have that situation on oil around the world. That is the way it was marketed. The price was driven down to $1 a barrel until the oil exporting countries realized that is not the way to function. So they got together and upped the price.

Again, I would hasten to add that I do not know a single Senator or any representative of any other country who is suggesting we go that far with regard to the international wheat situation. But I ask the Senator if he does not think a conference of this kind would hold out more hope that we could work out some kind of a fair price for our wheat farmers than the kind of anarchy we have today where we are engaged, in effect, in a real price war with the other wheat exporting countries?

Mr. LUGAR. I appreciate the question from the Senator. Let me respond by saying that although it is correct 85 percent of the exporting is done by the countries that the distinguished Senator mentioned, only about 17 percent of world wheat is flowing in this type of trade. In other words, a very small part of the wheat production of the world is involved in international trade, which makes the point I have tried to state earlier on.

The petroleum cartel situation, which has seemed enticing with regard to a conference that this resolution suggests, is one in which a relatively small number of countries do have absolute control. They have effective control because they produce most of the petroleum and it is in world trade.

I am suggesting that the conference suggested by this resolution is not going to be that effective. As a matter of fact, it is going to lead to false hope on the part of wheat producers because regardless of how the conference moves, regardless of what the President or other leaders may suggest, a wheat cartel will be ineffective. It simply does not have the degree of control.

In other words, if the thing is taken seriously and we move toward a cartel, I am saying it would be ineffective. Furthermore, and I tried to illustrate this, moving through the developed nations, through the problems of the OPEC nations and then underdeveloped nations, that there would be injurious results to our foreign policy and to our wheat producers in the event we ever attempted the cartel.

Mr. McGOVERN. Will the Senator yield again on that point?

Mr. LUGAR. I am happy to yield.

Mr. McGOVERN. I do not think there is anybody in the Senate that is more concerned than I am about protecting the poor countries in terms of the wheat they depend on from this country.

I realize that a country like Bangladesh cannot pay $5 a bushel for wheat. But there is nothing in this resolution that annuls the food-for-peace program. We take care of the needs of lower income countries by Public Law 480, a program I once had the responsibility to direct as the Nation's Food For Peace Director. Literally, hundreds of millions of bushels of wheat move out from the

United States under that program, either at concessional prices where we accept payment in the foreign currency of the importing countries, or where we just plain give it away.

I think it is a program that has the strong support, not only of the Congress, of the American people.

But we are talking about, in this resolution, the hard, commercial, international markets. We are talking about Japan. We are talking about Western Europe. We are talking about the Soviet Union. We are talking about countries that can afford to pay full price for a commodity as important as wheat.

Now, if those countries were concerned about the humanitarian impact on their own consumers of raising the world's price on wheat, how does the Senator explain the fact that a country like Japan adds about $7 a bushel in tariff imports on American wheat before they sell it to their consumers?

It is not the American farmer who is responsible for wheat selling at $10 or $11 a bushel in Japan. That is a conscious, deliberate decision on the part of the Japanese Government that has the effect of putting about a half billion dollars into the Japanese treasury at the expense of Canadian and American wheat farmers.

Mr. LUGAR. Let me respond to the question of the Senator by saying that I have made no brief for whether the governments are humanitarian in their domestic policies or what procedures they follow.

The purpose of this resolution, as I gather, is to assist American wheat producers to get a better price for wheat. The whole point of the exercise is to try to control supply in such a way that price will move upward and that American wheat producers will be benefited.

The point I am making is, first of all, it cannot be done.

Effectively, cartels in wheat do not work, and if they are tried, not only they will not——

Mr. McGOVERN. How does the Senator know that? We have never tried it or really made a serious attempt to sit down with our counterparts in Canada and Argentina to work this out.

I, myself, have had long conversations with the Canadian wheat minister, Mr. Lang. I have talked with representatives from Australia and Argentina. They say it can work.

I think our own Department of Agriculture has made it clear they think this is sufficiently worthwhile so that they have at least had preliminary discussions with the trade and agricultural ministers of the other countries.

I do not know how the Senator can be so sure the concept of cooperative or international wheat sales will not work. Maybe the Senator is right, but what is wrong with having a conference where we at least explore the possibilities?

Mr. LUGAR. I respond again to the Senator from South Dakota by saying that clearly the argument for this resolution is that it really would not hurt.

I am just suggesting that it will not help, and the illusion that it will help, it seems to me, is a false one.

The basis for my saying it will not work is simply theoretical economics, that if we do not have enough control over the thing we are trying to control the supply of, ultimately, it will be undercut, overrun, or substituted for.

The whole history of economic cartels is replete in economic literature, and they have not worked, unless we had very few countries and a very large amount of supply, and no products at that particular state of art were relatively substitutable.

To give another impression, because somehow we have not tried it we ought to have a conference of this sort, it seems to me, is to take our eyes off what we should be doing, and that is going into a vigorous export policy as we are attempting to do.

I think producers, USDA and the rest, are opposed to the idea, of curtailing supply—in other words, I am arguing not only it will not work, but it should not work. It will hurt consumers at home and abroad, hurt producers at home. In essence, it is an idea whose time should not come, and it is time to point it out before we go into what otherwise is the perfunctory exercise with illusions that somehow this would help wheat producers.

Mr. McGOVERN. Will the Senator yield again?

Mr. LUGAR. I am happy to yield.

Mr. McGOVERN. The Senator calls for a vigorous export policy as a means of helping the American wheat farmer. That is precisely what we have now. We have a vigorous export policy. The Canadians have a vigorous export policy, the Australians, the Argentinians; and we are engaged in an export war.

Mr. LUGAR. That is what market economics is about.

Mr. McGOVERN. That is exactly what market economics is about, if we lived in an absolutely free market world, I would say fine. I think the American producer can compete very well. But when you sell wheat under that kind of competitive circumstance and you buy oil from countries that have got together and set the price, how does the Senator think we are going to come out equitably under that kind of arrangement?

Mr. LUGAR. I see no way, because the oil cartel is real and active, and a weak cartel is not comparable, as the Senator admitted earlier. The circumstances are not even close to being objectively the same.

Mr. McGOVERN. The Senator says we do not control enough of the world's wheat production to make this work. I pointed out earlier that the OPEC countries, contrary to what I think is the popular impression, produce about 40 percent of the world's oil. But that is a crucial 40 percent in terms of what is moving in international channels; and through that kind of market power, they have been able to escalate the price some 400 percent.

The fact remains that there is only so much available land in the world. There is only so much wheat that can be produced, and we are in a situation in which the world population pressure on that wheat and that available land is growing all the time.

I suggest that the Senator consider the fact that we have had preliminary indications—more than preliminary indications; we have had assurances—from top officials in the other three countries that they are ready to sit down with us and see what can be worked out to do something about the price war that is now going on among these countries.

I do not really see how we help the American wheat farmer very much in telling him that we are vigorously expanding the export market, if he is selling wheat below the cost of production. It is better than giving it away. However, in a world where there is a premium on available sources of food, for the life of me, I do not see why the export nations of the world continue to sell the wheat below the actual cost of production.

Mr. LUGAR. Mr. President, I will sum up briefly, because I appreciate that we have come to a time when, for the convenience of Members, it will be useful to have a vote.

I believe we have had a good debate. I appreciate the good will of those who are advocating this measure. Clearly, the sentiments of those who are advocating it lie with the intent to help American wheat producers, and so do mine. I think we simply have a disagreement, which is an important one, about the theoretical economics of supply control—cartel making, if you will, as I see it—about its effectiveness, about its morality in a world in which food is in short supply and is likely to be in short supply over the course of time.

I believe there are more effective agricultural policies that will work better in behalf of American wheat producers and other productive farmers in this country.

I would like to work with all those in this body who see those constructive aims as I do; but for the time being, Mr. President, I rest my case, and I yield back the remainder of my time.

Mr. STONE. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. STONE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the chairman of the Committee on Foreign Relations, the Senator from Idaho (Mr. CHURCH).

STATEMENT BY SENATOR CHURCH

Last week the Senate Committee on Foreign Relations conducted hearings on the Fourth Extension of the 1971 International Wheat Agreement. As I listened to witnesses, both from the private and public sectors, it became very clear to me that additional action was necessary to protect the American wheat farmer from historically low real prices for wheat.

The 1971 International Wheat Agreement serves a useful function both in disseminating information concerning world wheat market conditions and in providing a vehicle by which wheat exporting nations may make commitments of minimum levels of food aid to impoverished developing countries. However, this agreement is "toothless" when it comes to protecting the American wheat farmer from low world prices. It contains no substantive economic provisions.

For fourteen months the United States and other wheat exporting and importing nations attempted to conclude negotiations for a new international wheat agreement—one which would have contained provisions to cushion the wild fluctuations in prices that have, to date, characterized the world wheat market. These efforts have failed and the likelihood of reaching agreement with both wheat exporting and importing nations as members anytime in the near future is most unlikely.

The American farmer, unfortunately, is not in a position to wait forever. Every year he loses money as the revenues he earns from the sale of his crops falls short of the expense he incurs to produce them.

Therefore, I introduced Senate Resolution 163. This Resolution urges the President to recognize the critical situation in the world wheat market and to actively work toward reaching a cooperative arrangement with other major wheat exporters to establish an equitable price for wheat producers. Last week the Committee on Foreign Relations reported S. Res. 163 favorably by a vote of 7 to 1.

This Resolution does not urge the President to form a wheat cartel, but simply to provide the American wheat farmer, who has subsidized world wheat consumption, a fair return for his efforts. In the long run, security of supply for wheat consumers will only be assured if wheat farmers are able to remain in business. I urge my colleagues to support this Resolution.

Mr. PERCY. Mr. President, I will oppose this resolution. I believe it must be seen as a first step toward a market-disrupting, cartel-type commodity agreement. That is how many Illinois farmers would view it, and I agree with them.

I have consistently opposed this kind of pricing arrangement, and I am compelled to vote against this resolution for the same reason.

I think history has shown that such pricing arrangements have not worked well in the long run. What might be seen as an equitable price today could be considered an artificially low price in the future, or an artificially high price which will have an undesirable inflationary impact and make U.S. prices noncompetitive. In other words, in the long run it will likely be counterproductive.

I believe we must redouble our efforts to expand our agricultural exports, and we must be vigilant in countering disruptive pricing policies maintained by other nations. But, Mr. Presdent, the abusive practices by other countries do not justify our taking up disruptive and unwise policies ourselves.

I believe we must do everything we can to make U.S. agricultural exports competitive—wheat exports in particular in this case—but this is not the approach to take. It is not in the national interest, and it is not in the best interest of our wheat producers.

Mr. McGOVERN. Mr. President, if there are no other speakers on our side of this issue, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the resolution. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii (Mr. Matsunaga) is necessarily absent.

I further announce that the Senator from Idaho (Mr. Church) is absent on official business.

I also announced that the Senator from New Hampshire (Mr. Durkin) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Idaho (Mr. Church) would vote "yea."

Mr. STEVENS. I announce that the Senator from Maryland (Mr. Mathias) and the Senator from South Dakota (Mr. Pressler) are necessarily absent.

The PRESIDING OFFICER. Are there any Senators in the Chamber who have not voted?

The result was announced—yeas 80, nays 15, as follows:

[Rollcall Vote No. 108 Leg.]

YEAS—80

Armstrong
Baucus
Bayh
Bellmon
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Cranston
Culver
Danforth
DeConcini
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Gravel
Hart
Hatfield
Hayakawa
Heflin
Heinz
Hollings
Huddleston
Inouye
Jackson
Javits
Johnston
Kassebaum
Kennedy
Laxalt
Leahy
Levin
Long
Magnuson
McClure
McGovern
Melcher
Metzenbaum
Morgan
Moynihan
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Pryor
Randolph
Ribicoff
Riegle
Roth
Sarbanes
Sasser
Schmitt
Schweiker
Simpson
Stewart
Stone
Talmadge
Thurmond
Tower
Tsongas
Wallop
Williams
Young
Zorinsky

NAYS—15

Baker
Byrd, Harry F., Jr.
Goldwater
Hatch
Helms
Humphrey
Jepsen
Lugar
Percy
Stafford
Stennis
Stevens
Stevenson
Warner
Weicker

NOT VOTING—5

Church
Durkin
Mathias
Matsunaga
Pressler

So the resolution (S. Res. 163) was agreed to, as follows:

Resolved, That it is the sense of the Senate that the collapse of international negotiations and the current situation in the world wheat market makes it imperative that the President actively work toward convening a negotiating conference of wheat exporting nations with the intent of reaching a cooperative arrangement to improve wheat trade policy and achieve equitable prices for producers while assuring adequate supplies for consumers.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SPECIAL SUPPLEMENTAL FOOD PROGRAM AUTHORIZATION, 1980

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 292, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 292) to reduce the fiscal year 1980 authorization for appropriations for the special supplemental food program.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Debate on this bill is limited to 1 hour to be equally divided and controlled by the Senator from South Dakota (Mr. McGovern) and the Senator from Kansas (Mr. Dole), with debate on any amendment in the first degree to be limited to 30 minutes, except an amendment to be offered by the Senator from Missouri (Mr. Eagleton) relative to State use of administrative funds for school lunch programs, on which there shall be 40 minutes; two amendments by the Senator from North Carolina (Mr. Morgan) one relating to a formula for allocating State administrative agencies, and the other to making WIC available to overseas dependents of U.S. military personnel on which there shall be 30 minutes each; and two amendments by the Senator from Oklahoma (Mr. Bellmon), one on the special milk program on which there shall be 3 hours divided between the Senator from Oklahoma and the Senator from Vermont (Mr. Leahy), and one on the national school lunch program on which there shall be 30 minutes; with 20 minutes on any amendment in the second degree; and 10 minutes on any debatable motion, appeal, or point of order.

The Senator from South Dakota.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture, Nutrition, and Forestry be granted the privilege of the floor during consideration of this measure: Carl Rose, Marshall Matz, Steve Storch, George Dunlop, William Lesher, and Steve Roling.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, this bill would amend the Child Nutrition Act of 1964 to reduce by $50 million the 1980 authorization for appropriations provided by the child nutrition amendments of 1978 for the special supplemental food program for women, infants, and children, the so-called WIC program.

The WIC program provides specified nutritious supplemental foods to low-income, pregnant, postpartum, and breast-feeding women and infants, and children up to their fifth birthday who are determined by competent professionals (physicians, nutritionists, nurses, and other health officials) to be at "nutritional risk" because of inadequate nutrition or health care or both.

The Child Nutrition Amendments Act of 1978 was not passed by the House of Representatives until the final day of the 95th Congress, which meant there was no opportunity for a conference between the two Houses or for the administration to voice its views on any of the specific provisions of the legislation.

Prior to signing the 1978 act, the President informed members of the Committee on Agriculture, Nutrition, and Forestry that the $800 million fiscal year 1980 authorization for appropriations for the WIC program was unacceptably high, and that a commitment by the sponsors to reduce the figure for fiscal year 1980 was crucial to his approving the bill.

In other words, Mr. President, unless we had agreed at that time to a reduction of some $50 million, there was a clear indication that the President would veto the bill. Rather than lose the entire child nutrition bill, I agreed at that time, as the floor manager of the bill, to come back this year with a proposal for a $50 million reduction in the funding for the WIC program for fiscal year 1980, and S. 292, the bill now before us, carries out that commitment to the President.

While reducing the authorization for appropriations for the 1980 program for women, infants, and children, S. 292 makes no change with respect to the applicable provisions of law relating to the use of carryover funds that are unused.

Throughout the history of the WIC program, unspent funds from prior fiscal years have been carried over into the next fiscal year and obligated in that year. This policy of treating carryover funds is in accord with section 3 of the National School Lunch Act. Under that section, any funds appropriated to carry out the WIC program are to remain available for the program until expended. The Department of Agriculture Appropriation Act for Fiscal Year 1979 provides that the funds appropriated for the WIC program for that year are to remain available until September 30, 1981.

The Department of Agriculture anticipates, during fiscal year 1979, carryover funds from prior years of approximately $18 million. The carryover funds are being made available for obligation to the States, together with $547.25 million of the funds appropriated for the 1979 WIC program. A total of $2.75 million of the $550 million appropriation for the 1979 program is being retained for WIC program evaluation in accordance with section 17(g) of the Child Nutrition Act of 1966.

Mr. President, that is all I have to say with regard to the opening of the discussion on this measure. In summary, it does represent the fulfillment of a commitment we made to the President last year that if he would sign the child nutrition comprehensive amendments, we would keep our commitment to the administration to look for ways to save funds in this 1979 bill; and if S. 292 is approved, it will reduce by some $50 million the authorization for fiscal 1980.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I believe the distinguished Senator from South Dakota has accurately stated the outline of the proposal before us, and has indicated why we are calling for a reduction in the authorization level for the supplemental food program for women, infants, and children for fiscal year 1980. The bill proposes, as the Senator from South Dakota has pointed out, a reduction of $50 million, which was the agreement reached last year between congressional leaders and the White House. At that time, we agreed to pass legislation this year reducing the WIC authorization by $50 million in exchange for the President's signing the Child Nutrition Amendments of 1978.

The President has carried out his part of the bargain, and now it is up to Congress to respond.

I would say, in order to emphasize the importance of this program, that this special food program targets nutritious foods to pregnant women, newborn infants, and children up to 5 years of age. In recent years, it has become both a popular and an effective nutritional program. Recent studies of the WIC program show that it has made an appreciable difference in increasing the birth weight of infants whose mothers are at nutritional risk, and that serious health problems have been circumvented due to this program.

During fiscal year 1980, the participation rate increased by almost 300,000 persons, bringing the total number of recipients to 1,320,000 by September 1978. I anticipate that the value of this program will become even more evident as additional persons take advantage of the benefits and as further studies are done on the health improvements resulting from this program.

The Center for Disease Control has a surveillance system which monitors the WIC program in 13 States, and stores information on WIC recipients. The CDC studies show that: First, there is a high incidence of anemia among children entering the WIC program; second, there is a high incidence of stunted growth among children entering the WIC program; third, after 1 year's participation in the WIC program, children show great reduction in the level of their anemia; fourth, within 6 months, children who are below average in their weight and height show marked increases; and, fifth, the incidence of low birth weight infants born to WIC mothers is similar to the rate of low birth weight infants within the general population.

I would suggest that while it is easy to criticize this or any other Federal program, whether it involves 1,000 people or 320,000, we believe there is a cost effectiveness factor that should be considered. Comparisons between WIC mothers and those women who are eligible to participate but who do not show that the incidence of low birth weight infants among WIC mothers was considerably less than among those who did not participate in WIC. In addition, because of the reduction in the number of low birth weight infants and the resulting decreased time of hospitalization, when the costs of the WIC program are factored in with the lower costs of hospitalization, the program is shown to be more cost effective than nonparticipation by over 3 to 1 in favor of the WIC program.

Mr. President, data such as these testify to the true worth of the program. The WIC program contributes to healthier infants, healthier children, healthier mothers, and at the same time is economically cost effective. For some time supporters of nutrition programs have claimed that preventive medicine is less costly than curative medicine, and I think we will agree that the maintenance of good nutrition is one way to practice preventive medicine. The WIC program stands as proof of the cost effectiveness.

While I remain committed to the WIC program, I want to acknowledge the agreement made last summer with the President and I, therefore, support this legislation to reduce the WIC authorization for fiscal year 1980 by $50 million.

I shall be speaking further briefly on an amendment during the course of the debate on this measure.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. From whose time does the Senator suggest that the time for the call of the roll be taken?

Mr. DOLE. I ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HEFLIN). Without objection, it is so ordered.

● Mr. TALMADGE. Mr. President, I support S. 292 as reported by the Committee on Agriculture, Nutrition, and Forestry.

This bill represents the culmination of a good-faith agreement that was entered into by the administration and certain Members of Congress at the end of the last Congress. I was one of the parties to that agreement, which involved the enactment of the Child Nutrition Amendments of 1978 in exchange for our commitment to reduce promptly the 1980 WIC entitlement by $50 million to $750 million. Since a conference on this legislation, which would have allowed the administration an opportunity to voice its concerns over the 1980 funding level, was impossible during the closing hours of the 95th Congress, I believe the agreement entered into was in the best interests of everyone concerned.

The situation was simple. We did not believe it was advisable to risk having to wait an additional year to get needed, significant changes in the programs amended by the 1978 act, specifically the WIC and child care food programs, if the President vetoed the bill and the administration wanted the cost of the bill reduced.

The WIC program provides specified nutritious supplemental food to low-income pregnant, postpartum, and breastfeeding women and infants and children up to their fifth birthday who are determined by competent professionals to be at "nutritional risk." The provision of this nutritional assistance at critical times of growth and development serves as an adjunct to good health care. This provision of supplemental foods through the program is an outstanding example of what can be done in preventive health care.

The evidence continues to mount concerning the benefits of the WIC program. The program has made, and continues to make, significant contributions in improving the health status of our Nation's low-income population that is at nutritional risk.

Three studies clearly demonstrate the enormous positive effect of the WIC program. A study completed in 1978 by the Center for Disease Control found that children enrolled in the program for 1 year experienced considerable improvement in their hemoglobin and hematocrit values and children with low weight for their length or stature showed marked increases in this area during their first 6 months of program participation. A study conducted by the Waterbury, Conn., Health Department, in conjunction with the Yale Medical School, found dramatic reductions in infant mortality rates among WIC participants as opposed to similarly situated nonparticipants.

I believe the most dramatic evidence of the worth of the WIC program can be found in the results of a Harvard School of Public Health study of four WIC programs in Massachusetts. That study concluded that each dollar spent in the WIC program resulted in a $3 reduction in hospitalization costs, since the number of low birthweight infants who had to be hospitalized was significantly reduced as a result of program participation.

The WIC program is an excellent example of a Government program that works. I have witnessed the growth of the program over the years. The program exemplifies the successful union of agriculture and health care.

Even with the $50 million reduction in the entitlement level of the 1980 program, funding will be $200 million above the funding level for 1979. This increase represents a significant commitment to the continuation and expansion of the WIC program. S. 292 should not be interpreted as a reduction in my personal commitment or the commitment of the Committee in Agriculture, Nutrition, and Forestry to the WIC program. The administration has, unlike some past administrations, been convinced of the worth of the program and views it as one of the best nutrition programs administered by the Department of Agriculture.

I urge my colleagues to join me in supporting S. 292.●

UP AMENDMENT NO. 190

(Purpose: To authorize withholding of funds from States which fail to properly administer child feeding programs)

Mr. EAGLETON. Mr. President, I send to the desk an unprinted amendment to S. 292.

The PRESIDING OFFICER. The amendment will be stated. The assistant legislative clerk read as follows:

> The Senator from Missouri (Mr. EAGLETON) proposes an unprinted amendment numbered 190.
>
> On page 2, between lines 3 and 4, insert the following new section:
>
> Sec. 2. The National School Lunch Act (42 U.S.C. 1751–1769c) is amended by adding at the end thereof the following new section:
>
> "STATE RESPONSIBILITIES
>
> "SEC. 24. States shall be responsible for the proper, effective, and efficient administration of the programs under this Act and the Child Nutrition Act of 1966. If the Secretary determines, after consultation with the Chief State School Officer of any State, or other appropriate official of such State, that such State is not administering a program in accordance with this Act or the Child Nutrition Act of 1966 (other than under section 17), as evidenced by a serious deficiency in the administration of the program under this Act or the Child Nutrition Act of 1966, or regulations issued under either such Act, the Secretary shall inform the State of the deficiency and shall allow the State a specified period of time to correct the deficiency. If the State does not take sufficient actions to correct the deficiency within that period, the Secretary may withhold from the State all or any portion of the funds allocated to the State under section 13 of this Act or section 7 of the Child Nutrition Act of 1966, as appropriate. Upon a later finding by the Secretary that the program is operated in an acceptable manner the funds withheld may be allocated to the State.".
>
> On page 2, line 4, strike out "Sec. 2." and insert in lieu thereof "Sec. 3.".

Mr. EAGLETON. Mr. President, this amendment would give the Secretary of Agriculture authority to withhold all or part of a State's administrative expense funds for the school lunch and other child nutrition programs if serious deficiencies in a State program are found but not corrected.

As my distinguished colleague from South Dakota knows, I have been and continue to be one of the strongest supporters of the school lunch program. However, for some time I have been concerned about possible irregularities in the program, irregularities which first were brought to my attention in 1977 by some Missouri food service officials. These officials were concerned that significant numbers of parents were understating their income on school lunch program applications, so as to fraudulently qualify their children for free or reduced-price lunches.

Late in 1977, I asked Secretary Bob Bergland to look into this situation. Assistant Secretary Carol Tucker Foreman responded to my inquiry, noting that the Department was aware of the possibility of such abuse and was concerned about preventing it. Ms. Foreman reiterated those concerns before the Agriculture Appropriations Subcommittee in 1978, and the Appropriations Committee subsequently adopted the following report language on this subject:

> The Committee continues to be concerned about the potential for abuse in the school lunch application process. The committee is aware of a growing amount of criticism that some parents are intentionally misrepresenting their income figures on their school lunch application form in order for their children to be eligible to receive a free or reduced price lunch. The Department has acknowledged to the Committee that they, too, are aware of this problem; however, the Department has advised the Committee that they are unable to determine the magnitude of this problem. Therefore, within 3 months after enactment of this legislation, the Department is directed to provide the Committee with the most accurate data available which documents the severity (or lack thereof) of this problem. If the data establishes that a problem does exist beyond what can be considered reasonably acceptable, the Department is to develop a plan of administrative action that will be used to correct this problem.

Mr. President, I was both pleased and disturbed by the events that followed the committee's directive to the Agriculture Department. I was pleased because the Department responded quickly and fully to our request. I was disturbed because the Department auditors confirmed our fear that the school lunch program has been abused. In testimony before the House Subcommittee on Elementary, Secondary, and Vocational Education in May 1979, Mr. Robert Greenstein of the Food and Nutrition Service noted that:

> In recent audits, the Department's Office of Inspector General has discovered a variety of administrative problems tied to the meal reimbursements paid to local school districts. Audits by our Inspector General have disclosed, for example, that about 10 percent of free lunch application forms have not been checked by local authorities for completeness or for the eligibility of the applicants. This carelessness in reviewing free lunch applications is prevalent throughout the country; in an audit of the 11 largest program states, it was discovered that over 80 percent of the 186 school food authorities audited had submitted claims for meals served free or at reduced-prices to students whose eligibility was not properly established in the records. This clearly results in the payment of excess reimbursements to those school food authorities. In addition, we are finding increasingly that schools do not keep adequate accounting records to substantiate the reimbursements they receive for school meals. Some school districts also fail to vary reimbursement rates according to meal cost, so that total reimbursements may regularly exceed meal cost by an unknown amount. Related findings have identified school meals that do not comply with Type A lunch requirements.
>
> School lunch program audits have also disclosed inadequacies in the systems used by local schools and school food authorities to record the actual numbers of free, reduced price and paid meals served to children. If these records are inadequate or incomplete, this also can result in school districts' receiving larger amounts of reimbursement than their meal service warrants. We have found significant abuse in this area.

In his testimony to the House subcommittee, Mr. Greenstein went on to note that the Department has formulated a plan to combat this sort of abuse. He said:

> We are proposing to tighten the administration of the school meal programs through the establishment of a new accountability system in all states. This system, called the Assessment, Improvement and Monitoring System, or AIMS, will require States to monitor closely those points at which the school meal programs are most susceptible to abuse and mismanagement. The system will take into account the fact that the greatest savings on free and reduced price meal claims can be obtained in the school districts with the largest number of free and reduced price meals served.
>
> The States will be directed to investigate and uncover weaknesses in program management by the school districts and to correct these deficiencies. Actions will be taken where appropriate, to ensure:
>
> That the number of free and reduced-price meals claimed does not exceed the number of free and reduced price meals served or the number of valid free or reduced-price applications on file;
>
> That controls have been established on reimbursements to the individual schools so that reimbursements do not exceed the actual cost of producing the meals;
>
> That the meals claimed for reimbursement are in compliance with the Federal meal pattern requirements.
>
> If systematic State reviews of local school food authorities disclose significant violations of these standards, we will collect reimbursements improperly paid.

Mr. President, I commend the Department for proposing these changes. I call upon my colleagues to approve my amendment, which will make successful implementation of the AIMS program possible and will, according to the administration, enable us to save $60 million per year on the school lunch program.

As my colleagues know, the school lunch program is administered by the States, and cooperation of the States is the key to ending abuse. Under present law, the States would be asked to implement the AIMS program, but as a practical matter there would be no real incentive for the States to cooperate unless they wanted to do so. USDA believes that my amendment, which gives the Secretary authority to withhold administrative expense reimbursements if the State's program administration is deficient, would provide the needed incentive.

I want to make it very clear to my colleagues that my amendment would not jeopardize program funds—only State administrative funds. Furthermore, I remind my colleagues that we recently added very similar authority to the food stamp program and the special supplemental food program for women, infants, and children. My amendment simply would extend the same type of authority to the school lunch program, school breakfast, summer feeding and child care programs.

Mr. President, as chairman of the Senate Agriculture Appropriations Subcommittee, I have pledged my best efforts to bringing in an appropriations bill at or below the President's recommended budget figure. As my colleagues can well appreciate, that means striking a fine balance between the limited supply of funds and the seemingly unlimited demand for services. The $60 million in projected savings from the AIMS program from the school lunch program—in addition to savings from the summer feeding and child care programs—could be one of the keys to achieving that goal.

I congratulate my distinguished colleagues from South Dakota and Kansas for their capable and vocal support of the school lunch program. I admire both of them for their advocacy of this fine program, and I hope they will accept my amendment as a helpful addition to their legislative efforts.

Mr. President, I ask unanimous consent to have printed in the RECORD parts of testimony before the Agriculture Appropriations Subcommittee of Mr. Thomas McBride, Inspector General of USDA, which outlines in detail the abuses his office has discovered in the school lunch program. Also, in his statement, Mr. McBride voices his strong support of the State sanction authority contained in the amendment now before us.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

STATEMENT OF THOMAS F. MCBRIDE

We have also discovered that many schools do not examine the applications carefully. In our audits we have frequently found 8–10 percent of the applications on file in schools are invalid on their face because they are unsigned, have no statement of income or family size, or have an income above the cutoff for the type of meal that the child is receiving. To a lesser extent we have found schools where applications were never sent out on the supposition that everyone in the neighborhood is poor. While some forms have been challenged for cause, the general practice seems to be not to question the data on the form.

Second, for the system to work properly it is necessary for the school to count accurately the meals actually served each day by type of meal—fully paid, reduced price or free. We have found significant abuse in this area. A common discrepancy is to find that a school with one hundred children certified for free meals claims one hundred free meals every day. On any given day only ninety of the one hundred children actually attend school and only eighty of them decide to take their free lunch. The Federal reimbursement for the twenty free meals claimed but not actually served free is used to reduce the overall cost of the food service program or used as a hidden subsidy for a la carte food or meals purchased by adults or students required to pay the full price.

Third, many school districts have inadequate accounting systems for food service. It is sometimes impossible to determine the exact cost of a meal. Where we have been able to determine the cost we have found that some school districts have claimed the maximum Federal per meal reimbursement for a free meal even though the actual cost was less. Again, the excess reimbursement is normally used for the food service program, thus indirectly paying for food served to children who are not needy.

We have also been looking at two other areas of school food service. First, a substantial amount of the Federal support for the school lunch program, $685 million in FY 1980, is provided in the form of donated commodities. After these commodities are given to the State commodity distributing agencies, a number of States turn over a portion of the commodities to processors who then give the schools a discount on a finished product, e.g. hamburger is turned into patties, flour into rolls, etc. Since this is a useful way to dispose of some of our surpluses, the Food and Nutrition Service would like to expand the use of processing contracts. The agency asked us to take a look at the program first to see if there were any weaknesses. In a number of instances we found that State and local officials have exercised very loose control. We have found cases where processors have built up excessive inventories of donated commodities or have substituted lower quality food in the final product. For example, USDA choice hamburger with 20 percent fat was turned over to a processor. The schools got in return hamburger patties made from imported beef that was 30 percent fat.

We have had substantial assistance from the Food and Nutrition Service dietitians and nutritionists in conducting this review. There is some preliminary evidence from ongoing audits that local districts are not always getting meals that meet USDA requirements.

We do not have enough information to make a realistic estimate of the total amount of fraud, abuse, and waste in the school feeding programs. With projected FY 1980 expenditures of about $3 billion, it is clear that substantial savings could be achieved through improved management.

In the Child Nutrition Programs there is no current authority to withhold State administrative expense funds in cases where the programs are not administered efficiently and effectively. That authority exists for both the Food Stamp and Women, Infants and Children programs. In addition, the Food and Nutrition Service is forced to take over administration of the Child Care and Summer Feeding Programs if a State decides it no longer wants to operate the program. On at least two occasions large States have elected to drop out of the Summer Feeding Program well after the January 1 cutoff date established by the law. Taking over direct program operations spreads the FNS resources thin. It also gives States a powerful weapon to resist taking corrective action on deficiencies since they can always threaten to turn over administration of the programs to USDA.

The Administration's child nutrition proposal would require State administration of the Summer Feeding and Child Care Food Programs. It would also permit the Department to withhold administrative funds from State education agencies that do not meet performance standards. This sanction authority is crucial to the success of OIG and Food and Nutrition Service efforts to improve the Child Nutrition Programs.

I ask that the Congress give the Department these additional tools so that we can manage the domestic food assistance program more effectively.

Mr. EAGLETON. Mr. President, I reserve the remainder of my time.

Mr. McGOVERN. Mr. President, I yield myself 10 minutes time.

Mr. President, I ask unanimous consent that the staff director of the Committee on Agriculture, Nutrition, and Forestry, Mr. Henry Casso, and Mr. Joe Kinney of Senator MORGAN's staff, Miss Nancy Foster of Senator STONE's staff, and Mr. Ken Dameron of Senator PROXMIRE's staff be granted the privilege of the floor during debates and vote on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I appreciate the thrust of Senator EAGLETON's arguments. He has been a strong supporter of the school lunch program from the very beginning and beyond that, very much interested in the proper administration of the program and the elimination of any inefficiencies and abuses. The excellent goal of this amendment, that of increasing quality control in the school lunch program, I think, is desired by all the members of our Committee on Agriculture, Nutrition, and Forestry.

I object to the amendment at this time, not because I am opposed entirely to the substance of the amendment. The amendment, which is one section of the administration's child nutrition bill, was actually not sent here to the Congress until the end of March, after the deadline for reporting to the Budget Committee.

The Agriculture Committee has had no hearings at all on this bill, including this amendment. We did hold hearings on the school lunch and child nutrition services 1980 budget, but not on the many administrative provisions in the comprehensive child nutrition bill, including the provision in the amendment now before us.

I can only report to the Senate that this amendment is very strongly opposed by the American School of Food Service Associations, which all Senators will recognize as a highly respected organization. It represents the views of the various State child nutrition directors. I personally feel it would be unfair to adopt an amendment on the floor that this group is not only opposed to but has not had the opportunity to be heard on. We may very well agree, after testimony has been taken on this legislation and all the affected groups have had a chance to be heard, that there is some validity in the Senator's amendment. But I think it would be highly improper to use the legislation that is now before us, a proposal to reduce funding for the supplemental program for women, infants, and children, to engage in administrative changes in the school lunch program that the Senate has not yet had an opportunity to hold hearings on or to hear the views of those groups affected.

If Members of the Senate will bear with me, I would like to read just a few pertinent lines from a letter dated May 21 from the American School Food Service Association, representing the school food service directors in all of the States. The letter reads as follows:

DEAR MR. CHAIRMAN: I write to you on behalf of the State Directors and Supervisors of the American School Food Service Association, as their Chairman.

We are deeply concerned about the amendment to S. 292 which Senator Eagleton is expected to introduce. The amendment would authorize USDA to withhold State Administrative Expensse (SAE) funding from States which it finds do not meet certain of its administrative requirements.

Senator, we strongly urge you to oppose this amendment. It would have several highly negative effects. First, it would destroy the concept of Federal, State, and local cooperation which has been the hallmark of the success of the school lunch and other child nutrition programs from their inception to this day. This cooperation is no mere matter of words, since every Federal dollar in the program is matched three dollars from local or State sources. Up until now, we have all been equal partners in this important venture of providing high quality nutritious meals to the nation's school children as an integral part of the educational process. We cannot overstate how important that cooperation has been. But if the Eagleton amendment becomes law, we will no longer be equal.

The Eagleton amendment would give sanction power to a handful of people in Washington who are far removed from the delivery of the service at issue. Senator, we are professional men and women who have dedicated our working lives to improving these programs and making their benefits available to more children. We wholeheartedly agree with the ultimate goals which are behind efforts such as the Eagleton amendment—namely, the need to improve management where necessary and save taxpayers' dollars. We are committed to these goals. We are now and we always have been. But we submit that the flexibility to make decisions over what are essentially State and local matters should properly remain with those officials who are familiar with the day to day operation of the programs. That is the most effective way of realizing the goal of improved efficiency. Having Big Brother in Washington breathing down the necks of the people who are running the programs in the States and communities of this Nation can only be counterproductive.

Mr. President, I am not going to read the balance of the letter, but I ask unanimous consent that the full text of the letter from Mr. T. G. Smith, chairman, State Directors and Supervisors of the American School Food Service Association be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN SCHOOL FOOD SERVICE ASSOCIATION,
Washington, D.C., May 21, 1979.
Hon. GEORGE S. MCGOVERN,
Chairman, Subcommittee on Nutrition, Washington.

DEAR MR. CHAIRMAN: I write to you on behalf of the State Directors and Supervisors of the American School Food Service Association, as their Chairman.

We are deeply concerned about the amendment to S. 292 which Senator Eagleton is expected to introduce. The amendment would authorize USDA to withhold State Administrative Expenses (SAE) funding from States which it finds do not meet certain of its administrative requirements.

Senator, we strongly urge you to oppose this amendment. It would have several highly negative effects. First, it would destroy the concept of Federal, State, and local cooperation which has been the hallmark of the success of the school lunch and other child nutrition programs from their inception to this day. This cooperation is no mere matter of words, since every Federal dollar in the program is matched three dollars from local or State sources. Up until now, we have all been equal partners in this important venture of providing high quality nutritious meals to the nation's school children as an integral part of the educational process. We cannot overstate how important that cooperation has been. But if the Eagleton amendment becomes law, we will no longer be equal.

The Eagleton amendment would give sanction power to a handful of people in Washington who are far removed from the delivery of the service at issue. Senator, we are professional men and women who have dedicated our working lives to improving these programs and making their benefits available to more children. We wholeheartedly agree with the ultimate goals which are behind efforts such as the Eagleton Amendment—namely, the need to improve management where necessary and save taxpayers' dollars. We are committed to these goals. We are now and we always have been. But we submit that the flexibility to make decisions over what are essentially State and local matters should properly remain with those officials who are familiar with the day to day operation of the programs. That is the most effective way of realizing the goal of improved efficiency. Having Big Brother in Washington breathing down the necks of the people who are running the programs in the States and communities of this nation can only be counterproductive.

It is also important, Senator, to recognize that the sanctions which the Eagleton Amendment would impose would also tend to destroy the States' initiative and ability to build strong, capable administrative staffs. How can you recruit good people and keep them when the funding which is backing their positions is subject to being cut off by Washington?

We are not lawyers, Senator, but we can't help but wonder whether the imposition of sanctions under such circumstances, especially where States plan on and rely on SAE funding to run the programs and where such funding is an entitlement under existing legislation, is even legal. Even if it is legal, it would seem to us to be very wrong for such a significant legislative change as this, altering as it would the whole concept of the programs which has been followed from the beginning, to be accomplished through a Floor amendment—without hearings, without public testimony, without any serious consideration of the effects it would have on the programs.

The Eagleton Amendment is not offered in a vacuum, of course. It is designed to give sanction power to the Secretary for USDA's new Assessment, Improvement, and Monitoring System (AIMS) which the Department is planning to implement through the regulatory process in the near future. It would certainly be unwise to provide such authority for a new program which is quite controversial, and which many knowledgeable professionals in the field think may be simply unworkable, no matter how worthy its goals.

Finally, we would like to point out that problems which States have had in achieving a higher degree of management efficiency up to this point are largely attributable to the fact that State Agencies have never had sufficient SAE money made available to them to implement a comprehensive management improvement program.

Even today, SAE funding lags two years behind program needs. For example, under present SAE funding levels, California would be expected to operate the 1979 Summer Feeding Program with a staff of six; but now that this program has been returned by the State to USDA for operation, USDA has found that 15 full-time persons will be required to adequately administer the program. Why not first give the States sufficient administrative funding, through the SAE program, and then wait and see whether the States' performance is satisfactory. Simple fairness would seem to require that the States be given a chance to work and develop their programs before being faced with the threat of USDA taking their newly received SAE money away. One would think that the SAE program was decades, rather than years, old by USDA's rush to judge the States' performance a failure.

In conclusion, Senator, allow me to thank you for your leadership in child nutrition over these many years. Without you, the country would not know the many fine programs we have today. We ask for your help in preserving these programs through actively opposing Senator Eagleton's amendment.

With kindest regards, I am
Sincerely,
T. G. SMITH,
Chairman,
State Directors and Supervisors.

Mr. McGOVERN. Mr. President, it is quite possible that the Senator from Missouri, and even others here in the Senate, would argue that this letter overstates the case against the amendment now pending. But the point I would like to make is that here is a group that for many years has been thoroughly familiar with the operation of the school lunch program at the local level which has not yet had an opportunity to be heard on these proposed administrative changes.

They have committed themselves, both in the letter and elsewhere, to quality controls over the program. They object to this particular formula that is pending in the amendment before us.

All I would ask is that we give them an opportunity to be heard before we move along the lines recommended by the Senator from Missouri.

Mr. President, I have been flooded with telegrams and letters from State school food and nutrition officers, in some cases the school lunch directors, in some cases the superintendent of education, in the various States.

I would like to draw attention to some of these telegrams, all of them in opposition to the Senate acting on this amendment now.

These include the top school food service people from the States of Indiana, Georgia, Louisiana, Tennessee, Kentucky, South Dakota, Oregon, Oklahoma, Washington, West Virginia, Idaho, and Utah.

Mr. President, I ask unanimous consent the telegrams be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

INDIANAPOLIS.

Hon. GEORGE MCGOVERN,
Capitol One, D.C.

SENATOR MCGOVERN: Indiana opposes Senator Eagleton's amendment that would authorize USDA to withhold SAE moneys for failing to meet performance standards.

JOHN J. HARTER,
Director, School Food and Nutrition.

ATLANTA, GA.

Hon. GEORGE MCGOVERN,

Georgia opposes Senator Eagleton's proposed amendment which would allow USDA to impose sanctions and seek injunctive relief against states for alleged failures in child nutrition program management at the state level stop. After 33 years of successful program administration by S.E.A. the idea sounds preposterous.

CAL ADAMSON,
Associate State Superintendent of Schools.

BATON ROUGE, LA.

Hon. GEORGE MCGOVERN,
Capitol One,
Washington, D.C.:

The Louisiana State Department of Education opposes Senator Eagleton's amendment authorizing withholding SAE moneys and injunctive relief against states failing USDA performance standards. Our opposition can be justified and documented.

J. KELLY NIX,
State Superintendent of Education.

NASHVILLE, TENN.

Hon. GEORGE MCGOVERN,
Russell Senate Office Building,
Washington, D.C.:

Strongly oppose Senator Eagleton's amendment that would authorize USDA to withhold SAE moneys and seek injunctive relief against states for failing to meet USDA performance standards.

Mrs. MARY RICHARDSON,
State Director, School Food Services.

FRANKFORT, KY.

Hon. GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.:

The purpose of this telegram is to let you know that I am opposed to Senator Eagleton's amendment that would authorize USDA to withhold SAE moneys and further to seek injunctive release against any State for failing to meet USDA performance standards.

REDWOOD TAYLOR,
Director, Division of School Food Services.

PIERRE, S.D.

Hon. GEORGE MCGOVERN,
Russell Senate Office Building,
Washington, D.C.:

This is to register our strong opposition to Senator Eagleton's amendment that would authorize USDA to withhold SAE money and seek injunctive relief against States for failing to meet performance standards. Amendment to be offered May 22.

GARY L. RHEAD,
State Director School Food Services.

SALEM, OREG.

Hon. GEORGE MCGOVERN,
Russell Senate Office Building,
Washington, D.C.

Please add Oregon to the list of States that opposes Senator Eagleton's amendment that would authorize USDA to withhold State administrative expense funds and seek injunctive relief against States for failing to meet USDA performance standards. Even, in the hands of a well meaning Federal agency such dictatorial power is dangerous and is out of place in the child nutrition programs. The implication is that there are States that willfully violated the restraints established by the regulations which are indeed formulated by the USDA. We in Oregon seriously question the propriety of this amendment and the implication that it carries on the integrity and dedication of the State agencies.

RICHARD S. MILLER,
Oregon Department of Education.

OKLAHOMA CITY, OKLA.

Hon. GEORGE MCGOVERN,

We oppose Senator Eagleton's amendment that would authorize USDA to withhold SAE moneys and seek injunctive relief against States for failing to meet USDA performance standards because of the many changes in the legislative action as well regulations, if we implement the new meal pattern it would require more supervision and at this time it would be unfair until we have had more time to implement these changes.

FRED L. JONES,
Director, School Lunch Section.

MIDDLETOWN, VA.

Hon. Senator GEORGE MCGOVERN,
U.S. Senate,
Washington, D.C.:

I strongly oppose Senator Eagleton's amendment that would authorize USDA to withhold SAE monies and seek injunctive relief against States failing to meet USDA performance standards.

VIRGINIA R. WHITLATCH,
State Director,
School Foods Services.

SALEM, OREG.

Hon. Senator GEORGE MCGOVERN,
Russell Senate Office Building,
Washington, D.C.:

This is a confirmation copy of a previously phone-delivered telegram:

Please add Oregon to the list of States that opposes Senator Eagleton's amendment that would authorize USDA to withhold State administrative expense funds and seek injunctive relief against States for failing to meet USDA performance standards, even, in the hands of a well meaning Federal agency such dictatorial power is dangerous and is out of place in the child nutrition programs. The implication is that there are States that willfully violated the restraints established by the regulations which are indeed formulated by the USDA. We in Oregon seriously question the propriety of this amendment and the implication that it carries on the integrity and dedication of the State agencies.

RICHARDS S. MILLER,
Oregon Department of Education.

MIDDLETOWN, VA.

Hon. Senator GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.:

Strongly urge your opposition to any amendment authorizing USDA to withhold State administrative funding or impose injunctive relief against States failing to meet USDA performance standards. USDA currently requiring monitoring, auditing and financial management systems which cannot be met using all State and Federal funding available. Withholding Federal funds would merely compound such problems and negate State efforts to hire and retain qualified staff.

FAITH GRAVENMIER,
Director,
Child Nutrition Programs.

MIDDLETOWN, VA.

Hon. Senator GEORGE MCGOVERN,
Russell Senate Office Building,
Washington, D.C.:

I want to go on record as being opposed to Senator Eagleton's amendment that would authorize USDA to withhold SAE monies and seek injunctive relief against States for failing to meet USDA performance standards. USDA already has power to withhold school food service funds when program objectives are not met. If SAE funds are cut off the administrative process will come to a halt and States will have to close programs.

CECIL F. OLSEN,
Supervisor,
Food Services.

SALT LAKE CITY, UTAH.

Hon. Senator GEORGE MCGOVERN,
U.S. Senate,
Washington, D.C.:

We strongly oppose Senator Eagleton's amendment that would authorize the Department of Agriculture to withhold State administrative expense monies and seek injunctive relief against States for failing to meet USDA performance standards.

H. H. WINAWER,
Coordinator.

Mr. MCGOVERN. Mr. President, the committee is in receipt of other letters and telegrams of a similar nature from other States that I will submit for the RECORD when they are ready.

But, in any event, the overwhelming message that is coming across to me as the chairman of the Subcommittee on Nutrition is that while the State and local agencies are anxious to improve the quality in the school lunch program, they do not feel that this particular amendment is the way to do it. In any event, they are asking for an opportunity to be heard and their objections evaluated by the committee before this matter is brought to the floor.

Mr. President, I am wondering if my friend from Missouri (Mr. EAGLETON), who I know brings this amendment to the floor with the best of all intentions, and, as I have said, is a longtime supporter and advocate of the school lunch program, would consider withdrawing the amendment with the assurance from me that the committee will consider this amendment very carefully, that hearings will be held, the Senator and others will be given an opportunity to be heard.

This is a request that I not only make, it is one that comes to me from all of these school food service directors I have referred to.

I, personally, do not want to prejudice the case against the Senator's amendment, but I am wondering if he would consider withdrawing it at this time with the assurance that hearings will be held by the committee on the proposal he is making.

Mr. EAGLETON. Mr. President, under normal circumstances I would be predisposed to withdrawing an amendment on the assurance the given topic or subject matter would be ventilated at hearings. But I am not constrained to do so here because I do not think these are normal circumstances.

By the way, as I conclude my answer to the Senator's question, I will yield to the Senator from Kansas (Mr. DOLE) because I think he wants to speak in support of the amendment.

The reason I do not think these are "normal circumstances," is because the subject matter of this amendment is not new to the American School Food Service Association.

Mr. McGOVERN. If the Senator will yield for a moment, Mr. President, did I use the 10 minutes?

Mr. EAGLETON. This should be charged to my time, Mr. President.

The PRESIDING OFFICER. The Senator from South Dakota has 8 minutes remaining on the amendment.

Mr. McGOVERN. I reserve the remainder of my time.

Mr. EAGLETON. Yes. This should be charged to me.

The American School Food Service Association is familiar with what the Department of Agriculture intended to do, and the school administrators throughout the country are familiar with it. My Missouri people have been very familiar with the Department of Agriculture's point of view. They have considered what the Department of Agriculture intends to do. They have considered the Eagleton amendment and they vigorously support it.

Those States that have been alert to the situation realize that this amendment is necessary.

Second, there is nothing terribly trailblazing or new about the amendment.

The procedure that is encompassed in today's Eagleton amendment is the identical procedure, or virtually identical, to what is already in force and in place in the WIC program and in the food stamp program. There is nothing new or novel about what we are proposing here today. It is standard operating procedure in WIC and in food stamps.

With respect to the May 21, 1979 letter from which Senator McGOVERN quoted, I ask unanimous consent to have printed in the Record a point-by-point rebuttal of that letter as prepared by the Office of Legislative Affairs, Food and Nutrition Service, USDA.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMENTS ON ASFSA LETTER IN OPPOSITION TO EAGLETON AMENDMENT

The American School Food Service Association (ASFSA) letter contains a number of assertions that are flatly incorrect.

1. States match federal dollars.

The letter asserts that "every Federal dollar in the program is matched 8 dollars from local or state sources." This is absolutely incorrect. In fact, of about $2.5 billion in federal funds for the school lunch program, only about $400 million is subject to this matching requirement. There is an additional half billion dollars in federal funds in the school breakfast program, the summer feeding program, and the child care food program. All of these programs would come under the Eagleton amendment. None of these programs has a State match.

Finally, the ASFSA letter fails to explain that most of the State matching funds in the school lunch program come not from funds provided by State governments, but rather from the money that children pay to purchase their meals.

2. School Lunch Program Funds are not affected by this Amendment.

The Eagleton amendment would apply only to federal funds provided for State Administrative Expenses, which amounts to only about 1½ percent of total federal child nutrition funds. It does not apply to school lunch program funds.

3. State and local governments do not provide an equal share of the funding.

ASFSA claims that federal and State governments are "equal partners" in supporting the lunch program. In fact, 46.2 percent of the cost of the program is borne by the federal government, and only 22.4 percent is borne by State and local governments.

Since FY 1969, the federal share of program funding has grown from 24 percent to 46 percent. During the same period the State and local share has fallen from 24 percent to 22.4 percent. The federal government needs the authority to safeguard $3 billion a year of federal taxpayers' dollars.

4. This Amendment will not adversely impact State staff.

The suggestion that this amendment would "tend to destroy the States' initiative and ability to build strong, capable administrative staffs" is frivolous and irresponsible. This is totally unsupported by the history of the WIC program and the Food Stamp Program, where sanction authority exists.

Of course, sanctions rarely end up being imposed. It is the fact that they can be imposed, that the federal government can enforce integrity and accountability, that usually gets compliance without having to resort to sanctions.

5. The Amendment is legal.

Any provision enacted by Congress and signed by the President is legal by definition. There can certainly be no contention that the amendment is unconstitutional.

6. Is this heavy-handed federal interference.

This amendment is not heavy-handed interference. It simply provides for federal action to make sure federal dollars are not lost through error, waste, or fraud, and to make sure that our Nation's children are getting the meals they are supposed to. The GAO and the Department's Inspector General have found serious problems in this area. Surely, allowing the federal government to clean up waste and mismanagement of federal dollars can hardly be termed "Big Brotherism." It is hardly called "Big Brotherism" when we urge the same kind of action at State or local mismanagement in food stamps.

7. Sanction authority in the child nutrition programs is not new. There already is such authority, but it is not used because it is too harsh and severe.

The ASFSA letter pictures sanction authority in the child nutrition programs as something new. In fact, the National School Lunch Act has contained sanction authority for years. The problem is that the sanction now in law provides for suspension of all child nutrition programs in a State. This is like an atom bomb, and is never used. The Department of Agriculture does not want to shut down all the programs in a State and stop feeding tens of thousands of children. As a result, the current authority is a "paper tiger."

The Eagleton amendment provides a much more modest—and usable—sanction authority.

8. It is not true that States do not get enough administrative funds from the federal government.

Federal support for State administrative funds in operating child nutrition programs has grown nearly 2000 percent in the past decade. Just between FY 1977 and FY 1979, it has gone up 2½ times. Federal administrative funds have never been allowed to skyrocket at a similar rate. As USDA's Inspector General testified before the Agricultural Appropriations Subcommittee, it is time that some additional accountability accompany this large flow of federal funds to State agencies.

9. The "California issue".

The ASFSA letter observes that there are more USDA personnel to operate the summer feeding program in California this year than the State provided last year when it ran the program. The total staff increase is from 67 California employees last year to 96 federal employees this year. The implication is that federal SAE funds are insufficient. However, the letter fails to explain, that the summer feeding program in California this year is expected to be twice as large as last year's program, and that this is a key reason more staff are being provided.

TABLE 10.—SOURCES OF NATIONAL SCHOOL LUNCH PROGRAM FUNDING

[Amounts in millions of dollars]

Fiscal year	Federal[1]		Children's payments		State and local government		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
1969	475.8	23.9	1,041.2	52.3	475.3	23.8	1,992.3	100
1970	565.5	25.6	1,105.0	49.8	546.6	24.6	2,217.1	100
1971	809.5	32.5	1,090.2	43.7	593.3	23.8	2,493.0	100
1972	1,050.9	38.3	1,080.4	39.3	616.0	22.4	2,747.3	100
1973	1,210.7	40.0	1,123.7	37.1	692.7	22.9	3,027.1	100
1974	1,401.4	41.6	1,174.0	34.8	797.0	23.6	3,372.4	100
1975	1,705.7	44.2	1,308.5	33.9	848.8	22.0	3,863.0	100
1976[2]	1,920.3	46.2	1,310.0	31.5	930.0	22.4	4,160.3	100

[1] Includes financial and USDA-donated food assistance.

[2] Preliminary.

TABLE 11.—FEDERAL CONTRIBUTIONS TO THE NATIONAL SCHOOL LUNCH PROGRAM

[Amounts in millions of dollars]

Fiscal year	Cash		Food distributed		Total amount
	Amount	Percent	Amount	Percent	
1969	203.8	43	272.0	57	475.8
1970	300.3	53	265.2	47	565.5
1971	532.2	66	277.3	34	809.5
1972	738.8	70	312.1	30	1,050.9
1973	882.3	73	328.5	27	1,210.7
1974	1,058.3	75	316.1	25	1,401.4
1975	1,289.0	76	416.7	24	1,705.7
1976 [1]	1,479.4	77	440.9	23	1,920.3

[1] Preliminary.

Mr. EAGLETON. In conclusion, Mr. President, before I yield to my colleague from Kansas, I say this: This amendment is very simple. We would do with respect to school lunch what we already are doing with respect to WIC and food stamps.

This amendment, in concert with the new AIMS monitoring system, will save $60 million. The question is, do you want to save $60 million or do you want to wait at least another year and then think about saving the $60 million?

Point two, as the Senator from South Dakota well knows, is that if this amendment is not adopted, the only sanction the U.S. Department of Agriculture can impose upon the States is not to cut away from the administration account but to cut into the account in principle, the moneys that go to the needy youngsters. So without this amendment, it will leave the U.S. Department of Agriculture no choice, if a State is not effectively monitoring these nutrition programs, but to withhold program money that is used for the feeding of children.

Thus, I think Senator McGOVERN is painting himself into an awkward corner. In essence, in rejecting this amendment, he is saying, "If there are rip-offs, if there is fraud, if there is abuse, withhold the fund that goes to the needy kids." I am not sure that the Senator from South Dakota really wants to be painted into that corner.

Mr. President, I am now pleased to yield to the Senator from Kansas (Mr. DOLE).

Mr. DOLE. Mr. President, I appreciate the distinguished Senator from Missouri yielding.

I find myself in agreement with his amendment, though I certainly understand the chairman's desire to look at the amendment in committee. As the Senator from Missouri has pointed out, his amendment is not very complicated. If we want to save some money and tighten up the program a bit, we have that opportunity.

I have been looking over some of the comments in the letter in opposition to the Eagleton amendment and at the rebuttal to those comments.

I suppose it has been stated that the administration supports this provision. They have indicated that without the amendment, their estimates of expected savings will be incorrect, since they were planning to have this muscle to make States clean up their child nutrition programs.

For the sake of emphasis, I repeat: The effect of the amendment, which is currently allowed in the WIC and food stamp program, is to allow the Secretary to withhold administrative funds from the State if it has failed repeatedly to correct abuses or has refused to submit a corrective plan of action. The only recourse the Secretary has now in child nutrition programs is to withdraw all funding and close the programs. Obviously, no Secretary wants to take that drastic step, so the effect has been to do nothing in cutting back on overpayments and error rates.

It seems to me that we should give this authority to the Secretary in order to help the USDA to improve the States' administration.

No matter what program we look at, we find administrative errors.

I have not heard Senator McGOVERN speak on the amendment; but if there is some compelling reason why it should not be adopted and why we first should have hearings, I would be happy to be persuaded.

Mr. McGOVERN. Before the Senator came to the floor, I pointed out that I did not want the Senate to think I am opposed to this amendment so far as the substance of it is concerned. I am not sure this is the best way to get at the problem, but it may be.

The point is that the school food services directors, who probably know more about this program than any of us in the Senate, are almost unanimously opposed to this amendment. They have not had a chance to be heard on it. I am not sure whether or not they are right. But what I have pleaded for today is that we at least give them a chance to be heard.

I would be willing to make a pledge, as the chairman of the Subcommittee on Nutrition, that we can hold hearings on this matter within 60 days and give these school food service people a chance to be heard. Maybe they will have suggestions to make that can improve this amendment.

I am not against saving money or making this program work more effectively than it now works.

The Congressional Budget Office has estimated that, even if we were to move this amendment immediately, it would save $20 million to $25 million at the most. I do not think anybody really knows what it is going to save, because we simply are dealing with a threat of using sanctions against States that do not stay in compliance with the guidelines laid down from Washington.

I do not think it is unreasonable in a program that has been operating for many years, and operating in every State in the Union, and which involves the morale and the participation of thousands of local people, to give their representatives an opportunity to testify before we vote on this amendment.

At the proper point, I am going to move to table the amendment, not because I am opposed to the substance of it, but because I do not believe in voting on a matter of this importance before we have had a chance for the pertinent witnesses to be heard.

Mr. DOLE. Mr. President, it seems to me that the distinguished Senator from Missouri—and the distinguished Senator from South Dakota—have spent a great deal of time on these programs, trying to determine how they can be more effective and how the USDA can bring about more efficient operation. While I dislike to disagree with my chairman, in this case I will support the distinguished Senator from Missouri.

Mr. EAGLETON. Mr. President, I am about to yield back the remainder of my time.

This matter has been heard, and it has been heard at considerable length. It has been heard by the Senate Appropriations Subcommittee on Agriculture. We spent a half day with the Inspector General on this subject. The Inspector General has this as one of his must—m-u-s-t—pieces of legislation, with respect to better enforcing and better monitoring some of these very expensive Federal programs.

When we are talking about the school lunch program, we are talking about $3 billion. It is not some picayune program tucked away in the Federal bureaucracy. This is not the Federal tea tasters. This is not the Bureau of Land Management $3 million adopt-a-horse program. This is a $3 billion-plus program that has been abused seriously, and the school administrators know it the best. My people in Missouri know it. They brought this to my attention. This came out of Missouri, not out of my genius. It came up because it is enforced in such a laggard and slipshod way in some cases and this hints the integrity of these programs if these abuses are not connected.

Mr. President, I yield back the remainder of my time. The Senator from South Dakota will move to table, and I will ask for the yeas and nays.

Mr. McGOVERN. Mr. President, I yield back the remainder of my time, and I move to table the amendment offered by the Senator from Missouri.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Missouri. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. Kennedy) and the Senator from Louisiana (Mr. Long) are necessarily absent.

I further announce that the Senator from Idaho (Mr. Church) is absent on official business.

I also announce that the Senator from New Hampshire (Mr. Durkin) is absent because of illness in the family.

Mr. BAKER. I announce that the Senator from Nevada (Mr. Laxalt), the Senator from Maryland (Mr. Mathias), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

The PRESIDING OFFICER. Is there any Senator in the Chamber who desires to vote? If so, come forward or forever hold his peace.

The result was announced—yeas 31, nays 62, as follows:

[Rollcall Vote No. 109 Leg.]

YEAS—31

Bradley
Burdick
Chafee
Ford
Gravel
Hart
Hatfield
Heflin
Hollings
Huddleston
Jackson
Johnston
Leahy
Magnuson
Matsunaga
McGovern
Melcher
Morgan
Muskie
Pell
Pressler
Pryor
Randolph
Ribicoff
Riegle
Sarbanes
Stafford
Stewart
Talmadge
Tsongas
Williams

NAYS—62

Armstrong
Baker
Baucus
Bayh
Bellmon
Bentsen
Biden
Boren
Boschwitz
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cochran
Cohen
Cranston
Culver
Danforth
DeConcini
Dole
Domenici
Durenberger
Eagleton
Exon
Garn
Glenn
Goldwater
Hatch
Hayakawa
Heinz
Helms
Humphrey
Inouye
Javits
Jepsen
Kassebaum
Levin
Lugar
McClure
Metzenbaum
Moynihan
Nelson
Nunn
Packwood
Percy
Proxmire
Roth
Sasser
Schmitt
Schweiker
Simpson
Stennis
Stevenson
Stone
Thurmond
Tower
Wallop
Warner
Weicker
Young
Zorinsky

NOT VOTING—7

Church
Durkin
Kennedy
Laxalt
Long
Mathias
Stevens

So the motion to lay on the table Mr. Eagleton's amendment (UP No. 190) was rejected.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the unprinted amendment (No. 190) of the Senator from Missouri (Mr. Eagleton). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Idaho (Mr. Church) and the Senator from Michigan (Mr. Riegle) are absent on official business.

I also announce that the Senator from New Hampshire (Mr. Durkin) is absent because of illness in the family.

Mr. STEVENS. I announce that the Senator from Maryland (Mr. Mathias) is necessarily absent.

The PRESIDING OFFICER (Mr. Stewart). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 77, nays 19, as follows:

[Rollcall Vote No. 110 Leg.]

YEAS—77

Armstrong
Baker
Baucus
Bayh
Bellmon
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cochran
Cohen
Cranston
Culver
Danforth
DeConcini
Dole
Domenici
Durenberger
Eagleton
Exon
Garn
Glenn
Goldwater
Gravel
Hart
Hatch
Hayakawa
Heinz
Helms
Humphrey
Inouye
Jackson
Javits
Jepsen
Kassebaum
Kennedy
Laxalt
Leahy
Levin
Lugar
Magnuson
McClure
Metzenbaum
Moynihan
Muskie
Nelson
Nunn
Pell
Percy
Proxmire
Pryor
Ribicoff
Roth
Sarbanes
Sasser
Schmitt
Schweiker
Simpson
Stafford
Stennis
Stevens
Stevenson
Stone
Talmadge
Tower
Wallop
Warner
Weicker
Williams
Young
Zorinsky

NAYS—19

Burdick
Chafee
Ford
Hatfield
Heflin
Hollings
Huddleston
Johnston
Long
Matsunaga
McGovern
Melcher
Morgan
Packwood
Pressler
Randolph
Stewart
Thurmond
Tsongas

NOT VOTING—4

Church
Durkin
Mathias
Riegle

So Mr. Eagleton's amendment (UP No. 190) was agreed to.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 195, AS MODIFIED

(Purpose: To authorize special supplemental food program for dependents of overseas Armed Forces personnel)

Mr. MORGAN. Mr. President, I send an amendment to the desk that is modification of my printed amendment No. 195 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. Morgan) proposes amendment No. 195, as modified.

Mr. MORGAN. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, between lines 3 and 4, insert a new section as follows:

"Sec. 2 The Child Nutrition Act of 1966 is amended by adding at the end thereof a new section 21 as follows:

"Sec. 21 (a) Notwithstanding any other provision of this Act, the Secretary of Defense, in cooperation with the Secretary of Agriculture, may provide nutritional assistance, which will be, to the maximum extent practical, the same as assistance provided to eligible recipients under section 17 of this Act, to dependents of United States military servicemen and other Department of Defense personnel located outside the United States, its territories, or possessions.

"'(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section: Provided, That the program authorized in this section may be operated only with funds appropriated explicitly for this purpose.'."

On page 2, line 4, strike out "Sec. 2" and insert in lieu thereof "Sec. 3".

Mr. MORGAN. Mr. President, I have modified my amendment so this amendment would not be opposed by the Department of Agriculture.

Very simply, my amendment would provide the Secretaries of Agriculture and Defense authority to provide the special supplemental food program for women, infants, and children to a very small number of Armed Forces overseas dependents. According to the best data available, there are about 30,000 overseas dependents who are living below the poverty guidelines of the Secretary of Agriculture. These individuals, I believe, should have access to the WIC program. If about half of the eligible dependents were enrolled in the WIC program, costs would rise by only $4.68 million dollars a year, according to estimates developed by Senate staff. Also, from what I understand, the number of military dependents overseas will be reduced in the near future, further reducing potential program costs.

I have further modified my amendment to authorize appropriations for this provision as a separate line item in the budget. I have done this so that military dependents are identified as a distinct item in the budget. Likewise, this would prevent back-door spending by the use of section 32 funds to finance this provision. Also, such a provision will permit the relevant appropriations and oversight committees in Congress to exercise their will on this matter.

There is an obvious need for this modification of child nutrition statutes as well as a precedent. The need should be clear to us all: The weakened state of the dollar has driven low-income Armed Forces personnel who are stationed overseas to the brink of financial disaster—a state that threatens the health and well-being of dependent pregnant women and young children.

The precedent I refer to took place during the debate over the Child Nutrition Amendments of 1978, when Congress extended the school breakfast and school lunch programs to overseas military dependents. The extension of lunch and breakfast took place partly in recognition of the fact that many families serving in our Armed Forces abroad were being severely affected by inflation and the declining value of the dollar. In fact, the income levels of many low-ranking servicemen would make their families eligible for a number of Federal assistance programs. As my colleagues know, there have been a number of highly publicized stories regarding military families in Germany and other European countries requiring welfare assistance from those countries in order to meet the essential needs of life.

The extension of school lunch and school breakfast programs brings special nutrition benefits to children from these families. Likewise, it makes sense to make the special nutritional benefits of WIC available to those families overseas that require WIC. There is additional logic in this extension because WIC is now serving military dependents here at home, in conjunction with health clinics on many military bases. Indeed, it is terribly capricious to ask a family that is moving from, for example, Fort Bragg, in my home State of North Carolina, to Frankfurt, Germany, to forfeit the benefits of the WIC program because of the defense needs of this Nation.

Mr. President, the need for my amendment, as modified, is clear. I hope that the floor leaders will accept this amendment.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. MORGAN. I am happy to yield.

Mr. McGOVERN. Mr. President, first of all, the Senator from North Carolina is one of the strongest advocates of the nutritional programs in the Senate. It is my understanding that he has just taken the leadership in his own State in sponsoring a Nutrition Day, during which people from all over North Carolina were invited to focus on the problems of nutrition in the State of North Carolina, to look at existing programs, and also to consider possibilities of improving those programs. So I know of the Senator's interest in the whole range of nutritional issues.

Beyond that, it seems to me that the amendment that he is offering fills an obvious gap in our nutritional programs. I do not know why the committee itself had not discovered this oversight in the program. There is no reason that I can see why the dependents of American servicemen serving this country and defending the interests of all of us should be cut off from the provisions of this special supplemental program for women, infants, and children. As the Senator has said, we took care of that oversight last year as far as the school breakfast and school lunch program are concerned.

I think what the Senator is proposing here is not only a logical amendment, but one that is in the interest of justice to our servicemen and their families. I am not only happy to accept the amendment, but I enthusiastically support it.

Mr. MORGAN. I thank my distinguished colleague. I might say that I am interested in nutrition and my interest in the subject of nutrition has been stimulated to a large degree by the work that the Senator from South Dakota has done in years past.

Mr. McGOVERN. I thank the Senator.

Mr. DOLE. Will the Senator yield?

Mr. MORGAN. Yes, I yield to the Senator from Kansas.

Mr. DOLE. Let me echo the words and the thought just expressed by the distinguished Senator from South Dakota. I appreciate the Senator's long, continued interest in this problem. Certainly, through his efforts and diligence, he is providing service and benefits to a group that certainly should be adequately provided for.

As he pointed out, currently, DOD personnel do not participate in WIC. That gap should be closed. I am not certain how many qualify, but WIC benefits ought to be available. DOD personnel ought to be eligible for the program. The money is not going to come out of WIC appropriations; but will be especially appropriated for DOD personnel.

It is a good amendment. I am happy to accept it on this side.

Mr. MORGAN. I thank my distinguished colleague. I have known of his interest, too, in nutritional programs for children for a long time.

Mr. President, I yield back the remainder of my time.

Mr. McGOVERN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, will the Senator from South Dakota yield me 3 minutes?

Mr. McGOVERN. I yield 3 minutes to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Orders numbered 168, 171, 197, 170, and 157.

Mr. BAKER. Mr. President, reserving the right to object, I have no objection. These items are cleared on our calendar. We are prepared to proceed with them.

ATHLETIC OPPORTUNITIES ASSISTANCE ACT

The Senate proceeded to consider the bill (S. 387) to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States, which had been reported from the Committee on Governmental Affairs with amendments as follows:

On page 2, line 11, after "performance" strike the comma;

On page 2, line 21, strike "Civil Service Commission" and insert "Office of Personnel Management";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Athletic Opportunities Assistance Act".

SEC. 2 (a) Subchapter II of chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 6327. Absence while representing the United States in certain athletic competition

"(a) An employee (as defined in section 2105 of this title) is entitled to leave without loss of, or reduction in, pay, leave to which he is otherwise entitled, credit for time or service, or *performance* or efficiency rating for each day, not in excess of 90 days in a calendar year, in which he, as a member of the United States team, is preparing for or participating in athletic competition on the world, Pan American or Olympic level in a sport which is contested in either Pan American or Olympic competition.

"(b) For purposes of subsection (a), the term 'United States team' includes any coach or athlete who is a member of the official delegation of the United States to world, Pan American, or Olympic competition.

"(c) The *Office of Personnel Management* is authorized to issue regulations for the administration of this section.".

"(b) The table of sections for chapter 63 of such title is amended by adding at the end thereof the following new item:

"6327. Absence while representing the United States in certain athletic competition.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to en bloc.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-156), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States. The bill provides that Federal employees will be permitted leave with pay, not to exceed 90 days, to prepare or participate in the world, Pan

American or Olympic games as a representative of the official U.S. team.

BACKGROUND

On February 8, 1979, Senator Ted Stevens introduced legislation to amend title 5, United States Code, to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States. The legislation is substantially similar to S. 1821, introduced in the 95th Congress by the late Senator Hubert Humphrey co-sponsored by Senator Ted Stevens. The Subcommittee on Civil Service and General Services held hearings on S. 1821 on October 4, 1978, but no further legislative action was taken. During the hearings held in the 95th Congress, favorable testimony was received from the Amateur Athletic Union and the Athletic's Advisory Committee of the U.S. Olympic Committee. The Civil Service Commission expressed its sympathy with the purpose while also expressing reservations and making suggestions for changes in the bill.

● Mr. PRYOR. Mr. President, S. 387, as amended, which was introduced by the distinguished Senator from Alaska, TED STEVENS, was recently reported from the Governmental Affairs Committee. This legislation is similar to a bill which was the subject of hearings during the latter part of the 95th Congress and it is strongly supported by the United States Olympic Committee and was recommended by the President's Commission on Olympic Sports.

S. 387 provides paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States. The bill provides that Federal employees will be permitted leave with pay, not to exceed 90 days, to prepare and participate in certain world, Pan American, and Olympic games, as a member of the official United States team.

I believe this legislation is extremely valuable because it will establish a national policy for Federal employees who are members of the Olympic, Pan American, and certain world class teams, and enable them to train and to participate as a team in such events. Moreover, the legislation will act as an incentive to encourage private industry, and State and local governments to adopt similar policies. Since a relatively small number of Federal employees have participated in past Olympic activities, including only two in 1976, the cost of this legislation is expected to be minimal.

In an era when Olympic level training and competition for many foreign athletes is wholly subsidized by their governments, this legislation is a modest action by this country as an employer, but it will be meaningful to the athletic community.

Without objection, I ask that portions of the Senate committee report which accompanied S. 387, be printed in the RECORD following my remarks.

I urge my colleagues to join me in supporting this important legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BACKGROUND

On February 8, 1979, Senator Ted Stevens introduced legislation to amend title 5, United States Code, to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States. The legislation is substantially similar to S. 1821, introduced in the 95th Congress by the late Senator Hubert Humphrey co-sponsored by Senator Ted Stevens. The Subcommittee on Civil Service and General Services held hearings on S. 1821 on October 4, 1978, but no further legislative action was taken. During the hearings held in the 95th Congress, favorable testimony was received from the Amateur Athletic Union and the Athletic's Advisory Committee of the U.S. Olympic Committee. The Civil Service Commission expressed its sympathy with the purpose while also expressing reservations and making suggestions for changes in the bill.

STATEMENT

In many countries athletes who compete on an international level are subsidized by their governments during periods of training for and participation in organized competition. In the United States, athletes as a rule do not receive any financial assistance or direct remuneration for time spent in preparation for or competition in international sports competition. However, for many years the Government has permitted military athletes time off to train in preparation for national and international competition.

Since the 1976 Olympic Games there has been significant interest in efforts within Federal, State, and local governments to allow employees time off from the jobs to train for and compete in international sports competition. In 1976, the President's Commission on Olympic Sports reaffirmed its endorsement of this form of assistance to athletes training and participating in the Olympic Games and urged employers, including Federal, State, and local governments, to grant time off with pay. Several states, including Minnesota, Ohio, Florida, Pennsylvania, and New York have enacted legislation to accommodate their employee athletes. The committee believes that if Federal legislation becomes law, additional State and private employers would be encouraged to adopt similar measures for their respective employees who participate in Olympic-level competition.

The Civil Service Commission now Office of Personnel Management (OPM) described during subcommittee hearings last year, current policy with regard to Federal employees who participate as official representatives in Olympic Games:

In the past the only possible options for granting time off to a Federal civilian employee to participate as an official representative in the Olympic Games were annual leave and/or leave without pay. Employees could be granted all the annual leave to their credit. In addition, they could be advanced the annual leave they would earn through the end of the leave year. Any time off in excess of their annual leave would have to be covered by a request for leave without pay. Excused absence or administrative leave as proposed in the subject bill could not be granted for such purposes. The Comptroller General of the United States has ruled against granting excused absence for participation in the Pan American Games under present status or regulation (B-185 128, Dec. 3, 1975).

In addition certain perfecting changes in S. 387, have been made from the original legislation considered in the 95th Congress. The definition of the word "team" has been limited to include only any coach or athlete and not an official who is a member of the official delegation of the United States to world, Pan American or Olympic competition. This change was recommended by the Office of Personnel Management.

The committee, however, contrary to OPM's recommendation to shorten the total amount of leave permitted to 30 days, strongly believes that the current 90 days which is permitted in the bill is needed. Not only do the majority of the States which have passed legislation allow for 90 days, but the U.S. Olympic Committee during hearings held in the 75th Congress testified to the fact that 90 days leave or more is needed in order to adequately physically and psychologically prepare and compete in Olympic level competition. According to Edward Williams, chairman, Athletes' Advisory Committee, U.S. Olympic Committee, in response to OPM's suggestion to limit leave to 30 days stated:

"I would be very disappointed if it were so limited. An athlete trains for sometimes in excess of 4 years to reach this goal of competing in the Olympics or Pan-American games.

"The amount of time and energy that is required to reach the peak is certainly more than 30 days and probably more than 90, but considering the possible disruptive impact that it might have for a Federal employer to have a person absent for 90 days—90 days probably is a good middle line, a good balance.

"I cannot emphasize too much the amount of energy and the single directiveness that an individual must go through in order to compete in the games. I would urge that the 90-day time limit be maintained."

The committee also recommends that preparation for international competition should include world, Pan American and Olympic Games.

The committee believes that S. 387 presents the right approach to Federal employment and Olympic athletes. The bill does not provide direct government subsidies. Instead, it gives Federal civilian employees who are athletes opportunities similar to those which exist for military athletes, the chance to compete in major competitions representing the United States, while, at the same time, continuing to earn salaries to support themselves.●

Mr. STEVENS. Mr. President, S. 387, the Athletic Opportunities Assistance Act, is now before us and I urge its passage. We held a hearing on a similar bill late last year and all the witnesses at that hearing favored the bill. Even the administration supported the bill, though they recommended some minor changes. We have incorporated one of those recommendations into S. 387.

S. 387, like last year's bill, entitles a Federal employee who qualifies as an Olympic athlete, credit for up to 90 days a year, in which he, or she, as a member of the U.S. team, is preparing for or participating in world, Pan American, or Olympic competition.

The cost of this bill will be minimal, since it will directly help just a few athletes. (Not more than two or three individuals would have been benefited by similar legislation for the 1976 Olympics.) Nonetheless, its effect as an example to private industry will be considerably more. The financial plight of our Olympic athletes is generally unknown. Many are forced, however, to sacrifice jobs and economic security to represent the United States in these world competitive events. Mr. President, it is well recognized that private industry and local government is where the solution for this problem lies.

There are presently a few businesses who publicize their willingness to employ Olympic athletes with the understanding that these athletes may be gone for 2 to 3 months per year. However, these offers are few and far between. Thus, the Federal Government can take initiative in this area and set an important example by openly supporting our athletes by permitting those employed by the Federal Government to take time off for these sports events.

Mr. President, the winter Olympics are only 10 months away, and the summer games follow closely behind. Thus, time is short if we are going to do anything to assist those who may or may not participate in the 1980 Olympics, we must act quickly. I once again urge the passage of this bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AGRICULTURAL SUBTERMINAL STORAGE FACILITIES ACT OF 1979

The Senate proceeded to consider the bill (S. 261) to amend the Consolidated Farm and Rural Development Act to authorize loans for the construction and improvement of subterminal storage and transportation facilities for certain types of agricultural commodities, to provide for the development of certain State plans to improve such facilities within the States or within a group of States acting together on a regional basis, and for other purposes, which had been reported from the Committee on Agriculture, Nutrition, and Forestry with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "Agricultural Subterminal Storage Facilities Act of 1979".

FINDINGS

Sec. 2. Congress finds and declares that—

(1) an adequate system for the efficient transient storage and movement of bulk agricultural commodities is essential to the overall success of the agricultural industry of the Nation, the development of rural areas of the Nation, and the economic stability of the Nation;

(2) the movement and storage of bulk agricultural commodities has been seriously and repeatedly impeded by shortages of transient storage facilities, adequate rail rolling stock, and the deterioration of many railroad track beds and rural highways throughout the United States;

(3) the efficient movement and storage of bulk agricultural commodities may be achieved and facilitated by the joint location at strategic points throughout the United States of transient storage facilities and multi-modal terminal facilities constructed especially for the efficient shipment and receipt of agricultural commodities; and

(4) the location of such facilities must be carefully planned to assure maximum benefits to producers of agricultural commodities and the most efficient means of transporting bulk agricultural commodities to domestic and export markets.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) "bulk agricultural commodity" means any agricultural commodity that can be transported in bulk from the farm where it is produced and can be temporarily stored in bulk quantities without undergoing processing or packaging. Such term also includes any commodity or product that is used by producers in the production of agricultural commodities and that can be stored or shipped in bulk, such as fertilizer and fuel;

(2) "Secretary" means the Secretary of Agriculture; and

(3) "subterminal facility" means any facility that is—

(A) used for the transient storage of bulk agricultural commodities or for the transporting, upgrading, receiving, drying, or loading out of such commodities;

(B) located in the area of production of bulk agricultural commodities and any major storage or major export point for such commodities;

(C) located (or after construction, will be located) at a place that conveniently serves the needs of producers and purchasers of bulk agricultural commodities.

Such term also means any rail siding, loading, or unloading facility that can accommodate unit railroad trains or multiple car trains of twenty cars or more and other appropriate transportation modes designed for the transport and storage of bulk agricultural commodities and production materials.

STATE AND REGIONAL PLANS; PLANNING GRANTS

Sec. 4. (a)(1) The Secretary shall, beginning not more than one hundred and eighty days after the effective date of this Act, make financial assistance available to any State that makes application therefor, and that otherwise meets the requirements of this section, for the purpose of assisting such State in the development of a subterminal facilities plan (hereinafter in this Act referred to as the "State plan") for such State. Assistance under this section shall be made available in the form of a grant. No grant may be made to any State unless the Governor of such State or the appropriate agency of such State makes an application therefor as provided in this section.

(2) The Secretary may also make grants under this section available to two or more States acting together to develop a coordinated regional subterminal facilities plan (hereinafter in this Act referred to as the "regional plan") for such region.

(3) The amount of the grant made under this section to any State, or to any two or more States acting together (as provided in paragraph (2) of this subsection), shall be proportionate to the amount to which such State, or States acting together, would be entitled for the purpose of implementing an approved State plan or an approved regional plan under the provisions of section 310B(e) of the Consolidated Farm and Rural Development Act, except that in no case may the amount of the grant exceed an amount equal to 80 per cent of the cost of preparing the State plan or regional plan, as the case may be.

(4) The State or regional plan shall prescribe in detail the actions such State or group of States propose to take in order to (A) facilitate the efficient and competitive movement of bulk agricultural commodities from the points of production within such State or region to major market or export points, (B) provide adequate storage facilities for such commodities between points of production and market, (C) provide adequate receiving, storage, and loading facilities for any bulk agricultural commodity, and (D) assure that such facilities will be located at sites that will result in maximum benefits to local producers.

(5) The State plan of any State or the regional plan of any group of States shall include the following:

(A) An analysis of the trends in the marketing, shipping, storage, and production of bulk agricultural commodities produced in that State or region and the short- and long-range projections with respect to the marketing, shipping, storage, and production of such commodities in that State or region.

(B) A determination, on the basis of the analysis and projections required under clause (A) of this paragraph, of the needs of the State or region for subterminal facilities.

(C) An assessment of the use of existing on-farm storage facilities located within the State or region and an assessment of the ways in which subterminal facilities can benefit the continued use of on-farm storage facilities.

(D) An evaluation of the effect of the development of new subterminal facilities on small capacity rural shipping and storage facilities within the State or region.

(E) An evaluation of ways to ensure adequate rail service for subterminal facilities described in clause (D), of this paragraph including an evaluation of the use and feasibility of contract rates.

(F) An assessment of the ways that subterminal facilities can enhance the operation of small capacity shipping and storage facilities within the State or region.

(G) An assessment of other actions being taken or considered in such State or group of States for the improvement of agricultural transportation, including an evaluation of the use being made of shuttle or collector trains and combinations of rail and barge service.

(H) An evaluation of the potential benefits of subterminal ownership and leasing arrangements for rail rolling stock (including locomotive power), motor trucks, barge equipment, and other bulk agricultural commodity transport equipment that may help achieve maximum benefits from the operation of subterminal facilities within the State or region.

(b) Funds made available to a State or region under this Act for the purpose of assisting such State or region to develop a State or regional plan shall be subject to the condition that the State or region establish a plan review commission composed of local producers, local elevator operators, representatives of affected motor and rail carriers, and other interested individuals. A majority of the members of any plan review commission must be local producers. The plan review commission shall consider the information and analyses developed by the State or region in the development of a State or regional plan and make appropriate recommendations regarding the State or regional plan. The plan review commission shall also make recommendations based on information developed in the plan for the most beneficial location of subterminal facilities.

(c) No State or region may receive a grant under this section unless—

(1) the average annual production of bulk agricultural commodities within such State or region meets minimum levels established by the Secretary for a period the Secretary considers appropriate preceding the year in which application for such grant is made;

(2) the Governor of such State or the Governors of such States acting together on a regional basis certify to the Secretary that producers of agricultural commodities have experienced serious storage and transportation problems within such State or region during the three years preceding the year in which application for such grant is made; and

(3) the State or group of States acting together on a regional basis has established an adequate plan, as described in section 5(j) of the Department of Transportation Act (49 U.S.C. 1654(j)), for rail service in such State or States, or such State or group of States is actively developing such a plan.

(d) Whenever any State or group of States acting together on a regional basis has submitted a State or regional plan under this section, the Secretary shall approve such plan if it meets the conditions specified in this Act and those prescribed in regulations issued by the Secretary to carry out this Act. Such a plan when approved by the Secretary shall be known as an "approved State plan" or an "approved regional plan," as appropriate.

(e) To carry out the purposes of this section, there are authorized to be appropriated not to exceed $3⅓ million for each of the fiscal years ending September 30, 1980, September 30, 1981, and September 30, 1982.

LOANS UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

SEC. 5. Section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) is amended by adding at the end thereof a new subsection (e) as follows:

"(e) (1) The Secretary may also insure and guarantee loans under this section to public, private, or cooperative organizations organized for profit or nonprofit, or to individuals for the purpose of constructing or improving subterminal facilities if—

"(A) the construction or improvement of such facilities is consistent with the approved plans and recommendations of the local plan review commission established under the Agricultural Subterminal Storage Facilities Act of 1979;

"(B) the Secretary determines that the ownership and operation of such subterminal facilities will result in the efficient and competitive movement of bulk agricultural commodities and will return increased benefits to the local producers served by such facilities; and

"(C) the Secretary determines that the rail carrier designated to provide service to any such facility will be able to provide adequate service.

Such loans may be made available for long-term lease or purchase of rail rolling stock (including locomotives), motor trucks, barges, and other bulk agricultural commodity transport equipment to be used in conjunction with the operation of subterminal facilities.

"(2) The Secretary may only make loan assistance available under this subsection if the Secretary finds that applicants are unable to obtain credit from commercial lending institutions (including specialized lending institutions established to provide credit to agricultural producers) on reasonable terms and conditions.

"(3) In order to preserve local ownership and control of agricultural transportation facilities, the Secretary shall give loan assistance preference under this subsection to existing agricultural elevator operators and local producers in areas in which subterminal facilities are proposed to be located.

"(4) (A) The total amount of loan authority made available for the purpose of this subsection for any fiscal year shall be allocated by the Secretary among those States or groups of States that have approved State plans or approved regional plans. Such allocation shall be made among such States and groups of States on the basis of such formula as the Secretary shall prescribe by regulation, except that any such formula shall include the following factors: the total railroad mileage in each such State or States, the annual production of bulk agricultural commodities in each such State or States, and the existing storage capacity for bulk agricultural commodities within each State or States. In no event may the amount of loan authority allocated to any such State or States in any fiscal year be less than an amount equal to 1 percent of the total loan authority available for allocation in such fiscal year.

"(B) Any loan authority available for use in any State or group of States in any fiscal year that is not used by such State or group of States shall be reallocated, to the extent practicable, among other States eligible for the assistance provided under this section, in accordance with the same formula developed by the Secretary for the initial allocation of loan authority under this subsection.

"(C) The total railcar mileage, bulk agricultural commodity production, and storage capacity within any State or group of States shall be determined by the Secretary in consultation with the Interstate Commerce Commission.

"(5) As used in this subsection, the terms 'subterminal facility', 'approved State plan', or 'approved regional plan' shall have the same meanings as provided in the Agricultural Subterminal Storage Facilities Act of 1979.

"(6) Within one hundred and eighty days after the effective date of the Agricultural Subterminal Storage Facilities Act of 1979, the Secretary shall establish such rules and regulations as may be necessary to implement the provisions of this subsection.".

EFFECTIVE DATE

SEC. 6. The provisions of this Act shall become effective October 1, 1979.

The amendment was agreed to.

Mr. McGOVERN. Mr. President, I am the principal author of this measure. I want to thank the majority leader and the minority leader for moving it so quickly, because this is a bill that will assist both the farmers of the country and will also do much to relieve the rail transportation crisis.

Mr. President, our Nation is facing a grave rail transportation crisis. The rail industry, with an overall rate of return on investment of less than 1 percent, has hit rock bottom. The next few years will most assuredly be a period of make it or break it for our country's freight railroads. The Congress and the administration have at long last realized that the band-aid and bailout approach to railroad revitalization will not work. Secretary of Transportation, Brock Adams, has announced that absent major policy and regulatory reform, the Federal Government will have to invest between $12 and $15 billion to maintain this crippled industry.

Nowhere are the symptoms of our deteriorated rail system felt more intensely than in rural America and in the agricultural producing heartland of our country. Rail branchlines have disappeared with increasing frequency as the rail carriers attempt to cut their losses by reducing their physical plant. The administration has placed high priority on the passage of legislation to deregulate the rail industry on the assumption that the marketplace will be able to rationalize a modern and efficient rail transport network.

Regardless of action that may be taken by the Congress or within the industry, it is now clear that the trend to consolidate and abandon trackage, especially in the Midwest will continue.

The impact of these actions in rural America are devastating. The trend in rail service to agricultural shippers in particular is moving quickly away from light density branchlines and the small country elevator. Shippers say that their lines would be profitable if the railroads would only provide adequate service. Unfortunately, the industry's financial situation is such that they can no longer sustain the poor levels of service most lines presently receive.

Therefore, absent any major change, rural and agricultural producing states will experience a further deterioration of rail service, particularly service to local country grain elevators.

This loss of service when combined with the high cost and energy inefficiencies of moving agricultural commodities by trucks, could have a dramatic impact on farm income. Although farm prices overall edged the parity index up to 72 percent last year, wheat prices remain critically low at 55 percent and corn still lower at 54 percent. With such low farm income, recent record harvests mean little if anything to our Nation's farmers. Any additional decrease in farm prices due to the inability to efficiently store and move agricultural commodities would be devastating.

It is an immense and tragic paradox that while we possess the technology to be the most efficient producers of food and fiber worldwide, we stand behind an economic eightball when it comes to movement and storage of agricultural products.

As a result, economic benefits made possible by increasingly efficient production are to a significant degree, lost to both farmer and consumer, because of storage and shipping problems particularly in the grain producing States. In point of fact, potential farm income lost as a result of the inability to efficiently store and ship farm products may be millions of dollars annually.

Mr. President, the bill we are considering today, the Agricultural Subterminal Facilities Act is a major step toward alleviating the economic impacts faced by thousands of rural communities and agricultural producers, while allowing the railroads to continue to rationalize their system. More importantly, when implemented it will modernize agricultural rail transportation with the in,creased efficiencies being directly translated into lower transportation costs to the local producer.

To date, the Nation's storage and farm to market system consists largely of limited on-farm storage, small capacity elevator operations, unreliable and insufficient rail service and increasing reliance on expensive truck operations.

Historically, Federal programs and policies designed to assist agricultural producers have considered commodity movement and storage as separate and distinct issues. Unfortunately, the two are inseparable, and past policies based on this error may have hurt rather than helped our Nation's producers.

Our current system, consequently, is largely based on small scattered storage facilities located at points not easily serviced by any transportation system. The inadequacy in size and location as well as the inability to utilize more than one transportation mode is a primary contributor to our perennial and worsening grain car shortages.

Most railroads own the necessary power and equipment to transport the Nation's agricultural commodities. The current shipping patterns for grain, however, are substantially different from other industries which have the advantage of centralized points of production and subsequently, centralized points of shipping. Agricultural commodities by their nature of production seemingly defy the ease of movement to market available to other industries.

Railroads have never been able to efficiently or economically move farm products when their equipment must be simultaneously distributed across a vast trackage system to thousands of small collection points. However this is precisely what happens at harvest.

The dilemma worsens as the health of the rail industry declines and its track system deteriorates. Prior to the construction of our massive highway system, this vast rail network was our sole means of transport for bulk commodities. Much of that system, although in disrepair, remains essential today.

However, with the advent of our highway system, the growth of the trucking industry, and the decline of our railroads, the ability and the economics of serving thousands of individual elevators has declined rapidly. We can no longer demand that the rail industry serve the farm industry in a manner that became outdated and inefficient decades ago.

Rail transport, however, continues to be the most efficient and economical means of transporting bulk commodities over long distances. In addition, the small country elevator continues to be essential to the economic health of small communities throughout the Nation.

Consequently, I am not advocating the demise of rail branchlines or of the small elevator system.

I am stating the need to bring both systems into the 20th century in order that each industry may maximize its benefits.

I am proposing a mechanism whereby local producers and existing elevator operators may enhance and improve their commodity storage and market delivery systems which would in turn greatly improve the ability of all modes of transportation to provide efficient and reliable service to our Nation's farmers.

The Agricultural Subterminal Facilities Act is predicated on a successful pilot project presently operating in Iowa. Under this pilot program rail service has improved and local producers have paid lower transportation costs because of these efficiencies.

The creation of a subterminal facility represents a large investment. Implementing the subterminal concept requires careful planning and market research. This has been accomplished on a small scale in some areas by major private investors.

However, the rail crisis in rural America has reached such proportions that great uncertainty exists. The threat of branchline abandonment is pervasive. In these circumstances the planning effort for such facilities must be comprehensive or only the most speculative of investors can be attracted.

The use of Federal insured or guaranteed loans for subterminal facilities is consistent with the existing policies and programs of the Farmers Home Administration. The loan provisions in S. 261, which gives preference to local area producers and storage facility operators, is needed to insure that qualified local applicants will not be denied the opportunity to invest in subterminal facilities because commercial credit is not available to them.

Specifically, the bill provides $3.3 million for 3 years for 80 percent of the cost of developing subterminal facility plans for States and regions. The authorization for planning funds has already been reduced from $5 million in the Agriculture Committee. Comprehensive State and regional plans are absolutely essential to insure that such a major investment is protected.

Before the Secretary of Agriculture may insure or guarantee loans for subterminal construction, a local plan review commission comprised of local producers and elevator operators must approve the plan. Their approval will assure that the benefits of subterminal development will remain at the local level.

Mr. President, this bill is a major step toward developing a viable agricultural transportation system. Many rail carriers, including the Chicago Northwestern, the Milwaukee, and the Union Pacific have endorsed this legislation. Major farm organizations have lent their support for this concept. Frankly, this may be the first time that both the rail industry and agriculture have ever agreed on anything.

Mr. President, there is little regulatory impact associated with this legislation, and the provisions opposed by the Department of Treasury have been dropped. The total cost of this proposal for the next fiscal year is only $3.3 million. To my way of thinking, this is a minor and worthwhile investment, as it will go a long way toward streamlining rural rail service.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–159), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION

S. 261, the Agricultural Subterminal Storage Facilities Act of 1979, as amended by the committee—

(1) would promote the construction and improvement of subterminal storage and shipping facilities for (A) any agricultural commodity that can be transported in bulk from the farm and temporarily stored in bulk quantities without undergoing processing or packaging, and (B) any commodity or product—that can be stored or shipped in bulk—used by producers in the production of agricultural commodities;

(2) authorizes annual appropriations of $3⅓ million for fiscal years 1980, 1981, and 1982 to fund Federal planning grants for the development of State and regional subterminal facilities plans (the grant may not exceed 80 percent of the cost of developing the plan);

(3) conditions the availability of planning funds on the establishment of a plan review commission consisting of local producers, local elevator operators, representatives of the affected motor and rail carriers, and other interested parties. A majority of the membership of any plan review commission must be local producers; and

(4) authorizes the Secretary to insure and guarantee loans for the construction and improvement of subterminal facilities with funds allocated for that purpose by the Secretary from the Rural Development Insurance Fund. Loan preference would be given to existing agricultural elevator operators and local producers in the area to be served by the subterminal facility.

● Mr. TALMADGE. Mr. President, I wish to take this opportunity to express my support for S. 261, the Agricultural Subterminal Storage Facilities Act of 1979.

S. 261, as reported by the Committee on Agriculture, Nutrition, and Forestry—

(1) Would promote the construction and improvement of subterminal storage and shipping facilities for (A) any agricultural commodity that can be transported in bulk from the farm and temporarily stored in bulk quantities without undergoing processing or packaging, and (B) any commodity or product that can be stored or shipped in bulk used by producers in the production of agricultural commodities. Subterminal facilities are facilities that are larger than a local grain elevator serving a much larger gathering area. Grain, for example, would move from a local elevator to a subterminal facility by truck and then to its final destination by rail or other means of transportation, such as barges);

(4) Authorizes the Secretary to insure and guarantee loans for the construction and improvement of subterminal facilities with funds allocated for that purpose by the Secretary from the rural development insurance fund. Loan preference would be given to existing agricultural elevator operators and local producers in the area to be served by the subterminal facility.

The bill recognizes the current crisis facing America's railroads. The trend in rail transportation is toward long-haul, high-density traffic, of which bulk agricultural commodities, and products used in the production of these commodities, are a mainstay. It is generally accepted that multiple-car movements and unit trains achieve a much higher rate of equipment use and lower transportation costs.

The transportation problems confronting rural America are complex. The promotion of the planning and construction of subterminal facilities is one approach to these problems. S. 261 does not provide a quick fix to all of rural America's transportation problems, but it is a step in the right direction. This bill provides for an urgently needed first step. Time is running out and the threat of continued rail abandonments constantly confronts rural America.

Senators McGovern and Zorinsky are to be commended for their assiduous efforts on behalf of this bill.

I urge my colleagues to join me in supporting passage of S. 261.●

● Mr. ZORINSKY. Mr. President, S. 261, the Agricultural Subterminal Storage Facilities Act of 1979, seeks to promote broad application of the successful pioneer program developed in Iowa for the location and construction of efficient transient grain storage and shipping facilities at strategic points on both railroad and highway networks. In doing so the advantages of both rail and truck transport would be used to best serve the interests of producers and shippers.

S. 261 is an attempt to address our rural transportation crisis. This crisis is complex.

Much of the Nation's rail industry, on which our rural economy is heavily dependent, is in a state of operational and financial crisis.

A large part of our grain storage and delivery system consists of small and otherwise inadequate country elevators located on lightly traveled, barely usable rural branchlines.

Most of the Nation's rail system faces massive restructuring in order to rid itself of redundant and unproductive trackage.

Nonviable branchlines now serving many small grain elevators will be abandoned in the immediate years ahead, depriving many agricultural producers of access to their most efficient means of transportation.

The restructuring is likely to occur within the framework of long haul shipment of bulk commodities on a multiple car and unit train basis.

The subterminal concept is one of several potential means of addressing the transportation problem in rural America. A subterminal facility is larger than a local grain elevator and serves a much larger gathering area. It has sufficient shipping capacity to use multiple cars or unit trains to take advantage of the efficiencies of these available technologies. Already several large grain companies in my home State have invested in large subterminals. The bill would allow small country elevators to participate in this trend, if they desire.

Specifically, S. 261 would amend the Consolidated Farm and Rural Development Act to provide for the development of State plans to assess the benefits of establishing subterminal facilities within the State or group of States acting on a regional basis. Further, the State plan may assess other actions being taken by States for the improvement of agricultural transportation, such as the use of shuttle trains or combinations of rail and barge service.

The bill would also authorize loans for the construction and improvement of subterminal storage and transportation facilities, provided that credit is not available in the private market.

I want to stress that the planning and financial assistance provided by the bill depend almost entirely on the initiative of the producers and shippers who would be served by subterminal systems. It is they who would have first option to own and operate subterminal facilities and to qualify for direct loans and loan guarantees, if they are unable to obtain adequate credit from commercial lending institutions on reasonable terms and conditions.

Existing small storage facility operators are to be given every reasonable opportunity to participate in the ownership and operation of the subterminal facilities. They could do so as individuals, or in partnership with each other or with agricultural producers. The exact form would depend on the choices producers and shippers jointly make to establish the systems, and on the recommendations of the subterminal planners. Existing small storage facility operators who wish to continue independently, are to have access—under equitable conditions—to subterminals so that they too can capitalize on the benefits of the system.

This legislation can go a long way toward assuring us that our rural transportation system, now in a state of transition, will continue to meet the needs of agricultural producers and shippers. it could afford producers greater command of their markets. Equally important, it gives producers and shippers the capacity and flexibility to effectively compete for the best freight rates from both rail and truck transportation.

S. 261 takes a farsighted approach to potential problems of our Nation's rural transportation system. At a time when deregulation and increased competition are becoming priority goals of our national transportation policy, this bill anticipates and responds to the inevitable effects of this policy in order to aid the survival of a viable rural transportation system.

Railroads currently handle approximately 60 percent of all grain movement. Unfortunately however, much of the Nation's rail industry is facing a real and immediate crisis, and this poses a real threat to the railroad's ability to continue to meet the increasing world demand for U.S. grain and to our national effort toward the maintenance of a favorable agricultural trade surplus.

Moreover, our Nation's network of small country elevators, and the farmers who are dependent upon them for marketing their produce, are threatened by the continued deterioration of the rural rail system. The trend toward unit-train-shipments, competition from subterminals owned by the large international grain companies and chronic grain car shortages have combined with the possibility of extensive branchline abandonments to endanger the survival of this marketing system.

There is no single, simple solution to the problems facing our agricultural communities. The Agricultural Subterminal Storage Facilities Act of 1979 provides one possible lifeline. If we do not find ways to help our agricultural shippers and producers to adapt to inevitable changes in our traditional transportation system, our country's capacity to produce and to distribute food efficiently will suffer.

I would like to commend Senator McGovern, the primary sponsor of S. 261, for his invaluable work on the legislation. Senators Jepsen and Hayakawa were instrumental when this bill was before the subcommittee and the full committee.

I urge my colleagues to support S. 261.●

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATIONS

The bill (S. 1160) to authorize appropriations for the Federal Fire Prevention and Control Act of 1974, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216) is amended—

(1) by striking "and" immediately after "1978,"; and

(2) by inserting immediately before the period at the end thereof the following: ", and $27,274,000 for the fiscal year ending September 30, 1980".

Sec. 2. Section 16(b) of the Act of March 3, 1901 (15 U.S.C. 278f(b)) is amended—

(1) by striking "and" immediately after "1978,"; and

(2) by inserting immediately before the period at the end thereof the following: ", and $5,600,000 for the fiscal year ending September 30, 1980".

Sec. 3. The Federal Fire Prevention Control Act of 1974 (15 U.S.C. 2201 et seq.) is further amended by adding at the end thereof the following new section:

"Sec. 26. (a) The Administration shall, within ten months of the date of enactment of this section, complete a study of the effectiveness of smoke detectors, heat detectors, and sprinkler suppression systems in saving lives, preventing injuries, and limiting property damage in fires, which report shall be submitted to the Congress and the President. In conducting such study, the Administrator shall consider, among other factors—

"(1) whether the extent to which such devices and systems have been and are effective in reducing the severity of fires, including estimates with respect to the potential for savings in lives, prevention of injuries attributable to the operation of such systems and devices; and

"(2) the experience of Federal organizations, States, localities, and other political subdivisions which have required the use of such systems and devices.

"(b) If the Administrator determines, as a result of the study conducted pursuant to subsection (a) of this section, that smoke detectors, heat detectors, sprinkler suppression systems or other similar systems or devices either have been or may be of assistance in the detection and control of fire, the Administrator shall include, as part of the report conducted pursuant to this section, recommendations regarding what should be the Federal role, if any, with respect to creating incentives for the use of such devices or systems by the public, by business concerns, and by Federal, State, and local governments. In making such recommendations, the Administrator shall consider—

"(1) the incentives, including financial incentives, which might be developed to require or facilitate installation within new or existing buildings of smoke detectors, heat detectors, sprinkler suppression systems, or any combination of such systems, or other similar systems and devices; and

"(2) the benefits, if any, of demonstration or other such programs directed at residents in high impact fire areas in order to increase the use of smoke detectors, heat detectors, sprinkler suppression systems, or other systems or devices.

"(c) As part of its report submitted pursuant to this section, the Administrator shall provide specific legislative proposals to the Congress for implementing any recommendations made pursuant to this section.

"(d) Upon the request of the Administrator, each Federal department and agency shall furnish to the Administrator such information in its possession, as the Adminis- and allow the Administrator access to all information in its possesssion, as the Administrator may reasonably determine to be necessary for the conduct of the study required by this section.".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–186), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The bill provides a fiscal year 1980 authorization of $27,274,000 for programs of the United States Fire Administration (USFA) and $5,600,000 for the programs of the Center for Fire Research.

BACKGROUND AND NEED

This country continues to have one of the worst records of deaths, injuries, and property damage due to fire of any nation in the world. Last year approximately 8,700 people in the United States died from fire; 300,000 more were injured. Direct property damage from fire is $4 billion annually, and it is estimated that the total cost of fire in the United States is more than $13 billion per year. The fire death rate in this country is 15 times greater than the death rate of all other natural disaster combined. Property damage from fire is 4 times greater than from all other natural disasters.

Our Nation's more than 2 million firefighters continue to suffer one of the highest rates of fatalities and injuries of any of our professions. More than 100 firefighters died in the line of duty in 1977, while as many as 60,000 firefighters were injured.

At the same time, arson has proven to be one of the most intractable and fastest growing crimes in this Nation. The direct cost of arson is approximately $1 billion annually. Furthermore, more than 1,000 people are estimated to die due to arson each year.

The committee has long believed that increased Federal activity in the area of fire prevention and control is essential for the public safety. In the early part of this decade, the committee sponsored legislation which led to the formation of the National Commission on Fire Prevention and Control. After nearly 2 years of study, the Commission presented a report entitled, "America Burning", to the President and the Congress. The report concluded that a major Federal effort would be necessary to assist State and local governments to develop improved means to prevent fires in this country. As a result of this study, Congress passed the Federal Fire Prevention and Control Act of 1974. This act established the National Fire Prevention and Control Administration in the Department of Commerce, and consolidated the majority of fire research activities of the National Bureau of Standards in the Center for Fire Research. These two organizations have coordinated efforts to develop a more systematic Federal approach to fire prevention and control.

Last year, the National Fire Prevention and Control Administration's name was changed by the Congress to the United States Fire Administration hereinafter referred to as USFA and recently, as a part of Presidential Reorganization Plan No. 3, the USFA became a part of the Federal Emergency Management Agency (FEMA).

FEMA consolidated a number of disaster response and mitigation programs which had previously been scattered throughout the government. Therefore, FEMA is expected to provide a comprehensive Federal focus for emergency response programs. In addition to this reorganization, the USFA purchased a National Fire Academy site at Emmitsburg, Md. The establishment of a National Fire Academy has long been one of the major goals of the firefighting community. The National Fire Academy, with resident capacity of 300 to 500 students and the space to accommodate conferences of up to 1,000 people, would serve as a focal point for upgrading firefighting capacities throughout the country. At the Fire Academy, selected experts from fire departments, code enforcement organizations, architects, arson detection units, and other groups will be trained in the most advanced techniques of firefighting prevention and control. These experts will then be able to share this information with their colleagues throughout the Nation. The committee believes that with the establishment of the National Fire Academy, the United States Fire Administration and the Center for Fire Research can make major strides to significantly reduce deaths, injuries, and property loss due to fire in the United States.

ENVIRONMENTAL, RESEARCH, DEVELOPMENT, AND DEMONSTRATION AUTHORIZATIONS, 1980

The Senate proceeded to consider the bill (H.R. 2676) to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1980, and for other purposes, which had been reported from the Committee on Environment and Public Works with amendments as follows:

On page 2, beginning with line 2, strike through and including page 7, line 15, and insert in lieu thereof the following:

SEC. 2. (a) There are authorized to be appropriated to the Environmental Protection Agency for environmental research, development, and demonstration activities for the fiscal year 1980 for the following activities:

(1) $95,999,500 for water quality activities authorized under the Federal Water Pollution Control Act of which—

(A) $23,124,000 is for Health and Ecological Effects program: *Provided*, That of the funds appropriated pursuant to this paragraph, $900,000 shall be obligated and expended on the Cold Climate Research program through the Environmental Protection Agency's Corvallis Environmental Research Laboratory, Corvallis, Oregon.

(B) $14,827,000 is for the Industrial Processes program;

(C) $12,250,000 is for the Monitoring and Technical Support program;

(D) $14,358,000 is for the Public Sector Activities program; and

(E) $32,340,800 is for the Energy program.

(2) $9,638,000 for activities authorized under the Federal Insecticide, Fungicide, and Rodenticide Act of which—

(A) $8,298,000 is for the Health and Ecological Effects program;

(B) $900,000 is for Industrial Processes program; and

(C) $440,000 is for the Monitoring and Technical Support program.

(3) $27,734,500 for water supply activities authorized under the Safe Drinking Water Act of which—

(A) $18,944,000 is for the Public Activities programs;

(B) $725,000 is for the Monitoring and Technical Support program; and

(C) $4,065,000 is for the Energy program.

(D) $4,000,000 is for groundwater, surface water, and soil pollution research activities.

(4) $33,977,000 for toxic substance control activities authorized under the Toxic Substances Control Act of which—

(A) $29,397,000 is for the Health and Ecological Effects program;

(B) $1,742,000 is for the Industrial Process program; and

(C) $2,838,000 is for the Monitoring and Technical Support program.

(5) $2,930,000 for radiation activities authorized under the Public Health Act, in the Health and Ecological Effects program.

(6) $134,731,500 for air quality activities authorized under the Clean Air Act of which—

(A) $50,624,000 is for Health and Ecological Effects program;

(B) $4,050,000 is for the Industrial Processes program;

(C) $21,288,000 is for the Monitoring and Technical Support program; and

(D) $58,769,500 is for the Energy program.

(7) $19,728,500 for solid waste activities authorized under the Resource Conservation and Recovery Act, of which—

(A) $8,143,000 is for the Public Sector Activities program, and

(B) $11,585,500 is for the Energy program, of which—

(i) $300,000 shall be used for a study of non-nuclear hazardous waste disposal, including consideration of the effects of such disposal on the environment, and a general review of disposal technology, alternatives to disposal, and options for containing or removing hazardous wastes already in the environment. The Administrator of the Environmental Protection Agency shall enter into appropriated arrangements with the National Academy of Sciences to conduct this study. The Academy should complete the study within eighteen months after funding arrangements have been made and make interim reports at least every six months to the Congress and the Environmental Protection Agency. The Administrator shall regularly report to the Congress on the Agency's response to the interim reports and shall deliver his recommendations for acting on the findings of the final study no later than July 1, 1981.

(ii) $300,000 shall be used to begin development of protocols and working manuals specifying the types of health problems associated with various hazardous wastes, effects of various kinds of exposure, and examination of exposed populations.

(iii) $1,500,000 shall be used to demonstrate cost-effective strategies for isolating, containing, or neutralizing hazardous wastes.

(8) $2,000,000 for noise control activities authorized under the Noise Control Act, in the Health and Ecological Effects program, of which $500,000 is for the study of non-auditory effects of aircraft noise and $500,000 is for regional technical centers to assist States and local governments in establishing noise abatement programs.

(A) $16,883,000 is for the Anticipatory Research program.

(b) There is authorized to be appropriated to the Environmental Protection Agency, Office of Research and Development, for the fiscal year 1980, for program management and support, $27,452,000.

(c) No funds may be transferred from any particular category listed in subsection (a) or (b) to any other category or categories listed in either such subsection if the total of the funds so transferred from that particular category would exceed 10 per centum thereof, and no funds may be transferred to any particular category listed in subsection (a) or (b) from any other category or categories listed in either such subsection if the total of the funds so transferred to that particular category would exceed 10 per centum thereof, unless—

(1) a period of thirty legislative days has passed after the Administrator of the Environmental Protection Agency or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate a written report containing a full and complete statement concerning the nature of the transfer involved and the reason therefore; or

(2) each committee of the House of Representatives and the Senate having jurisdiction over the subject matter involved, before the expiration of such period, has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

(d)(1) The Administrator shall continue to be responsible for conducting and shall continue to conduct full-scale demonstrations of energy-related pollution control technologies as necessary in his judgment to fulfill the provisions of the Clean Air Act as amended, the Federal Water Pollution Control Act as amended, and other pertinent pollution control statutes.

(2) Energy-related environmental protection projects authorized to be administered by the Environmental Protection Agency under this Act shall not be transferred administratively to the Department of Energy or reduced through budget amendment. No action shall be taken through administration or budgetary means to diminish the ability of the Environmental Protection Agency to initiate such projects.

(e) The Administrator shall establish a separately identified program to conduct continuing and long-term environmental research and development. Unless otherwise specified by law, at least 15 per centum of the funds appropriated to the Agency for environmental research and development in each category listed in subsection (a) of this section shall be allocated for such long-term environmental research and development under this subsection.

On page 14, beginning with line 1, strike through and including line 19;

On page 14, line 21, strike "4" and insert "3";

On page 14, line 24, strike "$3,000,000" and insert "$500,000";

On page 15, line 5, strike "5" and insert "4";

On page 15, line 17, strike "6" and insert "5".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to en bloc.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–158) explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The purpose of the bill is to extend through fiscal year 1980 the authorization for appropriations for the Environmental Research and Development program conducted by the Environmental Protection Agency and related agencies.

H.R. 2676 passed the House of Representatives on March 27, 1979. As passed by the House, H.R. 2676 authorized $381.3 million, compared to $372.1 million requested by the President. The Subcommittee on Resource Protection held hearings on the fiscal year 1980 budget for research and development in the Environmental Protection Agency submitted by the President. The hearing and subsequent anaylsis revealed areas of research and development not sufficiently funded by the Administration's request. The Committee prepared a budget which it felt to be responsive to the needs of the research and development program of the Environmental Protection Agency. The authorizations contained in the bill as reported by the Committee are in the nature of a substitute for the equivalent sections of the House-passed Act.

The Subcommittee on Resource Protection on May 3, 1979, amended the House-passed bill and ordered it reported to the Full Committee. H.R. 2676 was ordered reported by the Full Senate on May 9, 1979 by a voice vote of the Full Committee on Environment and Public Works.

As reported, the bill has the following major provisions:

1. It authorizes $379.6 million for research and demonstration in the Environmental Protection Agency's research programs and $4,000,000 for the National Bureau of Standards for environmental measuring sciences and for developing guidelines for Government specifications for promotion of resource recovery in Federal procurement. This endorses the Administration's budget for the most part, but provides for the following changes:

(a) A $4 million increase under the Clean Air Act for research on the health effects of, and control strategies for, diesel engine emissions;

(b) A $4 million increase under the Solid Waste Disposal Act for research and demonstration of technology to control hazardous wastes;

(c) A $2 million increase (from zero) under the Noise Control Act for research into non-auditory health effects of noise;

(d) A $900,000 increase under the Clean Water Act to fund continued research into Cold Climate Environmental Research programs, which had been omitted in the Administration's budget.

SHIPPING ACT AMENDMENTS OF 1979

The Senate proceeded to consider the bill (S. 199) to amend the Shipping Act, 1916, to strengthen the provisions prohibiting rebating practices in the United States foreign trades, which had been reported from the Committee on Commerce, Science, and Transportation with amendments as follows:

On page 4, line 15, strike "(c)" and insert "(b)";

On page 4, line 17, strike "(d)(1)" and insert "(c)(1)";

On page 4, line 18, strike "(a), (b), and (c)" and insert "(a) and (b)";

On page 4, line 24, strike "(d)(2)" and insert "(c)(2)";

On page 5, line 5 strike "(d)(1)" and insert "(c)(1)";

On page 5, line 11, strike "(d)(1)" and insert "(c)(1)";

On page 6, line 5, strike "under subsection (d)(2)" and insert "in relation to any investigation conducted under subsection (c)(1)";

On page 6, line 20, strike "ten" and insert "10";

On page 8, line 2, strike "five" and insert "5";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Shipping Act Amendments of 1979".

SEC. 2. Section 16 of the Shipping Act, 1916, is amended, by striking "$5,000" in the sixth paragraph, and inserting, in lieu thereof, "$25,000".

SEC. 3. Section 18(b) of the Shipping Act, 1916, is amended by deleting subsection (6) thereof and by adding the following new language in lieu thereof:

"(6) Whoever violates any provision of this section, other than subsection (b)(3) hereof involving rebates or refunds shall be subject to a civil penalty of not more than $5,000 for each day such violation continues.

"(7) Whoever violates subsection (b)(3) hereof by means of rebates or refunds, shall be subject to a civil penalty of not more than $25,000 for each shipment on which a rebate or refund was paid and to suspension by the Commission of any or all tariffs filed by or on behalf of such carrier, or suspension of that carrier's right to utilize any or all tariffs of conferences of which that carrier may be a member, for a period not to exceed twelve months. Any carrier whose tariffs or rights of use thereof have been suspended pursuant to this paragraph and who accepts cargo for carriage during the suspension period which cargo otherwise would have been governed by the provisions of the suspended tariff(s) shall be subject to a civil penalty of not more than $50,000 for each shipment so accepted.

"For purposes of this subsection and section 22(c) of this Act, a shipment shall mean all of that cargo, the carriage of which is evidenced by a single bill of lading.".

SEC. 4. Section 21 of the Shipping Act, 1916 is amended by designating the existing two paragraphs as subsection "(a)" and by adding a new subsection (b) as follows:

"(b) The Commission shall require the chief executive officer of every vessel operating common carrier by water in foreign commerce and to the extent it deems feasible, may require any shipper, consignor, consignee, forwarder, broker, other carrier, or other person subject to this Act, to file a periodic, written certification under oath with the Commission attesting to—

"(1) a policy prohibiting the payment, solicitation, or receipt of any rebate which is unlawful under the provisions of this Act;

"(2) the fact that such policy has been promulgated recently to each owner, officer, employee, and agent thereof;

"(3) the details of the efforts made, within the company or otherwise, to prevent or correct illegal rebating; and

"(4) full cooperation with the Commission in its investigation of illegal rebating or refunds in United States foreign trades, and in its efforts to end such illegal practices.

The Commission may by regulation prescribe the form and content of any certification required under the authority of this subsection. Failure to file any such certification shall result in a civil penalty of not more than $5,000 for each day such violation continues.".

Sec. 5. Section 22 of the Shipping Act, 1916 is amended as follows:

(a) designate the two existing paragraphs as "(a)" and "(b)", respectively;

(b) amend subsection (b), as designated by this Act, by deleting therefrom the phrase "except as to orders for the payment of money,"; and

(c) immediately after subsection (b), as designated by this Act, insert the following:

(c) (1) In addition to, and without limiting the authority granted to the Commission by subsections (a) and (b) hereof, the Commission may, on its own motion, institute an adjudicatory investigation into possible violations of section 16 (other than paragraphs First and Third) involving rebates or refunds in foreign commerce or violations of section 18(b) (3) involving rebates or refunds, with the powers set forth in subsection (c) (2) hereof in addition to those already contained in sections 27, 43, and other sections of this Act.

"(2) Failure on the part of any common carrier, respondent to a proceeding instituted pursuant to subsection (c) (1), or any other person directly or indirectly controlling, controlled by, or under common control with such respondent carrier, to comply with any subpena or any duly issued order compelling an answer to interrogatories or to designated questions propounded by deposition or compelling production of documents in relation to any investigation conducted under subsection (c) (1), shall authorize the Commission to issue an order to show cause why any or all tariffs filed pursuant to section 18(b) of this Act, by or on behalf of the respondent carrier, or any or all rights of the respondent carrier to utilize such tariffs in the case of conference tariffs, should not be suspended until that carrier or any person directly or indirectly controlling, controlled by, or under common control with such carrier, has fully responded to the pertinent deposition, interrogatory, production request or motion, or subpena, and after such proceeding, to so suspend those tariffs or the respondent carrier's rights to utilize such tariffs. Any carrier whose tariff(s) or rights of use thereof have been suspended pursuant to this subparagraph and who accepts cargo for carriage during the suspension period which cargo otherwise would have been governed by the provisions of the suspended tariff(s) shall be subject to a civil penalty of not more than $50,000 for each shipment so accepted.

"(3) If, in defense of its failure to comply with a subpena or discovery order issued, in relation to any investigation conducted under subsection (c) (1), a common carrier alleges documents or information are located in a foreign country and cannot be produced because of the laws of that country, the Commission shall immediately notify the Secretary of State of such failure to comply and of the allegation relating to foreign laws. Upon receiving such notification, the Secretary of State shall promptly consult with the Government of the nation within which the documents or information are alleged to be located for the purpose of assisting the Commission in obtaining the documents or information sought.

"(4) Before any tariff suspension ordered pursuant to subsection (d) (2), or section 18(b) (7) of this Act, becomes effective, it shall be immediately submitted to the President who may, within 10 days after receiving it, disapprove any such order if he finds that disapproval is required for reasons of the national defense or the foreign policy of the United States.".

Sec. 6. Section 23 of the Shipping Act, 1916 is amended by deleting therefrom the language ", other than for the payment of money,".

Sec. 7. Section 27 of the Shipping Act, 1916 is amended by deleting from subsection (b) thereof the phrase "other than for the payment of money".

Sec. 8. Section 29 of the Shipping Act, 1916 is amended by deleting therefrom the phrase "other than an order for the payment of money,".

Sec. 9. Section 30 of the Shipping Act, 1916 is amended in the initial and final paragraphs thereof by deleting the phrase "for the payment of money" and by inserting, in lieu thereof, the phrase "for the payment of reparation".

Sec. 10. Section 32 of the Shipping Act, 1916 is amended by inserting at the end thereof the following new subsections:

"(d) No penalty shall be imposed on any person for conspiracy after August 29, 1972: (1) to rebate or refund in violation of the initial paragraph of paragraph Second of section 16, or under section 18(b) (3) of this Act; or (2) to defraud the Commission by concealment of such rebates or refunds in any manner.

"(e) Notwithstanding any other provision of law, the Commission shall have authority to assess or compromise all civil penalties provided in this Act: *Provided, however,* That, in order to assess such penalties a formal proceeding under section 22 of this Act shall be commenced within 5 years from the date when the violation occurred.".

Sec. 11. The provisions of this Act, including the amendments made by this Act, shall become effective immediately upon its date of enactment.

Mr. WARNER. Mr. President, I support S. 199, a bill which I have cosponsored and which amends the Shipping Act of 1916 by strengthening its provisions prohibiting rebating practices in the U.S. ocean trades.

The Merchant Marine Act of 1936 declares that it is the maritime policy of the United States to have a merchant marine fleet "sufficient to carry * * * a substantial portion of the waterborne export and import foreign commerce of the United States." However, it is now perfectly clear that these policy objectives have not been achieved and, in fact, that the U.S. fleet is in the grip of an accelerating downward spiral. Indeed, at the end of 1960, our privately owned fleet was the fourth largest in the world in terms of both the number of ships and deadweight tons. However, according to the statistics released by the Maritime Administration, as of June 30, 1977, the United States ranked 10th in both categories. Furthermore, the Merchant Marine and Tourism Subcommittee recently received testimony from the Council of American-Flag Ship Operators that in 1970 there were 19 U.S.-flag liner companies in operation, whereas only 10 have survived today. Just within the last year, two companies—Pacific Far East Lines and States Steamship Co.—have gone into bankruptcy.

The Merchant Marine and Tourism Subcommittee has also received testimony strongly suggesting that illegal rebating in the U.S. ocean trades has been a primary factor in the demise of the U.S. liner fleet. Clearly, this situation demands strong, positive action from the Federal Maritime Commission (FMC), the Federal Government's regulatory arm in maritime commerce, and S. 199 would give the FMC the authority it needs to do an effective job.

In order to clearly explain why legislation such as S. 199 is needed, it is first necessary to more clearly define the problem. The Shipping Act of 1916 requires all common carriers and conferences of such carriers that operate in the U.S. ocean trades to file a tariff with the Federal Maritime Commission setting out the rates charged for transporting cargo to and from U.S. ports. Sections 16 and 18(b) (3) of that act prohibits these carriers from allowing any shipper to obtain transportation of cargo at less than the rates published in the tariff on file with the FMC. Every common carrier by water which is involved in the foreign commerce of the United States must abide by this statutory requirement, which, of course, included both United States and foreign flag vessels.

However, evidence suggests that very few liner carriers in the American foreign trades are operating in compliance with sections 16 and 18(b) (3). That is, the rates on file with the FMC do not accurately reflect the rates charged by carriers for their services.

The deviation from the filed rate takes the form of illegal rebates which are simply a means used by certain ocean carriers to attract cargo away from their competitors. Rebates may be in the form of an outright cash payment to shippers or they may be more subtle such as providing shippers with free warehousing, paying inland transportation charges, permitting unreasonable use of carrier equipment, paying terminal charges that are normally the shipper's responsibility, and so on. Although rebates have been termed a "malpractice" by many of the nations with which the U.S. trades, rebates have only been statutorily prohibited by the United States.

Yet, the Federal Maritime Commission has a responsibility to enforce U.S. law uniformly among all carriers operating in the U.S. ocean trade. Unfortunately, it is often impossible for the FMC to properly investigate illegal rebating practices by foreign carriers because the records of those carriers which are necessary to document rebating practices are located in foreign countries beyond the Commission's jurisdiction. Moreover, the governments of many foreign carriers have enacted so-called "blocking statutes" which forbid the production of documents for inspection by the Commission. Indeed, many of our trading partners have such secrecy laws, including: The United Kingdom, Belgium, Sweden, France, Finland, the Netherlands, the Federal Republic of Germany, Australia, and Norway.

As a consequence of the Commission's inability to proceed against foreign carriers effectively, the only meaningful enforcement it is able to undertake is directed against U.S. carriers. This discriminatory application of sections 16 and 18(b)(3) places an extremely discriminatory burden on U.S. flag-ships vis-a-vis their foreign competitors.

The seriousness of the situation is compounded by the fact that rebating is far more widespread in the U.S. foreign trades than it is anywhere else in the world. This is a logical result of the historical American open conference policy of allowing all of the world's carriers to participate in the U.S. foreign trades which, in turn, has made the U.S. trades a dumping ground for excess foreign flag liner tonnage. Accordingly, almost all U.S. foreign trade routes have an oversupply of carriers. This places tremendous pressure on ship owners to generate cargo to fill their ships. The simple fact is that illegal rebating is a more effective means to increase one's market share than cutting rates through tariff reductions.

S. 199 attempts to deal with the rebating problem by strengthening the provisions of the Shipping Act of 1916 and, thus, the powers of the Federal Maritime Commission. There are four major aspects of S. 199 which together make it possible for the Commission to evenhandedly force our laws against rebating.

First, the Commission is given authority to suspend any tariff of a carrier which fails to comply with a subpena or discovery order in a rebating investigation. This is the cornerstone of S. 199 since it provides the Commission with a direct and immediate means of requiring the cooperation of foreign carriers.

Second, the bill substantially increases the monetary penalties and adds a new penalty of tariff suspension for rebating violations.

Third, S. 199 requires a certification by the chief executive officer of a vessel operating common carrier that the carrier is implementing a corporate policy against rebating and will cooperate with the Commission in any rebating investigation.

Fourth, the Commission is empowered to assess all civil penalties for rebating violations. This will enhance the Commission's ability to negotiate and collect appropriate civil penalties since it will eliminate the possibility of the action being tried in a court unfamiliar with rebating problems in our foreign trades.

Legislation similar to S. 199 passed the Senate unanimously last year but was pocket vetoed by the Carter administration on November 4, 1978. The President explained that he was directing the Secretary of State to solve the problem through diplomatic channels and that, therefore, unilateral legislation was unnecessary. Yet the Federal Maritime Commission has recently informed the Commerce Committee that the result of these talks has still not enabled the Commission to enforce the law evenhandedly and that diplomatic assurances are no substitute for the law that is needed to eliminate disparity in the Commission's enforcement activities.

Mr. President, the maritime policy of this Nation urgently needs a realistic review that will return stability to our ocean trades. Illegal rebating in our trades amounts to $100 million per year, placing honest carriers at a severe disadvantage and undermining the entire philosophy of common carriage that service will be offered at the same price to all similarly situated customers. This situation must be corrected. S. 199 will greatly help bring the problem of rampant rebating under control and I therefore urge my colleagues to give this legislation their unanimous support.

The amendments were agreed to en bloc.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96-147), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

S. 199 would amend the Shipping Act, 1916, to strengthen the provisions prohibiting secret rebating practices in the United States foreign waterborne trades.

The bill is substantially the same as H.R. 9518, which passed the House last year 390 to 1, and the Senate unanimously, only to be pocket vetoed by the President. It would permit the Federal Maritime Commission (FMC) to carry out its regulatory function to deter rebates, in a swift, effective and even-handed fashion. For the first time, foreign-flag operators would be required to comply with FMC subpoenas and discovery orders or face possible exclusion from our foreign trades.

Specifically, this legislation provides for the Federal Maritime Commission to notify the Secretary of State in the event a foreign-flag carrier claims inability to produce the necessary documents or information because of a "blocking statute", a foreign law which prohibits such disclosure. It directs the Secretary to consult with the government of the nation within which the documents or information are located for the purpose of assisting the Commission in obtaining the documents or information sought and enables the Federal Maritime Commission to suspend the tariffs of carriers who fail to comply with subpoenas or discovery orders of the Commission, as well as the tariffs of those carriers found to have engaged in illegal rebating. Any tariff suspension, however, which is provided for in this legislation is subject to stay by the President, to satisfy national defense or foreign policy requirements. Finally, the bill prohibits the use of the criminal conspiracy statutes to make past, present and future rebating a criminal offense. This will make the law consistent with what Congress intended in 1972 when it changed rebating from a criminal offense to a civil offense.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from North Carolina for his patience and courtesy in letting the leadership proceed.

Mr. President, I thank the distinguished Senator from South Dakota. Maybe he will stop calling me now at 10 o'clock every night asking me to get that bill up.

Mr. McGOVERN. I promise the Senator.

I thank the Senator from North Carolina.

SPECIAL SUPPLEMENTAL FOOD PROGRAM AUTHORIZATION, 1980

The Senate continued with the consideration of S. 292.

AMENDMENT NO. 194

(Purpose: To improve the formula distribution of administrative funds)

Mr. MORGAN. Mr. President, I call up my amendment No. 194 which I intend to withdraw.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) proposes an amendment numbered 194.

Mr. MORGAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, between lines 3 and 4, insert a new section as follows:

"SEC. 2. Section 17(h)(2) of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following: 'The Secretary shall allocate administrative funds to each State agency (A) on the basis of a formula that gives emphasis to the type of health program operated by the State agency, or (B) in proportion to the degree that the State agency conducts the program in conjunction with related health programs and health services within the respective State. Any formula developed by the Secretary under clause (B) of the preceding sentence shall (i) provide the lowest proportional funding to a State agency that primarily operates a food and commodity distribution program, (ii) provide the greatest proportional funding to a State agency that primarily operates health-care related programs or services, and (iii) take into account factors such as the number of persons, as well as the density of population, participating in the program at those agencies.' ".

On page 2, line 4, strike out "SEC. 2" and insert in lieu thereof "SEC. 3".

WIC ADMINISTRATIVE FUNDING

Mr. MORGAN. Mr. President, I would like to discuss my second amendment, No. 194, which I intend to withdraw. As the floor managers of this bill know, my staff and I have been in communication with officials of the Department of Agriculture regarding my amendment, the purpose of which is to more closely connect WIC's administrative funding with the efforts of State and local agencies to make available health care and health services. As the Members of the Senate know, WIC has been criticized on this grounds by a number of independent evaluation agencies, including the General Accounting Office.

While I am willing to withdraw my amendment, I have no intention of letting this matter end at this point. Obviously, something must be done with this important program or organizations like the GAO would have arrived at different conclusions. Indeed, I am sure that the floor managers of this legislation know of the problem that I have tried to address in my amendment. And in exercising oversight of the WIC program, I trust that the floor managers will consider my concerns at the earliest possible time.

Mr. President, I would again like to stress that I am not convinced that there is not a problem that could and should be met by the language of amendment No. 194. Likewise, I fail to see how my amendment is not consistent with the purposes of the WIC program or legislation enacting the WIC program. However, I am willing to concede that the appropriate committees of Congress ought to be given a chance to work their will on my proposal, given the special circumstances that exist today.

Mr. President, I would like to assure the Members of this Chamber that I intend to monitor the progress of the WIC program in a number of areas. To be very frank, I have a number of concerns regarding the program, including proposals that could change the contents of the food package in a way that would reduce the high quality iron that has played an important role in reducing anemia and related diseases.

Mr. President, I would like to share my thinking, in some detail, regarding my amendment. Therefore, I ask unanimous consent that the text of my original floor statement in support of my amendment and a letter I received from Mr. Robert Greenstein of the USDA in response to my amendment be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WIC ADMINISTRATIVE FUNDING

Mr. President, I rise to offer an amendment that is designed to strengthen, along lines intended originally by Congress, the Special Supplemental Food Program for Women, Infants, and Children without costing the American taxpayer an additional cent in program costs.

The amendment before the Senate is simple. It would direct the Secretary of Agriculture to channel the highest proportion of administrative funding to those state agencies that operate WIC programs in conjunction with health programs and health services. On the other hand, state agencies that tend to operate WIC as a commodity distribution program would, under the amendment I propose today, get the lowest proportional share of administrative funds.

My amendment would not affect other aspects of the administrative funds formula, such as population density or funding for nutrition education. Current law, which requires that one-sixth of the administrative funds be used for nutrition education, would only be slightly modified by my amendment, modified to the extent that the Secretary has discretion to adjust the formula under current law.

The intent of my amendment is not to penalize any particular state or states. Rather, the purpose of my amendment is to give the Secretary of Agriculture clear direction to reward states for the range and types of services actually performed. At present, many states, unfortunately, have a tendency to view administrative funding for federal programs as sources of revenue without obligation for services. States that perform programs along the lines of the intent of Congress really are the ones that are penalized at present.

My amendment, if adopted by the Senate and signed into law, will encourage states to move in the direction of WIC as an integral and vital component of a system of health services rather than as a commodity distribution program. By adopting my amendment, the Senate can go on record as favoring a WIC program with a unique and meaningful character, a program that will serve the citizens of this nation in a much more useful fashion.

Mr. President, the intent of Congress, especially the Senate, has always been clear regarding the purpose of the WIC program. I was not a member of the Senate when WIC was given legislative life some seven years ago, but I have read the debate that occurred in this chamber when WIC was first legislated. It it clear from the debate that took place in this chamber, on August 16, 1972, when this program was first created, and from hearings associated with legislation, what the intent of Congress was. I would like to quote from a statement in the hearing record by the late Senator Hubert H. Humphrey, who authored the original legislation:

"(WIC) . . . be authorized to serve pregnant and lactating women from low-income populations which demonstrate one or several of these characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth—underweight, obesity, or stunting. Low-income individuals with evidence of previous high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia would also be included.

"Now, all of this, of course, is under medical supervision and appropriate professional guidance. I am not asking for an authorization of a program here that will just be directed and undertaken by laymen, but by competent professionals."

Mr. President, from this statement and from the debate that took place in establishing the program, the intent of Congress was clear. In fact, if Congress wanted WIC to be a commodity distribution program, it would not have enacted it. From reading the Congressional Record, we learn that the Federal Government had a commodity distribution program aimed at getting the types of foods made available by WIC to the type of people that WIC currently serves. The purpose of WIC, rather, was to go one step further, to use the foods and vitamins to encourage people without health care to enter the health care system.

Now that we have determined the intent of Congress, we should learn how WIC is performing after some half-a-dozen years of experience. I have at least two sources of evaluative experience regarding WIC. Before I examine each, I would like to say that the value of evaluations often lies in the eye of the beholder. The General Accounting Office has evaluated WIC in a recent report issued on February 27 of this year. Unfortunately, the GAO and the Department of Agriculture disagree on many of the GAO's findings and recommendations. Until the USDA can offer independent evaluations of its own or conclusively prove that the GAO is wrong, I think that the Senate should pay heed to what the GAO has recommended in its reports.

My second source of evaluation comes from a distinguished medical authority, Dr. Howard Jacobson. Dr. Jacobson, a medical doctor and Director of the Institute of Nutrition in North Carolina—an organization that oversees nutrition programs and research in all the institutions of higher education in North Carolina with nutrition programs—has extensive experience evaluating WIC. Dr. Jacobson has determined that WIC programs can be divided into four categories. I quote Dr. Jacobson's categories.

"(1) Primarily food distribution.

"(2) Food distribution and a surveillance or monitoring component.

"(3) Same as two above plus nutrition education.

"(4) Comprehensive health programs with food supplements truly used as adjuncts to health services."

I could quote extensively from the GAO's 77-page evaluation of WIC. I am sure that the floor managers of this bill on both sides are familiar with this report and what it has to say. I would, however, urge that those Senators who have an interest in this subject refer to the recommendations made by the GAO in this report on page 20. Virtually all of the recommendations on page 20 point to a failure by many states to make WIC an adjunct to meaningful health care.

Mr. President, I certainly recognize that state agencies do not have total control of the WIC program. Also, I fully acknowledge that health care is simply not available in adequate quantities in many localities. I do believe, however, that state agencies are the appropriate level of government to assure that health care and health services are provided. Further, I do not believe that my amendment should impact on those individuals who do not want health care or health services on religious grounds.

Mr. President, my amendment offers the Senate and the Congress a chance to redirect this program in a meaningful way. I hope that my colleagues do not get the impression that I view the WIC program as a failure. I am sure that the floor managers of this bill know that I find WIC to be an important nutrition program all across this great nation. They also know that I fervently believe that nutrition is one of the keys to good health and that I believe that the nutritional state of America is lacking. They also realize, I am sure, that I was one of the sponsors of legislation last year, S. 2630, to reauthorize the WIC program.

Mr. President, I truly hope that the Senate does not turn its back on this opportunity to renew meaning to the WIC program. We should not buy arguments that this amendment would be administratively difficult to implement or cause difficulty in certain states. Rather, we should ask ourselves whether we want our nation to have the type of WIC program that Congress originally intended it to be or merely something second best.

WASHINGTON, D.C.,
May 17, 1979.

Hon. ROBERT B. MORGAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORGAN: Thank you for offering us this opportunity to respond to the suggestion concerning allocations of administrative funds in WIC. This is a very important issue and although we wholeheartedly concur with provisions which strengthen the WIC Program's ties to health care, we believe that this vehicle is not the most appropriate one to accomplish that goal.

As we interpret the amendment, it would require the Secretary to direct a larger portion of administrative funds to State agencies that provide the greatest amount of comprehensive health care. Those State agencies which do not provide as many health services or must rely on welfare agencies in conjunction with a health provider would receive less funds. Although the WIC Program is strongly committed to operating through agencies that can offer participants an array of high quality obstetrical and pediatric health services, realistically, not all State agencies have local agencies which can offer such services. In many cases, the areas with potential participants in greatest economic and nutritional need are medically under-served areas.

Frequently, it is local pressure to establish a WIC Program that has led to the establishment of health care services in such areas. Moreover, the absence of adequate health services in isolated areas may be one reason these areas have such need for WIC's role in spurring the spread and improvement of health services in isolated areas is an important accomplishment of the Program.

Indeed, the success of WIC in improving health care utilization was demonstrated by an Urban Institute study published in 1976, which found that WIC has generated a tremendous increase—77 percent—in visits to health clinics by children in the target areas studied, as well as increased prenatal visits and immunizations. The facts are that WIC is bringing more mothers and children into preventive health care systems and inducing the development and expansion of such systems.

Once the WIC Program is offered through such agencies, the additional funds and incentive to improve health services contributes to the overall improvement of health services to the participants in that area. Consequently, it is those agencies which have minimal health services that need the greatest amount of administrative funds as the in-kind benefit of resources from other Programs is often quite limited. Therefore, by directing a larger portion of administrative funds to State agencies that already have a comprehensive health care system, State agencies which are trying to improve and expand health services are penalized and as a result, there is a disincentive to promoting better health services.

In order to strengthen the WIC Program's commitment to quality health service provision, current and proposed Program regulations make several requirements:

(1) In funding new local agencies, first priority must go to an agency that offers ongoing health services. Only when such an agency is not available, or interested, can a State agency select agencies which provide health services through a contractual arrangement with a health provider.

(2) Local agencies are required to enter into agreements with the State agency under which the local agency must assure that competent professional staff and facilities are available for the provision of health services to participants.

(3) As WIC Program certifications require certain medical assessments, the purchase of medical equipment such as centrifuges, measuring boards, scales, spectrophotometers, as well as dispensable medical supplies is permitted. For local agencies which have inadequate funds for health services, often these expenses are covered by WIC administrative funds.

Additionally, according to the recent GAO study, 88 percent of the participants surveyed by GAO were receiving health care. Clearly, the commitment of the Department to provision of health services to participants is shared by State and local agencies. However, it also follows that these agencies which do not already have an existing health care system must instead find other funding resources to provide the health services required by the WIC Program. Often, WIC administrative funds are one of the few resources available.

Also of great concern is the method by which this provision would be implemented. First of all, there is among State agencies considerable diversity in the scope, operation and administration of health services. It would take a major long term study to gather all the data which would be necessary to incorporate this factor in the administrative formula. Further, there is difficulty in defining precisely what constitutes excellent, average or poor health care, and the results of the analysis could be arbitrary. We believe that any factor used in an administrative funding formula should be consistent, equitable and not subject to dispute as to its accuracy. It is our belief that the administrative funding formula should focus on factors which are truly indicative of higher operating costs. A factor such as the type of health delivery system in operation within a State agency penalizes State agencies which are less fortunate in the resources available to them and, therefore, have a greater need for administrative funds.

The proposed amendment also requires that density of the population participating in the WIC Program be considered. It should be pointed out that the administrative funding formula now in use distributes over 90 percent of the administrative funds based on each State agency's food grant (each State agency receives either 25 percent of the previous fiscal year's fourth quarter food grant, or 23 percent of the food grant for the quarter being funded, whichever is greater). As the food grant is based on the number of children under five years below 200 percent of poverty level, population is heavily considered in the formula. The remaining administrative funds are allocated based on each State agency's percent of rural births and to those State agencies which have salaries for State and local government employees which are above the national average salary. These factors were based on the contention that salaries and the degree of rurality in a State agency impose higher operating costs.

In regard to the rurality factor, FNS recently conducted a survey of participants to assess the level of services being received. One of the areas researched was the number of clinics which offered primary health care (first-contact care, with continuing responsibility for patients even in the absence of disease, and integrating patients with other aspects of health care). The survey found that 86.5 percent of clinics in urban areas offered primary health care, while 61.9 percent of clinics in rural areas offered such care. While these percentages do indicate that the majority of clinics offer comprehensive health care, it does reveal that rural areas offer such services less than urban areas, probably due to funding limitations.

In summary, the Department is extremely conscious of the need to tie the WIC Program to ongoing health services so that participants may receive optimal benefits from the WIC Program. We believe that the majority of participants who desire health services are currently receiving such services, and that the WIC Program has contributed significantly to the improved delivery of health services to the WIC target population. However, as limited funds are available for health care services, it is often beyond the control of many State and local agencies to obtain the monies needed to finance such services. WIC Program administrative funds, to a certain degree, do provide some financial relief in this area.

We do share your concern and commitment on this issue, but believe that the modification to the administrative funding formula may not be the strongest method to improve health services to WIC participants. Instead, we believe improvement of health delivery can be better achieved through program management initiatives.

Again, thank you for the opportunity to express our comments on the proposed amendment.

Sincerely,

ROBERT GREENSTEIN.

Mr. EAGLETON. Mr. President, I find myself in complete sympathy with what this amendment seeks to accomplish. Clearly, the special supplemental feeding program for women, infants, and children has a dual purpose—to provide supplemental foods, but only as an adjunct to good health care. The authorizing legislation makes it clear that the program is not simply a feeding program, but is to be targeted to those individuals who are at special risk with respect to inadequate nutrition or health care or both, and the program seeks to provide a comprehensive attack on these special problems.

A General Accounting Office report on WIC dated February 27, 1979, specifically recommended a better health services tie-in. GAO found that while many State and local programs had achieved the strong health component that the Congress intended, in other States health services were not available, or were not being used. GAO further found that States and USDA did not take adequate steps to insure a good tie-in with health care.

This amendment would attempt to place emphasis, through discretion in administrative funding, on the health care components of WIC.

I have been advised that the amendment as written would be difficult, if not impossible, to administer. I can see where some problems would occur. It is my understanding that the Senator from North Carolina intends to withdraw his amendment, and it is for that reason that I am supporting it at this time. I would hope that the Department of Agriculture would receive a strong message that they need to improve the tie-in to health care, and examine ways to accomplish those that are administratively feasible. Frankly, I intend to pursue this during my review of the WIC budget.

Mr. MORGAN. Therefore, Mr. President, I now withdraw my amendment No. 194.

I thank the Chair.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. DOLE. Mr. President, I suggest the absence of a quorum, the time to be equally divided on each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from West Virginia.

CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 180, S. 985.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 985) to amend the Consolidated Farm and Rural Development Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture, Nutrition, and Forestry, with an amendment to strike all after the enacting clause and insert the following:

That section 346 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994) is amended by inserting "(a)" after "Sec. 346." and adding a new subsection (b) as follows:

(b)(1) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Agricultural Credit Insurance Fund as follows:

"(A) real estate loans, $1,615,000,000, including $1,500,000,000 for farm ownership loans of which $1,400,000,000 may be for insured loans and $100,000,000 may be for guaranteed loans with authority to transfer amounts between such categories, and $100,000,000 for water development, use, and conservation loans of which $90,000,000 may be for insured loans and $10,000,000 may be for guaranteed loans with authority to transfer amounts between such categories;

"(B) operating loans, $1,200,000,000, of which $1,150,000,000 may be for insured loans and $50,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; and

"(C) emergency insured and guaranteed loans in amounts necessary to meet the needs resulting from natural disasters.

"(2) Loans for each of the fiscal years 1980, 1981, and 1982 are authorized to be insured, or made to be sold and insured, or guaranteed, under the Rural Development Insurance Fund as follows:

"(A) insured water and sewer facility loans, $1,000,000,000;

"(B) industrial development loans, $1,500,000,000, of which $100,000,000 may be for insured loans and $1,400,000,000 may be for guaranteed loans with authority to transfer amounts between such categories; and

"(C) insured community facility loans, $500,000,000.".

● **Mr. TALMADGE.** Mr. President, S. 985 must be enacted to meet the requirement of section 346 of the Consolidated Farm and Rural Development Act that lending levels be established for the loan programs under the act. Under this bill, lending levels for the loan programs are provided for fiscal years 1980 through 1982.

The loan programs under the Consolidated Farm and Rural Development Act are among the best Federal assistance programs. They operate at a relatively small cost to the Government compared to the benefits they provide. And for many of our Nation's family farmers and rural communities, these programs provide credit that cannot be obtained from other sources in amounts sufficient to meet their needs.●

● **Mr. ZORINSKY.** Mr. President, S. 985 sets lending limits for the loan programs under the Consolidated Farm and Rural Development Act for fiscal years 1980, 1981, and 1982.

The Consolidated Farm and Rural Development Act authorizes Federal loan and grant programs for family farmers and ranchers, rural communities, and rural development groups. The act is administered by the Farmers Home Administration.

NEED FOR LEGISLATION SETTING LENDING LIMITS

Section 346 of the act provides that, effective October 1, 1979, the aggregate amounts of loans made through the loan programs under the act during each 3-year period thereafter may not exceed lending levels established by law. This provision creates the need for legislation every 3 years setting lending levels for the loan programs under the act.

Section 346 also provides that two amounts must be established for each loan program under the act—one against which direct and insured loans will be charged, and one against which guaranteed loans will be charged—with or without authority for the Secretary of Agriculture to transfer amounts between categories within a given program for more effective administration.

Under the requirements of section 346, legislation to establish authorized lending levels for the programs under the act for the initial 3-year period—during fiscal years 1980, 1981, and 1982—should be enacted before the beginning of fiscal year 1980.

S. 985 meets this need by amending section 346 of the act to add a new subsection establishing lending levels for the loan programs under the act for each of the fiscal years 1980, 1981, and 1982 and specifying how much is to be allocated, in each program, to insured and guaranteed loans.

Specifically, new subsection (b) provides the following lending levels for the programs for each of the fiscal years 1980, 1981, and 1982:

(1) Real estate loans, $1.615 billion.

(2) Operating loans, $1.2 billion.

(3) Emergency loans, amounts necessary to meet needs resulting from natural disasters.

(4) Insured water and sewer facility loans, $1 billion.

(5) Business and industrial loans, $1.5 billion.

(6) Insured community facility loans, $500 million.

In addition, the increased levels take into account that continuation of inflation in the costs of agricultural production, as well as in other costs of living, will drive up the amounts of individual loans. If overall lending levels remain the same, fewer applicants will be able to obtain loans and, if the demand for loans remains constant, the backlog of requests will increase.

It should be noted that the assistance provided through the loan programs under the act is in the form of loans that are eventually repaid. The Farmers Home Administration borrowers have an outstanding repayment record, so that the default rate on these loans is very low. Further, the interest rates on most loans under the act are at or near cost of money to the Government, so that interest subsidy costs are relatively small compared to, and are far outweighed by, the benefits provided.

NEED FOR INCREASED LENDING LEVELS

S. 985, as amended by the Committee on Agriculture, Nutrition, and Forestry, contains lending levels higher than the amounts actually being loaned under the act during the present fiscal year.

This is necessary, because the needs of many farmers and ranchers for credit to finance agricultural production, and the needs of rural communities for credit to finance rural development projects, exceed the credit now being made available by commercial lenders, the farm credit system, and the Farmers Home Administration. In most of the major loan programs under the act, the demand for credit far exceeds the amount of money available. With 4½ months left in fiscal year 1979, the Farmers Home Administration has already obligated all the money made available for loans in several States.

Mr. President, this legislation must be enacted to comply with the requirements of the Consolidated Farm and Rural Development Act. The lending levels set in the bill are realistic and responsive to the needs of the Nation's family farmers. I urge the Senate to approve this measure.●

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The **PRESIDING OFFICER.** The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The **PRESIDING OFFICER.** The question is, Shall the bill pass?

The bill (S. 985) was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOHN WAYNE GOLD MEDAL

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 631.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 631) entitled "An Act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne", do pass with the following amendment:

Strike out all after the enacting clause, and insert:

That (a) the President of the United States is authorized to present on behalf of the Congress, to John Wayne, a gold medal of appropriate design in recognition of his distinguished career as an actor and his service to the Nation. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions, including "John Wayne, American", to be determined by the Secretary of the Treasury. There are authorized to be appropriated not to exceed $15,000 to carry out the provisions of this subsection.

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be struck and sold at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, plus 25 per centum of such cost of manufacture. The appropiration then current and chargeable for the cost of manufacture of such duplicate medals shall be fully reimbursed from the payment required by this section and received by the Secretary, except that any money received in excess of the actual cost of manufacture of such duplicate medals shall from time to time be covered into the Treasury. Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States fully for the payment required by this section.

(c) The medals provided for in this Act are national medals for the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368).

● Mr. DOLE. Mr. President, I would like to express my support of this resolution to authorize the President of the United States to present, on behalf of the Congress, a specially struck gold medal to John Wayne.

Through the issuance of these gold medallions, the Congress regularly pays tribute to men and women of achievement and distinction in our country. But seldom are we able to honor as great a man as John Wayne.

For nearly 50 years John Wayne has been an American institution. Though an actor by trade, he has been a symbol of all that is good in America. John Wayne's exuberance and strength have inspired our people as have few other American figures. But John Wayne is loved most of all for his strong and abiding faith in our country and the ideals and dreams it represents. His is a proud patriotism, unashamed of its love for this land. I think it is because of this belief in America that John Wayne is so admired. I share the sentiments of Senator GOLDWATER, when he said that the American people have an affection for John Wayne such as they have had for very few people in the history of this Nation.

John Wayne is known for his durability and resiliency. He is once again showing those characteristics as he battles cancer. I think I can safely say that America's respect for this man continues to grow as he faces his affliction with dignity and resolve. We wish him good health and we extend a collective prayer for his recovery.●

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

ETHICS IN GOVERNMENT ACT OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 2805, a bill making technical corrections in the financial disclosure provisions in the Ethics in Government Act of 1978, which is being held at the desk be called up for immediate consideration.

Mr. STEVENS. Mr. President, I understand this has been cleared, and I join with the majority leader.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2805) to make technical and conforming changes to the financial disclosure provisions in the Ethics in Government Act of 1978.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. STEVENS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENS. Are there any amendments to that measure?

The PRESIDING OFFICER. There are no amendments.

Mr. STEVENS. I thank the Chair.

Mr. LEAHY. Mr. President, reserving the right to object, what does this do?

Mr. ROBERT C. BYRD. It makes technical corrections in the Ethics in Government Act of 1978. There is no objection on either side.

Mr. STEVENS. It is a measure passed by the House as I understand it.

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. No objection.

There being no objection, the Senate proceeded to consider the bill.

● Mr. RIBICOFF. Mr. President, as chairman of the Committee on Governmental Affairs, I urge the Senate to pass H.R. 2805. This legislation makes technical, conforming, and noncontroversial changes in the financial disclosure provisions in the Ethics in Government Act of 1978. This legislation was overwhelmingly approved by the House of Representatives last week. The Senate Governmental Affairs Committee discussed it at a markup on May 10, 1979. Because of the technical and noncontroversial nature of this legislation, the need to pass this legislation as quickly as possible, and the involvement of our committee staff in the drafting of the original legislation, it is appropriate that this bill be immediately considered without further committee action. Therefore, after consulting the members of the committee, Senator PERCY and I support discharging this bill from committee and having it immediately considered by the Senate.

Since the passage of the Ethics in Government Act of 1978, certain technical and drafting problems have been brought to our intention. H.R. 2805 corrects these problems in a manner which implements the intent of Congress when it passed the financial disclosure provisions in the Ethics in Government Act.

This legislation was drafted jointly by the staffs of the Senate Governmental Affairs Committee, the House Judiciary Committee, the House Post Office and Civil Service Committee, the Senate Ethics Committee, the House Committee on Standards and Conduct and the Office of Government Ethics. In addition, public interest representatives were consulted on this legislation and made contributions to it. Nothing was put in H.R. 2805 as introduced in the House of Representatives which was objectionable to any of these individuals and organizations.

The more important provisions of this legislation are discussed in some detail later in this statement. I will ask that a detailed summary of the legislation be printed in the RECORD at the conclusion of my remarks.

Section 2 of H.R. 2805 states that individuals working for 60 days or less in a calendar year are not required to file any kind of public financial disclosure statement. The Ethics in Government Act did not require annual financial disclosure statements from people who perform the duties of their office or position for 60 days or less in a calendar year. However, it was not clear from the statute whether that same 60-day threshold applied to the reports filed when an individual joins the Government and to the termination report required when an individual leaves the Government. This provision and the Ethics in Government Act have no effect on the obligation under executive order to file a confidential financial disclosure statement.

Some of the individuals affected by section 2 of H.R. 2805 hold positions which are subject to the advice and consent of the Senate. The fact that a public financial disclosure form is not required of such an individual in no way limits the ability of a Senate committee considering the confirmation of such an individual to require that the nominee provide whatever financial information that committee wants. It would then be up to the committee to decide what if any of the information provided is to be made public. If a committee so desires, it could require the public filing of a financial disclosure statement containing the information described in the Ethics in Government Act of a person serving on an advisory committee only 3 or 4 days a year. What H.R. 2805 does is say that, in general, people serving less than 60 days do not have to file public disclosure statements; however, this in no way limits the discretion of a Senate committee in considering a nominee to make its own decision on a case-by-case basis.

Section 2(b) of H.R. 2805 clarifies a provision in the Ethics in Government Act which defines when legislative branch personnel have to file a financial disclosure form. Only those legislative branch employees who are employed on May 15 of a particular year are required to file a form covering the previous calendar year. However, the provision states that the Senate and the House have the authority in their rules to require additional statements. For example, at the present time the Senate in its rules requires that an employee file a termination report upon leaving the Senate. Title II and title III of the Ethics in Government Act require similar termination reports from executive and judicial branch employees.

If an employee should work all of calendar year 1978 and leave employment with the Congress in April of 1979, the statute would not require that that person file any financial disclosure report for calendar year 1978. However, pursuant to the Senate rules, upon leaving the Senate, that employee would have to file a disclosure form covering calendar year 1978 and that part of calendar year 1979 up to the date that the individual left the Senate. On the other hand, at the present time the House of Representatives has no rule requiring such a termination report. Section 2(b) of H.R. 2805 gives the House authority to adopt such a rule but does not require it to do so.

Section 2(c) provides additional flexibility in the Ethics in Government Act where the experience of the Senate Ethics Committee has indicated that flexibility is needed. This provision responds to the situation where a person is providing services for the Government and that individual has worked or is expected to work more than 60 days in a calendar year. Since the Senate Ethics Committee counts any part of a day worked as 1 day toward the 60-day threshold, an individual could have worked for 1 hour on each of 60 days and reached the threshold requiring filing of a financial disclosure report.

In an unusual situation where the person's skills are specially needed by the Government and conflict of interest problems are unlikely, the relevant ethics committees and the Office of Government Ethics are given the authority to grant a publicly available request for a waiver. The waiver would permit the individual to continue to provide the services to the Government and not have to file a public financial disclosure report up to the point that the individual has worked for 130 days in a calendar year.

The exact language of this provision—section 2(c) of H.R. 2805—contains the condition that an individual "is not a full-time employee of the Government." The legislative history of this provision in the House of Representatives makes it appear that a very technical meaning was given to that phrase; namely, that the person had to be a "part-time employee" and that the waiver "would not be available to a full-time temporary employee." We share the concern of the House sponsors that this provision be used in unusual situations and that it not serve as a basis for regular extensions of the 60-day exclusion to become a 130-day exclusion.

However, we do not believe that the appropriateness of a waiver should turn on whether or not an individual worked for the Government a full day rather than working part of a day for each of the days covered. The overriding test should be whether an individual is in essence a full-time employee of the Government or whether he is providing special intermittent services of a limited nature which justify the unusual action of granting a waiver.

Section 4(a) of H.R. 2805 defines the term "executive branch" as it is used in title II of the Ethics in Government Act. It was the intent of the Government Affairs Committee (and I am sure the intent of the Congress when it passed the Ethics in Government Act) that the term "executive branch" would be interpreted broadly so that all Federal Government employees would be covered by titles I, II, or III of the Ethics in Government Act. Title I covers the legislative branch and is quite specific in defining who is a part of the legislative branch. Title III covers the judicial branch and is also quite specific as to who is included. It was the intent of Congress that all other Government employees be covered by title II and be considered part of the executive branch.

Some individuals and organizations have raised questions as to whether certain offices or units are part of the executive branch, such as the independent regulatory agencies. There is no question in my mind that Congress intended to cover the independent regulatory agencies as well as all other offices and units of the Federal Government.

H.R. 2805 inserts a definition of "executive branch" so that there will be absolutely no question about the intent of Congress. That definition is intended to make it clear that all the independent regulatory agencies are considered part of the executive branch for the purpose of this statute and are covered by title II of the Ethics in Government Act. Similarly, the employees of the White House and Executive Office of the President are covered by title II. The definition added contains the broadest possible definition of executive branch; it states that all such agencies, entities, or units of the Federal Government are to be covered by title II unless they are specifically included in the coverage of title I or title II of the Ethics in Government Act.

It bears restating that it is our intent to cover all officers and employees of the U.S. Government who are compensated at a level equivalent to GS-16 or above. There will be agencies, committees or boards that the drafters of this legislation did not specifically consider. It is our hope that the Office of Government Ethics will interpret the coverage of this act consistent with the intent of Congress; the divisions between titles I, II, and III are administrative in character and govern where an individual will file his disclosure statement. The overall intent of the Congress was to cover all officers and employees of the Federal Government who are in a position compensated at GS-16 or above in one of the three titles of the Ethics in Government Act.

Consistent with the broad definition of executive branch described above, a number of agencies were specifically considered by the drafters of this legislation. Those agencies were specifically included in one title or the other to meet the specific needs of each situation. For example, the National Commission on Air Quality was designated a legislative branch agency for the purpose of this statute, and the Tax Court was designated as a judicial branch agency for the purpose of this statute.

Section 7(a) of H.R. 2805 amends the blind trust provisions of titles I, II, and III of the Ethics in Government Act to permit an investment adviser to be a trustee of a qualified blind trust.

Section 7(b) of H.R. 2805 places the responsibility on the supervising ethics office to promulgate regulations defining what type of investment advisers can hold this responsibility.

The permissible types of trustees were expanded to include some investment advisers because investment advisers are regulated by the Securities and Exchange Commission. Many investment advisers are experienced in handling the investment of the funds of others and have experience in dealing with fiduciary relationships. However, we are well aware that there are investment advisers registered with the SEC whose only function in this area may be the publishing of an investment newsletter. It is our feeling that simply being an investment adviser is not in itself enough to qualify as an acceptable trustee. That is why the additional requirement is put in section 7(b) that the investment adviser be generally involved in the management or control of trusts. We are particularly concerned that people be aware of the nature of a fiduciary relationship and be aware of their obligations, both of a professional nature and of their obligations under this statute.

While no specific definition of investment adviser is put in the statute, we would expect that the regulations promulgated by the supervising ethics offices would start with those who are considered investment advisers under the relevant securities statutes and are, therefore, registered and regulated by the SEC. Then that group should be narrowed by regulation to only cover those who meet the other requirements set forth in section 7(b). In no case should someone be considered an acceptable trustee by reason of their being an investment adviser if that individual is not an investment adviser within the definitions contained in the securities laws. The intent of this provision was to cover some registered and regulated investment advisers, but not to cover anyone who was not registered with the SEC.

Section 8 of H.R. 2805 provides requirements which an individual must fulfill before he can examine or copy a public financial disclosure statement. This provison was added by amendment during consideration of H.R. 2805 in the House of Representatives.

The Ethics in Government Act as it originally passed the Senate last Congress contained a similar provision requiring that a person looking at a financial disclosure form give his name and address, and the name and address of the person on whose behalf the individual was looking at the form. That provision was rejected by the House of Representatives on the House floor last year and was dropped in conference at the request of the House.

As reflected in H.R. 2805, the House of Representatives has changed its mind and decided that it would be appropriate to have people who desire to see a financial disclosure form give their name, occupation, and address and the name and address of any other person or organization on whose behalf they are inspecting or copying the financial disclosure statement.

The provision in H.R. 2805 dealing with applications for inspection of reports goes one step further than the Senate did last Congress. It requires that the written application by a person seeking to examine or copy a report state that such a person is aware of the prohibitions on the obtaining or use of the report. There are specific provisions in the Ethics in Government Act which prohibit the use of public financial disclosure report for determining the credit-rating of an individual, for fund raising, and for other specified purposes. It was the desire of the House of Representatives that each individual inspecting a financial disclosure report be made aware of those prohibitions. This is perfectly reasonable and can be accomplished by the office which makes the public financial disclosure report available simply giving a copy of these prohibitions to the individual examining a report. It is not necessary that an individual sign a statement saying that they are aware of the statutory prohibitions on misuse of the report, or that the statutory prohibitions actually be on the written application filled out by the individual seeking to examine a financial disclosure report.

This is particularly important with respect to people who will request a copy of a financial disclosure report by mail. If a person gives his name, address and occupation and the name and address of the person or organizations on whose behalf they are seeking the report, it is perfectly appropriate to send a copy of the requested disclosure report directly to that individual and to include a copy of the statutory prohibitions on misuse of the report. Such a procedure would satisfy the requirements of section 8 of H.R. 2805; it is not necessary that a particular form be completed.

In any provision which requires people to give information before they can see a financial disclosure report, the interest in protecting against the misuse of the public financial disclosure reports must be balanced against the possibility that such a requirement will intimidate a member of the public from seeking to examine a public financial disclosure report. The House was interested in providing the "footprints in the sand" necessary for effective enforcement of the prohibitions on certain uses of the information in the disclosure report. This should be done in a way which is the least intimidating and least onerous for the members of a public who are attempting to examine these public financial disclosure statements.

My staff has discussed this potential problem with the staff of Congressman HARRIS and it is our understanding that Congressman HARRIS agrees with this goal and will be communicating his views on this issue to the Office of Government Ethics. If this provision is interpreted in a reasonable way, it can serve the legitimate governmental interest in being able to enforce the prohibitions on misuse of the disclosure reports while at the same time not intimidating the public from the proper uses and examination of the financial disclosure reports.

Mr. President, I ask that a section-by-section summary of H.R. 2805 be printed at this point in the RECORD.

The summary follows:

PURPOSE

The purpose of the proposed legislation is to provide for a series of clarifying changes and corrections to Titles I, II, and III of the Ethics in Government Act of 1978. These titles of the Act require officials and top level employees of the legislative, executive, and judicial branches, along with certain candidates for federal office, to disclose their income, assets and financial transactions in annual reports which will be available to the public inspection.

OUTLINE OF THE BILL

SECTION 1

This section states that references to sections or provisions are to the Ethics in Government Act of 1978.

SECTION 2

Temporary employment

Subsection (a)(1) [p. 2] amends 101(c), in the Congressional Disclosure title, to provide that individuals who will be employed for less than 60 days would not have to file initial disclosure reports. If in fact they serve more than 60 days, they will then have to file the initial reports.

Subsection (a)(2) provides similar provisions for the Executive Branch so that, upon designation, a person expected to serve for less than 60 days need not file.

Subsection (a)(3) provides similar provisions for the Judicial Branch so that, where determined by the Judicial Ethics Committee, a person expected to serve less than 60 days need not file.

Congressional filing—Report on termination

Subsection (b)(1) and (2) [p. 3] clarifies Section 101(b) of the Act to state that other officers and employees actually serving for the Congress on May 15 are required to report.

Subsection (b)(3) [p. 3] adds 101(b)(2) to the Act to provide that the rules of either the House or the Senate may require termination reports for departing employees and officers.

Waiver of filing for special employees serving less than 130 days

Subsection (c)(1) [p. 4] authorizes the designated Committees of the House and Senate to waive reporting by employees of less than 130 days who provide special services if it is determined that it is unlikely there will be conflict of interest. (New section 101(h)). To grant a waiver, the committee must first determine (1) that the person is a part-time employee; (2) that the individual's services are specially needed; (3) that a conflict of interest is unlikely; and (4) that the circumstances do not require public disclosure.

Subsection (c)(2) adds parallel language for the Executive Branch. (New 201(i)).

Subsection (c)(3) adds parallel language for the Judicial Branch. (New 301(g)).

SECTION 3

Gifts and reimbursements

Subsection 3(a)(1) [p. 6] adds a new subsection (g) to Section 102 (Legislative Branch) to provide that the reporting of gifts and reimbursements under section 101 is not required for periods when a reporting individual was not a Member or employee.

Subsection 3(a)(2) amends section 202 to add a parallel provision (subsection (h)) for the Executive Branch.

Subsection 3(a)(3) adds a new subsection (h) to section 302 to do the same for the Judicial Branch.

Waiver of gifts

Subsection 102(a)(2), 202(a)(2), and 302(a)(2) [p. 7] are amended to provide a waiver of reporting of any type of gift in unusual cases where a publicly available request for the waiver is granted. The present language allows for such waivers on all tangible gifts.

The last sentence of subsection (a)(2)(B) of each of the above paragraphs is stricken to take out the present waiver for gifts other than transportation, lodging, food, or entertainment.

SECTION 4

Coverage

Subsection (a) of the bill as originally introduced adopts the definition of "executive branch" as defined in section 105 of title 5, United States Code. The committee amendment clarifies the language by including any other entity or administrative unit as part of the executive branch for purposes of the disclosure provisions of the Ethics in Government Act unless the agency entity or unit "is specifically included in the coverage of title II or III" of the Act.

Subsection (b) [p. 8] includes the National Commission on Air Quality as a legislative organization in Title I, since the place of reporting of this hybrid agency is otherwise unclear.

Subsection (c) [p. 8] includes coverage of the Tax Court in Title III (Judicial) for filing purposes.

Subsection (d) inserts "described" in lieu of "designated" in 101(b)(c) and 201(a)(d)(e). This is a grammatical correction.

Subsection (e) amends section 101(b) by substituting "described" for "as described". This is a grammatical correction.

Subsection (f) amends section 101(c) clarifies that one who is for the first time assuming a covered position in the legislative branch has 30 days to file the initial report.

Subsection (g) amends 201(f)(6) so as to make clear that officers and employees of the Postal Rate Commission are among those subject to the disclosure provisions. This is done by inserting "or Postal Rate Commission" after "United States Postal Service".

SECTION 5

Candidates

The section adds a new sentence to sections 101(d) and 201(c) to clarify that defeated candidates after an election do not have to file disclosure reports even though they may continue an election committee to pay debts. This is accomplished by adding the following sentence to each subsection:

"Notwithstanding the preceding sentence, in any calendar year in which an individual continues to be a candidate for any office but all elections for such office relating to such candidacy were held in prior calendar years, such individual need not file a report unless he becomes a candidate for another vacancy in that office or another office during that year.".

SECTION 6

Information as to spouses

The section amends section 102(d), 202(e), and 302(e) by making technical changes without any changes in substance. The changes correct language and punctuation, and clarify that the subsections refer to gifts received by the spouse.

SECTION 7

Blind trust provisions

Subsection (a) amends sections 102(e)(3)(A), 202(f)(3)(A) and 302(f)(3)(A) by inserting the words "a broker or an investment adviser" for "or a broker". This makes it possible for an investment adviser to be a trustee for a qualified blind trust.

Subsection (b) amends section 102(e)(3), 202(f)(3) and 302(f)(3) to provide that the relevant Ethics Office will issue regulations to define "investment adviser".

Subsection (c) amends section 102(e)(3)(A)(ii), 202(f)(3) (A)(ii) and 302(f)(3)(A)(ii) to correct the first two words so that "is or" will read "is not or". The word "not" was omitted and is necessary to the meaning of the provision.

Subsection (d)(1) amends subparagraph (D) of section 102(e)(3) to correct an inaccurate statutory reference to section 3(a)(4) of the Securities and Exchange Act of

1934 (15 U.S.C. 78c(a)(4)) defining "broker" and makes a grammatical change as to "the reports" filed under the title. Subsection (d)(2) and (d)(3) make parallel amendments to titles II and III.

Subsection (e) clarifies subparagraphs (A)(ii) and (B) of sections 202(f)(5) and 302(f)(5) by stating that the reference to subsection "(d)" is subsection (d) "of this section". (A committee amendment corrects the reference to sections 202(f)(5)(A)(ii) and 302(f)(5)(A)(ii).)

Subsection (f) amends section 102(e)(5)(D), 202(f)(5)(D) and 302(f)(5)(D) by stating that the Act's provisions of public access will apply "with respect to such documents and lists" filed concerning blind trusts.

SECTION 8

Section 8 amends section 104(c), section 205(b), and section 305(b) of the Act by adding a new numbered paragraph to each subsection requiring a person to make a written application in connection with a request for inspection or a request for a copy of a financial report filed under the Act.

SECTION 9

Miscellaneous

Subsection (a) clarifies section 103(f)(2) by stating that it is the responsibility of the designated committee of the House of Representatives to develop reporting forms and promulgate rules and regulations.

Subsection (b) inserts the word "held" in paragraph (6) of section 102(a) since that word was inadvertently deleted in the preparation of the Ethics in Government Act. (Parallel provisions in titles II and III include the word "held".)

Subsection (c)(1) is restated to clarify what information is required in the abbreviated initial report filed by people joining the Legislative Branch. No substantive changes are intended and the restatement uses subparagraphs to make the intent of the provisions clear.

Subsection (c)(2) and (3) make the same changes in titles II and III.

Subsection (d) amends section 107(1), 209(1) and 308(1) to change the definition of income derived from business in the relevant definition section of each of titles I, II and III. The sections now require net and gross income derived from business to be reported. Thus the disclosure of net income is required even though the individual has already disclosed gross. The amendment would require the disclosure of gross income derived from business and make it optional with the individual whether or not he decides to disclose net income.

Subsection (e)(1) repeals section 402(d) to eliminate a requirement that the Director of the Office of Government Ethics develop and the Office of Personnel Management promulgate regulations establishing a method of determining the fair market value of assets without expert appraisal. Sections 101(c)(2), 202(d)(2) and 302(d)(2) contain various methods for determining the current value of real property. Further, subsection (e)(2) amends section 402(b) by adding a new paragraph (15) to allow the Director of the Office of Government Ethics to develop regulations on valuation when he determines they are necessary or desirable for disclosure under the provisions of title II.

Subsection (f) amends section 204(c) to correct a reference to the "Civil Service Commission" to read "Office of Personnel Management" to reflect the new name of this office.

Subsection (g) amends section 107(16) by correcting the quotation marks in the paragraph. This corrects a typographical error.

Subsection (h) amends 201(e) by clarifying the fact that the calendar year referred to is that in which the termination of employment occurs.

Subsection (i) amends 201(g) by deleting the words "established by title IV of this Act" as unnecessary.

Subsection (j) amends sections 102(a)(7), 202(a)(7) and 302(a)(7) by striking the colon after the words "arrangement with respect to". This is a grammatical correction.

Subsection (k) amends section 203(a) by inserting after "is employed" the following: "(or in the case of an individual described in section 201(e), was employed)" in order to make the subsection references clear as they relate to former employees who come under the Act.

Subsection (l) amends section 205(c)(1) by striking out the comma immediately after "obtain". This is a grammatical correction.

Subsection (m) amends section 206(a) by striking out "shall be" and inserting in lieu thereof "is". This is a grammatical correction.

Subsection (n) amends section 207(b) by inserting a comma immediately after "require disclosure". This is a grammatical correction.

Subsection (o) amends section 209(2) by inserting a comma immediately after "grandson". This is a grammatical correction.

Subsection (p) amends section 301(d) by inserting a comma immediately after "employee shall"; and by striking out "that calendar year" and inserting in lieu thereof "the calendar year in which such termination occurs". The first is a grammatical correction and the second makes clear which "calendar year" is named.

Subsection (q) amends section 302(f)(6)(B)(i) by striking out the comma immediately after "paragraph (3)(C)" and inserting a comma immediately after "subsection". This is a grammatical correction.

Subsection (r) amends section 303(c)(6) by adding "and" at the end thereof. This is a grammatical correction.

Subsection (s) amends section 402(b)(1) by correcting the spelling of "consultation" and making two grammatical corrections by striking out one comma and adding another.

Subsection (t) would amend section 108 by inserting language referring to persons "holding the office of Member" so as to make it clear that the Ethics in Government Act disclosure provisions supersede provisions of any State or local statute as to disclosure by Members of Congress.●

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SPECIAL SUPPLEMENTAL FOOD PROGRAM AUTHORIZATION, 1980

The Senate resumed consideration of the bill.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield to the Senator.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BELLMON. Mr. President, I call to the attention of the distinguished Subcommittee Chairman the Food and Nutrition Program Optional Consolidation and Reorganization Act of 1979 (S. 605). This legislation, which was reintroduced by Senator DOMENICI and myself on March 8, represents an important innovation which merits inclusion in the Nation's food and nutrition legislation.

Mr. President, the Senator from South Dakota and I have discussed this legislation before, and I am sure that he would agree the idea has merit. Since the proposal has been aired before, I will confine my remarks to a brief summary of the legislation and some supporting material.

Mr. President, the Food and Nutrition Program Optional Consolidation and Reorganization Act of 1979 provides a choice of program design and administration to the States with respect to a cluster of presently-existing categorical food and nutrition programs. No State is required to undertake such a consolidation, however, and the exercise of the option is entirely at the initiative of each State.

If a State chose to consolidate these programs for State program design and administration, it would receive the amount of funds currently received through some 14 categorical programs; if a State did not choose to exercise the consolidation option, it would continue to receive program funds as always, through individual categorical programs and according to nationally-established criteria.

If a State chose the consolidation route, it would be eligible for bonus funding up to 10 percent of the total amount currently received in the separate programs, providing the State matched the Federal bonus. This provision means that a maximum of 20 percent new funding is possible under my amendment.

The programs which my proposal would consolidate are these:

The food stamp program provided for under the Food Stamp Act of 1977.

The child-feeding programs provided for under the National School Lunch Act and the Child Nutrition Act of 1966, including—

The national school lunch program.

The school breakfast program.

The child care food program.

The summer food service program for children.

The special milk program.

The special supplemental food program for women, infants, and children (the WIC program).

The supplemental food program.

The nonfood assistance program (equipment).

State administrative expenses.

Nutritional training and survey program.

Special developmental projects.

The expanded food and nutrition education program provided for under the Smith-Lever Act, as amended.

THE COMMODITY SUPPLEMENT FOOD PROGRAM

Mr. President, each of these 14 programs is currently administered through the Department of Agriculture at the Washington level. Other food and nutrition programs administered through such agencies as HEW and CSA as well as commodity distribution programs would not be consolidated, but States which choose to consolidate would be required to account for all State and Federal food and nutrition programs in the required comprehensive State plan mandated by my proposal, so as to avoid overlap and duplication.

The requirements of the State plan, Mr. President, are stringent, and the Secretary of Agriculture will not approve a State's plan unless these requirements are met. There are similarly stringent provisions for audit and evaluation, and the Secretary has broad powers to penalize States which do not perform according to their own plans through withholding funds, seeking an injunction, or terminating consolidation and forcing a return to the categorical method of operation.

Mr. President, this is a proposal for consolidation for State administration, rather than an unrestricted block grant to States. It is to be based on an assessment of nutritional need of a State's various populations with special attention given to the neediest people, including infants, expectant mothers, elderly people, institutionalized populations, and isolated populations of the State, who are living in conditions of poverty or who are unable to provide themselves with an adequate nutritional diet.

The State plan is to be created through the widespread participation of interested citizens, local organizations, units of general local government, and appropriate State agencies, and there will be the highest degree of "sunshine" in its development and operation.

Mr. President, my proposal is born of the realization that much of the difficulty we have in Federal-State relationships and much of the disaffection currently expressed by citizens toward the efforts of Government is related to the assumption that we can structure Federal categorical programs which are appropriate across the broad range of geographic, demographic, economic, and social conditions which make up this country. We have been hampered by the feeling that all wisdom resides in Washington and that all programs must be designed here to apply in every State and every locality across the country.

My proposal provides an opportunity, limited in scope by the number of States which elect to try the optional consolidation, to find a better way of designing and operating food and nutrition programs.

When Senator DOMENICI and I appeared before the National Governors' Conference earlier this year, we were impressed with the level of interest expressed in the consolidation of Federal categorical programs for State administration and control. Specific evidence of that interest comes in a letter from Governor Atiyeh of Oregon, a copy of which I submit for the RECORD. Governor Atiyeh's response to the amendment which I am offering includes these comments: "The (bill) you are proposing is directly in line with Oregon's position that States should be allowed to develop consolidated and innovative approaches to Federal/State partnership programs.

Key components of the bill which I strongly endorse are as follows: Provides States flexibility in program administration. States are allowed the option to consolidate. If consolidation is chosen, the State determines the most appropriate single administrative unit for the program. Eliminates possible financial disadvantages to consolidation. Planning moneys are available; a possible allowance of an additional 10 percent increase above current program levels may be obtained if matched by State and local funds; and semi-annual adjustments and funding based on inflation are provided. Recognizes individual States' needs. Service priorities are based on a needs assessment of the citizens within a State and not confined to the categorical constraints of current 'separate' food and nutrition programs." Governor Atiyeh sums up by writing:

> The bill is a challenge to States to develop more efficient programs and provide improved and coordinated services to those in need in order to address and aid in the current rapid growth of our nation's social service programs. You have my support.

In testimony before the National Governors' Association on March 16 of this year, Gov. Richard Snelling of Vermont states:

> The governors' position is that federal budget reductions should be accompanied by consolidation of the hundreds of separate categorical grant programs, a stronger role for states in coordinating the allocation of resources, and a review of mandates through which the Federal Government has imposed the substantial costs involved in meeting national policy goals on state and local taxpayers.

At another point in his remarks, Governor Snelling reveals a willingness to adopt a State role of greater fiscal conservatism than my proposal, which does not cut funds and provides for a matched bonus. He stated:

> The governors have said that through consolidation we can deliver the same services for less money. Let me emphasize that we are not saying 'cut defense, or cut someone else's programs,' although neither do we believe that state and local grants should bear the whole brunt of the sacrifices that must be made. We will accept our share of the burden. I personally am willing to take cuts of up to ten percent in programs that are consolidated, and I believe that a substantial portion of those cuts will come out of overhead costs. Each governor has his own estimate of what amount he might be able to accept without loss of services. The amount would vary from state to state and from program to program. ACIR has identified 172 programs as candidates for consolidation, and certainly that list is a specific and well thought out starting point for congressional analysis. I will continue to work with the governors to develop further proposals for your consideration, and I hope that we can work with the Congress as well.

At that same Budget Committee hearing, representatives of the Nation's mayors and of the State legislatures also registered their support for bills such as my proposal.

I might say, Mr. President, that the Governors' Association has expressed a great preference for the consolidation of various categorical grant programs, and I hope the distinguished chairman of the subcommittee will agree that this approach needs hearings and needs to be aired and will perhaps give us some assurance that the bill will be slated for hearings later this year.

Mr. McGOVERN. Mr. President, if the Senator will yield, as he knows, the Committee on Agriculture, Nutrition, and Forestry is planning to hold hearings very shortly on amendments to the Food Stamp Act of 1977. I would think that could come as early as next month.

Immediately after that it would seem to me that it would be in order to move to hearings and consideration of the legislation that the Senator has referred to, S. 605, which he has introduced along with Senator DOMENICI.

I think that the Senator is aware of the fact that Senator DOLE and I have also introduced a resolution, Senate Resolution 90, calling for the Secretary to conduct a comprehensive study of the child and nutrition programs. It would seem to me that the logical thing to do would be for us to look at these proposals, to hold hearings on them together, and I think we could assure the Senator that those hearings would be held sometime this summer.

Mr. BELLMON. I thank the Senator from South Dakota and appreciate this assurance. We will be looking forward to the opportunity to appear.

Mr. McGOVERN. I thank the Senator.

Mr. BELLMON. Mr. President, my purpose in bringing up S. 605 for discussion at this time is to call attention to the fact that this is one nontraditional proposal worthy of serious consideration by the Senate as it reviews its food and nutrition legislation.

I feel strongly there is support for it across the country and I believe when hearings are held this support will be shown.

Mr. President, I ask unanimous consent that a letter dated April 27, 1979, from Victor Atiyeh, Governor of the State of Oregon, to Senator DOMENICI and me be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE GOVERNOR,
Salem, Oreg., April 27, 1979.

Hon. HENRY BELLMON, Hon. PETE V. DOMENICI.
U.S. Senators, Russell Senate Office Building, Washington, D.C.

DEAR SENATORS BELLMON AND DOMENICI: The Food and Nutrition Program Optional Consolidation and Reorganization Act (S. 605) you are proposing is directly in line with Oregon's position that states should be allowed to develop consolidated and innovative approaches to federal/state partnership programs.

Key components of the bill which I strongly endorse are as follows:

Provides States flexibility in program administration. States are allowed the option to consolidate. If consolidation is chosen, the State determines the most appropriate single administrative unit for the program.

Eliminates possible financial disadvantages to consolidation. Planning moneys are available; a possible allowance of an additional 10 percent increase above current program levels may be obtained if matched by State and local funds; and semi-annual adjustments and funding based on inflation are provided.

Recognizes individual States needs. Service priorities are based on a needs assessment of the citizens within a State and not confined to the categorical constraints of current "separate" food and nutrition programs.

Two suggestions for further improvement of the bill include:

(1) A provision that allows further consolidation of HEW and CSA Food and Nutrition Programs at the time of the fifth fiscal year evaluation; and

(2) A provision for consideration of population changes in readjustment of annual program funding.

The bill is a challenge to states to develop more efficient programs and provide improved and coordinated services to those in need in order to address and aid in the current rapid growth of our nation's social service programs. You have my support.

Sincerely

VICTOR ATIYEH,
Governor.

Mr. BELLMON. Mr. President, will the Senator yield me time?

Mr. DOLE. I yield time.

Mr. McGOVERN. Mr. President, I yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator is recognized.

OTHER CHILD NUTRITION SAVINGS

Mr. BELLMON. Mr. President, I would also like to ask the managers of the bill about the intentions of the Agriculture Committee regarding further legislation in the child nutrition area.

The President proposed a series of legislative changes to nutrition programs which would save about $500 million a year, beginning in fiscal year 1980. The President's proposals include the change in the WIC program provided for in S. 292 as it was reported by the Agriculture Committee. The President also proposed the changes in the special milk and summer feeding programs that I will be offering as amendments today.

The President also made a number of other cost-saving proposals which are not dealt with in either this bill, my amendments, or any other amendments of which I am aware. For example, the President wants to adjust the income guidelines for free-and-reduced price meals, so that those subsidies are focused more on children from lower income families. He also wants to reduce the subsidy for children from nonneedy families by 5 cents per meal.

When the Agriculture Committee made its recommendations to the Budget Committee on the fiscal year 1980 budget, it indicated that the President's proposed savings in child nutrition programs were more than the Agriculture Committee thought could be achieved. Instead, the Agriculture Committee suggested to the Budget Committee that savings of about $200 million in fiscal year 1980 be assumed in the budget resolution. The Budget Committee concluded that the Agriculture Committee was being less optimistic about savings than was justified and assumed another $100 million in legislative savings—for a total of $300 million below current law. That assumption was not changed by the action on the budget resolution here on the Senate floor or in the conference with the House.

Mr. President, the two amendments I will offer today will, if adopted, produce about two-thirds of the child nutrition savings assumed in the budget resolution. But, we still need some additional savings in order to implement the congressional budget. If my amendments are not adopted, or if any amendments which add money to this bill are successful, it will further increase pressure on the budget targets.

In view of this background, Mr. President, it seems to me very important that legislation dealing with the President's other child nutrition issues receive active consideration.

I would like to ask the managers of the bill if they will respond to these inquiries: What does the Agriculture Committee plan to do about the rest of the President's recommendations?

Mr. McGOVERN. Mr. President, responding to the Senator's question, as he has said, the Senate Budget Committee recommended about $300 million in reductions in all of the nutritional programs. The President had called for reductions of about $500 million, but the Senate Budget Committee saw fit to extend that only to about $300 million in cuts.

The Senate today, if it approves S. 292, will have saved some $50 million in the WIC program.

The two amendments offered by the Senator from Oklahoma that we will be considering later on, amendments which, incidentally, I hope will be adopted, because they represent the view of the Senate Committee on Agriculture in our recommendations to the Budget Committee, would save about $110 million on the special milk program—some estimates put that up as high as $118 million—and about $50 million in the summer programs.

Beyond that, the committee felt we were not prepared right now to act on the other reductions that the President had called for and, consequently, we asked the General Accounting Office to make an evaluation of the proposed cuts the President had suggested.

On the basis of the findings of the General Accounting Office, that office reported to us the Department had little convincing evidence to support their proposed modifications in the school lunch program. As the Senator knows, that is where the rest of the savings would have occurred that the President proposed.

So it was decided by the committee that we would conduct some further hearings into the proposed additional cutbacks recommended by the President, and here again I would think those hearings could be conducted expeditiously sometime this summer, and we can get a better idea of the impact of the cutbacks the President has recommended.

But there certainly will be full hearings looking into the whole range of child nutritional programs, including the school lunch program and, at that time, I think we will be in a better position to pass judgment on the additional cuts called for by the President.

Mr. BELLMON. I thank my friend from South Dakota.

It seems likely then that there may be another bill on this subject later during the year, depending upon the outcome of the hearings?

Mr. McGOVERN. That is correct. We did not want to delay bringing the WIC bill to the floor today because, as the Senator knows, the sponsors of the child nutrition amendment last year entered into an arrangement, a commitment to the President, that if he would sign that comprehensive child nutritional legislation last year rather than vetoing it we would come in as quickly as possible with a $50 million cut in the fiscal 1980 WIC program. So we do not want to delay bringing that bill to the floor.

On the other hand, we were not quite ready to move on some of the other child nutritional matters. It is for that reason that I hope today the Senate will not go beyond the sum of $200 million in cuts that we will make in the present program, assuming that the two amendments to be offered by the Senator from Oklahoma, as well as the $50 million reduction in the WIC program, are approved by the Senate.

AMENDMENT NO. 196

(Purpose: To limit participation in the special milk program to schools and institutions that do not have a federally subsidized meal program)

Mr. BELLMON. I thank my friend.

Mr. President, I call up amendment No. 196.

The PRESIDING OFFICER (Mr. EXON). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BELLMON) proposes amendment numbered 196.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, between lines 3 and 4, insert the following new section:

"SEC. 2. Section 3 of the Child Nutrition Act of 1966 is amended to read as follows:

"'(a) There is hereby authorized to be appropriated such sums as may be necessary to enable the Secretary to encourage consumption of fluid milk by children in the United States enrolled in (1) schools or child care institutions that do not participate in the food service programs authorized under this Act and the National School Lunch Act; and (2) summer camps. For the purposes of this section "United States" means the fifty States, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific

Islands, the Commonwealth of the Northern Mariana Islands, and the District of Columbia.

" '(b) Any school or child care institution that does not participate in programs providing meal service with milk authorized under this Act or the National School Lunch Act and any summer camp, shall receive the special milk program upon its request.

" '(c) Children who are members of families whose annual income does not exceed the applicable family size income level prescribed by the Secretary for free lunches under section 9(b) of the National School Lunch Act shall be eligible for free milk.

" '(d) For the school year ending June 30, 1979, and for subsequent school years, the rate of reimbursement for a half pint of milk served in eligible schools and other institutions to children other than children eligible for and receiving free milk shall be 6.86 cents per half pint served, rounded to the nearest one-fourth cent, and such rate of reimbursement shall be adjusted on an annual basis for each school year thereafter, beginning with the school year starting July 1, 1979, to reflect changes in the Producers Price Index for Fresh Processed Milk published by the Bureau of Labor Statistics of the Department of Labor. Such reimbursement shall not exceed the cost to the school or institution of milk served to children. For the school year ending June 30, 1979, and for subsequent school years, reimbursement for milk served to children eligible for free milk shall equal the cost to the school or institution of milk purchased and served to paying children.' ".

On page 2, line 4, strike out "Sec. 2" and insert in lieu thereof "Sec. 3".

Mr. BELLMON. Mr. President, this is the first of two amendments to the bill that I will offer this afternoon. This amendment will limit participation in the special milk program to schools and institutions which do not already have a federally subsidized meal program.

The second amendment will limit the eligibility of service institutions participating in the summer food service program to public organizations and to smaller private, nonprofit institutions.

Both amendments are part of a package of reforms to the National School Lunch Act and the Child Nutrition Act proposed by the administration in March of this year.

With respect to these two amendments, the Senate Committee on Agriculture, Nutrition, and Forestry has already indicated that these reforms ought to be enacted. In its March 15 report to the Budget Committee, the Agriculture Committee anticipated reductions in fiscal year 1980 expenditures of $155 million through these changes.

Mr. President, the first concurrent budget resolution passed by this body only last month assumed savings of $300 million in the child nutrition programs. It is imperative that Congress act expeditiously in making reductions in some of these programs if we are to hold to our budgetary targets. The two amendments I will offer, together with the $50 million reduction in the WIC program already provided for in S. 292, will achieve two-thirds of the fiscal year 1980 savings assumed in the budget resolution. I personally believe there is merit in some of the other cost-savings proposals included in the administration bill. Apparently, there is support for the President's cuts in the House. The House version of the first budget resolution for fiscal year 1980 assumed enactment of all $500 million in legislative savings proposed by the President.

Regardless of what ultimately happens to the rest of the President's proposals, we should get now those savings on which the Agriculture Committee, the Budget Committee, and the President all agree. It is to this end that I am offering these two amendments to S. 292.

Mr. President, this amendment will limit the special milk program to those schools and institutions which do not have a federally subsidized meal program. This program change will save an estimated $118 million in fiscal year 1980. As with my other amendment, this savings was recommended by the Senate Agriculture Committee and was assumed in the first budget resolution recommended by the Senate Budget Committee and adopted by the full Senate last month.

As the special milk program is currently administered, children in participating institutions can receive up to three or even four free or subsidized half-pint cartons of milk a day.

The U.S. Department of Agriculture estimates that milk purchases in child nutrition programs will entail Federal expenditures of more than $640 million in fiscal year 1980. Even with this cut, total USDA food program expenditures for milk including food stamps, will increase in fiscal year 1980 by $83 million and total nearly $2 billion. My amendment will merely exclude those institutions which receive these funds from getting yet another subsidy for the purchase of milk under the special milk program.

Children who wish to purchase additional milk in these institutions would simply have to pay that portion currently subsidized—about 7 cents per carton more. Studies have shown that at least 62 percent of this milk will still be purchased and consumed in the schools by children who will pay an average of 15 cents per half-pint instead of the subsidized rate of 8 cents.

Mr. President, it has been alleged that the savings achieved through this change will be offset by higher dairy price support costs. This is simply not so.

While there may be a slight reduction in milk prices, a USDA analysis indicates that this will, at most, amount to only 6 cents in the $11.90 market price; or about one-half of 1 percent.

Additionally, the WIC program will expand by $200 million in fiscal year 1980 over the current fiscal year. Over half of WIC foods are milk and cheese which will more than offset reductions in milk consumption in the schools.

I want to point that out again, Mr. President. We are expanding the WIC program by $200 million, and half of that amount will go to milk and cheese, and that will much more than offset the reduction we are proposing here in the subsidized milk program that I feel only duplicates the milk that is already being supplied through the breakfast and school lunch programs.

I would also like to point out that WIC program benefits are targeted to women and young children who are at greatest nutritional risk, and who can most benefit from the dietary supplements, including milk, which are subsidized by Federal dollars.

Mr. President, the taxpayers are sending us a clear message that the Federal Government must exercise greater budgetary restraint. Voters are demanding greater efficiency in the programs.

My amendment would remove the Federal subsidy for milk purchases in schools where milk is already subsidized as a major part of a balanced meal program.

I feel strongly that this amendment will not take milk away from any children who really need it, and that it is a saving that we can and should make in our efforts to bring Federal expenditures in line with our revenues and to get our budget in balance. If we cannot make savings of this kind, Mr. President, I am very much concerned that it will not be possible to hold to the spending limits that Congress has already adopted, and I strongly urge the approval of the amendment.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. LEAHY. Mr. President, my good friend from Oklahoma has proposed an amendment which really would result in the nearly complete elimination of an important nutrition program, the special milk program.

I know, having listened to the Senator here this afternoon, that he shares my concern that child nutrition programs are important and deserve Federal support. In fact, he has been a strong mainstay of such a program. But his basic contention, as I understand it, is that during these lean fiscal times, some valuable programs must be cut, and that the special milk program is one of those programs.

I agree that there are going to have to be programs within the Federal budget that will have to be cut. There are areas that we can no longer afford. There are areas we should not afford at all. But I do not agree that this is one of those areas.

I have voted for hundreds of millions of dollars of cuts in Federal programs on the floor of the Senate in the 5 years I have been here. Hundreds of millions? I can easily say billions and billions of dollars. But I cannot, in conscience, vote for this cut.

The special milk program is a good, established, successful, and efficient program. It assures that milk is available to children, and we all know the value of milk. I do not believe that the place to have budget cuts is with successful nutrition programs designed to help children.

I have watched these programs as a parent, both in my home State of Vermont and during the temporary times that my family and I are living here in Washington. I have held hearings on them, and heard testimony from people all over the country.

We have a difficult problem here, there is no question about that. It has split the Agriculture Committee, and it has split the Appropriations Committee. It has split many of our colleagues who in the past have united in support of child nutrition programs.

I am quite concerned regarding the cutbacks planned for the special milk program. The administration has theorized that children nutrition programs have no need for special milk and that, therefore, $118 million representing the special milk subsidy in those schools is unnecessary.

I hope, Mr. President, that my colleagues will take a close look with me at this proposal.

Special milk is federally subsidized milk served in schools. Other than milk which is provided through each of the meal programs, the special milk program has been popular. In November of 1978, 84,557 schools and institutions provided 209.7 million half pints of milk, 17.6 percent of which was provided free.

The current Federal subsidy to the child for special milk is 6¾ cents. The USDA special milk study showed that when schools dropped the special milk program, but continued to offer unsubsidized milk through a la carte service, per capita milk sales decreased by at least 35 percent. We can safely assume that milk not consumed at school is milk not consumed.

Certainly, Mr. President, based on my own experience as a parent, I can say that the substitute for milk, whether it is carbonated sodas or anything else, certainly does not have the nutritional value that milk does. And what we really see in this study is that the special milk program has served as a stimulant to milk consumption. Let me talk about a couple of things in that program.

The milk study further emphasized:

> Free milk served under the special milk program does appear to help in putting the needy children on a par with non-needy children in terms of total milk consumption. In SMP schools, children eligible for free milk consumed approximately the same amount of milk on a 24-hour basis as non-needy children. Children eligible for free milk, however, received on the average 43 percent more milk at school and 22 percent less milk away from school than non-eligibles. Forty-one percent of children eligible for free milk reported consuming more than one carton of milk at school, compared to 16 percent of non-eligibles who reported drinking more than one carton of milk.

Let us take a closer look at the breakdown of who consumes special milk: 30 percent of SMP milk is consumed by students who eat type A lunches; 12 percent of SMP milk is consumed by students who eat a la carte lunches; 43 percent of SMP milk is consumed by students who eat bag lunches; 9 percent of SMP milk is consumed by students who eat away from school, and 6 percent of SMP milk is consumed by students who report eating no lunch.

If we look at current USDA statistics, as of November 1979, we find that 37.5 percent of school lunches are served free. This means that less than 20 percent of special milk program milk is served to low-income or paying children who are already receiving milk with lunch. That totals over 80 percent of all special milk to children who would otherwise be unquestionably discriminated against if special milk were eliminated from their school. Why should only those students choosing a full meal be eligible for Government subsidy?

And what about the 16 percent of children not eligible for free milk who reported getting more than one carton of milk at school? The special milk program served as an incentive to them to spend their extra money on a highly nutritious food rather than candy, soda pop, or gum. Quite frankly, I cannot think of a better way for the American taxpayer to spend his Federal budget dollar.

Opponents of special milk contend that children are bombarded with milk at school, yet the milk study shows that all students in three program schools (schools with breakfast, lunch, and special milk programs) average only 1.23 cartons of milk a day at school. Total daily consumption by all students in three program schools is 2.82 cartons. This is less than the four glasses recommended for growing children by most leading nutritionists. Furthermore, students eligible for free milk and therefore eligible for free breakfast and free lunch report an average daily consumption of 2.99 cartons, an average of half of which was consumed at school.

These figures assure us that children are not glutted by federally subsidized milk.

Some more statistics from the milk study show that 56 percent of special milk served in elementary schools is consumed by students who eat bag lunches; 12 percent of special milk served in secondary schools is consumed by students who report eating no lunch at all. At least these children were wise enough to drink milk, and the Federal Government can take pride in providing an incentive to those children to consume something nutritious.

The milk study goes on to say:

> One further finding of interest in examining milk consumption by free eligibles is that while 13 percent of children not eligible for free SMP milk reported bringing milk from home to school at some point during the school year, only 3 percent of free milk eligibles reported bringing milk to school.

If we project upon this finding, we can assume that needy children continuing to reject the full lunch program preferring a brown bag from home, would be less likely to bring milk from home if the special milk subsidy were dropped in their school. Moreover, the 3-percent figure could also point to a likelihood that needy homes were less likely to have milk available at home at all.

There may be some who will accuse the milk program of contributing to waste. We saw this sort of argument in proposals by USDA to reduce milk offered to young children in school lunches from 8 ounces to 6.

Because the children did not care for their lunches but would drink their milk (studies show milk is the least wasted of all foods offered through the school lunch program) providing less milk would force children to eat food they did not care for. The milk study states:

> No additional lunchtime milk waste was found in NSLP schools (that is, lunch schools) which participated in the SMP over that found in NSLP schools without the SMP.

The milk study reports that almost 75 percent of all half-pints served were completely consumed.

Mr. President, I ask anybody to look into any school lunch program and look at the amount of plate waste there is, look at the amount of food not consumed. I daresay they would find that the one element of food that is consumed the most, almost inevitably, is milk.

About 40 percent of the wasted cartons had less than 5 percent milk waste. It is important to note, in addition, that the milk study determined that "milk from unopened cartons was considered wasted milk, regardless of the fact that it was recycled back into the lunch line."

So it appears that even though they used figures that would tend to magnify any kind of waste that might be there, they came out with the inescapable fact that about the least wasted food possible in any kind of a school feeding program is milk.

In making milk waste determinations, no effort was made by USDA to measure the quality or temperature of the milk served to the students—factors which would affect consumption.

No Federal funds are allocated to schools to administer the special milk program. Administration costs at the Federal and State level are minimal. This means that Federal funds for special milk are almost entirely cost-effective in stimulating milk consumption. There is no Federal money spent for labor costs, straws, napkins, or other such nonfood expenditures. Over 99 percent of special milk funds go directly for milk for children.

Milk is especially important in the diet of growing children. Leading nutritionists recommend four glasses (cartons) a day for this age group. During childhood and adolescence, proper growth and development of basic body structures require an ample supply of essential nutrients. The bones and teeth continue to develop, requiring protein, calcium, phosphorus, and vitamin D. Milk is one of the few foods which assure adequate availability of these needed nutrients. The special milk program, in its role of stimulating milk consumption, is one of the most important Government programs to assured basic needed nutrition by the youth of our Nation.

Good nutrition is essential to our children. Reports from large-scale surveys, such as the 10-State nutrition survey and the 1965 USDA household food consumption survey, show low intakes of vitamins A, riboflavin and calcium for boys and girls. Milk is rich in these nutrients.

Milk consumption during the growing years can have important long-range health benefits. For instance, while several hypotheses have been advanced to explain the cause(s) of osteoporosis, a very disabling bone disorder which usually appears in middle or old age, milk consumption can be a beneficial deterrent. Although there is no unanimity as to the underlying mechanism involved in osteoporosis, it appears that the best preventative is to have a denser bone mass to begin with.

This dense bone mass can be attained only if the appropriate raw materials—nutrients such as calcium, phosphorus, vitamin D, and protein—are consistently supplied in ample amounts, especially during the growth and developmental stages of childhood and adolescence.

The rarity of rickets among infants in the United States has been credited to the practically universal fortification of fluid and evaporated milk with vitamin D. While rickets is an area we can directly pinpoint as an example of the health benefit of milk, other more general statements can be made regarding the contribution of milk to the long-range health profile of the people of our Nation. We cannot begin to measure the costs savings in dollars and in personal well-being that good health through good nutrition provides.

There is a common saying that "There can be no nutrition without ingestion." In other words food is no good until it is eaten. Studies reveal that milk is one of the most liked items in child nutrition programs and is associated with the least plate waste. Thus, milk performs a very important function in the child nutrition programs because of its two attributes: Milk is an excellent source of nutrients, and is one of the most liked items of children.

The special milk program is obviously cost-effective in providing this highly bioavailable food which has a nutrient profile which is nearly complete in providing essential elements necessary to the metabolic system.

In other words, the special milk program is an inexpensive way to assure that kids are well-fed.

Mr. President, this is not an easy issue. However, the figures and the policy considerations favor retaining the special milk program. I know that the political rhetoric of budget cutting has to be replaced with action.

I know how difficult it is for those on the Budget Committee to figure out where to make these cuts. I do not envy them that position at all, especially in this case, with the high degree of admiration and respect I have for my colleagues from Oklahoma.

Difficult funding choices must be made because there simply is not enough money to go around. But let us not start with our children.

We are responsible for the world our children will inherit. The debates and decisions which occur in this chamber will directly effect what type of world we leave for our children. It is a responsibility and commitment I take most seriously.

I support the special milk program not only because it benefits children—a constituency which cannot vote—but because I would like to believe that our sense of priorities and national policy will have enough room for getting milk to children. It is more than a "guns or butter" argument. It is the basis from which all our tough budget decisions must come. Let us not shortchange our children, let us not eliminate a working, successful program. Let us insure that cuts come first by eliminating excesive waste and fraud which exists throughout the Federal Government. Let us insure that the poor, ineffective programs are identified and eliminated. Let us insure that we close loopholes and lax Federal policies which allow the wealthy to live off the public dole. There will be tough cuts even beyond these, and I am prepared to make them.

But I am not prepared to start with our children and their milk.

I notice that my colleague and friend from New York is on his feet. I understand that he would like to be recognized.

Mr. JAVITS. Will the Senator yield to me for 3 minutes?

Mr. LEAHY. I yield.

Mr. JAVITS. Mr. President, hoping that the Senate will defeat it, I oppose this amendment. In the first place, when we compare what is involved here with the vast sums of money which are spent for all kinds of subsidies, which are spent for all preparations, and which are spent for entertaining our people, all of them perhaps desirable—we fight over many of them—very few deal with the basic health of our people, certainly our young children, as directly as this.

It seems very strange to me. Whenever we go on one of these hunts for things to cut, it becomes a witch hunt to cut the things which appeal the most deeply to our national interest. I think this is somewhat characteristic.

It is inconceivable to me that in a budget of well over $500 billion that we cannot find $110 million somewhere else so that we have to take it out of the milk these kids who need the diet supplement are going to get. That is the only place, apparently, you can find it in the whole program. I just do not believe it.

Mr. President, for 25 years, this program has had a history of success in providing a price incentive to children to purchase milk at school during the school day.

Our problem, and it has been recognized in the pockets-of-poverty aspects of our antipoverty bills and so on, is that with poverty goes a very, very false nutritional standard. When the parents do have a little money for food, it is all too often spent for starches and sweets and soft drinks because, with the poverty syndrome very often goes a lack of education, and, to be very specific, nutritional education. Here is an opportunity to get what is considerd the most balanced of all foods—to wit, milk to these needy children.

I want to cite a very interesting figure as to the impact of this program, a study released by the U.S. Department of Agriculture, which has 1975 data, but is just as relevant today. It finds that 41 percent of children eligible for free milk reported consuming more than one carton of milk at school, compared to 16 percent, or roughly speaking, one-third that number, of noneligibles for milk at school who reported drinking more than one carton of milk per day. It seems to me that that is some difinition of the deprivation about which we speak.

Of course, the fundamental food nutrient which is contributed to growing children by milk is calcium. Senator LEAHY has described in great detail, and very eloquently, the long-term health interests which the child has in this very total food. He has also referred to the fact that, in our country, we have a rare incidenct of rickets, which is, however, very usual among children who are not fortified with the milk which our children have.

Mr. President, specifically, under the present law, about 6,215 schools and other units are served by the special milk program in my State. Eight hundred sixty-one schools and other units serve milk only and do not serve lunch or a comparable program. The amendment which is being offered here today would cut 5,254 out of 6,215 schools and other units which are serving milk.

Now, in New York, a very populous State, over 3 million children are enrolled in schools that serve milk. Under this amendment, only 463,000, or one-sixth, of those children would continue to be served by the special milk program.

Mr. President, this is an absolutely untenable position if one considers that the Federal subsidy paid on this milk is a wise investment in building a healthier population, and extremely important to our citizens in the low-income brackets, who are the hardest hit by the increases in the cost of living which are confronting us all.

Mr. President, for all of those reasons, I hope very much that this amendment will be defeated.

Mr. BELLMON. Mr. President, one point of vertification. This amendment does not take away milk from schools for the breakfast programs or the lunch programs. All we are trying to do is put an end to the policy whereby children get milk for breakfast, milk for lunch, and then milk through the special milk program. I think the Senator will find that it will not have anything like the effect in New York that he has indicated.

Mr. JAVITS. I wish the Senator were right. I know he is a man of good heart. I would bet my right arm on that. I am not raising the question. I am giving the facts on what our own authorities tell me it will do. I have to rely on that.

They tell me that out of our 6,215 units now participating, there will be a cut so that all but about 900 of those units will still be participating; and that out of 3 million children, only a half million will be eligible for milk under the special milk program.

Mr. BELLMON. I am not disputing what the Senator said. All I am saying is that the impact is not that those children will be deprived of milk. They will still be eligible for milk in the breakfast program and the lunch program.

Mr. JAVITS. The facts show that 70 percent of special milk is consumed by children who do not participate in a school lunch, program, so my children will not get it.

Mr. BELLMON. Under the terms of this amendment, those that do not serve lunch or breakfast will continue to have milk available in the special milk program. This does not affect schools that do not serve milk in breakfast or lunch.

Mr. JAVITS. That is just my point. In my State only 861 fall into that category; the other 5,000 or so will have their special milk programs discontinued. That is the point I am making. In short, these are really the figures for my State. I cannot duck them.

Mr. STAFFORD. Mr. President, will my colleague from Vermont yield very briefly to me?

Mr. LEAHY. Certainly. I yield to my distinguished colleague.

Mr. STAFFORD. Mr. President, I know that the distinguished junior Senator from Vermont (Mr. LEAHY) earlier made a very detailed speech on the amendment offered by Senator BELLMON to S. 292. I want to associate myself very fully with the remarks made by Senator LEAHY. I agree with them. I compliment him on his leadership in opposing this amendment, and I hope, with Senator LEAHY, that the amendment will be defeated.

I thank the Senator for yielding.

Mr. LEAHY. Mr. President, I still have the floor, do I not?

The PRESIDING OFFICER (Mr. BRADLEY). The Senator from Vermont has the floor.

Mr. LEAHY. Mr. President, I appreciate the kind words of my distinguished senior colleague. I am delighted, as we all are, that he has recuperated from his hip surgery and is back here with us in time for what is an important vote. I appreciate very much his support.

I agreed earlier, Mr. President, to yield to the Senator from Wisconsin. In keeping with that agreement, I yield to the Senator from Wisconsin.

Mr. NELSON. Mr. President, did the Senator from Maryland seek the floor?

Mr. MATHIAS. Mr. President, I would like an opportunity to speak on this amendment at such time as the distinguished Senator has completed his remarks. I am in no crying rush about it.

Mr. NELSON. I thought if the Senator had some other appointment, I would be glad to step aside.

Mr. MATHIAS. The Senator is very gracious, as he always is. I shall profit by hearing the Senator's remarks.

Mr. MOYNIHAN. Would the Senator from Wisconsin include me among those who will profit from hearing his remarks? I hope to extend some on my own part when he has the opportunity.

Mr. NELSON. I shall be speaking fairly briefly.

This issue has been before Congress, so far as I know, just about every session since I have been here—with President Johnson recommending that the program be substantially reduced and Presidents Nixon, Ford and Carter recommending the same. On each occasion, Congress voted against a substantial reduction in the program for what I think has always been good and sound reason.

Incidentally, in the past, the attacks on the program have been an attempt to reduce the appropriation, not to change the authorization.

I point out that if the authorization to operate the special milk program in schools or institutions with a federally subsidized meal program is taken away and then Congress wished at a subsequent date to appropriate funds for that purpose, there would be no existing authorization that would permit that to be done.

I suggest that if those who would like to cut back on the program offer those amendments to the appropriations bill when it comes before the Senate, it seems to me this would be a more appropriate place and time to cut back the program, except for those who believe it ought to be terminated completely and permanently, which I do not.

This proposed amendment would limit participation in the special milk program (SMP) to only those schools or institutions that offer no federally subsidized meal program, like the school lunch or breakfast program. The impact of the Bellmon amendment will be to eliminate 75,000 schools and institutions currently participating in the program and cut $110 million from the 1979 program level of $142 million. This represents an 89-percent cut in school eligibility and a 78-percent reduction in SMP spending.

I do not believe that any solid arguments have been made to justify a cut in the special milk program. There is no doubt that the Congress must retain the level of Federal spending. I am committed to this goal. I think we are all committed to that. However, a reduction which virtually eliminates a program that is meeting its objectives and that represents an investment against future health costs cannot be justified on budgetary arguments. Every spending area of the Federal budget must, or should, contribute to some extent to the rigors of fiscal discipline. The SMP, however, will be forced to bear an unfair burden under the Bellmon amendment—an unfair burden that places our Nation's children on the front lines in the battle on inflation and excessive Federal spending.

HISTORY OF THE SPECIAL MILK PROGRAM

The SMP was established by the Congress in 1954 to provide a Federal reimbursement to offset the cost of milk served to children in nonprofit schools; it was extended 2 years later to include children in nonprofit child care institutions. During its 25 year history, the SMP has provided a Federal reimbursement for each half-pint of milk served to children, regardless of family income, in eligible schools and institutions.

In November of 1973 the Congress recognized the importance of making special milk available to needy children by the establishment of an expanded free milk component. This component provides free milk to children eligible for free meals in all schools which choose to operate the SMP.

The SMP has expanded its coverage and the Department of Agriculture (USDA) reports that the SMP served 87,946 schools, institutions, and summer camps and 2.012 billion half-pints of milk in fiscal year 1978. In my home State of Wisconsin the SMP servered 79,122,637 half-pints of milk in 3,220 schools and institutions during fiscal year 1979, 99 percent of all public schools and 73 percent of all private schools in Wisconsin participate in the SMP.

SPECIAL MILK PROGRAM UNDER ATTACK

The SMP has a long history of being attacked. Every President since Lyndon Johnson has proposed a substantial cut in the SMP. And every Congress has found the proposed cuts to be unjustifiable and has rejected them.

The amendment offered by the distinguished Senator from Oklahoma would implement through the legislative process the same restrictions that the Nixon administration attempted to accomplish several years ago through administrative action. In October of 1973, USDA restricted the SMP to schools without food service. The Congress promptly reversed this action through the passage of Public Law 93–135 in that same month.

Now, the current administration has proposed this same cutback. If the Congress adopts this proposal, an estimated 6 to 7 million children who have benefitted from the SMP will no longer have access to the program's benefits.

The Bellmon amendment would accomplish the administration's proposed cut by making a permanent statutory change in the SMP. In the past, the question of whether the Congress would adopt the proposed SMP cutbacks has been an appropriation issue considered by the Appropriations Committees. A legislative change in the authorizing statute is not justified at this time and has not been given through congressional review—there have been no authorization hearings on the proposed legislative change.

It is also important to point out that the Senate Agriculture Committee did not include the SMP cutback as part of the bill under consideration today—S. 292.

The proponents of the Bellmon amendment have argued that the SMP is just a subsidy for the dairy industry, that the milk provided by the SMP duplicates the milk component of the school lunch and breakfast programs, that children are getting too much milk and are wasting it, and that budget constraints require the virtual elimination of the SMP. USDA's own study entitled "Special Milk Program Evaluation" does not substantiate these arguments, however, and provides strong evidence that the SMP is meeting its goal of increased milk consumption and nutritional benefits to children.

SMP IS A CHILD NUTRITION PROGRAM

It has been suggested that the SMP is just a subsidy to the dairy industry. This statement ignores the fact that the SMP is authorized under section 3 of the Child Nutrition Act of 1966. The Declaration of Purpose (sec. 2) of the Child Nutrition Act clearly states the purpose and intent of all programs authorized under the act. It states and I quote:

> "Declaration of Purpose
>
> "SEC. 2. In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as

a measure to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children."

These words state very clearly that the purpose and the intent of the law is to provide some Federal assistance to meet the nutritional needs of the Nation's children regardless of family income. What we are talking about when we consider the SMP is a nutrition program designed to improve the nutritional status and future health of our Nation's children.

Mr. President, the argument has been made that we cannot afford to subsidize milk for children regardless of family income. As all Senators know, the Federal Government currently provides a minimum per meal reimbursement for all school lunches and breakfasts, regardless of a child's family income. This means that even the child that is paying "full price" for a meal is actually receiving a subsidy. The subsidy is, at a minimum, currently about 29.5 cents per meal. Meals provided on a reduced price or free basis receive a larger reimbursement.

If we cannot afford the base reimbursement for all children in the SMP, maybe the next argument we will hear is that we cannot afford the base reimbursement for the school lunch and breakfast programs, the child care food program or the summer food program because the base reimbursement is "just a subsidy to the agriculture industry." Elimination of the base reimbursement in either the SMP or any other child nutrition program substantially destroys the link that has been established between agriculture and these nutrition programs. Without this reimbursement, the nutrition programs essentially become welfare programs with benefits available only to the low income.

As a result, the costs to the Federal Government of providing assistance to the low income would increase. Such an increase would occur because once the base reimbursement is eliminated the price for nonneedy children would rise and participation would decline. USDA data shows that for each 5 percent increase in price, participation declines 5 percent. Since the contributions made by nonneedy children currently absorb some of the costs associated with providing assistance to needy children, a decline in participation of nonneedy children would cause the Federal reimbursement for needy children to increase and total Federal nutrition assistance expenditures for needy children to increase substantially.

It is also important to note that there are three categories of assistance in all Federal child nutrition meals programs—"free," "reduced price," and "full price." These three categories receive different levels of Federal reimbursement ranging from 29.5 cents to 85.25 cents. There are not three categories in the SMP, however. A child either receives milk free (reimbursed at net dairy cost) or pays for milk (current average reimbursement is 6.75 cents). Since there is no reduced price category—up to 195 percent of poverty—in the SMP, it is not possible to tell how many children are paying for milk but are in the reduced price eligibility range for other child nutrition programs, and are therefore needy.

Frankly, I find it had to believe that the Senate is considering any cuts in child nutrition programs. The Congress just recognized last year that a substantial increase in the WIC program was in order due to the unmet nutritional needs of women, infants, and children. These needs do not disappear when a child enters school and is no longer eligible for WIC assistance. The SMP should be available so that the nutritional needs of children are met throughout all the developmental years.

In addition, I find it hard to believe that the proposed child nutrition cuts are being entertained given the recent report made by the Field Foundation to the Senate Agriculture Committee. The Field Foundation sponsored the original team of doctors which documented the shocking extent of hunger and malnutrition which existed in this country in 1967; 10 years later, the foundation again supported a team of physicians who returned to those same regions visited by the initial group to assess conditions of hunger and malnutrition.

Mr. Nick Kotz summarized the foundation's findings in a report entitled "Hunger in America: The Federal Response." He states in the report, "The doctors' latest findings suggest that food-aid programs may represent one of the unsung, yet most effective antipoverty efforts of the decade." Where in 1967 the physicians found many children with swollen stomachs, dull eyes and open wounds, there were fewer visible signs of malnutrition and its related illness. However, hunger and malnutrition have not vanished. Conditions similar to those of a decade ago were found in Florida migrant camps.

The Field Foundation in its forward to the Kotz report states:

> While only the barest subsistence needs are being met by Federal food programs, those programs are proving a critical imperative to the nation's health. While tremendous progress has been made through these programs, we have yet to meet the full challenge of feeding the hungry in America . . . Much remains to be accomplished but as Mr. Kotz states, "The entitlement of all needy Americans to an adequate diet is a goal that is within our capability. If only we will reach for it."

A $110 million reduction in child nutrition expenditures represents a significant step toward turning our backs on previous commitments to improve nutritional status for the Nation's children and risks undoing what progress has been made.

SMP IS A DAIRY PRIORITY

In addition to the argument that the SMP is just a subsidy to the dairy industry, it has also been argued that the dairy industry does not consider the SMP to be one of its priorities. Representatives of the dairy industry have made very clear statements regarding their position on the proposed cut in the SMP. I believe it is important that these statements be made a part of the RECORD here today. The National Milk Producers Federation wrote to the members of the Senate Budget Committee on March 15 and to the members of the Senate Appropriations Committee on April 3. The letters to the members of both committees each stated that the SMP is the "first priority" in terms of the fiscal year 1980 budget and appropriations. There should be no doubt that dairy farmers are very concerned about the proposed SMP cut. I ask unanimous consent that the text of both of these letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C., March 15, 1979.
Hon. RUDOLPH BOSCHWITZ,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BOSCHWITZ: The National Milk Producers Federation conceived and has nurtured the authorization and funding of the Special Milk Programs since 1954. This year the Program is without question our number one budget priority. It goes without saying, therefore, that we are dismayed at the Senate Agriculture Committee's failure to recommend full funding of the program for FY 1980 to the Senate Budget Committee.

I enclose for your information the statement of Lynn Stalbaum, Legislative Representative for the Federation, before the Nutrition Subcommittee on February 28, 1979. Our statement makes a clear and pressing argument in support of the Special Milk Program which is important to the well-being of the American School child, a model of sound nutrition, and an important element of the agricultural economy.

As two percent of the national fluid milk market, the Special Milk Program is a significant factor in dairymen's income. Our statement emphasizes the fallacy of the Department of Agriculture's argument that children receive an overabundance of milk. Even the child who is eligible for free milk in three program schools (schools with breakfast, lunch, and milk programs) received an average of only 1.52 cartons of milk at school a day. USDA study points out that the Special Milk Program is important in that it brings the needy child's milk consumption on a par with the child more economically blessed.

The Special Milk Program serves a different child than the lunch or breakfast programs. Seventy percent of Special Milk goes to children who do not participate in the School Lunch Program. Over one-third of the 30 percent of children who do receive milk with their hot lunch are severely needy children. As stated above, Special Milk is an important contribution to their daily diet.

USDA reports that the withdrawal of the Special Milk Program will result, conservatively, in a 32 percent reduction of consumption of fluid milk. Milk s unequaled in nutritive value and a true bargain for its nutritional impact. Milk is the least wasted component of the foods offered which are federally subsidized to the child. The Program demands very little in administrative costs and there are absolutely no federal funds for administration at the local level. The loss in Class I sales to the dairy farmer will result in increased purchases by the Commodity Credit Corporation. It doesn't make sense to lock up good nutrition in government warehouses.

The Federation has always maintained reason in our advocacy of the child nutrition programs. We did not oppose striking language which required mandatory Special Milk service to children eligible for a free lunch. We did not oppose changing the definition of milk which would permit service of lowfat fluid products through the child nutrition programs.

Quite frankly, our membership is alarmed at the inaction of the Senate Agriculture Committee to recommend full funding of the child nutrition programs, especially Special Milk. I urge you to read our enclosed statement and correct the oversight by endorsing full funding to the Appropriations Committee and by supporting full funding of the Special Milk Program on the Senate floor.

Sincerely,
PATRICK B. HEALY,
Secretary,
National Milk Producers Federation.

APRIL 3, 1979.

Hon. HENRY BELLMON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BELLMON: The Special Milk Program is the first priority for appropriations of the dairy farmers of this nation. Special Milk is important to the nutritional intake of American school children and significantly impacts dairy farm income. On behalf of dairy farmers marketing their milk through cooperatives, I encourage you to place the Special Milk Program as a priority in your work on the Senate Appropriations Committee.

The proposal to restrict the Special Milk Program to institutions with no other food service is based on the argument that children are awash in a sea of milk. A recently released USDA study documents the fact that even in schools which offer breakfast, lunch and Special Milk, children received an average of only 1.23 eight oz. cartons of milk a day at school. Most important is the fact that 70 percent of milk provided by the Special Milk Program is consumed by children who do not, even when lunch is available, participate in the School Lunch Program.

Milk is a source of superior nutrition, important to growing children and adolescents. In particular, it is difficult for this age group to obtain sufficient amounts of calcium important for bone and teeth development, nerve transmission, muscle contraction and blood clotting without daily consumption of dairy products. Milk is the least wasted food component of federally assisted food programs. The USDA study concluded that the Special Milk Program was a significant factor in bringing the needy child's milk consumption on a par with children more economically blessed. Further, the improved nutrition is provided on a highly cost-effective basis with ninety-nine and one-half percent of the Federal Special Milk dollar going directly for milk to children.

The Special Milk Program is significantly successful in reaching its goal of improving milk consumption. Improved milk consumption means good nutrition to children and improved farm receipts. USDA has documented that elimination of the Special Milk Program means a 38 percent drop in milk consumption by school children.

Our enclosed statement before the Senate Agriculture Committee further documents the importance of the Special Milk Program. I urge you to review the facts carefully and publicly advocate full funding of the Special Milk Program.

PATRICK B. HEALY,
Secretary, National Milk Producers
Federation.

Mr. NELSON. The dairy industry has a long history of interest in and support of the nutrition programs. Dairy farmers take much pride in their products and are genuinely concerned about efforts to improve the nutritional status of the Nation. The dairy industry has demonstrated its concern and ability to put aside self interests when program changes were necessary to further the goal of improved child nutrition. For example, the industry supported a change in 1977 which eliminated a requirement that children eligible for free meals also receive free milk, even if it meant that a child received two servings of milk at a time. The change, which resulted in a reduction of SMP expenditures, was supported by the dairy industry with the suggestion that the savings realized by the SMP change be put back into other child nutrition programs. The Congress followed this advice and used the savings to finance expanded nutrition education activities.

SMP DOES NOT DUPLICATE OTHER NUTRITION PROGRAMS

A majority of children who receive milk from the SMP do not participate in the school lunch or breakfast program. Data from the USDA special milk study reveal that 70 percent of special milk is consumed by children who do not participate in a school lunch program. These are children who either bring a bag lunch from home (43 percent), eat away from school (9 percent), eat ala carte lunches (12 percent), or eat no lunch at all (6 percent).

Since 1977, children eligible for free meals in schools or institutions which operate a federally subsidized meal program cannot receive milk from the SMP unless it is served at other than meal times. This change in the law eliminated the provision under which a child eligible for free milk received, at the same time, one milk with a meal and one milk from the SMP. This situation can no longer occur. Now if a child does receive more than one milk at meal time it is because the child chooses to buy an additional milk. Since most children can think of lots of things other than milk on which to spend their money, it appears that if a child were to purchase an extra milk it would be because the child needed and wanted additional milk.

Under the Bellmon amendment a child will not have access to a SMP if the child's school offers any other federally subsidized program. Even children who do not participate in the school meals program will not have access to the SMP. Kindergarteners, brown-baggers, and morning or afternoon break participants will not be able to receive special milk if the school offers a meal program. Schools could, of course, have milk available to buy, but at a price at least double that of milk available under the SMP.

SMP HELPS CHILDREN REACH MINIMAL NUTRITIONAL REQUIREMENTS FOR MILK

The proponents of the amendment before the Senate have argued that it is possible for children to get too much milk at school due to the fact that milk is part of three different programs: school lunch, school breakfast, and SMP. The situation where a child might receive three or more servings of milk per day could occur in only the 19 percent of SMP schools which also offer both the lunch and breakfast programs.

USDA figures reveal, however, that even in schools which offer these three programs, children received an average of 1.23 eight ounce cartons of milk per day at school or a total daily average both in school and at home of 2.82 cartons—less than the 4 eight ounce servings of milk per day recommended by most leading nutritionists. These figures just do not support an argument that children are receiving excessive amounts of milk.

There is no question that milk is one of the high-nutrient density items in the American diet. Milk is especially important in the diet of growing children. During childhood and adolesence, the proper growth and development of basic body structures is dependent upon an ample supply of essential nutrients. Protein, calcium, phosphorus, and vitamin D are essential to the proper development of the bones and teeth. Abundant quantities of protein, vitamins, and minerals are also needed for soft tissue growth and for the development and maintenance of the blood supply. Milk is one of the few foods which assure adequate availability of such essential nutrients. The SMP is an investment in the health of our Nation's youth.

The USDA study itself reveals that the SMP brought needy children up to approximately the same level of milk consumed per day as that of nonneedy children. The USDA report states:

> Free milk served under the SMP does appear to help in putting needy children on a par with nonneedy children in terms of total milk consumption. In SMP schools children eligible for free milk consumed approximately the same amount of milk on a 24-hour basis as nonneedy children. Children eligible for free milk, however, received on the average 42 percent more milk at school and 22 percent less milk away from school than noneligibles. Forty-one percent of children eligible for free milk reported consuming more than one carton of milk at school, compared to 16 percent of noneligibles who reported drinking more than one carton of milk.

If too much milk were available to children under the various programs, it seems likely that waste would be a significant problem. This is not the case, however, USDA's own figures show that milk is the least wasted item in all the child nutrition programs.

The SMP and other child nutrition programs are intended to encourage sound nutritional habits in our children. However, as the price a child must pay to purchase a half-pint of milk increases, the milk will compete more directly with other items available for purchase—many of which are not nearly as nutritious or are of little nutritional value at all, such as soda pop, flavored drinks, and candy.

USDA projects that milk sales in schools can be expected to decline 38 percent as a result of the SMP cutback. I do not believe it makes much economic sense to "save" our way into this decline in consumption of such a good nutritious product as milk or to risk incurring much greater future health-related costs.

BUDGET CONSTRAINTS

Every program in the Federal budget should be examined for possible spending reductions. Cutbacks, if justified, should be made. Efforts should also be made to insure that the rigors of fiscal discipline are applied throughout all areas of the Government. The proposed reduction in the SMP is so severe, however, that it is unreasonable by any standard. This is especially true when one considers that the $110 million reduction in SMP expenditures will not result in this same total saving to the Federal Government.

The savings realized by this cutback would be partially offset by Commodity Credit Corporation (CCC) purchases and will not result in a total savings of $110 million to the Treasury. CCC acquisition costs will, in part, offset the savings to be realized. USDA estimates that, at a minimum, the CCC will have to purchase an additional $30–35 million in dairy products in fiscal year 1980 alone as a result of the SMP reduction. The dairy industry estimates that the cost of the reduction to the dairy farmer will be about $72 million in fiscal year 1980.

It is important to note also that a $110 million reduction in the SMP actually means a reduction of some $200 million. This is because the Federal subsidy currently pays for only about half of the cost of milk provided through the SMP.

As my colleagues are no doubt aware, the President has proposed a reduction of over $500 million in various child nutrition programs. An estimated 1 to 2 million children will be eliminated from the school lunch program alone. Reductions such as these will place an increased demand on the SMP. However, if the SMP is not available in schools with other Federal nutrition programs, no assistance will be available to children cut from the lunch program.

If a school that will no longer be able to operate the SMP continues to sell milk, children will have to pay over double the average price currently charged. USDA estimates that children will pay at least 16 cents for milk. This may seem like a modest charge, but it all adds up to place a further strain on families suffering from current levels of inflation.

A recent statement made by Dr. Julius Richmond, Assistant Secretary for Health and the Surgeon General, sums up, in my judgment, the economic arguments which justify child nutrition expenditures and continuation of the special milk program:

> Research can further clarify the relationship between nutrition and human development, but even without such precise knowledge both common sense and common decency require us to support efforts to improve the diets of mothers, infants and children and indeed for all who for want of adequate income subsist on diets that may compromise health and a genuine sense of well being.

OFFSET DUE TO WIC PROGRAM INCREASES

It has been argued that the mandated increase in WIC spending this year will result in increased demand for dairy products and that increased CCC purchases due to the SMP reduction would be canceled out by the higher demand for dairy products generated by WIC expansion.

I would like to point out that the WIC program serves an entirely different population—pregnant women, infants and children under 5—than does the SMP. Of the 8,378,700 women, infants, and children estimated to be eligible for the WIC program only 1,320,316 were being served by the program at the end of fiscal year 1978. Expansion of the WIC program is essential in terms of the unmet need and preventing future health costs. However, WIC expansion should not be used as an argument for why the SMP should be cut. The SMP does not serve the same target population as does WIC. The need exists in both target populations and the Congress should continue to recognize and respond to these needs.

It is interesting to note that WIC mothers point to the fact that their children who are too old for WIC assistance need more milk. Senator BELLMON highlighted these facts during a recent Senate Appropriations Agriculture Subcommittee hearing. I would like to quote the Senator from Oklahoma because his comments make it clear that despite the various child nutrition programs and efforts, a great unmet need still exists—"During our hearings, which Senator LEAHY and I held in Oklahoma and also in Vermont, some of the WIC recipients came before us and indicated a lack of sufficient milk in their WIC packages. The points these mothers made was that (the monthly WIC package) might take care of the mother and infant, but there are other children in the house who have to be turned away because there is not enough to go around."

It appears that the SMP should be continued so as to fill the gaps and make up partially for the lack of total coverage of persons eligible for Federal nutrition assistance.

Mr. President, in closing I suggest that the data available in the SMP study conducted by USDA do not substantiate the various arguments which have been made on behalf of the SMP reduction. In my judgment it makes good economic sense for the Federal Government to encourage consumption of products which make such an important contribution to the growth, development, and health of American youth. An investment now in adequate and proper nutrition will reduce the Nation's long range health costs.

I urge my colleagues to vote against the Bellmon amendment.

Mr. President, the statistics and references to authorities on nutrition have already been made by the distinguished Senator from Vermont. It is not necessary for me to repeat them and impose on the time of others who wish to speak on this question.

Mr. President, I have two sheets, one entitled "Special Milk Program Facts (Fiscal Year 1978)," another entitled "Effect of Proposed Cuts on the Special Milk Program," and I ask unanimous consent that these two separate sheets be printed in the RECORD; also that a "Dear Colleague" letter that was sent out over the signature of a number of the Members of the Senate, including the distinguished Senator from Vermont (Mr. LEAHY) who controls the time of the debate on this amendment, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SPECIAL MILK PROGRAM FACTS, FISCAL YEAR 1978

	SMP—National	SMP—Wisconsin
Half-pints served	2,012,000,000	79,122,637
Number of schools, institutions and camps	87,946	[1] 3,200
Program expenditures	$142,000,000	$5,145,478
	Rates	
Reimbursement:		
For each ½-pint of milk served	6.75¢.	
For each ½-pint of milk served to children eligible for free milk	Net dairy cost (current average is 15¢).	

[1] 99 percent of public schools; 73 percent of private schools.

Note: 19 percent of schools operating the SMP also operate a school lunch or breakfast program.

Effect of proposed cut on SMP

	Million
1979 program level	$142
Proposed cut	−110
Remaining program (a 78% cut)	32

89 percent of all schools and institutions currently operating the SMP would be eliminated.

91 percent of Wisconsin public schools and institutions currently offer the school lunch program and the SMP. All of these schools and institutions would be eliminated.

Of the $5.1 million currently spent under the Wisconsin SMP, $4.9 million would be eliminated by the Bellmon amendment.

U.S. SENATE,
Washington, D.C., May 21, 1979.

DEAR COLLEAGUE: The Senate soon will consider S. 292, a bill which would adjust the authorization of appropriations for the WIC program. We are writing to you at this time in opposition to an amendment (No. 196) that Senator Bellmon will offer to S. 292 when it is before the Senate.

The Bellmon Amendment limits participation in the Special Milk Program to only those schools or institutions that offer no school lunch or breakfast program. The impact of this amendment in fiscal year 1980 will be to eliminate 75,000 schools and cut $110 million from the 1979 program level of $142 million. This is an 89 percent cut in school eligibility and a 78 percent reduction in Special Milk Program (SMP) spending.

Proponents of the amendment argue that the milk provided by the SMP duplicates the milk component of the school lunch and breakfast program, that children are getting too much milk and are wasting it, and that budget constraints require the virtual elimination of this child nutrition program. A recent USDA study of the SMP does not support these arguments, however, and provides strong evidence that the SMP is meeting its goal of increased milk consumption and nutritional benefits to children.

We are opposed to this amendment for several reasons.

First, USDA figures reveal that even in schools which offer breakfast, lunch and SMP, children received an average of 1.23 eight ounce cartons of milk per day at school or a total daily average both in school and at home of 2.82 cartons—less than the 4 eight ounce servings of milk per day recommended by most leading nutritionists. Children are not receiving excessive amounts of milk.

Second, 70 percent of special milk is consumed by children who do not participate in a school lunch program. These are children who either bring a bag lunch from home, eat away from school, eat a la carte lunches or eat no lunch at all. Since 1977, children eligible for free lunch or breakfast in schools which operate either of these programs may receive special milk only if it is served at other than meal times. Kindergarteners, brown-baggers, and morning break period participants will, therefore, not be able to receive special milk if the school offers a lunch or breakfast program.

Third, a recent USDA study reveals that the SMP brought needy children up to approximately the same level of milk consumed per day as that of non-needy children. Children eligible for free milk depended on the SMP to a much greater extent for their daily milk requirements. Needy children received an average of 43 percent more milk at school and 22 percent less milk away from school than non-needy children.

Fourth, Special Milk is the most cost-effective of all the Child Nutrition programs. Each one-half pint of milk consumed through the Special Milk Program offers improved nutrition at little cost (6.75 cents is the Federal cost per one-half pint of milk in the Special Milk Program). In addition, virtually all of the funds provided through the Special Milk Program are available for improved nutrition. Administrative costs represent only about one-half of one percent of SMP funds; the other 99½ percent is expended on milk for children.

Fifth, milk is the least wasted item in all child nutrition programs. USDA could find no more milk waste in schools that offered a school lunch or breakfast program along with the SMP than in schools without the SMP. Seventy-five percent of all milk served in these programs is totally consumed.

Finally, the savings realized by this cutback would be partially offset by Commodity Credit Corporation (CCC) purchases and will not result in a total savings of $110 million to the Treasury. CCC acquisition costs will, in part, offset the savings to be realized. Moreover, it seems much better to us to have good, nutritious fluid milk in the stomachs of our children than to pay for powdered milk to sit in our CCC warehouses, which are already overloaded with this same product.

For these reasons, we urge you to join us in opposing the Bellmon amendment (No. 196). If you have any questions please call Ken Dameron (45653) or Lori Hansen (43968).

Warm regards.

Sincerely,

Patrick J. Leahy, Gaylord Nelson, Robert Morgan, Richard Stone, Larry Pressler, William Proxmire, David Durenberger, Jacob K. Javits, Paul E. Tsongas, Robert T. Stafford, Daniel Patrick Moynihan, Max Baucus, John A. Durkin, John Melcher, Donald W. Riegle, Carl Levin, Bill Bradley, J. James Exon.

Mr. NELSON. Mr. President, I would like to point out also for those who may not have seen the letter, that the National Parent Teachers Association sent out a letter of strong endorsement in support of the special milk program as an important component of the Federal child nutrition programs. The PTA representatives testified in the House in opposition to the administration's proposed cut.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. LEAHY. Mr. President, I yield to the Senator from Michigan.

Mr. RIEGLE. Mr. President, I thank the Senator from Vermont for yielding. I shall not take much time. I know my colleague from New York also wishes to speak, and Senator PROXMIRE who is chairing a hearing wants to come over and he cannot come until I speak. So I say to my friend from New York that I shall not be long.

Mr. President, let me begin by congratulating the Senator from Vermont and others who are the leaders on this issue. I must say that despite my great affection for the Senator from Oklahoma, I think his amendment is very shortsighted.

This is exactly the kind of issue we should take the time to understand and consider carefully before we finally cast our votes.

Mr. President, I rise in opposition to the amendment offered by Mr. BELLMON that would drastically reduce the special milk program. This program has enjoyed 25 years of unqualified success. While other Federal nutrition programs have suffered from charges of fraud, abuse, and waste, and what have you, this program has been marked by economy, efficiency, and effectiveness all around. Over 99 percent of the funds are used directly for milk purchases.

Last year, the special milk program provided 2.012 billion half-pints of milk. The average Federal subsidy for milk is 6.75 cents, which is a bargain when compared with subsidy costs of the school lunch and breakfast programs. School lunches receive subsidies ranging from 29 to 82 cents. In addition, we find the record shows that milk is far more popular among children than many items that are served for lunch, and this is evident if we examine the low amount of waste that occurs in this program. Over 85 percent of special milk is consumed.

Over 80,000 schools and institutions participate in the special milk program. Yet, if this amendment were to be approved today, 75,000 of these schools would be eliminated, from the program, only places that offer no breakfast or lunch would continue to receive milk.

That, clearly, is the kind of cutback that I just do not think makes any sense.

It is not only going to hurt our children across the country, but it is going to do great harm, as well, to dairy farmers in the United States.

There is no doubt that the effect of this amendment will greatly reduce the consumption of milk by children and cause harm to our farmers.

The argument that has been advanced that the Bellmon amendment will save the Government $110 million is really not accurate, and has been discussed already.

As a matter of fact, if one offsets that alleged saving against the cost of increases in the Commodity Credit Corporation expenditures that are estimated to be somewhere between $33 and $87 million, the bulk of the saving just vanishes right on the face of it.

This appears to me as a pennywise and poundfoolish approach to reducing Government spending. I simply do not understand why we would propose to eliminate a nutritious supplement to the diets of millions of children in this nation and, in turn, end up with surplus powdered milk and cheese sitting in government warehouses.

But, in addition to that, we all know how nutritious milk is, and the public health meaning of milk as an element in the diet. Obviously, if we are going to start taking it out of the diet of young people across the country, we will find ourselves with subsequent health effects down the line, a lot of which will end up again not only causing a certain degree of human suffering, but additional cost to the Government in various other health programs we maintain.

There is no question that this program is of great benefit to our dairy industry. I think that is a strong reason to vote against this amendment because I think things that assist the dairy industry in this country provide, a broad national benefit.

And that is another strong national benefit. Consumption and supply are currently in equilibrium, and our dairy industry is relatively healthy compared with other commodities. But should this amendment be adopted, that will change, because it will jeopardize that balance and will result in a significant loss in the sales of fluid milk.

The most important argument against this proposal is its potential harm to our children. It has taken us years in the United States to finally wake up to the nutrition realities and the impact of diet on health, to the point where, in a systematic way, we finally are moving against the problems of malnutrition. But we still have great pockets of hunger in this society, as well as malnutrition, despite the fact that in many regards we are the world's richest country.

The special milk program reaches children who desperately need some balance in their diets. If we remove the subsidy, they certainly are not going to continue to consume milk in the same quantities.

I think the Senator from New York is correct, that to the extent that they have money they are not going to be using for this purpose, it is likely to go for junk food, soda pop or other things that clearly are not healthful and in many instances are unhealthy.

With milk being the kind of complete food it is, and with the Government recommending that people have at least 4 glasses a day, it is clear that this program is one of the sensible things we do to see that children who most need good nutrition at an early time in their lives have a chance to receive it.

So I hope we will not take the risks with the public health and the health of children which are involved in a cut of this magnitude. Clearly, this is not a legitimate economy-in-government issue, and anybody who says it is misstates a careful assessment of the costs and benefits to be gained here.

If we were to approve this amendment, it would end up costing us money, in dollar terms, but in larger sense, in terms of a loss of better health in the United States for the young people. We should be increasing this opportunity for health rather than decreasing it.

For these reasons, I hope the Senate,

with a strong vote and a strong voice, will reject this amendment.

Mr. MOYNIHAN. Mr. President, will the Senator from Vermont yield?

Mr. LEAHY. I yield.

Mr. MATHIAS. Mr. President, is the Senator making a list? I thought I was on his list. I am happy to defer to the Senator from New York, but I do not want to defer indefinitely. This is a kind of movable situation.

Mr. LEAHY. I apologize, and I assure the Senator from Maryland that I will yield to him after the Senator from New York has finished.

Mr. MOYNIHAN. I thank the Senator from Vermont.

In the spirit of this colloquy, which clearly has aroused the interest of a great many Senators who wish to participate, I will be brief as well.

Mr. President, let me first declare my interest, which is to say that I own a dairy farm in the State of New York, which is my residence in the State of New York, in Pindars Corners. It has been a dairy farm since 1840, and I hope it will be there for many years to come. It is with no small acquaintance with this economic activity as well as this program that I would like to speak.

I have commented before that the fear of inflation and the alarm over events such as proposition 13 have been driving the good commonsense out of this Chamber. I can understand that there are those persons who, having opposed the programs of the Great Society, would use the present budget cutting rage as a subterfuge for doing them harm.

But have we come to the point where we wish to abolish the modest social programs of the Eisenhower era?

Here we have a program that has been in place 25 years. If there is one activity of the Federal Government which American parents would say serves its modest and essential purpose at small cost and great effectiveness, this is it.

There are not many events of the Eisenhower administration in the field of social innovation. If we wipe this out, we are left with the interstate highway program, which gasoline rationing may undo, in any event.

I see the Senator from Kansas is in the Chamber. There would be nothing left to remember President Eisenhower, save a silver dollar.

[Laughter.]

Mr. DOLE. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I yield.

Mr. DOLE. The food for peace program resulted.

Mr. MOYNIHAN. The food for peace program is bound to be next. If we will not give milk to our own children, we are not going to give it to the Hottentots, as a certain non-Republican proposed in the middle of the Second World War.

In my State of New York, there are 6,200 schools and 3 million children who are eligible for this aid. We would take away the milk from up to 2.5 million children.

This will save the American taxpayer only a little. It will all go to the Commodity Credit Corporation and to the banks that pick up the bad paper from the bankrupt dairy farmers.

In the name of Dwight D. Eisenhower, let us have something to remember the 1950's for. For 25 years we have had a stable modest, sensible program. If we have to cut it out, I can think of a great many other places to do so, and it might begin with the people in the administration who thought this up in the first place.

I dare not go further, lest I become extreme in my language.

[Laughter.]

Mr. LEAHY. I thank the Senator from New York. Through the years I have listened to the Senator from New York while he was an ambassador, a historian, and a professor. I have always listened to him with a great deal of enjoyment. I would have paid admission to have heard the speech here this afternoon. I appreciate his support.

Mr. MOYNIHAN. I congratulate the Senator from Vermont for conducting this colloquy, which clearly is driving this legislation from the Senate floor, as it should be.

Mr. LEAHY. I thank the Senator.

Mr. President, I yield to the distinguished Senator from Maryland.

Mr. MATHIAS. I thank the Senator for yielding.

Mr. President, more than 100 years ago, Benjamin Disraeli, the Prime Minister of Great Britain, told the British people that good health was "the foundation upon which all their happiness and all their power as a State" depended. A great deal has happened in the world in the 100 or so years since Disraeli made that statement, but nothing has happened that would invalidate it. The connection between the health of the people and the health of the state is as crucial today as it has ever been.

In this country you do not have to look very far to find evidence of that critical interrelationship. Just look at what an important factor our spiraling health care costs are in inflation, if you do not think health—or, perhaps more accurately, the absence of good health—has a far-reaching effect on our economy, a dollars and cents effect.

One of the best and easiest and most economical ways to protect the health of a nation is to provide good nutrition to the children of the nation, to assure that, in the years when their bodies are being formed and growing, they receive the nourishment needed to make them strong and resilient.

One of the worst and least productive ways to respond to proposition 13 pressures for economy in government is to shortchange programs designed to promote good nutrition and good health in the youth of the nation. Yet, that is precisely what we are considering here when we talk about cutting back on the special milk program in schools.

This program has been the linchpin in the Nation's child nutrition effort. Its contributions to improved nutrition have been fully demonstrated. It has proved itself as a low-cost, efficient avenue to improved nutrition.

Those who want to restrict the special milk program now argue that the program duplicates nutritional benefits provided school children under other programs. This does not seem to me to be the case. A Department of Agriculture study reports that 70 percent of the milk served school children under the program is consumed by children who do not participate in the school lunch program.

Most of these children bring bag lunches from home. Some eat lunch away from the school. Others eat an a la carte lunch where milk is not provided as part of the meal. Unfortunately, some eat no lunch at all. So the program continues to fill a need in the total child nutrition effort.

Some suggest the special milk program is an inefficient way to improve nutrition. Statistics argue otherwise. Over 99 percent of the funds provided for the program are used to pay for milk for school children. Only about one-half of 1 percent of the program's funds go for administrative costs. I do not think there are many programs that can demonstrate such a high level of cost effectiveness.

The Department of Agriculture has stated that the milk not consumed because of this program reduction will be used in the women's, infants, and children's program as it is expanded.

Certainly WIC is a good program. It is a program that I support. WIC is a good program and I support it. It meets a very real need. But nutrition lost by school children, if the pending amendment is approved, will not be replaced.

The success of a program can be measured by its acceptance by the people I have never heard any complaint or criticism of the special milk program from Marylanders. On the contrary, there is strong popular support for the program across the State.

To Maryland's dairy farmers, it represents a substantial market for their milk. The special milk program used almost 2 percent of the 1.6 billion pounds of milk produced on Maryland farms last year.

Naturally, Maryland dairy farmers are anxious to maintain the markets they have worked to build.

But, the real issue involved here is health, not markets. And as Dr. Samuel Johnson reminds us:

> To preserve health is a moral and religious duty, for health is the basis of all social virtues. We can no longer be useful when not well.

The PRESIDING OFFICER. Who yields time?

Mr. LEAHY. Mr. President, I yield to the Senator from South Dakota.

Mr. PRESSLER. Mr. President, I am opposed to this amendment for a number of reasons.

It guts a program of proven value and need that has demonstrated its effectiveness over the past 25 years. It would significantly reduce the nutritional assistance to most of the children who participate in the program. It would have an adverse impact on dairy farmer income.

More than 5,800 South Dakota farmers market about 1.6 billion pounds of milk annually. Milk is the fourth largest source of farm income in South Dakota, ranking behind meat production, feed crops, and food grains. The milk from our farms last year produced $146 million in farm income. While it has been suggested that the reduction in the special milk program would have little impact on farm income, the $1 million loss it would represent for South Dakota dairymen will be significant.

South Dakota farmers market approximately 432 million pounds of Grade A under the Upper Midwest, eastern South Dakota, Nebraska-western Iowa, Black Hills, or eastern Colorado, milk marketing orders. Of this quantity, an estimated 8.6 million pounds is utilized under the special milk program. Elimination of a major segment of the program will be a very significant loss to our farmers.

Having come from a dairy farm at Humboldt, S. Dak., I personally know the problems, the difficulties, and the uncertainties facing the farmer. I also know of the commitment of dairy farmers to improved child nutrition.

The cynic might suggest that this concern is only an interest in selling his product. But I have seen the efforts of dairy farmers in their funding of the nutrition education programs of the National Dairy Council. I know of the personal involvement of many at the local level. I know also that they have supported and worked for improvements in and expansion of all of our child nutrition programs.

The special milk program is a demonstration of 25 years of successful, effective assistance. I know of no other Government program that delivers the intended assistance in so efficient a manner. At a time when we are daily faced with reports of cost overruns on Government programs, complaints of administrative delay and redtape, and rising costs, this program represents a startling contrast.

Only one-half of 1 percent of the funds expended go for administrative costs. The balance represents direct nutritional assistance. School administrators have reported to USDA that the program is a simple, easily administered effort.

The proposal to reduce the program's availability is based on the argument that it duplicates other nutrition assistance programs. Unfortunately, this argument is not supported by the available data.

My review of a detailed USDA study of the special milk program reveals that 70 percent of the milk provided under the program is consumed by students who do not participate in the school lunch program. Nor does the availability of the program tend to reduce student participation in other child nutrition programs available in the school.

The USDA reports that 70 percent of the milk provided through special milk goes to students who bring their own lunch to school, who eat a la carte lunches where milk is not a part of the lunch, who eat lunch away from school, or who eat no lunch at all.

The duplication argument focuses on the 30 percent but ignores the 70 percent that would lose. This I can neither understand nor accept.

While I served in the House of Representatives, I was a member of the Committee on Education and Labor which has jurisdiction over child nutrition programs. During that time, I had the opportunity to examine the role each of the various programs play in our overall effort to improve child nutrition.

Mr. President, the special milk program is an essential element of this total effort and is a program that should be maintained.

Mr. LEAHY. I thank the Senator from South Dakota. I appreciate his strong support. I yield to my colleague from Kansas for how long my colleague from Kansas needs.

Mr. DOLE. Not very long.

Mr. LEAHY. I yield to him for not very long, and then I will yield to the Senator from Nebraska.

Mr. DOLE. Mr. President, I appreciate very much this opportunity to address a very serious problem. Very honestly, I will say at the outset I came to the Chamber with two sets of papers, one in support of the Bellmon amendment and one in opposition to the Bellmon amendment. I have listened with great interest to those who have spoken. I can certainly understand Senator BELLMON's position as the ranking Republican on the Budget Committee, and as one who is concerned about fiscal responsibility. I can certainly understand the chairman and the position of the managers of the bill because we were asked in the Agriculture Committee to try to accommodate some of the budget cuts.

I ask unanimous consent that the letter from Secretary Bergland, dated May 21, 1979, addressed to Senator BELLMON be printed in the RECORD at this point in which the Secretary outlines his support of the Bellmon amendment and also takes issue with some of the allegations made by those who oppose the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
May 21, 1979.

Hon. HENRY BELLMON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BELLMON: This responds to your recent letter concerning the Administration's proposal to limit the Special Milk Program (SMP) to schools and other outlets which have no other Federally subsidized meal program. It should be noted that all of USDA's Child Nutrition Programs contain specific food requirements which include milk as a beverage. Thus, no child will be denied access to free or subsidized meals, which include milk, as a result of our proposed change.

Shortly after the 1980 Budget was released, the Department prepared a brief paper which discusses the rationale for our proposed change in the SMP and presents relevant information about the program in response to questions received from GAO, Congressional staff and other interested persons. I have enclosed a copy of that paper for your information. Also enclosed is a copy of the Special Milk Program Evaluation and a brief fact sheet.

Enclosed with your letter was a letter that you had received from the National Milk Producers Federation (NMPF) and a copy of testimony they delivered before the Subcommittee on Elementary, Secondary and Vocational Education of the House Committee on Education and Labor. The enclosed paper responds to many of their points; however, we would like to add several additional points in response to their letter and testimony.

1. In their letter, the NMPF states that elimination of the Special Milk Program means a 38 percent drop in milk consumption by school children. This is not true. The Special Milk Program study indicates that average milk consumption at school is only 11.6 percent lower in schools without the SMP that participate in the National School Lunch Program. The mean number of half-pints of milk consumed by students in schools with both the school lunch and milk programs is 1.03. For schools without the milk program, the comparable figure is .93 half pints.

2. On page 4 of the NMPF testimony, they indicate that the SMP has served as a stimulus to milk consumption. They base this statement on Special Milk Program study. What they fail to point out is that the same study indicated that the National School Lunch Program plays a substantially greater role in increasing milk consumption at school than does the Special Milk Program (page 30).

3. On page 4 of the NMPF testimony, they contend that less than 20 percent of Special Milk Program milk is served to low-income or paying children who are already receiving milk with lunch. In light of the study finding that 30 percent of SMP milk is consumed by students who eat Type A lunches, we disagree with their statement. Moreover, we do not agree that elimination of the SMP in schools with the National School Lunch and/or School Breakfast Program would be discriminatory since all children have equal access to these programs within the school.

4. On page 6 of the NMPF testimony, they discuss milk waste in various categories of schools. They do not mention that milk waste is lowest in schools that participate in only the Special Milk Program—the specific schools that we propose be allowed to continue participation. The specific lunch time milk waste level in SMP only schools is only 3.5 percent compared to 11.9 percent in schools with both the NSLP and SMP. Similarly, in schools with only the SMP, 88 percent of all cartons or glasses of milk served at lunchtime were completely consumed, compared to schools with both NSLP and SMP where only 73.7 percent of cartons or glasses of milk were completely consumed.

5. On page 6 of their testimony, the NMPF asserts that no Federal funds are allocated to schools to administer the SMP. While this may be technically true, it is somewhat misleading in that the combination of Federal reimbursement and children's payments for milk generally exceeds the price paid to the dairy for the milk, in order to absorb labor and other incidental costs of administering the SMP. Thus, the administrative costs of the SMP can be considered to be absorbed by either the Federal Government or by children paying for milk served through the program.

6. On page 9 of their testimony, the NMPF discusses the impact on farm income of the proposed change in the SMP. Their discussion of this point is particularly misleading. The SMP study shows that a la carte milk sales in schools dropping out of the SMP were only 38 percent below sales while they were in the SMP. Thus, it is not appropriate to assume a $220 million reduction in retail sales of Class I milk, since at least 62 percent of these sales would continue in the absence of the program.

In closing, let me express my thanks for the opportunity to provide you with additional information about our proposal to reduce the size of the Special Milk Program by eliminating its overlap with our other child nutrition programs which provide milk as part of a complete meal. Please let me know if we can be of assistance in providing any further information for your use.

Sincerely,

BOB BERGLAND,
Secretary.

Mr. DOLE. Mr. President, the Senator from Kansas had thought earlier that there should be some way to resolve the dilemma through compromise. It seemed to me that there was a need to focus on the cost. I do not know of anyone, certainly no one in this body, who wants to take milk from the mouths of children. That is not the issue. And all those, and I will be one of those, who will vote against the Bellmon amendment must square that vote with the American taxpayer who keeps telling us that we have to stop spending, that we have gone too far.

Those of us who advance the cause of the balanced budget will have to reflect on our vote before we vote for or against the Belllmon amendment, because that will affect our credibility. Perhaps it is easy enough to stand up and suggest that this is not the place to cut. It has been suggested by some if we just move the special milk program out of this function and into the price-support function that that might make a great deal more sense. We could just say that this is a farmers' program, a price-support program, and that we ought to face up to it and that if there are any benefits to the children, that is secondary. As a price support function, the primary benefits go to the milk producers. Again, I am not certain that would be the correct approach to take.

But I want to suggest that, in my view, there are good reasons for opposing the Bellmon amendment and there are good reasons for supporting the Bellmon amendment. I guess you just cannot have it both ways, and so we have to make a judgment. Hopefully it will be a judgment based on what we consider to be in the best interests of the American taxpayer, and in this case the American school child and also the American producer.

It is true that 70 percent of the special milk goes for children who do not participate in the school lunch program. The statistics have been recited, I think, by the distinguished Senator from Wisconsin and others. The average child receives about 1.23 cartons of milk at school in all three programs, the breakfast program, the lunch program, and the special milk program, for a total consumption, including what they have at home, of 2.82 cartons. The recommended average is four cartons.

The child eligible for three free cartons in the three programs at school receives an average of 1.52 cartons daily at school, more than half his daily intake. There can be good arguments made, which have been made on the floor, about the health of the child, and the maintenance of good health. Certainly, in this and many other measures, it is a factor we must consider.

I believe the special milk program is working. Every administration since I have been in Congress, which is 18 years, counting 8 in the House and 10½ in the Senate, has tried to eliminate this particular program or at least in some way diminish its effectiveness.

We can all apprecate the pressures on the executive branch and on any administration. We are fussing at President Carter, on the one hand, for not having a tighter budget, and we are adding to his problems, not only in this effort but probably many other efforts. That is our right, and we have a right to establish our priorities. It is pretty difficult for anybody to say that we ought to take milk away from children.

So if we use that argument, the emotional argument, we are not going to lose. You could not find 10 people who would say, "Let us take the milk away from the child."

So I guess we have to ask ourselves, Is the program necessary on balance? Are there other areas we can cut? We took a look at a number of other areas. In food stamps we were able to reduce the cost of that program by $152 million. In the WIC program we are going to save $50 million, and then, even though it may have been previously assumed by the administration, some of us voted just a couple of hours ago to reduce that by another $60 million. To me, that was a good vote, and I would rather apply that $60 million savings to the special milk program. But I doubt that we would have been able to—in fact we have not been able to—accommodate the full savings requested by the President or by the Committee on Agriculture or by the Budget Committee.

There is, as has been pointed out by the distinguished Senator from Vermont, very little waste in the school program. Almost 75 percent of the cartons were completely consumed, and 40 percent of those not consumed had less than 5 percent waste.

I might say to those who—and I have suggested it myself—have suggested this is a matter of some interest to milk producers. Every year we have fewer and fewer milk producers. We are probably going to pass a trade bill this year that is going to put about 1,500 milk producers out of business across the country. So those of us who not only represent milk producers but who like milk, whether you live in New York City or Los Angeles or Russell, Kans., or wherever, have to take a look at what impact losing milk producers has on the American consumer.

This program does help the American milk producers, no doubt about it. At the same time, the milk producer is having a great deal of difficulty with 80 percent of parity. If we lose the 1,500 producers, if we adopt the trade bill, that is another blow to the American milk producers.

But I would say this in fairness to the milk producers: They have outstanding representatives who contact us. They are totally fair and totally objective. Of course, they want us to support them—in this case oppose the Bellmon amendment, but that has not always been the case. It is not just a case of saying, "Well, this is going to hurt the milk producer, we have got to be against it or for it."

I will give you a couple of examples. Two years ago they supported the elimination of the mandatory second carton to needy children receiving a free lunch. Then they did not oppose the U.S. Department of Agriculture's plan to offer low-fat and skim milk when it was proposed, so I just suggest there is a great deal of objectivity.

I would say finally, Mr. President, that if Congress, in its wisdom, retains the special milk program then I think we are going to have an obligation, those of us who vote to retain it, to somehow come up with some more budget savings in that particular function, Function 600. That will be our obligation. I am willing to try to make those changes, whether it is in the school lunch program or some of the other programs where we might be able to save a considerable amount of money and maybe even reduce the special milk program itself.

I will just take 1 additional minute.

Mr. LEAHY. I yield 1 more minute.

Mr. DOLE. It seems to me maybe one thing we ought to look at is to allow schools which do not participate in programs offered under both the Child Nutrition Act and the School Lunch Act to continue participation in the special milk program.

According to some, that would be a disincentive in the breakfast program. But it does amount to savings of about $25 million, and it might be that some position similar to that will be adopted in the conference, if in fact there is a conference. But I would guess the Bellmon amendment will be defeated and, perhaps, a similar effort on the House side may be defeated. However, it is something we ought to address down the road, because sooner or later we are going to have to find a way to save some money. The American taxpayers are demanding it. They want us to rearrange our priorities.

No one wants to take anything away from the child. Certainly that is not Senator BELLMON's intent or Senator MCGOVERN's intent. They are generally on the other side.

So I just suggest in this case will be a close call, and that I will vote against the Bellmon amendment.

I thank the distinguished Senator.

(Mr. GRAVEL assumed the chair.)

Mr. LEAHY. I thank the Senator from Kansas.

I yield to the Senator from Nebraska. How much time does he want? I yield 3 minutes to my good friend from Nebraska.

Mr. EXON. I thank my friend from Vermont.

Mr. President, I rise to support the special milk program as one of the few programs available which provides our children with a highly nutritious food so necessary during their formative years. With this basic belief in mind, I must recommend that my colleagues oppose the suggested limitation and reduction of $110 million in the program level.

It is necessary that we look more closely at the effects which the adoption of this amendment will have on our most precious resource, our Nation's children. Much has been said that the amendment is not a massive cutback in food assistance to needy children. However, let us explore this more closely. The U.S. Department of Agriculture's special milk program study found that this program helped bring milk consumption of needy children who do not have the benefit of well-balanced meals at home up to the same level as nonneedy children.

The special milk program significantly stimulates the milk consumption of all children by increasing milk purchases from 38 to 48 percent. The program fills those gaps in nutrition programs by encouraging milk consumption by children who do not participate in the national school lunch program. In fact, Mr. President, 70 percent of special milk goes to children who do not participate in school lunch. Thus, removal of this program from the vast majority of our schools, some 75,000 would be a grave injustice to the nutritional needs of our youth.

Mr. President, I believe this body must also look at the claims that reducing the funding level for the special milk program would save some $155 million. The alledged savings supposedly would be accomplished through the elimination of "fraud, abuse, and program duplication." This claim is erroneous. The $110 million "savings" alluded to by cutting the program, will realistically be only between $31.5 and $85.1 million, when one considers that the Government will purchase stocks through the dairy price support program; $32 to $86.5 million in milk products can be predicted to sit in Government warehouses as a result of this proposed reduction.

Mr. President, to accuse the special milk program of being ridden with fraud and abuse is not accurate. The program has never been accused of being subject to fraud and abuse. In the 25 years it has been in operation, the program has built a record of economy, effectiveness, and success. As an example, milk is the least wasted of any food in the Government-assisted child nutrition program. Add to this the fact that 99½ percent of the Federal funds go directly to milk consumed by children with only one-half of 1 percent of these funds going to administrative costs is an accomplishment few Federal programs can claim.

Duplication of milk service claims have been highly exaggerated in reference to this program, Mr. President. The special milk study by USDA has shown that even in three-program schools (schools with breakfast, lunch, and special milk) the average child received only 1.23 cartons of milk a day at school or a total daily average in school and at home of 2.82 cartons or less than the four cartons or 32 ounces of milk per day recommended by most leading nutritionists.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. EXON. One more minute.

Mr. LEAHY. I yield the Senator 1 more minute.

Mr. EXON. Even those children eligible for three free cartons of milk a day at schools which have all three programs averaged only 1.52 cartons of milk.

Mr. President, I want to tell my distinguished colleague from Oklahoma who is the sponsor of this amendment that I have the utmost respect for his work in the area of budgetary constraint. As a member of the Senate Budget Committee along with Senator BELLMON, I believe we agree far more often than we disagree. However, I must point out in this instance that the $110 million which the proponents of this amendment claim will be saved is less than one-tenth of 1 percent of the total income support function as reported in the conference agreement on the first budget resolution. I believe, Mr. President, that considering the cost of this program compared to its substantial benefits we can well afford to continue its operation. Therefore, I urge my colleagues to reject this amendment.

Mr. LEAHY. Mr. President, I yield 6 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I join my friend in opposition to the Bellmon amendment.

I ask unanimous consent to have printed in the RECORD a letter from the National Parent Teachers Association, representing 12 million members.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE NATIONAL PTA,
Washington, D.C., May 23, 1979.
Hon. WILLIAM PROXMIRE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: The National PTA urges the defeat of the Bellmon amendment to S. 292, the WIC Appropriations Bill. The Bellmon amendment would severely limit participation in the Special Milk Program.

The National PTA has supported the Special Milk Program for years as an important component of Federal child nutrition programs. We testified recently in the House in opposition to the Administration's proposed reduction of 77 percent in the program.

The cuts proposed in Senator Bellmon's amendment would impact 75,000 schools and deprive those children who bring their lunches to school of receiving milk subsidized by the program.

We ask your support in our efforts to protect this important program.

Sincerely,
GRACE BAISINGER,
President.

Mr. PROXMIRE. That letter specifically says as follows:

> The cuts proposed in Senator BELLMON's amendment would impact 75,000 schools, and deprive those children who bring their lunches to school of receiving milk subsidized by the program.

The letter emphatically opposes the amendment.

Mr. President, I also have letters from the National Grange, the American Farm Bureau Federation, the Farmer's Union, and the National Farmer's Union, and the National Farmer's Organization, all major farm organizations in this country, every one unanimously opposed to the Bellmon amendment, and making their position very clear on it. I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE,
Washington, D.C., May 22, 1979.
Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: The National Grange wishes to express its strong objection to the amendment to S. 292 which would permanently reduce the authorization for the Special Milk Program.

It has been the practice to provide a wholesome, nutritious snack and meal supplement to school children under the Special Milk Program. The National Grange supports a balanced budget and many programs will suffer in order to accomplish this objective; however, cutting this program will deny our youth, especially the underprivileged, the opportunity to obtain the necessary dietary supplement they need.

The cost to the government is illusory because if the milk is not consumed in this manner, it could well end up in government-held CCC stocks.

I would appreciate your support in defeating this amendment.

Sincerely,
JOHN W. SCOTT,
Master.

[MAILGRAM]

MAY 18, 1979.

MARY MCLANE,
The National Grange,
Washington, D.C.

The National Grange urges you to oppose the Bellmon Amendment to S. 292 and to support full funding of $142 million for the special milk program.

JOHN W. SCOTT, *Master,*
The National Grange.

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., May 22, 1979.
HON. WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: We understand that Senator Bellmon intends to offer an amendment to S. 292, the Special Supplemental Food Program authoriation bill, to reduce the School Milk Program by approximately $115 million.

At its March meeting, the Board of Directors of the American Farm Bureau Federation adopted the following recommendation of the AFBF Dairy Committee:

"The Committee recommends that Farm Bureau support appropriations for the special milk program equivalent to the 1979 fiscal year level."

Your consideration of our position on this issue is appreciated.

Sincerely,
VERNIE R. GLASSON,
Director, National Affairs.

NATIONAL FARMERS UNION,
May 22, 1979.
Hon. WILLIAM PROXMIRE,
U.S. Senate, Dirksen Senate Office Building,
Washington, D.C.
Attn: Ken Dameron.

DEAR SENATOR PROXMIRE: National Farmers Union oppose the Bellmon Amendment to S. 292, the WIC Authorization, which would drastically reduce the special milk program so that the milk program would be available only to those schools with no other school food service.

The special school milk program has the least waste, with 99½ percent of the funds going to the purchase of milk. Seventy percent of the milk is consumed by children who either bring their own lunch to school or have no other lunch, even in schools which have a school lunch program.

This program also makes an important contribution to the milk price support programs for dairy farmers across our Nation, assuring a continued stable and abundant supply of this nutritionally important food.

We commend your leadership in opposing this amendment.

Sincerely,

REUBEN L. JOHNSON,
Director of Legislative Services.

NATIONAL FARMERS ORGANIZATION,
Washington, D.C., May 22, 1979.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Dirksen Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: As you are very well aware, our dairyman members in Wisconsin and in other milk producing areas have only recently begun to recover from the severe cost/price squeeze that wiped out so many family-sized dairies only a few years ago. Although producers' prices are still not sufficiently profitable to attract young farm couples to enter dairying as should be the case if an adequate milk supply is to be maintained in this country, the prices prevailing at this time offer a reasonable chance for survival.

A number of our NFO leaders who are in position to observe these recent developments closely are convinced that those independent, family-sized operators who are still producing will have an opportunity to do so in the future and that the public may be assured a stable and nutritious supply of milk only if we are able to maintain the present price support program and the modest milk distribution programs that move the products to some members of the population that otherwise could not afford this valuable food.

We believe it would be a serious mistake if the Senate accepts the amendment to be offered by Senator Bellmon, reducing program authority for the Special Milk Program. The USDA study showing that at least 70 percent of the milk distributed under this program is consumed by children who do not receive milk under any other government assistance program.

There may very well be a number of programs for which the government should reduce expenditures and combine assistance efforts that are poorly managed. We are convinced however, that is not the case in this instance.

We understand that you will actively oppose the Bellmon amendment and wish to assure you that such an effort is in the best interests of children who otherwise would be deprived of this valuable source of balanced nutrition.

Sincerely,

CHARLES L. FRAZIER,
Director, Washington Office.

Mr. PROXMIRE. Mr. President, the Bellmon amendment would limit participation in the special milk program to those schools and institutions that do not have a federally subsidized meal program.

I strongly oppose this amendment for the following reasons:

First, spending for the special milk program in fiscal year 1979 will amount to about $142 million. But Senator BELLMON's amendment aims at cutting this to only $32 million in fiscal year 1980. This represents a cut of almost 78 percent.

Acceptance of the Bellmon amendment means that special milk would undergo a budget cut that is unreasonable by any standard. A cut of this magnitude would knock out spending for a cause in which we all believe—child nutrition—by a dollar amount that is only one-fiftieth of 1 percent of total projected Federal expenditures for fiscal year 1980.

One-fiftieth of 1 percent—that is an infinitesimal cut in terms of the total budget, which would be accomplished by devastating child nutrition.

This is the basic choice, Mr. President. Through adequate funding of the special milk program for fiscal year 1980, we can help insure both good nutrition and the continuing development of good eating habits for our young people.

Or, in an attempt to save one-fiftieth of 1 percent of the projected fiscal year 1980 Federal budget, we can take a chance on both the health and the nutrition education of our Nation's greatest asset—the youth of this country.

We do know that the House Agriculture Appropriations Subcommittee approved $142 million for the special milk program for fiscal year 1980 in its recent markup session. This represents the subcommittee's estimate of what is needed to continue the program as currently authorized. This also matches—exactly—the fiscal year 1979 appropriation for the special milk program.

Mr. President, a cut of the dimensions proposed in the Bellmon amendment in a program of this importance cannot be justified on any sound basis.

In the numerous attempts that have been made over the years to cut back or eliminate the special milk program, the argument has been made that children receive milk at school breakfast and school lunch, and, therefore, do not need more milk during the school day. Opponents of the special milk program have consistently tried to paint a picture of schoolchildren inundated by milk that they do not need or want.

The Congress, in its wisdom, has been just as consistent in its rejection of these arguments—and for good reason. They are not supported by the facts.

The fact is that the special milk program has, over the years, served a distinct nutritional need and filled a gap in the child nutrition programs.

Here's what USDA found in its recent study of the special milk program. Seventy percent of the milk made available under the special milk program was consumed by students who did not participate in a type A school lunch program where milk is provided as part of the lunch.

Seventy percent—7 out of 10 children—do not participate in a type A school lunch program. That means only 30 percent would get milk in the morning and milk at lunch; and, as Senator EXON has just pointed out, that would still be well below the level recommended by expert nutritionists. No child can get too much milk, and the great majority of them would get much too little, if the Bellmon amendment should pass.

Who consumes the other 70 percent of the milk used in the special milk program? Here is the breakdown:

Forty-three percent is consumed by students who eat bag lunches from home;

Twelve percent is consumed by students who eat a la carte lunches;

Nine percent is consumed by students who eat lunch away from school; and

Six percent is consumed by students who eat no lunch at all.

Limiting the special milk program to students in institutions with no other federally subsidized meal program would, therefore, accomplish little by way of reducing duplication. Why? Because there is little duplication in the first place.

But acceptance of the Bellmon amendment would mean denying needed nutritional assistance to those students who now consume the 70 percent of special milk that would be eliminated.

Beyond this, the USDA special milk study reveals that all students in the so-called three-program schools, that is, schools with breakfast, lunch, and special milk programs, average 1.23 8-ounce cartons of milk per day at school. Total daily consumption by all students in the three-program schools—that is, milk consumed at school and at home—averages only 2.82 cartons, which is substantially less than the four 8-ounce servings of milk per day recommended by most leading nutritionists.

Moreover, students eligible for free milk—and also eligible, therefore, for free breakfast and free lunch, as well—report an average daily consumption of 2.99 cartons of milk, half of which, on the average, was consumed at school.

Mr. President, can anyone find in these figures any evidence supporting the notion that our children are drowning in a sea of milk? Quite the opposite. It is clear—crystal clear—that our children are not receiving excessive amounts of milk.

Third, what about waste? Even if children were participating in all the meal programs which provide milk and were receiving an additional half pint of milk through the special milk program, very little waste would be involved. USDA reports that milk is the least wasted item offered through the child nutrition programs.

Fourth, special milk is the most cost-effective of all the child nutrition programs. It offers better nutrition at little cost: 6.75 cents is the Federal cost per half pint of milk in the special milk program. In addition, virtually all of the funds provided through the special milk program are available for improved nutrition. Administrative costs represent only about one-half of 1 percent of the funds appropriated for the program. The other 99½ percent is spent on milk for children.

Mr. President, I challenge any Senator to give us an example of any other program which is that efficient: One-half of 1 percent spent for administration, 99½ percent for the milk consumed.

Fifth, the savings to be realized by the cutback proposed in the Bellmon amendment would be partially offset by Commodity Credit Corporation (CCC) purchases. Exactly how much this offset would be is uncertain. I have seen estimates that range from $30 to $35 million, on the one hand, to about $90 million, on the other hand.

But one thing is sure: We are not talking about a net savings of $110 million through this cutback. CCC acquisition costs would, in part, offset the savings to be achieved.

Moreover, it seems much better to me to have good, nutritious fluid milk in the stomachs of our children than to pay for powdered milk to sit in our CCC warehouses, which are already overloaded with this same product.

Finally, Mr. President, I would like to point out that the General Accounting Office, in its February 27, 1979, testimony before the Senate Subcommittee on Nutrition, stressed the lack of sufficient information to assess the impact of the cutback that would result from the Bellmon amendment. The GAO representative was referring to the administration's proposed fiscal year 1980 budget cut in the special milk program, which parallels the Bellmon amendment and rests on the same set of assumptions.

Here is what the GAO had to say about USDA's rationale for cutting back on special milk—again, to the same extent as the Bellmon amendment and for the same underlying reasons:

> The Department did not fully consider available options for decreasing costs without eliminating eligible children from the program. Unquestionably, the Department's proposed cuts will save money. They will also remove many children from these programs. Unfortunately, we are unable to measure the trade-off between budget cuts . . . and cutting children off from program benefits.
>
> Prior GAO recommendations to make comprehensive evaluations of child nutrition programs have not been acted upon. The Congress should require the Secretary of Agriculture to conduct a comprehensive evaluation of all the child nutrition programs. Such evaluations should consider the interaction of all Federal feeding programs in meeting legislative objectives.

WHY SCHOOL MILK SHOULD BE CONTINUED AT ITS PRESENT LEVEL

First. The school milk program is a program that works. There is no waste, no allegation of waste. It has been investigated and given approval by the Department of Agriculture. No one—not the Office of Management and Budget, not the General Accounting Office, not any critics of Government waste and Government programs generally has criticized school milk.

Second. This is a low-cost program for two reasons:

The administrative cost of providing the milk is less than 1 percent of the cost of the program—probably lower than any other program of this Government.

Much of the milk that is consumed would otherwise be stored at considerable cost to the Federal Government in CCC stocks if it were not consumed by the children who benefit from it. So the real cost to the Federal Government is 30 to 50 percent less than the technical budgetary cost.

Third. The program is not duplicated by any other program significantly. It is true that those children who take the class I school lunch program get milk as part of their program. It is true that such children would also get midmorning milk under the school milk program, but the amount they receive would still be a fraction of the recommended daily allowance by dietitians. Furthermore, 70 percent, I repeat 70 percent of the children who take part in the school milk program do not take part in the class I lunch program and therefore do not have milk furnished Most of these children have no milk provided. Here is why: 40 percent of the children bring their bag lunches to school. In rare and very exceptional cases do they have a thermos for milk or for a liquid. They drink water or buy a soft drink. Thirteen percent of the children have an a la cart lunch and do not purchase milk. The rest of the children eat lunch at school. In most cases they have lunch at a local MacDonalds or Burger King or soda fountain of a drug store, or they go home for lunch and 6 percent of them have no lunch at all.

So what happens if we adopt the Bellmon amendment and kill the school milk program? It means that 7 out of 10 children will probably get no milk at all, and the remaining 30 percent will get less than the desirable amount of milk.

Fourth. For the dairy farmer this is a $72 million loss according to Department of Agriculture statistics. Here is why: The drop in consumption because of the virtual elimination of the school milk program will, according to the Department of Agriculture reduce dairy farmer income by 6 cents for every 100 pounds of milk. Multiply that by the 120 billion pounds produced and the result is $72 million in lost income for dairy farmers who are among the hardest working citizens in this country—work an average of 12 hours a day, 7 days a week, 52 weeks per year; those cows have to be milked every day without exception. The most efficient dairy farmers in the world with an immensely improved productivity, take a painful risk depending on the health of their herd, the weather and earn less than two-thirds of the income of the average American off the farm.

Fifth. Frankly, I cannot think of a better Federal program than this one. It is efficient. It is low cost. It benefits children. It encourages healthy habits than can go a long way toward preserving good health and preventing illness in the future. Certainly those interested in good diets recognize that the average American drinks far too little milk and far too much in artificially flavored soft drinks. Programs for pregnant mothers and infants are fine. I am all for them. But they do simply reinforce what American mothers and babies have done for years—that is consume milk. That program is a good one, however, because it reinforces the good healthy habits and customs of American mothers. But what the school milk program does, is to provide the basis for the development of a lifetime healthy habit precisely when it should be established during the school years.

Children who drink commercial soft drinks instead of milk during their school years are far less likely to develop healthy habits later. Most of them will persist in habits that might very well condemn them to a diet lacking in calcium and the essential minerals and vitamins that milk so abundantly provides. I can think of no program that can do more to help build a healthy America than the school milk program. I can think of no single action by the Congress that can do more to thwart the development of healthy habits than the passage of an amendment that will virtually gut the school milk program.

Mr. President, I thank my good friend for yielding.

Mr. LEAHY. I thank the Senator.

Mr. President, I suggest the absence of a quorum, but I ask unanimous consent that the time for the quorum call not be charged against either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I yield myself 5 minutes. My understanding is that a quorum call was put in to give Senator BELLMON, the sponsor of the amendment, a chance to come to the Chamber. I will take a few minutes as manager of the bill to speak while we are waiting for Senator BELLMON.

Mr. President, I have not said much about the amendment offered by the Senator from Oklahoma because, frankly, I have ambivalent feelings about it. As the floor manager of this bill, I am in support of the Bellmon amendment for one reason: It is consistent with the recommendations made by the Senate Agriculture Committee at the time we were evaluating what our position ought to be on the budget.

It was my understanding that every committee was going to look at the President's budget and look for areas where we could either hold the line on the budget or, hopefully, make some reductions. That is precisely what the Committee on Agriculture, Nutrition, and Forestry did.

The President submitted budget recommendations in the field of child nutrition that would have had the effect of reducing those programs by approximately $500 million. The members of the Committee on Agriculture, Nutrition, and Forestry, myself included, felt that those cuts were too large. Among other things, they would have cut the school lunch program in excess of $300 million. We found that totally unacceptable. Here is a program that involves millions of children in every part of the country who depend on that school lunch program for the one nutritious, hot meal they get during the day. So the committee was determined we were going to protect the school lunch program against cuts of that kind.

As a matter of fact, we voted against any cuts at all on the school lunch program.

Then that left the question, How do we go back to the Senate, to say nothing of our constituents, and explain that we were not interested in cutting anything in the President's budget that had to do with child nutrition?

I think it is fair to say that virtually all, if not all, of the members of the Committee on Agriculture would like to have preserved all of the child nutrition programs. That would have been my position, if there were unlimited funds in the budget and if we were not concerned about trying to hold the line.

In the order to butteress that particular preference with my own sense of priorities, I came to the Senate floor some weeks ago, at the time the Senate budget resolution was before the Senate, and I proposed that we transfer about $1 billion out of the $124 billion in budget outlays for military purposes into other programs, including the nutrition program.

My thought was that if we reduced that $124 billion Pentagon budget by less than 1 percent, that would save enough money so that we would not have to debate these cuts that we are proposing here today in the special milk program, or in the school lunch program, or in the WIC program, or any of these other nutritional programs.

It seemed to me at a time when we had enough military power in this country to pulverize the whole world about a hundred times over, we could well afford to take $1 billion out of that $124 billion for military purposes and earmark it for these programs designed to strengthen our own people.

We have had a lot of people speak on the floor today about the value of nutrition. I agree with that. There is not anyone in the Senate who feels more strongly than I do that we ought to call these nutritional programs national defense. They have every bit as much to do with the defense of this country as adding a few more missiles do to the defense of the country.

But when I made that proposal to the Senate, that we protect the nutritional part of this budget, that we protect programs that have to do with our senior citizens, that we protect those programs that deal with the disadvantaged and the handicapped, and that we do that by transferring less than 1 percent of this enormous amount of money that was in the budget for military purposes into these other programs, I only received 24 votes for that proposal. Three out of four Senators in this Chamber said, "No, we are not going to cut the military budget a dime." I doubt if we can cut it a dime. I think any Senator who got up and proposed that we cut $1 out of that military budget would probably have been defeated by about the same margin that I lost on the transfer amendment.

So here we are with the Senate saying we are going to cooperate with the President on holding the line on the budget, but when a proposal is submitted to try to protect these social programs by making some transfer within the budget——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McGOVERN. I yield myself 5 additional minutes.

The PRESIDING OFFICER. There is no time remaining on the amendment.

Mr. McGOVERN. Mr. President, I ask unanimous consent that I be permitted to speak for 5 additional minutes notwithstanding the agreement on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, the point I am trying to make is that obviously if the transfer amendment I offered here several weeks ago to move some $1 billion out of military functions in the budget into these social programs had carried, I would not be voting for the Bellmon amendment to cut some $100 million out of the special milk program. But the fact remains that having rejected any cuts at all in the school lunch program—and I agree with that—we are faced with the fact that there are only a few other areas in the whole nutritional field where reductions can be made.

Today I think we are going to eliminate $50 million from the WIC program. There is a good chance that we will eliminate some $47 million in what is actually wasted funds in a portion of the summer food program. But beyond that we have nothing left where we can make any reductions at all of the $500 million that the President requested other than the special milk program.

Senator BELLMON'S amendment is very carefully crafted so that it does not deprive children of the benefits of milk in the diet if they attend a school where there is not a school lunch or a school breakfast program. It pertains only to those schools where children are being given milk in the school lunch or the school breakfast program.

The effect of the Bellmon amendment would be to say to those children who attend the school where there is a school lunch or school breakfast program, where they have access to milk and they choose not to participate in that program, they can still get the milk but they would have to pay 5 cents for it. They would have to pay that 5 cents subsidy that is now provided by the Federal Government.

Theoretically, at least, no child would be eliminated from the receipt of milk by the Bellmon amendment. The only ones, presumably, who would be eliminated would be those who were unwilling or unable to pay the 5 cents additional fee that would be required under the Bellmon amendment.

By this one amendment we save something in excess of $100 million.

Again, Mr. President, let me stress that I am not going to lose any sleep or shed any tears if this amendment is defeated. It is not my amendment. It is Senator BELLMON'S amendment. But I would have to tell the Senate that if we are serious about the budget process, this is probably the lowest priority item in the child nutritional field.

I do not know of any school food service director anywhere in the country who would feel comfortable jeopardizing the school lunch program in order to save the special milk program when one considers that those students participating in the special milk program under the Bellmon amendment would be able to get milk either through the school breakfast or the school lunch program.

During the hearings, I asked the school food service director from South Dakota, Mr. Rhead, this question, and received this answer:

> If you had to cut the school lunch program or the special milk program, which would you put on the priority list not to save?
>
> Mr. RHEAD. The milk program.

Then I repeated:

> You are saying you would cut the milk program.
>
> Mr. RHEAD. Yes, sir.

I think that is the answer you would get from any school food service director. If I were absolutely sure that Congress is going to reject all $500 million of the reductions that the President has asked in the school nutrition field, the child nutrition field, I would vote against the Bellmon amendment. I am not at all sure of that.

I have heard at least one Senator say that if this amendment is rejected, maybe we can save a similar amount of money by cutting it out of the school lunch program. That is the very danger that I fear, the reason why I am going to support this amendment. I know that it is always argued that we can afford both guns and butter or, as the saying should be modified now, milk and butter. But the problem is, when we had that argument for about 10 years during the Vietnam war, it is true that we had both guns and the butter, but we also set the stage for the worst inflation in the history of the country—the biggest deficits and the biggest debts. I suspect that syndrome is still operating, that if we do not make some serious effort at prudent restraints on all aspects of the budget and it is somehow assumed that we can do everything without regard to the impact on the taxpayer and on the budget, then we are going to continue in this inflationary cycle that has afflicted the country now for the last 10 years.

It is on that basis, purely on a choice of priorities, that I am supporting the Bellmon amendment.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. DOLE. I ask unanimous consent that it be charged to Senator BELLMON'S time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. STEWART. Mr. President, I rise today in opposition to this amendment.

I come from a rural section of the country, as do a good many of my colleagues in this body. A lot of the folks I came to Washington to represent are not well off. The communities many of them live in are not particularly prosperous. That is not to say they are not good, hard-working, honest folks, because they are. They are the kind of folks that have contributed to the traditional strength of this country.

But beyond all that, Mr. President, they sent me to Washington to represent them and to speak out in their behalf. That is why I rise today in opposition to the Bellmon amendment.

I have discovered in my brief time here that there is something of an urban mentality among the bureaucrats. We have seen this time and time again, whether in regard to the amputation of Amtrak or the unnecessarily heated dialog between the administration and protesting farmers.

If ours was a purely urban country, Mr. President, that would be fine. But it is not. And for that reason alone, we must examine the impact our decisions have on the folks in rural America.

Frankly, a lot of people in Alabama need this special milk program. A recent study by the Department of Agriculture shows that the program brought needy children up to about the same level of milk consumed per day as that of not-so-needy children. And I remind my colleagues that in a State that has a per capita income of about $4,000, you have a lot of needy children.

I find it very hard to accept the arguments put forth by proponents of this amendment that milk is being wasted in the program. Certainly, the facts do not support such a claim, 75 percent of all the milk served in the program is totally consumed. Beyond that, the special milk program is the most cost-effective of all child nutrition programs. Each half pint of milk that is consumed in the plan offers improved nutrition at incredibly little cost. In addition, virtually all of the funds provided in the program are available for improved nutrition. Administrative costs represent only one-half of 1 percent of the special milk funds. The other 99½ percent is expended on milk for children.

I would like someone to show me any agency in the sprawling Washington bureaucracy that operates as well.

And, Mr. President, I remind my colleagues of the economic situation in Alabama. In a State whose rural communities lack such basic urban amenities as decent water and sewer projects or adequate health care, you can be very sure that the milk allowed under this program does not go wasted.

Many of the little children I represent in Alabama get their only decent meals in school. I have spent a good part of my public career attempting to address the needs of rural Alabama, and know that a lack of a decent diet is a prime cause of the health problems that have beset the poor people in nonurban portions of my State.

Since coming to Washington, I have made every effort to convince the President and certain people in the bureaucracy that we cannot afford to forget the people who live in rural America. We must consider their needs, their point of view and the consequences that each of our actions have on them. To do otherwise is to ignore an important, productive element of our society.

Today we are talking about this as it relates to nutrition. Tomorrow, we could be talking about health care. The next day, we could be discussing education or transportation.

But the fact remains, rural America needs every advantage that the urban-oriented government can provide.

And rural Alabama needs this milk program.●

SPECIAL MILK PROGRAM

Mr. STONE. Mr. President, Congress has made a major commitment to the improvement of nutrition for all Americans through a variety of means—the food stamp program, the special supplemental food program (WIC), and a number of child nutrition programs that are aimed specifically at our young people while they are in schools.

Adequate nutrition is not an issue to be debated, rather it is an essential. Adequate nutrition for school children is something which pays dividends far beyond the immediate short-term situation. Adequate nutrition encourages sound growth and development in children. It also helps school children to develop sound eating habits which will remain with them throughout their lives. Perhaps most importantly, it improves their learning capabilities.

The program of immediate concern—the special milk program—has been attacked as a duplication of effort that more nearly represents a subsidy to the dairy farmer than it represents a valid contribution to child nutrition.

In economic terms, nationally, this program represents about 2 percent of the market for fluid milk. The proposed curtailment, according to minimal estimates by USDA would mean a reduction in annual farm income of $72 million.

In Florida, this income loss would mean a $1.2 million reduction in farm income. The 2 billion pounds of milk produced by Florida dairy farmers in 1978 had a farm value of $249 million, according to USDA. Unlike most major dairy producing areas, we do not produce the bulk of our own feed supplies. Most of the grain and protein supplements for the dairy herds are shipped into the State. The rising costs of transportation, labor, equipment, taxes, energy and other input costs present a major problem for our dairy farmers. Thus, a $1.2 million income reduction is a major concern for them.

But the most important side of the question—the child nutrition aspect—needs careful examination. Budgetary questions are a matter of prime concern to all of us.

The major objection seems to be that the program duplicates other nutrition programs offered in the schools and affords children an excess of milk. If I believed this were the case, I would support the Bellmon amendment.

The only detailed examination of the program, made by the U.S. Department of Agriculture, indicates that 70 percent of the milk made available through the special milk program is consumed by students who do not participate in a school lunch program where milk is provided as a regular part of the meal. The same study showed that 43 percent of special milk was consumed by students who bring bag lunches to school while another 15 percent goes to students who eat lunch away from school or who eat no lunch at all.

Even in those schools which offer the full range of child nutrition programs (special milk, school lunch and school breakfast), there is nothing to indicate that children are receiving excess milk. Students in these schools, consumed an average of 1.23 half-pints of milk per day at school and a daily total of 2.82 half-pints of milk both at school and away from school. Leading nutritionists recommend 4 half-pints of milk a day for growing children. Of major significance is the fact that children from low income families (those who received free milk under the program) were placed on a par with other children in terms of milk consumption. In this instance, over half of the total daily milk consumption by the children from low income families was at school with the special milk program making a major contribution toward this.

The special milk program has demonstrated its effectiveness as a simple, direct means of improving child nutrition. At the same time, it represents a major positive factor in maintaining farm income. It is a program that should be maintained.

Mr. EAGLETON. Mr. President, no one could oppose encouraging young children to drink milk. Surely, milk has been demonstrated time and time again to be beneficial to their growth and health. Today, I rise in support of the Bellmon-Muskie amendment to reduce unnecessary expenditures resulting from duplication between the special milk program and other Federal school feeding programs.

The amendment is not aimed as a massive cut-back in food assistance to needy children. In fact, current estimates indicate that it would have a relatively small impact on fluid milk consumption in the schools and very little, if any, impact on the dairy industry in the country. It would, however, save a substantial amount of money—about $110 million—in a very tight budget year when it is imperative that the Congress work hard to reduce the deficit.

It seems to me that the proposed reduction in the special milk program needs to be viewed in context to understand why it makes fiscal sense this year. At the present time, well over half of the total enrollment in eligible schools are participating in the national school lunch program. This amounts to about 25 million children per year, with nearly 11 million of these children receiving free or reduced price lunches, and the remainder a federally subsidized meal. In addition, there are about 3 million school breakfasts served in the child nutrition programs per year.

It is estimated that about 85 percent of the schools participating in the school lunch and breakfast program also take part in the special milk program. This amendment limits participation in the special milk program to institutions that do not have any other meal service with milk under the current child nutrition programs. Under current law, the Federal Government subsidizes the cost of milk served in schools to children, regardless of their ability to pay, and regardless of whether or not milk is being made available to the same children as part of a school lunch or breakfast program. In some schools, this means that federally subsidized milk is provided to children up to three or four times per day.

This amendment has received wide bipartisan support. And, although I do not think that is the compelling factor, I do believe it is worth noting:

The proposal was an integral part of the President's 1980 budget.

The Nutrition Subcommittee of the Senate Agriculture Committee supported this change after holding 2 days of hearings. This recommendation was further supported in the full Agriculture Committee's recommendations to the Budget Committee for 1980.

The Senate Appropriations Committee supported it in its recommendations to the Budget Committee.

Both the House and Senate Budget Committees assumed savings in this program, and the final Budget Conference agreement also assumes this saving.

What is the impact on the children who participate in the program? About 79 percent of the milk subsidized under the special milk program would no longer receive a subsidy. However, most of the children now participating in the special milk program would continue to purchase milk—they would simply pay about 7 cents more than before per half pint. (The total cost of a half pint to the child would become 15 cents, instead of about 8 cents with the Federal subsidy paying the rest.) Studies conducted by the Department of Agriculture indicate that at least 62 percent of the milk formerly subsidized by special milk program will still be consumed in schools by the same children.

What is the impact on the dairy industry? It is expected to be minimal. To begin with, the 1980 budget shows increases in dairy products amounting to $52 million for all other child nutrition programs, $115 million for the WIC (special supplemental feeding) program and about $80 million for food stamps. Thus, total increases in dairy products amount to almost $250 million through Federal feeding programs of the Department of Agriculture. The grand total amount in the budget for milk and other dairy products totals over $2 billion.

Putting all of this together, overall milk consumption in the United States is expected to drop by only two-tenths of 1 percent, and affect the price of milk by one-half of 1 percent, or only about 6 cents of the current $11.90 per hundredweight price. Milk prices have been running well above support levels, and are likely to remain above support levels during most of 1980. Thus, the special milk program change should not result in major additional milk purchases by the Commodity Credit Corporation. Even if the CCC had to purchase the full amount of milk which would no longer be used in schools (285 million pounds), the estimated cost would be only $30 to $35 million, compared to estimated savings of $110 million in the special milk program.

Mr. President, I believe this is a very reasonable proposal and one that makes fiscal sense in a very tight budget year. I think it will have a very minimal impact on the children, the majority of which will continue to consume just as much milk as before. But it will have a very positive impact on saving money in the budget. It might also have the helpful side effect of shifting more children into the school lunch and breakfast programs, thereby helping them to obtain a fully balanced meal while at school.

I hope my colleagues will support this amendment, recognizing that this is a program where we can safely save $110 million, while eliminating some of the overlap of our current Federal feeding subsidies.

Mr. President, I ask unanimous consent to include in the RECORD a paper developed by the Appropriations Committee staff that addresses the various issues in this special milk program amendment.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

THE SPECIAL MILK PROGRAM—1980

The Special Milk Program seeks to encourage the consumption of fluid milk by children in schools, summer camps, and child care institutions through the payment of a Federal subsidy (reimbursement) for each half-pint of milk served. All milk served under the program during the 1978 school year was reimbursed at 6¼ cents per half pint. The remainder of the cost of each half pint of milk (totaling about 15 cents) was paid either by the child or by a further Federal subsidy. The total cost of the milk is paid by the Federal Government for needy children, so defined under the National School Lunch Act.

At the present time, there is no limit on the number of times special milk can be served and subsidized in schools. In fact, it is often served two or three times a day, in addition to the half pint of milk which is included as a required part of every school lunch or breakfast served in the Child Nutrition programs.

Budget Proposal: The President's budget for 1980 calls for limiting special milk to schools and other outlets which have no other federally subsidized meal program. This proposal was made because all Child Nutrition programs contain specific food requirements, including milk as a beverage. Thus, under the President's proposal, all children who currently have milk available to them at meal time will continue to receive milk from other Child Nutrition programs. The budget proposal would have $110 million.

Participation: In 1978, there were 83,403 schools and child care institutions participating in the special milk program, with a total of 1,967 million half pints of milk served in the program. Approximately the same level is expected in 1979 if no legislative change is made.

According to the U.S. Department of Agriculture (USDA), the following table shows program participation status in various child nutrition programs along with enrollment. Figures are shown for 1975, when a comprehensive study of special milk was made, as well as for the current school year.

	Schools		Enrollment (millions)	
	January 1975	Current	January 1975	Current
School lunch	83,530	92,843	44.19	44.9
School breakfast	11,225	24,336	7.38	11.17
Special milk	79,408	83,910	40.57	---------
Lunch—special milk	71,341	---------	37.87	---------
Breakfast and special milk	8,951	---------	6.26	---------
Special milk only [1]	8,067	---------	2.70	---------

[1] Estimated.

This table shows that only about 10 percent of the schools would remain eligible to participate in the special milk program if the budget proposal is adopted. Actual milk served under the program is projected to decline to 21 percent of its current level.

Other Program Data: With respect to how frequently milk is subsidized in the schools, the comprehensive survey of special milk showed that, of schools and institutions in the program:

45 percent offered milk once per day, with virtually all of these providing it at lunch time.

27 percent offered milk twice per day.

24 percent offered milk three times per day.

4 percent offered milk four or more times per day.

The survey also showed that 66 percent of all special milk is served at lunch time, and further that, consumption of special milk broke down as follows:

43 percent of special milk is consumed by students who eat bag lunches.

30 percent of special milk is consumed by students who also received milk as part of a school lunch program.

12 percent of special milk is consumed a la carte (children purchase it).

6 percent of special milk is consumed by those who ate no lunch.

A key finding of the survey in relation to the legislative proposal was that the school lunch program was a greater contributory factor than special milk in increasing at-school milk consumption. Students at schools with a lunch program consumed about the same amount of milk (1.03 cartons) as students in schools with a milk program (1.02 cartons). But milk consumption in non-lunch schools was 20 percent lower than milk consumption in non-milk program schools.

Finally, with respect to the legislative proposal, the findings of the survey suggest the relatively marginal contribution of the milk program to at-school consumption: Children at schools with both lunch and milk programs consumed 1.04 glasses per day, while those with a lunch program but no milk program consumed only about 10 percent less, or .93 glasses of milk. The high cost ($110 million) does not appear warranted for such marginal benefits in schools already participating in the Child Nutrition programs.

It has been argued that the special milk program is needed in schools that have split sessions, where children spend half a day at school but aren't there at mealtimes. Only 3 or 4 percent of all schools recently surveyed by the Department of Agriculture had split sessions. The vast majority of these split session schools have food service available to at least one session, and most had it available to all sessions.

IMPACT ON DIARY INDUSTRY AND PRICE SUPPORT ACTIVITIES

Ongoing USDA Child Nutrition programs will account for milk purchases of more than $640 million FY 1980 as part of regular meal service programs.

The decrease in program size in terms of half pints of milk served to children between fiscal 1979 and 1980 is projected to be 1,505 million (a reduction from 1,900 million to 395 million). Thus, the program is projected to be approximately 21 percent of its current level. The 1,505 million half pints represent just over 750 million pounds of fluid milk. This amount of milk represents approximately 1.34 percent of total fluid consumption in the United States. In terms of total milk production (including manufacturing uses) 750 million pounds represents less than .6 percent of total production.

The USDA estimates that 62 percent of the milk consumed in the special milk program would continue to be consumed by children at school in the absence of the program. Most of the "replacement milk" would result from students continuing to purchase milk at about 7 cents more per half pint in the absence of special milk subsidies, with a smaller portion of the "replacement" coming from increased participation in either the school lunch or school breakfast program. (Actual price to the child will rise from 8 cents to 15 cents per half pint.) There are no existing data which give any indication of the extent to which children might increase milk consumption at home or bring milk from home in the absence of the special milk program. Thus, existing data suggest that the maximum volume of milk which would no longer be used in schools as a result of this change in the special milk program is 285 million pounds (38% × 750 = 285 million pounds).

A 285 million pound reduction in milk usage in schools represents slightly more than 0.2 percent of total milk production. A decrease of this magnitude would be expected to lower farm milk prices by about one-half of one percent or about $.06/cwt. Milk prices in January, 1979 were about 86 cents above price support and have been running about 50 cents above support levels since July. Milk prices during the fiscal year 1980 period are currently projected to remain above price support levels. Thus, the special milk change should not result in major additional purchases by the Commodity Credit Corporation (CCC). The maximum estimated CCC cost, if all 285 million pounds of milk were purchased, is $30 to $35 million.

It is perhaps more appropriate to consider the impact of the special milk reduction not by itself, but in light of anticipated increases in the Special Supplemental Food Program (WIC). The 1980 budget calls for a $200 million increase in WIC funding over 1979 levels, which includes $40 million for State and local costs and $160 million for the food package. About 64 percent ($103 million) of the food of the WIC food package is dairy products, most of which are fluid milk, but also including cheese and milk-based formula. In program dollar terms, the $110 million reduction in special milk activities is almost completely offset by an increase in WIC dairy purchases at $103 million. Moreover, as discussed earlier, 62 percent of the milk no longer served through the special milk program will continue to be purchased a la carte at 15 cents per half pint.

The PRESIDING OFFICER. Who yields time?

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I am ready to vote on this amendment if——

Mr. MATHIAS. Would the Senator defer that?

Mr. LEAHY. I am going to have to because Senator BELLMON has considerable time remaining. I simply want my colleagues——

Mr. MATHIAS. I am his stakeholder at the moment and we should defer that vote. I believe Senator BELLMON is on his way to the floor. We expect him momentarily.

Mr. LEAHY. I assure the Senator from Maryland I have no intention of trying to force it to a vote. I simply wanted to let people on this side of the issue, at least, know where we stand.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I have been discussing this matter with the manager of the bill. We have had, I think, an enlightening debate here on this subject this afternoon.

Mr. President, unfortunately the opponents of the special milk amendment have based their arguments on several grounds—but these arguments entirely miss the point of the amendment.

The amendment will eliminate a costly and unnecessary Federal subsidy. That is the issue, not whether children consume enough milk. The amendment does not eliminate the availability of milk in schools, it merely removes the subsidy in situations where other Federal programs provide milk to children as part of a balanced meal.

Data from USDA studies indicate that 62 percent of the milk now subsidized will still be purchased without the Federal subsidy. Up to another 10 percent of the milk removed from the subsidy will continue to be consumed as children switch over to the regular meal service programs. In absolute budgetary terms, then, about 70 percent of the funds which will be cut by the amendment currently have no direct benefit in terms of encouraging milk consumption—an out-and-out waste of taxpayer dollars totaling more than $80 million a year.

I agree that children should consume milk as part of a balanced diet, and I am a strong proponent of child nutrition programs which are directed at this goal—but I cannot, and will not, support a milk subsidy program which is so inefficient and wasteful. The amendment that I am proposing does not totally eliminate the program, it merely redirects these Federal dollars to those schools where the assistance is actually needed—those schools that do not have a lunch or breakfast program.

Mr. President, the opponents of the amendment have cited statistics which proport to demonstrate the increased consumption of milk in schools that have the subsidy program. Well, it is true, anytime the Federal Government agrees to pick up half the tab, more people are likely to buy the item.

I think, Mr. President, that the history of this program must be kept in perspective. The milk served under the special milk program now totals about 29 percent of all the federally subsidized milk served in schools. There was a time during the 1960's that more than half the milk served in schools was under the special milk program. But the growth and expansion of the National School Lunch Act and the school breakfast program has sharply reduced the significance of the direct milk subsidy.

In fact, the overall reduction in milk consumption being discussed today is in the neighborhood of only 10 percent of the total school milk consumption. So rather than averaging 1.04 glasses of milk per day, students in the affected schools will consume 0.93 glasses of milk. This is hardly the catastrophic drop indicated by the opponents of the amendment.

What about the effect of the amendment on needy children? To listen to the statistics of the opponents one might believe that needy children would be denied even minimal access to milk in schools. This is simply not true.

The amendment eliminates the milk subsidy program only in those schools that have a lunch or breakfast program. Needy children in these schools have access to these meals, which include milk, free—or at reduced prices. Under current law, reduced price meals are available to children of families which have incomes up to 195 percent of the poverty level. At the reduced price, these meals represent a bargain in good nutrition—which cannot even be matched by those who pack their own lunches from home.

In those schools which do not provide lunch or breakfast, the special milk program is maintained under this amendment. Additionally, Public Law 95-627 passed last year, would make free milk to needy children under the program optional to the schools. The amendment that I am proposing will restore the requirement that participating schools continue to provide free milk to needy children.

Mr. President, there is one final point that I would like to rebut. The dairy industry has taken a strong stand in opposition to this amendment—and the arguments today have reflected some of the industry's concerns.

First, that this amendment will have a dramatic impact on dairy producers' income. This is not so.

As I noted earlier, about 70 percent of the milk subsidized by the special milk program will be consumed by children whether or not this amendment is adopted. The expected decline in consumption is only about 10 percent of current school milk use—and this equates to only two-tenths of 1 percent of U.S. milk production. The impact on market prices is expected to be only one-half of 1 percent. Clearly, this would not be a devastating blow to the dairy industry, even if the WIC program, which buys a lot of milk, were not expanding.

This leads me to my second main point. The opponents of the amendment have raised the specter of massive CCC purchases of dairy products—in their words "paying for milk to sit in an overloaded warehouse rather than in the stomachs of our children."

Again, this is simply not so. USDA only purchases dairy products when market prices go below support levels. As I noted earlier, dairy prices are quite strong now, and are expected to increase over the next fiscal year. Since the reduction in consumption due to this amendment is so small, only minimal impact can logically be expected in USDA commodity purchases.

But what about these overloaded warehouses with unused powdered milk? USDA projections show clearly that Commodity Credit Corporation stocks of dry milk will be cut in half during fiscal year 1980, notwithstanding this amendment. The end-of-year stocks of dry milk will be only a third of the level held at the end of fiscal year 1977.

Neither do these CCC stocks merely sit in warehouses. Much is resold domestically when market prices stabilize; a significant portion is used in the Public Law 480 food-for-peace program to provide nutritional assistance to developing nations; but the bulk of these stocks end up back in the schools anyway in the form of donated commodities: that is, in the stomachs of our children.

Mr. President, to sum up, the special milk program amendment is not a nutrition issue. Senator McGOVERN's own nutrition subcommittee supported this cut in its budget recommendation, and nutrition groups testifying before his subcommittee clearly indicated that this was a lower priority program.

My amendment is not even a real dairy issue. The impact on the industry is minimal.

What this amendment truly represents is a commitment to sound budgeting and Federal programing. We cannot keep our promise to the taxpayers of our Nation to balance the Federal budget by fiscal year 1981 unless we take steps now to reduce inefficient and lower priority programs.

It appears to me, Mr. President, that there is a considerable amount of misunderstanding over this amendment. I am surprised because I brought it up a year ago and withdrew it with the assurance of committee consideration.

Also, it appears to me as the session goes on and we find ourselves trying harder to identify areas where we can make the savings that the budget resolution calls for that there will be a renewed interest in taking a look at the special milk program. Perhaps at that time, and as part of a package of savings, it might be looked upon with greater favor by some of those who apparently oppose it today.

For that reason, Mr. President, I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Several Senators addressed the Chair.

Mr. McGOVERN. Mr. President, I commend the Senator from Oklahoma for the decision he has just made. He has made a very effective argument here today in support of his amendment.

I think all of us have had feelings of ambivalence about this amendment. It may be that at a later time we can take a look at it again.

I just want to serve notice on the Senate that any effort, following withdrawal of this amendment, to come back with reductions in the school lunch program are going to be met with far greater vigor than has been demonstrated here today against the Bellmon amendment on the special milk program. While I appreciate the Senator's decision to withdraw his amendment—as a matter of fact, he discussed it with me before he made that decision, and I agree with the decision—I want to serve notice that there will be a vigorous effort to block any cuts in the school lunch program.

Mr. LEAHY. Mr. President, I appreciate the move of the Senator from Oklahoma, my good friend, in this regard. I know of his long concern about the feeding programs of children throughout the country. I have had the privilege of holding hearings with him on nutrition matters, and I know of his concerns as a legislator, as a Senator, and as a former Governor.

I believe that the debate we have had here this afternoon has served a very valid purpose. We know our individual positions on this matter. We know that we are all seeking the same things. If anything, we have demonstrated the complexity of the subject. It has to give those of us in the executive branch and the legislative branch the kind of direction that must be followed in the years to come.

I thank the Senator from Oklahoma.

AMENDMENT NO. 197

(Purpose: To limit service institution eligibility in the summer food service program)

Mr. BELLMON. Mr. President, I call up amendment No. 197.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BELLMON) proposes an amendment numbered 197.

Mr. BELLMON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, between lines 3 and 4, insert the following new section:

"SEC. 2. Section 13 of the National School Lunch Act is amended by—

"(1) redesigning paragraphs (a)(3), (a)(4), and (a)(5) as (a)(4), (a)(5), and (a)(6), respectively;

"(2) inserting after paragraph (a)(2) a new paragraph (a)(3) as follows:

"'(3) Eligible service institutions entitled to participtate in the program shall be limited to (A) public service institutions; (B) private nonprofit service institutions, including residential camps that use onsite facilities to prepare meals, or obtain meals from a public facility, such as a school district, public hospital, or State university; (C) private nonprofit schools, including colleges and universities; (D) private nonprofit institutions that primarily serve migrant children, including institutions that purchase meals from a food service management company; and (E) private nonprofit service institutions that serve not more than five hundred children daily at not more than three sites and that purchase meals from a food service management company.';

"(3) inserting the word 'further' after 'entitled to participate in the program shall' in paragraph (a)(4), as redesignated by clause (1) of this section;

"(4) adding at the end of paragraph (a)(5), as redesignated by clause (1) of this section, a new sentence as follows: 'States shall conduct active outreach efforts to identify eligible institutions to participate in the program in any census tract or tracts where more than 50 per centum of the population has an annual income below the nonfarm poverty guidelines prescribed by the Office of Management and Budget, unless such census tract or tracts are already adequately served by eligible institutions.';

"(5) inserting at the end of subsection (e) new paragraphs (3) and (4) as follows:

"'(3) Each fiscal year, the Secretary shall make available to States administering the program, for purposes of conducting audits of participating service institutions, an amount up to 2 per centum of the funds expended by each State in the program under this section, during the preceding fiscal year.';

"'(4) Private nonprofit institutions that are required to have an audit conducted of their program in accordance with standards developed by the Secretary shall receive final payment as soon as the results of the audit have been received, reviewed, and approved by the State.';

"(6) amending subsection (k)(1) to read as follows: 'The Secretary shall pay to each State for its administrative costs incurred under this section in any fiscal year the amount of $30,000 plus an amount based upon (A) 20 per centum of the first $50,000 in funds distributed to that State for the program in the preceding fiscal year; (B) 10 per centum of the next $100,000 distributed to that State for the program in the preceding fiscal year; (C) 5 per centum of the next $250,000 in funds distributed to that State for the program in the preceding fiscal year; and (D) 2½ per centum of any remaining funds distributed to that State for the program in the preceding fiscal year: *Provided*, That the amount paid to each State shall not exceed 33⅓ per centum of the program funds expended in the State during the preceding fiscal year: *Provided further*, That the Secretary may adjust the amount paid to any State to reflect changes in the size of its program.'".

On page 2, line 4, strike out "SEC. 2" and insert in lieu thereof "SEC. 3".

Mr. BELLMON. Mr. President, on line 2, page 4, of the amendment I need to make a technical correction. Is it necessary to obtain unanimous consent to do that?

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. BELLMON. I send the modification to the desk.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

On page 2, line 4, strike "onsite" and insert in lieu thereof "self-preparation".

Mr. BELLMON. Mr. President, this amendment has been discussed with the manager of the bill.

The summer food service program, since its inception in 1971, has been plagued by fraud and abuse. The GAO has audited this program three times. Each of these audits uncovered significant problems in program administration—especially with respect to large private nonprofit sponsors. These reports detail almost incredible waste and corruption in the program. It is a classic example of money intended for people who need assistance being literally poured down the drain or lining the pockets of unscrupulous individuals. Let me read a list of findings in the GAO April 15, 1977, report on the program:

> Food waste caused by inadequate storage facilities; deliberate dumping of food by some vendors, sponsors, or site personnel; food thrown away because it was of poor quality, spoiled, or unappetizing; failure to adjust meal orders based on actual daily participation; consumption of meals by adults; failure to follow required meal pattern and nutrition standards; indications of kickbacks and bribes; improper bidding procedures, overpayments. . . .

And the list goes on and on.

The Department of Agriculture has been making some progress in correcting these problems but not enough, as aptly noted in the title of the 1978 GAO report: "Reforms Begun—Many More Urgently Needed."

USDA's own Office of Inspector General, in testimony before the Senate Appropriations Committee last month, reaffirmed the endemic problems of the program and went on to state:

> We think that the best long range solution is to require that the program be run through school systems or other local institutions participating in a year round feeding program.

The USDA Inspector General then strongly endorsed the administration's reform proposal, that I am offering today, as a major step in the right direction.

Mr. President, not only will my amendment significantly tighten up on the administration of the summer food service program, but it will also result in savings of $37 million. As I stated earlier, this reduction has already been assumed by both the Senate Agriculture Committee and the Budget Committee.

Mr. President, I ask unanimous consent that a detailed explanation of my amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BELLMON SUMMER FOOD AMENDMENT

This amendment would make the following changes in the Summer Food Service Program:

(1) Service institution eligibility shall be limited to public service institutions; private nonprofit service institutions including residential camps that use self-preparation facilities to prepare meals, or obtain meals from a public facility, such as a school district, public hospital or State university; private nonprofit schools including institutions of higher learning such as colleges or universities; private nonprofit institutions, primarily serving migrant children including institutions that purchase meals from a provider other than a public facility; and other private nonprofit sponsors that purchase meals from a provider other than a public facility and that serve not more than 500 children daily at not more than three sites. This change limits program eligibility to the aforementioned institutions. *These changes will strengthen program administration, and redirect the focus of the summer program to public sponsors and meal providers less prone to program abuses.*

(2) An outreach effort would be required by the State to identify and extend the program to eligible institutions where census tract data shows that over 50 percent of the population has income below the OMB poverty level.

(3) States would be provided, for the purpose of auditing program sponsors, with 2 percent of the program funds used during the preceding year. The intent of this subsection is to provide for necessary funds to States administering the Summer Food Service Program for Children to conduct program audits as required by OMB Circular A-102. States are required to provide biennial audits of each service institution and may not pass this cost on to the sponsor. *Current legislation does not provide funding for this purpose.*

(4) Private nonprofit service institutions that are required to have an audit conducted of their program in accordance with standards developed by the Secretary shall receive final payment as soon as the results of the audit have been reviewed by the State. This provision does not apply to public program sponsors such as State or local governmental agencies. *This provision will strengthen the integrity of the summer program by ensuring that sponsors required to have an audit conducted on their operations shall not receive final payment until the audit has been reviewed by the State. This will enable the State to withhold funds for any expenditures that the audit discloses were inappropriate or unallowable.*

(5) The amount of funds made available to States for administrative expenses incurred in the Summer Food Service Program is increased by providing for a base amount of $30,000 plus an amount based on (A) 20 percent of the first $50,000 in funds distributed to the State for the program in the preceding fiscal year; (B) 10 percent of the next $100,000; (C) 5 percent of the next $250,000; and (D) 2½ percent of any remaining funds distributed for the program in the preceding fiscal year with a limitation that the amount paid to States under this section will not exceed thirty-three and one-third percent of the program funds expended in the State during the preceding fiscal year. The Secretary is authorized to adjust amounts paid to a State to reflect changes in the size of its program.

Mr. McGOVERN. Mr. President, the Senator from Oklahoma has discussed this amendment with me. Frankly, I do not know of any opposition to it. It has been recommended by the administration. It was recommended by the full Committee on Agriculture at the time our recommendations were submitted to the Budget Committee.

The amendment simply would eliminate a part of the summer feeding program that has been in the hands of certain private contractors who have had a high history of abuse and fraud and mismanagement of the program.

The amendment is an effort to tighten up this program a little. It will have the effect of saving some $47 million. I not only accept the amendment; I support it strongly, and I think I speak for every member of the Committee on Agriculture.

● Mr. DOLE. Mr. President, I wish to indicate my support for the amendment proposed by the Senator from Oklahoma (Mr. BELLMON), which would limit service institution eligibility in the summer food service program. This amendment would eliminate as eligible sponsors of summer food programs private nonprofit organizations that serve 500 meals or more per day or who serve meals at more than three sites, and who obtain their meals from a food service management company.

This amendment makes needed changes in the summer food program to correct some of the abuses which have occurred in the past. Studies of the summer food program by the Department of Agriculture show that there is more waste and fraud by local operators in this program than in any other nutrition program. Many of the problems occur when the private sponsors contract with private vendors for the delivery of meals, but frequently the vendors fail to deliver meals to the children.

Although there has been abuse in the summer food program, I must point out that it has been beneficial to many needy and migrant children. Recognizing its importance, the program will still be offered by schools and private sponsors who prepare their own meals on site; colleges and universities will still be eligible to serve as sponsors; and migrant children will continue to be served.

Although this amendment will reduce the number of meals prepared by 35 percent, it is not anticipated that that many children will be left unserved. Because there has been so much fraud in the program, many of these meals never reached the child. Also, the amendment contains an outreach requirement to help locate children who should be receiving summer food program benefits.

It is estimated that acceptance of this amendment will save $37 million in the summer food program, a saving which was assumed by the administration and the Agriculture Committee when arriving at their budgets for fiscal year 1980. Money saved from the elimination of fraud can be well used for legitimate nutrition assistance, which I think we should encourage.

Therefore, Mr. President, I support the amendment offered by the Senator from Oklahoma (Mr. BELLMON), in the belief that it will not only save money, but will also improve the summer food program.●

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. McGOVERN. I yield back my time.

Mr. BELLMON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 197), as modified, was agreed to.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BELLMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. CRANSTON. Mr. President, as chairman of the Child and Human Development Subcommittee of the Labor and Human Resources Committee, I have a very strong interest in the special supplemental food program, generally known as the WIC—women, infants, and children—program, as well as the other child nutrition programs.

Adequate nutrition is vital to the well-being and healthy development of children. The WIC program provides nutritious supplemental food to pregnant, postpartum, and breast feeding women, and to those infants and children up to their 5th birthday who are determined by health professionals to be at "nutritional risk" because of inadequate nutrition and inadequate income. Studies of the WIC program have shown that this investment clearly pays off in such results as reduced incidence of anemia in WIC children and of low birth weights in infants born to mothers participating in the program. The correlation between low infant birth weight, on the one hand, and tragic problems such as sudden infant death syndrome or other early infant fatalities, on the other, has been well established.

REDUCTION OF WIC AUTHORIZATION

Mr. President, in light of the important role that adequate nutrition plays in the healthy development of infants and children, it is with a great deal of reluctance that I am supporting the reduction in the fiscal year 1980 authorization for the WIC program. This reduction, as indicated by the distinguished floor manager, the Senator from South Dakota (Mr. McGOVERN), arises out of and agreement reached during the closing days of the 95th Congress as the condition under which the President agreed to sign into law the Child Nutrition Amendments of 1978. It is evident that without such an agreement to reduce the WIC authorization level for fiscal year 1980, the President would not have signed the Child Nutrition Amendments of 1978 legislation I strongly supported.

SPECIAL MILK PROGRAM AMENDMENT

Mr. President, I would like briefly to express my views on the amendment of the Senator from Oklahoma (Mr. BELLMON) to limit participation in the special milk program to children in schools which do not participate in either the national school lunch program or the school breakfast program. I oppose this amendment. Its effect would be to reduce the special milk program from an estimated fiscal year 1980 level of $150 million to $32 million.

The justification offered for this reduction is basically budgetary. Although the proponents of the amendment—including the administration—suggest that the program is duplicative of other child nutrition programs, the USDA's own study of the special milk program concluded that the milk made available to school children under this program is being consumed and not wasted.

The USDA study also concluded that the impact of elimination of the special milk program would be significant for needy children who rely upon inschool milk for their total milk consumpton to a much greater extent than do non-needy children. The study estimated that elimination of the special milk program would result in a 23-percent reduction in at-school consumption of milk by needy children eligible for the free milk program.

In California, there are an estimated 935,000 children who receive milk under the special milk program each day, with 137,500 needy children receiving free milk each day under the program. Because California State law presently mandates that every school district with any needy children offer at least one meal each school day—which is generally achieved by participation in the national school lunch program or school breakfast program—the effect of this amendment would be virtually to eliminate the entire special milk program in the State of California.

DECLINE IN SUPPORT FOR CHILDREN'S PROGRAMS

Mr. President, I am particularly concerned about a proposal such as the Bellmon amendment to undermine a 25-year-old, successful child nutrition program at a time when it is apparent that budgetary constraints preclude the establishment of any new children's programs—regardless of need—and have caused existing programs providing assistance to children to be maintained at a bare stand-still level.

For example, the Federal child abuse program has been held at the same funding level, without even a cost-of-living increase to maintain current services, for the past 3 years. The administration's request for fiscal year 1980 funding for the Head Start program will barely permit maintenance of current services, let alone a badly needed expansion of the program beyond the 23 percent of eligible children currently receiving services. My own efforts to begin a modest program to help working families find child care services have been stalled because of the austere budgetary problems confronting us. During the last Congress, major initiatives died in the area of child health, child welfare services, adoption, and foster care.

Each day I receive an increasing number of letters from families whose food stamp allotments have been cut as a result of the implementation of the 1977 food stamp amendments. These families are expressing concern about how they are going to feed their children during this time of astronomically rising food prices.

Under these circumstances, I cannot support a proposal to cut off the special milk program for almost 1 million children in my State and millions more across the Nation. I am pleased that the Senator from Oklahoma, after hearing today's debate, has elected to withdraw this amendment.●

Mr. McGOVERN. Mr. President, I am not aware of any other Senators who wish to speak on the bill. Has all time been consumed on the bill?

The PRESIDING OFFICER. There are 14 minutes remaining to the Senator from Kansas.

Does the Senator yield back the time on the bill?

Mr. BELLMON. I yield back the time.

The PRESIDING OFFICER. Are there further amendments? If there be no further amendment to be proposed, the question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. McGOVERN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CULVER), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

I also announce that the Senator from New Hampshire (Mr. DURKIN) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) and the Senator from Iowa (Mr. CULVER) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Idaho (Mr. McCLURE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The PRESIDING OFFICER (Mr. PRYOR). Are there any Senators in the Chamber who have not voted?

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 111 Leg.]

YEAS—91

Armstrong
Baucus
Bellmon
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
DeConcini
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Goldwater
Gravel
Hart
Hatch
Hatfield
Hayakawa
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Jepsen
Johnston
Kassebaum
Laxalt
Leahy
Levin
Long
Lugar
Magnuson
Mathias
Matsunaga
McGovern
Melcher
Metzenbaum
Morgan
Moynihan
Muskie
Nelson
Nunn
Pell
Percy
Pressler
Proxmire
Pryor
Randolph
Ribicoff
Riegle
Roth
Sarbanes
Sasser
Schmitt
Schweiker
Simpson
Stafford
Stennis
Stevens
Stevenson
Stewart
Stone
Talmadge
Thurmond
Tower
Tsongas
Wallop
Warner
Weicker
Williams
Zorinsky

NAYS—0

NOT VOTING—9

Baker
Bayh
Church
Culver
Durkin
Kennedy
McClure
Packwood
Young

So the bill (S. 292), as amended, was passed, as follows:

S. 292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section

17(g) of the Child Nutrition Act of 1966 is amended by striking out "$800,000,000" and inserting in lieu thereof "$750,000,000".

SEC. 2. The National School Lunch Act (42 U.S.C. 1751–1769c) is amended by adding at the end thereof the following new section:

"STATE RESPONSIBILITIES

"SEC. 24. States shall be responsible for the proper, effective, and efficient administration of the programs under this Act and the Child Nutrition Act of 1966. If the Secretary determines, after consultation with the Chief State School Officer of any State, or other appropriate official of such State, that such State is not administering a program in accordance with this Act or the Child Nutrition Act of 1966 (other than under section 17), as evidenced by a serious deficiency in the administration of the program under this Act or the Child Nutrition Act of 1966, or regulations issued under either such Act, the Secretary shall inform the State of the deficiency and shall allow the State a specified period of time to correct the deficiency. If the State does not take sufficient actions to correct the deficiency within that period, the Secretary may withhold from the State all or any portion of the funds allocated to the State under section 13 of this Act or section 7 of the Child Nutrition Act of 1966, as appropriate. Upon a later finding by the Secretary that the program is operated in an acceptable manner the funds withheld may be allocated to the State.".

"SEC. 3. The Child Nutrition Act of 1966 is amended by adding at the end thereof a new section 21 as follows:

"SEC. 21 (a) Notwithstanding any other provision of this Act, the Secretary of Defense, in cooperation with the Secretary of Agriculture, may provide nutritional assistance, which will be, to the maximum extent practical, the same as assistance provided to eligible recipients under section 17 of this Act, to dependents of United States military servicemen and other Department of Defense personnel located outside the United States, its territories, or possessions.

"(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section: *Provided*, That the program authorized in this section may be operated only with funds appropriated explicitly for this purpose.".

"SEC. 4. Section 13 of the National School Lunch Act is amended by—

(1) redesignating paragraphs (a)(3), (a)(4), and (a)(5) as (a)(4), (a)(5), and (a)(6), respectively;

(2) inserting after paragraph (a)(2) a new paragraph (a)(3) as follows:

"(3) Eligible service institutions entitled to participate in the program shall be limited to (A) public service institutions; (B) private nonprofit service institutions, including residential camps that use self-preparation facilities to prepare meals, or obtain meals from a public facility, such as a school district, public hospital, or State university; (C) private nonprofit schools, including colleges and universities; (D) private nonprofit institutions that primarily serve migrant children, including institutions that purchase meals from a food service management company; and (E) private nonprofit service institutions that serve not more than five hundred children daily at not more than three sites and that purchase meals from a food service management company.";

(3) Inserting the word "further" after "entitled to participate in the program shall" in paragraph (a)(4), as redesignated by clause (1) of this section;

(4) adding at the end of paragraph (a)(5), as redesignated by clause (1) of this section, a new sentence as follows: "States shall conduct active outreach efforts to identify eligible institutions to participate in the program in any census tract or tracts where more than 50 per centum of the population has an annual income below the nonfarm poverty guidelines prescribed by the Office of Management and Budget, unless such census tract or tracts are already adequately served by eligible institutions".

(5) inserting at the end of subsection (e) new paragraphs (3) and (4) as follows:

"(3) Each fiscal year, the Secretary shall make available to States administering the program, for purposes of conducting audits of participating service institutions, an amount up to 2 per centum of the funds expended by each State in the program under this section, during the preceding fiscal year.

"(4) Private nonprofit institutions that are required to have an audit conducted of their program in accordance with standards developed by the Secretary shall receive final payment as soon as the results of the audit have been received, reviewed, and approved by the State.";

(6) amending subsection (k)(1) to read as follows: "The Secretary shall pay to each State for its administrative costs incurred under this section in any fiscal year the amount of $30,000 plus an amount based upon (A) 20 per centum of the first $50,000 in funds dsitributed to that State for the program in the preceding fiscal year; (B) 10 per centum of the next $100,000 distributed to that State for the program in the preceding fiscal year; (C) 5 per centum of the next $250,000 in funds distributed to that State for the program in the preceding fiscal year; and (D) 2½ per centum of any remaining funds distributed to that State for the program in the preceding fiscal year: *Provided*, That the amount paid to each State shall not exceed 33⅓ per centum of the prgoram funds expended in the State during the preceding fiscal year: *Provided further*, That the Secretary may adjust the amount paid to any State to reflect changes in the size of its program.".

SEC. 5. The provisions of this Act shall become effective October 1, 1979.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized in the engrossment of S. 292 to make any necessary technical and clerical corrections.

The PRESIDING OFFICER. Without objection, it is so ordered.

Will the Senator please suspend. Will Senators take their seats and let us have order in the Senate. Will Senators refrain from talking now, please.

Mr. McGOVERN. Mr. President, I just want to take 1 minute to express my appreciation to the superb members of the staff of the Committee on Agriculture, Nutrition, and Forestry who assisted in the drafting of this bill and some of the amendments: Carl Rose, Marshall Matz, Steven Storch, and Bill Lesher, all of whom played an important role in the development of this legislation and in the debate and discussion here on the floor.

I also want to express my appreciation to Stephen Kohashi of Senator BELLMON's staff, Bob Fulton of Senator BELLMON's staff, and Mary Wheat of Senator DOLE's staff for their excellent contribution to the legislation the Senate has just passed by unanimous vote.

Mr. ROBERT C. BYRD addressed the chair.

The PRESIDING OFFICER. The Senate will be in order. Senators will clear the aisles and please refrain from discussion.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order which provides for the laying down of another bill immediately be temporarily set aside until the consummation of the action on the budget resolution conference report, which is a privileged matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Senator MUSKIE is prepared to proceed on that.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. MAGNUSON. Was it intended that the maritime appropriation bill was to be brought up this afternoon?

Mr. ROBERT C. BYRD. That will probably be tomorrow morning, may I say to the Senator.

Mr. MAGNUSON. In view of the Budget Committee matter, as I understand?

Mr. ROBERT C. BYRD. Yes; due to the Budget Committee conference report.

Mr. MAGNUSON. That will be tomorrow morning, then?

Mr. ROBERT C. BYRD. Yes.

Mr. MAGNUSON. I thank the Senator.

FIRST CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1980—CONFERENCE REPORT

Mr. MUSKIE. Mr. President, I submit a report of the committee of conference on House Concurrent Resolution 107 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. PRYOR). The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the resolution (H. Con. Res. 107) setting forth the congressional budget for the U.S. Government for fiscal year 1980 and revising the congressional budget for the U.S. Government for fiscal year 1979, having met, after full and free conference, have been unable to agree. Signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 21, 1979.)

Mr. MUSKIE. Mr. President, I ask unanimous consent that the use of small electronic calculators be permitted on the Senate floor during consideration of and votes on the conference report on House Concurrent Resolution 107.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the following members of the staff of the Budget Committee be allowed to remain on the floor during consideration of and vote on the conference report on House Concurrent Resolution 107:

John McEvoy, Karen Williams, Susan Lepper, George Merrill, Brenda Tremper, Rodger Schlickeisen, John Tillson, Lizabeth Tankersley, and Sid Brown.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I move that the conference report in disagreement be agreed to.

The PRESIDING OFFICER. Without objection, the conference report in disagreement is agreed to.

Mr. MUSKIE. Mr. President, I think I have to make one further request before I go any further.

I ask unanimous consent that the Senate recede from its amendment to the resolution (H. Con. Res. 107), and that it only be in order to move to agree to the resolution with a new amendment in the nature of a substitute, which shall not be amended.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Mr. President, reserving the right to object, and I do not object, is my understanding correct that the distinguished chairman of the Budget Committee and the ranking minority member have worked out a substitute which deals with the education portion and will not deal with the military portion of the budget resolution?

Mr. MUSKIE. The Senator is correct.

Mr. STEVENS. I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I will not take any more time than is necessary——

Mr. ROBERT C. BYRD. Mr. President, was the request cleared?

The PRESIDING OFFICER. The request has been agreed to.

Mr. MUSKIE (continuing). Than is necessary to respond to any questions and briefly present the conference report pending at the desk.

Mr. ROBERT C. BYRD. Mr. President, does the Senator expect a rollcall vote?

Mr. MUSKIE. I think, in view of the action taken by the House of Representatives today, a rollcall vote would be quite important.

Mr. ROBERT C. BYRD. Perhaps, if the Senator feels a rollcall is important, we should order the yeas and nays.

The PRESIDING OFFICER. First, the amendment will be stated.

Mr. ROBERT C. BYRD. I did not mean to interrupt except to ask for a rollcall vote.

The PRESIDING OFFICER. The clerk will state the amendment.

UP AMENDMENT NO. 191

The second assistant legislative clerk read as follows:

The Senator from Maine (Mr. MUSKIE) proposes an unprinted amendment numbered 191.

The amendment is as follows:

Strike all after the resolving clause and insert the following:

That Congress hereby determines and declares, that pursuant to section 304 of the Congressional Budget Act of 1974:

REVISIONS TO THE SECOND CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1979

(a) Section 1 of H. Con. Res. 683 is revised as follows:

(1) The recommended level of Federal revenues is $461,000,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $100,000,000.

(2) The appropriate level of total new budget authority is $559,200,000,000.

(3) The appropriate level of total budget outlays is $494,450,000,000.

(4) The amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $33,450,000,000.

(5) The appropriate level of the public debt is $834,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $4,200,000,000.

(b) Section 2 of H. Con. Res. 683 is revised as follows:

(1) National Defense (050):
(A) New budget authority, $127,000,000,000;
(B) Outlays, $114,400,000,000.
(2) International Affairs (150):
(A) New budget authority, $11,400,000,000;
(B) Outlays, $7,500,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $5,400,000,000;
(B) Outlays, $5,200,000,000.
(4) Energy (270):
(A) New budget authority, $7,600,000,000;
(B) Outlays, $7,400,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,900,000,000;
(B) Outlays, $11,300,000,000.
(6) Agriculture (350):
(A) New budget authority, $8,300,000,000;
(B) Outlays, $6,200,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $5,900,000,000;
(B) Outlays, $2,900,000,000.
(8) Transportation (400):
(A) New budget authority, $19,100,000,000;
(B) Outlays, $17,000,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $9,200,000,000;
(B) Outlays, $9,700,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $32,700,000,000;
(B) Outlays, $29,700,000,000.
(11) Health (550):
(A) New budget authority, $53,000,000,000;
(B) Outlays, $49,700,000,000.
(12) Income Security (600):
(A) New budget authority, $194,150,000,000;
(B) Outlays, $161,100,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $20,400,000,000;
(B) Outlays, $20,200,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,200,000,000;
(B) Outlays, $4,200,000,000.
(15) General Government (800):
(A) New budget authority, $4,300,000,000;
(B) Outlays, $4,200,000,000.
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $8,650,000,000;
(B) Outlays, $8,750,000,000.
(17) Interest (900):
(A) New budget authority, $52,400,000,000;
(B) Outlays, $52,400,000,000.
(18) Allowances (920):
(A) New budget authority, $700,000,000;
(B) Outlays, $700,000,000.
(19) Undistributed Offsetting Receipts (950):
(A) New Budget authority, —$18,100,000,000;
(B) Outlays, —$18,100,000,000.

SEC. 2(a) Pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1979—

(1) the recommended level of Federal revenues is $509,000,000,000, and the amount by which the aggregate level of Federal revenues should be increased or decreased is zero;

(2) the appropriate level of total new budget authority is $604,400,000,000;

(3) the appropriate level of total budget outlays is $532,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $23,000,000,000; and

(5) the appropriate level of the public debt is $887,200,000,000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $57,200,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1979, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $136,600,000,000;
(B) Outlays, $124,200,000,000.
(2) International Affairs (150):
(A) New budget authority, $12,600,000,000;
(B) Outlays, $7,900,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $5,700,000,000;
(B) Outlays, $5,500,000,000.
(4) Energy (270):
(A) New budget authority, $18,800,000,000;
(B) Outlays, $6,800,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,600,000,000;
(B) Outlays, $11,700,000,000.
(6) Agriculture (350):
(A) New budget authority, $5,000,000,000;
(B) Outlays, $5,400,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $6,900,000,000;
(B) Outlays, $3,200,000,000.
(8) Transportation (400):
(A) New budget authority, $19,450,000,000;
(B) Outlays, $18,200,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $8,900,000,000;
(B) Outlays, $8,100,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,850,000,000;
(B) Outlays, $30,500,000,000.
(11) Health (550):
(A) New budget authority, $58,100,000,000;
(B) Outlays, $53,600,000,000.
(12) Income Security (600):
(A) New budget authority, $214,800,000,000;
(B) Outlays, $183,300,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $21,200,000,000;
(B) Outlays, $20,600,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,200,000,000;
(B) Outlays, $4,400,000,000.
(15) General Government (800):
(A) New budget authority, $4,400,000,000;
(B) Outlays, $4,300,000,000.
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $8,100,000,000;
(B) Outlays, $8,100,000,000.
(17) Interest (900):
(A) New budget authority, $56,000,000,000;
(B) Outlays, $56,000,000,000.
(18) Allowances (920):
(A) New budget authority, —$100,000,000;
(B) Outlays, —$100,000,000.
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$19,700,000,000;
(B) Outlays, —$19,700,000,000.

BUDGET AGGREGATES FOR FISCAL YEARS 1981 AND 1982

SEC. 3(a) In order to achieve a balanced budget in fiscal years 1981 and 1982, the following aggregate budgetary levels recommended by the Senate are appropriate for fiscal years 1981 and 1982—

(1) The recommended level of revenues is as follows:

Fiscal year 1981: $583,300,000,000;

Fiscal year 1982: $621,000,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:

Fiscal year 1981: +4,600,000,000;

Fiscal year 1982: −$49,900,000,000;

(2) the appropriate level of budget authority is as follows:

Fiscal year 1981: $640,300,000,000;

Fiscal year 1982: $691,600,000,000;

(3) The aggregate level of total budget outlays is as follows:

Fiscal year 1981: $577,700,000,000;

Fiscal year 1982: $616,900,000,000;

(4) the amount of surplus in the budget is as follows:

Fiscal year 1981: $5,600,000,000;

Fiscal year 1982: $4,100,000,000;

(5) the appropriate level of the public debt is as follows:

Fiscal year 1981: $912,600,000,000;

Fiscal year 1982: $947,500,000,000.

(b) The House projects the following budget aggregates for fiscal years 1981–82, based on the policies assumed in section two above—

(1) The level of Federal revenues is as follows:

Fiscal year 1981: $579,800,000,000;

Fiscal year 1982: $655,300,000,000;

(2) the level of total new budget authority is as follows:

Fiscal year 1981: $658,700,000,000;

Fiscal year 1982: $721,400,000,000;

(3) the level of total budget outlays is as follows:

Fiscal year 1981: $577,700,000,000;

Fiscal year 1982: $622,700,000,000;

(4) the amount of surplus in the budget is as follows:

Fiscal year 1981: $2,100,000,000;

Fiscal year 1982: $32,600,000,000;

(5) the level of the public debt is as follows:

Fiscal year 1981: $916,100,000,000.

Fiscal year 1982: $922,500,000,000.

GENERAL PROVISIONS

SEC. 4(a) The Congress recognizes that the activities of off-budget Federal entities are excluded from the budget by law. The Congress recommends that a way be found within the Congressional budget process to relate accurately the estimates of off-budget Federal entities and capital expenditures to the unified budget.

(b) In 1979 each standing committee of the House of Representatives shall report by July 1 to the House of Representatives its recommendations and the status of its actions with respect to new spending authority including all legislative savings, and other reforms, targeted by the first concurrent resolution on the budget for the fiscal year ending on September 30 of that same year. This report shall include any additional legislative savings which the committee believes should be considered by the House in the programs for which such committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives specific recommendations as to all possible legislative savings for the programs for which the committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives an estimate of the unobligated (and unexpended) balances of budget authority, an analysis of the extent to which such unexpended or unobligated balances could reasonably be reduced, and what steps, if any, have been or are being taken to reduce such balances.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, will the Senator indicate about when that vote might occur? We have a committee meeting.

Mr. MUSKIE. I can complete my presentation within 30 minutes, I think. How much more time it may take depends on what questions Senators may have. But I would think that half to three quarters of an hour should be ample for the consideration of the amendment.

Mr. ROBERT C. BYRD. Would the Senator like to set a time, say 6:15 or not later than 6:30?

Mr. MUSKIE. That would be acceptable.

The PRESIDING OFFICER. Under the act, there is one-half hour on amendments.

Mr. ROBERT C. BYRD. Oh, that is correct; 30 minutes.

The PRESIDING OFFICER. Thirty minutes.

Mr. MUSKIE. Mr. President, the question before the Senate is on agreeing to the congressional budget resolution for fiscal years 1979, 1980, 1981, and 1982. I had hoped Congress could complete final action on this resolution this evening. I had hoped we would have before us the conference agreement worked out with the House last week. Instead, we must take one step more to complete action on this resolution. As the Senate is aware, the House this morning rejected the conference agreement on the ground that it did not contain sufficient funds for educational programs.

After consultation with the Senate conferees, the leadership in the Senate, and the House conferees, we have proposed an amendment, now pending, which contains all the budget totals agreed to by the conference except for $350 million in additional budget authority for education programs in function 500. No other changes are made. The defense numbers remain intact.

Mr. President, the Senate conferees recommend that the Senate adopt this amendment, because we believe that if we do, the House will do likewise tomorrow. The addition of $350 million to a budget that exceeds $600 billion is not a significant addition, when viewed in a historic context. The Appropriations Committee has funded these programs at a level substantially lower than the amount provided in the budget resolution. For this reason, the Senate conferees believe that the funds can be added without jeopardizing the total budget plan.

After I have completed a brief description of the elements of the conference agreement, Mr. President, including the education change we are considering tonight, I will be asking the Senate to return our conference agreement to the House with this one change for education, in the hope that the House will adopt the amended resolution tomorrow and complete action on this congressional budget.

Of course Mr. President we are disappointed that the House rejected the agreement we achieved after considerable labor last week. Yet the matter on which the House based its rejection is only a small part of a much larger and more important achievement for the budget process.

Mr. President, the agreement we have achieved represents a remarkable accomplishment. Just a few weeks ago we set ourselves an imposing fiscal challenge. In the debt ceiling bill we committed the Senate to the swift achievement of a balanced Federal budget. More importantly we instructed the Budget Committee to blueprint a plan for making it happen.

There were many who dismissed the very idea. It was said that we lacked the will. It was said that our parochial interests in spending programs would overpower our national interest in fiscal restraint. It was said that the rhetoric of budget balancing would comfortably coexist with the reality of a permanent deficit.

Today it must be said that the cynics were wrong.

We come to the floor of the Senate with an agreement to balance the budget in fiscal 1981—an agreement reflecting the positions of both Houses of Congress—an agreement which many insisted could never pass muster in either.

These budget targets set a deficit of $23 billion for fiscal year 1980. Only weeks ago, it was widely assumed that a deficit of $30 billion was an unrealistic goal.

These budget targets set outlay levels for fiscal 1979 and for fiscal 1980 which are actually lower than those agreed to by the Senate. Just days ago, few of us would have expected that.

When we went to conference, the Senate budget resolution contained aggregate and functional budget totals for 1979, 1980, 1981, and 1982. The 1981 budget was in balance.

The House resolution provided budget totals only for 1980.

The conference agreement contains aggregate budget totals for all 4 years. The aggregate 1981 totals reflect a balanced budget, and the Statement of Managers reflects the commitment of the House and Senate managers to balance the budget in 1981.

Some important differences remain between the Houses on these outyear budget totals. These differences derive mainly from the fact that the House did not consider any outyear totals in the construction and consideration of its resolution. So it was impossible in the conference for the House to begin that process, which the Senate had already completed.

So while both Houses agree, in the conference agreement, on outlay and revenue totals for 1981 and 1982 which will produce a balanced budget in those years, the specific budget totals in those years and the question of a 1982 tax cut remain in dispute. The Senate continues to stand for lower spending totals and larger tax cuts. The House takes the opposite position. These matters will have to be settled in future budget resolutions.

The budget resolution does not contain functional totals for 1981 and 1982, even though the Senate resolution did, because the House was unable to construct its version of those numbers in the conference. Instead, the Senate's functional numbers, as affected by the conference, are contained in the Statement of Managers. They will be used to scorekeep the future year implications of legislation considered in the Senate to help achieve the 1981 and 1982 balanced budgets and the major tax cut proposal for 1982.

More significant than these differences, however, is acceptance by the House in this conference of two propositions:

First, the budget resolution does include budget limits for 1981 and 1982.

Second, that budget resolution calls for a balanced budget in 1981 and 1982.

The budget targets allow for a major tax cut in fiscal 1982, despite the pronouncements of those who insisted that a near term balance in conjunction with a tax cut was a practical impossibility.

Mr. President, I recommend the Senate's endorsement of this agreement without hesitation. It is fully consistent with the Senate's commitment to austerity. It closely parallels the Senate's endorsement of specific restraints and sacrifices.

The House conferees were firm and skillful advocates. But fundamentally, a commitment to fiscal integrity is shared by both Houses. That common perspective helped preserve the Senate's positions.

In many functional areas, the Senate's numbers are intact. The conference report sustains our savings in medicare and in medicaid. It endorses our savings in social security retirement and in disability programs. It follows our plan for once-yearly rather than twice-yearly cost-of-living adjustments for Federal annuitants. It maintains the Senate levels for the Strategic Petroleum Reserve, which reflect recent program changes, and it supports our cuts in transportation programs and in LEAA.

Significantly, this conference report sustains the Senate's firm commitment to substantial real growth in programs contributing to our national defense.

It should also be noted that the conference agreement would reduce the deficit, budget authority, and outlays as compared to President Carter's fiscal 1980 budget recommendations. The deficit it contains is $23 billion, $11.7 billion lower than President Carter's proposal on a comparable basis.

It also reduces the outlay and deficit amounts significantly below both current policy and current law levels.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a series of tables which compare the conference agreement aggregates with current law, with current policy, and with the President's budget proposals.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1980 CONFERENCE AGREEMENT COMPARED TO THE PRESIDENT'S BUDGET

[In billions of dollars]

	Conference agreement	President's budget [1]	Conference agreement compared to President's budget
Revenues	509.0	503.7	+5.3
Budget authority	604.05	617.0	−12.95
Outlays	532.0	538.4	−6.4
Deficit	23.0	34.7	−11.7

[1] Restated to reflect congressional economic assumptions and technical program reestimates.

FISCAL YEAR 1980 CONFERENCE AGREEMENT COMPARED TO CURRENT POLICY

[In billions of dollars]

	Conference agreement	Current policy	Conference agreement compared to current policy
Revenues	509.0	509.0	
Budget authority	604.05	[1] 608.8	−4.75
Outlays	532.0	543.0	−11.0
Deficit	23.0	34.0	−11.0

[1] Does not include the $15,000,000,000 for TVA borrowing authority that is included in the conference agreement. When stated on a comparable basis, current policy would be $623,800,000,000 and the conference agreement would be $19,750,000,000 billion less than current policy.

FISCAL YEAR 1980 CONFERENCE AGREEMENT COMPARED TO CURRENT LAW

[In billions of dollars]

	Conference agreement	Current law	Conference agreement compared to current law
Revenues	509.0	509.0	
Budget authority	604.05	[1] 593.0	+11.05
Outlays	532.0	536.5	−4.5
Deficit	23.0	27.5	−4.5

[1] Does not include $15,000,000,000 for TVA borrowing authority that is included in the conference agreement. When stated on a comparable basis, current law would be $608,000,000,000 and the conference agreement would be $3,950,000,000 less than current law.

FISCAL POLICY

Mr. MUSKIE. The fiscal policy provided for in the conference substitute is one of restraint, as it was in the Senate resolution. The seriousness of inflation continues to demand the strictest budgetary discipline if fiscal policy is to play an appropriate role.

The conferees recognized that this implied a substantial slowing of real growth in the near term.

The productive capacity of the economy is not unlimited. If the Federal Government adds to total demand in the current and coming fiscal years, it will add to inflationary pressures rather than help restrain them. The current pace of inflation is worse than had been forecast just 5 months ago. The costs of continuing that trend are enormous. They are measured in terms of social discord and they make their mark on the strained fabric of our society. They are to be seen in terms of the plight of those on fixed incomes and they threaten the stability of the dollar in foreign exchange markets. The conference substitute is a firm statement by the Congress that fiscal policy will play its role in helping to lower and eliminate these costs.

I have said before and I repeat that fiscal policy cannot stand alone as a cure to inflation; nor will any cure come quickly or easily. The cooperation of all sectors of our society is required to bring inflation under control. Wage settlements, private sector price decisions, the prices allowed by regulatory agencies for public utilities, tax decisions of State and local governments and decisions by the Congress on cost-raising or cost-saving legislation all will have important effects on the inflation rate this year and in years to come.

The battle against inflation will be a long one. That is why conferees from both houses were able to agree on targeting a balanced budget in fiscal 1981 even though that means deferring a tax cut until 1982. The Senate conferees remain committed to providing a substantial tax cut in 1982. This will compensate for the cumulative effects of social security tax increases and for the effects of inflation on effective individual income tax rates until that time.

Prudence does not permit earlier tax reductions if we are to move rapidly toward the objectives of appropriate fiscal restraint and a balanced budget which meets national priorities. But tax reduction is an important objective. It is a necessity if we are to maintain stable growth in the future.

Mr. President, the conferees agreed on assumptions regarding near term economic developments. I ask unanimous consent to have printed in the RECORD at this point a table containing those assumptions.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ECONOMIC ASSUMPTIONS

[Calendar years; dollar amounts in billions]

	1979	1980
Nominal GNP	$2,364	$2,594
Real GNP	$1,432	$1,462
Consumer Price Index (percent change; year over year)	8.4	7.8
Unemployment rate	6.0	6.5
Taxable shares:		
Wages and salaries	$1,239	$1,362
Nonwage	$338	$428
Corporate profits	$223	$235
Interest rate, 3-mo Treasury bills	9.2	7.7

Mr. MUSKIE. Mr. President, this table shows that real growth in 1979 is expected to slow to 3.3 percent this year from 4 percent last year and to slow further to 2.1 percent in 1980. This implies slightly greater strength in 1979 and slightly less in 1980 than the Senate Budget Committee assumed in its report. This adjustment was consistent with the latest economic data available to us.

Even if these modest growth rates are to be achieved it will be necessary for the monetary authorities to recognize that the Congress has joined them in the fight against inflation. They must make an appropriate accommodation to this fact.

Neither the Congress nor the Federal Reserve can control inflation stemming from OPEC price decisions or from the effects of adverse weather on food prices without precipitating a serious economic downturn and enormous unemployment costs. I believe that the Federal Reserve agrees that this danger can and should be avoided.

The agreed to economic assumptions project that consumer prices this year will be 8.4 percent above last year's and will rise another 7.8 percent in 1980. These are the rates of inflation that were assumed by the Senate Budget Committee in its preparation for the first concurrent resolution a few weeks ago.

At the present time, consumer prices are 10.2 percent above those of a year ago. This implies substantially more rapid inflation than was assumed for 1979 as a whole. This is primarily due to special forces affecting food and fuel prices.

Because of these developments, which have become apparent since either house passed its resolution, a reestimate was made of revenues for 1979 and 1980 to reflect the estimated additional half percentage point of inflation. The revenues in these years were revised upward by $3.8 and $5.4 billion, respectively, to reflect the best estimate of the impact of higher inflation on future tax collections. Spending totals were not adjusted upward because of the Senate's determination to hold spending within the limits Congress has already agreed to.

On balance, Mr. President, the fiscal policy contained in the conference agreement is one of stringency required by the current inflationary circumstances. The deficit of $23 billion recommended for fiscal 1980 is $10.45 billion below that estimated for fiscal 1979 and $6.0 billion below the deficit contained in the first resolution previously voted by the Senate.

The Senate resolution for fiscal years 1981 and 1982 adjusted for the actions taken in conference now calls for modest surpluses of $5.6 billion and $4.1 billion, respectively. Yet this fiscal policy is prudent in avoiding the draconian cuts that would be entailed by a headlong rush to a balanced budget in 1980. Such cuts would entail truly unconscionable social and economic costs. Governmental responsibilities would go unfulfilled and unemployment would soar with virtually no benefits to show for it.

We can and must walk the narrow path between too little and too much restraint. We can never be sure how economic events will unfold. We know that unforeseen economic events can upset the best budget projections. But we can attempt to pursue a steady budgetary course, avoiding the excesses in either direction that will surely skid the economy into spiralling unemployment or inflation. The conference committee recommends just such a steady course.

REVENUES

1979

For fiscal year 1979, the conference agreement anticipates Federal revenues of $461.0 billion. It is assumed that sugar legislation and miscellaneous tax and tariff measures will be enacted to reduce Federal revenues by $0.1 billion.

The Senate resolution provided for fiscal year 1979 revenues of $457.2 billion, and assumed revenue reductions of $0.1 billion. The higher revenue target in the conference agreement reflects increased collection rates which are revealed in the most recent data.

1980–82

For fiscal year 1980, the conference agreement provides for Federal revenues of $509.0 billion. It assumes that on a net basis, any increases or decreases resulting from legislation will offset each other. Any revenue reductions produced by new legislation must be offset by increases resulting from legislative initiatives considered by Congress this year.

The revenue estimates for 1981 and 1982 carry forward the economic assumptions upon which the fiscal year 1980 first concurrent resolution revenue target was based. In addition, these latter year figures assume two major substantive law changes.

First, the fiscal year 1982 figure assumes a gross general tax reduction in fiscal year 1982 of $55 billion.

Second, a series of tax administrative initiatives proposed by the President is assumed, which could raise approximately $5 billion in each fiscal year, 1981 and 1982. These initiatives can include a combination of the cash management proposals recommended by the President and/or other tax administration proposals such as the initiation of withholding on interest and dividends.

Mr. President, at this point I will present a brief summary of the most important aspects of the conferees' agreement regarding each of the budget's functional areas.

FUNCTION 050

1979

The fiscal year 1979 totals for the national defense function provide for $127 billion in budget authority and $114.4 billion in outlays. These amounts represent a reduction of only $0.2 billion in budget authority and $0.1 billion in outlays from the Senate passed levels.

1980–82

The conference agreement provides for budget authority of $136.6 billion, and for outlays of $124.2 billion in fiscal year 1980.

The Senate conferees maintained a firm commitment to real growth in defense spending, particularly in research and development and in procurement, both of which enhance the strength of the NATO alliance.

The proposed conference targets allow for substantial improvements in U.S. force capabilities. Each member nation of the NATO alliance has pledged to aim for 3-percent real growth in defense spending over the next several years. Improvements provided under the levels of the conference agreement will allow this Nation to meet that obligation. The conference agreement, in fact, provides for approximately 3.5-percent real growth in budget authority for defense investment activities. That growth, moreover, has been provided for despite the stringencies imposed by the decision to balance the budget in fiscal year 1981. Further, the conference agreement is consistent with the 3-percent real growth investment in fiscal year 1981.

FUNCTION 150

1979

The fiscal year 1979 total for function 150 provides for $11.4 billion in budget authority and $7.5 billion in outlays. This total is sufficient to provide for the Middle East Peace Treaty, the additional assistance for Turkey and the increase in refugee assistance.

1980–82

For fiscal year 1980, the conference agreement provides for $12.6 billion in budget authority; or $600 million above the Senate-passed level. Outlays remain at $7.9 billion.

The increase over the Senate-passed level results from the conference's agreement to allow for the President's full requests regarding Public Law 480 Food Aid and the Export-Import Bank.

Other increases were made in order to allow for slightly higher levels of international development assistance and to accommodate a substantial part of the President's recent requests for additional security assistance. Fiscal 1980 requests for Turkey, Sudan, and other countries were transmitted to Congress after the Senate began consideration of the first budget resolution.

The conference agreement for fiscal 1980 also includes a technical adjustment in the Foreign Military Sales Trust Fund.

For fiscal years 1981 and 1982, the conference agreement is consistent with the continuation of these programs at roughly current levels.

FUNCTION 250

1979

For the General Science, Space and Technology function, the conference agreement includes fiscal year 1979 budget authority of $5.4 billion and outlays of $5.2 billion. These are the Senate-passed ceilings. They would accommodate a supplemental for the National Aeronautics and Space Administration space shuttle program.

1980–82

The conferees agreed to fiscal year 1980 budget authority of $5.7 billion and outlays of $5.5 billion for this function. These figures are identical to the Senate-passed levels and to the President's fiscal year 1980 budget request.

Over the next 3 years these funding levels would accommodate real growth in basic science research and development, provide for a four-orbiter space shuttle system, and allow no new space flight missions.

FUNCTION 270

1979

For the energy function, the conference adopted fiscal year 1979 budget authority of $7.6 billion and outlays of $7.4 billion, the same as the Senate-passed levels. The conference totals would accommodate supplemental requests for Department of Energy Activities including solar research and implementation of new regulatory legislation, such as the Natural Gas Policy Act.

1980–82

For fiscal year 1980, the conferees

agreed to energy budget authority of $18.8 billion and outlays of $6.8 billion. These totals include increases of $0.4 billion in both budget authority and outlays above the Senate-passed levels.

Increases are assumed for energy supply and conservation activities, reflecting the view of the conferees that our current national energy situation warrants more Federal spending on research and development of alternative energy supplies. Over the next 3 years, expansion of energy supply and conservation activities would be possible.

The conferees accepted the Senate position on funding for the strategic petroleum reserve program by assuming a rescission of $1 billion in budget authority and a reduction in outlays of $1 billion. The program has experienced repeated managerial problems and recent supply interruptions which have delayed progress in meeting storage goals. The rescission would reduce unobligated balances expected to be available to the program at the end of fiscal year 1980, while the outlay reduction would reflect delayed oil purchases. Increased funding is assumed in fiscal year 1981 and 1982 to bring the program closer to the most recent schedule for meeting storage goals.

FUNCTION 300

1979

For natural resources and environment, the conferees maintained the Senate-passed levels of $12.9 billion in budget authority and $11.3 bilion in outlays for fiscal year 1979. However, because of recent heavy flooding along the Mississippi River and elsewhere, it appears that disaster assistance will be higher than assumed by the Senate. If this occurs, it will require tradeoffs among other competing programs in the function.

1980–82

The conference agreement for fiscal year 1980 for this function is $12.6 billion in budget authority and $11.7 billion in outlays. The level of budget authority is $0.1 billion higher than the figure set in the Senate-passed mark because the conferees agreed to accommodate funding for the rural clean water program. The outlays are the same as those in the Senate-passed level.

The conference agreement would allow for funding of water resource activities at about the current law level through fiscal year 1982. It would provide for real increases in reforestation and other forest management programs while consolidating agricultural conservation programs with funding below current law during the 3-year period. Funding for recreational resources would be reduced in fiscal years 1980 and 1982, requiring tradeoffs among the major programs, including the land and water conservation fund, park construction, and urban parks rehabilitation. The conference agreement would provide for decreases in EPA's construction grant program in fiscal year 1980 and in fiscal year 1981 but would increase funding above current law in fiscal year 1982. Funding for EPA's research and regulatory programs would be increased over the 3-year period.

FUNCTION 350

1979

For fiscal year 1979, the conference agreement maintains the Senate-passed levels of $8.3 billion in budget authority and $6.2 billion in outlays for the agriculture function. These totals could accommodate purchases for an emergency food reserve or possibly higher outlays for Commodity Credit Corporation activities.

1980–82

For fiscal year 1980, the conferees accepted the Senate-passed agriculture targets of $5.0 billion in budget authority and $5.4 billion in outlays. The conference substitute would provide for a continuation of agricultural research and services programs at current policy. It also would allow for new sugar price support legislation similar to that proposed by the administration, and for an increase in short-term agricultural export credit above the amount requested by the President. Neither the budget authority nor the outlay allowance would accommodate any further significant increases above current law in farm price support and loan programs or other new initiatives.

Most programs assumed in fiscal year 1980 under the conference substitute would be allowed to continue at current activity levels in fiscal years 1981 and 1982. Savings of $0.2 billion per year in Commodity Credit Corporation outlays are assumed. This reflects better management of commodity supply and demand and reductions in duplicative and counterproductive programs.

FUNCTION 370

1979

For commerce and housing credit, the house conferees accepted the Senate ceilings of $5.9 billion in budget authority and $2.9 billion in outlays. These ceilings should accommodate currently projected fiscal year 1979 operations of existing programs, as well as the start-up of the National Consumer Co-operative Bank.

1980–82

For fiscal year 1980, the conferees agreed upon targets of $6.9 billion in budget authority and $3.2 billion in outlays. The targets should accommodate the projected operations of existing Federal mortgage assistance programs. They assume continued appropriations to the Postal Service in keeping with existing law, and they anticipate that small business assistance will place greater emphasis on loan guarantees than in the past. New spending initiatives could not be accommodated unless savings were realized elsewhere in the function.

In fiscal year 1981 and fiscal year 1982, the recommendations assume continued funding for all current programs, but at slightly reduced levels that would force implementation of increased program efficiencies. As with the fiscal year 1980 targets, no funding allowance has been included for any major new initiatives.

FUNCTION 400

1979

In transportation, the conferees agreed on $19.1 billion in budget authority and $17.0 billion in outlays for fiscal year 1979. The reduction of $0.7 billion in budget authority below the Senate figure reflects an agreement to assume annual appropriation of ConRail funds rather than a fiscal year 1979 lump-sum appropriation of the remaining available authorization. Otherwise, the Senate-passed ceilings are unchanged.

1980–82

The conferees agreed upon fiscal year 1980 transportation targets of $19.45 billion in budget authority and $18.2 billion in outlays. The increase in budget authority reflects two changes from the Senate-passed resolution: First, the conferees assumed that the remaining ConRail authorization will be provided in annual appropriations rather than in one lump-sum in a fiscal year 1979 supplemental; Second, the conference recommendation restores $0.25 billion of the assumed $0.5 billion reduction in existing highway spending legislation.

For fiscal year 1981 and fiscal year 1982, the recommended targets assume: A small rescission of existing highway spending authority; continued assistance to ConRail in accordance with existing authorizations, and implementation of a reduced and more efficient Amtrak rail passenger network; small funding increases for airport development and noise abatement; and continued funding for mass transit and other transportation programs at roughly current law levels.

FUNCTION 450

1979

For fiscal year 1979, in community and regional development, the conferees agreed to new ceilings of $9.2 billion in budget authority and $9.7 billion in outlays, a reduction of $0.2 billion in budget authority and $0.1 billion in outlays below the Senate figures. The reduction assumes that pending supplemental appropriations for disaster assistance will be held below the President's request in order to encourage greater efficiency in Federal disaster programs.

1980–82

For fiscal year 1980, the conferees agreed upon targets of $8.9 billion in budget authority and $8.1 billion in outlays. Adoption of these targets will result in very tight funding constraints for function 450 programs. In both budget authority and outlays, the conference agreement is $0.1 billion below the Senate-passed first budget resolution. In addition, since passage of its version of the resolution, the Senate has also approved legislation which liberalizes SBA disaster loan provisions, at an estimated additional cost of $0.1 billion in budget authority and outlays. Therefore, the aggregate funding allowances for the other programs in this function have been reduced by $0.2 billion, and appropriation for some or all of them will have to be restrained in order for the Congress to stay within its budget.

The targets for fiscal year 1981 and fiscal year 1982 provide for continued funding at roughly current law levels, with two major exceptions. First, reforms in the SBA disaster loan program are assumed to result in significant budget savings. Second, funding for EDA is assumed to increase significantly above current levels to finance new development program initiatives. Funding for any further new initiatives is assumed to be limited to whatever is provided through spending reductions for other development programs.

FUNCTION 500

1979

For education, training, employment, and social services, the conferees agreed to revised fiscal year 1979 levels of $32.7 billion in budget authority and $29.7 billion in outlays. These levels will allow for supplemental funding not assumed in the Senate-passed budget resolution for the title XX social services program.

1980–82

The conference agreed on totals of $30.5 billion in budget authority and outlays for fiscal year 1980. These levels represent an increase of $1.4 billion in budget authority and $0.6 billion in outlays over the Senate-passed targets. They are below the House marks by $1.8 billion in budget authority and $0.8 billion in outlays.

These levels allow more funding for most programs in this function than the Senate mark. However, the conference agreement preserves the principle agreed to by the Senate that the CETA countercyclical jobs programs should be phased down sharply in fiscal year 1980.

For fiscal years 1981 and 1982, the conference agreement assumes the continuation of funding for most programs in this function at the fiscal year 1980 levels. The only major exceptions are the CETA countercyclical jobs program, which is assumed to phase out entirely by the end of fiscal year 1981, and the work incentive (WIN) program, which is assumed to phase out by the end of fiscal year 1982.

As I have already described, Mr. President, the conference agreement on this function would be changed by the amendment now pending before the Senate. The pending amendment would add $350 million in budget authority for this function in fiscal year 1980.

FUNCTION 550

1979

The conference agreed to revise the fiscal year 1979 ceilings for health programs to $53.0 billion in budget authority and $49.7 billion in outlays. These levels will accommodate supplementals for medicaid and discretionary health services supplementals.

1980–82

For fiscal year 1980 the conferees accepted the Senate totals of $58.1 billion in budget authority and $53.6 billion in outlays. In the medicare and medicaid programs, these levels assume savings of $0.3 billion in budget authority and $2.0 billion in outlays. This results from legislation aimed primarily at tightening Federal reimbursement to health care providers—including some form of hospital cost containment.

These savings are partially offset by an increase of $0.2 billion in budget authority and outlays for medicaid benefit expansions. Included within the totals for the medicaid program are savings of $0.4 billion anticipated as a result of the administration's efforts to curb fraud and abuse in this program.

Also assumed are adequate funding to keep research programs constant in real terms, and a reduction in funding below current law for health education and training programs of $0.1 billion in budget authority and outlays. This reflects half of the President's proposed reduction in these programs.

For fiscal years 1981 and 1982, the conference agreement is consistent with an assumption that the savings implemented in fiscal year 1980 will increase. Discretionary health service programs would continue at current law levels. Research programs would continue funding at current policy levels, while health education funding would be reduced below current law levels.

FUNCTION 600

1979

The conference agreement set revised fiscal year 1979 ceilings for income security programs at $194.15 billion in budget authority and $161.1 billion in outlays. These are virtually the same levels as agreed to by the Senate. They allow for a food stamp supplemental sufficient to prevent food stamp benefits from being reduced during this fiscal year.

1980–82

For fiscal year 1980, the conference agreed to targets of $214.8 billion in budget authority and $183.3 billion in outlays. These targets reflect the policies assumed in the Senate-passed resolution in all areas except in subsidized housing and in railroad retirement. Other changes from Senate-passed levels are due to technical adjustments.

These totals assume outlay savings of $0.2 billion in social security retirement and disability programs, with larger savings in future years. The President's proposals to raise railroad retirement payroll taxes and lower benefits are not assumed.

Starting in fiscal year 1980, outlay savings are assumed from the institution of once-a-year, rather than the current twice-a-year, cost-of-living adjustments for Federal annuitants.

Fiscal year 1980 savings of $0.4 billion in budget authority and outlays are assumed in public assistance programs. The conference agreement would allow the current law spending ceiling on the food stamp program to be raised or eliminated to avoid a reduction in the level of benefits provided under current program guidelines.

Savings of $0.3 billion in budget authority and outlays in fiscal year 1980 are assumed in the school lunch, special milk, and other nutrition programs.

The conference agreement assumed an increase of $3.2 billion over the Senate level in budget authority for subsidized housing. Still, this level constitutes a reduction in funding for subsidized housing below current law levels. This target would allow for 286,000 additional assisted housing units per year if the current program mix were altered to make more use of existing housing.

The conference agreement assumes increased funding for refugee assistance, consistent with the President's request; and a continuation of current law funding of the emergency fuel assistance program for low-income households.

For fiscal years 1981 and 1982, the conference agreement is consistent with continuation of funding for most income security programs which reflects the policies recommended for fiscal year 1980. The agreement does allow for the implementation of a welfare reform initiative in fiscal year 1982.

FUNCTION 700

1979

The conference agreement set revised fiscal year 1979 ceilings for veterans programs at the Senate-passed levels—$20.4 billion in budget authority and $20.2 billion in outlays.

1980–82

The conference agreed to fiscal year 1980 totals of $21.2 billion in budget authority and $20.6 billion in outlays. These levels provide for cost-of-living increases in the veterans compensation program and in the GI bill program as well as for current law funding for veterans' hospital and medical care programs.

They assume enactment of reforms eliminating duplicative benefits in veterans income security and readjustment programs. Also assumed is enactment of the President's proposal to require that private insurers reimburse the VA for medical care provided to veterans covered by private insurance policies.

The conference agreement is consistent with an assumption that cost-of-living increases will continue to be provided for veterans compensation programs in fiscal years 1981 and 1982. Other programs are assumed to continue at current law levels.

FUNCTION 750

1979

For administration of justice in fiscal year 1979, the House conferees accepted the Senate ceilings of $4.2 billion in both budget authority and outlays. These ceilings will accommodate supplemental appropriations for expenses related to recently authorized additional judgeships.

1980–82

For fiscal year 1980, the House conferees also accepted the Senate's targets of $4.2 billion in budget authority and $4.4 billion in outlays. These targets are $0.1 billion below the President's budget authority request for criminal justice assistance, and are expected to require significant appropriations restraint regarding Federal criminal justice assistance programs.

For fiscal year 1981 and fiscal year 1982, the recommended targets assume continued funding for criminal justice assistance at the reduced level recommended for fiscal year 1980. For Federal law enforcement and other administration of justice programs, the targets generally allow for funding at levels somewhat below what would be required to offset the effects of inflation.

FUNCTION 800

1979

For general Government in fiscal year 1979, the House conferees accepted the Senate ceilings of $4.3 billion in budget authority and $4.2 billion in outlays. These ceilings will accommodate the proposed supplemental appropriation to complete the Hart building.

1980–82

The conference agreement for general Government for fiscal year 1980 is only slightly changed from the Senate-passed level. The conferees chose to target funding for legislative branch and other general Government programs at $4.4 billion in budget authority and $4.3 billion in outlays. These targets should allow aggregate funding for the legislative branch and other general Government programs to be adjusted upward to offset the effects of inflation.

Similarly, for fiscal year 1981 and fiscal year 1982, the targets also assume funding at levels that approximately offset inflation.

FUNCTION 850

1979

For general purpose fiscal assistance in fiscal year 1979, the conference agreed on $8.65 billion in budget authority and $8.75 billion in outlays. This represents an increase of $0.15 billion above the Senate-passed levels in both budget authority and outlays. The House conferees intend that this increase be used to accommodate a supplemental appropriation for temporary targeted fiscal assistance, if necessary authorizing legislation is enacted. The Senate conferees believe that any such fiscal year 1979 decision must be made in conjunction with a fiscal year 1980 decision on the major programs of general purpose fiscal assistance.

1980–82

For fiscal year 1980, the conference agreement provides funding for general purpose fiscal assistance of $8.1 billion in both budget authority and outlays. These targets, $0.4 billion below the Senate-passed levels, symbolize the possibility that Congress may consider changes in general revenue sharing and possible enactment of a new program of targeted fiscal assistance. The conference substitute does not specifically assume either that general revenue sharing will be reduced or that temporary targeted assistance will be enacted. For my part, I will continnue to support the position of the Senate, which was not conceded in the conference, that general revenue sharing should be continued at current levels. In this event, the function 850 targets would have to be adjusted accordingly in the second resolution.

The conference compromise for fiscal year 1980 is also reflected in the fiscal year 1981 and fiscal year 1982 targets, which have been similarly reduced by $0.4 billion below their Senate-passed levels. As with the fiscal year 1980 targets, these may require adjustment when the second budget resolution is considered.

FUNCTIONS 900, 920, 950

1979

For interest, in fiscal year 1979, the conference agreement provides budget authority and outlays of $52.4 billion. This is identical to the amount set forth in the Senate resolution.

For allowances, the conference agreed to budget authority and outlays of $700 million, also identical to the Senate figure.

For undistributed offsetting receipts, the Senate figure of —$18.1 billion in budget authority and outlays was agreed to.

1980–82

For interest, in fiscal year 1980, the House and Senate resolutions set an identical figure of $56 billion. The conference accepted that amount.

For allowances, the conference agreement provides for budget authority and outlays of —$100 million. The Senate resolution assumed savings of $400 million through reductions of $200 million in film making and $200 million in nondefense travel.

The House resolution assumed savings of $1.1 billion through reductions of $500 million in Government travel, $200 million in film making, $200 million in procurement of supplies and materials, and $200 million in consulting contracts.

The conference agreement assumes that savings of $900 million can be made. The Appropriations Committee must carefully scrutinize requests for appropriations in these areas in order to assure compliance.

For undistributed offsetting receipts, the conference agreement provides for budget authority and outlays of —$19.7 billion, the Senate figure.

Estimates in the Senate resolution for interest and undistributed offsetting receipts in fiscal years 1981 and 1982 were not affected by the conference agreement. In the allowances function, the reduction of $900 million in Government expenses is assumed to continue in fiscal years 1981 and 1982.

ALLOCATION TO SENATE COMMITTEES UNDER SECTION 302 OF THE CONGRESSIONAL BUDGET ACT

Mr. President, section 302(a) of the Congressional Budget Act provides that the statement of managers accompanying the conference report on the first budget resolution shall include an allocation of the budget totals among the committees of the House and Senate. This is the so-called crosswalk provision.

The allocation to the Senate committees under the conference agreement are contained in the statement of managers accompanying the conference report on House Concurrent Resolution 107.

Mr. President, consistent with the multiyear budget presented by the conference committee, allocations to Senate committees have been prepared for fiscal years 1979, 1980, 1981, and 1982. For fiscal year 1981 and fiscal year 1982, the crosswalks are based on the Senate-recommended totals for those years that are contained in the conference agreement. The Senate Budget Committee will use these crosswalks as a basis for comparing the cost of legislation reported for the relevant fiscal years.

The House, on the other hand, has only filed crosswalks for fiscal 1979 and fiscal 1980.

Under these circumstances, Senate committees will only be able to consult with their House counterparts as required by section 302 with respect to fiscal years 1979 and 1980. Therefore, crosswalk reports to the Senate under section 302(b) are mandatory only for these 2 years.

However, the Budget Committee encourages Senate committees to file reports for fiscal years 1981 and 1982, as well as for fiscal years 1979 and 1980. Such action by Senate committees would express their strong commitment to the multiyear budget overwhelmingly adopted in the Senate budget resolution and supported in the conference agreement.

Compliance with these out-year targets in the crosswalk will assure Senate compliance with the multiyear budget plan for a balanced budget beginning in fiscal year 1981.

CONCLUSION

Mr. President, I strongly urge all Senators to support this conference agreement today and throughout the next 3 years as we consider the spending and tax legislation which must be made to fit within it. In my view, this multiyear budget plan is the best prescription for strengthening the public's confidence in the ability of the Federal Government to cope with and to resolve our financial problems and to balance the Federal budget.

Finally, Mr. President, again I want to express my sincere appreciation to the ranking minority member, Mr. BELLMON, and to the other Senate conferees for their splendid effort, cooperation, and loyal support in the conference and in bringing this report to the floor for consideration today. I wish to express my thanks also to Chairman GIAIMO and to his conferees for their work.

Let me also take this opportunity to acknowledge and express our committee's gratitude for the high level of consideration and support which the majority leader (Mr. BYRD) continues to give to the entire budget process.

Finally, I want to commend the staff of the Congressional Budget Office and of the Budget Committee for their superb and tireless performance over the months leading up to this report. In particular, I wish to thank Jim Capra of CBO and his staff for their support. They made it possible to produce 3 full year budgets by mission and function.

We have come to expect such extraordinary efforts from the staff of the Budget Committee and CBO, but we are nonetheless deeply grateful for the high caliber of their work and for their dedication to the congressional budget process.

ERRATA

Mr. President, corrections should be made in the conference report as follows:

(1) On page 5, in Section 2(b), change "Section 801(a)" to "Section 301(a)."

(2) On page 8, in the table, line reading "real GNP," in the column under "1979," change "1,342" to "1,432."

(3) On page 10, line 3, change "1982 outlays of $64. billion," to "1982 outlays of $6.4 billion."

(4) On page 18, at the end of line 13, delete the period, and insert "and outlays of $52.4 billion."

(5) On page 21, in the table, line reading "debt subject to limit," in the column "'House passed," change "884.723" to "884.733."

Mr. President, at this time, I yield to my distinguished colleague and source of tremendous strength in the Budget Committee, Senator BELLMON.

Mr. BELLMON. Mr. President, I rise in support of the amended conference resolution. I want to start by thanking our distinguished chairman for the effective leadership he again provided to this conference. The development of the budget resolution now before the Senate has been possible only through a tremendous investment of time and energy by both members and staff. No one has worked harder or more effectively than Senator MUSKIE.

Also, the committee staff, both the majority and minority, have performed an enormously difficult task with a high degree of professional skill and with an unparalleled level of patience and perseverance.

Mr. President, the conference was shorter and less painful than some other conferences we have had in the past, and much shorter and less painful than it might have been except for the leadership exhibited both by Senator MUSKIE and by Chairman GIAIMO on the House side.

I thought at the time that this indicated we were improving our capacity to resolve big budget differences between the Houses. As most Members know by now, however, the House of Representatives did not find the conferees' solution of our differences satisfactory.

Representative OBEY argued on the House floor that increases in defense spending, in this budget, had been achieved only at an unacceptable cost to education programs. I cannot agree with Mr. OBEY, the Senate assumptions, under this conference agreement, would result in the second largest increase in Federal education spending in history, 13 percent. To me, that should have been adequate. Only the 20 percent increase in education outlays from fiscal 1978 to fiscal 1979 was larger.

I cannot understand why the House was not satisfied with the generous treatment which the conference report provides for education.

Between fiscal years 1970 and 1979, function 500 (education, training and employment, and social services) increased as a proportion of total Federal spending from 4.4 to 6.3 percent. Over the same period, defense outlays declined in proportion to the total Federal budget from 40 percent to 23.2 percent.

I think it is only fair to point out that in 1970 there was the war in Vietnam which made some difference, but it is very obvious that defense has come down dramatically and that spending for function 500 has risen by some 50 percent as a proportion of total Federal spending.

In fiscal 1980, as I pointed out earlier, the conference agreement contemplates a 13-percent increase in Federal education spending. The proposed increase in defense outlays under the conference agreement would be 8.5 percent.

So I believe the criticism that the House has leveled at our conference result is absolutely unfounded.

ROLE OF INFLATION

The fact that the conference was concluded in short time is due, in great part, to the growing consensus that inflation is our most important economic problem, and that reducing inflation must be the primary objective of fiscal policy.

Each of the Houses entered the conference with differing economic assumptions which could have been the source of a protracted debate. The Senate had assumed a lower economic growth rate in its resolution with inflation continuing at high levels, slowing only gradually in 1980. The House had assumed a higher growth rate and a sharply declining inflation rate.

Instead of getting bogged down in a debate over economic assumptions, the conferees resolved many of the technical issues in the course of establishing functional targets. The agreement on functional targets were generally on the side of spending restraint. I am convinced that the recent experience, with inflation increasing at better than a 10-percent annual rate and the public perception that Government is responsible, strengthened the commitment of the conferees to make the difficult, function-by-function decisions that led to a responsible conference agreement on the whole budget.

MAJOR ACCOMPLISHMENTS

As I have already suggested, I am pleased, on the whole, by the indicated conference outcome. I want to discuss very briefly some of the features of the conference agreement which seem to me particularly positive:

First. Holding down spending. The conference agreement protected the Senate's fiscal year 1980 targets. In other words, Mr. President, the conference retained the spending restraint that the Senate had applied in developing our version of the first budget resolution. If the same economic assumptions are applied, the budget resolution produced by the conference is $12 billion lower than the President in budget authority and $7 billion lower in outlays than he proposed. The conference resolution is lower by $0.6 billion in outlays than the figures the Senate took into conference. The resolution is higher than the Senate's budget authority targets, almost entirely because of a necessary compromise on budget authority for assisted housing programs.

Second. Deficit. The conference report contains a deficit of $23 billion. This deficit is $6 billion below the $29 billion deficit projected in the Senate-passed version of the budget resolution. This lower deficit results both from the $600 million reduction in spending targets and an upward revision in estimated revenues.

We ought not claim victory too quickly for having reduced the deficit in fiscal year 1980. The reduction in the deficit was achieved primarily because of higher revenues—not because spending was substantially reduced.

The revenue floor in the budget resolution reflects the fact that high inflation expands taxable income and causes revenues to rise. Should inflation slow sooner or unemployment rise more rapidly than now expected, this revenue "windfall" could vanish and the deficit increase rapidly. Spending restraint clearly is a long-term challenge.

Third. Budget balance next year. Not only did the conferees reduce the fiscal year 1980 deficit from the Senate—passed level, but, more importantly, we preserved the balanced budget in fiscal year 1981 projected in the Senate's version of the budget resolution. Indeed, as a result of the changes in spending and revenues incorporated into the conference agreement, projections now indicate a surplus of around $6 billion in fiscal year 1981.

Fourth. Multiyear budgeting. Mr. President, the conference preserved most of the progress made by the Senate this year in moving to multiyear budgeting. The budget resolution contains aggregate targets for revenues, budget authority, outlays and surplus or deficit, for fiscal years 1981 and 1982 as well as fiscal year 1980. Moreover, the conference report contains totals for each budget function for each of these 3 years.

While there are differences between the House and Senate conferees regarding the Long amendment to the debt limit bill, the Senate has interpreted the issue as requiring that 3-year budget estimates be included in the budget resolution. Therefore, as our committee chairman has already stated, the Senate Budget Committee intends to review legislation and appropriations against the 3-year targets shown in the conference report.

I am encouraged by these real efforts to take a longer term perspective on the budget and am pleased to see strong support for this effort among the House conferees. Spending under many Federal programs is locked in by law and not subject to annual appropriation processes.

Generally, it takes a major multiyear effort to initiate needed changes. Moreover, when we do get legislative changes that produce savings, the results often are not apparent for several years. I believe it is vitally important for Congress to adopt the multiyear budgeting discipline, not only because it will help constrain spending, but will also offer better opportunities for rational priority setting. If we know now what the spending totals are for fiscal years 1981 and 1982, we will have time for the thoughtful priorities debate to determine which programs should be included in those totals. By looking ahead in the way we are now doing, I believe Congress can make better choices on priorities and can also deal more effectively with the economic implications of the Federal budget.

Fifth. Holding individual Senate marks. Mr. President, the Senate conferees did quite well in holding the spending targets for individual functions that were reflected in the Senate resolution. Of the 19 functions, 10 were agreed to by the conferees at levels at or below the Senate's budget authority and outlay targets. In five other cases, the functional totals agreed upon are lower in outlays but higher in budget authority than the Senate's original targets. Thus, for only four budget functions is the conference higher than the Senate targets in both budget authority and outlays, and in two of those functions, the differences were only $100 million. Only in function 270 (energy) and in function 500 (education, employment, and social services) did the Senate give significant ground in both budget authority and outlays.

Sixth. Specific decisions. Mr. President, in addition to the overall result that I have been talking about, the Senate conferees sustained the Senate's basic position in a number of key program areas. Let me illustrate:

First. Defense. The conference numbers for the fiscal year 1980 national defense function, $136.6 billion in budget authority and $124.2 billion in outlays, meet the objective of providing real growth in the U.S. defense budget. In fiscal year 1980, investments for military equipment and funding for research and development will produce real growth of 3.5 percent in budget authority and 5.7 percent in outlays. In fiscal year 1981, real growth for procurement and R. & D. will continue at a rate of 3 percent in budget authority and 7 percent in outlays. In fiscal year 1980, for the overall national defense function, there will be 1.2 percent real growth in outlays. In fiscal year 1981, real growth in outlays for national defense will be 1.6 percent.

The conference results are consistent with the Senate's actions emphasizing procurement to meet U.S. NATO force goals and provides funding to proceed with strategic force modernization. Strategic programs which will be issues during the upcoming SALT debate are also provided for in the budget resolution assumptions.

Second. Public service employment. The conference continues to assume a phasedown of countercyclical public service jobs under the Comprehensive Employment and Training Act. The Senate assumption is still that there will be no more than 100,000 jobs by the end of fiscal year 1980, and a complete phaseout of countercyclical CETA jobs by the end of fiscal year 1981. This conference report is the first budget resolution since the beginning of the CETA program which contemplates less CETA funding than in the previous year.

On the other hand, the conference affirms the strong support which has been shown here in the Senate for targeted employment and training programs focused on the structurally unemployed.

Third. Assisted housing. The House and Senate conferees were able to resolve a major difference in assisted housing programs under function 600 only by essentially splitting the $6.3 billion difference in budget authority for fiscal year 1980. This resulted in budget "room" for assisted housing being $1.2 billion less than proposed by the President. The lower Senate targets assumed a shift toward greater use of existing housing, which is far less expensive than new construction, and a smaller number of new commitments that have been made in recent years. The conference result is significant because it not only holds down future spending, but also sends an unmistakably clear signal to HUD to tighten management and refine cost estimates for its assisted housing programs.

Fourth. Transportation. In the transportation function, the conference agreement continues the assumption included in the Senate-passed resolution of a rescission of budget authority for the Highway Trust Fund for fiscal years 1980 and 1981, although the rescission is smaller than was assumed in the Senate-passed version.

MAJOR CONCERNS

Despite the "good news" about aspects of this conference, it would be misleading and shortsighted not to call attention to some serious concerns that the Senate should keep in mind as it acts on this conference report:

First. Economic danger signals. First, the "pessimistic" economic assumptions shown in the first resolution may turn out to be too "optimistic" in retrospect. While I continue to believe that a recession is not inevitable, the exceptionally high inflation rates of recent months certainly increase the likelihood of trouble ahead. Moreover, the Federal Reserve continues to tighten credit and to allow interest rates to rise. Short-term Treasury bill rates currently are about 9.50 percent, the Federal fund rate—(a measure of Fed credit policy)—is at 10 percent, and the prime lending rate is 11¾ percent. The money supply is rising sharply suggesting that the Fed may allow interest rates to rise higher. Rising inflation and interest rates are danger signs of an economy in trouble. If a recession occurs, revenue growth will drop sharply, outlays will rise and a balanced budget will once again slip out of reach.

Second. Preoccupation with countercyclical spending. Despite the fact that we are now in our 50th month of economic recovery since the 1974 recession, a considerable amount of countercyclical spending is still reflected in the budget. If the Senate's assumptions under the budget resolution are carried out, we will maintain nearly 200,000 countercyclical public service jobs through most of fiscal year 1980 and end the year with 100,000 such jobs. The House assumes an even higher number of public service jobs under title VI of CETA. While there has been a significant reorientation of CETA toward an attack on structural unemployment, rather than temporary or cyclical unemployment, in my view it still places too much emphasis on countercyclical spending. In my own State of Oklahoma, the unemployment rate is around 3 percent; yet we receive several hundred countercyclical job slots. These jobs are competing with the regular employment market for scarce labor.

The House conferees came to conference requesting "room" in the budget to accommodate the temporary antirecession revenue sharing program being peddled by the administration as a "let-them-down-easy" transition program. I hope the Congress will not start this program, as I do not believe it is really needed.

Third. Entitlement programs and the effects of inflation on costs. Once again, the conferees came up squarely against the reality that well over half of the Federal budget is not subject to annual congressional control. We did assume savings in social security, Federal retirement, public assistance, and other entitlement programs. However, there is not the kind of congressional control over these programs that makes it possible to deal with them in the same way as programs that are subject to annual appropriations. This is a major reason why the multiyear budgeting approach I discussed earlier is essential. The Congressional Budget Act has not yet become the kind of tool for controlling the growth of entitlement programs that the authors of that legislation hoped it would become. I believe Congress must become much more resistant to the temptation to create and expand entitlement programs.

Fourth. Difficulty in achieving legislative savings. This year, more than in any budget resolution in the past, the conference assumes that Congress will enact a number of changes in substantive legislation in order to reduce costs. To the extent that the responsible committees fail to move that legislation, the discipline of this budget will be violated. It is essential that good faith efforts be made to enact the kinds of legislative changes the budget assumes. If those changes are not feasible, Congress must find other ways to achieve savings.

Fifth. Minimal progress on grant consolidation. Governors who appeared before the Budget Committee during our hearings this spring called on Congress to maintain general revenue sharing and other block grant programs, and to consolidate many of the narrow categorical programs into broader types of assistance programs. While this budget resolution provides some cuts in categorical grant programs such as LEAA and impact aid, for the most part it takes a very cautious, even timid approach in these areas. On the other hand, as I already discussed, the conference does take a swipe at general revenue sharing, although not nearly as much as the House wanted to take.

I am not at all happy with what we have been able to do this year in the categorical grant consolidation and reduction areas. I hope that the substantive committees will move farther and faster than the Budget Committees were able to move. I am especially hopeful that bills I have offered to consolidate programs in the child nutrition and education areas can receive active congressional consideration this year.

CONCLUSION

In conclusion, I want to say that the budget that is here for final approval by the Senate is, on the whole, a good, solid product. It moves us in directions we ought to go, while leaving plenty of flexibility for Congress to make specific decisions on programs in the months ahead. On the other hand, it leaves undone a lot of work about which Congress must continue to be concerned.

The budget will, of course, be only as effective as Congress makes it. It will take continuous discipline in the weeks and months ahead to make this budget really live. The Budget Committee cannot be the only disciplinarian. The Senate as a whole, and especially the authorizing and Appropriations Committees, must do the work of enforcing the targets set by the budget resolution. It would be unfortunate, indeed, if we were to come back here in September and add substantial amounts in the second budget resolution because of the failure of Congress to move cost-saving legislation and economize in appropriations bills as this resolution contemplates. I urge my colleagues to support this anticipated conference agreement.

Mr. President, I conclude by saying that, as reluctant as I am to accept the proposal which Senator Muskie has outlined that changes the conference report slightly, I feel it is the best outcome of what could be a very difficult situation. I just want to express my support for the recommendation he has now made to the Senate.

Mr. MUSKIE. I thank my good friend from Oklahoma.

Mr. BELLMON. Will the Senator yield for a unanimous-consent request?

Mr. MUSKIE. Yes.

Mr. BELLMON. I ask unanimous consent that the following members of the minority staff be granted the privilege of the floor during debate and vote on this resolution: Bob Boyd, Bob Fulton, Gail Shelp, Carol Cox, Barry Kinsey, Bob Helm, Becky Davies, Joyce Purcell, Jill Wissler, Susan Petrick, Janis Moore, Mark Bobseine, and B. J. Samuels.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Steve Bell of my staff be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I am not going to take a lot of time, because I know the Senators are tired tonight and want to vote. I really hope that what we are going to do tonight is vote by rather overwhelming numbers to support the proposal of our distinguished chairman and ranking Republican. I think it is urgent that we do. I do not think we should just pass this proposal by a couple of votes. I think we should send it back to the House with a rather resounding vote. I shall try to explain why.

First, everyone knows that when the Senate's budget was presented here, I did not necessarily agree with it. In fact, I proposed some rather substantial amendments, including some that were philosophically different, at least as I see using the budget to accomplish certain philosophical changes. However, it seems that, in a period when we are having the kind of economic problems that we are having in our country, knowing the propensity of this body and the other to disagree, and knowing the tremendous enthusiasm within different groups in this body and in that body for various programs in this country, it is almost miraculous that, annually, we can come back here to the floor and say we have another budget resolution, even the first one, tentative as it is, that we have both agreed upon.

It is a kind of miracle. I think it is brought about, because our people insist upon it these days. The people of the United States—my State I am sure, and I am certain the State of Maine, from whence our good chairman comes, and the people of Oklahoma, from whence Senator Bellmon, our distinguished ranking member comes—are all joining in sending us a message that they want us to be responsible with their dollars.

I went to conference skeptical. Let me say I think it would be a disaster if we do not get agreement between the two bodies. We are moving toward a balanced budget. We are going to get there in 1981, absent some major economic or world catastrophe involving the United States; we are going to get there. That is historic.

We are not going to get there unless the discipline of the budget process is there. We can talk about getting there, but unless this process works, the chances of getting there and getting there with the notions of the body at large being evidenced in the budget are not going to be very relevant. We are not going to get there that way. We are going to get there with somebody getting their way. And nobody is getting their way. We are kind of moving the United States in the direction of fiscal responsibility. While we do it, we are watching our P's and Q's, as I see it.

Since I first went on the committee and since I came to the Senate, the one thing that concerned me most and that I truly hope that, at one point in history, we will pull up over the top in other functions, is military preparedness. Yes, it is a political issue, and yes, people have a right to disagree and even disagree violently. But we are approaching a point in time with SALT, with SALT II in front of us and, if SALT II works, it is only good for the world if SALT III becomes a reality. In addition, there is no question that the Soviet Union, while she does everything else poorly, does a great job of preparing herself militarily. No one disagrees. They come before our committee and they say, oh, economics, terrible.

The PRESIDING OFFICER. The time of the Senator from Maine has expired. Nine minutes remain to the Senator from Oklahoma.

Mr. BELLMON. I yield 2 more minutes to the Senator from New Mexico.

Mr. DOMENICI. I thank the Senator from Oklahoma.

On social policies, the Soviet Union does miserably. On rights and human freedom, miserably. But on military preparedness, by pinpointing the economy, they continue to gain strength.

What I am very proud of is that the Senate, both in the Budget Committee and on the floor, gave to the President most of what he wanted, both in the supplemental and in budget 1980. We sustained that on the floor and went to conference, and I am even more pleased when I look at the fact that in this conference, with the divergent views we have in these two bodies and among our membership, 80 percent of the supplemental that the President asked is intact—80 percent. We did not split the difference and do those kinds of things that are normally the way to resolve them. We put in almost all the strategic requests of the supplemental. That is 80 percent of the way.

When it came to the differences in 1980, they were very far apart, especially in budget authority. And we did not split the difference again; but, rather, 65 percent of the way toward the Senate figures on budget authority and just $100 million or so difference on outlays is the result. That is what is before us.

Senator Muskie's proposal, agreed to by Senator Bellmon, does not change that. We ought to agree to that, agree to the add-on that has been requested here in function 500, send it back to the House with a clear understanding that we have done our job; that we cannot do any better; that, in the interest of military preparedness, treating the other programs fairly, we have compromised again with them, at least moved in their direction.

I think they ought to understand that there are many of us that are not going to go much further in any direction if they are not willing to accept this compromise.

I thank the Senator from Maine.

● Mr. ROTH. Mr. President, I oppose the adoption of this conference report on the first concurrent resolution on the budget. This resolution, which is to be the foundation of our fiscal policy for this year, clearly shows me we are still on the wrong track, headed for more trouble.

Last October, the President told the American people something they have known for a long time. He said the Government was a major cause of inflation. The President made a promise that the Government would "take the lead in fiscal restraint." In January he sent us his budget for fiscal year 1980 and shattered all hope he would hold to his promise.

Mr. President, the responsibility of restraining Government spending has been left entirely to the Congress.

Despite claims of fiscal restraint, this budget resolution represents more spending and more taxation. The big spenders are playing a shellgame and the American taxpayers are the victims.

This budget resolution reduces the President's projected budget deficit in fiscal 1980 by $6 billion. But the budget deficit is being reduced by allowing taxes to increase, not by cutting Government spending. Congress is trying to balance the budget on the backs of American taxpayers.

In addition, the big spenders have revised the fiscal 1979 budget, increasing spending levels by $7 billion and tax levels by $12 billion.

According to the Brookings Institution's annual budget report, "Setting National Priorities," the "rhetoric of restraint" in the 1980 budget "looks like a one-time effort." Rather than responding to public demands to curtail spending and taxes, Brookings states:

> The 1980 budget hints at but does not engage in a basic debate about the domestic role of the Federal budget.

Mr. President, I believe the tax and spending levels proposed in this conference report are much too high.

By delaying any tax cuts until 1982, this resolution attempts to balance the budget through higher taxes. If this budget resolution is enacted, the Federal tax burden will increase to the highest level ever experienced in this country in peacetime.

I believe taxes can be cut and the budget can be balanced if the growth rate of Federal spending is restrained.

There is no question hard choices are necessary to reduce Federal spending. But there is no question these steps are necessary to restrain inflation. When an average American family sits down and makes out their household budget, they set spending limits and establish priorities. They are forced not to spend more money than they have coming in. When times are tough, they do not increase the size of their budget, rather they make sacrifices. Perhaps they do not take a family vacation that year, or they wait another year to buy a new car. If the family budget does exceed the family's means, then the family must pay the consequences.

Likewise, the Federal Government should be forced to stay within the limits of its means. If American families are expected to make sacrifices, no less should be expected of the Government.

In March, I testified before the Budget Committee with Senator PROXMIRE, on behalf of the Save Our Bucks Task Force. I submitted a list of $15 billion of proposed budget reductions. As the minority members of the Budget Committee have pointed out, further reductions in the budget are possible without hampering any of the critical responsibilities of the Federal Government.

In fact, substantial reductions in Federal spending can be achieved merely by focusing on fraud and waste in Government spending programs. Deputy Attorney General Benjamin Civilitti has testified before the Budget Committee that fraud and waste consume between $5 and $50 billion of the Federal budget. Clearly, curbs on spending can be achieved without impairing useful Government functions.

Mr. President, we must deal with the problem of inflation by cutting back on Government spending. We must begin to gain control of future expenditures in order to reduce inflation in the long run. The American people are worried by the twin problems of inflation and Government growth, and we must concentrate our efforts on reducing both. This conference report sets the spending levels too high and in doing so, falls short of this task.●

Mr. MUSKIE. Mr. President, I do not see that there is any further request for time.

Mr. BELLMON. Mr. President, I have no further request for time. I am willing to yield back the remainder of my time.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The Clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, this is the last rollcall vote tonight.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Iowa (Mr. CULVER), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

I also announce that the Senator from New Hampshire (Mr. DURKIN) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CULVER) would vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Idaho (Mr. McCLURE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The PRESIDING OFFICER (Mr. RIEGLE). Are there any other Senators who have not yet recorded their vote and wish to do so?

The result was announced—yeas 72, nays 17, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—72

Baucus
Bellmon
Biden
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
DeConcini
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Glenn
Goldwater
Gravel
Hart
Hatfield
Hayakawa
Heflin
Heinz
Hollings
Huddleston
Inouye
Jackson
Javits
Johnston
Kassebaum
Leahy
Levin
Long
Magnuson
Mathias
Matsunaga
McGovern
Melcher
Metzenbaum
Morgan
Moynihan
Muskie
Nunn
Pell
Percy
Pressler
Pryor
Randolph
Riegle
Sarbanes
Sasser
Simpson
Stafford
Stennis
Stevens
Stevenson
Stewart
Stone
Talmadge
Tower
Tsongas
Wallop
Weicker
Williams

NAYS—17

Armstrong
Byrd,
Harry F., Jr.
Garn
Hatch
Helms
Humphrey
Jepsen
Laxalt
Lugar
Nelson
Proxmire
Roth
Schmitt
Schweiker
Thurmond
Warner
Zorinsky

NOT VOTING—11

Baker
Bayh
Bentsen
Church
Culver
Durkin
Kennedy
McClure
Packwood
Ribicoff
Young

So the amendment (UP No. 191) was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. The pending business now is the budget resolution; is that correct?

The PRESIDING OFFICER. The Chair advises that the pending question is on agreeing to the budget resolution, as amended.

Mr. HARRY F. BYRD, JR. Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator has been recognized.

Mr. HARRY F. BYRD, JR. Mr. President, the conference report on the first concurrent budget resolution is disappointing.

On the surface, the resolution reported by the conferees is appealing. It reduces the deficit below the Senate-passed figure by $6 billion.

However, closer examination reveals that this reduction is almost entirely achieved by an increase of $5.4 billion in the estimate of revenues for fiscal year 1980. And the conference version increases budget authority over the amount approved by the Senate by $4 billion.

What this conference report really represents is an inflation caused, unofficial tax increase and a boost in the budget authority which will fuel future spending.

Moreover, one of the biggest increases in spending, compared to the resolution approved in April by the Senate, is in one of the most widely criticized programs operated by the Federal Government—the CETA public service jobs program. Function 500 of the budget, which includes CETA, is raised $1.4 billion over the Senate-passed figure, and there can be no doubt that much of that increase will go to CETA.

The conference report also increases budget authority for subsidized housing programs by $2.2 billion over the Senate-passed amount and leaves room for 500 in totally new, untried economic development programs.

The PRESIDING OFFICER. The Chair is sorry to interrupt the Senator, but the Chair has to advise that all time for debate has expired and the Chair will have to rule that further debate is not in order.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may have up to 5 minutes to speak at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia is recognized for up to 5 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I think that this period of high inflation is the wrong time to be increasing funds for the much-criticized CETA program, or for a major boost in subsidized housing, or for a half-billion dollars for totally new programs.

The reduction in the deficit, below the figure approved by the Senate, is purely cosmetic. It simply represents a bigger tax burden for the American people.

And in budget authority and outlays, this budget simply represents spending-as-usual.

Furthermore, even though the deficit has been reduced below the Senate-passed amount, it remains at the very high level of $23 billion. I think such a deficit is completely inappropriate.

I emphasize that the only way the deficit has been reduced is by revision upward in the revenues and that revision upward is caused by increased inflation which throws the American taxpayer into a higher bracket and thus brings in more funds for the Federal Government. There has been no reduction in spending.

This budget will do nothing to combat inflation. On the contrary it will make it worse.

I yield the floor.

The **PRESIDING OFFICER**. All time has expired.

The question now is on agreeing to the resolution, as amended.

(Putting the question.)

The ayes appear to have it. The ayes have it.

The resolution was agreed to.

Mr. **ROBERT C. BYRD**. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. **MUSKIE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **MUSKIE**. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of House Concurrent Resolution 107.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MUSKIE**. Mr. President, I ask unanimous consent to print in the RECORD the tables showing the crosswalk allocations to Senate committees under section 302(a) of the Congressional Budget Act, reflecting the agreements reached in conference as modified by the further amendment just adopted by the Senate.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1979

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	353.6	313.1		
Agriculture, Nutrition, and Forestry Committee	.8	5.2	10.0	10.2
Armed Services Committee	(1)	(2)	10.4	10.4
Banking, Housing, and Urban Affairs Committee	.6	−.9		(3)
Commerce, Science, and Transportation Committee	1.1	(4)	.3	.3
Energy and Natural Resources Committee	1.2	1.2	.1	(5)
Environment and Public Works Committee	8.3	1.9		
Finance Committee	219.5	207.4	34.1	34.8
Foreign Relations Committee	7.2	8.3		
Governmental Affairs Committee	26.6	18.3		
Judiciary Committee	.2	.2	(5)	(5)
Labor and Human Resources Committee	4.3	4.5	3.6	3.4
Rules and Administration Committee	(6)	(7)		
Veterans' Affairs Committee	1.1	.8	13.1	13.4
Select Committee on Indian Affairs	.3	.2		
Select Committee on Small Business	(3)			
Not allocated to committees	−65.7	−65.7		
Total, budget	559.2	494.45	71.5	72.5

[1] Less than $15,000,000.
[2] Minus $11,000,000.
[3] Less than $5,000,000.
[4] Minus $3,000,000.
[5] Less than $45,000,000.
[6] Less than $50,000,000.
[7] Less than $10,000,000.

Note: Details may not add to total due to rounding.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1980

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	357.9	328.1		
Agriculture, Nutrition, and Forestry Committee	.5	4.3	11.3	11.1
Armed Services Committee	−.2	−.2	11.5	11.5
Banking, Housing, and Urban Affairs Committee	2.5	−1.4		
Commerce, Science, and Transportation Committee	1.3	(1)	.2	.2
Energy and Natural Resources Committee	1.0	.9	.1	.1
Environment and Public Works Committee	23.7	2.1		
Finance Committee	242.8	235.0	35.7	35.9
Foreign Relations Committee	11.1	8.7		
Governmental Affairs Committee	30.4	21.2		
Judiciary Committee	.2	.2	(2)	(2)
Labor and Human Resources Committee	4.4	4.9	3.7	3.6
Rules and Administration Committee	.1	.1		
Veterans' Affairs Committee	1.1	.8	14.1	14.1
Select Committee on Indian Affairs	.2	.2		
Select Committee on Small Business	(3)			
Not allocated to committees	−72.7	−72.7		
Total, budget	604.4	532.0	76.6	76.4

[1] Minus $3,000,000.
[2] Less than $50,000,000.
[3] Less than $5,000,000.

Note: Details may not add to total due to rounding.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1981

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	379.3	350.3		
Agriculture, Nutrition, and Forestry Committee	.7	6.5	12.2	12.0
Armed Services Committee	−.2	−.2	12.3	12.0
Banking, Housing, and Urban Affairs Committee	2.9	−.8		
Commerce, Science, and Transportation Committee	1.4	(1)	.2	.2
Energy and Natural Resources Committee	1.1	1.0	.1	.1
Environment and Public Works Committee	9.1	1.8		
Finance Committee	272.3	257.6	37.8	38.5
Foreign Relations Committee	12.1	9.6		
Governmental Affairs Committee	33.0	23.2		
Judiciary Committee	.2	0.2	.1	.1
Labor and Human Resources Committee	4.8	5.1	3.6	3.7
Rules and Administration Committee	(2)	(3)		
Veterans' Affairs Committee	1.1	.8	14.5	14.5
Select Committee on Indian Affairs	.3	.3		
Select Committee on Small Business	(1)			
Not allocated to committees	−77.7	−77.7		
Total, budget	640.3	577.7	80.8	81.0

[1] Less than $5,000,000.
[2] Less than $45,000,000.
[3] Less than $20,000,000.

Note: Details may not add to total due to rounding.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1982

[In billions of dollars]

	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Budget outlays	Budget authority	Budget outlays
Appropriations Committee	401.4	370.9		
Agriculture, Nutrition, and Forestry Committee	.7	6.6	13.0	12.9
Armed Services Committee	−.2	−.2	13.6	13.4
Banking, Housing, and Urban Affairs Committee	3.2	−.8		
Commerce, Science, and Transportation Committee	1.5	(1)	.2	.2
Energy and Natural Resources Committee	1.2	1.1	.1	.1
Environment and Public Works Committee	8.2	1.4		
Finance Committee	306.2	281.4	40.0	40.8
Foreign Relations Committee	13.0	10.5		
Governmental Affairs Committee	36.1	25.6		
Judiciary Committee	.2	.2	.1	.1
Labor and Human Resources Committee	5.0	5.3	3.5	3.6
Rules and Administration	(2)	(3)		
Veterans' Affairs Committee	1.1	.9	15.0	15.0
Select Committee on Indian Affairs	.3	.3		
Select Committee on Small Business	(1)			
Not allocated to committees	−86.2	−86.2		
Total, budget	691.6	616.9	85.4	85.9

[1] Less than $5,000,000.
[2] Less than $45,000,000.
[3] Less than $10,000,000.

Note: Details may not add to total due to rounding.

Mr. MUSKIE. Mr. President, I further ask unanimous consent that, if the House agrees to the Senate amendment, these tables be considered as meeting the requirements of section 302(a) of the Budget Act.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent to print in the RECORD tables showing the spending totals for fiscal years 1979 to 1984 by function further broken into the mission categories used by the Senate in developing its budget resolution. The amounts are based on the agreements reached in conference as modified by the further amendment just adopted by the Senate.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

BUDGET AUTHORITY

[In billions of dollars; fiscal years]

	1979	1980	1981	1982	1983	1984
050 NATIONAL DEFENSE						
Mission 1: Strategic warfare forces	12.5	14.5	15.5	16.4	17.6	18.7
Mission 2: Tactical warfare forces	78.3	83.7	89.3	94.8	101.6	107.5
Mission 3: Defense-wide forces and support	23.2	23.8	26.4	28.5	30.3	31.8
Mission 4: Other national defense programs	13.0	14.6	15.6	16.8	18.0	20.3
Total	127.0	136.6	146.8	156.5	167.5	178.3
150 INTERNATIONAL AFFAIRS						
Mission 1: International development programs	4.9	5.5	5.2	5.6	5.7	6.3
Mission 2: International security programs	2.9	4.6	4.7	4.7	4.9	5.0
Mission 3: Diplomatic operations and international financial operations	3.6	2.4	3.7	3.9	4.1	4.4
Total	11.4	12.6	13.7	14.2	14.6	15.7
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY						
Mission 1: Science	1.4	1.5	1.5	1.5	1.5	1.5
Mission 2: Civilian space program	4.0	4.2	4.1	3.8	3.5	3.2
Total	5.4	5.7	5.6	5.3	5.0	4.7
270 ENERGY						
Mission 1: Energy supply	3.1	18.1	2.9	3.1	2.9	3.1
Mission 2: Energy conservation	.6	.8	.8	.8	.8	.8
Mission 3: Emergency energy preparedness	3.0	−1.0	.3	2.7	2.2	1.9
Mission 4: Other energy programs	.9	.9	1.0	.9	.9	.9
Total	7.6	18.8	5.0	7.5	6.8	6.7
300 NATURAL RESOURCES AND ENVIRONMENT						
Mission 1: Water resources	3.5	3.6	3.7	3.8	3.8	3.9
Mission 2: Conservation and land management	2.1	2.1	2.3	2.3	2.3	2.4
Mission 3: Recreational resources	1.9	1.7	1.8	1.9	2.0	2.0
Mission 4: Pollution control and abatement	5.3	5.2	5.3	6.0	6.0	6.1
Mission 5: Other natural resources and environment programs	.1	(*)	(*)	−.1	−.2	−.2
Total	12.9	12.6	13.2	13.8	14.0	14.2
350 AGRICULTURE						
Mission 1: Farm income stabilization	6.9	3.6	3.8	3.9	5.1	5.5
Mission 2: Agricultural research and services	1.4	1.4	1.5	1.6	1.7	1.9
Total	8.3	5.0	5.3	5.5	6.9	7.4
370 COMMERCE AND HOUSING CREDIT						
Mission 1: Mortgage credit and thrift insurance	2.5	3.1	2.4	2.8	3.2	3.3
Mission 2: Postal Service	1.8	1.7	1.7	1.7	1.7	1.6
Mission 3: Other commerce and housing credit programs	1.6	2.1	1.7	1.8	1.9	2.0
Total	5.9	6.9	5.9	6.3	6.8	6.8
400 TRANSPORTATION						
Mission 1: Highways	8.5	8.6	9.2	8.2	8.7	8.7
Mission 2: Railroads	2.3	2.3	1.9	1.5	1.5	1.3
Mission 3: Mass transit	2.4	2.5	3.5	3.5	3.5	3.5
Mission 4: Air Transportation	3.7	3.9	4.2	4.4	4.6	4.9
Mission 5: Other transportation	2.2	2.2	2.5	2.5	2.6	2.6
Total	19.1	19.45	21.2	20.1	20.9	21.0
450 COMMUNITY AND REGIONAL DEVELOPMENT						
Mission 1: Community development	4.8	5.1	5.0	5.0	5.0	5.0
Mission 2: Area and regional development	2.8	2.9	3.1	3.2	3.1	3.2
Mission 3: Disaster relief and insurance	1.6	.9	1.3	.8	.7	.7
Total	9.2	8.9	9.4	9.0	8.9	8.9
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES						
Mission 1: Elementary, secondary, and vocational education	7.8	8.3	8.0	8.0	8.0	8.0
Mission 2: Higher education	5.5	5.6	5.7	5.8	5.9	6.0
Mission 3: Research and general education aids	1.3	1.4	1.4	1.4	1.5	1.5
Mission 4: Training and employment	11.7	9.4	8.6	8.6	8.5	8.6
Mission 5: Other labor services	.5	.5	.5	.6	.6	.6
Mission 6: Social services	5.9	5.6	5.7	5.9	5.9	5.9
Total	32.7	30.85	29.9	30.2	30.3	30.5
550 HEALTH						
Mission 1: Health care services	47.9	52.8	63.0	73.1	81.4	91.5
Mission 2: Health research	3.4	3.7	3.9	4.3	4.6	4.9
Mission 3: Education and training of the health care work force	.8	.7	.7	.7	.7	.7
Mission 4: Consumer and occupational health and safety	.9	1.0	1.0	1.1	1.1	1.2
Total	53.0	58.1	68.7	79.1	87.8	98.4
600 INCOME SECURITY						
Mission 1: General retirement and disability insurance	107.8	121.8	139.6	162.1	181.4	207.2
Mission 2: Federal employee retirement and disability	20.7	23.3	25.5	28.0	30.4	32.9
Mission 3: Unemployment compensation	16.4	15.4	16.3	15.0	13.7	13.3
Mission 4: Public assistance	19.8	22.7	23.9	26.3	29.7	30.5
Mission 5: Nutrition programs	3.9	4.3	4.7	5.2	5.6	6.1
Mission 6: Housing assistance	24.8	26.7	28.9	31.0	33.4	35.6
Mission 7: Other income security programs	.7	.6	.7	.6	.6	.6
Total	194.15	214.8	239.6	268.3	294.9	326.2

BUDGET AUTHORITY—Continued

[In billions of dollars; fiscal years]

	1979	1980	1981	1982	1983	1984
700 VETERANS BENEFITS AND SERVICES						
Mission 1: Income security for veterans	11.1	12.3	13.3	14.3	15.4	16.5
Mission 2: Veterans education, training, and rehabilitation	2.5	2.3	1.8	1.3	1.0	.8
Mission 3: Hospital and medical care for veterans	6.1	6.0	6.2	6.5	6.8	7.1
Mission 4: Other veterans benefits and services	.6	.6	.6	.6	.6	.6
Total	20.4	21.2	21.9	22.7	23.8	25.0
750 ADMINISTRATION OF JUSTICE						
Mission 1: Federal law enforcement activities	2.0	2.1	2.1	2.1	2.1	2.1
Mission 2: Criminal justice assistance	.7	.4	.4	.4	.4	.4
Mission 3: Other administration of justice programs	1.5	1.7	1.7	1.7	1.8	1.8
Total	4.2	4.2	4.3	4.3	4.3	4.4
800 GENERAL GOVERNMENT						
Mission 1: Legislative function	1.0	1.0	1.1	1.1	1.2	1.3
Mission 2: Other general government programs	3.3	3.4	3.7	4.0	4.2	4.5
Total	4.3	4.4	4.8	5.1	5.5	5.9
850 GENERAL PURPOSE FISCAL ASSISTANCE						
Mission 1: General revenue sharing	6.9	6.5	6.5	6.5	6.5	6.5
Mission 2: Other general purpose fiscal assistance programs	1.8	1.6	1.8	1.9	2.0	2.1
Total	8.65	8.1	8.2	8.3	8.4	8.5
900 INTEREST						
Mission 1: Interest on the public debt	59.6	64.9	68.0	70.3	73.3	76.7
Mission 2: Other interest	−7.2	−8.9	−10.4	−12.0	−13.4	−14.8
Total	52.4	56.0	57.7	58.4	59.9	61.9
920 ALLOWANCES						
Mission 1: Civilian agency pay raises	.7	.8	.6	.7	.7	.6
Mission 2: Management savings		−.9	−.9	−.9	−.9	−.9
Total	.7	−.1	−.3	−.2	−.2	−.3
950 UNDISTRIBUTED OFFSETTING RECEIPTS						
Mission 1: Rents and royalties on the Outer Continental Shelf	−2.8	−2.9	−2.9	−2.9	−2.9	−2.9
Mission 2: Employer share, employee retirement	−5.3	−5.6	−5.8	−6.3	−6.5	−6.7
Mission 3: Interest received by trust funds	−10.0	−11.2	−11.9	−13.5	−15.3	−16.7
Total	−18.1	−19.7	−20.6	−22.7	−24.7	−26.3
Grand total	559.2	604.4	640.3	691.6	741.2	797.7

OUTLAYS

[In billions of dollars; fiscal years]

	1979	1980	1981	1982	1983	1984
050 NATIONAL DEFENSE						
Mission 1: Strategic warfare forces	11.2	12.5	13.9	15.0	16.1	16.9
Mission 2: Tactical warfare forces	69.7	75.8	81.5	87.8	94.1	99.6
Mission 3: Defense-wide forces and support	20.7	22.1	24.9	27.1	28.9	30.0
Mission 4: Other national defense programs	12.8	13.8	15.2	16.5	17.9	20.3
Total	114.4	124.2	135.5	146.4	157.0	166.8
150 INTERNATIONAL AFFAIRS						
Mission 1: International development programs	3.0	3.3	3.2	3.4	3.6	3.8
Mission 2: International security programs	2.9	2.5	2.6	2.2	2.3	2.3
Mission 3: Diplomatic operations and international financial operations	1.6	2.1	2.5	2.9	3.1	3.5
Total	7.5	7.9	8.3	8.5	9.1	9.6
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY						
Mission 1: Science	1.3	1.4	1.4	1.4	1.4	1.4
Mission 2: Civilian space program	3.9	4.1	4.1	3.9	3.6	3.3
Total	5.2	5.5	5.5	5.3	5.0	4.7
270 ENERGY						
Mission 1: Energy supply	4.6	4.4	4.1	3.8	4.7	4.9
Mission 2: Energy conservation	.4	.6	.7	.8	.8	.8
Mission 3: Emergency energy preparedness	1.5	1.0	1.6	2.3	1.9	2.2
Mission 4: Other energy programs	.8	.8	1.0	.9	.9	.9
Total	7.4	6.8	7.3	7.8	8.3	8.7
300 NATURAL RESOURCES AND ENVIRONMENT						
Mission 1: Water resources	3.5	3.5	3.7	3.8	3.8	3.9
Mission 2: Conservation and land management	1.8	2.0	2.2	2.3	2.3	2.3
Mission 3: Recreational resources	1.5	1.5	1.6	1.8	1.9	2.0
Mission 4: Pollution control and abatement	4.4	4.7	5.2	5.7	5.8	6.1
Mission 5: Other natural resources and environment programs	(*)	(*)	−.1	−.2	−.2	−.3
Total	11.3	11.7	12.6	13.4	13.6	13.9
350 AGRICULTURE						
Mission 1: Farm income stabilization	5.0	4.1	6.1	6.1	5.1	4.5
Mission 2: Agricultural research and services	1.2	1.3	1.4	1.5	1.6	1.7
Total	6.2	5.4	7.5	7.6	6.7	6.3
370 COMMERCE AND HOUSING CREDIT						
Mission 1: Mortgage credit and thrift insurance	−.4	−.4	.3	.1	(*)	−.1
Mission 2: Postal Service	1.8	1.7	1.7	1.7	1.7	1.6
Mission 3: Other commerce and housing credit programs	1.5	1.9	1.8	1.8	1.9	2.0
Total	2.9	3.2	3.8	3.7	3.5	3.4
400 TRANSPORTATION						
Mission 1: Highways	7.0	7.6	8.1	8.6	8.9	9.3
Mission 2: Railroads	2.2	2.0	2.0	1.7	1.6	1.4
Mission 3: Mass transit	2.3	2.6	3.0	3.4	3.4	3.1
Mission 4: Air transportation	3.4	3.7	4.1	4.3	4.5	4.8
Mission 5: Other transportation	2.0	2.2	2.3	2.4	2.4	2.5
Total	17.0	18.2	19.6	20.4	20.9	2.11
450 COMMUNITY AND REGIONAL DEVELOPMENT						
Mission 1: Community development	3.8	4.3	4.8	5.0	5.4	5.6
Mission 2: Area and regional development	3.9	2.5	2.9	3.0	3.0	3.1
Mission 3: Disaster relief and insurance	2.0	1.3	.9	.9	.9	.8
Total	9.7	8.1	8.6	8.9	9.3	9.5
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES						
Mission 1: Elementary, secondary, and vocational education	6.5	7.3	7.9	7.9	7.9	8.0
Mission 2: Higher education	4.6	5.2	5.4	5.8	5.9	5.9
Mission 3: Research and general education aids	1.3	1.4	1.4	1.4	1.5	1.5
Mission 4: Training and employment	10.9	10.6	9.3	8.6	8.6	8.6
Mission 5: Other labor services	.5	.5	.5	.6	.6	.6
Mission 6: Social services	5.9	5.4	5.6	5.8	5.9	5.9
Total	29.7	30.5	30.1	30.0	30.4	30.5
550 HEALTH						
Mission 1: Health care services	45.0	48.5	54.6	60.6	66.9	73.8
Mission 2: Health research	3.1	3.4	3.7	4.0	4.4	4.7
Mission 3: Education and training of the health care work force	.7	.7	.7	.7	.7	.7
Mission 4: Consumer and occupational health and safety	.9	.9	1.0	1.1	1.1	1.2
Total	49.7	53.6	60.0	66.4	73.0	80.4
600 INCOME SECURITY						
Mission 1: General retirement and disability insurance	108.5	122.8	138.5	153.4	165.7	179.1
Mission 2: Federal employee retirement and disability	12.4	14.1	15.6	17.5	19.5	21.6
Mission 3: Unemployment compensation	11.0	14.0	14.4	13.6	13.5	12.7
Mission 4: Public assistance	20.1	22.5	23.9	26.4	29.7	30.5
Mission 5: Nutrition programs	3.9	4.2	4.5	4.8	5.2	5.5
Mission 6: Housing assistance	4.5	5.3	5.9	6.7	7.7	8.7
Mission 7: Other income security programs	.7	.6	.5	.5	.5	.5
Total	161.1	183.3	203.3	222.9	241.8	258.6

	1979	1980	1981	1982	1983	1984
700 VETERANS BENEFITS AND SERVICES						
Mission 1: Income security for veterans	10.8	12.0	12.9	14.0	15.1	16.2
Mission 2: Veterans education, training, and rehabilitation	2.8	2.3	1.8	1.3	1.0	.8
Mission 3: Hospital and medical care for veterans	5.8	5.9	6.3	6.7	7.1	7.2
Mission 4: Other veterans benefits and services	.8	.4	.6	.6	.7	.7
Total	20.2	20.6	21.6	22.6	23.8	24.8
750 ADMINISTRATION OF JUSTICE						
Mission 1: Federal law enforcement activities	2.0	2.1	2.1	2.1	2.1	2.1
Mission 2: Criminal justice assistance	.7	.6	.5	.5	.4	.4
Mission 3: Other administration of justice programs	1.5	1.7	1.7	1.7	1.8	1.8
Total	4.2	4.4	4.4	4.2	4.3	4.3
800 GENERAL GOVERNMENT						
Mission 1: Legislative function	1.0	1.0	1.0	1.1	1.2	1.2
Mission 2: Other general government programs	3.2	3.3	3.6	3.8	4.1	4.4
Total	4.2	4.3	4.6	4.9	5.2	5.7
850 GENERAL PURPOSE FISCAL ASSISTANCE						
Mission 1: General revenue sharing	6.9	6.5	6.5	6.5	6.5	6.5
Mission 2: Other general purpose fiscal assistance programs	1.9	1.6	1.7	1.9	2.0	2.1
Total	8.75	8.1	8.2	8.3	8.4	8.6
900 INTEREST						
Mission 1: Interest on the public debt	59.6	64.9	68.0	70.3	73.3	76.7
Mission 2: Other interest	−7.2	−8.9	−10.4	−12.0	−13.4	−14.8
Total	52.4	56.0	57.7	58.4	59.9	61.9
920 ALLOWANCES						
Mission 1: Civilian agency pay raises	.7	.8	.6	.7	.6	.5
Mission 2: Management savings		−.9	−.9	−.9	−.9	−.9
Total	.7	−.1	−.3	−.2	−.3	−.4
950 UNDISTRIBUTED OFFSETTING RECEIPTS						
Mission 1: Rents and royalties on the Outer Continental Shelf	−2.8	−2.9	−2.9	−2.9	−2.9	−2.9
Mission 2: Employer share, employee retirement	−5.3	−5.6	−5.8	−6.3	−6.5	−6.7
Mission 3: Interest received by trust funds	−10.0	−11.2	−11.9	−13.5	−15.3	−16.7
Total	−18.1	−19.7	−20.6	−22.7	−24.7	−26.3
Grand total	494.45	532.0	577.7	616.9	655.3	692.2

*Less than $50,000,000.

Mr. MUSKIE. Mr. President, I simply close by thanking again my good friend from Oklahoma, Senator BELLMON, who has been such a support, and the staff on both sides, both the majority and minority, who have been of such invaluable assistance throughout the development of this budget resolution.

May I also thank the leadership on both sides for their cooperation in making it possible to go forward this afternoon.

Mr. ROBERT C. BYRD. Mr. President, I want to thank Mr. MUSKIE and Mr. BELLMON for the leadership they have consistently shown with regard to budget resolutions and matters that come before the Budget Committee.

I certainly want to thank them for the leadership they have shown on this particular item, and I think they should be commended for the wisdom they have shown in supporting the proposal that the Senate has just voted on. I think they took a very strong stand, as the Senate would expect on any reduction in the defense budget, and I want to say as far as I am concerned, there will not be any more reductions in the defense budget. That is so far as one Senator is concerned, and I would like to state that for the RECORD.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENS. I am glad to hear the majority leader make that statement. I join him in commending Senators MUSKIE and BELLMON for putting us on a course that might take us out of this obvious impasse that we have been in with a prolonged conference committee in haranguing over the action that took place in the other House today.

I am delighted that the Senator from West Virginia, the majority leader, has stated the position which, I take it, would be the almost unanimous position of the Senate, that the defense budget should not be cut any further.

I do believe we have taken the right action and the House ought to understand that there is a very strong sentiment here against any changes in the defense budget as represented in this budget resolution.

ADJOURNMENT AND RECESS OF THE TWO HOUSES

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 126.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 126 providing for an adjournment of the House from May 24 to May 30, 1979, and a recess of the Senate from May 24 to June 4, 1979.

There being no objection, the Senate proceeded to consider the concurrent resolution.

The concurrent resolution (H. Con. Res. 126) was agreed to as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, May 24, 1979, it stand adjourned until 12 o'clock meridian on Wednesday, May 30, 1979, and that when the Senate recesses on Thursday, May 24, 1979, it stand in recess until 11 o'clock ante meridiem on Monday, June 4, 1979.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business and that Senators may speak therein up to 5 minutes each for a period not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it so so ordered.

DISAPPROVAL OF REORGANIZATION PLAN NO. 1 OF 1979

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate for 1 minute proceed to take up Senate Resolution 126, a resolution to disapprove Reorganization Plan No. 1 of 1979.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Calendar No. 205, Senate Resolution 126 to disapprove reorganization plan numbered 1.

There being no objection, the Senate proceeded to consider the resolution.

● Mr. RIBICOFF. Mr. President, I ask unanimous consent to take up Senate Resolution 126, a resolution to disapprove Reorganization Plan No. 1 of 1979. Reorganization Plan No. 1 creates an Office of Federal Inspector for the Alaska natural gas pipeline.

On May 10, by a vote of 9 to 0, the Governmental Affairs Committee reported the resolution with a recommendation that it be defeated. In order to sustain the committee, the vote would be against the pending resolution of disapproval.●

Mr. STEVENS. Mr. President, I am pleased that the Governmental Affairs Committee acted so quickly by reporting out the disapproval resolution on the reorganization of the Office of the Federal Inspector. Although a vote by us is unnecessary to effectuate the plan, an unfavorable vote on the disapproval resolution will speed up the plan's effective date. The reorganization plan authorizes the Federal Inspector to enforce various Federal laws and regulations that will be involved in the construction of the Alaska natural gas pipeline. This plan is a response to the problems faced during the oil pipeline's construction. In that situation, the different Federal agencies all tried to enforce their responsibilities, resulting in conflicting requirements and bureaucratic delays. Therefore, I am pleased that the administration's final plan incorporated many of our suggestions that grant greater authority to the Inspector to resolve interagency disputes.

Mr. President, I urge that this disapproval resolution of the reorganization plan be defeated in order that the plan may go into effect quickly.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

(Putting the question.)

The resolution (S. Res. 126) was rejected.

Mr. ROBERT C. BYRD. Mr. President, is that subject to a motion to reconsider?

The PRESIDING OFFICER. It is.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the resolution was rejected.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION TO REPRINT "MAJORITY AND MINORITY WHIPS OF THE SENATE"

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent (in conjunction with the minority leader) to have the Senate document of the 92d Congress entitled "Majority and Minority Whips of the Senate," reprinted as a Senate document. This has been revised and brought up to date.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS PROGRAMS

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Nelson, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 918.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 918) to amend the Small Business Act and Small Business Investment Act of 1958, and for other purposes.

(The amendment of the House is printed in the Record of May 22, 1979, beginning at p. 12093.)

There being no objection, the Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate disagree to the House amendment, request a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Nelson, Mr. Nunn, Mr. Culver, Mr. Huddleston, Mr. Bumpers, Mr. Morgan, Mr. Sasser, Mr. Stewart, Mr. Baucus, Mr. Levin, Mr. Weicker, Mr. Packwood, Mr. Hatch, Mr. Hayakawa, Mr. Schmitt, Mr. Boschwitz, and Mr. Pressler conferees on the part of the Senate.

ALASKA LANDS; CONGRESS HOLDS KEY TO ENERGY INDEPENDENCE

Mr. STEVENS. Mr. President, recently an article appeared in the Daily Sentinel, of Grand Junction, Colo., which I believe my colleagues will find of interest. This article, entitled, "Alaska Lands; Congress Holds Key to Energy Independence," was written by Linda Anzalone, associate director of Resources and Environmental Quality of the U.S. Chamber of Commerce. I have met Ms. Anzalone personally and I am very impressed with her knowledge of the issues involved in the Alaska lands legislation as well as her dedication toward a reasonable and balanced d–2 bill.

As Ms. Anzalone points out, the final disposition of Alaska's d–2 lands will have a tremendous impact, not only on my State, but on each and every State in the "Lower 48."

I commend this article most highly and ask unanimous consent that it be printed in the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

Alaska Lands; Congress Holds Key to Energy Independence

It is a common misconception that Americans in other parts of the country don't have a stake in the controversy over locking up Alaska lands.

The frequently forgotten fact, however, is that, as estimated by the U.S. Geological Survey, 30 billion barrels of undiscovered Alaskan oil are at stake. These potential reserves equal more than one-third of the entire nation's total. In addition to the undiscovered oil resources, the U.S. Geological Survey estimates that 76 trillion cubic feet of undiscovered natural gas remain untapped in Alaska. This is 16 percent of the United States' total.

In light of the uncertain availability of Iranian oil, and the rise of oil prices worldwide, it is necessary for the United States to work toward establishing energy independence. With the prices of heating fuels and gasoline spiraling, Americans across the country should have a two-fold interest in the Alaska lands debate. An immediate target: Curb inflation . . . A long-range goal: Energy independence.

The consideration of Alaska lands legislation in the 96th Congress has also been marred by a fundamental misconception: Because the primary bill number remains H.R. 39, many mistakenly believe that the version of H.R. 39 which was introduced by Rep. Morris Udall, D-Ariz., in January, 1979, is the same as the bill which was reported by the House Interior and Insular Affairs Committee.

To complicate matters, the House-passed bill of last year, which is yet a third and substantially different proposal, was also called H.R. 39. And now, the House Merchant Marine and Fisheries Wildlife Subcommittee has reported still another substitute version of H.R. 39.

The U.S. Chamber of Commerce supports the version of H.R. 39 reported by the Interior Committee. This bill (often referred to as the "Huckaby Substitute" and originally numbered H.R. 2199) is a balanced and rational approach to setting aside certain land areas in Alaska.

This measure was introduced as a substitute to Udall's 1979 version of H.R. 39 by Rep. Jerry Huckaby, D-La., and accepted by the Interior Committee, upon reporting the bill, the Interior Committee renumbered it H.R. 39.

HUCKABY SUBSTITUTE

H.R. 39 as amended and reported by the House Interior Committee, known as the Huckaby substitute, has three fundamental attributes:

It is a compromise, and is identical to the measure agreed upon (and almost enacted) last year;

In spite of environmentalists' disapproval of the measure, H.R. 39 must be considered to be a sweeping environmental bill. Over 120 million acres in Alaska would be set aside as parks, wilderness areas, preserves, wildlife refuges, wild and scenic rivers, forests, recreation areas, conservation areas and special management areas;

It is a balanced approach which would protect Alaska's "crown jewels," without denying the entire United States access to much-needed resources.

This version of H.R. 39 is often called a "compromise" because, in the waning days of the 95th Congress, all but one of the Ad Hoc Conference Committee agreed to an identical proposal. Among those committee members in agreement was Udall himself, along with Repts. Seiberling (D-Ohio) and Young (D-Ark.), Senators Durkin (D-N.H.), Stevens (R-Alaska), Jackson (D-Wash.), and Hansen (R-Wyo.) and Interior Secretary Cecil Andrus.

BREAUX SUBSTITUTE

The bill adopted by the Merchant Marine and Fisheries Wildlife Subcommittee and also numbered H.R. 39 is known as the Breaux substitute. This bill classifies a total of 148 million acres of land for environmental purposes. It adds 25 million acres to the wildlife refuge system, and classifies a total of 54 million acres as wilderness. This represents an instant 265 percent increase in the National Wilderness Preservation System.

In spite of the additional acreage set aside for preservation, this proposal is preferable to the Huckaby bill. The specific designations make the lands more accessible for resource exploration.

The Breaux substitute affects oil and gas resources in the following fashion:

It excludes the coastal plain of the Arctic Wildlife Range from wilderness and directs a five-year study of the area's oil and gas potential, concurrent with wildlife and wilderness studies. After five years, the Secretary of Interior may permit drilling of test wells. Development of the area, however, requires congressional approval.

It designates the existing National Petroleum Reserve as a wildlife refuge but specifies that oil and gas leasing to private firms must be allowed, subject to the standard compatibility test contained in the Refuge Administration Act.

In refuges, which are open to oil and gas leasing under existing law, the Secretary may approve or reject lease applications.

The Secretary must establish an oil and gas leasing program for other public lands in Alaska.

The bill includes about 50 million acres of land with oil and gas potential within its conservation units, which are "flexible-use" areas.

With regard to development of mineral resources, the bill withdraws approximately 65 million acres of lands in Alaska from mineral entry. Additionally, 3 million acres of other lands will be subject to new mineral leasing provisions.

But the Breaux substitute does not include any of the seven world-class mineral discoveries, those of global significance as identified by the Stanford Resource Institute, in wilderness, parks or other single-use units. Furthermore, it places a number of the most highly rated mineralized areas in state ownership, in flexible-use conservation areas or in non-wilderness refuges which may be opened to mining.

In addition, the bill closes around 20 million acres of land to sport hunting, although it keeps many of the prime sport hunting areas open.

Finally, one of the Breaux bill's most important attributes is that it assures access to inholdings for economic and other purposes. Additionally, traditional modes of travel shall be permitted to continue in all withdrawals.

Unlike Udall's 1979 version of H.R. 39,

Huckaby's bill carves out vast environmental preserves, without creating undue adverse economic consequences.

The Huckaby version of H.R. 39 is a sweeping environmental measure of unprecedented proportions. It would classify over 120 million acres of Alaska's land as set-asides for environmental protection. This is an area greater than the Mid-Atlantic and New England States combined.

In establishing these great parks, preserves, refuges, and other reserves all of the diverse ecosystems found in Alaska are considered.

The barren peaks of the Brooks Range form the heart of the 7.9 million acre Gates of the Arctic park and Preserve—a single unit nearly four times larger than Yellowstone. The vast wetlands at the mouths of the Yukon and Kushokwin Rivers, which provide habitat for millions of waterfowl and shorebirds, are added to an immense 13.8 million acre wildlife range.

The fiords, thickly forested slopes and plunging waterfalls of Southeast Alaska are protected in the 1.1 million acre Misty Fiords Preserve and 2.9 million acre wilderness of the Tongass National Forest. A desert of blowing sand dunes north of the Arctic Circle and an extinct volcancic caldera (six miles in diameter) are other unique features which are preserved by this bill.

HOW TO THINK ABOUT SALT

Mr. STEVENS. Mr. President, with the recent announcement of basic agreement on SALT II and the forthcoming summit meeting in Vienna between Presidents Carter and Brezhnev, we can anticipate an exceptionally long hot summer and fall in Washington, D.C.

Most recently, columnist George Will wrote an article entitled "How To Think About SALT" which appeared in the May 28 issue of Newsweek magazine. As we approach one of the most important debates in Senate history, I recommend this article to my colleagues.

Mr. Will outlines the Soviet Union's unprecedented strategic buildup under SALT I; and the "gross inequalities" and unverifiable terms under the prospective SALT II treaty. Most importantly, he makes reference to the "Jackson-Allott" amendment adopted during approval of the interim agreement on offensive weapons and to what extent the SALT II treaty lives up to the terms of the amendment. As my colleagues will recall this amendment adopted by Congress in 1972 states:

> The Congress recognizes the principle of United States-Soviet Union equality reflected in the anti-ballistic missile treaty and urges and requests the President to seek a future treaty that, inter alia, would not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union; and the Congress considers that the success of these agreements and the attainment of more permanent and comprehensive agreements are dependent upon the maintenance under present world conditions of a vigorous research and development and modernization program as required by a prudent strategic posture.

According to the article, the authors of the amendment say "SALT II fails that test."

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How to Think About SALT

Sen. Frank Church, who favors ratifying SALT II without amendments, warns Americans against the "trap of technicalities" and "nuclear theologians" who "intone" a "litany" of technical terms. Many SALT II supporters seem eager to direct attention away from the highly technical substance of SALT II. But if the debate occasioned by SALT II is to be about SALT II, it must be technical. Jimmy Carter even seems to want to turn the debate into a test of who is "peace-loving." But Sen. Sam Nunn, responding to Carter's idea that the world might consider SALT II's critics "warmongers," tartly told Carter to let the Russians "invent their own propaganda."

SALT II will not receive even close to the 67 votes needed to ratify it as negotiated. More senators will oppose it than the number (41) who, in 1977, took the drastic step of opposing confirmation of the new President's choice for SALT negotiator, Paul Warneke, defense adviser to the 1972 McGovern campaign. SALT II supporters say amendments will jeopardize the "SALT process," meaning, presumably, that the Soviet Union may abandon SALT rather than tolerate Senate participation. That would be additional evidence that the Soviet SALT aim is to limit only U.S. arms. A decade of the "SALT process" has coincided with an unprecedented Soviet buildup. When the process began, the U.S. led in virtually every category of strategic power. Today, the Soviet strategic budget is three times that of the U.S., and before 1985, when SALT II would expire, the U.S. will be behind in virtually all categories, including number of warheads.

Huge increases. In 1977, the U.S. proposed substantial mutual reductions and a ban on deployment of new ICBM's. When the U.S.S.R. rudely rejected the idea, the Americans began negotiating with themselves. SALT II involves only cosmetic reductions and permits huge increases, including new ICBM's. Had the U.S. not retreated, there would now be either a better agreement or a clear understanding that Moscow is uninterested in serious limits.

Well before the Russians finish deploying on their "heavy" missiles (SS–18s) the many thousands of new multiple warheads permitted by SALT II, the U.S. Minuteman force will be vulnerable. The Administration admits that to counter this, new strategic systems are needed. But in 1977, Warnke said if agreements mean the U.S. must build more strategic systems, the "agreements should not be approved by Congress. Instead, they should be sent back to the drawing board with directions that the job be done again and that it be done better this time."

The Administration emphasizes SALT II's veneer of equality, the over-all numerical ceiling of 2,250 bombers and launchers for each side. But there are gross inequalities. The U.S. is permitted no "heavy" missiles; the U.S.S.R. is permitted 308, each with seven times the payload of a Minuteman, and more combined megatonnage than all U.S. land- and sea-based ballistic missiles. The Russians refused U.S. requests that they halt deployments at 150; and 190; and 220; and 250. If SALT III involves equal reductions in over-all numbers, but preserves the Soviet 308-to-0 "heavy" missile advantage, SALT III will magnify the U.S.S.R.'s already enormous advantage in payload.

The Soviet Backfire bomber has four-fifths the range and payload of the B–1 bomber that Carter canceled in a unilateral and unreciprocated action. Backfire can fly unrefueled to strike the U.S. and land in a third country, such as Cuba. It increases Soviet destructive power 30 to 40 per cent. Yet no Backfire is counted against Soviet totals. Even mothballed B–52s and test B–1s count against U.S. totals. If the Administration invests in air defenses to counter Backfire, it acknowledges Backfire's strategic potential. If, instead, it relies on Soviet assurances about nonstrategic "intentions" regarding backfire, it disregards its own conclusion: ". . . no assurances . . . will ensure that Backfire would not be used against the continental United States in time of war."

SALT II supporters cite as a Russian "concession" the fact that U.S.-theater nuclear and continental strategic weapons in Europe are not counted against permitted totals. But the U.S.S.R. has a 4-to-1 advantage in such weapons, even counting U.S., British and French weapons together. How is it a Russian "concession" not to count a category in which Russia has an enormous advantage? The U.S. sought no limits on strategic weapons targeted at allies, yet accepted a ban on ground- and sea-launched cruise missiles with even medium theater ranges. SALT II supporters stress that the 600-kilometer limit applies "equally" to the Russians. But the Russians rely on ballistic missiles and other forms of firepower. They know cruise missiles are the last remaining area of substantial U.S. technological advantage, and that the limits sharply devalue the weapons.

Unverifiable. In 1977, Warnke said: "An agreement which is not verifiable is worse than no agreement." Then he negotiated one. To take but one example, cruise-missile range limits are unverifiable. SALT II supporters say that means the Soviet Union must worry about U.S. cheating. But that idea is preposterous, given our open society. SALT II supporters stress that the range limits expire with the protocal in 1982, and that longer-range cruise missiles will not be developed before then. But development was slowed in anticipation of the limits. SALT II supporters almost suggest that the limits in the protocol are trivial because they are transitory. The Russians know the limits will tend to be permanent, because deploying any system previously banned would stir protests about "turning back the clock" and "re-igniting the arms race." Moscow probably concluded from Carter's unilateral and unreciprocated decision against neutron weapons that he is sensitive to such propaganda.

Supporters wish SALT II's critics would settle for passing impotent recommendations for SALT III rather than binding amendments to SALT II. Thus Church recently said, blandly, "The Senate may indeed strengthen SALT II as it did the SALT I interim agreement." He was referring to the Jackson-Allott amendment of 1972. But Church knows that it was designed to "strengthen" not SALT I but U.S. aims in SALT II. It called for a SALT II treaty based on "equality" and that, "*inter alia,* would not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union." Sen. Henry Jackson and former Sen. Gordon Allott say SALT II fails that test.

Church's use of the word "strengthen" must have suggested to listeners that he had supported Jackson-Allott. For the record: he denounced it as "mischief" and "a straitjacket," filibustered against it, and voted against it.

JOSEPH McCAFFREY

Mr. MATHIAS. Mr. President, Joseph McCaffrey is one of the most respected radio correspondents who has ever reported on activities in Congress. He is fair; he is factual; he is objective. What is remarkable is that he has been fair, factual, and objective for 35 years.

This month, Joe McCaffrey marks his

35th anniversary in covering Congress. There are not many Members of Congress who are here today who were here when Joe McCaffrey began to look at us through his microscope. But I think as a result of the 35 years Joe McCaffrey has been reporting on the Congress, the American people understand better the workings of this body, the aspirations of Members of Congress, what we achieve and what we fail to achieve.

He does it all with a good spirit, with a friendly hand, and when he has to criticize, he does not slash. We feel it, but we also strive to do better.

So I want to thank Joe McCaffrey, certainly, for the years that he and I have shared here, and thank him on behalf of the American listening public for the 35 years he has spent in covering the Congress.

THE COST OF ENERGY

Mr. JOHNSTON. Mr. President, as we deal with the problem of energy in this country and where the incremental supplies of energy are going to come from in future years, the most critical judgment that this Nation must make is what is the cost and what are the constraints on the production of new forms of energy, whether those forms of energy be petroleum, nuclear, coal, or some of the renewable resources.

This problem comes up time and again, both in the Committee on Energy and Natural Resources as we face the decision of which new technologies to fund or to authorize, and also in the Appropriations Committee, as we deal with the question of how to spend the Federal dollar.

In order to make those judgments, we need to know in this Congress, as to each technology, what is the likely result of that expenditure in terms of the production of energy. Mr. President, in January of this year, I wrote the Secretary of Energy, asking that he prepare a spread sheet on each process with respect to energy; that he give us with respect to each resource or each technology a description of the process, the cost of the project, the practical limits in terms of the production of energy; and the equivalent cost per barrel of the energy produced—recognizing, of course, that not all energy is in barrels. But in order for us in Congress to have an equivalency whereby we could test the relative cost and the relative amounts of energy produced, it seems to me we had to have some common denominators. It seemed to me, also, that we ought to have a description of the special problems associated with each such project.

Mr. President, the Secretary of Energy has now replied to this letter and, I think, has produced one of the most important documents that I have seen relative to giving the Congress a tool with which to make these decisions so that we can determine what the relative cost is of, for example, enhanced oil recovery, oil shale, high-Btu gas from coal, light water reactors, et cetera. The spread sheet which has been furnished to me gives those kinds of figures; the budget request with respect to each of these technologies, the range of production in 1990—because we are dealing with the outyears—and the projected range of cost per barrel or cost per unit of energy.

Mr. President, I hope that all Members of the Senate will take a look at this information because it will be a very key tool to us in evaluating where we ought to be putting our dollars, because I can say, Mr. President, we have wasted not millions but billions of dollars in this Congress on forms of energy which will not pay off, either because they will not produce enough energy or because the projected energy from this source is too expensive for this country ever to handle on a commercial basis.

These figures furnish those tools with which we can make those decisions.

Mr. President, I ask unanimous consent to have printed in the Record my letter to the Secretary of January 3, his letter response to me, together with the tables that are therein contained.

There being no objection, the material was ordered to be printed in the Record, as follows:

Committee on Energy
and Natural Resources,
Washington, D.C., January 3, 1979.

Hon. James R. Schlesinger,
Secretary,
Department of Energy,
Washington, D.C.

Dear Mr. Secretary: As Chairman of the Public Works Subcommittee and as a member of the Committee on Energy and Natural Resources, I have been aware for some time that we in the Senate often fail to submit energy research, development and demonstration proposals and expenditures to the kind of rigorous examination and systematic discipline they deserve.

In particular, we ought to assess the cost effectiveness of different demonstration projects using a common measure of comparison such as the BTU value of the energy produced by the project expressed in barrels of oil.

In order to address this problem, I would recommend that the Department of Energy provide for each major demonstration project proposal, whether new or ongoing, a summary sheet (perhaps of spread sheet size) containing at a minimum the following information:

(1) A description of the process to be developed;

(2) The cost of the project in total and in each year;

(3) Practical limits, if any, on the amount of energy to be produced using the technology in question. (There would be essentially no limit on fusion-based power, but great limits on hydro-electric power, for example);

(4) The equivalent cost per barrel of the energy produced by the project at present economics and in the projected economic environment when the project technology is commercialized; in this regard best and worst expected costs should be presented;

(5) A brief description of special problems associated with the projects such as, for example, environmental problems.

I believe the spread sheet should originate with the Department of Energy with its estimates and should be reviewed by GAO or some other appropriate independent agency for their judgment. In the Energy and Natural Resources Committee, we would want the option for our staff to participate in this exercise.

A more full justification or explanation of the abbreviated information contained on the front sheet could be attached or provided for the Committee's record. The discipline of this exercise should, I think, be helpful to the Department of Energy and extremely helpful to Members of Congress. It would allow us to compare apples with apples.

I would appreciate it if you would contact Proctor Jones of the Appropriations Public Works Subcommittee and Ben Cooper and Will Smith of the Senate Committee on Energy and Natural Resources to discuss and design such a system. It is my hope that this system can be put into use immediately and prior to the consideration of any demonstration proposals in the next Congress.

Sincerely,

J. Bennett Johnston,
United States Senator.

Department of Energy,
Washington, D.C.

Hon. J. Bennett Johnston, Jr.,
United States Senate,
Washington, D.C.

Dear Senator Johnston: In accordance with your request to Secretary Schlesinger of January 3, 1979, and our subsequent meeting, I am sending you the attached data sheets on major energy supply technologies.

As we discussed, development of the data you requested is a difficult, continuing task. The attached list represents our best efforts at this time. The data are currently being reviewed within the Department. In some areas, such as coal liquids, more detail may be desirable in order to distinguish between technical approaches and individual processes. These are also being developed, but are not yet available. Significant changes and additions will be provided as they become available.

The notes attached to the table explain the categories of data including those factors encompassed by the ranges provided. We have attempted to reflect in these ranges the many assumptions and uncertainties which one might encounter. While it may be desirable in specific instances to focus on a more limited set of assumptions we feel that the summary sheets should be inclusive.

Two economic measures are provided. One compares all of the supply technologies on a cost per barrel equivalent or Btu basis. The other compares the cost of providing heat to a residential heating system. The latter measure more accurately reflects distribution and end use costs as well as end use efficiency.

We hope these energy technology data sheets meet your current needs. We would be pleased to discuss any additions, deletions or changes which you and your staff consider necessary.

Very truly yours,

Alvin L. Alm,
Assistant Secretary for
Policy and Evaluation.

Notes on Energy Technology Data Sheet

TECHNOLOGY

Generic technologies, are listed, not specific processes or proprietary approaches. For that reason, the range in data presented is broad. Analytical efforts are currently under way to develop more detailed information, such as in the case of coal liquids. The list now focuses on major supply technologies. Others can be added as data is developed.

PROGRAM BUDGET

Department of Energy funding for research, development, demonstration and product support are listed. Funding provided by other agencies and tax expenditures are not included.

RANGE OF ANTICIPATED PRODUCTION IN 1990

The range of anticipated production in 1990 provides a measure of the energy impact that the technology will have. By the year

1990 emerging technologies which are currently available or in mature stages of development can have significant impacts. The long-term inexhaustible technologies, such as fusion and breeder, will not be in widespread commercial use until well after the turn of the century, so it is neither practical nor necessary to assign production levels at this time.

The range reflects uncertainties in relative economics and in government actions. The lower bound is associated with essentially constant real oil prices and a continuation of current government activities. It does not try to account for the output from R&D facilities, however. The upper bound reflects high oil prices and an aggressive commercialization program.

CONSTRAINTS ON PRODUCTION IN ADDITION TO ECONOMICS

Economics are a primary constraint on all new technologies so are not individually noted. They are addressed in subsequent columns.

The items listed indicate the primary constraints once the product is economically competitive.

"Construction" means that the growth in production will be limited by the number of large facilities which can be designed and built by U.S. industry in a given period of time.

"Resource" means that the number of favorable sites or fields where the technology can be exploited is physically limited.

"Environment" means that difficult environmental problems will have to be overcome to site and build the needed facilities.

"Manufacturing" means that mass production facilities must be built to produce the equipment needed for the technology.

ECONOMICS

The required selling price for most energy supplies includes the capital cost of the facilities, the cost of input fuel, e.g., coal or uranium, and financing. Each of these factors can vary significantly and have a major impact on the price a producer would charge. The impact of the capital investment and fuel costs are readily apparent, since increases to either raise the required selling price. The financing method also has an impact. Private firms frequently base new investment decisions on meeting a 15 percent after tax return on a 100 percent equity investment. On the average, firms actually receive a lower return on equity and use some debt financing. The difference between the two methods is a factor of two in the annual charge for the capital investment. For some of the capital intensive technologies such as oil shale this difference can mean a 50 percent increase in selling price going from the lower rate of return to the higher one. The range in required selling price encompasses a spectrum of capital investment and fuel cost assumptions as well as this spread in financing.

The selling price is given in the units normally used by industry—dollars per barrel or dollars per million Btu at the production plant gate and mils per kilowatt hour at the generating plant bus bar. These can be compared by converting to dollars per barrel on the basis of the Btu content. This approach does not take into account differences in end-use values, however.

Those economic estimates labeled with an * reflect intermediate high cost applications in 1990. Later applications are projected to have lower costs.

DELIVERED COST OF RESIDENTIAL SPACE HEAT ($\$/10^6$ BTU)

The differences in end-use value for new technologies can be eliminated by comparing them in a market in which all of the sources can compete. The delivered cost of residential space heat reflects the cost of producing the fuel or electricity, delivering it to an individual residence, and converting it to heat for space conditioning. The result reflects end-use conversion efficiencies. The following formulas were used to make the appropriate conversion:

Liquid = 0.335 × delivered cost of heating oil ($/bbl).

Gas = 2 × delivered cost of gas ($/MBtu).

Electricity Cost = 0.315 × delivered cost of electricity mils/kWh.

These formulas reflect current residential furnace efficiencies and electric resistance heating. Electric heat pumps lower the amount of electricity required but involve a higher investment. The resulting heat costs are a function of climate and additional factors. Improvements in the efficiencies of heat pumps and oil and gas furnaces are expected to improve by 1990. This would tend to lower costs of residential space heat from oil, gas or electricity.

BASIS FOR ECONOMIC ESTIMATES

The estimates for the various technologies are calculated on the basis of current available technical knowledge. Some technologies are now in use so the estimates reflect the cost of building and operating existing plants. In other cases, the cost estimates are based on detailed engineering designs but no experience. Other estimates result from conceptual designs which are much less accurate. Traditionally, cost estimates increase as more is learned about the new technology.

ENERGY TECHNOLOGY DATA SHEET

Technology	DOE program budget request (fiscal years, millions)		Range of anticipated production in 1990 (thousand barrels oil equivalent per day)	Key constraints on production in addition to economics
	1979	1980		
Liquids:				
Enhanced oil recovery	$54	$22	300 to 3,000	Resource/environment.
Oil shale	51	33	30 to 300	Environment/construction.
Coal liquids	206	124	30 to 200	Construction/environment.
Gases:				
Unconventional gas	61	65	500 to 3,000	Resource.
High Btu gas from coal	67	85	Less than 1 to 450	Construction/environment.
Low-medium Btu gas from coal	54	41	5 to 350	Do.
Electricity:				
Light water reactors	24	37	4,000 to 5,000	Environment/construction.
Breeder reactors	742	590	No production by 1990	Do.
Coal with FGD	3	25	3,000 to 6,000	Construction/environment.
AFB/PFB (utility only)	30	46	Less than 1 to 50	Do.
Combined cycle with gasifier	10	15	Less than 1 to 50	Do.
Fuel cell (coal fueled)	17	15	Less than 1 to 130	Do.
MHD	80	72	No production by 1990	Do.
Hydrothermal geothermal	71	59	15 to 450	Resource/environment.
Hydro low head	28	18	5 to 50	Resource.
Wind (large and small)	61	67	Less than 1 to 150	Resource/environment.
Photovoltaics (central and dispersed)	119	130	Less than 1 to 1	Manufacturing.
Solar thermal	100	121	Less than 1 to 1	Environment/construction.
OTEC	38	35	Less than 1 to 1	Construction.
Space power systems	5	8	No production prior to 21st century	Environment/construction.
Fusion	353	361	do	Do.
Biomass	1	1	75 to 100	Resource.

Technology	1990 price FOB plant		1990 delivered cost of residential space heat (1978 dollars per million Btu)	Basis for economic estimates
	1978 dollars per conventional unit	1978 dollars per barrel		
Liquids:				
Enhanced oil recovery	10 to 35 per barrel	10 to 35	6 to 14	Field tests.
Oil shale	15 to 30 per barrel	15 to 30	8 to 13	Prelim designs.
Coal liquids	25 to 35 per barrel	25 to 35	11 to 14	Concept designs.
Gases:				
Unconventional gas	2.50 to 5.00 per billion Btu	15 to 30	9 to 14	Various.
High Btu gas from coal	3.75 to 4.50 per billion Btu	20 to 25	11 to 13	Prelim designs.
Low-medium Btu gas from coal	2.50 to 4.00 per billion Btu	15 to 25	NA	Do.
Electricity:				
Light water reactors	25 to 35 mils per kilowatt-hour	40 to 60	12 to 15	Construction.
Breeder reactors	NA	NA	NA	NA.
Coal with FGD	25 to 40 mils per kilowatt-hour	40 to 70	12 to 17	Construction.

ENERGY TECHNOLOGY DATA SHEET—Continued

Technology	1990 price FOB plant		1990 delivered cost of residential space heat (1978 dollars per million Btu)	Basis for economic estimates
	1978 dollars per conventional unit	1978 dollars per barrel		
AFB/PFB (utility only)	25 to 40 mils per kilowatt-hour	40 to 70	12 to 17	Concept designs.
Combined cycle with gasifier	30 to 45 mils per kilowatt-hour	50 to 75	14 to 18	Do.
Fuel cell (coal fueled)	NA	NA	NA	NA.
MHD	NA	NA	NA	NA.
Hydrothermal geothermal	30 to 60 mils per kilowatt-hour	50 to 100	14 to 23	Prelim designs.
Hydro low head	20 to 60 mils per kilowatt-hour	35 to 100	10 to 23	Construction.
Wind (large and small)[1]	55 to 80 mils per kilowatt-hour	95 to 135	21 to 29	Concept designs.
Photovoltaics[1]	100 to 140 mils per kilowatt-hour	170 to 240	36 to 48	Program goals.
Solar thermal[1]	60 to 100 mils per kilowatt-hour	100 to 170	23 to 36	Do.
OTEC[1]	50 to 100 mils per kilowatt-hour	85 to 170	20 to 36	Do.
Space power systems	NA	NA	NA	NA.
Fusion	NA	NA	NA	NA.
Biomass	45 to 60 mils per kilowatt-hour	75 to 100	18 to 23	Construction.

[1] Intermediate high cost applications in 1990. Later applications projected to have lower cost.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

WELFARE REFORM PROGRAM—MESSAGE FROM THE PRESIDENT—PM 76

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Finance, and the Committee on Labor and Human Resources, jointly, by unanimous consent:

To the Congress of the United States:

I am submitting today my Welfare Reform program in two bills: the Social Welfare Reform Amendments of 1979 and the Work and Training Opportunities Act of 1979. Enactment of these proposals will be an important step in addressing the key failings of the present welfare system—promoting efficiency, improving incentives and opportunities to work, and substantially improving the incomes of millions of poor people.

For too many years, we have lived with a welfare system universally recognized to be inadequate and ineffective. It is a crazy-quilt patchwork system stitched together over decades without direction or design. It should offer opportunity, but often breeds dependency. It should encourage and reward useful work, but often penalizes those who find jobs.

The guiding principles of my proposals are simple: those who can work should; and there should be adequate support for those who cannot.

The legislation I am submitting today will:

—redirect our welfare system towards employment wherever possible, and provide training and jobs to break the cycle of poverty;

—help secure stable employment with an adequate income for millions of low-income families;

—save hundreds of millions of dollars each year by reducing waste, fraud, and error through tightened and streamlined administration;

—remove major inequities in the present welfare system and redirect assistance to those most in need and least able to help themselves.

In my campaign I pledged to work for welfare reform. The need for reform is no less serious now. I urge Congress to act promptly on this critically important social legislation. The need for action is clear:

The present system is both inadequate and unacceptably unfair. Despite major efforts at all levels of government in the last twenty years, millions of American families throughout the U.S. still live in poverty. Moreover, under the present system assistance to needy households varies widely from state to state. Welfare benefits, including both food stamps and cash assistance, range from 49 percent to 96 percent of the poverty level. For example, current combined benefits in Mississippi for a family of four are $3,540 per year, while a poor family in Vermont receives $6,540. Twenty-four states have chosen not to provide Federally-supported cash benefits to two-parent families, while twenty-six do provide such assistance.

Many technical provisions of current law are inequitable or unnecessarily restrictive. For example:

—In those states which have adopted two-parent coverage, the family suddenly loses all benefits when the family breadwinner begins to work more than 100 hours a month. For a minimum wage earner that is only $290 per month. Yet a higher wage earner can earn more in 100 hours while retaining welfare benefits.

—A family which has been receiving public assistance and then starts to work, can continue receiving assistance even though their earnings may be higher than those of low-income families who are working but have never been on public assistance.

The present system is cumbersome and needlessly difficult to administer. For example:

—Recipients who work are required to submit detailed lists of work-related expenses—which must then be used to calculate benefits. This is burdensome to the recipient and the system, and invites errors and fraud.

—The basic Federal welfare program and the food stamp program currently have different definitions of income and assets, although the same state offices usually administer both programs, and although welfare recipients are almost always eligible for food stamps as well.

This new legislation makes a number of important program simplifications and adopts measures to reduce error and abuse. Savings from reduced errors in the first full year of implementation will be about $300 million. This is in addition to the Administration's present efforts in child support enforcement and error reduction, which will yield savings of over $800 million in the coming year.

The present system provides insufficient opportunities for families to move off cash assistance and into productive jobs. The great majority of family heads receiving cash assistance want to work. Most of the poor who are able to work do in fact work, but usually in low paying and sporadic jobs. In 1977, more than three-fifths of the 3.8 million families with children with incomes below the official poverty line had either a part-time or a full-time worker. Over a million of these families were headed by women, most of whom supplemented their meager earnings with welfare. Yet, only one-fifth of these working poor families had a worker who was able to find a full-time, year-round job. In addition, almost three million other families with children live close to the poverty line despite the efforts of one or more family workers.

Even in a period of austerity and fiscal stringency, our Nation cannot afford to ignore its most pressing needs and its most needy. We must do what we can as soon as we can.

The legislation I am submitting today will help to meet the most pressing problems of our welfare system in the following ways:

—*increase employment and training opportunities.* Those who are expected to work will be required to do so if a suitable job is available. In addition, my proposed new legislation will assure participation in a structured job search effort, add resources for training and—for those for whom a private job cannot be found—seek to provide a public sector work opportunity. There will be over 620,000 work and training opportunities for welfare eligibles including 400,000 newly funded public service employment and training slots. The program is structured to assure that required work will always pay more than welfare. Subsidized public sector jobs will only be available to those who have completed a rigorous search for private work. Thus, individuals will have substantial opportunity and incentive as well as a requirement to move from welfare to work. And the legislation assures that states will have substantial incentives to join in the effort to move individuals from welfare to work.

—*improve the fairness and adequacy of welfare cash assistance* to needy families with children by:

  —establishing a national minimum benefit (for AFDC and food stamp benefits combined) at 65 percent of poverty, raising benefits to 800,000 people in the 13 lowest benefit states; mandating coverage of two-parent families in the 24 states which now lack this coverage; and simplifying the benefit computation and eliminating several sources of inequity in the current system.

—*improve welfare administration* by aligning definitions in the Aid to Families with Dependent Children (AFDC) and food stamps programs, standardizing certain deductions that are now itemized, tightening eligibility determinations, and building upon HEW's program of anti-fraud, anti-waste efforts. Furthermore, food stamps will be cashed out for a portion of the needy aged, blind and disabled population receiving Supplemental Security Income (SSI). This step towards program consolidation will extend benefits to needy individuals who are eligible but do not currently participate in the food stamp program, and simplify the welfare system for recipients and administrators.

—*expand the earned income tax credit* to provide greater assistance to low-income working families and provide greater incentives to take private sector jobs.

—*provide fiscal relief* to state and local governments.

These two bills will increase the incomes of 2.3 million families, or nearly 6.5 million people. They will remove from poverty 800,000 families, or 2.2 million people. They will achieve important gains in reducing error and waste. Their cost—$5.7 billion when fully implemented in FY 1982—is included in the Administration's budget projections submitted to Congress last January and fully consistent with a prudent budget policy.

It is rare that the President and Congress are given the opportunity to work together on legislation that does so much to benefit so many of the most needy.

I recognize that welfare reform is a difficult undertaking. No legislative struggle in the last decade has provided so much hopeful rhetoric or so much disappointment and frustration. We have spent several months in quiet, detailed consultations working to develop a package which I hope provides a basis for a legislative consensus.

I urge the Congress to cap a decade of debate on welfare reform with action. America's people, particularly her poor, have waited long enough for important progress in this area. A society like ours must be judged by what we do for the most needy in our midst. America must meet this challenge. Congress can make an important contribution by enacting the proposals I am making today.

JIMMY CARTER.

THE WHITE HOUSE, *May 23, 1979.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the President of the United States received earlier today, containing draft legislation entitled "Social Welfare Reform Amendments of 1979" and "Work and Training Opportunities Act of 1979," be jointly referred to the Committees on Agriculture, Nutrition and Forestry; Finance; and Labor and Human Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 10:46 a.m., a message from the House of Representatives delivered by Mr. Gregory, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3892. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to contract for the furnishing of private health care to veterans when such health care is authorized by a Veterans' Administration physician as necessary for the treatment of medical emergency, to authorize the Administrator of Veterans' Affairs to provide outpatient medical services for any disability of a veteran of World War I as if such disability were service-connected, to extend the authorization for certain expiring health care programs of the Veterans' Administration, and for other purposes.

At 12:44 p.m., a message from the House of Representatives delivered by Mr. Gregory, announced that the House insists upon its disagreement to the amendment of the Senate to the resolution (H. Con. Res. 107) setting forth the congressional budget for the U.S. Government for the fiscal year 1980 and revising the congressional budget for the U.S. Government for the fiscal year 1979; requests a further conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. GIAIMO, Mr. ASHLEY, Mr. OBEY, Mr. SIMON, Mr. MINETA, Mr. JONES of Oklahoma, Mr. SOLARZ, Mr. BRODHEAD, Mr. WIRTH, Mr. PANETTA, Mr. GEPHARDT, Mr. CONABLE, Mrs. HOLT, Mr. REGULA, Mr. SHUSTER, and Mr. FRENZEL were appointed managers of the conference on the part of the House.

At 1:42 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with an amendment in which it requests the concurrence of the Senate:

S. 631. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne.

At 2:57 p.m., a message from the House of Representatives delivered by Mr. Gregory, announced that the House has passed S. 918, an act to amend the Small Business Act and Small Business Investment Act of 1958, and for other purposes, with an amendment in which it requests the concurrence of the Senate; that the House insists upon its amendment to the bill, requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. SMITH of Iowa, Mr. ST GERMAIN, Mr. NOLAN, Mr. ICHORD, Mr. EVANS of Georgia, Mr. BARNARD, Mr. LEACH of Louisiana, Mr. HALL of Ohio, Mr. MCDADE, Mr. CARTER, Mr. QUAYLE, and Mr. CONTE, and solely for the consideration of subsections (c), (d), and (e) of section 113 of the House amendment, and modifications thereof committed to conference, Mr. FOLEY, Mr. JONES of Tennessee, Mr. HARKIN, Mr. HUCKABY, Mr. GLICKMAN, Mr. HANCE, Mr. BROWN of California, Mr. RICHMOND, Mr. WAMPLER, Mr. MADIGAN, Mr. KELLY, and Mr. COLEMAN, as managers of the conference on the part of the House.

At 3:54 p.m., a message from the House of Representatives delivered by Mr. Berry, announced that the House has agreed to House Concurrent Resolution 126, providing for an adjournment of the House from May 24 to May 30, 1979, and a recess of the Senate from May 24 to June 4, 1979, in which it requests the concurrence of the Senate.

HOUSE BILL REFERRED

The following bill was read twice by its title and referred as indicated:

H.R. 3892. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to contract for the furnishing of private health care to veterans when such health care is authorized by a Veterans' Administration physician as necessary for the treatment of medical emergency, to authorize the Administrator of Veterans' Affairs to provide outpatient medical services for any disability of a veteran of World War I as if such disability were service connected, to extend the authorization for certain expiring health care programs of the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Commerce, Science, and Transportation, with amendments and an amendment to the title:

S.J. Res. 81. Joint resolution to require continuation of rail service by the Chicago, Milwaukee, Saint Paul, and Pacific Railroad for a period of 45 days.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. TALMADGE, from the Committee on Agriculture, Nutrition, and Forestry:

Thomas F. McBridge, of the District of Columbia, to be Inspector General, Department of Agriculture. Referred to the Committee on Governmental Affairs for not to exceed 20 days, pursuant to order of March 1, 1979.

(The above nomination from the Committee on Agriculture, Nutrition, and Forestry was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILLIAMS:

S. 1217. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 1218. A bill to amend certain provisions of title 18, United States Code, relating to the sentencing of defendants convicted of certain offenses; to the Committee on the Judiciary.

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 1219. A bill to require the Secretary of Agriculture to carry out a price support program for high moisture corn and grain sorghums; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DECONCINI:

S. 1220. A bill to amend title 18, United States Code, and title 28, United States Code, to provide that the criminal and civil laws of the State of Arizona shall have the same force and effect within the townsite of Parker, Arizona as they have elsewhere within the State; to the Select Committee on Indian Affairs.

By Mr. WILLIAMS:

S. 1221. A bill to permit the Secretary of Defense to authorize officers and employees of the Department of Defense who provide police or security functions, including individuals employed pursuant to contract with the Department of Defense, to have the power of arrest on military facilities and installations, and for other purposes; to the Committee on Armed Services.

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 1222. A bill to repeal section 125 of the Clean Air Act; to the Committee on Environment and Public Works.

By Mr. JOHNSTON:

S. 1223. A bill to amend chapter 45 of title 5 of the United States Code to make improvements in the incentive awards program; to the Committee on Governmental Affairs.

By Mr. BENTSEN:

S. 1224. A bill to allow projects conducted under the Rio Grande Bank Protection Project to be undertaken in Starr County, Tex.; to the Committee on Environment and Public Works.

By Mr. JOHNSTON:

S. 1225. A bill to authorize the Secretary of the Interior to render assistance to the State of Louisiana to reconstruct Fort Saint Jean Baptiste de Natchitoches, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCLURE:

S. 1226. A bill to authorize the granting of mineral rights to certain homestead patentees who were wrongfully deprived of such rights; to the Committee on Energy and Natural Resources.

By Mr. MATHIAS:

S. 1227. A bill for the relief of Munir P. Benjenk; to the Committee on the Judiciary.

S. 1228. A bill for the relief of Krishnahi S. Pribadi; to the Committee on the Judiciary.

S. 1229. A bill for the relief of Abdol Hamid Tabatabai; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1230. A bill to amend the Social Security Act with respect to health programs authorized by it, and for other purposes; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 1231. A bill for the relief of Maria Fatima Suzette P. DeMira; to the Committee on the Judiciary.

S. 1232. A bill for the relief of Kam-Mei Clemmie Lau; to the Committee on the Judiciary.

S. 1233. A bill for the relief of Daniel H. Ng; to the Committee on the Judiciary.

S. 1234. A bill for the relief of Wing Yin Li; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 1235. A bill to authorize the Secretaries of the military departments to reimburse nonappropriated fund instrumentalities located in the Ryukyu Islands and Daito Islands, Japan, for increased costs in severance pay entitlements of their Japanese employees incurred as a result of the reversion of those islands to Japan; to the Committee on Armed Services.

By Mr. WILLIAMS (for himself, Mr. PROXMIRE, and Mr. SARBANES):

S. 1236. A bill to amend the Securities Exchange Act of 1934 to establish a Council on State and Local Government Accounting and Financial Reporting Standards, and to establish an Institute for State and Local Government Accounting and Financial Reporting Standards, in order to ensure the availability of nationally recognized accounting and financial reporting standards for State and local governments; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WILLIAMS:

S. 1237. A bill to prohibit the sale of children in interstate and foreign commerce; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1238. A bill to amend the Social Security Act to provide for the direct reimbursement of qualified psychiatric nurses under medicare and medicaid; to the Committee on Finance.

S. 1239. A bill to amend title 5, United States Code, to provide for access to qualified professional psychiatric nurse practitioners without prior referral in the Federal employee health benefits program; to the Committee on Governmental Affairs.

By Mr. LONG (for himself and Mr. GRAVEL):

S. 1240. A bill to amend the Internal Revenue Code of 1954 to make permanent the provisions relating to the funding of employee stock ownership plans through the investment tax credit, to provide a credit against tax for contributions to an employee stock ownership plan based upon wages rather than investment in equipment, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS:

S. 1217. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

NATURALIZATION REFORM LEGISLATION

● Mr. WILLIAMS. Mr. President, I am pleased to introduce a bill that would, at long last, give effect to treaty obligations that the United States has ignored for far too long. I am proposing legislation that would render aliens who have been relieved of U.S. military service obligations eligible for citizenship if their military exemption was pursuant to a treaty or other international agreement.

The United States has long been party to a number of bilateral agreements under which aliens who are nationals of the other contracting party are exempted from compulsory military service. Such a treaty arrangement has been particularly appropriate where the laws of the two parties conflict in such a way that what is required by the laws of one is forbidden by the laws of the other.

In derogation of these accords, however, the United States has imposed a punitive condition on those aliens who have exercised their lawful treaty rights: Section 315 of the McCarran Act renders permanently ineligible for U.S. citizenship those aliens who have been relieved of service in the Armed Forces on the ground of their alien status under 8 U.S.C. 1426. My bill would restore eligibility for U.S. citizenship to those aliens who, at the time of application for exemption, were nationals of foreign states with which the United States had a treaty or international agreement exempting such nationals from U.S. military service.

This measure is of little import to the people of the United States. But it is of considerable significance to those who live among us with the stigma of being permanently barred from becoming citizens because we imposed a legal disqualification in derogation of our solemn treaty obligations.

Enactment of this legislation would have no adverse consequences for the United States, but the salutary impact would be substantial. It would eliminate a small but constant irritant in our relations with our treaty partners. The United States has agreed to a reciprocal military exemption with such diverse nations as Switzerland, Ireland, Norway, Liberia, Thailand, Yugoslavia, Italy Spain, and Austria, among others. The governments of some of these states have consistently protested what they believe to be a violation of the letter and spirit of the Treaty of Friendship, Commerce and Navigation that each of them has concluded with the United States. The passage of this legislation would demonstrate that the United States is mindful of its treaty obligations.

The legislation would make eligible for naturalization only a few of those resident aliens now debarred from citizenship. As permanent residents, these aliens already are living here and have most of the rights of citizens, except for a few which are of great symbolic importance to those who want to be citizens of the United States. The United States has nothing to lose and much to gain from permitting these treaty nationals to acquire the stature and responsibilities of citzenship if they are qualified in every meaningful respect. Moreover, naturalization would eliminate the need for the purposeless bureaucratic redtape that the U.S. Government must now administer in connection with these aliens.

The legislative history of the McCarran Act states that "three classes of persons" are to be "permanently ineligible for citizenship—namely, deserters, draft dodgers, and aliens who apply for and are relieved from training and service in the Armed Forces on the ground of alienage." Since that legislation was passed in 1952, amnesty has been granted to deserters and draft dodgers, despite the fact their actions were illegal. The administration has proposed amnesty and citizenship for aliens who surreptitiously entered this country and remained here illegally. It is also time that fair consideration be given to the relatively few individuals who came to this country legally and did nothing worse than exercise their lawful treaty rights, in full conformity with international law as negotiated between two governments involved.

Section 315 of the McCarran Act was passed in spite of our treaty obligations. If overriding our international commitments ever served any useful purpose, it certainly doesn't any longer. But the vindictive effects of that provision live on. I believe that it is time to eliminate that unfortunate vestige of the past. We can do that with the favorable consideration of this bill.

Mr. President, I ask unanimous consent that the text of my legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 315 of the Immigration and Nationality Act is amended—

(1) by striking the period at the end of subsection (a) and inserting in lieu thereof the following: ", except as provided in subsection (c)."; and

(2) by adding at the end thereof the following new subsection:

"(c) The provisions of subsection (a) shall be inapplicable to an alien who at the time of applying for exemption or discharge, whether before or after the effective date of this section, was a national of a foreign state with which the United States then had a treaty or international agreement exemping such nationals from military service in the Armed Forces of the United States. This subsection shall have retroactive application to an alien who is or has been debarred from citizenship in accordance with the provisions of subsection (a) above, regardless of whether the petition for naturalization filed by said alien was denied by administrative action of the Immigration and Naturalization Service or by judicial decree.".

SEC. 2. Subsection (19) of section 101(a) of the Immigration and Nationality Act is amended—

(1) by striking ", notwithstanding the provisions of any treaty relating to military service," after "means"; and

(2) by striking ", or was at any time," after "an individual who is".●

By Mr. BENTSEN:

S. 1218. A bill to amend certain provisions of title 18, United States Code, relating to the sentencing of defendants convicted of certain offenses; to the Committee on the Judiciary.

FAIR AND CERTAIN PUNISHMENT ACT OF 1979

● Mr. BENTSEN. Mr. President, today I rise to reintroduce the Fair and Certain Punishment Act. This legislation would create a system of presumptive sentencing in the Federal jurisdiction. It would do so by statute, setting presumptive sentences and sentencing standards. I will shortly introduce legislation to create a Federal Sentencing Commission to perfrom this task.

The great American poet, John Greenleaf Whittier, once wrote that Justice should be "the hope of all who suffer, the dread of all who wrong." Today, in many respects, it is neither.

Current sentencing laws provide neither certainty nor fairness of punishment. A statute might read that punishment should be no more than 20 years for an offense. This approach, called indeterminate sentencing, leaves so much discretion and provides so few guidelines that virtually any sentence, from a suspended sentence to the maximum sentence, can be imposed.

There might be no prison sentence imposed. There might be a 20-year sentence. There might be any sentence in between.

There might be early parole release after a third of the sentence. There might not be.

There will be numerous offenders who have committed the same crime, who receive very different sentences.

There will probably be some dangerous people who escape unpunished.

The indeterminate sentencing approach is a system without standards, without guidelines, without any semblance of uniformity. This system has not worked. Judges are left adrift in a sea of discretion that is turbulent and unpredictable. One Federal judge referred to this system as essentially lawless in itself.

Society is left adrift in a sea of uncertainty, unsure that criminals will be punished, unable to depend on the criminal law for protection.

Prisoners often become bitterly aware of others who have committed the same crime, but did not receive the same punishment. Honest efforts at rehabilitation are only set back by the agonizing uncertainty that afflicts those who do not even know the time of their release from prison.

Sentencing reform is compelled from society's point of view, from the victim's, and from basic notions of justice, law enforcement, punishment and rehabilitation. To these important ends, I today reintroduce the Fair and Certain Punishment Act. Let me briefly describe the major provisions:

PRESUMPTIVE SENTENCES

Presumptive criminal sentences are established for the normal offense, crime involving no extenuating circumstances. These sentences provide gradations of punishment, with sentence levels rising with the seriousness, severity and violence of the crime. Presumptive sentences rise for repeat offenders. The presumptive sentences would be imposed unless specific factors justify a higher or lower sentence. Judges retain discretion to adjust punishment to the reality of the crime and the conduct of the criminal. However, the fact that a presumptive sentence has been created, and will be generally applied, should help bring uniformity, certainty and fairness to the process. The punishment is designed to fit the crime.

PRESUMPTIVE RANGE

Judges may raise or lower the sentence by 40 percent, if aggravating or mitigating circumstances are involved. If extraordinary circumstances are present, judges would retain discretion, with clear guidelines, to suspend the sentence entirely, or to raise the sentence to a maximum level.

Therefore, there are two forms of gradation of punishment. First, presumptive sentences themselves rise with the severity of the offense. Second, within each offense, there is a range of discretion to allow the sentence to reflect the crime. Any sentence that departs from the presumptive sentence range of 40 percent is subject to appellate review.

EXTENUATING CIRCUMSTANCES

The aggravating or mitigating circumstances that may be considered are spelled out in the bill itself. In the Commission bill I will introduce shortly, there will be some latitude in what specific circumstances the Commission can propose in the sentencing standards, but the format will follow that of the legislation I introduce today.

The factors should relate to the seriousness of the crime, the conduct of the criminal, and his criminal record. Did the offenders play a minor or major role in the crime? Was he violent? Was there duress or coercion involved? Did youth or age impair the judgment of the offender sufficiently to serve as a mitigating factor for sentencing purposes? These are some of the factors to be considered, and the fact that they are precisely defined should add to the fairness and uniformity of the system.

APPELLATE REVIEW

Sentences that depart from the 40 percent presumptive range must include a reasoned written opinion specifying those extenuating circumstances that were considered. If the sentence is below the 40 percent reduction allowed, and the prosecution believes that the sentencing standards mandate a longer sentence, the prosecution may appeal. Likewise, if the defense believes that a sentence above the 40 percent allowance does not fairly reflect mitigating circumstances, or places excessive weight on aggravating circumstances, the defense may appeal.

OVERALL PRISON TIME

The purpose of this legislation is to make criminal punishment more fair and certain, to provide rational gradations of punishment and reasonable and uniform standards, and to protect society and the offender by structured appellate review. The purpose is not to increase overall prison time. Indeed, due to considerations of justice and practical limitations on prison capacity, it is to be hoped that overall prison time will remain stable.

Violent repeat offenders should expect longer sentences. They comprise a small group of people who commit a high proportion of violent crimes. To the extent they violate Federal law, my legislation will provide punishment equal to the gravity of their crimes. The dangerous criminal should no longer be able to feel that even if he is convicted the odds are in his favor, that he may do violence at will to the lives and safety of innocent citizens. Certainty of punishment, the fact that the criminal believes that punishment will be imposed, is a deterrent. The criminal, especially the violent repeat offender, should know in advance the cost of the crime.

For less violent criminals, we must increasingly explore alternatives to incarceration. There are many offenders who should not be sent to prison, but who should not find their crimes met with amnesty. There are others who should perhaps spend some time in prison but can have that punishment supplemented by alternatives. Community service sentencing, victim compensation and restitution, and part-time nonprison deprivation of liberty are some new ideas that can be employed.

Mr. President, my proposal will help restore public faith in criminal justice by creating a system that can be fair to society, fair to the criminal, and helpful to law enforcement.

It should find favor with those who believe that more definite punishment is essential to law enforcement, and with those who believe that fair punishment is basic to our ideals of American justice. Under current sentencing laws, we have become a Nation of extremes.

Richard Speck and Charles Manson find themselves eligible for parole. We see the Torres case, where an act of police brutality that resulted in the victim's death was punished by barely a slap on the wrist. We read about a sentence reduction in the case of the Croation terrorist bombing, which also resulted in a victim's death.

Those terrorists could be on the streets as early as this December. These are some highly publicized cases, and they are only indicative of the thousands of lesser known cases where the indeterminate sentence has allowed extreme injustices. Manson and Speck should never get out, but how many dangerous people will?

We must also remember that others are punished too severely. In America we pride ourselves on respect for human rights and faith in the rule of law. Yet, the disparities that now exist in criminal sentencing have been a cause of numerous and great injustices. Just as it is our responsibility to see that the guilty are punished, we must insure that the punishment is just.

I remember one case where a Vietnam veteran returned home with five combat medals, a purple heart, and a drug addiction. He was convicted of minor drug sales involving a total of $105. For this crime, he may serve 40 years in prison. Compare this to a terrorist who receives a sentence reduction despite a bombing that resulted in death, or a perpetrator of police brutality who administered a beating on a prisoner that resulted in death, who may never serve time at all. This kind of disparity is unconscionable. My proposal would create a more uniform system, and a procedure for appellate review to remedy unjust sentences.

CONCLUSION

To summarize, my bill creates presumptive sentences, a presumptive range that must be given unless precise circumstances are present, appellate review, and guidelines that would be applied in these determinations. There is a rational severity scale with fair gradations of punishment. The criminal will know at the time of sentencing how long he may expect to serve. Parole as now practiced would be substantially reduced or ended, sentencing would be done by trial judges through uniform standards, good time allowances would be liberalized.

It is my hope and expectation that this form of sentencing reform will restore credibility to the criminal law, in the eyes of the public and the criminal, who will know that punishment is to be more certain.

I believe that the provisions of this legislation, and the Commission bill I will soon introduce, can be incorporated into the Criminal Code Reform bill that the Congress will consider this session. I want to commend the distinguished chairman of the Judiciary Committee, Senator KENNEDY, and the ranking Republican, Senator THURMOND, for their fair, nonpartisan and tireless efforts to provide America with a modern and effective criminal code. I look forward to working closely with them this year on this important effort.

Mr. President, sentencing reform is long overdue in America. States are acting. Last year the Senate acted. This year we face a unique opportunity to exercise leadership and creativity on the subject of sentencing reform. We can fulfill America's promise of justice, we can fulfill our citizens expectations about the criminal law, and we can serve the goal of law enforcement, by passing this legislation, to bring fairness and certainty to criminal sentencing.

In this way, we can continue our active pursuit of the ideal so dear to our Nation: "Equal justice, Under law." ●

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 1219. A bill to require the Secretary of Agriculture to carry out a price support program for high moisture corn and grain sorghums; to the Committee on Agriculture, Nutrition, and Forestry.

HIGH-MOISTURE GRAIN LOAN ACT OF 1979

● Mr. DOLE. Mr. President, today I am introducing legislation to require the Secretary of Agriculture to carry out a loan program for high-moisture corn or grain sorghums during any year in which a similar program is being offered for dry corn or grain sorghums.

This legislation will encourage our farmers to store high-moisture grains on the farm where they will be used as livestock feeds; rather than to continue the practice of mechanically drying grain so as to be eligible for the current USDA commodity loan program. It will provide an additional tool to our farmers to improve their efficiency and also to conserve a considerable amount of fossil fuel.

During 1978 our farmers produced a record crop of corn amounting to 7.1 billion bushels. Current estimates are that the 1979 crop will be similar. It is conservatively estimated that 70 percent of 1978 corn crop was mechanically dried prior to storage and resulted in the consumption of 830 million gallons of propane. It is also known that approximately 77 percent of the 1978 corn crop was ultimately fed to livestock. A very large percentage of this fuel consumption can be eliminated by encouraging farmers to store and feed high-moisture corn and other grains to their livestock.

The farmer's direct costs for fuel have doubled since 1970, and are continuing to rise. The cost of drying the 1978 corn crop was in excess of $700 million, and will be still higher in 1979.

Weighing these factors in combination with the latest research from major U.S. land-grant colleges which proves that high-moisture grain feeding results in increased efficiency and hence productivity, we must conclude that our farmers should be offered the same incentive to store and feed high-moisture grains as they currently enjoy with respect to mechanically dried grains.

University trials show that high-moisture grains are better feed for livestock than are dry grains. Kansas State University points out that:

> Although harvesting and storing advantages may be the real key persuading a corn grower to feed high-moisture corn, there also may be added nutritional value . . . generalizing, cattle fed high-moisture corn have better daily gains and a 3-5 percent improvement in feed efficiency.

Research compiled by most, if not every other institution which has studied high-moisture grain feeding, has shown similar results.

Considerable congressional and producer interest in the extension of the commodity loan program to high-moisture and acid-treated grain has been exhibited over the past several years. As a result, the USDA announced a pilot high-moisture corn and sorghum loan program on October 11, 1978, to gather information on need and participation. Loans are currently available in selected counties in nine States.

This law would offer added flexibility to livestock feeders throughout the United States, as nearly all States have some livestock operations. The farmer does not want a handout or a subsidy. These businessmen are more than willing to borrow money and repay it at any reasonable interest rate.

Lending a hand to the farmer in terms of price support for either dry or high-moisture grains to be used for livestock feeds could encourage the economical production of milk and meat and help keep the farmer in business.

As the delivery system for on-the-farm grain storage loans and the grain price support program already exists through the agricultural stabilization and conservation service (ASCS), little or no administrative cost would be needed. Farmers would have a choice between dry and high-moisture grain storage, increasing their flexibility to utilize that farming operation that will be most profitable. It is good legislation that will enable American livestock agriculture to remain in its present form and size by being based upon the most efficient utilization of all our resources.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1219

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effectively only for the 1979 through 1981 crops of feed grains, the Agricultural Act of 1949 is amended by inserting after section 105A a new section 105B as follows:

"SEC. 105B. Notwithstanding any other provision of this Act—

"(a) During any crop year in which the Secretary carries out a loan program for corn and grain sorghums under section 105A of this Act, the Secretary shall carry out a comparable loan program for high moisture corn and grain sorghums.

"(b) Suitable high moisture storage facilities for corn and grain sorghums with respect to which loans are made under this section shall include, but not be limited to, conventional or oxygen-limiting tower silos, or, in the case of acid-treated corn or grain sorghums, conventional tower or bunker silos.".●

By Mr. DECONCINI:

S. 1220. A bill to amend title 18, United States Code, and title 28, United States Code, to provide that the criminal and civil laws of the State of Arizona shall have the same force and effect within the townsite of Parker, Ariz. as they have elsewhere within the State; to the Select Committee on Indian Affairs.

● Mr. DECONCINI. Mr. President, today I am introducing legislation to grant the State of Arizona criminal and civil jurisdiction within the town of Parker, Ariz., on the Colorado River Indian Reservation. Parker is a town of 2,000 residents, the majority of whom are nonIndian, located on 1 square mile in the northern portion of the reservation. The reservation was established by Congress in 1865. (13 Stat. 559). The town was established by the Secretary of the Interior pursuant to the act of April 30, 1908. The townsite was surveyed and most lots sold by 1910. In 1939 the Congress enacted a statute to allow the Secretary of the Interior to auction off the remaining lots. Today, one-third of the town lots remain under tribal control, while two-thirds are owned by nonIndian residents of the town. Parker was incorporated as a township in Yuma County, Ariz., in 1948.

None of the enabling legislation establishing Parker expressed an intention that the lands sold be withdrawn from the reservation, nor did the State of Arizona assume jurisdiction over Indian reservations within its boundaries pursuant to Public Law 280. As a consequence, Parker remains subject to the complicated patchwork of Federal, State, and tribal jurisdiction that exists under the current statutes and case law regarding Indian country.

This situation is exacerbated by the reluctance of the U.S. attorney to devote the already overburdened resources of his office to functions essentially those of a county prosecutor for the reservations. A recent GAO report details the extent to which the U.S. attorneys' offices across the United States are overworked and understaffed. Cases arising in Parker coming under Federal jurisdiction rarely are able to be processed as expeditiously as those falling within the jurisdiction of Yuma County. This naturally engenders increased friction and misunderstanding between non-Indian residents and members of the tribes.

Under existing law (as recently modified by Oliphant against the Suquamish Indian Tribe, et al.), the following situations result in either the State, Federal, or tribal courts assuming jurisdiction for a violation occurring in Parker:

A crime committed by an Indian against another Indian or against a non-Indian is tried by the tribal court if a misdemeanor or by the Federal court if a crime under the Major Crimes or Administrative Crimes Acts, and tribal or Federal law applies;

A crime committed by a non-Indian against an Indian is tried by a Federal court and Federal law applies;

A crime committed by a non-Indian against a non-Indian is tried by the State court and State law applies.

Until the recent decision in Oliphant there was an additional factor aggravating the relationship between the town residents and tribal members—the confusion as to who would have jurisdiction over criminal cases arising in the town. Had the tribes assumed jurisdiction over the town, the non-Indian residents of Parker would have been subject to a legal system in which they could have participated neither as jurors nor as electors or members of the legislative body. However, the Supreme Court ruled in Oliphant that the quasi-sovereign nature of tribal governments did not encompass criminal jurisdiction over non-Indians in Indian country.

While this decision resolved some of the difficulties of the residents of Parker, others remain. Police protection is inadequate because of the procedural and jurisdictional confusion I have described, and because of friction between tribal and city law enforcement officers. Inequities result from the application of different law depending on the race of the victim and offender. Parker has no method of enforcing town ordinances against residents who are Indians, or members of the tribe while they are in town.

Mr. President, while it would be inaccurate to state that this unfortunate situation has been the sole cause of degenerating relations between the tribes and residents of Parker, it has been the major cause of injustice to both residents and tribal members. It is, however, an inveterate situation that will only be cured by an act of Congress such as I am introducing today.

This bill would allow the State or Arizona to assume criminal and civil jurisdiction within the town boundaries by amending Public Law 280. [18 U.S.C. 1162; 28 U.S.C. 1360]

Under the provisions of Public Law 280, other incidents of tribal sovereignty will not be affected by State assumption of jurisdiction. 18 U.S.C. 1162(b) and 28 U.S.C. 1360(b) state:

(a) Nothing in this section shall authorize the alienation, encumbrance, or taxation of any real or personal property, including water rights, belonging to any Indian or any Indian tribe, band, or community that is held in trust by the United States or is subject to restriction against alienation imposed by the United States; or shall authorize regulation of the use of such property in a manner inconsistent with any Federal treaty, agreement, or statute or with any regulation made pursuant thereto; or shall deprive any Indian or any Indian tribe, band, or community of any right, privilege, or imunity afforded under Federal treaty, agreement, or statute with respect to hunting, trapping, or fishing or the control, licensing, or regulation thereof.

Further, the grant of jurisdiction to the State under this bill will apply only within the incorporated townsite of Parker, Ariz., and not to any tribal lands outside the town limits. The bill would not affect tribal ownership of the town lots still held by the tribe, or the status of land within the town as reservation land. The legislation would allow all persons accused of an offense within the town to be tried by a court or jury composed of county residents, both Indian and non-Indian. The bill would settle the question of jurisdiction and insure that Indian and non-Indian residents of the town will be guaranteed effective police protection. Finally, the bill would standardize the law applicable to all residents of Parker.

Mr. President, the situation in Parker, Ariz., is highly unusual. The Congress, by the act of April 30, 1908, and Public Law 276, 76th Congress, established the town of Parker for open settlement by all citizens.

The legislation I am introducing today more accurately reflects the intentions of those acts of Congress by giving the town of Parker a jurisdictional status undifferentiated from that of other towns in the State. I ask that this bill be referred to the proper committee and expeditiously acted upon by my colleagues.●

By Mr. JOHNSTON:

S. 1223. A bill to amend chapter 45 of title 5 of the United States Code to make improvements in the incentive awards program; to the Committee on Governmental Affairs.

INCENTIVE AWARDS PROGRAM AMENDMENTS ACT OF 1979

● Mr. JOHNSTON. Mr. President, the Federal employee suggestion system is not working at its full potential. Thus Federal agencies are not realizing benefits which might otherwise be achieved through an effective employee suggestion system. The General Accounting Office has found that persistent problems prevail because no single office with the authority to act has directed agencies to implement the system aggressively. Today I am proposing legislation designed to vest the Office of Personnel Management and Federal agencies with the means to implement employee suggestions effectively.

A statutory framework enacted almost 25 years ago enabled the Civil Service Commission to require each Federal agency to establish and operate an incentive awards plan and to provide for central administration and review. As a result, agencies have designated headquarters incentive awards program administrators and counterpart personnel at appropriate suborganizational levels. However, according to the Office of Personnel Management, which replaced the civil service in January of this year, 86 percent of these administrators spend less than half their time on incentive awards because other assigned responsibilities demand their attention. Many of these virtually nonadministering administrators are new, low-level employees appointed to the position through default. They are not sufficiently familiar with agency policy to analyze suggestions adequately, nor are they often able to recognize superior work accomplishments.

A November 1978 GAO survey confirmed that many supervisors do not supervise very well. In fact, more than a third of the Federal employees surveyed indicated that they received inadequate supervision and insufficient feedback on their job performance. OPM is currently revising regulations to define precisely the agency head's responsibility for active support and effective operation of the awards program. However, the Incentive Awards Office of OPM has been petitioned many times in the past by program administrators throughout the Federal Government pressing for such classification standards, none of which have been promulgated. In reviewing responses to its questionnaire, GAO noted that despite indications of an ineffective incentive awards program, 58 percent of the respondents said they would substantially improve their performance if incentives were meaningful, properly administered, understandable, relevant to their values, fair in proportion to their job contribution, predictable according to performance, and administered equitably and in a timely manner.

Spurred by these survey findings, Secretary of the Treasury Blumenthal established the Secretary's Management Committee to pinpoint ways of improving the efficiency of the Department. These areas include work planning, performance review, and the use of incentives to encourage exceptional performance—exactly what the Government-wide employee suggestions are already supposed to do. President Carter has also recently created two new high-level councils in an attempt to improve efforts aimed at exposing fraud and waste in government and to improve management systems in the vast bureaucracy.

While hailing the Civil Service Reform Act of 1978 as a positive step in the formal linkage of incentive awards and employee performance, GAO notes that "this new legislation provides only a framework for change not the change itself." GAO's concern is that even under the new civil service reform, it is still incumbent upon each supervisor and manager to make a conscientious effort to link incentive awards directly to employee performance—"a responsibility that is not new but one that has not always been effectively carried out."

The bill which I am now introducing would improve the incentive awards program by requiring the establishment of classification standards by OPM; mandate time limits for acknowledgment and evaluation of suggestions; preserve anonymity if a suggestor specifically so desires; and revise certain award percentages, consistent with previous limits. I am convinced that this particular legislation is the best way in which to work within existing regulations while enforcing those improvements suggested by the GAO and other recent agency initiatives. I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1223

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Incentive Awards Program Amendments Act of 1979".

FINDINGS

SEC. 2. The Congress finds that—

(1) Federal agencies are not realizing the full benefits which may be achieved through an effective employee suggestion system; and

(2) such benefits are not being realized in part because no full-time office has been established within agencies to aggressively implement such a system as classification series have not been issued for positions in such offices.

INCENTIVE AWARDS OFFICES

SEC. 3. (a) Section 4503 of title 5, United States Code, is amended—

(1) by striking out "The" and inserting "(b) The"; and

(2) by inserting before subsection (b), as designated by paragraph (1), the following new subsection:

"(a) (1) Each agency shall establish an office of Incentive Awards which shall be headed by an Incentive Manager and which shall—

"(A) follow classification standards determined by the Office of Personnel Management,

"(B) encourage and enlist the participation by employees in the incentive awards program under this chapter and section 5403 of this title, and

"(C) (i) in consultation with such other appropriate agency employees as necessary, evaluate suggestions, inventions, superior accomplishments, or other personal efforts of employees covered by this chapter and section 5403 of this title to determine if such actions contribute to the efficiency, economy, or other improvement of Government operations or achieve a significant reduction in paperwork,

"(ii) evaluate special acts or services of such employees to determine if such acts or services were in the public interest and were related to or in connection with official employment, and

"(iii) make recommendations to the head of the agency or the President for the granting of cash awards under subsection (b) of this section, section 4504 of this title, or section 5403 of this title.

"(2) (A) The office shall acknowledge, in writing, receipt of notice of any action for which an award may be granted within 10 days.

"(B) Within 60 days of receipt of such notice, the Office shall make the evaluations and recommendations described in paragraph (1) (B) of this subsection.

"(C) The head of the agency shall make a determination as to whether a cash award will be granted under subsection (b) of this section or section 5403 of this title within 30 days of receipt by recommendations by the Office and shall notify the employee of the determination.

"(D) The time periods under subparagraphs (B) and (C) of this paragraph may be extended for a reasonable period if the Office determines necessary.

"(3) Except to the extent necessary to carry out the purposes of this chapter and section 5403 of this title, the identity of an employee with respect to whom notice of an action was received under paragraph (2) of this subsection shall not, unless the employee consents, be disclosed until an award is granted.".

(b) Section 5403(a) of title 5, United States Code, is amended by striking out "The" and inserting "Subject to the provisions of section 4503(a) of this title, the'".

AMOUNT OF INCENTIVE AWARDS

SEC. 4. Sections 4502(b) and 5403(e) (2) of title 5, United States Code, are each amended by adding at the end thereof the following new sentence: "In the case of an award under the preceding sentence, if 10 percent of the measurable savings during the first year of implementation of the effort for which the award is granted exceed $10,000, the employee shall receive no less than such 10 percent amount to the extent it does not exceed $25,000.

ISSUANCE OF CLASSIFICATION SERIES

SEC. 5. The Office of Personnel Management shall, within 60 days after the date of the enactment of this Act, issue classification series for the offices of incentive awards required to be establishhed by reason of the amendments made by this Act.

EFFECTIVE DATE

SEC. 6. The amendments made by this Act shall take effect on October 1, 1979.●

By Mr. BENTSEN:

S. 1224. A bill to allow projects conducted under the Rio Grande bank protection project to be undertaken in Starr County, Tex.; to the Committee on Environment and Public Works.

● Mr. BENTSEN. Mr. President, in the fall of 1932 severe flooding of the Rio Grande created extensive damage throughout the lower Rio Grande Valley. Subsequently, the Congress designated the U.S. section of the International Boundary and Water Commission as the agency to reconstruct and maintain flood control works in Cameron and Hidalgo Counties in Texas. In the years following, experience dictated the need to protect the Federal levees against erosion by the river, to maintain the security of the valley against river floods, and to protect the district's pumping plants and other public facilities on the river against loss by erosion. In response to this need, the Congress authorized the Rio Grande bank protection project in the act of April 25, 1945. It was also limited to Cameron and Hidalgo Counties. Since that time, the construction of Falcon and Amistad Dams upstream on the Rio Grande has further controlled flooding and erosion problems. However, one Texas county must still contend with these difficulties—Starr County which lies to the north of Hidalgo County and is just south of Falcon Dam. Bank erosion continues to be a problem in Starr County because the Rio San Juan enters the Rio Grande in this county and is not controlled effectively in Mexico.

Mr. President, today I am introducing legislation to alleviate these problems, to provide equity between Starr County and Hidalgo County and Cameron County. The bill I am introducing will make Starr County eligible for bank protection under the act of April 25, 1945.●

By Mr. JOHNSTON:

S. 1225. A bill to authorize the Secretary of the Interior to render assistance to the State of Louisiana to reconstruct Fort St. Jean Baptiste de Natchitoches, and for other purposes; to the Committee on Energy and Natural Resources.

FORT ST. JEAN BAPTISTE

● Mr. JOHNSTON. Mr. President, I am pleased to introduce today legislation to provide assistance to the State of Louisiana for the reconstruction of Fort St. Jean Baptiste de Natchitoches on the banks of the Cane River in Natchitoches, La. Founded in 1716 by Sieur Charles Claude Dustine, the original fort on this site was one of the earliest strategic outposts in French Louisiana. Until 1762, this fort served as a deterrent to Spanish expansionism into French territory. Later after the territory was ceded to Spain, the fort served as a link between the far reaches of New Spain, and remained a vital settlement until shortly after the Louisiana Purchase when it was abandoned by the United States in favor of Fort Claiborne.

I introduced similar legislation last year which called for total Federal financing of the fort's reconstruction. This bill, however, provides for a cooperative undertaking between State and Federal authorities with the Federal Government providing up to 75 percent of the reconstruction costs. A proposal already developed by the Louisiana State Parks and Recreation Commission which uses plans drawn in 1733 by engineer-architect Ignace Francois Broutin would provide for an authentic reconstruction of the fort and space within the fort for interpretation of the site and the display of historic documents on the Louisiana Purchase and other relevant events.

Considerable research has been completed in Louisiana, France, and Spain, and I believe that an authentic reconstruction can be accomplished which will recapture the setting and spirit of this important part of our Nation's past. Louisiana's limited State parks budget has prevented the State from undertaking this project, but with Federal assistance the reconstruction can be completed and then turned over to the State for operation and maintenance.

Similar reconstructions have been completed in various parts of the United States and have proven to be highly successful. Examples of these include Fort Caroline at Jacksonville, Fla.; James Fort at the Jamestown Festival Park in Virginia; Fort Michilimackinac in Michigan; and Fort Harrod in Harrodsburg, Ky. Fort St. Jean Baptiste de Natchitoches can be rebuilt using the same successful techniques and will bring alive this spot which is not only important to the current State of Louisiana, but to all parts of the original Louisiana territory.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to commemorate the first European settlement in Louisiana Fort Saint Jean Baptiste de Natchitoches (hereinafter called the "Fort") the Secretary of the Interior (hereinafter called the "Secretary"), is authorized to render the State of Louisiana such assistance, in the form of technical advice, grants of funds for land acquisition and development, and other help necessary to reconstruct the Fort: Provided, That no funds shall be expended for reconstruction unless the Secretary determines that such reconstruction can be based on historical documentation.

SEC. 2. The Secretary is authorized to enter into a cooperative agreement with the State of Louisiana and affected local governmental authorities which agreement shall include but is not limited to—

(a) assurances that the State of Louisiana shall operate and maintain the Fort as a public area;

(b) assurances that the State of Louisiana shall incur all operation and maintenance costs;

(c) assurances by the State of Louisiana that they will manage the Fort consistent with its historic character; and

(d) authority for the Secretary to obtain reimbursement from or offset against the State of Louisiana of all Federal funds previously granted under this Act, including subsequent violation of subsection (c) of this section.

SEC. 3. There is hereby authorized to be appropriated not to exceed $2,813,000: *Provided,* That the Secretary may expand not to exceed 75 per centum of the total cost incurred in the reconstruction of the Fort.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1230. A bill to amend the Social Security Act with respect to health programs authorized by it, and for other purposes; to the Committee on Finance.

● Mr. INOUYE. Mr. President, the present Professional Standards Review Organization (PSRO) program, as established under the mandate of Public Law 92–603, created a system of peer review—that is, health care practitioners responsible for reviewing rendered care by their own professional colleagues for quality and necessity—of all health services provided under the Social Security Act: medicare, medicaid, and maternal and child health programs. At the same time, however, the original PSRO law requires that only physicians and osteopaths be participants in, and effectively excludes dentists, nurses, and other health care practitioners, from the peer review program.

Professional registered nurses already play a significant role in PSROs in collecting data and reviewing cases, yet they have no voice in policy. Nurses constitute the largest single group in health care and they are the ones most continuously involved with the patient. Nursing care is both pervasive and constant. Registered nurses, by virtue of numbers and types of practice in which they are engaged, have a significant impact on the cost and quality of health care services. More than 1 million nurses provide services in every type of health care setting, and, in inpatient facilities, provide 24-hour, 7-day-a-week care.

People are admitted to and remain in health care facilities because they have a need for continuous professional health management. The need may be related to medical and/or nursing management of a health problem. In some instances, such as the need for long-term care, the most valid criteria may be related to nursing care rather than medical care.

The nurse frequently is the health care professional best able to determine the level of services needed by the patient and whether the facility can meet the needs. It seems apparent that the functioning of PSRO's would be strengthened with broader participation by professional nurses and by the inclusion of nurses where critical decisions are made about health care services.

In all candor, I personally feel that very little needs to be said about the professional status of our Nation's dentists. Every one of us, including each of our beloved family members, has had direct dealing with members of this particular profession. I am confident that we all have been extremely impressed by their professionalism and dedication. Surely, they deserve to be included at the highest level of all health policy decision-making bodies.

First, my bill would amend the present PSRO law, title XI of the Social Security Act, to allow local PSRO's, if such organizations so elect, to include as members other health care practitioners who hold independent hospital admitting privileges, such as dentists, to review health care services already being provided by them under medicare, medicaid, and maternal and child health programs at the local level in institutional settings. While such an amendment does not provide for the full participation that will be necessary if, as presently required, the program is expanded to include review of all ambulatory health care services covered under these Federal programs, it does provide for some inclusion of dentists and other health care practitioners who are presently involved in providing such health care services in hospitals and other institutional settings.

Second, this proposal would expand the participation of other health care practitioners in the advisory bodies of the PSRO program at the national and State levels. Specifically, my amendment would mandate the inclusion of a dentist, a registered nurse, and one other nonphysician health care practitioner on the National Professional Standards Review Council. In addition, my proposal would expand the membership of statewide PSRO councils to include a dentist and a registered nurse. Such changes on these advisory councils would ensure that these long-excluded nonphysician health care practitioners would have at least a voice in the peer review process.

Finally, my amendment would establish an advisory committee to the National Professional Standards Review Council made up of nonphysician health care professionals who are not represented on the National Council. This advisory committee, which has already been successfully implemented on a temporary basis by the Department of Health, Education, and Welfare, would, like the addition of dentists and nurses to the National Council, provide for greater participation of other health care practitioners in the PSRO program.

Mr. President, the underlying notions contained in my amendment have the support of the Department of Health, Education, and Welfare, which has been administering the PSRO program through the Health Standards and Quality Bureau. It will not in any way distort or disrupt the ongoing operation of the PSRO program nor will it appreciably add to the costs of the program. In the 95th Congress, a similar bill was passed by the House of Representatives by a vote of 359 to 40.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD for the benefit of any interested reader.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

EXPANDED MEMBERSHIP OF PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

SECTION 1. Section 1152(b)(1)(A) of the Social Security Act is amended—

(1) by inserting "and, if the organization so elects, of other health care practitioners engaged in the practice of their professions in such area who hold independent hospital admitting privileges," after the comma in clause (ii); and

(2) by inserting "(except as otherwise provided under section 1155(c))" after "does not" in clause (vi).

DENTIST AND REGISTERED NURSE MEMBERSHIP ON STATEWIDE PROFESSIONAL STANDARDS REVIEW COUNCILS

SEC. 2. Section 1162(b) of the Social Security Act is amended by deleting the word "and" after subparagraph (2), renumbering subparagraph (3) as (4) and inserting the following new subparagraph (3) "one doctor of dental surgery or of dental medicine and one professional registered nurse appointed by their respective state dental and nursing organizations; and"

NONPHYSICIAN MEMBERSHIP ON NATIONAL PROFESSIONAL STANDARDS REVIEW COUNCIL

SEC. 3. (a) Section 1163(a)(1) of the Social Security Act is amended by inserting "one doctor of dental surgery or of dental medicine, one registered professional nurse, and one other health practitioner (other than a physician as defined in section 1861 (r)(1))," after "physicians,".

(b) Section 1163(a)(2) of such Act is amended by striking out "four members" and inserting "five members" in lieu thereof.

(c) Section 1163(a)(3) of such Act is amended by inserting "physician" after "the".

(d) Section 1163(b) of such Act is amended by strking out "Members" and inserting in lieu thereof "Physician Members".

(e) Section 1173 of such Act is amended by striking out "(except sections 1155(c) and 1163)" and inserting in lieu thereoi "(except section 1155(c))".

ADVISORY COMMITTEE TO THE NATIONAL PROFESSIONAL STANDARDS REVIEW COUNCIL

SEC. 4. Section 1163 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(f)(1) The Council shall be advised and assisted in carrying out its functions by an advisory committee (of not less than seven nor more than fifteen members) which shall be made up of representatives of health care practitioners (other than physicians) for whose services payment may be made (in whole or in part) under any program established by or pursuant to this Act.

"(2) The Secretary shall by regulations provide the manner in which members of such advisory committee shall be selected and the terms of service.

"(3) The expenses reasonably and necessarily incurred, as determined by the Secretary, by such committee in carrying out its functions shall be considered to be expenses necessarily incurred by the National Professional Standards Review Council.".

SEC. 5. The amendments made by this Act shall become effective 180 days after the date of enactment of this Act.●

By Mr. WILLIAMS (for himself, Mr. PROXMIRE, and Mr. SARBANES):

S. 1236. A bill to amend the Securities Exchange Act of 1934 to establish a Council on State and Local Government Accounting and Financial Reporting Standards, and to establish an Institute for State and Local Government Accounting and Financial Reporting Standards, in order to ensure the availability of nationally recognized accounting and financial reporting standards for State and local governments; to the Committee on Banking, Housing, and Urban Affairs.

STATE AND LOCAL GOVERNMENT ACCOUNTING AND FINANCIAL REPORTING STANDARDS ACT OF 1979

● Mr. WILLIAMS. Mr. President, I am introducing today, on behalf of Senators PROXMIRE, SARBANES, and myself, the State and Local Government Accounting and Financial Reporting Standards Act of 1979. The purpose of the bill can be stated in very simple terms—to encourage standardization and uniformity in the preparation of municipal accounts and the form and content of the financial statements of State and local governments. The bill would address the most critical deficiency in existing State and local accounting and financial reporting by institutionalizing a framework for the development of authoritative, generally accepted accounting principles.

Mr. President, I have long been concerned about some of the practices followed in the offer and sale of municipal securities. In 1974, I first sponsored legislation to protect purchasers of these tax-exempt securities from sharp and often fraudulent selling practices and also to promote confidence in the municipal securities markets.

By 1975, in the Securities Acts Amendments (Public Law 94-29), the increasing incidence of sharp and illegal practices caused Congress to subject the municipal securities industry—bank and nonbank dealers and underwriters—to SEC jurisdiction, ending over 40 years of nonregulation of municipal securities—the debt obligations of State and local governments—at the Federal level.

Unfortunately, more remains to be accomplished. Municipal securities remain exempt from the full disclosure requirements of the Federal securities laws administered by the Securities and Exchange Commission, as they have been since 1933. As a result, billions upon billions of dollars worth of municipal securities are distributed every year under accounting and financial reporting practices involving far less disclosure than is the case for corporate securities. This is the case despite the dramatic changes in the borrowing practices, purposes, and procedures of State and local government. There are 80,000 units of government at the State and local level. Approximately 8,000 issue securities on an annual basis, or some 10 times the number of corporate issues sold to the public every year.

The State and local government securities market has been growing steadily in recent years. Today, it represents a substantial segment of the capital markets. As the following table indicates, the volume of securities issued grew rapidly in the decade from 1966 to 1975 from almost $18 billion in 1966 to over $58 billion in 1975. Total government obligations of this type issued in the decade exceeded $380 billion. Since interest on these obligations is exempt from Federal income taxes (and, frequently, from State income taxes as well), and since inflation helped many taxpayers move into higher tax brackets, governmental securities have become more attractive to large groups of investors and could continue to grow in appeal.

VOLUME OF STATE AND MUNICIPAL BORROWING 1966-75

[In millions]

Year	Long-term issues	Par amount short-term issues	All issues	Number of all issues
1966	$11,089	$6,524	$17,613	$7,430
1967	14,288	8,025	22,313	7,964
1968	16,374	8,659	25,033	7,887
1969	11,460	11,783	23,243	6,395
1970	17,762	17,880	35,642	7,604
1971	24,369	26,281	50,650	8,811
1972	22,941	25,222	48,163	8,420
1973	22,953	24,667	47,620	8,147
1974	22,824	29,041	51,865	7,701
1975	29,326	28,973	58,299	8,107
Total	193,386	187,055	380,441	78,466

Source: The Weekly Bond Buyer, vol. 202, No. 4324, p. 25, "Volume of State and Municipal Borrowing 1900-75."

In 1978, $70 billion of long and short-term securities were sold.

For these reasons, I have introduced municipal securities disclosure legislation in each of the two preceding Congresses. The previous bills differed in detail but shared common purposes—first, to upgrade the quality and uniformity of financial and other information concerning State and local issuers of municipal securities; second, to mandate the preparation on a periodic basis of disclosure documents; and third, to generally promote investor confidence in the integrity and efficiency of the capital raising system and in the issuers themselves.

Mr. President, as my colleagues are aware, these bills have generated lively discussion on legitimate issues. In 1933, Congress exempted municipal securities from all but the antifraud provisions of the securities laws. Each of these bills would have reversed 40 years of freedom from Federal regulation, raising concerns of constitutional proportions. A 1976 Supreme Court decision posed new questions about the validity of the proposed regulation of municipal securities. The Federalism principles raised by the Court in *National League of Cities* v. *Usery* (96 S. Ct. 2465 (1976) entered additional controversy about Federal and State relations. And, as if the issues were not complicated enough, the Supreme Court rendered another landmark decision in *Ernst & Ernst* v. *Hochfelder* (425 U.S. 185 (1976)), involving the standard of liability necessary to establish a violation of the antifraud provisions of the Securities Exchange Act of 1934. For these and other reasons, no municipal securities legislation has been approved by the Congress.

Nevertheless, the pendency of the bill has catapulted the general issue of municipal securities disclosure into the forefront of debate in legal, accounting, investment banking, and governmental circles, and even the editorial pages of newspapers and periodicals around the country.

Even in the absence of new legislation, there have been meaningful developments on the disclosure front within the past few years that I would like to enumerate.

First, the Municipal Finance Officers Association (MFOA) has undertaken a long-overdue effort to improve the quality of disclosure available in the marketplace. In 1976, the MFOA approved an initial set of guidelines designed to "provide" greater protections to investors through increased disclosure and through standardization of disclosure practices" in connection with offerings of securities. More recently, the MFOA has published additional guidelines for use in the preparation of annual information statements. While the effort has some drawbacks—for example, compliance with the guidelines is voluntary—it is both welcome and extremely significant.

Second, the Congress has already acted to require proper and accurate State and local accounting. Under the State and Local Fiscal Assistance Amendments of 1976. "Each State government and unit of local government which expects to receive funds * * * on or after January 1, 1977 * * * shall have an independent audit of its financial statements conducted for the purpose of determining compliance * * * not less often than once every three years." Thus, by requiring an independent audit—the heart of effective disclosure—the Congress has taken a significant first step toward improving the quality and reliability of financial information concerning State and local governments.

Third, several major accounting firms have conducted or commissioned studies into the serious deficiencies in present governmental accounting and financial disclosure procedures. Highlights of these reports convey the magnitude of the problems posed by the absence of uniform and standardized municipal reporting. According to a 1974 report of the Twentieth Century Fund Task Force of Municipal Bond Credit Ratings:

> A major problem, admitted by both the rating agencies and others interested in fiscal affairs, is the lack of uniformity in accounting practices and timeliness, in the reporting of state and local government statistics. Furthermore, not only do the reports differ in definitions, detail, and quality, but their veracity and accuracy are often neither examined nor guaranteed by an independent audit.
>
> The accounting and reporting problem is a deep-seated one because the states either passively or actively have created a hodgepodge of practices and requirements.

Arthur Andersen and Co., a well-known international accounting firm, published a report in 1975 entitled "Sound Financial Reporting in the Public Sector: A Prerequisite to Fiscal Responsibility" to encourage public discussion on the need for sound accounting controls and financial reporting in all units within the public sector. Arthur Andersen concluded:

> Cities, states and other political subdivisions should be required to publish (. . . financial) statements annually and in connection with the sales of securities to the public.

Also, in 1976, the accounting firm of Coopers and Lybrand and the University of Michigan's Graduate School of Business Administration published "Financial Disclosure Practices of the American Cities: A Public Report." This study further documents the need for substantially strengthening financial reporting practices if cities are to meet the emerging demands of the municipal bond buying and taxpaying public. This study, based upon a survey of the disclosure practices of 46 American cities, found that—

> Sixteen of the cities surveyed make no disclosure about their unfunded obligations for retirement benefits to which their employees are entitled. These cities reveal nothing that permits meaningful evaluation of the economic soundness of employee retirement funds. The study revealed that retirement obligations for large cities often exceed $100 million and in some instances $1 billion. The funding of these obligations in the future will be a serious drain on municipal revenues which are already inadequate.
>
> Only seven of the 43 major cities studied disclose their total dollar obligations to employees for vacations and sick leave benefits, which represent millions of dollars. Such obligations are typically recognized only at time of payment.
>
> The cities studied generally do a competent job of reporting both the amounts and timing of repayment of their long-term bond obligations.
>
> Seventeen cities do not disclose "overlapping" debt in their annual reports. This includes the debt issued by local taxing agencies other than the city that must be borne by the city's taxpayers, thereby intensifying their tax burden.
>
> Almost 30% of the cities surveyed do not maintain sufficient records to account for and make it possible to safeguard the public's monies invested in assets such as land, building and equipment. These assets cost billions of dollars.
>
> Even when cities do maintain records of assets, current accounting rules do not require the depreciation of their cost. In addition, disclosure of current replacement costs of assets acquired years ago at pre-inflation prices is yet to be considered.
>
> Twenty-six of the cities—only 60% of those studied—have their financial statements audited by an independent certified public accountant. And of those, only eight received an auditor's opinion that did not take exception to the cities' reporting of financial conditions and reports of operations. They were Austin, Birmingham, Chicago, Corpus Christi, Fort Worth, Phoenix, St. Petersburg, and Wichita.
>
> The study found no evidence that seven cities do any interim reporting to the public, contrary to the spirit of timely and meaningful municipal disclosure.
>
> Roughly one-half the cities surveyed budget expenditures on an annual basis, but provide no interim controls over outlays made on a month-to-month basis. This is contrary to prudent budgeting practices since timely monitoring of ongoing programs and expenditures is absent in such cases. This can lead to costly, short-term borrowing against next year's taxes.

Another study was prepared by the University of Chicago's Graduate School of Business. The emphasis in this study was also on the financial statements of State and local governments and the need to improve State and local government reporting for a variety of users, including the general public, investors, creditors, and both elected and appointed officials of the Government unit. It argued forcefully for a set of consolidated governmental financial statements. According to this report:

> Such a statement would marshall the vast amount of available financial data about the government unit into a single composite picture facilitating an understanding of the size and scope of its activities. The statements should help the reader understand where the unit stands and how it got there, what services it has rendered at what cost, and how efficiently. Such statements should provide a common base for the general public, investors and creditors, employees, and officials to develop the analyses that may lead to sound decisions about government activities.

Mr. President, these studies indicate that there is a substantial lack of compliance with current accounting standards applicable to Government bodies, and in varying ways recommend the need for better standard setting in the area of accounting for State and local units of government.

Fourth, a major series on municipal securities regulation was completed by the Council on Municipal Performance (COMP). COMP is a New York-based, nonprofit organization devoted to research in the field of municipal activities. The 10th and last volume in the series—the summation of 2 years of pathfinding research and painstaking efforts to probe the causes of the problems facing our cities and to recommend solutions—describes State and local government as the fastest growing and biggest industry in the United States today, accounting for 13 percent of the gross national product and spending $250 billion a year.

This rapid growth, according to the COMP report, occurred in the context of a vacuum in accounting and reporting standards. This report found that existing reporting requirements in oversight for Federal grant and revenue sharing programs have been ineffective. Furthermore, because there is no strict legislation concerning disclosure standards for municipal securities, this study concludes that cities and States invent their own accounting standards. Finally, this study finds that the States have not acted to develop satisfactory disclosure practices. Like the other reports I have mentioned, this study concludes that some degree of Federal oversight is needed to promote the development of uniform national accounting standards for State and local governments.

Fifth, the Securities and Exchange Commission has asserted authority over the issuance of municipal securities under both explicit grants of statutory authority from the Congress as well as the antifraud provisions. The Commission's "Final Report in the Matter of Transactions in the Securities of the City of New York" followed years of investigation. To my knowledge, it is the first investigation by the Commission into the financial activities of a city, its officials, and its underwriters and financial advisers.

In the course of the investigation, the Commission issued two staff reports. In the first, the staff concluded that the city had employed budgetary, accounting, and financial practices which distorted its true financial condition and that investors in its securities did not receive the protections of the Federal securities laws. In the second report, the Commission announced its decision to seek through legislation an answer to the most critical deficiency in existing municipal securities practices which it identified as follows:

> The financial and disclosure problems experienced by a number of municipalities and highlighted by New York City's crisis suggest that there is a critical need to assure greater accuracy and uniformity in municipal accounting and financial reporting. The Commission believes that legislation designed to standardize the methods used in the preparation of municipal accounts and the form and content of municipalities' financial statements should be accorded the highest legislative priority.

Sixth, the problems in New York City and Cleveland dramatize that many of our cities are suffering from serious problems. The problems vary in kind and degree, but there is the common thread that ties all of our Nation's cities together—the need for a more accurate and complete picture of municipal finance and for improved management techniques.

This was discussed most recently in a study on urban fiscal stress. Completed just last month by Touche Ross & Co. and the First National Bank of Boston, this study concluded among other things that "current municipal data collection and financial reporting systems are generally inadequate to understand and effectively manage city operations." From a slightly different perspective, Donaldson, Lufkin, and Jenrette Securities Corp. published a research paper in 1978 entitled "Perceptions of State and City Pension Liabilities." Consistent with other independent studies, it also concluded that the prospective credit character of municipal securities depends largely on the quality of information disclosed by issuers. Unfunded pension liabilities, the focus of this report, are a major problem for a variety of reasons including "varying accounting practices" and "demonstrably poor reporting in offering documents."

Mr. President, the conclusion of all of these studies is inescapable—accounting and financial reporting principles and practices employed by State and local governments can stand considerable improvement. Every study that has been done has reached this same conclusion.

Mr. President, I believe the basic problem lies in the area of government accounting standards. Before explaining the purposes and provisions of the bill I am introducing today, it would be useful to briefly explain the existing mechanisms for setting accounting and auditing standards applicable to governmental units.

NATIONAL COUNCIL ON GOVERNMENT ACCOUNTING (NCGA)

The first major organization is the National Council on Government Accounting. Established in 1974 through the sponsorship of the Municipal Finance Officers Association, it is a continuing, quasi-independent body that develops, promulgates, and interprets principles of accounting, financial reporting, and related financial accounting activities for governments in the United States and Canada. It also develops and promulgates appropriate methods, practices, and procedures through the effective implementation of such principles.

Since its founding in 1934, it has endeavored to develop accounting standards for universal application by local governments. The NCGA publication, Governmental Accounting, Auditing, and Financial Reporting (1968), is the most comprehensive statement available on government accounting and auditing. This so-called blue book is geared primarily to help government management, not to inform external users of documents.

The NCGA was established in 1974 through the sponsorship of the MFOA as a continuing body. To assure that principles and procedures for government are in conformity with generally accepted accounting principles, the NCGA maintains close liaison with the Financial Accounting Standards Board and the American Institute of Certified Public Accountants.

The NCGA consists of 21 members which include local, State, and Federal governmental accountants, auditors, and managers, practicing certified public accountants, and governmental accounting/financial management educators. Within the appropriate membership classifications, council members are elected by vote of the council to serve 4 year terms. The Council and its Executive Committee are assisted by the NCGA Committee of Advisers, comprised of representatives of 29 accounting, public interest, and governmental organizations.

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA)

The AICPA has for many years been the recognized leader in establishing accounting, auditing, and reporting standards for commercial practices. In 1974, the Committee on Governmental Accounting and Auditing issued an audit guide entitled, "Audits of State and Local Governmental Units," to assist auditors in the examination and reporting on financial statements of governmental units.

This audit guide acknowledges the need for generally accepted accounting principles, procedures, and management matters and recognizes the NCGA's Governmental Accounting, Auditing and Financial Reporting as authoritative in these areas. The institute continues to monitor State and local governmental accounting and auditing developments through its committee structure.

Auditing standards have been developed by the AICPA. Generally accepted auditing standards (GAAS) were endorsed by the SEC in 1941 and since then by Federal agencies, including the General Accounting Office.

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB)

By its own description, the Financial Accounting Standards Board is an independent private-sector body that has responsibility for establishing an improving commercial standards of financial accounting and reporting. Its pronouncements are recognized as authoritative by the Securities and Exchange Commission. Observance of FASB pronouncements also is required under the Rules of Conduct of the American Institute of Certified Public Accountants.

The FASB has seven members, who come from diverse backgrounds, serve fulltime, and have completely severed all prior employment relationships. The Board has a staff of approximately 100 persons, including over 40 professionals.

The FASB is funded by the Financial Accounting Foundation which also is responsible for selecting members of the FASB and exercising general oversight (except with regard to the FASB's resolution of technical issues. The Foundation is separate from all existing bodies. Its Board is drawn from senior executives in the professional, business, financial, and academic communities.

In addition to appointing members of the FASB, the Foundation also appoints members of the Financial Accounting Standards Advisory Council, a group that works closely with the FASB in an advisory capacity. The council has an independent salaried chairman and an unsalaried membership, presently numbering 35, broadly representative of varied professional and occupational backgrounds. The present council includes financial executives, commercial and investment bankers, financial analysts, lawyers, present and former high Government officials, academicians, public interest representatives, and CPA's in public practice.

Until recently, the FASB had not addressed itself to the governmental sector. On August 8, 1977, the Board announced that it had commissioned a research study on the objectives and basic concepts underlying financial accounting and reporting for municipalities and other noprofit organizations. "The Research Report on Financial Accounting in Nonbusiness Organizations" was completed and then served as the basis for the solicitation of comments and for public hearings.

GENERAL ACCOUNTING OFFICE (GAO)

The Accounting and Auditing Act of 1950 makes the General Accounting Office (GAO) responsible for prescribing the accounting principles to be followed by executive agencies of the Federal Government and for reviewing the accounting systems designed by these agencies to be sure that the systems follow these principles.

Since close to 15 percent of the Federal budget is going toward grants and revenue sharing, GAO's responsibility for seeing that executive agency accounting systems produce accurate and useful information extends to the funds disbursed to grantees under federally assisted programs or revenue sharing. Insofar as revenue sharing is concerned, its legal responsibility is even more explicit. Under the State and Local Fiscal Assistance Amendments of 1976 (the Revenue Sharing Act), it is responsible for making such review of the work done by the Secretary of the Treasury, the State governments and the units of local governments as may be necessary for the Congress to evaluate compliance and operations under the act.

"Standards of Audit of Government Organizations, Programs, Activities, and Functions," first published by the Comptroller General in 1972, is the standard guide for Federal grant audits. The guide endorses the auditing standards developed by the AICPA.

With all of these and other professional and governmental organizations concerned with auditing and accounting in the public sector, there should be little room for criticism or further reform. Unfortunately, the realities are far different. The reality is that there is still fundamental disagreement within the accounting profession over the definition of basic terms of finance.[1]

Another reality is that official statements published by local governments frequently do not contain financial statements; moreover, even when they do, the financial statements are frequently not comparable, complete, or prepared according to generally accepted principles.

Still another reality is that many States prescribe accounting requirements for local governments which are at variance with more generally accepted standards and practices.

The final reality is that there is not only no authoritative mechanism for setting accounting standards for State and local governments, but that there is also no effective mechanism to insure that the prevailing standards are being complied with. There is usually no policing of compliance with prevailing standards through independent audits or by State agencies. And there is little risk in ignoring the standards set, for example, by the NCGA. According to the Coopers and Lybrand Study:

> Our findings indicate a substantial lack of compliance with current generally accepted principles applicable to governmental bodies. These findings support our recommendations that disclosure compliance for the protection of taxpayers and security investors should be accomplished through uniform enforcement. The MFOA presently recommends compliance with GAAFR. However, the organization issues fewer than 40 Certificates of Conformance each year. In fact, only about 400 such certificates have been issued over the last 30 years. Out of approximately 18,000 municipalities eligible to apply, only about 100 applications are even submitted annually for consideration. This points up the hopelessness of voluntary compliance.

Because of these realities, a concerted effort is being made to improve municipal disclosure, financial reporting and accounting practices. I have already mentioned the awareness by municipal finance officials that the antifraud provisions of the Federal securities laws are applicable to their sale of municipal securities. The Federal Government, through the audit requirements in the revenue sharing program, and the accounting and auditing safeguards built into a number of recently enacted laws, has evidenced the importance it attaches to correcting current deficiencies. Professional associations of accountants, finance officials, lawyers, investment bankers, and others are searching intensely for solutions to the problems pinpointed in a virtual tidal wave of critical reports about municipal securities disclosure.

Mr. President, the bill I am introducing today has a much narrower purpose than its predecessors—to establish at the Federal level an entity to set the authoritative accounting principles applicable to State and local governments. Rather than supplant the present entities active in the field—the NCGA and the FASB—the bill would build upon the strengths of each. I believe that under the proper circumstances—the circumstances, I believe the bill would create—both organizations can continue to contribute to the development of financial reporting and disclosure standards and practices that are not only acceptable for a variety of legal purposes, but also useful to investors, taxpayers and others interested in understanding and improving the operations of Government.

Mr. President, I believe it is possible to marry the special talents and resources of the NCGA and the FASB. The NCGA, for example, has had experience in State and local accounting and is representative of governmental jurisdictions. On the other hand, it is composed of volunteers. It operates on a relative shoestring and lacks the financial and personnel resources necessary to fulfill its self-proclaimed mission. And based upon its past performance, it appears not to have the support of most local financial officials.

It is just the opposite with the FASB. It is independent, possesses considerable resources, is served by a full-time board, and has the confidence of the SEC and the accounting profession. There are minuses, too. For example, it is already knee deep in projects in the corporate accounting area and without much practical experience in the field of Government accounting. And neither the NCGA or the FASB have the ability to enforce compliance with their Government accounting dictates.

There is already recognition of the value of cooperation between the NCGA and the FASB, through an exchange of letters. Recently, the NCGA and the FASB have established a working relationship, open communication, and staff coordination. A more formal relationship is in negotiation. Joint efforts are recognized by the parties as essential to improving Government financial reporting.

Mr. President, it is precisely because of the recognition which is explicit in this agreement that I believe legislation is necessary to advance and formalize the process and procedures by which accounting standards for State and local governments are developed, to facilitate uniformity in those standards, and to inject a new degree of authority to, and respect for, State and local accounting standards. In my judgment, the Federal Government can play an important and constructive role in achieving these fundamental and, I would think, universally shared objectives.

Under the terms of the State and Local Government Accounting and Financial Reporting Standards Act, a permanent and nongovernmental organization with the sole and important mission of improving accounting and financial reporting standards applicable to State and local governments would be created. Essentially, its purpose and provisions are quite simple and are designed to leave the initiative in this area with State and local officials and the accounting profession with an absolute minimum of intervention by the Federal Government. Two separate entities would be created. The first, a Council on State and Local Government Accounting and Financial Reporting Standards, would be composed of the Secretary of the Treasury, the Comptroller General, and the Chairman of the SEC, or their designees. This Council would be a limited purpose entity empowered to appoint the members of, and review the bylaws and other procedural issues pertaining to, the second organization to be established. The second organization, the Institute for State and Local Accounting and Financial Reporting Standards, would actually promulgate accounting and financial reporting standards in consultation with a variety of interested persons.

Mr. President, let me explain as briefly as possible how I envision the activities and operations of these two entities and what I seek to accomplish. There are four basic points to be made.

The first basic point is that the process by which accounting standards are set must be open to all persons and organizations who are interested in the preparation, verification, and use of financial statements in order for the process to command respect and for the standards to be regarded as truly authoritative. The users of governmental services, including the general public; the investment community—including the rating agencies—investment banking firms, institutional investors, and financial ana-

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[1] Robert N. Anthony, *Financial Accounting in Nonbusiness Organizations* (FASB, 1978), and NCGA, *GAAFR Restatement; Introduction and Principles* (exposure draft) (NCGA, 1978).

lysts, and governmental officials, require that financial statements, and the principles upon which they are predicated, are meaningful. For this to be done, many commentators have recommended the adoption in State and local accounting of standards applicable to corporations. At the very least, financial statements must be directed away from their historical use as legal compliance and internal control documents to appeal to a much broader constituency. I believe all segments of that broader constituency should be provided with a participatory role in the establishment of standards, an opportunity which is not uniformly available at the present time.

The bill would insure an open and participatory process by specifying that membership on the Institute—the standard setting body—provides representation to all persons who will be immediately affected by its work product. In addition, the provisions of the Administrative Procedure Act will be applicable to the Institute's deliberations, thus assuring outside persons the opportunity to participate in and attempt to influence the content of the accounting standards eventually promulgated.

Second, consistent with the historical treatment of the accounting profession by the Congress, I believe the initiative and responsibility for developing standards should be lodged outside of the Federal Government to the maximum extent possible. This is the case now with the FASB under the Federal securities laws, despite the searching examination of the accounting profession in recent years.

There are even greater reasons for self-regulation in State and local accounting. There are important legal distinctions between Government entities and business organizations that the Congress must recognize. Because municipal securities have been exempt from direct, Federal securities regulation since 1933, Congress' authority to legislate in this area has never been challenged or tested. In National League of Cities against Usery (1976), the Supreme Court abruptly narrowed previous expansive readings of congressional authority under the commerce clause of the Constitution by reading into it the 10th amendment. Beyond that, practicality also dictates that the Federal Government would be used to build a new standard-setting process that would continue to be operated by the accounting profession and State and local officials. Already, the securities laws depend heavily upon self-regulation. This bill would extend the concept in a novel and innovative way to this area.

Third, implicit in the agreement between the NCGA and the FASB is the recognition that a single organization should have responsibility for establishing accounting standards. This will avoid duplication of effort, eliminate the possibility or probability of jurisdictional feuds, and maximize the likelihood of finally achieving the goal of improved accounting standards and financial statements.

By creating a single organization, however, I do not believe it would be wise to require an outright consolidation of the NCGA or the FASB. I believe the organizations complement each other with the whole being greater than the sum of its parts.

Fourth, the standards-setting body should receive assistance from the Federal Government. The Federal Government has a vital interest in the character and quality of financial management and information systems at the State and local levels. In fiscal year 1980 alone, Federal grant in aid outlays to State and local governments are estimated to be $82.9 billion. The figure for 1959 was $6.7 billion. Since a substantial percentage of the Federal budget is going toward these grants and since these are Federal funds, the Federal Government has a major responsibility to see that it receives sound and accurate information from the grant recipients. Such information can assist ongoing efforts to replace the almost 100 guides now in use for auditing federally assisted programs. It can help eliminate fraud and waste in Government at all levels. It can help reduce paperwork and redtape and result in more uniform, unified, and nonduplicative reporting. All of these steps would improve the operation of Government, improve the delivery of services, and respond to the mounting concerns over the cost and quality of Government.

Another aspect of the Federal Government's interest in improving State and local accounting standards stems from the need to maintain stability in and access to the capital markets. Careful attention is now being focused on the fiscal condition of State and local borrowers. We have already seen the disruptions attributable directly to the near collapse of New York City and Cleveland. Investors and underwriters turned a cold shoulder to some borrowers; some large governments were required to postpone or terminate debt issuance plans. In some cases, State and local borrowers were required to pay a substantial premium through higher interest costs due in part to inadequate disclosure of material financial and other information. In view of current trends in reducing Government spending, external financing will have to be increasingly relied upon to finance essential Government services. To the extent that borrowers promote investor confidence and facilitate informed investment judgment through improved financial disclosure in connection with their borrowing, access to the credit markets will be increased and the costs of borrowing will be reduced if they are creditworthy.

The Federal Government also needs better financial and empirical information about the condition of State and local governments. Under the worst conditions, the Federal Government may become a lender of last resort to troubled cities. On a more positive note, more accurate information will assist the Federal Government in replacing or redesigning existing grant-in-aid programs. As I have already noted, current financial reporting systems generally are not consistent or reliable to provide a useful data base.

Mr. President, I believe the enactment of the State and Local Government Accounting and Financial Reporting Standards Act of 1979 is directly responsive to one of the overriding issues faced by our country—the widespread concern over the condition and quality of government at all levels. The reasons for concern about the competence, integrity, efficiency, and accountability of government today do not require detailed elaboration. Fraud and waste; taxes; the deterioration in the level and quality of government services; the near bankruptcy of several cities, and the severe distress of others, are only a few manifestations of the general problem.

Fundamental to any broad-based solution is the development of uniform accounting standards. The absence of uniform and standardized accounting, and the consequences for government officials, voters, creditors, rating agencies, and investors, has been documented in a series of studies conducted by several public interest groups, accounting, and professional organizations in recent years.

I believe improved accounting principles lie at the very heart of improving the management of government. Accurate financial information is indispensable to the formulation of intelligent, informed Federal, State, and local budget decisions. Standardized accounting principles will permit simplified, more accurate, budgeting and financial reporting and illuminate the fiscal condition and operations of government.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State and Local Government Accounting and Financial Reporting Standards Act of 1979".

SEC. 2. The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 13 the following new section:

"STATE AND LOCAL GOVERNMENT ACCOUNTING AND FINANCIAL REPORTING STANDARDS

"SEC. 13A. (a) (1) The Congress finds and declares that—

"(A) the accounting systems and procedures of State and local governments should provide full disclosure of results of financial operations, adequate financial information needed in the management of operations in the formulation and execution of State and local financial affairs, and effective control over income, expenditures, funds, property, and other assets;

"(B) the maintenance of accounting systems and the production of financial reports which comply with generally accepted accounting principles with respect to the operations of State and local Governments, including appropriate national entities for prescribing nationally recognized standards governing the gathering and disclosure of information on the results of financial operations of State and local governments, is essential; and

"(C) emphasis should be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and financial reporting requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

"(2) It is the purpose of this section to establish an Institute for State and Local Government Accounting and Financial Reporting Standards to prepare uniform nationally recognized accounting and financial reporting standards to facilitate the full and accurate disclosure and publication of financial information concerning State and local governments.

"(b) (1) There is authorized to be established an appropriate nonprofit instrumentality to be known as the Institute for State and Local Government Accounting and Financial Reporting Standards (hereinafter referred to as the 'Institute'), which shall not be an agency or instrumentality of the United States Government. The Institute shall be subject to the provisions of this section and, to the extent consistent with this section, to the District of Columbia Non-Profit Corporation Act.

"(2) The Institute shall consist of 11 members of which—

"(A) one member shall be a representative of the Federal Government;

"(B) three members shall be representative of State government;

"(C) two members shall be representative of local government;

"(D) two members shall be representative of the public accounting profession;

"(E) one member shall be a representative of the financial analysts profession; and

"(F) two members shall be representative of the public.

All members of the Institute shall be appointed by the Council as provided in subsection (d)(3) and shall serve for the terms specified by the Council at the time of appointment.

"(3) The members of the Institute shall be compensated at the rate provided for an individual occupying a position under level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day in which he is engaged in his functions as a member of the Institute.

"(4) The Council shall designate a chairman and a vice chairman from among the members of the Institute. Any vacancy in the office of the chairman shall be filled by the vice chairman. The Institute shall prescribe such bylaws, not inconsistent with the provisions of this section, as may be necessary or appropriate for the conduct of its affairs, including bylaws governing the appointment and compensation of employees, attorneys, and experts and consultants necessary to carry out the functions of the Institute. All bylaws of the Institute shall be subject to review in accordance with the provisions of subsection (c) (2).

"(5) The Institute may appoint, with the approval of the Council, an Executive Director who shall be compensated at the rate provided for an individual occupying a position under level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(c)(1) The function of the Institute shall be to promulgate accounting and financial reporting standards applicable to State and local governments. In promulgating such standards, the Institute shall consider accounting and financial reporting practices and procedures existing and in effect prior to the establishment of the Institute, such as the publications of the National Council on Government Accounting and the Industry Audit Guide of the American Institute of Certified Public Accountants. The Institute shall also take into account the extent to which the cost of implementing any new standard or of revising or modifying any existing standard exceeds the estimated benefits to be derived therefrom. In promulgating any new standard, the Institute shall consult with the Comptroller General of the United States, the National Council on Government Accounting, the Financial Accounting Standards Board, and all other appropriate Federal, State, and local agencies or instrumentalities. In addition, the Institute may sponsor research and studies by experts and organizations thereof designed to improve accounting and financial reporting standards for State and local governments.

"(2) A bylaw of the Institute shall become effective only after the expiration of a period of 30 days after the Institute submits the proposed bylaw in writing to the Council established by subsection (d), and then only if the Council does not disapprove the proposed bylaw prior to the expiration of such period.

"(3) The Institute shall, for the purposes of subchapter II of chapter 5 of title 5, United States Code, be deemed to be an agency, as defined in section 551 of such title, and for the purpose of chapter 7 of such title, it shall be deemed to be an agency, as defined in section 701 of such title.

"(d)(1) There is established a State and Local Government Accounting and Financial Reporting Standards Council (hereinafter referred to as the 'Council') which shall be composed of the Secretary of the Treasury, the Comptroller General of the United States, and the Chairman of the Securities and Exchange Commission, or their designees. The functions of the Council shall be to appoint members of the Institute, to review proposed bylaws submitted pursuant to subsection (c)(2), and whenever the Council deems it appropriate in the public interest, to disapprove a proposed bylaw.

"(2) For the purpose of carrying out its functions, the Council is authorized to issue such rules and regulations as may be appropriate, including rules and regulations regarding the timeliness of the submission of proposed bylaws and other procedural matters as may be necessary. In carrying out its functions under this section, the Council is authorized to employ and fix the compensation of such officers and employees and to take such other actions not inconsistent with the policy of this section as it deems appropriate.

"(3) In making initial appointments to the Institute, the Council shall solicit and consider only those recommendations made by the Financial Accounting Standards Board, the National Council on Government Accounting, the National Association of State Auditors, Comptrollers and Treasurers, the Municipal Finance Officers Association, the American Institute of Certified Public Accountants, and other professional organizations involved in the area of government accounting and financial reporting. Of the individuals first appointed, 4 shall serve for terms of 2 years, 4 shall serve for terms of 3 years, and 3 shall serve for terms of 4 years, as designated by the Council. Thereafter the term of each member of the Institute shall be 4 years, and the Council shall fill all such terms after full consultation with the Institute.

"(e) The Institute and the Council shall each submit to the Congress a report, not later than March 31 of each year, setting forth a detailed description of their activities during the year and their projected activities for the succeeding fiscal year. The Council may include in its report comments on the report of the Institute, and for such purpose, the Institute shall submit a draft report to the Council not later than March 1 of each year.

"(f) There are authorized to be appropriated to carry out the provisions of this section not to exceed $2,000,000.".●

By Mr. WILLIAMS:

S. 1237. A bill to prohibit the sale of children in interstate and foreign commerce; to the Committee on the Judiciary.

ADOPTION PROTECTION ACT OF 1979

● Mr. WILLIAMS. Mr. President, I am today reintroducing legislation which I submitted in the last Congress to amend title 18 of the United States Code for the purpose of prohibiting the "black market" sale of adoptable children in interstate and foreign commerce.

The thought of selling children to the highest bidder is one which I find completely abhorrent. Yet the shocking truth is that this unconscionable practice has developed into a multimillion dollar enterprise reaching into every section of the Nation and which, in recent years, has assumed an international dimension.

Proposals for congressional action on this unsavory trade have been advanced for more than two decades, but this illicit practice continues to enjoy a total exemption from Federal controls. A bill introduced by the late Senator Estes Kefauver in 1956 failed to receive approval during his lifetime. The Senate passed a modified version of that legislation in 1965, but it died due to House inaction. In 1975, hearings conducted in the Senate Subcommittee on Children and Youth, under the chairmanship of then-Senator WALTER MONDALE, compiled an extensive record of the scope and practices of the babyselling industry.

In 1977 I introduced the bill which I am resubmitting today. In the intervening 2 years, the key factors cited by responsible adoption agencies for the shortage of adoptable children have not disappeared. Ten years ago 80 percent of the infants born out of wedlock were given up for adoption. Today that figure has dropped, dramatically, to 20 percent. It is among a key segment of that 20 percent, the preteens and teenagers who, for various reasons, have children that they choose not to raise, that the babysellers find their easy-to-victimize suppliers.

A 1978 examination of this nefarious trade, "Baby Selling—The Scandal of Black Market Adoptions," has shed new light on its dimensions and methods. Its author, Nancy C. Baker, compiled a long litany of cases in which profiteering attorneys and doctors have ignored basic concerns of child welfare and sidestepped State laws. Their victims include everyone involved in the process:

The child is a very likely victim. In a brokered baby situation, parental selection is not made in accordance with laws safeguarding its interest, but rather on ability to pay. In some instances, the baby brokers will actually line up two or more sets of parents for an infant and then, in the hours after birth, will deliver the child to the couple willing to pay the highest premium.

The natural mother is also a potential victim. In most cases this is a beleaguered and frightened teenager who frequently falls innocently into the hands of the baby brokers and then is coerced into surrendering her child. Seeking counseling, she is instead offered the concealment of her pregnancy and the promise of a good home for her baby. She is transported to another locale where all expenses are paid by the broker until the child's birth. Should the mother at any time decide that she would prefer to keep her baby, she is threatened with the "legal" papers she has been forced to sign and the demand that she reimburse the middleman for all the payments made on her behalf. This pressure almost invariably results in the surrender of the child.

The adoptive parents may be victimized as well. Despite their willingness to evade the law, they too often suffer after being seriously misled about the health and heredity of the baby they are purchasing. Often this concealment includes serious diseases which can cause permanent harm to the infant if not treated promptly. In addition, where foreign children are involved, the adoptive parents may become blackmail targets of the baby brokers, who later threaten to expose the adoptive parents to the immigration authorities.

Would-be adoptive parents. Working and middle-class families with the desire and ability to provide fine home environments for an adopted child find themselves excluded completely from the high-stakes babyselling racket; where prices average about $10,000 and can range as high as $40,000, and where most of that must be paid in cash on delivery.

The judicial system. Interstate and foreign connections evade the ability of State justice systems to enforce adoption statutes. Perjury before the courts by all the parties involved in the illicit sale is a regular feature of the babyselling enterprise, in order to provide the purchasing parents with legal adoption documents.

Mr. President, the author of this book asks a very simple question: "There are comprehensive Federal laws regulating the interstate transport of everything from laboratory research animals to exotic birds. Can there be less for children?" I cannot believe that the Congress, once it turns its attention to this problem, will deny children the right to be placed in the home situations which best promotes their welfare.

This amendment of Federal criminal laws will complement the positive steps now being taken to examine and reform the entire spectrum of adoption procedures, through implementation of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (Public Law 95-266). Those provisions, which I supported, will result in recommendations being forwarded to the Congress later this year. The Secretary of Health, Education, and Welfare, under that act, will be advancing proposals for model adoption regulations and procedures which preserve State jurisdiction over this area and present no conflict with existing interstate compacts.

Further, the Secretary will be reporting on the effect of unlicensed interstate placement on the children adopted under such procedures—the information developed in that study will aid the Congress and the States in developing responsible position on nonagency placements.

The legislation which I am introducing today would in no way involve the Federal Government in the regulation of adoptions; rather, it would help to assure that the laws of the individual States are not circumvented. Further, it would not outlaw the continued placement of children through independent means; a practice which is valid so long as the fees charged are reasonably related to the professional services provided, and which often provides a preferred alternative to agency adoptions to both the natural mother and the couple seeking to adopt.

What this legislation would outlaw, at the Federal level, is the "black market" transaction where money alone determines the child's placement—where fear, coercion, and misrepresentation are standard operating procedures.

This action is both warranted and urgently needed. The transport of pregnant women and newborn infants across State lines is a regular feature of this trade. In order to meet the profitable demand for salable infants, the baby brokers have also branched into the importation of pregnant women from abroad, and have even stooped to providing payments to foreign nationals to induce them to become pregnant. State agencies lack the jurisdiction and resources to conduct the investigations required to stifle the interstate trade. And the State Department and Imigration Service are reluctant to intervene in cases involving foreign children where there may have been no violation of Federal law.

Mr. President, the defenseless newborn deserve and require the protection which this bill can provide. No human being should have his future and his identity placed on the auction block and delivered to the highest bidder. Our children are our future, and they should not be treated as commodities in the marketplace but must be accorded the full protection and consideration of the State adoption laws enacted in their behalf. This bill can inject a vital Federal presence. The absence of national sanctions has permitted an immoral commerce to continue and flourish for far too long.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1237

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Adoption Protection Act of 1977".

Sec. 2. Title 18 of the United States Code is amended by inserting immediately after chapter 119 the following:

"Chapter 120.—PLACEMENT OF CHILDREN FOR PERMANENT CARE OR ADOPTION IN INTERSTATE COMMERCE

"Sec.
"2521. Definitions.
"2522. Placing or causing the placement of a child for compensation.

"§ 2521. Definitions

"As used in this chapter the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States;

"(2) 'child' means any individual who has not attained the age of 16 at the time such child is placed for permanent care or adoption; and

"(3) 'permanent care' means that a child is receiving a majority of his support for a period of not less than one year by any person who is not a parent, grandparent, sibling, aunt, uncle, guardian or a person authorized by law to provide such support or to place children for adoption.

"§ 2522. Placing or causing the placement of a child for compensation

"(a) Except as provided in subsections (c) and (d) any person who, directly or indirectly, knowingly solicits, provides, or receives anything of monetary value or the promise of anything of monetary value for seeking or causing to place, placing, or arranging to place any child for permanent care or adoption shall be fined not more than $15,000 or imprisoned not more than ten years, or both.

"(b) The provisions of subsection (a) shall apply in cases in which the child (including the 'in utero' child) is transported in interstate or foreign commerce.

"(c) The provisions of subsection (a) shall not apply to any person who is the parent, guardian, or person seeking to adopt or provide permanent care for a child, or a person authorized by law to place children for adoption if the monetary value solicited or received is—

"(1) not unreasonable (as determined by a court of competent jurisdiction), and

"(2) solicited or received solely for services provided in connection with the placement or adoption.

"(d) The provisions of subsection (a) shall not apply to any person who provides legal services which are solely in connection with the preparation and execution of documents relating to the placement or adoption if the monetary value solicited or received is not unreasonable (as determined by a court of competent jurisdiction).".

Sec. 3. The tables of chapters for part 1 of title 18 of the United States Code and for such title are each amended by inserting immediately after item 19 the following new item:

"120. Placement of Children for Permanent Care or Adoption in Interstate Commerce ...... 2521".●

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 1238. A bill to amend the Social Security Act to provide for the direct reimbursement of qualified psychiatric nurses under medicare and medicaid; to the Committee on Finance.

S. 1239. A bill to amend title 5, United States Code, to provide for access to qualified professional psychiatric nurse practitioners without prior referral in the Federal employee health benefits program; to the Committee on Governmental Affairs.

● Mr. INOUYE. Mr. President, it is generally agreed that the 10 to 15 percent of our Nation's population with mental health problems require a highly flexible network of services that can be provided by a range of qualified providers. Needed is a broad scope of services which will include prevention and health maintenance, as well as traditional illness care. Even persons with similar mental health problems often differ in cultural background, geographic location, and economic status. In order to provide for the full range of mental and physical health and social services necessary, there must be considerably built-in flexibility for patterns of utilization.

Professional nurses have a long-established tradition of provision of care of the broadest scope—preventive, curative, restorative—in a wide variety of settings, especially including the community and the home. This very flexibility helps explain why professional nurses have always been among the most accessible of health care providers, especially for the poor and the underserved.

Yet, certain nurse specialists go unrecognized by our Nation's public financing systems and thus, their effective utilization is severely limited. Among these are the psychiatric and mental health nurse specialists, considered one of the "core" disciplines by the National Institute of Mental Health. According to current estimates, there are at least 6,000 master's-prepared psychiatric and mental health nurse specialists. I was especially pleased, therefore, when the American Nurses' Association recently began a program of certification of such specialists with a rigorous combination of post-master's supervised experience and testing. In the first year, I understand over 100 psychiatric and mental health nurses have become certified.

These individuals are both prepared and willing to provide services in a flexible manner. One psychiatric nurse specialist, for example, cared for a chronically depressed person at home who would not go to a physician's office, nor would a psychiatrist be likely to see her at home for any length of time. After months of weekly sessions with assistance from the psychiatric nurse specialist, that woman is now active and even able to drive her car. Only because the woman's family could pay directly for the services was she able to receive the care. There was no mental health insurance coverage available for such help.

Our Nation's medicare, medicaid, and Federal employee's health insurance coverage plans are unfortunately overly narrow in their scope of mental health benefits and provider status. They are, for the most part, limited to a medical orientation which not only limits flexibility, but very often precludes more appropriate and often more cost-effective, psychosocial treatment.

Under the current reimbursement system, it is often easier to collect payment for a major episode of illness requiring hospitalization than to get coverage to prevent the onset or recurrence of serious illness through treatment on an outpatient basis by a nonphysician provider. One of my nurse specialist friends recently related the following example to me: During a crisis situation with one patient, had flexible insurance coverage been available, she could have spent 3 half days with the patient to get him over the crisis episode, at $60-per-day for a total cost of approximately $180. But the insurance covered only a total of 2 outpatient hours per week and hospitalization. As you can imagine, once the patient's crisis episode became full-blown enough to require expensive $500-a-day hospitalization, insurance picked up the payments.

Where, I ask you, are our priorities? We are seeing ever-increasing evidence that the chronically ill can be cared for, with the assistance of qualified providers, in a variety of settings, including the home and the community. Advocacy with neighbors, employers, teachers, friends, and other family members might very well mean the difference between success or relapse; between health maintenance or illness; between cost savings, or costly expenditures. Yet, as I have indicated, these preventive, supportive, cost-saving measures remain mostly uncovered by insurance and unobtainable except by the wealthy.

Psychiatric and mental health nurse specialists are a greatly underutilized health manpower resource. The potential of their contributions, especially in the delivery of care to unserved, inappropriately served, and underserved populations is yet to be measured.

In 1976 the American Nurses' Association survey of master's-prepared psychiatric nurse specialists showed that, although most specialists provided some direct patient services, only a handful received any third-party reimbursement for services rendered. Where nurse specialists are covered by some exceptionally broad insurance, which unfortunately still oftentimes requires the signature of a physician, there is a discrepancy between fees and reimbursement rates which tilts toward the more expensive provider.

More specifically, for example, in the Washington, D.C. area, a high option Blue Cross schedule covers 80 percent of the usual and customary fee for psychiatric nurses currently set at a low $20 a session. I understand that the actual charge of most psychiatric nurses in the area is $30 to $35 per session. Physicians, on the other hand, are reimbursed at 80 percent of $50 per session. An ironic result therefore can be that it is actually cheaper for the individual patient to choose the more expensive provider when one takes copayment into account.

The President's Commission on Mental Health clearly takes the position that "the consumer should have a choice of provider and provider systems * * *" and that nurses with an earned doctorate or master's degree are fully qualified for direct reimbursement. Accordingly, Senator MATSUNAGA and I today are offering legislation which would amend the medicare, medicaid, and Federal employees health benefits programs to accomplish this purpose.

Mr. President, I ask unanimous consent that the text of these bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1238

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(j)(4) of the Social Security Act is amended by—

(1) striking out "and" at the end of clause (A) thereof, and

(2) by inserting immediately before the semicolon at the end thereof the following: ", and (C) provides for having a qualified professional psychiatric nurse available, on at least a consultant basis, to assure that necessary psychiatric nursing services are furnished,". (b) The first sentence of section 1861(r) of the Social Security Act is amended by—

(1) striking out "or" at the end of clause (4) thereof, and

(2) inserting immediately before the period at the end thereof the following: ", or (6) a qualified professional psychiatric nurse who is licensed by the State in which such nurse performs such function or action, but only with respect to functions or actions which such nurse is legally authorized to perform as a registered nurse by the State in which he or she performs them and, then, only for purposes of section 1861(s)(1) and 1861(s)(2)(A), for purposes of making a certification of the type required by section 1814(a)(2)(A), and for purposes of the meeting of the requirement imposed with respect to psychiatric hospitals that each patient of such a hospital be under the care of a physician".

(c) Section 1861 of such Act is further amended by adding at the end thereof the following new subsection:

"Qualified Professional Psychiatric Nurse

"(bb)(1) The term 'qualified professional psychiatric nurse', when used in connection with the performance of any function or action, means an individual who—

"(A) is licensed to practice nursing by the State in which such function or action is performed,

"(B) holds a master's degree in psychiatric nursing or a related field from an accredited educational institution, and

"(C) is certified as a psychiatric nurse by the duly recognized professional nurses organization.

"(2) An individual who meets the conditions prescribed by clauses (A) and (C) of paragraph (1), but does not meet the conditions prescribed by clause (B) of such paragraph, shall, nevertheless, be deemed to be a qualified professional psychiatric nurse with respect to any particular function or action performed by such individual if such individual performed such function or action under the supervision of a person who meets the conditions prescribed in clauses (A), (B), and (C) of paragraph (1).".

(d) The amendments made by this section shall be applicable only with respect to services furnished after the month which follows the month in which this Act is enacted.

Sec. 2. (a) The first sentence of section 1902(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of clause (39) thereof,

(2) by striking out the period at the end thereof and inserting in lieu thereof a semicolon, and

(3) by adding after clause (40) thereof the following new clauses:

"(41) provide that, with respect to mental health services which are covered under the State plan, payment will be made for professional services furnished by a qualified professional psychiatric nurse who is legally authorized to provide them;

"(42) provide that payment under the State plan will not be made for services furnished by any intermediate care facility or skilled nursing facility unless such facility provides for having a qualified professional psychiatric nurse available, on at least a consultant basis, to assure that necessary psychiatric nursing services are furnished to the patients in such facility; and

"(43) provide that payment under the State plan will not be made for inpatient services furnished by any psychiatric hospital unless, in the operation of such hospital, there is extended to qualified professional psychiatric nurses, with respect to professional services which both physicians and qualified professional psychiatric nurses are authorized to provide, the same staff and similar privileges as are extended to physicians caring for patients in such hospital. Admissions to such hospitals by qualified professional psychiatric nurses will be based on nursing diagnoses or a determined functional diagnosis.".

(b) Section 1905 of such Act is amended by adding at the end thereof the following new subsection:

"(m)(1) The term 'qualified professional psychiatric nurse', when used in connection with the performance of any function or action, means an individual who—

"(A) is licensed to practice nursing by the State in which such function or action is performed,

"(B) holds a master's degree in psychiatric nursing or a related field from an accredited educational institution, and

"(C) is certified as a psychiatric nurse by the duly recognized professional nurses organization.

"(2) An individual who meets the conditions prescribed by clauses (A) and (C) of paragraph (1), but does not meet the condition prescribed by clause (B) of such paragraph, shall, nevertheless, be deemed to be a qualified professional psychiatric nurse with respect to any particular function or action performed by such individual if such individual performed such function or action under the supervision of a person who meets the conditions prescribed in clauses (A), (B), and (C) of paragraph (1).".

(c) The amendments made by this section shall take effect on January 1, 1980.

S. 1239

Be it amended by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 8902(k) of title 5, United States Code, is amended by striking out "or optometrist" each place it appears and inserting in lieu thereof ", optometrist, or qualified professional psychiatric nurse practitioner".

Sec. 2. The amendments made by this Act shall become effective with respect to any contract entered into or renewed on or after the date of enactment of this Act.●

By Mr. LONG (for himself and Mr. GRAVEL):

S. 1240. A bill to amend the Internal Revenue Code of 1954 to make permanent the provisions relating to the funding of employee stock ownership plans through the investment tax credit, to provide a credit against tax for contributions to an employee stock ownership plan based upon wages rather than investment in equipment, and for other purposes; to the Committee on Finance.

EMPLOYEE STOCK OWNERSHIP IMPROVEMENTS ACT OF 1979

Mr. LONG. Mr. President, if we in the United States are to have a private property economy for our children to enjoy—and for their children in turn—we must set a course, a legislative direction that will establish a secure foundation for capitalism and private enterprise.

If we are to insure the long-term survival of our political system, we must have an economic policy that is truly supportive of this Nation's private property philosophy.

The most immediate danger is that our private property system is rapidly losing its constituency. We are asking taxpayers to bear an ever-increasing tax burden—yet we have thus far failed to legislate a national tax policy designed to include those taxpayers as a part of the capital-owning system.

If we are to reasonably expect the taxpaying public to support capitalism, then capitalism should support the taxpayer's reasonable access to capital ownership.

The statistics are not encouraging. In fact, they indicate that nonaction on our part is no longer merely unwise; nonaction is now clearly dangerous. Let me share with you a few of the statistics which convince me that we are failing our constituents by not providing them an opportunity to own stock in this Nation's productive might.

Several of these figures you may have heard before when I and others have risen to speak in support of employee stock ownership plans. In 1976, the Joint Economic Committee, under the leadership of Hubert Humphrey, found that more than 50 percent of this country's individually held capital stock is presently owned by less than one-half of 1 percent of the population.

I find that shocking. In the world's most avowedly capitalist economy, we have allowed, indeed, with our tax laws we have encouraged, an unconscionable and, perhaps more importantly, an unworkable concentration of wealth in the hands of only a few.

In fact, the number of individual shareholders is steadily shrinking. In the most recent shareholder census conducted by the New York Stock Exchange, it was found that over a 5-year period the number of individuals owning stock in the United States shrank by more than 18 percent.

Perhaps even more disturbing, over the same 5-year period, the average shareholder's age increased by 5 years. What does that say to the youth of this country? Why should they support a system of which they are not a part? And of which they are not likely to become a part.

The findings of the Joint Economic Committee likewise provide little encouragement for our working men and women. And for those seen to enter the work force. The committee found that the working nonprofessionals of this Nation—comprising more than 76 percent of the work force—presently own only 19 percent of the Nation's capital stock.

Despite all the fine, populist oratory and good intentions of great men like Franklin Roosevelt, Harry Truman, Dwight Eisenhower, John Kennedy, and Lyndon Johnson—the distribution of net worth among Americans today, in relative terms, is about the same as it was when Herbert Hoover succeeded Calvin Coolidge.

A clear majority of the Nation's households have a current net worth of well under $10,000. In fact, one study indicates that 63.2 percent have a net worth of less than $5,000. And one out of every eight families in our allegedly affluent society now have a net worth of less than zero.

It is clear to me that before capitalism will be perceived as a good deal by the voting public, it must become a good deal for a great deal more people. The legislation that I am offering today is not meant to solve all our problems in this area.

Nor, I must stress, is it meant either to redistribute income or to disturb existing wealth. What it is intended to do is to redistribute opportunity. It is meant to open stockownership to a broader base of our population. And it is meant to point our tax system in a direction designed to enlist the support of the voting public.

It is meant to indicate to the taxpaying public that, yes, we in the Congress really do believe that ownership counts. And it is meant to show that rather than continuing to pay lip service and offer rhetorical homage to the idea of private property ownership, we in the Congress are finally moving to adopt a comprehensive program of tax incentives designed to enable the working public to share in a piece of the action.

The problem of concentrated wealth is more than a simple matter of equity. Personally, I happen to think it grossly unjust that the incentives provided by our tax laws are such that the vast majority of this nation's new productive wealth continues to be financed so as to create practically no new owners. But equity aside, I simply do not think that our economic system can continue to operate under the strain of concentrated capital ownership.

Unless we work to build economic independence and more net worth into our work force, we will be forced to rely more and more upon welfare, social security, unemployment insurance, and various other Government benefit programs to care for the needs of our people.

I am proposing with this legislation that we begin to connect the American people to the productive might of their economy. My concern is not with the few who have so plentifully much but with the many who have so pitifully little.

Since 1960, we have watched the Federal budget grow from $91.6 billion to well over $500 billion. Much of that skyrocketing growth represents Government projects devoted not so much to accomplishing work as to making work—work that is all too often provided at taxpayer expense in order that people can work for a living rather than being directly on a Government dole.

An even more telling story is revealed in the growth of Federal transfer payments to individuals. Since 1960, such income-generating devices have increased enormously—soaring from $20.6 billion in 1960 to 1979's $198 billion—including an increase of almost $100 billion in the past 5 years alone.

We in Congress have a long-term commitment to our political system, a commitment that is going unfulfilled. For our economic system to survive—and to thrive—its benefits must be extended to those who eventually must make it work. Rather than creating a constituency for capitalism, we have been steadily adding people to the welfare rolls. And to the makework rolls. And to the countless other transfer programs designed to disguise the onus of welfare.

I heartily agree with the observation of my good friend Ray Marshall, the Secretary of Labor, when he aptly noted that "There is no more complete rejection of a human being than to give them a job you know and they know is useless."

Years ago we knew that ownership

was important. It was this type of thought that led to the Homestead Act a century ago. The social contract protected private property and promised people a chance to acquire their own personal capital stake. And the Federal Government took steps to insure that the American public did in fact have an opportunity to own land, the capital legacy of this great country.

But capitalism's land frontier is long since closed. And our industrial revolution is now more than a century old. Unfortunately, at least for those of us who see capitalism as better than any of its alternatives, we did not finance our industrial development of the past century so as to insure its broadened ownership.

In 1850, some 94 percent of the industrial power of this Nation was supplied by muscle—both human and animal. Yet though we are now a post-industrial Nation, we continue to finance most of our new capital in such a short-sighted fashion as to leave us with only a scanty sprinkling of capitalists.

"Labor," as President Grover Cleveland once so aptly pointed out, "is the capital of our workingmen." Unfortunately for capitalism, and despite the enormous technological advances of the past century, labor continues to be the only capital of our workingmen.

Productivity increases will continue to come largely from new technology. Although we have advanced from the day of men and muscle to the age of the computer and the crane, in doing so we have sorely neglected the democratic tradition of capitalism. To meaningfully participate in the capitalism of today is not the same as it was a century ago. Yet the commitment of the American worker is, as before, dependent upon a sense of participation.

I do not think I need to chronicle for you the increasing alienation of the American work force. There is no unity of interest. When it comes to capital ownership, the working men and women of this Nation have been locked out, left out, and forgotten. Before they totally give up on capitalism, I suggest that we in Congress move imaginatively to cut them in on a "piece of the action."

Unless this Nation's tax philosophy includes an opportunity to own, I fear for the long-term survival of our private property economy. Unless the Nation's work force develops a better understanding and appreciation of our private property system, I fear that our free enterprise system will continue to steadily lose ground.

A recent Washington Post editorial reflected the sad state of American productivity gains during the decade 1967 to 1977. During that 10-year span, Japan had productivity gains of 107 percent; France 72 percent; West Germany 70 percent; Italy 62 percent; and Canada 43 percent; leaving Great Britain and the United States tied for last place with a productivity gain of only 27 percent.

We clearly cannot spend our way out of inflation. We will not make any real impact on inflation until we make an impact on capital investment. It takes real capital growth to have any long-term effect on productivity. And it takes an enormous amount of capital to create real, productive, private-sector employment.

Let us not repeat the mistake we have made so often in the past. This time as we move to solve the problem of capital creation let us make certain that we create more capitalists as well. The creation of future wealth should go hand-in-hand with programs designed to create more wealthholders.

One area in which Congress can begin to make inroads on both capital formation and capital ownership is in the design and availability of the investment tax credit.

In the Tax Reduction Act of 1975, the Congress enacted legislation which allowed a company to claim an additional 1 percent investment tax credit—provided the company used its tax savings to invest in employer stock for its employees. These plans were quickly dubbed tax reduction act employee stock ownership plans, or TRASOP's for short. I refer to this type of plan as a tax credit employee stock ownership plan.

Initially, tax credit employee stock ownership plans did not prove popular, primarily because the additional investment credit was available for only 2 years. Then, in 1976, the Senate approved legislation expanding the additional investment credit to a full 2 percent. In conference, however, that was scaled back to the original 1 percent, with the availability of an additional one-half percent investment credit—provided employees contributed a matching amount of cash.

The primary objection to the expansion of the employee stock ownership plan investment credit to a full 2 percent was that the tax incentive is used to buy stock only for the employees of capital-intensive companies. Several of my colleagues here in the Senate found it inappropriate that a tax credit be utilized for such a limited purpose, particularly when there was no such tax credit available to labor-intensive companies. I agree.

The legislation before you today is designed to address that objection by providing a tax incentive to both the capital-intensive and the labor-intensive corporation. This legislation would grant a company an option of claiming either the 1½ percent employee stock ownership plan investment tax credit or an employee stock ownership plan credit equal to 1 percent of the payroll of employees covered by the plan.

This will make such plans equally attractive to those corporations whose primary investment is in the employment of machinery and equipment and those whose primary investment is in people. This legislation would also make these two options a permanent part of the Internal Revenue Code. It would also allow an employer to claim less than the full credit if it desired to do so.

The tax credit employee stock ownership plan has been popular among the Nation's largest employers. The Committee on Finance surveyed 1,000 Fortune-listed corporations this winter and found that 212 of 859—about 25 percent—responding companies now have such a plan.

Not surprisingly, they are particularly prevalent in certain capital-intensive industries, with tax credit employee stock ownership plans appearing in more than 85 percent of the Nation's largest utilities and petroleum-refining companies. Similarly, more than two-thirds of the companies in the paper, fiber, and wood products industries now have such employee stock ownership plans.

More importantly, however, 229—another 25 percent—of the responding companies which do not presently maintain such a plan stated that they would establish one if the payroll-based tax credit became a part of our tax laws. It is important to note that this would also find great acceptance with smaller companies in the United States, most of which are labor-intensive.

We need to rejuvenate ownership's dying spirit. We need to return a sense of community, a sense of commitment and a sense of dignity to the workplace. And we need to begin to make the real world of business comprehensible to the American public. What better way to do all these things than to provide working Americans with access to the ownership of American business?

I would like to read for you a quote from Work in America, a 1972 study by the Department of Health, Education, and Welfare, and a classic in a continuing barrage of indictments of the current American work experience:

> The discontent of trapped, dehumanized workers is creating low productivity, increasing absenteeism, high worker turnover rates, wildcat strikes, industrial sabotage, poor quality products and a reluctance by workers to give themselves to their tasks. Work-related problems are contributing to a decline in community cohesiveness, and less "balanced" political attitudes. Growing unhappiness with work is also producing increased drug abuse, alcohol addiction, aggression and delinquency in the work place and in the society at large.

I support the work ethic. And I support the idea of equal employment opportunity. Yet I also believe that the work ethic should be coupled with an ownership ethic. And that the Federal Government should move to make capital ownership an opportunity that is also equally available to all. I believe the American economy would be far stronger if the American worker were to once again be provided an opportunity to own the tools and equipment with which he works.

Our wage and welfare-based interpretation of equal economic opportunity is creating a nation of economic eunuchs, their human potential stifled in jobs too small for their spirits, their work often meaningless except as a necessary source of income. A life without work is a poor life indeed. But when the work is useless, pointless, and a dead end, then that, to me, represents what is truly a life of poverty.

I think a broadly-based program of ownership opportunity development could go a long way toward improving the commitment and the morale of the American work force. And certainly a chance to own a piece of tomorrow should bring with it a stronger commitment to today.

Hubert Humphrey once said that his only objection to private property was that not enough people owned some of it. That has been the principle objection to capitalism throughout history. In fact, in most parts of the world capitalism is defined simply as a system in which the productive wealth of a nation is concentrated in the hands of a privileged few.

I consider it a remarkably shortsighted strategy for us to expect other nations to move in the direction of private ownership when we ourselves have yet to set our economy on a sure course toward broadened capital ownership.

With an endeavor such as this we could strike at that aspect of capitalism most subject to criticism—our poor distribution of wealth. Other countries would be challenged, indeed inspired, to improve their systems. We would be making good on our promise of a better life for our people and challenging other nations to do likewise. And lesser developed countries would be encouraged to move our way rather than the socialist way.

I believe that employee stock ownership represents a healthy new direction for our ailing free enterprise system. It seems to me an appropriate course of action for the Congress to encourage companies to finance a portion of their capital growth in such a manner that their employees have an opportunity to share in its ownership. Those who would label this a "tax loophole" should keep in mind that if it is a loophole, and I deny that it is, it is one of preciously few such loopholes designed to favor working Americans.

I find it discouraging that such legislation must, of necessity, effect some change in the Federal budget. However, having watched the Federal budget pass the $500 billion mark, and having watched transfer payments to individuals increase almost 1,000 percent in less than 20 years, I am reminded how former Budget Director James Lynn used to caution that the direction of change in the Federal budget is often more important than the size of that change.

Although the legislation before you does represent a change in the Federal budget, I hope that you join me in applauding the healthy direction of that change. When I weigh the potential benefit to be derived against the projected cost; and when I consider the alternative of not beginning to move our economy in this direction, I stand convinced that, in the long-term, we must encourage such broadened ownership devices. Nonaction on our part is a political decision in favor of continued, and indeed increased, concentrated ownership of productive capital.

In the long-run, I also feel that broadened stock ownership techniques hold great promise for shrinking the burdensome size to which the Federal budget has grown. A wide-spread program supportive of broadened stock ownership can begin to save the Federal Government many of the direct costs associated with cash payments that might otherwise be made to individuals.

This past July, the Department of Labor's Monthly Labor Review published a study which reflects that employee-owned companies are more profitable, a clear indication that employee stock ownership does indeed have the potential to increase productivity.

I have been conducting a survey of ESOP companies, and while it is still somewhat incomplete, it reflects that of the companies surveyed to date, employment has increased 30 percent, sales have increased 67 percent, profits have increased 125 percent and Federal taxes have increased 112 percent since the ESOP was set up.

However, in order to translate that increased productivity into a tangible benefit for the employees who helped to create it, the employer company needs a means through which such increased profitability can be made to reach its employee-owners. The motivational effect of employee stock ownership is obvious. But if working Americans are to learn to truly appreciate the value of capital ownership, that ownership should be designed to have some direct effect on their lives.

As the great cynic Moliere put it so well so many years ago, "There's no appreciation quite like the kind you can put in your pocket."

This bill would allow a corporation with an employee stock ownership plan to deduct the expense of dividends passed through to employees on their stock in an employee stock ownership plan. This permits a company to pay, and its employee to realize, an ownership income.

It is my hope that the payout of the fruits of corporate productivity will introduce a new dimension to capitalism. Clearly such a dividend income can lay a stronger foundation for economic growth by increasing consumer demand. But more importantly, it is my belief that by making more working Americans dividend-receiving capitalists, they will begin to feel more a part of the system and will begin to think and act as owners.

This bill would also permit an employee stockownership plan to be treated as a charity for income, estate, and gift tax purposes. This would encourage affluent taxpayers to make gifts to employee stockownership plans in order to reconnect the ownership of capital with a broader base of private individuals, most of whom would be the employees who contributed to the building of the donor's wealth.

In addition, I remind other Senators that contributions to charitable organizations are already exempt from taxation, and assets left to a charitable organization are forever lost to our system of taxation. By permitting an individual to leave his property to an employee stockownership plan, we are moving not only to strengthen the connection of working Americans to productive capital, we are also assuring that these amounts will remain within our Federal tax system, and will be taxable to employees who receive a distribution from the employee stockownership plan. In an era during which most tax legislation results in a "revenue loss," this provision results in a "revenue gain."

This bill also exempts from taxation the first $5,000 of any lump-sum distribution from a tax credit employee stockownership plan provided the distributee has been a participant in the plan for at least 3 calendar years prior to the date of distribution. This provision is intended to recognize the fact that far too few working Americans are able to accumulate a capital estate of any size. Employee stockownership plans are intended to provide an opportunity for the workingman to begin to accumulate such an estate.

It does not make good tax sense for us to provide tax incentives for personal capital accumulation and then to turn around and, in effect, require that a portion of this new wealth be sold to pay taxes due on the distribution. Thus, this modest tax exemption on the first $5,000 of capital accumulated through participation in a tax credit employee stockownership plan is meant to further promote the economic self-sufficiency that such plans are intended to bring about.

This legislation would also accomplish the following objectives:

First. Because companies have been discouraged by the complicated rules and regulations relative to the matching employee and employer contributions for the one-half percent investment tax credit for tax credit employee stock ownership plans, this legislation would simplify this problem by permitting the employer to make the matching contribution on behalf of its employees.

Rather than going through the mechanics of determining where the investment tax credit and the tax deduction flow, the bill would give the employer the 1½ percent investment tax credit it already receives and a tax deduction for the one-half of 1 percent it contributes on behalf of employees.

This would also resolve the Treasury Department's concerns about possible discrimination in benefits under these plans; this provision requires that the additional one-half of 1 percent amount be allocated to all participating employees, rather than, as under existing law, allocating it solely to the employees who actually make a matching contribution.

Second. Because an artificial distinction exists between what are referred to as "ESOP's" and more traditional "stock bonus plans," this legislation would extend to stock bonus plans the "cash distribution option" and "put option" provisions enacted for ESOP's in the Revenue Act of 1978.

This is clearly mandated by intelligent consideration. A stock bonus plan which today wished to take advantage of the cash distribution provision could simply borrow a dollar from the sponsoring employer, thereby becoming an ESOP, and thereby avail itself of a feature otherwise limited to ESOP's.

This artificial distinction has no real basis. The requirement for a put option in connection with stock bonus plans will protect employees by insuring that the employer provides a market for stock distributed to employees under a stock bonus plan. This protection already exists for ESOP's.

Third. The legislation also recognizes that many employers, such as independent newspapers, are very concerned about competitors acquiring stock in their company and thereby obtaining valuable information. For this reason, many such newspapers limit stock ownership in the company to those actually employed by the company.

In order to encourage independent newspapers to make stock ownership an opportunity available to all employees through an employee stock ownership plant, this legislation permits such an employer to provide in the plan documents that a participant in the employee stock ownership plan who terminates his employment can only receive a cash distribution from the plan. Such an employee would be treated like other shareholders of that employer and would still receive the benefits of all growth in value of the stock while he is employed.

Based on the productivity figures which I have received in my employee stock ownership survey, this growth should be considerable.

Fourth. I am aware that many State regulatory agencies are using every subterfuge to require public utilities which utilize tax incentives for capital formation to pass through any resulting tax savings as rate reductions to customers. Where this pass-through requirement exists, it operates as a substantial deterrent to the adoption of tax credit employee stock ownership plans because a utility is, in effect, thereby required to pay out the tax credit twice—once as a contribution to the plan and then again as a rate reduction to consumers.

Under current law, this pass-through requirement can also cause a utility to lose the tax credit available with an employee stock ownership plan. Although I am not prepared to tackle the entire issue in this legislation, I am determined that the efforts of these State agencies will not deny stock ownership opportunities to the thousands of employees of these public utilities.

Accordingly, this legislation removes the denial of the tax credit for the public utility which sets up an employee stock ownership plan even though a pass-through may be required by these State regulatory agencies.

I also intend to encourage these State agencies not to jeopardize the opportunity for employee stock ownership by continuing to require the rate reduction pass-through.

Fifth. Employee stock ownership plans, due to their far greater complexity than most other employee benefit plans, tend to be much more expensive to establish. This is especially true for the smaller employer. We in Congress are working to encourage all employers, big and small, to share ownership with their employees. Accordingly, this legislation would provide a tax credit to offset up to $5,000 of the cost of establishing an employee stock ownership plan by an employer which has less than 100 employees.

Sixth. In section 415(c)(6) of the Internal Revenue Code, Congress provided a special limitation to certain types of employee stock ownership plans; a higher dollar limitation was placed on the amount of contributed stock which could be allocated to participants in these plans. Inadvertently, we neglected to apply this same limitation to cash which is contributed to these plans and used to acquire stock. The result should be the same in either situation. This legislation would correct that oversight.

Seventh. This legislation would also permit employees who are participating in a tax credit employee stock ownership plan maintained by the employer, but who are not participating in any other qualified plan, to establish and contribute to an individual retirement account (IRA). This is because the average annual benefit to an employee under a tax credit employee stock ownership plan is usually only about 1 percent of his salary and wages for that year, far below the amount which the employee could put into an IRA.

The unintended effect of the current situation is to encourage employees not to participate in the tax credit employee stock ownership plan so that they can establish an IRA. Employees are thereby deprived of the benefit of stock ownership. This anomaly would be remedied by the legislation.

Eighth. In the event an employer has utilized an employee stock ownership plan in a leveraged transaction, and is committed to making annual contributions to permit the plan to repay the leveraged amount, it is possible that extraordinary forfeitures which result from unanticipated employee turnover might, when combined with the employer contributions to the plan, cause the limitations imposed by section 415 of the Internal Revenue Code to be exceeded. This legislation would correct that problem.

Ninth. Last year, as part of the Revenue Act of 1978, the Congress provided for the pass-through to plan participants of voting rights in certain situations on closely held employer stock held in profit-sharing plans, stock bonus plans, money purchase pension plans, and employee stock ownership plans.

This was a very ill-advised decision. We held no hearings on this question and did not give the business community any opportunity to advise Congress on how they perceived the issue. In fact, only the Treasury Department actually demanded the pass-through of these voting rights.

This winter, I and most other Members of Congress have received letters from constitnents, all opposing this provision in the Revenue Act of 1978. I would estimate that perhaps as many as 300 letters and telegrams have reached me personally. We must be willing to revise a law which does not work; accordingly, this legislation would repeal this voting rights pass-through. As I stated publicly last October 18:

> We have to recognize that, however laudable some might feel these requirements to be, they will be meaningless if they cause employers not to adopt (or to terminate) these plans and deprive their employees of the benefits of stock ownership.

Tenth. Since the Tax Reduction Act of 1975, the law regarding tax credit employee stock ownership plans has required that publicly traded employer securities which are contributed to the plan are to be valued as of the 20 trading days preceding the filing of the employer's Federal income tax return. Since many employers make plan contributions at other times of the year, this provision does not work. Accordingly, this legislation provides that the 20-day measuring period is the time preceding the actual contribution of the employer securities to the plan.

Eleventh. This legislation also includes all the necessary technical corrections to the Revenue Act of 1978. I would hasten to point out that the technical nature, and purpose, of these changes have all been reviewed and approved by the Treasury Department.

Twelfth. This legislation will also make certain minor changes regarding other qualified employee benefit plans by providing that the tax deductible limitations contained in section 404(a)(7) of the Internal Revenue Code will apply to any combination of two different defined contribution plans and by permitting an individual to act as trustee of plan assets when a terminated Keogh plan is replaced by a qualified plan adopted by a proprietorship or partnership which incorporates.

Thirteenth. Finally, this legislation corrects a conceptual inconsistency of the Revenue Act of 1978 by enabling a company to offer its employees greater personal flexibility in the design of their own employee benefit plans. As drafted, the 1978 act permits an employee to choose between cash and welfare benefits or between cash and deferred profit-sharing.

This provision would enable a company with such a flexible benefit program to offer employees a choice of cash, welfare benefits, or deferred profit-sharing, provided certain existing standards of nondiscrimination are met. This will give employees more personal choice in the design of their compensation. And, for employers who decide to do so, this provides another device by which employees can acquire stock in the company for which they work.

ADDITIONAL COSPONSORS

S. 111

At the request of Mr. BUMPERS, the Senator from Arkansas (Mr. PRYOR) and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 111, a bill to improve the administrative process by making Federal agencies more responsive to the will of the people as expressed by their elected representatives in Congress.

S. 219

At the request of Mr. MOYNIHAN, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 219, a bill to amend the Internal Revenue Code of 1954 to allow the charitable deduction to taxpayers whether or not they itemize.

S. 252

At the request of Mr. CULVER, his name was added as a cosponsor of S. 252, the Antiarson Act of 1979.

S. 391

At the request of Mr. ROTH, the Senator from Mississippi (Mr. COCHRAN), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Idaho (Mr. MCCLURE) were added as cosponsors of S. 391, a bill to limit the burden of reporting requirements placed on small businesses, to provide for the pilot testing of reporting forms issued or required by the Federal Government, to establish procedures for the reduction of the reporting burden upon small businesses on a continuing basis.

S. 458

At the request of Mr. STAFFORD, the Senator from Arizona (Mr. DECONCINI) and the Senator from New Hampshire (Mr. DURKIN) were added as cosponsors of S. 458, a bill to amend title XVIII of the Social Security Act for the purpose of including community mental health centers among the entities which may be qualified providers of service.

S. 685

At the request of Mr. JOHNSTON, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 685, a bill to establish a program for Federal storage of spent fuel from civilian nuclear powerplants, to set forth a Federal policy and initiate a program for the long-term storage of nuclear waste from civilian activities, and for other purposes.

S. 947

At the request of Mr. MATHIAS, the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 947, a bill to amend title 18 of the United States Code to allow the transportation or mailing to a foreign country of materials concerning a lottery authorized by that foreign country.

S. 955

At the request of Mr. HELMS, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 955, the Taxpayers Bill of Rights Act.

S. 1090, S. 1091, AND S. 1092

At the request of Mr. TALMADGE, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1090, S. 1091, and S. 1092, bills to amend the Internal Revenue Code and the Employee Retirement Income Security Act relating to church plans.

SENATE JOINT RESOLUTION 59

At the request of Mr. INOUYE, the Senator from California (Mr. CRANSTON) was added as a cosponsor of Senate Joint Resolution 59, to authorize the President to issue annually a proclamation designating the second week in May of each year as "Municipal Clerks Week."

SENATE RESOLUTION 136

At the request of Mr. MORGAN, the Senator from Michigan (Mr. LEVIN) and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of Senate Resolution 136, encouraging the Secretary of Agriculture to establish an Office of Farmer Cooperatives.

SENATE RESOLUTION 163

At the request of Mr. HART, his name was added as a cosponsor of Senate Resolution 163, relating to an International Wheat Exporters Conference.

UP AMENDMENT NO. 181

At the request of Mr. DECONCINI, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of unprinted amendment No. 181 to S. 584, a bill authorizing funds for fiscal year 1980 for international security assistance programs.

SENATE RESOLUTION 170—SUBMISSION OF A RESOLUTION RELATING TO SENATE OFFICIAL OFFICE ACCOUNTS

Mr. HATFIELD (for himself, Mr. STEVENSON, Mr. SCHMITT, Mr. BURDICK, Mr. HELMS, and Mr. MORGAN) submitted the following resolution, which was referred to the Committee on Rules and Administration:

S. RES. 170

Resolved, That (a) no reimbursements shall be made from the contingent fund of the Senate pursuant to section 506 of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58), commonly referred to as a Senator's Official Office Expense Account, unless the vouchers presented for expenses incurred are accompanied by supporting documentation.

(b) The Committee on Rules and Administration is authorized to promulgate regulations to carry out the purpose of this resolution and to except specific vouchers from the requirement of subsection (a) of this resolution.

(c) This resolution shall apply with respect to expenses incurred on and after the first day of the first calendar month which begins not less than 60 days after the date on which this resolution is agreed to.

● Mr. HATFIELD. Mr. President, I submit today a resolution which would require that documentation be submitted with vouchers when a Senator requests reimbursement for official office expenses. In my judgment, there is a compelling need for such a requirement.

The total sum available annually to all 100 Members of this body in Senatorial official office accounts is nearly $5.5 million. Categories of allowable expenses within this account are set forth in statute. In general, all that need be done to receive funds from this account, up to the maximum set for each State, is for a Senator to submit a signed voucher to the disbursing office stating the total amount of expenses incurred within each of the allowable categories. The disbursing office and the Rules Committee insure that an office receives no more than the maximum allowable, and that the vouchers are in acceptable form and properly certified. It is left to the Senator's office to determine that the expenses claimed have actually been incurred, and that the claimed expenses fall within an authorized category.

Obviously, there is excessive opportunity in this system for unintentional, but costly, error, and for abuse. Requiring that documentation be submitted with vouchers would enable the Rules Committee, which has the responsibility to approve all expenditures from the contingent fund of the Senate, to oversee and control such expenditures with a much higher degree of uniformity, background knowledge, and confidence. The possibility of error and of abuse of these accounts would be drastically reduced.

Consolidated official office allowances were established in 1973. Prior to that date, Senators were authorized several individual accounts for office expenses. There were separate accounts for air mail and special delivery postage; long distance telephone charges; stationery; home State office space rentals; other home office expenses; magazine and periodical subscriptions; and travel. As costs in some of these categories grew disproportionately, some of the individual limits became unreasonably low, and legitimate expenses over the arbitrary limits had to be borne by Senators personally. The existence of so many separate accounts meant that a Senator was not able to supplement one account by the unused amount in another. There was an attempt to determine appropriate and fair limits on the individual accounts according to the population of the State a Senator represented, the distance of that State from the District of Columbia, and other factors. Nevertheless, inequities remained.

The Appropriations Committee remedied this problem in a fiscal year 1973 Supplemental Appropriations Act. That law consolidated the several individual office accounts, and created a total ceiling on office expenditures. Senators had flexibility within the ceiling to use the account to best advantage. Reimbursement for expenditures was made subject to two requirements: Certification by the Senator, and submission of itemized vouchers. As had been the case with the individual accounts, there was no requirement that documentation be submitted to the disbursing office or the Rules Committee.

Greater flexibility was built into the system in the fiscal year 1978 Legislative Appropriations Act, by the addition of another category within the official office account. Under section 112 of this law, 10 percent of the total amount of a Senator's account could be set aside for "such other official expenses as the Senator determines are necessary." The legislative history of this section makes clear that whatever a Senator claimed as an official expense was to be accepted as such. The Rules Committee has since recognized some inherent restrictions on the uses which can be made of this 10 percent. For example, it cannot be used to overcome specific prohibitions contained in other laws, such as the ban against per diem expense reimbursement during the 60 days immediately before the date of any primary or general election. Because it was recognized that an extraordinary amount of discretion was being granted Senators over this portion of their official office account, the law required that not only would the expenses under this section be certified by the Senator, but that "detailed itemized vouchers" would be required. In addition, banking on the logic that disclosure would prevent abuse of this discretion, the law stipulated that expenses under this section would be separately listed in the semiannual report of the Secretary of the Senate on Senate receipts and expenditures.

So the law at present requires a higher standard of specificity for reimbursements from 10 percent of the official office account than it does for reimbursement from the remaining 90 percent. Neither standard, however, in my view is sufficient. Documentation, such as a receipt or billing statement, should be required for reimbursements from the entire account. Such a policy would bring Senate policy in line with general Federal Government policy for handling public money expended for official purposes.

Such a requirement would also insure consistency in the use of this account among Senate offices. Although the Rules Committee possesses authority to approve or disapprove expenditures from this account, it is not possible to exercise this responsibility fully under the present circumstances. In effect, the judgment of whether an expenditure is properly reimbursable now rests largely with 100 Senators, or their administrative assistants. The public has a right to expect consistency where taxpayers' funds are at stake, and there cannot be consistency if the judgment required is effectively decentralized to 100 separate offices. My proposal would give the Rules Committee the tool needed to properly exercise its statutory authority and, at the same time, assist and benefit all Senators. I believe most Senate offices would be delighted to be relieved of the burden and risk of making this judgment.

Mr. President, at this time of public distrust of Government officials, this proposal would not only significantly reduce the opportunity for impropriety, it would eliminate the possible appearance of impropriety. We must restore the public's faith in the integrity of Government officials, and this resolution represents a step in that direction, as far as the Senate is concerned.

In restoring such faith, however, I do not want to needlessly burden Senate offices. Therefore, section 2 of this resolution would authorize the Committee on Rules and Administration to adopt regulations pursuant to the resolution. The committee may want to consider adopting a threshold level, such as $25, below which documentation would not be required for reimbursement of expenses. The committee might also want to adopt a backup system, whereby expenses could be paid in special situations, without documentation. The resolution would not go into effect until at least 61 days after passage, in order to permit the Rules Committee to adopt appropriate regulations and inform all Senate offices of the new procedures.●

AMENDMENTS SUBMITTED FOR PRINTING

EMERGENCY ENERGY CONSERVATION ACT OF 1979—S. 1030

AMENDMENT NO. 209

(Ordered to be printed and to lie on the table.)

Mr. HUDDLESTON submitted an amendment intended to be proposed by him to S. 1030, a bill to authorize the President to create an emergency program to conserve energy, and for other purposes.

● Mr. HUDDLESTON. Mr. President, the amendment I am submitting today is designed to assure that even if it becomes necessary to restrict the sale of gasoline on rotating days of the week, the sale of alcohol-gasoline blends, "gasohol," would not be restricted.

There is no question that we have to conserve gasoline. The bulk of the foreign oil we import is consumed as gasoline. Our national security and our economy are at stake for as long as those imports continue at ridiculously high levels. They have to stop.

But, at the same time, there is no question that our vast transportation network system and the mobility it affords are cornerstones of our economy and our very way of life. Mass transit has enormous potential, but there will always remain many areas and many instances where there will be no substitute for the private automobile. Consequently, it is imperative that we develop alternatives to pure gasoline.

One of the most promising alternatives is gasohol, a blend of 10 percent alcohol and 90 percent gasoline. Initial experiences with gasohol have been very encouraging. Not only does it save 10 percent out of every gallon of gasoline, it increases fuel mileage. It increases the octane rating of the fuel. This is particularly important for unleaded gasoline, and it is unleaded gasoline which strains the capacity of refineries and which is in the shortest supply. There also are indications that gasohol may burn cleaner than conventional gasoline.

Gasohol has made impressive strides in the past year, and is now available at more than 500 locations. But, it is still a fledgling industry. To place any restrictions on gasohol sales at this stage in its development could seriously inhibit its growth and could jeopardize the progress we have already made.

On the other hand, to permit gasohol sales during times of restricted gasoline sales could be an incentive for increasing its manufacture, availability and use.●

NOTICES OF HEARINGS

HEARINGS ON THE INTERNATIONAL TAX TREATIES

Mr. JAVITS. Mr. President, the Foreign Relations Committee announced on May 21, that on June 6, at 10 a.m. in room 4221 of the Dirksen Senate Office Building, it will conduct hearings on the international tax treaties presently pending before the committee. These include: First, protocol to the existing United States-France Income Tax Treaty; second, United States-France Tax Treaty; third, United States-United Kingdom Income Tax Treaty; fourth, protocol to the proposed United States-United Kingdom Income Tax Treaty; fifth, United States-United Kingdom Estate Tax Treaty; sixth, United States-South Korea Income Tax Treaty; and seventh, United States-Hungary Income Tax Treaty.

Any persons or organizations interested in testifying or making written presentations should contact Patrick Shea at (202) 224-4615.

SUBCOMMITTEE ON ENERGY REGULATION

● Mr. DURKIN. Mr. President, I wish to announce that the Subcommittee on Energy Regulation of the Senate Committee on Energy and Natural Resources will hold a public hearing on Tuesday, May 29, 1979, commencing at 10 a.m. in room 3110, Dirksen Senate Office Building.

The purpose of the hearing will be to receive testimony concerning a General Accounting Office report identifying certain problems involving the Department of Energy's enforcement of crude oil pricing regulations as they apply to crude oil resellers.

Questions concerning the hearing should be referred to Owen Malone of the committee staff on 224-7141.●

SUBCOMMITTEE ON INTERNATIONAL FINANCE

● Mr. STEVENSON. Mr. President, the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs will hold a hearing on Monday, June 11, on S. 339, a bill to amend the Export-Import Bank Act of 1945 and the Trade Act of 1974. The purpose of the bill is to establish a more flexible and effective framework for trade with Communist countries.

The administration is seeking to establish normal trading relations with both China and Russia. Expanding trade with both countries can increase U.S. exports and create jobs, while reinforcing tentative steps toward reduced tension.

It is essential that steps to open trade with China not appear to be directed against Russia, and vice versa. Evenhandedness is the proper touchstone for improving relations with both powers. Our present statutes unintentionally prevent an evenhanded approach.

The Jackson-Vanik amendment to the Trade Act of 1974 singles out emigration restrictions as the overriding political concern in our relations with Communist countries. The Jackson-Vanik amendment requires Communist governments to give assurances that they are establishing free emigration practices, before normal tariff treatment can be accorded their exports. Waivers based upon such assurances must be reconsidered annually by the President and Congress. Only Romania and Hungary have received waivers under Jackson-Vanik since 1974, and the requirement for annual review of waivers is a continuing irritant in relations with both countries.

The Jackson-Vanik amendment was directed toward the Soviet Union but applies by its terms to all Communist countries. It suggests that emigration practices are the sole political concern of U.S. trade policy in Communist countries. If a Communist country gives assurances regarding its emigration practices, tariff treatment equal to that accorded by the United States to other nations will be provided; other political and military activities need not be considered.

S. 339 would permit the President to weigh all relevant factors in U.S. relations with Communist countries, including emigration practices, before providing equal tariff treatment. Waivers could be granted for periods up to 5 years in order to provide sufficient continuity and predictability to enable trade contracts of normal duration to be concluded. Waivers would be reconsidered at least every 5 years—more frequently if circumstances warranted.

S. 339 would also amend the Export-Import Bank Act which currently contains limits on export credit to the U.S.S.R. but not China. The provisions added to the Export-Import Bank Act in 1974—some of which I authored—were intended to give Congress opportunity to reassess periodically the extension of credit for exports to the Soviet Union. The provisions were not intended to fix ceilings or require allocations of credit, as has been alleged, but to provide a flexible framework for systematically reviewing United States-Soviet relations. S. 339 builds upon the 1974 amendments by establishing a new checkpoint applicable to any Communist country. Eximbank credit to any Communist state could not exceed $2 billion without action by Congress to approve a higher threshold. S. 339 assures Congress opportunities to reconsider periodically Exim credits to Communist countries while enabling exporters to call upon Exim for help in meeting foreign government-subsidized competition.

I believe the evenhanded approach embodied in S. 339 is essential to advance U.S. economic and political interests in relations with both China and Russia. The Subcommittee on International Finance, which I chair, will receive testimony on June 11 from witnesses on the bill and U.S. relations with China and Russia. Persons desiring further information should contact Robert W. Russell, counsel to the International Finance Subcommittee, at (202) 224-0819.●

SELECT COMMITTEE ON ETHICS

● Mr. STEVENSON. Mr. President, hearings in the Senator TALMADGE investigation will recommence on June 4 and will be held each day from 9:30 a.m. to 1 p.m., as follows:

June 4, room 1202; June 5, room 1202; June 6, room 1202; June 7, room 1202; June 11, room 1202; June 12, room 1202; June 13, room 6226; June 14, room 1202.●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the sessions of the Senate today and tomorrow to consider S. 885, a bill relating to Pacific Northwest energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate today, to continue the markup of S. 428, the fiscal year 1980 Department of Defense authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MUSKIE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate today—beginning at 5:30 p.m.—to discuss the pending bankruptcy of the Milwaukee Railroad.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

VILAS COUNTY NEWS-REVIEW ANALYZES NATION'S ILLS

● Mr. NELSON. Mr. President, recently a small but highly prestigious newspaper in northern Wisconsin published a plain speaking, perceptive editorial which I commend to my colleagues.

It speaks to a point which many in the Congress and in the Nation fail to recognize: that the twin problems of energy shortages coupled with inflation have been building for a long time.

This administration now is reaping a whirlwind that, in the words of the editor, may be "the result of too many years of living high on the hog, while ignoring that we were butchering hogs for our feasts faster than we were finding new ones."

It is probable that the problems we are facing today—in spite of the fact that for the first time in over a decade we have both a nation that is prospering as well as a nation at peace—are impossible for any administration or any Congress to deal with quickly and effectively. Many thoughtful persons would agree with the premise that perhaps our form of government, with its many layers and fragmented responsibilities, and with its multiple access and stoppage points, prevents quick solutions to simple problems, let alone the kinds we are wrestling with today.

As you know, the Founding Fathers spoke to that question in the Federalist Papers as a way of preventing the tyranny of the majority.

And so, in that regard, as the writer suggests, it is doubtful that any President could look good until we in the Congress and we in the body politic decide that not only are we part of the problem, but that we are also part of the solution.

I ask that the editorial from the Vilas County-News Review be printed in full in the RECORD.

The editorial follows:

It Isn't All President Jimmy's Fault

It could be that if the editors of this newspaper ever had a chance to give an opinion to the national pollsters, who each week say President Carter is sinking almost out of sight in popularity, we would also say he is doing a bad job.

But we are not sure that President Carter, or any Presidential candidate who has been quoted in the press these days, is coming up with any answers to our two biggest problems—the price of gasoline and the cost of a hamburger or a beef steak.

We wouldn't believe anyone if they said we should vote for them for President, and dump Jimmy Carter, if they promised they are going to get us all the gasoline we want at a modest price—and that they will get the price of groceries to come down.

The co-editors were talking about the incumbent President that most of us seem to think really is doing a bummer of a job—and we tended to agree. But then when we sat down to write this editorial we wavered again, and wondered if we should heap it all on President Jimmy?

We suppose it would be ungracious and unmanly of the President to have a little TV chat with us one day—and have him try to put the monkey back on the Teamsters, some of the more greedy labor unions, some of the price fixing big business corporations, the three-martini lunch guys who work about four hours a day and add their expenses to the business and costs of everything we buy, the greedy OPEC nations—and a host of others, who have been riding a good horse to death.

We were going to more or less aim this editorial at President Jimmy and agree with the 75 percent of you, who say it is mostly his fault, and that he is doing a lousy job. But when we began to think of the fact that about 600 guys in Congress haven't been going on TV or being quoted in the press, with any really bright ideas on how the problems can be solved.

And then we wondered how many of these problems are the upshot of many years of dumb government—and unwise decisions?

How much of the present inflation was triggered by ten years of butter and guns during our horrendous Vietnam crusade?

And how much of the present energy crisis is the result of too many years of living high on the hog, while ignoring that we were butchering hogs for our feast faster than we were finding new ones?

We are not saying we shouldn't try a new leader. Anything we suppose is worth a try. But we rather doubt that any President will look very good until the Congress and all of us decide to be part of the solution—and accept reality and what it seems to be dictating.

When they wrote that line about many of us living in a fool's world, perhaps we are nearing that time when we really will understand what they meant.●

CHILD HEALTH ASSESSMENT ACT OF 1979

● Mr. DOLE. Mr. President, the Social Security Amendments of 1967 included a provision requiring States to provide preventive health services to medicaid children by July 1, 1969. Specifically, the law amended the Social Security Act to require as a mandatory program service, such early and periodic screening and diagnosis of individuals who were eligible under the plan and were under the age of 21 to ascertain their physical or mental defects, and provide such health care, treatment and other measures to correct or ameliorate defects and chronic conditions discovered thereby, as may be provided in the regulations of the Secretary.

Despite the fact that the program was to go into effect in 1969, DHEW did not issue implementing regulations until November of 1971, full implementation was not required until July of 1973.

Program delays led Congress to include penalty provisions in the 1972 amendments to the Social Security Act for States which failed to provide the requisite services. A penalty was to be assessed if a State failed to inform families of the availability of screening services and failed to actually provide such services to eligible children. The penalty required that the Federal share of the AFDC matching funds was to be reduced by 1 percent for each quarter, beginning July 1974.

The EPSDT program was intended to provide services to poor children. It is estimated that approximately 13 million children were eligible for medicaid and EPSDT services. Among those eligible, it is estimated that last year approximately 2.2 million children were actually screened.

EVALUATION OF PROGRAM

The EPSDT program has been judged to be a failure by most groups and individuals involved. The program has failed to meet legislative objectives, and has consistently had poor performance showings. Among the identified problem areas were these: First, many needy children were not eligible, second, the on and off nature of eligibility for welfare and medicaid interfered with receiving necessary services, third, many eligible children were never reached by the program, fourth, the program often failed to link children to an ongoing source of health care, fifth, in many areas, there were inadequate numbers of providers for medicaid children, sixth, follow-up to insure that children received necessary services often did not occur, seventh, significant difficulties surrounding implementation of the penalty provisions resulted in their never having taken place, eighth, deficiencies in the existing program data collection.

POTENTIAL FOR PROGRAM

Focusing on prevention and comprehensive health care for children has the greatest potential for reducing morbidity and mortality and the greatest potential for cost savings due to the increased length and quality of life. The value of early detection is important to prevent future disability.

The EPSDT program has demonstrated to date that over 50 percent of children screened require referral for an average of two conditions per child, 50 percent are inadequately immunized, and nearly 10 percent in urban areas have elevated blood-lead levels, and large numbers of dental, hearing, and vision problems.

The program, if effective, could, in the long run save a great deal of money and prevent much illness. But the program has not worked.

CHILD HEALTH CARE ACT OF 1979

Yesterday, the distinguished Senator from Connecticut, Mr. RIBICOFF, introduced the Child Health Assurance Act of 1979. That proposal, an improvement over the administration proposal presented to the 95th Congress for its consideration, provides both assistance and incentives for States to reach and assess more eligible children. The CHAP program as presented expands required medicaid services for children; makes all medicaid children whether assessed or not eligible for all medicaid mandatory benefits; adds certain children not currently covered and provides coverage for pregnant women who meet the income test and who might not otherwise be qualified for medicaid benefits. I believe the bill is well intended but perhaps still too expansive.

ROOM FOR IMPROVEMENT

I did not join as a cosponsor of the CHAP proposal because I believe that other alternatives or suggested improvements should be presented for the consideration of both the Finance Committee and the Senate as a whole.

For instance, I believe before extending eligibility to an additional 2 million children, an effort should certainly be made to improve the present program for existing eligibles. Additionally, I believe it will be very important to the success of any new or improved child health delivery system that every effort is made to coordinate with other programs authorized under the Social Security Act and other federally funded programs that provide care for children. It is only with such coordinating efforts that we can hope that children will be reached and care will be given, and services not unnecessarily duplicated.

As I am sure many of you are aware that some time ago the Senate Finance Committee, of which I am the ranking Republican member, requested the Congressional Research Service to prepare a listing of all the Federal programs which currently provide services to children. This listing has been prepared and forwarded to the committee and it is our hope that hearings will be held in the near future providing us an opportunity to review in some detail the current status of these programs and investigate possible ways of avoiding duplication and overlap. It is the belief of the Senator from Kansas that such oversight is necessary before proceeding with any new proposals.

CONCLUSION

I and the Senator from Kansas wish to acknowledge the fine leadership of my distinguished colleague, Mr. RIBICOFF, in the area of child health. I will look forward to working with him and with the other members of the Senate Finance Committee to explore all possible options available to us to improve child health services to the children of this Nation.

Certainly this effort must be a bipartisan one for our futures will all depend in large part upon our children. It is to them we must pass the responsibilities of leading our Government, our cities, and our people.

Our future rests upon our children.

We must look at the facts carefully. We must gather together and make our plans to declare a war on the neglect, the the illness, and the hunger that faces our children.●

SEVENTY-FIFTH ANNIVERSARY

● Mr. JOHNSTON. Mr. President, on May 25 and 26 Congregation Beth Israel of New Orleans will begin a year-long celebration of its 75th anniversary. Beth Israel is the oldest continuous Orthodox congregation in Louisiana. Chartered in 1904 by a group of Russian immigrants, it quickly attracted a large group of Polish, German, and Lithuanian Orthodox Jews, becoming a source of financial aid and moral guidance recognized by Orthodox congregations throughout the South.

Beth Israel was eventually able to construct a home on Carondelet Street which served the community for almost 50 years. During the war years, the congregation was a gathering point for Jewish soldiers, sailors and other servicemen stationed in the area. It was also recognized as a focal point for social, cultural, and educational activities for the entire family. The Menorah Hebrew School was of special note, offering special afternoon and Sunday instruction.

Some 10 years ago, Congregation Beth Israel moved to its present location on Canal Boulevard. Here the congregation has flourished, serving the Jewish community in the Lakeshore area. It is now the largest active Orthodox congregation in the Delta region.

The guest of honor at the Beth Israel anniversary celebration this month will be Dr. Israel Miller, vice-president of Yeshiva University and a leading Jewish scholar. I hope that the entire Senate will join me in congratulating Congregation Beth Israel on attaining its 75th year and in recognition of its many contributions to the community.●

S. 344: OHIO AND ALABAMA ADD THEIR ENDORSEMENT OF A FLEXIBLE BILLBOARD POLICY

● Mr. STAFFORD. Mr. President, States continue to notify me of their support for S. 344, my bill that would add flexibility to the Federal billboard control law. Recently, I received letters from Ohio and Alabama endorsing this legislation.

For example, David L. Weir, director of the Ohio Department of Transportation, said:

> I wish to advise that the State of Ohio and the Ohio Department of Transportation support, in principle, the conversion of the highway beautification program to a voluntary state program.

Rex K. Rainer, highway director of the State of Alabama, explained:

> We favor your approach that will allow individual States to make their own choice in the matter.

Of course, these endorsements are not unexpected. In a poll conducted recently by the American Association of State Highway and Transportation officials, 38 States stated support for passage of S. 344.

Mr. President, I submit these letters for the RECORD.

The letters follow:

OHIO DEPARTMENT OF TRANSPORTATION,
Columbus, Ohio, May 14, 1979.

Hon. ROBERT T. STAFFORD,
Congress of the United States,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STAFFORD: Governor Rhodes has referred your letter of March 27, 1979 to this department for direct response to you. I wish to advise that the State of Ohio and the Ohio Department of Transportation support, in principle, the conversion of the highway beautification program to a voluntary state program.

We would like to see Section 122 (c) and (d) of the 1978 Highway Act be incorporated as it affects the bonus portion of your bill.

We do not feel this bill would change Ohio's current program but we feel we would have a little more flexibility and could more easily program activities to our financial condition. Relative to the zoning intrusion by the 1978 Highway Act, we are unable to evaluate the effect since this department does not maintain a record of local zoning ordinances.

Since your proposed bill is silent on the subject, we would recommend the incorporation of junk yard control as a voluntary program. The purpose of including junk yards would be to allow the existing state law to operate as intended in each state. For instance, in Ohio, a home rule state, our legislature enacted legislation prior ot the 1965 Highway Beautification Act. The Legislature, in its wisdom, placed the authority with local government to carry out the provisions of junk yard control. However, Federal restrictions are trying to be imposed on this state which are in conflict with Ohio's law. If this recommended change does not take place, we would not receive any relief in this area because the 1965 act will continue to remain in force.

Your consideration of the above, especially that of junk yard control, would be appreciated and, as stated earlier, you can count on Ohio to support the voluntary concept.

Very truly yours,

David L. Weir, P.E.,
Director.

State of Alabama,
Highway Commission,
Montgomery, Ala., May 11, 1979.

Hon. Robert T. Stafford,
United States Senator, Committee on Environment and Public Works, Washington, D.C.

Dear Senator Stafford: Governor James has referred your letter relevant to S. 344 to this office for reply.

The Alabama Legislature was slow to enact legislation to enable the State to comply with the Federal Highway Beautification Act. The State Legislature reacted in a similar manner when legislation was necessary to extend control beyond 660 feet to comply with the amended Federal Act. This seems to indicate a lack of broad support for the present outdoor advertising control program in our State.

We cannot predict with any certainty what the reaction of Alabama's lawmakers would be should S. 344 become the Federal law. We do, however, favor your approach that will allow individual States to make their own choice in the matter.

Since Alabama did not have any local governments pursuing more vigorous advertising sign removal programs than did the State and Federal government, the 1978 amendments did not significantly affect our State.

Thank you for the information furnished with your letter and if we can be of further service, please advise.

Yours very truly,

Rex K. Rainer,
Highway Director.●

TRIBUTE TO LEONARD F. FOLEY

● Mr. DURKIN. Mr. President, it is important for those of us in Government to not lose sight of those citizens who make valuable and lasting contributions to their community. I wish to personally acknowledge today such a gifted individual.

In my home State of New Hampshire, Memorial High School of Manchester will be honoring retiring school principal, Leonard F. Foley. Throughout the past 41 years, Leonard Foley assumed many different leadership responsibilities within the Manchester educational system. His long years of involvement and generous contribution to hundreds of Manchester students began with his graduation from St. Anselm's College. He then went on to receive his master of education degree from the University of New Hampshire.

Leonard Foley initially served as a science teacher, but his concern, intelligence, and sensitivity to the needs of his students extended well beyond the confines of the classroom. His contribution was recognized and acknowledged with an appointment as chairman of the science department. Fostering the spirit of quality education eventually earned him the position of assistant principal at Central High School.

In 1972, following the retirement of the late Joseph E. Bronstein, Leonard Foley was the likely candidate to fill this important post and was named as the second principal in the history of Memorial High School.

Leonard Foley touched the lives of students and teachers alike. He chose to lead and to inspire others to greater heights of learning. The Manchester community benefited generously from his tenure. There is no question that Memorial High School will miss Leonard Foley and wishes him every success and happiness in his retirement.●

A POEM BY "WILKIE"

● Mr. HELMS. Mr. President, for 30 years, Mr. Clyde F. Wilkinson served ably as a photographer for the Senate. For most of that time, he was the Senate Republican photographer. "Wilkie," as he is affectionately known by his many friends, is always friendly, courteous and cheerful.

Mr. Wilkinson did excellent work but many of us remember him best for the way he brightened the day of all with whom he came in contact.

He lives now, in retirement, in Arlington, Va. He lost his dear wife, Lois, last year and I extend my deepest sympathy to him in his great loss.

His indefatigable spirit, however, keeps him going at an exhaustive pace. He continues to be cheerful and to enjoy life to its fullest.

In his retirement, "Wilkie" is catching up on his travels and writing a litle poetry. One of his poems, passed to me recently, has a message of love of country for us all. It also says much about our friend, "Wilkie."

Mr. President, I ask that Mr. Wilkinson's poem, "Our Flag" be printed in the Record.

The poem follows:

Our Flag

(By Wilkie)

When I See Old Glory
Flying full and free
Doesn't it mean a lot to you?
I know it does to me.

I love the colors in our flag
They all to me look fine
And I'll salute it proudly
For that great flag is mine.

The White stripes and the red stripes
And the blue background of stars
Have led a hundred thousand men
In many foreign wars.

Pray for peace on earth each day
Dear Lord, please let us be
Understanding of each other
Then we'll all be free ●

TRIBUTE TO E. C. "TOOK" GATHINGS

● Mr. BUMPERS. Mr. President, Arkansas lost one of its outstanding leaders when former Congressmen E. C. "Took" Gathings died earlier this month.

Took served as First District Congressman from Arkansas from January 1939 to January 1969. He served through five Presidencies and three wars. He rendered his most valuable service as the second ranking member of the House Agriculture Committee. He chaired two major subcommittees that greatly influenced the agriculture economy of his district—cotton and farm labor.

His legislative achievements included three major acts related to cotton and rice production and legislation establishing the Blytheville Air Force Base. Took was a strong working advocate of the Arkansas River development program.

Although Took retired from Congress in 1969, he maintained an active law practice in West Memphis, Ark. He remained active in civic affairs by serving as a member of the West Memphis port authority. He was also a member of the West Memphis drainage committee and served in numerous other advisory positions to city and county officials.

I was proud to sponsor legislation, S. 3442, in the Senate last year to name the new Federal building in Jonesboro for Took. It was only fitting that a facility providing Federal services should be named after him. It is fortunate that Took was able to participate in the dedication services in October after the bill became law.

Took was known as a man of infinite patience and personal warmth. One of his close friends has been quoted as saying:

> Took Gathings won more friends and accomplished more for Arkansas through personal warmth and persuasion than any man I've ever met.

Betty and I extend our deepest sympathy to Tolise, his wife, and the other members of the Gathings family. His death is a great loss for Arkansas and the Nation.●

COMMENCEMENT ADDRESS AT THE STATE UNIVERSITY OF NEW YORK AT PLATTSBURG

● Mr. MOYNIHAN. Mr. President, on May 20, 1979, I delivered the commencement address at the State University of New York at Plattsburg. The title of my address was "New York State and the Federal Fisc." I submit for the Record the text of my remarks.

The address follows:

Commencement Address by Senator Daniel Patrick Moynihan

I ask you to indulge me on this occasion while I speak of concerns that occupy me now in my work in Washington. I do so because I expect you will agree that these are concerns in which our graduates, their parents and this important section of our State, the north country, all have a pressing interest.

I perhaps need not tell you that the graduates of the State University of New York go forth today into an uncertain world. But while our State has its share of difficulties, we have our possibilities as well. It will, however, take the work of a generation to realize these possibilities.

The work before us involves a struggle with big government. But we must be very careful not to think of it, as our budget-cutters and tax revolters would have it, merely as a struggle against big government. For while there may be some things that government—Federal, State and local—could well desist from, there are other things that our governments should be doing more of. They should, for example, be helping us to rebuild the foundations of the economy of our State and region—an economy that, for the space of two generations, has been pumping out the talent and the resources that helped to win the west and helped the south to rise again. It is our turn now—but we will only get what we deserve if we know what to seek for, and how to seek for it.

I invite you to consider the sources of Federal revenues and distribution of Federal tax dollars among the States in fiscal year 1978. Despite the promise a new democratic administration gave to the State that gave it its margin of victory, New York has failed to get a fair return on its tax dollars. Federal spending in New York State increased by 3 percent in absolute terms of FY 1978, but, given an inflation rate of 6.7 percent, there was an actual decline in the real value of the money returned to us. But Federal spending in the nation at large increased by 9.4 percent—well above the rate of inflation.

New York still pays a somewhat higher proportion of Federal tax dollars than its proportion of the nation's population. And to those who retort that we do so because a progressive Federal tax system heavily taxes our wealth, we have an answer in the example of California. New York paid 8.7 percent of all Federal tax revenues in FY 1978, while California paid 10.9 percent. (But New York only got back 8.1 percent of Federal expenditures, while California got back 11.5 percent). You may think that these differences of mere percentage points are trivial, but remember the sums they represent. As the late Everett McKinley Dirksen once said, "a billion dollars here, a billion dollars there, and after a while it adds up to real money."

There is a second caveat to be borne in mind in considering the ways in which our tax dollars are spent. Not only must we be wary of the crude budget cutters, but we must avoid the equally simplistic notion that any and all manner of public spending is what we need. We need economic development. We need the kinds of government projects and services that build economic infrastructure that promote employment and investment in the private sector, that create self-sustaining economic growth.

As matters now stand, if I may put it perhaps too succinctly, other regions of the country get infrastructure; New York gets food stamps.

Let us, by all means, keep our food stamps. But let us work for a better balance.

In the spring of 1975, sometime before the current disputes about the proper size of government had commenced, and surely before my role in them had acquired any measurable significance, I wrote an essay for Governor Rockefeller's commission on critical choices for Americans in which I argued that:

"There is a persuasive case . . . that the growth of the private economy depends on the growth of the public one."

It was perhaps a somewhat too categorical statement. But I would offer some more precise examples from your own community of the kind of thing I had in mind. The economic development administration of the Federal Department of Commerce provided a rather modest sum to this university to operate a technical assistance center, a small task force with the critical mission of opening the information resources and expertise of the University to local government and industy. It is plausibly claimed that this center has, through its various studies and project planning assistance, saved this area some 1,400 jobs and helped to generate capital investment in this community of some $14.3 million. (Mr. Eric Johnson of the technical assistance center staff, I might add, has been of considerable assistance to me in sharpening my own analysis of New York's fiscal relationship to the Federal government.)

Second, consider the benefits both to the public and to our private economy of the Federal assistance provided to the Lake Placid Olympic Organizing Committee. (Just last week, thankfully, we were able to obtain an additional $11 million from the Economic Development Administration to finish construction at the Olympic site—a small victory in the campaign for Federal funds we have begun to make).

This is no short-lived grant, but a project that will have lasting benefits for the economy of this region.

Third, think for a moment of the importance of the Plattsburg Air Force Base.

I do not presume to discuss its strategic importance in our Nation's network of air defenses, although I find it difficult to accept, as one would have to assume from the deployment of our military forces around the United States, that we must prepare to light the next war in Nicaragua. It is not, I believe, a classified military secret that the location of defense installations here in these States is not determined without some considerations of politics. New York received but $5.5 billion in outlays from the Department of Defense in FY 1978, while California, a State of roughly comparable population and wealth, got $17.2 billion. I think we have good grounds for arguing that not only must the Plattsburg Air Force Base be kept up, but we should do a great deal more—put the Second Infantry Division at Fort Drum, for example, if it comes home from Korea.

Now these kinds of things in themselves may seem to be small, dull enterprises, not worthy of the imagination and spirit of youth. But I tell you that they add up to an historic mission. For at least two generations—one could even trace it back to the time John Brown and his sons left their homestead in the Adirondacks on their journey south toward Harper's Ferry—we have been exporting economic development and the political skills that foster it to other regions of the country. It has been a grand and honorable undertaking. Now the best thing that we can do—in the interest of the Nation, I would argue—is to turn our attention to our own needs and problems. For indeed, we here may be the laboratory for the politics and economics of industrial democracy in the final quarter of the 20th century.●

ERNEST N. MORIAL: A MAYOR FOR PRIVATE ENTERPRISE

● **Mr. JOHNSTON.** Mr. President, I rise today in recognition of a former civil rights lawyer and local judge, State representative, college lecturer, friend, and, I am proud to say, present Mayor of the city of New Orleans. His name is Ernest N. Morial, more commonly known as "Dutch."

Recent national attention has been focused on this man who has, within his first year in office, sought to lower the Federal share of the city budget, broken a policemen's strike, and won resounding approval from the local business community. The mayor has also made his presence felt locally by attempting to stabilize city finances through modernization of the city administration, cooperation with the new Chamber of Commerce and other representatives of private enterprise, and imposition of new taxes and service charges.

Prospective vitality in Sunbelt cities such as New Orleans—and older cities throughout the Nation—rests in recognition of the fact that advancement of the poor depends in large part upon the private sector and to a lesser degree upon upgrading the local work force through better vocational and technical educational opportunities. On May 1 of this year the Wall Street Journal published an article on Mayor Morial's commitment to private enterprise. I ask that this article be printed in the RECORD.

The article follows:

A BLACK CALVIN COOLIDGE?

(By James Ring Adams)

NEW ORLEANS.—Mayor Ernest N. (Dutch) Morial doesn't seem to mind when people compare him to Calvin Coolidge. The taciturn New Englander is indeed a strange parallel with the relaxed fast-talking Morial, a former civil rights lawyer and local judge, who was inaugurated just one year ago as the first black mayor or New Orleans.

But there's reason for associating the two. In 12 hectic months in office, Dutch Morial has sought to lower the federal share of the city budget, broken a policemen's strike and won resounding applause from the local business community.

"He's arrogant, he's nasty, and he has guts," said one conservative Republican banker in tribute to the Democratic mayor.

This admiration stems from Mayor Morial's handling of the nationally publicized policemen's strike during the February Mardi Gras period. The strike collapsed on a side issue after the mayor cancelled public Mardi Gras parades and removed the police union's main leverage. The mayor immediately withdrew the official recognition of the Teamster-organized union that he had extended just a month earlier.

Some of the mayor's supporters have speculated that, as with Massachusetts Gov. Calvin Coolidge some 60 years earlier, his victory would propel Mayor Morial into the national eye, and since the strike a stream of national reporters has been enjoying the steamy elegance of this ancient (for America) port city. But the mayor has also been making his mark locally with attempts to stabilize city finances and modernize administration. And he has joined hands with a new breed of businessmen eager to shake off this city's economic languor.

Short and slightly pudgy, the 49-year-old New Orleans native exudes self-confidence in his rapid-fire discourse on administrative arcana. Even his detractors respect his grasp of issues. A light-skinned Roman Catholic of Creole descent, Mr. Morial in his youth may have found cosmopolitan New Orleans less racially oppressive than the Jim Crow South, but he threw in his lot with the civil-rights movement from its beginnings. "I know what it's like to sit behind the screen on a public bus," he told Ebony magazine. "Never mind if my skin is near-white, I knew I was black and I stayed behind the screen."

MAKING HIS MARK

As a young associate of the city's pioneer civil rights lawyer, the late A. P. Tureaud, during the hectic decade from 1954 to 1965, Mr. Morial helped lead the successful legal attack on local and state segregation. He was president of the New Orleans branch of the National Association for the Advancement of Colored People from 1962 to 1965, a period when, according to one chronicler, state political rhetoric treated the group as "an organ of the Soviet Union." From 1965 to 1978, his resume is a series of "black firsts": first black U.S. Attorney in Louisiana (1965); first black in state house of representatives since Reconstruction (1967); first black elected to state court of appeal (1974); first black mayor (1978).

With the New Orleans electorate now 43 percent black and most, but not all, voting for Mr. Morial, he emerged the winner in the 1977 run-off election. His victory was clinched, however, when he received some 20 percent of the white vote.

Once in office, however, Mayor Morial has acted less like a civil rights lawyer than like the lecturer in business administration he once was at Xavier University here. Some black political groups, fragmentary successors to the now-defunct New Orleans Democratic machine of the 1930s and '40s, complained hotly when he replaced their political appointees with blacks and whites from management and the professions.

Interviewed in his spacious second-floor office in the glass-and-steel city hall, Mayor Morial talked not once about race but a great deal about zero-based budgeting, police pay scales and new revenue measures. Prominent on his desk was a new book on the New York City fiscal debacle, of which the mayor is a close student.

The mayor's main controversy before the police strike was an attempt to broaden the local fiscal base for his $240 million budget. In his October budget message, Mayor Morial warned that New Orleans depends more on federal funds than any other Southern city and ranks close to the bottom in funds from its own resources.

Because of a generous state "homestead" exemption, 79 percent of the city's homeowners pay no property tax at all. Furthermore, the state's 1974 constitution outlawed local income taxes. So Mayor Morial proposed six new taxes and "service charges," of which three, producing $30 million in new revenue, survived the City Council.

But the mayor knows his plans ultimately depend on the city's economic growth, or "growt'", as he says in the downtown New Orleans accent so startlingly similar to classic Brooklynese. And this growt', he says, has to come from the private sector. He is cooperating closely with the revitalized Chamber of Commerce in seeking new industry, even though some of the Chamber's leaders initially had misgivings about his run for office. Joseph C. Canizaro, one of the city's most ambitious developers, says, after praising Mayor Morial roundly, "I can say that after telling him when he was running that I was concerned about his candidacy because he was black. I was afraid that, just when the city's economy was starting to get going, the rest of the country might say, wait awhile and see what will happen. Now I think he's an extremely good mayor."

Mr. Canizaro is one of a group of business leaders trying to break the city out of its economic stagnation. Their revitalized chamber of commerce, now called simply the Chamber, has scoured the country to bring new industry to New Orleans and the six nearby parishes up and down the Mississippi River. The Chamber's Economic Development Council is especially proud of business it has snatched away from archrival Houston. They include the U.S. government's Strategic Oil Reserve headquarters in rapidly growing suburban Jefferson Parish, and the $100 million Bayou Steel Company plant now building in up-river St. John the Baptist Parish after abandoning an already purchased site along the Houston Ship Channel.

This economic effort, however, may have to break old social and cultural patterns before it comes to fruition. Twenty years ago, the New Yorker magazine writer A. J. Liebling, the Tocqueville of Louisiana, identified New Orleans as a Mediterranean city, "an outpost of the Levant." And indeed, such social statistics as income distribution and labor force participation have historically reflected a society much older and more rigid than the average American city. New Orleans has had a much higher ratio of nonworkers to workers than does the rest of the nation, especially among women and young blacks; its poverty has been much more intense; and at the other end of the scale, wealth has been concentrated in what one critic called "a small but powerful, highly structured upper class" of long standing.

This old wealth combined with the city's French-Latin culture to give it a "power structure" rarely found in the U.S. According to one celebrated study, the New Orleans "establishment" was centered in social groups rather than enterpreneurial business. Influential figures were less likely to belong to the chamber of commerce than to the Mystik Krewes that put on the Mardi Gras parades. And this elite has drawn back from development, fearing damage to the city's undeniable charms in what they fear would be a rush to become "another Houston."

THE "SUNBELT'S" VITALITY

The old ways do seem to be changing, however, as the rest of the Sunbelt demonstrates the benefits of growth. A prominent local developer, who 10 years ago couldn't get local financing for his high-rise office buildings, now finds the establishment banks more amenable to such investments. And, he says, the younger generation of the old families is much more interested in economic growth.

Business and City Hall seem agreed, moreover, that this growth should be turned to the benefit of the city's poor. Mayor Morial and the Chamber are seeking labor-intensive industry rather than the highly technical petrochemical installations which already pay much of the state's taxes. They are trying to upgrade the local work-force to match. A Business Task Force on Education recently completed a management study of the city's schools, and Mayor Morial is trying to organize a new vocational and technical school in the city.

Beyond this effort lies an attitude that accounts for much of the "Sunbelt's" vitality and sets it sharply apart from the envious Northeast. Mayor Morial, with his unquestioned record in civil rights, states forcefully that the advancement of his city's poor depends on the private sector. "If it may be repetitious," he tells business audiences, "economic growth is urban salvation. . . . With thousands of people below the poverty level in this city, and thousands more who do not believe that jobs exist, and even more who have destroyed themselves as humans because they have grown up in anger and bitterness, the key word is survival. Jobs. We will do everything in our power to bring jobs to this community."

Not since the Twenties, perhaps, have government leaders been willing to admit how much they depend on the private sector to create these jobs. But then Mayor Morial isn't about to deny that Calvin Coolidge had some good points.●

THE METRO SYSTEM

● Mr. McGOVERN. Mr. President, I have recently questioned the Federal Government's role in assuming what some have regarded as an extraordinarily supportive role in the capital financing and operating expenses of the Washington Metropolitan Area Transit Authority (Metro).

An argument was advanced that Metro seemed to stand in a "most favored position" in relation to other transit systems and the ongoing competition for Federal assistance.

Some of these same questions were answered in a detailed report of the General Accounting Office dated May 10. In addition, Secretary of Transportation Brock Adams has responded to my inquiry on this matter as well.

Mr. President, I am a supporter of public transportation and certainly of the Metro system in the Washington area. But I think that the Metro management must do a better job in not only attracting new riders to the system, but to make sure that the system is as self-supporting as possible—either from an appropriate fare structure or through some kind of regional levy imposed on the participating jurisdictions.

As the motor fuel situation tightens during the normally heavy driving months this summer—we in South Dakota want to make sure that those who have access to mass transit are encouraged to use it—so that there will be sufficient fuel available for rural States where we have no option but to drive.

In addition, many States in the Upper Great Plains area, including South Dakota, are seasonally fuel intensive in their basic revenue producing activities—agriculture and tourism. We do not have any viable alternative but to use our cars—Washington area residents do.

Mr. President, I ask that a letter to me from DOT Secretary Brock Adams and an editorial from the Aberdeen, S. Dak., American News be printed in the Record.

The material follows:

The Secretary of Transportation,
Washington, D.C., May 8, 1979.

Hon. George McGovern,
U.S. Senate,
Washington, D.C.

Dear George: This is in response to your letter of March 8, 1979, concerning the level of federal involvement in the Washington area METRO system. You have asked a number of questions to which I will respond in turn.

1. You have asked why the Washington area appears to have a "most favored jurisdiction status" for transit funding and noted that METRO's present and future General Managers have worked for this Department.

Construction of the METRO system was authorized and funded directly by the Congress through legislation passed since 1965. These Congressional actions have provided direct federal funds and authorized the sale of federally-backed bonds for construction of the system. Acquisition by METRO of the local private bus companies was also separately authorized by the Congress. In addition to the direct authorizations to METRO, the Transit Authority has received $1 billion under the Interstate transfer provisions of the Federal-Aid Highway Act, as amended. In administering the METRO program, the Department has treated the Transit Authority in a manner that is consistent with the pertinent authorizing legislation.

A number of former Department of Transportation (DOT) employees have moved to transit positions in local government or the private sector. Mr. Lutz was well known in the Washington area for his abilities; Mr. Page previously had served as General Manager of a major transit system. Other former DOT employees recently have served in similar capacities in Kansas City and San Francisco.

2. You have asked why the federal government should be regarded as the principal fiscal agent for METRO absent a local commitment to provide support.

The $7 billion figure to which you refer is the estimated cost of completing METRO in the late 1980's, not the amount of bonded indebtedness. The total amount of bonds sold is $997 million. We do estimate that operating deficits will reach $336–$361 million by 1990, or $175–$188 million in todays dollars, assuming a 6.11 percent increase in the consumer price index. The obligation to fund these deficits will rest primarily with the local and state governments, assisted by the federal government through its normal formula-allocated operating assistance program.

I personally have been working with the Commonwealth of Virginia and state of Maryland toward authorization of the necessary local dedicated funding sources to meet these system operating deficits and particularly the local share of bond indebtedness. In our discussions, I have advised local and state officials that absent such region wide dedicated sources, the Department does not intend to approve grants for METRO construction beyond the available Interstate transfer funds.

3. You have asked why the local governments have not acted to encourage ridership on existing transit facilities.

Although much has been done in this regard (exclusive bus lanes, fringe parking facilities, carpooling clubs, and somewhat more flexible working hours to reduce peak hour congestion) much more must be accomplished, especially if this and our other cities are to deal effectively with present and future energy shortages. Now that we have resolved many of the difficult METRO financing issues, I am confident that the Transit Authority will better focus on achieving significant system operating improvements, specially for the bus service. The Department will continue to assist to this end.

4. Finally, you have asked whether the federal government will become the source of all future funding needs for METRO and referred to the need to reduce our expectations of what the federal government can and will provide.

The President's budget for FY 1980 contains $275 million in Interstate transfer funds for METRO. This represents a 31 percent reduction from the amount requested by the Transit Authority. Local matching funds will have to be provided for this and all federal construction funds.

Once the local governments develop a plan for construction of the system and the bonds are retired on a two-thirds federal, one-third local basis as agreed to in December, the remaining METRO costs will be the operating deficits I have earlier discussed and routine bus and rail system capital replacement that can be handled by our normal capital assistance program.

I share your concern that the federal government must not shoulder the local government's financial responsibilities and I am committed to assure that does not occur. I do believe that we will be able to achieve a rational financing plan for the Washington METRO in which the local jurisdictions bear their full share of the costs just as we ask any other city to do.

With warmest regards.

Sincerely,

BROCK ADAMS.

[From the Aberdeen (S.D.) American News May 15, 1979]

MASS-TRANSIT COMMUTERS CAN AID FARMERS IN PRODUCING FOOD FOR THEIR TABLES

It was logical that South Dakota solons voted against the administration's proposed standby gasoline rationing plan.

Sen. George McGovern stated that South Dakota concern appropriately when he conceded that some form of equitable standby system is necessary but explained that President Carter's plan does not differentiate between the driving requirements of various geographic areas of the nation.

Rural South Dakota's needs for motor fuel are greater than the needs in states where mass transportation is available.

As McGovern said: "Obviously, less personal motor fuel should be required in an urban area with access to mass transportation that would be needed in a rural state like South Dakota where we either drive or walk to conduct our daily business."

The plan offered by the Carter administration would allocate a monthly supply of about 47 gallons of gasoline.

Gasoline is important to South Dakota's two major industries, agriculture and tourism.

Increased use of mass transportation where it is available has been urged by McGovern previously in suggesting fuel conservation. Earlier this spring he made recommendations that the federal government act to encourage more people to leave their cars at home and patronize the new Washington, D.C., METRO system.

He said the government has expended literally billions of dollars on the system in Washington—and on other systems around the country—and there is no reason why policies should not be put in place to "encourage" the people's use of the convenient and economical transportation.

McGovern cited figures indicating that the fuel used in commuting to and from Washington each day would meet South Dakota's fuel needs for a week.

City people should become willing mass-transit commuters if they realized the gasoline they saved would make it easier for farmers to produce the food for their tables.●

STATEMENT ON VOTE TO LIFT SANCTIONS AGAINST RHODESIA

● Mr. HUDDLESTON. Mr. President, on May 15 during consideration of the Foreign Relations Authorization Act, the Senate adopted two significant amendments regarding Zimbabwe-Rhodesia. One expressed the sense of the Senate that Zimbabwe-Rhodesia had substantially complied with the requirements of section 27 of the International Security Assistance Act regarding free and open elections and that sanctions should be lifted. The other required the President to report to Congress within 14 days of the installation of the new government or by June 30, whichever is earlier, on his determinations regarding the elections.

I supported these amendments because I believe that the time has come to lift the sanctions against Rhodesia. What may have been a justifiable policy several years ago has clearly been superseded by events and is today not only unrealistic but perhaps counterproductive.

I take this position cognizant of the many problems inherent in the Rhodesian situation and of the conflicts which the fact that the constitution in effect continue to exist. I am well aware of in Rhodesia—the constitution under which the April elections were held—was approved by a mere 3 percent of the population and that it preserves a certain amount of power for a minority group within that country—a minority group which in the past excluded the majority from effective participation in the political process.

At the same time, however, I think we should recognize that Rhodesia is not the United States and that political theories and processes may not be directly transferrable. Indeed, if the history of Africa since the 1960's has shown us anything, it has suggested that outside institutions and processes cannot readily be imposed upon countries and peoples without consideration for the conditions and traditions which exist therein. Rhodesia is shifting from a minority rule to a majority one, albeit that majority rule may be somewhat imperfect. It is seeking to implement a democratic process at a time when security leaves much to be desired, a circumstance unknown to voting Americans today.

It has just had an election in which some 60 percent of the people voted. The government in power does control much of the country and is thought by most observers to have a considerable amount of durability.

This is not to suggest that all is well. The so-called Patriotic Front did not participate in the elections, although they made that decision themselves. They and their followers do have a power base in the country, and they undoubtedly will continue guerrilla activities. They can without question be a disruptive force in the months and years ahead. Their existence and base means they have and will continue to have an impact on policies and perceptions beyond Rhodesian borders, in a broader African context.

But the fact that they have a power base, the fact that they constitute a guerrilla force and the fact that they do not now participate in the political process, are, under the circumstances, insufficient reason for continuing sanctions.

Despite all the discussions, evaluations and comparisons of the internal settlement and the Anglo-American plan—and the commitment that many have to one or the other—I suspect a debate over the merits and demerits of each serves little purpose. Rhodesia is obviously in a transition period and will be for some time to come. The question is how we react to that transition period and what we can do to insure that it is both as stable and free as possible. I emphasize as possible since, as I indicated above, I think we have both to recognize and deal with the situation as it exists, even if we prefer some changes or modifications in it.

Thus, in view of the progress, though limited, which has been made, the electoral turnout, and the control which the new government apparently exercises, I believe sanctions serve no useful purpose.

I believe sanctions should be lifted, but with the clear understanding that we expect the new government to try to broaden the settlement and pursue further negotiations. This would, I believe, indicate to various parties that our interest in the developing situation continues. It would represent an overture to the new government, but a conditional one, and a continued concern for some of the legitimate questions raised by the opposition. It would indicate our willingness to recognize the progress which has been made, and the expression of political preference which while tinged represents the most extensive expression we are likely to see in that country in the near future.

Discussions of Rhodesia and sanctions have become plagued by emotion and cliche, and perhaps a bit too much idealistic simplicity. It is easy to stand thousands of miles away and talk of the virtues of majority rule and coalition governments or of saving southern Africa from communism and dominance by unfriendly powers. And, indeed, there are virtues in all of those. But, too often they are a rallying cry which masks the opportunity to find a pragmatic means to help direct policies and developments toward the same virtuous ends.

I would, consequently, at this particular time like to see the United States lift sanctions but in doing so to use that as a lever to try to promote even broader political participation and stability in Rhodesia. In view of the recent elections and the apparent strength of the new government in Salisbury, I think any other policy is simply outdated.●

ANTIARSON ACT OF 1979

● Mr. CULVER. Mr. President, I am today joining as a cosponsor of S. 252, the Antiarson Act of 1979.

Arson is one of the fastest growing and most persistent criminal problems confronting us today. In the United States, for instance, arson has increased 400 percent over the past decade. Over 1,000 people each year tragically die in arson fires, including the senseless loss of our firefighters, and hundreds of millions of dollars of property are destroyed.

There is a common perception that arson is confined to our Nation's decaying urban areas, but even States such as Iowa have been experiencing a large growth in this crime. The Iowa State Fire Marshal's caseload for arson investigations has increased rapidly in recent years. In 1978, over 800 fires were investigated by that office. This still does not provide the total picture, since many of the larger cities in my State have their own personnel to investigate suspicious fires.

Congress began to recognize the serious nature of the arson problem several years ago when it mandated the Federal Bureau of Investigation (FBI) to treat arson as a major crime for the purposes of the FBI crime-reporting system. Arson, however, will not be solved by improved statistics, although the information will help generate further attention and resource deployment.

Much more needs to be done. S. 252 provides an improved and more effectively coordinated strategy for assisting State and local governments in technical assistance and training individuals to fight arson.

First, it creates a Federal Interagency Committee on Arson Control, composed of representatives of Federal agencies involved in helping combat arson, to develop and implement a Federal strategy to assist State and local governments in the prevention, detection and control of arson, and to coordinate Federal antiarson training and education programs.

Second, the legislation amends the Omnibus Crime Control and Safe Streets Act to authorize grants to States and localities for purchasing equipment, establishing laboratories and developing training for prosecutors.

Third, the bill authorizes the classification of arson as a major crime in the FBI's uniform crime reports.

Finally, S. 252 authorizes $5 million for research and development of testing and evaluating techniques in arson prediction and control.

I am pleased to report that S. 252 has been favorably reported by the Government Affairs Committee and will soon be taken up by the Judiciary Committee, on which I serve. I hope this legislation receives prompt and favorable attention by the Judiciary Committee.●

COMMENCEMENT ADDRESS AT MARIST COLLEGE

● Mr. MOYNIHAN. Mr. President, on May 19, 1979, I delivered the commencement address at the Marist College in Poughkeepsie, N.Y.

I submit the text of my address for the RECORD.

The address follows:

COMMENCEMENT ADDRESS

There can be few areas of public policy as muddled as that of government aid to nongovernment schools, but there are few that yield as many insights into the frequently obscure relationships between our politics and our law for students of our democratic government.

For a generation now, from the time the Supreme Court called for severe restraints on public assistance to nonpublic schools, various levels of government have both imposed these restraints and have fair to excelled themselves in devising ways, small or even symbolic, or get around them.

My own experience with the matter begins with my having attended such schools, specifically the Catholic parochial schools of New York City, as a child, and the fact that when I did so there seemed nothing in the least unusual about them. They were the normal schools of my youth, in every sense parochial, and to the child's perception entirely public. Then in the 1950's, with Nathan Glazer, I began to study ethnic relations in the United States and learned how greatly different both doctrine and practice were in the early history of the nation, indeed almost into the twentieth century. Thus it was fairly easy for me to feel that the Supreme Court rulings of the 1940s and after were ahistorical.

Now there are two kinds of people: Those who believe that the Court's decisions in the school cases reflect a clear or at least discoverable purpose of the First Amendment, and those who think that much of it, as Erwin Griswold has it, is "sheer invention," As between such persons there is a considerable gulf of understanding.

My concern in this area has different origins. We face a great contraction in the nongovernment sector in education. I feel this will be a loss to pluralism, and yet another instance of the conquest of the private sector by the public sector about which Schumpeter wrote a quarter century ago. Hence I have been an advocate of tuition tax credits, which almost passed the last Congress, and may well pass in the present one. In the meantime I have become ever more absorbed by the contradictions in public policy even at the level of the national government.

It was only in 1947 that the Supreme Court ruled on public aid to nonpublic schools, setting up standards that were considerably at odds with long and varied practice. In the years since 1947, seeking to accommodate theory to practice (by which I imply that the Court has steadily retreated from its original position), the Court's decisions have become ever more confused and contradictory, so much so that Philip Kurland of the University of Chicago could write that "the Court is thoroughly unprincipled in the area" of public aid to church-related schools (by which of course, he means that the decisions reveal no coherent principle.)

The pronouncements of the Court contain a series of extraordinary distinctions. In *Tilton* v. *Richardson* (1970), for example, the Chief Justice ruled that it is permissible to provide federal aid to church-related colleges and their students but not to parochial high schools and *their* students because, he wrote, "There is substance to the contention that college students are less impressionable and less susceptible to religious indoctrination." Now if you will believe that, in the sense of believing there is a scientifically valid distinction between the susceptibility to indoctrination of eighteen year olds as against nineteen year olds, you will believe anything. And, of course, there is not.

In *Wolman* v. *Walter* (1977). Mr. Justice Blackman on behalf of the Court found it constitutional to provide nonpublic school pupils with "books" but unconstitutional to supply them with "instructional materials and equipment." In other words a book may be provided, but not a map. The Court has yet to rule on atlases, which are books of maps.

Now it is sometimes necessary to remind ourselves that the Supreme Court does change its mind, a point on which we have long had Mr. Dooley's testimony. Our first duty to the Court is to obey it, and this we do with loving fealty. But a second duty, surely, when we think the Court to be wrong, is to seek to persuade it of this.

Our case is that the First Amendment has nothing to do with schools. It says that there shall be no established national church. Nothing more, nothing less. Nothing, certainly, to prohibit public aid to the only kind of schools which existed at the time the First Amendment was adopted. Even so, there has arisen in the course of recent generations, a body of opinion in our society which is sincerely opposed to the influence of religious belief and religious institution in the secular activities of the society. In some cases it is particular religious beliefs and particular religious institutions that are objected to, but it is the more general attitude that is the more important. One has the impression that this attitude is not so self confident today as it may once have been, but surely it persists. The attitude is nowhere so strong as in education. It has produced, unwittingly perhaps, the conviction that education is not safe until it is a public monopoly free altogether of "pre-modern" religious practice or profession.

I would wish to stress that in my view it is entirely legitimate to raise this proposition. There is a clear argument to be made for a single secular school system, just as an equally clear argument can be made for the plural school system. My objection is to the use of the constitutional issue to prevent resolution of the issue of public policy.

In 1964 I was involved in the negotiation which led up to the inclusion in the Democratic platform of that year of the simple plank which stated: "New methods of financial aid must be explored, including the channeling of federally collected revenues to all levels of education, and, to the extent permitted by the Constitution, to all schools."

This removed opposition to federal aid, and within months the Elementary and Secondary Education Act of 1965 was law. The law was passed with support of the nonpublic schools, and could not have been passed without that support. The ESEA was a promise. Was it kept? No.

Why? Because the education professionals who took over the program, and the extensive support networks in the nation at large, did not as a matter of policy want assistance to go to nonpublic schools. I truly believe that there are those who in fact would as soon see these schools more or less disappear as a major educational alternative. And indeed these schools are, if not disappearing, then surely declining. In 1965 there were 13,292 of them, enrolling 5.6 million students. In 1977, there were only 9,797 schools with 3.3 million pupils.

In the meantime, however, the influence of others who want to see the nonpublic schools survive and even prosper is also to be seen at work. Successive national political candidates, successive national party conventions, successive national administrations have endorsed such measures:

The Democratic candidate in 1968, Senator Hubert Humphrey;

The Democratic candidate in 1972, Senator George McGovern;

The Nixon Administration, in testimony by Treasury Secretary George Schultz in 1973;

Both party platforms, and, explicitly, Democratic Presidential candidate Jimmy Carter in 1976.

Yet here we are two and one-half years after that Democratic Administration took office and once again nothing has happened. Although it will seem presumptuous, I think finally that I may understand why.

The opponents of aid to nongovernment schools have once again effectively blocked consideration of the issue as public policy—the question whether it is desirable to provide such aid—by interposing the question of whether it is constitutionally possible to do so.

Yet should not the issue of public policy properly be our first concern? Until that is settled, there can be no resolution of the issue of constitutionality. But by insisting on the primacy of the constitutional issue, the opponents of aid to nonpublic schools have effectively prevented either issue from ever being settled.

What are we to do?

First, supporters of nonpublic schools would be within their rights to grow just a shade less patient.

Second, there is a task of advocacy which advocates of tuition tax credits, or whatever, must assume.

If we do not speak up, who will do it for us? If we are so lax in our reading of the Constitution, who will counter those who use the Constitution to avoid discussing social policy?

I would hold that those who, as a matter of policy, do not favor educational pluralism, or who do not want public funds to assist nonpublic schools and their students, should be obliged to say so and not be permitted to avoid that question by substituting predictions of what the Supreme Court will or will not say if in fact legislation were passed to provide such assistance. And, unless legislation passes in this Congress, the issue will, unavoidably, be raised in the 1980 election.

Finally, I would hope we all might be a bit more ecumenical in this issue than we have been. There are those who simply do not like church-related schools, and they are not likely to change their minds. But many more persons are genuinely worried as to what might happen to the public schools if aid is provided to what they see as a competing system. (They deserve answers, just as we do.)

We being with a common concern for education. Surely that should lead to a shared dialogue on how best to advance it.●

THE CREATION OF ENERGY

● Mr. METZENBAUM. Mr. President, Schlesinger, the man who believes that "politics, so far as mobilizing support is concerned, represents the art of calculated cheating without being really caught," should be fired by the administration.

Mr. President, each week that I have risen to speak in favor of the resignation or dismissal of James Schlesinger as the Secretary of Energy, I have accompanied my remarks with articles that have been published concerning Secretary Schlesinger and the Department of Energy.

What began as a trickle of news stories concerning the ineptness of the Department and the lack of credibility of its leader has now turned into a torrential downpour.

On May 20, 1979, an article in the Washington Post Magazine by Garrett Epps, entitled "The Creation of Energy: Why Our Newest Cabinet Department is Without Form and Void," vividly outlines the problems that we have all faced dealing with the Department of Energy.

As Mr. Epps aptly puts it:

> After 18 months of operation, it does not have a complete table of organization, and the staff has not finished writing Civil Service classifications for its employees. The department's standby rationing plan, due on Capitol Hill in 1976, was not sent up until March 1, 1979; congressmen were acerbic about the timing—during the middle of the Iran oil scare. The department's largest single project, the mammoth Strategic Petroleum Reserve, is at least a year behind schedule and far over original budget estimates.

The article is a scathing indictment of a poorly organized, poorly managed and totally inefficient bureaucracy.

Mr. President, what any organization needs is leadership. I am certain that the great majority of the 20,000 employees at the Department of Energy are capable professionals, who under the proper leadership and guidance can succeed in finding the solutions and providing the answers to our energy problems. But the evidence is clear and unmistakable that James Schlesinger cannot and will never be able to provide that leadership.

On the heels of Mr. Epps' article about the Department itself, comes an article in the May 28, 1979, issue of New York magazine, by Robert Shrum, entitled: "The Most Hated Man in Washington."

After reading some of the statements and actions attributed to Secretary Schlesinger in this article, it is extremely difficult for me to imagine how President Carter can continue to keep the Secretary on the job 1 day longer.

One segment alone should be evidence enough that this most important post should not be entrusted to someone who espouses the philosophies stated in the article.

> The key to Schlesinger's public philosophy is to be found in a paper he wrote in 1967 when he was a senior official of the Rand Corporation. "Politics, so far as mobilizing support is concerned, represents the art of calculated cheating without really being caught . . . In a famous background briefing for the press in August, 1974, he recounted how as secretary of defense during Nixon's final days in office, with a beleaguered president on the brink and his finger on the button, he, Schlesinger, had directed the armed forces not to obey White House orders without his approval. He was, he said, taking no chances on a Nixon coup or a desperate foreign adventure. The story, however, was an impulsive fabrication—this time, an act of uncalculated cheating—and one at which Schlesinger was caught. William Clements, now governor of Texas and in 1974 the deputy secretary of defense, has revealed that the episode was "an out-and-out lie." At the time Clements asked Schlesinger why he had told it. "I don't know." the defense secretary replied.

Mr. President, what I do not know is why James Schlesinger is still in charge of the Department of Energy.

I ask that both articles be printed in their entirety in the RECORD.

The articles follow:

[From the New York Magazine, May 28, 1979]

THE MOST HATED MAN IN WASHINGTON

(By Robert Shrum)

It was the best weekend of a Washington spring, warm but not sweltering, bright and clear. A hundred thousand protesters drove, bused, hitched, and flew to the first great demonstration of the post-Vietnam era.

Their nostalgia had a special irony. America had fought and lost a war without resort to the Ultimate Weapon. Now, it seemed, the real nuclear peril was here at home.

The veterans of protest were now stockbrokers and lawyers and professors. Their motto was revised: "Never trust anyone over 40." For both the aging kids and a new generation, the slogans of protest were the sounds of nostalgia: "Hell no, we won't glow."

The "No-Nukes" had a human target too—the LBJ, the Nixon, the McNamara, the Westmoreland of atoms for peace—Energy Secretary James Schlesinger. On May 6, they rallied as much against Schlesinger as against nuclear energy.

James Schlesinger is the man for this discontented season. Since his takeover of energy policy in 1977, the price of gas has risen 40 percent, with the highest reported price in May up to $1.24 a gallon, double the January '77 level. The cost of home-heating oil for the cold New England winters has also soared nearly 50 percent.

In California, the lines stretch long from the depleted pumps while Schlesinger blames the citizens for driving, in effect suggesting: "Let them walk." He is nearly as effective at stalling solar power as cars; he is invariably cynical about any form of energy that can't be owned, sold, monopolized, or made scarce. He is above all else the chief apostle of nuclear energy, the instant apologist for Three Mile Island, the true believer who says he wouldn't mind living right next to a reactor. "Putting Schlesinger in charge of nuclear power is like putting Dracula in charge of a blood bank," Jane Fonda orated to the cheering demonstrators at the foot of the Capitol steps. The next day six of their leaders would meet in the White House with President Jimmy Carter, who blamed the Congress for not putting the nuclear genie back in the bottle. But their request for a meeting with the harsh, impatient, contemptuous energy secretary would be denied by Schlesinger, who had privately derided the demonstrators in a comparison that, in his view, was hardly favorable: "They're the same people who were for Ho Chi Minh."

But it is not just the hippies, the former peaceniks turned nukeniks, who have it in for Schlesinger. He may be the most hated man in Washington today. "He's the only guy who's managed to forge a broad coalition of liberals, conservatives, and moderates—all against him," a top White House adviser observes. A member of Jimmy Carter's White House liaison staff was recently comparing notes with an alumnus of Gerald Ford's. "You guys may have beaten us," the Ford man teased, "but at least we fired that son of a bitch Schlesinger."

Schlesinger had one of the most rapid bureaucratic fast breaks in government history; in less than two years, between 1971 and 1973, he rose from the periphery of power at the Budget Bureau to the center of power at the Pentagon. When the nuclear issue first heated up in 1971, Schlesinger, with no obvious ties to the industry but an instinctive sympathy for it, seemed an ideal choice for atomic-energy chairman. When CIA Director Richard Helms was sent to Iran as ambassador to his close friend the shah in 1973, Schlesinger moved into the vacant post. Only three months later, when Watergate defendant Richard Kleindienst was forced out as attorney general and Elliot Richardson was hurriedly transferred from the Pentagon to the Justice Department, Schlesinger became Nixon's defense secretary. Fired abruptly from the Pentagon by Ford in November 1975, he then pulled off one of the speediest governmental resurrections on record by getting himself hired into the Carter Cabinet only thirteen months later.

The new president selected Schlesinger as his Robert McNamara, a cold-blooded efficiency expert. As CIA director, Schlesinger had slashed the agency's ranks by 10 percent in only three months. Yet, surprisingly, as the manager of the Energy Department, Schlesinger has proved to be disorganized, by the verdict even of friendly federal officials. The newly created department, as one of them typically phrases it, is "a mess. Schlesinger doesn't like administration. He concentrates on grand strategy." What he cares obsessively about, his subordinates say, is having the president's ear, not having a steady grip on his agency. For example, although the department has a $10-billion budget and 20,000 employees, its inspector general discovered that it had no one assigned to oversee emergency preparedness—and that it was not gathering data on supplies for use in an emergency. At one point, four different sections were assigned to draw up the contingency plan for gas rationing.

The Energy Department is also the most secretive of Washington's bureaucratic enclaves. It has the highest rate of refusals of Freedom of Information requests of any federal agency—and the highest rate of reversal of such denials by its own administrative-law section."The Energy Department is the worst of them all," says James Flug, director of the Energy Action Educational Foundation, a liberal, pro-consumer lobby. "For a long time," Flug says, the DOE press secretary, James Bishop, "has been very defensive. He doesn't want to let anyone near Schlesinger who might be hostile." (Requests for an interview for this article hit a stone wall in Bishop's office.)

The key to Schlesinger's public philosophy is to be found in a paper he wrote in 1967 when he was a senior official of the Rand Corporation. "Politics, so far as mobilizing support is concerned," he wrote, "represents the art of calculated cheating without being *really* caught. Slogans and catch phrases, even when unbacked by the commitment of resources, remain effective instruments of political gain. One needs a steady flow of attention-grabbing clues, and it is of lesser moment whether the indicated castles in Spain ever materialize."

Schlesinger has repeatedly put this philosophy into effect. In a famous background briefing for the press in August 1974, he recounted how as secretary of defense during Nixon's final days in office, with the beleaguered president on the brink and his finger on the button, he, Schlesinger, had directed the armed forces not to obey White House orders without his approval. He was, he said, taking no chances on a Nixon coup or a desperate foreign adventure. The story, however, was an impulsive fabrication—this time, an act of uncalculated cheating—and one at which Schlesinger was caught. William Clements, now the governor of Texas and in 1974 the deputy secretary of defense, has revealed that the episode was "an out-and-out lie." At the time, Clements asked Schlesinger why he had told it. "I don't know," the defense secretary replied.

Schlesinger's calculated cheating is most polished where statistics are involved. When a 1977 DOE study predicted a plenitude of natural gas, claims Senator Howard Metzenbaum, the scientist responsible for the in-house report was demoted, the numbers were changed, and presto—a shortage was foreseen. The shortage was a justification for higher natural-gas prices, but as soon as the gas-deregulation bill passed, a veritable flood of gas suddenly appeared, due not to new exploration but to the release of old gas previously held back by companies waiting for price increases. In 1978 Schlesinger characterized this flood as "a bubble." Yet by early 1979, the energy secretary was publicly worrying about "chronic surpluses" of natural gas.

On occasion, Schlesinger's statistical manipulations have been stunningly crude. To persuade the president to seek a Taft-Hartley injunction ordering striking coal miners back to the mines, Schlesinger issued the alarming estimate that the strike would put 3.5-million other Americans out of work. According to Senator George McGovern, that estimate was a worst-case maximum; the more likely prediction was actually 27,000. Subsequently, Schlesinger opposed safety standards for beryllium workers because, he said, they would cost $150 million, a figure, says Ralph Nader, that was taken directly from beryllium producers. Other studies estimated the cost at between $3.7 million and $4.6 million.

Schlesinger's calculated cheating has opened as wide a credibility gap on energy in this decade as there was in the last one in Vietnam policy. In the most extreme case, during a December 1977 trip to Saudi Arabia, he asked the Saudis to lie about their own oil and gas calculations. He rebuked a startled Crown Prince Fahd for producing too much oil and demanded that Riyadh revise its reserve estimates downward. Unless they did, Schlesinger believed, Americans might place little credence in the energy crisis.

James Rodney Schlesinger is remembered as brilliant—and abrasive—as far back as his childhood summers at the Scroon Lake Sleepaway Camp on Long Island. In home movies taken then, he looks like a smaller version of his current, very stern self. At Harvard, where he was a classmate, but not an acquaintance of Henry Kissinger's, he seemed distant, mysterious, not quite alienated but clearly separate. A fellow resident of Eliot House, one of Harvard's undergraduate residences, depicts him as the serious side of a Woody Allen character: He used to lie on the floor of his suite for hours staring at a light bulb hanging from the ceiling. He was thinking, his housemates warily assumed.

On a trip to Europe after graduation in the summer of 1950, Schlesinger, born and raised a middle-class Jew in New York, found new faith and certitude in Germany, where he saw the light he may have been looking for at Harvard in encounters with devout old-world Protestants. When he returned to Cambridge from this private pilgrimage and formally converted, it was not to the establishment Episcopalian Church in which Jews seeking assimilation have traditionally found a comfortable Christianity. His Lutheran belief is a stricter creed, a creed for a man with a hard edge who does not suffer fools with bare politeness, let alone an excess of Christian charity. He still keeps a Bible in his office and quotes from it with easy familiarity. And he impartially applies his taut Calvinism. He and his wife, Rachel, have eight children, four girls and four boys; they all know him as a strict disciplinarian. Once, during his tenure as CIA director, he came to the office with a bandaged hand. "I had a problem with one of my teenage sons," he said to his staff. "He's a good boy, but I had to deck him."

Schlesinger left Harvard in the mid-1950s because he regarded it as "too liberal," and decamped with his Ph.D. in economics to the more congenial precincts of the University of Virginia. In 1969 Richard Nixon, wary of intellectuals yet desperately wanting some of his own brand of the best and the brightest, named Schlesinger assistant director of the Bureau of the Budget, his first full-time federal post. He soared from there because he so perfectlly fit the role of Nixon's high-tech man, crisp in manner and clipped in voice.

At the apogee of his meteoric rise, he carried his disdain for politicians too far, thereby provoking his own fall. As defense secretary he became an apocalyptic crusader: "He would earnestly lecture Jerry Ford for hours on military strategy as though he was a dim college sophomore," recounts a conservative Republican who was privy to the situation. "And Ford wasn't that dim—he resented it." Ford recoiled from Schlesinger's condescending instructions on how to handle House Appropriations Committee Chairman George Mahon, who had been Ford's friend for decades. Ford fired Schlesinger abruptly, with no advance warning.

In a nice twist of retribution, the deposed defense secretary thereupon signed on as a foreign-policy adviser in Ronald Reagan's campaign for the 1976 Republican nomination. But within months, with Reagan's defeat and Ford's renomination, Schlesinger's sole hope for returning to power suddenly rested with Jimmy Carter and the Democrats.

The Carter campaign was eager to use him in the tactical foreplay preceding the second debate with Ford, the one on foreign policy. This one was crucial since the presumably nimble Carter had lost the first round to his notoriously inept opponent. Schlesinger was invited to Plains to brief Carter the day before the second debate because, as a top Carter assistant recalls, "we figured Ford would go crazy knowing that he was down there telling Carter all the administration's weakest points." Schlesinger's presence could also be an effective gesture to the right. It turned out to be much more. Carter was vastly impressed; he stayed closeted with Schlesinger for several hours. Afterward, as *Peanut One* prepared to take off for San Francisco, site of the second debate, Carter pollster Pat Caddell clambered aboard. Referring to Schlesinger, he quipped: "How was the warmonger?" He was good, very, very good, Jimmy Carter answered; he had first-rate material and absolute command of it.

Though he was a candidate for Carter's defense secretary, Schlesinger's devout hope for a restoration to the Pentagon was doomed from the start. "His nomination would give the liberals cardiac arrest," Hamilton Jordan remarked during the transition. A different job emerged from a December 15 discussion in Plains between Carter and Henry Jackson, the chairman of the Senate Energy Committee and a Schlesinger patron. A deal was struck. Carter would name Schlesinger his energy czar—and Jackson would expedite legislation to create a Cabinet-level Department of Energy.

The nuclear industry was delighted. Former congressman and industry lobbyist Craig Hosmer hailed Schlesinger as someone who would "rev up the nuclear business again." As atomic-energy chairman, Schlesinger had downplayed the costs and the dangers of nuclear energy while displaying the "symbolism of concern"—another of his 1967 Rand-report recommendations. Throughout his AEC tenure, industry sometimes lost a little in the rhetoric of his speeches, which occasionally gave lip service—but little more—to environmental values.

This March, during the near meltdown at Three Mile Island (the Tet of the nuclear industry), Schlesinger, by now secretary of energy for a president who had labeled nuclear power a "last resort" during his campaign, was the first official to rush to a favorable judgment. While the reactor was still leaking bursts of radiation, he went before a congressional committee hailing the "historic record" of reactor safety as "excellent." He dismissed the risks as "relatively trivial." Workers at Three Mile Island, he reassured the committee, had received "just a fraction of the permissible [radiation] dose." Even as Schlesinger was testifying, Pennsylvania Governor Richard Thornburgh was preparing to order the evacuation of pregnant women and small children.

A month after the crisis, Carter's HEW secretary, Joseph Califano, conceded an eventual body count somewhere between one and ten due to the accident. As a White House assistant ruefully notes, "The people in the three-piece suits were wrong again—and the hippies were right."

Schlesinger's defense of nuclear energy employs the tactic described in his 1967 Rand paper as "the systematic exploitation of foot-in-the-door techniques. . . . The half-life of the public's memory is approximately three months," he calculated. So he argues that we are already committed to a nuclear industry, we cannot afford to give up, nobody at Three Mile Island fell down dead. It is all the same relentless rhetoric of redemption that Schlesinger invoked on Vietnam policy, when in April 1975 as defense secretary he vainly demanded another billion dollars from Congress as a matter of "national honor" to rescue the Thieu regime in Saigon from imminent collapse.

The Vietnam analogy now recurs constantly in references to Schlesinger's policies. Nuclear power, which Ralph Nader has called "our technological Vietnam," may be temporarily redeemed, in financial terms, by an oil-pricing plan that Energy Action director Flug describes as "a domestic Vietnam—to save the economy from OPEC, we have to destroy it with inflation." As decontrolled prices climb, nuclear energy, however costly and suspect, may regain some lost ground.

Schlesinger offered two overt rationales for decontrolling oil. First, he contended that higher prices would spur greater domestic production. A dissenting administration economist regards this as "dubious at best" and contends that as prices rise companies tend to hoard supplies to push the prices still higher. Deputy Energy Secretary John O'Leary recently testified that he doesn't like the word "hoarding"; he prefers to call it "husbanding." A frustrated Carter political operative comments: "They're being husbanded in California."

Schlesinger's second, more central rationale for decontrol was that higher prices were essential to achieve conservation. Other administration officials, including anti-inflation strategist Alfred Kahn and White House domestic chief Stuart Eizenstat, doubted the elasticity of demand for oil and gasoline. Would people skimp elsewhere to keep on driving and consuming? On this issue, Schlesinger even had trouble with his deputy, O'Leary, who told Washington Post reporter John Berry that the United States was already close to meeting Carter's goal of cutting oil consumption by 5 percent. There had been a drop in consumption, O'Leary said, of 700,000 to 830,000 barrels a day, a 4 percent reduction. Schlesinger naturally was livid. Questioned about his deputy's comments by a House subcommittee days later, he simply denied that O'Leary had ever said it: "[He] did not make the statements attributed to him." Smugly Schlesinger added that O'Leary was on a vacation and could not be reached for comment: "I do not know precisely what Mr. O'Leary said. Mr. O'Leary's in the Bahamas. . . . He seems to be on a boat and unavailable," the energy secretary finished—with finality.

The only point that Schlesinger's adversaries inside the administration carried even marginally against him was the case for a windfall-profits tax, with the proceeds earmarked for an energy-security fund to finance some energy-research projects and somekind of rebate for the poor. Schlesinger dropped his initial opposition after calculating that, as proposed, the windfall tax would be more wind than tax. Under the Carter plan, the oil industry would keep a minimum windfall of $5 billion extra after the tax. And Schlesinger also doubted that Congress would enact even this token tax, let alone a substantial one.

Schlesinger's record, on issues ranging from nuclear power to price decontrol to taxing windfall profits, reflects a world view that invariably looks out for established interests, institutions, and corporations. He has staffed the higher echelons of the Energy Department with oil executives and industry lobbyists and lawyers. "If a guy like John Connally were to come in as secretary, he wouldn't have to change a single person," says Congress Watch director Mark Green.

Schlesinger has defined himself as a "Taft Republican." And in March, with a properly conservative kind of energy policy firmly in force and oil-price decontrol clearly in prospect, Howard Metzenbaum, the first senator to call for Schlesinger's resignation back in February 1978, organized a group of Democratic colleagues to press the demand in speeches on the Senate floor. The speeches were scheduled for March 14, coincidentally the day after the president's return from Israel and Egypt with a surprise peace agreement in hand. Late the afternoon before, with *Air Force One* over the Atlantic, George McGovern received an urgent phone call from Vice-President Mondale. Would McGovern ask Metzenbaum to postpone the protest "a couple of days?" Carter's peacemaking was hard won, Mondale said. "George, the boss has earned his one day in the sun." The vice-president carefully added that he was not trying to talk the senators out of blasting Schlesinger, just into briefly delaying the fusillade. McGovern agreed to pass the request on to Metzenbaum, who said he didn't quite see the connection to the Middle East.

The depth of the animosity Schlesinger has engendered may be summed up by Metzenbaum's response. "The hell with it," he said. "Let's go ahead."

Even Schlesinger's patron Scoop Jackson split with him on decontrol, which he is fighting to reverse in the Senate. As the gas lines lengthened interminably in California, that state's Democratic Senator Alan Cranston, who as Senate majority whip is supposed to be the leader of a loyal majority, called for Schlesinger's forced resignation. The house vote to deny Carter the authority to ration gas, Cranston said bluntly, was "a vote of no confidence in James Schlesinger." Suddenly the energy secretary seemed to be a man without a constituency.

Yet Carter, the one-man constituency that counts, still seems steadfastly loyal to Schlesinger, who sees the president alone, regularly, a rare privilege even for a Cabinet member. Schlesinger's continuing influence reflects the fact that in energy, as in much of domestic policy, Carter has no personal vision of what's right. One of the president's more astute advisers explains: "The cliché that presidents are attracted to foreign policy more than domestic issues is very true in this administration. Carter is sure of what's right in the Middle East—and he can work for it. But energy is all so confusing Carter can't find a very satisfying rational basis to decide, and it bothers him. There's no room for a bold gamble, just grubby, uncertain effort." After one session on oil decontrol, the president complained to an assistant that he was more baffled than before. His attitude, the assistant says, is that "no matter who ran energy, it would be a mess."

That is one reason why Schlesinger endures; another, a veteran Carter associate mourns, is that this president never fires anybody. Other Carter men believe that Schlesinger's standing with Carter rests on a special foundation—one even firmer than the fact that both men, with their faith and their Bibles, are "Godders." "Schlesinger is Jimmy's type of expert, cool, crisp, almost academic, very strong-willed," says a White House aide. "Early on, they had almost a student-teacher relationship." Another adviser guesses that the president has been drawn to such relationships ever since he was a naval officer, under the technocratic tutelage of nuclear Admiral Hyman Rickover, Schlesinger, this adviser concludes, is a younger Rickover in a business suit.

Very occasionally, Schlesinger does seem concerned that his own image may be too flinty, too sharp, too hard. At a pre-Gridiron party, for example, he told the Washington Star's Mary McGrory, for whom the Vietnam war was a mortal if secular sin, that he had opposed it as far back as 1965. "Really, Jim," she chided. "Why, it would have been nice to let the rest of us know."

Few in the Carter administration like Schlesinger personally and one who does explains: "But then again I also like Brzezinski." Under mounting criticism, the energy secretary is becoming even less likable most of the time, meaner and more venomous—and toward virtually anyone. At a reception following that Gridiron dinner, a White House aide and a nationally syndicated columnist were discussing the prospect of a Kennedy challenge to Carter in 1980. Schlesinger sarcastically wondered: "Wouldn't it be extraordinary if the American people, looking for strength, turned to the hero of Chappaquidick?"

As a young economics professor in the 1950s, James Schlesinger wrote an essay, "The Ebb Tide of Capitalism," in which he pointed to the "danger of falling under the leadership of the technician, especially if he operates under the cloak of a political leader." That warning might apply now both to Schlesinger and to Jimmy Carter. Neither appears to be weathering the role very well. Late last year, a Washington lawyer ran into Schlesinger walking out of the old Senate office building. The energy secretary looked tired and slightly disheveled. "I've got to get out of here," he muttered, rolling his eyes. "I can't take it anymore." And everybody else is mad as hell—mostly at him.

THE CREATION OF ENERGY

(By Garrett Epps)

In the beginning was the Federal Power Commission. Then came the atom bomb, which begat the Atomic Energy Commission, which begat the Energy Research and

Development Administration. And the Arabs embargoed their oil, which begat the Federal Energy Office, which begat the Federal Energy Administration.

Then Jimmy Carter took these elements and begat the Department of Energy. "No agency, anywhere in the federal government, has the broad authority needed to deal with our energy problems in a comprehensive way," said Carter in his message to Congress proposing the new department. "The legislation I am submitting today will bring immediate order to this fragmented system."

The Energy Department, child of this confusion, firstborn of Carter's pledge to reorganize the federal government from top to bottom, came into being Oct. 1, 1977. More than a year and a half later, the promised order is nowhere to be seen. The Department of Energy is without form and void.

There is unquestionably a secretary of energy, the formidable James Schlesinger—former head of the Atomic Energy Commission, Central Intelligence Agency and Department of Defense, veteran of the Nixon, Ford and Carter administrations, perhaps Washington's most remarkable bureaucratic survivor.

There is also, in broad outlines, a Carter-Schlesinger energy policy, which can be roughly stated as follows: the world is rapidly running out of oil. New discoveries, such as Alaskan and Mexican fields do not alter this fact. America needs more energy every year to maintain its economic position and standard of living. In the long run, technologies like fusion and solar power will fill the gap. But in the next 25 years, America must rely less and less on oil; oil prices will and should rise more each year. Until the new technologies are ready, the country must depend on nuclear power and various uses of coal.

The combination of spokesman and policy has proved sweepingly unpopular in the country. Schlesinger's unemotional, pipe-smoking style has made him the most visible—and probably the most widely disliked—member of the Carter Cabinet; and the policy, which Carter recently stated as "use less oil and pay more for it," has outraged voters and liberal congressmen, who bomb Schlesinger at almost every opportunity. White House sources insist that Carter has faith in Schlesinger and believes that his unpopularity stems from popular resistance to facing hard facts about energy. But a secretary and a policy—popular or not—do not constitute a functioning agency; and as a cabinet department, rather than an uneasy melding of three bureaucratic entities, the Department of Energy hardly exists. It has a budget of about $11 billion for fiscal 1979; it has nearly 20,000 full-time employes—plus about 100,000 people who don't show up in the personnel figures but who work full-time under contract on its research and development programs and special projects. But after 18 months of operation, it does not have a complete table of organization, and the staff has not finished writing Civil Service classifications for its employes. Its internal communications are so poor that Schlesinger's top assistants have sometimes not been told that their boss would appear on national television.

The department's standby gasoline rationing plan, due on Capitol Hill in 1976, was not sent up until March 1, 1979; congressmen were acerbic about the timing—during the middle of the Iran oil scare. The department's largest single project, the mammoth Strategic Petroleum Reserve, or SPRO in department slang, is at least a year behind schedule and far over original budget estimates. During the Iranian oil cutoff the nation discovered that the oil already stored by SPRO could not be used if needed; the department had neglected to install pumps to get it out.

In a series of recent interviews, Schlesinger and other top Energy officials insisted that they have done the best they could under difficult circumstances. "The world at large is alarmed at the little progress we have made in the last 18 months," says Deputy Secretary of Energy John O'Leary. "I am constantly amazed at the progress we've made in the past 18 months."

But others don't agree. A department-sponsored "management audit" by independent consultants released last month found that Energy's top management was poorly organized, its policy planning spotty, and its field structure was not integrated into the headquarters staff. "The public complaint that we haven't seen results is well-taken," said one source who helped prepare the report. "It is not the finest managed department in the world."

And at the department's lower level, there is confusion and a sense of leaderlessness. "DOE is about as well organized today as the Titanic was in its 11th hour," said one employe who asked not to be named, "and internal communications are about the same as in a cloistered monastery."

The Carter-Schlesinger energy policy may be the correct one; or—as dozens of critics insist—it may be neglecting the importance of solar energy, conservation, gasohol, or energy from biomass. But the travails of the the Energy Department can teach us a great deal about the Carter administration's passion for reorganization—for drawing clean flow-charts and tidy boxes, and then trying to cram the government into them. The decision to create a Department of Energy was possibly ill-conceived and probably ill-timed; it has produced a department which is certainly ill-designed and unquestionably ill-managed. It has drawn the efforts of hundreds of well-meaning, well-paid, hard-working officials into tasks that have nothing to do with the energy crisis—clearing nominations with Congress, fighting over desk space, moving from one office to another, drawing and redrawing tables of organization, complying with Civil Service regulations.

Lincoln E. Moses, the gravely humorous former Stanford professor who now heads DOE's Energy Information Administration, tells an anecdote when asked what he has accomplished in his job. He recalls meeting another statistician and saying to him, "When I was head of the Stanford statistics department, I got hot water installed in the faculty washroom. What did you accomplish?" Replied the friend, "When I was head of my department, I got soundproofing installed in the ceiling of the faculty office." Adds Moses, "I tell you this fable because it reminds me of working for the federal government."

Listening to Energy officials explain their efforts to bring order out of chaos, it is impossible not to conclude that, far from hastening a national attack on the energy problem, the creation of the Department of Energy has postponed it by three to five years. Although Carter seemed to promise bold surgery on the energy problem in his campaign speeches, he has in effect hired a somewhat dotty private nurse and told her to make the patient as comfortable as possible.

To begin with, the department does not have a cohesive, rational structure. Each of its prime bureaucratic components has had a distinctly checkered past. The Federal Energy Administration was begun as a temporary regulatory agency in response to the embargo; in five years of life it had two names and four chief officers. The Atomic Energy Commission had been a hardline nuclear cheerleader, so much so that Congress decided in 1975 to take regulation of the reactor industry away from it by creating the Nuclear Regulatory Commission; as the Energy Research and Development Administration, it had begun to add solar energy research and other alternate sources to its research program. The Federal Power Commission was empowered to license new electric utility plants, set interstate electric rates, and regulate natural gas; it had acquired a reputation as a kind of never-never land, where legalistic procedures were able to protract simple questions into matters of almost infinite duration.

The theory behind the Department of Energy bill was that by combining regulation with research into all aspects of energy, the new department would enable the government to make coherent, centralized decisions about energy. The secretary of energy was to have broad, sweeping powers to make rules, set rates, apportion R&D funds and use a mixture of rewards and incentives to steer the nation away from costly or wasteful fuel technologies into cleaner, more rational paths.

But the concept of the secretary of energy as a true energy czar ran into problems on Capitol Hill. Said Rep. John Dingell (D-Mich.), chairman of the House Energy and Power subcommittee. "The age of the kings expired with the French revolution. I plead with this body, do not set up a new king here in Washington." The House of Representatives heeded, and by the time it had finished whittling the "king" down to size, he had less power than he started out with. Instead of abolishing FPC, Congress cloned the old body inside the new Energy Department, under the name Federal Energy Regulatory Commission (FERC)—a five-member body appointed by the president and not responsible to the secretary of energy or anybody else. Not only did FERC retain all of FPC's old powers—and its venerable slow-motion procedures—but it acquired broad authority to overrule the secretary on oil regulations and other matters. Indeed, because of FERC's quasi-judicial character, the secretary must be extremely careful in his communications with FERC and its members, and often must use his lawyers to communicate with the commission. So in the reorganizer's own terms, the final bill represented a big step away from centralized, rationalized energy planning.

Other parts of the department's design also seem questionable from a clean flow-chart point of view. For example, $2.6 billion in fiscal 1979—about one-quarter of Energy's annual budget—goes to making bombs and nuclear fuel for the Pentagon. The defense programs section of the Energy Department is only tangentially related to the department's overall mission of managing our national energy supply. It had been a part of AEC since the agency was set up, however, chiefly because Congress did not want to give the Defense Department control over its bomb program. When AEC became ERDA, and later DOE, the defense programs came along for the ride.

Again, a key part of regulating the nation's energy supply—the Nuclear Regulatory Commission—was deliberately left outside of DOE from the beginning, largely because public confidence in atomic safety was low.

What emerged from the administration's political calculations—and Congress's revision of them—was thus less a rational governmental structure than an unwieldy agglomeration of functions under the loose control of a constitutional monarch. ERDA's research functions survived in the research and application programs; most of FEA's petroleum regulatory authority was centralized in an Economic Regulatory Authority (ERA); and FPC survived, with new commissioners, as FERC.

Once given its flawed charter, the new department faced some unavoidable problems of combining three large organizations. Because of its "high-technology" mission, ERDA had been exempt from Civil Service.

When it became part of DOE, every ERDA employe had to be given a Civil Service classification. Independent contractors were hired just to write job descriptions, while DOE borrowed or hired "classifiers" from all over the government to translate these descriptions into classifications acceptable to the Civil Service Commission. As a result of this Herculean effort, Energy's director of administration William Heffelfinger says proudly, Everybody is on a job sheet of some kind." Though classification was to be complete by April 30, it is only 70 percent done. We saved the harder ones for last," Heffelfinger says forebodingly.

There was also the problem of moving into the Forrestal Building. President Carter gave this modern, sightly building on the Mall to the department as a symbol of the administration's commitment to energy issues; but by April, only 1,508 of a projected 5,000 Energy Department employes had moved in. "We are slowly but very steadily moving in, like the waves that come with the tide," says Frank Pagnotta, the burly former CIA official who is in charge of the operation. "We established our beachhead April 1 [1978] and we have been occupying new lands as they develop."

The problem is that there aren't very many new lands and nobody wants to move out to create them. Defense Department employes already in the Forrestal didn't want to go, and they got Congress to investigate whether they should; residents of the neighborhood where many of them were to be transferred didn't want a large new federal presence, and they filed suit to stop it.

One casualty of the space warfare is the old ERDA headquarters at 20 Massachusetts Ave. NW, which had been renovated for ERDA just a few years before; because the Corps of Engineers would be displaced by the move into the Forrestal, DOE traded them to the old ERDA headquarters. Currently, DOE is gathering employes there to get them ready for the move to the Forrestal; for some, it will be their third move since "immediate order" was created in the energy field.

In addition to the built-in shocks of moving, getting new (and sometimes lower) job classifications, getting used to new bosses and learning new procedures, DOE's research and development side—the remnants of ERDA—were undergoing another jolt as Schlesinger redesigned its organization to fit the latest management theories. ERDA had been organized by fuel type—with a coal program, a nuclear program, a solar program, and so on. Under DOE, research and development has been shifted to an approach called "stage of application." Under this theory, basic research is shifted down the organizational line into an applications area as it becomes ready for commercial use. Various parts of the old solar office, for example, might find themselves under the assistant secretary for energy technology or the assistant secretary for conservation and solar applications, depending on how close to commercial usefulness they are judged to be. Because DOE is not in business to produce energy itself, but only to show private industry better ways to save and produce it, there is a special deputy undersecretary for commercialization, whose job is to market various techniques and inventions to private industry as they come down the line.

DOE officials insist this change was necessary to make sure administrators did not become lobbyists for their type of fuel—and that new ideas are released for commercial use when they are ready. On the flow chart, it looks good; it may even work the way it's designed to some day. But in the department's early days, it has unquestionably contributed to confusion and bureaucratic struggles. "Six months ago, I spent all my time on turf struggles—'Is it ready or not?'" admits Deputy Secretary O'Leary. But he boldly predicts that "two years from now it will work automatically."

Beyond the natural shocks arising from reorganization, DOE has also had to put up with sloppy management. As Schlesinger sees it, his job is to be Carter's chief spokesman and adviser on energy. "The main business of this department," he said in a recent interview, "continues to be the development of national energy policies and the national consensus behind them—to the extent that is possible."

So Schlesinger has spent his time almost totally outside the department—lobbying on the Hill, speaking to industry groups and advising the President. Between January and April of this year, by DOE's count, Schlesinger appeared on Capitol Hill 17 times, made 12 major speeches, held three press conferences and appeared on three televised interview shows. This workload, Schlesinger's defenders point out, is down from the days just after DOE began, when the bitter fighting over the Carter energy bill kept Schlesinger up on Capitol Hill almost fulltime.

Many Cabinet officers play a similar public role; but they usually turn over the running of their agencies to a strong "executive officer," who can sort out bureaucratic disputes and make sure the fine words announced in public bear some relation to what is being done at the agency. This leadership role is particularly important at a new organization, where attitudes and authority are fluid. But Schlesinger did not designate anyone to fill it.

When the DOE bill was proposed, it included one deputy secretary—theoretically the spot for the "executive officer"—and two undersecretaries; Congress eliminated one of the undersecretaries. Schlesinger's response was simply to treat the deputy and the undersecretary as equals, giving each charge of half the department's operation and leaving the "executive officer" job empty.

As deputy secretary, he named John O'Leary, a veteran energy bureaucrat who had been fired by Nixon as head of the Bureau of Mines but returned with the change of administration as Carter's choice to head FEA. Under Schlesinger's management O'Leary was given charge of regulatory matters, policy planning and information systems. The undersecretary he named was Dale D. Myers. A former NASA official, Myers was given charge of programs which spent money—energy research and application, defense programs, and the Strategic Petroleum Reserve.

"It might have worked with three people who had worked closely before," said a former DOE official. "But these were three busy men—and they were practically strangers.

The result has been a confusing administrative jumble, in which, for example, the official responsible for assigning personnel slots reports to the deputy secretary, while the controller, who must approve salary payments, reports to the undersecretary.

The department's field structure, for another example, now plugs into headquarters almost at random. Asked who was in charge of the field structure, Schlesinger said he would have to check the organizational chart. In fact, no one is. Interviews with O'Leary, Myers and John M. Deutch, director of energy research, revealed a structure in which the DOE's regulators report to O'Leary, while the latter report simultaneously to various assistant secretaries of Deutch and Myers. It is worth remembering that these latter do much of DOE's most important—and costly—work. During the Three Mile Island nuclear crisis, for example, the DOE lab in Idaho Falls helped supply information that allowed technicians to disperse a dangerous hydrogen bubble in the reactor vessel without an explosion or catastrophic meltdown.

One casualty of Schlesinger's casual approach to internal organization has been morale inside the department. The secretary is respected by those around him for his abstract intelligence and verbal agility but subordinates say he has made little effort to befriend those beneath him, and he projects a chilly, authoritarian style which they find intimidating. In addition, he has staffed the higher echelons of DOE with large numbers of former military officers. Defense Department officials, and old CIA hands; Pentagon whistle-blower Ernest Fitzgerald once remarked that DOE had become "the great Pentagon in the sky." The result has been a management structure which is strong on hierachy and short on group feeling. One lower-level employe told the story of a man who claimed to have invented a miraculous machine that would solve the energy problem. The inventor had sent the plans to his congressman, who had forwarded it to the Energy Department. Rather than turn it over to a low-level employe, an assistant secretary answered it himself for fear of offending the congressman. "Schlesinger has everybody so terrified that nobody wants to be caught off base," the employe explained. "So they're all form and no substance. And the sad thing is, it takes time to answer a letter like that."

But there are other, more substantive, casualties of Energy's chaotic first 18 months. None is more revealing than the paralysis of the Strategic Petroleum Reserve, which accounts for more than a quarter of the department's 1979 budget. By any objective measure, SPRO is a vital part of DOE's mission.

The objective is to store 750 million barrels of oil in underground salt caverns in Louisiana and Texas, to be drawn out and used in an emergency. In time of oil embargo, or war, the oil in the domes—roughly equal to one month's domestic production—might conceivably make the difference between paralysis and survival. Storing it is an immensely complicated technical task, and represents a huge financial expenditure. A year ago the department projected the cost at $14.4 billion; that figure is certain to increase.

But SPRO, which was at the time scheduled to have more than 250 million barrels of oil stored by now, has only 2 million. Schlesinger admits that the program is "about a year" behind schedule, for which he blames the restraints put on him by local authorities and the Environmental Protection Agency. "Rarely in the past has a major national effort of this kind been undertaken without a decision to go on wartime methods," he said. "In World War II you might have run roughshod over (environmental constraints) and that might have been the preferable way in this instance."

But many of SPRO's problems actually arose because it was neglected while the tasks of reorganization drew Schlesinger's attention elsewhere. The departmental flowchart originally placed SPRO two layers beneath the assistant secretary for resource applications. So the huge program remained under acting leadership for 10 months, until an assistant secretary was recruited and confirmed and then was able to recruit his own director.

In the meantime, problems built up in SPRO until a report by the office of the department's inspector general two months ago concluded that millions of dollars had been wasted because of poor inventory control, bad procurement and contract administration, misuse of equipment and poor planning. SPRO's management had not even bothered to get exemptions from local sales taxes—routine for federal projects—and, as a result, had paid $150,000 in sales tax for a single contract.

After an audit by the inspector general, SPRO applied for an exemption and a refund; but in other areas, the report said, "We are not satisfied that corrective action is taking place as rapidly as it should. . . . "

In addition, of course, SPRO's management made the now-famous decision not to install pumps to bring the oil out until 1980 or so. During the Iranian oil crisis, this decision received massive criticism; interim pumps are scheduled to be in place this month.

Last September a fire broke out at one SPRO salt dome in which one worker died and and another was injured; 30,000 barrels of crude oil were lost. As a result of this debacle, the SPRO program was belatedly moved up to report directly to Myers. But by the time the program began to get its construction and safety programs under control, the collapse of the shah's government sent oil prices soaring, and the Energy Department decided to stop buying oil for storage for fear of sending spot prices even higher.

"We're now in the position where we have lots of capacity but no oil in the ground," Myers admits. Still, he says, SPRO was intended as a cushion against price instability; by not buying oil, it is reducing world demand. Thus, he argues gamely, in one sense, we're kind of doing what SPRO's secondary mission was."

The SPRO disaster is enormous but not unique. Everywhere in the Energy Department are deadlines missed, slots unfilled, organizational charts incomplete, lines leading nowhere. For example, FERC's new management has tried to simplify its procedures and shorten its waiting periods; but the press of new applications—and the new 27-tier natural gas pricing system—has resulted in a larger backlog of cases than it inherited from FPC, while the difficult issues of procedural reform have not yet been tackled. On another level, many of DOE's civil-service employes say they feel they are trapped in an organization that does not work, and that nobody cares.

One man reported that in his division the confusion over financial procedure had resulted in unpaid travel vouchers of as high as $800 for a period of five months. Another pointed to the offices around his and said, "Ever since I've been here, I've never heard any admonition about conservation. The heat in the building is too hot. During the winter, people left their radiators on all night. Or in summer they left their fans on. It would never occur to Schlesinger that we ought to be first in conservation." "We found too many anecdotes of lost or delayed correspondence, delay in coordination, lack of early warning and poor dissemination of policies and decisions," said the management audit.

Schlesinger loyalists insist that confusion is inevitable in assembling a large, complex new agency and that it is unfair to judge the department as a failure or a success after only 18 months. They further say that during much of the agency's life its top leadership has been embroiled in the bitter house-to-house legislative fighting that surrounded Carter's first energy plan, which took nearly two years to be enacted.

"It takes you at least three or four years to make a department operational," says Schlesinger soothingly. Adds Myers, "I think any new agency has some growing pains. I went through the merger of two major corporations and it took some time to get our act together." Says George McIsaac, assistant secretary for resource applications, "In some respects, even though we all knew what we were getting into, the American people perhaps expect too much. DOE, after 18 months, is expected to perform with the finesse of the Department of Defense. . . . We're doing just fine."

There's something to that argument. The task of organizing the Energy Department is a huge one; many of those who have undertaken it are manifestly competent, energetic and sincere in their devotion to its mission. Despite its reputation, the department is far from a nest of bureaucratic duff-sitters or civil-service clock-wachers. But the DOE bill was sold to the people as a means of introducing "immediate order" and as a way of coping with a serious, immediate crisis, one Carter later termed "the moral equivalent of war."

Now the soothing bureaucratic noises—the words saying: relax, give us a few years, let us get our act together—unavoidably raise the question of whether this trip was really necessary, whether creating a cabinet department is the proper response to the perception that we are in a "crisis"—about energy or anything else.

As a crises-solving agency—a Pentagoh to conduct the moral equivalent of war—DOE is a clear failure. One does not fight a war by reorganizing the government. Schlesinger, a master of blaming his troubles on outside conditions, once remarked "how grateful we should be that the Japanese chose to attack Pearl Harbor prior to passage of the National Environmental Policy Act." But one could argue as forcefully that, had the nation responded to Pearl Harobr by reorganizing the Department of War, we would have probably had to fight the enemy on the outskirts of Kansas City.

Viewing the situation in wartime terms, the proper response to an energy crisis would probably have been either to throw huge amounts of money into research to find new supplies of energy and to organize government-run facilities to produce synthetic gas and oil, gasohol or solar power, or to impose rationing and mandatory conservation measures, thus ending our dependence on foreign oil. Either plan would have huge drawbacks—research funding would lead to some waste and boondoggle; rationing would bring inequities and profiteering. But they might get results quickly, and in wartime, one has not the luxury of constructing a clean flowchart before giving battle.

By choosing to view the energy problems as one calling for reorganization, the administration, wittingly or not, seems to have decided that the energy problem would be a feature of our national life for quite a while to come—a nagging, intractable, but not threatening obstacle to sound planning and smooth economic growth, one that could wait three or four or five years for a concerted attack.

One side effect of reorganization is that it gives huge masses of people a vital career stake in the problem at hand. For a brief time during its debates on the Energy Department bill, Congress considered writing in a "sunset" provision that would have abolished it after five years. It's a shame the provision was removed. However, there was an amendment to provide a congressional review in 1982. That seems like a good time to take another look at the idea of an Energy Department.

For right now, however, one thing seems clear: the current reorganization has shaken our federal energy machinery almost to the breaking point. The one thing that is not needed right now is another hefty dose of "immediate order." The machine we have—bad as it seems—should be cleaned up, given sound management, and allowed to run for a few years. Schlesinger says he has heeded the message of the critical management audit.

Late last month, he issued the first of a series of orders designed to correct the flaws it criticized. From now on, O'Leary is to be the department's "executive officer," and Myers has been effectively demoted to a role supervising conservation programs and SPRO.

Three years from now, Congress will have a chance to decide if he—or his successor—has succeeded, if the organization needs changing and if we need an Energy Department at all. If they don't do a thorough job, after that DOE will sail serenely into the stream of American bureaucracy, untouchable and unstoppable, whether it's needed or not.

"In five years the world is going to change," says one department official. "A lot of the things we're doing in energy are going to be done—and we'll still be here. We're a latter-half-of-the-20th-century Agriculture Department." ●

RONNIE FRANKLIN—COCK OF THE WALK IN DUNDALK

● Mr. MATHIAS. Mr. President, as the entire world knows by now, a Maryland owned and trained 3-year-old named Spectacular Bid, cracked the second barrier to winning racing's Triple Crown last Saturday by taking the Preakness in a near record time of 1:54.2. Bid's story will be even more spectacular on June 9, as he becomes the 1979 winner of the Triple Crown at Belmont, N.Y.

But an even more spectacular story than Bid's is the story of Ronnie Franklin of Dundalk, Md., who dropped out of high school a few years ago, and went on to become a jockey, and to join with trainer Bud Delp in guiding Spectacular Bid to victory in the Kentucky Derby and the Preakness.

Sports Illustrated magazine said it well in an article on Ronnie this week entitled "Cock of the Walk in Dundalk." I ask that the article be printed in the Record.

The article follows:

Cock of the Walk in Dundalk

Judged merely by results, Ronnie Franklin didn't have the greatest of afternoons at Pimlico last Thursday. In the fifth race, on an even-money favorite, he had only finished fourth. In the ninth, he was even further back in the pack. But afterward, in the jockeys' room, he was displaying one of his ear-to-ear grins. "Ain't this the real summer weather?" he said.

The grin was just barely visible; threatening to obscure it completely was the bouquet of carnations, black-eyed Susans and dahlias that he was clutching, and which extended from waist to chin. It had been ordered for him by some ladies in Denver. "Now, wasn't that real nice of them?" he asked.

Pretty much everything was real nice for Franklin last week in the short spell he would have to enjoy his homecoming before the pressures built up for Saturday's Preakness.

"I love being here," he said. "Not just people and friends. I love this race track, riding where I started. I love it. It's got a good bottom to it, solid. It's a little cuppy around the gate today; they could use a little water. But it's great on the rail. Don't trouble about those races today. I just didn't have enough horse to get home."

By now, bouquet and all, he was working through the people who wanted to shake his hand as he made his way across the ground-floor concourse to where his car was parked. The TV showed a payoff of $31,113.00 on the last triple. "Wouldn't you've liked to have three bucks on that, Ronnie?" a bystander called out.

"Nah," Franklin came back euphorically. "Three thousand!"

In the car, heading out to his parents' home in the Dundalk section of Baltimore, he sang along happily with the radio, "Every time I think of you. . . ." Then, suddenly "You know Mr. Driver—the principal of my old high school? He wrote to my mother. They want to have a Ronnie Franklin Day there." Considering that it was an all-too-noticeable *lack* of Ronnie Franklin days—attendancewise—that caused considerable friction toward the end of the young jockey's high school career (he left when he was in the 11th grade), this seemed handsome of Mr. Driver.

A few minutes later, the talk turned serious. After Franklin had ridden Spectacular Bid to victory in the Kentucky Derby, press comment had been mainly positive. But some critics claimed he didn't ride that well, that he had given up ground unnecessarily early in the race. "I didn't lose that much ground," he said. "I was only about two horses out. Maybe I could have been a little closer in, but my horse was on a good surface. You've got to find that good stuff. Didn't you see those other jocks' horses skipping and jumping?

"I knew where the good going was on the track. I'd *studied* it in those earlier races. Five or six feet out from the rail it was perfect—well, it was still a little cuppy, but it was better than closer in. My horse don't care too much what sort of a track he's on, but I thought it was good to take him out some, save him for the stretch run. I knew that he'd draw off and win."

A sign at the side of the road said, welcome to Dundalk, and Ronnie was once again savoring the delights of being home after more than five months on the road—except for a week after the Florida Derby. "That's Golden Ring Mall," he pointed out with all the pride of a local Rotarian. "That's a *big* mall. Ain't it a nice place?"

Well, certainly Dundalk is by no means the grim place that has been described by those too diligently seeking out a rags-to-riches saga in the Franklin story. It is a well-tended, entirely respectable section, though it is clearly not affluent and most of the houses are small, as is the one on Ormand Road where Ronnie's parents have lived for 25 years.

The living room is beginning to fill up with trophies and photographs of Ronnie, the most prominent being an early one, a large, hand-crocheted portrait of his first winner—in fact, his first mount, Pioneer Pattie, that he rode at Bowie on Feb. 4, 1978. It is the work of his Aunt Marie Kulig, his father's sister, and Marian, Ronnie's mother, is quick to point out that this was the beginning of a penchant for the number four, which he rode under in the Kentucky Derby.

"His sister Carolyn was 24 that day [in 1978] and the horse paid $24.40," said Mrs. Franklin. "His sister Nancy was 21 on May 4, the day before the Derby." She searched around for some other remarkable fours to add to the collection, but Ronnie had remembered the bouquet from Denver and was bringing it in from the car. Before his mother could ask about the flowers, Ronnie was halfway out of the house again, on his way to Merritt Beach, close to home, where his teenage crowd used to meet in the old days.

But he is no longer as free as he was then. "You have to be at the store by seven," his mother called after him. That evening he was committed to autograph pictures at a large department store in the neighborhood.

"You know," his mother said after he had left, "last year, when I saw Stevie Cauthen riding out to the start of the Derby, and they played *My Old Kentucky Home,* I sat there crying. I felt so good for the boy. I never dreamed that in a year it would be Ronnie."

Nor, indeed, that she would be setting in a box close to the finish line at Churchill Downs. Tony, her husband, took time off from his job as a steelworker at American Can and they drove down. The nearest accommodations they could get were in Erlanger, Ky., 70 miles from the track, and it was midnight before they sat down to dinner after the race. Following the excitement of the win and the drinks in the Directors' Room, they found that they had no clear idea of where they had parked their car. It wasn't until 10 p.m. that they left Louisville.

Maybe for them, as it was for Ronnie, the homecoming was the best thing of all. The neighbors had readied their houses with signs. DUNDALK IS PROUD OF YOU, RON; COME ON, RON AND BID, ONE DOWN, TWO TO GO; WELCOME HOME, CHAMP!; and the like. When Mrs. Franklin got to her yoga class last week, the ladies greeted her with yet another placard, which read, BEHIND EVERY GREAT BOY IS A GREAT MOTHER! And, among much mail, there was a discreet note of congratulation from the local Cadillac dealer, who clearly felt that the Franklins were just about ready to move into his orbit.

Tony had had a call from the plant manager at American Can. Perhaps he and Marian would care to go out to dinner with a vice-president of the company when he came down to watch the Preakness?

Sudden glory. And there was more of it when the Franklins went out to dinner at a local restaurant that night. One after another, strangers approached them, some elaborately polite. "Pardon this intrusion," a lady said, "but we had to speak to you. We live *right* in this section."

"You have a nice boy," said another stranger. "Don't let Mr. Delp chastise him too much."

Mrs. Franklin laughed at the reference to Bud Delp, Spectacular Bid's trainer, but it did remind her of something that has caused her a good deal of unhappiness over the past few months—the assumption that her son had quit home to live as Delp's "third son," supposedly because the home his own parents could offer him was inadequate.

To be fair, this upsets Delp as much as it does Marian Franklin. Last week he said wearily, "This has all gone too far. I love Ronnie, but he's *not* my son. I've *got* two sons."

What Ronnie will tell you himself negates all the busybody notions. For instance, when he started to work at Pimlico for Delp, and before a room was arranged for him there, Tony Franklin would be up at 4:30 a.m. to drive his son to the track, and Marian Franklin would be there to get Ronnie home.

More than two years ago, when Ronnie was at the Middleburg, Va. Training Center where Delp had sent him along with a group of young horses, he called home on Thanksgiving Day. He wanted desperately to be home for dinner. Unquestioningly, Tony drove the 100 miles to Middleburg to pick him up, then drove him back that night.

Such examples could be multiplied many times. When he was 14, Ronnie went to Palo Alto, Calif., to stay with his uncle, Ray Franklin, who once built cars for Parnelli Jones. Ronnie liked it so much he asked his parents if he could stay and go to school there. That experiment lasted two months before he was on the road to Dundalk again. "He can only stay away from home so long," his mother says. "Then he has to get back."

But, says Mrs. Franklin firmly, "The best place he could be now is with Bud Delp. It's very good for him to be with Bud, living in the racing atmosphere."

Later in the evening, the strength of the Franklin family is revealed. In an impromptu reunion, no fewer than 25 members of it appear at the department store to support Ronnie in his picture-signing chore, right down to 5-year-old Walter Anthony Cullum, who wears a T-shirt emblazoned "Ronnie Franklin, My Uncle." He also twirls a pair of racing goggles—the ones, in fact, that Ronnie wore at Churchill Downs, still dusty from the track. "Got 'em off Ronnie's horse hat," he explains nonchalantly.

Ronnie sits there, smiling and signing autographs. The line moves forward slowly, like cars in California waiting for gas. A non-horseman, an out-of-towner evidently, looks on curiously for a moment, then says to his wife disdainfully, "He's a hero if you're a horse lover from Maryland, I suppose." He looks closer. "Hey," he says, "he's giving out autographs! I'm getting one for Bernie!"

Bernie? A horse lover from Maryland, no doubt.●

SUNSET AND REGULATORY REFORM

● Mr. ROTH. Mr. President, this afternoon hearings are being held on one of the most important subjects considered by Congress—the reform and reorganization of Federal regulatory bodies.

Both S. 445 and title V of Sunset, S. 2, address that subject. Senator PERCY and Senator BYRD have made substantial contributions in developing S. 445, and I am pleased to be a cosponsor. I am also pleased that regulatory agencies have been included in the Sunset process through title V of S. 2, a bill of which I am the coauthor.

Both S. 445 and title V force the President and Congress to carefully examine the procedural, functional, administrative, and structural aspects of regulations promulgated by agencies or departments. And more importantly both pieces of legislation mandate recommendations from the President and Congress to correct the regulatory morass and force action through strong enforcement mechanisms.

The impact of Federal regulations on our economy is staggering. It is costing our economy billions of dollars weekly. Between 1962 and 1977, 236 agencies, bureaus, and commissions were created while only 21 were eliminated.

It is time for Congress to reassert a stronger oversight role over the regulatory process. Our challenge is to minimize increased costs, paperwork, and administrative burdens on the public and private sectors, yet protect public interests where the private sector is unable to do so.

It is time that Federal agencies should periodically be required to justify their continued existence in light of the purposes for which the agency was established. Now is the time for Congress and the President to more closely examine the effectiveness of an agency to fulfill its purposes.

I am pleased to have this opportunity to express my thoughts on the need for regulatory reform, an area in which I have long been a strong advocate.●

STUDENT ASSISTANCE PROGRAMS

● Mr. PELL. Mr. President, the Congress this year will begin a review of the Higher Education Act with particular emphasis on Federal Government student assistance programs. The decisions made by the Congress will determine to a great extent the future direction of these student assistance programs.

To make wise and practical decisions on student assistance programs, we must have a thorough knowledge of how existing Federal student assistance programs are working.

As chairman of the Subcommittee on Education, Arts, and the Humanities, I have therefore instructed the subcommittee staff to conduct a series of oversight inquiries into current student assistance programs and particularly the Middle Income Student Assistance Act.

I have directed the subcommittee staff to visit high schools and colleges through the country over the next several months. They will be talking with students, guidance counselors, parents, and financial aid officers to determine firsthand how well these programs are working.

The Congress enacted the Middle Income Student Assistance Act last year. The objective of that legislation, which I sponsored, is to make some form of Federal financial aid available to every American family. I believe this legislation may well serve as the key element in the future formulation of student aid programs.

Students and the higher education community have now had their first year of experience under this act. Students and their families have submitted applications for Federal aid under it, and they have been informed of the results of those applications. As the Congress prepares to consider reauthorization of these programs, I think it is a good time to take a close look at the results of this first year of operation.

All too often, the Congress in the past has enacted new programs and then failed to do the oversight work that is necessary to make certain that the new programs are working as intended, with the results that were expected. That will not be the case with the Middle Income Student Assistance Act. I intend to make certain that the program does in fact make aid available as Congress intended and that students and their families are finding it helpful in this period of sharp and painful inflationary increases in the costs of higher education.

With that objective, members of the subcommittee staff during the next few weeks will visit high schools in my own state of Rhode Island and other parts of the country. They will learn about the experiences high school seniors have had in their recent attempts to secure Federal aid for higher education.

During the late summer and early fall, the focus of the inquiry will turn to college campuses, where the subcommittee staff will discuss operation of the student assistance programs with college officials and students at all levels.

The results of their inquiries will be submitted as a report to the subcommittee and should prove most useful during the committee's deliberations on reauthorization of the Higher Education Act later in the year.

I believe this kind of intensive, direct review of Federal programs in the field is important to make certain that programs achieve what the Congress intended, efficiently and effectively. The staff field study will provide an important supplement to information obtained through the formal hearing and from the formal statistical reports submitted to the Congress by the Department of Health, Education, and Welfare.●

INTERNATIONAL YEAR OF THE CHILD

● Mr. PELL. Mr. President, in recent weeks there has been increasing controversy and debate over the observance of the United Nations sponsored International Year of the Child. Remarks have been made indicating a fear that the mandate from President Carter creating the U.S. National Commission for the International Year of the Child may serve to extend the Government into the private lives of millions of citizens who are rearing children in America today. The implications of such statements are that the International Year of the Child and those associated with it are threatening our Nation's most cherished institution—the family. Nothing could be further from the truth.

The International Year of the Child was originally proposed by Canon Joseph Moerman, Secretary General of the International Catholic Child Bureau. The U.S. Commission was established by President Carter's Executive Order 12053 in April 1978, and authorized by Congress in title XV of the Education Amendments of 1978, Public Law 95-561.

Under the capable direction of Mrs. Jean Young—mother, educator, and wife of the U.S. Ambassador to the United Nations, the Commission has worked diligently to foster a better understanding among all of our citizens regarding the urgent needs and concerns of children and how these can be met most effectively for the benefit of each individual child.

The Commission has repeatedly emphasized that all children shall have full opportunity to develop physically, mentally and spiritually in family surroundings that support and contribute to their well-being. Ideally, the setting should be the child's home—the place where he or she is wanted, loved, nurtured, and cared for. But Commission members have realistically perceived that for millions of American children this basic right to love, affection, understanding, and care is one that they do not enjoy. In the spirit of true compassion, the Commission has asked important questions:

What is to become of the children in America today who, for whatever reason, do not have the comfort of a loving home?

How can we, as a nation which prides itself on the boundless opportunities offered our young people, provide adequate assistance to keep our families intact?

What can be done to strengthen family ties, and what support is needed to achieve that goal?

These are the critical questions that not only merit our attention but deserve an answer.

The commitment of the U.S. Commission on the International Year of the Child is to heighten public awareness of the special needs of young people and to encourage the continuation of a national dialog that will result in positive changes in policies and practices that affect children and families. Special attention is being paid to health, education, social environment, and the physical, emotional, and cultural development of our children.

That some may not wish to deal with facts concerning the real-life condition of too many young Americans does not change those facts, and the facts are these:

A total of 17.6 million children in this country today are barely surviving in dire poverty, with families whose incomes are below the actual poverty level;

Ten million children under the age of 16 receive no regular medical attention;

One-third of all children under the age of 17 have never seen a dentist;

More than 7 million children under the age of 19 have some form of handicapping condition, but only 55 percent of them are getting the care they require

More than 1 million children with learning disabilities and another 1 million with emotional disturbances are not adequately served by existing programs;

Fully one-quarter of the children in America who complete fifth grade today will become dropouts before their high school graduation;

Approximately 77,000 young people under the age of 18 are in American prisons at a staggering cost to the taxpayers of more than $17,000 per year per child.

The Commission's task is to alert the American people to these facts. The hope is that solutions to these many problems will begin at home—at the very core of the family unit which underpins virtually every other institution that we treasure in this Nation.

Literally thousands of special events and programs are taking place across our country to mark the International Year of the Child in America. They reflect a deep and abiding concern for our children on the part of dedicated parents, educators, legislators, health care professionals, civic leaders and businessmen and women who fully understand that the welfare of our young people cannot wait. Their needs—and those of their families—must be met to insure the safety and well-being of this generation, and of the generations of the future.

Nearly 50 years ago, in November 1930, President Hoover opened a White House Conference on Child Health and Protection with this statement:

> Let no one believe that these are questions which should not stir a nation: that they are below the dignity of statesmen or governments. If we could have but one generation of properly born, trained, educated and happy children, a thousand other problems of government would vanish.

Mr. President, it is in that spirit that I commend the efforts of the U.S. Commission on the International Year of the Child, and urge my fellow Americans to join together on behalf of its goals.●

KEEPING THE TAX EXEMPTION FOR STATE AND LOCAL HOUSING BONDS

● Mr. ROTH. Mr. President, I believe we must preserve the Federal tax-free status of State and local housing bonds to insure adequate housing for our citizens and to stimulate the housing industry, which plays such an essential role in our economy.

Under present law the interest on State and local housing bonds is exempt from Federal taxation. A State or local government will issue a housing bond for the express purpose of making low interest mortgages for single family housing or multifamily rental housing. The State or locality establishes the eligibility for the mortgage loan with income and/or mortgage ceilings.

These bonds create affordable home financing to low- and middle-income families without the costly and timely bureaucracy involved in many Federal housing programs. Issuing housing bonds is an economically efficient and effective manner to make low rate mortgages available to those families which the State or local government designate as in need of housing assistance.

Because these bonds are viewed as a threat to Federal control of housing policy, a campaign is under way to restrict the use of these bonds. Congressmen ULLMAN and CONABLE have introduced legislation, H.R. 3712, to remove the tax exemption for housing bonds used to finance single family housing and multifamily rental housing that does not qualify as section 8 housing.

As a member of the Senate Finance Committee, I intend to fight to preserve the ability of the States and localities to provide the opportunity of homeownership to their citizens through the issuance of tax-free housing bonds.

If a municipality issues a tax-free housing bond, it should be viewed as a local answer to a local problem.

H.R. 3712 is an unnecessary Federal control, which denies affordable house financing to people. H.R. 3712 does not ban all financing of housing through tax-free bonds, rather it prohibits the use of tax-free bonds to finance single family owner occupied housing and multifamily rental housing which does not qualify as section 8 housing. In essence the bill allows the financing of housing through tax-free bonds as long as the financing is for housing that the Federal Government deems appropriate. This is Federal tyranny. This removes all discretion from the local government about the use of the bond proceeds for a specific area or need. Local judgment about housing needs is abolished and instead a national standard is imposed as to whom should receive housing assistance.

It is advantageous that the States and localities determine who is eligible for low rate mortgages as local governments can better assess the needs of their citizens than can the Federal Government. The prices of homes are soaring and in many localities it is no longer a small minority of low-income persons who need financial assistance.

Denying the tax-free status of most housing bonds severely limits the States' and municipalities' capability to consciously promote their local economy and improve the lives of their citizens. Restricting the use of housing bonds adversely affects the prosperity of the community. Fewer homes will be bought and fewer houses will be built. The issuance of housing bonds makes homeownership more accessible, which concomitantly stimulates the housing industry. An increased activity in the housing industry creates more employment and through a wider tax base raises more revenue and the community, as a whole, prospers.

Cities have used these housing bonds to rehabilitate neighborhoods. The issuance of single family housing bonds has helped Wilmington, which had been experiencing a population loss and a significant housing abandonment. Since the issuance of tax-free housing bonds in January 1979, the number of sales of single family houses is up 60 percent over a comparable period in 1978. Similarly successful results have occurred in Denver, Minneapolis, and Chicago. In fact, housing bonds have been a successful tool in providing housing in all the municipalities and States where they have been issued.

The argument that the use of tax-free bonds is an ineffective way to administer a housing program because there are no Federal oversight and controls reeks of Federal egotism. There are over 15 Federal programs to assist housing and one wonders how effectively they are administered. The Comptroller General of the United States in recent testimony before the Budget Committee included the housing programs in the Department of Housing and Urban Development and other agencies among the most wasteful, fraudulent and abused of Federal programs. The Department of Justice organized a special HUD task force which has led to over 825 indictments of 1,129 defendants and 854 convictions. Since 1974 almost 100 HUD employees were indicted and 79 were convicted. And there are people who criticize housing bonds because of the lack of Federal oversight.

The lack of Federal oversight may be one reason why tax-free bonds have been so effective and economical in providing affordable home financing.

To illustrate my point, I would like to read from the May 15, 1979, testimony of William McLaughlin, the Mayor of Wilmington:

> In January, 1978, we set out to participate in HUD's Neighborhood Strategy Areas Program to assist 350 low and moderate income families. Now after 16 months, hundreds of hours of city and Federal government staff time, and tens of thousands of dollars of the taxpayers dollars spent, we and the Federal government are still nearly 12 months from helping the first family under NSA. And once we do start helping them, the 40 year cost to the Federal budget will be staggering. Meanwhile, within the last nine months, at little cost to the city and none so far to the Federal government we are well on the road to helping 500 low and moderate income families through the mortgage program.

Hopefully the continued use of the tax-free bonds will decrease the large number of ineffective and terribly expensive Federal housing programs.

The budget deficit exacerbates inflation, and that is the reason why we should think of replacing some of the Federal housing programs with housing programs funded through tax-free housing bonds. The requested budget authority for HUD in 1980 is $27 billion. Using the tax expenditure concept of revenue loss, it has been projected by CBO that the revenue loss from State and local single family housing bonds will be $340 million in 1980. This is quite a sizable difference. Expanding the number of tax-free housing bonds is preferable to expanding the number of HUD operated programs to satisfy what is sure to be an ever increasing demand for affordable home financing. This alternative will help ease the pressure on the Federal budget.

Admittedly future years' loss estimates from the issuance of tax-free housing bonds do increase. However, congressional hearings can be held at the appropriate time to determine whether tax revenues from increased housing construction or reductions in HUD subsidy programs will offset the long-term Federal revenue loss from these bonds. However, because of the current success of these housing bonds, their tax-free status should not be terminated now.

Mr. President, tax-free housing bonds are providing homeownership opportunities to those people designated as in need of financial assistance by their local government. There are few more noble goals of public policy.

The use of tax-free housing bonds is an inexpensive and effective way to administer housing programs without the burdensome intervention of the Federal Government. The use of these bonds is a promising development in providing affordable housing for our citizens. It has been a highly successful local response to the local problem of housing. In short, it is one housing program that works. I intend to fight to maintain the tax-free status of housing bonds.●

SENATOR HEINZ ADDRESSES ANTHRACITE COAL CONFERENCE

● Mr. SCHWEIKER. Mr. President, events like the Iranian revolution, OPEC price increases and the appearance of gasoline lines in a number of States underscore the critical need for the United States to develop its domestic energy resources. Yet, despite repeated warnings about our energy vulnerability, we fail to take those actions which would promote greater use of our most abundant fossil fuel—coal.

The major obstacle to developing the full potential of this vast energy resource is the uncertainty about the Environmental Protection Agency's proposed new source performance standards for electric utilities. Until this uncertainty is removed, utilities will continue to rely on oil-fired plants to generate power. In short, the present lack of a reasonable regulatory policy toward the use of coal to generate electricity contributes to the perpetuation of our dangerous reliance on petroleum based fuels.

The situation faced by the anthracite coal industry provides a compelling example of how uncertainty about the EPA's standards has an adverse effect on our energy situation while threatening the existence of a once thriving industry. Thus, while an anthracite-fired powerplant without any scrubbing emits essentially the same amount of sulfur as a bituminous plant which scrubs 80 percent of the gases from its coal, and it does so at lower cost, the EPA is apparently unwilling to make allowances for these differences in grades of coal. Instead, it proposes to hold all grades of coal to the same standard.

But, if anthracite is held to the same standard as other grades, and expensive scrubbing equipment is required, it is no longer cost-competitive. The end result is that anthracite mines are shut down, miners are thrown out of work and an important source of readily available alternate energy is foreclosed. All this to achieve a negligible improvement in air quality.

It is with these considerations in mind that I ask that the very pertinent remarks of my distinguished colleague, Senator JOHN HEINZ, at the Anthracite Task Force Revitalization Conference at Hazleton, Pa., on May 4, be printed in the RECORD following my statement. I commend these remarks on the need to develop effective coal policies to the attention of Senators.

The address follows:

ANTHRACITE TASK FORCE REVITALIZATION CONFERENCE

Last October when I addressed a meeting of the Joint Anthracite Committee here in Hazleton, I noted the similarity between David's challenging Goliath and the efforts of a small group of determined Pennsylvanians to revitalize the anthracite industry. Undaunted by the apparent enormity of the task, this group consisting of industry, state, environmental, business and federal representatives established the Anthracite Task Force.

In the two years since the Task Force first met, national and international events have reconfirmed the belief that eliminating obstacles that prevent greater utilization of our anthracite resources should be an integral part of our national energy policy.

Anthracite, and coal in general, is unique as an energy source. The biggest obstacle to utilization of this abundant resource is the uncertainty about the new source performance standards which the Environmental Protection Agency is developing for electric utilities. While most anthracite produced today is consumed in residential applications, the potential for growth in the utility sector is enormous. One 1000 megawatt powerplant would consume approximately 3 million tons of anthracite per year, that is equivalent to over half of last year's entire production of anthracite.

Last December, I joined with a number of anthracite representatives in testifying before the EPA in support of an exemption from the proposed standards for anthracite-fired facilities. Over six hours of testimony was presented on behalf of an anthracite exemption.

To say the least Goliath was stunned. For many good reasons. For example, an anthracite-fired plant without any scrubbing emits substantially the same amount of sulfur as a bituminous-fired facility at which 80 percent of the gases are scrubbed. And mining more anthracite would have a significant positive environmental impact on the area as abandoned strip mines and culm banks are reworked and the land reclaimed.

And finally, we were able to demonstrate that burning anthracite to generate electricity is less expensive than burning bituminous with scrubbers. The Department of Energy estimates the cost from anthracite-fired powerplants to be 25 percent less than from a bituminous plant. This amounts to savings of $80.00 per year or $6.67 per month for the average consumer.

The EPA was impressed by the presentations in December. In fact, a confidential staff report recommended that anthracite be granted the full exemption from scrubbing that we asked for. And I personally expected that victory to be made public.

In the middle of March, however, due to other considerations, EPA received permission from the U.S. District Court to postpone the final regulations until June 1, 1979. If last winter we had to have the determination of David, this spring we have to have the patience of Job!

But since December, national and international events have emphasized the crucial importance of unlocking the door to anthracite. For example, the accident at the Three Mile Island nuclear powerplant has raised serious questions about the safety of commercial nuclear power generation. Frankly, unless the investigations undertaken by the President's Commission and Congressional committees demonstrate clearly and conclusively that the public health and safety can be adequately protected, nuclear powerplants will not be able to contribute to the energy needs of our nation.

And—as if we needed to be reminded—the 69-day suspension of oil exports from Iran and the recently announced OPEC price increases had better wake up the Congress, the Administration, and every American to the fact that the U.S. is too dependent on foreign sources of oil . . . unless we want a handful of nations with a tiny population to call the shots for us. Since the Arab Oil Embargo in 1973, our imports of oil have increased from about ⅓ of our needs to the point that we now depend on foreign sources for half of our crude oil needs.

In contrast, consumption of anthracite has declined from over 62 million tons per year to just 5 million tons in under 20 years. That's not progress, or independence, that's delivering ourselves into foreign captivity.

Every American consumer is understandably upset at higher energy prices. Higher oil prices and gasoline or home heating fuel shortages are not abnormal occurrences. They are warning signals of danger. The danger which results from the total lack of government commitment to full development of our nation's coal capacity.

President Carter says his decontrol of domestic crude oil prices is part of an effort to encourage greater exploration for domestic oil reserves. But, by the end of 1981, the Congressional Budget Office estimates that decontrol will result in extra production of only 200,000 barrels of oil per day, 73 million barrels per year. If you figure the oil industry will get about $8 billion in extra revenue in 1981, the cost per extra barrel works out to $110 for every extra barrel produced. Well if the Administration merely made a few minor—and instant—regulatory changes, we could increase the utilization of coal-fired power plants from 57.5 percent of capacity to 60 percent, a level last achieved in 1975 that would reduce oil imports by 300,000 barrels per day immediately—50% more energy now at a cost of less than ⅙ that of decontrol.

And, supplying this demand can be accomplished without huge payoffs for new exploration. Nationwide there exists excess capacity in the coal industry of over 100 million tons per year. As you well know, there are 97 million tons of anthracite waiting to be recovered from nearly 900 million tons of coal refuse which are only too visible in Northeastern Pennsylvania.

Clearly, we have here in Northeastern Pennsylvania some real answers to our nation's energy problems. The job as I see it is to increase the awareness of the energy potential of anthracite.

First, the Office of Anthracite at the Department of Energy must be adequately staffed if we ever hope to look to it as the focal point for anthracite development initiatives. Two people alone—no matter how excellent—are simply not enough to do the major job.

Second, Research and Development. One of the major coal research programs of potential benefit to coal-producing states, the University Coal Research Laboratory Program, is just being implemented by the Department of Energy, even though my amendment to do this became law nearly two years ago. That's because the Administration did not request any money for the program until Fiscal Year 1980. These research labs have the potential to provide us with new technology for the environmentally safe and cheaper mining, conversion, and utilization of coal. It's a sad measure of the moral equivalent of war, that the Administration callously delayed the implementation of this program.

Third, conversion to coal. The provisions of the National Energy Act passed last year concerning the conversion of powerplants and industrial boilers to coal must be implemented aggressively—not at a snail's pace. Yet recently, the DOE has suggested that industry convert all oil-boilers to natural gas to alleviate the tightness in the oil market. Just the reverse of what we need to do.

Just two years ago when the Senate was debating the Fuels Use Act, there was a shortage of natural gas which closed factories and threatened to leave homes without heating fuels. At that time the Administration urged industry to convert from natural gas to oil. The moral is that when you fight the MEOW its a good idea not to make war on the only people who can help you win it.

The government can still make up some lost ground. It can take the lead in utilizing coal by building new facilities with anthracite-fired equipment and whenever feasible converting existing structures of anthracite heating equipment.

Fourth, new technology for the future. Much more needs to be done in the way of encouraging commercial application of advanced technologies, such as the 3 contracts DOE has negotiated for three projects to demonstrate the fluidized-bed combustion process, which will use fresh anthracite blended with culm as the feedstock. And an added benefit of this is cleaning up some of the 800 refuse piles located in the Wilkes-Barre, Shamokin and Towanda area.

Other countries know that the technology exists to convert coal to oil. South Africa, which lost 90 percent of its oil supply with the change of governments in Iran, is building a plant which will convert 27 million tons of coal into 500 million gallons of oil per year. And that project utilizes technology developed in the United States. All of this simply shows what we are capable of doing . . . the fact is we are nowhere near our potential.

The president scarcely mentioned coal, let alone anthracite, in his energy message. That means we are going to have to continue to fight still harder to help this country move ahead.

I hope the people from DOE present note the stunning turnout here this morning. I want them to know that the Anthracite Task Force has my complete support. I want them to know we know what we are doing. I want them to know David will overcome Goliath.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. McGOVERN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million, or in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that 4 such notifications were received on May 16 and 22, 1979.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, Room S–116 in the Capitol.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 16, 1979.
In reply refer to: I–4623/79ct.
Dr. HANS BINNENDIJK,
Professional Staff Member, Committee on Foreign Relations, United States Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southeast Asia country tentatively estimated to cost in excess of $25 million.

Sincerely,
ERNEST GRAVES,
Lieutenant General, USA, Director.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 22, 1979.
In reply refer to: I–18/79.
Dr. HANS BINNENDIJK,
Professional Staff Member,
Committee on Foreign Relations,
United States Senate,
Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the attached advance notification of an offer for major defense equipment tentatively estimated to cost in excess of $7 million.

Sincerely,
ERNEST GRAVES,
Lieutenant General, U.S.A., Director.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 22, 1979.
In reply refer to: I–1904/79.
Dr. HANS BINNENDIJK,
Professional Staff Member,
Committee on Foreign Relations,
United States Senate,
Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the attached advance notification of an offer estimated to cost in excess of $25 million.

Sincerely,
ERNEST GRAVES,
Lieutenant General, U.S.A., Director.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 22, 1979.
In reply refer to: I–4806/79.
Dr. HANS BINNENDIJK,
Professional Staff Member,
Committee on Foreign Relations,
United States Senate,
Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the attached advance notification of an offer tentatively estimated to cost in excess of $25 million.

Sincerely,
ERNEST GRAVES,
Lieutenant General, U.S.A., Director.●

AMERICAN GOLD MEDALLIONS

● Mr. HEINZ. Mr. President, last year, the Senate Banking Committee held hearings and passed an amended form of the Gold Medallion Act of 1978.

There was considerable concern expressed by many of my colleagues that Americans who wished to purchase gold in small quantities were forced to seek such gold medallions from the Soviets, the South Africans, the Mexicans, or the Austrians, since the United States only sold gold in 400 ounce ingots.

While I shared my colleagues' concern that American citizens not be forced to import gold from other nations, I expressed concerns about the U.S. Government endorsing, in any manner, the sale of gold medallions. As the Treasury Department testified, mint production of gold medallions under the auspices of the U.S. Department of Treasury could well be deemed by investors as official sanction of such speculative purchases. In my view, investors should not be restrained from purchasing American gold, if that is their firm wish, but, likewise, they should not be under the impression that such purchases are endorsed or guaranteed by the U.S. Government.

I was, therefore, pleased to learn that gold medallions will be made available to American citizens in the private market beginning this week, manufactured by the Franklin Mint. This step will assure Americans of an alternative. No longer will small investors be forced to purchase gold coins from South Africa or the Soviet Union, thereby reducing our assistance to the export markets of both nations. Moreover, I believe this step should reduce any pressure on the U.S. Treasury to officially mint gold for sale in this country.●

THE BISHOPS OF TAIWAN

● Mr. LAXALT. Mr. President, my good friend, the Most Reverend Norman F. MacFarland, is bishop of the Roman Catholic Diocese of Reno-Las Vegas. I have known him for many years as a concerned, perceptive, and compassionate individual. Consequently, I was particularly attentive when he forwarded me a copy of a letter which the bishops of Taiwan had sent him concerning the current plight of that unfortunate island.

John Kennedy once said that all it would take for freedom to perish from the face of the Earth would be for good men to do nothing. Freedom is indeed under siege in many parts of the world. But I am heartened that in many places good men are not content to keep silent; that they are speaking out on behalf of their own liberties as well as those of the rest of us.

The bishops of Taiwan are such men. They ask that they not be abandoned. They ask a fair chance to preserve their individual rights and human dignity. They resolutely refuse to be thrown to the Godless totalitarianism now looming ominously at them from across the Taiwan Straits.

In words that do credit to free men everywhere, they assert:

> We refuse to become as human cattle. We refuse to have our thoughts dictated to us in defiance of the nobility bestowed on us by the Creator. We refuse to be turned against our will and our conscience into puppets of a false ideology that we spurn.

Mr. President, I recognize the diplomatic utility in the recognition of the Peking regime. But I can never accept the cavalier, needless abandonment of free men such as these inherent in this administration's repudiation of Taiwan. I ask that the full text of the letter from the bishops of Taiwan be printed in the RECORD so that my colleagues might hear their eloquent plea for themselves.

The letter follows:

LETTER FROM THE BISHOPS OF TAIWAN

Brothers, we pray that our Lord Jesus may grant you the peace that he has won for us through his sacrifice!

SHEPHERDS OF OUR PEOPLE

Although our Christians represent but a small minority of the population living in Taiwan, the Lord has commissioned us to shepherd the entire flock of people on this land. The College of Bishops, under the active Presidency of our Holy Father the Pope, have also established us as Pastors in service to these people who are most dear to our heavenly Father and who have been redeemed by the blood of Jesus. It is as Shepherds that we address this letter to you.

Our islands shelter a population of seventeen million inhabitants, which is more than the population of Australia, or of Holland, or of Switzerland, more than that of 120 among the 160 independent nations of the world. Seventeen million men, women and children who are born and who die, live and labor, experience joy and sorrow, who love and who pray and to whom our Lord Jesus "has given the power to become sons of God."

Seventeen million inhabitants who, for the first time in the history of China and after thirty years of unremitting work, have succeeded in raising substantially their standard of living and distributing equitably their hard-won prosperity. They have built a society which, although not perfect, gives them the possibility to live in freedom and in security from want. It provides them with opportunities to develop, to cultivate their talents and to serve God, each one according to his conscience.

"The glory of God is man fully alive."

Seventeen million persons whose destiny is at stake . . . Our people, in fact, have recently been flung into the throes of uncertainty. They see the hard-won fruits of their labor escape them, they become victims of international rivalries while an indifferent and insensitive public opinion looks the other way. The political and diplomatic means of expression are gradually removed from them. The cultural, scientific, athletic sports and other assemblies of the international community are being closed to them. And they find themselves pulled into a mechanism of destruction, against their own will.

Before it is too late, the voice of the Shepherds must make known to the world the anguish and the distress of their people.

THE SITUATION

It is common knowledge that thirty years ago, in 1949, the Peking regime assumed power on the Chinese Mainland. Being an island, the province of Taiwan was spared the fate of the other provinces of China. About two million refugees from the continent found safety here among eight million local inhabitants. Together, and with the aid of friendly countries, they developed this territory until it has now become a modern industrialized country whose population has almost doubled.

While a great number of governments of the free world continued to give us diplomatic recognition, the geographic situation of our islands protected our freedom until, in 1954, the United States made it secure by a Treaty of Mutual Defense.

In the course of time, one after another, the governments of the free world switched recognition to the Peking regime, and in 1971, the United Nations decided to exclude us from their assemblies. Our population reacted with energetic courage to this gradual process of political, diplomatic and cultural isolation, confident that the community of nations could not deny them the possibility of survival in freedom. Our confidence was all the more natural, since we had always tried to contribute our share to the brotherhood of nations, as evidenced by the technical aid we provided during many years and are still providing to other developing countries, and by the humanitarian assistance that we are continuously rendering to the Vietnamese refugees, without any support from the United Nations.

Finally and very recently, the United States, the guarantor of our liberty, decided to break diplomatic relations with our government and bring to an end the Treaty of Mutual Defense. Like most of the other nations who recognize Peking, they declared that "Taiwan is part of China." By this ambiguous declaration, the "Taiwan question" becomes an "internal matter" of China, while Peking is recognized as the only government in China; the legal title of Taiwan is handed over to Peking and our people are thrown aside, against their will, abandoned to the mercy of the totalitarian regime they abhor.

This regime controls a population fifty times more numerous than our own, it occupies a territory three hundred times larger than Taiwan and it disposes of enormous resources. Any economic or military advantage that may still be ours can but wither away under the weight of such a power. Fearing to offend Peking, the free world is presently unwilling to guarantee our freedom by something more concrete than wordy declarations. What will it do when, eventually, this "internal matter" is liquidated at the expense of our liberty?

Quite naturally, this situation casts great anxiety upon us; our fate appears sealed entirely without our consent, and while everyone remains unconcerned, doubt is creeping into our hearts and could undermine our collective endeavor. Yet, we refuse to give up.

WHAT IS AT STAKE FOR US

Being of one heart with our population, we acknowledge but one China, one culture, one nation, one territory; but we repudiate with all our strength the regime that enslaves our brothers on the Mainland. Facing the threat of the same fate which befell them, we affirm our determination to do all in our power to save our freedom and the freedom of our families. We ask you to try to understand what is really at stake for us.

We seek no privilege, we ask for no favor, we are not recoiling from that suffering which is the common lot of man. But we absolutely cannot accept to be robbed of the inalienable right of every human being to live freely according to his conscience. The society we built with much toil is far from perfect, but it offers to each of us a chance to develop as fully as possible while respecting the rights of his neighbors. We want to protect that society for ourselves and for our children and, if some day it becomes possible, we wish to offer it as a model to our countrymen on the Mainland.

We are not shirking the sacrifices required by the service of our fellowmen. We are not afraid of giving up our life style, our customs, our comforts, if the welfare of our brothers, especially that of the smallest among our brothers, requires it. Everyone knows that the Chinese people are capable of enduring great sufferings. Centuries of history, on both sides of the Taiwan Strait, attest to this fact. Poverty, which we have so recently conquered, does not frighten us even if it is unjustly re-inflicted upon us. We can endure material oppression, the direst deprivations, vexations and injustice itself. What we refuse to accept is to be denied the freedom to think what our intelligence and our conscience show us to be the truth, the freedom to listen to the voice of God in our hearts and to live in conformity with His call.

It is neither material well-being nor selfishness that impels us. It is simply the desire to live as human beings, to whom is offered the dignity of being sons of God, and to ensure that this same life will be the lot of our children.

We refuse to become as human cattle. We refuse to have our thoughts dictated to us in definance of the nobility bestowed on us by the Creator. We refuse to be turned, against our will and our conscience, into puppets of a false ideology that we spurn. We know through the personal experience of many among us that this is the fate awaiting us if we weaken in our resolve, or if the world forsakes us.

The press of the Western World is presently making itself the echo of a movement towards "democratization" by the Peking regime. Our experience, closer to actual facts, tells us that such movements appear regularly on the Chinese Continent and are forerunners of a stricter repression to follow. These movements are carried out according to the policies of Hegelian dialectics, and forever aim at tightening the hold of the regime upon the population. True liberation of the human person would be the negation of the regime, and a number of years would be necessary to ensure the credibility of such a radical change.

FATAL DIALOGUE

We do not expect our situation to change overnight. The process will last as long as necessary to avoid violent clashes with public opinion that would provoke unwanted reactions. But once started, the process will prove irreversible.

As an initial step in the process, we are asked, innocently enough, to engage in dialogue. Chinese popular wisdom calls this "pulling the tiger's whiskers." A sad and already-long experience shows that such a "dialogue" leads inevitably to total and unconditional surrender.

Can we honestly close our eyes to what happened after World War II in every single East European country? Can we honestly forget Vietnam where the most solemn agreements, guaranteed by great powers, were endlessly thwarted, leading to the final defeat of a people who refused to submit to the totalitarian ideology of a minority? Can we ignore that the inhabitants of that region, who heroically endured thirty years of a horrible and inhumane war, are unable to endure the oppression of that same ideology and, at overwhelming risks to their lives, flee their country by hundreds of thousands? So many tragic facts cannot be lightly ignored or unconcernedly forgotten.

When a door or a window opens to a typhoon, the entire house is soon blown apart. Our national experience, six times repeated, abundantly proves that the dialogue, in which we are asked to engage once again, simply means that we deliver ourselves, with shackled hands and feet to the unscrupulous interlocutor. Is the world ready to give asylum tomorrow to seventeen million refugees? Is it not simpler and more humane to prevent such a catastrophe?

Besides, why force us to talk away our freedom when we now possess it fully and when it could so easily be defended if only our friends would support us?

IMPORTANCE OF WORLD OPINION

In the next few months we expect a series of "fraternal gesture" that may reach the point of "asking our help" for the modernization of the motherland. The purpose of these gestures is to destroy us if we accept them and to turn public opinion against us if we do not.

If we accept relations with the Peking regime, they will take advantage of it to weaken us by fomenting dissension among us. Every society contains seeds of "contradictions" and to exploit and aggravate them to the point of conflicts and clashes is a very well-known tactic. Any relation with us will thus be used to discredit us in the eyes of the world and have us appear as losers, undeserving of outside support.

If we reject relations, it will be "proof" that we are not reasonable, that we refuse the outstretched hand of friendship and that the only possible solution is to use force to subdue us.

How can public opinion, with so short a memory, understand such an extremely cunning and wicked game? On the one hand, we shall be condemned as unworthy of being defended because we disagree among ourselves. On the other hand, it will be said that we only reap what we have sowed, because we are so very unbending.

Both our past experience, and the process of destruction in which we are trapped, give us a clear vision of the situation. But many people see only the present moment while remaining blind to a process that stretches over months or years. To many, the danger will appear remote, yet we know that once in motion, the cogwheels will not stop until we are crushed. The tactic consists precisely in gradually building a wall around us; a wall that will effectively prevent our friends from helping us when the danger has become obvious.

Already today, from another angle, insidious propaganda tries to turn public opinion against us and confuse our people by sowing distrust against our government, questioning the value of our collective endeavor and blowing out of proportion any weak point in our achievements. To build a society takes a long time and the result is always less than perfect, to criticize and destroy it is a very easy task.

Attempts at infiltration and subversion will inevitably compel the government to harden and tighten up its security measures which are indispensable, but this will bring on immediate and hypocritical censure upon us. Many other tactics—old and new—will be used to discredit and destroy us.

It is of vital importance to us that public opinion throughout the world be enlightened as to the truth of the situation as it is worked out in actuality. A constant alertness is required to expose the dangerous tactics that aim at catching us into the trap of death.

OUR HOPE

We have been ordained as Shepherds to lead our people, all of our people, to the Father. It is part of our mission to protect the dignity of man who was created in the image and likeness of God. However, the Christians in Taiwan are but an insignificant minority and should this totalitarian regime, intolerant of any conviction except its own, succeed in its schemes, we would be reduced to utter powerlessness in no time. This would spell out the end of our mission. It is therefore imperative that we now speak up, in the hope of preventing the gloom of darkness to fall upon our land and our people.

We address ourselves to all our Brother-Bishops, Successors of the Apostles, the Lord has entrusted you with a universal responsibility. Do not let a part of humankind, however small it may appear to you, be thrown into a condition of mental and spiritual slavery, unworthy of men created by God and redeemed by the blood of Jesus Christ. Do not allow their souls to be torn away from them, and the light of conscience, lit up within them by the Creator, be extinguished.

We turn to all who believe in Christ, the only Savior of humankind. In the name of the Lord, do all in your power to help save our people from the degrading bondage that threatens them.

In the name of man's brotherhood, we appeal likewise to all men who love truth and seek after justice. Our Sages of the past taught us not to do unto others what we do not want others to do unto us. As none of you wish to be abandoned to hopeless servitude, do not either forsake your seventeen million brothers who are on the brink of that very fate.

We earnestly request that each of you try to penetrate, and exert your influence in having others penetrate, the real signifiance of the situations and the events that are hitting us so hard, and that you also find effective ways to spare us this lot.

We are in the hands of God, as well as in the hands of our brothers. May the Lord, who commands us to love one another, bless you for your fraternal empathy and love.

Our people are ready to defend their liberty and to face their destiny. Although no one should expose himself to temptation, yet as Christians, we are ready to share the cross of Jesus if such is the will of God. But we refuse, and we ask you to help us avert, the destruction of that which makes us rational persons. The Creator has placed in us a spark of freedom which makes us human beings. He wants us to protect it, to cultivate it, and never to let it be crushed or destroyed.

Since we are the shepherds of our people, our vision reaches horizons that are farther still. Beyond the limited designs of man, we discern the coming of the Kingdom, the universal sacrifice of the Lord Jesus, a sacrifice which vindicates our hope. We envision a Father's love which transfigures our labors and our sorrows. Whatever the outcome of our efforts, whatever the fate men have in store for us, we know that nothing can ever prevent the Lord's victory over evil. We deeply hope to be able to walk through this desert with all of our people and to discover, in the far beyond, the loving face of our Father.

TAIWAN, MARCH 20, 1979.

Matthew Kia, Archbishop of Taipei, Joseph Kuo, Archbishop of Salamina, Stanislaus Lokuang, Rector Magnificus of Fujen University, Peter Tou, Bishop of Hsinchu, William Kupfer, Bishop of Taichung, Joseph Ti-kang, Bishop of Chiayi, Paul Cheng, Bishop of Tainan, Joseph Cheng, Bishop of Kaohsiung, Joseph Wang, Auxiliary Bishop of Taipei, Thomas Pai, Apostolic Administrator of Penghu, and John Tsao, Vicar Capitular of Hualien.

LEGISLATION TO REMOVE THE TAX EXEMPT STATUS OF HOUSING BONDS USED TO FINANCE LOW-INTEREST MORTGAGES FOR SINGLE FAMILY HOMES

● Mr. PELL. Mr. President, owning a home is a fundamental American value, but one which increasingly is beyond the reach of too many of our people. Over the past decade, thousands of lower and moderate income persons have been able to purchase their own homes only because financing was provided by the sale of tax-exempt housing bonds.

The Congress, however, is now considering proposals which would eliminate tax exemptions for these housing bonds. This action is being considered for several reasons. First, the sale of these housing bonds reduces Federal tax revenue and contributes to the Federal budget deficit. In addition, there is evidence that these low-interest mortgages are being made available in some parts of the country to persons earning far in excess of the income level the program is designed to help. In some cases, low-interest mortgages are made available to persons earning well over $30,000 per year, for the purchase of homes costing more than $125,000. In my view, abuses of this kind should be eliminated.

I believe the low-interest mortgages should be limited to persons who otherwise would not be able to purchase a home. For instance, for those earning below $20,000, the low-interest mortgage means the difference between owning or not owning a home. I hope that the Congress will not enact legislation which would remove this opportunity for persons unable to obtain conventional mortgages because of high spiraling interest rates. I believe that the tax revenue loss problem can be reduced and the benefits of the housing bonds retained, if an upper limit is placed on income eligibility, and a maximum dollar value placed on the individual mortgages obtained with the financing from the sale of the housing bonds. Another possibility the Congress is considering is a variable low-interest rate mortgage, which would retain the benefit of the housing bond financing for persons in their low earning years.

The tremendous value of the housing bonds in making housing affordable is demonstrated by a few statistics from my own State of Rhode Island, which has financed more than 15,000 homes at interest rates between 7.5 and 8.5 percent. Consider the cost of a 25 year, 40,000 mortgage. Through financing made available by the sale of tax exempt housing bonds, a family would have a monthly mortgage payment of $322 while paying 8.5 percent interest for the cost of the mortgage. With conventional financing at an interest rate of 10.75 percent, the same mortgage would cost $385 per month—a difference of more than $18,000 over the 25 year life of the mortgage. Without this kind of financing, especially younger families, would be unable to afford their own homes.

In addition to making the difference between owning or not owning a home, the housing bonds have positive economic byproducts. The construction and building trades stimulated by the housing bonds contribute tax dollars to the Treasury which help to offset the revenue lost by the sale of the tax-exempt bonds. The real estate development industry falls into the same category.

I believe that we can achieve overall economic benefits by properly targeting the availability of the housing bonds. The Congress should study the existing program with great care and consider what limitations should be imposed to insure that low-interest mortgages are not available to those who are able to buy homes without the subsidy of tax-exempt bonds. But I hope that the basic plan, which has created an opportunity for persons who would otherwise be unable to purchase their own home, will be left intact by the Congress.

At a time when there is no sign of conventional interest rates coming down to more affordable levels, we should not eliminate the benefits of housing bonds for income levels where it really makes a difference.●

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that with respect to Calendar Order No. 191, a bill to authorize the establishment of the Frederick Law Olmstead National Historic Site in the State of Massachusetts, that there be a time limitation thereon of 40 minutes on the bill to be equally divided between by Mr. BUMPERS and the minority leader or his designees, and that there be a time limit on any amendment thereto—Mr. President, I the Chair to indulge me temporarily.

Mr. President, I yield the floor.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be recinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTINUATION OF RAIL SERVICE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 81.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 81) to require continuation of rail service by the Chicago, Milwaukee, St. Paul, and Pacific Railroad for a period of 45 days.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the joint resolution which had been reported from the Committee on Commerce, Science, and Transportation, with amendments, as follows:

On page 3, line 5, strike "forty-five" and insert "sixty";

On page 3, line 20, after "lines" insert ", except that other revenues available to the railroad will be used to the fullest extent possible";

On page 3, beginning with line 21, strike through and including page 4, line 3, and insert in lieu thereof the following:

(b) The Secretary of Transportation, under the authority of the Emergency Rail Services Act of 1970, shall immediately guarantee trustee certificates issued by the Milwaukee Railroad. Such guarantee shall be made without regard to the findings and conditions set forth in subsections (a) and (b) of section 3 of such Act, and the certificates guaranteed under this joint resolution shall not have the status and priority set forth in subsection (c) of section 3 of such Act.

(c) Certificates guaranteed under this joint resolution shall not have priority in bankruptcy over the claim of any creditor of the Milwaukee Railroad as of the date of enactment of this joint resolution.

On page 4, line 4, strike "(c)" and insert "(d)";

On page 4, beginning with line 11, strike through and including line 15.

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress hereby finds that—

(1) the proposed embargo of the freight operations of the Chicago, Milwaukee, Saint Paul, and Pacific Railroad Company in the States of Washington, Montana, Idaho, North Dakota, South Dakota, Illinois, Iowa, Missouri, Michigan, and Indiana, which the trustee of the railroad has asked the Bankruptcy Court to authorize and to direct, would have crippling repercussions on the economies of these States;

(2) the threatened embargo of freight service extends over seven thousand miles of the track, or approximately 75 per centum of the Milwaukee's rail system;

(3) the proposed embargo would result in the loss of many thousands of jobs of railroad workers and other workers whose employment is dependent upon uninterrupted rail service;

(4) coal shipments from the great coal deposits underlying Montana, Wyoming, North Dakota, and South Dakota are totally dependent upon continuing rail service;

(5) the agricultural producing and marketing activities in this tier of States is equally dependent upon continued service;

(6) cessation of essential transportation services by the railroad would endanger the public welfare;

(7) cessation of such services is imminent; and

(8) there is no other practicable means of obtaining funds to meet payroll and other expenses necessary to provide such services.

Upon this basis the Congress declares that emergency measures must be taken to avoid the substantial damage to the economy of the region and of the Nation which the proposed embargo would otherwise cause.

SEC. 2. For a period of sixty days following the effective date of this joint resolution, the Chicago, Milwaukee, Saint Paul, and Pacific Railroad Company shall (a) maintain its entire railroad system, as it existed on May 1, 1979; (b) continue no less than the level of service provided by it at that time; and (c) not take any action to abandon or discontinue service over any part thereof unless it is authorized to do so by the Interstate Commerce Commission, and no affected State (or local or regional or transportation authority) opposes such action by the Commission.

SEC. 3 (a) The Secretary of Transportation shall provide financial assistance in an amount equal to the difference between (i) the total expenses incurred by the railroad in or attributable to the maintenance and continuation of service as required by section 2 and (ii) the direct revenues from the handling, routing, and moving of traffic over such lines, except that other revenues available to the railroad will be used to the fullest extent possible.

(b) The Secretary of Transportation, under the authority of the Emergency Rail Services Act of 1970, shall immediately guarantee trustee certificates issued by the Milwaukee Railroad. Such guarantee shall be made without regard to the findings and conditions set forth in subsections (a) and (b) of section 3 of such Act, and the certificates guaranteed under this joint resolution shall not have the status and priority set forth in subsection (c) of section 3 of such Act.

(c) Certificates guaranteed under this joint resolution shall not have priority in bankruptcy over the claim of any creditor of the Milwaukee Railroad as of the date of enactment of this joint resolution.

(d) The Secretary shall advance funds to the railroad in an amount sufficient to maintain its continuing operations as required by this resolution. The railroad shall submit promptly to the Secretary of Transportation its record of these expenses and revenues. The Secretary of Transportation shall certify to the Secretary of the Treasury the amount to be paid on the railroad.

Mr. CANNON. Mr. President, this is a joint resolution sponsored by Mr. Baucus, Mr. Melcher, Mr. Magnuson, Mr. Jackson, Mr. McGovern, Mr. Church, and Mr. Boschwitz, to require continuation of rail service by the Chicago, Milwaukee, St. Paul & Pacific Railroad for a period of 60 days. This railroad is in bankruptcy. It is now in the hands of a trustee. Court proceedings have been held.

Senator Long conducted a hearing for our committee on the matter of the bankruptcy on May 21.

We have reported this authorizing the use of ERSA funds by the Federal Railway Administration for the purpose of keeping this railroad operating for a period of 60 days in order that they may explore every alternative to try to make this a viable service so that the people involved in the States served would not have an embargo put on their rail service and would be able to find some other adequate means of rail transportation.

Mr. BAUCUS. Will the Senator yield?

Mr. CANNON. I yield.

Mr. BAUCUS. Mr. President, I thank the Commerce Committee for acting so expeditiously on this matter. We are under a severe time constraint. The present proceedings in Chicago before the bankruptcy judge are such that the judge will likely grant the trustee's petition to embargo—or abandon—up to 75 percent of the Milwaukee road trackage.

The point of the joint resolution we are considering is to give the Milwaukee Railroad time, to give employees time, to give shippers time, to give all interested parties enough time, to come up with a plan to purchase and operate those portions of the railroad that the trustee wants to abandon.

I do not know whether such a plan, in fact, can be put together, Mr. President. I do not know whether, in fact, the Milwaukee road will be absolutely profitable over a long period of time. But I do know that we need this respite, we need this 60-day grace period to put a plan together.

It is my fervent hope that enough groups will come together with enough imagination to provide a plan. I will certainly try to help in that effort.

If at the end of 60 days it is not possible, at least we will have made the effort today.

Mr. PRESSLER. Will the Senator yield?

Mr. BAUCUS. I do not have the floor.

Mr. CANNON. I will yield.

Mr. PRESSLER. Mr. President, I understand that the 60 days is the additional time during which State groups or State plans or rail cooperatives could buy or raise money to keep the train going.

After 60 days, an option might be directed service. If we do not do this, there might have to be directed service much sooner, which might be more expensive than the amount of money that might be used in this instance. Is that correct?

Mr. BAUCUS. The Senator is correct. If we do not take this action today and if the other body does not act similarly, a large portion of the Milwaukee road will almost certainly be abandoned and thereby become the subject of a confused and expensive directed service order by the Interstate Commerce Commission.

Mr. PRESSLER. Is there a possibility that after this period of 60 days, plans are to come forward that Burlington-Northern or local groups would, by that time, come up with a plan? Is the idea to come up with a plan to keep the Milwaukee going or to have Burlington-Northern in subsequent areas, or what is the goal here?

Mr. BAUCUS. The goal here is to enable employees, unions, all interested parties, including shippers—of coal, grain, forest products—to try to come up with a plan. It gives them this time period to come up with a plan. Otherwise, the alternative, as I have mentioned, would be virtual cessation of a major part of the Milwaukee line.

Mr. PRESSLER. I thank the Senator.

Mr. BAUCUS. I thank the Senator for yielding.

Mr. MELCHER. Will the Senator yield?

Mr. CANNON. I yield.

Mr. MELCHER. I thank the Senator for yielding. As my colleague, (Mr. Baucus) did, I thank the committee for this very expeditious action on this very important matter. It is very much an emergency matter, not only for the Northwest, but, I think, for the entire country.

I do not think we can really ascertain what our true future is in terms of energy, in terms of agriculture, unless we have the Milwaukee Railroad continue.

It is most important in the Northwestern part of the United States in terms of grain and coal hauling; our very future, in terms of these two commodities, depends on how much we can depend on surface transportation.

The resolution before us does grant us 60 days to ascertain what more we can do to make sure that this vital service for surface transportation can continue.

I do not have any misgivings that we can solve all of the problems within 60 days, but I do know that, given the attention and the momentum and the very feel of emergency that is developing here, in Congress, within 60 days, we can devise better plans, more prudent plans, for the continued operation of the Milwaukee as a transcontinental railroad. It is that time we need.

It is because we need so badly to devise those plans that I am most grateful to the Committee on Commerce for acting so expeditiously this afternoon on our resolution. I hope that, during this period of time, we can devise the next steps to take to determine how we go about ascertaining what is needed to continue this very vital transportation link between the west coast and the Twin Cities and the very heartland of America that is now served by the Milwaukee Railroad.

So, to avoid the embargo that might be decided by the bankruptcy judge by the end of next week, I think the Senate is acting very responsibly for the best interests of the people of this country in making sure that we have additional time to review all the necessary steps to take.

Mr. STEVENS. Mr. President, I want to state that this resolution does not have a report. Therefore, it would not be subject, is not subject to the 3-day rule. I checked this with the minority member of the Committee on the Budget, and I am informed that there is no necessity for a budget waiver. Under the circumstances, the matter qualifies for consideration without unanimous consent. I am pleased to see that it is brought up at the request of the Senators from Montana, the Senator from South Dakota (Mr. PRESSLER) and our good friend from Nevada.

Mr. CANNON. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are considered and agreed to en bloc.

Mr. LONG. Mr. President, a few days ago the Senators from Montana, Mr. BAUCUS and Mr. MELCHER, introduced a resolution which could result in the revitalization of the Milwaukee Railroad. As envisioned, this revitalized railroad would be owned jointly by its employees and the shippers which utilize its services.

Most Senators know that I have long been an advocate of employee stock ownership. I believe, and statistics are beginning to bear me out, that when you give employees a true "piece of the action" they will work harder because they are now working for themselves and will make the business far more profitable than it otherwise would be.

Last summer, the Monthly Labor Report, published by the U.S. Department of Labor, demonstrated that employee-owned companies are more profitable.

In addition, I am presently conducting a survey to measure the performance of employee-owned companies. The 22 companies which have responded to date have advised me that, after adopting employee stock ownership plans, they recognized a 67-percent increase in sales, a 30-percent increase in employment, a 125-percent increase in a pre-tax income, and paid 112 percent more Federal income taxes.

What better proof can we have than the actual experience of employers who have shared ownership opportunities with their employees?

There is no question but that this railroad has been in serious financial condition. However, it may be that employee ownership of the railroad, coupled with a significant commitment on the part of the shippers who use the railroad to transport their goods, could make it succeed.

Therefore, if we receive a pledge from the railroad employees and the shippers that they will make a significant financial commitment to the future success of this railroad, and if studies which are presently being conducted indicate that the revitalized railroad can operate as a profitable business enterprise, I will work with them to provide a Federal loan guarantee to enable the new owners of the railroad, the employees and the shippers, to finance the revitalization of this railroad and to make it a significant economic force in the northwest part of the United States.

Is there further debate?

Mr. BAUCUS. Mr. President, I just want to make a few final points.

The first is that this resolution is going to save the Government money. The alternative to the resolution would be directed service, which would require the other railroads concerned—Union Pacific, Burlington Northern, other adjacent railroads—to provide the same service for which the Government would pay a 6-percent fee. Also, there would be the additional cost of unemployment compensation benefits that would have to be paid to those Milwaukee employees who will be laid off.

The second point is that it is going to insure good service to the Western United States in coal, grain, and other products which mean so much to the northwestern part of our country.

Finally, Mr. President, I hope that, after we take this action today, the shippers, the employees, other private and public interests associated with and interested in the good management of the Milwaukee Railroad, will take this time to come up with a plan.

Moreover, I urge the Department of Transportation to take all necessary steps to insure that appropriate feasibility studies are conducted comprehensively and expeditiously. These studies must include not only financial analyses for the future of the railroad, but also market studies for future goods and resources to be shipped on the railroad. Finally, DOT must provide technical assistance to the employees and shippers who might choose to establish "employee" and "shipper stock option plans." Without such assistance from DOT (and EDA, where appropriate) these groups of employees and shippers will be left floundering.

My colleague, Senator LONG, is a long-time friend of ESOP's. I support them, too, and I am most grateful for Senator LONG's active support and keen insights.

By the action we are taking here today, we are giving them the opportunity to take responsible action. If they do not take responsible action, at least we in this body, today, will have enabled them to do whatever they do or do not do. I think we have, therefore, acted very responsibly. I urge all interested people now from this date henceforth to develop a plan.

There is one technical point I want to mention in closing. Several Federal Railway Administration officials, who were present at the committee markup of this resolution, expressed concern about the status of any new creditors who might advance sums to the railroad (or the trustee) after the enactment of this resolution. As the drafter of this resolution, it was my intention that any Government loans made pursuant to this act would be subordinate to creditors who existed prior to this act. But any new creditors, who made advances after enactment would be treated in the normal course. That is, they would be treated as if this law did not exist for the purpose of determining priority of the new debts.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read:

> Joint Resolution to require continuation of rail service by the Chicago, Milwaukee, Saint Paul, and Pacific Railroad for a period of 60 days.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. MELCHER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR THE CONSIDERATION OF S. 640 ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, the order of business which has been previously agreed to by the Senate is that Calendar Order No. 107 be taken up, and I ask unanimous consent that the Senate proceed to the consideration of that measure no later than 11 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR LEAHY ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday Mr. LEAHY be recognized for not to exceed 15 minutes after the other orders that have been previously entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VITIATING RECOGNITION OF SENATOR TSONGAS ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order that was entered previously for the recognition of Mr. TSONGAS on Thursday be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS TODAY UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 9:30 tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR REDUCTION OF LEADERS' TIME TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that the time of the leaders on tomorrow be reduced to not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to, and, at 7:08 p.m., the Senate recessed until tomorrow, Thursday, May 24, 1979, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, May 23, 1979*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

If you forgive others the wrongs they have done to you, your Father in heaven will also forgive you.—Matthew 6: 14.

We ask, O Father, for the gifts of grace, compassion, and kindness. We plead for the forgiveness of our own sins, our lack of generosity and good will, our pettiness and lack of vision. For all selfish acts we ask for intercession.

O Father, may we not neglect to forgive others who may have wronged us, to reach out in the spirit of love and renewed trust to those about us. May enmity and suspicion be cast aside, and evil replaced with reconciliation, for it is in forgiving that we are forgiven, and given new life and hope.

In the name of our Lord, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 717. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, for 1 year;

S. 976. An act to authorize appropriations for the international affairs functions of the Department of the Treasury for fiscal year 1980;

S. 1140. An act to amend title III of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to authorize appropriations for such title for fiscal years 1980 and 1981, and for other purposes;

S. 1141. An act to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal year 1980;

S. 1146. An act to amend title XIV of the Public Health Service Act, as amended by the Safe Drinking Water Act (88 Stat. 1680, 42 U.S.C. 300j), to extend for 3 fiscal years the authorization for appropriations, and for other purposes; and

S. 1147. An act to extend certain provisions of the Toxic Substances Control Act for 3 years.

AUTHORIZING THE PRESIDENT TO PRESENT ON BEHALF OF THE CONGRESS A GOLD MEDAL TO JOHN WAYNE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be discharged from further consideration of the bill (H.R. 3767) to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Illinois.

Mr. EVANS of Delaware. Mr. Speaker, reserving the right to object, would my friend, the gentleman from Illinois (Mr. ANNUNZIO), the chairman of the Subcommittee on Consumer Affairs of the Committee on Banking, Finance and Urban Affairs, explain to our colleagues here something about this medal?

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. EVANS of Delaware. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, as the distinguished gentleman from Delaware (Mr. EVANS), the ranking minority member of the Subcommittee on Consumer Affairs, knows, our subcommittee passed this bill by a 6 to 0 vote. It has passed the full committee.

This Saturday, May 26, an American legend will celebrate his 72d birthday. Today, this Congress has the opportunity, on behalf of the American people, to show its gratitude to this man for contributions to this Nation. John Wayne has properly been described as the "last of Hollywood old time superheroes," but this simple label cannot do justice to him, or the positive influence he has had on millions of moviegoers.

The star of hundreds of westerns, adventures, and even comedies, John Wayne continues in a career which has already spanned four decades of filmmaking. Few performers have achieved greater prominence, and none have retained their popularity as long as Duke. Longevity and acting ability, of course, are not reason alone for the awarding of a congressional gold medal. John Wayne deserves special recognition not simply because he has provided, and will continue to provide, generations of movie watchers with fine entertainment. By presenting the Duke with a gold medal, we are acknowledging that he has significantly contributed to the growth of the American spirit, and helped this Nation to recover from periodic setbacks, as he has done in his own life. On and off the screen, John Wayne has left an indelible record of American life which all of us can enjoy and learn from.

Two days ago, the Subcommittee on Consumer Affairs, which I chair, held hearings on the bill to honor John Wayne with a specially struck gold medal. This morning, the bill was unanimously reported out of the full Banking Committee. During the hearings, we heard eloquent testimony from friends and colleagues of Duke, including Maureen O'Hara Blair and Elizabeth Taylor Warner.

Tributes poured in from across the country endorsing the bill, and letters of support were sent by President Carter and former President Ford. While many fine words of praise were spoken in that hearing room, Maureen O'Hara Blair best described Duke in one word—American. It is therefore fitting that included in the bill is a requirement that the medal contain these words: John Wayne, American.

Each of us in this Chamber has been selected to represent his constituents, but none of us can claim that we represent America. John Wayne can. From stuntman to folk hero, he has taken the path which gives us a model of what individuals can achieve in this country. John Wayne has already received an Oscar from his supporters in Hollywood, and now it is time for his fans and supporters in the Congress to give him the Congressional Oscar.

Mr. EVANS of Delaware. Mr. Speaker, I certainly join wholeheartedly in this bipartisan legislation to honor one of our greatest Americans and I might add one of our greatest Republicans.

I can recall as a young man in Seaford, Del., paying 11 cents to see John Wayne at the movies. That was when 11 cents really meant something and I certainly got my money's worth.

John Wayne is not only a great actor, but he is a man who stands for some of the fundamental values that made America what it is today. He is a citizen not only of this country, well known throughout the United States, but he is known and respected throughout the world. Those values that he stands for are very important to us today. The spirit with which he lifted America and, I think, lifted the world is something that we are all grateful for.

Mr. Speaker, I think it could be truly said of John Wayne that he is indeed a legend in his own time.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. EVANS of Delaware. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding.

I want to salute the chairman of this subcommittee for the expedition with which he has brought this matter to the attention of the House.

John Wayne's birthday is Saturday, and I think, if we can get this bill through and signed by that time, it will be a tribute to the efficiency of the gentleman from Illinois (Mr. ANNUNZIO).

Mr. EVANS of Delaware. Mr. Speaker, I would like to compliment the chairman of the subcommittee, the gentleman from Illinois (Mr. ANNUNZIO), also for the dazzling display of witnesses that we had before the Subcommittee on Consumer Affairs, including Katherine Nolan, Maureen O'Hara Blair, Elizabeth Taylor Warner, and Gen. Albert C. Wedemeyer. I am sure all of us would have gladly traded places with the general on that panel.

Mr. Speaker, I wholeheartedly support this legislation.

Mr. HYDE. Mr. Speaker, will the gentleman yield for one further comment?

Mr. EVANS of Delaware. Mr. Speaker, I yield to the gentleman fom Illinois.

Mr. HYDE. Mr. Speaker, I just want to say that I am delighted that the amendment I offered, which was offered at the request of Maureen O'Hara, that the medal should say, "John Wayne, American," was accepted by the committee.

I look forward to speedy passage of this important legislation.

Mr. Speaker, testimony presented to the Subcommittee of the Banking, Finance and Urban Affairs Committee in support of this legislation was of such high quality that rather than expand on my own reasons for supporting this bill I will share this testimony with my colleagues:

STATEMENT OF THE HONORABLE CONGRESSMAN BARRY GOLDWATER, JR.

Mr. GOLDWATER. Thank you, Mr. Chairman and members of the Committee, I want to thank you for this opportunity to appear before you today, and also for presenting the opportunity to the Congress and to the nation to honor a truly great man.

This award is highly selective. Only 31 people have received this honor in the twentieth century, and only nine since 1960. It has been given to George Washington, to Major General Andrew Jackson, to the Wright brothers, to Dr. Jonas Salk, Thomas Edison and Charles Lindbergh. A distinguished company, indeed—a list of America's heroes, to which one more name will hopefully be added.

Few people are given the title "the." There's the president, the pope, the queen, and the duke. And Duke Wayne has earned his place in history and a place of special affection in the hearts of all Americans.

He is the most popular film star in history. In a recent poll, he came in second only to Abraham Lincoln as a name and face most readily recognized.

In order to list all his accomplishments and honors, we would have to stay here all afternoon. Suffice it to say that this award will represent a sincere thank you from his government and fellow citizens for a lifetime of loving his country with a fierce loyalty and more than just a little pride in its goodness and despite its faults.

He was once asked what he wanted for his daughter. He replied: "I want her to be as grateful as I am, grateful for every day of my life that I wake up in the United States of America. I don't care if she ever memorizes the Gettysburg Address, but I hope she understands it."

Mr. Chairman, I would like to read excerpts from a few of the many expressions of support that have been received on behalf of this effort. I think these statements say it better and more eloquently than I ever could.

From Frank Sinatra, and I quote:

"I believe the distinguished descendants of the brave men who bore witness to our country's fight for survival during the difficult winter at Valley Forge will reflect honor on the nation as well as themselves by paying tribute now to John Wayne's fight for his survival during this difficult spring in another valley.

"No man's lifetime of work has better expressed the land of the free and the home of the brave. No man's lifetime or work has given more proof to the world that our flag is still there. John Wayne is in truth a star-spangled man whom so proudly we hail."

From Mike Frankovich, director, quote:

"By giving him the highest honor his country can bestow on a private citizen, the gold medal of honor, we are publicly saying: 'Duke, your love for your country is only exceeded by your country's love for you.' "

From Robert Aldrich, president, Directors Guild of America, quote:

"It is important for you to know that I am a registered Democrat and, to my knowledge, share none of the political views espoused by Duke. However, whether he is ill-disposed or healthy, John Wayne is far beyond the normal political sharp-shooting in this community. Because of his courage, his dignity, his integrity, and because of his talents as an actor, his strength as a leader, his warmth as a human being throughout his illustrious career, he is entitled to a unique spot in our hearts and minds.

"In this industry, we often judge people, sometimes unfairly, by asking whether they have paid their dues. John Wayne has paid his dues over and over, and I'm proud to consider him a friend, and am very much in favor of my Government recognizing in some important fashion the contribution that Mr. Wayne has made."

From Katherine Hepburn, quote:

"I understand that the United States Congress and our President are giving John Wayne a gold medal. Asked to comment, I can only say, with a heart full of love for all concerned: About time."

From General and Mrs. Omar Bradley, quote:

"In his heroic struggle, John Wayne represents the fighting spirit that has forged America, even now in his offering his very life to pave new roads to vanquish an old enemy. His medal should be made of the same stuff his heart is—solid gold."

From former President Gerald R. Ford:

"His untiring efforts to improve conditions within our country and relations with other countries have made him a legend in his own time. Striking a gold medal in his honor is a well-deserved and appropriate tribute. I urge the House to concur with the Senate and pass the special bill to authorize this medal."

From Mr. Robert F. Six, president and chairman of the board of Continental Airlines, quote:

"John Wayne is a symbol of what is best in this country. Our great nation has a heritage of uncompromising honesty and unyielding determination and unending courage, that are also the hallmarks of this uncommon man."

From Robert Stack, actor, quote:

"I just came back from three months in Europe, where everyone shows concern about Mr. Wayne's health. There has never been a member of our profession who has so impressed the world with his courage or his stature as a man. He has never appeared in a motion picture that would project a negative image of his beloved country. What you see is what you get, and what you got is a very special citizen who does our country credit."

And finally, from Gregory Peck, actor, quote:

"John Wayne is loved the world over as a man who represents independence, the love of freedom and the hearty strength of character which made our country great. For audiences at home, John Wayne, through his films, remains an authentic folk hero. In this era of shifting moral values and cynicism, he has made a contribution of inestimable value to American culture and is deserving of this tribute from the American people."

So it goes, Mr. Chairman. The testimony of those who know John Wayne best confirm the truth of the image. And I would ask the Committee's permission to have printed in the hearing record the statements and tributes received from his friends and co-workers.

In closing, I would like to again thank the Committee for its consideration of this bill, which, by the way, has been co-sponsored by over one-fourth the membership of the House, and urge that it be adopted.

Thank you, Mr. Chairman.

STATEMENT OF MRS. MAUREEN O'HARA BLAIR

Mrs. BLAIR. Thank you very much, Mr. Chairman and members of the Committee.

I don't have a prepared statement.

I came yesterday from the Virgin Islands to be here today, and it is my great honor to be here. I had a difficult time getting here because the flight was cancelled into Washington and I had to come through New York.

Yesterday in the Virgin Islands we had a golf tournament in honor of my late husband, General Charles F. Blair. So I could not start until very late.

I am happy, thrilled, delighted and very proud to be here. In my lifetime, I have been very privileged to have known and to have met, perhaps with my connections with the motion picture industry, many great and famous men all over the world, starting with by beloved father and then my husband, Charlie Blair, and John Wayne. I think they are perhaps the three greatest men I have ever been privileged to know.

I have known John Wayne for 39 years, and in those 39 years I have called him my dearest friend, my best friend. I cannot tell you the kind of man he is.

You have listened this morning to very many eloquent speeches about Duke. But it is the man that you really don't know about. I can speak to you here as an immigrant to the United States, because I am. I can speak for the people of the world outside of the United States. And, since I am now an American citizen, I can speak for the people of the United States. I hope they will grant me the permission to do that. I think they will.

To the people of the world, John Wayne is not just an actor and a very fine actor. John Wayne is the United States of America. He is what they believe it to be. He is what they hope it will be. And he is what they hope it will always be.

It is every person's dream that the United States will be like John Wayne and always like him.

To the immigrant, the person who is going to migrate to the United States, to this wonderful land where we all believe that the streets are paved with gold, every immigrant believes and hopes that perhaps life will be as John Wayne says it will be in the United States, perhaps, for them, and if not for them, for one of their children, their sons or maybe one of their daughters will marry a man like John Wayne. And so, that is their dream of America.

And then for people like me, who are fortunate enough to have become an American citizen and to have met and known this man, he is, believe me, the United States of America. He is a man that has a code of beliefs that he sticks with. He believes in individual responsibility and honor. He is cursed with one failing, his loyalty to his friends. And it has cost him many sad moments and many happy moments. But he would never cease to be loyal ever.

Patriotism and love for his country is something—he doesn't demand that everybody love the United States. He only demands of a man that he loves his own country. And I think Duke lives by a phrase or a poem that we learned in school in Ireland and we applied it to my country that I was born in, too. We always said: "Breathes there a man with soul so dead who never to himself had said that, this is my own, my native land." And Duke lives by that, believe me.

He believes also in the adherence to the American dream. The American dream to people like me who are immigrants is enterprise, hard work, and then reward. And I think that that dream still exists in the United States, where there is enterprise, hard work and reward. And he believes in that, too.

I am afraid I could talk to you about Duke all day, all through the night and on into tomorrow without stopping.

You have heard so much about what a wonderful man he is. But I wonder if you wonder, what kind of man is he, what is he like, what is he like at home, what is he like when he's not in front of the public, what is he like when he's not on the screen, what is he like when he's with his family and his children and the people he loves.

He is just the same. He doesn't change. That is the wonderful thing about Duke: You can depend on him.

I have never been in trouble or needed help at any time in my life that I didn't first pick up the phone and call Duke, and within five minutes I had what I wanted or what I requested or what I needed. And he never asked for thank you. He wouldn't think of that.

He lives his own life by strict rules and strict regulations. And he adheres to those things, those rules. He expects you, his friends, and you, his countrymen, to live by the same rules and to obey those rules. But then he has a very soft heart, and if you do make a mistake he will bend those rules, not for himself, but to forgive you. And that is friendship and love.

He has a marvelous family. He has wonderful children. He has seven children and I think he has 21 grandchildren as of the last count. Of course, any minute it could change, but I believe it is 21. And he loves every one of them and they adore him. They hang out on him. There's one on his arm, one on his shoulder, one hanging around his leg, and he loves them all and he loves his children.

And each one of them reflect in their families the love that they have learned from his knee—or from sitting on his knee, I should say.

There are many stories I could tell you about Duke, about right after the inauguration of President Carter in 1977, he sent me a postcard, and I have it, and the postcard said, quote: "In the twilight of our lives, when the hell are you going to invite me to the Virgin Islands."

(Laughter.)

And so he came directly from the inauguration down to the Virgin Islands with Ms. Pat Stacy, a wonderful, wonderful lady, and stayed with Charlie Blair and me in the Virgin Islands. And every night—he loves to play chess, and he would play chess with Charlie Blair, and then they would go flying, and then you would get to talk to him. And he would say, what do you want, what do you want for dinner. Steak. You say, what do you want for lunch. Steak. The next day, what would you like for dinner. Steak.

You get fed up cooking steak, but that is what he loved.

And one day he went down into the supermarket in the town of Christiansted, because he decided he should go shopping and buy some food for the house. And he started. He was neat. He looked absolutely gorgeous. And so he started filling his market basket with all the steaks that he could find.

And a wonderful old black lady came up to him and she tapped him on the shoulder, and she said: "Mr. Wayne, if you are buying that meat for Mrs. Blair, you had better put it back and let me show you the meat you are to buy."

So she took him over and he bought all the correct meat. And he absolutely loved it. He just loved the fact that people are so good and so kind.

And then one day he was driving a big red truck which we borrowed for him, because he won't fit in an automobile, you know. He has to drive a truck. And he was driving down to Christiansted, and he was going slowly because he was looking on both sides of the street and ogling everything he could see. And suddenly there's a big truck behind him and they blow the horn—beep, beep, beep, beep—and told him, get out of the way.

And they pull up beside him and say, why. And he says, yeah. And that was the end of it. They didn't challenge Duke any more.

But maybe I had better stop, because to talk about Duke—I talk from my heart. I could go on forever and ever.

I don't know if there are any things you would like to know about Duke. If there are any things you would like to know, I would be very happy to answer any question you have.

I beg you to strike the medal for Duke, to order the President to strike it. And I feel that the medal should say just one thing: "John Wayne, American."

STATEMENT OF MRS. ELIZABETH TAYLOR WARNER

Mrs. WARNER. Thank you, Mr. Chairman and members of the Committee.

I feel honored and privileged to be here today to make a few remarks about a friend of mine—a friend, I believe, of all of ours, no matter what our politics.

He is emblematically American, and he has made that image good. He is a hero, and there are so few left. He has given much to America and he has given to the whole world what an American is supposed to be like—fighting the wild West or settling the wild West, being tough as an old nut or soft as a yellow ribbon.

He must be the biggest non-stop star in the world. But to him there is no big star or little star. He is an actor.

He is—and I believe that all my cohorts will agree—the greatest pro of them all. Ever since 1928, when he made his film debut, he has been helping all of us through observing his 175 performances and his manner on the set, his generosity and his kindness to all of us, no matter what our position.

You, Mr. Chairman, and other members of Congress must have felt the courage of John Wayne—not only how he portrayed it on the screen, reenacting for our kids to see the horrors of war, but also showing to all the generations of our era that patriotism was not corny but brave.

When it had to be done, it was done. Kids today, and myself, talk about cool. Well, Big John is one cool cat. He is a giant, and he will be with us always.

Please, Mr. Chairman, let us, all of us, show him our appreciation and love by awarding him the national gold medal.

Thank you.

STATEMENT OF MS. KATHLEEN NOLAN, PRESIDENT, SCREEN ACTORS GUILD

Ms. NOLAN. Thank you very much, Mr. Chairman and members of the Committee.

Mr. Wayne would certainly be in the company that he belongs in, gentlemen. The recognition of the role of the arts and artists and men and women of letters of his country has not gone unnoticed in the past by Congress in past recipients of the gold medal: George M. Cohen, Irving Berlin, Robert Frost, Bob Hope, Walt Disney, Marian Anderson. I think that Mr. Wayne belongs in that company.

As the Screen Actors Guild president, of course, I am very proud of all the leaders in our profession. I am also very proud of the role that actors and writers and other members of the creative community contribute to the American way of life, the everyday life of our nation.

I am proud to sit here this morning, as the president of the Screen Writers Guild, and speak about one of our most honored and honorable members, John Wayne. Of course, from the point of view of just the acting profession alone, there are many reasons why he should be receiving this gold medal that is being proposed by bill H.R. 3767.

He spent more than 50 years in the motion picture industry, and he has made well over 150 films. He is a true movie star and of course loved and admired by people all over the world. You know, John Wayne said that he wanted to be remembered by a Spanish phrase. The rough translation of that is: "He was ugly, he was strong, and he had dignity."

Well, I don't think there are many of us that would think of John Wayne as ugly. But most of us have been affected by his strength and by his dignity in fighting the on-screen battles and the dignity that he has brought to his own life.

To bestow an honor such as this on John Wayne is truly an act that transcends personal politics. I'm sure there are some issues on which we might disagree, but what brings us together is our mutual commitment to the spirit that he represents. He represents the American spirit.

And I suppose, too, what draws us, all of us, to him is his love for the magic and the mystery of our profession.

To honor John Wayne, I think, would be to honor all artists, and to recognize the enormous contribution that is made in our society by artists. He represents all that an artist can achieve in this country: the ability to be a part of the heritage, to help us know our history and our culture, to shape our national mythology and our definition of what a hero is.

One of the terms most often used, I guess, about John Wayne is that he portrayed the loner. He often played the quiet man who concealed his background and his true feelings, the man who didn't quite fit with the rest of the lives of those around him. I was thinking about some of the films in which he has played, and there is a beautiful scene at the end of a film that he made in 1956 called "The Searchers," directed by the legendary John Ford, who was, of course, responsible for shaping much of John Wayne's character.

And in this scene he finally succeeded in rescuing his niece, who had been captured by Comanches many years before. And he brings her back to the people who will now be her family. And one by one, each of the family members enters a cool, shady house, leaving the John Wayne character standing alone outside in the blazing sun.

And I can just see him now as he turns away and closes the door, and we leave him, once again the outsider, a man apart, and a lonely hero.

And that's not really the way we think of John Wayne, as a man somewhat apart from us, someone removed from our lives. It is not really the message that we want to convey to him now. And I believe, on behalf of all of the actors and members of the Screen Actors Guild, to bestow this honor on John Wayne is in a way, our last opening the door to this lonely hero, and finally, a way of saying, well, we love you.

Thank you.

Statement of Gen. Albert Codey Wedemeyer, U.S. Army, Retired

General Wedemeyer. Thank you, Mr. Chairman, gentlemen of the Committee.

I welcome this opportunity to say a few words about my good friend John Wayne. Few Americans, I suppose, are unfamiliar with Wayne and his public image. We have watched him on the screen for almost half a century, from the time of the early silent films through the great days of Hollywood into the age of modern television.

He always has been a fighter. He usually has struggled against odds, often great odds. In films, he has pitted himself, usually with a few comrades, against the forces of evil, the nation's enemies and the calamities of nature. More often than not in those struggles, the good guys have won: law and order restored to the range, the tyrant is overthrown and the scoundrel undone.

An American of a very appealing type—calm, kind, ruggedly handsome, uncomplicated, plain-spoken, freedom-loving, straight-shooting; wins the girl and rides off into the setting sun.

We all know, as we watched and enjoyed these adventures, that we are dealing in a sense with myths. Contrary to much current opinion, however myths are not necessarily false. They are, in fact, the things by which we live.

John Wayne, or Duke, as he is affectionately known to his friends, has, I believe, helped to create and preserve a very useful myth. He has exemplified traits Americans admire, traits they like to think of themselves as possessing. He has epitomized many of our most cherished virtues. He has affirmed for us, in an age of cynicism, some of the things of which we still can be proud and in which we still believe.

There are some who criticize Wayne's movies for their violence. I would point out in response that the Duke's battles have never involved senseless, pointless or mean-spirited violence of the type that saturates today's entertainment media. All his quarrels are undertaken for moral purposes and are fought hard but fair.

Justice Oliver Wendell Holmes always insisted that struggle is an inevitable part of a fully-lived life. The Duke's films, I suggest, reflect this traditional view of life and living.

I have known Wayne since the days of World War II, when we met through our mutual good friend, the great movie director John Ford. Let me testify, on the basis of this long friendship, that John Wayne in his private life is in many ways the figure of the myth.

He is decent, straightforward, loyal to friend and principle, the very soul of honor. On the other hand, there are ways in which the man and the myth seem to me to diverge. The Duke is by no means the simplistic man of action—cowboy, soldier, or whatever the films depict—but a well-educated and thoughtful citizen.

He did very well in his studies at the University of Southern California. He has been and remains vitally interested and concerned with the great public issues of this day. Although he and I do not always agree on particular issues, I invariably have found his views to be unselfishly motivated and well thought out.

Let me therefore, gentlemen, wholeheartedly endorse the proposal officially to recognize John Wayne. He is a dedicated patriot who has made such great contribution to our national life. In honoring him, we will be affirming our attachment to some of our nation's most cherished values.

Thank you very much.

● Mr. GOLDWATER. Mr. Speaker, I want to thank Chairman Annunzio of the Subcommittee on Consumer Affairs, and Chairman Reuss of the Committee on Banking, Finance and Urban Affairs for their quick action on H.R. 3767, to authorize the President to present on behalf of the Congress, a specially struck gold medal to John Wayne.

This highly selective award dates back to the early history of our great country. It has been given to George Washington, the Wright Brothers, Charles Lindbergh, Bob Hope, and Marian Anderson. A mighty impressive list of the very best of America, to which we proudly add John Wayne.

For John Wayne the American dream has come true. While he was not born in a log cabin nor grew up to become President, he did become the most popular film star in history, with a recent poll showing him second only to Abraham Lincoln as a name and face most readily recognized.

To list all of his accomplishments and honors would be impossible, but in 1971, the Marine Corps League named him "the man who best exemplifies the word 'American.'"

John Wayne is above all a patriot. He was once asked what he wanted for his daughter. He replied:

> I want her to be as grateful as I am. Grateful for every day of my life that I wake up in the United States of America. I don't care if she ever memorizes the Gettysburg Address, but I hope she understands it.

Mr. Speaker, I ask permission that all the tributes received from those who know him best be included and printed in the Record.

I am proud to be a part of this effort here today to honor this exceptional man who has given so much to America and the American way of life.

John Wayne's birthday is Saturday. How fitting it would be if the President signed this bill into law on his day.

STATEMENT BY GREGORY PECK, ACTOR

I am pleased to lend my support to the movement for a special Congressional award for John Wayne, an honorable man who has exemplified traditional American virtues in films for 50 years. For audiences abroad, our films are a window opening on the American way of life. John Wayne is loved the world over as a man who represents independence, the love of freedom and the hardy strength of character which made our country great. For audiences at home, John Wayne through his films remains an authentic folk hero. In this era of shifting moral values and cynicism, he has made a contribution of inestimable value to American culture and is deserving of this tribute from the American people.

STATEMENT BY PETER BOGDANOVICH, DIRECTOR

If anyone has made his mark in the movies, it is John Wayne. After 45 years, he is no longer just an actor or even just a movie star; he has become an American Icon, a symbol around the world, I doubt we shall ever see his like again.

STATEMENT BY MIKE FRANKOVICH, DIRECTOR

Dear Congressman Goldwater: I am including in this mailgram a brief statement about my feelings regarding the presentation of the gold medal of honor to John Wayne. I feel honored and privileged to have been asked to express my feelings on learning that "The Duke" will be receiving the gold medal of honor.

Today, America officially acknowledges what millions of its citizens have known for so long and what I have known personally for the many years that John Wayne and I have been friends and co-workers. He is an actor of consumate professionalism, who has earned the respect, admiration and devotion of motion picture audiences all over the world. He is a patriot who's honesty and straight forwardness has never left any doubt as to his deep feelings for the United States of America and the men and women who built it. By giving him the highest honor his country can bestow on a private citizen—the gold medal of honor—we are publicly saying, "Duke, your love for your country is only exceeded by your country's love for you."

STATEMENT BY JAMES ARNESS, ACTOR

Dear Barry: I can't think of a man more deserving of recognition than John Wayne. I am especially proud of my quarter-century friendship and association with him. And my admiration and respect has grown through those years. He has great stature as a man, as an actor and as an American, and is well-deserving of the special honor you have proposed for him. With all good wishes for success with this legislation.

STATEMENT BY KIRK DOUGLAS, ACTOR

I strongly believe that John Wayne should receive the Congressional Medal of Honor. He is an authentic chunk of Americana. His personal and artistic life represent the best qualities of America admired by people around the world. He has always been a strong force for the American way of life. He has personified that force privately and artistically for many, many years. The world would applaud the action of bestowing this medal on a great American.

STATEMENT BY ARTHUR B. KRIM, CHAIRMAN, ORIAN PICTURES

I have been very fortunate over the years to have known John Wayne as a friend, as well as a partner, in many motion picture ventures.

His integrity and talent have made all of us in the motion picture industry proud to be part of an industry in which he has been an undisputed leader.

Motion pictures have played a great role in educating the rest of the world to the freedom and diversity and strength of our country. And no one man has contributed more to showing our country in its best light than has John Wayne.

His heart is as big as he is, and that is saying a lot. I do not know of anybody with whom he has been associated, who does not have the deepest affection for him. No one is more deserving of the honor which the Congress is bestowing on him today.

STATEMENT BY JAMES STEWART, ACTOR

In regard to your Bill which authorizes the President to present on behalf of the Congress an especially struck gold medal to honor John Wayne, I sincerely believe that John Wayne is completely deserving of such an honor.

I have known him for many years and I have found him to be a man of great strength and vitality and honesty. His love of country is something very special.

Because he has been able to put these personal qualities into the characters he has played on film, he has done a tremendous service to his fellow Americans and to the world.

STATEMENT BY RONALD REAGAN

I am pleased to have this opportunity to urge the passage of H.R. 3767, which would authorize the President of the United States to present on behalf of the Congress a specially-struck gold medal honoring my good friend John Wayne.

"Duke" Wayne has received many honors, tributes, and accolades, and all of them have been richly deserved. I can simply say that there is no one in America I can think of more deserving of the special honor you are now considering than John Wayne.

There is no one who exemplifies the devotion to our country, its goodness, its industry and its strengths better than John Wayne.

Duke Wayne's service to our country, not only in his chosen profession, but as a public servant in the truest sense of the term, certainly qualifies him for this honor. It will be a tribute not only to John Wayne, the man, but also to those high standards and ideals to which he is dedicated.

I urge the favorable consideration of H.R. 3767.

STATEMENT BY NATALIE WOOD

DEAR CONGRESSMAN GOLDWATER: As a friend of John Wayne, I sincerely hope he is honored because of his contribution to the United States as an outstanding citizen, and his example of extreme courage and bravery. He is an example to all of us.

STATEMENT BY ROBERT WAGNER

DEAR CONGRESSMAN GOLDWATER: As a longtime friend of John Wayne, I support any efforts to make a special award to him. His contribution to the film world and society as a whole makes one proud to know him.

STATEMENT BY ANNA LEE, ACTRESS

DEAR BARRY GOLDWATER: I heartily agree with your plan to present John Wayne with a medal. To me, he has always represented the very finest things in American heritage—truth, honor, integrity and unflagging courage. I am proud to have worked with him over the past 20 years and I love the man.

STATEMENT BY PRESIDENT GERALD R. FORD

John Wayne's contribution to this nation has reached far beyond the entertainment industry where he is deeply respected and admired. His untiring efforts to improve conditions within our country and relations with other countries have made him a legend in his own life time. Striking a gold medal in his honor is a well-deserved and appropriate tribute. I urge the House to concur with the Senate and pass the special bill to authorize this medal.

ROBERT F. THOMPSON, BUSINESSMAN

I strongly support the gold coin of John Wayne. He has been a great asset to his profession and country.

STATEMENT BY JACK LEMMON, ACTOR

I am pleased and honored to add my personal, strong support to the bill you proposed to authorize President Carter to present, on behalf of the Congress of the United States, a specially struck gold medal to John Wayne. In my opinion, the Duke richly deserves this recognition and I am proud to lend my name in support of it.

STATEMENT BY LLOYD NOLAN, ACTOR

Please add my name to the very worthy bill you are introducing to honor John Wayne as an outstanding American. I know of no other person in both his personal and professional career who has done as much to uphold the tradition of the individual spirit of Americanism.

STATEMENT BY FRANK SINATRA, ACTOR AND ENTERTAINER

DEAR CONGRESSMAN GOLDWATER: I regret I am unable to appear before you and the Members of the House Banking Committee on Monday, May 21, 1979 for the purpose of urging immediate and favorable action regarding the passing of a bill to honor the distinguished motion picture actor, John Wayne.

Please consider this letter as my strongest endorsement.

I believe it is altogether fitting and proper that the Congress do this in the week of Mr. Wayne's 72nd birthday, which falls on Saturday, May 26, 1979.

For over half a century, Mr. Wayne has served honorably as America's symbol to the world of the highest morals and prudent standards of our society.

For a quarter of the very lifetime of the Republic, he has carried the torch of American decency to other peoples in other lands through his motion pictures.

Even today Mr. Wayne continues to express the worthiest characteristics of the American way of life to the far corners of the earth in memorable motion pictures continuously being exported and shown and reshown to untold millions all over the world.

Truly he remains to be the ambassador of America's goodwill and sense of fair play.

I believe the distinguished descendants of the brave men who bore witness to our country's fight for survival during the difficult winter at Valley Forge will reflect honor on the nation as well as themselves by paying tribute now to John Wayne's fight for his survival during this difficult spring in another valley.

No man's lifetime of work has better expressed the land of the free and the home of the brave. No man's lifetime or work has given more proof to the world that our flag is still there. John Wayne is in truth a star-spangled man who so proudly we hail.

I commend you, Mr. Congressman, all Members of the Banking Committee, as well as all Members of the House of Representatives, for your action in this matter, and wish you God's speed in your deliberation.

STATEMENT BY DR. JULES STEIN, CHAIRMAN OF THE BOARD, EMERITUS, MUSIC CORPORATION OF AMERICA

The close friends and associates of John Wayne urge your active and enthusiastic support of the bill now before the House Banking and Currency Committee which will authorize the issuance of a gold medal to Mr. Wayne in recognition of his outstanding contributions to our country. We can think of no other American who is more deserving of this honor. We thank you for your support of this measure.

STATEMENT BY KATHERINE HEPBURN, ACTRESS

I understand that the United States Congress and our President are giving John Wayne a gold medal. Asked to comment, I can only say with a heart full of love for all concerned: About Time.

STATEMENT BY GLENN FORD, ACTOR

I wholeheartedly applaud your proposal to salute my close personal friend, John Wayne, with a special medal honoring not only his many contributions to the film industry but his lifelong devotion to his country.

STATEMENT BY GENERAL OF THE ARMY AND MRS. OMAR BRADLEY

In his heroic struggle John Wayne represents the fighting spirit that has forged America. Even now is offering his very life to pave new roads to vanquish an old enemy. His medal should be made of the same stuff his heart is—solid gold.

STATEMENT BY ROBERT ALDRICH, PRESIDENT, DIRECTORS GUILD OF AMERICA, INC.

DEAR CONGRESSMAN GOLDWATER: My son Bill spoke to me yesterday about your call concerning the propriety and wisdom of our country striking a medal to make a comment on the very special contribution made to the enrichment of our lives by the actor, John Wayne.

I don't know who authored this particular idea, but it is a brilliant one. I personally (as well as this Guild) support your efforts a thousand-fold, and will do whatever it is you suggest to see that this can happen. It is important for you to know I am a registered Democrat and, to my knowledge, share none of the political views espoused by Duke. However, whether he is ill-disposed or healthy, John Wayne is far beyond the normal political sharp-shooting in this community. Because of his courage, his dignity, his integrity, and because of his talents as an actor, his strength as a leader, his warmth as a human being throughout his illustrious career, he is entitled to a unique spot in our hearts and minds.

In this industry, we often judge people . . . sometimes unfairly . . . by asking whether they have "paid their dues." John Wayne has paid his dues over and over, and I'm proud to consider him a friend, and am very much in favor of my government recognizing in some important fashion the contribution that Mr. Wayne has made.

STATEMENT BY RANDOLPH SCOTT, ACTOR AND BUSINESSMAN

It has been my privilege to know John Wayne for a considerable number of years as a man, actor and citizen. He captured me as a fan in all three of these categories. John Wayne has been honored time and again not only for his fine professional achievements, but as a good American, and an outstanding citizen. His aggressive fight in combating his past and current illness is a source of admiration and should serve as a beacon light of hope for many the world over.

I salute you, John, and wish you well.

STATEMENT BY OSCAR L. OLSON, PRESIDENT, OLSINITE CORPORATION

What has impressed me most as a friend of John Wayne for more than 40 years has been his unchanging personality as he grew in stature from an actor, then a star, and finally a superstar. He has remained the same Duke Wayne I knew from the beginning—unselfish, generous, open-handed, open hearted and steadfast to the same ideals.

Anyone who knows Duke well, and has not trespassed on his friendship, knows that once a friend, this engaging gentleman is always a friend.

Indeed, loyalty is more than a special word with him. It is a daily practice that has endeared him to his family, his personal friends and, of course, to the people of his profession. No matter what the rank or position of a friend, or no matter what lofty heights to which Duke rose in his profession, and in the world's esteem, he never changed. He is the same man today that I met more than 40 years ago.

He has walked and talked with Presidents and with Kings and Queens, but it has never affected his ego in the least, nor has it compromised his devotion and friendship to those below him. And the honors that have been bestowed upon him, the genuine affection showered on him by the public have made him even more conscious of the need to share this applause with his old friends.

That he has endeared himself to hundreds and millions of people around the world through his accomplishments as a hero of the screen is a matter of record. But what is not a matter of record is that long ago, he became a hero to all of those privileged to know him as a friend. And their love for him, and his for them, has never waivered.

I have been with him on movie sets in Mexico, in his home in California and in my own home in Michigan. We have raised a toast in many cities in both this country and elsewhere, but he is always the same unpretentious, unafraid, informal, regular guy that you see on the screen and in person. No man alive can play himself better than the Duke.

He speaks his mind, but not with rancor. He lives his life with honor and dignity. He loves his country with a passion. He is more than a superstar. He is a SuperMan. And I am proud to call him "friend."

STATEMENT BY PATRICK J. FRAWLEY, JR., BUSINESSMAN AND FRIEND

I heartily endorse the passage of bill, H.R. 3767, to strike a gold coin in recognition of the distinguished career of John Wayne.

STATEMENT BY WILLIAM HOLDEN, ACTOR

DEAR CONGRESSMAN GOLDWATER: Having been close to John Wayne over the last 40 years, I can honestly say I have never known a more loyal American, his love for his country and compassion for his fellow man knows no bounds.

I urge that the utmost consideration be given in respect to recognizing the services, the great spirit, and the contributions that this unique and remarkable American has made.

STATEMENT BY ROBERT F. SIX, PRESIDENT, CONTINENTAL AIRLINES

John Wayne is a symbol of what is best in this country. Our great nation has a heritage of uncompromising honesty, unyielding determination and unending courage. These are also the hallmarks of this uncommon man. It is altogether fitting and proper that we pay tribute to an individual who has conducted himself so well and so bravely in his public and private life that his name has become synonymous with the spirit of America.

STATEMENT BY MR. C. V. WHITNEY, BUSINESSMAN AND FRIEND

I thoroughly approve your recommending to Congress a bill to authorize a medal to honor John Wayne for his distinguished career and service to the nation.

STATEMENT BY JOANNE DRU, ACTRESS

DEAR BARRY: I know from 30 years personal association that John Wayne is a truly loyal American and a fine honorable man. I consider it a privilege to be among those supporting the proposed honor to be bestowed upon him by Members of the Congress in recognition of his distinguished career and his service to our country.

STATEMENT BY CLAIRE TREVOR, ACTRESS

Having known John Wayne for 42 years most personally and professionally, I know that his contribution to this country and its society has been outstanding. He is unique and one in a million. He is a loyal American and has given years of his life to what he thinks is best for all of us. Please add my name to the supporters of the effort to have him honored by Members of the Congress.

STATEMENT BY MRS. JOHN FORD AND FAMILY (THE LATE JOHN FORD, DIRECTOR)

DEAR BARRY: Thank you for honoring our dear Duke in this manner. He is more than deserving because he is a great American, a great actor, and a great friend. We are proud that he is a member of our family for more than 50 years.

We congratulate him and we love him.

STATEMENT BY DOROTHY MANNERS, COLUMNIST

How appropriate that the governing body of the United States should vote a gold medal to that beautiful human being, John Wayne.

It will go with his solid gold heart.

STATEMENT BY ROBERT MITCHUM, ACTOR

In a nation so young as ours we are blessed with far more globally popular heroes than ogres.

Our mighty oak of state grows with the names of those who have defined for history the value of principle in a humane society.

As these principles are tested and adopted, we broaden understanding of ourselves.

As an advocate in the field of understanding John Wayne is unique. His gifted projection of the virtues of justice and equality, purpose and determination and forthright honesty have affected the American image all over the world.

His living testimony to his spoken beliefs contributes respect to that image.

Under the magnifying lens of mass scrutiny he has unfailingly delivered as promised.

Without hesitation or exception, he loyally defends his ideals with reason and example.

He has helped stamp the American brand on goods and custom universally welcomed.

With strength to inspire, he shares charity with the weak.

As an institution he represents the rock-solid faith of our founders in the American dream.

As a man, he has achieved his place with dignity.

A sturdy bough indeed, the Duke, so stands our mighty oak.

STATEMENT BY FORREST TUCKER, ACTOR

DEAR BARRY: I can't tell you how pleased I am that you and your colleagues in Congress are initiating the appropriate action to honor a man I unreservedly regard as one of the great American patriots of this century, John Wayne.

In the 40 years I have worked and played with Duke, my admiration of his superior achievements entertaining and inspiring generations of American youth with his countless movies, his fierce loyalty to, and outspoken love for his country, has been boundless.

I am proud, far beyond mere words, to know John Wayne and fervently wish that every American would know him so well.

STATEMENT BY ROBERT STACK, ACTOR

DEAR CONGRESSMAN GOLDWATER: I was overjoyed to hear our country is going to honor my old friend, John Wayne. I've known Duke for most of my life and he has consistently represented the best our profession has to offer.

He has never failed to show his love for America and his pride in being a citizen. Duke transcends the political left and right. He sounds more like Kit Carson or an Indian scout protecting his wagon train.

At a time when polarization seems to be the problem of the day, he sincerely echoes the sentiments of the gentlemen on Mount Rushmore. Old fashioned? Patriotism is never old fashioned.

I just came back from three months in Europe where everyone shows concern about his health. There has never been a member of our profession who has so impressed the world with his courage or his stature as a man. He has never appeared in a motion picture that would project a negative image of his beloved country. There is no artifice to this man. What you see is what you get, and what you got is a very special citizen who does our country credit.

STATEMENT BY AN ORDINARY AMERICAN CITIZEN

I read where you are trying to get friends in show business of John Wayne. I am not in show business, but I am a friend of his. I think all of the American people love him.

I am in my middle forties now, and I am a female, but he is just as big a hero to me as he is to every man that has uttered a word about this wonderful man.

It has been many years since America has had a true hero, and as you probably realize it already, we Americans need heroes. Having this rare type of human being stimulates our country to remain the greatest nation in the world, and John Wayne exemplifies what we need to keep maintaining our place in the world that we fought so hard to gain.

Since I was a small child, expressions from the older women would be, "now there is a man," and the expressions from the man would be the same, but this really didn't have a true impact on me until my husband and I went to see one of John Wayne's movies. We never miss any of his movies, but this one was "True Grit." When Mr. Wayne did something to the bad guys, the men in the audience would clap, hoot, yell and cheer. These were men and boys, and they meant it. It wasn't a satirical or sarcastic type of display, it was from their hearts and it made me feel great, because as I remember times were depressing, the Vietnam War was on.

I took Mr. Wayne for granted up until that time, but not afterwards. I needed a hero, you see. I lost a brother in the Korean War, and he was my hero. I questioned our involvement in that war after my brother died, even though he had answered me when I asked him why he has to be there. His answer was because it would prevent the Communists from coming to America. My mother never questioned why, even though it was the second son she lost in a war, only the first one was killed in action during World War II. After the display of genuine adoration of Mr. Wayne, and looking back and his devotion to America, I no longer question why our boys are sent into certain conflicts. I never condemned them, because truthfully, I would have to condemn my brothers, and they hated war just as I do, but they loved their country, and I believe men like Mr. Wayne, he more so, kept us believing in our government. My brother kept my belief up, but he died fighting for his country, so I needed someone as prominent as Mr. Wayne to keep my faith going.

I come from a long line of proud-to-be-an-American, and Mr. Wayne has maintained this belief in millions of people, and he will never be forgotten for what he has done for the American people.

I am glad Mr. Wayne is to be honored this way. Anyone who receives this Medal should be glad to be honored by it.

STATEMENT BY MERLE OBERON, ACTRESS

No contemporary American reflects as keenly this country's character of individuality and pride in its heritage as does John Wayne.

As an actor and as a man, he is one of our most eloquent spokesmen and ambassadors. To express to him our awareness of and appreciation for his contributions should be indeed our honor.

STATEMENT BY BEN JOHNSON

In favor of a gold medal in honor of John Wayne.

STATEMENT BY LADY BIRD JOHNSON, LYNDA JOHNSON ROBB, AND LUCY JOHNSON NUGENT

John Wayne rode into the hearts of the American people with all the savvy and frontier spirit that is a part of all of us. With his hallmark, true grit and caring about his neighbors, he embodies that love of adventure and strength of character that built this country. For his gallant courage and sturdy pioneer independence in the greatest American tradition, we salute him.●

● Mr. BOLAND. Mr. Speaker, one of America's greatest natural resources is John Wayne. It is difficult to find words to express the depth of feeling that people all over the world have for John Wayne. He is an American that is bigger than even his bigger-than-life motion picture persona. For millions here and around the world, John Wayne is America.

His place in our hearts is well-deserved. From the plains of our American West, to the battlefields of the world, John Wayne has always been the "good guy." He has always been on the side of all that is best in America. On the screen he has not always been victorious, but he never lost sight of the ideals that our country is founded upon. In real life, he has been no less a patriot. John Wayne's life has been highlighted by his charitable work and his courageous fight against cancer. Both on and off the screen, he has been an inspiration to millions. I wish him a speedy recovery from his current illness.

Mr. Speaker, this medal is to be inscribed, "John Wayne, American." That says it all.●

● Mr. O'NEILL. Mr. Speaker, I am delighted that my colleagues in the House of Representatives today passed by voice vote, H.R. 3767, a bill which would authorize the President to present a gold medal to actor John Wayne. In addition, this legislation would permit the Treasury to produce bronze replicas of the medal for sale to the general public.

I can think of no man or woman more deserving of this fine honor than America's greatest folk hero and most popular film star. While John Wayne may be an oldtime superhero to Hollywood, he is the tough and rugged star of hundreds of westerns, war adventures, and action-filled movies to the young and old, rich and poor throughout the world.

John Wayne has enjoyed a prosperous career which has spanned four decades of filmmaking and has made him a household word and an integral part of every American family, and indeed, a part of every family in the world.

His great movies such as the classic film, "Stagecoach," and others including, "Red River," "Sands of Iwo Jima." "Rio Bravo," and "True Grit," for which he won an Oscar, are run and rerun continuously to each succeeding generation. The timelessness and agelessness of his films and of his acting style are what has made John Wayne the greatest box office attraction in motion picture history.

His style of acting and his movies have survived because they manifest the essence of the American frontier spirit: toughness and strength of character, rugged individualism and dogged determination of one's own destiny, a sense of personal and moral integrity and acute intellectual honesty. Throughout his career John Wayne has always portrayed the American hero who demonstrates that nothing is insurmountable if it is the right course of action.

A football star in high school and college, and a film hero for four decades, John Wayne is also an American hero for his ability to master the vissisitudes of his own personal life. Possessing an indomitable spirit and great resilience, John Wayne does not understand the word, "no." He personifies on and off the screen the fulfillment of the American dream.

Hollywood gave John Wayne in 1970 an Oscar for an outstanding Academy Award performance in the film, "True Grit." The House has today given John Wayne a congressional Oscar for the conduct of his personal and public life and for distinguished service to his country.●

● Mr. ROUSSELOT. Mr. Speaker, I rise in support of H.R. 3767, authorizing the President to present on behalf of Congress a specially struck gold medal to John Wayne. This bill is offered in tribute to the man whose name is synonymous with the American West. John Wayne is to be commended not only for the memorable achievements of his 50 years in film, but also, and more importantly, for the example he has set for the American people as a man of integrity, honor, and tremendous courage. John Wayne is one of a kind; a man of compassion and humor who has waged his private battle against disease with dignity. It is therefore entirely appropriate that John Wayne join the group of Americans who have been so honored.●

Mr. EVANS of Delaware. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3767

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the United States is authorized to present, on behalf of the Congress, to John Wayne, a gold medal of appropriate design in recognition of his distinguished career as an actor and his service to the Nation. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions, to be determined by the Secretary of the Treasury. There are authorized to be appropriated not to exceed $5,000 to carry out the provisions of this subsection.

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be struck and sold at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, plus 25 per centum of such cost of manufacture. The appropriation then current and chargeable for the cost of manufacture of such duplicate medals shall be fully reimbursed from the payment required by this section and received by the Secretary, except that any money received in excess of the actual cost of manufacture of such duplicate medals shall from time to time be covered into the Treasury. Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States fully for the payment required by this section.

(c) The medals provided for in this Act are national medals for the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368).

COMMITTEE AMENDMENTS OFFERED BY MR. ANNUNZIO

Mr. ANNUNZIO. By the direction of the Committee on Banking, Currency, and Urban Affairs, I offer committee amendments.

The SPEAKER pro tempore. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 2, line 1, after "inscriptions" insert ", including 'John Wayne, American',".

And on page 2, line 3, strike "$5,000" and insert $15,000".

And on page 2, strike line 5 through line 17, and insert: (b) The Secretary of the Treasury may cause duplicates in bronze of such metal to be coined and sold under such regulations as he may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, overhead expenses, and the gold medal, and the appropriations used for carrying out the provisions of this subsection shall be reimbursed out of the proceeds of such sale.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendments be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois

There was no objection.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 631) to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the United States is authorized to present, on behalf of the Congress, to John Wayne, a gold medal of appropriate design in recognition of his distinguished career as an actor and his service to the Nation. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Treasury. There are authorized to be appropriated not to exceed $15,000 to carry out the provisions of this subsection.

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be coined and sold under such regulations as he may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the appropriation used for carrying out the provisions of this subsection shall be reimbursed out of the proceeds of such sale.

(c) The medals provided for in this Act are national medals for the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368).

MOTION OFFERED BY MR. ANNUNZIO

Mr. ANNUNZIO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Annunzio moves to strike all after the enacting clause of the Senate bill, S. 631, and to insert in lieu thereof the provisions of H.R. 3767, as passed by the House, as follows:

That (a) the President of the United States is authorized to present, on behalf of the

Congress, to John Wayne, a gold medal of appropriate design in recognition of his distinguished career as an actor and his service to the Nation. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions, including "John Wayne, American", to be determined by the Secretary of the Treasury. There are authorized to be appropriated not to exceed $15,000 to carry out the provisions of this subsection.

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be coined and sold under such regulations as he may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, overhead expenses, and the gold medal, and the appropriation used for carrying out the provisions of this subsection shall be reimbursed out of the proceeds of such sale.

(c) The medals provided for in this Act are national medals for the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368).

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3767) was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DICTATOR SOMOZA EVIDENCE SAYS DISREGARD FOR HUMAN LIFE IN NICARAGUA

(Mr. HARKIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARKIN. Mr. Speaker, I take this 1 minute today to report to the House another incident in Nicaragua that I think again points up the total and absolute disregard to human life evidenced by Dictator Somoza.

☐ 1010

Just 3 days ago the National Guard troops shot to death the director of Jinotega's Red Cross as the director of the Red Cross sought to evacuate children from the battle zone on Sunday. I repeat: The National Guard, under Somoza, shot to death the director of Jinotega's Red Cross as he sought to evacuate children from the battle zone. The same kind of total disregard for innocent civilians was evidenced a couple weeks ago when the National Guard shot to death in cold blood two surgeons who were working in the hospital trying to treat those who had been wounded in battle. Once again the evidence is clear of the dictator Somoza's absolute and total disregard for the value of human rights in his country.

Somoza's actions in this regard are closely akin to the actions of the recently deposed dictators, Pol Pot of Cambodia and Idi Amin of Uganda. Our relationship with Somoza should be the same as our relationships were with Pol Pot and Idi Amin.

CHUTZPAH AT THE UNIVERSITY OF CHICAGO

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, it would be hard to exceed the sheer chutzpah of the nearly one-third of the faculty at the University of Chicago expressing their outrage at that institution's recent Albert Pick, Jr., award to Robert S. McNamara.

In their zeal to condemn McNamara's involvement as Defense Secretary during the Vietnam war, these academicians have little moral energy to expend on behalf of the over 250,000 refugees who have risked being shot, starved, beaten, and drowned fleeing from the Communist nightmare now enveloping Vietnam, Cambodia, and Laos.

One need not defend our disastrous conduct of the Southeast Asian war to recognize that our intentions were noble—to resist Communist aggression. The measure of our failure is seen in the tragic faces of the very young and very old who are homeless and apparently unwanted by those who display their version of compassion by howling at Robert McNamara.

If Jane Fonda was right, then perhaps the blood and tears of these helpless refugees does not exist. Having interviewed them in Thailand and Malaysia, I beg to differ.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 107, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1980

Mr. GIAIMO. Mr. Speaker, pursuant to the order of the House of May 22, 1979, I call up the conference report on the concurrent resolution (H. Con. Res. 107) setting forth the Congressional Budget for the U.S. Government for the fiscal year 1980 and revising the Congressional Budget for the U.S. Governfent for the fiscal year 1979.

The SPEAKER pro tempore. Under the rule, since the conference report has not been filed the required number of days, the Clerk will read the conference report.

(For conference report and statement, see proceedings of the House of May 21, 1979.)

The SPEAKER pro tempore. The Clerk will read the Senate amendment.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that:

A Budget Balanced in 1981

(a) In order to achieve a balanced budget in fiscal year 1981, the following budgetary levels are appropriate for the fiscal years beginning on October 1, 1979, October 1, 1980, and October 1, 1981—

(1) the recommended level of Federal revenues is as follows:

Fiscal year 1980: $503,600,000,000;
Fiscal year 1981: $576,200,000,000;
Fiscal year 1982: $615,000,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:

Fiscal year 1980: +$100,000,000;
Fiscal year 1981: +$4,700,000,000;
Fiscal year 1982: −$49,900,000,000;

(2) the appropriate level of total new budget authority is as follows:

Fiscal year 1980: $600,300,000,000;
Fiscal year 1981: $637,200,000,000;
Fiscal year 1982: $686,800,000,000;

(3) the appropriate level of total budget outlays is as follows:

Fiscal year 1980: $532,600,000,000;
Fiscal year 1981: $575,600,000,000;
Fiscal year 1982: $614,100,000,000;

(4) the amount of the deficit or surplus in the budget which is appropriate in the light of economic conditions and all other relevant factors is as follows:

Fiscal year 1980: −29,000,000,000;
Fiscal year 1981: +$600,000,000;
Fiscal year 1982: +$900,000,000;

(5) the appropriate level of the public debt is as follows:

Fiscal year 1980: $890,700,000,000;
Fiscal year 1981: $921,200,000,000;
Fiscal year 1982: $959,500,000,000;

the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1980: $60,700,000,000;
Fiscal year 1981: $91,200,000,000;
Fiscal year 1982: $129,500,000,000:

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal years beginning on October 1, 1979, October 1, 1980, and October 1, 1981, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):
Fiscal year 1980:
(A) New budget authority, $137,800,000,000;
(B) Outlays, $124,300,000,000.
Fiscal year 1981:
(A) New budget authority, $148,100,000,000;
(B) Outlays, $135,800,000,000.
Fiscal year 1982:
(A) New budget authority, $157,900,000,000;
(B) Outlays, $147,000,000,000.

(2) International Affairs (150):
Fiscal year 1980:
(A) New budget authority, $12,000,000,000;
(B) Outlays, $7,900,000,000.
Fiscal year 1981:
(A) New budget authority, $13,500,000,000;
(B) Outlays, $8,000,000,000.
Fiscal year 1982:
(A) New budget authority, $12,500,000,000;
(B) Outlays, $7,800,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 1980:
(A) New budget authority, $5,700,000,000;
(B) Outlays, $5,500,000,000.
Fiscal year 1981:
(A) New budget authority, $5,600,000,000;
(B) Outlays, $5,500,000,000.
Fiscal year 1982:
(A) New budget authority, $5,300,000,000;

(B) Outlays, $5,300,000,000.

(4) Energy (270):

Fiscal year 1980:

(A) New budget authority, $18,400,000,000;

(B) Outlays, $6.400.000,000.

Fiscal year 1981:

(A) New budget authority, $5,000,000,000;

(B) Outlays, $7,400,000,000.

Fiscal year 1982:

(A) New budget authority, $7,000,000,000;

(B) Outlays, $7,400,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1980:

(A) New budget authority, $12,500,000,000;

(B) Outlays, $11,700,000,000.

Fiscal year 1981:

(A) New budget authority, $13,100,000,000;

(B) Outlays, $12,600,000,000.

Fiscal year 1982:

(A) New budget authority, $13,800,000,000;

(B) Outlays, $13,400,000,000.

(6) Agriculture (350):

Fiscal year 1980:

(A) New budget authority, $5,000,000,000;

(B) Outlays, $5,400,000,000.

Fiscal year 1981:

(A) New budget authority, $5,300,000,000;

(B) Outlays, $7,500,000,000.

Fiscal year 1982:

(A) New budget authority, $5,500,000,000;

(B) Outlays, $7,600,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1980:

(A) New budget authority, $6,800,000,000;

(B) Outlays, $3,200,000,000.

Fiscal year 1981:

(A) New budget authority, $5,800,000,000;

(B) Outlays, $3,700,000,000.

Fiscal year 1982:

(A) New budget authority, $6,200,000,000;

(B) Outlays, $3,500,000,000.

(8) Transportation (400):

Fiscal year 1980:

(A) New budget authority, $18,700,000,000;

(B) Outlays, $18,200,000,000.

Fiscal year 1981:

(A) New budget authority, $20,800,000,000;

(B) Outlays, $19,500,000,000.

Fiscal year 1982:

(A) New budget authority, $20,100,000,000;

(B) Outlays, $20,200,000,000.

(9) Community and Regional Development (450):

Fiscal year 1980:

(A) New budget authority, $9,000,000,000;

(B) Outlays, $8,200,000,000.

Fiscal year 1981:

(A) New budget authority, $9,800,000,000;

(B) Outlays, $8,500,000,000.

Fiscal year 1982:

(A) New budget authority, $9,600,000,000;

(B) Outlays, $8,900,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1980:

(A) New budget authority, $29,100,000,000;

(B) Outlays, $29,900,000,000.

Fiscal year 1981:

(A) New budget authority, $28,700,000,000;

(B) Outlays, $28,900,000,000.

Fiscal year 1982:

(A) New budget authority, $29,000,000,000;

(B) Outlays, $28,800,000,000.

(11) Health (550):

Fiscal year 1980:

(A) New budget authority, $58,100,000,000;

(B) Outlays, $53,600,000,000.

Fiscal year 1981:

(A) New Budget authority, $68,700,000,000;

(B) Outlays, $60,000,000,000.

Fiscal year 1982:

(A) New budget authority, $79,100,000,000;

(B) Outlays, $66,400,000,000.

(12) Income Security (600):

Fiscal year 1980:

(A) New budget authority, $212,400,000,000;

(B) Outlays, $184,000,000,000.

Fiscal year 1981:

(A) New budget authority, $236,000,000,000;

(B) Outlays, $201,900,000,000.

Fiscal year 1982:

(A) New budget authority, $264,400,000,000;

(B) Outlays, $221,500,000,000.

(13) Veterans Benefits and Services (700):

Fiscal year 1980:

(A) New budget authority, $21,100,000,000;

(B) Outlays, $20,500,000,000.

Fiscal year 1981:

(A) New budget authority, $21,800,000,000;

(B) Outlays, $21,500,000,000.

Fiscal year 1982:

(A) New budget authority, $22,600,000,000;

(B) Outlays, $22,600,000,000.

(14) Administration of Justice (750):

Fiscal year 1980:

(A) New budget authority, $4,200,000,000;

(B) Outlays, $4,400,000,000.

Fiscal year 1981:

(A) New budget authority, $4,300,000,000;

(B) Outlays $4,400,000,000.

Fiscal year 1982:

(A) New budget authority, $4,300,000,000;

(B) Outlays, $4,200,000,000.

(15) General Government (800):

Fiscal year 1980:

(A) New budget authority, $4,300,000,000;

(B) Outlays, $4,200,000,000.

Fiscal year 1981:

(A) New budget authority, $4,800,000,000;

(B) Outlays, $4,600,000,000.

Fiscal year 1982:

(A) New budget authority, $5,000,000,000;

(B) Outlays, $4,800,000,000.

(16) General Purpose Fiscal Assistance (850):

Fiscal year 1980:

(A) New budget authority, $8,500,000,000;

(B) Outlays, $8,500,000,000.

Fiscal year 1981:

(A) New budget authority, $8,600,000,000;

(B) Outlays, $8,600,000,000.

Fiscal year 1982:

(A) New budget authority, $8,700,000,000;

(B) Outlays, $8,700,000,000.

(17) Interest (900):

Fiscal year 1980:

(A) New budget authority, $56,000,000,000;

(B) Outlays, $56,000,000,000.

Fiscal year 1981:

(A) New budget authority, $57,700,000,000;

(B) Outlays, $57,700,000,000.

Fiscal year 1982:

(A) New budget authority, $58,400,000,000;

(B) Outlays, $58,400,000,000.

(18) Allowances (920):

Fiscal year 1980:

(A) New budget authority, $400,000,000;

(B) Outlays, $400,000,000.

Fiscal year 1981:

(A) New budget authority, $100,000,000;

(B) Outlays $100,000,000.

Fiscal year 1982:

(A) New budget authority, $100,000,000;

(B) Outlays, $100,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, −$19,700,000,000;

(B) Outlays, —$19.700,000,000.

Fiscal year 1981:

(A) New budget authority, −$20,600,000,000;

(B) Outlays, −$20,600,000,000.

Fiscal year 1982:

(A) New budget authority, −$22,700,000,000;

(B) Outlays, −$22,700,000,000.

REVISIONS TO THE SECOND CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1979

SEC. 2. Pursuant to section 304 of the Congressional Budget Act of 1974:

(a) Section 1 of H. Con. Res. 683 is revised as follows:

(1) The recommended level of Federal revenues is $457,200,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $100,000,000.

(2) The appropriate level of total new budget authority is $560,700,000,000.

(3 The appropriate level of total budget outlays is $494,500,000,000.

(4) The amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $37,300,000,000.

(5) The appropriate level of the public debt is $833,900,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $3,900,000,000.

(b) Section 2 of H. Con. Res. 683 is revised as follows:

(1) National Defense (050):

(A) New budget authority, $127,200,000,000;

(B) Outlays, $7,700,000,000.

(2) International Affairs (150):

(A) New budget authority, $12,000,000,000.

(B) Outlays, $7,700,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $5,400,000,000;

(B) Outlays, $5,200,000,000.

(4) Energy (270):

(A) New budget authority, $7,600,000,000;

(B) Outlays, $7,400,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $12,900,000,000;

(B) Outlays, $11,300,000,000.

(6) Agriculture (350):

(A) New budget authority, $8,300,000,000;

(B) Outlays, $6,200,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $5,900,000,000;

(B) Outlays, $2,900,000,000.

(8) Transportation (400):

(A) New budget authority, $19,800,000,000;

(B) Outlays, $17,000,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $9,400,000,000;

(b) Outlays, $9,800,000,000.

(10) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $32,600,000,000;

(B) Outlays, $29,500,000,000.

(11) (b) Health (550):

(A) New budget authority, $53,100,000,000;

(B) Outlays, $49,700,000,000.

(12) Income Security (600):

(A) New budget authority, $194,100,000,000;

(B) Outlays, $161,100,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $20,400,000,000;

(B) Outlays, $20,200,000,000.

(14) Administration of Justice (750):

(A) New Budget authority, $4,200,000,000;

(B) Outlays, $4,200,000,000.

(15) General Government (800):

(A) New budget authority, $4,300,000,000;

(B) Outlays, $4,200,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $8,500,000,000;

(B) Outlays, $8,600,000,000.

(17) Interest (900):

(A) New budget authority, $52,400,000,000;

(B) Outlays, $52,400,000,000.

(18) Allowances (920):

(A) New budget authority, $700,000,000;

(B) Outlays, $700,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, —$18,100,000,000;

(B) Outlays, —$18,100,000,000.

Mr. GIAIMO (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may I inquire of the Chair whether or not this is the conference report that is being considered, or is it a motion to recede and concur in the Senate amendment?

The previous proceedings did not make that clear to the House.

Mr. GIAIMO. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Mr. Speaker, I will yield to anyone who can answer. Yes, I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Speaker, right now, as I understand it, the Clerk is reading the Senate amendment. I am asking to dispense with further reading of it and then I am going to move to recede and concur with an amendment.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, once again this year we are voiding the procedure of the statute which requires 5 hours of debate, and instead, reducing it to 1 hour, which will be controlled by the gentleman from Connecticut, I assume, and this will be a contravention of the statute.

I yield to the gentleman.

Mr. GIAIMO. The gentleman is yielding to me?

Mr. BAUMAN. It looked like the gentleman wanted more time, and I yield to the gentleman.

Mr. GIAIMO. I am not so sure I want to compliment the gentleman. Once again, we appear to be in technical disagreement and, therefore, the conference is in disagreement. It would be my intention to make a motion that we recede and concur in the Senate amendment with an amendment.

Mr. BAUMAN. Only the gentleman from Connecticut and I am concerned about such esoteric matters, anyway.

Mr. GIAIMO. The time I will share with the gentleman from Ohio.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut (Mr. GIAIMO) that further reading of the Senate amendment be dispensed with, and that it be printed in the RECORD?

There was no objection.

MOTION OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GIAIMO moves that the House recede from its disagreement to the Senate amendment and to concur therein with an amendment, as follows: In lieu of the matter proposed by the Senate, insert the following:

That Congress hereby determines and declares, that pursuant to section 304 of the Congressional Budget Act of 1974:

REVISIONS TO THE SECOND CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1979

(a) Section 1 of H. Con. Res. 683 is revised as follows:

(1) The recommended level of Federal revenues is $461,000,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $100,000,000.

(2) The appropriate level of total new budget authority is $559,200,000,000.

(3) The appropriate level of total budget outlays is $494,450,000,000.

(4) The amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $33,450,000,000.

(5) The appropriate level of the public debt is $834,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $4,200,000,000.

(b) Section 2 of H. Con. Res. 683 is revised as follows:

(1) National Defense (050):
(A) New budget authority, $127,000,000,000;
(B) Outlays, $114,400,000,000.
(2) International Affairs (150):
(A) New budget authority, $11,400,000,000;
(B) Outlays, $7,500,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $5,400,000,000;
(B) Outlays, $5,200,000,000.
(4) Energy (270):
(A) New budget authority, $7,600,000,000;
(B) Outlays, $7,400,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,900,000,000;
(B) Outlays, $11,300,000,000.
(6) Agriculture (350):
(A) New budget authority, $8,300,000,000;
(B) Outlays, $6,200,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $5,900,000,000;
(B) Outlays, $2,900,000,000.
(8) Transportation (400):
(A) New budget authority, $19,000,000,000;
(B) Outlays, $17,000,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $9,200,000,000;
(B) Outlays, $9,700,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $32,700,000,000;
(B) Outlays, $29,700,000,000.
(11) Health (550):
(A) New budget authoirty, $53,000,000,000;
(B) Outlays, $49,700,000,000.
(12) Income Security (600):
(A) New budget authority, $194, 150,000,000;
(B) Outlays, $161,100,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $20,400,000,000;
(B) Outlays, $20,200,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,200,000,000;
(B) Outlays, $4,200,000,000.
(15) General Government (800):
(A) New budget authority, $4,300,000,000;
(B) Outlays, $4,200,000,000.
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $8,650,000,000;
(B) Outlays, $8,750,000,000.
(17) Interest (900):
(A) New budget authority, $52,400,000,000;
(B) Outlays, $52,400,000,000.
(18) Allowances (920):
(A) New budget authority, $700,000,000;
(B) Outlays, $700,000,000.
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$18,100,000,000;
(B) Outlays, —$18,100,000,000.

SEC. 2(a) Pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1979—

(1) the recommended level of Federal revenues is $509,000,000,000, and the amount by which the aggregate level of Federal revenues should be increased or decreased is zero;

(2) the appropriate level of total new budget authority is $604,050,000,000;

(3) the appropriate level of total budget outlays is $532,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic debt should be accordingly increased is $23,000,000,000; and

(5) the appropriate level of the public debt is $887,200,000,000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $57,200,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1979, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $136,600,000,000;
(B) Outlays, $124,200,000,000.
(2) International Affairs (150):
(A) New budget authority, $12,600,000,000;
(B) Outlays, $7,900,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $5,700,000,000;
(B) Outlays, $5,500,000,000.
(4) Energy (270):
(A) New budget authority, $18,800,000,000;
(B) Outlays, $6,800,000,000.
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,600,000,000;
(B) Outlays, $11,700,000,000.
(6) Agriculture (350):
(A) New budget authority, $5,000,000,000;
(B) Outlays, $5,400,000,000.
(7) Commerce and Housing Credit (370):
(A) New budget authority, $6,900,000,000;
(B) Outlays, $3,200,000,000,
(8) Transportation (400):
(A) New budget authority, $19,450,000,000;
(B) Outlays, $18,200,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $8,900,000,000;
(B) Outlays, $8,100,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,500,000,000;
(B) Outlays, $30,500,000,000.
(11) Health (550):
(A) New budget authority, $58,100,000,000;
(B) Outlays, $53.600,000,000.
(12) Income Security (600):
(A) New budget authority, $214,800,000,000;
(B) Outlays, $183,300,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $21,200,000,000;
(B) Outlays, $20,600,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,200,000,000;
(B) Outlays, $4,400,000,000.
(15) General Government (800):
(A) New budget authority, $4,400,000,000;
(B) Outlays, $4,300,000,000.
(16) General Purposes Fiscal Assistance (850):

(A) New budget authority, $8,100,000,000;
(B) Outlays, $8,100,000,000.
(17) Interest (900):
(A) New budget authority, $56,000,000,000;
(B) Outlays, $56,000,000,000.
(18) Allowances (920):
(A) New budget authority, −$100,000,000;
(B) Outlays, −$100,000,000.
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, −$19,700,000,000;
(B) Outlays, −$19,700,000,000.

BUDGET AGGREGATES FOR FISCAL YEARS 1981 AND 1982

SEC. 3(a). In order to achieve a balanced budget in fiscal years 1981 and 1982, the following aggregate budgetary levels recommended by the Senate are appropriate for fiscal years 1981 and 1982—

(1) The recommended level of revenues is as follows:
Fiscal year 1981: $583,300,000,000;
Fiscal year 1982: $621,000,000,000;
and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:
Fiscal year 1981: +$4,600,000,000;
Fiscal year 1982: −$49,900,000,000;
(2) the appropriate level of budget authority is as follows:
Fiscal year 1981: $640,300,000,000;
Fiscal year 1982: $691,600,000,000;
(3) the aggregate level of total budget outlays is as follows:
Fiscal year 1981: $577,700,000,000;
Fiscal year 1982: $616,900,000,000;
(4) the amount of surplus in the budget is as follows:
Fiscal year 1981: $5,600,000,000;
Fiscal year 1982: $4,100,000,000;
(5) the appropriate level of the public debt is as follows:
Fiscal year 1981: $912,600,000,000;
Fiscal year 1982: $947,500,000,000.

(b) The House projects the following budget aggregates for fiscal years 1981–82, based on the policies assumed in section two above—

(1) the level of Federal revenues is as follows:
Fiscal year 1981: $579,800,000,000;
Fiscal year 1982: $655,300,000,000;
(2) the level of total new budget authority is as follows:
Fiscal year 1981: $658,700,000,000;
Fiscal year 1982: $721,400,000,000;
(3) the level of total budget outlays is as follows:
Fiscal year 1981: $577,700,000,000;
Fiscal year 1982: $622,700,000,000;
(4) the amount of surplus in the budget is as follows:
Fiscal year 1981: $2,100,000,000;
Fiscal year 1982: $32,600,000,000;
(5) the level of the public debt is as follows:
Fiscal year 1981: $916,100,000,000;
Fiscal year 1982: $922,500,000,000.

GENERAL PROVISIONS

SEC. 4(a) The Congress recognizes that the activities of off-budget Federal entities are excluded from the budget by law. The Congress recommends that a way be found within the Congressional budget process to relate accurately the estimates of off-budget Federal entities and capital expenditures to the unified budget.

(b) In 1979, each standing committee of the House of Representatives shall report by July 1 to the House of Representatives its recommendations and the status of its actions with respect to new spending authority including all legislative savings, and other reforms, targeted by the first concurrent resolution on the budget for the fiscal year ending on September 30 of that same year. This report shall include any additional legislative savings which the committee believes should be considered by the House in the programs for which such committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives specific recommendations as to all possible legislative savings for the programs for which the committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives an estimate of the unobligated (and unexpended) balances of budget authority, an analysis of the ances to which such unexpended or unobligated balances could reasonably be reduced, and what steps, if any, have been or are being taken to reduce such balances.

Mr. GIAIMO (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The SPEAKER pro tempore. The gentleman from Connecticut (Mr. GIAIMO) will be recognized for 30 minutes.
the gentleman from Ohio (Mr. LATTA) will be reconized for 30 minutes.

The Chair recognizes the gentleman from Connecticut (Mr. GIAIMO).

GENERAL LEAVE

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the conference report and the amendments to House Concurrent Resolution 107.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in strong support of the conference substitute. After 9 days on the House floor and a difficult conference with the Senate, we have reached agreement on a budget which preserves the basic priorities in the budget resolution passed by the House.

First, we have continued our progress toward reducing the deficit. The conference agreement sets a deficit for fiscal year 1980 of $23 billion. We have made steady progress in the last 2 years in bringing the deficit under control. In fiscal year 1978, the budget deficit was almost $49 billion. Last fall we adopted a budget for fiscal year 1979 that projected a deficit of $38.8 billion. The conference substitute before you today will reduce that deficit to about $33.5 billion. Mr. Speaker, I think we can be proud of our success in controlling Federal spending: Since fiscal year 1978, we have cut the deficit in half. In the next year or so, economic circumstances permitting, we can achieve a balanced budget.

Second, the conference substitute preserves the House position with respect to funding levels for fiscal year 1979. All the initives targeted in the Simon amendment, including disaster relief, targeted fiscal assistance, funding for food stamps, and the *Spruance*-class destroyers, are included in the conference agreement.

Third, we have continued to provide, in the year the Senate will consider the SALT II treaty, for a strong national defense. Like many Members of the House I have been—and will continue to be—critical of the very real excesses in our defense budget. The level of spending for fiscal year 1980 agreed to in conference may be too high, but it is still $1.7 billion in budget authority and $1.8 billion in outlays below the level requested by the President. This represents a reasonable compromise between the positions of the House and Senate on this very sensitive and complex issue.

Finally, we have preserved most of the domestic spending priorities assumed in the resolution as it passed the House. The House overwhelmingly voted to protect the food stamp program, and we maintained that position. The House voted to keep the door open for a new targeted fiscal assistance program, and the conference substitute does that. Four times the House voted to cut the State portion of revenue sharing. The conference substitute provides for a $700 million reduction in that program, suggesting either the termination or phasing out of part of the program. The House-passed resolution provided funding for the urban development action grant program as well as the economic development administration program; the conference agreement fully protects these programs at reasonable and equitable funding levels.

Now, let me address function 500—education, training, employment, and social services. A great deal of misunderstanding seems to center on exactly what the conference agreement provides. The facts happen to be as follows: The House and Senate conferees agreed on a figure that protects the human needs programs we all value so highly. In that function the conference agreement includes $400 million in budget authority over the level recommended by the President for education. It assumes a 14-percent Federal subsidy rate (2 percent higher than the President's budget) for State grants for education of the handicapped, a 10-percent increase over the President's request for Head Start, and full funding of the basic opportunity grants program. In addition, the agreement assumes a ceiling for title XX social services over the President's request, and $125 million over the President for programs for the elderly.

In the area of employment and training, the conference substitute assumes 267,000 structural public service jobs and 200,000 countercyclical public service jobs by the end of fiscal year 1980—the same as assumed by the administration. By carrying over funds from 1979 and as a result of changing enrolling patterns we believe that these job levels can be achieved with less funds than provided in the House-passed version. I pledge to fight for additional funding to attain these job levels should the revised estimates agreed to in conference prove to be wrong.

The conference provides for 875,000 summer jobs—125,000 more than the President, but 125,000 below the House-approved resolution. Job slots for the elderly are increased by 5,000 above the President's level.

Now some of you may not like the figures agreed to in conference. You may want a little more padding in the budget resolution to assure that your own personal list of priorities will not be short changed. I can sympathize with that sentiment. But I ask you to keep three things in mind as you cast your vote on this resolution. First, this is a target resolution. Nothing we do today will actually bind us as we make the hundreds of individual choices that comprise the budget. Second, everyone knows that the public is demanding that the Congress adopt a policy of fiscal restraint. You know it and I know it. This cannot be done prudently if we are to allow the budget to be excessively bloated with "insurance funds" that stand no real chance of meaningful consideration. Fiscal restraint does not allow a business as usual budget practice of padding each function to insure the enactment of each pet project. In fact, it could easily have the reverse effect and prompt Members to call for deeper cuts when specific appropriations bills are considered. And thirdly, remember that no budget is perfect. If we are to succeed in making this budget process work, if we really intend to control inflation, reduce unemployment, and eliminate the deficit, we will have to accept some compromises and learn to live with the possible without giving up our efforts to achieve the desirable.

To that end, I urge adoption of the conference substitute.

Revenues, Fiscal Year 1979

[In millions of dollars]

	Revenues
House resolution	$458,485
Senate resolution	457,200
Conference agreement	461,000
Conference over (+) under (−) House	+2,515

The House Resolution provided $458,485 million in revenues through current law with a $15 million for tax committee flexibility.

The Senate Resolution provided $457,200 million in revenues through current law with a $100 million reduction for sugar legislation and tax committee flexibility.

The conference substitute provides $461,000 million in revenues, $2,515 million above the House level. The higher conference figure assumes a higher rate of inflation and recognizes the higher level of Treasury collections apparent in recent months. A $100 million revenue reduction is assumed within this target as an allowance for sugar legislation and added tax committee flexibility.

Function 050: National Defense, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	126,096	114,132
Senate resolution	127,200	114,500
Conference agreement	127,000	114,400
Conference over (+) under (−) House	+904	+268

The House Resolution provided $628 million in budget authority and $315 million in outlays for two frigates originally ordered by Iran which were requested in an fiscal year 1979 program supplemental.

The Senate Resolution provided $1.7 billion in budget authority and $0.5 billion in outlays for the DOD program supplemental.

The conference substitute provides for a Department of Defense program supplemental of $1.5 billion in budget authority which is $0.9 billion more than the House-passed assumption. However, this is still $0.6 billion below the President's request of $2.2 billion.

The outlay increase of $268 million results from the decision to increase budget authority.

Function 150: International Affairs, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	11,240	7,325
Senate resolution	12,000	7,700
Conference agreement	11,400	7,500
Conference over (+) under (−) House	+160	+175

The House Resolution provided $11,240 million in budget authority and $7,325 in outlays. This essentially provided for the President's request including a supplemental for Israel and Egypt as a result of the peace treaty.

The Senate Resolution provided essentially the House level with a different estimate for the Foreign Military Sales Trust Fund plus security assistance to Turkey.

The conference substitute provides House levels plus allowances for supplemental appropriations for security assistance for Turkey (+$150 million in budget authority and +$100 in outlays) plus additional outlays for the Food for Peace program.

Other minor changes result from rounding.

Function 250: General Science, Space and Technology, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	5,357	5,151
Senate resolution	5,400	5,200
Conference agreement	5,400	5,200
Conference over (+) under (−) House	+43	+49

The House Resolution provided $5,357 million in budget authority and $5,200 million in outlays.

The Senate Resolution provided $5,400 million in budget authority and $5,200 million in outlays.

The conference substitute provides $5,400 million in budget authority and $5,200 million in outlays. This is substantially consistent with the assumptions in the House-passed Resolution.

Function 270: Energy, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	7,592	7,338
Senate resolution	7,600	7,400
Conference agreement	7,600	7,400
Conference over (+) under (−) House	+8	+62

The House Resolution provided $7,592 million in budget authority and $7,338 million in outlays.

The Senate Resolution provided $7,600 million in budget authority and $7,400 million in outlays.

The conference substitute provides $7,600 million in budget authority and $7,400 million in outlays. This is generally consistent with the House-passed resolution.

Function 300: Natural Resources and Environment, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	12,858	11,272
Senate resolution	12,900	11,300
Conference agreement	12,900	11,300
Conference over (+) under (−) House	+42	+28

The House Resolution provided $12,858 million in budget authority and $11,272 million in outlays.

The Senate Resolution provided $12,900 million in budget authority and $11,300 million in outlays.

The conference substitute provides $12,900 million in budget authority and $11,300 million in outlays. This is substantially consistent with the assumptions in the House-passed Resolution.

Function 350: Agriculture, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	8,283	5,918
Senate resolution	8,300	6,200
Conference agreement	8,300	6,200
Conference over (+) under (−) House	+17	+282

The House Resolution provided $8,283 million in budget authority and $5,918 million in outlays.

The Senate Resolution provided $8,300 million in budget authority and $6,200 million in outlays.

The conference substitute provides $5,400 million in budget authority and $6,200 million in outlays. This is substantially consistent with the House-passed Resolution in budget authority and $282 million above the House figure in outlays. The conferees agreed to the Senate's outlay figure to accommodate possible authorization of the International Emergency Food Reserve or likely upward outlay reestimates in the current commodity price support program.

Function 370: Commerce and Housing Credit, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	5,844	2,917
Senate resolution	5,900	2,900
Conference agreement	5,900	2,900
Conference over (+) under (−) House	+56	−17

The House Resolution provided budget authority of $5,844 million and outlays of $2,917 million.

The Senate Resolution provided budget authority of $5,900 million and outlays of $2,900 million.

The conference substitute provides budget authority of $5,900 million and outlays of $2,900 million. The increase provided in the conference substitute may be assumed for initial funding for the newly authorized National Consumer Cooperative Bank.

Function 400: Transportation, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	19, 212	17, 137
Senate resolution	19, 800	17, 000
Conference agreement	19, 100	17, 000
Conference over (+) under (−) House	−112	−137

The House Resolution provided budget authority of $19,212 million and outlays of $17,137 million.

The Senate Resolution provided budget authority of $19,800 million and outlays of $17,000 million.

The conference substitute provides budget authority of $19,100 million and outlays of $17,000 million. The conference substitute differs from the President's supplemental request for ConRail funding in that it assumes that ConRail funding will be provided annually as needed rather than in a lump sum. The conference substitute also assumes the President's mass transportation funding level; it does not anticipate supplemental funds for mass transportation in fiscal year 1979.

Function 450: Community and Regional Development, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	8, 957	9, 626
Senate resolution	9, 400	9, 800
Conference agreement	9, 200	9, 700
Conference over (+) under (−) House	+243	+74

The House Resolution provided budget authority of $8,957 million and outlays of $9,626 million.

The Senate Resolution provided budget authority of $9,400 million and outlays of $9,800 million.

The conference substitute provides budget authority of $9,200 million and outlays of $9,700 million. The substitute reflects an increase of $243 million in budget authority available for disaster assistance programs.

Function 500: Education, Training, Employment, and Social Services, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	32, 716	30, 038
Senate resolution	32, 600	29, 500
Conference agreement	32, 700	29, 700
Conference over (+) under (−) House	−16	−338

The House Resolution provided $32,716 million in budget authority and $30,038 million in outlays.

The Senate Resolution provided $32,600 million in budget authority and $29,500 million in outlays.

The conference substitute provides $32,700 million in budget authority and $29,700 million in outlays. The conference substitute assumes lower expenditure rates for CETA public service employment and youth employment programs.

Function 550: Health, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	52, 904	49, 409
Senate resolution	43, 100	49, 700
Conference agreement	53, 000	49, 700
Conference over (+) under (−) House	+96	+291

The House Resolution provided $52,904 million in budget authority and $49,409 million in outlays.

The Senate Resolution provided $53,100 million in budget authority and $49,700 million in outlays.

The conference substitute provides $53,000 million in budget authority and $49,700 in outlays. The substitute provides funds for a portion of the President's proposals for supplemental appropriations for discretionary health programs and provides higher outlays for the medicare program in recognition of the fact that savings from voluntary efforts and constrain hospital cost increases are not being achieved.

Function 600: Income Security, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	194, 367	161, 696
Senate resolution	194, 100	161, 100
Conference agreement	194, 150	161, 100
Conference over (+) under (−) House	−217	−596

The House Resolution provided $194,367 million in budget authority and $161,696 million in outlays.

The Senate Resolution provided $194,100 million in budget authority and $161,100 million in outlays.

The conference substitute provides $194,150 million in budget authority and $141,100 million in outlays. This is a reduction of $217 million in budget authority and $596 million in outlays below the House level.

The major issue in the conference was funding for the Food Stamp program. The House estimates were $250 million in budget authority and $200 million in outlays above the estimates in the Senate resolution. The conference agreement reduced the House estimates by $125 million in budget authority and $100 million in outlays, making the totals for this program $6,549 million in budget authority and $6,866 million in outlays, which is $534 million in budget authority and $546 million in outlays above the estimate for Fiscal Year 1979 included in the President's January budget and the March OMB update It should be emphasized that the amounts included in the resolution for the Food Stamp program represent an estimate of program costs and not a proposed ceiling. The ceilings in this resolution are imposed by the overall budget totals. Estimates of the cost of individual programs are subject to change.

The remaining changes to the House estimates reflect adjustments as a result of economic conditions. The major changes were a reduction in outlays for unemployment compensation of $700 million below the House level, which was partially offset by an increase of $300 million in outlays for programs indexed by law to the cost-of-living. The higher-than-anticipated inflation rate in the first quarter of calendar year 1979 will cause higher outlays in indexed programs, the largest of which is social security. The conference agreement for Fiscal Year 1980 includes an adjustment for this purpose.

Function 700: Veterans Benefits and Services, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	20, 386	20, 211
Senate resolution	20, 400	20, 200
Conference agreement	20, 400	20, 200
Conference over (+) under (−) House	+14	−11

The House Resolution provided $20,386 million in budget authority and $20,211 million in outlays.

The Senate Resolution provided $20.400 billion in budget authority and $20.200 billion in outlays.

The conference substitute provides $20.4 billion in budget authority and $20.2 billion in outlays.

Function 750: Administration of Justice, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	4, 163	4, 179
Senate resolution	4, 200	4, 200
Conference agreement	4, 200	4, 200
Conference over (+) under (−) House	+37	+21

The House Resolution provided budget authority of $4,163 million and outlays of $4,179 million.

The Senate Resolution provided budget authority of $4,200 million and outlays of $4,200 million.

The conference substitute provides budget authority of $4,200 million and outlays of $4,200 million. The conference substitute reflects no policy changes from the House Resolution. Amounts in the House Resolution were rounded to the $4,200 level.

Function 800: General Government, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	4, 253	4, 166
Senate resolution	4, 300	4, 200
Conference agreement	4, 300	4, 200
Conference over (+) under (−) House	+47	+34

The House Resolution provided budget authority of $4,253 million and outlays of $4,166 million.

The Senate Resolution provided budget authority of $4,300 million and outlays of $4,200 million.

The conference substitute provides budget authority of $4,300 million and outlays of $4,200 million, representing rounding to the nearest $100 million.

Function 850: General purpose fiscal assistance, fiscal year 1979

[In millions of dollars]

	BA	O
House resolution	8, 696	8, 822
Senate resolution	8, 500	8, 600
Conference agreement	8, 650	7, 750
Conference over (+) under (−) House	−46	−70

The House Resolution provided budget authority of $8,696 million and outlays of $8,822 million.

The Senate Resolution provided budget authority of $8,500 million and outlays of $8,600 million.

The conference substitute provides budget authority of $8,650 million and outlays of $8,750 million. The conference substitute reflects a reduction of $50 million in budget authority and outlays available for some form of countercyclical fiscal assistance. The House assumes $150 million in budget authority and outlays are available for that purpose.

Function 980: Interest, fiscal year 1979

[In millions of dollars]

	BA	O
House resolution	52, 429	52, 430
Senate resolution	52, 400	52, 400
Conference agreement	52, 400	52, 400
Conference over (+) under (−) House	−29	−30

The House Resolution provided budget authority of $52,429 million and outlays of $52,430 million.

The Senate Resolution provided budget authority of $52,400 million and outlays of $52,400 million.

The conference substitute provides budget authority of $52,400 million and outlays of $52,400 million, representing rounding to the nearest $100 million.

Function 920: Allowances, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	699	693
Senate resolution	700	700
Conference agreement	700	700
Conference over (+) under (−) House	1	7

The House Resolution provided budget authority of $699 million and outlays of $693 million.

The Senate Resolution provided budget authority of $700 million and outlays of $700 million.

The conference substitute provides budget authority of $700 million and outlays of $700 million, representing rounding to the nearest $100 million.

Function 950: Undistributed Offsetting Receipts, Fiscal Year 1979

[In millions of dollars]

	BA	O
House resolution	−18, 120	−18, 120
Senate resolution	−18, 100	−18, 100
Conference agreement	−18, 100	−18, 100
Conference over (+) under (−) House	20	20

The House Resolution provided budget authority of −$18,120 million and outlays of −$18,120 million.

The Senate Resolution provided budget authority of −$18,100 million and outlays of −$18,100 million.

The conference substitute provides budget authority of −$18,120 million and outlays of −$18,100 million, representing rounding to the nearest $100 million.

Revenues, Fiscal Year 1980

[In millions of dollars]

	Revenues
House resolution	$509, 000
Senate resolution	503, 600
Conference agreement	509, 000
Conference over (+) under (−) House	-------

The House Resolution provided $509,000 million in revenues through current law and new legislation.

The Senate Resolution provided $503,600 million in revenues through current law and new legislation.

The conference substitute provides $509,000 million in revenues, the same as the House level. The conference figure includes the assumption of higher revenues under current law with a higher rate of inflation. New legislation eliminating foreign tax credits for oil companies, establishing an oil spill fund and possibly other sources is assumed to at least offset any revenue losses from new sugar legislation or other tax changes.

Function 050: National Defense, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	134, 671	123, 516
Senate resolution	137, 800	124, 300
Conference agreement	136, 600	124, 200
Conference over (+) under (−) House	+1, 929	+684

The House Resolution provided for a program level reduction of $2.5 billion in budget authority and $0.3 billion in outlays. In addition there were reductions for pay raise absorption, retirement reform and the Fisher amendment.

The Senate Resolution povided for increases in procurement programs which were offset by reductions for pay raise absorption and management efficiencies.

The conference substitute provides $136.6 billion in budget authority and $124.2 billion in outlays. This is higher than the House-passed resolution but it represents a reduction of $1.6 billion in budget authority and $1.8 billion in outlays below the President's request. It is also $1.2 billion in budget authority and $0.1 billion below the Senate position.

Function 150: International Affairs, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	12, 875	8, 108
Senate resolution	12, 000	7, 900
Conference agreement	12, 600	7, 900
Conference over (+) under (−) House	−275	−208

The House Resolution provided for the President's level except for a general reduction in foreign assistance of $699 million in budget authority and $173 million in outlays plus an increase of $118 million in budget authority and $85 million in outlays for refugee assistance.

The Senate Resolution provided for the House level with further reductions in foreign assistance, Food for Peace and Export-Import Bank programs. The Senate also had a lower estimate for the Foreign Military Sales Trust Fund.

The conference substitute provides for the House position as adjusted for the latest CBO estimate of the Foreign Military Sales Trust Fund (−$200 million in budget authority and outlays). Conference totals also reflect an unspecified reduction of $75 million in budget authority and $8 million in outlays below the House position.

Function 250: General Science, Space and Technology, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	5, 597	5, 447
Senate resolution	5, 700	5, 600
Conference agreement	5, 700	5, 600
Conference over (+) under (−) House	+103	+53

The House Resolution provided $5,597 million in budget authority and $5,447 million in outlays.

The Senate Resolution provided $5,700 million in budget authority and $5,600 million in outlays.

The conference substitute provides $5,700 million in budget authority and $5,600 million in outlays. This is $103 million in budget authority and $53 million in outlays above the House-passed resolution. The conferees recognize that the fiscal year 1980 budget amendment recently submitted to the Congress may necessitate additional funding above the House assumption for the NASA space program.

Function 270: Energy, fiscal year 1980

[In millions of dollars]

	BA	O
House resolution	20, 050	7, 920
Senate resolution	18, 400	6, 400
Conference agreement	18, 800	6, 800
Conference over (+) under (−) House	−1, 250	−1, 120

The House Resolution provided $20,050 million in budget authority and $7,920 million in outlays.

The Senate Resolution provided $18,400 million in budget authority and $6,400 million in outlays.

The conference substitute provides $18,800 million in budget authority and $6,800 million in outlays. This is $1,250 million in budget authority and $1,120 million in outlays below the House Resolution, and $400 million in budget authority and outlays above the Senate Resolution. The conference agreement assumes funding for energy supply, conservation, and information, policy and regulation programs, sufficient to support the President's budget recommendations. It also assumes a $1 billion reduction in budget authority for the Strategic Petroleum Reserve on the grounds that the program has experienced delays which render these amounts unnecessary at this time. However, the conferees do not intend that this recommendation alter the goals of the Reserve program, which is an important element of U.S. national energy policy. The House managers will closely monitor this program to ascertain whether this reduction in funding would impair the progress of this important program. Also, the conferees assumed a $1 billion reduction in outlays for this program on the grounds that as a best estimate it is now likely that the program would not progress as rapidly as anticipated previous to the Iran situation. There will be an opportunity to review these assumptions prior to the adoption of the Second Budget Resolution.

Function 300: Natural Resources and Environment, fiscal year 1908

[In millions of dollars]

	BA	O
House resolution	12, 725	11, 795
Senate resolution	12, 500	12, 600
Conference agreement	12, 600	11, 700
Conference over (+) under (−) House	−125	−95

The House Resolution provided $12,725 million in budget authority and $11,795 million in outlays.

The Senate Resolution provided $12,500 million in budget authority and $12,600 million in outlays.

The conference substitute provides $12,600 million in budget authority and $11,700 million in outlays. This is $125 million in budget authority and $95 million in outlays below the House-passed Resolution. The conferees agreed to split the difference between the House and Senate total figures for this function.

Function 350: Agriculture, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	4, 907	5, 323
Senate resolution	5, 000	5, 400
Conference agreement	5, 000	5, 400
Conference over (+) under (−) House	+93	+77

The House Resolution provided $4,907 million in budget authority and $5,323 million in outlays.

The Senate Resolution provided $5,000 million in budget authority and $5,400 million in outlays.

The conference substitute provides $5,000 million in budget authority and $5,400 million in outlays. This is $93 million in budget authority and $77 million in outlays above the House-passed resolution. Relative to the House-passed resolution, the conference agreement assumes higher outlay requirements in the short-term export credit program and minimal costs in fiscal year 1980 for an expanded all-risk crop insurance program if enacted.

Function 370: Commerce and Housing Credit, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	7, 527	3, 179
Senate resolution	6, 800	3, 200
Conference agreement	6, 900	3, 200
Conference over (+) under (−) House	−627	+21

The House Resolution provided budget authority of $7,527 million and outlays of $3,179 million.

The Senate Resolution provided budget authority of $6,800 million and outlays of $3,200 million.

The conference substitute provides budget authority of $6,900 million and outlays of $3,200 million. The substitute provides $100 million for initiation of the rural home ownership assistance program of the Farmers Home Administration, rather than $500 million as included in the House resolution. The substitute also provides for a Federal Financing Bank dividend to the Treasury of $200 million and for second-year financing of the new National Consumer Cooperative Bank.

Function 400: Transportation, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	19, 622	18, 092
Senate resolution	18, 700	18, 200
Conference agreement	19, 450	18, 200
Conference over (+) under (−) House	−172	+108

The House Resolution provided budget authority of $19,622 million and outlays of $18,092 million.

The Senate Resolution provided budget authority of $18,700 million and outlays of $18,200 million.

The conference substitute provides budget authority of $19,450 million and outlays of $18,200 million. As in fiscal year 1979, Con-Rail funding is assumed to be provided on an annual, as-needed basis. In general, the funding levels assumed are in agreement with the President's recommendations except that a $250 million reduction in highway program budget authority is assumed to provide for slower program growth than in the authorizing legislation. In addition, $150 million is assumed above the President's recommendation for mass transportation operating aid to reflect mass transportation's high priority in light of scarce energy supplies.

Function 450: Community and Regional Development, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	8, 267	7, 575
Senate resolution	9, 000	8, 200
Conference agreement	8, 900	8, 100
Conference over (+) under (−) House	+633	+525

The House Resolution provided budget authority of $8,267 million and outlays of $7,575 million.

The Senate Resolution provided budget authority of $9,000 million and outlays of $8,200 million.

The conference substitute provides budget authority of $8,900 million and outlays of $8,100 million. The House resolution assumes that the amounts available in the function are sufficient to fund an expanded Urban Development Action Grant program with budget authority at $275 million and outlays of $32 million, the same as in the House resolution, expansion of Economic Development Assistance programs by $500 million in budget authority and $95 million in outlays, and increased funding for disaster assistance activities at $498 million in budget authority above the amounts provided in the House resolution.

Function 500: Education, Training, Employment, and Social Services, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	32, 311	31, 319
Senate resolution	29, 100	29, 900
Conference agreement	30, 500	30, 500
Conference over (+) under (−) House	−1, 811	−819

The House Resolution provided budget authority of $32,311 million and outlays of $31,319 billion.

The Senate Resolution provided budget authority of $29,100 million and outlays of $29,900 million.

The conference substitute provides budget authority and outlays of $30,500 million. The conference substitute provides $14.7 billion in budget authority and $14.0 billion in outlays, an increase of $0.4 billion in budget authority and $0.6 billion in outlays above the President's budget request. This total provides sufficient funds to accommodate a 14 percent Federal subsidy rate, compared to 12 percent requested by the President, for the Education of the Handicapped State grants program and to enroll an additional 150,000 disabled children. The conference agreement also provides funds to enroll an additional 44,000 children in the Headstart program, a 10 percent increase over the President's budget. The substitute includes funding for about one-third of category B payments of the Impact Aid program, a more modest reform than proposed by the President. The amount provided in the substitute could support up to 600,000 additional vocational education students. Consistent with the President's request, the conference agreement includes funding for the Title I ESEA Concentration Grants Program and reflects full funding of the Basic Opportunity Grants Program in accordance with the Middle-Income Student Assistance Act.

The bulk of the increase in outlays above the President's budget results from more realistic estimates of the Fiscal Year 1980 costs for ongoing education programs.

EMPLOYMENT AND TRAINING PROGRAMS

The conference substitute provides $10.3 billion in budget authority and $11.2 billion in outlays for employment and training and other Department of Labor programs. These totals provide funding for public service employment which is $1.3 billion in budget authority and $0.2 billion in outlays below the President's March 15 budget request. The reductions reflect the conferees' reestimates of FY 1979 carryover funds resulting from the assumption that the enrollment pattern and end-of-year enrollment level in countercyclical public service employment in FY 1979 will be lower than that estimated by the President. The reduction also assumes that the prime sponsors will be permitted to carry out lower levels of funds into FY 1981 than currently permitted by the Department of Labor regulations. As a result of these reestimates, it is assumed that the lower funding level will support 267,000 structural public service jobs and 200,000 countercyclical public service jobs by the end of fiscal year 1980. These are the same end-of-year objectives projected in the President's budget. However, due to the assumptions of enrollment at the start of FY 1980, the conference substitute provides 29,000 fewer average public service jobs than the President's budget.

The conference substitute provides for 875,000 summer youth jobs, an increase of 125,000 jobs over the President's request, but a reduction of 125,000 jobs from the House-passed Resolution.

The conference substitute provides for an increase in jobs programs for the elderly of 5,000 slots over the level anticipated in the President's budget.

SOCIAL SERVICES

The conference substitute provides $5.6 billion in budget authority and $5.5 billion in outlays for social service programs. These totals represent an increase of $0.2 billion in budget authority and $0.15 billion in outlays above the President's budget. The conference substitute provides sufficient funds for a $3.0 billion ceiling for Title XX Social Services, an increase of $0.1 billion above the President's budget, expansion of child welfare services consistent with the President's budget, and increases totaling $125,000 million over the President's request for programs for the elderly in the areas of nutrition, senior centers and volunteer programs.

	President's budget		House passed		Conference agreement		Difference, conference (+) President (−)	
	BA	O	BA	O	BA	O	BA	O
Education programs	14,335	13,323	15,196	14,164	14,737	13,966	+402	+643
Employment and training programs	11,166	11,527	11,389	11,744	10,289	11,234	−877	−293
Social services programs	5,414	5,316	5,880	5,582	5,636	5,471	+222	+155
Across-the-board reduction (Fisher amendment)			142	−159	−150	−159	−150	−159
Offsetting receipts	−12	−12	−12	−12	−12	−12		
Total	30,903	30,154	32,311	31,319	30,500	30,500	−403	+346

Function 550: Health, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	57,825	53,542
Senate resolution	58,100	53,600
Conference agreement	58,100	53,600
Conference over (+) under (−) House	+275	+58

The House Resolution provided $57,825 million in budget authority and $53,542 million in outlays.

The Senate Resolution provided $58,100 million in budget authority and $53,600 million in outlays.

The conference substitute provides $58,100 million in budget authority and $53,600 million in outlays, the same as the Senate totals.

Medicare: The Conference substitute provides funding for the new initiatives in the Medicare program recommended by the Ways and Means Committee. These include improvement in psychiatric benefits for the aged and disabled, liberalized Medicare eligibility for the disabled and improved coverage of home health care, ambulance services and durable medical equipment. The Conference substitute also assumes the enactment of legislation to constrain the increase in hospital costs, transfer the health care costs of the working aged to their employers' health insurance plans, and achieve other efficiencies in the Medicare program.

Medicaid: The Conference substitute assumes the enactment of legislation to expand Medicaid coverage to over 2 million poor children not now eligible for the program and to expand the range of covered services for all 11 million Medicaid children. In addition, the substitute would accommodate coverage for about 180,000 low-income pregnant women who are not now eligible for the program. The substitute also assumes the enactment of legislation to reduce the incidence of unnecessary surgery and its concomitant costs in physicians' fees and needless hospitalization, as well as other program efficiencies.

Discretionary Health Programs: The Conference substitute includes $268 million in budget authority above the President's budget request for all health programs other than Medicare and Medicaid. The total budget authority could provide for substantial expansion in health service programs such as community and migrant health centers, family planning and immunization programs, and increases above the President's budget request for biomedical research and manpower training programs.

The following table provides a more specific comparison of the President's budget and the Conference substitute, as well as the House-passed Budget Resolution:

FUNCTION 500: HEALTH—COMPARISON OF PRESIDENTS' BUDGET AND FIRST BUDGET RESOLUTION, FISCAL YEAR 1980

	President's budget (Mar. 15, 1979)		House passed, first Budget resolution		Conference agreement, First Budget Resolution		Difference, conference agreements/over House passed	
	BA	O	BA	O	BA	O	BA	O
Medicare—Current law	35,787	33,824	35,723	33,456	35,745	33,456	−42	−368
Proposed legislation:								
Hospital cost containment	29	−1,500		−1,300		−1,300	−29	
Other legislative savings	−27	−300		−266		−266	+27	
Benefit improvements		56		+156		+156		
Subtotal, medicare	35,789	32,080	35,723	32,046	35,745	32,046	−44	−34
Medicaid—Current law	12,617	12,374	12,795	12,552	12,795	12,552	+178	+178
Proposed legislation:								
Hospital cost containment	−225	−225	−100	−100	−100	−100	+125	+125
Other legislative savings	−95	−95	−138	−138	−138	−138	−43	−43
Benefit improvements	+301	+301	+312	+312	+312	+312	+11	+11
Subtotal, medicare	12,598	12,355	12,869	12,626	12,869	12,626	+271	+271
Discretionary health programs	9,232	8,984	9,501	9,155	9,500	9,000	+268	+16
Offsetting receipts	−14	−14	−14	−14	−14	−14		
Across-the-board reduction (Fisher amendment)			−254	−271		−58		+58
Total, health	57,605	53,405	57,825	53,542	58,100	53,600	+495	+195

Function 600: Income Security, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	216,382	182,229
Senate resolution	212,400	184,000
Conference agreement	214,800	183,300
Conference over (+) under (−) House	−1,582	+1,071

The House Resolution provided $216,382 million in budget authority and $182,229 million in outlays.

The Senate Resolution provided $212,400 million in budget authority and $184,000 million in outlays.

The conference substitute provides budget authority of $214,800 million and outlays of $183,300 million which is a decrease of $1,582 million in budget authority below the House level and an increase of $1,071 million in outlays above the House.

The major difference in budget authority is attributable to subsidized housing. The House resolution assumed an increase of $2.4 billion over the President's request, while the Senate resolution assumed a reduction of $3.9 billion below the President's request. The conference agreement assumes $25.9 billion in budget authority, which is a decrease of $0.7 billion below the President's request. This agreement could result in a reduction of up to 45,000 housing units below the President's request. Depending on decisions which will be made in the appropriations and authorization process, the actual reduction could be less than this amount. The conference agreement does not assume the savings proposed by the Senate Budget Committee from an increase in tenant rent from 25 to 20 percent of tenant income.

The House allocation of the Conference Agreement retains the legislative asumptions included in the House-passed resolution, including $177 million for liberalizations to the Trade Adjustment Assistance program, increased aid for the aged, continued Federal matching for public assistance costs in Puerto Rico and other overseas jurisdictions, and increased aid for foster care.

The House allocation also retains the House target for legislative savings, which total $1.1 billion in outlays from reforms to Social Security Disability, Federal employee retirement, the Child Nutrition and the School Lunch programs, and the Food stamp program. Because these targeted savings exceed the reduction to this function proposed in the Fisher Amendment, the conference agreement does not assume unspecified savings. The Fisher Amendment would have assumed unspecified savings of $950 million in budget authority and $921 million in outlays.

The House allocation of the conference agreements adds $600 million in budget authority and $327 million in outlays to the House estimates because of estimating adjustments which reflect not only re-estimates of programs affected by economic assumptions but also an adjustment to the Social Security program made by the Budget Committees to reflect more recent program data. Attached is a table which provides more detail on the House allocation of the conference agreement.

Function 700: Veterans Benefits and Services, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	21,207	20,709
Senate resolution	21,100	20,500
Conference agreement	21,200	20,600
Conference over (+) under (−) House	−7	−109

The House Resolution provided $21,207 million in budget authority and $20,709 million in outlays.

The Senate Resolution provided $21,100 million in budget authority and $20,500 million in outlays.

The conference substitute provides funding for several new program initiatives, including an 8.3 percent cost-of-living increase in veterans compensation. The conference agreement is sufficient to accommodate all new entitlement authority provided in the House-passed resolution, including increases for vocational rehabilitation, improvements in income security and medical care. Further, the conference substitute provides for general increases in hospital and medical care. The conference agreement also reflects legislative savings in the area of hospital and medical care and unallocated reductions due to the Fisher Amendment, which mandated across-the-board reductions in all functions.

COMPARISON OF PRESIDENT'S BUDGET AND CONFERENCE AGREEMENT, FISCAL YEAR 1980

[In millions of dollars]

	President's budget, Mar. 15 revisions		Conference agreement		Conference, over (+); President, under (−)	
	BA	O	BA	O	BA	O
Income security	12,151	11,855	12,334	12,007	+183	+152
Education, training, and rehabilitation	2,278	2,241	2,268	2,234	−11	−7
Hospital and medical care	5,910	5,890	6,059	6,041	+149	+151
Housing		−215		−215		
Other	635	642	636	641	+1	−1
Across-the-board reduction (Fisher amendment)			−93	−105	−93	−105
Offsetting receipts	−3	−3	−3	−3		
Grand total	20,972	20,409	21,200	20,600	+228	+191

Note: Detail may not add to totals due to rounding.

Function 750: Administration of Justice, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	4,287	4,411
Senate resolution	4,200	4,400
Conference agreement	4,200	4,400
Conference over (+) under (−) House	−87	−11

The House Resolution provided budget authority of $4,287 million and outlays of $4,411 million.

The Senate Resolution provided budget authority of $4,200 million and outlays of $4,400 million.

The conference substitute provides budget authority of $4,200 million and outlays of $4,400 million. The conference substitute reflects a reduction of $100 million in the amount of budget authority provided in the House resolution for the Law Enforcement Assistance Administration.

Function 800: General Government, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	4,402.6	4,310.6
Senate resolution	4,300	4,200
Conference agreement	4,400	4,300
Conference over (+) under (−) House	−2.6	−10.6

The House Resolution provided budget authority of $4,402.6 million and outlays of $4,310.6 million.

The Senate Resolution provided budget authority of $4,300 million and outlays of $4,200 million.

The conference substitute provides budget authority of $4,400 million and outlays of $4,300 million, representing rounding the House figures to the nearest $100 million.

Function 850: General Purpose Fiscal Assistance, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	6,471	6,456
Senate resolution	8,500	8,500
Conference agreement	8,100	8,100
Conference over (+) under (−) House	+1,629	+1,644

The House Resolution provided budget authority of $6,471 million and outlays of $6,456 million.

The Senate Resolution provided budget authority of $8,500 million and outlays of $8,500 million.

The conference substitute provides budget authority of $8,100 million and outlays of $8,100 million. The Senate resolution assumed a continuation of General Revenue Sharing at current levels and no funding for proposed targeted fiscal assistance programs. The House resolution assumed reduction of the States' portion of General Revenue Sharing and provided accommodation for the proposed fiscal assistance program. The conference substitute reflects the possibility that the Congress may consider changes in General Revenue Sharing and may enact new programs of targeted fiscal assistance. The conference substitute does not reflect a precise mathematical anticipation of any particular legislative outcome, since the Congress has yet to consider any new programs or changes in existing law. As a result, the functional totals may need to be adjusted at the time of consideration of the Second Budget Resolution.

Function 900: Interest, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	56,000	56,000
Senate resolution	56,000	56,000
Conference agreement	56,000	56,000
Conference over (+) under (−) House	0	0

The House Resolution provided budget authority of $56,000 million and outlays of $56,000 million.

The Senate Resolution provided budget authority of $56,000 million and outlays of $56,000 million.

The conference substitute provides budget authority of $56,000 million and outlays of $56,000 million. There was no difference between the two houses.

Function 920: Allowances, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	−246	−269
Senate resolution	400	400
Conference agreement	−100	−100
Conference over (+) under (−) House	+146	+169

The House Resolution provided budget authority of −$246 million and outlays of −$269 million.

The Senate Resolution provided budget authority of $400 million and outlays of $400 million.

The conference substitute provides budget authority of −$100 million and outlays of −$100 million. The principal item of difference between the two houses was the amount of anticipated savings from curtailed travel, transportation, expenditures for supplies and materials, overtime, filmmaking and other audio-visual efforts, and similar administrative items. The substitute resolution strikes a compromise at $900 million between the House proposal for these items of $1.1 billion and the Senate figure of $400 million. The conferees expect that the Appropriations Committees will review all estimates with careful scrutiny to delete unnecessary or wasteful expenditures. The substitute anticipates an average Federal employee pay raise of 5.5 percent in October, 1979, and absorption of 20 percent of the gross costs of such raise. The resolution continues to press for enactment of reform in the system for setting blue-collar wage rates.

Function 950: Undistributed Offsetting Receipts, Fiscal Year 1980

[In millions of dollars]

	BA	O
House resolution	−19,800	−19,800
Senate resolution	−19,700	−19,700
Conference agreement	−19,700	−19,700
Conference over (+) under (−) House	100	100

The House Resolution provided budget authority of −$19,800 million and outlays of −$19,800 million.

The Senate Resolution provided budget authority of −$19,700 million and outlays of −$19,700 million.

The conference substitute provides budget authority of −$19,700 million and outlays of −$19,700 million, incorporating a revised estimate of interest received by trust funds, which is offset in this function to avoid double-counting.

☐ 1020

Mr. LATTA. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, at the outset, I would like to commend the chairman and the members of the committee for the hard work that they put in during the past several months in bringing this conference report to the place that it is today. I realize many of us are not satisfied with some of the results, but certainly we cannot all be satisfied with every part of a $532 billion budget.

I would like to point out that this is only a target resolution—a target resolution—something to shoot for.

Come September, we will have before us a resolution that will be final, so maybe we are going to have to accept some of these target figures today with the hope that, as the months unfold, we can adjust then accordingly if circumstances change.

I would like to mention that on Monday the Washington Post carried an article entitled "Austere 1980 Budget Seen as a One-Shot Spending Curb."

The article reported how the liberal Brookings Institution had concluded the President's 1980 budget consisted only of token gestures toward expenditure restraint, and did not represent the start of a genuine shift away from big government.

This criticism seems valid when applied to the congressional budget resolution now before us.

The overall spending level in the budget resolution is identical to that recommended by the President last January, $532 billion. So for all of the talk about the Congress was going to cut the Carter budget, we can see that nothing of substance has been accomplished. Keep in mind that $532 billion represents a $37.5 billion increase, an increase over 1979, for a growth rate of 7.6 percent.

If approved, this means that over the 4 years of the Carter Presidency, spending will have increased by $166 billion or 45 percent, while the public debt has ballooned to $887 billion.

In short, this resolution calls for little restraint based on the figures themselves. It does not propose the elimination or phase out of major spending programs, which have outlived their usefulness. On the contrary, it actually puts its blessing on a number of new social welfare programs which have a potential of being big drains on the budget in future years.

For example, the conference report provides room to fund a new low-income, rural home ownership subsidy program, targeted fiscal assistance, and the substitute for the National Development Bank.

Moreover, time after time, the House rejected efforts in conference by the Senate to reduce funding programs in a variety of areas.

The Senate wanted to phase out CETA title VI public service jobs more rapidly and cut back on the mushrooming Federal subsidies of public low-income housing, yet these moves were resisted by the majority of the House conferees.

While some compromises were made toward the Senate, it seems to me this budget resolution still provides for less spending on national security and more for social welfare programs than the President requested.

As a matter of fact, the level for defense spending was increased over the House figures by $1.9 billion in budget authority and $684 million in outlays. This is still below the President's defense request. It does recognize the fact that our defense posture needs bolstering.

In function 500, funds were saved by recognizing the fact that CETA programs will have over $1 billion in unused budget authority in 1979, which can be carried over and used in 1980 in lieu of appropriating new budget authority.

Finally, the House and Senate agreed to include $1.8 billion in function 850 general purpose fiscal assistance, for the purpose of continuing the State revenue sharing, should it later be the will of the House.

The SPEAKER pro tempore. The time of the gentleman from Ohio (Mr. LATTA) has expired.

Mr. LATTA. Mr. Speaker, I yield myself 3 additional minutes.

While the budget deficit may appear lower than that proposed by the President, $23 billion versus $29 billion, all of that reduction will come at the expense of the taxpayer.

The conference agreed that the tax collections will exceed the President's January estimates by $6 billion, and, therefore, the deficit has been lowered.

This revenue reestimate is part of an unconscionable policy aimed at eventually balancing the budget, not by reducing spending, but by raising taxes.

Now, let us look at the record in this area just in recent years. Last year, the Budget Committee and the administration underestimated revenues, concealing the additional burden that the budget placed on the American taxpayer.

In considering the first budget resolution for 1979, they told us that without a tax cut the Federal Government would collect $465 billion in revenues in 1979. After passing a very, very modest tax cut, we were told revenues in 1979 would be $448 billion.

Yet, by January of this year, the administration had increased its revenue estimate to $456 billion, and by March had upped the estimate again, this time to $461 billion.

Now, we are told that the administration has revised its estimates upward for the fourth time and is now predicting 1979 revenues at $465 billion or exactly the same amount they predicted we would have without a tax cut.

In 1980, according to most estimates, the same scenario of underestimating revenues will most likely unfold. While the Budget Committee now forecasts 1980 revenues at $509 billion, the administration is privately predicting 1980 revenues of $512 billion.

I might remind my colleagues that when I presented the minority substitute to this budget resolution several days ago, the minority estimated revenues to be $514 billion in 1980, without a tax cut.

Even the Carter administration now considers our estimate more accurate than the original estimates of the Budget Committee.

The gist of all of this should be obvious. By approving a budget resolution with a low-revenue figure, we are deceiving ourselves and the American people about the true impact of a "spending" budget on their tax bills.

Legislated increases in social security taxes and unlegislated tax increases which occur when inflation pushes taxpayers into higher brackets will boost revenues in 1980 by approximately $19 billion.

☐ 1030

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. LATTA. Mr. Speaker, I yield myself an additional 3 minutes.

At a minimum, we should be proposing tax relief in 1980 sufficient to offset this tax increase. The minority's substitute proposed to do just that. It provided for a 1980 tax cut of $15 billion. The budget resolution before us, however, proposes not a tax cut, but more spending and an unrealistically low revenue estimate.

I would like to register my support for the inclusion of out-year targets in budget resolutions. The long-run impact of our immediate budgetary decisions deserve much more consideration than they have received in the past. I find it somewhat ironic, however, that the majority has failed to specify functional levels for the out-years after having passed a new rule early in the 96th Congress prohibiting aggregates-only amendments. House Republicans objected strongly to this rule because it prevented us from using a two-step approach to budgeting; that is, deciding the total size of the pie before deciding on the size of the various pieces. Now, it appears that the majority is violating the spirit of their own new rule.

I am concerned about the long-run budget policy embodied in the budget resolution before us. We have heard little from the majority of this body concerning the prospect for a balanced budget in 1981. It appears that they seem to be offering us a choice between a balanced budget in 1981 with no tax cut, and a tax cut but another unbalanced budget. I submit to the Members that this is no choice at all. Who can question the need for a tax cut in 1981, if one considers that no such relief will be provided in 1980? The majority's balanced budget option for 1981 would require that revenues reach a record 20.4 percent of GNP. It is not a small wonder that they have quieted their appeals for a balanced budget in 1981.

Our 1980 substitute, on the other hand, would have allowed for a tax cut and a balanced budget in 1981. This is the sort of approach to fiscal policy that this body should be undertaking.

Mr. Speaker, in conclusion, let me point out again that the conference report we will be voting on today merely sets targets, and does not foreclose our opportunity to make adjustments in September.

Mr. GIAIMO. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I take the well to urge a no vote on this resolution. The debt set in this resolution is $3 billion higher than the one the Members of this House voted for 3 weeks ago, and despite that fact the education, jobs, and human services function in this budget is down by $1.8 billion below the House figure. It is below the President's figure.

In real dollar terms, function 500, which is for education and job training and most of the human services, is 14 percent lower than last year. The big winners in this conference are revenue sharing, which is up $1.6 billion over the House figure, and defense, which is up $1.9 billion. In other words, what happened in the conference was that the Budget Committee gave away $1.8 billion in social programs in order to finance $1.9 billion in add-ons for defense. I might point out, so much for the Mitchell transfer amendment.

What we are asking, what all the people who are opposed to this resolution are asking, is that the committee go back to conference and get an even split with the Senate. That is all we are asking. In defense, this conference report is $1.1 billion below the Senate; $1.9 billion above the House. In education and training, we are $1.2 billion above the Senate; $1.8 billion below the House.

I want to make clear that there is no argument in this bill on CETA. Both the Labor-HEW Committee and the Budget Committee agree that there is a very large carryover on CETA, and there is no problem on that score. But, if we had an even split on these two functions, we would be $200 million higher in function 500; $400 million less in defense, and we would be able to reduce the budget by another $200 million overall.

Now, the letter from the chairman of the committee makes some points. The letter which the Members have received says that the conference agreement on the first budget resolution is a compromise. Everybody accepts that there has to be a compromise, but some compromise this is when the Senate gets two-thirds of what it wanted on revenue sharing and gets well over 50 percent of what it wanted on both defense and function 500, which are the guts of the disagreements between the two Houses.

The chairman says that we continue the pattern of reduced deficits. I point out again that despite the brutal slashes from the House level in function 500, we are still $3 billion above the deficits we all voted for just a few days ago. The chairman said here, and he listed a number of areas in education where the Budget Committee was above the President. If the Members listened, those figures added up to almost $700 million, but if Members look at the total, "You ain't got the room for those $700 million." They can score up any way the committee chooses, but the facts are that we do not have the room for the dollars, I am sure, because the Fisher cut is undistributed.

The letter the chairman sent out on function 050, or defense, indicated that he had excluded the reduction made in defense by exact prorating the Fisher amendment. We did not do that with any other function. Why should we do it on defense?

Mr. BRODHEAD. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Michigan.

Mr. BRODHEAD. Mr. Speaker, I thank the gentleman for yielding. I think that is an important point. The deficit contained in this conference report is $2.2 billion higher than the deficit figure that the House voted for. What do we get in exchange for that $2.2 billion We get less for the programs that this House voted for and has continually voted for, and more in the defense area, which this House voted on and specifically rejected.

So, I think we are getting more of a deficit and less of the programs this House went on record for.

Mr. OBEY. I agree with the gentleman.

Let me just say that if this conference report is such a good deal for education, then why are some 50 organizations across the land against it?

Here is a partial listing of the groups who oppose it:

1. AFL–CIO.
2. UAW.
3. AFSCME.
4. United Steelworkers.
5. International Association of Machinists and Aerospace Workers.
6. U.S. Conference of Mayors.
7. National Association of Counties.
8. NEA.
9. American Federation of Teachers.
10. American Council on Education.
11. Council of the Great City Schools.
12. American Association of Community and Junior Colleges.
13. American Association of State Colleges and Universities.
14. National Association of Independent Colleges and Universities.
15. National Association of State Universities and Land Grant Colleges.
16. National School Board Association.
17. United States Student Association.
18. American Vocational Association.
19. National Association of Secondary School Principals.
20. National Assoication of Elementary School Principals.
21. American Educational Research Association.
22. American Association of Colleges of Teacher Education.
23. National PTA.
24. Impact Area Schools.
25. Council for Exceptional Children.
26. Association of American Universities.
27. Council on Social Work Education.
28. Council of Chief State School Officers.
29. Congressional Black Caucus.
30. National Urban League.
31. National Urban Coalition.
32. ADA.
33. NOW.
34. League of Women Voters.
35. National Association of Social Workers.
36. National Farmers Union.
37. American Nurses Association.
38. National Mental Health Association.
39. National Council of Community Mental Health Centers.
40. American Association of Dental Schools.
41. American Association of Colleges of Pharmacy.
42. Association for the Advancement of Psychology.
43. American Academy of Physical Medicine and Rehabilitation.
44. American Congress of Rehabilitative Medicine.
45. National Council of Senior Citizens.
46. American Association of Homes for the Aging.
47. American Association of Retired Persons.
48. National Council on Aging.
49. National Caucus of the Black Aged.
50. Executive Committee of the Democratic Study Group.
51. American Association of Dental Schools.
52. Oil Chemical and Atomic Workers.
53. Coalition for a new Foreign and Military Policy.

Those are just a few of the organizations opposed to this bill, and they are not asking for very much. All they are asking is that we get an even split with the Senate. When is the last time Members remember we have not gotten an even split with the Senate on major appropriation or budget bills? I think it is very difficult to remember that time.

□ 1040

Mr. MITCHELL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I thank the gentleman for yielding and want to associate myself with his remarks.

The tragedy of this conference report on the budget is that it perpetuates the same mistake that the President made in his budget and that the House and Senate did in their respective budgets. What we are doing is adding onto the military at a time when we are trying to talk about a strategic arms limitation. We are adding onto the military at a time when both the Soviets and Americans are pursuing a policy of mutual destruction. We are adding onto the military when we talk about developing a neutron bomb which would kill people but not destroy buildings. What we do in these budgets is to guarantee that there is going to be an increase in unemployment.

The President has already said that what we fail to tell the American public is that for every 1 percent of unemployment it costs us something like $17 billion to $19 billion a year. Why do we not develop our human capital instead of just the military?

I thank the gentleman for yielding. I urge the Members to vote no on the conference report. It is bad morally, politically, and in every other respect.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Florida.

Mr. PEPPER. I thank the gentleman for yielding.

Mr. Speaker, I heartily join my distinguished friend, the gentleman from Wisconsin (Mr. OBEY), in his opposition to the adoption of this conference report. This report should be sent back to conference, and our conferees should insist and not agree otherwise. With respect to the poor and the elderly regarding these social service items in the budget, there should be adopted a figure comparable substantially to the provision made for the elderly and the poor by this House only a week ago. We know that in this category the conference report provides $30,500,000,000. This figure is $1.7 billion below what this House approved last week. Even more alarming, it is $2.2 billion below what was actually spent last year. It is $300 million less than our own Labor-HEW Subcommittee felt would be necessary in 1980.

In addition, this conference report includes $25.8 billion in budget authority for all subsidized housing programs. That figure is $3.1 billion below what we approved here on the floor of the House only a week ago. The conference report could mean that 800,000 persons now on the waiting list to participate in the hot meals nutrition program shall be denied that program; 36 percent of the people who occupy substandard housing are elderly people, a deplorable situation which is made worse by this conference report. It could mean other deprivations for the poor and the elderly in this country. It could mean that home care will be even less available and that thousands of persons will have no alternative to costly and unnecessary nursing home care. As the chairman of the House Select Committee on Aging, I urge our conferees not to repudiate the compassion and the concern for these needy elements of our people that this House so graciously and generously expressed only a week ago.

I join with my colleague from Wisconsin (Mr. OBEY), the AFL-CIO, the United Auto Workers, and many organizations representing the elderly including the National Council of Senior Citizens, American Association of Retired Persons, and American Association of Homes for the Aging in criticizing the unconscionably penurious amounts for human service programs in this conference report. I ask that a list of these organizations be printed in the RECORD following my remarks.

This is a cause worth fighting for, Mr. Speaker, and I hope our conferees will have an opportunity when this goes back to conference to fight the kind of a battle that was won on the floor of this House for the elderly and the poor of this country. Surely a nation that is considering a budget of $532 billion can find within that amount and within its heart enough money and determination to keep aid for the old and poor at adequate levels.

The following groups have agreed to lend their name to the effort to defeat the first budget resolution:

American Federation of Labor-Congress of Industrial Organizations.

United Auto Workers.

National Council of Senior Citizens.

American Association of Retired Persons.

American Association of Homes for the Aging.

National Council on the Aging.

Asociacion Nacional Pro Personas Mayors.

Concerned Seniors for Better Government.

Gerontological Society.

Gray Panthers.

Legal Research and Services for the Elderly.

National Association of Area Agencies on Aging.

National Association of State Units on Aging.

National Senior Citizens Law Center.

National Caucus on the Black Aged.

Western Gerontological Society.

Mr. OBEY. I thank the gentleman. If I can just confirm what he said, the Labor-HEW Appropriations Committee is at least $100 million below the President's budget—or approximately $100 million below the President's budget. This budget resolution in those same areas is approximately $250 million below that. I do not think that is the kind of record we want to have in this House this year.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LATTA. Mr. Speaker, I yield 5 additional minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I thank the gentleman very much for yielding time. If I could first yield to the gentleman from Kentucky, I would be happy then to yield to the gentleman.

I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, I reluctantly oppose the conference report because of the distinguished chairman of the committee. I know that he feels that he has done a good job; but in this instance I believe that education, labor, and training programs, and programs for the handicapped and the elderly will have to bear too much of the burden of holding down Federal spending. Even though this resolution is only a target, it will be considered by many as the true gospel and the polar star insofar as future decisions are concerned when we are marking up the appropriations bill. And, therefore it is important that this conference report shows our true priorities.

The difference in the conference in education alone is $448 million. It cuts back impact aid, the handicapped, Head Start, vocational education, and the student assistance programs from the overall levels we approved in the budget resolution as it passed the House. These programs are presently not being properly funded; I do not think they should carry this undue burden and be cut back at this time. If we look at the title I compensatory education program, for instance, we see the basic part of that program remaining stationary. This will mean that we are going to have to lay off teachers all over this country due to increased energy costs and ever-rising inflation. And today we are only providing services for two-thirds of the eligible disadvantaged children.

I think this conference report should be recommitted. It cuts the training programs drastically, and presently they too are underfunded. If we adopt this conference report, it will be a blow to education and training programs in this country. I think we should send it back to conference.

Mr. OBEY. I thank the gentleman.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Illinois for 30 seconds.

Mr. MICHEL. I thank the gentleman for yielding.

I think it is quite obvious that if there is a serious defect on the Democratic side in support of the conference report, it will go down, if there is not sufficient support over here on the Republican side. Many of our Members over here are wedded to a deficit figure that is far below that which appears in the conference report or even in the bill as passed by the House.

The first question is, If the gentleman from Wisconsin had his "druthers" or his way in going back to conference, what would that ultimate deficit figure be—higher than what it is now?

Mr. OBEY. If I had my way, the deficit would be $200 million below what it is now.

Mr. MICHEL. How does the gentleman arrive at that figure?

Mr. OBEY. Because I would decrease function 050 by $400 million and increase function 500 by $200 million to go along with what the Labor-HEW Subcommittee has provided.

I am going to have to reclaim the balance of my time. I only have 2 minutes left. I reserve the balance of my time, Mr. Speaker.

Mr. GIAIMO. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I rise in support of the conference report and the motion offered by the gentleman from Connecticut (Mr. GIAIMO).

While none of us are entirely in agreement with all the contents and some of the ramifications of the pending report, there are compelling reasons why the conference report should be agreed to. It would be most ill advised to vote down this motion and in effect send the resolution back to conference.

Mr. Speaker, what makes this situation so terrible is that not only the Congress but also the press and various interest groups in recent weeks have acted as though a target was the final action by the Congress. I was on the original study committee on budget control and I was on the first Budget Committee. I was the one that insisted that at the beginning of each session of Congress that all we could have was a target, because certainly we could not fix any final figures before the various committees had hearings.

The principal question before the House now is, are we going to have this budget resolution approved so we can proceed with the business of the Congress, whichever way the Congress will fix it? Keep in mind that what we have here are targets, and whether the Senate has one set of targets and the House has another set of targets, may I say, is immaterial because the House and Senate are going to assure action is taken on appropriations and authorizations, which is where the real legislative work is done. They are going to have in mind whatever they believe in as their target; the House is going to have in mind what it believes in. The prime reason we need to go ahead with this budget resolution and approve it today is under the resolution we cannot consider a single bill providing authority until this is out of the way. This is already over a week late. As the gentleman says, if we pass this or do not pass it, the Senate is going to have its own attitude as it moves into the field of appropriations and authorizations. The House is going to have its own attitude.

We were asked awhile ago by my good friend and colleague why these organizations are for returning this resolution to conference. It is because they think of this as a final confirmed action by the Congress on these programs. It is not. It is nothing but targets at which we shoot.

Insofar as fiscal year 1979 is concerned, that is a different part of the resolution and a different problem. Fiscal year 1979 is where we have the sacrifice on the part of citizens. We have had floods; we have had disasters; we have very critical accounts out of money.

If we hold this up, we are delaying our efforts to meet those needs. I respectfully urge you that, since we have used 8 legislative days and 2 weeks and are running more than a week behind that we approve this conference agreement today. The only real solid effect if we do not approve this resolution will be to hold up the efforts of the Congress to meet the urgent needs right now in this fiscal year.

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Not only that but you hold up the whole Congress in considering all the major appropriation bills upon which we have been having hearings and have scheduled full committee meetings next week.

You are simply dealing with targets. The reason so many of these organizations, so many people throughout the country are as upset as they are is because they have taken it that this is a final action when in reality it is certainly not. The actual bills making appropriations are the final word.

May I say again, I hope you will adopt this resolution. It makes no difference one way or the other about what will be done with individual programs but it could cause two huge problems. One, we cannot move ahead with the work of Congress, and two, we cannot give you relief on these emergency supplementals which are pending before us. It is that simple. Approve this resolution, then stand where you wish to stand wherever it is and it will show up when we get to the real business of the House which is in the authorization and appropriation bills which will follow.

That, Mr. Speaker, is the heart of the question before the House at this time. But in view of the fashion in which this resolution has been considered, I am concerned that this issue has become clouded. Because of this problem, I wish to review in more detail certain aspects of the situation.

First, let me say again there is absolutely nothing binding concerning anything that has been done in regard to fiscal year 1980 in all the tedious and time consuming consideration of this resolution by the two committees, the House and the Senate, or the committee of conference. Every number in this resolution applicable to fiscal year 1980 is nothing but a barnyard target. There are no ceilings or floors associated with any of the figures.

Mr. Speaker, the House is losing sight of the basic objective of the Budget Act. We are letting ourselves become entangled in a meaningless—and I underline "meaningless"—exercise of considering line item programs. This was never the intention of the Budget Act as we have pointed out repeatedly. The objective of the Budget Act is to establish in the first concurrent resolution on the budget overall fiscal policy in terms of broad national priorities—overall revenue and spending targets and broad functional targets within the budget. The resolution was to be based on macroeconomic consideration. Clearly we have strayed from that premise.

Again, I repeat there is nothing binding or mandatory with respect to any figure for any purpose in the first concurrent resolution for any fiscal year. We have already spent ample time, in fact too much time, in considering this budget resolution. And the Congress has done what it is supposed to do. It has produced a conference report representing the general direction a majority feels at this time that the budget should take next year. These figures can be adjusted and will be adjusted in the second concurrent resolution in September. In the interim, the House will have full opportunity to work its will on specific items in the real world of the traditional authorizations and appropriations process. That is how our system works and that is how the Budget Act intended that it work. All Members have had abundant opportunities to express themselves in regard to this measure. Be what it may, this resolution represents the current consensus of what general direction we should probably take with respect to the budget next year. We must now move along with the substantive legislative business which has piled up.

The second point which I have made is that this resolution is already late. Under law this conference report is to be agreed to by May 15. That was a week ago yesterday. We all must carefully consider the dire consequences of not agreeing to this conference report today. If this resolution were sent back to conference, there is no prospect that it would be returned to the House any time soon. There seems little chance of considering a further conference report this week. Next week the Senate is not even in session. In my judgment, the earliest time the House may reasonably expect to have a further conference report is around mid-June.

Mr. Speaker, I ask my colleagues to contemplate for a moment the disruptions that would occur in the legislative process if this conference report is not agreed to today. As I indicated, the rules would preclude the consideration of any authorization bill containing any entitlement provision or any feature qualifying as providing spending authority, no matter how small. It would preclude consideration of any revenue bill. It would preclude consideration of any appropriation bill.

I can assure Members that the Appropriations Committee is in a position to act expeditiously on a general supplemental bill which contains some emergency items. I immediately think of the hundreds of millions of dollars in the bill for the critical disaster relief programs. These accounts are out of money—no question about it. Under ordinary circumstances and if the fiscal 1979 ceiling on outlays through no fault of the Appropriations Committee had not been exhausted, we would have produced an emergency appropriation bill long before now for disaster assistance and other urgent items. But we could not do so under the rules and we will not be able to do so unless the House acts favorably on this conference report today. The victims of the recent floods and tornadoes across the country deserve better treatment than to be further jeopardized by the delays that would be caused if we further drag out this budget resolution. It is not justified and it is certainly not necessary.

I would point out further, Mr. Speaker, that Members should also consider the fact that a mountain of authorization bills was reported last week. This was triggered by the May 15 deadline contained in the Budget Act. All these bills will be competing for time on the legislative calendar. And there is not much time.

The leadership plans to start bringing the major appropriation bills to the floor on June 13 precisely in accordance with the plans developed in late January and early February. In the Appropriations Committee we plan to have full committee meetings on 10 of the 13 regular appropriation bills in the next couple of weeks. We begin this process next Wednesday but we cannot proceed to the floor under the rules without this conference report.

Considering all the circumstances, we should not spend more time on this target resolution, inject massive uncertainties into the legislative process, and render a distinct disservice to the innocent victims of floods and tornadoes.

Mr. Speaker, I urge approval of the pending motion offered by the gentleman from Connecticut who has done a masterful job in handling this resolution.

Mr. LATTA. I yield 3 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, when this Congress convened in January, fresh from campaign promises of less government for the American people many of us came with high hopes that there would be a real turn-around here, a response to the demand of the American people for less government. Yet this budget resolution today indicates that we have nothing more than slow-motion business as usual. The same old spending patterns, the same old deficit spending, the same old increases in the national debt. Just growth, but not quite so fast. While the rest of the free world is clearly turning to the right, this Congress, based on this first budget resolution, is simply slightly slowing the speed of its journey down a leftward path, a path already hemmed in by big government, high taxes, and the wreckage of government programs that do not work and which bleed the American people of the fruits of their labor.

Some fiscal conservatives may vote for this resolution because it could have been worse. But let us not kid the American people. It also could have been better.

Mr. RUDD. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I will be happy to yield to the gentleman from Arizona.

Mr. RUDD. Mr. Speaker, I think the fact that we have additional funds in for defense might be the only saving factor in this budget. I agree with the statements made by the gentleman, but I think we must seriously consider the defense addition into the budget which may be our only salvation and our only survival as a nation.

As I have listened to this debate, and the statements that have been made to the effect that social welfare programs have been gutted by the conference committee to swell the defense budget, I cannot help being concerned that we are witnessing government by misinformation.

That is what it is. Misinformation. No one can look at this fiscal year 1980 Federal budget resolution, and the Federal budgets of the past 10 or 20 years, and say that the poor, the needy, the sick, the elderly, the handicapped, and others who receive Federal Government assistance have been neglected or left out of their proper ranking in the budget process.

Human needs have always been first in the Federal budget process. The more than $250 billion in Federal income transfer programs—including nutrition assistance and food stamps, health care, housing subsidies, cash welfare payments, and so forth—have received high percentage increases every year since the early 1960s.

Our defense situation is not so certain, in terms of proper attention in budget priorities. Defense is always the target of budget cuts. The House Budget Committee took a hefty $5 billion slice out of the President's defense requests for the remainder of this year and fiscal year 1980. The conference committee consented to put $684 million back into the defense budget, which is less than one-seventh of the amount originally cut.

The social programs my friends have spoken of were increased at every step of the way since the President proposed his budget last January. Some individual programs have been cut, but the overall picture is heavily on the social welfare side—more than 76 percent of the total budget is nondefense.

Cash payment to individuals under welfare programs, food stamps, social security, and so forth are more than 44 percent of this proposed fiscal year 1980 budget. These cash payments do not include many other health, housing, nutrition, and other social programs providing for the needs of our people.

What of defense? It comprises slightly more than 23 percent of the total budget. It has decreased by one half its percentage of the budget since before Vietnam.

Unfortunately, the Soviets and its allies are not so stingy with their defense expenditures. True, a lot of their people are starving and live in total slavery. But it is the totalitarian Soviet system that the Kremlin wants to impose upon all the world. And they are building giant nuclear missile systems and intercontinental bombers and modern ships at sea to impose their Communist system on as much of the world as possible.

Do my colleagues here really want to stop our country from meeting that threat? Is a $684 million increase in defense too much in the budget conference, when this House voted to cut $3.2 billion in fiscal year 1978 funds and $2 billion in fiscal year 1979 funds for defense?

That defense money was earmarked for aircraft modernization, U.S. shipbuilding which is woefully behind the Soviets, U.S. support for NATO which is desperately needed to keep Europe secure from the overwhelming buildup in tanks, artillery, and other forces of the Soviet-backed Warsaw Pact.

I believe that the poor, the needy, the disabled, all our people are more than adequately cared for under the nondefense areas of this budget resolution, the human needs portion of the budget.

But our people are not anywhere near adequately cared for under the defense portion of the budget, which has again been sadly, almost irresponsibly, cut so far in this budget process.

Our people's security and survival depends upon our Government's ability to provide adequate military strength in this unstable world. Without such defense forces, to help offset Soviet expansionism worldwide, there will be continued turmoil in Africa, Asia, and the Middle East. There will be more Irans. It will not be long before the turmoil engulfs Latin America and maybe Europe as well, which counts on our defense alliance.

I will vote against this budget resolution. The priorities are wrong, as the earlier critics have stated. But their's is a campaign of misinformation when it says that social programs have suffered at the hands of defense increase. If anything, it is the other way around.

Federal spending is too high under this resolution. The deficit is too high. All attempts to cut fat social programs and bureaucratic failures in the nondefense area were resisted, so that even the President's modest defense budget was not even funded at the level requested.

If this resolution is defeated, I hope that a better effort will result to cut the real fat out of the nondefense area—the 76 percent portion of the budget—so that at least the defense levels and programs requested by the President can be funded as they should.

I thank the gentleman for yielding.

Mr. SHUSTER. Mr. Speaker, I yield back the balance of my time.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Speaker, there are two basic points dealing with this resolution that should be remembered:

One is the fact that we are dealing with net targets in functional areas. We are trying to establish broad goals in the first resolution based on a number of broad estimates. The figures we have received have varied across the board, particularly with regard to the programs in the CETA area where we have received differing and conflicting estimates, and yet we are trying to set targets based on the best information we have received.

This resolution is not the final target as to what should be spent in the various functions. We are going to be doing that in the second budget resolution.

The second point is that we must try to arrive at some kind of balance in this resolution, between the social needs, the human resource needs and defense needs as well. Indeed, if the test of that balance is whether we are subject to criticism from both sides, then perhaps we may have come very close to the balance which is necessary to the best interests of this country.

The fact is we have protected the basic human resource programs. If you take the human need functional categories of 500, 550, and 600, we are $1.1 billion above the President's recommendation on budget authority and $4.5 billion above the President's recommendation in terms of outlays. We have protected the countercyclical program, we have protected the rural home ownership program, we have protected economic development funding, the urban development program, and the basic programs in health and income security.

At the same time, we have moved toward trying to reduce the deficit significantly. We are $6 billion below what the President recommended and what the Senate approved, at $23 billion. That is the lowest deficit since 1974. Considering that the deficit was $66.4 billion in fiscal 1975, I believe we are moving in the right direction.

We also have the opportunity in this resolution to vote for out-year commitments to a balanced budget in 1981 and 1982. I think that is a significant step and the direction in which this country and this House ought to be moving.

In addition, we have protected important legislative savings that need to be incorporated in the budget process.

I strongly urge the House to approve this resolution as the best possible framework in which to develop clear priorities that maintain a balance and a restraint on Government spending.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Speaker, I take the floor to urge that you vote for this budget resolution. I disagree with my colleague from Pennsylvania (Mr. SHUSTER) on this subject. In round numbers we have moved last year from about a $60 billion deficit to the current fiscal year of somewhere in the neighborhood of $45 billion deficit. This resolution takes us down to about a $23 billion deficit. I believe we are going in the right direction. Not fast enough for me, but nevertheless real progress has been made in the last few years.

I voted for the amendment to balance the budget and we lost. I voted for the Republican substitute and we lost. I voted for the Holt-Regula substitute and we lost. I voted for and offered amendments to increase defense and we lost. And so in my view this conference report is certainly not perfect. But it seems to me that the conference committee has come back with a resolution that is the best attainable. Not everybody gets everything they want, but they have come back with a reasonable compromise.

Now the thing that bothers me is that as we as a Nation try to move toward a balanced budget, by reducing the deficits each year somebody is going to get pinched and it is going to get harder and harder to move to zero. As we move down toward that point of balance those who believe in more money for social programs are starting to vote "no" and those who believe in a balanced budget are starting to vote "yes."

The only problem I see in that is that there are always some who will never be satisfied. If we come up with a balanced budget they will say we should have had a surplus and if we come up with a surplus they will say the surplus should have been greater. However, we are moving in the right direction. We are not where I want to be, but I like the trend. I think we owe a debt of gratitude to this conference committee and to the House Committee on the Budget for what it is trying to do. It is not easy on that committee, but they have tried to strike a balance in this conference report. I think we should say, "Well done. You have not done it all, but you have done a lot and we want to support you as you continue in this trend toward a balanced budget."

I would urge all those conservatives and moderates in the House who are concerned about where we are going fiscally to lend their support to this resolution. With the proper encouragement, I believe the budget committee will continue the trend.

Mr. Speaker, it is my opinion that if this resolution is sent back to conference, it will come back to us with less money for defense, more money for unneeded programs and a larger deficit. In view of this I have no problem supporting the conference report.

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Mr. GIAIMO. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Speaker, this is not a perfect document. It is not the way I would like it or you would like it, but that is the process. And some of the organizations that are now opposing this document should have been working for the types of Senate conferees they wanted, or House conferees; but right now we have achieved a document that is a reasonable one, all things considered.

I have heard a lot about how we have given in to the Senate Let us take a look.

Food stamps: We have moved in a solid and right and humanitarian direction.

Rural housing initiative: We got it. The Senate did not have it. We won.

In the area of housing, our distinguished colleague, the Representative from Ohio (Mr. ASHLEY) made an impassioned plea, and despite strong opposition, particularly from one of the Senate conferees, we went up $2.4 billion and the Senate came down $1.5 billion, clearly a House victory.

Some ask where are we going to get additional money for function 500 in a conference, take a look at housing. That is where they may move.

It is true we gave in to the Senate on some things. I am glad we did.

Wheat reserves: so that some people who need food in desperate times will have it, we gave in.

EDA: we gave in to the Senate an additional $600 million.

In the function that is drawing all the heat, function 500, the Senate came up $1.4 billion. We came down $1.8 billion; but when we consider the CETA carryover, it seems to me this is a reasonable position that we have taken.

I would remind all of you of the pledge made earlier in this debate by the chairman of the committee (Mr. GIAIMO) that if for some reason by the second budget resolution we do not have enough funds in here for the jobs that we are talking about, he pledges that he will fight for those, and I will join in that fight.

In the area of education, for the handicapped, the President requested $1.027 million. In the assumptions that are made now by the conferees on the House side, we are 140 million above the President's figures. The Senate is $210 million.

Mr. OBEY. Mr. Speaker, will the gentleman yield on that point?

Mr. SIMON. Not right now, I will shortly.

On the Head Start program, the President requested $751 million. The House assumptions were $75 million above the President's request. The Senate conferees assumed a figure of $40 million.

I suggest that this is not a backward step in the field of education, with all due respect to my distinguished chairman (Mr. PERKINS) for whom I have the highest regard. I think it is a balanced approach. I hope my colleagues will approve the conference report.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I would like to record my opposition to the budget resolution as it has been proposed to us by the gentleman from Connecticut (Mr. GIAIMO).

The budget resolution that we are asked to agree to severely cuts function 500, the function dealing with education, rehabilitation services, and many of our Governments' programs for the elderly. This proposal will cut back on programs that directly affect the daily lives of many Americans in every section of the country.

I know of no one in this Chamber who could stand up and say that he does not favor an austere, tight budget. It goes without saying that I favor such a budget too. This year, for the first time in my memory, and I have had the honor of serving in this Chamber for 21 years, the mark-up of the Labor–HEW part of the budget resulted in a budget that was $169 million below the President's budget for the Departments of Labor and Health, Education and Welfare. This is an unheard-of event, and it demonstrates beyond all doubt that the Appropriations Committee is not only talking about austerity but is acting upon their concern.

It is possible to take a rational, sane approach to the budget without cutting back on several key programs. I am sure that every Member of the House could ask any constituent whether he or she favored reduced Federal spending, and the answer would unquestionably be "yes." I am much less certain what the response would be if you asked, "Do you favor reduced Federal aid to education?", or "Do you feel the Government should spend less money for aid and rehabilitation of the handicapped?" It is one thing to speak in vague terms about reduced Federal spending; it is quite another to speak about limiting expenditures for specific programs.

Mr. Speaker, during Labor-HEW hearings, we set aside one legislative week, from April 23 to April 27, for outside witnesses, and during that period 32 Democrats and 10 Republicans, in total roughly 10 percent of the House of Representatives, came before our subcommittee. I can assure all of you that none of these Members came before our committee to ask for reduced spending; they came because they were concerned with cuts President Carter had made, and they were urging us to put money back in the budget in various areas.

If the level of funding for function 500 that this budget resolution proposes were accepted, it would mean that serious cuts would have to be made in what is already a very lean budget. Every congressional district would doubtless lose some Federal aid to education. Our commitment to the handicapped, which many people already judge to be low, would have to be reduced still further.

And most importantly, our elderly, the people who are least able to cope with the problems and hardships caused by inflation, will face the prospect of a Federal budget that is woefully inadequate to meeting their most basic needs. Acceptance of this budget resolution signifies a virtual rejection of any increase in funding of programs for the elderly; at the least it precludes any meaningful increase. I personally feel a very strong commitment to try to provide more money for the highly successful elderly nutrition programs. These are programs which serve both the social and nutritional needs of our senior citizens. When these people come to me or write to me and state their need for Federal help, I am ashamed that the Government is not doing more for them already.

I can assure all the Members of the House that the Labor-HEW Appropriations Subcommittee has done its job of holding the controllable part of this budget down to a very low level indeed. The House can fulfill both its desire to check the growth of Federal spending and its responsibility to provide adequate Federal support of key programs if it adheres to the Labor-HEW bill which Chairman NATCHER and others have worked hard to prepare. The House does not need to set for itself uncomfortably severe budgetary guidelines within which it must work, and for this reason I urge rejection of this budget resolution.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman from New York.

Mr. PEYSER. Mr. Speaker, I thank the gentleman for yielding.

I simply want to join the gentleman in his remarks and say that during the work in the House on this budget I supported the Budget Committee on most of its measures; but I think the priorities got very mixed up in conference.

I certainly am going to vote against this and I join the gentleman in his remarks.

Mr. GIAIMO. Mr. Speaker, I yield one minute to the gentleman from Florida (Mr. NELSON).

Mr. NELSON. Mr. Speaker, I urge my colleagues to approve this budget resolution. We have heard a lot of statistics here how function 500 has been gutted, but the truth is otherwise In fact, in outlays this year in fiscal year 1980 over fiscal year 1979 we are up in outlays by $1.5 billion.

We are up $162 million in the social services.

These kinds of rumors that are going throughout this hall and over there in the offices just have to be put in the proper perspective of the truth. We have pointed out that compared to the President's budget in educational programs, we are $402 million over.

Now, the gentleman from Wisconsin (Mr. OBEY) read off a list of organizations that are opposed to this conference report. The fact is that he also said they were opposed to the President's recommendations. Well, that is what is going to happen when people try to draw an austere budget. The fact is I think we have the best allocation of resources here.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I rise in opposition to the conference report for several reasons. The most important is that the report proposes to move toward a balanced budget by sharply raising tax rates, and what is just as bad, increases unemployment as a strategy for combatting inflation.

The conference report projects that this resolution would increase unemployment by even more than the resolution which originally passed the House. The House Budget Committee estimated that the original resolution would increase unemployment from what was then 5.7 percent to 6.4 percent this year, and keep unemployment at 6.2 percent through 1980.

Under this resolution, the conference report says the unemployment rate will go up from 5.8 percent right now to 6.5 percent next year. In other words, it proposes to put nearly 1 million Americans out of their jobs by hiking the cost of creating and holding those jobs.

Now, one basic assumption behind this budget resolution is that slowing down the economy and raising unemployment is the answer to inflation. This defies commonsense. Never in history has curtailing the production of goods reduced their price. We cannot pay for defense, social programs, and everything that the people of this country want for themselves and their families, if our people are not employed in producing those goods and services, and are not earning the incomes which form the tax base for paying for those goods and services. Our national well-being cannot be served with a budget resolution that drastically raises tax rates and deliberately increases unemployment as an alleged anti-inflation policy.

Another assumption behind this budget resolution is that the Federal Government can succeed in raising tax rates year after year by refusing to adjust them for inflation, and expect to turn a budget surplus in 1981. Only then, we are told, can tax rate adjustment be considered.

I won't trouble the consciences of those who have made their peace with permitting a deliberate increase in unemployment as a budgetary expedient. I will merely point out that it won't work. The evidence is in this resolution. For each 1 percent increase in unemployment, the deficit widens by about $20 billion in lost revenues and higher countercyclical spending.

In the conference report, function 600, income security outlays, is anticipated to rise another $1.1 billion over the House version, because of worse unemployment and higher inflation—even with a $3.1 billion cut in housing subsidies. This really means that the budgetary cost of sending the economy down the tubes is $4.2 billion in this one function alone.

The story is the same in function 500, education, training, employment and social services, which is supposed to be cut further. I believe that we could in fact cut this category if the unemployment rate was kept stable or further reduced. With 1 million more people employed, we could phase out the countercyclical jobs program more quickly in fiscal years 1979 and 1980. But with the number of unemployed workers shooting up by 1 million, this does not seem like a very realistic forecast.

Leonard Silk, the respected New York Times economic writer, outlined in the Times this morning the widely held view that the next recession is already upon us. Our political leaders here in Washington not only welcome it, but are actively cultivating it. Silk writes,

> The good news, to rewrite Herbert Hoover, is that recession is just around the corner.

He outlines the mounting evidence: Industrial production down by 1 full percent in April. Housing starts down, thanks to the administration's active efforts, from 2 million in 1978 to a rate of 1.6 million. The Commerce Department has revised its estimate of the GNP's real growth rate in the first quarter of this year—downward—to 0.4 percent. Almost zero. The index of leading indicators has fallen 3 months in a row.

Well, that is just terrific. Here we sit, proposing to put 1 million more people out of work next year. Everyone who has been rooting for recession can relax. It is here. You can even help it along. Does anybody still believe that a recession is a cure for inflation? If so, they can vote for this budget resolution, because this is the tried and tested policy that has led two recent administrations, one Democrat and one Republican, to trigger or deepen recessions in attempts to balance the budget by raising tax rates. It did not work in the fiscal 1969 budget, and it did not work in the fiscal 1974 budget, because each time the attempt to reduce the deficit with tax increases was blown away by a recession. Revenues dropped, while necessary spending increased.

It is not even a question any more of whether it is fair to try to balance the budget by raising tax rates. The point is, it is not possible. Leonard Silk's mention of Herbert Hoover is apt. Faced with a budget deficit in a recession caused by a massive tariff increase, Hoover tried to balance the budget by also doubling income tax rates. The recession deepened into the Great Depression.

I have a stake in this because of my home State of New York and my home area of Buffalo stand to get hurt hardest and longest from another recession. We have not even dug out from under the last one. We have an essentially depleted unemployment insurance fund. The unemployment rate in our biggest city, New York City, is still up around 8 percent. Yet New York City will lose 50,000 jobs under this budget strategy. The last thing New York needs is more taxes, of which New York will pay more than its share, and more unemployment, from which New York will suffer more than the rest.

But it is not just New York. Every State, every district, stands to lose. Every one of my colleagues who votes for this budget resolution without some major adjustment and cut in tax rates, is helping to put some 2,000 people in his or her district out of their jobs by next year.

If that is what we want to do, if that is what whipping inflation really means, then we have a very good opportunity today to test yet again the repeatedly disproven theory that the way to control inflation is to increase tax rates on work and production and deliberately increase unemployment.

I do not believe it is an answer. I do not think the American people believe it is an answer, either—especially not, those who stand to lose their jobs. I urge my colleagues to vote against this report and send it back to conference with a recommendation for some permanent reduction in tax rates to prevent unemployment from increasing, and to encourage more saving, investment, and production.

☐ 1110

Mr. GIAIMO. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, my friend, the gentleman from Wisconsin (Mr. Obey), listed a number of organizations which think we have cut education too much.

Yesterday I got a call from the head of the Connecticut Department of Education for Vocational Ed. He was calling me, the chairman of the committee responsible for bringing forth this resolution and getting it adopted, and he was urging me to vote against my own resolution. He also said he dislikes the cut in vocational education, which we did not cut.

But this is the kind of propaganda that is coming out.

Let us talk about function 500, education and training, CETA jobs. Not one word has been mentioned about that. We went down $450 million from the House position, still leaving us above the President in education. The President was at $14.3 billion, and we compromised out at $14.7 billion.

Some of us in this House ought to listen to what the people back home are saying about how we are supposed to try to get some control over Federal spending. We did not cut education and training programs. We are over the President's budget and we are above last year's budget. But we did not stay as high as the figure in the House resolution by $450 million.

Why not? There is the argument revolving about the BEOG program. The question is how we could fully fund BEOG with $200 million less. The answer is because of a difference in estimates. The Senate and the administration estimated $2.4 million, and we in the House were at $2.6 million. We were persuaded we can do the job with $2.4 million and fully fund the program. So we are down $200 million.

The same is true with education for the handicapped. We are $140 million over the President, who assumed that a 12-percent subsidy is sufficient. The House had gone to 15-percent subsidy. We compromised out with the other body at 14 percent.

We are dealing with estimates made in good faith which are very close to one another. We do the best we can in estimating and keeping our eye on the total dollars, hoping the appropriating committees and those responsible for recommendations will narrow down these differences.

The same is true with vocational education. The same is true with impact aid. The $450 million cut will not injure the educational programs, in my judgment. What some are unhappy about is that we did take a serious, drastic cut in job training programs in CETA.

We did that because the chairman of the Committee on Appropriations of the Senate, who is also a member of the Budget Committee, was in the conference and stressed very strongly, as our own chairman of the Committee on Appropriations knows, that there is a lot of "float" in that program. He said it is as high as $1 billion. I believe it is somewhere between $600 million and $800 million.

The suggestion is that by more prudent management of the carry-over money, we can fully fund those jobs for title 6 at a 200,000 job level by using up some of those carry-over moneys from fiscal year 1979 to fiscal year 1980.

But this has aggravated people who want us to continue in the CETA program at the same old level. It is not going to happen, and we all know it.

Mr. Speaker, let me talk about the defense figure which the Committee on the Budget recommended to this House and which we defended on the floor of this House for 9 days. We split the budget authority with the Senate right down the middle, and we went up $100 million in outlays, and the Senate came down $100 million in outlays. That is a compromise.

However, the pro rata cut as a result of the Fisher amendment, which further reduces defense below the House Budget Committee recommendation by $600 million, makes it appear that we got a disproportionate share of the so-called split.

They tried to cut defense in the Committee on the Budget by $1 billion. My friend, the gentleman from Wisconsin, tried to cut it, and we voted down that amendment. We cannot just call for an additional $600 million reduction in defense, not when we are faced with adopting a SALT treaty and with many other things which the administration stresses are important.

I submit that we have not done injury to education. I submit that much of the difference is merely in estimating differences. The rest will be resolved by the appropriating committees as the appropriation's bills go through the House and the Senate and come to conference. Further, in the second budget resolution we can adjust whatever differences there may be.

Mr. Speaker, I submit that this conference report should be adopted.

The SPEAKER pro tempore. The Chair advises that the gentleman from Ohio (Mr. Latta) has 3½ minutes remaining, the gentleman from Connecticut (Mr. Giaimo) has 1 minute remaining, and 1 minute has been previously reserved by the gentleman from Wisconsin (Mr. Obey).

The Chair recognizes the gentleman from (Mr. Latta).

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. Bauman).

Mr. BAUMAN. Mr. Speaker, I certainly share the concerns expressed earlier by my distinguished colleague, the gentleman from New York (Mr. Kemp), about the economic premise on which this budget conference report comes before us.

This is, of course, the first step in the annual budget process, and while I have never before and may not today vote for a budget conference report, because I am very strongly opposed to the deficits which are inherent in this budget resolution, I do think we ought to consider the consequences of its defeat.

If indeed this conference report goes back to conference, I cannot see any alternative except perhaps a substantial reduction in defense spending, which many of us are very concerned about, and also an increase in a number of other programs which, however much they may be supported by our liberal colleagues, are of questionable value and in many instances probably ought to be eliminated.

That having been said, I think we ought to consider that it is not our responsibility, as I see it as one minority member, to pass this resolution. We have consistently called for a balanced budget. Those of us who voted for a balanced budget amendment, as offered by the gentleman from California (Mr. Rousselot), can certainly find much at fault in this conference report. But those of us who are strongly concerned about a conservative approach to the economy and the need to implement it at the executive level, as well as in the congressional budget—ought to consider the alternatives.

All I am saying is that we ought to take a very hard look at the alternatives if we defeat this conference report and what a new conference report would do to the overall budget priorities.

Mr. Speaker, I thank the gentleman for yielding me this time.

● Mr. SOLOMON. Mr. Speaker, as you know, on May 8 the House overwhelmingly approved the Solomon-Holtzman amendment to the budget resolution, increasing revenue by $1.2 billion which is derived by eliminating the foreign oil tax credit. I am happy to see that my amendment is included in this final budget resolution.

The key substantive issue is whether a petroleum company's payment to a foreign country for the right to extract petroleum is a royalty or an income tax payment. If it is a royalty, then the company can deduct the amount as an ordinary and necessary business expense. On the other hand, if it is considered a tax payment, the benefit to the company is much greater, since it can claim a credit against U.S. taxes.

The foreign income tax credit was added to the tax code to avoid the inequities and disincentives to foreign investment that would result if U.S. taxpayers were required to pay taxes in two jurisdictions. While this system is fine in principle, it is open to abuse by foreign governments who manipulate their tax system principally to all U.S. companies operating within their boundaries to pay less income tax.

Almost 30 years ago, after consultation with U.S. oil and tax experts, Saudi Arabia, which did not possess an income tax system, decided to levy an "income tax" on Aramco (the sole producer in Saudi Arabia) in lieu of increasing its royalty for oil extraction. When the IRS agreed to this arrangement in 1955, Aramco's U.S. taxes immediately dropped from $50 million to $6 million, and Saudi Arabia's revenue increased from $66 million in "royalties" to $110 million in "income taxes." Other oil producing countries soon adopted similar arrangements.

These taxes simply cannot be considered income taxes by U.S. standards. They are not based on "net income" as determined by actual receipts from the sale of oil, but on artificial "posted" prices which bear no relation to profits. They are not income taxes. They are excise taxes, and should be treated as such.

The impact on U.S. revenues has been substantial—about $15 billion since the IRS first allowed this tax treatment, and about $7 billion since 1974. However, the impact has been even greater than that simple loss to the Treasury. The result has been to increase our reliance on foreign sources of oil and to provide a disincentive to domestic oil production.

Any company will invest its capital in those areas where it can achieve the highest rate of after-tax return. The tax treatment of foreign oil operations has resulted in increased foreign production at the expense of the domestic production we so badly need. In addition, these credits place solely domestic producers at a competitive disadvantage vis-a-vis the multinationals, since the latter are granted credits for what are really normal business expenses which are not available to domestic producers.

Unless we act to make foreign oil operations less attractive, we will continue this multi-billion-dollar loss to the Treasury and continue the diversion of funds from domestic to foreign operations which simply increase our reliance on foreign sources of oil and add to our balance-of-payments deficit, which is draining the country of its working capital and severely devaluating the American dollar, causing unbearable inflation. Today, I will be introducing legislation which will implement that amendment.

The enactment of this legislation will:

First. Reduce the aftertax profits of multinational oil companies on their foreign operations thereby making it more attractive to invest in domestic oil production and increased refinery capacity;

Second. Increase Federal revenues thereby reducing the Federal deficit and reducing inflation caused by deficit spending;

Third. Substantially reduce our balance-of-trade deficit, thereby strengthening the American dollar, reducing inflation and decreasing the flow of American dollars overseas; and

Fourth. Through substantially increased domestic oil production, place the United States in a favorable competitive position with Mexico and the OPEC countries, thereby reducing the need for importing oil and significantly reducing the ability of these countries to demand higher and higher prices for their product.

Since my amendment was overwhelmingly approved by this House and was agreed to by the conferees, I would hope that my implementing legislation would be favorably acted upon as expeditiously as possible.●

● Mr. STOKES. Mr. Speaker, for the second time in the past 2 weeks I find myself in the awkward position of being a member of the Democratic Party and considering a Democratic budget resolution which, quite frankly, does not embody the kinds of priorities a Democratic Congress should have. As a member of the Budget Committee I did vote to report the first concurrent budget resolution out of committee with the hope that through the process of offering amendments we would have the opportunity to make the resolution reflective of the kinds of priorities a Democratic Congress should have.

After weighing each and every economic, social, and political factor, my judgment was that I could not vote for House Concurrent Resolution 107 on final passage.

In what turned out to be a protracted amendment process, I supported many amendments which would have maintained and improved the delivery of basic human services to the less advantaged citizens of this country. Many of these same amendments would also have contributed to the fiscal integrity of this country by reducing the deficit, dampening inflation, and providing gainful employment. However, very few of these amendments passed. Instead, even deeper cuts were made. I could not join in this abandonment of our democratic principles and the people who support and need our party. I could not share in the disenfranchisement of millions of Americans by denying them jobs, housing, medical care, food and hope when we have adequate resources.

The recommendations of the conference committee have continued the trend of substituting budget austerity for budget integrity, and beefing up the American defense of Western Europe while our economy languishes in the throes of high unemployment, low growth in productivity, and high inflation. The conference recommendations present nothing for me to support; while some of the figures have been changed from the House resolution, the net effect in 1980 and the out-years will be essentially the same. Those in fixed incomes and the elderly will feel the bite of continued inflation, minorities will bear the brunt of unemployment, and everyone will pay some social or economic cost during the coming economic slowdown which will almost certainly not be in the form of a "soft landing."

I am concerned that 1980 may signal a departure from the kinds of economic policies which grew out of the Employment Act of 1946. The act proclaims that:

> It is in the continuing policy and responsibility of the Federal government to use all practicable means * * * to promote maximum employment, production and purchasing power.

Through the creative use of Keynesian policies, the Government came to be the employer of last resort when the private sector was unable to generate sufficient effective demand or employment. This year, we are fine-tuning a recession by choking off demand, raising interest rates and throwing people out of work. By the end of the year, the unemployment rate will have risen from the current 5.8 percent to well over 6.5. percent, while inflation will have subsided only slightly, if at all. However, since job programs have been cut, there will be no employer of last resort. These people will be unemployed until we reach the other side of the cycle, and nobody knows when that will be.

The $3.4 billion reduction in budget authority for human needs functions recommended by the conference committee will have an impact far beyond fiscal 1980. Human progress is a continuing process, and one stage of development depends on the completion of the one preceding it. By interrupting the flow of resources to the less advantaged for even 1 year we are denying them a critical building block. Foregone income means that economic and educational opportunities for millions of families will be lost. Foregone nutrition indicates greater health maintenance costs and unrealized mental and physical capacities. Collectively, it means that we will be wasting our most precious resource—our people, our human capital—while at the same time we will have to maintain them at the margin of economic society by paying a number of social costs in the marketplace and to Government through taxes.

My judgment about this first concurrent resolution is based on the broad economic view, rather than the narrow view which considers only inflation and taxes. Some Members of this Congress support this narrow view, which they perceive as a response to the wishes of the people of this country. In my opinion an elected official has the responsibility to give leadership to his people. I will only support a budget resolution which provides the leadership and wherewithal to attain our objectives of economic growth, full employment and price stability.●

● Mr. HARRIS. Mr. Speaker, on May 10, 1979, I voted in favor of the first concurrent resolution on the budget for fiscal year 1980 as reported by the House Budget Committee. Although I felt it constituted a step in the right direction toward economic stability, I also publicly stated that the Congress could have gone even further in providing relief to the beleaguered American taxpayer.

Today, however, I have voted against the resolution as reported by the budget conference because it constitutes a regressive step from the minor progress the House made on May 10. Although the purpose of a House-Senate conference is to work out a compromise between similar bills passed by both Houses of Congress, I feel that the American people deserve more than a compromise. The people of this Nation, because of double-digit inflation, have had to compromise their lifestyles too much already. It is not fair to ask them to sacrifice further when we ignore tax loopholes for large corporations and fuel inflation by excessive deficit spending. In fact, the most irresponsible action taken by the budget conference was increasing the House-passed version of the deficit by $2.136 billion.

The House had made a modest step toward tax reform by calling for the repeal of the foreign tax credit for oil companies. The conferees, however, completely deleted this provision, which was adopted by a 355-to-66 vote in the House. This is not a "compromise"—this is a sell-out to big oil.

Another measure that compels me to vote against this report is the cutting of $1.8 billion for education, training, employment and social services programs from the House-passed version. The budget passed on May 10 asked the administrators of these programs to trim their fat and tighten their belts. The conference report asks them to face the possibility of malnutrition.

I cannot support a budget that ignores the ravages of inflation, turns its back on tax reform and increases the deficit by unacceptable amounts.●

● Mr. FRENZEL. Mr. Speaker, I was a conferee on this resolution, but I did not sign the conference report. The House spending was too high so I voted against our resolution. The conference version is also too high.

I supported the Latta amendment in the House. Had it passed, spending next year could have been reduced another $7 or $8 billion and we would then be on a path from which a balanced budget next year would be achievable.

There have been improvements this year. Our rate of increased spending is down somewhat from our usual high flying style. I am thankful, of course, for even these small favors.

The amount of $533 billion is just too much spending. The fact that the conferees approved that sum is evidence that Congress still has been unable to get a firm grasp on its budget process. The process has been fun and instructive, but it has not yet inspired enough congressional fiscal responsibility.

Because of my strong conviction that there is too much spending in this resolution, I would like to vote against it and would normally expect to do so. But, in the last few days, it has been attacked from the left by Members who would spend even more. I will certainly have to do whatever is possible to prevent adding covering funds. Particularly in such discredited areas as CETA.

I would prefer to vote against this resolution, but it may be necessary to support it to preserve the tiny progress we have made.●

● Mr. DODD. Mr. Speaker, today the House will consider the conference report on the first concurrent budget resolution. I will oppose passage of the conference report, as I will vote against any legislation that is as obviously inequitable and undemocratic as is this compromise agreement.

Inflation rose at an annual rate of 8.7 percent in the first quarter of this year. Energy prices continue to increase steadily, and the Federal Reserve may consider another interest rate hike to further tighten our money supply. It is only a matter of time before we enter into a recessionary period characterized by high unemployment and minimal economic growth. In light of our current economic prospects, it would be irresponsible to accept the conference report's cut of $1.8 billion from the House's $32.3 billion budget for educational, training, employment, and social services programs, while $1.9 billion is added to the House-approved defense budget of $134.7 billion.

Where are Congress priorities? What is more important in our democracy: American citizens or munitions stockpiles? The people who would be hurt the most by these kinds of cuts are those who can least afford the burden of our country's economic stagnation. These people are my constituents. They are low-income, elderly, handicapped, and unemployed individuals who can hardly make ends meet.

The conference report represents a $2.2 billion reduction from fiscal year 1979 authorizations, or a 7-percent cut over last year's Labor-HEW budget. But these figures mean little until they are linked with the people they will affect adversely, the people in this country who most need the Government's help. The programs that would be cut are essential ones, providing jobs for people, education, rehabilitation, and training services to allow the poor and disadvantaged to enter the workplace.

In my own State of Connecticut, a 7-percent decrease in funding over fiscal year 1979 levels for education, employment, training, and social services will have a devastating effect on programs for the elderly, handicapped, and low-income families. Last year, Connecticut received $6.7 million under the Older Americans Act. These funds were relegated for elderly employment services, senior centers, and the elderly nutrition program.

In 1978, approximately 3.2 million meals were served to senior citizens across the State, and if this program were to be cut back, according to last year's figures, over 200,000 meals would be lost. I cannot and will not vote for a measure that so unfairly treats people who have served our Nation so well.

Congress has been concerned of late with maintaining an austere budget and holding our own against an escalation of Soviet arms, but we seem to have forgotten that the strength of our country lies not so much in our arsenal of weapons but in the well-being of our people.●

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the fact is that we are $1.9 billion in defense above the House bill and we are $1.8 billion below the House bill in education and training.

There have been all kinds of allegations about the CETA carryover, we grant that, and there have been allegations about what this would do to repair the damage done to the budget.

Function 500 is 14 percent in real dollar terms below last year, and I do not think the people want that kind of a bill. We want to go back to conference so we can cut defense by $400 million, to begin with, and so that we can restore to function 500 this $200 million to reduce the deficit that we have right now.

The gentleman from Connecticut (Mr. GIAIMO) says he does not think we should count the prorata defense function under the resolution, although it is higher. We count it for every other function.

Mr. Speaker, I ask the Members to just give us a half-and-half split with the Senate and we will be as happy as clams. That is all we are asking for.

Mr. LATTA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have heard a lot of figures being used here today. I accept the figures of the gentleman from Connecticut (Mr. GIAIMO) as he stated them.

I am here to say that I will vote for a conference report on a budget resolution for the first time. The reason, I fear the alternatives which might be forthcoming from another conference.

A fight was made in conference for the defense figures in this report. I support those figures as I am very much concerned about the defenses of this country. Some people opposing these figures would probably oppose them regardless of their size or the need. Sometimes I wonder whether or not they want to defend our country with a rowboat and pop gun. I am not prepared to permit further deterioration of our Nation's defenses.

Mr. Speaker, I think the figures in this report are balanced and are as good as we can get. Fearing for the alternatives, I urge my colleagues to support this conference report remembering that it is only a target—rather than a final—resolution for fiscal year 1980.

The SPEAKER pro tempore. The gentleman from Connecticut (Mr. GIAIMO) is recognized for 1 remaining minute.

Mr. GIAIMO. Mr. Speaker, this conference report is a balanced effort to arrive at spending targets. We have not done violence to the educational function.

☐ 1120

There is $800 million in "float" in that function, mainly for the CETA program. That will have to be adjusted. I suspect that program will be adjusted downward when the appropriation bill comes to the floor. There is a great deal of unhappiness because of that. I have explained the issues in the education and training function, where we are over the President. The defense settlement was a reasonable one. The pro rata figure applied to the budget resolution in the waning minutes of House consideration by the Fisher amendment cut defense by an additional $600 million. But the gentleman from Virginia (Mr. FISHER) himself has told me his purpose was to try to reduce $2.5 billion in spending from the budget totals and we could allocate the cut among the functions as best we could.

Mr. Speaker, I urge the adoption of the motion, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut (Mr. Giaimo).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 144, nays 260, not voting 30, as follows:

[Roll No. 164]

YEAS—144

Alexander
Andrews, N.C.
Annunzio
Ashley
Badham
Barnard
Beard, Tenn.
Beilenson
Bennett
Bevill
Blanchard
Bolling
Bonker
Bouquard
Bowen
Brademas
Brown, Calif.
Burgener
Burlison
Butler
Byron
Carter
Chappell
Coelho
Conable
Corman
Cotter
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
de la Garza
Derrick
Devine
Dickinson
Dougherty
Duncan, Oreg.
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ga.
Fary
Fazio
Fish
Foley
Fountain
Fowler
Frenzel
Frost
Fuqua
Gephardt
Giaimo
Gibbons
Ginn
Gore
Gradison
Gramm
Gudger
Hagedorn
Hall, Tex.
Hance
Hanley
Hefner
Hightower
Hinson
Holt
Hutto
Hyde
Ichord
Jenkins
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kogovsek
LaFalce
Latta
Leach, La.
Lehman
Lent
Levitas
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
McCloskey
McEwen
McKay
Mathis
Matsui
Mattox
Mazzoli
Mineta
Mollohan
Montgomery
Moorhead, Pa.
Murphy, N.Y.
Murtha
Natcher
Neal
Nelson
Nichols
O'Brien
Panetta
Patterson
Pickle
Preyer
Price
Quillen
Regula
Rhodes
Roberts
Robinson
Rostenkowski
Satterfield
Shelby
Simon
Skelton
Slack
Smith, Iowa
Solarz
Spence
Stanton
Steed
Stenholm
Stump
Synnar
Ullman
Van Deerlin
Watkins
White
Whitehurst
Whitley
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wright
Young, Fla.
Zablocki

NAYS—260

Addabbo
Akaka
Albosta
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Anthony
Applegate
Archer
Ashbrook
Aspin
Atkinson
AuCoin
Bafalis
Bailey
Barnes
Bauman
Beard, R.I.
Bedell
Benjamin
Bereuter
Bethune
Bingham
Boggs
Boland
Boner
Bonior
Breaux
Brinkley
Brodhead
Broomfield
Broyhill
Buchanan
Burton, John
Burton, Phillip
Campbell
Carney
Carr
Cavanaugh
Cheney
Chisholm
Clausen
Clay
Cleveland
Clinger
Coleman
Collins, Ill.
Collins, Tex.
Conte
Conyers
Corcoran
Coughlin
Courter
Crane, Daniel
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
Deckard
Dellums
Derwinski
Dicks
Dingell
Dixon
Dodd
Donnelly
Dornan
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Edwards, Okla.
Erdahl
Ertel
Evans, Del.
Evans, Ind.
Fenwick
Ferraro
Findley
Fisher
Fithian
Flood
Florio
Ford, Mich.
Ford, Tenn.
Garcia
Gaydos
Gilman
Gingrich
Glickman
Goldwater
Gonzalez
Goodling
Grassley
Gray
Green
Grisham
Guarini
Guyer
Hall, Ohio
Hamilton
Hammerschmidt
Harkin
Harris
Hawkins
Heckler
Heftel
Hillis
Holland
Hollenbeck
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Ireland
Jacobs
Jeffords
Jeffries
Johnson, Colo.
Kastenmeier
Kazen
Kelly
Kemp
Kildee
Kindness
Kostmayer
Kramer
Lagomarsino
Leach, Iowa
Lederer
Lee
Leland
Lewis
Livingston
Lowry
Lujan
Luken
Lungren
McClory
McCormack
McDade
McDonald
McHugh
McKinney
Madigan
Maguire
Markey
Marlenee
Marriott
Martin
Mavroules
Mica
Michel
Mikulski
Mikva
Miller, Calif.
Miller, Ohio
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murphy, Pa.
Myers, Ind.
Myers, Pa.
Nedzi
Nolan
Nowak
Oakar
Oberstar
Obey
Ottinger
Pashayan
Patten
Paul
Pease
Pepper
Perkins
Peyser
Pritchard
Pursell
Quayle
Railsback
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Rodino
Roe
Rose
Rosenthal
Rousselot
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Santini
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sensenbrenner
Shannon
Sharp
Shumway
Shuster
Smith, Nebr.
Snowe
Snyder
Solomon
Spellman
St Germain
Stack
Stangeland
Stark
Stewart
Stockman
Stokes
Studds
Swift
Tauke
Thomas
Treen
Udall
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Waxman
Weaver
Weiss
Whittaker
Williams, Mont.
Williams, Ohio
Winn
Wolff
Wolpe
Wydler
Wylie
Yates
Yatron
Young, Mo.
Zeferetti

NOT VOTING—30

Abdnor
Baldus
Biaggi
Brooks
Brown, Ohio
Crane, Philip
Diggs
Duncan, Tenn.
Fascell
Flippo
Forsythe
Hansen
Harsha
Hubbard
Leath, Tex.
Lundine
Marks
Petri
Rahall
Ritter
Roth
Staggers
Stratton
Symms
Taylor
Thompson
Traxler
Trible
Wyatt
Young, Alaska

□ 1130

The Clerk announced the following pairs:

On this vote:

Mr. Brooks for, with Mr. Baldus against.

Mr. Staggers for, with Mr. Leath of Texas against.

Mr. Lundine for, with Mr. Rahall against.

Mr. Thompson for, with Mr. Abdnor against.

Until further notice:

Mr. Biaggi with Mr. Brown of Ohio.

Mr. Diggs with Mr. Harsha.

Mr. Hubbard with Mr. Symms.

Mr. Marks with Mr. Taylor.

Mr. Traxler with Mr. Forsythe.

Mr. Fascell with Mr. Petri.

Mr. Flippo with Mr. Ritter.

Mr. Philip M. Crane with Mr. Hansen.

Mr. Duncan of Tennessee with Mr. Trible.

Mr. Young of Alaska with Mr. Roth.

Mr. Stratton with Mr. Wyatt.

Mr. QUILLEN and Mr. ERLENBORN changed their vote from "nay" to "yea."

Messrs. ASPIN, ASHBROOK, FITHIAN, SEBELIUS, ERDAHL, MARTIN, ARCHER, CARNEY, CAMPBELL, and GOODLING changed their vote from "yea" to "nay."

So the motion was rejected.

The result of the vote was announced as above recorded.

□ 1140

MOTION OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Giaimo moves that the House insist upon its disagreement to the Senate amendment and request a further conference with the Senate thereon.

The motion was agreed to.

APPOINTMENT OF CONFEREES ON HOUSE CONCURRENT RESOLUTION 107

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. Giaimo, Ashley, Obey, Simon, Mineta, Jones of Oklahoma, Solarz, Brodhead, Wirth, Panetta, Gephardt, Latta, Conable, Mrs. Holt, Messrs. Regula, Shuster, and Frenzel.

There was no objection.

CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS

Mr. KASTENMEIER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10) to authorize actions for redress in cases involving deprivations of rights of institutionalized persons secured or protected by the Constitution or laws of the United States.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. Kastenmeier).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 10, with Mr. Oberstar in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Wisconsin (Mr. Kastenmeier) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. Railsback) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. Kastenmeier).

Mr. KASTENMEIER. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, the bill that we take up today, H.R. 10, has very strong bipartisan support. It has the support of the House Judiciary Committee. It was reported out by that committee this year by a vote of 26 to 2. I want to thank the chairman and the number of people who contributed to it. It is similar to a bill (H.R. 9400) which passed the House, I might say overwhelmingly, last year by a vote of 254 to 69.

Unfortunately, last year the Judiciary Committee of the other body approved the bill, but in the waning moments of last year's session was unable to pass the comparable bill in the other body. Consequently, we have had to reprocess this bill again this year. It is a proposal to safeguard the constitutional rights of persons institutionalized in public institutions throughout this country, whether they be handicapped, prisoners, mentally retarded or impaired, the elderly, juveniles, the chronically ill; all such persons who have lost some of the freedom the rest of us share, and too often are abused.

This particular bill, I might add, Mr. Chairman, has the support of not only the administration, the Attorney General, the President, and others, but has the support of such institutions as the American Bar Association, the National Mental Health Association, the National Association for Retarded Citizens, the Epilepsy Foundation of America, the United Cerebral Palsy Association, the National Senior Citizens Law Center, the American Civil Liberties Union, the American Association of Retired Persons, the National Council of Senior Citizens, the Childrens Defense Fund, the National Coalition for Childrens Justice, and scores of local, county, and statewide organizations too numerous to mention who are concerned about the plight of citizens in institutions throughout the country.

□ 1150

As far as the prior history of this bill is concerned, the House in adopting the bill overwhelmingly last year did agree to an amendment which the committee had not included, namely, to put the prisoners in a separate category. Notwithstanding my own reservations about the wisdom of that, and notwithstanding, I might also add, the position of the Department of Justice on the matter, the committee did substantially include the amendment of the gentleman from Pennsylvania (Mr. ERTEL) as amended by the amendment of the gentleman from Illinois (Mr. RAILSBACK) in the bill so that prisoners will only be protected insofar as their constitutional rights are concerned. We preserve that because it was clearly the indicated will of the House, and we have insisted on that, notwithstanding the feelings of some who feel that some of the worst abuses in the country happen to prisoners and we ought to afford them full access through the Attorney General under this bill. I think it is clear that we have attempted to make the bill a reasonable bill, recognizing the interests of State institutions. What we have attempted to do is to provide a procedure to bring some order out of chaos where presently as Members well know, litigation is brought which sometimes has resulted in a situation where a district judge, at least in Alabama and elsewhere, has had to intervene personally and take charge of institutions to mandate certain courses of action. We, perhaps, are neglectful of our duty with respect to responding to some procedural structure whereby these rights might be vindicated, and we have only now through this bill attempted to bring some sort of order.

In addition to providing the initial right of the Attorney General to bring these suits where there is a pattern or practice and where grievous harm may be inflicted on inmates, in so doing we have placed a series of burdens on the Attorney General so that State officials, whether they be the Governor of the State, the attorney general of the State, the director of State institutions or whoever, may be fully aware and apprised of the situation and whereby a resolution of the problem can be had without resort to trials and the imposition of court orders, and the like, on State and local institutions.

In this regard, even though I assume there may be perhaps one or two organizations still opposing the bill, we did bring a great deal of language from the State Association of Attorneys General into it so that the attorneys general, Governors, and others may be duly notified and may be consulted by the Attorney General and so that the complaint can be rectified without some of the problems that exist today.

Mr. Chairman, this is not a money bill. This does not bring money into the system to rectify these harms. It is a procedural bill. In the next fiscal year—and I will offer an amendment to delay the effective date until October 1, 1979—we contemplate that this bill will cost $81,000 for the additional 3 more personnel in the Department of Justice. The Department of Justice does not intend to be, will not be empowered, and will not be in a position to pursue suits willy-nilly throughout the country.

It will be required to target the most egregious cases in America and follow the procedures which we have herein provided. The result is that there will not be a buildup in personnel in the Department of Justice, and this will not be affecting perhaps as many cases as opponents might think. It will serve, however, as a model, and the State and local institutions will be on notice that there is a national commitment, and this is the muscle, the ultimate muscle, to implement the national commitment to insure that people in institutions are not abused, brutalized, and dehumanized.

Mr. Chairman, I urgently request support for the bill, and I hope that the several amendments that may be offered will be resisted.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Chairman, I rise to congratulate and completely support the chairman in this very important legislation which I have cosponsored, and which I believe is very necessary for us to pass.

Mr. Chairman, as a member of the Judiciary Committee and a cosponsor of this bill, I want to add my voice of support for H.R. 10, protecting the rights of institutionalized persons. The House passed similar legislation in the previous Congress, only to see it die of inaction in the Senate. I am pleased that the House again is acting on this important legislation, and I urge its speedy enactment by the other body.

Many thousands of our fellow citizens—including many of our neighbors—have relatives or friends among the thousands in every community who are confined at one time or another to an institution. Juvenile facilities, nursing homes, correctional units or pretrial detention centers, and mental health hospitals all exist to serve important societal functions, but they must accomplish their missions in a way which deprives no American of the basic rights and privileges accorded and protected in the Constitution. While protecting these rights presents special challenges in an institutional setting, a citizen's rights are no less important because he or she is in a nursing home or mental health facility.

The legislation which our committee brings to the floor for your consideration today would not enlarge or otherwise affect existing law regarding the conduct of institutions. Rather, it gives standing for the United States, through the Attorney General, to bring civil actions to redress systematic deprivations of the rights of institutionalized persons.

The bill would enable the Attorney General to set minimum standards for the protection of these rights, and it includes safeguards against hasty or frivolous actions in this act by requiring: First, a 30-day notice period during which the Governor or chief executive officer is aware of problems and is informed of possible remedial steps available; second, a certification by the Attorney General that a reasonable time to make corrective steps has passed; and third, a finding by the Attorney General that conditions existing in a covered institution cause an individual to suffer serious harm or loss of rights protected by the Constitution.

Again, I would stress, this bill does not create or expand the rights of any citizen. Rather, it protects the rights which all Americans are entitled to enjoy.

UNWARRANTED FEARS

A portion of the debate on this bill will once again be devoted to the question of exempting those who are in jails, prisons, or other correctional facilities from coverage under the act. In my own State of Virginia, some State officials have objected to the bill, largely on the grounds that so many State resources now are involved in defending the State against prisoner complaints under section 1983 of the Civil Rights Act. Indeed, there are many complaints from inmates, as well one might expect in a State so slow to make reforms in aging penal facilities.

The eastern district court in Virginia led all jurisdictions in the Nation in the number of section 1983 suits filed, (833), and the western district ranked third in the Nation. However, the standards established in this act are required to be developed in consultation with prison employees as well as inmates; the bill further requires that existing State grievance procedures be exhausted before a person could bring a complaint to the Attorney General. These two provisions, establishing minimum standards and utilizing State grievance procedures, could actually reduce the proportion of cases in district court involving prisoner complaints. I point out that the proportion in my section of Virginia is currently 25 percent.

Mr. KASTENMEIER. Mr. Chairman, I thank the gentleman for his statement.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, I want to commend the gentleman in the well, the distinguished gentleman from Wisconsin (Mr. KASTENMEIER), for his perseverance in this very important bill.

Mr. Chairman, I rise in support of this modest but important measure. As a cosponsor of the bill and a former member of the subcommittee from which it came, I am especially pleased to add my voice to the chorus of support H.R. 10 enjoys. This legislation seeks simply to give the Attorney General the authority to commence litigation, after complying with a number of procedural safeguards which the bill enumerates, to remedy unlawful conditions in certain institutions. Recent decisions in the Federal courts have cast doubt upon the "standing" of the United States to bring such suits. This legislation is intended to clarify any ambiguity which may exist regarding that authority.

It should be noted that the Supreme Court has, for many years, upheld the "standing" of the United States to initiate certain suits without express statutory authority. The Court has recognized that conduct of a specified nature, whether arising from public or private sources, may be so detrimental to the interests of the United States that the sovereign should be allowed to seek judicial relief even though no statute explicity provides for such suits. In the last century, when a labor strike threatened to prevent the movement of the U.S. mails, the Government sued to enjoin the obstruction. The Supreme Court sustained the authority of the United States to seek that relief without a specific statute in the Debs case.

In more recent times, the Court has reaffirmed that line of decisions. The Court has upheld the standing of the United States to bring civil suits without express statutory authorization in at least cases where Congress has imposed criminal sanctions arguably covering the same conduct. In Wyandotte Transportation Co., against United States, for example, the Court permitted the Government to institute a civil action based on a criminal statute to remove an obstruction in the Mississippi River.

The High Court approved the same theory of standing in the New York Times case, where the United States unsuccessfully sought to prevent the publication of the Pentagon papers. These precedents would appear applicable to civil actions brought by the Government involving deprivations of certain Federal constitutional and statutory rights of institutionalized persons to the extent Congress has made such conduct arguably a criminal offense, such as under sections 241 and 242 of title 18.

Despite these precedents, the lower Federal courts have not been as receptive to such suits as the Supreme Court. Thus, the United States has had mixed success in bringing suits to remedy the illegal conditions imposed in institutionalized persons. Where the Government has participated, however, it has been an effective advocate of the rights of those persons confined to or residing in such facilities and institutions.

In the *Gary W.* case, which is discussed in the committee report, the Attorney General intervened on the side of the plaintiff, who represented a class of dependent children sent to out-of-state institutions by Louisiana. The Justice Department investigation disclosed that these institutionalized children were "physically abused, handcuffed, beaten, chained, tied up, kept in cages, and overdrugged with psychotropic medication."

In the approximately 40 cases in which the United States has participated, similarly appalling conditions were uncovered. These institutional violations of Federal law were not confined to any one geographic area of the country, nor any single type of institution. The Department of Justice has found unlawful conditions of confinement and residence in many different States in varied institutional settings: Prisons, juvenile facilities, and mental hospitals.

I invite each Member of the House to examine carefully those pages of the committee report which document the abuses to which institutionalized children and adults have been subjected in facilities across the Nation. If these persons had an effective voice in our Federal Government, their cry of distress would have been heeded many years ago. Coming late as we do to this terrible problem, we should not pause in approving H.R. 10 which would give some measure of relief to persons subject to these awful conditions.

Undoubtedly there are some Members who harbor constitutional reservations about this bill. The committee carefully examined the assertions of invalidity and determined that no serious challenge can be made to H.R. 10. I will not repeat here what the committee said in its report at pages 7–9. In sum, the authority to grant the United States standing to initiate litigation to secure the rights of institutionalized persons rests at least on four grants of power: Section 5 of the 14th amendment, the commerce clause, the spending power, and the necessary and proper clause. Because most cases arising under this bill will involve violations of the 14th amendment, the committee focused its attention on the authority given by section 5.

From Ex-parte Virginia in 1879 to Fitzpatrick against Bitzer in 1976, the Supreme Court has consistently interpreted section 5 to permit Congress the broadest scope of authority to secure the rights, privileges, and immunities protected by the 14th amendment. What constitutes "appropriate legislation" within the meaning of section 5 is left exclusively to the judgment of the Congress. Only if the exercise of power intrudes into an exclusive domain of State authority will the statute be declared unconstitutional. Since H.R. 10 does not so intrude, putting aside its essential, procedural nature, its constitutionality is beyond peradventure.

It should be kept in mind that H.R. 10 authorizes the Attorney General to bring suits to correct a "pattern or practice" or violations of Federal statutory or constitutional proscriptions. Whatever constitutional reservations one might have, if the bill allowed Government suits to remedy mere isolated or accidental illegalities, should be dissipated when the pattern or practice nature of the litigation is considered. Such violations injure the United States itself, apart from any injury it may inflict upon institutionalized persons. Surely Congress may authorize the Government to sue to remedy conduct which causes injury to the sovereign.

The subcommittee which reported this bill and on which I had the privilege to serve, has been deeply interested in the area of corrections. When I first joined the subcommittee one of my first activities was to visit a number of State and Federal prisons throughout the Nation. Section 4 of H.R. 10 provides for the development of minimum standards for grievance resolution systems within correctional institutions. Adoption of the minimum standards by the States is entirely voluntary.

Department of Justice-assisted litigation challenging conditions of confinement in prisons and jails revealed that conditions in correctional facilities across the Nation were worse than those in mental institutions. As far back as 1967 the President's Crime Commission urged the establishment of grievance procedures in penal institutions "to provide a channel for the expression and equitable settlement of inmates grievances." The same recommendations have been made by the National Advisory Commission on Criminal Justice Standards and Goals, the American Correctional Association, and the National Council on Crime and Delinquency to name but a few.

In 1977, the Center for Community Justice, sponsored by a LEAA grant, undertook a study of prison grievance mechanisms. The study noted that the reason most cited in the general literature for the obvious interest of administrators in having grievance mechanisms is a desire to avoid violence and litigation. Underlying most major prisons riots, are festering, unanswered grievances.

An effective grievance mechanism is not a panacea and will not end violent behavor in prisons, but it can provide for a steady flow of information on grievable matters to administrators, enabling them to understand and anticipate problems and provide solutions or explanations for the lack of solutions to the inmates. The American Correctional Association in its report, "Riots and Disturbances in Correctional Institutions," observed that "prompt and positive handling of inmates complaints and grievances is essential in maintaining good morale. A firm "no" answer can be as effective as granting his request, in reducing an individual inmates tensions, particularly if he feels his problem has been given genuine consideration by appropriate officials and if given reasons for the denial."

The minimum standards proposed in this legislation address the concerns of the American Correctional Association and the Center for Community Justice study. They are modeled on the California Youth Authority system which has been in operation since 1973. The standards provide for an advisory role for employees and inmates in the formulation, implementation, and operation of the grievance mechanism; specific time limits for replies to grievances; priority processing of grievances of an emergency nature; safeguards to avoid reprisals and independent review of the disposition of the grievance.

Section 4 of H.R. 10 also authorizes a Federal court in which an adult prisoner's suit filed under 42 U.S.C. 1983 is pending, to continue that action for a period not to exceed 90 days if the prisoner has access to a grievance resolution system which is in substantial compliance with the minimum standards promulgated under this legislation. Such limited continuance would be for the purpose of requiring exhaustion of the approved grievance resolution system.

As a safeguard to the prisoner, the legislation specifically requires the court to find that such action would be "appropriate and in the interest of justice." The court could not require continuance in those 1983 petitions which raise issues that could not be resolved through the grievance mechanism. Section 4 of H.R. 10 is intended to serve the dual purpose of encouraging the establishment of grievance mechanisms in State correctional systems and of relieving the Federal courts of some of the burden of 1983 prisoner petitions.

This bill is an important contribution to the advancement of the constitutional and statutory rights of institutionalized persons. It is an extenson of the authority of the Attorney General to bring suit in other areas of civil and constitutional rights. In the past Congress has authorized the United States to commence litigation in the areas of housing, voting, employment, public facilities, and other subjects. In addition we have given the Attorney General the right to sue for violations of antitrust, organized crime, environmental protection, and consumer credit laws. H.R. 10 is perfectly consistent with what we have done previously. No Member should have difficulty supporting this measure and I urge each of my colleagues to approve it.

Mr. KASTENMEIER. Mr. Chairman, I want to compliment the gentleman from Massachusetts (Mr. DRINAN) for his contribution. Last year when he was a member of the subcommittee, together with the gentleman from Pennsylvania (Mr. ERTEL) and the gentleman from Virginia (Mr. BUTLER), whose efforts are reflected in the bill as well as in some modest amendments agreed to this year.

Mr. RAILSBACK. Mr. Chairman, I yield myself so much time as I may consume.

Mr. Chairman, I rise in support of H.R. 10. I want to endorse what the chairman of our subcommittee has said. In addition, this legislation enjoys strong Republican support. Nine of the 11 Republicans on the Judiciary Committee voted favorably to report this legislation to the floor. Similar legislation was originally submitted by the Ford administration.

Mr. Chairman, I would like to make a couple of additional points if I may.

First. H.R. 10 will not create a whole new panaply of rights for these people. It creates no new rights for anyone nor would it substantially change existing practice of the Department of Justice. We have been assured that the Department will use this authority sparingly. For years the Department has been intervening, often times at the request of the courts, in cases against certain State officials for the conditions of their institutions. Over the last 10 years the Department has been involved as intervenor in about 40 such cases, and initiated 2 to 3. One difference, however, is that the Department has been involved in these suits, until recently, with much broader authority than they have under H.R. 10, and no one has suggested that they have gone crazy, suing State officials all over the country.

Second. H.R. 10 codifies a notice procedure, which was nonexistent prior to the *Solomon* case, and clarifies the Department's authority. The bill requires State action: There must be a pattern or practice of violations which causes these people to suffer grievous harm and deprives them of any rights, privileges or immunities secured by our Constitution; it must be a case of general public importance; and there must be notice and a period of negotiation with the State.

Third. Lest you think that there has not been a demonstrated need for this legislation, here are just a few of the authenticated cases.

In the Morales against Turman (a case begun in 1973 with appeals finally decided in 1977) challenging conditions in Texas' five juvenile detention facilities, the Justice Department was ordered by the court to appear as litigating amicus. After a year of discovery and 6 weeks of trial, the court determined that the staff was engaging in a "widespread practice of beating, slapping, kicking, and otherwise physically abusing juvenile inmates." Brutality was found to be "a regular occurrence * * * encouraged by those in authority." Juveniles were teargassed. Selected youth were confined in cells lacking "the minimum bedding necessary for comfortable and healthful sleep," while others were denied regular access to bathroom facilities. Some were placed in homosexual dormitories as a form of punishment.

In the case of Wyatt against Stickney in 1971, the record revealed that Alabama's mental hospitals were severely overcrowded and understaffed. Retarded persons were tied to their beds at night in the absence of sufficient staff to care for them. One participant was regularly confined in a straitjacket for 9 years, as a result of which she lost the use of both arms. The State ranked 50th in the Nation in per patient expenditures and the less than 50 cents per patient per day spent on food expenditures resulted in a diet "coming closer to punishment by starvation than nutrition."

The conditions documented in Wyatt were not unique to Alabama facilities. In a suit challenging the adequacy of care at New York's Willowbrook State School for the Mentally Retarded, the trial record revealed equally appalling conditions. Participating as litigating amicus, the Department assisted plaintiffs in producing evidence of massive overdrugging of retarded children by staff, and physical abuse of weaker residents by stronger ones. In the absence of adequate supervision, children suffered broken teeth, loss of an eye, and loss of part of an ear bitten off by another resident. In an 8-month period, the 5,000 resident facility reported over 1,300 incidents of injury, patient assault, or patient fights. Unsanitary conditions led to 100 percent of the residents contracting hepatitis within 6 months of their admission. The trial court characterized conditions at Willowbrook as "shocking," "inhumane," and "hazardous to the health, safety, and sanity of the residents."

In a case decided in December 1977 by the court in the eastern district of Pennsylvania concerning the Pennhurst State School and Hospital, a large residential institution for the mentally retarded, the court found that physical restraints are used excessively because of staff shortages, and that these restraints are potentially physically harmful and have, in fact, caused injuries and at least one death. Dangerous psychotropic drugs are often used for control of patients and for the convenience of staff rather than for treatment or habilitative purposes. The side effects of such drugs, besides general lethargy, include hypersensitivity to sunlight, inability to maintain balance, and a gum condition marked by inflammation, bleeding, and increased growth.

The court concluded that this large, isolated institution which had been in use since 1908 was an inappropriate and inadequate facility for the habilitation of retarded persons when judged in light of the presently accepted professional standards of care. I think it is significant to note the court's finding that although the State legislature had in November 1970, appropriated $21 million for the purpose of planning, designing, and constructing community-based facilities which would enable 900 Pennhurst residents to be transferred to a more appropriate environment, 7 years later only 37 residents had directly benefited from the legislation. Equally significant is the court's finding that such community-based facilities are, in the long run, less expensive to operate than large facilities such as Pennhurst. This case is presently on appeal before the third circuit.

I could go on, Mr. Chairman. The problems are well documented. There are serious problems which are very real to those people and families involved. To the most imaginative, many institutions in this country are no more than human warehouses. They warehouse the young, the old, the feebleminded, the sick. We are talking about approximately 1 million persons who reside in these institutions. They are the most vulnerable people in our society. I can assure you that there are very few lobbyists waiting to see you on this legislation. You can also be assured that there are very few votes to be gained by supporting it, but I can assure you that this bill is a good faith, modest effort to try and help these people obtain some decent, humane treatment, and living conditions.

☐ 1200

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. RAILSBACK. I would be happy to yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, I would like to take this time to commend the gentleman from Illinois (Mr. RAILSBACK). He is largely responsible for inclusion of section 4 in its present form. He participated notably in the other parts of the bill, and his concern, his long-held concern, for juveniles in this country is reflected, also, I might add, in this bill.

Mr. RAILSBACK. Mr. Chairman, I thank the gentleman very much.

Mr. KASTENMEIER. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I rise to lend my unwavering support for the measure before us today. The very essence of H.R. 10, a bill which authorizes the U.S. Attorney General to initiate civil actions to protect the rights of institutionalized persons and to encourage the development of grievance mechanisms in correctional facilities, is that it addresses the issue of humanity and justice.

The underlying philosophy of the human rights concept points to a commitment of our conscious effort to strive for the application of fairness and equity. The concern for human rights and the application of fairness and justice is supposedly pertinent to all citizens. Therefore, at no point should the particular status of an individual preclude his or her rights as a citizen.

It is paramount that we address the fundamental question of this issue: Is the person less of a citizen because he or she may be one who is institutionalized in special facilities; that is, for the mentally ill, handicapped, incarcerated, youth awaiting trial, or nursing home patient? Assuming that the answer to this question is overwhelmingly negative, I submit that we should not have any reservations regarding the passage and subsequent enactment of H.R. 10.

The Civil Rights of Institutionalized Persons, H.R. 10, grants the Attorney General the authority to bring suit in Federal district courts only if he has reasonable cause to believe that persons residing in one of the aforementioned institutions are subject to conditions which cause them to suffer grievous harm and deprivations of rights, privileges or immunities secured or protected by the Constitution or laws of the United States, and that such deprivations are part of a pattern or practice. Suits on behalf of inmates of jails, prisons or other correctional facilities may be brought only to secure rights protected by the Constitution. Our support for this measure should be a firm reflection of our commitment to the elimination of a double-standard with regard to the application of fairness, justice, and equity.

Many of us may not lend our support to H.R. 10 because its provisions apply to coverage for inmates of jails, prisons, and other correctional facilities. This is particularly disturbing to me. For whatever reason, some fail, either consciously or unconsciously, to recognize the frequency with which incarcerated persons must live within an inhumane environment and under severe economic constraints.

At the same time, some may applaud the existing rights of institutionalized persons to initiate private suits to redress violations of their constitutional rights as more than adequate—particularly as they relate to the incarcerated. I submit that any attempts to exclude the incarcerated from the provisions of H.R. 10 reek of the mentality that our Nation's prisoners should be continually forced to live under a system which fosters the existence of humiliation, deniel, subserviency, and frustration within the confines of many penal institutions. I sincerely hope that the Members of this body reject any such attempts.

I do not think that there is one Member of this body who will deny his or her dedication and commitment to the principle of fairness and equity. Still further, not one of us wants to see a different set of criteria utilized for the administration of justice to the handicapped, mentally or chronically ill, youth, or nursing home patients. I am not going to assume that all of us feel this way about the incarcerated. That, notwithstanding, the passage of H.R. 10 is crucial to the legal, as well as the human rights of institutionalized persons. I am urging that you give this measure your support, and more importantly, your vote.

Mr. KASTENMEIER. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. HALL).

Mr. HALL of Texas. Mr. Chairman, I would like to associate myself with the passage of this measure. It is a much better bill than was presented last year. The very able, dedicated leadership of both the chairman of the Committee on the Judiciary and the chairman of the subcommittee has been of utmost importance and great value to producing a bill, today, that I think this body should approve.

Mr. KASTENMEIER. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, I rise in support of H.R. 10, which was reported favorably by the Committee on the Judiciary by the overwhelming vote of 26 to 2.

This legislation is a significant step in the Nation's effort to protect rights guaranteed under the Constitution and laws of the United States to a particularly vulnerable and inarticulate group who are institutionalized—children, the elderly, mentally impaired and chronically ill persons, and prisoners.

The main purpose of this legislation is to grant a clear right of "standing" to the Attorney General to initiate a civil action to remedy conditions of institutionalized persons when State action is systematically depriving these persons of their basic rights. The case must be considered a matter of "general public importance."

I have received numerous letters of support for this and similar legislation over the past 3 years. These letters have been sent by a wide variety of supporters: Families and friends of institutionalized persons, staff at institutions, mental health and retardation organizations, the American Bar Association, the American Civil Liberties Union, public officials, and many other persons and groups. Attorney General Bell and his predecessor, Attorney General Levi, have both endorsed this legislation, and in fact have requested it.

The Secretary of the Department of Health, Education, and Welfare—the Honorable Joseph A. Califano—is a strong supporter. He has written to me—

> The legislation is necessary and desirable to establish a definitive point at which the Attorney General can intercede on behalf of institutionalized persons whose rights may not otherwise be protected.[1]

The urgent need for this legislation is very apparent, as we weekly and sometimes daily learn of abuses to institutionalized persons. The hearing records in this and the 95th Congress document many of these abuses: Mental patients tied to their beds at night in the absence of sufficient staff; confinement of a mental patient to a straitjacket for 9 years, resulting in the loss of the use of both arms. Many of these conditions have been characterized as debilitating, shocking, inhumane, and an immediate and intolerable threat to the safety and security of residents and staff. The conditions in many institutions are unfit for human habitation.

Recently the courts have been the ultimate forum responsible for remedying these conditions, only because many States and public agencies have failed to meet their responsibilities. However, I would like to note for the record, that my own State—New Jersey—has been in the forefront of protecting institutionalized persons. The Honorable Stanley C. Van Ness is the New Jersey Public Advocate, directing a department, which by statute has the responsibility and authority to act on its own motion to address many of the concerns that would be faced by the Attorney General under H.R. 10. Many of the institutionalized persons are "the poor, the minorities, the voiceless, and those isolated from the mainstream of the majoritarian, democratic political system," according to the Public Advocate. Most of the cases brought by the Public Advocate have been resolved by negotiation, without the need to resort to litigation. It is expected that the Attorney General under H.R. 10 will be able to resolve some cases by negotiation and settlement, particularly since the precertification procedures require consultation with and advice to State and institutional officials. However, it is necessary that the Attorney General have the power to initiate a civil action, if necessary.

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[1] Hon. Joseph A. Califano, letter dated July 20, 1977, to Hon. Peter W. Rodino, Jr. Hearings on H.R. 2439 and H.R. 5791 before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Committee on the Judiciary, 95th Cong., First Sess., Serial No. 28, at 466–67 (1977).

The Honorable Stanley Van Ness and his department of the public advocate are on record as being strong supporters of H.R. 10. Testimony has been delivered personally during the 95th and 96th Congresses by the department. In that testimony the department has defended the constitutional validity of the legislation, noting that it creates no new rights but merely provides a merchanism for the enforcement of existing rights.

The department has rebutted the intolerable argument that States "cannot 'afford' to treat them (institutionalized persons) with humanity."

> The deprivation by a State of Fundamental constitutional rights can never be justified by a claim of inadequate fiscal resources. A State is not free, for budgetary or other reasons, to provide a social service in a manner which results in the denial of individual constitutional rights. The choice between administrative convenience and economy on the one hand, and federal privileges and immunities on the other hand, has already been made by those who drafted our federal Constitution and the States that agreed to abide by its dictates.[2]

In closing, I would like to stress that the New Jersey public advocate has endorsed all the provisions of H.R. 10, including section 4 which encourages the voluntary development of correctional grievance mechanisms, and authorizes a court to continue a prisoner petition under 42 U.S.C. 1983 for up to 90 days if an effective mechanism is in place and has not been used.

I urge the Members to support H.R. 10 without any amendments, except for the one technical amendment which the gentleman from Wisconsin (Mr. KASTENMEIER) will offer. To support this recommendation, I am inserting a copy of an excellent letter from the Attorney General which rebuts the suggestions made by the gentleman from Ohio (Mr. KINDNESS). This legislation is carefully drafted and reserves your full support.

The letter follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., May 2, 1979.

Hon. PETER W. RODINO, JR.,
Chairman. Committee on the Judiciary,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I understand that Representative Kindness intends to offer several amendments to H.R. 10, Civil Rights of Institutionalized Persons, when the bill is considered by the House of Representatives in the near future. I feel it is important to address several misapprehensions about the legislation that are evidently shared by Mr. Kindness and some other Members of Congress.

H.R. 10 would not in any way grant the Attorney General the power to mandate any actions by state or local governmental entities. Nor would it enlarge existing legal obligations of state and local governments. The bill merely makes clear that the Department of Justice may initiate litigation where persons confined in covered institutions are, on a wide-spread and systematic basis, subjected to treatment that denies them existing federal statutory or constitutional rights. The ultimate findings and determination of remedies in these lawsuits will continue to lie with the courts, as it does in private litigation. The Attorney General would continue to bear the responsibility for ensuring that federal jails and prisons comply with constitutional standards.

Another significant provision of the legislation requires this Department to develop, after extensive consultation with interested governmental and nongovernmental parties, minimum standards for correctional grievance procedures. The bill does not require any State to adopt such standards. It does provide, however, that in the case of States which do so, prisoner lawsuits pursuant to 42 U.S.C. 1983 will not proceed until the grievance process has been completed.

I am opposed to assertions of Federal control over those matters that are fundamentally the responsibility and right of nonfederal entities to address, and I believe this view is consistent with the proper role and mandate of this Department throughout its history. However, it is vital that the nation's law enforcement agency have legal standing to vindicate the federal rights of institutionalized persons when those rights have been infringed by officers or agents of state and local governments. The entire body of federal civil rights statutes is grounded in part on the proposition that state and local governments must obey the Thirteenth, Fourteenth and Fifteenth Amendments to the Constitution of the United States and that the federal government should have the statutory authority to protect groups which are unable to adequately protect themselves from patterns of deprivation of Constitutional rights. H.R. 10 should be viewed as a natural and appropriate improvement in the statutory scheme for federal civil rights enforcement.

The Judiciary Committee is to be commended for its strong endorsement of this important legislation. I look forward to its early passage by the full House of Representatives.

Yours sincerely,
GRIFFIN B. BELL,
Attorney General.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. RODINO. Mr. Chairman, I yield to my colleague, the gentlewoman from New Jersey (Mrs. FENWICK).

□ 1210

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding.

I would like to speak on behalf of this legislation. I worked in these fields in New Jersey before I ever came down here. I was chairman of our legislative commission on the study of child abuse and other aspects of child welfare and I worked, too, among the elderly, and in our prisons.

We desperately need some way to make sure that the rights of these people can be secured. We have no such a vehicle now. I think that this legislation is most important in that regard.

I honor the Committee on the Judiciary for its work.

Mr. RODINO. Mr. Chairman, in conclusion, I urge the committee to adopt this legislation, with the one technical amendment that is being presented by the chairman of the subcommittee.

Mr. RAILSBACK. Mr. Chairman, I yield 3 minutes to the distinguished ranking minority Member, the gentleman from Illinois (Mr. MCCLORY).

Mr. McCLORY. Mr. Chairman, I rise in support of H.R. 10. I want to commend the chairman of the subcommittee, the gentleman from Wisconsin (Mr. KASTENMEIER), and the ranking minority member, my colleague, the gentleman from Illinois (Mr. RAILSBACK), and I want to commend the Committee on the Judiciary for its work on this important legislation. H.R. 10 was reported by the Committee on the Judiciary with a strong bipartisan endorsement. Its primary purpose is to permit the Attorney General of the United States to initiate civil suits to protect the rights of institutionalized children, the elderly, the mentally impaired, and prisoners. Originally, this bill came to the Congress in 1975 as a recommendation of the Ford administration.

Under this bill the Attorney General is permitted to take such action only if he believes that such rights deprivation is part of a pattern or practice of denial, and only after proper notice and consultation with the appropriate State official. No standing is created by this legislation to pursue purely private conduct no matter how discriminatory or wrongful.

In the past, Congress has not hesitated to give the Attorney General statutory authority to engage in litigation to secure citizens' basic constitutional rights where evidence has shown a widespread denial of such rights. In seeking to remedy discrimination in voting, public accommodations, employment and housing, we have authorized the Attorney General to commence litigation to correct a pattern or practice of unlawful conduct. The authority proposed in H.R. 10 is neither novel in concept nor unprecedented in use.

Another important part of this legislation is intended to help relieve some of the burden which prisoners' grievances frequently place on our Federal district courts. Last year, over 9,000 prisoner petitions under section 1983 were filed in Federal courts, comprising 8 percent of the total number of civil cases filed. H.R. 10 contains a provision that would allow courts to continue cases brought by State prisoners under 42 U.S.C. 1983 in order to permit the aggrieved person to make use of his State's administrative grievance procedure prior to trying to litigate the issue in Federal court. If the inmate is not satisfied with the result received, he may still use 1983. Such petitions filed by an inmate are lengthy and handwritten, without the assistance of a lawyer. A total of 96 percent of these petitions are dismissed without trial. Last year in the northern district of Illinois which embraces my congressional district, 377 petitions were filed, which was a 30-percent increase over the number filed in 1977. The northern district was the fourth highest in the Nation in the number of 1983 cases filed. In the southern district of Illinois 65 cases were filed in 1978 which represents a 400-percent increase over 1977. H.R. 10 would go a long way in helping these courts with their ever-growing caseload.

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[2] Testimony of Laura LeWinn, Deputy Director, Division of Mental Health Advocacy, Office of the New Jersey Public Advocate, Hearings on H.R. 10 before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Committee on the Judiciary, 96th Cong. First Sess., Feb. 15, 1979.

It is important to point out, Mr. Chairman, that this legislation imposes no new obligations on State or local governments or their officials. The scope of their responsibilities to obey Federal constitutional proscriptions is neither enlarged nor contracted under H.R. 10. The bill has no effect, one way or the other, on existing rights, privileges, and immunities. The only purpose of the measure is to give the Attorney General the authority in those cases where a pattern and practice has developed of systematic violations of the rights of institutionalized persons. This legislation establishes a mechanism or procedure for protecting the constitutional rights of institutionalized persons. I urge my colleagues to support the passage of this legislation.

Mr. KASTENMEIER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Connecticut (Mr. Dodd).

Mr. DODD. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, much of what I had prepared in my remarks has been stated by others who have preceded me. I would like to join with the others who have complimented the chairman of the subcommittee, the gentleman from Wisconsin, as well as the ranking minority member, for the work they have done in bringing this legislation to the floor for the consideration of the full House.

I think it is appropriate to mention again what was stated by my colleague and friend, the gentleman from Illinois (Mr. Railsback) that today as we wait at our respective doors, my friends on that side of the aisle and those of us sitting on this side of the aisle, there will be no one standing over at the corridor with their thumbs in a vertical or up-and-down position asking us to support or not support this legislation.

The people who will be looking to benefit rather under this bill are people who will be lobbying us through their silence and through their absence.

Mr. Chairman, I rise in support of H.R. 10.

This bill seeks to protect the civil and constitutional rights of millions of people in this country. In my district and in every congressional district there are thousands of people whose rights this bill seeks to protect. Yet, as we prepare to vote on this legislation, those who would directly benefit, those whose rights we are considering are not here lobbying for our votes. They cannot be here. They are in our institutions—our nursing homes, our prisons, our orphanages, our homes for the developmentally disabled, and our mental hospitals.

They cannot come here to tell us how badly they need this legislation, but they have sent us a message through their absence—not merely through their physical absence, but more strikingly through the silence in our mail and on our phone lines. We do not hear their voice; that is the message. They cannot reach out; we must reach in.

We do not hear their voices because many institutionalized persons are unable to communicate with us due to their physical or mental condition, and many others have long since stopped believing that there is anyone out here who cares.

The message in the silence is the key to this bill. The institutionalized persons in this country need a voice so that deprivations of their rights do not go unremedied, they neel a voice because many have suffered, and although there are many well-run institutions in this country, in many others, people are still suffering grievous harm and deprivations of their constitutional and civil rights. Institutional abuse is not a problem which is confined to any particular State or region of this country; it is a national problem. In Alabama's mental hospitals, some retarded persons were tied to their beds at night in the absence of sufficient staff to care for them, and one patient was regularly confined in a straitjacket for 9 years, as a result of which she lost the use of both arms. In New York's Willowbrook facility, retarded children were massively overdrugged by the staff; a child suffered the loss of an eye and another the loss of part of an ear. In Texas' five juvenile facilities, a Federal court determined that the staff was engaged in "a widespread practice of beating, slapping, kicking, and otherwise physically abusing juvenile inmates * * *." In Oklahoma's State penitentiary system, inmates were sleeping in garages and stairwells, and eating out of kitchens infested with mice, rats, and vermin. In a Mississippi State prison, exposed wiring posed a constant danger of fire, dead rats surrounded the barracks, and broken windows were stuffed with rags to keep out the cold and rain.

The cases I have just described are noted in the committee's report on this bill. I take the time to repeat them now, just as I and some of my colleagues have in the past recited the stories of Soviet dissidents whose human rights are being violated. We must not turn our backs on those who are suffering gross violations of human rights: We must not cease in our efforts to bring these abuses to the public's attention. And for the millions of institutionalized persons in this country, ill and mentally retarded. They are, therefore, providing services on behalf of the State, and if these allegations are true, a court may very likely find "State action" under the 14th amendment.

Another example from my home State involves a suit presently pending in the Federal district court against a State institution for the mentally retarded, the Mansfield Training School. In that suit the Connecticut Association of Retarded Citizens allege, among other things, that persons institutionalized at Mansfield do not receive "necessary services, including personal care and protection, occupational services, and rehabilitative training." And they allege that "physical and pharmaceutical restraint procedures are frequently utilized for convenient control of residents and as a substitute for appropriate care and programs of rehabilitation."

These allegations are now before a Federal court which will determine which, if any, of these allegations are valid, and what, if any, remedy is appropriate. Again, I emphasize that this is a national problem for which we need a national solution.

We should not leave institutionalized persons to find their only spokesmen in the understaffed and overburdened offices of civil liberties organizations and poverty lawyers. The message of the silence tells us that the voice we provide must be strong. As Judge Bazelon has written,

> Those without voices they can raise, those submerged by what has engulfed them—it is those people we must attend.

I urge my colleagues to vote in favor of H.R. 10. We must do more—we must insure that they have a voice by giving the Attorney General the right to seek a remedy for systematic deprivations of their rights.

At present, in my own State of Connecticut, allegations of institutional neglect have been made against two nursing homes. The allegations include charges that these facilities provide inadequate heating; that they lack the necessary equipment and supplies; and that patients are suffering physical harm from improper positioning and improper or inadequate feeding programs. These facilities are privately owned, but they receive State and Federal support for over 80 percent of their patients, and a substantial number of their patients have been transferred to these facilities from State institutions for the mentally ill.

The CHAIRMAN. The committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. Price) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries.

The SPEAKER pro tempore. The committee will resume its sitting.

CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS

The committee resumed its sitting.

Mr. RAILSBACK. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. Butler).

Mr. Chairman, I would just like to say that the gentleman from Virginia has worked extremely hard on this legislation and I think deserves a lot of credit.

Mr. BUTLER. Mr. Chairman, I thank the gentleman from Illinois for his kind words.

I appreciate the contribution that the subcommittee has made to this bill and the hard work they have done this year. I was not privileged to serve on the subcommittee in the 96th Congress, but I worked closely with it as a member in the 95th. I am pleased with the product and I think the improvements that have been made this year are salutory, and that we have an even better bill than the one that passed the House last year.

Mr. Chairman, I rise in support of H.R. 10. Most Members of this body are well aware of the conditions that exist in our nursing homes and in our mental and penal institutions throughout the country. Some institutions do an outstanding job and perform a valuable service to the community. Other institutions leave a great deal to be desired. But there are still others that are absolutely outrageous and unacceptable. H.R. 10 would address itself primarily to this latter category and then only if such facility is owned, operated, or managed by or on behalf of the State. In other words, there can be a privately owned nursing home out there which may be the worst in the country, but if it is not operated by or on behalf of the State, this legislation cannot be involked to correct the situation. However, a State arrangement whereby it contracts with a private institution to care for persons committed to the care of the State would be covered.

All private nursing homes are in some way licensed by the State. This is not what constitutes "State action" for the purpose of H.R. 10. That is to say, a State license, State money, State regulation, tax exemptions or Federal money would not singularly or collectively be adequate involvement of a private nursing home with the State to trigger this legislation.

Section 4 of H.R. 10 provides that in certain cases a Federal judge may require a State prisoner, who has filed a 1983 petition, to go back and exhaust his State grievance procedure.

Last year, Virginia's eastern Federal district lead the Nation with the number of 1,983 suits filed 833, a 59 percent increase over 1977, and the western district was number three in the Nation. Prisoner cases comprise over 25 percent of the eastern district's civil docket. I contacted the office of the attorney general of Virginia and found that five assistant attorney generals, three paralegals, and two secretaries, and probably others, spend their full-time investigating and responding to prisoner complaints in Federal court.

H.R. 10 would go a long way toward helping us in our Federal courts in Virginia. Under existing law there is no requirement that a complainant first ask the State prison system to help him. He can file his grievance directly in the Federal court and his case has to be investigated by that court, and the State defended by the State's attorney general's office.

While drafting this legislation we were concerned that the U.S. Attorney General may desire, under H.R. 10 to set up a large bureaucracy, and we requested and received assurance from the Department of Justice that there would be very little increase in staff as a result of the enactment of H.R. 10. The Department testified before our subcommittee that:

> At the present time we have a special litigation section which is responsible for our institutions litigation and it presently has a staffing of 30 people; 18 attorneys, and the others are professional and clerical personnel. It would be our expectation that with the enactment of this legislation that we would not increase appreciably the number of suits that we have been involving ourselves in.

According to our Congressional Budget Office's analysis of H.R. 10: "It is estimated that these tasks will require two additional attorneys and one additional clerical position, at a cost of $81,000 in fiscal year 1980."

This legislation came to Congress as a recommendation of the Ford administration. In my opinion, it will have a very positive benefit for my State of Virginia. I urge your support.

□ 1220

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, I would like to commend the gentleman from Virginia (Mr. BUTLER) for his contribution to the bill. As the gentleman is aware, many of his suggestions have been incorporated into the text of the bill.

For the benefit of the Members, I would like to also state that at page 6 of the report there appears the very important letter the gentleman from Virginia elicited from the Justice Department. I think that letter reassures or should reassure the membership of what the intentions of the Justice Department are in this regard.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. BUTLER) has expired.

The Chair will advice the Members that the gentleman from Wisconsin (Mr. KASTENMEIER) has 13 minutes remaining and the gentleman from Illinois (Mr. RAILSBACK) has 14 minutes remaining.

Mr. KASTENMEIER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida (Mr. PEPPER), a member of the Committee on Rules.

Mr. PEPPER. Mr. Chairman, I thank the distinguished gentleman from Wisconsin for yielding to me for a brief time.

Mr. Chairman, I am pleased to be recorded in support of H.R. 10. This bill, as I understand it, will give the Attorney General of the United States clear authority to institute a civil action to redress patterns of deprivation of civil rights of institutionalized persons, including institutionalized children, prisoners, persons being cared for in our mental health institutions, and our institutionalized elderly. While I believe the constitution already affords these protections, certain recent court decisions have necessitated this clarification. If the civil rights of individuals are being abused in the presence of State action then the Federal Government has not only a legal responsibility but a moral obligation to intercede. I commend my distinguished colleague from Wisconsin (Mr. KASTENMEIER) and members of his committee, for their efforts in bringing this measure to the floor. It is an important bill and one which should be heralded as a major step toward protecting the basic rights of institutionalized persons.

It is fortunate that the National Conference on Mental Health and the Elderly, sponsored by the Select Committee on Aging, had the opportunity to consider H.R. 10 just weeks in advance of the floor debate today. Over 300 delegates from nearly all 50 States, representing major national organizations concerned with mental health and the elderly, met in the House of Representatives to draft and consider legislative measures to address the unmet needs of our elderly with mental problems. To protect the rights of those confined in mental institutions, the delegates to the National Conference endorsed unanimously H.R. 10 and urged that the protections embodied in this legislation be extended to those in nursing homes.

I am delighted to see that nursing homes as well as those facilities which provide custodial, long-term or residential care will be included within the scope of this legislation. As chairman of the House Select Committee on Aging, I have heard testimony from numerous witnesses documenting instances in which the rights of patients are infringed, where persons are involuntarily committed or released from institutions without provisions for care, or where such persons live in fear that complaints about inadequate care or attempts to seek better care would inevitably lead to further hardship. Unfortunately, these circumstances have been allowed to persist in many cases because of lack of authority, direction, or will to redress the grievances. This legislation is a strong step toward correcting these problems.

Under H.R. 10, if a pattern or practice of abuse is found to exist within an institution which is owned, operated, or managed, in whole or in part, by a State or a political subdivision, then corrective action will be reachable by Attorney General suit. In addition, the Attorney General may bring suit if a facility or institution provides services on behalf of any State or political subdivision. In short, this legislation will provide redress for our institutionalized when it can be established that State action has led to a pattern or practice of abuse in nursing homes or facilities which provide custodial, long-term or residential care.

Mr. Chairman, it is time that the States and other political entities take action to safeguard the health and safety of these helpless and dependent individuals who are victims through no fault of their own. We should not tolerate conditions such as those which led to the loss of 44 lives in three boarding homes for the elderly last month. Nor should we allow the placement of elderly in facilities without adequate care, clothing or shelter. Unfortunately, thousands of former elderly mental patients and the handicapped are being transferred into substandard facilities sometimes known as foster care homes, halfway houses, or shelter care facilities. Patients are being housed in old hotels, mobile homes or old nursing homes, few of which offer psychiatric, recreation or rehabilitation services. In sum, we are playing musical chairs with needy people. We move people from State hospital to nursing home to boarding home with little followup to determine if patients have been properly placed or adequately cared for. Where States act irresponsibly and seriously abuse the rights of our institutionalized, this bill will hold the States and others involved accountable for their acts.

Mr. Chairman, I urge immediate passage of this important measure.

Mr. RAILSBACK. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. FISH).

Mr. FISH. Mr. Chairman, I thank the gentleman very much for yielding this time to me.

I want to add my expression of gratitude to both the chairman of the subcommittee and the ranking minority member for the work product they have brought before us.

Mr. Chairman, I rise to offer my support to H.R. 10. The primary purpose of this legislation is to provide express statutory authorization for the Attorney General of the United States to initiate civil actions to redress systematic deprivation of rights of institutionalized persons.

The protection of the rights of institutionalized persons, while primarily the responsibility of the officials who operate the institutions, is a matter of concern to the United States—when rights guaranteed under the Constitution or laws of the United States are being violated by official action. Over 1 million persons reside in institutions throughout the Nation. These people are generally very vulnerable to abuse. They are usually inarticulate, powerless, and unaware of their rights.

I can understand a State's reluctance to support this legislation. There may be a conflict of interest between the State and the people they institutionalize. The State officials know the condition of their institutions. Many will say they do not need the Federal Government sticking its nose into what is a State's business. This legislation takes that into account and requires that no action can be commenced until at least 30 days after the appropriate State, local and institutional officials have been notified and that the State has had a reasonable time to develop a plan to correct such deprivations and have not done so. Also, the Department of Justice must consult with the State regarding assistance which may be available from the United States.

Over the last several years, the Department of Justice has been involved in approximately 40 cases seeking to protect the rights of the institutionalized. In October 1977, the U.S. Court of Appeals for the Fourth Circuit affirmed the district court's ruling and held that "without specific statutory authorization" the United States may not sue to protect the rights of the institutionalized mentally retarded (*U.S.* v. *Solomon*, 419 F. Supp. 358; affirmed 563 F.2d 1121, 4th Circuit, 1977). Without this legislation, the Department of Justice's modest activity in this area will have to cease.

It is unlikely that H.R. 10 will appreciably increase the Department of Justice's budget or result in many new positions. In fact, given clear statutory authority, the Justice Department may need less litigation support since time can be spent on the merits rather than the procedural issue of standing. The only immediate increase that may be projected as a result of H.R. 10 would be for three additional personnel—two attorneys, and one clerk—to fulfill the requirements of section 5 of the bill which requires the Attorney General to develop and promulgate standards for grievance mechanisms and to certify those which are submitted by State institutions. For that, the cost estimated by the Congressional Budget Office is $81,000 for fiscal year 1980.

Mr. Chairman, H.R. 10 represents a modest, good faith effort to try and improve conditions in our institutions throughout the country. A Washington Post editorial on February 24, 1979, noted that while understandable that our Government has difficulty protecting U.S. citizens in remote corners of the world, it can do a better job protecting rights of those citizens at home, even within State institutions. I concur, and I urge Members to vote favorably for passage of H.R. 10 as reported.

Mr. KASTENMEIER. Mr. Chairman, I now yield 5 minutes to the distinguished gentleman from Missouri (Mr. VOLKMER), a member of the Committee on the Judiciary.

Mr. VOLKMER. Mr. Chairman, I wish to commend the gentleman from Wisconsin (Mr. KASTENMEIER) and the gentleman from Illinois (Mr. RAILSBACK), as well as the subcommitte, for the work they have done on this historic piece of legislation.

I would like to engage the gentleman from Wisconsin (Mr. KASTENMEIER) and also the gentleman from Virginia (Mr. BUTLER) in a colloquy regarding a certain provisions of section 4, referring to the latter part of the first paragraph, which contains language providing that the standards for grievance procedures "shall take effect 30 legislative days after final publication unless, within such period, either House of the Congress adopts a resolution of disapproval."

My only question in regard to this is as to the procedure that would be followed in the event a resolution of disapproval had been introduced by a Member.

Since the procedure is not set out in the legislation itself and since there is a time limit of 30 days in which action must be taken or else standards go into effect, I would like to have the comments of the chairman of the subcommittee and also of the gentleman from Virginia (Mr. BUTLER) as to exactly how this will work.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield on that point?

Mr. VOLKMER. I gladly yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, I am pleased to respond to the gentleman from Missouri (Mr. VOLKMER).

As the gentleman knows, the House did modify language on this point to reflect what is presently in the bill, and the gentleman from Virginia (Mr. BUTLER) was, I believe, the moving party on that question.

I can understand that there may be some apprehension as to how the one-body legislative veto will work in this connection. I would assert that at that time, at a timely moment, my subcommittee will entertain hearings on this question. The gentleman from Missouri (Mr. VOLKMER) and indeed any Member, as well as all appropriate persons who care to be heard on the matter, will be most welcome.

We have already discussed this with the Assistant Attorney General for Civil Rights of the Department of Justice. He has been cooperative with respect to keeping us fully informed so that the legislative veto provision can be implemented in timely fashion. If the House may care to do so, it may in fact veto those provisions. It is not our purpose obviously to frustrate the will of the House in that connection.

Mr. Chairman, I do hope the gentleman from Missouri (Mr. VOLKMER) will support the existing language rather than provide for other language with respect to discharge petitions and the like.

Mr. VOLKMER. Mr. Chairman, I had contemplated introducing an amendment to set out specifically in the language the procedures to be followed. However, I do appreciate receiving these assurances of the gentleman from Wisconsin (Mr. KASTENMEIER), and I will yield later to the gentleman from Virginia (Mr. BUTLER).

☐ 1230

With those assurances, that not just I, but any Member of this House who feels for valid reasons that the standards would not be workable may introduce a resolution disapproving the standards, and with the assurance from the chairman that hearings will be held and will permit the committee and this House to act on the resolution, I will not offer my amendment. I now yield to the gentleman from Virginia, but before I do, I wish to commend him for having this language put in the bill. I feel it is one of the safeguards, since we are doing something for the first time to set up standards, permitting the Attorney General to set up standards, for grievance procedures. I think this provision is a very necessary ingredient. It can give the Congress at least an opportunity to look at these before they go into effect.

I would like to ask the gentleman from Virginia if he feels confident that these procedures can be followed within the 30-day time.

Mr. BUTLER. If the gentleman will yield, I give the gentleman every assurance that I can that this 30 days was not selected that lightly. I have had an opportunity to review the amendment the gentleman is contemplating. I think the objective the gentleman has in mind there is accomplished by the language in the legislation. I think, to emphasize again, if I may, the voluntary nature of the standards, that they are not imposed upon the States, but they are an option to them if they comply.

I think the one-House veto, the 30-day period of time, and the knowledge that we have the time of publication in the Federal Register, we can accomplish the objective of the gentleman.

Mr. VOLKMER. I thank the gentleman.

Mr. RAILSBACK. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. SAWYER).

Mr. SAWYER. Mr. Chairman, I am on the subcommittee and I am familiar with this bill. I initially approached this legislation with some reservation.

I am now totally satisfied with the bill. I think it is an excellent piece of legislation. It does not infringe upon or abuse the rights of State authorities with respect to institutionalized persons in either the State prisons or other institutions.

The Attorney General must, before he can do anyhing, give specific notice to the Governor of the State and the attorney general of the State, specifying in detail what he finds wrong and that it amounts to an actual pattern and practice as opposed to an isolated abuse. He must give the Governor or the Attorney General a minimum of 30 days within which to take action to correct this situation—and longer, if that is not reasonably sufficient time. Upon the commencement of proceedings to compel compliance or enforcement by the State, he must certify to the Federal district court, that he has given at least 30 days notice to the Governor and the Attorney General, that he has specified with particularity the pattern and practice complained of, giving the facts to support it, and he must also certify that there has been a reasonable amount of time for compliance or correction by the Governor or the Attorney General. So that it is really longer than 30 days, if longer than 30 days would be required to correct the problem.

Also, with respect to grievance procedures being specified by the Attorney General, the guidelines are laid out in the bill. They are very good guidelines, in my opinion. They involve for inmate participation and a final appeal to an outside authority disconnected from the institution. They require answers in writing to the grievances, and I am sure it will go a long way to diminish section 1983 lawsuits, under which penalty State prisoners can go directly into Federal court with an action.

This bill does not permit the Attorney General to impose these grievance procedures on a State prison. The States have the option. If the State opts to substantially adopt these grievance procedures, then before a prisoner may go into Federal court with a 1983 suit, he must go back and go through the grievance procedures to see if it cannot resolve the grievance without unnecessarily taking up the court's time and the State Attorney's General's time.

Mr. BURGENER. Mr. Chairman, will the gentleman yield?

Mr. SAWYER. I yield to the gentleman from California.

Mr. BURGENER. Mr. Chairman, I rise in support of H.R. 10, a bill which would allow the U.S. Attorney General to intervene on behalf of institutionalized persons whose rights are being violated. The passage of this bill is critically important to the almost 200,000 mentally retarded citizens who currently reside in institutions throughout the country. Despite numerous exposés by the press and advocacy organizations such as the President's Committee on Mental Retardation and the National Association for Retarded Citizens, evidence continues to mount indicating continued and systematic gross violations of basic human rights in our Nation's institutions serving mentally retarded people.

I cannot think of a more vulnerable segment of our society than severely and profoundly retarded persons, most of them far away from their families, living under dehumanizing, sometimes horrible, conditions. At the present time, the Federal Government, particularly the U.S. Justice Department, cannot intervene on their behalf, even though the Constitutional rights of these persons are clearly being violated. Surely, these most vulnerable individuals deserve the fullest protection under the law.

I would also like to add that the passage of this bill will have practically no effect on the Federal budget. The protection afforded by H.R. 10 would be implemented by an existing entity within the Justice Department, thereby necessitating few, if any, additional Federal expenditures. I strongly urge my colleagues to support this bill.

Mr. SAWYER. Mr. Chairman, I urge support for the bill.

Mr. KASTENMEIER. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from North Carolina (Mr. GUDGER).

Mr. GUDGER. Mr. Chairman, I thank the gentleman for yielding, and I wish to commend the gentleman, the ranking minority member, and each member of the Subcommittee on Courts who has participated in the drafting of this very important legislation.

Mr. Chairman, I produced yesterday and distributed to many of the Members of this body a letter in which I compare H.R. 10, the bill under debate here in the 96th Congress, with H.R. 9400, the comparable bill in the 95th Congress, and I drew these distinctions between these two pieces of legislation which I felt most significant and pointed out what I thought was a vast improvement in H.R. 10 over H.R. 9400. I am impressed by the fact that the gentleman from Michigan (Mr. SAWYER), in his remarks, has drawn out some of those distinctions without making reference to the prior legislation. I would state that I think H.R. 10 is particularly significant, in that no longer is it proposed that there be any change in the discretionary intervention rule, and the Attorney General may intervene only as presently authorized by rules 24 (a) and (b) of the Federal Rules of Civil Procedure.

I point out, also, that H.R. 10 is distinguishable from H.R. 9400 by another major revision, in that the Attorney General may not institute litigation against a private institution, only one which is acting for the State or as its agent.

I would also point out that H.R. 10 has many other safeguards, some of which have been commented upon by the gentleman from Michigan (Mr. SAWYER) in his observations, and some of which I would like to repeat, including some of the following: Under the legislation, H.R. 10, the Attorney General is permitted to take action only if he believes that there are conditions in an institution which cause grievous harm to the persons confined or residing there which deprive them of rights, privileges, or immunities secured or protected by the Constitution or laws of the United States and that a State or its agent is subjecting these persons to such conditions pursuant to a "pattern or practice." Thus the facts supporting such action could not be an isolated incident or complaint.

In order to protect the balance of Federal-State relations, the bill has set procedures which must be followed before the Attorney General may initiate a civil suit: First, he must believe that the action is of "general public importance" and will materially further the vindication of rights secured or protected by the Constitution.

Second, he must give proper, detailed notification to the appropriate officials including the chief executive and legal officers of the political unit involved—for example, a Governor and attorney general, as well as the institutional officials, would have to be given such notification prior to any suit against a State. The notice must contain, in addition to the alleged pattern or practice of deprivations, the facts upon which this conclusion is based, including the dates or time period during which the alleged deprivations took place and, when feasible, the identity of all persons reasonably suspected of being involved in causing such deprivations. To the extent his information permits, the Attorney General must state the measures which he believes may remedy the alleged pattern or practice of deprivations. Such measures of relief would be equitable, for example, injunctive relief to correct existing conditions. No money damages would be sought by the United States.

Third, before the Attorney General can initiate such a civil action, he must make a reasonable effort to consult with the appropriate public and institution officials regarding assistance which may be available from the United States and which he believes may assist in the correction of such conditions. Assistance may be technical, financial, or other forms of assistance.

Fourth, before the Attorney General may initiate a suit he must be satisfied that the appropriate officials have had a reasonable time to take appropriate action to correct such deprivations and have not adequately done so.

All of the above presuit conditions must be certified to the court as having been met by the Attorney General at the time he files his suit. All such complaints must be personally signed by the Attorney General.

As you can see, the committee has carefully structured the bill to safeguard the rights of State and public entities. I believe that the Attorney General will exercise such power cautiously. Its effect will be to improve the quality of life for institutionalized persons, and to insure that this uniquely vulnerable group are insured the full protection of the Constitution and laws of the United States.

I hope you will give this bill your full support.

These deprivations must be a part of a pattern or practice. Let me also mention that this committee report is singularly sophisticated, filled as it is, with numerous subnotes, and with clear definition of the legal derivation of langauge used in the bill, such as the term, "pattern or practice," so that we may know that it is not intended to relate to an isolated case by reference to the very judicial decision from which that very language was lifted.

So we have here a committee report which represents outstanding staff work. We have here a bill which represents a great deal of committee effort and thought, and I believe a piece of legislation which deserves our uniform support. I urge my colleagues to join me in voting for this legislation.

Mr. RAILSBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. Kindness).

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Mr. KINDNESS. Thank you, Mr. Chairman.

I rise to sound a warning, and sometimes it seems that it is almost impossible to sound a warning when no one is listening.

Here we are, a few of us, from the Judiciary Committee, again gathered together to praise each other about the work that has been done over the years on this legislation and tell how different it is from last year when it was not worth much to most of us.

How different it is indeed. It is the same bill, practically speaking, with some minor revisions.

Mr. Chairman, there has to be some warning sounded that this is essentially the same thing as H.R. 9400 of the last Congress.

Ultimately, it gives the Justice Department a big stick to wield over the States while offering no help to the States to overcome the problems that are complained about, problems that are shared by Federal institutions as well as State institutions.

This bill does not do anything to solve the problems. It only puts the Justice Department in an adversary position with States and local governments.

How constructive is that approach when we might be doing something far more constructive to assure that the constitutional rights and privileges of people in institutions are dealt with properly.

The bill would authorize the Attorney General to initiate actions against the States where there is a pattern or practice of deprivation of rights of persons in institutions that are covered by the bill, and the Attorney General already has the authority to intervene in those cases.

It is apparently not enough to have just the authority to intervene or to work out these situations through conciliation or other means. We have got to have those eager litigators down at the Justice Department going into court against State and local governments.

If it is really so harmless, vis-a-vis, the States, then why is the National Association of Attorneys General still adamantly opposed to this legislation?

The Members have all received a letter from the chairman of the Judiciary Committee, written by the Attorney General, which says that H.R. 10 would not in any way grant the Attorney General the power to mandate any actions by State or local government entities.

As the President said the other day, in response to a similarly absurd suggestion, that it is a lot of baloney.

Before the Attorney General can use this new authority to sue, he must notify the appropriate State officials of the measures which he believes may remedy an alleged pattern or practice of deprivation, and if the States do not react within an appropriate period of time, as determined by the Attorney General, of course, then he can go into court.

The legislation sets up the Attorney General as a kind of Federal overseer of State institutions. There is no question about that.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. Kindness) has expired.

Mr. RAILSBACK. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. Hyde).

Mr. HYDE. Mr. Chairman, I have been listening with great interest to my good friend and esteemed colleague from Ohio, but I am at a loss to determine why the Federal Government should pay a State to respect someone's constitutional rights.

Sure, the National Association of Attorneys General does not want anyone looking over its members shoulders. This is the same group that has been busy filing the glamorous environmental suits and the consumer protection suits, but people abused in institutions, somehow there is not time to get around to them.

I am talking about 1 million people, retarded, chronically ill, senile, disabled, who inhabit jails and nursing homes and juvenile facilities. This bill reaches out to them and provides them with one more voice, maybe, to speak up under certain severely controlled circumstances on their behalf.

These institutions and facilities have to be owned or operated or managed or provide services on behalf of a State or political subdivision, not private facilities.

You have heard of the silent majority. You have heard of the noisy minority. But there exists a silent minority, a silent minority of people who have no well-paid lobbyists prowling the Halls of Congress speaking on their behalf. They are just people, human beings who suffer without any advocacy or without any hope.

Nobody resists Federal intervention with more vigor than I do, but when you have a disaster, you reach out to get help anywhere you can.

I submit to my colleagues, in the real world, some of these mental institutions and some of these prisons are nothing less than a disaster.

Oh, how we conservatives admonish our liberal friends to come to grips with the real world.

I suggest the real world is a lot of mental homes and jails and juvenile facilities and nursing homes that are more appropriate for a Dickens novel than for a 20th-century modern community.

In this legislation there are significant safeguards to protect against abuse; a pattern or practice must exist, not an isolated instance.

There has to be notification to the State authorities, consultation, time to correct the situation must be provided and the suit must be of general public importance. This bill does not impose any new obligations on State or local government, does not create any new rights or does not impair any existing rights, but it provides standing for the Attorney General to enforce constitutional rights under severely controlled circumstances in civil litigation.

In Illinois, the gangs control the prisons. Do not tell me that we are going to clean that situation up soon. It has gone on for too many years in this country and everywhere in the world. I do not intend to continue to waive the flag of no Federal intervention for another 200 years, while the inhumane conditions this legislation seeks to alleviate go on and on. I fully support this bill.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. Hyde) has expired.

Mr. RAILSBACK. Mr. Chairman, I yield my remaining time to the gentleman from California (Mr. Lungren).

The CHAIRMAN. The gentleman from California (Mr. Lungren) is recognized for 1 minute.

Mr. LUNGREN. Mr. Chairman, I thank the gentleman for yielding.

In taking this time, I would really like to echo the words of my distinguished colleague from Illinois (Mr. Hyde), that this is not a conservative versus liberal question. This is not a question of the Federal Government overstepping its bounds. It is simply a question of us enforcing the constitutional rights of those people who most severely need some protection and who sorely need some recognition from this House and from government at all levels.

It seems to me that the question of States rights really does not apply here. These are rights the individuals already have. All we are attempting to do is to facilitate the means by which they might bring this question to the forefront. There is no doubt in my mind that one group is probably the one that really has no advocacy here. That is the prisoners of America. I think other people who know me know that I am as hard a liner on crime as anybody, and I support mandatory prison sentences, but when we have a situation in this country when some of our prisons, Federal as well as State, are a national disgrace, and where some judges will not exercise what they feel to be their right to send people to prison because of the deplorable circumstances in which those people are surrendered, there is something that should be done.

I would urge support of this bill.

● Mr. PEPPER. Mr. Chairman, I am pleased to be recorded in support of H.R. 10. This legislation will give the Attorney General of the United States the authority to initiate or intervene in civil actions in order to redress patterns of deprivation of civil rights of institutionalized persons, including institutionalized children, prisoners, persons being cared for in our mental health institutions, and our institutionalized elderly. Furthermore, this legislation clarifies the standing of the United States when there is no underlying Federal statute specifically authorizing intervention by the Attorney General, while not changing existing law governing the conduct of institutions covered by the bill. I commend my distinguished colleague from Wisconsin (Mr. Kastenmeier) and members of his committee, for their efforts in bringing this measure to the floor. It is an important bill and one which should be heralded as a major step toward protecting the basic rights of institutionalized persons.

My concern regarding the need for this important legislation derives in part from my experiences as the former chairman of the House Select Committee on Crime. After the disaster in Attica, the select committee held extensive hearings on prison conditions—hearings which went far in substantiating the fact that our prison system had failed. We found conditions of confinement in adult prisons and in juvenile detention centers so deplorable that some of the most vocal critics of the prison system were the prison administrators themselves.

On the other hand, in my capacity as chairman of the House Select Committee on Aging, I have found on numerous occasions that inhuman conditions encountered by residents of nursing homes and other State-operated institutions across the country were, if possible, worse than those in our correctional institutions. Our committee has documented numerous instances in which the rights of patients are infringed, where persons are involuntarily committed or released from institutions without provisions for care, or where such persons live in fear that complaints about inadequate care or attempts to seek better care would inevitably lead to further hardship. Unfortunately, these circumstances have been allowed to persist in many cases because of lack of authority, direction, or will to redress the grievances. This legislation is a strong step toward meeting these problems.

It is fortunate that the National Conference on Mental Health and the Elderly, sponsored by the Select Committee on Aging, had the opportunity to consider H.R. 10 just weeks in advance of the floor debate today. Over 300 delegates from nearly all 50 States, representing major national organizations concerned with mental health and the elderly, met in the House of Rrepresentatives to draft and consider legislative measures to address the unmet needs of our elderly with mental problems. To protect the rights of those confined in mental institutions, the delegates to the national conference endorsed unanimously H.R. 10 and urged that the protections embodied in this legislation be extended to those in nursing homes.

As I mentioned earlier, the bill as I understand it gives the Attorney General of the United States clear authority to institute a civil action to attack those situations where a pattern of deprivation of civil rights can be established as occurring in the presence of significant State action. While I believe the Constitution already affords these protections, certain recent court decisions have necessitated this clarification. If the civil rights of individuals are being abused in the presence of State action than the Federal Government has not only a legal responsibility but a moral obligation to intercede.

I am certain many of my colleagues recognize that the concept of State action is one that is constantly evolving. For this reason, I would like to comment on what I believe to be the intent of H.R. 10. There are two scenarios that would seem covered by this legislation. I think that it is important for the Record to specify what these are.

Scenario No. 1. On numerous occasions the committee has documented situations where a patient-inmate of a public mental health facility no longer needs to receive treatment as an inpatient. An employee of the institution informs him of this fact and recommends or otherwise acts so that the individual moves to an alternate, less restrictive facility in the community. Later, it is determined that it is possible to establish a pattern of abuse in this alternate facility of the constitutional rights of its residents.

Both conditions of the law have been satisfied. The "State action" principle has been met by virtue of the specific placement act of the employee, and the principle of "pattern of abuse" in the facility has been established through appropriate inquiry. In this instance, the Attorney General should have the authority to intercede on behalf of the aggrieved residents living in that facility as a consequence of State action. We have found significant evidence of this scenario being repeated all over the country. States have, in many instances, acted irresponsibly. They have dumped from their State hospitals thousands of former mental patients and placed them in essentially unregulated community residences where their rights have been seriously abused. This bill should hold the States and others involved accountable for these acts.

The second scenario also satisfies the two principle criterion of H.R. 10. In this situation, one that we have observed in Illinois and other States, the person or persons involved either live at home or are patients in a facility, which may be privately owned. For a variety of reasons, the State or local unit of government acts to move that individual to another specific location. Frequently, for example, the State welfare office will make arrangements to relocate an individual from a general hospital to a long term care facility. Later, sufficient evidence is accumulated to demonstrate that a pattern of abuse is taking place in this facility. In this instance, the State has acted by placing the individual into this facility where a pattern of abuse is alleged. Once again, I would hope that the Attorney General would have the specific power to intervene in this situation. The State or local unit of government should be held accountable for their acts and the rights of this often disenfranchised group should be protected.

Mr. Chairman, I urge the immediate passage of this important measure.●

Mr. KASTENMEIER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

That as used in this Act—

(1) the term "institution" means any facility or institution—

(A) which is owned, operated, or managed by or provides services on behalf of any State or political subdivision of a State; and

(B) which is—

(i) for persons who are mentally ill, disabled, or retarded, or chronically ill or handicapped;

(ii) a jail, prison, or other correctional facility;

(iii) a pretrial detention facility;

(iv) for juveniles held awaiting trial or residing for purposes of receiving care or treatment or for any other State purpose; or

(v) providing skilled nursing, intermediate or long-term care, or custodial or residential care;

(2) the term "person" means an individual, a trust or estate, a partnership, an association, or a corporation;

(3) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or any of the territories and possessions of the United States; and

(4) the term "legislative days" means any calendar day on which either House of Congress is in session.

Sec. 2. Whenever the Attorney General has reasonable cause to believe that any State or political subdivision of a State, any official, employee, or agent thereof, or other person acting on behalf of a State or political subdivision of a State is subjecting persons residing in or confined to any institution to conditions which cause them to suffer grievous harm and deprive them of any rights, privileges, or immunities secured or protected by the Constitution or laws of the United States, and that such deprivation is pursuant to a pattern or practice of resistance to the full enjoyment of such rights, privileges, or immunities, the Attorney General for or in the name of the United States may institute a civil action in any appropriate United States district court against such party for such equitable relief as may be appropriate to insure the full enjoyment of such rights, privileges, or immunities, except that such equitable relief shall be available to persons residing in an institution as defined in paragraph (1)(B)(ii) of the first section of this Act only insofar as such persons are subjected to conditions which deprive them of rights, privileges, or immunities secured or protected by the Constitution of the United States. The Attorney General shall sign the complaint in such action.

SEC. 3. (a) At the time of the commencement of an action under section 2 of this Act, the Attorney General shall certify to the court—

(1) that, at least thirty days previously, he has notified in writing the Governor or chief executive officer and attorney general or chief legal officer of the appropriate State or political subdivision of the State and the director of the institution of—

(A) the alleged pattern or practice of deprivations of rights, privileges, or immunities secured or protected by the Constitution or laws of the United States;

(B) the supporting facts giving rise to the alleged pattern or practice of deprivations, including the dates or time period during which the alleged pattern or practice of deprivations occurred and, when feasible, the identity of all persons reasonably suspected of being involved in causing the alleged pattern or practice of deprivations; and

(C) the measures which he believes may remedy the alleged pattern or practice of deprivations;

(2) that he or his designee has made a reasonable effort to consult with the Governor or chief executive officer and attorney general or chief legal officer of the appropriate State or political subdivision and the director of the institution, or their designees, regarding assistance which may be available from the United States and which he believes may assist in the correction of such pattern or practice of deprivations;

(3) that he is satisfied that the appropriate officials have had a reasonable time to take appropriate action to correct such deprivations and have not adequately done so; and

(4) that he believes that such an action by the United States is of general public importance and will materially further the vindication of the rights, privileges, or immunities secured or protected by the Constitution or laws of the United States.

(b) Any certification made by the Attorney General pursuant to this section shall be signed by him.

SEC. 4. (a) No later than one hundred and eighty days after the date of enactment of this Act, the Attorney General shall, after consultation with State and local agencies and persons and organizations having a background and expertise in the area of corrections, promulgate minimum standards relating to the development and implementation of a plain, speedy, and effective system for the resolution of grievances of adult persons confined in any jail, prison, or other correctional facility, or pretrial detention facility. The Attorney General shall submit such proposed standards for publication in the Federal Register in conformity with section 553 of title 5, United States Code. Such standards shall take effect thirty legislative days after final publication unless, within such period, either House of the Congress adopts a resolution of disapproval. The minimum standards shall provide—

(1) for an advisory role for employees and inmates of correctional institutions (at the most decentralized level as is reasonably possible) in the formulation, implementation, and operation of the system;

(2) specific maximum time limits for written replies to grievances with reasons thereto at each decision level within the system;

(3) for priority processing of grievances which are of an emergency nature, including matters in which delay would subject the grievant to substantial risk of personal injury or other damages;

(4) for safeguards to avoid reprisals against any grievant or participant in the resolution of a grievance;

(5) for independent review of the disposition of grievances, including alleged reprisals, by a person or other entity not under the direct supervision or direct control of the institution.

(b) The Attorney General shall develop a procedure for the prompt review and certification of systems for the resolution of grievances of adult persons confined in any jail, prison, or other correctional facility, or pretrial detention facility, which may be submitted by the various States and political subdivisions in order to determine if such systems are in substantial compliance with the minimum standards promulgated pursuant to this section. The Attorney General may suspend or withdraw such certification at any time if he has reasonable cause to believe that the grievance procedure is no longer in substantial compliance with the minimum standards promulgated pursuant to this section.

(c) In any action brought pursuant to section 1979 of the Revised Statutes of the United States (42 U.S.C 1983) by an adult person convicted of a crime confined in any jail, prison, or other correctional facility, the court shall continue such case for a period not to exceed ninety days in order to require exhaustion of such plain, speedy, and effective administrative remedy as is available if the court believes that such a requirement would be appropriate and in the interest of justice, except that such exhaustion shall not be required unless the Attorney General has certified or the court has determined that such administrative remedy is in substantial compliance with the minimum acceptable standards promulgated pursuant to this section.

SEC. 5. The Attorney General shall include in his report to Congress on the business of the Department of Justice prepared pursuant to section 522 of title 28, United States Code—

(1) a statement of the number, variety, and outcome of all actions instituted pursuant to this Act;

(2) a detailed explanation of the process by which the Department of Justice has received, reviewed, and evaluated any petitions or complaints regarding conditions in prisons, jails, or other correctional facilities, and an assessment of any special problems or costs of such process, and, if appropriate, recommendation for statutory changes necessary to improve such process; and

(3) a statement of the nature and effect of the standards promulgated pursuant to section 4 of this Act, including an assessment of the impact which such standards have had on the workload of the United States courts and the quality of grievance resolution within jails, prisons, and other correctional or pretrial detention facilities.

Mr. KASTENMEIER (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. KASTENMEIER

Mr. KASTENMEIER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KASTENMEIER: On page 15, after line 19 add the following new section:

SEC. 6. This Act shall take effect on October 1, 1979.

Mr. KASTENMEIER. Mr. Chairman, I will take less than a minute.

This amendment is purely technical. It is offered to bring the act into clear compliance with the Budget Act. The effect of the amendment will be to make H.R. 10 effective at the beginning of fiscal year 1980.

Mr. Chairman, I know of no opposition to this. This is agreed upon by the Rules Committee. I ask for its adoption.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, this, of course, establishes an effective date of the act. We have also a provision in section 4 that no later than 180 days after the date of enactment of this act, the Attorney General shall promulgate the standards.

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I judge that the effective date of the act does not alter that 180-day standard in the act.

Mr. KASTENMEIER. No; it does not.

Mr. BUTLER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. KASTENMEIER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: On page 9, line 4 strike "or provides services on behalf of".

Mr. KINDNESS. Mr. Chairman, I offer this amendment on page 9 at line 4 for the purpose of further clarifying what was attempted to be clarified in the change from H.R. 9400 of the last Congress to H.R. 10 in this, the 96th Congress. The problem is that it has not been very clear that where a State or local government contracts with some private party for the operation of an institution, that that institution or those services will or will not be covered, but particularly where there might be medicare or medicaid patients in a private institution the question is still a little cloudy as to whether we are intending to cover such private nursing homes, for example, or hospitals.

The language that would be stricken by this amendment is the words, "or provides services on behalf of". That would leave subsection (A) on page 9, starting on line 3, with reference to an institution and defining it, "an institution which is owned, operated, or managed by any State or political subdivision of a State * * *"

It would no longer read, if this amendment were adopted, an institution "* * * which is owned, operated, or managed by or provides services on behalf of any State or political subdivision of a State * * *"

I think it is necessary to make it clear that we are not trying to cover private institutions that incidentally provide services for or on behalf of a State. I think the language of the bill would be greatly clarified by striking these words, making it clear that we only intend to cover those institutions that are owned, operated, or directly managed by State or local governments. The arguments that have been made in the committee concerning this language are very unclear to me. I remain unconvinced that there is a serious intention on the part of the authors of the bill to really clarify this point, because they insist on keeping this language in that says, "or provide services on behalf of * * *"

That means welfare patients, medicare and medicaid patients, in private nursing homes are indeed going to be covered by this bill. No matter how obtuse or acute the arguments presented, it still comes out the same way.

I do not see why we insist upon excluding items containing language such as I seek to strike by this amendment. I would urge the adoption of the amendment. Those who really want the bill to pass and serve a purpose ought to be willing to support such an amendment as that, at least.

Mr. RAILSBACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the subcommittee and the committee spent a great deal of time discussing this particular amendment. We struck the term, "or pursuant to a contract * * *" in our mark-up, which had followed the words, "on behalf of * * *" but did not want to exclude an institution which provides services on behalf of any State or political subdivision of a State.

Now, here is why we want that language left in: Supposing a State closes down a State institution such as a nursing home or an orphanage or some other facility, and places the residents in other facilities, pays for the residents, make referrals to those facilities and acts as a partner with the facility. It can be said that the institution is acting on behalf of the State. Now, we do not want to immunize any person of facility from liability for actions which are on behalf of the State or similarly covered under the nexus of civil rights laws. We think it would be a big mistake to knock out that language, and we may unintentionally be really harming our bill. So, I rise in strong opposition to the amendment.

Mr. GUDGER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered by the gentleman from Ohio.

The gentleman would limit the term "institution" to only those facilities which are owned, operated, or managed by a State or political subdivision of a State, and which are for the purposes listed in subparagraph (B) of the first section.

First, I would like to note that the term "institution" as already defined in H.R. 10 is narrower than the same term defined during the 95th Congress in H.R. 9400. An amendment proposed by me was adopted by the subcommittee to delete the words, "or pursuant to a contract with * * *."

Now, that amendment clarifies that a private facility which has a contract with the State, for example, to render medicare or medicaid services, could not, based solely on that contract, be brought within the scope of H.R. 10. In general, H.R. 10 does not cover private facilities. Certainly purely private conduct, no matter how wrongful, is not subject to suit under this legislation. H.R. 10 could cover a private facility only if that facility were providing services on behalf of a State or political subdivision, a situation which could exist under the circumstances mentioned by the gentleman from Illinois (Mr. RAILSBACK) when he suggested that a State could close down a facility and assign to a private institution by contract or otherwise the function of rendering that particular traditional State service. Such a facility under H.R. 10 would have a public nexus, and it should not be immune from suit under this legislation.

I am afraid that the amendment offered by the gentleman from Ohio would exempt a private institution which is acting for the benefit of the State and at the request of the State and rendering a service traditionally rendered by the State from having that public nexus. He would exclude that institution from accountability. I think this does damage to the essential purpose of this legislation, narrows it too much and defeats its ultimate purpose of making sure those services which a State has traditionally rendered to its citizens should be accountable by the State and by those who operate for the State or on behalf of the State or in the place of the State.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. GUDGER. I will be happy to yield.

Mr. KINDNESS. Is the gentleman indicating that it is his thinking and intention that the private institution that incidentally cares for medicare or medicaid patients would not indeed be covered by this language?

Mr. GUDGER. Certainly it was my intent when I offered the amendment in the subcommittee deleting the words, "* * * by contract with * * *" that that be the effect of this legislation. That is that private institutions which are taking the place of the State in rendering traditional State services, such as to the mental patient, to the prison inmate, to the handicapped or seriously retarded child, that these would be the classes that would be subject to litigation by the Attorney General. Certainly persons are exempt who are receiving private services under contract of their own negotiation with a private institution which is rendering some form of nursing or rest home care.

□ 1300

We discussed in subcommittee, as the gentleman will recall, that there are about 125,000 different rest homes and nursing homes in the United States, and that it was certainly not the sense of the subcommittee that all of these, just because they provided some medicare- or medicaid-funded service, would be subject to litigation under this act.

Mr. KINDNESS. I thank the gentleman for that assurance of his intention, and if I felt it was really shared by the other proponents of the bill, I would feel a lot more comfortable about it, and the need for this amendment would perhaps be erased. However, the adherence to the desire to maintain this language in the bill has caused me to feel quite uncomfortable about what the intention really is.

Mr. GUDGER. I certainly honor the gentleman's bona fides, and I know that he has been a very, very important member of the committee and has addressed very important concerns to the subcommittee and to the full committee concerning this and many other matters.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The amendment was rejected.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: On page 9, strike the language beginning on line 10 through to the semicolon on line 11.

On page 9, line 16, strike "(v)" and insert "(ii)".

Mr. KINDNESS. Mr. Chairman, I would draw to the attention of those who may have seen this amendment at an earlier stage when it was published in the RECORD, at which time it referred to striking more language down to the semicolon on line 15, that this amendment is slightly different from that which was in the RECORD earlier. This amendment would strike only the language contained in lines 10 and 11 that read: "a jail, prison, or other correctional facility;".

The purpose of the amendment is to remove from the term "institution" or the definition of the term "institution" a jail, prison, or other correctional facility. The Members may recall—certainly everyone who is here recalls, because everyone is on the Committee on the Judiciary I guess—there was quite a hassle on the floor last year about removing jails and prisons from the coverage of this bill. The gentleman from Pennsylvania (Mr. ERTEL) was the author of an amendment which was successful at one stage in removing jails and prisons from the coverage of the bill. The problem with this measure in the main is that we are attempting to do something that we do not have the guts to do directly, that is, to amend the Civil Rights Act for some people—for prisoners. We are providing in this measure for a grievance-procedure clearance program to be set up so that the Attorney General would give the Good Housekeeping Seal of Approval to grievance procedures adopted by State and local governments for their jails and prisons. This gives the Attorney General the "lead in" for controlling our jails and prisons through that approval procedure. Mark my word, we will see it happen if this bill passes that within a few years we will not be able to get any LEAA funds in our jurisdictions, that is, State or local, if there is a prison that does not have an approved grievance procedure that comes about under the terms of this bill. All of these things start this way. They start a little bit small, and those people down at the Department of Justice or in some other department or agency who are being paid to do something have to find something to do with their time, and they dream up things that we find it very difficult to live with in State and local government.

We also have physical facility standards that are causing quite a bit of difficulty in some of the States. Do we have to wait until the jails and prisons are closed down by Federal fiat before we recognize that we are creating a problem? Why not be cautious about this and leave jails and prisons out of this?

The high-sounding talk here, in the main, is directed at people in institutions for the mentally retarded, for mental illness, and the like, and there is where we are saying we must help these people. That is not where most of the action is going to be under this bill. Most of the action is going to be with respect to jails and prisons and correctional facilities. We do not have any business telling the States and local governments that they have got a problem, and highlight it by a lawsuit, when we have the kinds of problems that we have existing in Federal institutions

For that matter, look at Saint Elizabeth's Hospital that comes under the Department of HEW. That is not a District of Columbia agency; that is a HEW agency. What are we doing there? Passing this bill to help things down at Saint Elizabeth's? No; it does not work that way. The Department of Justice would have to defend a claim against Saint Elizabeth's if there was a problem there of depriving people of their constitutional rights, and, indeed, there is such a problem.

Let us be reasonable about this and at least not put in jails and prisons under the coverage of institutions in this bill. That is what the bill really is all about, of course. We are trying to cut down on section 1983 cases under the Civil Rights Act, and it will not work. This bill will not do it. So why do we not pass a bill, if it is going to be passed, that at least restricts itself to what the people are saying it is supposed to be doing; help people in institutions for the mentally ill and mentally retarded, and leave jails and prisons out of it?

Mr. KASTENMEIER. Mr. Chairman, I rise in opposition to the amendment. The degree of civilization in a society can be judged by entering its prisons, Dostoievsky said a long time ago. As the gentleman from California (Mr. LUNGREN) and others have suggested, it might be easy to remove prisons from coverage under this bill. We have already limited the coverage, but I plead with my colleagues not to respond to this amendment by removing prisons. We are talking about a pattern or practice of abuse of constitutional rights, not statutory rights but constitutional rights only for prisoners.

The gentleman from Ohio (Mr. KINDNESS) himself said, "Do we want to wait for the prisons to be shut down before we recognize we have a problem?" I hope the answer is no, and I hope that we will keep prisons in the ambit of this legislation. We, in fact, went through this last year. We debated this fully last year. The House expressed its will. This will is again expressed in this bill as presently constituted. We limit the Attorney General's authority to initiate actions under this legislation covering a jail, prison, or other correctional facility to cases involving conditions which violate constitutional rights, privileges, or immunities, for example, the eighth amendment prohibition of cruel and unusual punishment. For the bill to have any credibility at all, I plead with my colleagues to reject this amendment because prisoners, even though they may not be the most popular of those who are discriminated against in our institutions, are also entitled to be protected against dehumanization and brutality. We would have failed if we were to agree to this Kindness amendment.

Mr. Chairman, I yield back the remainder of my time.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, with some reluctance I oppose the amendment of my good and valued friend, the gentleman from Ohio (Mr. KINDNESS), but if we take the prisons out of this bill, we leave an enormous segment of people, of human beings, despite the circumstances which forced them to be confined, vulnerable to the very practices and patterns that this bill is designed to eradicate. It is particularly appropriate in my State of Illinois, certainly not one of the poorer States of the Union, where the prisons are literally run by street gangs from the city of Chicago and the guards are terrorized by them. God help someone if he is convicted of some offense and is thrown in there.

□ 1310

It does not do to say that the Attorney General will correct the situation, the State legislature will correct the situation, the John Howard Association will correct the situation. It has persisted. It has persisted for years. It is not getting better.

Meanwhile, the priorities and attention of our State legislatures throughout the country, our Congress, are attracted to other things.

We have advocates for funding the humanities and the arts. We have advocates for highways. We do not seem to have any people lobbying to make the prison conditions a little less barbaric than they have been year after year after year.

Now, I do not want to impose burdensome costs on the already limited treasuries of the States and they are demanding balanced budgets of the Federal Government. Some of them have surpluses, but, believe me, if you have a certain amount of tax dollars available to you you must have your priorities. Treating human beings like animals in a zoo, which might be an improvement for the way they are treated in some of the jails, and in the jails in my own State I am ashamed to admit, it does not seem to me the way we ought to go.

This bill simply provides one more door to walk through under certain controlled conditions. Prisoners, the prison system and penal reform is the great untapped, unresolved problem of our time. I submit that to pass this amendment would be a giant leap backward from doing the slightest little thing about this problem and I hope this amendment is defeated.

Mr. GUDGER. Mr. Chairman, I move to strike the requisite number of words and I will speak in opposition to the amendment.

I wish to commend the gentleman who has just spoken for his very clear definition of a very tragic problem that does exist in America. That is to provide more humane treatment in our prisons.

I would point out to the proponent of this amendment that this bill has been very, very carefully balanced to afford the States considerable protection against arbitrary or abusive institution of actions by the Attorney General, or anyone on his staff, in the provision requiring that the Attorney General must communicate with the Governor, with the attorney general of the State involved, and with the director of its prison system and give opportunity for correction of any constitutional abuses which may be gravamen of his complaint.

In addition to that, there is a process here which has peculiar application to the prison problem, and it is in section 4 of the act, in that, in any State where there has been an inmate grievance procedure adopted (so that the grievances and protests of prison inmates may have a due process proceeding) there is a stay order available so that the civil action cannot proceed until that grievance proceeding has been exhausted. This has application only to the prison problem.

As pointed out by the chairman in his opening remarks in opposition to this amendment, with which I fully concur, only the deprivation of a constitutional right can trigger any action by the Attorney General against the State on account of any abuse of adult prisoners.

We do not have as broad a spectrum of relief for them as is afforded for others.

Mr. Chairman, I contend the bill has been very, very carefully reasoned out and when the subcommittee and the committee declined or rejected this amendment proposed by the gentleman from Ohio (Mr. KINDNESS), in all good faith I know, they did so feeling that this is a segment of society where the institutionalized particularly require the professional attention of the Attorney General. I am immensely gratified to be able to point out that the Attorney General's representative in testifying before our committee said he did not anticipate that in all this spectrum of litigation there would be more than four or five cases per year instituted by that office, including prison offenses.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield to me?

Mr. GUDGER. I will be happy to yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, on the last point the gentleman made, I think he has just pointed up why we do not need this bill. The Attorney General, himself, has said 4 or 5 cases a year would be involved. Let us take that part out.

I just wonder if the gentleman would agree, however, that nearly all the situations which give rise to deprivation of constitutional rights or privileges in jails and prisons involve the need for more funds. That is more personnel, better facilities and what have you, so as to maintain the kind of control so we do not have in the jails and prisons the kind of situation to which the gentleman from Illinois (Mr. HYDE) referred.

It all takes money and there is no money in this bill. We have given every consideration to the States except the ability to overcome the problems.

Mr. GUDGER. I would like to respond in this fashion. In North Carolina we found ourselves confronted with a burgeoning prison population. We had to adopt an automatic parole procedure. We had to increase the size of our parole board. We had to do many things to try to reduce that population so they could have more humane conditions as a result of a reduced population.

There are many ways to deal with this problem other than spending additional dollars.

Mr. RAILSBACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, under the leadership of the chairman of this subcommittee, the Subcommittee on Courts, Civil Liberties and Administration of Justice, for about the last 4 years has been making a series of visits to correctional facilities. I must say before we embarked on our prison visits and our jail visits I really had no idea, I had no idea what the conditions were in many of our correctional facilities. I want to preliminarily point out that the conditions are not only bad in some institutions for the inmates or the offenders, they are very bad for the people who are the correctional officers or guards.

Without a doubt, most of the facilities we visited are archaic, they are outmoded and they are antiquated. However, in many of our correctional facilities in this country, the prison administrators are well motivated. They are as well motivated as we are. The correctional officers are well motivated, a majority of them trying to do a good job under tremendous adverse circumstances.

However, without a doubt, there are some institutions, some few institutions in some few States where, when we visited with the inmates, we were told of tear gassing, we were told of hosings, we were told of assaults and, as I understand it, the thrust of this bill is meant to deal with those very few instances where three things have happened:

First, there has been a system or pattern of abuse.

Second, there must be grievous harm to the people who have been abused or deprived of their constitutional rights.

A third thing is mentioned by my friend, the gentleman from North Carolina (Mr. GUDGER). We made a distinction in this bill, kind of an accommodation, so that we distinguish between the treatment that we protect as far as mental health people and prisoners are concerned.

A final point I want to make is before the Attorney General could ever move into a State there would have to be those three things, including a deprivation of constitutional rights.

□ 1320

So I think with all the protections that we afford in this bill it would be tragic to take out prisoners when we know that there are something like 300,000 prisoners in our Federal and State penitentiaries, 36 percent of that number under the age of 25; so I urge the defeat of the amendment.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. RAILSBACK. I yield to the gentleman from Arkansas.

Mr. BETHUNE. Mr. Chairman, I would like to ask the gentleman, the bill says in section 2 that whenever the Attorney General has reasonable cause to believe that this might occur. I would like to ask the gentleman, who would investigate the allegations and how would that process be carried out?

Mr. RAILSBACK. As I understand it at the present time, there is a special litigation section which is responsible for the institutions' litigation and it presently has a staff of 30 people. There are 18 lawyers and others of professional and clerical personnel.

It would be our expectation, incidentally, that we would not have to really raise the staff level, because there already is a staff in place. My understanding is that there have been some cases, for instance, when the court itself has actually asked the Department of Justice to investigate. I think there have been others where maybe an inmate has alleged a pattern of abuse or extensive pattern of abuse. Then I think that the litigating section that I mentioned would be the ones that would send out a team and would investigate; but it is most important, I think, to remember that before anything would be initiated, there would have to be notice to the State to try to permit it to correct whatever might be the alleged deficiency.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. RAILSBACK) has again expired.

(At the request of Mr. BETHUNE, and by unanimous consent, Mr. RAILSBACK was allowed to proceed for 2 additional minutes.)

Mr. BETHUNE. Mr. Chairman, if the gentleman will yield further, I understand that presently throughout the country there are a great number of lawsuits that are being tried in the Federal district courts to try to decide minimum standards for certain institutions.

I wonder if the gentleman has any idea how many manhours are being spent by private attorneys in those cases now and in the event this legislation is passed will the Attorney General then be responsible for taking over that sort of litigation and, if so, how will he meet that burden, inasmuch as I anticipate a deluge of complaints once this law is enacted.

Mr. RAILSBACK. Mr. Chairman, if I could just respond, I think that it is our belief that this would not result in any kind of deluge. As a matter of fact, the witnesses that testified before our committee indicated that they would use this very sparingly, that is my understanding. As a matter of fact, they believe it is only necessary for two additional staff attorneys.

I think the Justice Department is not going to either initiate or intervene unless there is really a serious pattern of abuse.

I would also say to the gentleman that that really, as I understand it, is our intent. We do not want the Department of Justice to go out with an increased bureaucracy to run all over the country looking for problems; but we do think we need this authority which they once had, which I think in the past they used very wisely.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. RAILSBACK. Yes, if I have the time, I will yield.

Mr. KINDNESS. Mr. Chairman, for further elucidation on that, I was trying to find it in the committee report, but there is a place in the committee report where it says the Justice Department can call on the FBI, of course, to conduct thorough investigations of institutions, taking photographs and collecting relevant data on institutional conditions and the Department then, we are told, can call upon the Federal Bureau of Prisons, the LEAA, and even the Department of Health, Education, and Welfare, to evaluate that data.

Mr. SAWYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I want to say, I find it a little strange to have the argument advanced that we should include money in the bill to, in effect, subsidize or pay a State to not deprive a citizen and a resident of his constitutional rights. It seems to me that any State that opts to institutionalize people has an inherent obligation of according to them their legal and constitutional rights.

Very recently in Michigan on referendum we repealed or voted to eliminate good time in our prisons. As our Governor, Governor Milliken, recently pointed out, this is going to require the building of some four additional penal institutions in the State and he also pointed out that by voting to eliminate good time he felt there was a clear implied authority by the people of the State to bear the additional tax burden of constructing those institutions. I see no argument, based on the fact that we are not providing money to the States so that they will accord their people the rights protected to them under the Constitution.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I could address a question to complete this colloquy with the ranking member of the subcommittee, we were in the midst of discussing the issue from the point of view of whether or not this is going to be an increase in the bureaucracy. In response to the gentleman's question, the gentleman referred to the special litigation section existing in the Justice Department in dealing with institutionalized litigation matters.

Was it not the testimony of the Justice Department that it was their expectation that with the enactment of H.R. 10 we would not increase appreciably the number of suits which the Department has been involved in?

Mr. RAILSBACK. Mr. Chairman, would the gentleman yield?

Mr. FISH. I would be happy to yield to the gentleman from Illinois.

Mr. RAILSBACK. Yes; that is exactly my understanding. If I could, I would just like to mention that there are 24 so-called mental health type cases presently pending. Ten of those are amicus; 14 are the plaintiff-intervenor status, and then there are 16 relating to prisons or jails. Of that number, 6 are amicus and 10 are plaintiff-intervenor status.

Now, I think it is significant that even including the Solomon case, which is the reason we are acting today, there were only three instances where the Department of Justice had initiated.

Mr. FISH. Mr. Chairman, may I ask one other question of the gentleman that I think is important. Let us assume this amendment prevails——

Mr. RAILSBACK. Let us hope not.

Mr. FISH. There are avenues for the inmate to pursue in the exercise of his constitutional rights, but would not the gentleman say that in the absence of the presence of the Attorney General of the United States, it would be very difficult for one prisoner to ever prove adequately in court a pattern and practice existing throughout the entire institution.

Mr. RAILSBACK. Well, if the gentleman would yield, I would think that it would be extremely difficult to prove. I think it is true probably only in the most heinous type cases.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am glad to yield to the gentleman from Arkansas.

Mr. BETHUNE. Mr. Chairman, the gentleman's inquiry seems to go to the question of how many attorney man-hours would be used in the event that this amendment fails, both in the Department of Justice and perhaps at the State level. Perhaps the gentleman knows, I spent 4 years in the FBI investigating cases. I am not so much concerned with the amount of attorney hours, either in the Department of Justice or at the local level that would be spent on suits of this nature. What I am concerned about is the amount of investigative hours that would be used when the FBI is already overburdened with investigative matters. I am concerned to know whether or not the committee inquired of the FBI whether or not they could handle the additional workload here.

Mr. FISH. Well, I am not in a position to answer the gentleman, but I would be glad to yield to the gentleman from Ohio (Mr. Kindness).

Mr. KINDNESS. Mr. Chairman, I thank the gentleman for yielding. Not being a member of the subcommittee, I also did not hear anything on this; but my understanding on this is, and the committee report indicates that, the burden of investigation would be placed on the FBI.

☐ 1330

There is no question that just on the basis of reasonable speculation there will be quite an upsurge in demand for investigative time. The Department of Health, Education, and Welfare can also be called upon, and if we do not have any estimate of what it would cost over there, I think it is rather absurd to have before us a committee report pointing out that it is projected this bill is only going to cost $81,000 in fiscal year 1980. That is just unbelievable, unreal, and unrealistic.

Mr. BETHUNE. Mr. Chairman, if the gentleman will yield further, as the author of the amendment I am sure he sees my point. While we can cite the number of cases that are being tried along this line in Federal district court, that is one thing. But that is only the tip of the iceberg.

The CHAIRMAN. The time of the gentleman from New York (Mr. Fish) has expired.

(On request of Mr. Bethune, and by unanimous consent, Mr. Fish was allowed to proceed for 2 additional minutes.)

Mr. BETHUNE. Mr. Chairman, will the gentleman yield further?

Mr. FISH. I yield to the gentleman from Arkansas.

Mr. BETHUNE. Mr. Chairman, that is just the tip of the iceberg. Beneath the surface there are a great many investigative man-hours that are burned up in this kind of investigative work.

I am concerned to know, before I vote on this measure, just what the expectation is in that regard. I envision under the bill as drawn that the Attorney General might have a reasonable cause to believe that if he were to receive two affidavits from an inmate in a pentitentiary, that would immediately cause him in the interest of thoroughness to ask the FBI to undertake an investigation.

Mr. FISH. Mr. Chairman, I will yield to a member of the subcommittee to respond.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, I want to thank the gentleman for yielding.

Let me just read one other part of the testimony by the Justice Department which I think I neglected to read before, and that is this:

> It would be our expectation that with the enactment of this legislation we would not increase appreciably the number of suits that we have been involving ourselves in.

So my reaction is that they do not expect to do much more or impose any more hardships on even the Federal Bureau than they have in the past, and when we look at their history of involvement in the past, it really is quite minimal.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

I do not think there is any mandate that the FBI handle all these investigations. Many of them are done by newspapers and by undercover people. They can be done by the John Howard Association and people who are concerned, including the League of Women Voters, whose members visit nursing homes and places like that. It does not have to be the FBI.

Mr. Chairman, when we start putting a dollar sign on people's constitutional rights, our priorities are getting mixed up.

The CHAIRMAN. The time of the gentleman from New York (Mr. Fish) has expired.

The question is on the amendment offered by the gentleman from Ohio (Mr. Kindness).

The question was taken; and on a division (demanded by Mr. Kindness) there were—ayes 5, noes 18.

Mr. KINDNESS. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

☐ 1340

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have responded. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from Ohio (Mr. Kindness) for a recorded vote.

Does the gentleman from Ohio insist on his demand for a recorded vote?

Mr. KINDNESS. Mr. Chairman, I do indeed insist on my demand.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Kindness: On page 9, line 15 strike "or for any other State purpose".

Mr. KINDNESS. Mr. Chairman, the purpose of this amendment is to make it clear that this bill will not cover such things as the operation of public schools. That may seem just a little bit of a stretch, when you read the language of the bill that is sought to be dealt with, but if you will look carefully at the definition of "institution" on page 9, and then look at the exculpatory language included in the committee's report on page 18, you will see that the committee report deals somewhat tenderly with the subject of whether the language "or for any other State purpose" belongs in this bill.

The problem with the definition of the word "institution" is that it would allow to be covered by the bill any facility or institution for juveniles held awaiting trial or residing for purpose of receiving care or treatment," or for any other State purpose."

Juveniles are indeed held in schools until the bell rings, at least—and we all remember that—for a State purpose: education.

That alone would not worry me quite so much, but then if we look at the committee report, on page 18, near the bottom, says:

> The fourth facility or institution covered is any which is "for juveniles held awaiting trial or residing for purposes of receiving care or treatment or for any other State purpose". It is the intent of the committee that the term "juveniles" as used in this act means persons who are treated as juveniles by the relevant State or political subdivision of the State in which the institution is located or from which the juvenile has been placed. This term is intended to include any home, orphanage, residential school, or any housing or education setting in which juveniles reside or are held for any State purpose. The committee does not intend to cover nonresidential elementary or secondary schools, or public colleges and universities.

There is no other State purpose that has been cited to be considered. Why do we resort to confusing statutory language, namely, "or for any other State purpose," when nobody can tell us what it is there for and we have such rather odd language in the committee report to further confuse this situation?

Indeed, the language in the committee report muddies the water considerably, and I think that it is intended to include any education setting in which juveniles are held for any State purpose.

□ 1350

Now we must strike this language from the bill in order to clarify it, but those who will argue in opposition to this amendment will tell you, "Well, it is perfectly clear. The committee report makes it clear."

Why do we write bills, why do we write laws, that are confusing and uncertain and ambiguous? I do not know why, but we do it all the time. Sometimes we include such exculpatory language as is on page 18 of the committee report, but it does not help, because the words of the bill are clear enough that a court can determine that another State purpose is being served; and the court is not going to look at the legislative history if that is the case.

We have before us an amendment that allows us to clarify the bill in at least one important respect. I do not quite understand why the proponents of this measure have been so jealous of its provisions and so certain that they are right in every jot and tittle and every word that is in the bill, but here is one clear-cut case where no purpose has been cited for the existence of the language that this amendment seeks to strike.

Let us do it.

Mr. KASTENMEIER. Mr. Chairman, I rise in opposition to the amendment.

This language has been in this legislation and in predecessor legislation in the last Congress as a result of testimony by both the Department of Justice and the Children's Defense Fund.

The language is necessary, because some States do place juveniles in facilities for purposes other than for care or treatment, such as protection. Sad as it may seem, some juveniles under State protection have come to great harm.

We do not want to exclude from coverage any juvenile residential facility which the State may use for some purpose other than solely care or treatment.

As was pointed out, the report at page 18 makes it very clear the bill does not cover nonresidential elementary or secondary schools or public colleges or universities.

I might parenthetically add, the gentleman from New York (Mr. BIAGGI), is not here today. If he were, he would like to have raised the question of whether certain foster homes in which the State either operates or places children under certain conditions would be included. Such foster homes, of course, in part are for the purpose of protection of children, sometimes from parental abuse. This is the area particularly we want to protect.

I would have in a colloquy told the gentleman from New York (Mr. BIAGGI), that the term the gentleman from Ohio wishes to strike would have protected the children he sought to protect.

Mr. Chairman, I urge that the amendment be defeated as it was in the committee.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield on that point for clarification?

Mr. KASTENMEIER. I am happy to yield to the gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. Is the gentleman indicating that the interpretation that would be appropriate is that foster homes where juveniles are placed for protective care, would indeed be covered by this language?

Mr. KASTENMEIER. Not necessarily the home itself, unless the home were an institution wherein a pattern or practice could exist where a sizable number of juveniles were assigned by the State for a State purpose.

If the home were an individual home, a residential home, operated by, we will say, a family, and where there are only one or two children, then the home itself would not be included, but the State could be cited if its pattern or practice of assignments constituted collectively in the aggregate an abuse. That would be covered in terms of the State and the State act itself.

Mr. KINDNESS. Would the gentleman agree, though, that in those cases we are talking about care, residential care, that is already offered in one way or another? I am still having difficulty with "any other State purpose."

Mr. KASTENMEIER. I do not agree with the gentleman that "care" necessarily covers that situation.

For that reason, we would urge the defeat of the gentleman's amendment, so that we could be clear that this particular type of situation could be covered.

Mr. KINDNESS. But the gentleman would say though that the coverage of the bill could extent as far as foster care in an institutionalized setting with numbers of people residing there, and it could further extend to the problems that the State has or might have in administering a program in a nonconstitutional way involving the placement of juveniles in private homes for foster care?

Mr. KASTENMEIER. The gentleman is correct. I would like to take a moment to address one other issue.

Some have expressed the concern that the Department of Justice will somehow be empowered to determine medical policy under this legislation. While I can appreciate this concern, the intent of this legislation is to empower the Attorney General only to seek Federal court ordered relief from violations of constitutional and other Federal rights. It will be the courts which determine if constitutional minima are being ignored to such a degree that medical care and other professional services must be addressed, and in making that judgment the courts would most appropriately consult expert medical and professional witnesses who would guide the courts in fashioning appropriate equitable relief.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this particular amendment.

I support this bill because I think the reasons for it are worthy and that there is an absolute necessity for this type of approach for the various reasons that have been articulated here.

But I do think we ought to take a look at this particular amendment; because I think it points out one of the problems that seems to arise when we attempt to put good, legitimate reasoning into legislation, and that is the possibility of overreaching or overstatement.

Despite the fact that our particular report suggested that the phrase "or for any other State purpose," does not in this instance refer to schools, I would suggest that there would be a very easy interpretation to be utilized by a court at some future date.

Not only that, there has been some talk about particular circumstances with respect to foster-home situations. If that happens to be a purpose of this bill, then I think we ought to spell it out and not leave language as open-ended as "or for any other State purpose." Certainly, I cannot stand here in this well and try to conceive of all those "legitimate" interpretations that will come under such an open-ended statement.

I suggest that no one here could stand in this well and tell us exactly what that means, what "reasonable" interpretations are to be found by courts and by the Attorney General in attempting to carry out what he thinks the mandate of this bill is.

Overall, I think this is a worthy bill. I think it needs the support of my colleagues. But it needs improvement. I ask that my colleagues support this amendment so that we will not have an open-ended section of the bill. Even though we have attempted, in one report, to possibly eliminate its coverage for school systems, we have not fully thought out the other circumstances that could just as "reasonably" apply and for which this would be an overreaching.

This bill is to help us take care of extreme examples in an area where many levels of government—State, local, and Federal—have not taken a real hard look—such as prisons, and institutions that care for those who are disabled in one way or another. But really, let us not allow ourselves to use language that would extend this to areas that we do not consider here, that we do not imagine at this present time, and which would lay us open to the criticism that this is a bill which really does overreach the proper functions of the Federal Government.

Mr. RAILSBACK. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I am concerned about the amendment for a practical reason, and I would feel much more assured if I could be persuaded that the bill would cover the various people who are in custody of the State for something other than treatment or care.

One of the reasons that I am worried about striking out this language is the case called Gary W. against Stewart, which is a Louisiana case, which raises some questions, at least in my mind—that if we strike this language, we may unintentionally be omitting some of the categories of people who were involved in the Gary W. case.

In the Gary W. case, the Department intervened to enjoin Louisiana from its practice of sending—and note these categories—"emotionally disturbed, mentally retarded, delinquent, neglected, and abused children to privately operated child-care facilities in Texas."

☐ 1400

The Department conducted discovery in 38 child-care facilities spread across the State of Texas, and documented such practices as child beatings, solitary confinement, massive overdrugging, and even willful refusal to provide lifesaving medical care. What I am worried about is whether, if we strike this language, we may be leaving out, for instance, children that are simply under the care of the State or have perhaps been farmed out to another State to provide that care. So, I think when we recognize that, and then when we read the language of the report which goes to the concern expressed by my friend from Ohio (Mr. Kindness), then I think we should oppose the amendment.

I want to mention that the report language says this:

> It is the intent of the committee that the term "juveniles" as used in this Act means persons who are treated as juveniles by relevant State or political subdivisions of the State in which the institution is located, or from which the juvenile has been placed.

This is the question remaining:

> This term is intended to include any home, orphanage, residential school or any housing or education setting in which juveniles reside or are held for that State purpose. The committee does not intend to cover nonresidential elementary or secondary schools or public colleges and universities.

I kind of think that report language handles the problem.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield for clarification?

Mr. RAILSBACK. I yield.

Mr. KINDNESS. I was having a little difficulty with the explanation of the gentleman's position with regard to these other purposes that might be involved. Earlier there was cited an example of a juvenile receiving care in some unusual setting, but it does seem to me that there ought to be more confidence in the language already in the bill preceding this that defines "institution" to include facility or institution for juveniles held awaiting trial or residing for the purposes of receiving care or treatment.

That seems to be really fairly broad, and covers most of what we could possibly contemplate, but then we follow that with, "or for other State purposes."

I still cannot understand that the language preceding that is not adequate.

Mr. RAILSBACK. If I could just respond by saying that I understand the gentleman's concern which he has expressed very well. On the other hand, I guess that I am concerned that if we adopt the gentleman's amendment we may be omitting from the coverage of our bill somebody that may not literally be receiving treatment or care, but may be in custody; somebody that may be a neglected child, not receiving any treatment or care, but simply in custody.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(At the request of Mr. Kindness and by unanimous consent, Mr. Railsback was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. If the gentleman would yield further on that——

Mr. RAILSBACK. I would be happy to yield.

Mr. KINDNESS. My concern is that there has been no example cited that I can understand that says there is a problem that exists someplace else within this broad range of "or for any other State purpose."

Does the gentleman have a feeling that there has been an abuse that has to be dealt with?

Mr. RAILSBACK. The one example I cited, which as the gentleman knows is the Gary W. case, and the categories were cited in that case. I am not sure whether the existing language, if we adopt the gentleman's amendment, would really cover all these categories. I guess I am particularly concerned.

Mr. KINDNESS. Mentally retarded, delinquent, neglected, and abused children.

Mr. RAILSBACK. What happened in that case is that they are not all juveniles. Some of them may be neglected children. They came under the custody of the State, maybe not for treatment or care, but they came under the custody of the State and then they were farmed out to Texas by the State of Louisiana, and then they documented that there were a number of instances where there was some very serious mistreatment of all of those categories of children.

Mr. KINDNESS. The gentleman would agree, perhaps, that the other part of the definition would cover persons more broadly than juveniles who are mentally ill or retarded, and so forth?

Mr. RAILSBACK. Yes, I do.

Mr. KINDNESS. That is already covered.

Mr. RAILSBACK. I do concede that.

Mr. KINDNESS. But we are dealing here with just juveniles in this part of the definition, and with respect to just juveniles other than those receiving care or treatment, we do not know what it means.

Mr. RAILSBACK. I thought I just gave the gentleman an example.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Kindness).

The amendment was rejected.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. Murtha) having assumed the chair, Mr. Oberstar, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10) to authorize actions for redress in cases involving deprivations of rights of institutionalized persons secured or protected by the Constitution or laws of the United States, pursuant to House Resolution 241, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 342, nays 62, not voting 30, as follows:

[Roll No. 165]

YEAS—342

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Ashley
Aspin
Atkinson
AuCoin
Bafalis
Bailey
Barnes
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Broomfield
Brown, Calif.
Buchanan
Burgener
Burlison
Burton, John
Burton, Phillip
Butler
Byron
Campbell
Carr
Cavanaugh
Chappell
Chisholm
Clausen
Clay
Clinger
Coelho
Coleman
Collins, Ill.
Conte
Corcoran
Corman
Cotter
Courter
D'Amours
Danielson
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Dickinson
Dicks
Diggs
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Flood
Florio
Foley
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Giaimo
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gray
Green
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hanley
Harkin
Harris
Harsha
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Holland
Hollenbeck
Holtzman
Hopkins
Horton
Howard
Hughes
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kemp
Kildee
Kostmayer
LaFalce
Latta
Leach, Iowa
Leach, La.
Lederer
Lee
Lehman
Leland
Lent
Levitas
Lloyd
Long, La.
Long, Md.
Lowry
Lujan
Lungren
McClory
McCloskey
McDade
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marlenee
Marriott
Martin
Matsui
Mattox
Mazzoli
Mica
Michel
Mikulski
Mikva
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rosenthal
Rostenkowski
Roybal
Royer
Russo
Sabo
Santini
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Spellman
St Germain
Stack
Staggers
Stangeland
Stanton
Stark
Steed
Stewart
Stockman
Stokes
Studds
Swift
Synar
Tauke
Thompson
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wolpe
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—62

Archer
Ashbrook
Badham
Barnard
Bauman
Broyhill
Carney
Cheney
Cleveland
Collins, Tex.
Conable
Crane, Daniel
Daniel, Dan
Daniel, R. W.
Dannemeyer
Devine
Edwards, Okla.
Gibbons
Goldwater
Gramm
Grassley
Grisham
Hance
Hansen
Hinson
Holt
Huckaby
Hutto
Ichord
Jeffries
Kelly
Kindness
Kogovsek
Kramer
Lagomarsino
Lewis
Livingston
Loeffler
Lott
McCormack
McDonald
McEwen
Miller, Ohio
Montgomery
Moore
Mottl
Paul
Rousselot
Rudd
Satterfield
Shumway
Shuster
Solomon
Spence
Stenholm
Stump
Taylor
Thomas
Treen
Whittaker
Whitten
Wyatt

NOT VOTING—30

Anderson, Ill.
Baldus
Biaggi
Brooks
Brown, Ohio
Carter
Conyers
Coughlin
Crane, Philip
Evans, Ga.
Ford, Mich.
Forsythe
Hubbard
Jenrette
Leath, Tex.
Luken
Lundine
Marks
Mathis
Mavroules
Rahall
Ritter
Rose
Roth
Runnels
Stratton
Symms
Trible
Wright
Young, Alaska

☐ 1420

The Clerk announced the following pairs:

Mr. Baldus with Mr. Marks.
Mr. Biaggi with Mr. Anderson of Illinois.
Mr. Runnels with Mr. Brown of Ohio.
Mr. Wright with Mr. Forsythe.
Mr. Brooks with Mr. Ritter.
Mr. Ford of Michigan with Mr. Roth.
Mr. Jenrette with Mr. Young of Alaska.
Mr. Leath of Texas with Mr. Coughlin.
Mr. Stratton with Mr. Symms.
Mr. Rose with Mr. Trible.
Mr. Rahall with Mr. Philip M. Crane.
Mr. Lundine with Mr. Mathis.
Mr. Conyers with Mr. Carter.
Mr. Evans of Georgia with Mr. Mavroules.
Mr. Hubbard with Mr. Luken.

Mr. MURPHY of New York changed his vote from "nay" to "yea."

Mr. LEWIS changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 10, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation and the Committee on Public Works and Transportation may be permitted to sit tomorrow during the 5-minute rule.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, did the gentleman from Georgia ask permission for the full Committee on Public Works and Transportation to sit as well?

Mr. LEVITAS. I did, Mr. Speaker.

Mr. BAUMAN. Mr. Speaker, has the committee minority been advised of this request and have they agreed thereto?

Mr. LEVITAS. Mr. Speaker, I have spoken to the ranking member of the subcommittee and the ranking member of the full committee. They have no objection.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

REPORT ON RESOLUTION PROVIDING PROCEDURES DURING FURTHER CONSIDERATION OF S. 869, ETHICS IN GOVERNMENT ACT

Mr. BOLLING, from the Committee on Rules, submitted a privileged report (Rept. No. 96–212) on the resolution (H. Res. 281) providing procedures during the further consideration of the bill (S. 869) to amend section 207 of title 18, United States Code, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR THE COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

INCREASING AUTHORIZATION FOR FUNDING DISTRICT OF COLUMBIA SHARE OF METRO CONSTRUCTION COSTS

Mr. BOLLING. By direction of the Committee on Rules, I call up House Resolution 278 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 278

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget

Act of 1974 (Public Law 93-344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3914) to amend the National Capital Transportation Act of 1969 to increase the amount authorized for the District of Columbia share of the cost of the rapid transit system of the National Capital region, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1430

The SPEAKER pro tempore. The gentleman from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. Lott), pending which I yield myself such time as I may consume.

Mr. Speaker, there was no controversy on this rule. It is a very straightforward, 1-hour open rule. I know of no opposition to it.

Mr. Speaker, I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution provides for the consideration of the bill, H.R. 314, to increase the amount authorized for the District of Columbia's share of the cost of the rapid transit system.

This is an open rule, providing for 1 hour of general debate. There is a waiver of section 402(a) of the Congressional Budget Act, since the bill would authorize additional funds for the 1979 fiscal year and should have been reported by May 15, 1978. The Budget Committee has agreed to this waiver because, according to Chairman Giaimo, additional funding for fiscal year 1979 would be necessary in order to enable the District to qualify for Federal matching funds for Metro. The funds are also needed to support various Metro capital projects, particularly the purchase of about 90 new railcars on which bids are scheduled to be opened May 23.

H.R. 3914 would remove the ceiling imposed by the National Capital Transportation Act of 1969 to allow the District of Columbia to contribute such sums as necessary to fulfill its obligation under the Washington metropolitan transit authority compact. Since the cost of Metro has increased, all local governments must increase their contributions to it, and this legislation would allow the District of Columbia greater flexibility in meeting its requirements to the rail system.

The legislation specifically removes the limitation on the amount authorized as capital contributions to the Metro system but would involve no direct cost to the Federal Government.

Mr. Speaker, I support the adoption of House Resolution 278 so that we may proceed to the consideration of H.R. 3914.

Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. Bauman).

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from Mississippi.

I do not rise in opposition to the rule, but I do think the Members ought to look a little more closely at the legislation before us. The tendency is, I think, a great many times to assume that District of Columbia legislation is the province of the local government. The committee reports out the legislation. The argument is made that we should support home rule and, therefore, we should allow the District to have discretion to act.

Now, it is true that this bill that will shortly be before us removes a statutory limitation on the amount of money that the District of Columbia can put into the Metro system. That statutory limitation now is $269,700,000. I do not think it is an exaggeration to say that the Metro system has been one of the biggest boondoggles so far as financing that the District has ever engaged in and that is making quite a claim, because there have been so many of them, the Kennedy Stadium, or the Civic Center last year that was authorized, all of them potentially subjecting the Federal taxpayers eventually to picking up the tab.

Now, we can argue that they need more money for Metro and that under home rule they ought to decide how much more; but if we pass this legislation, in my estimation, the day will be here within a matter of months, if not weeks, when we will have to face an increased District of Columbia appropriation and Federal payment in order to make up for money diverted to Metro and other causes; so I think we should leave this limitation in place. If there is a necessity for increasing the funding for Metro, they ought to come to the Congress, home rule or no home rule, explain to us that case and then we can decide that issue; but to give them a blank check and remove this limitation, I think is a mistake.

I want to warn you also that we will be having before us shortly another bill dealing with increased funding for Metro. This is the first of a two-step process. I hope that when we vote on this legislation we will defeat it. I think the better part of prudence for our own taxpayers would call for that defeat.

I know that the gentleman from Connecticut (Mr. McKinney) and the gentleman from California (Mr. Dellums) and others will seek to overwhelm my arguments in the debate that will follow.

I thank the gentleman for yielding.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table

Mr. DELLUMS. Mr. Speaker, I call up the bill (H.R. 3914) to amend the National Capital Transportation Act of 1969 to increase the amount authorized for the District of Columbia share of the cost of the rapid transit system of the National Capital Region, and I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the National Capital Transportation Act of 1969 (D.C. Code, sec. 1-1443), relating to the District of Columbia contributions, is amended—

(1) by striking out "Commissioner" in subsections (a) and (d) and inserting in lieu thereof "Mayor"; and

(2) by striking out "aggregating not to exceed $269,700,000" in the first sentence of subsection (a); and

(3) by striking out "not to exceed $219,700,000" in the second sentence of subsection (a) and inserting in lieu hereof "such sums as may be necessary".

GENERAL LEAVE

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in explanation of this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DELLUMS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, H.R. 3914 is a bill to amend the National Capital Transportation Act of 1969, to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region.

This bill involves no Federal funds, it allows for an increased authorization for the use of District of Columbia general funds for Metro construction costs contributions. Since the cost of Metro construction has increased, it is necessary for all local governments to increase the amount of their contribution to Metro.

The authorization and appropriation of the requested $13.2 million of fiscal year 1979 funds is necessary as the money constitutes local matching funds required for use of the District of Columbia's entitlement of interstate highway transfer funds.

The District of Columbia Government submitted on April 30, 1979, to the President a supplemental budget request for fiscal year 1979 in the amount of $13.2 million. This supplemental money combined with the $41 million of the District's money previously appropriated would make the District Government's fiscal year 1979 contribution $54.2 million in capital construction and operating funds for Metrorail.

The committee has received informal indication that the House Appropriations Subcommittee on the District of Columbia is not opposed to this removal of the authorization ceiling for Metro construction funds.

Mr. Speaker, I strongly support and urge favorable consideration of H.R. 3914, a bill which will allow the District of Columbia to continue to participate as a full partner in the Metro rapid rail system.

Mr. Speaker, I yield back the balance of my time.

Mr. McKINNEY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of H.R. 3914, a bill to amend the National Capital Transportation Act of 1969 to increase the authorization for the funding of the District of Columbia's share of Metro construction costs.

Present law restricts the amount of money which the District can contribute as its share for the construction of Metro to $269.7 million. The District has reached the ceiling authorization, and to remain a full partner in the construction of Metro, the ceiling authorization would have to be increased.

Since the enactment of the National Capital Transportation Act of 1969, the District has contributed $964 million in interstate highway transfer funds to Metro and has approximately $991 million available in interstate highway transfers to be contributed in the future. The District has appropriated $41 million for Metro construction thus far in fiscal year 1979. However, an additional $13.2 million is necessary to be appropriated this fiscal year to enable the District to qualify for its entitlements under the interstate highway transfer fund. Without the change in the ceiling authorization as contained in the present law, the District will not be able to appropriate the sums necessary as "local matching funds" to enable it to qualify for its full entitlement of highway transfer funds.

Mr. Speaker, during a time of gasoline shortages and exploration of ways to conserve energy, the completion of the rapid transit system for the metropolitan area as expeditiously as possible makes good sense. H.R. 3914 will create no new budget authority, tax expenditure, nor direct cost to the Federal Government. Further, passage of this bill will enable the District of Columbia to continue as a full partner in the construction of Metro with the surrounding metropolitan jurisdiction at the same level as it has over the past 10 or 12 years.

For these reasons, I urge my colleagues to join me in support of H.R. 3914.

□ 1440

I would also suggest, and I am sure the gentleman will so ably answer me—and if I am not mistaken, the gentleman from Maryland (Mr. Bauman) will do just that, that we do not really do ourselves justice in criticizing Metro. Metro is running well, with ridership up, and when we can say that it started off without flaw. We are the creators of a marvelous thing known as the National Visitors' Center, where we are about to bulldoze out of existence $64 million worth of new construction and spend another $30 million to destroy what Congress said should be built. So there is guilt on both sides.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I yield to the gentle-from Maryland.

Mr. BAUMAN. Mr. Speaker, the gentleman says "we" did it. He may be saying, "thee," but not "me," because over the years a great many people have raised their voices over these various boondoggles.

One of the reasons why an outside limit, as I understand it, was set on the Metro system was to guard against the very problem that plagued us, and that is the problem of cost overruns. So we find ourselves at a little bit of a disadvantage.

The SPEAKER pro tempore (Mr. Richmond). The time of the gentleman from Connecticut (Mr. McKinney) has expired.

(By unanimous consent, Mr. McKinney was allowed to proceed for 5 additional minutes.)

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, one of the problems with this has been these constant cost overruns.

Could the gentleman tell the House, for instance, what the total cost of Metro has been so far and what its projected cost is before this present plan is finished.

Mr. McKINNEY. Mr. Speaker, if the gentleman from Maryland will allow me to say this, the figure I was using, is I think, only a generic one, and I realize that is not what the gentleman from Maryland wants. No. 1, let me say neither the gentleman from Maryland, nor the gentleman from Connecticut was here when the system started.

Mr. BAUMAN. And we may not be here when it is finished either, at the rate it is proceeding.

Mr. McKINNEY. There is every possibility we may not even be alive when it is finished.

Mr. BAUMAN. Exactly.

Mr. McKINNEY. Mr. Speaker, what I would like to say to the gentleman from Maryland is that I would be delighted to have the figures made available for the gentleman, and I will supply them for the gentleman and for the Record under the 5-day leave for extensions.

I was completely amazed when I was informed 15 minutes ago that I would be floor-leading this bill, because I understood it was scheduled for floor action tomorrow. I do not have the figures now, but I will put them in the Record.

Mr. BAUMAN. Mr. Speaker, we are going to be faced shortly with additional legislation dealing with financing Metro. What will that cost be in dollar amount, as far as bonds and authorizing bonds are concerned?

Mr. McKINNEY. Mr. Speaker, this essentially will be an authorization for a period of 7 years, which will require that the States, the local authorities, and the District set forth a "stable and reliable" source of funds. The total over the period will be $1.7 billion, which will, it is estimated, finish construction.

Virginia, Maryland and the local authorities will pledge certain moneys and the District will pledge certain moneys. It will be a finished pledged system. The Secretary of Transportation will still have to come back to Congress for appropriation authority every year, but the authority itself would be passed to finish it.

That is how we will finish the system.

Mr. BAUMAN. We are looking at another $1.7 billion at a minimum in order to complete the system?

Mr. McKINNEY. Yes, over a long period. The funding authorization starts out at $200 million and it rises to $375 million and levels off. Then it drops down to $75 million for the last year.

Mr. BAUMAN. Mr. Speaker, I would just say to the gentleman that my feeling would be that if this is not an adequate ceiling, the committee might have come in with an increased ceiling. That would have set a higher level, one against which the District would have to work, so some restraint would be placed on them so they would have the necessary funds to complete it.

Mr. McKINNEY. The reason we did not put a congressionally mandated ceiling on this was because then we would have congressionally mandated the matching funds from the States and the local jurisdictions next to the gentleman's district and next to the gentleman's State, the State of Virginia and the District of the gentleman from Virginia (Mr. Harris).

What we did was to say that "this is going to be a mutual sharing agreement among the local areas, the States, and the District."

The gentleman will notice that the gentleman from Connecticut has not put in his commuter tax this year because the gentleman is so anxious to have all this run so very smoothly.

Mr. BAUMAN. Then will that happen, I assume, after the gentleman sees that all these bills are passed.

Mr. McKINNEY. I really would not think so. Without being facetious, I believe I could say that the gentleman's constituents have the best of both worlds.

Mr. BAUMAN. So far as representation is concerned?

Mr. McKINNEY. That is right. The gentleman's constituents have the Metro system, and they come into the city, they do not have to pay into the local contribution, and they save lots of gas.

Mr. BAUMAN. Mr. Speaker, the gentleman was correct when he said the Metro system has not gotten to my constituents in Maryland yet, but high taxes have come there. I think most of our districts are in the same position, as far as complaints about Government costs are concerned.

My concern is that we are opening the door to greatly increased costs without a statutory limit that would work toward Federal fiscal responsibility in the future. That is why I oppose the bill, and for no other reason.

Mr. McKINNEY. Mr. Speaker, if the gentleman will allow me to digress, I believe the gentleman from Virginia (Mr. Harris) would like to answer some of our questions, and, therefore, I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would just make the point that this only has to do with the District's share, and that all funds have to be appropriated for the Federal share. The District's share becomes one of the functions of that control that we have, so that even though the gentleman may seem correct on that particular factor of the local share, there is not an authorization limitation.

There is such an authorization limitation with respect to the Federal share, and, therefore, it is limited because it has to be a part of the function of that 20-percent share vis-a-vis the Federal share.

The SPEAKER pro tempore. The time of the gentleman from Connecticut (Mr. McKinney) has expired.

Mr. DELLUMS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to offer a few comments that may clear up some of the thinking of my distinguished colleague, the gentleman from Maryland (Mr. Bauman), and, hopefully, that of the rest of my colleagues in the House.

The Budget Committee has informed the Committee on the District of Columbia that the bill before us does not involve any direct cost to the Federal Government as a result of enactment.

Secondly, I would like to point out that the matter before us is a matter concerning the budget process. As my colleagues know, the only reason why this matter is coming before us is because the District of Columbia must come before the House of Representatives for any authorization or appropriation of their own funds. That is the only reason this bill would come before us.

I would say to my distinguished colleague, the gentleman from Maryland (Mr. Bauman), that we would be more than prepared to debate the question of the cost, the effectiveness, and the viability of the Metro system at the point in time where the full funding Metro bill appears on the floor. This is not a Metro bill at this moment. The issue is not Metro; the issue is the budget process.

I would simply like to point out, first, that this is a federally inspired system. Therefore, it seems to me that we have some responsibility.

Second, given the energy crisis and the debate that has occurred on the floor of Congress recently with respect to the issue of energy, it would seem to me that we would need to move in the area of mass transit perhaps more diligently now than we have done in the past, if for no other reason than simply the conservation of energy.

As I said before—and I will repeat—there are no Federal funds involved here. There is an effort to increase the amount of contribution that the District of Columbia would make, but there is no increase in their percentage.

For example, in the original legislation that we considered prior to home rule, it is stated that the District of Columbia will make an aggregate capital contribution to the Washington Metropolitan Transportation Authority in the amount of $269.7 million. Now, we all know that the cost of Metro has increased. Therefore, the local share of every single local community making a contribution to Metro will have to increase.

Since this organic legislation was developed prior to home rule, it is now incumbent upon us, if we are to provide the District of Columbia with the necessary flexibility in order to proceed, that we amend the legislation, striking out that figure and placing in its stead: "Such funds as may be deemed necessary." That would provide the District of Columbia with the necessary funds, raising the cap because of the increased cost.

Finally, I would like to point out that the District of Columbia has already contributed to the construction of the Metro system in the total of $964 million in money converted from interstate highway transfer funds, funds that the city, interestingly enough, might have used to construct highways.

However, at this monent they wish to make an enhanced contribution.

What we need at this point is the passage of this legislation, striking the specific amounts of money. The $13.2 million would then allow them to receive an additional amount of interstate highway funds to carry forward in their local contribution with respect to Metro.

So, Mr. Speaker, I would say to the Members of the House, particularly to my distinguished colleague, the gentleman from Maryland (Mr. Bauman), that it is my hope that this information addresses the issues that he raised.

□ 1450

Mr. Speaker, may I emphasize again that we are more than prepared to debate the effectiveness and the viability of the Metro System. I would simply restate to my distinguished colleague that no additional Federal funds are asked for in this particular legislation, and that this is not a Metro issue at this moment. It is a budget issue. The only reason why we are coming back here is because we know that we have the authority to deal with the appropriation, as well as their authorizing, the use of their funds; and so it is for that reason that this legislation comes before my colleagues.

With that explanation, I yield to my distinguished colleague, the gentleman from Virginia (Mr. Harris).

Mr. HARRIS. I thank the gentleman for yielding.

Mr. Speaker, I would like to agree with the statement and indicate that this is a matter that, in the course of good bookkeeping and good housekeeping, was identified. It is nothing more than a perfection of the D.C. Code so as to make sure that the necessary and legal authorities are made clear. It does not present the major consideration with regard to the completion of Metro. That should be presented to this body in future months. It does present us simply with the task of making a good housekeeping arrangement so that the process with the budget could proceed.

● Mr. FAUNTROY. Mr. Speaker, I rise in support of H.R. 3914, a bill to amend the National Capital Transportation Act of 1969 to increase the amount authorized for the District of Columbia share of the cost of the rapid transit system of the National Capital Region.

This is essentially a technical amendment to the National Capital Transportation Act which removes the present cap on the aggregate District of Columbia share toward the capital contribution to the Washington Metropolitan Area Transit Authority. At present, the cap is $269,700,000.

Removal of the cap would permit the District of Columbia to contribute $13.2 million as a part of the 20 percent contribution of local funds to the Federal match of 80 percent for capital construction. No Federal funds are involved in this request; no increase in budget authority is sought. It is merely an amendment that will permit the District to continue to contribute its share toward capital costs of the Metro system.

I would encourage Members to support the amendment. It is more generally perfecting than of substance and I would hope we will view it that way. I should point out that it is necessary since the act does limit the amount which the District may contribute; without the District's share, the 20 percent local contribution cannot be met and the construction of the system would have to halt.●

Mr. DELLUMS. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 357, nays 48, not voting 29, as follows:

[Roll No. 166]

YEAS—357

Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Ashley
Aspin
AuCoin
Bailey
Barnard
Barnes
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burgener
Burlison
Burton, John
Burton, Phillip
Butler
Byron
Campbell
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Clay
Cleveland
Clinger
Coelho

Coleman
Collins, Ill.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Dickinson
Dicks
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Harkin
Harris
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Holland
Hollenbeck
Holt
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jenkins
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kemp
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Leach, La.
Lederer
Lee
Lehman
Leland
Lent
Levitas
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
McClory
McCloskey
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marlenee
Marriott
Martin
Matsui
Mattox
Mazzoli
Mica
Michel
Mikulski
Mikva
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oberstar
Obey
Ottinger
Panetta
Patten
Patterson
Pepper
Perkins
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Royer
Runnels
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Shannon
Sharp
Shelby
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Spellman
St Germain
Stack
Staggers
Stangeland
Stanton
Stark
Steed
Stenholm
Stewart
Stokes
Studds
Swift
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Tex.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—48

Abdnor
Archer
Ashbrook
Atkinson
Badham
Bafalis
Bauman
Bennett
Carney
Collins, Tex.
Courter
Crane, Daniel
Dannemeyer
Devine
Edwards, Okla.
Evans, Ind.
Flippo
Gingrich
Goldwater
Grassley
Hansen
Harsha
Jeffries
Kelly
Lagomarsino
Latta
Leach, Iowa
Lewis
Lungren
McDonald
Mottl
Murphy, Pa.
Myers, Ind.
Pashayan
Paul
Quayle
Rousselot
Rudd
Sensenbrenner
Shumway
Solomon
Spence
Stockman
Stump
Watkins
Wilson, Bob
Wilson, C. H.
Wydler

NOT VOTING—29

Applegate
Baldus
Biaggi
Brooks
Brown, Ohio
Crane, Philip
Diggs
Evans, Ga.
Ford, Mich.
Forsythe
Hubbard
Jenrette
Leath, Tex.
Luken
Lundine
Marks
Mathis
Mavroules
Miller, Calif.
Oakar
Pease
Petri
Rahall
Ritter
Roth
Stratton
Symms
Trible
Young, Alaska

☐ 1500

The Clerk announced the following pairs:

Mr. Baldus with Mr. Brown of Ohio.

Mr. Applegate with Mr. Marks.

Mr. Jenrette with Mr. Ritter.

Ms. Oakar with Mr. Petri.

Mr. Pease with Mr. Roth.

Mr. Brooks with Mr. Mavroules.

Mr. Biaggi with Mr. Forsythe.

Mr. Ford of Michigan with Mr. Philip M. Crane.

Mr. Lundine with Mr. Diggs.

Mr. Miller of California with Mr. Hubbard.

Mr. Roybal with Mr. Symms.

Mr. Stratton with Mr. Luken.

Mr. Mathis with Mr. Young of Alaska.

Mr. Leath of Texas with Mr. Evans of Georgia.

Mr. HALL of Texas changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region.".

A motion to reconsider was laid on the table.

☐ 1510

PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. DAVIS of South Carolina. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may be permitted to sit tomorrow, Thursday, May 24, 1979, during the 5-minute rule, for the conclusion of the markup on the bill H.R. 1.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

PERSONAL EXPLANATION

Mrs. FENWICK. Mr. Speaker, unfortunately yesterday I was called away and was not able to be present on two votes.

On rollcall No. 162, the Hinson amendment, I would have voted "no."

On rollcall No. 163, passage of the Small Business Administration Disaster Assistance Act, I would have voted "Yea."

PERMISSION TO WITHDRAW NAME OF MEMBER AS COSPONSOR OF H.R. 3042

Mr. WINN. Mr. Speaker, I ask unanimous consent that my name be withdrawn as cosponsor of the bill, H.R. 3042.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM THURSDAY, MAY 24, 1979, TO WEDNESDAY, MAY 30, 1979, AND RECESS OF THE SENATE FROM THURSDAY, MAY 24, 1979, TO MONDAY, JUNE 4, 1979

Mr. FOLEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 126), and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES 126

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, May 24, 1979, it stand adjourned until 12 o'clock meridian on Wednesday, May 30, 1979, and that when the Senate recesses on Thursday, May 24, 1979, it stand in recess until 11 o'clock ante meridian on Monday, June 4, 1979.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 3404, TREASURY DRAW AUTHORITY EXTENSION

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 275 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 275

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3404) to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. DERRICK) is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Maryland (Mr. BAUMAN) for the purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, this is an open rule allowing any germane amendment to be in order when the bill is considered under the 5-minute rule. There are no waivers of any point of order. The bill provides for 1 hour of general debate and divides the time equally between the chairman and the ranking minority member of the Committee on Banking, Finance and Urban Affairs.

Mr. Speaker, House Resolution 275 provides for the consideration of H.R. 3404. This bill would amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury.

The bill extends and puts under tighter controls the authority of the Treasury to obtain cash to meet short-term needs. The Treasury has had the authority since 1942 and Congress has extended it 22 times. This authority assures that the Treasury will be able to raise cash in times of emergencies.

This is the same bill that was considered under suspension of the rules on May 7. It did not receive the necessary two-thirds at that time. I would like to point out, however, that the Banking Committee reported this bill by a vote of 34 to 2.

Mr. Speaker, House Resolution 275 is a straightforward open rule, and I urge my colleagues to adopt House Resolution 275 so that we may proceed to the consideration of H.R. 3404.

Mr. BAUMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from South Carolina has adequately described the rule, but since the legislative program has been changed a number of times this afternoon, I will take just a moment to describe the legislation that is before us since I do not think most Members knew that this bill was to come up at all.

This bill as it is presently written—and I understand amendments will be offered to substantially change it as to amounts of money and number of years—as it is now written, it extends for 5 years the Treasury reserve draw authority, and increases the amount of money in that authority from $5 billion to $15 billion.

This bill was under suspension of the rules on May 7 of this year, and I think Members ought to realize that they have voted on a rollcall vote already on this. It did not receive two-thirds vote under suspension of the rules. It did not even receive a majority vote. There were 175 in favor to 195 opposed.

After that, the Rules Committee heard the request for the rule, reported this out under the present rule, which is an open rule. I understand amendments will be offered which will answer many of the objections. For instance, one amendment will cut the period of the extension to 2 years instead of 5. A second amendment will limit the amount of money in the draw from $15 billion, and cut it down to $5 billion.

I do think the Members ought to realize that the gentleman from Texas (Mr. PAUL) has presented a very persuasive case in his minority views against any legislation at all. This has been Treasury emergency authority since 1942, and has only been used sparingly. But, it has been used, as I understand it, to finance getting around the public debt when the Treasury was up against an expiration of the debt limit. That, in fact, skirts the Congress and allows the Treasury a leeway that I do not think they ought to have.

Each Member will have to decide about this legislation, as to whether the amendments will meet their specifications, but I know of no objections to the rule.

Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. JOHN L. BURTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 377, nays 13, not voting 44, as follows:

[Roll No. 167]

YEAS—377

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Archer
Ashley
Aspin
AuCoin
Badham
Bafalis
Bailey
Barnard
Barnes
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burgener
Burlison
Burton, Phillip
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Clay
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dicks
Dixon
Dodd
Donnelly
Dornan
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Flood
Florio
Foley
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Hansen
Harkin
Harris
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Holland
Hollenbeck
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kemp
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Latta
Leach, Iowa
Leach, La.
Lederer
Lee
Lehman
Leland
Lent
Levitas
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Lungren
McClory
McCloskey
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marlenee
Marriott
Martin
Matsui
Mattox
Mazzoli
Mica
Michel
Mikulski
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nowak
O'Brien
Oberstar
Obey
Panetta
Pashayan
Patten
Patterson
Perkins
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Santini
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Spellman
Spence
Stack
Staggers
Stangeland
Stanton
Stark
Stenholm
Stewart
Stockman
Stokes
Studds
Stump
Swift
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—13

Ashbrook
Atkinson
Bauman
Burton, John
Collins, Tex.
Crane, Daniel
Harsha
Holt
Lagomarsino
McDonald
Paul
Rousselot
Solomon

NOT VOTING—44

Anderson, Ill.
Applegate
Baldus
Biaggi
Brooks
Brown, Ohio
Crane, Philip
Dickinson
Diggs
Dingell
Dougherty
Evans, Ga.
Ford, Mich.
Forsythe
Hall, Ohio
Hubbard
Jenrette
Leath, Tex.
Lewis
Luken
Lundine
Marks
Mathis
Mavroules
Moakley
Nolan
Oakar
Ottinger
Pease
Pepper
Petri
Rahall
Ritter
Roberts
Roth
Satterfield
St Germain
Steed
Stratton
Symms
Trible
Waxman
Wilson, C. H.
Young, Alaska

□ 1530

The Clerk announced the following pairs:

Mr. Baldus with Mr. Anderson of Illinois.
Mr. Applegate with Mr. Lewis.
Mr. Biaggi with Mr. Brown of Ohio.
Mr. St Germain with Mr. Marks.
Mr. Roberts with Mr. Ritter.
Mr. Brooks with Mr. Petri.
Mr. Dingell with Mr. Hall of Ohio.
Mr. Ford of Michigan with Mr. Forsythe.
Mr. Moakley with Mr. Dougherty.
Mr. Nolan with Mr. Dickinson.
Mr. Lundine with Mr. Philip M. Crane.
Mr. Leath of Texas with Mr. Roth.
Mr. Jenrette with Mr. Symms.
Mr. Stratton with Mr. Trible.
Mr. Steed with Mr. Young of Alaska.
Mr. Rahall with Mr. Mavroules.
Mr. Hubbard with Mr. Luken.
Mr. Diggs with Mr. Ottinger.
Mr. Evans of Georgia with Mr. Pease.
Mr. Pepper with Mr. Charles H. Wilson of California.
Mr. Satterfield with Ms. Oakar.
Mr. Waxman with Mr. Mathis.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Speaker, I just missed getting to the floor in time to vote. Had I been here I would have voted "aye."

TREASURY DRAW AUTHORITY EXTENSION

Mr. MITCHELL of Maryland. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 3404) to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. MITCHELL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3404, with Mr. ROSENTHAL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Maryland (Mr. MITCHELL) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. STANTON) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 3404 would renew for 5 years the authority of the Federal Reserve to purchase directly from the Treasury, bonds, notes, or other debt obligations which are direct obligations of the United States or which are fully guaranteed as to interest and principal. Also, it provides for the first time alternative authority for the Federal Reserve to lend the Treasury seasoned securities in its portfolio. The total of such purchases and loans are limited to $15 billion. Until now, the limit on direct purchases, the only authority provided, was only $5 billion. This was first imposed during World War II.

H.R. 3404 is a combination of H.R. 2881, which I introduced, and H.R. 421, which was introduced by my colleague GEORGE HANSEN. The Subcommittee on Domestic Monetary Policy held a hearing on these bills on March 5. Subcommittee markup was held on March 28, at which time the two bills were combined and recommended for consideration by the full Banking Committee. The combined legislation, H.R. 3404, was introduced by myself and Mr. NEAL, Mr. D'AMOURS, Mr. BARNARD, Mr. MATTOX, Mr. CAVANAUGH, Mr. HANSEN, and Mr. RITTER on April 3. Full committee markup was held on April 25 and the legislation was favorably reported by a vote of 34 to 2.

The committee approved an amendment on May 2 to clarify that the Federal Reserve's open market powers remain intact after the draw authorities expire. I intend to offer this amendment at the proper time.

The bill was taken up by the House on May 7 under suspension. It was defeated, 175 voting aye and 195 nay. The major reason for its defeat was that Members objected to the increase in the draw authority to $15 billion, despite the fact that we have had considerable inflation since World War II. There were objections also to extending the authority for 5 years. Until now, extensions have been granted on 22 occasions, but only for 1 or 2 years.

The authority provides a backstop for Treasury cash and debt operations. It assures that the Treasury will be able to raise cash almost instantaneously in emergencies. It is needed even though Treasury, under the tax and loan legislation we passed in the 95th Congress, now can collect interest on its tax and loan accounts in commercial banks; for Treasury always could hold deposits in Federal Reserve banks which, in effect, pay interest. Incremental deposits held by the Treasury in Federal Reserve banks are matched by increased Federal Reserve holdings of Treasury securities, the interest on which is remitted back to the Treasury. The draw authority has been described by Treasury officials as a key element in all of the Treasury's financial planning for a national emergency.

Until now, the law has required that Treasury meet any short-term cash needs by selling securities directly to the Federal Reserve, and giving the Federal Reserve authority to buy securities directly from the Treasury. The problem with this approach is that it complicates the Federal Reserve's efforts to control money supply growth, because direct purchases of Treasury securities by the Federal Reserve, in effect, create new money. Yet there could be times when Treasury cannot prepare and market a new security quickly enough to meet an unexpected short-run cash need.

H.R. 3404 solves the problem by incorporating a proposal introduced by our colleague, GEORGE HANSEN, the ranking minority member of my Subcommittee on Domestic Monetary Policy. The Hansen proposal permits the Federal Reserve to lend seasoned securities in its portfolio to the Treasury when Treasury faces a short-term emergency cash need. Because they are seasoned, Treasury will be able to sell securities borrowed from the Federal Reserve quickly enough to meet any unexpected cash needs, which may arise, for example, because tax revenues are unexpectedly delayed or low. No new money would be created by this procedure. It involves only a transfer of existing funds from public buyers of the seasoned securities through the Treasury to public entities being paid by Treasury.

To avoid complicating money supply control, the Hansen procedure is expected to be used when Treasury faces an emergency cash need, except when Treasury securities markets are closed or in other unusual and exigent circumstances when the traditional approach can be adopted by a vote of five members of the Board of Governors of the Federal Reserve.

Three final brief points may be helpful.

First, Treasury would have to return an equal amount of any securities it borrows from the Federal Reserve within 6 months, just as it must repurchase any securities it may sell directly to the Federal Reserve within 6 months.

Second, any loans of seasoned securities to the Treasury would be subject to the regulations of the Federal Reserve's Open Market Committee, just as direct purchases now are and would remain.

Third, whether Treasury meets future emergency cash needs by issuing special certificates of debt as collateral for borrowing seasoned securities from the Federal Reserve which it sells on the open market, or by selling such certificates directly to the Federal Reserve, the amounts involved will be added to the national debt. This legislation permits no escape from whatever debt ceiling we impose on the Federal Government.

Both the Treasury and the Federal Reserve support this legislation, and I urge the House to do so.

Mr. STANTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill, H.R. 3404, a bill to amend and extend the Treasury Draw Authority.

Mr. Chairman, the chairman of the subcommittee has very eloquently expressed himself on the three points on which there was dispute when this bill was before us a couple weeks ago under suspension of the rules.

First of all, in retrospect it should not have been brought up under suspension of the rules. This will be taken care of by amendments from my friend, the gentleman from Ohio (Mr. WYLIE) which he will explain to us.

I want to thank the chairman of the subcommittee for his full cooperation on this. I would urge the overwhelming support of this legislation by Members here this afternoon.

Mr. Chairman, in 1942, the Congress first gave authority to the Federal Reserve to purchase obligations directly from the Treasury, instead of on the open market. The purpose of that authority is to permit the Treasury to maintain low levels of idle cash, without risk of running short due to unforeseen circumstances. The authority has been periodically renewed in a routine fashion, the last expiration having occurred just last week, April 30.

The committee has now reported a bill which extends the authority for 2 years—and makes certain important modifications in the authority.

Under this bill, the old authority would be subject to a new restriction, specifically that it could not be used unless the Federal Reserve Board of Governors determines that unusual and exigent circumstances required it, the decision to be taken by not less than five affirmative votes among the seven Governors.

The bill also establishes a new method of draw, to be utilized in more ordinary situations. This method, suggested by the ranking minority member of the Domestic Monetary Policy Subcommittee, the gentleman from Idaho (Mr. HANSEN), authorizes the Treasury to borrow securities from the Federal Reserve portfolio, sell them on the open market to raise cash, then to repurchase and replace the securities at the Federal Reserve when the cash shortage has been alleviated by tax receipts or regular borrowing operations.

The securities draw, instead, means that the Treasury will borrow cash from the public, cash that is already in circulation. Thus, there will be no creation of new reserves and no possible interference with monetary policymaking.

The new method also has the advantage that it assures a market rate of interest being paid on the borrowing, whereas under the old draw the rate was arbitrarily set by negotiations between the Treasury and the Federal Reserve.

The draw authority has worked well in the past, and has served an important function as a useful backstop, enabling the Treasury to carry lower cash balances than would otherwise be the case. The authority has been used only very infrequently, for very short periods—usually just a couple of days—and for relatively small amounts. This year, we have the opportunity to extend this useful authority for extreme emergency situations, but improve it by establishing also a more advantageous method for the less dire problems that occasionally arise in efficient Treasury cash management.

I want to point out particularly that I raised the question in the committee markup of this bill whether the Treasury draw, under either the old or the new methods, would be included within the public debt limit. I was assured that any use of the draw authority would be included within the aggregate of public debt subject to statutory limit, and that such a provision was included explicitly in the bill. Thus, the draw cannot be used to evade the public debt limit.

Mr. Chairman, I support the bill and urge our colleagues to vote for its immediate enactment.

☐ 1540

Mr. Chairman, I yield such time as he may consume to the very distinguished ranking minority member of the subcommittee, the gentleman from Idaho (Mr. HANSEN).

Mr. HANSEN. Mr. Chairman, since the House has so recently dealt with this bill in a reasonably full debate, I will confine myself today to reiterating a few key points.

In the first place, let me point out to our colleagues again what I believe was not sufficiently appreciated 2 weeks ago: This bill is not a simple extension of the old Treasury draw authority, which always involved direct creation of new banking reserves. Instead, while reserving that authority for the most extreme emergency, such as a military attack on the United States or some nationwide catastrophe, this bill establishes a new authority for the more routine cash shortages which have occurred now and again in the course of Treasury operations. This new authority, a securities draw instead of what is called a cash draw, does not involve the creation of new reserves. It is not printing-press money in any sense of the phrase whatever. The most important effect of this legislation is to establish this alternative authority and make it clear that it is to be used instead of the old authority. If we fail to pass this bill, the alternative will be dead and I predict we will end up, ultimately, with a simple extension of the old printing press.

Second, I am not only prepared to accept a reduction of the limit on the amount of these authorities, and in particular of the old cash draw, I am enthused about it. An amendment which will be offered to reduce the limit in the bill from $15 billion to the original $5 billion, is in keeping with the original concept of this merged legislative proposal. However, there is a hidden premise that must be clarified. Any reduction in the limitation should not be construed as a reversion to primary use of the old cash draw authority. The emphasis of the subcommittee and committee still remains that the old authority is to be reserved for the most extraordinary, almost unimaginable circumstances, and the new securities authority, which has no need of a limit because it does not create new reserves, should be used instead. It is important that we continue to send right signal to the Treasury Department and the Federal Reserve.

Third, I will just list some points that have been misunderstood. Let me make it absolutely clear that this bill does not permit an evasion of the statutory limit on the public debt, and any suggestion that it enables the Treasury to get around that limit or to raise it or do anything else of the sort is flat out wrong and has no foundation at all. Let me also make it clear that this is not a bill to authorize or direct the printing of more money. Among some, the idea has gotten around that we are telling the Treasury and the Fed to print up several billion dollars more currency or checking accounts. This is a result of too fascile use of the term "printing-press money" and is at best a distortion of the facts. This is merely a bill to authorize the Treasury, under exceptional circumstances, to borrow securities from the Federal Reserve or, in really extreme conditions, to overdraw the Treasury's account at the Fed as in the past. It is not a bill to print more money.

Finally, I want to tell our colleagues that this is not an executive war powers bill. On the contrary, it is an authority extended to the Federal Reserve and, for that matter, tightens up on that authority. Even in time of war, the President could not force the Fed to exercise that authority.

Mr. Chairman, I earnestly ask our colleagues to vote with me to pass this bill with the reduced time and limitations pending amendments will provide, and thus put the House on record as favoring the new securities draw authority. Though I wish it were otherwise, the alternative is not a permanent lapse of the draw authority, but a simple extension of the old printing press authority. That is the political reality, and I hope that our colleagues who want to end that old authority will recognize this bill as the only practical method of actually moving in that direction.

Mr. STANTON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, when this bill came up on the Suspensions Calendar, I opposed it, as the gentleman from Maryland suggested, because it increased the Treasury cash borrowing or draw authority from $5 to $15 billion. I thought that was a little much and might have a bad psychological effect, one; and, two, it has been shown over the years that the $5 billion draw authority has been adequate in those cases of an emergency where it has been needed.

Additionally, I felt 5 years was too long a period, so I suggested that I would like the opportunity to offer an amendment which I could not do under the Suspensions Calendar route to decrease the 5-year extension time to 2 years, so that the next Congress would have another opportunity to work its will on this very special draw authority.

Now, this draw authority was enacted as a part of the so-called War Powers Act in 1942 and gave the Treasury the emergency authority to draw money directly from the Federal Reserve Board without going to the market. The purpose of the law was to make sure that the Treasury could obtain money quickly in case of an emergency during the war.

Now, it is true that we are not at war at the present time, but in this age of intercontinental ballistic missiles, and so forth, who can tell when we might not be in a very dire situation on a matter of national defense or some other domestic emergency situation where the Treasury would need some overnight cash.

This bill would allow the Treasury, as I suggested, or as has been suggested earlier by the gentleman from Maryland (Mr. MITCHELL) to draw up to $5 billion if my amendment is adopted and no one would ever anticipate that Treasury would need to draw that much. The most Treasury has ever drawn down under this authority at one time was $1.3 billion. That was in 1943 during the Second World War. This would allow them to obtain quick cash and, I might say, at about market interest rates. I think the authority ought to be granted for an additional 2 years within the present limit.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. WYLIE) has expired.

Mr. STANTON. Mr. Chairman, I yield the gentleman from Ohio (Mr. WYLIE) 2 additional minutes.

Mr. WYLIE. So at the proper time I will offer my amendment to allow Treasury to draw down up to $5 billion, instead of the $15 billion in this bill, and for a 2-year period, instead of a 5-year period as provided in this bill.

Mr. STANTON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Chairman, several reasons were given for this bill being defeated last week. I would like to give some other reasons why I believe this piece of legislation was voted down. Today, I am sure that the numbers will change. I thing the consensus is that $15 billion is too much and the 5-year extension is too much; but although you may change the numbers, the principle will remain the same, the principle that the Treasury has this authority to overdraw.

I believe this bill is a typical example of fiscal mismanagement. It is typical of the age in which we live. It is totally unnecessary. There is no need for the Treasury to have a $5 billion or a $15 billion overdraw authority. That is, if they come up with what they call an emergency, they want to be able to go and spend $15 billion more without the specific authority of the Congress, if we give them this general authority in advance. I think this is very necessary.

It was mentioned that this came about in 1942 under the emergency war powers bill. This is still an emergency war powers bill. There is no other reason that this exists, except for recent times it has been used to finance debt when we have not gotten around to raising the debt limit; so up until now it has been used for either war or for financing debt when we have not raised the debt limit.

I do not believe it is fiscally justified to continue this. Not only that, the authority is not even in effect now. We are not continuing this authority the Treasury has had since 1942. It is out of existence. It has been out for nearly a month and nothing terrible is happening.

This war power had been used 45 times since 1942; 34 times it has been used in war, the Second World War, the Korean war, and the Vietnam war.

Between 1955 and 1965 it was used one time. It goes to show it is unnecessary legislation. In recent years, as I said, it was used at the time the national debt limit was not raised.

I think this can be looked at as nothing more than a security blanket for the Treasury Department. They feel secure with it. They want it. They would have loved to have the $15 billion. They will settle for the $5 billion, but it is unnecessary and they do not need this security to have this extra slush fund, being able to spend this money without the authority of the Congress.

I think this is an opportunity for the Congress to take an issue and look at it on its economic merits. This is one issue that does not strike home. It is not an issue that you have to answer for to your constituents. You are not giving and you are not taking from the people. You are merely trying to manage things here a little bit better. The people at home have no way that they can overdraw their checking accounts. How can we conceive of giving the Treasury this opportunity to overdraw their account by this outstanding amount?

Some say this is not inflationary. It is, according to Governor Partee in the Federal Reserve. He did testify that this is inflationary. Whether or not you go directly into the Federal Reserve System and take cash or whether you go through the security markets, it does have an effect on the money markets and put pressure and demands on the money markets, and it can be inflationary.

The Treasury also has an opportunity, or has a power that they can use to compensate for their emergencies. In 1977, legislation was passed that permitted them to put cash into funds that were interest bearing. This was done in order to give them a better opportunity to manage their funds.

Again, I would like to say that this legislation is not in effect now. It is totally unnecessary. It is an emergency power. It is a good time for us to demonstrate to the American people that it is time the Treasury was fiscally responsible and that we just deny them this power. It was defeated the other day by 20 votes. It was thought that this House would pass this by a two-thirds vote, but I think there is enough sophistication around here to realize that the legislation is unnecessary, and I urge its defeat.

Mr. STANTON. Mr. Chairman, I yield 6 minutes to the gentleman from Colorado (Mr. KRAMER).

☐ 1550

Mr. KRAMER. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I will state to the gentleman from Maryland (Mr. MITCHELL) that I would like to ask some questions of him.

Mr. MITCHELL of Maryland. Certainly, if the gentleman will yield.

Mr. KRAMER. Mr. Chairman, I have several summaries in front of me, and, quite frankly, they are very contradictory in their explanation of what this bill does and what it does not do.

I think the most important point, at least as far as confusion in my own mind is concerned, is whether or not the debt ceiling as set by this body can be circumvented by the use of this procedure or whether or not the money that is actually raised under this procedure comes within the debt ceiling at whatever limit we set.

Could the gentleman clarify that point for me?

Mr. MITCHELL of Maryland. Yes, if the gentleman will yield.

Mr. KRAMER. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I am glad the gentleman raised the question. There is nothing in this legislation that says that that borrowing, the use of the draw, can be used to increase the debt ceiling. I do not know where this propaganda has come from, but that is not allowable under this bill.

Mr. KRAMER. Is there no mechanism available? For example, I was told that perhaps the Treasury Department, in utilizing this mechanism, does not pay any attention to the debt ceiling that we set.

Would the gentleman comment on that for me?

Mr. MITCHELL of Maryland. Yes; there is no truth at all to that. The Treasury is bound by the debt ceiling imposed by the Congress.

Mr. WYLIE. Mr. Chairman, will the gentleman yield on that point?

Mr. KRAMER. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I think that was an unfortunate implication that was left a little while ago. It does not increase the debt ceiling; it cannot increase the debt ceiling. Any borrowing done by Treasury under this bill would have to come under the limits of the debt ceiling.

Mr. PAUL. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I yield to the gentleman from Texas.

Mr. PAUL. Mr. Chairman, it is my understanding that this becomes a moot point because when we do not raise the national debt, the temporary national debt, we revert back to the permanent debt limit. So, therefore, when we pass that date, we are hundreds of billions of dollars over our limit.

Therefore, if we go into the market and the Treasury finances more debt of $5 billion or $15 billion, it really is insignificant because we are back down to a permanent debt figure. So I do not think this point is really very important because I think we will be many billions of dollars over the limit.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield further?

Mr. KRAMER. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, this gentleman will stand by his orginal statement that there is nothing in this legislation that would permit the Treasury to exceed the debt limit imposed by the Congress of the United States.

Mr. KRAMER. Mr. Chairman, I thank the gentleman from Maryland (Mr. Mitchell).

Mr. Chairman, I have one other question I would like to ask. Again, in the information and the materials I have in front of me, it indicates that under this bill, in effect the Treasury could raise capital by borrowing securities from the Federal Reserve portfolio and then sell those securities on the open market; is that correct?

Mr. MITCHELL of Maryland. That is correct.

Mr. KRAMER. What kind of securities are we talking about? What are the securities in the Federal Reserve portfolio that we are talking about?

Mr. MITCHELL of Maryland. Just the general seasoned securities that would be in portfolios now new securities at all.

Mr. KRAMER. Mr. Chairman, may I ask, are these some kind of things that are issued by the Treasury Department to begin with, or are they something else? Are they something issued by the Federal Reserve Board?

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will yield, under the provisions of this legislation, the Treasury would have to issue special certificates to the Federal Reserve system if it attempts to do that kind of borrowing, and they would all be the seasoned securities.

Mr. KRAMER. But are they securities that originate from the Federal Reserve Board, or are they securities that originally came from the Treasury Department? If they were the latter, I suppose the Federal Reserve Board got them in the first place by buying them from the Treasury, and then in effect we have the Treasury selling the same thing twice. Is that correct?

Mr. MITCHELL of Maryland. Mr. Chairman, the problem is that I think the gentleman is correct. The Feds would operate in the first place, but they might be dealing with securities that they got 3 years ago or 5 years ago.

Mr. KRAMER. So in effect what the Treasury does is borrow back securities it has already sold to the Federal Reserve Board and then sells them again on the open market?

Mr. MITCHELL of Maryland. That is correct.

Mr. KRAMER. And then what? It repays the Federal Reserve Board within 6 months; is that correct?

Mr. MITCHELL of Maryland. The limit is 6 months. That is the limit under which that kind of borrowing is done.

Mr. WYLIE. Mr. Chairman, will the gentleman yield on that point?

Mr. KRAMER. Certainly, I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I might add that over the years this draw authority, since 1942, has been used 42 times. The approximate length of days that the money has been drawn down is approximately 1 week or less. It is a little less than 1 week.

What happens is that the Treasury borrows this money and a certificate of indebtedness is issued, as the gentleman from Maryland (Mr. Mitchell) has suggested. But when securities are sold, usually through Government securities dealers, they can be any securities. They are not limited necessarily to Treasury bills or notes. They can be any security which the Treasury has purchased or the Federal Reserve has purchased.

So in this emergency situation the Treasury wants to be able to draw down some so-called overnight money on which it will pay about market interest rates. This so-called certificate of indebtedness given as evidence of debt is simply returned usually by a bookkeeping entry when the money is repaid.

Mr. KRAMER. Mr. Chairman, I thank the gentleman.

Mr. STANTON. Mr. Chairman, we have no further requests for time on this side of the aisle.

Mr. MITCHELL of Maryland. Mr. Chairman, we have no further requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 3404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 14(b)(1) of the Federal Reserve Act (12 U.S.C. 355(1)) is amended by striking out ": *Provided,* That," and all that follows through the end thereof and inserting in lieu thereof a period.

(b) Section 14(b)(2) of the Federal Reserve Act (12 U.S.C. 355(2)) is amended by striking out "any agency of the United States" and inserting in lieu thereof the following: "the United States or any agency of the United States, and to lend, under the direction and regulations of the Federal Open Market Committee, any such obligation to the Secretary of the Treasury".

(c) Section 14(b) of the Federal Reserve Act (12 U.S.C. 355) is amended by adding at the end thereof the following new paragraphs:

"(3) In unusual and exigent circumstances and when authorized, for renewable periods not to exceed thirty days, by the Board of Governors of the Federal Reserve System pursuant to an affirmative vote of not less than five members, to buy and sell, without regard to maturities, directly from or to the United States any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest. Such purchases and sales shall be made in accordance with the provisions of section 12A of this Act. The Board of Governors of the Federal Reserve System shall include in their annual report to Congress detailed information with respect to direct purchases and sales from or to the United States under the provisions of this paragraph.

"(4) The aggregate amount of obligations acquired directly from the United States or loaned directly to the United States under the authority of this section which is held or loaned at any one time by the twelve Federal Reserve banks shall not exceed $15,000,000,000.".

Sec. 2. Section 14 of the Federal Reserve Act (12 U.S.C. 353 et seq.) is amended by adding at the end thereof the following new subsection:

"(h) The Secretary of the Treasury shall have the authority to borrow, subject to the approval and rules and regulations of the Federal Open Market Committee, any obligation referred to in subsections (b)(2) and (b)(3) from any Federal Reserve bank and to sell any such obligation in the open market for the purpose of meeting the short-term cash needs of the Treasury. Not later than six months after the date of sale of such an obligation, the Secretary of the Treasury shall repurchase such obligation and return such obligation to the Federal Reserve bank from which such obligation was borrowed. The aggregate of the face amount of obligations borrowed under the authority of this section shall be included, during the period of such borrowing, as part of the public debt subject to the limitation imposed by section 21 of the Second Liberty Bond Act (31 U.S.C. 757b).".

Sec. 3. Except for the amendments made by subsection (a) of the first section of this Act, the amendments made by this Act shall be effective only during the five-year period which begins on the date of the enactment of this Act. Upon the expiration of such period, each provision of law amended by this Act, except section 14(b)(1) of the Federal Reserve Act, is amended to read as it did immediately prior to the enactment of this Act.

Mr. MITCHELL of Maryland (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wylie: On page 3, line 10, strike "$15,000,000,000" and insert "$5,000,000,000".

Mr. WYLIE. Mr. Chairman, I do not believe I need to take my full 5 minutes on this amendment. We discussed it earlier in the debate. We, also, discussed it during the debate when the bill was on the Suspensions Calendar.

This amendment simply reduces the draw authority in the bill from $15 billion to $5 billion, which is what it has been since 1942.

As I said a little earlier, I think there is a basis for use of this lending power, but, on the other hand, I think increasing it from $5 to $15 billion in this year when the inflation rate is so high might have a bad psychological effect. So I think it is better just to continue the amount of the draw authority as it is presently authorized.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

We have discussed this amendment with the other side and on our side, and we are perfectly prepared to accept the amendment offered by the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I thank my friend the gentleman from Maryland for his support

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Ohio

Mr. STANTON. Mr. Chairman, the minority is certainly in full accord with this amendment

Mr. WYLIE. Mr. Chairman, I thank my friend, the gentleman from Ohio, for his accord.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WYLIE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MITCHELL OF MARYLAND

Mr. MITCHELL of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MITCHELL of Maryland: Section 3 is amended to read as follows:

SEC. 3. (a) Except for the amendments made by subsection (a) of the first section of this Act, and except for the amendment made by subsection (b) of this section, the amendments made by this Act shall be effective only during the five-year period which begins on the date of enactment of this Act. Upon the expiration of such period, each provision of law amended by this Act, except section 14(b)(1) of the Federal Reserve Act, is amended to read as it did immediately prior to the enactment of this Act.

(b) Upon the expiration of the five-year period which begins on the date of enactment of this Act, section 14(b)(1) of the Federal Reserve Act (12 U.S.C. 355(1)) is further amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this Act, any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities but only in the open market.".

Mr. MITCHELL of Maryland (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MITCHELL of Maryland. Mr. Chairman, this amendment has been discussed in full in committee. It is simply a technical amendment which brings the legislation into conformity with existing law. That is all that is involved.

AMENDMENT OFFERED BY MR. WYLIE TO THE AMENDMENT OFFERED BY MR. MITCHELL OF MARYLAND

Mr. WYLIE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE to the amendment offered by Mr. MITCHELL of Maryland: Amend the committee amendment by striking "five-year period" each place that it appears and insert in lieu thereof "two-year period".

Mr. WYLIE. Mr. Chairman, again I think this amendment has been adequately explained. It is an amendment which I indicated I wanted to offer when the bill was on the suspension calendar.

I thought that extending the period from 2 years to 5 years is probably a little bit too much right now, and I felt that perhaps the 97th Congress ought to have an opportunity to look at the issue and work its will. So I suggest that we just extend the time for 2 years instead of 5 years. That is the full import of the amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I would be glad to yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, we are fully aware of the amendment. It has been discussed on this side and discussed with the maker of the amendment, and we are fully prepared to accept it.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for his support and for his acceptance.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Ohio.

Mr. STANTON. Mr. Chairman, the minority is in full approval of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WYLIE) to the amendment offered by the gentleman from Maryland (Mr. MITCHELL).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. MITCHELL), as amended.

The amendment, as amended, was agreed to.

□ 1600

The CHAIRMAN. Are there further amendments?

If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. ROSENTHAL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3404) to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes, pursuant to House Resolution 275, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. STANTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 316, nays 75, not voting 43, as follows:

[Roll No. 168]

YEAS—316

Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Ashley
Aspin
AuCoin
Badham
Bafalis
Bailey
Barnard
Barnes
Beard, R.I.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Boland
Boner
Bonior
Bonker
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brown, Calif.
Buchanan
Burlison
Burton, Phillip
Butler
Byron
Campbell
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clay
Cleveland
Clinger
Coelho
Collins, Ill.
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
D'Amours
Danielson
Dellums
Derrick
Derwinski
Devine
Dicks
Dixon
Dodd
Donnelly
Dougherty
Downey
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Ala.
Emery
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fisher
Fithian
Flippo
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gephardt
Gingrich
Ginn
Glickman
Gonzalez
Gore
Gradison
Gray
Green
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hamilton
Hammerschmidt
Hanley
Hansen
Hawkins
Heckler
Hefner
Heftel
Hightower
Hinson
Holland
Hollenbeck
Holtzman
Hopkins
Horton
Howard
Hughes
Hutto
Hyde
Ireland
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kazen
Kemp
Kildee
Kindness
Kogovsek
Kostmayer
LaFalce
Lederer
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Lott
Lowry
McClory
McCloskey
McCormack
McDade
McHugh
McKay
McKinney
Madigan

Maguire
Markey
Marriott
Mathis
Matsui
Mattox
Mazzoli
Mica
Michel
Mikulski
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Roybal
Royer
Russo
Sabo
Santini
Sawyer
Scheuer
Schulze
Sebelius
Seiberling
Shannon
Sharp
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Stark
Steed
Stewart
Stockman
Stokes
Studds
Swift
Synar
Thomas
Thompson
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Waxman
Weiss
White
Whitehurst
Whitley
Whitten
Williams, Mont.
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—75

Abdnor
Archer
Ashbrook
Atkinson
Bauman
Beard, Tenn.
Bouquard
Broomfield
Broyhill
Burton, John
Carney
Coleman
Collins, Tex.
Conable
Crane, Daniel
Daniel, Dan
Daniel, R. W.
Dannemeyer
Davis, Mich.
de la Garza
Deckard
Dickinson
Dornan
Duncan, Tenn.
Edwards, Okla.
English
Fish
Gibbons
Gilman
Goldwater
Gramm
Grassley
Grisham
Hall, Tex.
Hance
Harsha
Hillis
Holt
Huckaby
Ichord
Jacobs
Jeffries
Jones, Okla.
Kelly
Kramer
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Loeffler
Long, Md.
Lujan
McDonald
Marlenee
Martin
Moorhead, Calif.
Murphy, Pa.
Myers, Ind.
Nichols
Paul
Quillen
Rudd
Runnels
Schroeder
Sensenbrenner
Shelby
Shumway
Solomon
Stenholm
Stump
Tauke
Taylor
Watkins
Weaver
Whittaker

NOT VOTING—43

Applegate
Baldus
Biaggi
Bolling
Brooks
Brown, Ohio
Burgener
Clausen
Crane, Philip
Daschle
Davis, S.C.
Diggs
Dingell
Edwards, Calif.
Evans, Ga.
Forsythe
Giaimo
Goodling
Harkin
Harris
Hubbard
Leath, Tex.
Long, La.
Luken
Lundine
Lungren
McEwen
Marks
Mavroules
Nolan
Patten
Rahall
Ritter
Roberts
Roth
Rousselot
Satterfield
Stratton
Symms
Trible
Williams, Ohio
Yates
Young, Alaska

☐ 1610

The Clerk announced the following pairs:

Mr. Yates with Mr. Young of Alaska.
Mr. Roberts with Mr. Williams of Ohio.
Mr. Baldus with Mr. Lungren.
Mr. Applegate with Mr. McEwen.
Mr. Biaggi with Mr. Ritter.
Mr. Harris with Mr. Clausen.
Mr. Giaimo with Mr. Roth.
Mr. Brooks with Mr. Brown of Ohio.
Mr. Edwards of California with Mr. Rousselot.
Mr. Dingell with Mr. Forsythe.
Mr. Mavroules with Mr. Philip M. Crane.
Mr. Long of Louisiana with Mr. Burgener.
Mr. Rahall with Mr. Goodling.
Mr. Satterfield with Mr. Marks.
Mr. Nolan with Mr. Symms.
Mr. Lundine with Mr. Trible.
Mr. Davis of South Carolina with Mr. Leath of Texas.
Mr. Luken with Mr. Patten.
Mr. Stratton with Mr. Daschle.
Mr. Diggs with Mr. Evans of Georgia.
Mr. Harkin with Mr. Hubbard.

Mr. HALL of Texas changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MITCHELL of Maryland. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 3404, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

SOCIAL WELFARE REFORM AMENDMENTS OF 1979 AND WORK AND TRAINING OPPORTUNITIES ACT OF 1979—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96–131)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means, the Committee on Education and Labor, and the Committee on Agriculture and ordered to be printed:

To the Congress of the United States:

I am submitting today my Welfare Reform program in two bills: the Social Welfare Reform Amendments of 1979 and the Work and Training Opportunities Act of 1979. Enactment of these proposals will be an important step in addressing the key failings of the present welfare system—promoting efficiency, improving incentives and opportunities to work, and substantially improving the incomes of millions of poor people.

For too many years, we have lived with a welfare system universally recognized to be inadequate and ineffective. It is a crazy-quilt patchwork system stitched together over decades without direction or design. It should offer opportunity, but often breeds dependency. It should encourage and reward useful work, but often penalizes those who find jobs.

The guiding principles of my proposals are simple: those who can work should; and there should be adequate support for those who cannot.

The legislation I am submitting today will:

—redirect our welfare system towards employment wherever possible, and provide training and jobs to break the cycle of poverty;
—help secure stable employment with an adequate income for millions of low-income families;
—save hundreds of millions of dollars each year by reducing waste, fraud, and error through tightened and streamlined administration;
—remove major inequities in the present welfare system and redirect assistance to those most in need and least able to help themselves.

In my campaign I pledged to work for welfare reform. The need for reform is no less serious now. I urge Congress to act promptly on this critically important social legislation. The need for action is clear:

The present system is both inadequate and unacceptably unfair. Despite major efforts at all levels of government in the last twenty years, millions of American families throughout the U.S. still live in poverty. Moreover, under the present system assistance to needy households varies widely from state to state. Welfare benefits, including both food stamps and cash assistance, range from 49 percent to 96 percent of the poverty level. For example, current combined benefits in Mississippi for a family of four are $3,540 per year, while a poor family in Vermont receives $6,540. Twenty-four states have chosen not to provide Federally-supported cash benefits to two-parent families, while twenty-six do provide such assistance.

Many technical provisions of current law are inequitable or unnecessarily restrictive. For example:

—In those states which have adopted two-parent coverage, the family suddenly loses all benefits when the family breadwinner begins to work more than 100 hours a month. For a minimum wage earner that is only $290 per month. Yet a higher wage earner can earn more in 100 hours while retaining welfare benefits.
—A family which has been receiving public assistance and then starts to work, can continue receiving assistance even though their earnings may be higher than those of low-income families who are working but have never been on public assistance.

The present system is cumbersome and needlessly difficult to administer. For example:

—Recipients who work are required to submit detailed lists of work-related expenses—which must then be used to calculate benefits. This is burdensome to the recipient and the system, and invites errors and fraud.
—The basic Federal welfare program and the food stamp program currently have different definitions of income and assets, although the same state offices usually administer both programs, and although welfare recipients are almost always eligible for food stamps as well.

This new legislation makes a number of important program simplifications and adopts measures to reduce error and abuse. Savings from reduced errors in the first full year of implementation will be about $300 million. This is in addition to the Administration's present efforts in child support enforcement and error reduction, which will yield savings of over $800 million in the coming year.

The present system provides insufficient opportunities for families to move off cash assistance and into productive jobs. The great majority of family heads receiving cash assistance want to work. Most of the poor who are able to work do in fact work, but usually in low paying and sporadic jobs. In 1977, more than three-fifths of the 3.8 million families with children with incomes below the official poverty line had either a part-time or a full-time worker. Over a million of these families were headed by women, most of whom supplemented their meager earnings with welfare. Yet, only one-fifth of these working poor families had a worker who was able to find a full-time, year-round job. In addition, almost three million other families with children live close to the poverty line despite the efforts of one or more family workers.

Even in a period of austerity and fiscal stringency, our Nation cannot afford to ignore its most pressing needs and its most needy. We must do what we can as soon as we can.

The legislation I am submitting today will help to meet the most pressing problems of our welfare system in the following ways:

Increase employment and training opportunities. Those who are expected to work will be required to do so if a suitable job is available. In addition, my proposed new legislation will assure participation in a structured job search effort, add resources for training and—for those for whom a private job cannot be found—seek to provide a public sector work opportunity. There will be over 620,000 work and training opportunities for welfare eligibles including 400,000 newly funded public service employment and training slots. The program is structured to assure that required work will always pay more than welfare. Subsidized public sector jobs will only be available to those who have completed a rigorous search for private work. Thus, individuals will have substantial opportunity and incentive as well as a requirement to move from welfare to work. And the legislation assures that states will have substantial incentives to join in the effort to move individuals from welfare to work.

Improve the fairness and adequacy of welfare cash assistance to needy families with children by:

—establishing a national minimum benefit (for AFDC and food stamp benefits combined) at 65% of poverty, raising benefits to 800,000 people in the 13 lowest benefit States; mandating coverage of two-parent families in the 24 States which now lack this coverage; and simplifying the benefit computation and eliminating several sources of inequity in the current system.

Improve welfare administration by aligning definitions in the Aid to Families with Dependent Children (AFDC) and food stamps programs, standardizing certain deductions that are now itemized, tightening eligibility determinations, and building upon HEW's program of antifraud, antiwaste efforts. Furthermore, food stamps will be cashed out for a portion of the needy aged, blind and disabled population receiving Supplemental Security Income (SSI). This step towards program consolidation will extend benefits to needy individuals who are eligible but do not currently participate in the food stamp program, and simplify the welfare system for recipients and administrators.

Expand the earned income tax credit to provide greater assistance to low-income working families and provide greater incentives to take private sector jobs.

Provide fiscal relief to state and local governments.

These two bills will increase the incomes of 2.3 million families, or nearly 6.5 million people. They will remove from poverty 800,000 families, or 2.2 million people. They will achieve important gains in reducing error and waste. Their cost—$5.7 billion when fully implemented in FY 1982—is included in the Administration's budget projections submitted to Congress last January and fully consistent with a prudent budget policy.

It is rare that the President and Congress are given the opportunity to work together on legislation that does so much to benefit so many of the most needy.

I recognize that welfare reform is a difficult undertaking. No legislative struggle in the last decade has provided so much hopeful rhetoric or so much disappointment and frustration. We have spent several months in quiet, detailed consultations working to develop a package which I hope provides a basis for a legislative consensus.

I urge the Congress to cap a decade of debate on welfare reform with action. America's people, particularly her poor, have waited long enough for important progress in this area. A society like ours must be judged by what we do for the most needy in our midst. America must meet this challenge. Congress can make an important contribution by enacting the proposals I am making today.

JIMMY CARTER.

THE WHITE HOUSE, *May 23, 1979.*

NEW LIBRARY TO BE CONSTRUCTED AT LE MOYNE COLLEGE

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, William Shakespeare knew the value of a good library. In "The Tempest" he has Prospero saying, "Knowing I loved my books, he furnished me from mine own library with volumes that I prize above my dukedom."

If a 16th century nobleman can prize books before his landholdings how much more valuable is a library today, in light of the intervening centuries of phenomenal growth in the arts and sciences.

A modern library is a magnificent "coming together" of the finest thinking of the past and present. It is the meetingplace of thought.

Such a meetingplace is soon to rise on the campus of Le Moyne College in Syracuse.

In a booklet prepared for the campaign to raise funds for the new library it is stated:

> In today's colleges and universities, teaching and learning have gone far beyond the context of instruction in the classroom or laboratory. At all levels, students and faculty are engaged in independent study. As the search for knowledge takes them back time and again to the fount of what is known, the library has come to occupy a position of central importance. No other tool of scholarship is more significant, no other place of research and reflection is more critical, no other setting is more suited to the discovery of new ideas, than a library responsive to the needs of the community it serves.

In ranking of college and university libraries, those at the most distinguished universities are at the top of the list. The implication is clear: Good colleges have good libraries. And Le Moyne will have a great one. The new facility will comprise 68,000 square feet, provide seating for 700 and allow for growth from the current 121,000 to 240,000 volumes during the next two decades.

In addition to serving as a facility where faculty and students use resource materials and conduct research in an increasing number of fields, the contemporary library is a study center used 16 hours a day. Faculty and students bring their own books and materials to the library, seeking an atmosphere conducive to study. The library has become a place where papers are actually written, not merely researched; where students complete reading assignments; and where faculty members prepare lectures, conduct research and write professional papers. Le Moyne's need for a new library has been critical for more than a decade.

In February 1973, the Reverend William L. Reilly, S.J., then president of the college, appointed a presidential committee on library planning. In subsequent years, steps were taken to make a new library a reality. Most recently, the Reverend William J. O'Halloran, S.J., Le Moyne's sixth president, appointed a total facilities planning committee which has brought the project to its present stage.

This congressional office notes with pride that Le Moyne's new library received the early stimulus of a "challenge grant" from the National Endowment for the Humanities. These grants are designed to induce institutions dedicated to the humanities to locate new or additional sources of funds. The grant must be matched in an amount triple to the Government allotment.

And so Le Moyne College, known for its deep commitment to the liberal arts will soon have a new library, a center for study, research and intellectual contemplation. It will also allow for proper display of the college's fine art collection. An asset not only to the college but to the wider Syracuse community as well.

We pray that it will become that "meeting place" for thought under the grace and guidance of the Holy Spirit.

□ 1620

FURTHER ECONOMIC AID TO SYRIA SHOULD BE STOPPED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 5 minutes.

● Mr. KEMP. Mr. Speaker, the Subcommittee on Foreign Operations of the Committee on Appropriations, of which I am a member, has reviewed the evidence supporting U.S. foreign aid initiatives to the Middle East for several months. The aid package associated with the Egyptian-Israeli peace treaty is one of the most sensitive diplomatic issues the Congress has had to face, and I believe that the Congress has lived up to its responsibilities. A more serious portion of the complex diplomatic situation in the Middle East is the question of U.S. relations with Syria. Since 1975, the United States has extended more than $350 million in economic aid to Syria—only $62 million of which has actually been expended due to protracted delays in the execution of the aid program. The fiscal year 1980 foreign aid request of the administration included a request of $60 million in additional economic assistance to Syria. This amount was reduced by $15 million by the authorizing committee, and further reduced to $22.5 million by the Foreign Operations Subcommittee.

Additional economic assistance to Syria should not be provided by the fiscal year 1980 budget, however, for two reasons: First, Syria is not part of the Middle East "peace package"—only Israel and Egypt are directly involved; second, Syria has been a leader of the band of hard line rejectionist states who have been seeking to undermine the very "peace package" that some in the Congress are seeking to support with their vote for Syrian aid. Syria continues to aid the PLO; Syria has joined other Arab States whose sole claim to unity is to drive Israel into the sea; and Syria has shown no signs that she intends to modify her belligerence. To extend even a token additional amount of assistance would reward the very behavior our policy intends to discourage. When the foreign aid appropriation bill comes to the floor, I will seek to remove such aid from the fiscal year 1980 bill.●

SELECTIVE SERVICE REGISTRATION PROVISIONS OF H.R. 4040

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. WEAVER) is recognized for 10 minutes.

● Mr. WEAVER. Mr. Speaker, there is a great deal of misinformation being bandied about regarding Selective Service registration provisions of H.R. 4040. The following factsheet prepared by Barry Lynn, chairperson of the National Committee Against Registration and the Draft, should prove most useful for Members who wish to become better informed about this important issue.

I. STATUS

On May 9 the House Armed Services Committee reported H.R. 4040, the Department of Defense Authorization Bill. The bill contains the following provision: "Effective January 1, 1981, the President shall commence registration under Section 3 of the Military Selective Service Act (50 U.S.C. App. 453) of male persons becoming eighteen years of age after December 31, 1980". It also amends the Selective Service Act so that registration takes place only for those turning 18 after December 31, 1980, and not for all those persons between 18 and 26 when registration commences (as the Act now reads). Several other provisions require that the President prepare a plan by January 15, 1980, for reform of the Selective Service System, discussing such issues as the possible induction of women and whether to register people face-to-face or through an automatic system of culling names from school records and other sources after waiver of the Privacy Act.

II. CONGRESSIONALLY-MANDATED REGISTRATION IS NOT NECESSARY

(1) The President already has full authority under Section 3 of the Military Selective Service Act to begin registration through a Presidential proclamation at any time he feels appropriate. Past Congresses have always committed this critical decision to the Commander-in-Chief. (Congress still maintains some control over this procedure through the appropriations process.)

(2) There is no evidence that draft registration prior to mobilization will materially enhance military readiness. Under the most recent Defense Department emergency mobilization timetable—the most stringent in history—Selective Service must provide the first inductees 30 days after mobilization, 100,000 inductees after 60 days, and 650,000 after six months.

The Congressional Budget Office in a November, 1978 study The Selective Service System: Mobilization Capabilities and Options for Improvement assessed Selective Service readiness. A major finding was that inductions could begin a mere 13 days sooner with registration than without it. The report concluded that with $2 million worth of improvements in automatic data processing equipment, merger of existing computerized lists from Social Security and Internal Revenue files could produce a current address list for up to 85% of 20 year old males (the first age group Selective Service would induct) within five days. This would permit inductions to begin 25 days after mobilization, actually earlier than DoD requires. On the other hand, if registration were reinstituted, inductions could still not begin until twelve days after mobilization. The difference between the two approaches—13 days—is not of military significance.

Acting Selective Service Director Robert Shuck has stated in a May 10, 1979 letter to Senator William Cohen that with the budget proposed by the Administration ($1.7 million in supplemental FY 1979 and $9.8 million in FY 1980 funding) which includes funds for upgrading computer facilities and strengthening regional offices "we will be able to develop the capacity to start the delivery of inductees within 30 days," without registration prior to an emergency.

Registration forms are already printed. Current plans call for a mass registration on the eleventh day following mobilization.

III. IMMEDIATE IMPLICATIONS OF PASSAGE

(1) Males turning 18 on or after January 1, 1981 will be registered by the Selective Service System. When registration is in effect, Selective Service regulations require registered persons to notify Selective Service when they change their address, temporarily leave the country, and in some cases, change jobs. It is unclear at what age, if ever, these reporting requirements would cease under the proposed language.

(2) Males will be liable for classification and testing. Section 4(a) of the Military Selective Service Act (M.S.S.A.) provides: "That each registrant shall be immediately liable for classification and examination, and shall, as soon as practicable following his registration, be so classified and examined, both physically and mentally, in order to determine his availability for induction for training and service in the Armed Forces." Thus, if registration begins, the Selective Service System is under an existing statutory mandate to classify and test registrants as soon as feasible.

(3) A substantial increase in Selective Service funding will be required. An increase in the appropriations for Selective Service will be required in FY 1980 or FY 1981 to start up the System. The Defense Department has estimated the cost of re-establishing the field structure of SSS to accomplish simple registration at $10.1 million over the FY 1979 budget of $7.045 million. Additional costs for law enforcement and advertising are anticipated. If classification, testing, and physical examinations are conducted pursuant to Section 4(a) of the M.S.S.A., the cost will be $62 million over the FY 1979 budget.

IV. PROCEDURAL HISTORY

Historically, amendments or extensions of the draft laws have been brought to the floor in separate legislation and never as an addition to a Defense Authorization Bill. For example, the last three series of draft law changes (P.L. 82–129, 1971; P.L. 90–40, 1967; P.L. 88–2, 1963) were entirely separate from those years' defense authorization. This has reflected the historical independence of the Selective Service System from the Defense Department. H.R. 4040 even specifically preserves Selective Service as "administratively independent of any other agency, including the Department of Defense."

This year, after very limited hearings, the unprecedented decision was made to attach Selective Service Act amendments to the authorization bill. An issue of such magnitude, with serious personal and fiscal implications, should be handled as separate legislation.

V. ADDITIONAL POLICY ISSUES

(1) Inclusion of women—H.R. 4040 presently calls for registration only of males, and would be unlikely to survive a 5th and 14th Amendment challenge on "equal protection" grounds. To withstand such scrutiny, "classifications by gender must serve important governmental objectives and be substantially related to achievement of those objectives" *Califano* v. *Webster*, 430 U.S. 313, 316–317 (1977). Statutes which have a disparate effect, beneficial or burdensome, on one sex are subject to the requirement that strong, demonstrable reasons for the difference exist.

Registration of women would not necessarily require induction into military combat. It would however recognize the considerable evidence that women, both in the past, and increasingly in the present All-Volunteer Force, have done exemplary service in the many technical, administrative, clerical, logistical, and medical areas which constitute 80 percent of military jobs. (A recent decision was made by the Army to equalize recruitment standards for men and women, thus increasing opportunities for women). As long as the registration is for possible service in an unspecified military position, the burden of registration must be shared by all to avoid Constitutional infirmity.

Elimination of women from the registration requirement appears to run afoul of the recent Supreme Court warning that "legislative classifications which distribute benefits and burdens on the basis of gender carry the inherent risk of reinforcing the stereotypes about the 'proper place' of women and their need for special protection." *Orr* v. *Orr* 99 S. Ct. 1102, 1113 (1979).

(2) Age of Registrants. As presently drafted, H.R. 4040 will not affect any individual who will be old enough to vote in the 1980 Congressional elections. This raises a serious question of fundamental fairness, since the only person subject to the onerous registration requirement are those who are now, literally, politically powerless. This may exacerbate non-registration problems anticipated by the Defense Department.

VI. CONCLUSION

Draft registration now is not a military necessity, since alternatives exist for rapid registration in time of crisis. Therefore, it is not justified to subject millions of young people to the rigid scrutiny of their lives and movements which registration necessarily entails.●

GEORGE J. SPATUZZA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, the city of Chicago lost an outstanding civic leader on May 3, George J. Spatuzza, who worked with dedication and devotion on behalf of our community for more than 58 years. He was an outstanding attorney, past supreme venerable (national president) of the Order Sons of Italy in America, and was also the recipient of many awards and honors for his splendid record of accomplishment.

On the occasion of the 50th anniversary of his admission to the bar, George Spatuzza was commended by the Illinois General Assembly, and the Illinois Bar Association conferred the title of Senior Counsellor on him, because "He has set an inspiring example of devotion and fidelity to the duties and obligations of an attorney and counsellor at law, of leadership and unselfish participation in the public affairs of his community, State and Nation."

George Spatuzza was born in Ragusa, Sicily, Italy, and came to the United States in 1909 at the age of 12. Eight years after arriving in America, he graduated from the Northwestern University Law School and that same year was admitted to the Illinois bar. During his career, he served as special deputy to the Illinois Department of Insurance, and as an expert in immigration law, was appointed by Secretary of State Dean Rusk in 1961 as an adviser to the U.S. delegation to the Intergovernmental Conference on European Migration in Geneva, Switzerland. He also was decorated four times by the Italian Government for his efforts to improve relations between the United States and Italy.

It was George J. Spatuzza who originated the national letter-writing campaign of 1948, when the members of the Order Sons of Italy of America wrote to relatives and friends in Italy urging their opposition to the election of Communists, thus helping to defeat the Communists in the April elections and to maintain a strong Italian presence in the community of free nations.

During his term of office as Supreme Venerable of the Order, over 40,000 new members were brought into the organization, and a half million dollars was raised for the construction of the Cassino Memorial Orphanage at Cassino, Italy, to honor American soldiers who gave their lives in Italy during World War II.

Chicago has lost one of its most eminent citizens, and Mrs. Annunzio and I extend our deepest sympathy to George Spatuzza's wife, Mildred, and his children, John G. Spatuzza and Jean Reed, along with their families.●

IMPLICATIONS TO UNITED STATES OF EMS AND EMF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise in order again, as I have in the immediate past, to voice my concern about the developing and emerging European Monetary System—EMS, as it is known; and its companion fund, known as the European Monetary Fund—the EMF, and its implications to the United States which have been very much overlooked and not discussed at all. In fact, if I am not mistaken, I am the only Member of Congress who has addressed himself to this subject matter.

I would like to renew my concern about this development in conjunction with the development of several concomitant factors which I have also spoken out and about since 1977, one of which is the tremendous increment and commitment on the part of the largest banking and financial institutions of the United States in investments in the developing nations and their governments. This increase alarmed me in 1977, and it has continued to increase at a tremendous incremental rate. In fact, I would say it was also an exponential rate. It has gone from $3 billion to $47 billion in the last 2½ years.

This continues, and has provided a tremendous overhang that, together with another phenomenon, which is the tremendous acquisition on the part of banking sources by foreign investors in the United States, with this developing situation in Europe, which I believe and repeat has the most serious implications to the stability of the dollar and the financial stability of the United States.

Today, I take this opportunity only to renew my concern because of the fact that we continue to lull ourselves without addressing ourselves to this emerging and potentially destructive phenomenon, and because there are things that I believe we in the Congress—since the leadership has not come from the executive branch—have a responsibility to develop. I addressed a letter to the chairman of the Banking Committee, to which I have the honor to belong, several weeks ago asking that he not go along with the intention to pass over the committee reviewing these matters, including this question of the tremendous acquisition of banking resources by foreign financial interests in the United States.

I believe a point of danger now exists which the Congress must address itself to sooner or later. So, I wish to have the opportunity as we go into this week and next week to develop further in very specific terms why it is that I am so concerned.

ANNOUNCING THE RELEASE OF THE STUDY ON THE EFFECTS OF NUCLEAR WAR BY THE OFFICE OF TECHNOLOGY ASSESSMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

● Mr. UDALL. Mr. Speaker, today Senator CHURCH and I are releasing the latest study done by the Office of Technology Assessment. It concerns the effects of nuclear war. Requested by the Senate Committee on Foreign Relations, this analysis could not be more timely.

As the chairman of the OTA, I am pleased to see this institution coming of age—addressing the toughest issues of the day in a prompt, efficient manner. Although most of the debate over the SALT Treaty has involved tonnage, warheads, launch capacity, and verification, the realities on nuclear war have received little discussion. It is difficult to exaggerate the horrors of even a limited nuclear war.

To give my colleagues a flavor for the report, permit me to itemize the conclusions of the study:

The impact upon our society of a nuclear attack of any scale is devastating—and the effects we can predict may well be less significant than those that are incalculable.

This uncertainty, and the potential horror of even small attacks, contribute to deterrence.

We in the United States are extremely vulnerable to a nuclear attack as are the Russians. Our vulnerabilities vary greatly, however.

It cannot be demonstrated that an effective sheltering and/or evacuation of the citizenry would necessarily save lives.

I recommend this study to all Members of Congress, and to the public, so that every American citizen may express his or her opinion on the SALT Treaty based upon a realistic appraisal of the terrible damage that will be done to society by nuclear weapons.●

LEGISLATING TO CURB DRUG TRAFFICKING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LaFALCE) is recognized for 20 minutes.

● Mr. LaFALCE. Mr. Speaker, in his

1979 state of the Union address, President Carter reported on the progress we are making in the battle against drug abuse in the United States, a battle that involves cutting off the supply of illegal drugs entering this country from abroad. Looking to the future, President Carter singled out an area in which law enforcement activity should be concentrated. He said:

> In 1979 we will stress financial investigations as a means of prosecuting those individuals responsible for the drug traffic, and will rely heavily on enlisting foreign cooperation in the overall drug program.

The President was absolutely correct; I am convinced that one of the best ways to curb drug abuse is to curb the importation of drugs, especially marihuana, cocaine, and heroin from abroad. And, the best way to curb that importation, short of preventing the drugs from being grown or processed, is to put clamps on the illegal flow of money out of the United States for the purchase of drugs.

Presently, the battle against drug imports includes financial investigations of known or suspected drug dealers. But in some specific instances, the work of the Justice Department, the Drug Enforcement Administration, the U.S. Customs Service and others is being impeded by problems with existing laws.

Recently, I traveled with Representative LESTER WOLFF, chairman of the House Select Committee on Narcotics, and members of the committee to major drug-trafficking regions in Latin America. Upon my return, I called a series of meetings with administration officials, ranging from the White House to the Drug Enforcement Administration, and including officials from Treasury and Customs, as well as special agents assigned to major drug investigations, to determine how Congress can help these investigators in their work.

After a number of meetings, conferences, and a great deal of research, I have introduced three bills in the House of Representatives that I believe will make great headway in the use of financial investigations to curb drug trafficking.

My first bill, H.R. 4072, would make it illegal to "attempt" to leave the United States with large amounts of cash without having filed a report, already required under the Bank Secrecy Act, with the Government. Present law makes it illegal to leave the country with more than $5,000 without having filed the report, but the courts have held that a person cannot be arrested for violating this law unless he has actually left the country—and thus escaped. Even though it is illegal to attempt murder or robbery, a loophole in the law makes the illegal smuggling of large amounts of cash out of the United States a very risk-free crime.

The importance of curtailing cash smuggling is underlined by data provided by the Customs Service. Some 90 percent of the violations of this law, (those who do not sneak through the present loophole) result from criminal activity, and 80 percent of this money is drug-related. Law enforcement officials in south Florida, a haven for drug smugglers, estimate that my bill, if it became law, could result in 100 or more successful prosecutions for money smuggling in that State alone.

Joining me in sponsoring this bill were Congressmen LESTER WOLFF, chairman of the Select Committee on Narcotics Abuse and Control, and FERNAND ST GERMAIN, the Subcommittee on Financial Institutions (which has jurisdiction over this legislation). Both share my concern over the national drug abuse problem and the difficulties in apprehending those responsible for drug trafficking and smuggling.

Both WOLFF and ST GERMAIN also cosponsored my second bill H.R. 4073, which would allow customs officials to search for unreported amounts of cash in the same way they are now permitted to search for undeclared or illegal merchandise.

As it stands now, the law requires a search warrant for cash but does not require one for other merchandise. The warrant requirement makes currency arrests vastly more difficult, even though carrying large amounts of unreported cash is just as illegal as smuggling in undeclared property or carrying contraband goods. This bill removes this distinction and permits Customs officials to treat these similar violations of the law in a similar manner.

My third bill, H.R. 4071, co-sponsored by Representative ST GERMAIN, is intended to encourage persons with information about unreported cash being transported over the border to share that information with government officials. It awards a portion of any cash seized as a result of the information disclosed to the person who provides the tip. According to Customs officials, this change will not only aid the battle against drug traffickers, but also provide a net gain to the U.S. Treasury by increasing the seizures of greater amounts of unreported cash.

When cash is smuggled out of the United States, it most often winds up purchasing drugs. The drugs, in turn, find their way into communities across the United States. Although less attention is paid to drug abuse, especially among teenage youth, than in years past, the problem continues to worsen. I think that attacking the major organized crime figures behind drug smuggling is one of the best ways to battle the drug abuse problem, and I believe that passage of my three bills would make an important contribution to that battle.●

INTEGRATED ENVIRONMENTAL ASSISTANCE ACT OF 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. PREYER) is recognized for 10 minutes.

● Mr. PREYER. Mr. Speaker, I am introducing, along with Mr. STAGGERS, Mr. WAXMAN, Mr. FLORIO, Mr. SCHEUER, Mr. MURPHY of New York, and Mr. FORSYTHE, the Integrated Environmental Assistance Act of 1979. We are doing this at the request of the administration.

This act is a major legislative priority of the President and fulfills the objective he outlined to the Congress in his 1978 environmental message, namely to consolidate the Environmental Protection Agency's grant delivery system. I think that this is a worthy concept, and I look forward to working with the administration to develop specific proposals which the Congress can support. It is my hope that hearings will take place sometime this summer, and that a thorough, consensus bill clears the House by the May 15, 1980 authorizing deadline. In this regard, I welcome comments and suggestions on the bill.

The act is particularly appropriate, because it will enhance EPA's ability to manage the Federal environmental grant program in a more effective and efficient manner. The bill proposes a program to increase environmental program flexibility, improve and simplify administration, enhance program integration, and provide incentives for good performance.

Presidential and congressional awareness of the interrelated nature of environmental problems and solutions resulted in EPA's creation in late 1970. Since that time, the number of EPA programs has grown from three programs with a grant authority of $60 million, to 16 programs with a grant authority of nearly $300 million. There is a growing awareness of the complexity of the cross-cutting impacts of these programs as well as the seriousness of the impacts to health and the environment. This bill calls for alternative ways to foster the total environmental grant delivery approach.

Following is EPA's section-by-section analysis of the Integrated Environmental Assistance Act of 1979.

SECTION-BY-SECTION ANALYSIS—INTEGRATED ENVIRONMENTAL ASSISTANCE ACT OF 1979

In his 1977 Environmental Message, the President directed the Environmental Protection Agency to prepare proposed legislation to integrate the Agency's various categorical grants supporting State and local environmental programs.

One of the principal objectives in creating EPA was to provide a framework to deal with interrelated environmental problems and to implement programs and solutions in a more effective and efficient manner. In an attempt to encourage integrated environmental programs, the Agency has allowed administrative integration of categorical State program assistance for several years. In fiscal year 1978, sixteen States were participating in this program, even though it does not provide flexibility for States to transfer funds to meet their own unique environmental priorities and needs.

The draft "Integrated Environmental Assistance Act of 1979" has been developed to alleviate the problems identified in EPA's attempt at integration under its administrative authority. The Act would allow States to apply for integrated assistance, if they so desire, in lieu of separate categorical assistance. The Administrator of the Environmental Protection Agency is given the authority to award integrated assistance when a State submits a plan demonstrating that it can effectively implement an integrated environmental program.

Consistent with the President's commitment, the Act encourages integration of environmental planning by States and local governments and strengthens coordination between State and Federal programs. The Act also increases the recipient's flexibility to address its particular environmental priorities, to propose redirection of Federal assistance, and to simplify and improve administration of environmental programs.

Section 1—Short Title:

Self-explanatory.

Section 2—Declaration of Policy:

This section declares the policy of Congress to be that comprehensive approaches to management of environmental programs are necessary at all levels of government—local, State, and Federal. Current program fragmentation often leaves gaps and allows over-laps which reduce environmental program effectiveness.

Section 3—Objective:

Section 3 states that the objective of the Act is to provide a mechanism to encourage EPA program recipients to design integrated environmental programs tailored to their specific needs.

Section 4—Definitions:

Section 4 provides basic definitions under the Act. In defining "covered programs" it establishes that integrated assistance may include program elements that address the objectives of any legislation for which the EPA Administrator is responsible (except for grants for the construction of wastewater treatment works). The integrated assistance program would permit use of assistance funds to support activities which are within EPA's mandate, but for which there is currently no assistance funding available.

Section 5—Integrated Program Plan:

Section 5 describes conditions that make integration appropriate; i.e., where separate program assistance may leave gaps or result in over-laps in environmental planning, management or implementation. It lists several examples of activities which can be integrated, and it establishes the basic content of integrated program plans. Integrated program plans must address the objectives of not less than two covered programs and they must adequately integrate the covered programs included. The section also requires that a single agency provide for the coordination and management of each recipient's proposed activities and that the public be adequately involved in development of integrated plans.

Section 6—Approval of Integrated Program Plan:

Section 6(a) lists potential benefits of integrated assistance on which the Administrator is to base his requirements governing approval of integrated program plans. The approval requirements are to be flexible enough to promote each applicant's discretion in meeting its particular needs, provided the proposed integrated program is consistent with National objectives. The Administrator must also require that integrated program plans adequately consider the effects of one program on others and use common data bases and planning and evaluation processes when appropriate.

Section 6(b) limits a recipient's activities to those the Administrator determines are consistent with the purposes of the covered programs included in the recipient's integrated plan.

Section 6(c) requires timely Administrator review of proposed integrated program plans. The Administrator may approve all or part of the integrated program plan. However, if he denies an applicant's inclusion of any categorical program in an integrated award, the Act provides the applicant not less than 60 days to apply for categorical assistance for that program.

Section 6(d) establishes criteria for the Administrator's review of integrated program plans.

Section 6(e) requires the Governor of a State and the Chief executive officer of a local government to sign integrated assistance applications. This requirement is included to assure high level support and involvement in program integration.

Section 7—Authority; Limitations:

Section 7(a) authorizes the Administrator to award integrated assistance in lieu of categorical assistance to achieve the objectives of the Act and the substantive requirements of the covered programs included in each applicant's integrated program plan.

Section 7(b) clearly states that neither award of, nor application for, integrated assistance in one year obligates the Administrator to approve, nor the State to apply for, integrated assistance in a subsequent year. In fact, it requires the Administrator to make an affirmative finding that a previous year's award effectively served the purposes of the Act and the covered programs. It also provides criteria for the Administrator to consider in making this determination.

Section 7(c) is self explanatory.

Section 7(d) restricts participation to 15 States and 25 local governments in 1980 and, provided the Administrator finds the program was successful in 1980, to 30 States and 50 local governments in 1981. It requires competitive selection of recipients in 1980 which should assure that only the most capable States will receive integrated awards that year.

Section 8—Assistance for Local Governments and Interstate Agencies:

Section 8 enhances EPA's ability to fund local programs by permitting local governments and interstate agencies to receive integrated assistance, with State concurrence. All current authorities for local governments and interstate agencies to receive categorical program grants continue in effect.

Normally local governments and interstate agencies will receive integrated grants as a pass-through from the State; however, under this legislation EPA may directly award integrated assistance to local governments and interstate agencies when the State either does not apply for integrated assistance, or does not make adequate provision for the local government or interstate agency, and the applicant is otherwise eligible to receive funds under the covered programs.

Local governments or interstate agencies may receive integrated assistance for programs for which they are not otherwise directly eligible, if the State consents and the Administrator agrees to their application. Generally, in such cases, the amount of the State's allotment will be reduced by the amount of the assistance to the local government.

Section 9—State/Local Consultation:

Section 9 emphasizes the requirement that States consult with local governments during the process of developing integrated program plans.

Section 10—Funding for Local Participation:

Section 10 requires that a local entity which is given responsibility for carrying out particular elements or outputs contained in an integrated program plan be given State or Federal funds through that plan, to meet its responsibility.

Section 11—Funding Flexibility:

Section 11 authorizes the Administrator to permit applicants flexibility to propose to transfer funds among the covered programs in their approved plans with a restriction. The State plan may not reduce the amount of funding for any categorical program to less than 80% of the level provided under the categorical assistance approach. (Funding flexibility also applies to non-Federal funds.) If it is appropriate to the approved plan, for example, it would be possible to increase the funds in one program by shifting 20% of the funds from all the others. In other words, each categorical allocation could be reduced by up to 20%, and that sum could be used by any combination of the others—as long as the activity is one for which the Administrator is responsible and is within the scope of the covered programs included under the recipient's integrated program plan.

Section 12—Accountability:

Section 12 is designed to tie recipient expenditures to the approved integrated program plan, and to relate recipient accounting to that plan, in lieu of current requirements for accounting by individual programs.

Section 13—Supplementary Assistance:

Section 13 allows each applicant for integrated assistance to compete with others for funds—called supplementary assistance—in addition to the amounts available from the allotments of the covered programs. Applicants applying for supplementary assistance will propose non-recurring projects that are innovative, of special national significance, or that address other special environmental needs. Acceptable projects may include establishment of an environmental permit system, development of a State civil penalties program, start-up costs associated with assumption of pesticides enforcement delegation, establishment of State regional pollution control offices, or creation of an agency-wide environmental inspection system.

Section 13 also provides criteria which the Administrator will consider in ranking and selecting supplementary assistance projects.

Section 14—Administrative Provisions:

Section 14(a) provides for use of unobligated funds by the Administrator—by reallotment, contract, or other appropriate means—to achieve the purposes for which they were intended if the recipient does not achieve the expected program accomplishments.

Section 14(b) establishes a single maintenance-of-effort to replace the several existing matching and maintenance-of-effort requirements. This requires that the recipient expend in the fiscal year—for recurrent costs, e.g. salaries, personnel benefits, and other continuing costs—an amount that is not less than the amount spent for such purposes during the base fiscal year. The base fiscal year is the year prior to the year each covered program entered into integrated assistance. EPA may reduce the amount of non-Federal funds required if there is a general reduction in expenditures of executive branch agencies of the recipient.

Section 15—Effective Date and Criteria Development:

Section 15 establishes that integrated assistance may be awarded beginning in fiscal year 1980 and for four years thereafter.

The Administrator is to issue regulations to establish the program promptly (within 180 days) after passage of the Act.

Section 16—Regulations:

Section 16 provides general authority for EPA to issue necessary regulations to implement the Act.

Section 17—Authorization:

Section 17 provides, in addition to funds authorized to be appropriated under covered programs, that there be $25,000,000 authorized for supplementary assistance for the 1980 fiscal year and that such sums as necessary be authorized for the period 1981–84.

Section 18—Detail of Personnel:

Section 18 allows the Administrator to detail EPA employees to recipients to assist in carrying out an approved integrated program plan. Thus, EPA can provide any needed technical assistance, training or extra manpower. The section also allows the Administrator to reduce the recipient's assistance amount by the cost related to the detail.

Section 19—Sunset Provision; Report to Congress:

Section 19 establishes a "sunset provision". The Act will expire on September 30, 1984, unless Congress extends it.

The section also requires the Administrator to submit a report to Congress by September 30, 1983, which describes the extent recipients have integrated programs under the Act, evaluates those programs, and makes recommendations with respect to continuing the integrated assistance program.●

TAX-EXEMPT STATUS FOR FRATERNAL SOCIETIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

● Mr. COTTER. Mr. Speaker, I have been in contact with the Knights of Columbus who are concerned that they may be adversely affected by an unforeseen interpretation of section 501(i) of the Internal Revenue Code. This section of the code prohibits a tax-exempt status for organizations which discriminate on the basis of religion, but the technical problem this creates for the Knights was not intended when the law was enacted. Therefore, I am introducing legislation to correct this situation.

The Knights of Columbus are exempt from Federal income tax under section 501(c)(8) of the Internal Revenue Code. However, subordinate lodges of the Knights are unincorporated, therefore those lodges desiring to hold title to real property must form an affiliated corporation. Some 2,000 of these affiliated corporations are exempt from the income tax under section 501(c)(7) of the code as "social clubs."

As a member of the committee in 1976, it is my recollection that section 501(i) was aimed at organizations whose composition was not religiously centered, who had several religions represented among its members, but who refused membership to someone simply because they were a member of a particular religion. In order to be a member of the Knights of Columbus and, therefore, a member of one of these affiliated corporations, an individual must be a practicing Catholic. This is not the type of "discrimination" section 501(i) was designed to prohibit.

It should be clearly understood that the Knights themselves will continue to be exempt from income tax under section 501(c)(8). It is only those affiliated corporations established to hold title to real property and which happen to have filed for an exemption under section 501(c)(7) which are in danger of losing tax-exempt status. The legislation I am introducing today will correct this situation by exempting auxiliaries of a fraternal beneficiary society from the provisions of section 501(i) under certain conditions. This merely returns these auxiliaries to the status they enjoyed prior to 1976.

I am including at this point in the RECORD a copy of my bill:

H.R. 4201

A bill to amend the Internal Revenue Code of 1954 with respect to the exempt status of auxiliaries of certain fraternal beneficiary societies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (i) of section 501 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new sentence: "The preceding sentence to the extent it relates to discrimination on the basis of religion shall not apply to an auxiliary of a fraternal beneficiary society if such society is described in subsection (c)(8) and is exempt from tax under subsection (a) and if such society limits its membership to the members of a particular religion.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after October 20, 1976.●

JAMES F. SHARKEY RETIREMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. SPELLMAN), is recognized for 5 minutes.

● Mrs. SPELLMAN. Mr. Speaker, James Bryant Conant, the renowned educator and president of Harvard University, once said:

> Each honest calling, each walk of life, has its own elite, its own aristocracy based on excellence of performance.

Excellence of performance. Those words, Mr. Speaker, epitomize a former colleague, a highly respected professional, an aristocrat of the law, a friend.

In just a few days, friends and coworkers of Mr. James F. Sharkey will be honoring him as he retires from a long and distinguished career with the county attorney's office in my own Prince Georges County, Md. I rise today to give him the recognized honor he so richly deserves for the many years he has served the citizens of our area.

Born and reared in Scranton, Pa., Jim Sharkey settled in Maryland after his Army stint. He graduated from George Washington Law School and was in private law practice before joining our county attorney's office in 1967. For 12 years, he has continuously served as an associate county attorney, providing expertise in the zoning and planning areas. We, the elected officials who had difficult decisions to make, turned time and time again to Jim Sharkey for answers—answers we were certain were sound. His steady counsel and advice we knew were fashioned only after he had completed exhaustive research. Reliability was his credo then as it is today.

Mr. Speaker, I will not be able to be present when Jim's many friends say goodbye, and I truly regret that I cannot. But I know all the Members in this House join me today in wishing him well. He and his wife, Florence, will be heading for the Sun Belt to sit on the beach, watch the waves and enjoy the relaxed hours of retirement. But, if I know Jim Sharkey well at all, and I think I do, his intellectual curiosity will soon have him involved in other pursuits, other challenges. Whatever those projects might be, I know that Jim will assume them with the same degree of commitment and concern he has always given to the citizens of Prince Georges County. Good luck, Jim.●

FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OTTINGER) is recognized for 5 minutes.

● Mr. OTTINGER. Mr. Speaker, as I have done every year since my first election to Congress, I am today disclosing a statement of my assets and liabilities, a schedule of securities which I own, a schedule of other securities of which I am an income beneficiary and a schedule of the taxes I paid in calendar year 1978. While this disclosure goes beyond what is required by law at the present time, I am the sponsor of legislation requiring full financial disclosure, believing this to be the best protection of the public interest.

The statement and schedules are as follows:

Richard L. Ottinger, statement of assets, liabilities, and capital, as at March 31, 1979

ASSETS	
Cash	$3,196
Savings certificate	205,435
Assets held by Richard L. Ottinger Trust, Dated March 19, 1969:	
Marketable securities, cost $568,120, at market value (Schedule 1)	1,776,310
Investment in limited partnership, at cost	250,000
	2,026,310
Real estate: Residences in Mamaroneck, N.Y. and Washington, D.C., at estimated market value	550,000
	2,784,941
LIABILITIES AND CAPITAL	
Liabilities:	
Notes and loans payable:	
Testamentary Trust u/w/o Lawrence Ottinger f/b/o Richard L. Ottinger	301,912
Patricia L. Chernoff	150,000
Louise L. Ottinger	350,000
Trust u/a dated 10/30/57 f/b/o Richard L. Ottinger	50,000
Other loans payable	40,000
Mortgage payable	99,000
	990,912
Income taxes payable on unrealized gain on marketable securities	422,867
Total liabilities	1,413,779
Capital	1,371,162
	2,784,941

Richard L. Ottinger, schedule of marketable securities held in Richard L. Ottinger trust, as at March 31, 1979

STOCKS

	Current market value
American Telephone & Telegraph Co. (500 shares)	30,500
Anheuser Busch, Inc. (2,850 shares)	68,400
Champion Internationl Corp. (765 shares)	18,934
Connecticut General Insurance Co. (2,700 shares)	97,875
International Business Machines Corp. (1,038 shares)	327,489
Simplicity Pattern Co., Inc. (11,898 shares)	136,827
Travelers Corp. (1,200 shares)	45,150
Weyerhaeuser Co. (7,494 shares)	232,314
Xerox Corp. (8,100 shares)	472,838
	1,430,327

BONDS

Ascension, St. James Bridge & Ferry Auth. Ln., 4.45%, 11/1/2001 ($50,000)	39,750
Federal Land Banks, 8.15 percent, 4/20/82 ($30,000)	28,988
Federal Land Banks, 7.80 percent, 1/20/82 ($70,000)	67,112
New York State Mtge. Finances Agency, 6.9 percent, 4/1/83 ($50,000)	50,120
New York State Mtge. Agency, 5.7 percent, 10/1/96 ($50,000)	47,000
P/H/A Puerto Rico, 5.55 percent, 1/11/80 ($25,000)	25,059
Westmoreland Co. Indust. Dev. Pa., 4.6 percent, 12/1/85 ($25,000)	22,954
	280,983

COMMERCIAL PAPER

General Motors Accept. Corp. Note, 9.422 percent, 4/17/79 ($65,000)	65,000
Total	1,776,310

Richard L. Ottinger, schedule of assets of various trusts in which Richard L. Ottinger is income beneficiary, as at March 31, 1979

STOCKS

	Current market value
American Telephone & Telegraph Co. (400 shares)	$24,400
Anheuser Busch, Inc. (3,000 shares)	72,000
Atlantic Richfield Co. (400 shares)	24,600
International Business Machines Corp. (158.60 shares)	50,038
Perkin Elmer Corp. (3,600 shares)	117,900
	288,938

BONDS

Xerox Corp., 8.2 percent, 11/1/82 ($40,000)	38,334
Nevada Housing Div., 4.8 percent, 4/1/86 ($30,000)	27,577
Pennsylvania, 4½ percent, 7/1/2000 ($25,000)	18,742
New York, N.Y., 5 percent, 5/1/91 ($15,000)	10,198
Federal Land Banks, 8.15 percent, 4/20/82 ($15,000)	14,494
Puerto Rico Commonwealth, 4.5 percent, 7/1/97 ($30,000)	19,728
Alaska State, 5.40 percent, 1/1/84 ($12,200)	11,900
Ascension, St. James Bridge & Ferry Auth. La., 4.45 percent, 11/1/2001 ($25,000)	19,875
New York State Mtg. Finances Agency, 6.9 percent, 4/1/83 ($15,250)	15,287
New Jersey Turnpike Auth., 5.2 percent, 1/1/2008 ($9,150)	7,595
P/H/A Philadelphia, Pa., 4.61 percent, 10/5/79 ($6,100)	6,075
P/H/A Puerto Rico, 5.58 percent, 2/8/80 ($36,600)	36,771
P/H/A Puerto Rico, 5.55 percent, 1/11/80 ($34,150)	34,229
P/H/A Washington, D.C., 2.5 percent, 5/1/91 ($9,150)	6,201
Bedford, New Castle, etc., N.Y., 3 percent, 6/1/82 ($9,150)	7,764
Baltimore City, Md., 4 percent, 8/1/86 ($9,150)	7,697
Chelan Co., Wash., 3.4 percent, 12/1/2003 ($9,150)	6,634
So. San Joaquin, Calif., 3.05 percent, 7/1/2004 ($9,150)	6,497
P/H/A Lewiston, Me., 5.83 percent, 2/8/80 ($40,000)	40.270
	335,868
Cash (Overdrawn)	(136)
Total	624,670

The above securities are not reflected as assets of Richard L. Ottinger since he is only an income beneficiary of the Trusts. The schedule is prepared for informational purposes.

SCHEDULE 3—RICHARD L. OTTINGER—SCHEDULE TAXES PAID IN 1978

Federal income tax	$47,672.00
State and local income tax	12,921.89
New York and District of Columbia property tax	13,745.00
Total taxes paid	74,338.89

●

WHEN IT COMES TO PEOPLE WE ARE NOT THINKING AHEAD

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. OTTINGER. Mr. Speaker, we are a forward-looking nation, forever poised with one foot on the threshold of a better tomorrow. Whether in settling the West or landing on the Moon, we have been thinking about tomorrow. Even as we have shifted from simply discovering new resources to also planning for their conservation, our sights have been on the future.

But, as syndicated columnist Ellen Goodman has written recently, we often overlook what is most fundamental to our lives and well-being. In my opinion, when it comes to people themselves, we are not thinking or planning ahead.

That is the most striking findings of the House Select Committee on Population last year. There were 16 members on the committee. They represented both parties, almost all standing committees of the House, and certainly a variety of points of view on the role of government in private well-being. After a year's work, the committee members concluded:

> The federal government has no capacity to plan systematically for population changes; yet changes in the size, age composition and geographical distribution of the population can, and often do, have profound effects on federal policies, and federal policies and programs often influence the direction of population change unintentionally.

We are trying to plan ahead for adequate energy, reduced inflation, fuller employment, more effective education, improved health care, a better protected environment. More often than not we persist in ignoring what is most fundamental to all of these—people themselves.

As Members of Congress we should be more aware of that than most in government. When our communities grow at boomtown rates we are among the first to hear about it. When their age compositions change, it registers in our constituents' letters and requests. When public schools are bursting at the seams or closing down, the Halls of Congress are one of the places where solutions are expected to be found. And, obviously, when our districts change in size, our offices experience the effects.

These kinds of population changes are so basic to so much of our work in Congress, yet they receive so little direct attention. The Federal Government at large is no exception. The select committee has reported:

> Policymakers at all levels of government and the American public have limited understanding of the long-term consequences of population change for individuals and society as a whole. The federal government has not made a concerted effort to educate either the public or the policymakers about population trends and their consequences.

During 1978, much of the work of the select committee was to assist standing committees to expand on their review of population issues, including contraceptive development, immigration, and foreign aid for population planning. But I believe the committee's greatest contribution to the work of the House was to identify an issue to which no single committee had given attention—population change and Federal policymaking.

In its final report of recommendations, the committee concluded:

> Policies which influence or are influenced by population change can be found in all federal agencies. Yet, no single agency has the authority to coordinate these often-conflicting policies. The Committee recommends that the Congress undertake a through investigation to identify all population-sensitive programs and policies, to assess their impact on population, and to consider alternative mechanisms for improving the ability of the federal government to:
>
> (a) conduct continuing analysis of the interrelationship of demographic change and federal programs and policies;
>
> (b) coordinate programs and policies which will be affected by changes in the size, composition and geographical distribution of the population, or which may affect population; and
>
> (c) develop alternative policies and programs for planning for future population change and assess the short-term and long-term costs and benefits of each course of action.

The work of the Select Committee on Population is completed. Under the leadership of its Chairman JAMES SCHEUER and its ranking minority member, JOHN ERLENBORN, the committee has compiled recommendations that are geared to improving the work and effectiveness of Congress and the administration, not just to highlighting population issues. Now the work of the House begins—as individual members and committees—to act on these recommendations.

I, for one, am especially concerned about the committee's finding that the—

> United States has no explicit policy outlining goals relating to the overall size, growth and distribution of the population.

To encourage debate and support for coordinated Federal planning for population change and eventual stabilization, I will be introducing soon legislation to declare a national population policy for stabilization and to establish a White House Office of Population Policy.●

REGIONAL PRIMARY BILL

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. OTTINGER. Mr. Speaker, with the 1980 Presidential race already growing heated, the time to face the crucial issue of primary reform is now. We have the opportunity to create a better, more efficient method for determining Presidential nominees than the institutionalized chaos of the present expensive and unproductive patchwork of primaries.

To take advantage of this opportunity, I am today introducing legislation to establish a regional primary system for selecting major party nominees for the Presidency. This bill will preserve and, indeed, enhance, the importance of the individual States in the process of nominating Presidential candidates. At the same time, it will provide an essential, rational perspective from which to evaluate the meaning of a State's primary results.

Today's hodgepodge of primaries accomplishes very little besides determining which candidates have the stamina to crisscross the country, running from this State to that, and stopping only long enough for a brief, breathless speech and a few hurried handshakes. Under my bill, each State would be assigned to one of five regions and would hold a Presidential primary on the same day as the other States in the region. The five primaries, separated by 3-week intervals, would extend from April to June each Presidential election year. The sequence of the regional primaries would be determined by lot. Candidates would have the time to adequately present themselves and their views to the voters.

I believe that enactment of the regional primary bill will make the Presidential nominating process more informative, more accessible, and thus more democratic. Certainly, this is the year for Congress to take action on this important reform.

The text of the bill follows:

REGIONAL PRIMARY ACT OF 1979

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Regional Presidential Primaries Act of 1979."

FINDINGS

SEC. 2. The Congress finds that

(1) the proliferation of elections held by States for the election of delegates to national nominating conventions and for the expression of a preference for the nomination of individuals for election to the office of President subjects candidates for nomination for election to such office to physical exhaustion, danger, and inordinate expense;

(2) there is no uniformity among State laws with respect to the effect of such elections on delegates to the nominating conventions held by political parties;

(3) the confusion caused by this lack of uniformity in State laws gives rise to cynicism, frustration, and distrust of the nomination process;

(4) a system which both standardizes the holding of Presidential primaries and permits States to continue to play a substantial role in such primaries would improve the Presidential nominating process;

(5) the national nominating conventions held by political parties constitute an integral part of the process by which the President is chosen by the people of the United States; and

(6) in order to protect the integrity of the Presidential election process and provide for the general welfare of the Nation, it is necessary to regulate that part of the process which relates to the nomination of candidates for election to the office of President.

ESTABLISHMENT OF REGIONAL PRIMARIES

SEC. 3. (a) Each State shall conduct an election for delegates to national nominating conventions for the nomination of individual for election to the office of President in accordance with the provisions of this Act.

(b)(1) Five regional primaries shall be held during each Presidential election year. The first regional primary shall be held on the first Tuesday of April, and an additional regional primary shall be held on the Tuesday of each of the third, sixth, ninth, and twelfth succeeding weeks. Thirty days before the date of the first regional primary, the Commission shall determine by lot the region in which such primary is to be held. The Commission then shall determine by separate lot, conducted thirty days before the date of each subsequent regional primary except the last, the region in which each subsequent regional primary is to be held.

(2) The ballot for a regional primary conducted by each State under paragraph (1) shall include the names of (A) each candidate who is eligible to appear on the ballots of each State in the region involved under subsection (c)(1); and (B) each candidate who is eligible to appear on the ballot of the particular State under subsection (c)(2).

(c)(1) The ballot of each regional primary which is held under this section shall include the name and political party affiliation of any candidate with respect to whom the Commission has certified payments under section 9035(a) of the Internal Revenue Code of 1954 (relating to initial certifications), and who remains eligible to receive payments from the Secretary of the Treasury or his delegate under chapter 95 or chapter 96 of the International Revenue Code of 1954, on the date of the regional primary involved.

(2) An individual whose name is not placed on a regional primary ballot under paragraph (1) may have his name and the name of the political party with which he is affiliated appear on the ballot of any State participating in the regional primary involved, if he is eligible for election to the office of President, by (A) notifying the Secretary of State of the State involved (or, if there is no office of Secretary of State, the equivalent State officer) in writing that he is a candidate for nomination by a specified political party for election to the office of President; and (B) presenting such Secretary of State or equivalent State officer with a petition supporting his candidacy for such nomination signed by at least 1 percent of the individuals who are registered to vote in the State involved.

(3)(A) The Commission shall announce the names of any candidates who are entitled to be on the ballot of any regional primary under paragraph (1) no later than thirty days before the date of the regional primary involved.

(B)(i) The Secretary of State (or, if there is no office of Secretary of State, the equivalent State officer) shall transmit to the Commission the names of any candidates who are entitled to be on the ballot of the State involved under paragraph (2) in connection with a regional primary. Such transmission shall be made no later than thirty days before the date of the regional primary involved.

(ii) The Commission shall certify the ballot of each State as soon as practicable after receiving a transmission from the Secretary of State (or, if there is no office of Secretary of State, the equivalent State officer) of the State involved under clause (i).

(d)(1) Subject to such guidelines as the Commission may establish, the regional primary shall be conducted in each State by officials of such State charged with conducting elections.

(2) Voters in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature. Each voter shall be eligible to vote only for delegates for a candidate for nomination by the party of such voter's registered affiliation. If the law of any State makes no provision for the registration of voters by party affiliation, voters in such State shall register their party affiliation in accordance with procedures established by the Commission.

(e) The chief executive officer of each State shall certify the results of the regional primary held in his State to the Commission within a period of time after such date, not exceeding fifteen days, prescribed by the Commission.

DESIGNATION OF CONVENTION DELEGATES

SEC. 4. (a)(1) Any candidate whose name appears on the ballot of any regional primary under section 3(c), or an authorized representative of such candidate, shall designate the names of individuals to serve as delegates of such candidate in each State participating in the regional primary involved. The number of delegates designated in each State under the preceding sentence shall be equal to the number of delegates to which such State is entitled at the national nominating convention involved.

(2) Delegates designated under paragraph (1) shall be listed on the ballot under the name of the candidate making such designation. Such delegates shall be listed in accordance with a ranking to be determined by such candidate.

(3) Delegates to which any candidate is entitled at a national nominating convention shall be selected from the list of delegates designated by such candidate in accordance with the ranking determined by such candidate under paragraph (2), except that such selection shall be made in a manner which is consistent with any rule of the national political party involved relating to categories of persons which shall be represented as delegates at the national nominating convention of such political party.

(4) An individual may serve as an authorized representative of a candidate for purposes of paragraph (1) only if such authorization is transmitted to the Commission in writing by such candidate.

(b) The number of delegates which a candidate may receive in any State in connection with a regional primary is a number which is a percentage of the total number of delegates from such State to his party's national nominating convention equal to the percentage of the votes cast by members of his party in such State received by him in the primary.

(c)(1) If a candidate in a regional primary receives less than the greater of—

(A) 5 per centum of the votes cast by members of his political party in such regional primary; or

(B) a percentage of votes which would entitle such candidate to one delegate, if one delegate constitutes more than 5 per centum of the total number of delegates to be appointed in the region involved;

no individuals may be appointed as delegates of such candidate in any State in the region involved.

(2) The percentage of votes cast in any State in a regional primary for any candidate who is not entitled to any delegates as a result of the provisions of paragraph (1) shall be—

(A) apportioned among other candidates of the same political party who received votes in such State, on the basis of the number of votes received by each such candidate; and

(B) added to the percentage of votes received by each such candidate in such State, for purposes of determining the number of delegates which may be appointed for each such candidate.

CONVENTION BALLOTTING

SEC. 5. (a)(1) A delegate to a convention held by a political party for the nomination of a candidate for election to the office of President shall vote for the nomination of the candidate for whom he was appointed until—

(A) two ballots have been taken;

(B) such candidate receives less than 20 per centum of the vote on a ballot; or

(C) such candidate releases such delegate.

(2) In any case in which a candidate for whom any delegate is appointed ceases to be a candidate before the first ballot has been taken at the nominating convention of the political party involved, any such delegate shall be considered to be uncommitted for purposes of such first ballot.

(b) If an individual receives a majority of the votes cast on a ballot at the nominating convention of a political party, he shall be the nominee of such party for election to the office of President. A subsequent ballot may be taken to reflect the support of the entire convention for such candidate, but the result of the subsequent ballot shall not, in such case, result in the nomination of a different individual for election to such office.

(c) The individual who will be the candidate for a political party for election to the office of Vice President shall be selected by the convention held by such party in accordance with such procedures as it may adopt.

REIMBURSEMENT OF STATES FOR COSTS OF PRIMARY

Sec. 6. Upon application therefor, the Commission shall reimburse each State for any reasonable costs it incurs in conducting a regional primary held in accordance with the provisions of this Act. Such reimbursement shall be made in accordance with such rules as the Commission may prescribe. Such applications shall be submitted at such times, and in such form, and shall contain such information, as the Commission shall require.

FILING FEE REQUIREMENT

Sec. 7. (a) Any candidate whose name appears on the ballot of any regional primary under section 3(c) shall pay a filing fee of $10,000 to the Commission.

(b) The filing fee required by subsection (a) shall be refunded by the Commission to the candidate paying such fee if such candidate receives 2 per centum or more of the votes cast by members of the political party of such candidate in the regional primary involved.

(c) Payment of a filing fee by a candidate under this section shall be made to the Commission no later than such date before the regional primary involved as the Commission may establish, except that such date shall not be earlier than thirty days or later than fifteen days before the date of the regional primary involved.

(d) Any filing fee which is not refunded by the Commission under this section shall be paid into the general fund of the Treasury of the United States.

DUTIES OF THE FEDERAL ELECTION COMMISSION

Sec. 8. (a) The Commission shall meet before each regional primary and at such other times as it considers necessary, and shall—

(1) prescribe the date, after the date of a regional primary, on which the chief executive officer of each State shall certify the results of the regional primary held in his State to the Commission;

(2) promulgate guidelines and procedures to be followed by the States in conducting regional primaries;

(3) review applications for reimbursement submitted under section 6, prescribe the time of submission, form, and information content of such applications, and determine and pay the amount to be reimbursed to each State under such section;

(4) consult and cooperate with State officials in order to assist them in conducting regional primaries; and

(5) take such other actions as may be necessary to carry out the provisions of this Act.

(b) The Commission shall report to the Congress and the President not later than one hundred and eighty days prior to the date of the first regional primary to be held under this Act on the steps it has taken to implement the provisions of this Act, together with recommendations for additional legislation, if any, which may be necessary in order to carry out the regional primary system established under this Act.

EFFECT ON STATE LAW

Sec. 9. The provisions of this Act supersede and preempt any provision of State law relating to any election or convention held in connection with the nomination of any candidate for election to the office of President.

DEFINITIONS

Sec. 10. As used in this Act, the term—

(1) "Commission" means the Federal Elections Commission;

(2) "region" means any of the following five regions:

(A) region 1 comprises Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, Connecticut, New York, Pennsylvania, New Jersey, and Delaware.

(B) region 2 comprises Michigan, Illinois, Indiana, Ohio, West Virginia, and Kentucky;

(C) region 3 comprises the District of Columbia, Maryland, Virginia, North Carolina, South Carolina, Tennessee, Mississippi, Alabama, Georgia, Florida, the Commonwealth of Puerto Rico, the Virgin Islands, and the Canal Zone;

(D) region 4 comprises North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, Nebraska, Kansas, Missouri, Oklahoma, Arkansas, Texas, and Louisiana; and

(E) region 5 comprises Washington, Oregon, Montana, Idaho, Wyoming, California, Nevada, Utah, Colorado, Arizona, New Mexico, Alaska, Hawaii, and Guam;

(3) "regional primary" means an election held in accordance with the provisions of this Act for the expression of a preference for the nomination of individuals for election to the office of President;

(4) "national political party" means a political party whose Presidential electors received in excess of 25 per centum of the total number of votes cast for all Presidential electors in the most recently held Presidential election, except that in any such election in which less than two political parties receive in excess of 25 per centum of the total number of such votes, such term shall mean a political party whose Presidential electors received in excess of 15 per centum of the total number of such votes;

(5) "candidate" means an individual who is a candidate for nomination by a political party as its candidate for election to the office of President;

(6) "national nominating convention" means a convention of a national political party held under the constitution and rules of such party for the nomination of candidates for election as President and Vice President and for such other purposes as may be specified in such constitution and rules; and

(7) "State" means the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, and each of the United States.

AUTHORIZATION OF APPROPRIATIONS

Sec. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Baldus (at the request of Mr. Wright), for today, on account of official business.

Mr. Rahall (at the request of Mr. Wright), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Snowe) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 5 minutes, today.

Mr. Michel, for 30 minutes, May 24, 1979.

Mr. Myers of Indiana, for 30 minutes, May 24, 1979.

Mr. Goldwater, for 5 minutes, today.

(The following Members (at the request of Mr. Stenholm) to revise and extend their remarks and include extraneous material:)

Mr. Weaver, for 10 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Udall, for 5 minutes, today.

Mr. LaFalce, for 20 minutes, today.

Mr. Preyer, for 10 minutes, today.

Mr. Cotter, for 5 minutes, today.

Mrs. Spellman, for 5 minutes, today.

Mr. Ottinger, for 5 minutes, today.

Mrs. Spellman, for 5 minutes, on May 24, 1979.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Goldwater, to include extraneous matter in his remarks on the bill H.R. 3767.

(The following Members (at the request of Mrs. Snowe) and to include extraneous material:)

Mr. Shuster.

Mr. Erlenborn.

Mr. Railsback.

Mr. Findley.

Mr. Green.

Mr. Michel.

Mr. McCloskey.

Mr. Anderson of Illinois.

Mr. Solomon.

Mr. Kemp.

Mr. Broomfield.

Mr. Grassley.

Mr. Lee.

Mr. Derwinski in two instances.

Mr. Goldwater.

Mr. Rousselot.

Mr. Bereuter.

(The following Members (at the request of Mr. Stenholm) and to include extraneous matter:)

Mr. Ford of Michigan.

Mr. Frost.

Mr. Hall of Ohio in five instances.

Mr. Stark in two instances.

Mr. Fauntroy.

Mr. Skelton in two instances.

Mr. Richmond in two instances.

Mr. Murphy of Illinois.

Mr. Waxman.

Mr. Nelson.

Mr. Maguire.

Mr. Long of Maryland.

Mr. LaFalce.

Mr. WHITE.
Ms. MIKULSKI.
Mr. DASCHLE.
Mr. DODD in two instances.
Mr. LEHMAN.
Mr. HAMILTON.
Ms. OAKAR.
Mr. BONIOR of Michigan in two instances.
Mr. BARNES.
Mr. MINETA.
Mr. WEAVER.

ADJOURNMENT

Mr. STENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 28 minutes p.m.) the House adjourned until tomorrow, Thursday, May 24, 1979, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1667. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1977, as amended, to improve food stamp program fiscal accountability through reductions in inaccurate eligibility and benefit determinations, and intensified fraud detection and recovery procedures; and to remove specific dollar limitations on appropriations while continuing to limit expenditures to available funds; and for other purposes; to the Committee on Agriculture.

1668. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1979, and budget amendments for fiscal year 1980 (H. Doc. No. 96–132); to the Committee on Appropriations and ordered to be printed.

1669. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting interim final regulations to establish and govern the proceedings of an Education Appeal Board, as mandated by the Education Amendments of 1978, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1670. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed revisions in the 1979–80 Family Contribution Schedules for the basic educational opportunity grant program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. Supplemental report on H.R. 3000. A bill to authorize appropriations to the Department of Energy for civilian programs for fiscal year 1980 and fiscal year 1981, and for other purposes (Rept. No. 96–196, Pt. IV). Ordered to be printed.

Mr. BOLLING: Committee on Rules. House Resolution 281. A resolution providing procedures during the further consideration of S. 869. An act to amend section 207 of title 18, United States Code (Rept. No. 96–212). Referred to the House Calendar.

H.R. 3575. A bill to provide the Secretary of Agriculture with flexibility in the imposition of marketing penalties for peanuts; with amendment (Rept. No. 96–213). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 3243. A bill to amend title V of the Public Utility Regulatory Policies Act of 1978 to authorize the President to recommend waiver of laws to expedite the transportation of crude oil, and for other purposes; with amendment (Rept. No. 96–214, Pt. I). Ordered to be printed.

Mr. THOMPSON: Committee on Education and Labor. H.R. 3915. A bill to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone for 10 months the date on which the corporation must pay benefits under terminated multiemployer plans (Rept. No. 96–215). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 282. Resolution providing for the consideration of the bill, H.R. 2374, to authorize the establishment of the Frederick Law Olmsted National Historic Site in the State of Massachusetts, and for other purposes. (Rept. No. 96–216). Referred to the House Calendar.

Mr. ZEFERETTI: Committee on Rules. House Resolution 283. Resolution providing for the consideration of the bill H.R. 2462, to authorize appropriations for the fiscal year 1980 for certain maritime programs of the Department of Commerce, and for other purposes (Rept. No. 96–217). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 284. Resolution providing for the consideration of the bill H.R. 3347, to authorize appropriations for the international affairs functions of the Department of the Treasury for fiscal years 1980 and 1981. (Rept. No. 96–218). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 285. Resolution providing for the consideration of the bill (H.R. 3875) to amend and extend certain Federal laws relating to housing, community, and neighborhood development and preservation, and related programs, and for other purposes. (Rept. No. 96–219). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 286. Resolution providing for the consideration of the bill H.R. 4034, to provide for continuation of authority to regulate exports, and for other purposes. (Rept. No. 96–220). Referred to the House Calendar.

Mr. DODD: Committee on Rules. House Resolution 287. Resolution providing for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes (Rept. No. 96–221). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WAXMAN (for himself, Mr. SATTERFIELD, Mr. PREYER, Mr. LUKEN, Mr. WALGREN, Ms. MIKULSKI, Mr. GRAMM, Mr. SHELBY, Mr. MURPHY of New York, Mr. MADIGAN, Mr. STOCKMAN, Mr. LEE, Mr. DANNEMEYER, Mr. GOLDWATER, Mr. GLICKMAN, and Mr. LOEFFLER):

H.R. 4194. A bill to amend the Saccharin Study and Labeling Act to extend for 36 months the current ban on actions by the Secretary of Health, Education, and Welfare respecting saccharin; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWEN (for himself, Mr. COELHO, and Mr. JONES of Tennessee):

H.R. 4195: A bill to amend section 103(f) of the Agricultural Act of 1949; and for other purposes; to the Committee on Agriculture.

By Mr. ANDREWS of North Dakota:

H.R. 4196. A bill to amend the National Environmental Policy Act of 1969 to provide for a statute of limitations with respect to judicial review of environmental impact statements to the Committee on Merchant Marine and Fisheries.

By Mr. BOLAND:

H.R. 4197. A bill to amend the Wool Labeling Act of 1939 with respect to recycled wool; to the Committee on Interstate and Foreign Commerce.

By Mr. BRODHEAD:

H.R. 4198. A bill to amend title XVI of the Social Security Act with respect to the negotiability of supplemental security income checks, and for other purposes; to the Committee on Ways and Means.

H.R. 4199. A bill to amend title XVI of the Social Security Act to maintain for an additional 3 years the current program of services for disabled children receiving SSI benefits; to the Committee on Ways and Means.

By Mr. DORNAN:

H.R. 4200. A bill to provide that no Federal court may require the expenditurre of Federal or State funds without prior legislative authorization; to the Committee on the Judiciary.

By Mr. COTTER:

H.R. 4201. A bill to amend the Internal Revenue Code of 1954 with respect to the exempt status of auxiliaries of certain fraternal beneficiary societies; to the Committee on Ways and Means.

By Mr. CORRADA:

H.R. 4202. A bill to amend title 38, United States Code, to make the Commonwealth of Puerto Rico eligible for Federal assistance in the construction of State home facilities for veterans; to the Committee on Veterans' Affairs.

By Mr. ECKHARDT:

H.R. 4203. A bill to designate the Indian Mounds Wilderness, Sabine National Forest, State of Texas; to the Committee on Interior and Insular Affairs.

By Mr. ERLENBORN:

H.R. 4204. A bill to improve the safety of products manufactured and sold in interstate commerce, to reduce the number of deaths and injuries caused by such products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FINDLEY:

H.R. 4205. A bill to amend the Internal Revenue Code of 1954 to allow a credit for amounts paid by blind, deaf, or speech-impaired individuals for use of toll telephone service by means of teletypewriters, and to allow such individuals a deduction for the purchase and installation of such teletypewriters; to the Committee on Ways and Means.

By Mr. GOODLING:

H.R. 4206. A bill to amend the Elementary and Secondary Education Act of 1965, as amended, to provide that upon request a member of advisory councils established under that act may receive a copy of the law, and for other purposes; to the Committee on Education and Labor.

By Mr. GRASSLEY:

H.R. 4207. A bill to amend the Internal Revenue Code of 1954 to allow a credit for the purchase of electric motor highway vehicles; to the Committee on Ways and Means.

By Mr. McCORMACK (for himself, Mr. LOWRY, and Mr. SWIFT):

H.R. 4208. A bill to amend section 5197 of the Revised Statutes to provide certain restrictions on the rate of interest which a national bank may charge a credit card customer of such bank who is not a resident of the same State, Territory, or District in which such bank is located; to the Committee on Banking, Finance and Urban Affairs.

By Ms. MIKULSKI:

H.R. 4209. A bill to amend title 39, United States Code, relating to nonprofit neighborhood organizations mailing matters at third-class nonprofit rates; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Ohio:

H.R. 4210. A bill to amend the Federal Mine Safety and Health Amendments Act of 1977 to provide that the provisions of such act shall not apply to clay surface mining operations; to the Committee on Education and Labor.

By Mr. MOAKLEY:

H.R. 4211. A bill to establish a national goal for the use of renewable energy resources, to establish information and financial initiatives to promote the use of renewable energy resources, and to authorize the use of certain renewable energy resources by the Federal Government; jointly, to the Committees on Banking, Finance and Urban Affairs, Government Operations, Interior and Insular Affairs, Interstate and Foreign Commerce, Public Works and Transportation, and Science and Technology.

By Mr. OTTINGER:

H.R. 4212. A bill to require States to participate in a system of regional Presidential primaries administered by the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. PREYER (for himself, Mr. Staggers, Mr. Waxman, Mr. Scheuer, Mr. Florio, Mr. Murphy of New York, and Mr. Forsythe) (by request):

H.R. 4213. A bill to authorize a flexible environmental program of integrated financial assistance to States and local governments to plan, manage, and implement abatement and control strategies in a more efficient and effective manner; jointly, to the Committees on Agriculture, Interior and Insular Affairs, Interstate and Foreign Commerce, Merchant Marine and Fisheries, and Public Works and Transportation.

By Mr. ROE (for himself and Mr. Howard):

H.R. 4214. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ULLMAN (for himself, Mr. Conable, and Mr. Glickman) (by request):

H.R. 4215. A bill to amend the Internal Revenue Code of 1954 to facilitate the production of alcohol fuels; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.J. Res. 340. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. STAGGERS (for himself, Mr. Florio, Mr. Abdnor, Mr. Foley, Mr. Marlenee, and Mr. Williams of Montana):

H.J. Res. 341. Joint resolution to require continuation of rail service by the Chicago, Milwaukee, St. Paul and Pacific Railroad for a period of 45 days; to the Committee on Interstate and Foreign Commerce.

By Mr. HEFTEL:

H. Con. Res. 127. Concurrent resolution expressing the sense of the Congress regarding enforcement of the provisions of the Voting Rights Act of 1965 relating to language minority groups; to the Committee on the Judiciary.

By Mr. RAILSBACK:

H. Con. Res. 128. Concurrent resolution expressing the sense of Congress that the Department of Energy must expedite its efforts to collect and verify energy information; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

200. The SPEAKER presented a memorial of the House of Representatives of the State of Hawaii, relative to funding for Hawaii's Crippled Children Services Program for the treatment and care of immigrant children; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEILENSON:

H.R. 4216. A bill for the relief of Samuel C. Willett; to the Committee on the Judiciary.

By Mr. JOHN L. BURTON:

H.R. 4217. A bill for the relief of Mrs. Salud Marquez; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 4218. A bill for the relief of Samuel C. Willett; to the Committee on the Judiciary.

By Mr. WHITE:

H.R. 4219. A bill for the relief of Modesto Lopez Briones; to the Committee on the Judiciary.

By Mr. SYMMS:

H.R. 4220. A bill for the relief of Deborah Ollie Bonner King; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 801: Mrs. Spellman and Mr. McClory.

H.R. 1128: Mr. Traxler.

H.R. 1202: Mr. Gingrich.

H.R. 1745: Mr. Gilman, Mr. Nowak, Mr. Ichord, Mr. Carter, Mr. Broomfield, Mr. Stanton, and Mr. Corcoran.

H.R. 2172: Mr. Stangeland.

H.R. 2441: Mr. Pepper and Mr. Corcoran.

H.R. 2472: Mrs. Boggs, Mr. Breaux, Mr. Brinkley, Mr. Brown of California, Mr. Buchanan, Mr. Butler, Mr. Chappell, Mr. Dan Daniel, Mr. Dellums, Mr. Dickinson, Mr. Dixon, Mr. Downey, Mr. Duncan of Tennessee, Mr. Edwards of California, Mr. Evans of the Virgin Islands, Mr. Fazio, Mr. Hillis, Mr. Hutto, Mr. Lagomarsino, Mr. Leath of Texas, Mr. Lehman, Mr. Lloyd, Mr. Long of Maryland, Mr. Miller of California, Mr. Montgomery, Mr. Ottinger, Mr. Panetta, Mr. Pepper, Mr. Richmond, Mr. Robinson, Mr. Rodino, Mrs. Schroeder, Mr. Sensenbrenner, Mrs. Spellman, Mr. Spence, Mr. Stokes, Mr. Trible, Mr. Weiss, Mr. Bob Wilson, and Mr. Wyatt.

H.R. 2792: Mr. Maguire and Mr. Barnes.

H.R. 3105: Mr. Daniel B. Crane.

H.R. 3326: Mr. Rahall.

H.R. 3463: Mr. Maguire.

H.R. 3491: Mr. Albosta, Mr. Bedell, Mr. Benjamin, Mr. Dan Daniel, Mr. Dixon, Mr. Ertel, Mr. Fazio, Mr. Gray, Mr. Hughes, Mr. Hyde, Mr. Lee, Mr. Miller of California, Mr. Mineta, Mr. Simon, Mr. Whitehurst, Mr. Whittaker, and Mr. Charles Wilson of Texas.

H.R. 3492: Mr. Albosta, Mr. Bedell, Mr. Benjamin, Mr. Dan Daniel, Mr. Dixon, Mr. Ertel, Mr. Fazio, Mr. Gray, Mr. Hughes, Mr. Hyde, Mr. Lee, Mr. Miller of California, Mr. Mineta, Mr. Simon, Mr. Whitehurst, Mr. Whittaker, and Mr. Charles Wilson of Texas.

H.R. 3541: Mr. Maguire.

H.R. 3568: Mr. Stanton, Mr. Hyde, Mr. Dornan, Mr. Mavroules, Mr. Wyatt, Mr. Badham, Mr. Duncan of Tennessee, and Mr. Carr.

H.R. 3884: Mr. Addabbo, Mr. Bonior of Michigan, Mr. Breaux, Mr. Burgener, Mr. Clay, Mr. Cleveland, Mr. Coelho, Mr. Corrada, Mr. Derwinski, Mr. Dornan, Mr. Edwards of California, Mr. Ertel, Mr. Hall of Texas, Mr. Hinson, Mr. Hollenbeck, Mr. Johnson of Colorado, Mr. Jones of North Carolina, Mr. Kogovsek, Mr. LaFalce, Mr. McCormack, Mr. Mazzoli, Mr. Mottl, Mr. Ottinger, Mr. Panetta, Mr. Price, Mr. Weiss, Mr. Whitehurst, Mr. Williams of Montana, and Mr. Winn.

H.R. 4027: Mr. Bennett, Mr. Coelho, Mr. Dornan, Mr. Hutto, Mr. LaFalce, Mr. Lagomarsino, Mr. Mazzoli, Mr. Roe, Mr. Stangeland, Mr. Weiss, Mr. Wolpe, Mr. Won Pat, and Mr. Neal.

H.J. Res. 248: Mr. Regula.

H. Con. Res. 121: Mr. Pepper, Mr. Lehman, Mr. Stewart, Mr. Mazzoli, Mr. Corrada, Mr. LaFalce, Mr. Scheuer, Mr. Simon, Mr. Addabbo, Mr. D'Amours, Mr. Beard of Rhode Island, Mr. Corman, Mr. Dornan, and Mr. Fish.

H. Res. 233: Mr. Winn, Mr. Montgomery, Mr. Whitehurst, Mr. Forsythe, and Mr. Hyde.

H. Res. 248: Mr. Bedell, Mr. Gilman, Mr. Levitas, Mr. Maguire, and Mr. Ottinger.

H. Res. 249: Mr. Bedell, Mr. Cleveland, Mr. Gilman, Mr. Levitas, Mr. Maguire, and Mr. Ottinger.

H. Res. 250: Mr. Bedell, Mr. Gilman, and Mr. Maguire.

H. Res. 251: Mr. Bedell and Mr. Ottinger.

H. Res. 252: Mr. Bedell, Mr. Cleveland, Mr. Gilman, Mr. Maguire, and Mr. Ottinger.

H. Res. 253: Mr. Cleveland, Mr. Gilman, and Mr. Grassley.

H. Res. 254: Mr. Bedell, Mr. Cleveland, Mr. Gilman, Mr. Levitas, and Mr. Ottinger.

H. Res. 255: Mr. Cleveland, Mr. Gilman, and Mr. Grassley.

H. Res. 256: Mr. Cleveland, Mr. Gilman, Mr. Grassley, and Mr. Ottinger.

H. Res. 257: Mr. Bedell, Mr. Cleveland, Mr. Gilman, Mr. Grassley, Mr. Levitas, and Mr. Ottinger.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3042: Mr. Winn.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

123: By the SPEAKER. Petition of the Ohio Federation of Women's Clubs, Columbus, Ohio, relative to legislation; to the Committee on Government Operations.

124. Also, petition of the membership of the Homer Electric Association, Inc., Homer, Alaska, relative to development of the Bradley Lake hydroelectric generation facility; to the Committee on Interstate and Foreign Commerce.

125. Also, petition of the Lexington Forum on Aging, Lexington, Mass., relative to legislation; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

RHODES TAVERN AND WASHINGTON'S LOCAL ROOTS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. STARK. Mr. Speaker, the Rhodes Tavern, at 15th and F Streets NW., is the last visible heritage of Washington's early history as a city and capital. It is the only surviving commercial building, in the original city of Washington, whose construction parallels the occupancy of the White House and the first meeting of Congress in the Capitol in 1800. All contemporary taverns and hotels of 19th century Washington have been demolished, the last in 1932.

While the national historic significance of Rhodes Tavern, beginning with President John Adams, has been recognized, the place of the building in the local history of the Nation's Capital is equally impressive.

Its central location in the new capital made the Rhodes City Tavern & Hotel, as it was known, a center of Washington's early civic, political, and social activity.

A survey of local newspapers from 1799 to 1809 reveals that Rhodes Tavern was the seat of much local civic endeavor. For example, Washington's first neighborhood civic group, the F Street Inhabitants and Proprietors Association, met there in 1801 to organize and discuss how paved sidewalks and related street improvements might be financed.

Another local group, the Washington Theatre Co., met at the tavern to make plans for raising money to build the new Capital's first theater which would open in 1805. The city's first mayor, Robert Brent, was very active in this early community cultural enterprise.

Citizens met at Rhodes Tavern to organize the first city council elections in 1802 and the tavern was one of three polling places in the first four city elections. The other polling places, also taverns, have long since been demolished.

Washingtonians concerned about property taxes met at Rhodes Tavern tc discuss property assessments and to petition the local government to establish a board of assessment appeals.

Rhodes Tavern was also the site of numerous early citizens' meetings called to draft petitions to Congress regarding the political status of Washington. The agendas of these meetings covered the entire spectrum of this continuing debate and are best summarized in the observation made during one meeting: Congress must be petitioned until "equal rights have been secured for all the inhabitants" of the District of Columbia.

Newspaper accounts reveal that Robert Brent, Washington's first mayor (1802–1812), and members of the city council attended many of these meetings.

The tavern, along with serving as a kind of "town meeting," was the unofficial city hall during the early years as well. Advertisements informed residents that the tax collector, certain court officials, and the board of property assessment appeals had regular hours of business on the premises.

If Rhodes Tavern is not preserved as a functioning tavern, part of a city museum, or some other civic or appropriate commercial purpose, this generation of Washingtonians will be giving some measure of credibility to those who maintain that Washington, since its founding, has been a city of transients with political ties and roots elsewhere. Rhodes Tavern can become a living monument to the proposition that Washington has local roots—deep local roots—apart from its Federal functions.

Mr. Speaker, the civic events associated with Rhodes Tavern document conclusively that Washington, from its earliest days, has been a community of neighborhoods constituting a citizenry that never evaded the responsibilities of citizenship, while continuing to seek political parity with their fellow citizens in the States.

It would be foolish to let the expanding web of Washington's commercial development destroy this most valuable historic structure. There is legislation pending in the Interior Committee to extend the boundaries of the Pennsylvania Avenue National Historic District to include the Rhodes Tavern and its adjoining historic buildings. I would urge prompt action on this measure to permanently save the Rhodes Tavern for not only the Nation but for the District of Columbia, part of whose history was first written under its roof.●

BRUCE I. HOCHMAN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. WAXMAN. Mr. Speaker, attorney Bruce I. Hochman will be honored at the Israel Dinner of State of the Bench and Bar Division of Israel bonds on Thursday, June 21, 1979. He will be presented with the coveted Lion of Judah Award for a lifetime of service to his profession, his community, his fellow Jews, and the State of Israel.

Born in Toronto, Canada, Bruce was educated at the University of Toronto and holds an A.B. honors degree and a J.D. degree from UCLA. He served on active duty with the U.S. Air Force during the Korean war. Early in his career Hochman was an assistant U.S. attorney in the tax division. He is a lecturer and author in the field of taxation. Bruce and his wife Harriet have four children: Nathan, David, Nancy, and Jennifer.

A longtime supporter of the Israel bond campaign and the United Way, Bruce Hochman is vice chairman of the United Jewish Welfare Fund and past chairman of its attorneys division; national vice chairman of the Anti-Defamation League of B'nai B'rith and former president of its regional advisory board; and a member of the guardians of the home for the aged as well as a member of Leo Baeck Temple.

It is a special pleasure to recognize one who has labored long and faithfully for his people and his community: Bruce I. Hochman.●

PEACE TREATY HAILED

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. FROST. Mr. Speaker, I wish to submit to the RECORD a copy of an article written by my friend Jimmy Wisch that was recently published in his column "Jess Jawin" in the Texas Jewish Post. I think Mr. Wisch's words capture the renewed sense of optimism this country is feeling over the prospect of peace in the Middle East and I want to take this opportunity to share his thoughtful words with my colleagues:

> WASHINGTON.—The long hard days of fighting between Egypt and Israel are now officially ended.
>
> With three swift strokes of peace pens an attempt to forge a better world has emerged.
>
> President Sadat took a final and brave step to commit himself and his nation to progress and construction. Though the odds to disrupt peace by Arab terrorists will be great, we must remember in this great beginning that a choice to continue the stalemate and fall into retrograde would even have dire consequences.
>
> Israel's position for peace—shalom—goes back more than the thirty one years of current statehood. It is well reflected in Isaiah's command, his injunction to all peoples to beat their swords into plowshares, their spears into pruning hooks.
>
> Added to that are the prayers and codicils Jews intone daily for Shalom. Read the litanies. What is our most precious possession? Peace!
>
> Golda Meir once said, "I mourn the loss of Arab dead just as I mourn the loss of Jewish dead. It is so unnecessary."
>
> We learned that during the Sinai Campaign in 1956. The shifting desert sands which uncovered intact remains of parts of Arab youth clutching for life was stark testimony of the futility of war.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Man still has not learned how to practice his greatest capacity: morality.

This great, courageous episode toward lasting peace in the Middle East is a milestone on Humanity's Road. That will help man play his moral role.

The heroes have played their parts excellently.

President Carter is to be applauded for his resoluteness, his undiminished desire not to miss the opportunity.

President Sadat deserves accolades for his great courage. Though the price on his head has risen he has not flinched.

Prime Minister Begin could do no less. Isaiah had issued him his injunction as a Jew thousands of years ago. He could not falter, he could not escape his task. It is part of the Jewish ethic.

There will be pitfalls to be faced during the coming months. New differences will arise possibly additional interpretations and agreements will be needed.

One thing has been proven: The initiative has been harvested into reality.

It can be done.

Peace can be achieved.

We must not falter in making certain that it is perpetuated into its highest fulfillment.

When all men will walk as brothers under the Fatherhood of God and war shall fall into oblivion.●

ROBERTS AMENDMENT TO HOUSE CONCURRENT RESOLUTION 107

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. NELSON. Mr. Speaker, an amendment to House Concurrent Resolution 107 was offered and was passed on the floor of the House by Representative RAY ROBERTS to restore most of the reductions in the veterans hospital system and in the medical care program for the fiscal year 1980 budget. Mr. ROBERTS proposed, and I heartily endorse, an amendment to increase budget authority and outlays by $265 million to assure that Veterans' Administration (VA) hospitals will not have to reduce the number of personnel and beds as had been proposed by the President. This amendment will allow us to continue to maintain acceptable levels of health care and benefits for our sick and disabled veterans. The approval of these funds will also enable the Congress to act upon a bill soon to be reported by the Veterans' Affairs Committee that will provide an 8.3-percent cost-of-living increase in compensation and in dependence and indemnity compensation (DIC) rates for service-connected disabled veterans and eligible dependents. In addition to the reinstatement of those positions lost in fiscal year 1979, it will provide funds necessary to restore some of the health care personnel reductions targeted for fiscal year 1980.

In the markup of the first concurrent resolution for fiscal year 1979 last year, the House Committee on the Budget accepted the President's proposal to reduce the VA medical program by 3,132 beds and 1,500 full-time permanent personnel. The House overwhelmingly chose to restore these necessary funds by the adoption of an amendment to the resolution to prevent the cut of 3,132 beds from occurring. I commend the wisdom of the Congress in this action. As a consequence of this action, these funds were included in fiscal year 1979 appropriation bill.

In spite of the clear intent of the Congress, however, the Office of Management and Budget directed to the Veterans' Administration to use these funds, that had been specifically appropriated for VA medical personnel and research, to absorb the Federal pay raise that became effective October 1, 1978. Thus, by the end of fiscal year 1979, the VA would have been forced to close out 3,132 beds and to reduce the personnel level by 1,500 as originally proposed.

At the end of January of this year, the chief medical director informed all VA hospital directors that they must cut back an additional 3,581 full-time permanent personnel positions by September 30 of this year as a result of a reduction in the medical care ceiling imposed by the Office of Management and Budget (OMB). Therefore, the total loss of full-time permanent personnel in existing facilities during fiscal year 1979 will be more than 5,000. The situation has now become critical and we must not allow these deep cuts to occur in such a short span of time to the veterans of our Nation.

The President's fiscal year 1980 budget calls for a reduction of 1,600 beds and 1,884 full-time permanent personnel in medical facilities throughout the country. This comes on top of those major cutbacks scheduled during fiscal year 1979. I feel that this is more than our veterans should be required to bear even in this time of fiscal restraint. My State of Florida is losing a total of 33 beds and 113 full-time permanent positions during fiscal year 1979.

Mr. ROBERTS' amendment would restore most of the 5,000 personnel reductions for fiscal year 1979 and would provide an adequate level of funds so that the more than 1,800 personnel reductions targeted for fiscal year 1980 will not have to occur. I realize that at this time, all sectors of our economy are experiencing belt-tightening, but in light of the reductions to veterans' medical care in the last year, I feel that our veterans have done their share. We can support this amendment in good conscience, because it is a modest amendment and proposes only to provide an adequate level in current medical services. The approved funds are not for new or expanded programs. I believe that we owe this to our veterans.●

HELPING THE DEAF HEAR AND BE HEARD

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. FINDLEY. Mr. Speaker, today I am introducing legislation to provide an income tax credit to deaf individuals and others who require the use of a teletypewriter for telephone communication. Called a TTY, this device is similar to a small typewriter and when attached to a telephone, is capable of transmitting a message via phone lines to any other teletypewriter in the country.

One of the unique problems faced by hearing-impaired individuals is their inability to use a conventional telephone. As everyone knows, the telephone serves as a means of communicating with the outside world, and is used in virtually every aspect of daily life. Yet, nearly 12 million deaf and hearing-impaired Americans experience varying degrees of difficulty using the telephone. Their inability to use the phone hinders communication with friends, family, neighbors, and emergency services.

The cost to the deaf of using a TTY to make long-distance calls can be as much as four times higher than the charge paid by people with normal hearing. The reason is the vastly longer time required for the deaf to communicate by phone using a TTY.

It is a discouraging irony that the device which Alexander Graham Bell developed first as a means of communicating with his deaf wife has evolved so as to be virtually unusable by many deaf people without the aid and expense of a TTY. Passage of this legislation will help to serve as a first step in alleviating this problem for the deaf and hearing-impaired.●

TRIBUTE TO MICHAEL A. diNUNZIO

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. MINETA. Mr. Speaker, it is with deep regret and sorrow that I learned of the death of Michael A. diNunzio in Denver, Colo., May 10, 1979.

Mike diNunzio was one of the true leaders in American municipal government. I had the privilege and pleasure of working with him when I served as mayor of my city of San Jose. Since I have been in the House of Representatives, Mr. diNunzio was general counsel of the U.S. Conference of Mayors, senior program manager of the technical assistance programs, and director of the mayors' Leadership Institute.

Prior to his service with the conference, he served both the National League of Cities and the U.S. Conference of Mayors as manager of the Office of Urban Services. He was a distinguished lawyer and public servant, having served in public office as deputy director of personnel for the city and county of Denver, as Civil Service Commissioner for the State of Colorado, and as the first director of the Denver model cities program.

Mr. diNunzio's service to local government received special recognition when the Conference of Mayors adopted a resolution in June of 1976 commending his work in initiating the Mayors Leadership Institute, a school for Mayors to encourage model executive leadership in our cities. The conference resolution commended him for his initiative in bringing the innovative Mayors Leadership Institute into the program of the conference.

Mr. diNunzio is survived by his parents, Mr. and Mrs. Joseph diNunzio of Woonsocket, R.I.; his wife, Maureen Starbuck diNunzio; two brothers, Mario of North Smithfield, R.I., and Charles of Lee, Massachusetts; a daughter, Mrs. Frank Donlan of Denver; and three grandchildren, Kelly, Nicole and Bridget, all of Denver.●

NATIONAL ABORTION RIGHTS ACTION LEAGUE (NARAL) INCREASES EFFORTS FOR PRO-CHOICE

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. GREEN. Mr. Speaker, the latest national public opinion poll on the issue of abortion was taken by ABC news-Harris survey and released on March 7. By a 60 to 37 percent majority, the American people have once again reiterated their support for the Supreme Court decision affirming the rights of women to decide whether to have an abortion.

This poll reinforces what other polls in recent years have shown; namely, a majority of the American public supports the decision which made pro-choice the law of the land. It also shows that this support is getting stronger. In 1977, when the Harris survey undertook a similar poll the results were 53 to 40 percent in favor of pro-choice.

In spite of this obvious public sentiment for a woman's right to choose, an emotional battle is being waged throughout the country over the issue of abortion. There are marches and demonstrations, information campaigns, and misinformation campaigns. As Members of Congress we are too often unnecessarily called upon to vote on this issue in bills as diverse as HEW appropriations, Defense Department and Peace Corps authorizations, and the Civil Rights Commission. We are also well aware that the issue of abortion has been thrust into the grassroots level in political campaigns as well.

Women and men who support the pro-choice view, as I do, have become increasingly concerned over the misinformation made available on this issue, and the need to spread more forcefully the message that the majority of the people in this Nation favor pro-choice. At the end of April, the National Rights Abortion Rights Action League, NARAL, which has lobbied for pro-choice for the past 10 years, held a national convention in Washington attended by over 700 supporters from across the country. Because of the invaluable work which NARAL is doing, I would like to bring to the attention of my colleagues an article on this convention which appeared in the May 1 issue of the New York Times. I hope this article will be instructive to my colleagues as they consider the information they receive from NARAL, and from those on the other side of this issue, as this year's round of votes on abortion begin to come up.

FOR PRO-ABORTION GROUP, AN 'AGGRESSIVE NEW CAMPAIGN'

(By Leslie Bennetts)

WASHINGTON, April 30.—As hundreds of women sporting big yellow "Choice" buttons streamed through the halls of Congressional office buildings today, the National Abortion Rights Action League wound up a four-day national convention by lobbying legislators and filing six complaints with the Federal Election Commission, alleging violations of Federal election laws by a number of anti-abortion groups.

The conference, which drew more than 700 pro-abortion representatives from around the country to celebrate the organization's 10th anniversary, marked the beginning of "an aggressive new campaign to let legislators know that compulsory pregnancy is not the will of the people," said Karen Mulhauser, executive director of the organization.

'I HEAR FROM THE OTHER SIDE'

Several Congressmen who addressed the convention this morning at its final breakfast said such a campaign is necessary to counteract the vigorous efforts of anti-abortion groups.

"I almost never hear from this side," said Representative Michael Barnes, Democrat of Maryland. "But I hear from the other side all the time—every day. I know that is not because there are more of them than there are of us, but they are organized, active and working."

Accordingly, the organization is now beginning a major effort, directed toward the 1980 campaigns, which will range from intensive lobbying and public information drives to bumper stickers like the current one that reads: "I am Pro-Choice—and I vote."

Such votes will be vital in neutralizing the impact of anti-abortion activists, Senator Robert W. Packwood, Republican of Oregon, told the group's members, "Abortion ought to be the No. 1 issue for women all over the country in 1980," he maintained.

'HIT LIST' TARGETS

Senator Packwood, a longtime advocate of women's right to abortion, said that he and his colleague, Senator Birch Bayh, Democrat of Indiana, are among the leading targets of an anti-abortion "hit list" aimed at defeating pro-abortion legislators. "I'm going to beat the bejabbers out of that group in 1980, with your help," declared Senator Packwood.

In addition to supporting pro-abortion candidates, the abortion rights organization will start combating its opponents on the abortion issue with such other strategies as filing the complaints with the Federal Election Commission.

"We've been very reactive in the past," explained Jackie Dumont, chairman of Freedom of Choice-Ohio, a statewide coalition of pro-abortion groups. "The new tactic is to be more aggressive. We're doing a lot more grassroots organizing, and we're going to be a lot more political."

The membership of the National Abortion Rights Action League has grown from 8,500 to over 65,000 in the last two years, according to Mrs. Mulhauser, who announced the filing of the complaints against anti-abortion groups with the election commission at a final news conference.

The complaints allege violations of Federal election laws in 1978 by two national anti-abortion groups, the Life Amendment Political Action Committee and the National Right to Life Committee, and also by four state organizations in South Dakota, Massachusetts, Indiana and New Mexico.

NARAL has accused the life amendment group of illegally soliciting funds from the general public even though, they say, it is connected with the National Right to Life Committee; Federal election laws state that an affiliated organization may only solicit contributions from its parent organization's membership, and not from the general public. Paul Brown, director of Life Amendment Political Action Committee, termed the complaint "nonsense," and denied that his group was in any way affiliated with N.R.L.C.

Another charge is that the National Right to Life Committee's Voter Identification Project constitutes unlawful corporate contributions to anti-abortion candidates, and NARAL is requesting that the election commission prohibit the project.

In response to the charges, Ann McDonnell, executive vice president of the right-to-life organization, said, "N.R.L.C. welcomes the investigation. We have not broken the law. NARAL's reaction to our successes indicates the desperate situation the anti-life forces find themselves in today."

ASK FOR INVESTIGATION

The individual state suits allege unreported and illegal election activity on the part of groups in each of the four states. Penalties for all the alleged violations, if substantiated, could total in excess of $100,000, according to the pro-abortion group, and if the violations were found to be "knowing and willful," the fines could be double that amount.

"What we're claiming is the tip of the iceberg," added Miss Dumont. "We have information that this is happening in other states, and we're asking the election commission to investigate how extensive it is."

Nevertheless, said Mrs. Mulhauser, despite the well-organized efforts of anti-abortionists, "There has been enormous success since NARAL was founded 10 years ago," she said. "Its name at the time was the National Association for the Repeal of Abortion Laws, since abortion was illegal in most states then.

"Back then," she continued, "it was estimated there were 1,200,000 illegal abortions each year; abortion was the third largest crime in the country. In 1978 there were an estimated 1,300,000 abortions. So the issue is not whether or not there will be abortions, but whether or not they are legal, where and how they are performed, and who performs them."

According to Mrs. Mulhauser, the latest figures from a Harris poll is March show that 60 percent of Americans now support the Supreme Court decision on abortion, up from 53 percent in 1977. "So we are confident that as the issue gets a fuller airing, even more people are acknowledging their support for legal abortions," she said.

"But we're doing this with a sense of urgency about the 1980 elections," she continued, "because some politicians have been persuaded by the anti-abortionists that they are strong enough to make a difference in their campaigns." ●

DANCE-A-THONS RAISE FUNDS FOR MENTALLY RETARDED

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. MURPHY of Illinois. Mr. Speaker, I would like to bring to the attention of my colleagues in the House the outstanding success of dance-a-thons conducted by St. Francis De Sales High School in Chicago.

The students at St. Francis have sponsored dances to raise money for the mentally retarded in 1977, 1978, and 1979. These dances have generated more than $64,000 in gross pledges and contributions. Most of the proceeds of the dances are presented to a community work activity center for retarded children.

These dances have been successful because of the dedication of the students and faculty at St. Francis. Months of planning and hard work have made each dance-a-thon a major success. The Illinois Association for Retarded Children has designated St. Francis De Sales as the top high school fundraiser in the country.

The dances have also been successful because of the tremendous support they have received from the community. Local businesses, community organizations, and elected officials have all made generous contributions of time and money.

I am proud to represent the congressional district in which St. Francis De Sales High School is located. It is a pleasure to see high school students and faculty members working this closely with the community on such an important matter. I would like to commend everyone who has associated the St. Francis De Sales dance-a-thons.●

HANDGUN TRAGEDY OF THE MONTH

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. STARK. Mr. Speaker, I would like my colleagues to take note of the following account, particularly those Members who remain committed to the spread of firearms in this Nation as propagated by the National Rifle Association.

The incident is not uncommon as children are involved in innocent—but fatal—handgun accidents at an alarmingly increasing rate. In light of these statistics, ownership of such weapons by individuals cheapens human life while simultaneously elevating the handgun to a notoriously exalted position.

The material follows:

HE THOUGHT IT WAS A TOY

On April 5, 1979 a young boy—only four years old—fell victim to a handgun blast. The incident occurred in the family's apartment located in West Chester, Pennsylvania. It involved two brothers, twins, Brian and Steven Green.

As recounted by the twins' sister, Charmaine, the brothers used a broomstick to knock a .22 caliber pistol from a box on a bedroom closest shelf. The children had toy guns which looked exactly like the real handgun.

Steven came downstairs and told the mother that Brian had a gun. But when the mother came upstairs, Brian turned and ran back upstairs in front of her. As Steven ran to take the handgun, Brian playfully pulled the trigger and shot his brother in the chest. The horrified mother ran next door to a neighbor to call an ambulance. Steven died of a bullet wound at a local hospital a few hours later.

A neighbor in response to a reporter's question said, "He fired the gun at his brother thinking it was a toy . . . The child has no idea of what he's done."

And the gun lobby says, "Guns don't kill, people kill."

Steven Green will be counted in the handgun body count for April. The national handgun body count for March 1979 was 729—dead because of handgun murders, suicides and accidents. Among the dead for March were 16 children age 12 or under. Their names are: Danyella Harp, 4, Little Rock, Ark., Arnulfo Escobedo, 5, Fresno, Ca., Shannon Spear, 8, Santa Barbara, Ca., Camilla Jones, 10, Atlanta, Georgia, Scotty Mussleman, 2, Chicago, Il., Joseph Sprauer, 12, Louisville, Ky., Jennifer Spillman, 12, Minneapolis, Minn., Myrick Clark, 5, Wolf Point, Mont., Edward Grudzinski, 12, N.Y., N.Y., Delvin Bryant, 20 Mo., Washington, North Carolina, Francine Burt, 11, Cincinnati, Ohio, Tracey Owens, 5, Columbus, SC., Tommy Hinson, 7, Memphis, Tenn., Serenity Rousseau, 4, Austin, Tx., Shemerin Rousseau, 2, Austin, Tx., unidentified girl, 9, Lomira, Wisc.●

A BETTER CLASS OF MAIL

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. MICHEL. Mr. Speaker, our colleague, TOM CORCORAN has been an active member of the House Post Office and Civil Service Committee since he came to Congress in 1977. In yesterday's Washington Post, TOM summed up well the feelings of many Americans regarding the present problems facing the United States Postal Service—that is, continuing rate increases and service cutbacks. At this time, I would like to insert this column in the RECORD for the benefit of all our colleagues:

A BETTER CLASS OF MAIL

(BY TOM CORCORAN)

Several years ago Congress attemped to remove itself and the president of the United States from mail problems. After a debate, which included Democratic and Republican administrations, the Congress passed the Postal Reorganization Act of 1970, which was designed to make the new U.S. Postal Service independent. The thought was that by removing it from politics and running it "like a business," mail costs would go down and services would go up.

Just the opposite has happened, and that's why the House of Representatives last year, and again this year, is raising the question of another postal reorganization. While I realize some people think we want this for reasons of patronage, or to satisfy the postal unions, I think the concern goes deeper.

Since 1971, first-class rates have risen 150 percent, compared with an 87.5 percent rise in the Consumer Price Index. The Postal "Service" no longer extends door-to-door delivery to new neighborhoods, many small post offices have been closed, hours have been shortened, the Postal Service has been toying with the idea of eliminating the six-day delivery, and we all have horror stories about the type of service we get.

Had I been a congressman in 1970, my vote would have been cast for reorganization. It was worth a try, and much good has come from it. For one thing, the labor force has been reduced through attrition by 10 percent. Considering that labor costs are 85 percent of the postal budget, this is commendable. Second, taking politics out of the rate-making process and giving that responsibility to an independent Postal Rate Commission continues to make good sense.

However, the issue now is: What kind of postal service do we want next year and beyond? First, what about rates for letter mail? If first-class stamps (15¢) keep rising at the present rate, another eight years like the last eight years will lead to a 38¢ first-class stamp. However, unless Congress changes the law beginning in FY '80, the subsidy starts dropping 10 percent a year, thus leading more likely to a 50¢ stamp by 1987.

Second, how will postal services to the public fare? As I mentioned, USPS is a labor-intensive industry, with 85 percent of its costs attributed to personnel. Having eliminated 10 percent of the jobs during the last eight years, can USPS cut costs further without more and more cuts in service? Unless we get machines that go door-to-door, I do not believe USPS can absorb more personnel losses without reducing services further.

In testimony before Congress, Postmaster General William Bolger stated that there are three ways to finance USPS: 1) raise rates; 2) cut services; 3) increase government subsidies. He's right, and Congress must make the choice by our action or inaction this year, because, as indicated earlier, existing subsidies are reduced next year.

These choices get to basic decisions about the mails because raising rates along the lines of the past eight years will drive many people to other forms of communication, especially business, which accounts for 80 percent of first-class mail volume. Without further subsidies, this would lead to ever higher rates for individuals. Reducing services would continue the current trend of volume losses, especially from a market share standpoint. Considering the alternative choices, and where each would lead USPS, I think now is the time to raise the question of whether we really need good universal mail service for every American at reasonable rates. I think the issue should be decided now—not when it's too late to recover without tremendous start-up or, at best, renewal costs.

It was with these thoughts in mind that I authored amendments in the pending legislation that abolish the Board of Governors, require presidential appointment of the postmaster general, eliminate the present automatic billion-dollar subsidy in favor of subsidies based on justified need, and dedicate any increases in the current subsidy level to holding down first-class rates.

The legislation, which will soon be considered by the full House, is not a return to postal politics as usual. We keep many of the good features of the 1970 Postal Act. It was not a bad experiment; we can keep its strong features, but we've learned some lessons, too.

Since 1970, ever-increasing rates and reduced services have hurt USPS and clouded its future. This has occurred despite billion-dollar subsidies every year. Thus, I think subsidies need to be continued, although this time there should be strings attached and realistic goals.

The 96th Congress should recognize that postal independence is a political pipe dream incompatible with good postal service for every American.●

ASA PHILIP RANDOLPH

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. FORD of Michigan. Mr. Speaker, the death of Asa Philip Randolph truly marks a watershed in American history.

Although the great work he started is not yet fully completed, he lived long enough to see that it would surely come to fruition.

Mr. Randolph's role in the unending fight for justice spanned more than half a century. As early as 1917, his writings had begun to awaken black and white Americans to the evils of segregation and bigotry.

When he organized the Brotherhood of Sleeping Car Porters in 1925, he opened the door to a powerfully ally—organized labor. The alliance did not come easily or quickly, but come it did. The porters were the first black union granted a charter by the American Federation of Labor, and in 1957 Mr. Randolph became a national vice president of the AFL–CIO.

Mr. Randolph was criticized and ostracized in his early activities, but his innate decency and dignity soon won him the respect and admiration of both black and white Americans. His technique of nonviolent militancy and his unique organizing ability enabled him to make dramatic gains in the fight against discrimination in all walks of life.

This truly outstanding American leader, with his vision, his courage, and his dedication, has left us a remarkable legacy. His deeds stand as a permanent monument to him, and an eternal reminder to all Americans of what one man can accomplish if he sets his sights on a worthwhile goal, and works unswervingly toward that goal.

The American dream will never die so long as as we have people like him.●

DISCLOSURE ETHICS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. COLLINS of Texas. Mr. Speaker, we hear so much about financial disclosure revealing the basis for the Congressmen's votes. It has been my experience on the Hill that Congressmen vote based on their convictions and representation of their local communities.

As I read the headlines this week, it said that 28 Congressmen owned stocks in oil and gas companies. Fifteen of these were Democrats and 13 of them were Republicans.

So I went back to check the key vote that would measure how responsive they were to the oil and gas industry. On October 13, 1978, the House had a vote on combining five oil bills together. The liberals opposed to the gas legislation wanted to combine all five bills. The oil and gas interests wanted each bill considered on its separate merit. This was a crucial votes 207 to 206 and the liberal group opposed to the oil and gas industry won. Now let us review the Members that were listed. Two were not Members of the House last year. Two of the Republicans did not vote on this issue.

On this breakdown, Republicans were opposed and most Democrats favored it. It was interesting to see that among the Democrats the vote was 10 to 5 against the oil companies. Among those five Democrats voting with the oil companies, three were Members from New Mexico, Texas, and Louisiana in whose districts oil production was the biggest industry.

On the Republican side, they voted 8 to 1 for a separate hearing on each bill. One who voted against the gas position was from New York City. And New York City always votes against the gas position.

So among this group who own oil or gas stocks or had any type of what might be considered a vested interest in oil and gas business, there was a 11-to-13 vote. It was just about as close as the final vote itself. I reviewed these individuals one by one and I can find no relationship to their vote and the fact that they own oil or gas properties.

The votes show that my colleagues vote with their conscience.●

W. AVERELL HARRIMAN RECEIVES HARRY S TRUMAN AWARD FOR PUBLIC SERVICE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. SKELTON. Mr. Speaker, recently, the former Governor from New York, W. Averell Harriman, received the sixth annual Harry S Truman Award for Public Service. Mayor Lee Comer, of Independence, Mo., in his welcoming remarks at the ceremony on May 4, succinctly summarized the many contributions that Averell Harriman has made to our country. I would like to share Mayor Comer's remarks with my colleagues in Congress:

MAYOR COMER'S REMARKS

Honored guests, ladies and gentlemen: It is my pleasure to warmly welcome you to the 6th annual Harry S Truman Award for Public Service.

This time of year is very exciting for all of us who are citizens of Independence. The many activities that transpire this week and next focus the attention of the entire nation on our city. We are delighted to be a part of this historic time.

On January 8, 1973, the Independence City Council passed a resolution creating the Harry S. Truman Award for Public Service. One person from the entire nation is chosen who best typifies and possesses the qualities of dedication, industry, ability, honesty and integrity that distinguished Harry S Truman in his years of public service.

Tonight we honor Mr. Truman in remembrance, not only for his greatness as President of the United States of America, but because we still think of him as our leading citizen and hold him close in respect and admiration for what he has meant to the city of Independence.

In the light of the ever increasing activities of this world we humans seem capable of involving ourselves in, it is worthwhile for us to pause now for some thoughtful reflection upon the past and its meaning in relation to where we are today, and where we will be heading in the future. Our purpose then is two-fold: to reflect on the greatness of Harry S Truman, and honor another public service who fulfills the criteria as set forth by our 1973 resolution.

Mr. Truman was a man of intellect who brought to bear on the problems of his time a knowledge of history and literature, and a world of day-to-day living experiences that helped him shape the decisions he was required to make. When we think of Mr. Truman we are reminded of those traits of his character that were so strong: honesty, openness, candor and a sense of duty. We associate the words "integrity" and "respect" with him and recall that when agonizing decisions were required that he was always courageous in doing what he deemed necessary and correct. He was a man of great personal warmth and charm; one who loved people and evidenced compassion and concern for them.

When we recall that each of us who enjoy the blessings and freedoms of this democracy that seems so easeful and so handily come by we remember that we are only the heirs of the giants who have preceded us and brought us to this time. Harry S Truman ranks with anyone you would care to mention, from the discoverers of our great country, those who settled and pioneered it, the framers of our Constitution, those untold thousands who spilled their blood to preserve the republic, and all of the great heroes of our Nation. Our best to them and to Harry S Truman is perpetual and lays on each of us the burden to maintain the republic and insure its continued freedom. Tonight as we honor Mr. Truman we do so by honoring another great American who is a man of Mr. Truman's time. A man so distinguished and so involved in the recent historic construction of our country that one is almost overwhelmed when we consider that he has consented to come to our city and accept the humble admiration and tremendous respect that we offer to him as the 6th honoree of the Harry S Truman Award for Public Service.

The sixth Harry S Truman Award for Public Service goes to the Honorable W. Averell Harriman.

Our honoree was born November 15, 1891, in New York City. He attended Groton and graduated from Yale University in 1913. Just prior to the entry of the United States into World War I, Mr. Harriman bought a shipyard in Chester, Pennsylvania, where he built the first partially fabricated ship in the country. He was chairman of the Merchants Shipping Corporation from 1917 to 1925. Among his financial pursuits were the establishment of the W. A. Harriman and Company private bank. In 1932 he became chairman of the Board of the Union Pacific Railroad. In 1934 he was appointed by President Franklin D. Roosevelt as Administrator of the NRA.

Mr. Harriman's entry into the field of the Federal Government was a significant act that would come to affect the lives of millions of people throughout the entire world. For in 1941 he became the defense expeditor in London prior to the passage of the lend lease act in 1941. He was given the rank of Minister. While serving the interests of his country and aiding our soon-to-be allies, he was a part of a joint Anglo-American mission to Russia to discuss lendlease aid to the Soviet Union in 1941. He was one of the first to be involved, along with Prime Minister Churchill, in discussions with Premier Stalin of Russia in regard to a second front. His untiring capacity for hard work also permitted him to serve as representative in London of the combined shipping adjustment board, and he, at the same time, was a member of the London combined production and resources board.

Outstanding honor was conferred on Mr. Harriman when he was appointed ambassador to Russia October 1, 1943. In 1945 he was sent to Moscow to confer with a committee of Polish factions regarding the Liberation of Poland.

Mr. Harriman was appointed ambassador to England in March, 1946. In September of that year he came home to enter President Truman's cabinet as Secretary of Commerce.

In 1946 he served as United States representative in Paris at the Peace Conference. In June of 1950 he was appointed Special Assistant to President Truman on Foreign Affairs, serving as Special Assistant to Mr. Truman until 1951.

After other services to the Federal Government taking him up to January, 1953, he became a candidate for and was elected Governor of the State of New York in 1954. In 1956 he was an active candidate for the presidential nomination. Mr. Harriman has served his country under every President since Woodrow Wilson, and has been an active contributor to those presidents from the time of Mr. Roosevelt down to and including our present president, Mr. Carter. The relatively dry recitation of the achievements of this man are marvelous to behold and well documented. But they pale somewhat when we consider the moral fiber and those traits of character that bring him to us this evening as our honoree for this award. Let me share with you quotes that come to us from articles and biographies of Mr. Harriman.

I was personally impressed when I read that Mr. Harriman had been born and raised a Republican, and in 1928, under what Mr. Truman and I would probably attribute to divine intervention, he decided to become a Democrat. That year he voted for Al Smith. He knew Franklin Roosevelt as a young man and supported him in his candidacy for President and, as we have noted, became an active part of the New Deal Administration. Of his dipolmatic days he has said, and those of us in the field of government can agree with his quotation, "You can't satisfy everyone. You needn't go around with a chip on your shoulder, of course. You must try to get along with as many people as you can. If you find something irreconcilable, you must have a combination of understanding and determination."

He has said "Nations are like human beings. No nation can be respected unless it stands on its moral principles. The principles on which our country is based are respected all over the world. When we live up to them we are respected. When we don't, we lose respect."

Winston Churchill has said of him, "The British trusted him because he was honest with them. There was an enormous sense of purpose among people of all walks of life." Another quote from Mr. Harriman: He was asked which President he felt closest to—"Truman," he said, "because he gave loyalty, and loyalty begets loyalty."

Mr. Harriman has authored several books, among which are "Peace With Russia?", "America and Russia in a Changing World," and, with L. E. Abel, "Special Envoy to Churchill and Stalin, 1941–1946," which I personally recommend to those who have an interest in, or lived through, that period of time. As late as December, 1987, it was necessary for our country to call once more on this great American diplomat, Averell Harriman. He was needed to confer with General Alexander Haig, Jr., Supreme Commander of the Allied Forces in Europe. He went to Belgium at the reqeust of President Carter, and while there was recognized by the Belgians for his diplomatic achievements.

From Belgium he returned to the scene of many of his triumphs in Moscow to meet with Soviet leader, Leonid Brezhnev—at the age of 87 still actively serving his country.

It is impossible to recount in the space of time available to us the totality of the achievements of this remarkable man.

Suffice it for me to say then, that stepping out of the pages of history, Mr. Harriman honors us by receiving the Harry S Truman Award for Public Service, and we are proud to present to him this statue of Mr. Truman, which symbolizes so much to the citizens of our city, and trust that he understands the great respect and admiration that goes to him along with this award.●

CONGRESSMAN TONY P. HALL SPEAKS ON NATIONAL MANAGEMENT WEEK

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. HALL of Ohio. Mr. Speaker, the National Management Association will be observing "National Management Week in America" during the week of June 3 through June 9.

The National Management Association, which has its headquarters in Dayton, Ohio, is a professional, nonprofit association dedicated to improve the quality and promote unity in management by education and fellowship of more than 58,000 members throughout the United States. Management Week in America is the National Management Association's effort to gain national recognition of management as a profession and to promote the American enterprise system.

I salute the National Management Association on the occasion of National Management Week in America, and wish them well in their activities to promote public awareness of the professional role of management.

This year's national theme is "Opportunity 79." The selection of this theme by the National Management Association is intended to project the positive prospects for continued personal, professional, and association growth. The theme is typical of NMA's dynamic approach to managerial and personal improvement.

During National Management Week, Governors and local officials will issue proclamations to urge concerned citizens, industries, businesses, and professional bodies to actively participate in observing this occasion. I join with the National Management Association in urging the President also to proclaim the week of June 3 as "National Management Week in America."

For the benefit of my colleagues, the proclamation of Management Week in the State of Ohio follows:

PROCLAMATION

Whereas, the National Management Association is a professional, non-profit association dedicated to improve the quality and promote unity in management by education and fellowship of more than 58,000 members; and

Whereas, the members of this association in the state of Ohio desire to perform a public service by officially recognizing management as a profession; and

Whereas, during the week of June 3, 1979, these members will join management men and women nationwide to emphasize the role of management in our society, and to encourage the promotion of our American Enterprise System.

Now, therefore, I James Rhodes, Governor of the State of Ohio, do hereby proclaim June 3–9, 1979 as Management Week in Ohio, and urge all concerned citizens, industries, businesses and professional bodies to actively and appropriately participate in its observance.●

OMNIBUS SMALL BUSINESS BILL OVERWHELMINGLY APPROVED

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. RICHMOND. Mr. Speaker, I wish to commend my colleagues for their overwhelming support for H.R. 4011, the omnibus small business legislation, which passed this House by a vote of 380 to 7 on May 22, 1979.

H.R. 4011 extends several important small business loans programs through fiscal year 1982 and increases Federal subsidies for SBA disaster loans by lowering the interest rates. In addition, one of the successful new SBA programs, the small business development center program, which provides management, technical, and technological assistance to small businesses, is also extended by H.R. 4011 through the end of the 1980 fiscal year.

As a member of the Small Business Committee, which approved this bill by the impressive margin of 25 to 2 on March 1 of this year, it gives me the greatest of pleasure to know that our hard work has resulted in this impressive demonstration of support for this legislation.

H.R. 4011 is similar to the omnibus small business bill that was approved by the House last year by a vote of 310 to 72, was amended by the Senate, and later pocket-vetoed by the President.

In its final version, H.R. 4011 authorizes a total of $1.6 billion in additional funding for various programs, including primary loan guarantees, natural disaster loans, nonphysical disaster loans, and surety bond guarantees. For fiscal years 1981 and 1982, the additional funding increases to $1.8 billion and $1.9 billion respectively. Overall, the 1980 authorization for SBA programs is 10 percent higher than in fiscal year 1979.

Unquestionably, the most important provisions of H.R. 4011 relate to disaster loans for homeowners and small business owners.

For natural disasters occurring between October 1, 1978, and October 1, 1979, the disaster loan interest rates will be lowered from the current cost-of-money rate to 3 percent for homeowners on the first $55,000 borrowed.

For SBA and Farmers Home Administration (FmHA) business disaster loans, the bill establishes a two-tier system of loans:

Borrowers who are unable to obtain sufficient credit elsewhere could receive a 5-percent interest loan.

Borrowers who are able to obtain credit elsewhere could obtain an SBA or

FmHA loan at a higher interest rate reflecting the cost of money, plus up to 1 percent.

The limit on all such SBA and FmHA business loans would be $500,000, and the lower interest rates would apply retroactively to disaster loans issued on or before October 1, 1978.

Mr. Speaker, as H.R. 4011 moves on to what I trust will be prompt and favorable conference action, we can all take pride in having demonstrated our overwhelming support for these much-needed funding authorizations and program extensions.●

FEDERAL VALIDATION AND COLLECTION OF ENERGY INFORMATION

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. RAILSBACK. Mr. Speaker, I am today submitting a concurrent resolution expressing the sense of Congress that the Department of Energy must expedite and strengthen its efforts to verify the information it receives, and, if need be, further develop its program so that it may be fully independent of industry statistics.

At this time, the general public does not trust the oil and natural gas producing industry, nor any aspect of the industry including refiners, marketers, and dealers. Much of this distrust may be the result of a lack of understanding of Federal regulations and the industry itself. Many are simply reacting to a painful situation in which long gas lines and high prices for gas and heating fuel must be faced.

I feel that increased efforts to conserve energy as well as the development of alternative sources of energy are strong, although partial steps to solve the energy shortage problem. However, people would be much more willing to conserve if they honestly felt there were a shortage of crude oil. We must determine whether or not there is enough crude oil to refine more gasoline and whether or not there is, in fact, a shortage of crude oil.

I understand that the Energy Information Administration already has broad authority to collect data under the Department of Energy Act of 1977, the Federal Energy Administration Act of 1974, and the Energy Supply and Environmental Coordination Act of 1974 as well as others. It is already beginning to implement a financial reporting system, and it has an Office of Energy Information Validation. These efforts are commendable and on the right track. However, the EIA depends on the industry for much of its information.

It seems to me that the data might have more credibility if the Energy Information Administration were responsible for collecting more raw data rather than depending on the industry for information. Both the American public and the oil industry stand to benefit when the Federal Government acts as the repository or primary data bank for relevant information relating to energy. An independent data bank would be reassuring to the American people who have become increasingly cynical.

For the convenience of Members and interested persons, I have included the text of the concurrent resolution:

> CONCURRENT RESOLUTION
>
> *Resolving by the House of Representatives (the Senate concurring),*
>
> Whereas, oil, natural gas and refined products made from oil and natural gas are essential to the United States' national interest and the well-being of United States' citizens;
>
> Whereas, the United States faces a shortage in crude oil and refined products, especially gasoline, which threatens the United States' economy;
>
> Whereas, the Department of Energy has the statutory authority to gather extensive information on oil and natural gas reserves, ownership interests in these reserves, drilling of wells, refinery capabilities, actual refinery production, oil company profits, imports, exports or any information needed to formulate energy policy;
>
> Whereas, accurate information is vital to the development of a sound energy policy;
>
> Whereas, the Department of Energy depends on the industry for much of its information;
>
> Whereas, this Congress understands that the Department of Energy has begun a Financial Reporting System and has established an Energy Information Validation Office within the Energy Information Administration;
>
> Whereas, however, the reliability of industry statistics and their efforts to refine available crude oil to produce gasoline are in question;
>
> Now, therefore, be it
>
> Resolved, By the House of Representatives (the Senate concurring) that it is the sense of the Congress that the Department of Energy must expedite and strengthen its efforts to verify the information it receives, and, if need be, further develop its program so that it may be fully independent of industry statistics and become the primary information data bank.●

SHUR COLLIDES HEAD-ON WITH HOSPITAL COST CONTAINMENT

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. BEREUTER. Mr. Speaker, last week I brought to the attention of my colleagues the results of a survey of hospitals in my congressional district on the anticipated impact of implementing regulations promulgated by HEW—the so-called SHUR system.

The hospitals in the First District of Nebraska estimate an average cost of over $38,000 per institution to implement SHUR and an average cost of $54,000 a year to maintain the system. The average prediction for increased cost per day, per patient for both large and small institutions was $4.

I am sure that if each of my colleagues chose to survey their hospitals they would receive a similar story. The regulations are an accountant's nightmare, and I am convinced they go beyond the intent of the law.

A recent editorial in the Lincoln Journal, one of the major newspapers in my district, summed up the SHUR regulations in its title: "Asking an Inch, Wanting a Mile." These observations from the editorial deserve special note:

> There's a great difference between uniform, super-detailed accounting procedures imposed from Washington (which is even more than the Internal Revenue System requires of taxpayers!) and the submission of basic operational information already on the shelf.
>
> That collides headlong with the Carter Administration's quest for cost containment in hospitals, doesn't it? Does the right hand know what the left hand is doing?

Those questions certainly deserve the attention of Congress, particularly as HEW prepares its final regulations.●

LEGISLATION INTRODUCED TO ASSIST NEIGHBORHOOD GROUPS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Ms. MIKULSKI. Mr. Speaker, today I am introducing a bill which will enable neighborhood organizations to qualify for special third-class mailing rates. Currently it is extremely difficult for such neighborhood groups to receive the special third-class mailing privilege. This problem was brought to my attention by a neighborhood organization in Baltimore which finally received the special bulk rate mailing privilege only after a difficult year of working with legal counsel.

The problem stems from a contradiction in the Postal regulations, which I am confident this bill will correct. Presently, religious, educational, scientific, philantropic, agricultural, labor, veterans, and fraternal groups qualify to receive special bulk mailing rates. Neighborhood organizations would seem to fall under either the educational or philanthropic category—especially since the definition of a philantropic group's activities include: Lessening neighborhood tension and the burdens of government; and combatting community deterioration and juvenile delinquency. These are some of the prime functions of neighborhood organizations, yet further reading of the Postal Service's manual reveals that civic improvement associations are one of the several groups which are exempt from qualifying for the special third-class rate.

When I first started working with my neighbors in Baltimore to protect our community, we joined together to form a neighborhood organization. From those days I know how vital it was to keep all members informed of our efforts and the actions which needed to be taken to accomplish our goals. Most neighborhood organizations are purely voluntary in character and operate with very limited funds. Access to bulk mailing privileges would be very important to them.

Another problem which impedes neighborhood groups from readily receiving the third class mailing rate is their IRS tax status. The IRS in most cases grants improvement associations—which includes neighborhood groups—a 501(c)(4) tax status. The only problem with such a rating is that the Postal Service rarely awards third class mailing rates to groups with such a status. For the most part, the Postal Service automatically awards the majority of 501(c)(3) groups with such mailing rights.

My legislation will simply amend the Postal Service's regulations to include neighborhood organizations in the groups which presently qualify to receive third class bulk mailing rates. I hope that I will receive the support of my colleagues in my effort to correct the existing contraditions in the Postal Service's regulations.●

SAFE OPERATION OF NUCLEAR PLANTS

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. DODD. Mr. Speaker, yesterday I introduced a bill, H.R. 4174, to improve the safe operation of nuclear powerplants. For the past several years, I have been especially concerned over the safety of nuclear energy. The accident at the Three Mile Island Nuclear Powerplant almost 2 months ago has only heightened my concern, and of course the concern of my constituents.

My concern is so great, Mr. Speaker, because the congressional district I represent in eastern Connecticut is beyond doubt one of the most heavily nuclear-oriented districts in the Nation. Mine is a district with three operational nuclear powerplants, and another under construction. Included in the district are a shipyard which builds nuclear-powered submarines, and a company which manufactures nuclear reactor cores. The people of eastern Connecticut have lived in close proximity with nuclear facilities for many years, and understandably the accident at Three Mile Island was a very disturbing development after so many years of assurances that the odds of a nuclear accident occurring were infinitesimal.

The people of Connecticut have come to rely on nuclear power which provides approximately 58 percent of the electric power in the State. But the proximity of nuclear facilities to their homes poses an everpresent potential threat to their safety. At the present time, there are too many unanswered questions about the probability of another major nuclear accident occurring, the long-term effects of low-level radiation, and the hazards of nuclear waste storage and transportation.

I believe that the adoption of H.R. 4174 would do much to improve the safe operation of all nuclear powerplants in the United States, and I would urge my colleagues' careful consideration of its provisions.

I might add, Mr. Speaker, that aside from introducing this legislation, I have also called for a moratorium of the issuance of new nuclear powerplant construction permits until our concerns over the safety of the entire nuclear fuels cycle have been adequately answered.

The text of H.R. 4174 follows:

H.R. 4174

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Atomic Energy Act of 1954 is amended by adding the following new chapter at the end thereof:

"Chapter 21—ADDITIONAL PROVISIONS RELATING TO NUCLEAR POWERPLANT SAFETY

"SEC. 311. MANDATORY SUSPENSION OF OPERATION.—

"a. Whenever the Commission determines that—

"(1) there has been—

"(A) an abnormal release of radiation, or

"(B) any other accident involving source material, byproduct material, special nuclear material, or any other radioactive material at any facility which uses any such material for the generation of electric energy (hereinafter referred to in this chapter as a 'nuclear powerplant'),

"(2) there is reason to believe that such release or other accident was caused in whole or in part by any design or mechanical flaw, and

"(3) such release or other accident may endanger public health and safety

the Commission shall order the temporary suspension of operation at each nuclear powerplant licensed by the Commission the design of which is similar to the design of the powerplant at which such release or other accident occurred.

"b. A suspension of operations ordered under this section shall continue in force for such period as the Commission deems necessary to correct the flaw involved or until the Commission determines that the termination of such suspension is otherwise in the public interest.

"c. The license of any nuclear powerplant may be revoked as provided in section 186 upon the failure of the licensee to comply with an order under this subsection and a civil penalty may be imposed with respect to such failure as provided in section 274.

"SEC. 312. COMMISSION INSPECTION REGIONS AND PERSONNEL.—The Commission shall designate inspection regions throughout areas within the United States in which nuclear powerplants are operating. Within each inspection region, the Commission shall assign such number of qualified nuclear powerplant inspectors employed by the Commission as may be necessary to insure that at least one such qualified inspector is on duty at all times at each nuclear powerplant within such region. Such inspectors within each such region shall be rotated among the nuclear powerplants in such region on a regular schedule.

"SEC. 313. EMERGENCY TEAMS; PUBLIC INFORMATION.—

"a. The Commission shall establish one or more teams of qualified engineers, scientists, radiation health experts, and such other qualified personnel as may be necessary to supervise activities involving a nuclear powerplant—

"(1) following any abnormal release or radiation from such powerplant or following any other accident at such powerplant involving any material referred to in section 311 a., or

"(2) during any other emergency at such a powerplant.

Upon the authorization of the Commission, any such team shall have the full legal authority to supervise all activities involving any nuclear powerplant licensed under this Act for any period specified by the Commission following any release or accident referred to in paragraph (1) or during any other emergency at such powerplant.

"b. Following any release or accident referred to in subsection a. (1), the Commission, acting through the appropriate emergency team, shall inform the public affected or potentially affected by such release or accident of—

"(1) the status and nature of any radiation emissions from such powerplant, and

"(2) any evacuation plans which may be necessary.

"SEC. 314. NUCLEAR POWERPLANT CONTROLLERS; COMMUNICATIONS SYSTEMS —

"a. The Commission shall train and employ (subject to title V of the United States Code) such nuclear engineers, technicians, and other personnel as may be necessary to operate nuclear powerplants licensed under this Act.

"b. As soon as practicable following the enactment of this section, the Commission shall require that each nuclear powerplant licensed by the Commission under this Act shall be operated by the employees of the Commission referred to in subsection a. Each licensee shall reimburse the Commission for the costs of training and employment of such employees.

"c. The Commission shall establish a secure communications system to provide for such direct communications as may be necessary between the Commission and individuals operating each nuclear powerplant licensed by the Commission under this Act.

"SEC. 315. QUALIFICATIONS OF PERSONNEL.—The Commission shall establish standards (including qualifications regarding training) for personnel employed by the Commission, or by any licensee, who are involved in the operation of any nuclear powerplant. Following establishment of such standards, no person may be assigned by the Commission to perform any duty at any nuclear powerplant unless such person meets such requirements and no person to whom such requirements apply may be employed by any licensee to perform any service at such a powerplant unless such person meets such standards.

"SEC. 316. STATE EMERGENCY PLANS.—

"a. Each State in which there is located any nuclear powerplant licensed by the Commission may submit to the Commission a State nuclear powerplant emergency plan which sets forth the actions which the State, and political subdivisions of such State, will undertake in the event of any accident at a nuclear powerplant in such State.

"b. No license may be issued or renewed by the Commission after the date of the enactment of this section for the construction or operation of a nuclear powerplant in any State unless such State has submitted a State nuclear powerplant emergency plan to the Commission and the Commission approves such plan.

"c. No State or local government or individual in any State in which there is located one or more nuclear powerplants shall be eligible to receive any Federal assistance with respect to any disaster under any provision of law authorizing disaster relief of any kind after the date one year after the date of the enactment of this section unless such State has submitted a State nuclear powerplant emergency plan to the Commission and such plan has been approved by the Commission.

"SEC. 317. RADIATION MONITORING NEAR POWERPLANTS.—The Commission shall conduct continuous monitoring for radiation in the environment within a 15-mile radius of each nuclear powerplant licensed under this Act.

"SEC. 318. CONSTRUCTION INSPECTION.—For purposes of determining whether or not the construction of nuclear powerplants is in compliance with the requirements imposed pursuant to this Act, the Commission shall carry out an inspection and evaluation program concerning the construction of such powerplants. In carrying out such program, the Commission shall utilize only personnel employed by the Commission.".

(b) The table of contents for such Act is amended by adding the following at the end thereof:

"Chapter 21. ADDITIONAL PROVISIONS RELATING TO NUCLEAR POWERPLANT SAFETY
"Sec. 311. Mandatory suspension of operations.
"Sec. 312. Commission inspection regions and personnel.
"Sec. 313. Emergency teams; public information.
"Sec. 314. Nuclear powerplant controllers; communications systems.
"Sec. 315. Qualifications of personnel.
"Sec. 316. State emergency plans.
"Sec. 317. Radiation monitoring near powerplants.
"Sec. 318. Construction inspection.".

Sec. 2. Not later than 6 months after the date of the enactment of this Act, the Nuclear Regulatory Commission shall submit to the Congress a report containing a comprehensive plan for the safe disposal or storage of—

(1) spent fuel from nuclear powerplants licensed under the Atomic Energy Act of 1954, and

(2) other radioactive material associated with such powerplants.●

FARM WATER ACT OF 1979

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. ROUSSELOT. Mr. Speaker, on Monday, May 21, I joined with my colleague, Gunn McKay of Utah, our distinguished minority leader, John Rhodes of Arizona, and several other Members of this House in the sponsorship of H.R. 4148, a bill to modernize the Reclamation Act of 1902.

This legislation was made necessary by the action of the Secretary of the Interior in his promulgation of regulations in August 1977, which represented another major engagement in the Carter administration's war on the West.

I have also cosponsored legislation by Mr. Stump of Arizona, H.R. 160, a bill which would completely abolish acreage limitations applicable to land subject to reclamation law. It is my preference that all such limits be removed, so that Government hindrance of efficient agricultural production might be somewhat lessened. H.R. 4148, while less broad in scope than Mr. Stump's bill, is nevertheless a major step in the right direction. Should Congress not see fit to abolish acreage limitations, then the least that can be done is to broaden the limits and reform requirements to the realities of present-day farming.

In grappling with the issue of reclamation law reform, there are two or three basic issues which stand out.

One of these is whether the Federal Government should tell our farmers where they should live, or how long they should live on the farm, or when they can move to some other State to enjoy their retirement. There used to be a residency requirement for public assistance programs, but the Supreme Court said that was illegal. Now the Department of the Interior wants to impose a residency requirement on American farmers. This requirement is just as wrong.

Another issue is whether the Federal Government should stand by its word, or whether the Secretary of the Interior can do as they do in some totalitarian countries and simply decree that contracts entered into by the Department of the Interior are null and void. In essence, if the citizen affected by this highhanded action wants to get relief, he is told he must go to the Court of Claims—and how many individuals have the money to sue the U.S. Government?

And finally, there is also the issue of whether American farmers should be told how big a farm they can operate. Reclamation law now provides for a limitation on how much water can be put on land under a single ownership. Those who want water for more land can get it for their additional land, provided they agree to sell the excess land within 10 years. This would cause the breaking up of many land holdings. In California, we have found larger parcels of land to be more efficient units of production, and the 1902 limit of 160 acres to be very much out of date.

The Department of the Interior, as well as some of the legislation that has been introduced, would establish a farm size limitation by prohibiting the ownership or leasing of land above a certain size. If this occurs, farmers in reclamation projects will be denied basic property rights to which all other Americans are entitled.

The Farm Water Act of 1979 addresses all of these issues in a way which preserves the basic purposes of the Reclamation Act, but also recognizes the rights of the American people. I am hopeful that either this act, or H.R. 160, will become law in 1979.

Mr. Speaker, the Farm Water Alliance has written a clear and concise summary of the Farm Water Act which I would like to share with my colleagues:

Farm Water Act of 1979

A BILL

The enacting clause of the Farm Water Bill of 1979, specifies that the Act would amend and supplement the acreage limitation and residency provisions of the federal reclamation laws, which are comprised primarily of the Reclamation Act of 1902 and the Omnibus Adjustment Act of 1926.

PREAMBLE

Section 2 states the purpose of the Act: to encourage and preserve viable farm operations in reclamation project areas. The Act places reasonable restrictions on federal project water recipients in return for the use of the public investment. This section recognizes that all taxpayers contribute to project costs and that none should be barred from the opportunity to share the benefits.

DEFINITIONS

Section 3 defines certain terms used throughout the Act.

VALIDATION

Section 4 stipulates that all federal written representations, rulings, opinions relating to the acreage limitation provisions upon which districts and land owners have previously relied, will remain in effect—providing for consistency and fairness in government.

ACREAGE LIMITATION AND EQUIVALENCY

Section 5 increases the ownership limit on land eligible to receive project water to 320 acres in each water district—acknowledging the economic and technological changes that have occurred since the 160 acreage limit was set in 1902. A second major thrust of this section introduces an equivalency concept allowing areas with lower productivity potential, due to such factors as geology, crop economics and climate, to receive water on more than the 320 owned acres. This provision emphasizes fair application of the federal benefits to the users. A third aspect of this section preserves present law by allowing lenders that acquire property by foreclosure to sell within a five-year period without government price approval.

APPLICATION OF ACREAGE LIMITATION

Section 6 defines certain exemptions from federal reclamation law. Introduces a payout plan that gives reclamation districts the opportunity to repay the public investment in full or in periodic payments with interest, thereby relieving the land within the district from acreage limitations. Exempts from acreage limitations land that receives 25% or less of its irrigation needs from project water.

Also exempts from acreage limitations, depending on water sources, certain lands including: those receiving water from temporary projects; those within U.S. Army Corps of Engineers projects; lands on which water is merely diverted or regulated by project facilities; and lands receiving project water unavoidably through seepage, deep percolation or ground water recharges.

The water rates and contract costs would be determined in accordance with generally accepted utility rate-making standards.

CERTIFICATION

Section 7 concerns projects for which the public investment has been repaid, and provides for a certificate that can be recorded for lands within those projects, declaring that they are free of the acreage limitations.

WATER EQUIVALENCY

Section 8 provides that if less than 25% of the total irrigation supply of water to a tract is supplemental project water, the basic entitlement of 320 acres can be increased in proportion of the decreasing supply of project water. It allows more acres if less than 25% of project water is needed to complete a farm supply.

EXCESS LAND CONTRACTS

Section 9 stipulates provisions under which owners of land in excess of the 320 acreage limitation can receive project water, and provision under which excess lands can be sold. Those provisions include the private property owner's right to select the buyer and to sell the excess land at its fair market value, without reference to project water. Also, this section provides that for lands held in excess of 320 acres, project water can be delivered if a recordable contractor for the sale of the land has been executed under reclamation law. Upon disposition of excess lands, the Act further stipulates that the seller can retain rights to the property for non-agricultural purposes; and provides an extension of the ten-year recordable contract in which excess land must be sold, for the period that sales are not permitted either administratively or by court order.

ANTI-SPECULATION

Section 10 prevents land speculation in reclamation areas by removing the opportunity, under present law, for a buyer to purchase at the low, government approved price and resell immediately at the higher market value. This section prevents windfall profits to speculators and abuses of the federal benefit by requiring that landowners retain the property within a family for ten years before selling it for anything more than cost plus an inflation allowance. Lack of compliance makes the land ineligible to receive project water.

RESIDENCY NOT REQUIRED

Section 11 amends the acreage limitation and repeals the outdated requirement of the 1902 Act (which was ignored in the 1926 Act) that required homes to be located in the neighborhood of the farm receiving project water. This section frees the private property owner from a government edict as to where the owner must reside.

APPLICATION

Section 12 specifies that the Act applies both to existing and future federal reclamation projects and stipulates that any exemptions or modifications of acreage limitations previously afforded will be honored by this Act.

CONSENT TO SUE

Section 13 grants landowners and other entities contracting with the federal government for project water the right to bring the United States of America into court for purposes of resolving conflicts in reclamation law—thereby helping to insure the integrity of government action.

CONSTRUCTION CONTRACT

Section 14 restates certain language existing in federal reclamation law that is consistent with the Act concerning the maintenance and enhancement of the fiscal integrity of federal water projects.●

A GOOD CHOICE TO HELP THE WORLD'S CHILDREN

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. BARNES. Mr. Speaker, I would like to bring to the attention of my colleagues the announcement this past weekend that United Nations Secretary General Kurt Waldheim is appointing James P. Grant of the United States as the next Executive Director of the United Nations Childrens Fund (UNICEF).

Jim Grant is well-known to many Members of this Congress. For the past decade he has been President of the Overseas Development Council, a nonprofit research and public education institute concerned with the economic and social problems confronting developing countries and the importance of these countries to the United States in an increasingly interdependent world. Mr. Grant was previously a Deputy Assistant Secretary of State and Assistant Administrator of the Agency for International Development. He is also a trustee of the Rockefeller Foundation, a founding board member of New Directions, vice president of the Society for International Development, and, by appointment of President Carter, U.S. representative to the Executive Board of UNICEF.

Under Jim Grant's leadership, the Overseas Development Council has been an indispensable contributor to American understanding of global development problems and to the ability of this Congress, and the executive branch as well, to make reasoned and informed decisions on U.S. policy affecting the developing world, and, indeed, the ability of legislators, administrators, and other leaders throughout the world and in international agencies to better do their jobs of improving the condition of life for poor people everywhere.

Notably among ODC's more recent contributions are the physical quality of life index (PQLI) and disparity reduction rate (DRR) index, which for the first time offer practical measurements of life quality and of society's progress in reducing the disparity between the world's rich and poor.

On January 1 of next year Jim Grant will be leaving the circles of U.S. research and policy proposition, and returning to the world of day-to-day responsibility of implementing his ideas and making the most of the world's all-too-meager resources devoted to making life a little more fair and a little more promising for the nearly 1 billion people who live in abject poverty, and particularly, for the hundreds of millions of children who today see all-too-little hope of a secure and satisfying future.

There is no better place for Jim Grant to be able to translate his thoughts into action. UNICEF is one of the oldest of the United Nations family of people-assistance organizations. It is surely one of the most effective, and continues to enjoy the respect and affection not only of the millions of children and parents who have been assisted by it, but also by the millions of individual citizens who have contributed to it with the confidence of knowing that their pennies and dimes and dollars are indeed going to help a child to be nourished by milk, warmed by a blanket, or protected by an immunization.

Secretary General Waldheim's appointment of Jim Grant, an American, is a fitting reminder to all Americans in this International Year of the Child that we have a lot to contribute, and a lot to do, to transmit to all children a world less plagued by hunger, disease, and violence, and more beautiful and promising for all. I know all my colleagues in the House join in wishing James Grant a most successful tenure as executive director of the United Nations Childrens Fund.●

THE UNKNOWN SOLDIER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. SKELTON. Mr. Speaker, in just a few days, Memorial Day for 1979 will be here. All of us across the Nation will pause and remember loved ones and friends who came to the defense of our country in days passed. Recently, I came upon this writing by Clement A. Tamraz. It holds a special meaning for us on Memorial Day. It is entitled "The Unknown Soldier."

The material follows:

THE UNKNOWN SOLDIER

He visited me in my reveries in the caressing melancholy of the warm evening and said, . . .

"It's been so long and so lonely since the day I left home. I dwell forever alone in the infinite realm of your tranquil mind, warmed only by your affection. Yes, ol' Buddy, if you are proud of what I was, then I am proud of what I am . . . your Unknown Soldier.

"If you forget me, I lose the immortal part of myself. I made self-sacrifice an infinite virtue when I gave my life for yours. Though your aching soul did not escape the tyranny of consuming anguish, I like to feel your sorrows are watered with dews of gratitude. If your heart does not persuade you to remember me, let not the words of any man. Yours, then, will be an unquiet soul.

"My commission was not to reason of the deeds, but do them; and I made you heir of my reward for precious deeds nobly done, richly won. I saved you from the terrifying villainy of your abysmal fears, and even the harmony of your peace was tuned by my fingers. You prayed for peace but I paid for it. Remember this: The chronicle of my attainments is the true history of our nation Teach it that way.

"I hold all the attributes to majesty, for there is no rank higher than mine; and this exclusive honor enshrouds my unwearied spirit with celestial dignities becoming to my estate. I stand alone, none higher, or not at all.

"I never said 'Goodbye,' for I still dwell in all my Buddies' sighs and in the burning tears of every mother's eyes. Though it's been so long and so lonely, as God is my judge, I shall remain faithfully, forever and ever . . . your Unknown Soldier."●

CONGRESSMAN BILL BONER TESTIFIES IN SUPPORT OF CLEAR CHANNEL BROADCASTING AND THE GRAND OLE OPRY

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. BONER of Tennessee. Mr. Speaker, I would like to call the attention of my colleagues to testimony I delivered before the House Communications Subcommittee on May 17, 1979:

STATEMENT OF CONGRESSMAN WILLIAM H. BONER

Mr. Chairman and members of the subcommittee, I thank you for the opportunity to appear today to voice my strong support for the preservation of clear channel radio broadcasting.

As the Congressman representing the Nashville, Tennessee, home of the Grand Ole Opry and clear channel station WSM, I have introduced H.R. 1913, which has been referred to this subcommittee for consideration.

This legislation would prohibit the duplication of station assignments on the Class 1-A clear channel frequencies. In effect, H.R. 1913 would block implementation of the regulations now pending before the FCC that would limit the coverage of the nation's 25 clear channel stations to either 100 or 750 miles. To date, Mr. Chairman, I am pleased to report that 44 of our House colleagues have cosponsored this bill.

I would like to speak briefly about the potential economic impact of the FCC clear channel cutback on Nashville's economy. Let me begin by explaining that the Grand Ole Opry is our city's primary tourist attraction, drawing millions of visitors to Nashville each year to see top country entertainers.

The major inducement for top name performers to appear at the Opry is the nationwide exposure they receive over WSM. The FCC's suggested clear channel cutback would eliminate this inducement and make it far more difficult for the Opry to attract the best entertainers it now features on a regular basis.

The inevitable result of a deterioration in the Opry's performances would be a gradual decline in interest and attendance, which in turn would adversely affect Nashville's vital tourist industry. As you can see, the FCC proposal has the very real potential of destroying a unique American institution and causing economic hardships for one of our nation's great cities—Nashville.

Of course, reducing WSM's coverage to 100 miles would also be a terrible disservice to millions of Americans who tune in WSM each Friday and Saturday night for a type of entertainment available nowhere else in the world. I am sure I join the Chairman and members of the subcommittee in looking forward to testimony to be delivered in a few minutes by Minnie Pearl, whose name is synonymous with the Grand Ole Opry.

Mr. Chairman, the destruction of clear channel broadcasting would be even more heartbreaking because it is so unnecessary. I call your attention to a far more effective and comprehensive alternative open to the FCC. That is the narrowing of the space between frequency assignments on the AM band from 10 to 9 kilohertz. This would create 12 new AM frequencies. These would make room on the airwaves for many hundreds of new stations, while at the same time making available frequencies to which existing daytime stations could move to broadcast 24-hours a day, yield a maximum of only 125 new stations, while providing no relief whatever for daytimers. I hope the 9 kilohertz idea will be given careful consideration by the subcommittee as it searches for ways to encourage better service to the listening public by local broadcasters. I am confident the subcommittee will conclude that the 9 kilohertz plan is vastly superior to cutting back the clear channels.

Mr. Chairman, I would like to conclude by urging the subcommittee not to let the final decision on the clear channel issue rest in the hands of the FCC. This agency has not shown itself to be responsive to the best interests of the American people, as its clear channel regulations demonstrate.

I hope that Congress will be given the ultimate authority in this matter. If the FCC is directed by Congress to solve the problem of enabling daytimers to broadcast fulltime, then Congress should reserve the last word for itself. I suggest a 60 day period in which either the House or Senate could veto whatever solutions the FCC proposes.

In broadcasting matters, as in virtually every other area, I believe strongly that we must stop allowing unresponsive federal agencies to make decisions that we in Congress, the elected representatives of the people, should be making ourselves.

Again, I thank you for the opportunity to appear before you this afternoon.●

CONFERENCE REPORT ON THE FIRST CONCURRENT BUDGET RESOLUTION FOR FISCAL 1980

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. RICHMOND. Mr. Speaker, earlier today, the House resoundingly rejected the conference report on the first budget resolution for 1980.

My good friend, the gentleman from Wisconsin (Mr. OBEY) and others were right on target in stating that the conference did not adequately reflect the actions of the House when on May 14, after 2 weeks of extensive debate and 25 rollcalls, we initially approved the resolution.

Today we were confronted with a conference agreement which provided $1.9 billion more for military spending than the resolution this House approved on May 14 and—incredibly—$1.8 billion less for education, training, employment, and social services.

When the House version of the budget resolution was approved on May 14, I was not particularly proud of our work. Repeatedly, during those 2 weeks of debate, cut after cut was made in the name of "anti inflation," in services which are vitally needed by the poor, and by low- and moderate-income persons. I felt the budget we approved for domestic programs was unnecessarily restrictive. But, the conference version was even worse.

Education programs had been cut further, including title I of the Elementary and Secondary Education Act, Head Start, and student financial aid. Employment and training programs, including CETA public service jobs, had been seriously cut. Health care programs had been cut. Nutrition for the elderly, housing programs, and many other critical human needs programs had been meat-axed.

The only area that escaped severe cuts was military spending. Despite the will of this House, which repeatedly voted down amendments to increase military spending during our many days of debate, the conference report came before us with a $1.9 billion increase in military spending.

Not only did the conference report fail to reflect the will of the House, but more importantly, the priorities were misplaced. Undue and unjustified cuts had been made in conference in vitally needed human needs programs, while military spending was increased.

The Federal budget is supposed to represent the goals and priorities of our Nation. It has even been said that the budget is the conscience of America. Yet, when you looked at the conference report, you could only scratch your head and wonder if that budget was truly addressing the needs of our Nation.

With the kinds of cuts that had been made, the conference report would have shortchanged the people least able to help themselves in the constant battle against inflation—the poor, the elderly, the low- and moderate-income wage earners, and residents of densely populated urban areas.

The conference report on the budget, if it had been adopted, would have necessitated cutbacks of essential services for important domestic programs without any noticeable reduction in inflation. In that form, the budget was unacceptable and I commend my colleagues who joined me in rejecting the conference report by a resounding vote of 260 to 144.●

ALTERNATIVES TO THE AMERICAN CAR

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. GRASSLEY. Mr. Speaker, with each passing day of long lines at the gas station and higher prices once you reach the pump, the American people are becoming more disgusted at our dependence on gasoline-powered automobiles. The current energy situation has taught us that we had better start taking a serious look at long-range alternatives to the American car.

We are now faced with the reality that there is only a finite amount of petroleum in the world, and transportation accounts for about half of the oil consumed in this country. In recent weeks, Secretary of Transportation Brock Adams has called for the "reinvention of the car" so we can have safe and fuel efficient transportation in this country. One option in this area is the potential use of electric vehicles, and to me, the development and use of practical electric cars is an obvious response to our dwindling petroleum reserves.

It was with unusual foresight that the Congress passed the Electric Vehicle Research, Development, and Demostration Act of 1976. This act provided a starting point for administrative coordination of electric vehicle development, practical demonstration, and production incentive. We must continue to encourage the development and utilization of electric vehicles, and in this regard, I commend to my colleagues a bill by Congressman TOM CORCORAN which would allow electric vehicles to be included in the computation of corporate average fuel economy standards. This measure, which I, along with five others, have cosponsored, would provide a much needed incentive for the private manufacture of a large number of electric vehicles.

I recently had the pleasure of a test ride in General Electric's new subcompact electric car—the Centennial Electric. This four pasenger test vehicle is a completely new design which utilizes components and battery systems not previously available. Alhough this is just an experimental vehicle—intended to show the strengths and weaknesses of the current technology—the electric car seems ready-made for stop-and-go urban driving. This car has a range of between 50 and 70 miles, and how many Americans—how many just in the Washington area—commute to work every day over distances such as these? Also, Mr. Speaker, about 11 million vehicles on the road today are second cars or delivery trucks used primarily for stop-and-go short-trip driving.

More research must be done so that eltctric vehicles can prove their worth to the American people. It must be shown that electric cars can compete with conventional cars in areas such as safety, reliability, and comfort. General Electric's test car is assisting in this effort. The Centennial Electric is billed as a laboratory on four wheels, and after riding in this laboratory, I am convinced that electric cars can compete with gasoline-powered models in the very near future.

The car I rode in was a front wheel-drive, and it was powered by 18 six-volt lead-acid batteries. It has a range of 75 miles at a constant speed of 40 miles per hour, and it can cruise comfortably at 55 miles per hour. Of course it is almost completely silent and has no pollution, and after riding in it, I can assure you it has the "feel" of a conventional car.

However, Mr. Speaker, as a recent General Accounting Office report indicates, there are many improvements that need to be made before electric vehicles will be widely accepted. The biggest barrier to successful commercialization of electric cars is that they cost more than conventional cars. In this regard, I introduced legislation today which will encourage Americans to buy electric cars once they are available on the market. This measure provides a tax credit—similar to the credit available for insulating a home—of up to $300 for the purchase of an on-the-road electric vehicle.

Our Nation's energy problems are not going to go away in the near future; there are no simple, easy answers for the short run. I believe the electric car provides hope for our long-term energy needs, and I urge my colleagues to consider this most logical alternative.●

PANAMA: A REAL ESTATE DEAL

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. BONIOR of Michigan. Mr. Speaker, the Washington Post published this morning an editorial dealing with the Panama Canal implementing legislation.

As the chairman of the MCPL Task Force on Panama Canal, I feel that this article depicts very well how certain Members have come to regard the Panama Canal Treaty. Further, it continues to show how this perception of an immense real estate deal has confused the issues, and if it is perpetuated, might jeopardize our interests which are now secure under the Panama Canal Treaty of 1977.

Mr. Speaker, I commend this article to the attention of my colleagues, and I insert it into the RECORD:

PANAMA: A REAL ESTATE DEAL

One thing you can say about the Panama Canal debate: No snap decisions are being made. The United States is now deep into its second decade of deliberations on its relationship with this small and (but for the accident of the canal) not overwhelmingly significant little Central American bend in the road. Panama stands at the head of a kind of pe/re index: more political energy may have been expended per square inch of real estate in Panama than in any other place.

The congressional debate has had, of course, various stages. Many thought and hoped that the stage culminating in the Senate's ratification of the Panama Canal treaties last year would be the last. But this was not to be. Yet another stage has arrived in which the canal is being perceived not as an instrument of the American destiny or as a vital link in commerce or defense or as the object of diplomacy but rather as the subject of a real estate deal.

To understand this you have only to look at the proceedings in the House, which is balking at enacting the legislation needed to put the treaties into effect—legislation to care for the rights of the American workers in the Canal Zone, to pay for the costs of continuing to defend the canal and so on. The treaties, duly ratified, are now law. Almost everyone in the House except the willfully obtuse accepts that. A great many fantasizers in that august body, however, wish either to renegotiate the terms of the treaties under the guise of passing legislation to implement them, or to make the implementation legislation so burdensome that the Panamanians will say "no" and perhaps commit some act of violence that will serve as pretext for the United States to suspend the treaties.

Whether the resisters in the House are doing this out of loyalty to their own and their unreconstructed constituents' views about the canal, or out of resentment at having seen the Senate monopolize the action so far, or for some other reason, should make several good books. The point now is that the resisters are in full cry, having almost ditched the required legislation in a vote last week, and the substance of their resistance comes down to their perception of the treaties as, in the words of one of them, Rep. George Hansen (R-Idaho), "an immense real estate deal."

All right, let us grant the point. The canal involves a lot more than a real estate deal but it involves that, too. If the reservations of Mr. Hansen and his colleagues are to be overcome, as they must be overcome to prevent heavy damage to the United States' continued efficient use of the canal, to American diplomacy and to the Constitution of the United States, then these reservations must be met. Simply put, the Hansen thesis is that Panama, which is taking over a valuable property built up by the United States, should pay for it. He has in mind some billions of dollars which the treaties, he accurately points out, fail to recapture. Well, why not?

The first reason is, or should be, obvious. The deal has already been made—in the treaty already negotiated, already ratified, irrevocably bound to transfer the zone to Panama come Oct. 1 regardless of anything the House does.

The second reason is that, in the eyes of the Carter administration and its predecessors and of the U.S. Senate (and, for those who care, of Panama), the deal was and is fair. The United States has had the use of the property for 70 years, on terms that, if not altered, unquestionably jeopardized the American interest in the canal. Under the new treaties, the United States will enjoy continued use of the property, under terms that Panamanians condone and have a stake in making work.

In brief, even if the Panama debate is reduced to an argument over real estate, the United States comes out handsomely. It is not, finally, with the resisters' politics that one must quarrel. It is with their real estate acumen.●

EUGENE BANDAY—PRESIDENT, WILMINGTON JAYCEES 1978–79

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. ANDERSON of California. Mr. Speaker, since its inception, the Jaycees organization in Wilmington, Calif., has been a strong and positive force in the south bay area. In addition to its involvement in community betterment activities, it has been the inspiring and talent-developing catalyst that has produced numerous leaders who now help manage the affairs of our private and public institutions throughout southern California.

The 12 months ending May 31, 1979, have not been an exception. During this period, the south bay community has witnessed a continuation of the Jaycees' long-standing tradition of community service and leadership training.

At this time, I would like to join in marking this past year of success by briefly highlighting the life and accomplishments of an individual who was instrumental in making this past year a memorable one, out going Jaycees President Eugene Banday.

Perhaps one reason for Eugene's success is his wide experience and knowledge with life in the harbor area. He gained this as he grew up and was educated in the local community. Eugene attended Wilmington's Banning High School and the local Los Angeles Harbor College before enrolling in Whittier College. There, he earned his bachelor of science degree. Throughout his educational career, he participated in school sports, joining tennis and football teams.

His involvement with the Jaycees is a long one. He joined the organization in 1969 and later moved to the positions of secretary and vice president before becoming president. His dedication and contributions to the group won him the Outstanding Chairman; Spoke; and Spark Plug Awards. Most notable of his accomplishments are his direction of youth programs, including the Jaycees youth employment program and Mayor Tom Bradley's summer youth program. By these job creating initiatives he helped provide immediate income opportunities for area youth and the on-the-job experience necessary for gaining future permanent employment.

Expressions of appreciation and congratulations should be bestowed where they are due. In this case, out-going Jaycees President Eugene Banday is deserving of both. My wife, Lee, joins me in offering this salute to an individual of merit. We wish him and also his father and mother, Lucilo and Josie Banday, a future of continued prosperity and happiness.●

TRIBUTE TO BISHOP ISSENMANN

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Ms. OAKAR. May 27, 1979 marks the 25th anniversary of Bishop Clarence George Issenmann's consecration as bishop. Bishop Issenmann served more than half of his tenure as Bishop in the Archdiocese of Cleveland, my lifelong home. It gives me great pleasure to pay tribute to Bishop Issenmann and his many contributions, both to the community of greater Cleveland and to the community of greater Christian thought.

Although Bishop Issenmann has had positive and effective impact throughout the State of Ohio, I am most familiar with his numerous accomplishments in the greater Cleveland area. Bishop Issenmann's duration of service in Cleveland saw the establishment of three Catholic high schools, renovations of older classrooms, a diocesan department of mental retardation, a deaf and hearing center and a rehabilitation center. Bishop Issenmann was an instrumental figure in the building of St. Augustine Manor, which is a nursing home, as well as a primary agent in the formation of the Commission on Catholic Community Action. Additionally, the Bishop was responsible for the establishment of San Juan Batista Parish, specifically designed for Spanish speaking Catholics. The diocesan Spanish Mission office and the Martin de Porres Center were erected during the Bishop's tenure.

Bishop Issenmann's broad range of concern embraced not only the Christian development of the mind and soul, but also granted equal consideration to social matters, both within the confines of the church structure and for society in general. For example, the Bishop oversaw the final stages of the opening of the Matt Talbot Inn, a home for alcoholics. He established the Priests' Senate, Clergy Personnel Board, Senate of Religious Women, parish councils and deanery reorganization; all direct results of Vatican II.

Bishop Issenmann has enriched the lives of thousands of individuals during his religious career. His devotion and dedication to christian principles has most assuredly been actualized in his concrete accomplishments. I am honored for the opportunity to make public my personal appreciation for the efforts and contributions of Bishop Clarence George Issenmann.●

GROWING ENERGY PAINS IN THE PACIFIC NORTHWEST

HON. JAMES WEAVER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. WEAVER. Mr. Speaker, before long, this Congress will have to come to grips with a very important regional energy issue, that of energy planning in the Pacific Northwest. We will determine how that region will plan its energy future, how aggressively it moves on energy conservation and renewable energy sources, and whether the anadromous fish will continue to suffer at the hands of the power planners.

On April 2, the Environmental Study Conference published an excellent factsheet, "Growing Energy Pains in the Pacific Northwest," by Sherry Howman. I would recommend it to all my colleagues:

GROWING ENERGY PAINS IN THE PACIFIC NORTHWEST

(By Sherry Howman)

A potentially explosive energy problem in the Pacific Northwest has been brewing for some time, and Congress now is being pressed to defuse it.

The problem is that the Bonneville Power Administration, the federal power marketing agency that provides half of the region's electricity, can no longer keep up with growing energy demand in the region and supply all its customers—industry and public and private utilities—with its cheap hydroelectric power.

BPA has joined with industry, utilities and many members of Congress from the region in asking Congress to act, and to act soon.

Although the problem is a regional one, the course that Congress takes in solving it could have major implications for the rest of the country.

The Crunch: BPA already has cut off or promises to cut off power to the private utilities and industry. And it even has warned the public utilities, which by law have preference over everyone else, that it will not be able to supply all their needs after 1983.

The agency is attempting to figure out how to allocate the remaining power after 1983. But Bonneville calls developing such an allocation plan almost pointless because it will be slapped with years' worth of lawsuits once the plan comes out, and during that time, the utilities still will not know their situation.

The only solution, BPA contends, is through legislation that will lay out an entirely new scheme for generating and allocating power.

Jackson Bill: Sen. Jackson (D-Wash.) introduced a comprehensive bill on the issue last year and is expected to re-introduce the same bill or an amended version within the next few weeks. Jackson would give BPA the authority to purchase power and implement conservation measures, and he would set up a new, more open, process for making energy decisions in the region. His bill also expands the preference clause.

But Jackson's bill is only the starting point. Amendments from the various interests in the region have been circuiating on the Hill for weeks, and Jackson's bill is expected to be changed considerably during markup. Public utilities, for example, want to make sure they do not lose out on any preference benefits.

Environmentalists, who have the support of some members such as Rep. Weaver (D-Ore.), are outraged in particular at the purchasing authority section of Jackson's bill, which says that once BPA contracts with a utility for power from a proposed plant, it must buy the output even if the plant never works. That amounts to a federal guarantee and subsidy to the utilities, environmentalists say, and will encourage overbuilding of nuclear plants.

Instead they want much stronger conservation measures, something that Weaver plans to include in a bill of his own

Some members who are not from the region worry about the possible implications for the rest of the country. The preference clause expansion and the purchasing section, as well as other questionable precedents, could be copied by the four other federal power marketing administrations.

On the other hand, some members say Bonneville could set a positive national example for the rest of the country for renewable resources, conservation technologies, and innovative rate structures and decision-making processes.

BACKGROUND

The problem before Congress centers on the Bonneville Power Administration and the future energy needs of BPA's service area—Washington, Oregon, Idaho and Montana west of the Continental Divide. BPA is the federal gaency that sells and distributes inexpensive hydropower from the many federal dams in the Northwest.

In selling power, BPA by law has to give first preference to public, or consumer-owned, utilities. Once their demand is met, BPA can sell the surplus to industry and private, investor-owned utilities.

Public and private utilities serve both residential and industrial customers. Some industries, notably the huge aluminum companies, are served directly by Bonneville and are often referred to as direct-service industries, or DSIs.

Until the late 1960s, Bonneville was able to meet the demands of all three classes of customers—public and private utilities and industry. But then it became apparent that there would not be enough energy to go around because of population growth and industrial expansion.

BPA started cutting back on private utilities because of shortages, forcing them to start investing in expensive nuclear and coal, or thermal, power plants.

By 1973, BPA had almost totally cut the private utilities off. Their rates shot up, while the public utility customers still enjoyed the cheap federal power. In fact, these customers have the nation's lowest priced electricity and a per capita electricity consumption twice the national average.

Unfortunately, the distribution of cheap and expensive power is very uneven. The burden of the more expensive power falls on Oregon, Idaho and Western Montana residents, which are served mainly by private utilities, while Washington gets the cheaper power through its mostly public utilities.

Regional War: The result has been a rising tension in the region, pitting neighbor against neighbor, pushing them to what has been characterized as the "brink of a regional civil war."

A Bonneville spokesman painted a bleak picture: some people live within sight of a federal hydroelectric plant, know that the power is cheap and have to pay rates that are two and three times that—all because a state or utility district boundary line puts that power off-limits.

They pay federal taxes but cannot get the benefit of a federally built plant, and some are faced with rate increases of up to 20 percent a year for every year in the foreseeable future.

The situation has caused many to seek ways to get the cheaper power, notwithstanding the fact that BPA's amount of power is fixed.

Going Public: About the only way to get the cheap power is to make oneself eligible under the preference clause, which means forming a public body or cooperative. The most prominent effort is the state of Oregon's recent formation of a Domestic and Rural Power Authority. Such a changeover may not be as advantageous as it would seem, though, because the new public body would have to buy the local distribution system in order to get the power delivered. The cost of buying the system from the private utility owner could run into millions of dollars, which could easily make up the difference the group is trying to save by going public in the first place.

And further complicating the picture is that BPA says it cannot guarantee its energy supply past 1983 even for its current preference customers. Already it has had to ask for voluntary cutbacks during this past winter's cold spells.

Thus, if any new public bodies are formed, they will not have a guaranteed source of power for any length of time, and they do not know how BPA will divide up the remaining amount of power.

Industries too—particularly energy-intensive aluminum, which originally located in the Northwest because of its cheap power—are feeling the crunch because BPA has said it will not be able to renew their contracts, forcing them to turn to more expensive power just as the private utilities had to do in the early 1970s. Their long-term contracts with BPA will start running out in 1981.

BPA right now is working out an allocation scheme for dividing up its remaining power after 1983. But most sources agree that no matter what BPA does there will be lawsuit upon lawsuit brought by groups unhappy with its decisions, carried right up to the Supreme Court if necessary.

Since Bonneville markets about 50 percent of all the region's power, and owns 80 percent of the transmission lines, it is the most logical entity to coordinate a regionalized effort to solve the problem. BPA also happens to be a federal institution, so it must come to Congress to make major changes.

In particular, BPA wants authority to purchase additional power and to implement conservation programs. Such legislative authority, says BPA's administrator, "should enable us to act in time and diminish if not end the argument over who is to be served how much federal power and who has to be left without."

THE ISSUES

Conservation: Under Jackson's bill, as well as the companion House bill of last year, conservation was emphasized. BPA for the first time would be authorized to implement conservation programs, and it would be required to exploit all feasible conservation methods before buying new power. Then it could turn to renewable resources such as wind, solar and wood waste, and only as a last resort would it be authorized to buy nuclear or coal power.

Purchase "Guarantee": Environmentalists in general have no problem with giving BPA conservation authority, although they do say that Bonneville could have been doing a lot more than it has been under existing authority.

What they do have a problem with is the part on buying coal and nuclear power.

Under last year's bill, once BPA contracted with a utility to buy its power, the agency would be bound to pay for a set amount of power, even if that power never materialized. With such a "guarantee," utilities would be able to get more favorable financing terms. The risk of investing in a new plant would be spread over all the region's customers instead of just one utility because BPA would add the costs into its overall rates.

This "dry hole" provision is a subsidy to the utilities and would encourage overbuilding, environmentalists say, when what the region really needs is a more stringent conservation effort.

Utilities answer that overbuilding would not result because BPA would not contract for the power unless certain stipulations are met, such as that the new plant must fit in with the regional power plan, which is done in consultation with the public, and must be efficient, economic and reliable. If the plant does not meet those standards, BPA would not agree to buy the power.

BPA and the utilities also say that the contracts are similar to all such financing agreements. If you get a mortgage to pay for a new house and the house burns down, that does not obviate your obligation to pay off the mortgage, one BPA spokesman relates.

Even so, environmentalists point out that some studies have concluded that no new thermal plants, besides the six already under construction, would be needed until the mid-1990s if strong conservation programs are put into effect. And beyond that, environmentalists think it is possible that no more nuclear or coal plants will ever be needed.

BPA and the utilities believe conservation and renewables will simply not be enough to supply long-term needs.

Decision-making: The issue at this point in the debate becomes the decision-making process. Under last year's bill, the BPA administrator had the authority to decide when to start buying thermal power, with no provisions for public review and input. When it came time to actually contract with a utility for nuclear or coal power, there were provisions for public participation.

But they were inadequate, according to environmentalists, who say that if there was a comprehensive, mandatory provision for requiring public participation during all phases of the resource acquisition process, the fears of thermal overbuilding may well be diminished. If, for example, the BPA were required to abide by the Administrative Procedures Act, it would have to justify its actions every step of the way. BPA then would have to pay attention to growth scenarios other than those preferred by the utilities, a situation which environmentalists say might cast a different light on how much thermal construction really is needed.

Even with a better public participation clause, environmentalists still want the purchase guarantee eliminated. With no assured buyer, utilities would tend to build fewer plants, and they would turn to the cheaper conservation and renewable resources instead, the environmental theory goes.

Who Gets the Cheap Power: Jackson proposed in his bill last year a complicated method for buying and selling power, the purpose of which was to settle the question of how to allocate Bonneville's cheap hydropower.

Essentially, Jackson's bill would expand the preference clause for low-cost federal hydropower to include residential customers of private utilities, instead of just customers of public utilities and cooperatives as the situation is now. Industrial customers of BPA would bear the brunt of that policy by paying higher rates.

This would be accomplished through a bookkeeping transaction, a "power exchange" in which BPA would get expensive power from private utilities and in turn give them an equivalent amount of its cheap power. The pool of cheap power would go to the privates' residential customers, while BPA would sell the expensive power to its direct-service industries.

The direct-service industrial customers would immediately have to give up their current contracts for cheap power with BPA. But under the new arrangement, they, in exchange, would be able to make new 20-year contracts. Though they would pay a higher rate, they would get a secure energy supply for the next 20 years.

One might wonder why industry does not just contract directly with utilities to get power, instead of going through the Bonneville middleman. It turns out that 85 percent of the direct-service industries are in public utility districts supplied by BPA. So they still would face the problem of BPA running out of power.

Another question is why the public utilities would go along with a power exchange, since in effect it would reduce the pool of cheap power available to traditional preference customers.

The answer is that they are not going along, at least not as the language is currently written. The Public Power Council, a group representing all the consumer-owned utilities in the Northwest, has drafted two major amendments that would take care of their concerns.

One proposal would stipulate that preference customers would be the very last customers to have their energy supply restricted if such action is taken by BPA.

The other would provide that preference customers would never pay more than what they would have paid for power without this legislation. This way, the public utilities would lose nothing and instead would gain a strengthened preference clause.

Setting Rates: The Jackson bill of last year gave Bonneville the broad discretionary authority to set rates for the power it sells. Conservationists and some members, notably Weaver of Oregon, take issue with this section. They want to specifically stipulate that the new electricity BPA buys be priced at its real cost, often called marginal or incremental pricing, instead of being averaged in with cheaper federal hydropower rates.

Environmentalists explain that the current method of pricing, referred to as melded or rolled-in, mixes the cost of new, expensive nuclear power with the cheaper power from federal dams and essentially disguises the actual cost of the new power.

Under the environmental approach, BPA would have a two-tier pricing system—the first tier being cheap hydro and the second being the higher rate that the agency would charge when it has to buy expensive coal or nuclear power to meet increased demand.

Since BPA sells wholesale to utilities, the "two-tier" pricing might not be passed directly through to the energy consumers, but the policy would have the effect of encouraging utilities to conserve, proponents say. For example, if it would cost $100 for a utility to get an extra unit of electricity from Bonneville, but only half of that to save it through conservation measures, the utility would most likely opt for conservation, both to save money and to avoid explaining to its customers why it did not choose the cheaper alternative.

Bonneville downplays the potential savings of such a rate structure. In addition, rapidly growing utilities would be hit hard with the expensive power, while slower growing ones would still be getting the cheap power.

Consumers and some municipalities might not see it that way. Seattle, for example, has refused to buy into a couple nuclear power plants being built by the Washington Public Power Supply System, a group of public utilities. Instead, Seattle City Light, the city-owned power company, is going ahead with conservation and renewable resources programs to help meet its power needs. If a two-tier structure does not go through, Seattle may end up helping to pay for the nuclear plants and their huge cost overruns even though it wanted no part of it.

NATIONAL IMPLICATIONS

Some members are concerned about possible negative implications the Northwest power bill could have for the other power administrations: Southeastern, Southwestern, Western Area and Alaska.

Preference Clause: For example, if the preference clause is expanded to include residential customers of private utilities, such customers of the other power administrations may very well want the same kind of deal.

On the other hand, the preference clause would be strengthened if the Public Power Council's amendment goes through, by requiring that the traditional preference customers would always be the last to lose cheap power during shortages and that power will never cost them more than if there was never any legislation.

Power Purchase "Guarantee:" Another area that has some members on the edge of their seats is the method for financing new power plants.

The arrangement whereby Bonneville contracts to buy power whether or not a plant ever works causes the bond ratings to be much more favorable than usual. So the cost of financing is lowered substantially—that is, the interest rate on the bonds is lower. The bond buyers and the utilities take little risk because BPA, a federal agency, is obligated to cover costs if anything goes wrong.

Environmentalists and some members have many concerns about the arrangement.

The Sierra Club says the "guarantee" is unnecessary and that the Northwest utilities should be treated the same as utilities around the country. "Financing of power plants should be a private function and not a federal one," it says.

Rep. Carr (D-Mich.), for one, strongly agrees. A member of the Water and Power subcommittee, Carr has been very vocal, wondering why the federal government should be favoring one region of the country. He wants to make sure that no more federal "guarantees" are allowed in the Northwest and, further, that such arrangements are not extended to the other power administration.

Bonneville and the utilities point out that it is not the federal government, but the region's ratepayers, that bear the cost. BPA is the only self-financing power marketing administration, so by law its ratepayers, not the federal government, must meet the contract obligations. A private utility spokesman said the utilities even plan to propose an amendment to specifically state that the ratepayers, and not the federal government, will be obligated—just to make it perfectly clear. In other words, the region's ratepayers would back up the bonds, not taxpayers from all over the country.

The Treasury Department has not commented specifically on the federal subsidy argument, but it has said that there may be reverberations in the rest of the country. The holders of bonds floated by public utilities do not have to pay taxes on the interest earned from the bonds. Treasury testified that tax-exemption, coupled with the guaranteed backing of BPA, creates a bond that is "superior to all other tax-exempt securities issued by state and local governments. This adds to pressures on tax-exempt markets and consequently tends to increase the borrowing costs of schools, roads, hospitals, and other essential public facilities."

Conservation: A very positive precedent could be set for the rest of the nation by the new process BPA would use to decide what energy supplies will be tapped. Bonneville would be required to look at conservation first, then renewable resources, and, finally, conventional power plants. Each method would have to be cost-effective. And making that determination in a particular situation will require for the first time head-to-head comparisons of the three alternatives. A staffer in Weaver's office believes this cost-effectiveness provision is possibly the most important thing in the whole bill and will have significant national implications.

However, some still worry that Bonneville will not go far enough in implementing the conservation and renewable measures, especially since they believe Bonneville could have been doing a lot more already.

But Bonneville is eager to get the new authority and asserts that it is no longer a question of whether it will be done; the area has to have conservation and renewables to meet the region's energy demands.

Anti-trust Immunity: Last year's legislation exempted the members of the Bonneville Consumers' Council and the Bonneville Utilities' Council from anti-trust laws for any action related to the council.

The council members, including utility representatives, would advise the administrator on what energy supplies to buy or not to buy. Some are concerned that this arrangement would foster anti-trust violations.

During testimony last year the Department of Energy came out against the anti-trust exemption, and Sens. Burdick, McGovern, Simpson and Wallop have expressed to Jackson their concern that the provision would set a bad precedent for the rest of the country.

Whatever provisions finally come out of the legislation could set the tone, for better or worse, for the rest of the country's power administrations and perhaps other regions' electric utilities.●

WELCOME TO NEW CITIZENS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. LONG of Maryland. Mr. Speaker, it is with particular pleasure that I congratulate 25 residents of Maryland's Second Congressional District who have chosen to become American citizens, with all of the responsibilities as well as freedoms that citizenship entails. Please join me in welcoming these newly naturalized Americans and extending to them our very best wishes for a happy and prosperous life in their new homeland:

Mrs. Chun Yea Fleming, Mr. Cyril Emanuel Norman, Mr. George Nasif Karkar, Mr. AhMad Anvari, Mr. Shee-Tei Liu, Mr. Gordon John Turner, Mrs. Young Soo Kim, Mrs. Antoinetta Bulota, Mrs. Esther Lilette Sawdaye, Mrs. Toyoko Rogers, Mrs. Un Cha Howard, Mr. Franklin Gerald De Gourville, Mr. Ury Kallayee, Mrs. Dalia Kallayee, Mrs. Ella Maud Arnold, Mrs. Hye Williams, Mr. Jan Klika, Mrs. Marie Klike, Mr. Edwin Goldman, Miss Kyung Han, Mr. Mun Sok Han, Mrs. Shirley Lay, Mrs. Corazon Soares, Mr. Muralidhar Mimmagadda, and Mr. Jason Eric Biederman.●

THE 1980 BUDGET

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 21, 1979, into the CONGRESSIONAL RECORD:

THE 1980 CENSUS

On April 1, 1980, the U.S. government will ask each American to stand up and be counted.

The 1980 Census will mark the twentieth time that the federal government has undertaken its constitutional requirement to count the number of people there are in the United States every ten years. The 1980 Census will be the most complex, most expensive, and, if the Census Bureau is right, the most accurate census taken in our country.

While the original intent of the census was to count the number of people in the country to determine congressional districts, the census has now taken on a new aspect, with as much, if not more, importance than reapportionment of congressional districts. The statistics gathered by the 1980 Census will be used to allocate more than $50 billion in federal aid. Unemployment statistics will be used to allocate funds under the Comprehensive Employment and Training Act (CETA). Housing statistics will be used to give out Housing and Community Development Act funds. Funds given to counties under the Elementary and Secondary Education Act are determined by census information. These are only a few of the federal programs that use census information to distribute funds.

Because so much money is involved in the numbers that are obtained by the census, there is a great deal of concern, especially from state and local governments that receive federal aid, over the accuracy of the count. It is estimated that the 1970 Census missed about 5.3 million people, roughly 2.5% of the population. A much larger percentage of minorities, especially in urban areas, was missed, however. The bureau estimated that it did not count almost 8% of the blacks in the United States.

The problems of taking the census are enormous. The Census Bureau will be trying to gather information on approximately 222 million persons in some 39,000 governmental units in 1980. In the past, the bureau has found many people who believe the census questions are an intrusion into their privacy (although all responses are kept confidential), and persons who are hiding from the government, such as illegal aliens and fathers living with their families on welfare, and do not want the government to know about them. Although there are legal penalties for not participating in the census, they are not enforced.

The Census Bureau is taking several steps to improve the accuracy of the 1980 count. In a break from tradition, the bureau will initially try to take the count almost exclusively by mail. In 1970, approximately 60 percent of all responses came from persons who filled out questionnaires that were mailed to them, rather than answering questions by census "enumerators", persons who go door to door to ask the census questions. In the upcoming census, more than 90 percent of the population will receive mailed questionnaires. Enumerators will concentrate on rural areas where it is difficult to compile accurate mailing lists. Five households out of six will receive the short form, a questionnaire with only a few questions that should take no more than 15 minutes to fill out. One out of six families, however, will receive the long form containing about 70 questions that will take about 45 minutes to complete. These forms will be used to determine all types of information, from the state of housing in the country to the forms of transportation Americans use to get to work every day. Many groups have argued that the excessive length of the long form will discourage people from filling it out. If problems do come up with the response to the long form, the bureau might have to consider shortening it considerably in the future.

The number of enumerators will be increased substantially, from 165,000 in 1970 to 203,000 next year. The enumerators will be used to follow up on persons who do not send in their census forms, to get information in rural areas, and to canvass places missed in the past, such as bus stations and mission houses where many transient people live. Several liasion operations have been set up with minority groups and local officials to get advice on where elusive residents may be found, and for the first time the Census Bureau is setting up a procedure for local governments to review the information that is gathered before it is officially released.

The 1980 Census will have a special impact on the Ninth District. One of the three Census Bureau processing centers is in Jeffersonville. Between 1980 and 1981 temporary employment at the census facility will rise by 1,400 jobs from the current level of 2,900 jobs. The Jeffersonville facility will be processing about one-third of all the 1980 Census data, microfilming and coding information before it is fed into the Census Bureau computers.

The 1980 Census will be an important event in our country, and its outcome will have a profound effect on planning for the future, on funding distribution of federal aid, and on the make-up of congressional districts for the next decade. I urge every person to participate in the census and help make it as accurate as possible.●

COYNE CELEBRATES 50 YEARS

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. LEE. Mr. Speaker, today, May 22, 1979, marks the 50th anniversary of the birth of a well-known national industry whose roots and base remain in my 33d Congressional District of New York. I would like to enter into the RECORD, this account of both the history of the Coyne Industrial Laundry Service and the corporation's founder, J. Stanley Coyne, who will be honored on his own 71st birthday this Saturday.

I feel assured that my colleagues will join with me in the celebration of these dates this year once they have had the opportunity to read the article from Syracuse magazine. It is the uniquely

American account of a man and a concept which have grown to multimillion-dollar service of need; a story that represents clearly how the opportunities this Nation first represented to the world remain available.

My warmest and most sincere personal congratulations go today to Coyne Industries and to J. Stanley Coyne. I offer this article for entry in the RECORD:

COYNE CELEBRATES 50 YEARS

On May 26th, a 300 guest birthday party will be held at the Hotel Syracuse to celebrate the 50th birthday of Coyne Industrial Laundries. The actual date of the beginnings of the Coyne enterprise falls on May 22nd, but May 26th is also the 71st birthday of J. Stanley Coyne, the company's founder and president.

A millionaire by age 30, Stanley Coyne has traveled a long and successful road from his birthplace on Cheney Street, Syracuse, New York. Coyne quit school at age 14, and ran away from home at age 16, after the death of his mother. He worked in a gas station for two years until encouraged to complete his high school education. Coyne saved enough money to put himself through business school, but due to the lack of employment opportunities found himself back working at a gas station in Syracuse after graduation.

While working at this gas station as a 19-year-old, J. Stanley Coyne had the beginnings of an idea which he later parlayed into a fortune. Getting grease and oil out of work clothes and cleaning cloths was difficult. One afternoon Coyne drove around in his Model T Ford, making inquiries of industrial plants, including H.H. Franklin and Adams Axle. After preliminary surveys, he decided that an overall cleaning service was needed.

During his spare time away from the service station, he started picking up work clothes, having them cleaned by a local laundry, which he later purchased, and established what was to become the Coyne Industrial Laundries chain.

Today CIL supplies 10 million cleaning rags to industry each month. Half a million workers in over 50,000 industrial concerns wear Coyne uniforms, making this Syracuse based company the largest solely-owned industrial laundry in the nation.

"I've come a long way from my first week's business of $86 to doing $50 million worth of business annually", Coyne states. "I've been 50 years pickin' the grease out of the buttons of overalls."

Coyne Industrial Laundries' success story reflects the hard work and initiative of the man who gave it its name. When Coyne was named Businessman of the Year 1979, by a local newspaper, his Vice President Ben LeStrange summed up Coyne's success with the attributes "persistence and determination." Stanley Coyne himself agrees with that description. He would disagree vehemently with those who say Horatio Alger stories belong to the past.

"The trouble with too many people today is they have too much wishbone and not enough backbone," Coyne argues. "Everyone is afraid of doing more than they get paid for. Success is determined by luck, and the harder you work, the more luck you have. All it takes is a lot of work, and America is still the one place in the world where it can happen. If you have your health, that's all you should ask for. You only go around once, and I decided to make the most of it."

Not until 1935 did Coyne have his own laundry. Then a small room at the rear of a fish market at 124 Cortland Avenue housed the one wash wheel and dryer. The fish market moved a year later and he purchased the small building. Later he purchased the surrounding property and today owns the entire city block.

The general offices of CIL are located at 140 Cortland Avenue and they are still expanding and growing after 50 years of serving general industry with clean service.

The Coyne Industrial Laundries serves from Toledo, Detroit and Pittsburgh, east to Boston and from Maine south to the District of Columbia and into the Virginias.

The annual payroll amounts to more than $10 million a year and customers throughout the Northeast number in excess of 50,000. They also supply general industry with a rental wiping cloth service which in the trade is known as shop towels. Treated dust mops, dust cloths and walk-off-rugs for public buildings, offices, schools, and hospitals make up another large sector of their total volume and services.

Over 1,000,000 gallons of water are used daily in the highly mechanized plants to sterilize the garments.

Clean clothing is provided by Coyne Laundries for over 500,000 people and over 10,000,000 wiping cloths are delivered to industries each month. CIL customers range from gas stations to large factories and food processing plants. Manufacturers of glass, steel, business machines, air conditioning, film, electronics, chemicals as well as offices, schools and colleges are all among Coyne customers.

A computer data processing complex is maintained at Corporate Headquarters in Syracuse where, in addition to keeping all records of both customers and Coyne personnel, all orders are transmitted and handled by an automatic wire service.

A fleet of yellow and blue trucks bearing the CIL trademark serve over 500,000 accounts at least once a week. The company also owns a 10 seat Beechcraft King Air turbo-prop airplane which is used for company service.

The philanthropic gift of the J. Stanley Coyne foundation is well known in Syracuse. A recent gift to LeMoyne College of $1 million was presented to help the college establish a new library. Another recent donation to the Everson Museum was to establish a fund for the purchase of American art for its permanent collection. Other charitable community contributions include those to the Red Cross, Syracuse Symphony, Everson Museum Fund Drive, various hospital donations and the $600,000 gift to Syracuse University to purchase artificial turf for the football practice field.

A member of the Syracuse Chamber of Commerce and the Manufacturer's Association of Syracuse, Coyne is perhaps better known for his work on the Board of Directors of the Lighthouse, Y.M.C.A., American Red Cross, Arthritis Foundation, and the Cerebral Palsy Association. In 1977 he was General Chairman and led a very successful campaign for the United Way. For virtually all of his business years, Coyne has been active in research and development projects for his industry's organization. Last year he won the coveted K.N.A. from the KEX National Association, a division of Milliken Company.

Stanley Coyne's belief is "Someone has to do it. We all make time for the things we want to do."

Coyne's company, meanwhile, thrives both in the U.S. and outside. In 1954 Coyne was asked by the U.S. government to set up a laundry in Puerto Rico as part of the program designed to improve the island's economy. Coyne expanded two years later and took CIL to Venezuela and Barbados. Coyne believes that a company that is expanding and growing is more fun to be around. "Nobody likes to be around a wake. Everybody in the company is healthier and happier when things are moving, from the telephone girl to the janitor."

Married to the former Sandra P. Alwin of New York City in 1967, the Coyne's divide their time between homes in Syracuse, Puerto Rico and Nantucket. A sports enthusiast, Coyne particularly enjoys golf.

Why stay in Syracuse all these years with CIL? Coyne replies, "Syracuse has been good to me. I have my thoughts about New York State just like a lot of business people, but our city is centrally located, has a good system of roads, essential to my operation. We may have the worst weather in the world, but we have the best people.

I'm very happy to be celebrating 50 years in the laundry business. I had no conception at the start that it would be this big. It's been just like watching a family—fascinating seeing it grow." ●

THERE IS NO ROOM FOR REWRITING THE PANAMA CANAL TREATIES

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. BONIOR of Michigan. Mr. Speaker, this weekend the Washington Star published an article written by the Ambassador to the United States from Panama, His Excellency Carlos Alfredo Lopez-Guevara, dealing with the growing debate on the Panama Canal implementing legislation.

As the chairman of the MCPL task force on Panama Canal, I feel that the Ambassador's comments are crucial and address an aspect of the debate we have not been willing to face up to now: What will really happen if we do not implement the Panama Canal Treaty.

Mr. Speaker, I commend this article to the attention of my colleagues, and ask to insert this article, published by the Washington Star on Sunday, May 20, 1979, in the RECORD.

The article follows:

THERE'S NO ROOM FOR REWRITING THE PANAMA TREATIES

(By Carlos Alfredo Lopez-Guevara)

In a recent article, The Washington Star's Joy Billington depicted me as a harried ambassador. This is accurate. After a harrowing process of negotiation, the Panama Canal Treaties were signed here in Washington, in the presence of the leaders of the Western Hemisphere. These instruments were immediately hailed as a masterpiece of statesmanship because they are conducive to preserving the canal as an efficiently run operation and at the same time give satisfaction to Panamanian nationalism—that is, Panama's yearning to complete her process of independence.

Once the Senate gave its consent to the treaties, it was not amiss to expect that the House of Representatives would work in harness with the Senate and the administration to enact the enabling legislation to properly implement the treaties. The treaties are the law of the land. The treaties will ineluctably enter into force on October 1 regardless of any action or omission of the Congress, because the instruments of ratification were exchanged on June 16, 1978. This was the last formal step necessary to establish the new relationship between Panama and the United States pertaining to the Panama Canal.

But obstacles remain, it is evident. Maryland Congressman Robert Bauman reportedly "hopes to make the legislation objectionable enough to Panama that the country would reject the treaties and have to negotiate new ones." This is an utter mistake. Panama will not renegotiate any treaty. We stand ready to comply with our obligation under the treaty and expect the United States to act similarly. The negotiation is over.

There are some congressmen who realize the futility of trying to prevent the entry into force of the treaties but believe that they can rewrite them by means of the implementing legislation. One of them is Congressman George Hansen of Idaho, who pretends that Panama should bear the brunt of the expenses incurred by the United States in complying with the treaty. The key argument put forward by him is that the treaties were passed with assurances that there would be no expense to U.S. taxpayers or the U.S. Treasury. The foregoing is a glaring indication that in order to understand the treaties it is necessary to make more than a perfunctory perusal thereof.

There are no financial burdens imposed by the treaty upon Panama. On the contrary, Section XIII thereof, which provides for the transfer of property to Panama, expresses in unequivocal terms that the properties are transferred free of cost.

And this has a clear explanation. Up until 1939, the United States was paying to Panama an annuity equivalent to U.S. $250,000 in gold, which was the same amount that the old Panamanian railroad company had been paying to Colombia since the last century for the concession to build, own and operate a railroad across the isthmus of Panama. This amount was increased in 1939 to $430,000 because of the dollar devaluation. So it remained until 1955.

The background is that when the Isthmian Canal Convention was imposed upon Panama in 1903, the United States obtained two concessions. (a) the right to build, operate and defend the Canal, and (b) the right to exploit the railroad concession. It was a bargain: Two concessions and no additional burden to the U.S. Treasury. This is the best evidence to prove that the Isthmian Canal Convention was never negotiated. It contained no economic gain for Panama and a heavy political burden upon the newly born nation.

It is worth noting that when De Lesseps realized that the Panama railroad company was charging too much for moving the excavated material during the construction of the French Canal, he decided to buy the railroad company and he acquired it for U.S. $25 million. The railroad enterprise never ceased to operate, not even after the French canal company collapsed. Thus, the United States received from Panama a running and profitable concern worth millions of dollars which was a key tool at the disposal of Stevens and Goethals to build the canal.

So, contrary to the meager amount received by Panama, the United States has been receiving all tvpes of benefits, including military gains which cannot be assessed in terms of dollars and cents.

After 75 years of an unbalanced relationship, the time has arrived for Panama to begin reaping the benefits of her geographical position and to terminate a colonial situation not befitting the program of freedom enshrined in the Declaration of Independence of 1776.

Now some congressman are assessing the value of every material or installation that will be transferred to Panama, without realizing all the suffering sustained by my country during 75 years of enduring the presence and consequences of a foreign government. They seem to forget that the United States has withdrawn from several places in the world and left behind installations and materials worth billions of dollars and also the lives and blood of young Americans. In many instances those installations were left and remain in the hands of an enemy of the United States. This is not the case of the canal, the railroad, the ports and other facilities that will be transferred to Panama free of charge. They will be left in the hands of a country that has been friendly towards the United States and its allies during two world wars. The canal will continue being used by the United States, which has a growing interest in the canal because 75 percent of the canal traffic originates from or is bound to the United States.

With the permanent neutrality of the canal, this waterway will always be open to all nations of the world on terms of equality in time of peace and war.

It must be emphasized that Panama has built and is operating at Charco Azul, on the Pacific side of the country, a deep sea port and land facilities to transship Alaskan oil. Once the port operates at full capacity it will handle as much oil as the United States imported from Iran. Alaska oil reaches the East Coast through the Panama Canal. This indicates that the commercial importance of the Panama Canal has been enhanced by the development of the Alaska oil resources and that therefore it is in the interest of the United States to create a peaceful and friendly environment around the canal. This aim can only be attained by helping Panama to have a sustained and balanced development.

I have the conviction that the qualities of statesmanship shown by the senators in making possible the ratification of the treaties will also prevail in the House of Representatives so that the enabling legislation will be in conformity with the treaties otherwise Panama will be entitled to denounce the treaties and consider herself free of the obligations she undertook thereunder. It is a well-known rule of international law that when a party commits a material breach of a treaty, it leaves the door ajar for the other party to denounce the treaty, which would then come to an end.●

TRIBUTE TO JOHN WAYNE, A GREAT AMERICAN

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. GOLDWATER. Mr. Speaker, I would like to share with you an editorial by Marvin Stone, which appeared in the May 28, 1979 issue of U.S. News & World Report. It is a beautiful tribute to a great American, John Wayne.

A HERO TO FIT THE IMAGE

(By Marvin Stone)

John Wayne was again hospitalized, fighting a difficult battle, as he headed toward his 72nd birthday, May 26. In wishing him a happy birthday, our thoughts went back 25 years to our first meeting with the man on a movie set in Japan. We discovered then, as millions have since, that John Wayne is far more than a movie actor. He is the personification of courage and conviction in an age when both are in scant supply.

The reason John Wayne is one of the most admired men in the United States are as important as the fact. He has become a symbol of the virtues and the strengths that Americans like to believe are typical of their country.

Courage? Wayne has shown that repeatedly. His left lung was removed in 1964. He had open-heart surgery in 1978. Last January surgeons removed his cancerous stomach. Now he is again determined to win against great odds.

"He has a tremendous will to live," says Bernard Strohm, administrator of the UCLA Hospital in Los Angeles where Wayne's stomach was removed.

Physically a strong man, John Wayne has clung to personal beliefs as rugged as his body, refusing to temper those beliefs to go with the prevailing winds.

At a time when the Vietnam War was widely unpopular, in 1968, Wayne backed the government's prosecution of that war by insisting on going through with the film "The Green Berets." Like most of Wayne's ventures, the film was successful, despite derision from some.

Although fiercely loyal to the Republican Party, Wayne has shown his independence on candidates and issues. When his candidate, Ronald Reagan, failed to get the presidential nomination in 1976, Wayne worked hard for the party choice, Gerald Ford. In the fight over the Panama Canal treaties, Wayne did his own thinking and decided he generally favored them. That bucked the conservative position.

Wayne demonstrated his loyalty to old friends when he joined Republicans attending Richard Nixon's $250-per-person cocktail reception at San Clemente in August of 1978.

Katharine Hepburn, writing about Wayne in the TV Guide magazine in 1977, said this: "Politically he is a reactionary. He suffers from a point of view based entirely on his early years in the motion-picture business by people like himself. Self-made. Hard working. Independent. Of the style of man who blazed the trails across our country. Who reached out into the unknown. People who were willing to live or die entirely on their own independent judgment."

Pete Dailey, an advertising executive who has worked with Wayne, says: "He is viewed as somebody who is a rock of unchanging values. He projects a basic sense of honesty and understanding, and strong Puritan values. His image grew as he grew older. People have been exposed to him over a long period of time."

Wayne began making movies in 1928, while a student at the University of Southern California. He churned out many Westerns before he made his first big hit in "Stagecoach" in 1939. He won an Academy Award for his portrayal of Rooster Cogburn in "True Grit" in 1969. His last full-length feature was "The Shootist," released in 1976, in which he played the part of an old gunfighter, dying of cancer.

During the last half century, Wayne has made some 200 films. Often he played roles that his ancestors had lived—as pioneers, Indian fighters, fur traders and covered wagon travelers, helping to settle America over a period of many, many decades.

"People see John Wayne in the roles he played," says a longtime Hollywood observer. "In the main, he has personified the rugged American of the frontier, who made the country great." Folks today are looking for heroes, and there aren't many around. But in John Wayne, people—of all political shadings—have found one to fit the image.●

GERMAN DAY—CANAAN

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. COLLINS of Texas. Mr. Speaker, in Texas we have been proud of the great heritage from our forefathers. We are especially proud of our German ancestry. We join on this day, May 23, in celebrating the 30th anniversary of the Federal Republic of Germany.

In Dallas, Gershon Canaan has served

as our honorary consul since 1962. Every year at the State fair Canaan takes the leadership in arranging our "German Day in Texas." In 1979 we are proud that Dr. Franz Josef Strauss, Minister President of Bavaria, Germany has accepted the honorary chairmanship of the German Day in Texas.

This year on October 14, the Texas pioneers of Bavarian descent will be recognized for the achievement of the free State of Bavaria. Our Texas committee will include Teddy Trept as chairman and Herman Meiners, cochairman, Charles Heck and Christa Settle as executive officers.

The Texas Senate passed special resolution S.C.R. No. 74 submitted by Texas senator Bill Braecklein. Here are the key sections of this resolution:

TEXAS SENATE CONCURRENT RESOLUTION S.C.R. No. 74

Whereas, Many Texans of German descent and many German Texan organizations throughout the state will celebrate in 1979 the 30th anniversary of the proclamation of the Constitution of the Federal Republic or Germany; and

Whereas, The State of Texas is deeply indebted to the over one million Texans of German stock, who played a vital part in our history by contributing to our heritage their great cultural, educational, and scientific achievements; and

Whereas, The people of Texas extend their best wishes for the festivities planned on "Constitution Day" by the people of Germany; now, therefore, be it

Resolved by the Senate of the State of Texas, the House of Representatives concurring, That the 66th Legislature hereby congratulate the Federal Republic of Germany for its outstanding efforts for unity, freedom, and democracy; and, be it further

Resolved, That the Legislature hereby affirm its full support for the 30th anniversary celebration to be held on May 23, 1979.●

LEGISLATION AMENDING THE SACCHARIN STUDY AND LABELING ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. WAXMAN. Mr. Speaker, today I—and a number of my colleagues—am introducing a bill which would amend the Saccharin Study and Labeling Act to extend the present moratorium for 3 years. The 18-month moratorium ends today, May 23, 1979.

I have introduced a 3-year extension of this moratorium not because I am unconcerned about the dangers from saccharin. The National Academy of Sciences review of the matter indicates that, at the least, saccharin is a low-level carcinogen. And we know that exposure to a number of carcinogens which may have a combined impact means a greater risk of cancer.

I am not unaware of the concerns of diabetics and others on a sugar-restricted diet who feel that without this food-substance they face a known health problem from sugar.

I expect that, after the moratorium period, a substitute for saccharin which will be both safe and low-caloric will have been developed and ready for use. I think it is important that the industry continue their efforts in this regard with the understanding that we expect their cooperation.

I also expect that the Congress will have a chance to review and amend the food safety laws during the interim period to determine whether the rigidity of the Delaney clause should be changed to meet situations such as this one where a benefit is posed as well as a risk.

I know that there have been other proposals as to how to deal with this issue of saccharin and we may want to consider them as additional policy options using this extension of present law as a framework for discussion. Some have suggested that 3 years is too long a period of time and that 18 months would be more appropriate. Some would allow the Food and Drug Administration (FDA) to act to ban saccharin for all purposes other than as a tabletop sweetener either during or after the interim period provided for in the bill. Some would allow FDA to act to take the necessary steps to remove saccharin immediately on the expiration of the interim period or before then if new scientific evidence indicates a greater danger than we had realized.

I expect the Subcommittee on Health and the Environment, which I chair, to look into this issue and present legislation to the House along the lines being proposed.●

DR. J. M. HANKS, SUPER SUPERINTENDENT

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. WHITE. Mr. Speaker, on May 15, a new junior-senior high school was dedicated in the Ysleta Independent School District in my home city of El Paso. It is the J. M. Hanks Junior-Senior High School, and it is the first school in the district to be named after a person. This departure from tradition is well taken and most applaudable. Dr. J. M. Hanks is the superintendent of the Ysleta Independent School District, and has been since 1929, 50 years.

As laudable as his tenure have been Dr. Hanks' many singular accomplishments. As an example, the Governor's office of the State of Texas recently conducted a study of the State's school systems and the Ysleta district was cited as one of the top 12 districts in the State for providing top quality education per dollar invested.

He is also a dedicated innovator in his constant search for better and more effective educational methods. A form of bilingual education was taught in the Ysleta school system as early as 1948, far in advance of subsequent mandatory programs.

During his half century of superintendency, the Ysleta Independent School District has grown from three schools to 44, and from only a few students to nearly 44,000.

In addition to his excellence as an administrator of education—for which he has received many awards and broad recognition—Dr. Hanks is also one of El Paso's most dedicated citizens. He is almost as well known and admired for his selfless and successful civic work as he is for his peerless achievements in education.

Dr. Hank's phenomenal tenure as superintendent of a major school district, I am confident, is unmatched as is his continuing administrative excellence.●

POSITIVE APPRAISAL OF FBI

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. DERWINSKI. Mr. Speaker, for a number of years the FBI and the CIA have been subject to a great deal of exaggerated criticism, and the effectiveness of these two major entities were adversely affected.

Therefore, I was pleased to note that the distinguished columnist Bob Wiedrich of the Chicago Tribune, saw fit to give a positive appraisal of the recent FBI actions in his column of May 16, which I would like to insert at this point:

THE FBI LIVES UP TO PUBLIC IMAGE

Americans just saw the FBI in action they feel most comfortable with.

Agents swept down in a helicopter over a southern California desert to shoot it out with a kidnapper trying to collect a ransom for the wife of a millionaire real estate developer.

They shot the kidnapper dead. They rescued the damsel in distress. All the patient planning that had preceded the dramatic climax to the case paid off in true detective-fiction style.

The public applauded. People liked what they read and heard about the event. It was the kind of federal police work they could understand.

The good guys were the FBI agents. The bad guys were the criminals.

The heroine was the victim, Mrs. Elaine Chaddick, who had the presence of mind to leave a trail of fingerprints behind as her captors dragged her off to three days of terror in the desert near Palm Springs.

The happy ending made the taxpayers feel good. The clean-cut men and women of the FBI had triumphed again.

However, as resounding a public relations coup as the Chaddick case produced for the FBI, it served to overshadow the equally important—and often more significant—work that agency is doing in the area of national security.

As long as the American people—and especially the civil libertarians—could bask in the reflected glory of an adventure story brought to a successful conclusion, the FBI agents were the good guys.

But let them step one inch out of line in the process of bringing a terrorist or traitor to heel and the boys and girls of the FBI would again be back in the soup.

The Chaddick case could be enjoyed because the cast of characters was clearly identifiable.

Nobody worried about the civil rights of an armed madman who shot off the heads of lizards in a frightening display of bestial boastfulness.

Let an FBI agent, however, even slightly bend the constitutional rights of a political terrorist dedicated to planting a bomb beneath the Capitol dome and the full weight of the liberal fraternity would be diverted to putting that agent behind bars.

It wouldn't matter that the bomber was bent on blowing up half the Congress for some perverted political philosophy. Or that some other FBI counterintelligence target might just have stolen some sophisticated satellite secret.

The FBI agent would immediately be labeled the bum. And the guy trying to bury the United States would become an overnight hero.

For that apparently is how easily some Americans can rationalize the difference between the types of work that the FBI is called upon to perform, each in the defense of the people who pay their salaries.

Actually, darned few FBI cases involve the kinds of cops and robbers work that so happily resolved the Chaddick kidnapping.

The public relishes watching a band of Mafia criminals getting hauled off to the courthouse by stern-faced FBI agents who infiltrated their ranks to smash a multimillion-dollar money-making scheme.

But rarely do they witness the scores of FBI agents painstakingly monitoring the activities of American citizens suspected of subverting their own country for a buck or political persuasion that can seriously damage the security of this country.

Such thoughts make them uncomfortable. They don't like federal agents poking around, prying into peoples' personal affairs.

It seems to make no difference that the agents might have reasonable grounds for suspecting that Citizen X is selling technology that might save the Soviets billions of dollars in research and development costs.

Or that Citizen Y is about to peddle military contingency plans that might compromise American armed forces effectiveness in some far-off corner of the world.

The FBI target is an American citizen entitled to all of the nation's constitutional protections. So even the appearance of snooping quickly rankles some people.

Yet, snooping for good reason is essential to the survival of the United States. But snooping inhibited by the threat of prison for the snooper is no snooping at all.

It makes an agent pull his punches, even though he knows his surveillance or investigative techniques are legal. He is afraid to go the extra mile in his efforts because he knows that people may fail to discern him as a good guy working in their best interests.

The easily defined roles in the Chaddick case are lacking. The agent doesn't want to be saddled with a bum rap.

So American counterintelligence work sometimes suffers. The FBI won't officially admit that, but I suspect that it is true.

And all because the American public likes its folk heroes to always wear white hats so that it can recognize a bad guy when it sees one. Oh, that reality were that simple.●

SAM WILLIAMS RECEIVES NATION'S MOST PRESTIGIOUS AWARD

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. BROOMFIELD. Mr. Speaker, I would like to join President Carter in paying tribute to Mr. Sam Williams, president of the Williams Research Corp. of Walled Lake in my district in Michigan, upon recently being awarded the Collier Trophy, our Nation's most prestigious aviation award.

I would like to share the President's letter to Mr. Williams, which was presented to him at the National Aeronautic Association banquet at the Sheraton Park Hotel in Washington on May 11.

THE WHITE HOUSE,
Washington, D.C., May 9, 1979.

Mr. SAM B. WILLIAMS,
The National Aviation Club,
Sheraton Park Hotel,
Washington, D.C.

MR. SAM WILLIAMS: I am pleased to congratulate you on your achievements in miniature engine technology which have won you the 1978 Collier Trophy of the National Aeronautics Association.

The design of the compact fan-jet engine has been instrumental in the success of the Cruise Missile Program, and it contributes significantly to the strength of our national defense. In accepting this prestigious honor, you join a select group of aviation pioneers who, through personal endeavor and talent, have helped advance America's technological leadership and scientific excellence.

You have my warmest regards on this occasion and my best wishes for the future.

Sincerely,

JIMMY CARTER.

Mr. Speaker, as the President's letter states, Mr. Williams received this distinguished award for the development and design of the world's smallest, high-efficiency fanjet engine. The development of this engine is a major contribution to the advancement of aeronautics in the United States, and to meeting our Nation's defensive needs by powering the cruise missile.

Sam Williams formed his own company in 1954 to meet the civil and military needs he foresaw for a small, efficient, inexpensive gas turbine engine. Conquering problems unique to small engines, he produced a series of turbojets in the late 1950's and 1960's which were used to power small drone aircraft, provide auxiliary power for industrial and aircraft applications and power the jet flying belt developed by Bell Aerospace in 1969.

The present Williams engine, for which he received the Collier Trophy, was considered a practical impossibility at the time of its inception by experts in the field. However, through his perseverance and innovativeness, Mr. Williams expanded the perimeters of the possible.

Mr. Speaker, America owes much to people like Sam Williams—people of vision, talent, and ingenuity. They have helped our Nation maintain its vitality and strength and have contributed greatly to its development.

Again, I offer Mr. Williams my heartiest congratulations upon being awarded the Collier Trophy. He joins a highly select and distinguished list of recipients who have been honored since 1911. Among these former recipients are:

FORMER RECIPIENTS OF THE COLLIER TROPHY

1976: U.S. Air Force/Rockwell International and the B-1 industry team, for the successful design, development, and flight test of the B-1 strategic aircraft system.

1975: David S. Lewis, General Dynamics Corp., and the F-16 Air Force industry team, for significant advancements in aviation technology.

1974: Dr. John F. Clark, NASA, and Daniel J. Fink, General Electric Co., for proving the value of U.S. space technology in the management of the Earth's resources with special recognition to Hughes Aircraft Co., and RCA.

1973. The Skylab Program, with special recognition to William C. Schneider, program director, and the three Skylab astronaut crews, for proving the value of man in future space explorations.

1972: Adm. Thomas H. Moorer, USN, representing the officers and men of the 7th and 8th Air Forces of the U.S. Air Force and Task Force 77 of the U.S. Navy for "Operation Linebacker II."

1971: Col. David R. Scott, Col. James B. Irwin, and Lt. Col. Alfred M. Worden, U.S. Air Force, and Dr. Robert R. Gilruth, for demonstrating superb skill and courage as representatives of the space flight team, culminating in Apollo 15.

1970: William M. Allen, The Boeing Co., for introducing the 747 into commercial service with particular recognition to Pratt and Whitney Aircraft Corp., and Pan American World Airways.

1969: Neil A. Armstrong; Col. Edwin E. Aldrin, Jr., U.S. Air Force; and Col. Michael Collins, U.S. Air Force, for the epic flight of Apollo 11 and the first landing of man on the surface of the Moon, July 20, 1969.

1968: Col. Frank Borman, U.S. Air Force; Capt. James A. Lovell, Jr., USN; and Lt. Col. William A. Anders, U.S. Air Force, for the successful and flawless execution of the first manned lunar orbit mission in history (Apollo 8).

1967: Lawrence A. Hyland, representing the Surveyor Program Team that put the United States on the Moon.

1966: James S. McDonnell, for leadership in advancing aeronautics and astronautics exemplified by the F-4 Phantom aircraft and the Gemini space vehicles.

1965: James E. Webb and Hugh L. Dryden, representing all Gemini program teams which significantly advanced human experience in space flight.

1964: Gen. Curtis E. LeMay, for achievements with respect to our air vehicles and national defense.

1963: Clarence L. "Kelly" Johnson, for designing and directing the development of Air Force A-11 Mach 3 aircraft.

1962: Lt. Cmdr. M. Scott Carpenter, USN; Maj. L. Gordon Cooper, U.S. Air Force; Lt. Col. John H. Glenn, Jr., USMC; Maj. Virgil I. Grissom, U.S. Air Force; Cmdr. Walter M. Schirra, Jr., USN; Cmdr. Alan B. Shepard, Jr., USN; and Maj. Donald K. Slayton, U.S. Air Force, for pioneering manned space flight in the United States.

1961: Maj. Robert M. White, U.S. Air Force; Joseph A. Walker, NASA; A. Crossfield, North American Aviation, and Cmdr. Forrest Petersen, for invaluable contributions to the advancement of flight as test pilots of the X-15.

1960: VAdm. William F. Raborn, USN, for directing development of the operational fleet ballistic missile weapon system—Polaris.

1959: The U.S. Air Force, the Convair Division of General Dynamics Co. and to Space Technology Laboratories, Inc., for developing and putting into operation the Atlas—America's first intercontinental ballistic missile.

1958: The U.S. Air Force and industry team responsible for the F-104 interceptor, Clarence L. Johnson of Lockwood Aircraft Corp., for the design of the airframe; Neil Burgess and Gerhard Neumann of the General Electric Co., for development of its J-79 turbojet engines; Maj. Howard C. Johnson, U.S. Air Force, for establishing a landplane altitude record, and Capt. Walter W. Irwin, U.S. Air Force, for establishing a world straightaway speed record.

1957: Edward P. Curtis, for his presidential report entitled, "Aviation Facilities Planning."

1956: Charles J. McCarthy and associates of Chance-Vought Aircraft, in and to VAdm. James S. Russell and associates of the U.S.

Navy of Aeronautics, for conception, design, and development of the F-8U Crusader.

1955: William M. Allen and the Boeing Airplane Co., and to Gen. Nathan F. Twining and the U.S. Air Force, for development and operational use of the B-52.

1954: Richard Travis Whitcomb, NACA Research Scientist for discovery and experimental verification of the area rule.

1953: James H. Kindelberger and Edward H. Heinemann, for the development of the first supersonic airplanes in service.

1952: Leonard S. Hobbs of United Aircraft Corp., for design, development, and production of the J-57 jet engine.

1951: John Stack and associates at Langley Aeronautical Laboratory, NACA, for the concept and development of the transonic wind tunnel throat.

1950: The helicopter industry, the military services, and the Coast Guard, for development and use of rotary-wing aircraft for air rescue operations.

1949: William P. Lear, for development of the Lear F-5 automatic pilot and automatic control coupler system.

1948: Radio Technical Commission for Aeronautics, for the development of an all-weather air traffic control system.

1947: John Stack, Lawrence D. Bell, and Capt. Charles E. Yeager, for supersonic flight.

1946: Lewis A. Rodert, for development of thermal ice-prevention system.

1945: Dr. Louis W. Alvarez, for development of the ground controlled approach radar landing system.

1944: Gen. Carl A. Spaatz, for demonstrating the airpower concept through employment of American aviation in wartime.

1943: Capt. Luis de Florez, USNR, for development of synthetic training devices for flyers.

1942: Gen. H. H. Arnold, for organization and leadership of the mightiest air force in the world.

1941: The Air Forces and the airlines, for the worldwide operations typified in the routes of the Air Transport Command.

1940: Dr. Sanford Moss and the Army Air Corps, for development of the turbosupercharger.

1939: Airlines of the United States, for their record of safety in air travel.

1938: Howard Hughes and his crew, for his round-the-world flight.

1937: The Army Air Corps, for design and equipment of a substratosphere airplane.

1936: Pan American Airways, for its transpacific and overwater operations.

1935: Donald Douglas and his staff, for development of the DC-2.

1934: Maj. Albert F. Hegenberger, for blind landing experimentation.

1933: The Hamilton Standard Propeller Co., and Chief Engineer Frank W. Caldwell, for the controllable pitch propeller.

1932: Glenn L. Martin, for development of an outstanding biengined, high-speed, weight-carrying airplane.

1931: The Packard Motor Car Co., for the aircraft diesel engine.

1930: Harold Pitcairn and his staff, for their autogiro.

1929: The National Advisory Committee for Aeronautics, for the NACA cowling.

1928: Aeronautics Branch of the Department of Commerce, for development of airways and air navigation facilities.

1927: Charles L. Lawrence, for his radial air-cooled engine.

1926: Maj. E. L. Hoffman, for development of a practical parachute.

1925: S. Albert Reed, for development of the metal propellor.

1924: The U.S. Army.

1923: Personnel of the U.S. Air Mail Service, for night flying.

1922: Personnel of the U.S. Air Mail Service.

1921: Grover Loening, for development of the aerial yacht.

1917–1920: No award because of war.

1916: Elmer A. Sperry, for drift indicator.

1915: W. Sterling Burgess, for the Burgess-Dunner hydro-aeroplane.

1914: Elmer A. Sperry, for gyroscopic control.

1913: Orville Wright, for development of the automatic stabilizer.

1912: Glenn H. Curtiss, for the flying boat.

1911: Glenn H. Curtiss, for development of the hydro-aeroplane. ●

OPEN HOUSE AMENDMENTS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. ANDERSON of Illinois. Mr. Speaker, today I am submitting a new list of cosponsors of my Open House Amendments of 1979, 10 amendments to our House rules designed to strengthen our oversight and ethics investigative procedures and make our committee system more open and accountable. Today's list of 13 new cosponsors brings to 45 the number of Members who have cosponsored some or all of these amendments.

Today I would like to briefly focus on one of my amendments, House Resolution 254, which would amend clause 2 (g) (1) of House rule XI to require that all committee and subcommittee meetings be open to the public with only certain limited exceptions. While our House rules only permit committees to close hearings if the matters to be disclosed would endanger the national security or violate any law or rule of the House, committees may now vote to close committee meetings for any reason. My amendment would bring the open meeting requirement more in line with the open hearing requirement by only permitting closed meetings if matters to be disclosed would endanger the national security, violate any law or rule of the House, or involved internal committee personnel or budgetary matters. I am pleased to report that 42 of the 45 cosponsors of some or all of my amendments have cosponsored this open meeting amendment.

Despite this strong show of support for my open meeting amendment, there is growing evidence that a cloud is beginning to blot out some of the sunshine we introduced into this House in the early part of this decade. According to an article in this week's Congressional Quarterly by Irwin B. Arieff:

> Some members of Congress and Congressional watchdogs say they fear a trend away from the open meetings commitment of the early 1970's.

According to the report, three House appropriations subcommittees have switched from open to closed meetings. They are: Labor-HEW; State-Justice, Commerce, Judiciary; and Agriculture.

In addition to this report, I was distressed to learn that our own Select Committee on Committees, which is supposed to be recommending additional committee reforms, is holding closed-door briefing sessions and may not even have hearings. I have written a letter to the select committee's chairman strongly urging him to hold open hearings.

Mr. Speaker, the argument most often made in support of these closed markup sessions is that open meetings only draw high-pressure lobbyists who interfere with the committees' deliberations, and that they encourage Members to grandstand for the benefit of such lobbyists. These arguments seem to justify the closed-door sessions on the grounds that such lobbyists are some kind of alien beings from outer space and not representatives of legitimate interests in our society. Lobbyists are people too and, moreover, in closing the door to them committees are also shutting out the general public and the press as well.

I do not defend the practice of lobbyists who take advantage of open committee meetings to disrupt those sessions by carrying on their lobbying while a committee is marking up a bill. Each chairman has an obligation to see to it that the dignity and decorum of the committee meeting is upheld, and all spectators should be reminded that they are there as spectators and not as participants in the meeting. The fact that there are long lines of people waiting to get into a meeting is no justification for shutting them all out. Committees should allow as many spectators into their meetings as a room can reasonably hold, and the Capitol Police should be able to maintain order in the hallways among those waiting to get in.

But the bottom line is that the people have a right to witness conduct of the people's business, and these flimsy excuses of disruptive lobbyists and Members grandstanding are not sufficient grounds for denying the people that right.

My open meeting amendment would insure against the closing of meetings except for the most sensitive purposes of protecting the national security or individual privacy. I hope this amendment will be given serious consideration by the Select Committee on Committees.

At this point in the RECORD, Mr. Speaker, I include the Congressional Quarterly article to which I earlier referred in my remarks, a summary of my Open House Amendments, and an updated list of the cosponsors:

"SUNSHINE" BACKERS SEE NEW SECRECY TREND

(By Irwin B. Arieff)

A House Appropriations subcommittee vote to exclude the public from a meeting on a key 1980 money bill has raised concern that the House's commitment to "sunshine" may be drifting behind a cloud.

The Appropriations Labor-HEW Subcommittee voted May 16 to close a markup of the fiscal 1980 Labor-HEW appropriations bill. (Story, facing page)

"We've held open markups for the past four or five years," a subcommittee aide said. "We had every intention of holding an open markup this year, until we were inundated with people. We closed it because there were so many people in the halls and in our offices that two policemen couldn't get order. . . . We couldn't work with all those people breathing down our necks."

TREND DETECTED

Some members of Congress and congressional watchdogs say they fear a trend away from the open meetings commitment of the early 1970s. (Congress and the Nation Vol. III, p. 377)

"I definitely detect a trend toward more closed meetings in the House," commented Rep. David R. Obey, D-Wis., a champion of House openness and a member of the Labor-HEW Appropriations Subcommittee. Obey voted against closing the May 16 session.

"It seems to be a case of creeping secrecy," commented Richard P. Conlon, staff director of the Democratic Study Group.

A CQ survey of the 13 Appropriations subcommittees indicates that two subcommittees in addition to Labor-HEW have switched from open to closed markups in the past several years. They are State, Justice, Commerce, Judiciary and Agriculture.

Agriculture, according to staff aide Robert Foster, held only closed markups before 1977. The 1977 markup was partially open, he said, while the 1978 markup was entirely public.

The May 2, 1979, session was closed because the budget resolution was on the floor that same day, Foster explained. "We were concerned that we might enter into the floor discussions on the budget resolution," he said.

State, Justice, Commerce, Judiciary began closing markups two or three years ago, staff assistant John G. Osthaus said. "The members feel it facilitates their discussion of the issues and the amounts to be appropriated. When the markups were open, the members felt it was a madhouse, with people rushing in and out and trying to command their attention. Now, the staff simply announces the results at the end of the markup."

MISSING LISTINGS

Secrecy has crept into other aspects of the Appropriations subcommittees' operations.

A number of subcommittee sessions have not been listed in advance or after the meeting in the Congressional Record, as House rules require. Subcommittee aides blame the omissions on administrative foul-ups.

A meeting of the Appropriations Energy and Water Development Subcommittee on May 9 to discuss funding for controversial water projects was not listed in the Record. Nor was it on the official list of hearings and markups posted in the press galleries.

Staff assistant Hunter Spillan said a routine announcement of the meeting had been given to the full Appropriations Committee. As for it being closed, "our meetings generally are closed because one-third of our appropriations deal with weapons and weapons research," Spillan explained. "Every year, they forget we closed it last year."

OTHER COMMITTEES AFFECTED

A spot check has turned up some closed meetings other than Appropriation subcommittees.

The Senate Finance Committee, for example, recently held 11 closed sessions with public and administration witnesses to help develop trade agreement implementing legislation.

"There's a great deal of confusion and bad reporting when you have it opened and you haven't completed your press release," explained a Finance Committee aide. "I guess it's a way of keeping it pure and simple until the recommendations have been completed."

A House Ways and Means subcommittee held about 15 days of closed sessions for the same purpose. "They are sensitive hearings", a staffer said.

Obey, in an interview, blamed much of the push for secrecy on lobbyists.

"You have a number of members frustrated because things they have said or done in open markups have been garbled by trade association newsletters and lobby groups," he said. "Also, you have a feeling that the lobby groups in this country have become so single-minded and so intense that maybe it's better to operate behind closed doors. You sometimes wonder who is having more influence—the lobbyists or the members."

Obey said he sympathized with the problem, but disagreed with the closed-session solution. "If the members can't stand up to the pressures in the room, they shouldn't be in the room," he said.

Senate Finance Committee aide: "There's a great deal of confusion and bad reporting when you have [a meeting] opened and you haven't completed your press release."

Rep. David R. Obey, D-Wis.: "If the members can't stand up to the pressures in the room, they shouldn't be in the room."

SUMMARY OF OPEN HOUSE AMENDMENTS OF 1979

No. 1. Oversight Subcommittees—Each committee other than Appropriations and Budget having more than 20 members would be required to establish an oversight subcommittee.

No. 2. Oversight Agendas—Each committee would be required to formally develop and adopt an oversight agenda and timetable at the beginning of each Congress and submit it to the Government Operations Committee within 60 days of the convening of the Congress. The Government Operations Committee would be required to hold hearings on these oversight agendas and, after consultation with the majority and minority leadership, publish the agendas together with its recommendations for coordination within 90 days after the convening of the Congress. The Government Operations Committee would also be required to assess the oversight activities reported by each committee at the end of each Congress and publish its evaluation.

No. 3. Ethics Investigations—The Committee on Standards of Official Conduct would be required to issue a report on any investigation it has undertaken. The House may direct an investigation by a resolution reported from the Rules Committee or by a resolution called up by any Member who has filed a complaint if the Committee does not vote to investigate it within 15 days after receipt of the complaint.

No. 4. Subcommittee Limitation—Each standing committee, other than Appropriations, shall establish no more than 6 subcommittees.

No. 5. Public Access to Committee Records—Each committee shall keep a verbatim transcript of all legislative and investigative action which shall be made available for public inspection unless it involves matters which would endanger the national security or violate any law or rule of the House. A separate summary would also be kept of all committee action which would also be available for public inspection.

No. 6. Proxy Voting Ban—No vote could be cast my proxy in committee.

No. 7. Open Committee Meetings—All committee meetings would be open to the public unless a committee majority votes to close a meeting for national security, personal privacy, or internal budgetary or personnel reasons.

No. 8. Quorum Requirement—A majority of a committee would constitute a quorum for the transaction of any business, including the markup of legislation.

No. 9. Committee Voting—A rollcall vote could be demanded on any question by any member of the committee, and would be mandatory on reporting any measure or matter and the results of such a vote would be published in the committee report.

No. 10. Conference Committee Transcripts—A verbatim transcript would be kept of all conference committee meetings with the consent of the Senate conferees. The transcripts of all open meetings would be available for public inspection, and all transcripts would be available for inspection by House Members.

COSPONSORS OF OPEN HOUSE AMENDMENTS

Cosponsors of all 10 Amendments: Mr. Burgener, Mr. Butler, Mr. Carter, Mr. Coelho, Mr. Collins, Mr. Conable, Mr. Conte, Mr. Corcoran, Mr. Coughlin, Mr. Edgar, Mr. Emery, Mrs. Fenwick, Mr. Frenzel, Mr. Gingrich, Mr. Gradison, Mr. Green, Mr. Hagedorn, Mr. Horton, Mr. Hyde, Mr. Jeffries, Mr. Leach, Mr. Lagomarsino, Mr. Lott, Mr. Lungren, Mr. McKinney, Mr. Marlenee, Mr. Solomon, Mr. Stangeland, Mr. Walker, Mr. Winn, and Mr. Whittaker.

Cosponsors of Amendment No. 1: Mr. Bedell, Mr. Gephardt, Mr. Gilman, Mr. Levitas, Mr. Maguire, and Mr. Ottinger.

Cosponsors of Amendment No. 2: Mr. Bedell, Mr. Cleveland, Mr. Gephardt, Mr. Gilman, Mr. Levitas, Mr. Maguire, and Mr. Ottinger.

Cosponsors of Amendment No. 3: Mr. Bedell, Mr. Findley, Mr. Gephardt, Mr. Gilman, Mr. Glickman, and Mr. Maguire.

Cosponsors of Amendment No. 4: Mr. Bedell, Mr. Carr, Mr. Findley, Mr. Gephardt, Mr. Glickman, and Mr. Ottinger.

Cosponsors of Amendment No. 5: Mr. Bedell, Mr. Cleveland, Mr. Findley, Mr. Gilman, Mr. Glickman, Mr. Jeffords, Mr. Maguire, Mr. Ottinger, and Mr. Symms.

Cosponsors of Amendment No. 6: Mr. Cleveland, Mr. Findley, Mr. Gephardt, Mr. Gilman, Mr. Grassley, Mr. Jeffords, Mr. Simon, and Mr. Symms.

Cosponsors of Amendment No. 7: Mr. Bedell, Mr. Cleveland, Mr. Findley, Mr. Gephardt, Mr. Gilman, Mr. Glickman, Mr. Jeffords, Mr. Levitas, Mr. Ottinger, Mr. Symms, and Mr. Van Deerlin.

Cosponsors of Amendment No. 8: Mr. Cleveland, Mr. Findley, Mr. Gilman, Mr. Grassley, Mr. Jeffords, and Mr. Symms.

Cosponsors of Amendment No. 9: Mr. Cleveland, Mr. Findley, Mr. Gilman, Mr. Grassley, Mr. Jeffords, Mr. Ottinger, and Mr. Symms.

Cosponsors of Amendment No. 10: Mr. Bedell, Mr. Cleveland, Mr. Findley, Mr. Gilman, Mr. Glickman, Mr. Grassley, Mr. Jeffords, Mr. Levitas, Mr. Ottinger, and Mr. Symms.●

AWARENESS OF PRODUCTIVITY GROWS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. LAFALCE. Mr. Speaker, the most neglected and misunderstood economic concept has always been productivity. Higher productivity rates have been responsible for economic growth, higher wages, and bigger profits without inflation. Without higher productivity growth rates, there can be little economic growth. Without higher productivity growth rates, wage and price increases lead directly to higher inflation rates.

Until recently, mentioning the concept of productivity was met with incomprehension or lack of interest. Most economists were unfamiliar with productivity, and the administration followed its predecessor's lead in disregarding productivity altogether. This may have been acceptable during the years 1947–67, when the productivity growth rate averaged 3.3 percent, but this incomprehension and lack of interest has become alarming in recent years. From 1967–73, the annual growth in productivity slipped to 2.1 percent; and, from 1973–

77, the rate was 1.3 percent. During 1978, the rate fell below 1 percent; and we have recently learned that the figures for the first quarter of 1979 project an annual productivity decline of 4.5 percent. Not uncoincidentally, inflation has soared to double-digit levels during this same time period.

At long last, attention is now being focused on the problem of the lagging rate of productivity growth in both the private and the public sectors. The New York Stock Exchange and the Joint Economic Committee have issued insightful studies of the problem. As part of this new trend is an excellent article by Steven Rattner, which appeared in the May 8 edition of the New York Times; and I want to commend this article to my colleagues' attention.

The article follows:

PRODUCTIVITY LAG CAUSES WORRY

EXPERTS FEAR EFFECT OF SLOWER GROWTH RATE

(By Steven Ratiner)

WASHINGTON, May 7.—Economists, businessmen and Government officials have become concerned about a market drop in the nation's productivity growth rate, a development they fear will reduce economic growth and increase inflation and unemployment.

According to the latest figures released by the Labor Department, the productivity rate in the first quarter of this year declined at an annual rate of 4.5 percent. Historically, the productivity rate in this country has increased about 3 percent a year.

Productivity is often thought of as efficiency. In its most commonly watched form, productivity refers to how much an individual worker can produce in a certain amount of time.

"Productivity growth in 1978 showed a very marked slowdown from accustomed rates," the Council of Economic Advisers reported earlier this year, "adding substantially to inflationary pressures and raising fundamental concerns about underlying trends."

The slump in productivity means the nation's outlook for long-term real economic growth has dropped to 3 percent from 3½ percent, the council has estimated.

Increases in productivity allow employers to increase wages without increasing prices because each worker is producing more. But slower productivity growth means that wage increases are not completely offset by output increases. This means higher costs for business, which raises prices, leading to more inflation. The higher prices cut consumer purchasing power, reducing economic growth and, ultimately, increasing unemployment. In short, without increases in productivity, economic growth is limited.

United States productivity averaged just 1 percent a year from 1973 through 1977 and dipped further to six-tenths of 1 percent last year.

Economists and businessmen agree that, contrary to some perceptions, productivity growth does not really mean working harder. Instead, productivity growth is thought to result from increased capital investment, a more highly skilled labor force, inexpensive energy, more efficient management and other efficiencies.

Although economists disagree over magnitudes, there is a general consensus on some of the factors involved in the productivity slump. Among them:

CAPITAL INVESTMENT LAG

According to the Council of Economic Advisers, a drop in the rate of capital investment may be responsible for the loss of half a percentage point a year in productivity growth. Between 1948 and 1973, the ratio of capital to labor grew 3 percent a year. Since 1973, however, the rate of increase has been only 1¾ percent annually. The problem has been particularly acute in certain industries, such as steel.

"I think productivity on balance in the steel industry is not improving," said Bill Roesch, executive vice president of the United States Steel Corporation. "Capital investment hasn't remained as strong because profits haven't remained as strong."

GROWING REGULATION

Businessmen often attribute the productivity slump to increased Government regulation, which they contend has forced the diversion of investment funds and employee time to such tasks as emission abatement and safety—tasks that do not increase output. A study by Edward F. Denison, made while he was a senior fellow at the Brookings Institution, found that environmental and worker health and safety programs alone cut conventionally measured productivity by 1.4 percent between 1967 and 1975.

LESS PRODUCTIVE LABOR

The vast influx of youths, women and minorities within the labor force has meant more workers with less experience and training. Between 1955 and 1973, this phenomenon cost productivity growth four-tenths of a percentage point annually, according to the Council of Economic Advisers. Since 1973 the loss has been about one-third of a percentage point, the council said.

Business is sensitive about acknowledging this phenomenon, but the increase in training and recruiting programs alone has added large costs. According to a study by the Business Roundtable, equal employment opportunity programs cost 48 companies $217 million in 1977.

HIGHER ENERGY PRICES

The rapid rise in energy prices has cut sharply into business's ability to substitute energy-intensive machinery for people. "In my view, the reaction to higher energy prices is responsible for three-fourths of the productivity problems," said Dale Jorgenson, who is a professor of economics at Harvard University.

"We've cut our energy consumption by 15 percent in the last five years," said Herbert Lyon, vice president of the Dow Chemical Company. "That way, capital investment comes out as energy cost savings rather than as new capacity that might increase labor productivity."

SHIFT TO SERVICES

Part of the productivity problem has been the shift away from agriculture, where productivity gains have been comparatively large, toward services, where increases in productivity are hard to achieve. Between 1973 and 1977, productivity in services declined three-tenths of 1 percent a year, according to the Council of Economic Advisers.

One service-oriented company, the J. C. Penney Company, created a high-level study group about three years ago to work on improving productivity. The result has been a variety of new programs. "We've increased our productivity in the last two years," said Donald V. Siebert, chairman, but it's been a continual battle."

Some economists and businessmen blame a lag in innovation caused by a decline in spending on research and development. In 1964 such outlays totaled 3 percent of output. Last year they dropped to 2.2 percent.

The Government has become concerned with the trend and has started a number of studies of technological innovation, one of them being a study of the impact of Government regulation on technology.

This paradox has been observed: In the short term, lagging productivity can cause business to increase its hiring, thereby creating the illusion of prosperity. Last year the economy added 3.6 million new jobs, far more than the moderate 4 percent increase in the gross national product would suggest Economists believe that the difference was accounted for by the falloff in productivity increase.

"The implications are just beginning to be understood," said C. Jackson Grayson, director of the American Productivity Center in Houston. "They range from continuing high levels of inflation to a gradual stagnation of the American economy and the end of its world leadership."

In part, the lack of public understanding of the productivity problem probably results from the lack of reliable data.

"One of the most confusing things about productivity is measurement," said the Secretary of Labor, Ray Marshall, who is responsible for the statistics.

Of perhaps even more concern than the dismal productivity performance is the fact that few policy makers profess to have solutions. Changes in the tax system might be needed to improve capital investment. And the addition of women, minorities and youths to the labor force still seems to enjoy wide public and Administration support.

But the problem has already elicited a strong reaction from Capitol Hill. Senator Lloyd Bentsen of Texas, chairman of the Joint Economic Committee, said recently that the United States ran the risk of "social upheaval" if it failed to reverse the trend toward smaller productivity increases.

Last Oct. 23, President Carter established a National Productivity Council to be operated under the auspices of the Office of Management and Budget.

Still, few persons are optimistic about improving productivity quickly. The Council of Economic Advisers has lowered its assumption of long-run productivity growth from 2½ percent to 2 percent.●

WHY I CARE ABOUT AMERICA

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. FAUNTROY. Mr. Speaker, it is with great pleasure that I submit for entry in the CONGRESSIONAL RECORD, the winning speech from the "Voice of Democracy Contest" in the District of Columbia.

Each year the Veterans of Foreign Wars of the United States conduct a writing contest and award five national scholarships as top prizes.

Pamela Marie Hamilton, 104 Elmira Street SW., is this year's winning contestant in Washington, D.C. The theme of this year's contest was "Why I Care About America."

Congratulations to Ms. Hamilton for her outstanding work and for her deep and abiding faith in our great Nation. I am pleased to submit Ms. Hamilton's essay for, your review:

ESSAY BY PAMELA MARIE HAMILTON

Long ago, when I was in kindergarten, my whole class would stand and, from memory, recite the pledge of allegiance. We were all so proud that we had finally mastered those few words that made us official school girls and school boys. We were happy because everyone knew you had to be able to say the pledge of allegiance before one could go to school. Little did we realize that in those few words were the staples of our whole existence.

Today, I am in high school and in a few years I'll be well into college. Yet, do I still know fully the meaning of those words? More importantly, do I believe them? This pledge speaks of liberty and justice for all. Can this only be a dream of some crazed patriot? Surely, this is not the America I know today. True, America is not what she once was. She is two hundred and one years old and no longer a child. For some she is the golden land of opportunity, for others she is an ugly hell-hole seething with pain.

In the United States, there are violent crimes committed every second. There is widespread poverty and there are people dying from hunger. In Ohio, a city is in disgrace and out of money. Americans are said to live a fast life with no feeling, no hope, no true brotherly love. They have only love for material things.

Sounds dismal, doesn't it? But, think of how many people from all over the world scrimp and save to reach our border, our "pearly gates."

When I reflect upon the insides of my country, the heart and soul of what makes her so very good for some, I take a look at me. I'm healthy and young. I have parents whom I cannot imagine living without. I have a close knit family that cares for me and I for them—deeply. Deeper than anyone could imagine. I don't have a lot of money, or clothes or cars, but I have a place to grow and learn. America is a good place for me, my family and my friends, many of them. I could not think of living anywhere else.

Am I an exception? Perhaps not. But I know that if someplace can give me all this goodness, no matter how bad it is and how bad it seems, even if I am in the minority, then it is worth caring about. Worth living for. America has potential. That cannot be denied. She has the potential to be what no other country has ever been—an indivisible nation under God, bonded by love.

But, who is this America? Is it the Congress, that body of persons who possess the power to pass bills to tell us how to live? Is it the president who could start a new agency—the Department of Brotherly Love? Maybe its head could be called the Secretary of Good Feelings. Is it the courts, the group of justices that could possibly try a person for unloving behavior? They could impose a penalty of five years imprisonment. No, America's soul lies not there among these particularly. It lies in you and me, for we are America. And if we care for ourselves and our lives, then we may care for her. Then we may appreciate her goodness and, yes, her weakness, for no one is perfect.

America, like all other countries, is not perfect. It is a land that is a mixture of kindness and cruelty, richness and poverty, love and pain. While most people only see the negative aspects of this country, it has shown me a lot of good. That is why I care about America. Because I am a part of this land and I care for me! ●

NATIONAL PRODUCT LIABILITY ACT

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. ERLENBORN. Mr. Speaker, I am today introducing a measure to cure the pervasive disease known as product liability.

All of us have heard one story after another about mushrooming product liability insurance premiums. I know of no industry that has escaped this epidemic.

The National Machine Tool Builders' Association reported in 1977 that premiums in that industry had increased some 700 percent since 1970. One businessman in my district tells me his annual premium went from $1,200 with no deductibles in 1976 to $35,000 with a $10,000 deductible.

Premium increases, however, are but one of the symptoms. Many companies, unable to pay the added costs, are folding, and that means people lose their jobs.

Other companies pass the higher costs on to the rest of us, as consumers. Some forget about insurance altogether, or self-insure.

Then there are those who are reluctant to develop new products or who discontinue making the items that account for product liability suits; and foreign goods enter the market to fill the gaps.

All of this has been documented by the Commerce Department's Task Force on Product Liability and in hearings by the House Committee on Small Business and other congressional committees. They have suggested a variety of solutions, including revisions of the 50 State laws, arbitration, and special tax treatment of self-insurance reserves, which, in my view, treat the symptoms and not the disease.

The significant change in product liability law we have witnessed over the past several years results from a series of court decisions. In effect, the courts have made manufacturers insurers. They have made manufacturers completely responsible for their own errors, for those of employees, and for users of their products. Negligence is no longer the primary requirement for liability.

The bill I am introducing today is identical to the measure (H.R. 6300) proposed in 1977 by our former colleague from Connecticut, Ronald A. Sarasin. I am convinced, as I was when I cosponsored the Sarasin bill, we need a uniform law to govern product liability suits that modifies the concept of strict liability which is denying common law defenses to manufacturers and distributors.

The National Product Liability Act I am proposing provides these defenses while preserving the basic right of the consumer against defective products. In fact, these protections are strengthened in that the bill requires adequate warnings and protections.

The National Product Liability Act provides the uniformity needed to cure the far-reaching problems of product liability.

A section-by-section analysis follows:

SECTION-BY-SECTION ANALYSIS—NATIONAL PRODUCT LIABILITY ACT OF 1979

SEC. 1. PURPOSE

To improve the safety of products manufactured and sold in interstate commerce, to reduce the number of deaths and injuries caused by such products, and for other purposes.

SEC. 2. FINDINGS AND DECLARATION OF PURPOSE AND SCOPE

Findings—that there is a diversity of laws in states affecting liability for products; that diversity has caused confusion and inequity, failed to adequately promote the safety of products and their use, adversely interferred with effective operation of interstate commerce; and without a uniform law, such conditions will continue.

The purpose of the Act, through the Congressional power to regulate commerce is, to establish substantive law of product liability; to establish certain procedural and evidentiary rules for such actions in state or federal courts; and to leave to the states those areas of law regarding product liability which are best determinable by local needs and considerations.

SEC. 3. PREEMPTION

Product liability action established under this Act preempts all existing causes and laws for the same purpose, regardless of the theory upon which they are based.

SEC. 4. DEFINITIONS

"Harm"—property damage, death, physical change or mental harm;

"Caused"—that which, unbroken by any efficient intervening action, produces harm and without which harm would not have occurred;

"Product"—machine, manufacture, composition of matter, or other tangible item or component or part thereto, including packaging;

"Leaves the control"—physically leaves the control of the original seller and/or manufacturer;

"Manufacturer"—one who fabricates, assembles or produces;

"Seller"—includes wholesaler, distributor, leasor, or bailor—one who is regularly engaged in selling (or leasing) such product whether for resale by the purchaser or use or consumption by the purchaser.

SEC. 5. PRODUCT LIABILITY ACTION

Establishes the grounds for suit against a manufacturer for (1) selling a product in a defective condition, or (2) failing to warn or protect against a dangerous or hazardous condition in the use or reasonably foreseeable mis- or unintended use. The right to sue is irrespective of the exercise of all possible care in the preparation/sale and irrespective of a contractual relationship between the manufacturer or seller and the user.

SEC. 6. PARTIES TO THE ACTION

A reasonably anticipated user or "innocent by-stander" who can prove that harm caused him was reasonably foreseeable from the condition or failure complained of. "Person" includes injured party, heirs, guardian, or employer or legal representative in subrogation action.

Allows party to a suit to indemnify on basis of misconduct; allows for comparative damages. Misconduct includes failure to comply with any safety standards which, if complied with, would have prevented the harm. Furthermore, retains the financial bar of workers' compensation for the employer.

SEC. 7. TIME FOR BRINGING SUIT

No later than 2 years from the time the harm is first sustained, discovered or in the exercise of reasonable care should have been discovered.

SEC. 8. LIMITATIONS, DEFENSES, AND DAMAGES

A product shall be deemed defective only if it is unreasonably dangerous for its intended use at the time it left the control of the party being sued. The test for defectiveness is whether it was "unreasonably dangerous" to an extent beyond that which would be contemplated by the ordinary and reasonable user. Here, a distinction is drawn between the level of knowledge expected of a consumer and of an employee. "Defective" condition may occur in design, plan, method of manufacture, structure, composition, testing, packaging, labeling or advertising of the product.

A failure to warn or protect against a dangerous condition, under normal conditions and use (or anticipated misuse) shall not extend to:

Safeguards, precautions, and actions which a person reasonably could and should take for himself or herself—considering activity, training, experience, education and special knowledge, or

To situations where such safeguards, etc., would or should have been taken by such person similarly situationed exercising reasonable care, caution and procedure, or

To situations where protection is not feasible, at which time the duty is only to warn.

Compliance with federal or state safety standards at the time of manufacture shall constitute a rebuttable presumption that the product design was not defective and that the defendant responsible for the design was not negligent with respect to such design. The presumption may be rebutted only by clear and convincing evidence that the manufacturer did not comply with such standard or regulation or that such standard of regulation did not address the risk complained of.

A party against whom such an action is being brought shall not be liable for damages occasioned by any harm which was not reasonably foreseeable at the time the product left the party's control.

Any party against whom the action is being brought shall be liable only for the amount of harm caused by the defective condition of his product at the time it left his control or his failure of duty in Section 5(2). In determining the amount, the following situations shall be taken into account:

Any alteration, modification or change of such product after leaving the manufacturer's control, unless with the specific consent and under instructions of the manufacturer;

The subsequent failure of any person who by law was dutybound to bring the product into conformance with health and safety standards;

The degree to which the misconduct of the harmed party contributed to his harm, including negligence, willful disregard of instructions, warnings or protections, or unforeseeable misuse of unintended use;

The degree of contribution of a subcomponent of the final product;

Any other facts that would tend to show that the harm that did occur was greater than the harm that would have occurred if the product had been used in the same condition as when it left the control.

The product shall be presumed to be safe, and all warnings, protections and instructions adequate after ten years. Such presumption shall be rebuttable only by clear and convincing evidence that the product was defective and that adequate duties to warn were not given; and no other person had control of the product subsequent to the time it left the control who could have been reasonably expected to conform the product to any existing standards which if done would have prevented the harm.

Any non-reimbursable benefits to the victim or heirs * * * shall be admitted into evidence during consideration of the amount that the harm that did occur was greater than of the award.

Evidence of any alteration, modification, improvement, repair or change in or discontinuation of a product can be introduced only by a party to show the condition of the product on the occasion of the harm.

Any advances in the state of the art or in standards and practices in the industry cannot be used as evidence to prove defective condition or failure to provide adequate warnings.

A Masters report can be required in any case at the federal level. The Master must have reasonable familiarity with the technology, background and operation of the industry in which the product resides.

In action brought under Section 5, no punitive or exemplary damages shall be awarded unless it is found that the sued party acted out of malice toward the harmed person or willfully and wantonly disregarded public health and safety. Thus must be proved by clear and convincing evidence, and the trier shall separately state the amount of punitive or exemplary damages.

SEC. 9. JURISDICTION AND VENUE

The primary forum for trying such cases shall be the state courts, although federal action can be brought when the matter in controversy exceeds $100,000.

SEC. 10. EFFECTIVE DATE

Provides that the provisions of this Act are not retroactive and shall control only those actions where the harm occurred on or after the date of enactment.

SEC. 11. SEPARABILITY

In any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby. ●

TRIBUTE TO SAMMY KAHN

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. McCLOSKEY. Mr. Speaker, each of us has a few constituents back home for whom we harbor particular respect and affection. They are usually individuals who have earned a similar respect and affection from their own communities through commitment of years of effort and participation in community affairs.

One such individual in my own congressional district is Sammy Kahn, longtime pharmacist and leading citizen of Los Altos, Calif., population 24,956. Sammy Kahn is also the brother-in-law of our colleague JIM LLOYD, and I know JIM agrees that both of us will do well to ever match in Congress the esteem and affection which Sammy Kahn has earned in Los Altos.

As the institutions of American small towns are fully as important as our national institutions, I hope our colleagues will not think it inappropriate to insert here in our national journal a recent tribute to Sammy Kahn from the Los Altos Town Crier:

SAMMY KAHN HONORED FOR COMMUNITY SERVICE

GIVEN BOARD OF REALTORS' 16TH ANNUAL AWARD

Longtime Los Altos resident Samuel ("Sammy") Kahn, who has been instrumental in guiding the city's orderly development, is the recipient of the 16th annual Community Service Award presented by Los Altos Board of Realtors.

The presentation was made April 18 during a luncheon attended by civic leaders, past recipients and board members at Rickey's Hyatt House.

Peter Volarvich, president of Los Altos Rotary Club which nominated Kahn for the award, introduced the 1979 recipient. The presentation was made by Ray L. Seewer, Board of Realtors president.

A pharmacist and pharmacy owner in Los Altos for almost 40 years, Kahn says of his adopted city, "I love it. I've always been right there to help when it's for Los Altos."

He has demonstrated this affection in many ways—working for the 1952 incorporation, serving twice on citizens' committees for review of the city's general plan and for many years on the Los Altos Village Association's capital improvements committee, which has guided downtown development.

During World War II when there were no physicians practicing in Los Altos, he often counseled members of the community on their health problems, as well as serving on nightly 8 p.m. to midnight shifts to watch for enemy aircraft.

Also during the War, Kahn and his wife Annette, a registered nurse, set up a portable, 12-bed hospital in a Los Altos church for use in case of a local disaster.

For many years he acted and sang for the Fathers' Frolics to help raise funds for the Covington pool and Los Altos Youth Center. His starring roles included notable performances as Marlene Dietrich and the Shah of Iran.

For 29 years he has been a member of Los Altos Rotary Club. He also belongs to Palo Alto Elks Club and B'nai-B'rith and was a charter member of Congregation Beth Am.

Kahn, born and raised in San Francisco, opened his first pharmacy in Los Altos in December 1939 at the corner of First and Main Streets—now the site of the Bullfighter Inn.

After 16 years at that location, he built his present building, Kahn's Corner Pharmacy, at Third and Main Streets.

When Kahn and his wife Annette settled in Los Altos, the population was about 2,500. "But half of those were just here in the summer time," he said in a recent interview. "It was a real village."

He came here after 10 years as a pharmacist with H.L. Ladd Chemist in the St. Francis Hotel—"the swankiest drugstore in San Francisco."

Recalling his reception by the people of Los Altos, he said, "It took a while before they'd trust this slicker from San Francisco. But after one and a half to two years, everything was okay."

"You got to know everybody," he continued. "If there was a dance or a picnic, everybody got together." He remembered one occasion when he and his wife were driving home on the old two-lane San Antonio Road after attending a night movie and wondering "who the devil it could be" in the car behind them. It didn't occur to them that the driver might be a stranger.

A feature attraction of Kahn's first pharmacy in Los Altos was a "gorgeous Italian marble soda fountain counter," a popular gathering place for students from the old San Antonio School. "To tell you the truth I hated that fountain," he said, "because I knew nothing about it."

Kahn was among those who tried unsuccessfully to keep the train in Los Altos. Recalling his homesickness for San Francisco when he first came to Los Altos, he said, "Every morning when I saw the train leave that station I wanted to be on it."

During World War II, however, he was too involved in the problems of his new community to be homesick. "Annette and I didn't sleep the whole wartime because the Red Cross said it wouldn't serve us," he said.

With Guy Shoup guiding the project, the young couple organized a portable hospital in the old Union Church, where one room was turned into an operating room and all the equipment for the hospital was stored in the church altar area.

Drills were held to see how quickly the 12 donated cots could be set up as a hospital in case of an emergency. With all the doctors off in the service, some 60 nurses were standing by to volunteer their services.

"Fortunately, we never had to use it all," Kahn said.

He counseled residents for their minor illnesses, but if they were really sick they had to go to Mountain View or Sunnyvale to find a physician—inconvenient during wartime gas rationing.

"There was hardly a night during the war when I didn't have to go back to the store to get something for somebody," Kahn revealed.

While his pharmacy was still located at First and Main, he let Los Altos Chamber of Commerce build its first building on his property at Third and Main—rent free—until he was ready to build his own drugstore at location. In 1955 the original Chamber building was moved to another site.

Kahn took his training as a pharmacist at the University of California in San Francisco. After her graduation as a nurse from French Hospital in San Francisco, Annette was in charge of a floor at Dante Hospital in the City.

Introduced by a mutual pharmacist friend, the Kahns were married Sept. 19, 1937.

They have two sons. Melvin Kahn, a pharmacist, has taken over the running of the store now that his father has semiretired. Melvin and his wife Mady have two sons, Mathew, 9, and Brandon, 6. Bruce Kahn employed by Polychrome Corp., lives in Pittsburgh, Pa., with his wife Carol and 10½-month old daughter Angela.

Kahn said he would most like to be remembered for his work in guiding the development of Los Altos through his years as an active member of the Los Altos Village Association.

"The city council and the planning commission listen to what we think should be done. We work very well with the city," he said, adding, "I hope they never destroy the looks or feeling of the town—its closeness." ●

TRIBUTE TO THE MEMORY OF COL. MICHAEL KOVATS DE FABRICY (1724–1779), COMMANDANT OF THE PULASKI LEGION AND VICTORIOUS DEFENDER OF THE SOUTH IN THE REVOLUTIONARY WAR

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1979

● Mr. DICKINSON. Mr. Speaker, the American Hungarian Federation, in cooperation with other Hungarian organizations, associations and churches of the American Hungarian community, saluted the 200th anniversary of the victorious defense of Charleston, S.C., the key city of the South in the Revolutionary War, by the Pulaski Legion, and commemorated the heroic death of Hungarian-born Col. Michael Kovats de Fabricy, Commandant of the Legion, near Charleston, on the 11th of May, 1779, with a "Congressional Banquet and Commemorative Program" in the caucus room of the Cannon House Office Building on Wednesday, the 9th of May, 1979.

The event was honored by a message of the President of the United States, and of several Members of the U.S. Congress. The commemorative message of the Citadel, Military College of South Carolina, Charleston, S.C., was presented by Brig. Gen. T. C. Pinckney, U.S. Air Force, Director, East Asian and Pacific Region, Office of the Assistant Secretary of Defense, International Security Affairs, The Pentagon, an alumnus of the Citadel. The military merits of Col. Kovats, and the Legion (originally called "American Legion" or "Independent Legion") were expounded by Lt. Gen. Daniel O. Graham, USA (retired). Former Director, U.S. Defense Intelligence Agency, national cochairman, Coalition for Peace through Strength. Another distinguished American, the Honorable Edward Mezvinsky, U.S. Representative to the United Nations Committee on Human Rights addressed the gathering of "The Pulaski Legion: a Model for Inter-Ethnic Cooperation."

Dr. Elemer Bako, area specialist in the European Division of the Library of Congress, and Director of the Bicentennial Research Department of the Washington Chapter of the American Hungarian Federation, lectured on "Col. Michael Kovats de Fabricy: Commandant of the Pulaski Legion: Man and Mission."

In the following, I wish to insert Dr. Bako's lecture:

We all have heard, by now, in the addresses of the two distinguished generals, about the historical and military values provided for us, for the entire Nation, for all future generations of Americans and the future waves of immigrants coming to the shores of this great land, who will appear on the stage of history to populate, to defend, to build and to lead this ever-growing country of the United States of America, in the lives of Hungarian-born Michael Kovats de Fabricy, and Polish-born Casimir Pulaski.

To emulate their importance to American history, particularly to American military history, is not my task tonight.

To compare their virtues, their leadership abilities, the forms and the substance of their demonstrated loyalty to the cause of the freedom and independence of the United States, to study their individual (but, basically, very similar) motivations in the service of universal human rights and liberties, is not my present task either.

This day, and this occasion particularly, are dedicated to the memory of the 200th anniversary of the victorious defense of Charleston, South Carolina, in the month of May, 1779, and especially by us, American Hungarians, to the bicentennial of the heroic self-sacrifice of Colonel Kovats, a lonely man, coming from the heartland of my own Hungarian nation, whose life was turned into an eternal example for all Americans, but, most of all, for all American Hungarians.

Colonel Michael de Kovats arrived to this country with the sense of a mission.

I shall appraise him as a fellow Hungarian, the very first among us, American Hungarians, who sacrificed his life in the defense of this great country, with that mission in his heart and mind.

In his background, he had a thorough, classical education, most probably received at the Reformed College of Debrecen, the center of Hungarian Calvinism, my own Alma Mater. As demonstrated by his letter dated January 13, 1777, to Benjamin Franklin, then American envoy in France, while waiting in the port city of Bordeaux, France, for his departure to America, Michael de Kovats has learned his Latin well: a language which had been used by Hungarians, Protestants and Catholics alike, as a shield to fend off the encroaching Germanization efforts by the Habsburg Kings, and by their enormous bureaucracy. More than that, the same Latin language, long recognized as the medium of expression of Classic Rome's democracy, had been used as a sword by Hungarian writers, historians and politicians, to expound their own beliefs in the ideas of liberty and independence, as they have been perpetuated in writing, in the same Latin language, in the laws and decrees of the Hungarian Constitution, ever since the reign of Hungary's first Christian king, Saint Stephen which began in the first year of the Second Millennium.

The shocks caused by the Reformation and Hunguarian nation, the two camps often struggling for the implementation of their own principles in the religious, educational or social domains of action. While Roman Catholic Hungarians received their backing from the Catholic powers within the enormous Holy Roman Empire, ruled by Habsburg Emperors (who, since 1526, were also Kings of Hungary), the Protestants (most of them Calvinists) had to struggle, in most situations, for survival. Led by the Protestant Princes of the Hungarian Principate of Transylvania, they turned to the Protestant powers of Europe: to England, Holland, Sweden, and, later, to the emerging Protestant rulers of Northern and Eastern Germany.

Most of these Protestant contacts crossed Polish territory. Consequently, the geographical closeness and geopolitical similarity between harrassed Polish Catholics and Hungarian Protestants, both involved, again and again, in fighting off the same adversaries: the Habsburgs and the Ottoman Turks, who kept threatening their existence, created a degree of closeness, friendship and affection between Catholic Poles and Protestant Hungarians.

This is the key to the secret of the great friendship and solidarity between the two heroes, Pulaski and Kovats: here, in the United States, so far from their homelands, then again under foreign domination, they have found their common ground of action and they have accepted their common destiny, or, at least, they have worked out their common approach to their destiny.

The key to this common approach is given in the motto and the symbols of the "Pulaski Banner", actually planned and designed by Colonel Kovats. In this banner, he constructed several symbolic elements as historical references to two periods of Hungarian and Polish history into a solid unity of graphic statement on their own, new American situations: a Hungarian-Polish military unit on American soil put under the guidance of the Almighty and in the service of the United States, their new land of hope. The two periods of Hungarian and Polish history, the times of Hungarian-born Stephen Bathort, Poland's memorable king, at the end of the 16th century, and the first decade of the 18th century when Transylvanias' Hungarian prince, Francis Rákóczi II led his 7-year struggle (in 1704-1711) against the Habsburgs, and found refuge in Poland after the lost struggle, are marked deeply in the memory of both nations.

Thus, the banner, also the symbol of the two self-exiled heroes, is a reflection upon the two, then oppressed nations of Hungarians and Poles.

The mission for which Colonel Kovats came to America was expressed in his memorable letter to Benjamin Franklin (of which I quote the following parts):

> I am a free man and a Hungarian. I now am here of my own free will, having taken all the horrible hardships and bothers of this journey, and I am willing to sacrifice myself wholly and faithfully as it is expected of an honest soldier facing the hazards and great dangers of the war, to the detriment of Joseph and as well for the freedom of your great Congress. At last, awaiting your gracious answer, I have no wish greater than to leave forthwith, to be where I am needed most, to serve and die in everlasting obedience to Your Excellency and the Congress.
>
> Most faithful unto death,
>
> MICHAEL KOVATS DE FABRICY.

Michael de Kovats has kept his promise: he remained most faithful unto death to this country and to the cause of American independence.

He also fulfilled his mission: In the short span of a single year, he created, with the enthusiastic support of General

Pulaski, a very effective unit which managed to save the important city of Charleston for another year for General Washington and for the U.S. Congress, with a degree of heroism most uncommon in those times.

The 3 days of the "Battle for Charleston" against an overwhelming enemy, and the followup while, even after the death of Colonel Kovats, the strongly decimated Legion pursued the enemy, out of the Peninsula, and all the way back to Savannah, Ga., should be treated with much more accuracy, appreciation and reverence than the offhandish reference by some of our historians, particularly military historians to the events and the heroic deeds performed by the officers and men of this immortal Legion, in that "Thermopylae of the American South" as "skirmishes."

Three years ago, in the year of the American Bicentennial, I had the honor to address a very distinguished audience at The Citadel, the Military College of South Carolina, at Charleston, which, more than two decades earlier, has honored the memory of Colonel Kovats by naming a training field after him and setting up an impressive marker.

On the same occasion, Lieutenant General Segnious, president of The Citadel, made a statement in the course of his official address which resounded ever since in my heart:

> I don't want Charleston to be remembered in the history books as the "city of surrender," after the disgraceful loss of the city in 1780, when thousands of American officers and men had been marched off as prisoners of war, but as "the city of victorious resistance" of May, 1779, when a small unit of brave, excellently trained and selfless men saved it and General Washington from a British attack across the South for a whole year.
>
> Colonel Kovats' mission was, thus, accomplished. And, as his ancestors have done against the Ottoman Turks throughout 160 years of relentless warfare, and, whenever it became necessary, against the Habsburg kings in the course of the four centuries of their rule over Hungary, this deeply religious Christian hero of human rights and national independence has lifted up high the Banner of Liberty in one of the most critical moments of the American War of Independence.
>
> It is time that we recognize the importance of his services to this great country and pay homage to the man, to the soldier, and to the hero of human rights and freedom.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 24, 1979, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 25

10:00 a.m.

Appropriations
Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1980 for the Office of the Secretary of Transportation.

1224 Dirksen Building

Select on Small Business

To continue hearings to examine the economic concentration in the newspaper publishing industry.

424 Russell Building

Joint Economic

To resume hearings on the Consumer Price Index figures, and on inflationary trends.

345 Cannon Building

JUNE 1

10:00 a.m.

Joint Economic

To hold hearings on the employment-unemployment situation for May.

5110 Dirksen Building

JUNE 4

9:30 a.m.

Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee

To hold hearings on S. 15, to prohibit discrimination on the basis of geography in the issuance and use of credit cards.

5302 Dirksen Building

Select on Ethics

To resume hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

2:30 p.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee

To resume hearings on H.R. 1786, authorizing funds for fiscal year 1980 for the National Aeronautics and Space Administration.

S-146, Capitol

JUNE 5

9:00 a.m.

Commerce, Science, and Transportation

Business meeting, to mark up H.R. 1786, authorizing funds for fiscal year 1980 for the National Aeronautics and Space Administration.

235 Russell Building

9:30 a.m.

Select on Ethics

To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee

To continue hearings on S. 15, to prohibit discrimination on the basis of geography in the issuance and use of credit cards.

5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee

To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast commercial uses of the electromagnetic frequency spectrum.

6226 Dirksen Building

Energy and Natural Resources

To hold closed hearings on the storage of nuclear waste.

S-406, Capitol

JUNE 6

9:00 a.m.

Labor and Human Resources

To hold hearings to explore the impact higher education will have on youth in business for the coming decade.

4232 Dirksen Building

Veterans' Affairs

To hold hearings on S. 870, proposed GI Bill Amendments Act, S. 830, to eliminate the State's required payment in the educational assistance allowance program provided for veterans, and S. 881, to provide for the protection of certain Officers and employees of the VA assigned to perform investigative or law enforcement functions.

6226 Dirksen Building

9:30 a.m.

Select on Ethics

To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
Economic Stabilization Subcommittee

To resume oversight hearings on the gasoline shortages.

5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee

To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

1318 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee

To resume hearings on S. 796, proposed Railroad Deregulation Act.

235 Russell Building

Energy and Natural Resources

Business meeting, on pending calendar business.

3110 Dirksen Building

Rules and Administration

To hold hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.

301 Russell Building

JUNE 7

9:00 a.m.

Labor and Human Resources

To continue hearings to explore the impact higher education will have on youth in business for the coming decade.

4232 Dirksen Building

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee

To hold hearings to examine the effectiveness of warning labels on alcoholic beverages.

155 Russell Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To hold oversight hearings on the implementation of the national blood policy program.
318 Russell Building

9:30 a.m.

Energy and Natural Resources
Energy Regulation Subcommittee
To hold hearings on the Department of Energy's report on the status of the petroleum situation.
3110 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1202 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
Business meeting to mark up proposed legislation authorizing funds for public works and economic development programs of the Economic Development Administration.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
6226 Dirksen Building

Commerce, Science and Transportation
Surface Transportation Subcommittee
To continue hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Rules and Administration
To continue hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.
301 Russell Building

JUNE 8

9:30 a.m.

Labor and Human Resources
Education, Arts, and the Humanities Subcommittee
To resume oversight hearings to explore the areas of basic learning skills used in elementary and secondary schools.
4232 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1202 Dirksen Building

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

JUNE 11

10:00 a.m.

Banking, Housing, and Urban Affairs
International Finance Subcommittee
To hold hearings on S. 339, to facilitate U.S. exports relative to credit to Communist countries.
5302 Dirksen Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To hold hearings to investigate the environmental effects of low level radiation.
4232 Dirksen Building

JUNE 12

9:00 a.m.

*Veterans' Affairs
To hold hearings on S. 689, proposed Veterans' Disability Compensation and Survivors Benefits Act.
6226 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold oversight hearings on the implementation of tax-exempt mortgage financing.
5302 Dirksen Building

Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings on S. 950, proposed Omnibus Solar Energy Commercialization Act.
3110 Dirksen Building

JUNE 13

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To continue hearings on S. 950, proposed Omnibus Solar Energy Commercialization Act.
3110 Dirksen Building

2:00 p.m.

Labor and Human Resources
Business meeting, to mark up S. 570, to control increases in hospital revenues (Hospital Cost Containment).
4232 Dirksen Building

JUNE 14

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611, and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

Select on Indian Affairs
To hold hearings on S. 668, to allow the Cow Creek Band of the Umpqua Indians of Oregon to file a claim with the U.S. Court of Claims for alleged failure of the United States to fulfill treaty obligations.
6226 Dirksen Building

10:30 a.m.

Banking, Housing, and Urban Affairs
To hold oversight hearings on the activities of financial institutions relative to the sale of insurance.
5302 Dirksen Building

JUNE 15

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
235 Russell Building

JUNE 18

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcasting uses of the electromagnetic frequency spectrum.
235 Russell Building

Banking, Housing, and Urban Affairs
International Finance Subcommittee
To hold hearings on S. 864, to establish an office within the Department of Commerce, which would promote and encourage the formation and utilization of export trade associations.
5302 Dirksen Building

JUNE 19

9:30 a.m.

Commerce, Science, and Transportation
To resume oversight hearings on the trucking industry's economic regulation by the Federal Government, focusing on household moving and the problems confronting both the household goods carriers and the consumers they serve.
235 Russell Building

*Energy and Natural Resources
To hold oversight hearings on the activities of programs administered by the Surface Mining Control and Reclamation Act of 1977.
3110 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
International Finance Subcommittee
To continue hearings on S. 864, to establish an office within the Department of Commerce, which would promote and encourage the formation and utilization of export trade associations.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
1202 Dirksen Building

JUNE 20

9:00 a.m.

*Veterans' Affairs
To hold hearings on S. 759, to provide for the right of the United States to recover the costs of hospital nursing home or outpatient medical care furnished by the Veterans' Administration to veterans for nonservice-connected disabilities to the extent that they have health insurance or similar contracts.
6226 Dirksen Building

9:30 a.m.

Labor and Human Resources

To hold hearings on S. 446, proposed Equal Employment Opportunity for the Handicapped Act.

4232 Dirksen Building

10:00 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume hearings on S. 796, proposed Railroad Deregulation Act.

235 Russell Building

Energy and Natural Resources

Business meeting on pending calendar business.

3110 Dirksen Building

Labor and Human Reserves

•Health and Scientific Research Subcommittee

To hold hearings on S. 568, to provide for the potential contribution and advancement of women in scientific, professional, and technical careers, and on proposed national health insurance programs.

457 Russell Building

JUNE 21

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation to develop techniques for analyzing and stimulating technological and industrial innovation by the Federal Government.

6226 Dirksen Building

•Energy and Natural Resources

To resume oversight hearings on the activities of programs administered by the Surface Mining Control and Reclamation Act of 1977.

3110 Dirksen Building

Labor and Human Resources

To continue hearings on S. 446, proposed Equal Employment Opportunity for the Handicapped Act.

4232 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs

Financial Institutions Subcommittee

To hold hearings on proposed legislation to establish financial reform programs.

5302 Dirksen Building

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To continue hearings on S. 796, proposed Railroad Deregulation Act.

235 Russell Building

•Labor and Human Resources

Health and Scientific Research Subcommittee

To continue hearings on S. 568, to provide for the potential contribution and advancement of women in scientific, professional, and technical careers, and on proposed national health insurance programs.

457 Russell Building

JUNE 25

9:30 a.m.

Finance

Taxation and Debt Management Subcommittee

To hold hearings on S. 192 and 208, bills to provide for the tax treatment of foreign investors for property located in the United States.

2221 Dirksen Building

10:00 a.m.

Labor and Human Resources

Health and Scientific Research Subcommittee

To resume hearings on S. 1177, to establish a partnership between the Federal Government and the States in the planning and provision of mental health services.

4232 Dirksen Building

JUNE 26

9:00 a.m.

Labor and Human Resources

To hold hearings on S. 1076, proposed Multiemployer Pension Plan Amendments Act.

4232 Dirksen Building

9:30 a.m.

Commerce, Science, and Transportation

To resume oversight hearings on the trucking industry's economic regulation by the Federal Government.

235 Russell Building

10:00 a.m.

Energy and Natural Resources

Energy Conservation and Supply Subcommittee

To hold hearings on S. 734, proposed Federal Power Marketing Revolving Fund Act.

3110 Dirksen Building

Labor and Human Resources

Education, Arts, and the Humanities Subcommittee

To hold hearings on proposed authorizations through fiscal year 1964 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

1114 Dirksen Building

JUNE 27

9:00 a.m.

Labor and Human Resources

To continue hearings on S. 1076, proposed Multiemployer Pension Plan Amendments Act.

4232 Dirksen Building

9:30 a.m.

Commerce, Science, and Transportation

To continue oversight hearings on the trucking industry's economic regulation by the Federal Government.

235 Russell Building

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To resume hearings on proposed legislation to develop techniques for analyzing and stimulating technological and industrial innovation by the Federal Government.

6226 Dirksen Building

10:00 a.m.

Energy and Natural Resources

Business meeting on pending calendar business.

3110 Dirksen Building

Labor and Human Resources

Education, Arts, and the Humanities Subcommittee

To continue hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

1318 Dirksen Building

JUNE 28

10:00 a.m.

Energy and Natural Resources

Energy Conservation and Supply Subcommittee

To resume hearings on S. 734, proposed Federal Power Marketing Revolving Fund Act.

3110 Dirksen Building

Labor and Human Resources

Education, Arts, and the Humanities Subcommittee

To continue hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

4232 Dirksen Building

JULY 10

10:00 a.m.

Energy and Natural Resources

Energy Resources and Materials Production Subcommittee

To hold oversight hearings on the implementation of the Outer Continental Shelf Leasing program.

3110 Dirksen Building

JULY 11

9:30 a.m.

Labor and Human Resources

To resume hearings to explore the impact higher education will have on youth in business for the coming decade.

4232 Dirksen Building

JULY 12

9:30 a.m.

Labor and Human Resources

To continue hearings to explore the impact higher education will have on youth in business for the coming decade.

4232 Dirksen Building

•Veterans' Affairs

To hold oversight hearings on the efforts made by the Veterans' Administration to provide information on benefits due incarcerated veterans.

6226 Dirksen Building

10:00 a.m.

Energy and Natural Resources

Energy Resources and Materials Production Subcommittee

To resume oversight hearings on the implementation of the Outer Continental Shelf Leasing program.

3110 Dirksen Building

JULY 24

9:30 a.m.

Labor and Human Resources

To resume hearings on S. 446, proposed Equal Employment Opportunity for the Handicapped Act.

4232 Dirksen Building

CANCELLATIONS

JUNE 6

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold joint hearings with the House Subcommittee on Science, Research and Technology of the Committee on Science and Technology, to examine U.S. policies and initiatives of the U.S. Conference on Science and Technology for Development.

5110 Dirksen Building

HOUSE OF REPRESENTATIVES—*Thursday, May 24, 1979*

The House met at 10 a.m.

Rev. Michael B. Easterling, Briggs Baptist Church, Bethesda, Md., offered the following prayer:

Hear the words of the Scriptures:

This is the day the Lord has made; let us rejoice and be glad in it.

Source of our lives, may we not be a kind of people who are consumed by the past, either its mistakes or its victories.

May we not be a kind of people who are totally preoccupied with the future and its uncertainties.

But may we be a kind of people who recognize the gift and the sacredness of today.

May we enjoy today.

Lead us in all of our deliberations today.

Grant to us wisdom as we make decisions today.

Be with us in all of our relationships today.

Enable us to wisely focus on causes which are greater than ourselves today.

As we ultimately lay this day to rest; may we have lived it; may we have served in it; may we have done the best that we could.

In Thy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following title:

H.R. 2805. An act to make technical and conforming changes to the financial disclosure provisions in the Ethics in Government Act of 1978; and

H. Con. Res. 126. Concurrent resolution providing for an adjournment of the House from May 24 to May 30, 1979, and a recess of the Senate from May 24 to June 4, 1979.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 631. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne.

The message also announced that the Senate receded from its amendment to the concurrent resolution of the House:

H. Con. Res. 107. Concurrent resolution setting forth the congressional budget for the United States Government for the fiscal year 1980 and revising the congressional budget for the United States Government for the fiscal year 1979.

And agreed to the conference report with a further amendment in which concurrence of the House is requested.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3173. An act to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize international security assistance programs for fiscal years 1980 and 1981, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 918) entitled "An act to amend the Small Business Act and Small Business Investment Act of 1958 and for other purposes," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Nelson, Mr. Nunn, Mr. Culver, Mr. Huddleston, Mr. Bumpers, Mr. Morgan, Mr. Sasser, Mr. Stewart, Mr. Baucus, Mr. Levin, Mr. Weicker, Mr. Packwood, Mr. Hatch, Mr. Hayakawa, Mr. Schmitt, Mr. Boschwitz, and Mr. Pressler to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 241. An act to restructure the Federal Law Enforcement Assistance Administration, to assist State and local governments in improving the quality of their justice systems, and for other purposes;

S. 383. An act to amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes;

S. 716. An act to amend the Retired Federal Employees Health Benefits Act, as amended, with respect to the Government contribution toward subscription charge;

S.J. Res. 63. Joint resolution to designate the year of 1979 as the "Food-for-Peace Year";

S.J. Res 68. Joint resolution to authorize and request the President to proclaim the week of June 17 through 23, 1979, as "Product Safety Week"; and

S.J. Res. 81. Joint resolution to require continuation of rail service by the Chicago, Milwaukee, Saint Paul, and Pacific Railroad for a period of sixty days.

The message also announced that the Senate failed to agree to Senate Resolution 126, entitled "Resolution to disapprove Reorganization Plan Numbered 1."

TOO LATE FOR DISAPPROVAL RESOLUTION OF DOT'S AMTRAK ROUTE RESTRUCTURING PROPOSAL

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, time has now run out. The statutory deadline for the House to consider a resolution of disapproval of the Amtrak route restructuring proposal developed by the Department of Transportation has passed. I think we have made a mistake, and I think it is particularly regrettable that the full House never had the chance to go on record by voting on a disapproval resolution.

Nonetheless, that opportunity is behind us. We need to look to what can be done to assure that we have an adequate passenger rail system to respond to America's needs. And, clearly, the motor fuel shortages which are beginning to hit and which have all indications of being with us for a sustained period of time have changed those needs. Recent ridership figures make it obvious that Americans recognize the need for modes of transportation other than their cars, and I would add that the increases in ridership have been most dramatic on the long distance Amtrak routes, many of which the DOT plan will discontinue.

The Commerce Committee has reported a bill, H.R. 3996, to amend Amtrak's authorization. The bill recognizes some of the problems with the DOT study and addresses them. I am not sure that it goes far enough, and I am looking at the bill carefully to see what improvements might be in order. That measure is an important one; it holds our last opportunity to make sure that we have a passenger rail system in this country that works for both individuals and for the national good.

STATE HAS NO RIGHT TO TAKE HUMAN LIFE

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. KOSTMAYER. Mr. Speaker, the deaths of two men scheduled to die in Florida's electric chair have been delayed for the time being.

In signing the orders for their electrocution, that State's Governor said:

> There will be less brutality in our society if it is made clear we value human life.

The Governor could make no more eloquent statement on behalf of human life and against its brutality than to spare the ravaged lives of these two men.

Their deaths will not restore the lives they took but can only add to the burden of sorrow they have imposed on society.

The recent refusal of a San Francisco jury to impose the death penalty on the convicted murderer of that city's mayor and a city supervisor is further evidence that the death penalty is not applied uniformly.

☐ This symbol represents the time of day during the House Proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

But whether in California or Florida there is no right by the State to deprive any citizen of his life.

Juries can err and justice is not yet blind to the color of a man's skin or his poverty.

The taking of a life by any government can only reduce its value before all citizens.

PERMISSION TO FILE CONFERENCE REPORT ON S. 7, VETERANS' HEALTH CARE AMENDMENTS OF 1979

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on S. 7, Veterans' Health Care Amendments of 1979.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

NAVY MOTION PICTURE SERVICE TO REMAIN IN BROOKLYN

(Mr. RICHMOND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHMOND. Mr. Speaker, those of us in Congress who represent densely populated, inner-city districts are often reminded of how seemingly "minor" decisions by bureaucrats here in Washington can have a devastating impact on the quality of life in our communities. An innocent decision to move a small Federal facility from one area of the country to another may in fact do irreparable harm in terms of unemployment and economic instability.

Such was the case with the Navy's Motion Picture Service, located in the Brooklyn Navy Yard in my district. In February, the Navy Department proposed moving the Motion Picture Service from Brooklyn to California. The result of the proposed move would have been the loss of only 44 civilian jobs.

Yet, this small unit has a $525,000 payroll and a $7 million budget. Thus, a "simple" move would have resulted in devastating long-term effects on surrounding Brooklyn neighborhoods.

Mr. Speaker, I am happy to announce that this story has a happy ending. My colleagues in the New York State congressional delegation joined me in overwhelmingly opposing this move. The Secretary of the Navy this week withdrew the proposal, and the Navy Motion Picture Service will remain in the Brooklyn Navy Yard.

INTRODUCTION OF SENSE-OF-THE-HOUSE - OF - REPRESENTATIVES RESOLUTION ON ENERGY CRISIS

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I am going to read a resolution that I am now introducing.

> It is the sense of the House of Representatives that the deepening energy crisis demands strong and positive action and leadership on the part of the Government and that the President, in the interest of the National security and welfare of the people, should exercise the power he now possesses to assure that by increasing refineries, pipelines and other facilities, and by other positive action, the energy needs of the people of the Nation shall, as far as possible, be met; further, that if the President in his judgment lacks authority to assure the maximum production of energy for the Nation, Congress will give immediate consideration to his request for such authority.

I think the time has come for a policy of action and firm leadership, and I hope the Members will give approval to this resolution.

☐ 1010

SHORTAGE OF DIESEL FUEL FOR OIL WELL DRILLERS

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, Texans are doing all they can to produce enough oil to meet the needs of all regions of this country—but a totally absurd situation has developed which seriously hinders that effort.

The Congress knows diesel fuel is presently in short supply. What Congress may not know is that 95 percent of the oil rigs used to drill oil wells in Texas and other producing States run on diesel fuel—and, incredibly, Federal allocation regulations are denying them the fuel they need to operate. Drillers are told to drill more holes in the ground to provide more oil from which gasoline and diesel fuel can be refined—but then are not allowed enough diesel fuel to run the engines that run the drilling rigs. That is sheer idiocy.

I hope that Department of Energy officials will respond reasonably once they have met with a number of drilling contractors in a meeting I am now organizing. Nonetheless, I urge every Member of this House to demand that immediate remedial action is taken. Whatever your feelings may be on the direction our energy program should take, you cannot allow this situation to continue.

APPOINTMENT AS MEMBERS OF ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

The SPEAKER. Pursuant to the provisions of section 3(a), Public Law 86-380, the Chair appoints as members of the Advisory Commission on Intergovernmental Relations the following Members on the part of the House:

Mr. FOUNTAIN of North Carolina;

Mr. RANGEL of New York; and

Mr. BROWN of Ohio.

APPOINTMENT AS MEMBERS OF NATIONAL COMMISSION ON THE INTERNATIONAL YEAR OF THE CHILD

The SPEAKER. Pursuant to section 1502(c), Public Law 95-561, the Chair appoints as members of the National Commission on the International Year of the Child the following Members on the part of the House:

Mr. RANGEL of New York, and
Mrs. SMITH of Nebraska.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 169]

Anderson, Ill.
Baldus
Beilenson
Biaggi
Bingham
Bouquard
Brown, Ohio
Burgener
Burton, John
Burton, Phillip
Byron
Cavanaugh
Chisholm
Clausen
Clay
Conyers
Corman
Davis, S.C.
Deckard
Diggs
Dingell
Dixon
Dodd
Drinan
Foley
Ford, Mich.
Forsythe
Frenzel
Fuqua
Garcia
Gibbons
Gray
Harsha
Hightower
Hubbard
Latta
Leath, Tex.
Leland
Lent
McCormack
McKay
McKinney
Madigan
Marriott
Mathis
Matsui
Miller, Calif.
Moffett
Moorhead, Pa.
Nolan
Rangel
Reuss
Ritter
Roth
Runnels
Santini
Scheuer
Seiberling
Smith, Iowa
Stark
Stockman
Stokes
Symms
Synar
Trible
Udall
Vander Jagt
Walgren
Wampler
Waxman
Weaver
Williams, Ohio
Wilson, C. H.
Yates
Young, Alaska

☐ 1030

The SPEAKER pro tempore (Mr. KILDEE). On this rollcall 359 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

MOTION TO CONCUR IN SENATE AMENDMENT TO HOUSE CONCURRENT RESOLUTION 107, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1980

Mr. GIAIMO. Mr. Speaker, I move to take from the Speaker's table the concurrent resolution (H. Con. Res. 107) setting forth the congressional budget for the U.S. Government for the fiscal year 1980 and revising the congressional budget for the U.S. Government for the fiscal year 1979, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. GIAIMO moves to take from the Speaker's table the concurrent resolution, House Concurrent Resolution 107, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert:

That Congress hereby determines and declares, that pursuant to section 304 of the Congressional Budget Act of 1974:

REVISIONS TO THE SECOND CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1979

(a) Section 1 of H. Con. Res. 683 is revised as follows:

(1) The recommended level of Federal revenues is $461,000,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $100,000,000.

(2) The appropriate level of total new budget authority is $559,200,000,000.

(3) The appropriate level of total budget outlays is $494,450,000,000.

(4) The amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $33,450,000,000.

(5) The appropriate level of the public debt is $834,200,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $4,200.000.000.

(b) Section 2 of H. Con. Res. 683 is revised as follows:

(1) National Defense (050):

(A) New budget authority, $127,000,000,000;

(B) Outlays, $114,400,000,000.

(2) International Affairs (150):

(A) New budget authority, $11,400,000,000;

(B) Outlays, $7,500,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $5,400,000,000;

(B) Outlays, $5,200,000,000.

(4) Energy (270):

(A) New budget authority, $7,600,000,000;

(B) Outlays, $7,400,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $12,900,000,000;

(B) Outlays, $11,300,000,000.

(6) Agriculture (350):

(A) New budget authority, $8,300,000,000;

(B) Outlays, $6,200,000,000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $5,900,000,000;

(B) Outlays, $2,900,000,000.

(8) Transportation (400):

(A) New budget authority, $19,100,000,000;

(B) Outlays, $17,000,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $9,200,000,000;

(B) Outlays, $9,700,000,000.

(10) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $32,700,000,000;

(B) Outlays, $29,700,000,000.

(11) Health (550):

(A) New budget authority, $53,000,000,000;

(B) Outlays, $49,700,000,000.

(12) Income Security (600):

(A) New budget authority, $194,150,000,000;

(B) Outlays, $161,100,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $20,400,000,000;

(B) Outlays, $20,200,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,200,000,000;

(B) Outlays, $4,200,000,000.

(15) General Government (800):

(A) New budget authority, $4,300,000,000;

(B) Outlays, $4,200,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New budget authority, $8,650,000,000;

(B) Outlays, $8,750,000,000.

(17) Interest (900):

(A) New budget authority, $52,400,000,000;

(B) Outlays, $52,400,000,000.

(18) Allowances (920):

(A) New budget authority, $700,000,000;

(B) Outlays, $700,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority. $18,100,000000;

(B) Outlays, $18,100,000,000.

SEC. 2. (a) Pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1979—

(1) the recommended level of Federal revenues is $509,000,000,000, and the amount by which the aggregate level of Federal revenues should be increased or decreased is zero;

(2) the appropriate level of total new budget is $604,400,000,000;

(3) the appropriate level of total budget outlays is $532,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other revelant factors is $23,000,000,000; and

(5) the appropriate level of the public debt is $887,200,000,000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $57,200,000,000.

(b) Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1979, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $136,600,000,000;

(B) Outlays, $124,200,000,000.

(2) International Affairs (150):

(A) New budget authority, $12,600,000,000;

(B) Outlays, $7,900,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $5,700,000,000;

(B) Outlays, $5,500,000,000.

(4) Energy (270):

(A) New budget authority, $18,800,000,000;

(B) Outlays, $6,800,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority. $12,600,000,000;

(B) Outlays, $11,700.000,000.

(6) Agriculture (350):

(A) New budget authority, $5,000,000,000:

(B) Outlays, $5,400.000.000.

(7) Commerce and Housing Credit (370):

(A) New budget authority, $6,900,000,000;

(B) Outlays, $3,200,000.000.

(8) Transportation (400):

(A) New budget authority, $19,450,000,000;

(B) Outlays, $18,200,000,000.

(9) Community and Regional Development (450):

(A) New budget authority, $8,900,000,000;

(B) Outlays, $8,100,000,000.

(10) Education, Training, Employment, and Social Services (500):

(A) New budget authority. $30,850,000,000;

(B) Outlays, $30,500,000,000.

(11) Health (550):

(A) New budget authority, $58,100,000,000;

(B) Outlays, $53,600,000,000.

(12) Income Security (600):

(A) New budget authority, $214,800,000,000;

(B) Outlays, $183,300,000,000.

(13) Veterans Benefits and Services (700):

(A) New budget authority, $21,200,000,000;

(B) Outlays, $20,600,000,000.

(14) Administration of Justice (750):

(A) New budget authority, $4,200,000,000;

(B) Outlays, $4,400,000,000.

(15) General Government (800):

(A) New budget authority, $4,400,000,000;

(B) Outlays, $4,300,000,000.

(16) General Purpose Fiscal Assistance (850):

(A) New Budget authority, $8,100,000,000;

(B) Outlays, $8,100,000,000.

(17) Interest (900):

(A) New budget authority, $56,000,000,000;

(B) Outlays, $56,000,000,000.

(18) Allowances (920):

(A) New budget authority, −$100,000,000;

(B) Outlays, −$100,000,000.

(19) Undistributed Offsetting Receipts (950):

(A) New budget authority, −$19,700,000,000;

(B) Outlays, −$19,700,000,000.

BUDGET AGGREGATES FOR FISCAL YEARS 1981 AND 1982

SEC. 3. (a) In order to achieve a balanced budget in fiscal years 1981 and 1982, the following aggregate budgetary levels recommended by the Senate are appropriate for fiscal years 1981 and 1982—

(1) The recommended level of revenues is as follows:

Fiscal year 1981: $583,300,000,000;
Fiscal year 1982: $621,000,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:

Fiscal year 1981: +$4,600,000,000;
Fiscal year 1982: −$49,900,000,000;

(2) the appropriate level of budget authority is as follows:

Fiscal year 1981: $640,300,000,000;
Fiscal year 1982: $691,600,000,000;

(3) the aggregate level of total budget outlays is as follows:

Fiscal year 1981: $577,700,000,000;
Fiscal year 1982: $616,900,000,000;

(4) the amount of surplus in the budget is as follows:

Fiscal year 1981: $5,000,000,000;
Fiscal year 1982: $4,100,000,000;

(5) the appropriate level of the public debt is as follows:

Fiscal year 1981: $912,600,000,000;
Fiscal year 1982: $947,500,000,000.

(b) The House projects the following budget aggregate for fiscal years 1981–82, based on the policies assumed in section two above—

(1) The level of Federal revenues is as follows:

Fiscal year 1981: $579,800,000,000;
Fiscal year 1982: $655,300,000,000;

(2) the level of total new budget authority is as follows:

Fiscal year 1981: $658,700,000,000;
Fiscal year 1982: $721,400,000,000;

(3) the level of total budget outlays is as follows:

Fiscal year 1981: $577,700,000,000;
Fiscal year 1982: $622,700,000,000;

(4) the amount of surplus in the budget is as follows:

Fiscal year 1981: $2,100,000,000;
Fiscal year 1982: $32,600,000,000;

(5) the level of the public debt is as follows:

Fiscal year 1981: $916,100,000,000;
Fiscal year 1982: $922,500,000,000.

GENERAL PROVISIONS

SEC. 4. (a) The Congress recognizes that the activities of off-budget Federal entities are excluded from the budget by law. The Congress recommends that a way be found within the Congressional budget process to relate accurately the estimates of off-budget

Federal entities and capital expenditures to the unified budget.

(b) In 1979 each standing committee of the House of Representatives shall report by July 1 to the House of Representatives its recommendations and the status of its actions with respect to new spending authority including all legislative savings, and other reforms, targeted by the first concurrent resolution on the budget for the fiscal year ending on September 30 of that same year. This report shall include any additional legislative savings which the committee believes should be considered by the House in the programs for which such committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives specific recommendations as to all possible legislative savings for the programs for which the committee has responsibility.

In 1980, each standing committee of the House of Representatives shall include in its March 15 report to the Budget Committee of the House of Representatives an estimate of the unobligated (and unexpended) balances of budget authority, an analysis of the extent to which such unexpended or unobligated balances could reasonably be reduced, and what steps, if any, have been or are being taken to reduce such balances.

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The SPEAKER pro tempore. The gentleman from Connecticut (Mr. Giaimo) is recognized for 1 hour.

Mr. GIAIMO. Mr. Speaker, I yield 30 minutes for the purposes of debate only to the gentleman from New York (Mr. Conable), pending which I yield myself 6 minutes.

GENERAL LEAVE

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and to include extraneous matter, on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Mr. Speaker, the purpose of this motion is to concur in the Senate amendment, as amended last night by the Senate. As a result of the vote yesterday, we asked to go to conference with the Senate. We did not go to conference, but we were in communication with the Senate.

The Senate conferees went to the Senate late yesterday afternoon and asked for consideration and voted on revising the Senate amendment by increasing the educational function, or function 500, by $350 million in budget authority and providing nothing more in outlays.

The reason we can increase budget authority by $350 million without affecting outlays is because this money deals with eduaction, and, therefore, much of it is forward funded. We are talking about a total function for education of about $14.7 billion plus $350 million. I think it is about $15 billion. Much of it is forward funded, and, therefore, it would not have an effect on 1980 outlays. Therefore, the deficit is the same and does not increase.

The Senate voted on that, and the Senate amendment is back before us for either acceptance or rejection. If we reject it, we still will not have adopted a first budget resolution for 1980 or a third budget resolution for 1979.

Mr. Speaker, I urge the adoption of this resolution. I believe it meets the complaint which many Members had about the reduction in the education function, and I would say it is a target resolution. There remain additional controversies which can and will be ironed out via the appropriation process, which cannot start until we get this first budget resoluion in order and in place. It should have been in place by May 15. We are considerably late, and I urge adoption of this motion on the concurrent resolution.

Ms. HOLTZMAN. Mr. Speaker, will the gentleman yield?

Mr. GIAIMO. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Speaker, with respect to the revenue figure in this budget resolution that is before us today, I understand the conference report contains the House revenue figure of $509 billion. The House revenue figure included $1.2 billion to reflect the House vote calling for a substantial modification of the foreign tax credit for oil companies. I take it that this $1.2 billion resulting from the House action on the foreign tax credit for oil companies is contained in the conference report?

Mr. GIAIMO. Mr. Speaker, the Senate conferees accepted our revenue figure. There is no controversy over the revenue figure. Our revenue figure was included. The gentlewoman's foreign tax credit revision was accepted, and that would be the case.

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman.

Mr. MITCHELL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Speaker, I thank the gentleman for yielding.

Under this new arrangement, the gentleman indicates that $350 million is going into education. The most pressing problem, of course, for many of our constituents is still unemployment.

Is any adjustment made in terms of attempting to reduce the unemployment that is racking so many of our communities? Is there any of the $350 million going into unemployment or for job programs or job training programs?

Mr. GIAIMO. Mr. Speaker, let me explain to the gentleman from Maryland that education, which was at $14.7 billion, is part of the total function 500. That includes jobs, as the gentleman knows, which was at $30.5 billion.

The major objection here yesterday, as I understood it, was that we were not providing sufficiently for educational programs, as we had done in the House bill originally. By having this additional $350 million in function 500, I would assume the argument could well be made that it will take the pressure off the other competing programs—not education programs—in that function and, therefore, there is a larger number of dollars totally in that function, and that should alleviate in some degree the pressures to find money for the training programs.

I think that was one of the arguments the gentleman from Wisconsin (Mr. Obey) was making yesterday, if I am not wrong.

Mr. MITCHELL of Maryland. Mr. Speaker, I thank the gentleman.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for his comments addressed to the gentleman from Maryland (Mr. Mitchell). That in some degree answers my question.

We on the minority were not privy to the discussions that went on between the House and the Senate relative to this particular function 500. Apparently there was some sort of mental operation among those engaged in this conference to the effect that the money was to be used for education. However, function 500 does include a substantial number of other items.

The SPEAKER pro tempore. The time of the gentleman from Connecticut (Mr. Giaimo) has expired.

Mr. GIAIMO. Mr. Speaker, may I ask the gentleman from New York (Mr. Conable) if he would yield 1 additional minute to me?

Mr. CONABLE. Mr. Speaker, I yield 1 additional minute to the gentleman from Connecticut (Mr. Giaimo), and I ask the gentleman to yield further to me.

Mr. GIAIMO. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I would just like to have the gentleman's assurance that this money is addressed to education and not to some other part of the functions. Despite what the gentleman said to the gentleman from Maryland (Mr. Mitchell) that it takes pressure off the item, we would like to know the justification for a change in $350 million in the budget.

Mr. GIAIMO. First, Mr. Speaker, I think we are getting into the problems of the appropriating committees, because they are the ones that are going to allocate this money. But suffice it to say that I think the real pressure yesterday for the addition of moneys was for education, and, therefore, I think it was in reaction to that pressure that the other body came forth with a greater proposal in the area of education which technically increases the whole function 500.

But I think it is specifically directed to education. Nevertheless, by increasing the total amount, the appropriating committees can apportion that money as best they see fit, and in that sense it will take pressure off the job programs.

The SPEAKER pro tempore. The time of the gentleman from Connecticut (Mr. GIAIMO) has expired.

□ 1040

Mr. CONABLE. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, I rise in opposition to this resolution. By adding another $350 million to budget authority, but not to outlays, the majority has made it even more difficult to achieve a balanced budget in 1981 or 1982. Instead of the same old spend-now-pay-later policy, it might be modified to be called the spend-later-never-pay policy.

We might recall that just a few days ago the Brookings Institution published a report in which they said that the budget was simply a one-year shot at restraint and really did not deal with the long-term problem of excessive Government spending.

This modification made last night by the majority clearly indicates that this is the case, because we have the same $23 billion deficit for fiscal year 1985, but by adding the additional $350 million budget authority, it creates increased pressure to spend more money in future years.

I would appeal particularly to my colleagues on my side of the aisle. Yesterday two-thirds of the minority voted against the budget resolution. Today this budget resolution is $350 million worse—not better. If you could vote against it yesterday, I respectfully suggest you can more easily vote against it today.

I would say particularly to those on my side of the aisle, let us demonstrate that there is more than a dime's worth of difference between the two great parties in this land. Let us demonstrate by our vote that we are opposed to a $23 billion deficit, that we are opposed to a blueprint of the majority which provides no tax cuts to the American people, that we are opposed to the blueprint crafted by the majority which provides for the more spending and tax increases laid on the American people. Let us indicate that we have a different dream for America. Let us indicate that our dream for America and for the American people is one which envisions less spending, and lower taxes so that initiative can be regained in this great land of ours and so that the American people might be able to once again spend and invest and achieve through their own personal efforts without the heavy hand of a massive Government being laid upon them and stifling their energies and initiative.

Let us oppose this resolution crafted by the majority party.

Mr. GIAIMO. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, yesterday by a vote of 260 to 144 the House, in my judgment, wisely defeated this budget resolution, because the product which was brought to this House for acceptance was $1.9 billion above the House-voted figure for defense and it was $1.8 billion down below the House figure for education and training.

In light of a couple of statements that appeared, for instance, on CBS News this morning, in the Washington Star last night, in the Washington Post this morning, I would like to make clear, first, what the argument yesterday was not about.

First of all, I want to say, as has been indicated by the gentleman from Connecticut, that argument yesterday was not over CETA. The Labor-HEW Appropriations Committee has already recognized that there is going to be a very large carryover in the CETA area. So what the Labor-HEW Appropriations Committee has done is to use that CETA money, which will not be used by the prime sponsors, to repair the budget in the area of health and in the area of education. The argument was not over symbols, as was suggested in an article this morning. The argument was over a real process problem that would have occurred if the budget resolution which we voted on yesterday had been adopted.

Let me explain what I mean. That Labor-HEW bill, which the Appropriations Subcommittee has marked up, is at this moment within the President's budget request. Despite that fact, the budget resolution which was brought to the floor yesterday would have required the chairman of the Budget Committee to stand in this well when the Labor-HEW Subcommittee bill was before us and tell the House that that Labor-HEW bill exceeded the budget resolution by approximately $250 million, thus playing into the hands of those people in this House and in this society who believe that we have not cut deeply enough into education and training programs when we provide in that Labor-HEW appropriation bill for a 10-percent reduction, in real dollar terms, in the purchasing power in that bill. That procedural situation would have played into the hands of those who want to make that cut 12 percent, 13 percent, or 14 percent, in real dollar terms.

That is why we had the argument over education funding yesterday. It has nothing whatsoever to do with symbols. It had a great deal to do with what happens under the budget process.

The second argument was whether we really need $1.9 billion over the figure that the House voted for the Pentagon "wish list," or if you take the chairman's figure, if we really need $1.3 billion over which the Defense committee brought to this House and which was sustained until the Fisher amendment was adopted.

So what do we want done? We wanted function 500 for education and training to be raised by $300 million, and we wanted the Senate to buy a reduction in the defense function and in the foreign aid function by that corresponding $300 million, so there would be no change in budget authority and we would have resulted in fact in a $100 million reduction in the deficit. The Senate refused to do that. The Senate is hung up on defense. One of the Senators, for instance, indicated a few days ago—and this is the state of mind of some Members of the other body—one of the Senators indicated the other day that he could vote for SALT II but said it should be accompanied by acceleration in acquisition of planes, ships, intercontinental nuclear weapons, short-range nuclear weapons and conventional forces, plus more research and development for the weapons systems.

That reminds me of "1984" doublespeak. As a practical result, the vote over there yesterday showed we are not going to be able to change the Senate's mind set on defense spending.

I literally did not know what I was going to do on this resolution until I was driving in this morning, and I finally took one speech out of my pocket and scratched out the notes for this one, and what I would recommend we do is to support this budget resolution. I would ask those Members who voted "no" yesterday to vote "yes" today. With this change, the Labor HEW appropriations bill will not have one hand tied behind its back procedurally when it comes to the floor of this House. Both the defense bill and the Labor-HEW bill will be able to come to the floor in the appropriations process and make their own case unhindered by procedural roadblocks. And that, in a sense, is fair.

□ 1050

The sooner we pass the budget resolution, the sooner we can move on to dealing with the real spending bills in this House, the appropriation bills; the sooner we can make the real choices on the bills that spend the real dollars, and the sooner we move to that process, the sooner we can continue the real fight on the defense function to see to it, on the appropriation bill, that we do not wind up with an incredibly high amount for defense, vis-a-vis social programs.

As the gentleman from Connecticut has said, this is a target only. It defines the limits within which the argument can take place. I believe we ought to adopt this, much as I hate to vote for it, because we do not need some of the dollars in here in function 050. We do not need some of the dollars in here for other functions. But at least this will construct a compromise which will enable us to address the real issues on the real appropriations bills.

I think the most effective way that people, who believe as I do on this subject, can behave today, is to vote so that we can show that we were not dealing in symbols yesterday. We were dealing in real process problems, and we have a fundamental disagreement with what some Members of the Senate are in fact trying to push down the throats of the country in return for a vote on SALT. We can continue to make that struggle known, as we deal with the appropriations bill.

I urge that my colleagues vote for the resolution.

Mr. CONABLE. Mr. Speaker, I yield 4

minutes to the gentleman from Illinois (Mr. MICHEL), the distinguished minority whip.

Mr. MICHEL. Mr. Speaker and my colleagues, I want to first commend my colleague, the gentleman from Pennsylvania (Mr. SHUSTER), for the comment he has made with respect to the differentiation between budget authority and outlays.

Too often we are trying to kid ourselves around here by the fact, well, as long as it is not outlays, it is only budget authority for the future, we need not be concerned about it.

We have to be concerned about those escalating increases, even if they are in such valuable programs as education and health programs.

Having said that, I think we have done an awful lot of posturing around here over 2 or 3 weeks on individual amendments that, in my judgment, have no value whatsoever other than for what we can send back home to the folks in declaring our position, because the real nitty-gritty votes around this House are going to come in June when we have those individual appropriation bills.

The gentleman from Wisconsin, who serves on the subcommittee on which I serve, will amply attest to the fact there will be many opportunities here for cutting some of these programs or raising them if that is our choice on individual votes, on the Labor-Health, Education and Welfare appropriation bill.

I find myself very sympathetic with the majority on my side who have been absolutely opposed to a $23 billion deficit.

We were initially attempting to get the deficit down to $15 billion. Some of us were prepared to support the Holt-Regula substitute that had a deficit in the area of $19 billion. So it is really expecting an awful lot to ask Members on our side to vote for a $23 billion deficit. There certainly will be only a handful of votes on our side supporting this resolution, but I come down personally to the bottom line, which is: what do we get as an alternative at this juncture?

Do we get anything less by way of a deficit? Do we get anything less in social program projections? Do we get anything less in defense expenditures? Oh, now that is a possibility if we go back to conference.

So my bottom line today has got to be, on the basis of what the majority tell us, that we have got the most we are going to get.

We have made our case over here on the Republican side time and time again, and the gentleman from New York can shake his head all he wants to. There is not an issue of taxes in this resolution. If that were the issue, I would be with him, but we do not have that case today. We are talking about expenditures and projections and guidelines, and that is all, not individual appropriations bills. So I am going to be prepared to support the resolution.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from New York (Mr. KEMP), who has made a great case over the period of time, and I love him dearly.

Mr. KEMP. Mr. Speaker, I thank my friend for yielding and just want to say I am not looking for praise from the gentleman, but support. This budget resolution as the gentleman from Pennsylvania pointed out mandates higher unemployment. Under this resolution unemployment goes from 5.7 percent in 1979 up to 6.5 percent in 1980. That will be a loss of almost 1 million jobs, that even the Congressional Budget Office suggests is caused by an increase in tax rates caused by inflation pushing Americans into higher tax brackets. This budget raises taxes in the aggregate by about $50 billicn in just 2 years.

The gentleman is suggesting that we, on this side of the aisle, accept the majority parties' assumption that throwing people out of jobs is an answer to inflation and raising taxes is the way to balance the budget.

Mr. MICHEL. I said nothing about assumptions on the other side. I am just accepting the practical situation for what it is.

How many more times are we going to argue about the assumptions?

Mr. KEMP. If the gentleman will yield further, I go back to the suggestion of the gentleman from Pennsylvania. Why should we support a strategy that suggests that the answer to inflation is to throw people out of work and raise unemployment?

Mr. MICHEL. I think the gentleman very well knows this gentleman is not in that kind of a position.

Mr. KEMP. I know that, my friend from Illinois is my comrade in this battle but, the gentleman should join us in voting against the resolution. If we accept this resolution, we are accepting the premise upon which their budget and strategy is predicated which is recession is the cure for inflation.

Mr. MICHEL. I made no such premise in my presentation. I am just accepting the practical situation for what it is.

How many times are we going to make the argument and fail? I say it is time we get on with the rest of the business for today. As I have said—the key votes will be on the individual appropriation bills which can not be considered until this resolution is finalized. Yes, the aggregates are too high, but I am realistic enough to know that we cannot expect too much economy from this Congress. At best this resolution contains targets for our subsequent actions. As a member of the appropriations committee I can assure you that we will put the House on record later not simply on these levels but attempts will be made to go below these targets. We must get on with our individual appropriation bills.

Mr. GIAIMO. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Speaker, I was one of those who yesterday spoke briefly and voted and urged others to vote in opposition to the resolution.

Since that time, the immediate problem in connection with education has been resolved by the addition of $350 million in budget authority in function 500. So our immediate problem has been resolved.

Has the resolution been made into a perfect resolution, an excellent resolution?

No, it has not. I still have the same problems with it today that I had with it yesterday, but we are faced with a practical situation.

The situation is this: That if we do not accept this resolution today, we are going to delay for a couple of weeks, at least, the process of getting on with the important business of this House, that is, voting on the authorization bills and the appropriation bills that we need to get to. The issues with respect to what should be spent for military, for social programs, are going to be before us. They are going to be before us in authorization and appropriation bills, as the gentleman from Wisconsin has pointed out.

I think the responsible thing to do at this point is to accept this proposition as probably the best that we can do under the difficult circumstances that we find ourselves in.

For those who feel as I do, that the conference committee, of which I was a member, ought to have done a better job, I think that our point has been made and made very well by the overwhelming vote yesterday.

I think that the Budget Committee is on notice, the leadership is on notice, that we have to do a better job, that we have to come closer to a compromise with the Senate instead of giving them as much as we did.

But the problem has been taken care of now in terms of education. I think it is irresponsible to any longer delay the final passage of a budget resolution.

Therefore, I urge my colleagues to vote in support of the resolution.

Thank you.

Mr. GIAIMO. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Speaker, the legislative process is clearly based on compromise and there is probably no part of that process in which compromise is more essential and more necessary than in the formulation and adoption of a budget resolution.

From the point of view of those of us who are concerned about the cities, about the poor, about the minorities, and about the elderly, I think this is not only an honorable but even a favorable compromise.

The second budget conference resolution provides $350 million more in function 500 primarily for education. That is $750 million more than was provided in the President's budget for education programs.

□ 1100

And it is $200 million closer to the House position than the Senate position for function 500 itself.

Now there is, I think, an element of disingenuous demagoguery at work here on the part of some of those who oppose this budget resolution on the grounds that we have gone over the House figure for defense while we have gone under the House figure for social programs in the compromise resolution which is now before us. The fact of the matter is that since the House was under the Senate on defense, while the House was over the Senate on social programs, unless the Senate was willing to completely capitulate and accept the House position on defense and the House position on social programs, whatever compromise budget resolution we came back with by definition would have to be over the House figure on defense and would have to be under the House figure on social programs.

I think we have come back with an honorable compromise. I think it is the best we can get. Some Members have said that they would only be willing to support this if there was some nominal cut in the compromise figure for defense. Let us be truthful with each other. The most we will ever be able to get the Senate to go down on defense—and I do not think we can even do that—would be about $200 million in budget authority. That comes to 0.2 of 1 percent of the $136 billion defense budget. I would like to see more than $200 million taken out, but we are not going to be able to do it.

I say to my friends on this side of the aisle, I do not believe it is worth rejecting this compromise and upsetting the whole process, running the risk of not being able to come forward with a budget resolution at all, simply in order to cut the defense budget by .2 of 1 percent.

We have a Middle East supplemental which is coming up any day now. We need that money to go forward with the peace process in the Middle East. If this budget resolution is not adopted, that Middle East supplemental will not be in order. And so, in the interest of peace in the Middle East, as well as the budget process itself, I urge you to vote for the resolution.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I would like to congratulate my colleague from Connecticut (Mr. GIAIMO) and the members of his committee for the expedition they have shown in bringing this back to us. I do not think there is anything we can do except to approve this budget resolution.

Mr. Speaker, we debated this matter yesterday and I addressed the House in some detail but I take this time to point out once again that involved in this resolution is nothing but targets. The real legislative actions of the Congress will be taken in the authorization and appropriation bills we pass later. The Senate is going to handle those in light of what its beliefs are. The House is going to handle those in light of what its beliefs are and this resolution will have no real impact then. This is merely a target, and we have experienced much unnecessary anguish in dealing with it over the last several weeks.

We must now go ahead with the business of the Congress. But until we adopt this resolution we cannot bring up any bills containing spending authority including all the appropriations bills. So there is a very significant need to adopt the target resolution right now.

Mr. Speaker, I am fearful that many Members have overlooked the fact that this resolution also applies to fiscal year 1979. We have a new ceiling on budget authority and outlays. Pending before the Appropriations Committee are numerous supplemental budget requests. Some of them are very critical and involve disaster relief assistance due to extensive flooding and tornadoes across the country. We have stayed well within the new limits in this pending 1979 supplemental. Under normal circumstances we would have already taken care of these emergency items but we could not do so under the rules because of this budget resolution problem. We need to adopt this resolution now because of these disasters across our country. Payments must be made. So I say again, let us adopt this target resolution now and let us meet our immediate needs.

Mr. Speaker, we have spent just too much time on this resolution debating what I consider to be irrelevant amendments in the form of line increases and decreases which should be handled in appropriation bills.

As example of the futility of the practice the House has fallen into in this regard, let me review our action on a typical amendment we had to the budget resolution when it was before the House these recent weeks.

An amendment was offered to reduce by $515 million in budget authority and $465 million in outlays the totals in the targets for function 600, income security.

Function 600 includes a large number of diverse and unrelated programs which have been more or less arbitrarily placed under this heading as a matter of convenience. Included are such activities as retirement, unemployment payments, disability payments, public assistance payments, benefits to the elderly and coal miners, and low- and middle-income housing. It also includes nutrition programs such as special milk, food stamps, and child nutrition.

This $515 million amendment to function 600 which includes all these programs I have cited would have reduced the target for this broad function. It was stated that amendment was directed at food stamps but, of course, it cannot reach the food stamp legislation in this measure, but, if it should ever become final would reduce the overall target for these many items.

The Budget Act was designed to establish a relationship between total Federal revenue and total Federal spending. It was designed to focus attention on the deficit and the debt, and promote debate on macroeconomic issues.

It was not designed, Mr. Speaker, as a vehicle to debate individual line item programs. That responsibility was preserved in the Budget Act in the traditional authorization and appropriations process.

These targets in this resolution on broad functional categories are nothing but general guidelines and never become anything but targets. There is never anything binding insofar as functions. The only figures that are binding concerning spending are the totals for the entire Federal Government for the budget authority, and budget outlays and those figures are only binding in the second resolution, not the first resolution which is before us now.

The various committees and the House and Senate can and will take actions on specific legislation that provides authority and appropriations for programs. Unquestionably some of these targets will be exceeded and some will not be achieved. They will be forgotten. The point is that we can take whatever action necessary in the legislative process to work our will.

So, Mr. Speaker, the so-called food stamps amendment I have referred to is without meaning and had no real impact. Such amendments have no place in the budget resolution. All these matters will be dealt with in appropriation bills. I have reviewed the 11 of the 13 appropriation bills for fiscal 1980 which have been acted upon by the subcommittees and will soon be before the full committee. They are all under the President's budget. Subcommittee action on the other two bills had not been completed.

Mr. Speaker, we just must move along now and pass this resolution so we might address our urgent needs.

Mr. CONABLE. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I rise in opposition to the resolution. This budget totally ignores the fact that the economy is falling apart at the seams. In fact, the resolution proposes to split those seams further by raising taxes and increasing unemployment.

We have a real rate of economic growth at a recession-like 0.4 percent, productivity falling at a rate of 4.5 percent, unemployment increasing for the first time in several quarters, industrial production down one full percent last month alone, housing starts down from last year by one-third, the leading economic indicators falling 3 months in a row, inflation running at 13 percent—and here we are proposing to raise tax rates some more in the belief that the resulting increase in unemployment is the answer to inflation. It is being argued in our budget policymaking circles that if there are fewer people employed producing fewer goods, somehow the price of those scarcer goods is going to stop rising. I for one cannot support a resolution on the budget which rests on the false assumption that higher unemployment and slower economic growth are the answers to inflation.

I want to ask the chairman of the Budget Committee—and this is not meant as a rhetorical question—what is the budgetary cost of allowing unemployment to go up from 5.8 percent now, to 6.5 percent in fiscal year 1980? What are the budgetary implications of putting almost 1 million people out of work by next year?

Mr. GIAIMO. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I will be glad to yield to my friend from Connecticut.

Mr. GIAIMO. Unfortunately, I do not have the benefit of operating on wrong economic assumptions, as the gentleman does.

Mr. KEMP. Can the gentleman tell us what the cost is to the budget of increasing by 1 million the number of unemployed people?

Mr. GIAIMO. Does the gentleman want an answer to his question?

Mr. KEMP. I want an answer to the question of how much 1 million people unemployed costs the budget deficit, in added spending and revenue loss.

Mr. GIAIMO. It costs between $16 billion to $20 billion. Let me say that if we were to follow the gentleman's advice——

Mr. KEMP. I will not yield further.

Mr. GIAIMO. I should think the gentleman would.

Mr. KEMP. I do not think it is necessary to debate economic theory right now. This budget raises tax rates and increases unemployment. The increase in the deficit resulting from this increase in unemployment is $16 billion to $20 billion. Whether one is a Keynesian or a monetarist or a supply-side fiscalist or subscribes to any other economic theory really matters very little on this point. Raising tax rates and increasing unemployment to slow down the economy is not going to reduce the deficit and is not going to reduce inflation. The American people and the people of my Buffalo area and New York State do not want philosophy. They want jobs, rising real incomes and economic growth without inflation, and this budget does nothing but raise taxes. This policy, practiced by both Republican and Democratic administrations in the past, has without exception had tragic consequences for the economy, for the American people, and for the budget.

I say to my good friend from New York, Mr. SOLARZ, that as a result of policies outlined in this resolution, New York City will lose 50,000 jobs in the private economy. Are we supposed to swallow this loss of 50,000 jobs on the theory that it will make it easier to persuade this Congress in its beneficence to give New York back 4,000 countercyclical CETA positions? How can 4,000 public service jobs possibly be a trade-off for putting 50,000 people out of their jobs, which also happen to constitute the tax base? How can anyone suggest that raising unemployment is going to help solve the budget problems of either the Federal Government or the State or city of New York?

This kind of thinking is only worsening our condition, not improving it.

The only way to balance this budget is to restore the growth of the U.S. economy, and we are not going to do it until we start removing the tremendous barriers to economic activity continued in this resolution, one of which is letting tax rates go up because inflation pushes everyone into higher tax brackets. We do not dare permanently index the tax brackets, which was done in 1978 by the Ways and Means Committee only on a one-shot basis, and which I strongly supported. We do not dare do anything to lower tax rates to make up for any of the past 15 years of all Americans being pushed into higher tax brackets.

I urge all Members of Congress, particularly those on this side of the aisle, not to accept this budget or the shortsighted and counterproductive theory on which it rests.

□ 1110

Mrs. HOLT. I thank the gentleman for yielding.

I think that we have pointed up in the debate on this particular budget resolution some of the very serious flaws in the Budget Act, and I hope that in this Congress the Committee on Rules will take a long, hard look at it. We get into line items. We create all of the lobbying that takes place. We should be dealing in macroeconomies. It should be a two-step process. We should set fiscal policy. We should analyze our economic situation, how much money we want to spend, and the Committee on the Budget then should state that aggregate decision. I think this is a most important revision that we have to make in the Budget Act.

As the gentleman from Mississippi pointed out, we get into the jurisdiction of other committees. We make ourselves the laughingstock of the Congress. Everybody says it is not important what we are doing here because we are talking about things over which we have no control at all. So I strongly urge the committee to do some revision and make some improvements in the Budget Act. I think that then we can be meaningful.

Mr. CONABLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentlewoman from Maryland for her contribution. She is saying something that all of us believe, that we must review our budget process. There are some serious defects in the way it is emerging. Many Members do not consider it significant activity, largely because we have not made it a tool of fiscal policy to the degree we should.

What we are dealing with today is essentially a majority solution to yesterday's majority problem. I note the reaction of the gentleman from Wisconsin to statements that I made to the effect that we were thundering around in a herd, chasing symbols in yesterday's vote. I do not believe that today's measure is all that different from yesterday.

Let me give you the numbers in budget authority which are significant to this debate. The President's original request for education was $14.3 billion. The House-passed level was at $15.2 billion. The Senate-passed level originally was $14.3 billion. The conference agreement was $14.7 billion, and the Senate offer by a 72-to-17 vote yesterday was $15.1 billion. That is up $350 million from their original figure. The House-pased level is an increase over the President's request of $861 million. I question whether this procedure should be used, whether we should accept a precedent that we seem to be setting in this kind of activity of permitting one interest group to come in here and panic this whole body into retreat on what had been up to yesterday an orderly process. I must say that since we are dealing in budget authority action, I wonder whether we are not, as the gentleman from Pennsylvania mentioned, simply mortgaging the future in this respect. I regret that we are not aware of the mental operations of all the participants in this compromise as to exactly what this $350 million in additional budget authority is likely to achieve, but I would hope that the Members on this side will keep their powder dry. Many of them yesterday, and myself included, supported the Chairman of the committee in what appeared to be an assaults on the budget process for reasons that were somewhat uncertain in their motivations, and I think today's vote is another whole issue before us that we may want to look at quite carefully. I trust the majority will accept the responsibility for the priorities that it is advancing today in this measure. It is, in my view, important, as the gentlewoman from Maryland (Mrs. HOLT), has said that we review the budget process and see where we are headed, because, quite frankly, in my view anyway, the budget process is becoming murkier and murkier and needs some review to be sure that we are achieving at least the fiscal goals that were in the minds of most of the Members when we adopted what we hoped would be significant reform.

Mr. Speaker, I yield back the remainder of my time.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Speaker, I appeal to my colleagues on both sides of the aisle to support this budget resolution, and particularly I appeal to moderate and conservative Democrats and those Republicans who earlier this year fought for an amendment to balance the budget in fiscal year 1981. I think the exercise we went through yesterday was a symbolic one designed to show the education special interest groups that we have support for some of their goals.

In my judgment, what really is important in this budget resolution is that we adopt for the first time in the budget process a target, a symbol, a goal, and a realistic prospect that we will attain a balanced budget in fiscal year 1981 and fiscal year 1982. I would urge my colleagues on both sides of the aisle for the first time to join in a bipartisan effort, as they do in the other body, to preserve this budget process and to achieve the target of a balanced budget in 1981 and 1982. There are a large number of supplemental appropriations backed up, and if we do not pass this budget resolution the pressure is going to be great to bypass the budget process and to march down the road through the appropriations process. If this occurs, we will have lost our first real opportunity to write into law the fact that we mean business and we are going to balance the budget in fiscal year 1981 and 1982. The budget package we have today is not perfect, but I am convinced it is the best budget target we can achieve today. As the gentlewoman from Maryland (Mrs. HOLT) said, it provides the precedent for setting aggregates first, at least for the fiscal year 1981 and 1982, and I think we can achieve what we are all trying to do if we pass this budget resolution now.

Mr. GIAIMO. Mr. Speaker, I move to the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GIAIMO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 202, nays 196, not voting 36, as follows:

[Roll No. 170]

YEAS—202

Akaka
Albosta
Andrews, N.C.
Annunzio
Anthony
Ashley
Aspin
Bailey
Baldus
Barnard
Beard, R.I.
Beard, Tenn.
Beilenson
Benjamin
Bennett
Bevill
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Brown, Calif.
Buchanan
Burlison
Burton, Phillip
Butler
Byron
Carter
Chisholm
Coelho
Conte
Cotter
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis, S.C.
de la Garza
Derrick
Dicks
Donnelly
Dougherty
Downey
Duncan, Oreg.
Duncan, Tenn.
Eckhardt
Edwards, Ala.
English
Evans, Ga.
Fary
Fascell
Fazio
Ferraro
Fish
Fisher
Fithian
Flippo
Flood
Florio
Fountain
Fowler
Frost
Fuqua
Gephardt
Giaimo
Gibbons
Ginn
Glickman
Gonzalez
Gore
Gramm
Gudger
Hall, Tex.
Hanley
Harsha
Hefner
Heftel
Hightower
Hinson
Holland
Hollenbeck
Hutto
Ichord
Jenkins
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kildee
Kogovsek
Lederer
Lehman
Levitas
Lloyd
Long, La.
Long, Md.
Lott
Lowry
Lundine
McCloskey
McCormack
McHugh
McKay
McKinney
Marks
Martin
Matsui
Mattox
Mavroules
Mazzoli
Mica
Michel
Mikva
Mineta
Minish
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Oakar
Oberstar
Obey
Panetta
Patten
Patterson
Pease
Pepper
Perkins
Pickle
Preyer
Price
Pursell
Quillen
Rahall
Ratchford
Rhodes
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Sabo
Satterfield
Scheuer
Shelby
Simon
Skelton
Slack
Smith, Iowa
Solarz
Spence
St Germain
Stack
Staggers
Stanton
Steed
Stockman
Stratton
Swift
Traxler
Udall
Ullman
Van Deerlin
Vanik
Vento
Watkins
Waxman
White
Whitehurst
Whitley
Whitten
Williams, Mont.
Wilson, Bob
Wilson, Tex.
Wirth
Wolff
Wolpe
Wright
Wyatt
Zablocki
Zeferetti

NAYS—196

Abdnor
Addabbo
Ambro
Anderson, Calif.
Andrews, N. Dak.
Applegate
Archer
Ashbrook
Atkinson
AuCoin
Badham
Bafalis
Barnes
Bauman
Bedell
Bereuter
Broomfield
Broyhill
Burton, John
Campbell
Carney
Carr
Cavanaugh
Chappell
Cheney
Clay
Cleveland
Clinger
Coleman
Collins, Ill.
Collins, Tex.
Conable
Corcoran
Coughlin
Courter
Crane, Daniel
Crane, Philip
Dannemeyer
Daschle
Davis, Mich.
Deckard
Dellums
Derwinski
Devine
Dickinson
Dixon
Dodd
Dornan
Drinan
Early
Edgar
Edwards, Calif.
Edwards, Okla.
Emery
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ind.
Fenwick
Findley
Ford, Tenn.
Gaydos
Gilman
Gingrich
Goodling
Gradison
Grassley
Green
Grisham
Guarini
Guyer
Hagedorn
Hall, Ohio
Hamilton
Hammerschmidt
Hance
Hansen
Harkin
Harris
Hawkins
Heckler
Hillis
Holt
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hyde
Ireland
Jacobs
Jeffords
Jeffries
Johnson, Colo.
Kastenmeier
Kelly
Kemp
Kindness
Kostmayer
Kramer
Lagomarsino
Leach, Iowa
Leach, La.
Lee
Leland
Lent
Lewis
Livingston
Loeffler
Lujan
Luken
Lungren
McClory
McDade
McDonald
McEwen
Madigan
Maguire
Markey
Marlenee
Marriott
Mikulski
Miller, Calif.
Miller, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moffett
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murphy, Pa.
Myers, Ind.
Nolan
Nowak
O'Brien
Ottinger
Pashayan
Paul
Petri
Peyser
Pritchard
Quayle
Railsback
Regula
Richmond
Rinaldo
Rosenthal
Rousselot
Roybal
Royer
Rudd
Russo
Santini
Sawyer
Schroeder
Schulze
Sebelius
Seiberling
Sensenbrenner
Shannon
Sharp
Shumway
Shuster
Smith, Nebr.
Snowe
Snyder
Solomon
Spellman
Stangeland
Stark
Stenholm
Stewart
Studds
Stump
Tauke
Taylor
Thomas
Thompson
Treen
Vander Jagt
Volkmer
Walgren
Walker
Weaver
Weiss
Whittaker
Williams, Ohio
Winn
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.

NOT VOTING—36

Alexander
Anderson, Ill.
Bethune
Biaggi
Brown, Ohio
Burgener
Clausen
Conyers
Corman
Diggs
Dingell
Foley
Ford, Mich.
Forsythe
Frenzel
Garcia
Goldwater
Gray
Hubbard
LaFalce
Latta
Leath, Tex.
Mathis
Rangel
Reuss
Ritter
Roth
Runnels
Stokes
Symms
Synar
Trible
Wampler
Wilson, C. H.
Yates
Young, Alaska

□ 1130

The Clerk announced the following pairs:

On this vote:

Mr. Corman for, with Mr. Rangel against.

Mr. Foley for, with Mr. Garcia against.

Mr. Charles H. Wilson of California for, with Mr. Gray against.

Mr. LaFalce for, with Mr. Latta against.

Mr. Ford of Michigan for, with Mr. Leath of Texas against.

Until further notice:

Mr. Alexander with Mr. Anderson of Illinois.

Mr. Mathis with Mr. Frenzel.

Mr. Diggs with Mr. Forsythe.

Mr. Dingell with Mr. Symms.

Mr. Runnels with Mr. Trible.

Mr. Reuss with Mr. Wampler.

Mr. Stokes with Mr. Young of Alaska.

Mr. Yates with Mr. Brown of Ohio.

Mr. Biaggi with Mr. Burgener.

Mr. Synar with Mr. Clausen.

Mr. Roth with Mr. Bethune.

Mr. Ritter with Mr. Conyers.

Mr. Goldwater with Mr. Hubbard.

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING PROCEDURES DURING FURTHER CONSIDERATION OF S. 869, CLARIFICATION OF CONFLICT OF INTEREST RESTRICTIONS ON FORMER GOVERNMENT EMPLOYEES

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 281 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 281

Resolved, That during the further consideration of the bill (S. 869) to amend section 207 of title 18, United States Code, germane amendments to and affecting only subsection (b) of section 207 of title 18, United States Code, shall be in order, including the amendments only to said subsection printed in the Congressional Record of May 22, 1979, by Representative Eckhardt. No amendments to the bill affecting other than said subsection shall be in order in the House or in the Committee of the Whole, except the following amendments, which amendments shall not be subject to amendment except as specified herein but may be debated by the offering of pro forma amendments, and all points of order against said amendments for failure to comply with the provisions of clause 7, rule XVI are hereby waived:

(1) the following amendment to the bill if offered by Representative Kindness:

Add the following section at the end of the bill:

"SEC. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"'(2) on active duty as a commissioned officer of a uniformed service assigned to pay grade of O-9 or above as described in section 201 of title 37, United States Code; or

"'(3) in a position which involves significant policymaking or supervisory responsibility, as designated under this paragraph by the Director of the Office of Government Ethics after consultation with the department or agency concerned. Only positions for which the basic rate of pay is equal to or greater than the basic rate of pay for GS-17 of the General Schedule prescribed by section 5332 of title 5, United States Code, or positions which are established within the Senior Executive Service pursuant to the Civil Service Reform Act of 1978, or positions of active duty commissioned officers of the uniformed services assigned to pay grade of O-7 or O-8, as described in section 201 of title 37, United States Code, may be designated. As to persons in positions designated under this paragraph, the Director of the Office of Government Ethics may limit the prohibitions of subsection (c) to appearances before or communications to specified offices or specified positions, rather than to an entire department or ageny. On an annual basis, the Director of the Office of Government Ethics shall review the designations and determinations made under this paragraph and, after consultation with the department or agency concerned, make such additions and deletions as are necessary.' ";

(2) the following amendment if offered by Representative Eckhardt either as an amendment to the bill or as a substitute for the amendment designated numbered (1) above, if offered:

Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ".

Page 1, line 7, before "and in subparagraph (3)" add "strike out 'concerning any formal or informal appearances before—' and insert in lieu thereof the following:

"(a) in a matter involving technical, medical, scientific, or educational research, as determined by the Office of Government Ethics, by personal presence at any formal or informal appearance, before, or

"(b) in all matters, concerning any formal or informal appearance before—".

Add the following section at the end of the bill:

"Sec. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

" '(2) on active duty as a commissioned officer of a uniformed service assigned to a pay grade of O-9 or above as described in section 201 of title 37, United States Code; or

" '(3) in a position designated under this paragraph by the department or agency concerned. Not later than July 1, 1980, each department or agency concerned shall, with the concurrence of the Director of the Office of Government Ethics, by rule designated positions as necessary to protect against the exercise of undue influence. Each department or agency concerned may also determine by rule that the provisions of subsection (c) of this section shall apply to persons formerly employed in positions designated under this paragraph only in the case of appearances before or communications to specified offices, or persons in specified positions, at the department or agency. On an annual basis, each department or agency concerned shall review those designations and determinations made under this paragraph, and, with the concurrence of the Director of the Office of Government Ethics, by rule make such additions and deletions as are necessary. No designation under this paragraph shall become effective less than ninety days after the promulgation of the rule making the designation.' ";

(3) the following amendment to the bill if offered by Representative Kindness:

On page 2, following line 2, add the following new section to the bill:

"Sec. . Section 207 of title 18, United States Code, is amended by adding the following new subsection (e).

" '(e) The prohibition contained in subsection (c) shall not apply with respect to the representation by any person who is an elected official or full-time employee of a State or local government, or any agency or instrumentality thereof, or any institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, or any medical research or treatment facility exempted under section 501(c)(3) of the Internal Revenue Code of 1954.' ".

Redesignate subsections (e) through (j) as subsections (f) through (k), respectively.

□ 1140

The SPEAKER pro tempore (Mr. Lowry). The gentlemen from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. Lott), pending which I yield myself such time as I may consume.

Mr. Speaker, I wish to make a unanimous consent request to correct two technical printing errors in the rule.

Mr. Speaker, I ask unanimous consent to change the word, "designated," appearing on page 4, line 22, to the word, "designate," and to insert quotation marks before the word, "Redesignate," on page 6, line 3, and after the period on page 6, line 4.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, this is a most unusual rule. It is designed to make it possible to pass in a timely fashion some difficult amendments to the so-called ethics bill.

The matter has been intensely controversial, both in committee and on the floor. There are those who do not want anything done, and there are those who want a great deal done.

We came down to a point where the Committee on the Judiciary was able to agree within itself on both sides of the aisle that certain nongermane amendments should be allowed to be offered to this very narrowly drawn bill. At first, I was very reluctant to have the Committee on Rules used in this particular fashion, but when it was further agreed that the gentleman from Texas (Mr. Eckhardt), who had taken a great interest in this matter, should be allowed to offer an amendment either to one of the Kindness amendments or to the bill itself, it seemed to me that there was a fair situation here which would allow the House to work its will on a matter which has a very definite deadline.

There apparently are a number of extremely useful, valuable people in a number of different departments who, unless something is done about this matter in the immediate future, that is before June 1, although the effective date of the implementation of the law is July 1, will be leaving the Government and we will be depriving ourselves of the services of some extraordinarily able people.

The administration is interested in this legislation. As far as I can make out, a number of Members on both sides of the aisle on the Committee on the Judiciary are interested in this legislation, and there are, of course, others who are interested in it.

Mr. Speaker, this is hoped to be a way in which we can resolve a difficult problem promptly, and largely by agreement among the parties most intimately involved in the legislation.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I will be glad to yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I rise as one member of the Committee on the Judiciary and as the one who has been instrumental, I think, in making some changes in this law. In fact, I offered the amendment which has now been adopted, because when it was first taken up to this bill, the committee amendment was adopted striking the provision which increased the rank to O-9 for military that came over from the Senate. The rule now makes that in order in both Kindness and in Eckhardt, doing away with that actually and replacing it with certain language.

The rule also, which I find objectionable, says that these amendments, which are really made in order, would not be in order without the rule and cannot be subject to amendment. I find both in Kindness and in Eckhardt provisions which I believe I could agree to if the House were permitted to work its will on the amendments. In other words, I would be willing to go along with the will of the House if the House saw fit to adopt the amendment of the gentleman from Texas (Mr. Eckhardt) or if the House saw fit to adopt the amendment of the gentleman from Ohio (Mr. Kindness). But I would first like for the House to be able to determine exactly, in the amendment of the gentleman from Texas (Mr. Eckhardt), the time period therein, whether it should be 6 months or a year. The gentleman from Texas says it should be a year.

There is a year's delay in determining what people would come under the provisions in his amendment, and that also designates what people would be exempted.

There is also, between the two a provision as to whether the department head or the agency head makes the initial determination or as to whether the Director of the Office of Ethics makes the original determination as to which one of these lower echelon people should come within the purview of the act or of these criminal penalties.

Under this rule, we are not able to make that determination and fit it in. In other words, I personally would feel that if the amendment of the gentleman from Texas (Mr. Eckhardt) went to January 1, 1980, and if it took the Kindness position that says the Director of the Office of Ethics was the initial determiner and not the department head or agency head, I could understand that.

I can see where they are buddy-buddy with some people, and they could deliberately let some people out. But if the Ethics people were the ones and we had the chance to vote on that and insert that in the Eckhardt amendment, then we could very well have a way of resolving the problem, but we cannot do that.

Mr. BOLLING. Mr. Speaker, my impression is that the gentleman from Missouri (Mr. VOLKMER) has had a good opportunity to present his side of the case, and I would only say briefly that I regret very much that he did not appear before the Committee on Rules on yesterday so that we might have known in a timely fashion that he had these opinions.

Mr. Speaker, I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on May 16 the House passed a rule providing for the consideration of S. 869, which amends a certain subsection of the Ethics in Government Act of 1978. The bill as reported from the Committee on the Judiciary is narrowly drafted and amends only subsection (b) of section 207 of title 18, United States Code. This means that even though the previously adopted rule is an open rule, the subject matter of the legislation is so restricted that only very specific amendments may be offered to the bill.

Consequently, at the request of the Judiciary Committee another rule was reported from the Rules Committee on May 23 that allows certain additional amendments to be offered which otherwise would be nongermane. Under this proposed new rule the terms by which S. 869 will be considered are as follows:

First. All germane amendments to subsection (b) of 18 U.S.C. 207 are in order, including amendments only to this subsection printed in the May 22, 1979, CONGRESSIONAL RECORD by Representative ECKHARDT; and

Second. No other amendments affecting a portion of the act other than subsection (b) are in order except: An amendment to subsection (d) by Representative KINDNESS; an amendment by Representative ECKHARDT either as an amendment to the bill or as a substitute for the Kindness amendment to subsection (d), and an amendment to add a new subsection (e) by Representative KINDNESS.

These three amendments may be offered notwithstanding clause 7, rule XVI, the germaneness rule; and they are not subject to amendment except pro forma amendments.

So, in effect, the rule opens certain parts of the Ethics in Government Act to specific amendments, which amendments otherwise would be subject to points of order for germaneness because of the narrowly drafted legislation. The amendments made in order are printed in the rule itself.

Mr. Speaker, agreement on this compromise rule was reached in the Rules Committee among all parties involved, and I would have no objection to its passage.

□ 1150

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MOORHEAD).

Mr. MOORHEAD of California. Mr. Speaker, I rise in support of the adoption of this supplementary rule (H. Res. 281) which will greatly help expedite the consideration of S. 869, legislation to ease the post-Government employment restrictions that are scheduled to go into effect on July 1.

Last week, the Chair ruled that only amendments to subsection 207(b) of the conflict of interest law were in order. As a result of this ruling, amendments to closely related subsections were precluded. Now, with the adoption of this new rule 3 specific amendments to other important subsections of 207 are in order and, thus, the House is allowed to deal with the revolving door problem in a more comprehensive manner. The rule reflects a fair and useful compromise worked out in the Rules Committee. The agreement reached is acceptable to the Republicans on the Administrative Law Subcommittee of the Committee on the Judiciary, which has previously considered this legislation.

While I would have preferred to see the 1-year, "no contract" provision striken from the law, at least we will have an opportunity to limit the scope of its impact by adopting the two amendments to be offered by Mr. KINDNESS. I urge the adoption of this rule.

Mr. KINDNESS. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of California. I yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

Mr. Speaker, I want to extend my thanks and appreciation to the Committee on Rules for the patience it has exercised in dealing with this rule and for the constructive way in which it has been handled. I believe it is the best that can be accomplished for this purpose.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the resolution.

Mr. Speaker, this is a most unusual rule, and because it is a most unusual rule it should be defeated.

Three amendments which have been discussed in the earlier consideration of this bill are made germane, but they are not amendable in any way, shape or form. So the House is required to vote those amendments either up or down.

During the earlier debate on this measure, the principal problem appeared to be the application of subsection 207(c) of the Ethics in Government Act, which is the 1-year, revolving-door prohibition. None of the amendments that have been made germane by this rule touch subsection 207(c). So the problem which caused the deferral of this bill last week has not been touched by the rule making certain amendments in order.

Furthermore, the rule makes in order an amendment by the gentleman from Ohio (Mr. KINDNESS) to take out of the Ethics in Government Act brigadier and major generals and their comparable positions in the other armed services as nondiscretionary officials. The Committee on the Judiciary determined that they were discretionary officials and that they ought to be covered by the Ethics in Government Act. So by this rule we have a little end run, so that the committee amendment is negated.

Throughout the debate last week, the one cry that was heard repeatedly on both sides of the aisle was that the provisions of the Ethics in Government Act should be delayed for 6 months so that the Committee on the Judiciary can study an equitable way of attempting to solve the problem. That apparently has been forgotten with the amendments that have been made in order by this rule. For that reason alone, the resolution should be defeated.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 375, nays 18, not voting 41, as follows:

[Roll No. 171]

YEAS—375

Abdnor
Akaka
Albosta
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Ashley
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnard
Barnes
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Bingham
Blanchard
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burlison
Burton, John
Burton, Phillip
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clay
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Corcoran
Cotter
Coughlin
Courter
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Daschle
Davis, Mich.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Dixon
Dodd
Donnelly
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.

Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Flood
Florio
Ford, Mich.
Fountain
Fowler
Frost
Fuqua
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Gramm
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Harkin
Harris
Harsha
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Holland
Hollenbeck
Holt
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hutto
Hyde
Ichord
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kemp
Kildee
Kindness
Kogovsek
Kostmayer
LaFalce

Lagomarsino
Leach, Iowa
Leach, La.
Lederer
Lee
Lehman
Leland
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
McClory
McCloskey
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marks
Marlenee
Marriott
Martin
Matsui
Mattox
Mavroules
Mica
Michel
Mikulski
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Pease
Pepper
Perkins
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Rahall
Railsback
Ratchford
Regula

Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Rousselot
Roybal
Royer
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Sebelius
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Stark
Steed
Stenholm
Stewart
Stockman
Stratton
Studds
Stump
Swift
Taylor
Thomas
Thompson
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Walgren
Walker
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wylie
Yatron
Young, Fla.
Young, Mo.
Zablocki

NAYS—18

Bauman
Dannemeyer
Dornan
Grassley
Hansen
Jacobs

Jeffords
Kramer
Lungren
Mazzoli
Mottl
Paul

Petri
Rudd
Sensenbrenner
Tauke
Volkmer
Wydler

NOT VOTING—41

Addabbo
Alexander
Anderson, Ill.
Biaggi

Brown, Ohio
Burgener
Clausen
Conyers

Corman
Davis, S.C.
Diggs
Dingell

Foley
Ford, Tenn.
Forsythe
Frenzel
Garcia
Gray
Hubbard
Ireland
Latta
Leath, Tex.

Lent
Long, La.
McCormack
Mathis
Rangel
Ritter
Roth
Runnels
Seiberling
Stokes

Symms
Synar
Trible
Wampler
Wilson, C. H.
Wilson, Tex.
Yates
Young, Alaska
Zeferetti

☐ 1210

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Forsythe.

Mr. Zeferetti with Mr. Roth.

Mr. Corman with Mr. Anderson of Illinois.

Mr. Davis of South Carolina with Mr. Brown of Ohio.

Mr. Rangel with Mr. Frenzel.

Mr. Long of Louisiana with Mr. Symms.

Mr. McCormack with Mr. Trible.

Mr. Ireland with Mr. Burgener.

Mr. Garcia with Mr. Clausen.

Mr. Stokes with Mr. Synar.

Mr. Charles H. Wilson of California with Mr. Lent.

Mr. Yates with Mr. Wampler.

Mr. Alexander with Mr. Young of Alaska.

Mr. Biaggi with Mr. Ritter.

Mr. Foley with Mr. Latta.

Mr. Leath of Texas with Mr. Runnels.

Mr. Dingell with Mr. Mathis.

Mr. Gray with Mr. Seiberling.

Mr. Diggs with Mr. Ford of Tennessee.

Mr. Charles Wilson of Texas with Mr. Hubbard.

Mr. TAUKE changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask for this time for the purpose of inquiring of the distinguished majority leader the program for the balance of this week and next week.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I am happy to advise my friend, the distinguished acting minority leader, that when we conclude consideration of the bill presently to be taken up again, we shall be through for this week, and we will be through until Wednesday of next week. The House will resolve itself immediately into the Committee of the Whole House on the State of the Union to complete consideration of the Senate bill S. 869, and when that is done we shall be finished for the commencement of the Memorial Day district work period.

The House will reconvene on Wednesday at noon. On Wednesday, we will take up H.R. 4035, Special International Security Assistance Act of 1979. That is the Middle East package.

Following that, we will take up H.R. 1543, Trade Adjustment Assistance Program Improvements Act. Each of these bills carries a rule providing for 1 hour of general debate.

On Thursday, the House will meet at 10 o'clock. We will take up H.R. 2575, DOD Supplemental Authorizations Act of 1979, with an open rule and 1 hour of debate.

Following that, we will take up House Resolution 199, a resolution out of the Committee on Government Operations disapproving Executive Reorganization Plan No. 1.

On Friday, after convening at 10 o'clock, we will take up and complete consideration of H.R. 2295, Coast Guard authorization for fiscal year 1980, under an open rule with 1 hour of general debate.

Then, the House will adopt three rules, voting only on the rules, as follows:

H.R. 4034, Export Administration Act Amendments of 1979;

H.R. 3875, Housing and Community Development Act of 1979;

H.R. 3464, SSI Disability Amendments of 1979.

We will adjourn by 5:30 p.m. on Thursday, and by 3 p.m. on Friday.

Of course, conference reports may be brought up at any time.

Mr. MICHEL. Might I inquire if, with all those rules being considered one after another on Friday, whether consideration will be given to clustering of those votes?

Mr. WRIGHT. Yes, we would hope to be able to vote on all three of those on Friday. Maybe I misunderstand the gentleman's question. Is he referring to clustering the votes on the rules?

Mr. MICHEL. Yes.

Mr. WRIGHT. We had not thought about it. I know of no reason why we could not. If it would be a convenience to the Members we might as well do that.

Mr. MICHEL. It just occurred to me that if it were to the advantage of the Members to do this, the leadership might want to give itself more flexibility, particularly if it is more convenient for the Members to get away at 3 p.m.

Mr. WRIGHT. We will bear that in mind.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I just wanted to ask the distinguished majority leader—I know the President has told the Congress some weeks ago that the Panama Canal implementing legislation should be passed by May 31, and that he would consider that it would be a great disruption if it was not.

I do not see a continuation of amendments on that legislation on the program. Could the majority leader tell us when it might be scheduled?

Mr. WRIGHT. I know the distinguished gentleman from Maryland is most anxious for that legislation to be passed.

Mr. BAUMAN. Oh, yes.

Mr. WRIGHT. And I sympathize with him that we are not, apparently, going to be able to pass it prior to May 31. I think it is far more important that it be passed than that it pass prior to some given date. We will schedule that at the most propitious time, because I believe that the future of the United States toward Latin America is at stake, and whether or not the House lives up to the promises that we have made and demonstrates that we mean it when we say that we are going to live up to the terms of our treaty, which is the law of the land.

It certainly is not going to benefit us one iota, not one whit, were that legislation to be voted down, because the treaty still applies and the lands in question would become sovereignty of the Republic of Panama on October 1 regardless of what we did.

I think this is our only chance to protect the security of the canal and the future of the canal for the people. That is vital to the United States and to the world, and to protect our reputation throughout Latin America as a nation that believes in freedom and keeps its word. For all those reasons, I intend to schedule that bill when it has the best possible chance to be enacted into law.

Mr. BAUMAN. So we do not know when it will be brought up? Is that the answer?

Mr. WRIGHT. If I have not made myself clear to the gentleman, I will try again.

Mr. BAUMAN. The gentleman has made himself clear.

Mr. WRIGHT. It is the intent of the leadership to bring that legislation up at a time when we can pass it. We want to pass the legislation in the interests of the country.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, I am very reassured and inspired by the comments of the majority leader on the necessity for the Panama Canal legislation. I hope that all Members would respond to his great leadership and strength he shows in suggesting our support of that legislation. It restores my faith in the leadership of the majority party, which suffered greatly in the last 2 days as I read about the debacle in their party caucus.

☐ 1220

Mr. MICHEL. I am not altogether sure I am happy I yielded on that one, but I yield back the remainder of my time at this particular juncture.

Mr. WRIGHT. I thank the gentleman. I should like to express my gratitude to the other gentleman from Illinois for his expression of sympathy.

Mr. Speaker, I have three unanimous consent requests.

AUTHORIZING THE CLERK TO RECEIVE MESSAGES FROM SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DULY PASSED, NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, May 30, 1979, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, May 30, 1979, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday, May 30, 1979, may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT TODAY DURING 5-MINUTE RULE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be allowed to sit during the 5-minute rule this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. ROUSSELOT. Reserving the right to object, Mr. Speaker, can the chairman tell us what will be brought up?

Mr. STAGGERS. If the gentleman will yield, we were in the midst of a vote. All we want to do is just finish the vote, and that is all.

Mr. ROUSSELOT. What is the bill?

Mr. STAGGERS. The bill pertains to the Milwaukee Railroad.

Mr. ROUSSELOT. So the gentleman can assure us that that is all that is involved?

Mr. STAGGERS. That is all, I can assure the gentleman.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CLARIFICATION OF CONFLICT OF INTEREST RESTRICTIONS ON FORMER GOVERNMENT EMPLOYEES

Mr. DANIELSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the Senate bill (S. 869) to amend section 207 of title 18, United States Code.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. DANIELSON).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the Senate bill, S. 869, with Mr. DE LA GARZA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House on the State of the Union rose on Wednesday, May 16, 1979, the bill was considered as having been read and open to amendment at any point. Pursuant to House Resolution 281, germane amendments to subsection (b) of section 207 of title 18, United States Code, are in order, and the three amendments printed in such resolution are in order, which shall not be subject to amendment except as specified, but may be debated by the offering of pro forma amendments.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows: Add the following section at the end of the bill:

"SEC. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) on active duty as a commissioned officer of a uniformed service assigned to pay grade of O–9 or above as described in section 201 of title 37, United States Code; or

"(3) in a position which involves significant policy making or supervisory responsibility, as designated under this paragraph by the Director of the Office of Government Ethics after consultation with the department or agency concerned. Only positions for which the basic rate of pay is equal to or greater than the basic rate of pay for GS–17 of the General Schedule prescribed by section 5332 of title 5, United States Code, or positions which are established within the Senior Executive Service pursuant to the Civil Service Reform Act of 1978, or positions of active duty commissioned officers of the uniformed services assigned to pay grade of O–7 or O–8, as described in section 201 of title 37, United States Code may be designated. As to persons in positions designated under this paragraph, the Director of the Office of Government Ethics may limit the prohibitions of subsection (c) to appearances before or communications to specified officers or specified positions, rather than to an entire department or agency. On an annual basis, the Director of the Office of Government Ethics shall review the designations and determinations made under this paragraph and, after consultation with the department or agency concerned, make such additions and deletions as are necessary."

Mr. KINDNESS. Mr. Chairman, the amendment that is before us at this point deals with subsection (d) of the existing law. Subsection (d) of the existing law modifies the application of subsection (c), subsection (c) being the 1-year absolute prohibition of contact rule about which there has been so much controversy regarding the revolving-door portions of the present ethics law. This amendment represents a considerable amount of compromise in an effort to satisfy the wishes and desires of those with various points of view, and the administration as well. I believe I can correctly state that the language of this amendment would not be considered objectionable by the administration if it were to be adopted by this House, and it does the following things by way of changing from what we have had before us previously.

As the gentleman from Missouri (Mr. VOLKMER) will point out, it modifies the military officers who would be automatically covered under the bill, that is to say, we move up from O–7's to O–9's, that is lieutenant general, the persons who would automatically be covered under subsection (c), the 1-year no-contact rule. However, O–7's and O–8's may be designated by the Director of the Office of Government Ethics to be included under the 1-year, no-contact rule. Also this amendment would include—and this was really oversight previously—specifically the Senior Executive Service personnel who were added to the civil service law last year.

The main thing that provides some flexibility in this amendment, though, is that the Director of the Office of Government Ethics may limit the prohibitions of this rather harsh 1-year no-contact rule to specified provisions rather than to an entire department or agency. I think a rule of reason is provided by that change. This amendment would also bring us into a little closer harmony with the Senate version as compared to the bill reported out of the Committee on the Judiciary. I think we have in this amendment a substantial amount of compromise that would help us to reach a point of getting this legislation promptly through and clearing up some rather cloudy questions for a great many people who are in the Federal service at the present time and do not know whether to stay.

I would urge the adoption of the amendment.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Reading over the gentleman's amendment as it fits into the present law, I come into one other problem area. I believe the gentleman has adequately explained his amendment except for one area, and I do not agree with his amendment. If we look at subsection (4) of section (d) which I understand the gentleman strikes, that provides that the Director of Office Government Ethics can also make this provision of section (c), the 1-year limitation, apply to others, that is the present law, other than O–7 or above, or other than GS–17 or above, which means below that. As I read the gentleman's amendment, he cannot go below GS–17, nor can he go below O–7, even though those people would be in a position where there could be undue influence if that would happen.

□ 1230

If the gentleman's amendment does address that I would like to know where it occurs.

Mr. KINDNESS. Under the existing law it is correct that a person earning at the level of a GS–17——

Mr. VOLKMER. No, the existing law could be at any level.

Mr. KINDNESS. Or below, could be covered, whatever the earnings level, whether GS–17 or not, as you will note in lines 23 on page 2 and following up on the top of page 3.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. VOLKMER and by unanimous consent Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. Only positions for which the basic rate of pay is equal to or greater than the basic rate of pay for GS–17 would be automatically included under that coverage of (c) in the amendment.

In the existing law you will note subsection (d), it says that subsection (c), the 1-year rule of the section shall apply to a person employed: First, at a rate of pay specified in or fixed according to chapter II of chapter 53, title 5, United States Code or second, a comparable or greater rate of pay under other authority.

We have I think a comparable situation under the existing law.

Mr. VOLKMER. Mr. Chairman, the gentleman has still not answered the question.

The gentleman's amendment does not permit coverage of a GS–16 in any way.

Mr. KINDNESS. That is correct.

Mr. VOLKMER. No limit on GS–16 or 15, no matter what type of position he is in. The 1-year limitation under this amendment if enacted into law would not cover that person. It would not cover a colonel. It would not cover a major. It would not cover a captain in the Navy.

Mr. KINDNESS. Nor would it cover the file clerk.

Mr. VOLKMER. And they could not be covered under this amendment. Under the present law they can be and under the amendment of the gentleman from Texas they can be.

Mr. KINDNESS. Mr. Chairman, if the gentleman will remember, the reason we are here is that the present law is creating excessive questions. It is excessively harsh. The 1-year rule is excessively harsh. This is an attempt to ameliorate that as the administration has requested and I think appropriately so, to make it clear to whom it applies in a much more clear and reasonable fashion; and I would urge that the amendment be adopted on the basis that what we are trying to accomplish is to bring some sensibility to what was an overreaching act last year.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mrs. FENWICK. Mr. Chairman, would the gentleman yield to me?

Mr. KINDNESS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank my colleague for yielding.

I have supported strongly the ethics bills and I never thought the time would come when I would vote against one or when I would vote for anything which would keep the strongest ethical content in the life of our governmental officials. However, I am beginning to think, Mr. Chairman, that we are pretty self-righteous here. We are applying strong prohibitions to one section of this Government which we apparently are totally unwilling to apply to ourselves. I think this is something we are going to have to worry about and that the public should be concerned about. I am sure we will agree, if the mail of others is like mine, the public is interested.

We insist on exempting ourselves from rules we think appropriate for others. We see a tendency even in our Supreme Court to feel that rules which apply to others do not apply to them. We have a completely self-righteous approach. I wonder very much for the first time. I believe I will be forced to vote for the liberalization until the day comes when we are prepared to apply the rules that we consider appropriate for others to ourselves.

Mr. KINDNESS. I thank the gentlewoman from New Jersey for her contribution. I believe we are in a delicately balanced situation and I appreciate the gentlewoman's support.

Mr. MOORHEAD of California. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from California.

Mr. MOORHEAD of California. Mr. Chairman, I have offered legislation which would have stricken 207(c) and I have strongly supported that position because I believe 207(c) is oppressive.

This amendment will cut back on some of the most oppressive portions of 207(c) and for that reason I strongly support this amendment.

I would like to point out also that the Administrative Law Subcommittee of the American Bar Association is supporting this amendment.

Mr. McCLORY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to rise in support of the gentleman's amendment. As the Members know, I endeavored to offer several amendments when this measure was up before. They were ruled out of order. We reached an impasse. We were considering at that time having the measure sent back to the Committee on the Judiciary for further consideration on a motion to recommit. However, I think the compromises worked out in this amendment and the other amendments to be offered by the gentleman from Ohio (Mr. KINDNESS) are reasonable compromises. They do not go the whole way. They do not fully satisfy me. I would rather have an extension of time so that the provisions of this law would not become effective on July 1. As far as I am concerned I would as soon have a repeal of subsection (c). I think we have gone too far in the enactment last year of the Ethics in Government Act of 1978. We have overreacted.

We have the legislation on the statute books now. We must deal with that. What are we to do for the immediate present?

It seems to me the problems of the present and in the immediate future so far as our high level career personnel are concerned both in civilian and military positions in Government are being taken care of through the amendments that have been developed by agreement between my distinguished colleague from Ohio (Mr. KINDNESS) and by the chairman of the subcommittee (Mr. DANIELSON) and by the gentleman from California (Mr. MOORHEAD).

I see these as compromises. They do not satisfy me entirely but I think they are a good compromise. They supplement what is otherwise being done through the so-called technical amendments. I think we should support them and get this legislation behind us without extensive debate and without taking up a lot of the Members' time which was already taken up before. I am hopeful we can get to a vote and get this measure behind us.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I do yield to the gentleman from Texas.

Mr. ECKHARDT. I would like to clarify something in the amendment of the gentleman from Ohio (Mr. KINDNESS). I refer to the point the gentleman from Missouri (Mr. VOLKMER) was raising.

In the original provisions, those of the present act, the persons who may be excluded from appearing for a period of a year are the designated persons under chapter 53 of title V, United States Code, and then you may, in addition, include GS–17's and, in addition, there are included pay grades of O–7 and above in the military. The inclusion of these military grades is automatic. Then the Office of Government Ethics may include anyone else who is involved in significant decisionmaking authority.

Now, I understand the effect of this amendment to permit the Office of Government Ethics only to include—and these, except executive officers and O–9's, are not automatically included—persons in the general grades in the military—that is O–7, O–8, and O–9—that is major generals, brigadier generals, and lieutenant generals—and GS–17 and above.

However, even if a person below these ranks exercises his position to exercise undue influence or is involved in significant decisionmaking authority, under that amendment such a person may not be excluded by action of the Office of Government Ethics. Is that correct?

Mr. McCLORY. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, if I have followed all of the gentleman's questions correctly, the answer is yes. The point, however, is to eliminate a lot of questions that exist as to who is going to be covered now and in the future and simplify the coverage of the existing law.

☐ 1240

If there is an example that might be cited of the need to go below GS–17 or an example of someone with a significant policymaking authority who would not be covered by the bill as proposed to be amended, it has not been brought out specifically, and I would be interested if there is a problem, an evil to be dealt with there, but I do not know that it exists.

Mr. DANIELSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I fully and with enthusiasm endorse and ask support for the amendment of the gentleman from Ohio (Mr. KINDNESS). The gentleman has covered the explanation of the amendment very well. I just want to add a couple points to it which might help clear up some of the misunderstanding that may still exist.

As to whether anyone below the grade of GS–17 could be covered, could be designated by the Director of the Office of Government Ethics, my answer is yes. The amendment which we have before us, the Kindness amendment, which has been worked out and is in the rule, provides that in addition to the executive scheduled people who are covered in subsection 1 of section (b), the Director of the Office of Government Ethics may also designate people who are in the Senior Executive Service. This is a new category of Government employee which was created by the reform bill to the civil service system which we passed about 1 year ago. Most of them will be in the 17 or above level, but they need not be. Persons who are seeking to enter into the executive aspect of our civil service can be in the Senior Executive Service, even if they are only a grade GS–16 or possibly 14, I am not sure where it would bottom out.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. Yes, I would be pleased to yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, I would like to ask the gentleman from California, is it not true that there is nobody in the Senior Executive Service that is below GS–16, so the exemption for Senior Executive Service personnel just lowers the prohibition from the 17's to the 16's.

Mr. DANIELSON. Well, I cannot respond precisely that there is no one, because I have not made a catalog of it.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. In a moment I will yield to the gentleman from Missouri. I have not made a catalog of it, but they may be in the Senior Executive Service without having yet reached level 17, which does necessarily mean that you could be in the designatable category below grade 17.

Mr. Chairman, I yield to the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Chairman, as I understand the gentleman's statement is that only those who are within the senior executive service and who are below 17 would be able to be covered; but anyone else not within senior executive service, but at 16 or less, could not be covered.

Mr. DANIELSON. Well, of that category person, yes; but there are other categories and I wish to get to them.

Mr. VOLKMER. Mr. Chairman, if the gentleman will yield further——

Mr. DANIELSON. Mr. Chairman, I will reclaim my time.

To get to other categories, if the gentleman will look at section (b) (1) (i), that inhibition against representation applies to everyone. Any person, and I do not know if there is a GS–1, but I assume there could be, and if there is a GS–1 who had a matter pending actually under his official responsibility within a period of 1 year prior to the termination of that responsibility, he would be subject to the 2-year ban on representation.

It is the (b) (2) (ii) that invokes the descriptions of subsection (b) which are as I said executive level, executive schedule, et cetera; so I think we try to be realistic here.

Let us face it. In the Government there are very few people in policymaking positions who are down in grades GS–4, 5, 6, 7 and 8, for example. When we get up to 16, we are getting into some policy. When we are at 17, we assume they are in policy; so we are trying to reach policy levels. We are not trying to reach everybody that works for the Government.

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the amendment that is presently pending before us significantly weakens the prohibitions of the Ethics in Government Act and should be defeated by the Committee today.

First of all, this amendment negates an amendment that was adopted by the Committee on the Judiciary, as well as by the Committee of the Whole last week, and provides for an exemption for general officers in the Armed Services up to the grade of lieutenant general. The Committee on the Judiciary very wisely, in my opinion, required all general officers as discretionary officials, to fall under the prohibitions that were contained in the Ethics in Government Act.

The amendment that is before us at the present time negates the amendment that was adopted by the Committee on the Judiciary and by the Committee of the Whole which placed O–7's and O–8's under the act.

Secondly, this amendment prohibits the Office of Government Ethics from designating anybody below GS–17 who is outside of the senior executive service from falling under these prohibitions. In other words, what the amendment is saying is that it is not what you do for the Government, but how much you are paid or what your level of appointment is, whether you will be prohibited from practicing before a Government agency under either the 1-year or the 2-year prohibitions.

The Office of Government Ethics should be able to review people who are below GS–17 and who are not in the senior executive service and to place these prohibitions on them if the type of work that they are doing for the Government would involve a substantial conflict of interest.

If this amendment is adopted and the bill is passed, the Office of Government Ethics would be prohibited from doing so under every conceivable form. For that reason, this amendment opens up a door that is far too wide, it should be defeated.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the distinguished gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, if I may, I would like to try an example on the gentleman. Maybe many people might be interested in this and it would be easier for them to understand what is occurring here right now.

Let us assume that we have within GSA or within the Pentagon, people working on procurement and they are working and in contact with people in various private Government enterprises in the scope of their duties. Many of those folks in the Pentagon or elsewhere are civilians. In this one area, we have a person that is a GS–17. Then we have working right side by side with him a GS–15 or GS–16 doing almost identical work, making the various contacts.

Under the present law, if those are such that they could be under undue influence, they are both under section (c), because (d) brings them under (c) or could be.

The GS–17 is automatic. The GS–16 or GS–15 could be by the Director of Ethics under the present law.

Mr. SENSENBRENNER. That is correct.

Mr. VOLKMER. Under the amendment of the gentleman from Ohio, the GS–17, because he is a GS-17, not as the gentleman says, not for what he does, but because he is a GS–17, is automatically covered. No, wait a minute. He is not even automatic, is he, because under the amendment of the gentleman from Ohio, he still has to be designated by the Director; but the GS–16 or GS–15 could not even be.

Mr. SENSENBRENNER. That is correct.

Mr. VOLKMER. He is completely home free as far as the 1-year prohibition is concerned and on the strength of that 1-year prohibition, he is completely out of it.

□ 1250

Mr. SENSENBRENNER. Mr. Chairman, the gentleman from Missouri (Mr. VOLKMER) is absolutely correct. In the Pentagon a colonel who is in procurement would not by this amendment be designated as someone who is prohibited from practicing before the Government if he goes out into the private sector of the economy. Similarly, the GS–15 could not be designated by law, but the GS–17 would be automatically.

Mr. VOLKMER. And the brigadier general or the major general could be, but not necessarily would be.

Mr. SENSENBRENNER. That is correct.

Mr. VOLKMER. Under the present law, both the major general and the brigadier general automatically come in, and also the colonel could be if the Director so stated; is that correct?

Mr. SENSENBRENNER. That is correct. In sum, what this amendment says is that—

> It is not what you do for the government but how much you are paid or your grade that determines whether you would be prohibited from practicing before a government agency before you leave government service.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. SENSENBRENNER) has expired.

(By unanimous consent, Mr. SENSENBRENNER was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman for yielding.

In case we get things out of focus here by the colloquy which has taken place, I thought it was desirable to point out that the existing law has levels in it like GS–17, too.

The question that is really presented by this discussion and debate at the present time is more one of what level we want to cover automatically, I suspect.

In any case, we are going to have to require or use some particular cut-off point or some categorical designation in order to make a law like this work. But the more we leave in the shadowy area as to what may be designated, the more confusion we are going to have existing in the Government services. This is why we are here today, to try to help clear up some of the confusion that exists.

Mr. SENSENBRENNER. Mr. Chairman, the existing law provides for the automatic designation of officials who are above a certain level and provides for the optional designation of those who are below a certain level.

What the gentleman's amendment proposes to do is to provide an automatic exemption for those who are below a certain level and provide either an automatic coverage or an optional coverage for those above a certain level.

Mr. Chairman, I would submit that is what is wrong with the gentleman's amendment.

Mr. VOLKMER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I would say to the members of the committee that I believe this amendment can be properly characterized as just a "big old loophole" in the ethics law, because as has been stated by the gentleman from Wisconsin (Mr. SENSENBRENNER), what it does is exempt anyone below an O–7 rank in the military and anyone below a GS–17 rank in the civilian work force of this Government, no matter what types of jobs they have.

They cannot even be designated by the Director of Ethics. That position cannot be designated as one in which there could be undue influence to come within the 1-year prohibition. These people would be automatically excluded from that prohibition.

It does not make sense to me to say that because you are a GS–16 and in this job you are exempt, as soon as you begin to get to be a GS–17 in this job you automatically are included or by discretion are included in the bill.

I feel that the ethics bill which we passed may have had some minor differences or some minor problems in it.

When we went through the committee, the committee felt—and this House has already adopted this—under the committee amendment that we should leave in the automatic exclusion for major generals and brigadier generals from O–7 and above. This amendment automatically knocks them out and puts this back in, as in the bill that came over from the Senate, as to the O–9 and puts the discretion back in to include those in O–7 and O–8.

I would like to draw the attention of the committee to the amendment of the gentleman from Texas (Mr. ECKHARDT). If there is going to be an amendment to this bill—and I do not believe it really is necessary—but if there is going to be one, for heaven's sake, let us not let everybody out. We should at least give us a chance to bring in people, even though they are of lower rank in the GS or in the military, and give the Director of Ethics, and the department heads an opportunity to say, "Hey, these guys are in this type of position, and they should be covered."

The amendment of the gentleman from Texas (Mr. ECKHARDT) at least does that much. Even though I do not believe we should make these changes, I much prefer the amendment of the gentleman from Texas (Mr. ECKHARDT) over the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

I would like to point out to the House also that this amendment offered by the gentleman from Ohio (Mr. KINDNESS) goes much further and exempts many more people, not just those who are coming over from NIH and others. including doctors and others who say, "Hey, I am going to quit," and we are letting out thousands of people with this amendment, although we did not intend to do that.

The bill when it came over from the Senate did not let those people out. The bill, when it came over from the Senate, only provided for a change in the lower category from O–7 to O–8 in the military. Now we say that we are going to change it in the civilian work force also, and we are going to say there are no automatic exclusions for GS–17's and up within the civilian task force, that it is only optional. We are going to say there is no coverage for those less than GS–17, and we are going to let them out.

I think this is a massive loophole that one could drive a truck through. I do not like the idea of having this type of amendment in order to get the bill through when we are only asking, as we did when it all started, for a change in the 2-year limitation and not in the 1-year limitation.

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I am glad to yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Chairman, I thank the gentleman for yielding.

It is with a certain amount of discomfiture that I stand here in opposition to the bill crafted by my friend, the gentleman from California (Mr. Danielson), the chairman of the subcommittee, and my friend, the gentleman from Ohio (Mr. Kindness), who is the ranking minority member of our committee.

But it does seem to me, as the gentleman from Missouri (Mr. Volkmer) has characterized it and as the gentleman from Wisconsin (Mr. Sensenbrenner) has earlier spoken against this amendment, that this creates a gigantic loophole which will be, as the gentleman knows, exploited and exploited and exploited again.

It just seems to me the gentleman from Kentucky, a member of the subcommittee who attended the hearings and tried his best to understand the need for perhaps some adjustment, that this approach is just absolutely uncalled for. It is unproven, and there were no hearings, to my knowledge.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. Volkmer) has expired.

(On request of Mr. Mazzoli, and by unanimous consent, Mr. Volkmer was allowed to proceed for 2 additional minutes.)

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield further?

Mr. VOLKMER. Yes; I will be glad to yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Chairman, as I was saying, it is uncalled for, and it is unproven. There is no testimony to support the need for this kind of an exemption.

This is simply, as we are all very well aware, an arrangement that was crafted and patiently, I might say, put together by my friend, the gentleman from California (Mr. Danielson), and others in order to get this amendment passed. It just does not seem like this is the way to go.

The gentleman from Kentucky served on the conference committee last year which developed this ethics in Government bill. We did not hear these screams of anguish and this wail of lamentation about what would happen, and yet we were there to hear these versions if they were available. They were not brought to our attention. We put together a bill, and now they only seek to make these gigantic rancid fissures in it, and I do not think the committee or the House should go this way.

Mr. Chairman, I thank the gentleman from Missouri (Mr. Volkmer) for yielding and giving me this time.

Mr. VOLKMER. Mr. Chairman, I yield back the balance of my time.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Missouri (Mr. Volkmer) has spoken so ably against one of the loopholes that I shall not address that question at all except to say that loopholes is the provision by which the Office of Ethics may not go below a certain position, conceivably stretched down to GS–16 but not below, and it cannot go below, generally speaking, general officers in the military.

But there is another point that is an even greater loophole, in my opinion, and that is the provision of the bill itself which, with this amendment, would greatly relax the ethics law that is presently in effect. That is the insertion of the words, "by personal presence at any formal or informal appearance."

In order to explain to the Members precisely what that means, it is necessary to say briefly what sections (a), (b), and (c) deal with. Section (a) provides that you may not represent another if you have been personally and substantially engaged with respect to the same matter in Government service. Once you get out of Government service, you may not personally represent another at any time in a matter in which you had been personally and substantially involved.

Now, section (b) adds another area. In the first place, it adds to those covered persons who had been involved in the matter at hand by virtue of its having been under their official responsibility when they were working for the Government.

□ 1300

It also provides that such persons may not consult and advise with respect to such a matter. In other words, they may not engage in the back room.

These are matters that should be excluded as a general proposition absolutely, in my opinion. If a person has been, for instance, engaged in working on a contract with respect to the building of a nuclear submarine, he knows all of the Government's position and its weaknesses; he knows the area where the Government does not know about costs. Say he leaves the Government, and works for an industry that is to make the submarine under Government contract, he then knows exactly where he can write into the contract flexibility to increase those costs favorably to his employer, the contractor, because he knows the Government does not know much about those items of cost.

Similarly, suppose a former Government employee is working on a law case. If he has formerly worked on the same case, and then he works on the other side, he is familiar with the Government's case and he can nevertheless, under this relaxing provision, engage in writing the brief and writing it with the knowledge of what the Government's case was because he worked on the same case.

Oh, but you say, "If he is a lawyer, he is bound by the lawyer's code of ethics." I suggest that an ambitious young man—let us call him Jonathan Bean—who is imbued with blind ambition is not overly concerned by the limitations of the Canons of Legal Ethics—certainly not so much so as he would be concerned about having to go to prison if he engages in unethical practice. But, let us now look back to the case of Sterling Stanchion, the engineer who worked on the contract concerning the submarine that I referred to earlier, he is in no way restricted by canons of ethics; neither is an accountant or some other professional or technician. All of these persons who have been engaged in the very same matter on the Government's side, may switch to the side of the contractor or to the side of the regulated industry and take the other position.

That is exactly what this act intended to stop.

I have been sympathetic to the proposition that a person who has had nothing to do whatsoever with the contract or with the case or with the prosecution or with any other activity should not just be blanketly barred from practicing his profession—for instance, as a securities lawyer or as a labor lawyer or as an antitrust lawyer—before the agency he previously worked for. I am sympathetic to that. And I have suggested amendments and will later suggest an amendment addressing these situations. But I think we should strike a balance, in a way which retains the controls which I think the committee originally thought were necessary, but make the reasonable concessions and exceptions that will prevent the provisions from being too onerus. But when I see what appears to be a compromise between the Democrats and Republicans on the Judiciary Committee, the Kindness amendment I see a compromise that moves only in one way. It is a compromise that opens the wide loophole I have described and also opens the wide loophole that the gentleman from Missouri (Mr. Volkmer) just described so ably.

The CHAIRMAN. The time of the gentleman from Texas (Mr. Eckhardt) has expired.

(On request of Mr. Volkmer and by unanimous consent. Mr. Eckhardt was allowed to proceed for 2 additional minutes.)

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would just like to say that I quite agree with the gentleman, and I know the gentleman has made a long study of this whole ethics problem and that he is trying to be very fair.

I would first like to ask the gentleman, does he plan to offer that as a substitute or as a separate amendment?

Mr. ECKHARDT. I intend to offer that as a substitute.

Mr. VOLKMER. Does the gentleman wish to do so now, before we vote on the amendment offered by the gentleman from Ohio?

Mr. ECKHARDT. I will do it at the proper time for a vote on this matter.

Mr. VOLKMER. I was wondering, because I think we are nearing a vote on the amendment offered by the gentleman from Ohio.

AMENDMENT OFFERED BY MR. ECKHARDT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. KINDNESS

Mr. ECKHARDT. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The CHAIRMAN. The Chair will inquire of the gentleman from Texas (Mr. Eckhardt), is this the amendment that is in order under the rule?

Mr. ECKHARDT. That is correct, Mr. Chairman, and it is printed in the rule.

I ask unanimous consent, Mr. Chairman, since it has been printed in the rule, that it be considered as read at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendment offered as a substitute for the amendment is as follows:

Amendment offered by Mr. Eckhardt as a substitute for the amendment offered by Mr. Kindness: Page 1, lines 6 and 7, strike out "strike 'concerning' and insert 'by personal presence at' ".

Page 1, line 7, before "and in subparagraph (3)" add "strike out 'concerning any formal or informal appearances before—' and insert in lieu thereof the following:

"[a] in a matter involving technical, medical, scientific, or educational research, as determined by the Office of Government Ethics, by personal presence at any formal or informal appearance, before, or

"[b] in all other matters, concerning any formal or informal appearance before—".

Add the following section at the end of the bill:

Sec. 2. Subsection (d) of such section 207 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) on active duty as a commissioned officer of a uniformed service assigned to a pay grade of O–9 or above as described in section 201 of title 37, United States Code; or

"(3) in a position designated under this paragraph by the department or agency concerned. Not later than July 1, 1980, each department or agency concerned shall, with the concurrence of the Director of the Office of Government Ethics, by rule designate positions as necessary to protect against the exercise of undue influence. Each department or agency concerned may also determine by rule that the provisions of subsection (c) of this section shall apply to persons formerly employed in positions designated under this paragraph only in the case of appearances before or communications to specified offices, or persons in specified positions, at the department or agency. On an annual basis, each department or agency concerned shall review those designations and determinations made under this paragraph, and, with the concurrence of the Director of the Office of Government Ethics, by rule make such additions and deletions as are necessary. No designation under this paragraph shall become effective less than ninety days after the promulgation of the rule making the designation.".

Mr. ECKHARDT. Mr. Chairman, the most important difference between this amendment and the amendment introduced by the gentleman from Ohio (Mr. Kindness) is the provision that has to do with the limitation of personal appearance that I have just described.

As I said before, the opening up of the opportunity of a person who has worked on a subject matter, to continue on that very same subject matter after he leaves employment in Government and work on the other side, so long as he is working in the back room, is the biggest loophole in the entire bill and this would not be corrected in the Kindness amendment.

This amendment stops that loop-hole and it stops it without interferring with the concern of the Department of Health, Education and Welfare. It provides that, in the case of technical, scientific, medical or educational research persons engaged in those types of activities, may work on matters other than by personal appearance. In other words, they may consult on such technical, medical, scientific or educational research.

Other persons, such as, for instance, a contracting person who is engaged, as I described my fictitious person, in the contract itself, may not, if he has been engaged in that particular contract, even consult for 2 years, and he may not, of course, engage as a representative at any time, and he should not be permitted to do so.

So this amendment bars for 2 years such participation under (b), just as the original bill did. The only relaxing provision is that, with respect to scientific, technical, research, and medical research, only personal representation is barred.

The second thing the amendment does is that it treats with the question of (c) and (d). It provides, as the original bill did, and it provides, as the Kindness amendment does, an inclusion of persons who are in an executive position and also an inclusion of O–9's in the military service. But the standard with respect to the inclusion of others is left to the appropriate agency and is described in terms of function rather than in terms of pay or position. It provides that no later than July 1, 1980, each department or agency concerned shall, with the concurrence of the Director of the Office of Government Ethics, by rule designate positions as necessary to protect against the exercise of undue influence.

Frankly, I think that is an even better description than that contained in the original bill, which related to those having discretionary authority, et cetera.

□ 1310

What we are trying to get at is undue influence, and such designation may be all the way down the line, depending on the influence exercised by the person and not by his title.

I suggest to you there might be some euchring of titles in order to permit persons to get in under the ban, if there is not an opportunity to look at the matter from the standpoint of undue influence itself.

We tell the agency it shall designate persons who would otherwise be in a position to exercise undue influence.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(At the request of Mr. Volkmer and by unanimous consent, Mr. Eckhardt was allowed to proceed for 3 additional minutes.)

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Missouri.

Mr. VOLKMER. I quite agree with the gentleman's analysis of his amendment.

I would like to point out to the members of the committee again in comparison with the present law and in comparison with the amendment of the gentleman from Ohio (Mr. Kindness), and the gentleman's amendment, as to the loophole in the amendment of the gentleman from Ohio (Mr. Kindness) was wide open in regard to anyone under a rank of O–7 in the military or under a GS–17 in the civilian task force, we came back in and close that back up by providing that by function all of those can be included within the subsection, the 1-year limitation, subsection (c).

I quite agree with the gentleman that this is a lot better than the Kindness amendment.

The only thing is, it is true that under the present law, we have automatic exclusions for 17 and above, which the gentleman does not have; is that correct?

Mr. ECKHARDT. For executive levels and for O–7's, O–8's, and O–9's.

Mr. VOLKMER. The gentleman leaves those optional with the department head working with the Director of Ethics?

Mr. ECKHARDT. Under my amendment everything below executive levels and O–9's may be nominated for inclusion among those covered by the year ban and may, then be included by the Office of Ethics.

Mr. VOLKMER. And that is done by function. I am not saying that I quite agree that the gentleman's is better than the present law, even though it may very well work that way, but I do agree the gentleman's is a lot better than the amendment of the gentleman from Ohio (Mr. Kindness), which leaves those wide open and exempts them completely.

Mr. ECKHARDT. Let me say in reply that what I have attempted to do is different from the approach of the President and is different from the approach of the committee. My amendment operates in two directions in different areas; one, to give a certain flexibility, so persons will not leave Government where they are coming up against a proposition of not being able to work in their employment for a year after leaving, but on the other hand, I close the loophole in subsection (b) which is created by the limitation to personal appearance.

To put it in an analogy, it is as if you want to clear a lake of gar, of a bad fish, so you have got a big net and you are catching some good fish with the bad fish.

Mr. VOLKMER. The gentleman wants to let the good fish out.

Mr. ECKHARDT. So the administrative department put a great big hole in that net, the gar can now get out, but still some of the good fish are caught by their fins in the rest of the net.

I am trying to catch the gar but not

the good fish. To a certain extent I am asking for tighter regulations and to a certain extent more lenient ones.

Mr. VOLKMER. I wish to commend the gentleman on his amendment.

The CHAIRMAN. The time of the gentleman from Texas (Mr. Eckhardt) has expired.

Mr. MOORHEAD of California. Mr. Charman, I rise in opposition to the substitute.

Mr. Chairman, this substitute actually undoes almost everything that we did in the bill that came out of committee. The most serious objection that we have gotten to this bill from each and every person who has testified before our committee was the scope of section 207(b)(ii).

They felt that in almost any job that they could get in private industry, there could be some effect on preparations that might eventually be made to a governmental agency, and if you have them subjected to criminal penalty for their action in carrying out normal duties in any knd of an organization or corporation, they are in very real danger.

The administration supports a personal presence limitation on the assisting in representation language, to help out the high-level managers who go back to a university research organization, profit or nonprofit corporation. They would risk jail if the management of their organization is construed as assistance in representation when Federal contracts are involved.

This was the most serious concern throughout the executive branch of the Government.

Mr. ECKHARDT. Mr. Chairman, would the gentleman yield?

Mr. MOORHEAD of California. I yield to the gentleman from California.

Mr. ECKHARDT. I think I can clarify a point here that I think the gentleman may have misconceived in my amendment. There is another way I changed the original provision. In the present act such prohibited participation, that is by mere consultation or advice, included that by persons who had under their official responsibility the matter involved. I do not include them now at all.

The only persons who are excluded from consultation and advice are persons who are substantially and personally involved, not those under whose official responsibility the activity occurred.

In addition to that, the engagement in personal participation is still a requisite to limit a person who is a scientific, medical, technical, or educational person who has previously engaged while in Government personally and substantially in the matter involved.

Mr. MOORHEAD of California. I know that the gentleman has those two exemptions, but if a man is the chairman of a board or on the board of an organization, if he is the head of a department, it certainly leaves a fine line that is subject to interpretation as to whether he has direct control over the subject matter in any way.

It subjects these people to prison terms if they jump the wrong way or if they misguess.

Mr. ECKHARDT. If the gentleman would yield further on that, it is not true that he has to worry about whether or not it was "under his official responsibility." He is bound to know whether he was "personally and substantially involved."

Mr. MOORHEAD of California. But if a man is on a board of a corporation and has to vote on a matter or has any say in the final determination that is under his personal direction or could be determined to be somebody.

Mr. ECKHARDT. He is not at all covered if it is technical, scientific, medical, or educational research, except when he personally appears. His action on the board would not of course make him guilty of an offense.

(At the request of Mr. McClory and by unanimous consent, Mr. Moorhead of California was allowed to proceed for 3 additional minutes.)

Mr McCLORY. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of California. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

The problem with the Eckhardt amendment is that it undoes the precise thing that the administration is trying to correct, and that is it is going to limit the number of persons in the departments and agencies who are going to be liberated from this "aids . . . or assists" provision.

In other words, it seems to me, to just say that just technical and scientific people are going to be liberated and freed from these types of restrictions and would, it seems to me, do a disservice to the rest of the people in the departments and agencies, who themselves want to go out into the private world. They should have an opportunity to engage in their private employment without being restricted, in that they would have to have a personal appearance in order to be covered.

So, it seems to me that we are reversing through the Eckhardt amendment what we are trying to accomplish through the so-called technical amendment and the administration amendments.

Mr. MOORHEAD of California. In closing my argument, Mr. Chairman, the last half of the amendment, I suppose that we could live with, but it does turn over to the executive branch of the Government a determination of how far we are going to go either up or down and permits far more people to be brought into the scope of this legislation than is under it at the present time.

☐ 1320

For that reason, I believe that the entire amendment is objectionable, and I would ask for a no vote.

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the last word, and I rise in support of the substitute amendment.

Mr. Chairman, this substitute is far superior to the amendment offered by the gentleman from Ohio (Mr. Kindness) in several respects. First of all, I believe that the personal appearance provision that is contained in the bill as reported by the Judiciary Committee is one that could open the door to practically anything happening, excepting someone who is covered by this from actually appearing in an agency. That person could call somebody on the phone; the person could write letters which might or might not be threatening; the person could send somebody else who is not covered over to the agency to do his work for him just as long as the covered person never showed up there himself.

What kind of a restriction is that if the restriction is only on personal appearance when, in this day and age, communications are so advanced that a personal appearance is really not necessary to do much of what needs to be done?

Second, this amendment provides a specific exemption to people who are in the technical, medical, scientific, or educational research area, which was the area where most of the problems existed.

Third, and more importantly, the substitute is better than the original amendment because it allows the Director of Government Ethics to determine on a function-by-function basis who ought to be covered under this law, rather than merely setting a cut-off line based upon what one's classification or what one's pay level is.

This substitute should be adopted because it would get around a lot of the problems that have been expressed with regard to the Ethics in Government Act.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. Eckhardt) as a substitute for the amendment offered by the gentleman from Ohio (Mr. Kindness).

The question was taken; and the Chairman being in doubt, the committee divided and there were—ayes 6; noes 11.

RECORDED VOTE

Mr. ECKHARDT. Mr. Chairman, on this I ask for a recorded vote.

The CHAIRMAN. Those in favor of having a recorded vote will stand and remain standing until counted.

The Chair counts 23, an insufficient number.

Mr. ECKHARDT. Mr. Chairman, I raise a point of order that a quorum is not present.

Mr. DANIELSON. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I withhold and yield.

Mr. DANIELSON. If the gentleman will withdraw his point of order, I will implore all of my colleagues to stand.

The CHAIRMAN. The point of no quorum is withdrawn and since additional Members have risen, without objection, a recorded vote is ordered on the amendment offered by the gentleman from Texas (Mr. Eckhardt).

There was no objection.

RECORDED VOTE

The vote was taken by electronic device, and there were—ayes 88, noes 292, not voting 54, as follows:

[Roll No. 172]

AYES—88

Ambro
AuCoin
Bafalis
Benjamin
Bennett
Bereuter
Bonker
Brodhead
Broomfield
Burton, John
Burton, Phillip
Corcoran

Gore
Gramm
Grassley
Hamilton
Hance
Harkin,
Hollenbeck
Jacobs
de la Garza
Dellums
Dodd
Donnelly
Dougherty
Eckhardt
Edgar
Edwards, Okla.
Emery
Erdahl
Ertel
Florio
Frost
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Kildee
Kostmayer
Leach, Iowa
Lederer
Leland
Lent
Long, Md.
Maguire
Markey
Mattox
Mica
Miller, Calif.
Minish
Moffett
Mottl
Murphy, Pa.
Nolan
Oberstar
Panetta
Pashayan
Paul
Pease
Petri
Pritchard
Reuss
Rose
Russo
Santini
Scheuer
Schulze
Seiberling
Sensenbrenner
Shannon
Sharp
Snowe
Stack
Staggers
Stark
Studds
Tauke
Traxler
Vanik
Volkmer
Weaver
Weiss
Whittaker
Wolpe
Wydler
Yatron
Young, Mo.

NOES—292

Abdnor
Akaka
Albosta
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Aspin
Badham
Bailey
Baldus
Barnard
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Bethune
Bevill
Bingham
Blanchard
Boggs
Bolling
Boner
Bonior
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brooks
Brown, Calif.
Broyhill
Buchanan
Burlison
Butler
Byron
Campbell
Carney
Carr
Carter
Chappell
Cheney
Chisholm
Clay
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Coughlin
Courter
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Deckard
Derrick
Derwinski
Devine
Dickinson
Dicks
Dixon
Dornan
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Calif.
English
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fisher
Fithian
Flippo
Flood
Foley
Ford, Mich.
Fountain
Fowler
Fuqua
Gaydos
Gibbons
Gingrich
Ginn
Goldwater
Gradison
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hammerschmidt
Hanley
Hansen
Harris
Harsha
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Holt
Holtzman
Hopkins
Howard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kemp
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Leach, La.
Lee
Lehman
Levitas
Lewis
Livingston
Lloyd
Loeffler
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCloskey
McCormack
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Madigan
Marks
Marlenee
Marriott
Martin
Matsui
Mavroules
Mazzoli
Mikulski
Mikva
Miller, Ohio
Mineta
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nowak
O'Brien
Oakar
Ottinger
Patten
Patterson
Pepper
Perkins
Peyser
Preyer
Price
Pursell
Quayle
Quillen
Rahall
Rangel
Ratchford
Regula
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rosenthal
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Sabo
Satterfield
Sawyer
Schroeder
Sebelius
Shelby
Shumway
Shuster
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stangeland
Stanton
Steed
Stenholm
Stewart
Stockman
Stratton
Stump
Swift
Taylor
Thomas
Thompson
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vento
Walgren
Walker
Watkins
White
Whitehurst
Whitley
Whitten
Williams, Mont.
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wyatt
Wylie
Young, Fla.
Zablocki

NOT VOTING—54

Addabbo
Anderson, Ill.
Ashley
Atkinson
Biaggi
Boland
Brown, Ohio
Burgener
Cavanaugh
Clausen
Conyers
Corman
Cotter
Davis, S.C.
Diggs
Dingell
Erlenborn
Fish
Ford, Tenn.
Forsythe
Frenzel
Garcia
Giaimo
Gray
Hall, Tex.
Holland
Horton
Hubbard
Hutto
Latta
Leath, Tex.
Long, La.
Mathis
Michel
Nichols
Obey
Pickle
Railsback
Ritter
Roth
Runnels
Simon
Stokes
Symms
Synar
Trible
Wampler
Waxman
Williams, Ohio
Wilson, C. H.
Wright
Yates
Young, Alaska
Zeferetti

□ 1340

Messrs. ERTEL, HANCE, and LONG of Maryland changed their vote from "no" to "aye."

Messrs. HIGHTOWER, WILLIAMS of Montana, BLANCHARD, OTTINGER, and EDWARDS of California changed their vote from "aye" to "no."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Kindness).

The question was taken; and the chairman announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Kindness: On page two, following line two, add the following new section to the bill:

"Sec. 3. Section 207 of title 18, United States Code, is amended by adding the following new subsection (e).

"(e) The prohibition contained in subsection (c) shall not apply with respect to the representation by any person who is an elected official or full-time employee of a State or local government, or any agency or instrumentality thereof, or of any institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, or any medical research or treatment facility exempted under section 501 (c)(3) of the Internal Revenue Code of 1954."

Redesignate subsections (e) through (j) as subsections (f) through (k) respectively."

Mr. KINDNESS. Mr. Chairman, this is the amendment, as stated by the Chairman of the Committee of the Whole, that remains under the rule to be considered. It would provide some flexibility with respect to the 1-year revolving door rule, the prohibition on 1-year contact with the former department or agency where the person was employed, for those people who go to work for State or local governments or a university or a mental health or medical or scientific research corporation of a nonprofit sort.

The idea that was expressed frequently in debate when this bill was before us last week was that we need the people to move in and out of Government in medical research, scientific research, who move in the educational field from a university where they may be experts in education administration to the Department of Health, Education, and Welfare, and may wish to resume their private lives after a time, without being prohibited for a year from having any contact with the department where they formerly worked, something that is very necessary in those fields of endeavor, people at the National Institutes of Health, for example.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I thank the gentleman for yielding. This is a compromise which was reached with the majority with the chairman of the subcommittee, is it not, and with me? I had recommended that we repeal the entire section, but this does grant broad exemptions as far as those who are in the scientific field, university professors and others and those who go back and work for State and local governments.

As far as I am concerned, I am satisfied that the compromise is the best we can do and I hope it is adopted promptly.

Mr. DANIELSON. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. Mr. Chairman, I yield to the gentleman from California, the chairman of the subcommittee.

Mr. DANIELSON. Mr. Chairman, I thank the gentleman for yielding. I fully and enthusiastically support the amendment, but I wish to ask the gentleman a question. Would the gentleman clarify the meaning of the language, "full-time employee" in the gentleman's amendment?

What about those individuals who may go to work for a small city or a town or a college and yet work only one or two days a week?

Mr. KINDNESS. Mr. Chairman, the gentleman's question is a good one that needs to be clarified in the record, because the term "full time" is really intended to describe the bona fide employee, as distinguished from persons who are retained as a consultant or a special attorney by various clients; but it includes people who may work only a few days a week, even though such person may also work at something else which is a nonrelated type of work. For example, a retired Federal employee who goes to work as an employee for his hometown municipal government, or for a college, for 2 or 3 days a week, would be included in this exemption, even though he also spends half his time running his Creamy Whip franchise or selling used cars or real estate. If that person is on the municipal payroll as an employee, that fits within this term "full-time employee."

Mr. DANIELSON. Mr. Chairman, I thank the gentleman for his explanation. I join the ranks of the administration, all of the heads of departments of the U.S. Government, the educational community, the Department of Health, Education, and Welfare, the Committee on the Judiciary, Republicans and Democrats, in enthusiastic support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Kindness).

The amendment was agreed to.

● Mr. RODINO. Mr. Chairman, the bill S. 869 will clarify the application of the post-Government restrictions of section 207 of title 18 to carrry forward its basic purpose. As reported by the committee, the bill corrected the provisions of the law passed in the last session so as to implement its basic purpose and clarify the terms. As has been expressed in the debate on the bill, the ambiguities and misconceptions concerning the statute had caused much concern both within and outside the Government. As expressed in the testimony before the Judiciary Committe, the provisions of this bill will remedy the situation.

I join in support of the amendments offered by Mr. Kindness which were made in order by the rule approved by the House today. I applaud the flexibility they would give the law by making it possible for persons to leave Government and engage in scientific and medical research activity without being subject to the one year bar from contact with the Government. This will make possible continued cooperation between the Government and private research services in such vital areas as cancer research where this continuing cooperation has been a part of the Nation's effort to control such serious health problems. It also makes it possible for the continuation for similar activity in connection with other cooperative scientific and medical research efforts. I urge the support of the two amendments sponsored by the gentleman from Ohio, which will provide for this flexibility in the law.●

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. Rhodes was allowed to proceed out of order.)

☐ 1450

STATEMENT BY HOUSE MINORITY LEADER JOHN J. RHODES ON THE NATION'S OIL SITUATION AND RESOLUTION

Mr. RHODES. Mr. Chairman, last week, this House rejected President Carter's standby gasoline rationing plan. Subsequently, the President criticized this House for that action in language as strong as I can recollect him using in public.

Lost, however, in the confusion of finger-pointing and fault-finding is the fact that many Members voted against that plan in part because the administration failed to make its own case. This failure was caused, I believe, at least partly because administration spokesmen seemed to change their tunes so often about the cause, extent and likely duration of the gasoline shortage.

The purpose of this resolution of inquiry is to obtain from the President—in a single package—all of the information it has on hand relating to our crude oil situation.

We are seeking only facts. The same facts, I assume, on which the administration has based its many positions. We believe that the events of recent days soundly demonstrate the dire need for the Members—as well as the general public—to have in hand this information.

Simply put, we are seeking information pertaining to the status of our crude oil stocks; requirements; levels of demand; extent of shortages, if any; methods of allocation and any changes in those methods; and information on any actions by the oil industry to withhold or reduce supplies to the public.

This administration seems to have gone off in so many different directions it is mind-boggling. One day we are told the worst of the gas shortage is behind us; next day we are told it will remain through the summer. Motorists in one area fume in long lines at gas stations, while a few miles away, they drive in, fill up and take off with no delays.

We are deluged with statements, assertions, charges and countercharges which leave everyone confused, but move us to closer to developing a sound policy that will enjoy a broad consensus of support.

We are not seeking to nit-pick or to to lay blame. This resolution is designed to provide for all Members the information they must have in order to make responsible decisions on this vital matter.

I am joined on this resolution at present by 26 of my Republican colleagues, including the entire minority leadership and whip organization. But, I would hope that my colleagues on the other side of the aisle would see the wisdom and necessity and value of this resolution, and join us in seeking its adoption.

Mr. Chairman, let me say that any Member who wants to join in cosponsoring this resolution may do so by calling Dennis Taylor at extension 5–0600, and all Members are welcome.

For the benefit of the gentleman from California (Mr. John L. Burton), who I am sure will want to join in, I will repeat that. That is Dennis Taylor, phone 5–0600.

Mr. JOHN L. BURTON. Dennis Taylor?

Mr. RHODES. Dennis Taylor, phone 5–0600.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. Foley) having assumed the Chair, Mr. de la Garza, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the Senate bill (S. 869) to amend section 207 of title 18, United States Code, pursuant to House Resolution 273, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SENSENBRENNER

Mr. SENSENBRENNER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SENSENBRENNER. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Sensenbrenner moves to recommit the Senate bill, S. 869, to the Committee on the Judiciary.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. VOLKMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 327, nays 48, not voting 59, as follows:

[Roll No. 173]

YEAS—327

Abdnor
Akaka
Albosta
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Ashbrook
Aspin
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnard
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Bennett
Bethune
Bevill
Bingham
Blanchard
Boggs
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Brown, Calif.
Broyhill
Buchanan
Burlison
Butler
Byron
Campbell
Carney
Carr
Carter
Chappell
Cheney
Chisholm
Cleveland
Clinger
Coelho
Coleman
Collins, Tex.
Conable
Conte
Corcoran
Courter
Crane, Daniel
Crane, Philip
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
de la Garza
Derrick
Derwinski
Devine
Dickinson
Dicks
Dixon
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl

Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fisher
Fithian
Flippo
Flood
Florio
Foley
Ford, Mich.
Fountain
Fowler
Frost
Fuqua
Gaydos
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gradison
Gramm
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hammerschmidt
Hance
Hanley
Harris
Harsha
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Howard
Huckaby
Hutto
Hyde
Ichord
Ireland
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kemp
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Leach, Iowa
Leach, La.
Lee
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCloskey
McCormack
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Madigan
Marks
Marlenee
Marriott
Martin
Matsui
Mattox
Mavroules
Mica
Mikulski
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nowak
O'Brien
Oakar
Oberstar
Pashayan
Patten
Patterson
Pease
Pepper
Perkins
Peyser
Preyer
Price
Pritchard
Pursell
Quayle
Rahall
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rose
Rosenthal
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Sebelius
Shannon
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Snowe
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stratton
Stump
Swift
Tauke
Taylor
Thomas
Thompson
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Walgren
Walker
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wyatt
Wylie
Yatron
Young, Fla.
Young, Mo.
Zablocki

NAYS—48

Benjamin
Bereuter
Broomfield
Burton, John
Burton, Phillip
Coughlin
Deckard
Dellums
Dodd
Eckhardt
Fenwick
Gephardt
Gilman
Gonzalez
Gore
Grassley
Hamilton
Hansen
Harkin
Holtzman
Hughes
Jacobs
Jeffries
Kildee
Kostmayer
Lederer
Maguire
Markey
Mazzoli
Moffett
Murphy, Pa.
Nolan
Ottinger
Panetta
Paul
Petri
Ratchford
Schroeder
Schulze
Seiberling
Sensenbrenner
Sharp
Smith, Nebr.
Stark
Studds
Volkmer
Wolpe
Wydler

NOT VOTING—59

Addabbo
Alexander
Anderson, Ill.
Archer
Ashley
Atkinson
Biaggi
Boland
Brown, Ohio
Burgener
Cavanaugh
Clausen
Clay
Collins, Ill.
Conyers
Corman
Cotter
Davis, S.C.
Diggs
Dingell
Erlenborn
Fish
Ford, Tenn.
Forsythe
Frenzel
Garcia
Giaimo
Gray
Hall, Tex.
Holland
Horton
Hubbard
Latta
Leath, Tex.
Long, La.
Mathis
Michel
Mottl
Nichols
Obey
Pickle
Quillen
Railsback
Rangel
Ritter
Roth
Runnels
Stewart
Stockman
Stokes
Symms
Synar
Trible
Wampler
Williams, Ohio
Wilson, C. H.
Yates
Young, Alaska
Zeferetti

☐ 1410

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Mottl.

Mr. Charles H. Wilson of California with Mr. Anderson of Illinois.

Mr. Zeferetti with Mr. Wampler.

Mr. Stewart with Mr. Trible.

Mr. Rangel with Mr. Williams of Ohio.

Mr. Pickle with Mr. Young of Alaska.

Mr. Garcia with Mr. Symms.

Mr. Obey with Mr. Ritter.

Mr. Nichols with Mr. Stockman.

Mr. Giaimo with Mr. Roth.

Mr. Ford of Tennessee with Mr. Quillen.

Mr. Alexander with Mr. Railsback.

Mr. Ashley with Mr. Horton.

Mr. Davis of South Carolina with Mr. Latta.

Mr. Cotter with Mr. Clausen.

Mr. Corman with Mr. Burgener.

Mrs. Collins of Illinois with Mr. Archer.

Mr. Boland with Mr. Brown of Ohio.

Mr. Yates with Mr. Hall of Texas.

Mr. Synar with Mr. Fish.

Mr. Stokes with Mr. Frenzel.

Mr. Leath of Texas with Mr. Erlenborn.

Mr. Long of Louisiana with Mr. Forsythe.

Mr. Biaggi with Mr. Runnels.

Mr. Gray with Mr. Holland.

Mr. Hubbard with Mr. Mathis.

Mr. Atkinson with Mr. Diggs.

Mr. Dingell with Mr. Clay.

Mr. Cavanaugh with Mr. Conyers.

Mr. COUGHLIN changed his vote from "yea" to "nay."

So the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DANIELSON. Mr. Speaker, I ask that all Members may have 5 legislative days to revise and extend their remarks on the Senate bill, S. 869, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT FRIDAY, MAY 25, 1979, TO FILE REPORT ON H.R. 3398, AGRICULTURE ADJUSTMENT ACT OF 1979

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight, Friday, May 25, to file a report on the bill, H.R. 3398, the Agriculture Adjustment Act of 1979.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERSONAL EXPLANATION

Mr. FOLEY. Mr. Speaker, I was unavoidably absent on rollcall 170. Had I been present I would have voted aye.

AMTRAK RIDERSHIP IN WESTERN REGION INCREASES BY NEARLY DOUBLE RATE

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, Tuesday I brought to the attention of the House of Representatives the fact that Amtrak ridership in the western region of this country was increasing at nearly double normal rates. Before the end of this month, the route between Los Angeles and San Diego is expected to nearly equal the World War II ridership record of 125,000 passengers per month. Obviously, this dramatic increase is due to the severe gasoline shortage in California.

Today, I would like to bring information to your attention related to an Amtrak route scheduled for discontinuation under Secretary Adams' plan. This route, the Cardinal, operates between Chicago and Washington, D.C., a section of the country not presently experiencing gas shortages as severe as those on the west coast. I have received some encouraging data on this route, which operates as a "reservation only" facility. For the next 2 weeks, the Cardinal has advanced booking for 52 percent capacity—an increase of 12 percent over previously compiled averages. In addition, Cardinal reservations for the next 6 weeks are at 36 percent capacity and, for the next 13 weeks—well into August— at 19 percent capacity thus far. These statistics indicate that a substantial number of individuals are planning summer vacation travel via Amtrak. These advanced reservations constitute very impressive long-term commitments heretofore not experienced on the Amtrak Cardinal route.

Traditionally, increased ridership occurs over sections of an Amtrak route which already are well established. This pattern is holding true currently on the Cardinal, with the heaviest increase occurring between Cincinnati and Chicago. However, I have a report that on Friday, May 18, the eastbound Cardinal arrived at Union Station with 17 standees aboard. This overload was due, apparently, to the fact that late boarders from West Virginia have not previously felt a need to make advanced reservations to come into Washington.

The situation is changing on the Cardinal—it is changing on a considerable number of Amtrak routes schedules for extinction. Our deadline for disapproval is only hours away. Once again, I urge this body to act before it is too late and disapprove Secretary Adams' recommendations.

ROLLCALL OF HEROES, 1978–79

(Mr. GOLDWATER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GOLDWATER. Mr. Speaker, it has been my sad duty and honor for a number of years during Police Memorial Week to read the names of slain police officers for the year preceding, in order that my colleagues may pay tribute to them.

This year, during Police Memorial Week, I ask my colleagues once again to pay tribute to the 85 law enforcement officers killed in the line of duty during the past year. These tributes would not be possible without the dedication and assistance of Virgil D. Penn, Jr., National Chaplain-East, Fraternal Order of Police. The following is a synopsis of Chaplain Penn's message for this year's tribute, and the tragic list of slain officers:

POLICE MEMORIAL WEEK, 1979

(By Chaplain Virgil D. Penn. Jr.)

Law enforcement officers live a fairly normal life. Just as the printer, mailman, construction worker and business executive arise every morning and go off to work, so does the policeman. However, there are a few differences: while most people follow a routine schedule, the lawman's day is divided into three shifts for the most part, and sometimes these are rudely disrupted. Although none of us can predict what will befall us during a day's work, the police officer can be assured that anything can happen to him or her, including serious injury and sometimes death.

But as the law officer begins each tour of duty, such hazards are necessarily far from his mind, simply because such thoughts are counter-productive to his sanity and effectiveness. Even when a buddy is killed, most police officers believe "This can't happen to me."

Despite the dangers and unpredictabilities associated with the law enforcement officer's profession, the public expects him to be almost super-human. He is expected to always conduct himself in a calm and reasoned manner; he must be neat and clean in appearance, even when called upon to work in filthy environments; he must face every danger without flinching, but yet not be too aggressive; and he must never lose his composure, no matter how provocative the circumstances. All in all, he must be like Caesar's wife, above reproach.

There was only one man on earth whom many consider perfect, but He was crucified many centuries ago. How, then, can we expect the police officer to live up to every virtue expected of him? All officers are human, and commit human errors from time to time. But the only time most people read about a police officer is when he has erred in judgment. The tragic exception to that is when a police officer has sacrificed his life in the performance of his duty while protecting the lives and property of the citizens of our great country. He is then revered and honored by his fellow officers with religious rites and ceremonies. He will be remembered by his fellow officers, but all too soon the public at large will not even remember his name.

Thus, we, the law enforcement officers of America, are deeply appreciative for the honors bestowed upon our fallen brothers by the Congress of the United States. It is an appropriate acknowledgement of those who gave their all that others might live. It also fortifies the morale of those who live to carry on the war against crimes and corruption in America.

We thank the Members of Congress, and may the Good Lord bless your every endeavor. And now, the Rollcall of Heroes, 1978–1979:

1978–79 ROLLCALL OF HEROES

Date, city or department, State, rank, and name of deceased

1978

April 7: Escambia County, Florida, Deputy, Morley Griffin "Buddy" Ray.

April 8: Highway Patrol, Montana, Officer, Michael M. Ren.

April 14: Catoosa County, Georgia, Deputy, Baxter Shavers.

April 18: Clark County, Ohio, Deputy, Gregory A. Raynor.

April 18: Los Angeles County, California, Deputy, Thomas H. Pohlman.

April 19: Kitsap County, Washington, Deputy, (name unavailable).

April 27: Jackson, Michigan, Lieutenant, William James Nixon.

May 15: Atlanta, Georgia, Officer, Frank Schlatt.

May 26: N.Y. and N.J. Port P., New York, Officer, Henry J. Koebel.

May 26: Oklahoma City, Oklahoma, Lieutenant, Pat Grimes.

May 26: Oklahoma City, Oklahoma, Officer, Houston Summers.

May 26: Oklahoma City, Oklahoma, Officer, Billy Young.

June 12: Chattanooga, Tennessee, Patrolman, David Lynn Friederichsen.

June 12: Chattanooga, Tennessee, Patrolman, Nelson Irvin Hess.

June 15: New York City Transit Police, New York, Detective, Carmine Macchia.

June 21: Waukesha County, Wisconsin, Deputy, Michael Geszvain.

June 22: Waukesha County, Wisconsin, Sergeant, Quin O'Brien.

June 26: Campton, Kentucky, Chief, Jimmy Tolson.

June 26: Prince Georges County, Maryland, Patrolman, Albert M. Claggett IV.

June 26: Prince Georges County, Maryland, Patrolman, James Brian Swart.

June 29: Douglas County, Minnesota, Deputy, (name unavailable).

July 13: Placer County, California, Deputy, (name unavailable).

July 15: Cincinnati, Ohio, Officer, Charles Burdsall.

July 17: Yreka, California, Officer, Jesse Joe Hittson.

July 26: Nashville, Tennessee, Officer, Steven R. Pinkelton.

July 28: Puerto Rico, Puerto Rico, Officer, Roberto Barbosa.

August 2: Roseau County, Minnesota, Deputy, (name unavailable).

August 3: Stockton, California, Patrolman, Nicholas Paul Cecchetti.

August 8: Philadelphia, Pennsylvania, Officer, James Ramp.

August 12: Broward County, Florida, Deputy, Robert Milligan.

August 24: Puerto Rico, Puerto Rico, Patrolman, (name unavailable).

August 26: Henderson, Louisiana, Patrolman, Julius Courville.

September 1: Catoosa, Oklahoma, Chief, (name unavailable).

September 1: Houston County, Georgia, Deputy, (name unavailable).

September 17: Union County, Louisiana, Deputy, (name unavailable).

September 17: San Miquel, New Mexico, Deputy, (name unavailable).

September 19: Florida H.P., Florida, Trooper, Alvin V. Kohler.

September 20: James City, Virginia, Sergeant, Earl M. Heisler.

October 6: Pierce County, Washington, Deputy, (name unavailable).

October 20: Shreveport, Louisiana, Patrolman, Thomas G. Tompkins.

October 24: Taylorsville, Mississippi, Patrolman, Glenn Edwin Bond.

October 25: Puerto Rico, Puerto Rico, Patrolman, Celestino Solivan Almedina.

October 25: Delhi Township, Ohio, Officer, John W. Bechtol.

November 4: San Diego, California, Patrolman, Archie C. Buggs.

November 7: Utah Highway Pat., Utah, Trooper, Ray Lynn Pierson.

November 16: San Antonio, Texas, Detective, (name unavailable).

November 17: Lowell, Mass., Officer, Christos G. Rouses.

November 29: San Clemente, California, Policeman, Richard T. Steed.

December 7: Columbia, Miss., Policeman, Leonard Conerly.

December 11: Fort Worth, Texas, Policeman, Jimmie Franklin Chadwell.

December 12: Kansas City, Missouri, Policeman, John J. O'Sullivan.

December 15: Franklin County, Miss., Deputy, Kirby Shell.

December 16: Mission, Texas, Policeman, Fulgencio Velasco III.

December 17: Nashville, Tennessee, Policeman, Edward L. Tarkington.

December 22: California H.P., California, Patrolman, Ray Blecher.

December 22: California H.P., California, Patrolman, Mike Freeman.

December 24: Des Peres, Missouri, Patrolman, John L. Oberkremer.

December 25: Ala. Game Comm., Alabama, Warden, Frank Stewart Jr.

December 29: South Paris, Maine, Policeman, Timothy Lynn Willard.

1979

January 7: Bergen County, New Jersey, Officer, Joseph Rybka.

January 8: Madison County, Miss., Deputy, (name unavailable).

January 10: Fort Worth, Texas, Officer, James Curtiss Gaul.

January 18: Garrett County, Maryland, Deputy, David George Livengood.

January 18: Chattanooga, Tennessee, Officer, Harry Wilcox.

January 28: Richmond County, Georgia, Investigator, (name unavailable).

February 10: Shelburn, Indiana, Marshall, Clarence Kistner.

February 11: Ky. State Police, Kentucky, Trooper, Clinton E. Cunningham.

February 12: Schenectady, New York, Patrolman, William A. Koenige.

February 13: Crowley, Texas, Officer, James Michael Carpenter.

February 28: Mississippi Co., Missouri, J.A.D. Off., (name unavailable).

March 1: Coffee County, Alabama, Sheriff (name unavailable).

March 2: Charleston, S. Carolina, Patrolman, (name unavailable).

March 3: Chicago, Illinois, Patrolman, Roger Van Schaik.

March 3: Chicago, Illinois, Patrolman, William Bosak.

March 4: Wolfe County, Kentucky, Deputy, Claude Flinchum.

March 6: Cincinnati, Ohio, Officer, Robert Seiffert.

March 6: Cincinnati, Ohio, Officer, Dennis Bennington.

March 8: Madison County, Mississippi, Deputy, (name unavailable).

March 13: Las Vegas, Nevada, Investigator, Ronald Chelius.

March 18: Las Vegas, Nevada, Officer, James W. Harben II.

March 20: Gratersford Prison, Pennsylvania, Captain of Guards, Felix Mokychic.

April 3: Columbus, Georgia, Patrolman. (name unavailable).

April 4: Ft. Myers (Lee Co.) Florida, Deputy, Dwight Lynn Hall.

April 7: Illinois H.P., Illinois, Trooper Michael McCarter.

April 7: Paxton, Illinois, Patrolman, William Caisse.

Mr. Speaker, in closing I would like to share the National Police Prayer, composed by Chaplain Penn, with my colleagues:

> Oh Holy Father, we ask Thy blessing and aid in the performance of our myriad tasks. As we perform our sworn duties, guide us in all our actions. Teach us to conduct ourselves in a professional manner, to be gentle and yet firm. Deliver us from the weakness of apathy and negligence and the excess of severity. Protect us from the evils of temptation that we might not surrender to the lusts and greed of the world around us. Almighty Father we offer our prayers and supplications unto Thee for our beloved brothers who have sacrificed their lives while protecting the safety and lives of all the people of our land. May they all rest in eternal peace with Thee, to whom we glory both now and forever. Amen.

TERMINATION OF AIR SERVICE IN MONOPOLY MARKETS

(Mrs. SNOWE asked and was given permission to revise and extend her remarks.)

Mrs. SNOWE. Mr. Speaker, since the Airline Deregulation Act of 1978 was enacted by the 95th Congress, we have seen many positive effects and benefits for airline travelers and the airline industry. We have also seen, however, some negative effects of this law, particularly as it relates to communities which constitute monopoly markets. For this reason, I am today introducing legislation which I hope will serve as the beginning for a debate on this issue.

Specifically, my legislation would prohibit a certificated carrier in a monopoly market from terminating, suspending, or reducing service to that market below the level of essential air transportation as determined by the Civil Aeronautics Board (CAB) for a certain period of time—namely, from the date of enactment of this legislation until December 31, 1981. During this time the carrier would be compensated for any losses incurred by compliance; and not later than March 1, 1982, the Board would prepare and submit to Congress a report which includes data on the number of persons and the type and weight of property transported between any point and any large air traffic hub by certificated carriers complying with this act. The legislation also contains a provision to deal with the case of a monopoly market that has already lost this service.

As I mentioned, I am very much aware of the advantages and benefits that airline deregulation has produced, and I am not attempting to undo that. On the other hand, however, there are many communities which because of their remoteness or the basis of their economies will be severely affected by the loss of air service by a major carrier. I am attempting by this proposal, therefore, to lessen these effects by reducing the arbitrary nature of airline withdrawal and allowing more time for review of the overall situation in the community. It will also give the communities a chance to prove that they can support air service by a certificated carrier.

The situation of losing service, faced by Presque Isle, Maine in my district, has been or will be faced by many other communities. I am hopeful that we can find a solution to this problem which will retain the benefits of airline deregulation while at the same time provide these monopoly market communities the opportunity to support air service by major carriers.

IN PRAISE OF OUR VIETNAM VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BAILEY) is recognized for 60 minutes.

GENERAL LEAVE

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BAILEY. Thank you, Mr. Speaker.

Mr. Speaker, next week we recognize the efforts of our Vietnam veterans. Much has been said since Saigon's fall, perhaps as much or more than was said before or during South Vietnam's tenure as a nation.

I do not speak apologetically for those who served. I have no desire to explain away or rationalize what they did there. I would rather speak for the blood and sweat that was shed to accomplish a proper end.

Vietnam veterans, especially he who served in a combat role, returned to a Nation unwilling to recognize his purposes or his experiences. Reams of material have been written in the media, editorialized on TV, or have been placed on library shelves, that decry American involvement in Vietnam.

But there are those who do not regret their sacrifice, and who do not now agree with the rationalizers, but rather wait with quiet impatience for the voices of those who properly complain about past brutality in Germany and other parts of Europe, in the Middle East and Africa and South America, to speak for the abandoned in South Vietnam.

There are Vietnam veterans who have not succumbed to humiliation as a price for acceptance in our society; who do not accept the position that in order to be accepted by this great Nation they must criticize what they did in Southeast Asia.

There are those who understand but cannot accept the myth of headline rhetoric or of a Walter Cronkite's bias. There are those who saw South Vietnam for what they thought she truly was, a struggling political infant with many democratic facets facing a world of possibility, with a strong and able ally who died abandoned as her health was improving. There are those Vietnam veterans who left that nation confident that she would stand, tolerant of her faults, and very hopeful for her future.

□ 1420

But even more painful was the return to a great and powerful nation, much loved, whose leaders had become dishonest in their intellectual ability to face the challenges of that war. A nation led in some cases by men and women, who although not deliberately, obviously had a stake in a self-fulfilling philosophy of defeat—now those loud and vociferous opponents found their rationale, their defeatism, their righteousness, muted by history and the tread of refugee feet.

From some Vietnam veteran's views, watching over 1 million refugees composed of people once his friends, with whom he fought and for whom he bled, hungry and starving, rejected and pushed into filthy refugee camps, unaccepted by a guilty world, as he is now by an embarrassed nation, the pain is almost unbearable.

There are those Vietnam veterans silent and unspeaking, who carry strongly within themselves the seeds of disagreement, who watch the flow of history and see the tide of historic opinion begin to flow in their direction, and still say nothing because their pain is much too heavy to bear. They have watched those in this Nation exploit the war in our media; they have watched those cruel and dishonest TV writers construct stereotypes; and most of all they have heard the politicians who lacked the courage originally, demonstrate once again a similar lack of courage in the face of the horrible genocide in Cambodia and Laos; leaders who will not accept the responsibility for what they helped accomplish; leaders who will not come forward and speak for the political refugees that die in Southeast Asian refugee camps, die because we would rather as a nation rationalize than look down the long road and accept our responsibilities.

These veterans never wanted the war. Like all the people of our Nation they would have preferred never to see it start, nor to have initially been involved. But, they are the ones who accepted our personal responsibility, and it is for them I would like to dedicate my tribute.

They deeply love this Nation and its values. They did not fight because they were dupes and fools and knew no better. It is difficult for them to accept the touted courage of a Canadian draft dodger, although they do not question those who stood and faced the responsibility of their opposition within our borders. They have given an ultimate sacrifice without the social and political support so precious to a traumatic infliction. They know the pangs of misunderstanding, indifference, and prejudice.

Yet, within the ironies of human history, they have perhaps augmented an ultimate good, for like those refugees afloat on an open ocean, they are in a sense international people who fought for the principles of democracy and human rights, not as they derive from America as a nation, but rather as they descend from God and the best that man can offer his existence. They rank with the best our Nation has given mankind.

They understand, as no others can, the face of tyranny and the brotherhood of every person who suffers oppression—be it the onerous and horrible tyranny of political authoritarianism, or the milder forms of pain from embarrassment and rejection in their own land. Either way they know a lie, be it as defiant of man's nature and blatant and cruel as expressed by the present rulers of South Vietnam, or be it the myths and rationalizations that can even grip this great democracy. They feel a deep concern for truth and humanity that transcends nationhood; and for every person who dies or pains from a desire for freedom, they reach out from their mind's eye in the spirit of man's natural political brotherhood.

Let me conclude with a quote from John Donne:

> No man is an island entire of itself; every man is a piece of the continent, a part of the main; if a clod be washed away by the sea, Europe is the less, as well as if a promontory were, as well as if a manor of my friends or of thine own were; any man's death diminishes me, because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for Thee.

● Ms. MIKULSKI. Mr. Speaker, I rise to pay tribute to the brave men and women who served in the armed services in the Vietnam war. The American people must never forget the sacrifices of those who gave so much to their country. It is also vital to acknowledge how much more difficult it was for these veterans who could not count on the united support of the American people.

Over the course of the Vietnam conflict, over 3 million Americans served and close to 50,000 gave their lives. Almost 200,000 Marylanders served in the conflict and approximately 1,000 died. In a time of America's need, these people responded, giving their time, their bodies, and sometimes their lives. Now that the war is over, the veterans of Vietnam have returned home. Our Nation must give them the respect and gratitude which they deserve. Our Government should and must—be responsive to the unique problems which they face. It must recognize its obligations to help them solve these problems so that they will be better able to fill their roles in society. Let us also hope and pray that future Americans will not again have to suffer the tragedy of war; and that in place of war, peace, and understanding will prevail through the world.●

● Mr. KEMP. Mr. Speaker, our Vietnam war veterans are deserving of every word of testimony and encouragement being expressed by our colleagues this afternoon and I am glad to have the opportunity to join in acclaiming the dedication and sacrifices of these largely unsung heroes of our country's veterans.

In previous wars, returning veterans were proclaimed heroes and their neighbors and countrymen admired and revered their service to their country. The tragic circumstances and conditions of the Vietnam war brought, at best, a mixed attitude toward the returning veterans including a reluctance to acknowledge the hardships and, all too often, a disdainful reference to acts of heroism and service to America.

In the face of the exceptional difficulties experienced by these Vietnam veterans upon their return to civilian life, I hope that this congressional recognition will help serve to build in the Vietnam veteran a feeling of pride and that the celebrating of "Vietnam Veterans Week" will be the beginning of a new understanding and appreciation of these outstanding young men and women.

I join my colleagues in wishing each of these veterans every measure of success in the future and assure them that we have not forgotten the adversities they suffered and must take steps to assure them of our support.●

● Mr. COELHO. Mr. Speaker, next week, May 28 through June 3, has been set aside by the Congress and the President to honor those men and women who served their country during the Vietnam era.

The battlefield performance of America's soldiers in Vietnam was by all measures the equal of that of their counterparts in previous conflicts. But as a nation, we have not fully recognized those who fought in that bitter struggle for their services and sacrifice.

I urge my colleagues to join the President, community leaders, veterans groups, and other concerned citizens in paying tribute to the Vietnam veteran during the coming week. Let them know that we are grateful and proud of them not only for their courage and sacrifice in military service, but for their contributions to the community since returning home. And for those who suffer from their experiences in that war, show them that we care by offering them concern and understanding and help in solving their problems.●

● Mr. DE LA GARZA. Mr. Speaker, the week of May 28 to June 3, 1979, has been congressionally designated as Vietnam Veterans Week. This is an honor long overdue the veterans to whom this Nation owes a debt for suffering untold hardships in their efforts to maintain our country's integrity in a no win situation. I am, indeed, glad to see our Nation recognize the services of the Vietnam veteran.

These were men who fought an unpopular war. While all wars are fought with excessive danger the Vietnam war was triply so. Not only was there the danger from conventional mechanical attack, but our men were up against cunning deviltry as well as frequently finding themselves victims of the ongoing internal conflict here on the homefront.

These men served admirably. They suffered despair and defeat. As a nation it is our obligation to provide assurances of comfort and to express our thanks. Vietnam Veterans Week is just one small token of the Nation's recognition. The most the Nation can do for these men is not enough—and this is nothing less than these men duly merit.●

● Mr. STUDDS. Mr. Speaker, most Americans remember the Vietnam war as a painful and traumatic chapter in our Nation's history. But for the many thousands of veterans who served during that era, the war is much more than a painful memory; it remains instead as a bitter reality which weighs heavily upon them each and every day.

While most veterans have successfully readjusted to civilian life, a significant number have not. They have been plaqued instead with high rates of suicide, divorce, unemployment, and—as the following editorial from the May 6, Cape Cod Times points out—physical illnesses which may seriously affect their own health and that of their offspring.

Our country owes these men and women a great debt, and I believe it is up to the Congress to see that it is met. By declaring May 28 to June 3 Vietnam Veterans Week, the Congress has taken the first step toward drawing attention to the plight of the Vietnam vet. There is, of course, much more we can do to help meet their special needs. One such measure is proposed in the following editorial which I recommend highly to my colleagues:

DE FACTO RECOGNITION FOR THE VIETNAM VET

Small groups of veterans throughout the United States—some of which, like Joe Bangert's Hyannis-based Vietnam Vets for Self Reliance, consist of one man and a filing cabinet full of information—are trying to pressure the giant Veterans Administration into recognizing victims of Agent Orange as casualties of the war in Vietnam.

These may be succeeding. Eight years after the use of the potent herbicide, sprayed by the military to defoliate large areas of South Vietnam and deny the enemy cover, was halted, the VA has agreed to advise Vietnam veterans of potential dangers arising from exposure to Agent Orange.

In addition more than 20 class-action lawsuits have been filed against Dow Chemical, the largest manufacturer of Agent Orange, and six other chemical companies by veterans and their families who claim that dioxin in Agent Orange and other herbicides used in Vietnam have caused serious illnesses to the veterans and gross deformations to children born after their return from combat.

The VA faces major problems, the most serious of which is the lack of solid medical evidence that these herbicides are at the root of the illnesses and the deformities. Another is money: If the VA accepts the validity of these claims, it is expected the number of veterans who will apply for them will be enormous.

The latter problem, however, can be dealt with—additional VA funds can be raised by Congress by routine methods.

The matter of medical evidence is more difficult. VA researchers would require the voluntary cooperation of veterans who were exposed to the herbicides at any time from 1962 to 1971. More than any other military group in history, however the Vietnam veterans have shown they are suspicious of the VA, and there is a serious question as to how many would come forward for testing.

So far, approximately 2,000 veterans have been screened by the VA, a figure which seems to mean something until one remembers that 2.6 million Americans served in Vietnam between 1965 and 1973. And, since 60 percent of the combat zone before the operation ended, was sprayed, the chances of coming in contact with dioxin herbicides were significantly high.

Then there is the attitude of the VA itself. Bangert showed a Times reporter a letter he received from Dr. James C. Crutcher, medical director for the administration. Dr. Crutcher said in effect: We don't share your views that a study of all veterans is necessary because there isn't convincing evidence to show the herbicides have a permanent effect on health . . .

The VA is now moving, although Bangert—who believes he's a dioxin victim—and other veterans say it's not moving fast enough. They want VA benefits now, and claim the evidence the administration says it needs already exists.

It would seem they're right. A scientist from Hanoi, Dr. Ton That Tung, is currently in the United States and is scheduled to meet on Wednesday with key VA medical staff members. Tung, a French-trained surgeon, is the first Vietnamese scientist to visit the United States since the war.

Tung told an audience at Yale University last month that there has been an abnormal increase in liver cancer in areas of South Vietnam where dioxin had been used. He points out that primary liver cancer, almost unknown in the country before the start of military defoliant spraying in 1961, is now the second most prevalent form of cancer in southern Vietnam. He also detailed his studies of birth defects in areas where Agent Orange was most heavily applied.

Tung, who is director of the Vietduc University Hospital in Hanoi, is touring universities here trying to generate interest in the formation of an international medical commission to study dioxin poisoning.

It is one of the many ironies of that war that a man who was once considered an enemy is on a mission that could directly affect thousands of American veterans and their families, because he is among the few who can help them—the victims of a weapon they used against his country. It is to Dr. Tung that thousands of men like Joe Bangert are turning for hope.

An international commission, composed primarily of American and Vietnamese scientists, is a most urgent need, not only for veterans in the United States but for the hundreds of thousands of Vietnamese people who have been exposed far more intensely to the herbicides.

Such a commission heavily funded by the United States, would admittedly involve a sort of de facto recognition of Vietnam. But that should not be a reason for concern. What should is that our scientific capability be joined with Vietnamese knowledge of dioxin poisoning in an attempt to stop the growing casualty list of the war in Vietnam.

At the same time, the United States government would be offering de facto recognition to the Vietnam vet.●

● Mr. SYMMS. Mr. Speaker, 5 years ago, the United States ended America's direct involvement in the Vietnam war. However, to the many brave young men and women who gave of themselves to our Nation during that time, the war has never ended. Throughout our history, America has healed her woonds by discarding memories, forgetting the past and looking to the future. And, while the ability to look to the future is a good quality, I believe it is important that we keep the painful history of the Vietnam era in mind.

It is important too that we finally and officially recognize those men and women who so loyally answered their Nation's call to duty. It is important that this Nation give them their "hurrah," their parade, their honor, and our thanks by dedicating this week to the valor they exhibited as they fought in Southeast Asia and to the courage they have shown in coming home to an unthankful country.

I hope that the Government's official recognition and gratitude for their sacrifices will lead the rest of our Nation to stand up and say "thank you" to those who fought in the Vietnam war.●

● Mr. PERKINS. Mr. Speaker, I want to join with my colleagues in honoring the Vietnam veteran. Those that served in the military services during Vietnam came back to a far different situation than those such as myself who served in World War II. Those who served in Vietnam were caught in between those who said that they performed their moral duty and others who described it as immoral. We are not here today to discuss the wisdom of our policy in Southeast Asia, but to remind ourselves that some of our citizens have special needs.

The black Vietnam veteran is twice as likely to be unemployed as is a nonveteran who is black. Of those veterans married before going to Vietnam almost 40 percent were divorced within 6 months of their return. Fifty-eight percent of the veterans being treated for drug problems in VA hospitals are Vietnam veterans. Although the unemployment rate for Vietnam veterans is higher than the national population generally, there has been improvement and a decline in this unemployment rate.

We must continue our efforts to provide jobs for the Vietnam veteran. We should continue to provide educational opportunities. Many Vietnam veterans will be shortly losing their entitlement to GI educational benefits through the passage of time. I, along with a number of my colleagues, have sponsored various measures to extend the period of entitlement. I hope that we will see this become law within this Congress.

I hope that during this week we will remind ourselves of the special needs of the Vietnam veteran and dedicate ourselves to help him to help himself. I believe that this is a matter of simple justice for those who served in Vietnam.●

● Mr. MAZZOLI. Mr. Speaker, our Nation, in closing the books on Vietnam, seems to have closed the books on Vietnam veterans.

But, next week we will have the opportunity to give our long-overdue thanks to the veterans of the Vietnam conflict and to honor them for their sacrifices.

This Nation still owes a moral debt to Vietnam-era veterans. They served the country during a painful and divisive time, in an emotional, bitter, and unpopular war.

We have in the past honored our returning veterans with a "heroes' welcome." And, we have insured that those veterans are properly rewarded for their sacrifices for this country. Such has not been the case with the Vietnam veteran.

Yet Vietnam veterans have suffered emotional trauma as much if not more than veterans of other wars. And, in many ways, their readjustment to life back home has been more difficult than their counterparts of earlier wars.

Vietnam Veterans Week gives us the opportunity to pay tribute to Vietnam veterans and show our appreciation for their selfless efforts on behalf of the country. But, it is not enough to honor those veterans for a week and then lay them aside.

I recently met with Alec Van Ryan, director of public affairs of the city of Louisville, and two of his colleague Vietnam veterans, David Bennedict, assistant safety director of the city of Louisville, and Steve Schawger, of the Jefferson County attorney's office. They came to Washington as part of the U.S. Conference of Mayors project to gain support for Vietnam Veterans Week.

They urged support for Vietnam Veterans Week and also urged that Congress put full weight behind measures to help Vietnam veterans in the areas of counseling, medical care, jobs, and job training, and education.

I applaud the President for proclaiming the week of May 28–June 3, 1979, as Vietnam Veterans Week. I hope Mr. Carter brings veterans of the Vietnam conflict, along with their wives, to the White House for a dinner. This would be a concrete demonstration of the need to support those soldiers who served their Nation in a particularly trying time in its history.●

● Mr. OBERSTAR. Mr. Speaker, our Vietnam veterans faced the most painful homecoming of any veterans in our history. They returned not to parades and victory celebrations, but to a nation bitterly divided over the war.

We, as a people, have been unable or unwilling to recognize the service of the young Americans who fought that war.

Regardless of how we as individuals felt about that war, however, each American owes the Vietnam veteran recognition of his service, his suffering, and his commitment to this country.

Four years after the fall of Saigon, the Nation has yet to come to grips with that war. We have chosen to forget and, as a consequence, we have failed to do justice by our Vietnam veterans.

Last fall, this House passed a joint resolution designating the week of May 28–June 3 as Vietnam Veterans Week. Public recognition of the Vietnam veteran is long overdue.

The Vietnam Era Veterans Caucus, under the chairmanship of the gentleman from Michigan (Mr. BONIOR), has undertaken the much-needed and commendable task of working in this House to meet the special needs of the Vietnam veteran.

The caucus has introduced legislation, the Vietnam Veterans Act, providing a comprehensive program of housing, education, employment, and health assistance. I earnestly hope the 96th Congress will enact this badly needed legislation.

Mr. Speaker, the caucus members are eloquent and effective spokesmen for the Vietnam veterans. Our colleague, JOHN MURTHA, a caucus member, participated in my radio report to my district this week; I would like to include in the RECORD a transcript of our broadcast:

VIETNAM VETERANS WEEK

This is Congressman Jim Oberstar; I'm here in Washington with my colleague, Congressman John Murtha of Pennsylvania. We're going to be talking about Vietnam Veterans Week, May 28 through June 3, which Congress designated in a Resolution passed last October.

Unlike veterans of other wars in our history, the Vietnam veteran did not return home to parades and a hero's welcome. It was a war which America did not win, and with which the American people in general have never come to grips. In a very real sense, the Vietnam veteran has suffered because of the silence drawn up around the war. That silence and the desire to forget the war has made it difficult for the veteran to adjust to civilian life.

The overwhelming majority of veterans have made a successful readjustment. But, from conversations I've had even with those veterans who have made successful adjustments, I found that there is concern, confusion and even resentment at the attitude of a nation that refuses to acknowledge their service. They feel that they didn't start that war, they didn't continue it, or escalate it; they just fought the war out of a sense of duty to their country.

Vietnam Veterans Week is an opportunity for all of us to recall the courage, the sacrifice and the suffering of millions of Americans who served in Vietnam.

During this week the American people and their elected representatives should commit themselves to a full-scale effort to help the hundreds of thousands of Vietnam veterans who today suffer both physical and psychological disabilities. 540,000 veterans are receiving compensation for disabilities suffered during the Vietnam era. 30,000 veterans are rated at total disability, including 19,000 for psychological and neurological reasons.

The statistics understate the problem of readjustment, however. No one knows the full extent of the adjustment problems caused by the War.

I've asked Congressman John Murtha to join me in this program because of his active involvement in the Vietnam Era Veterans Caucus in the House of Representatives. He represents the 12th District of Pennsylvania in the western part of the State. It's a steel-producing District to which much of the taconite mined in Northeastern Minnesota is shipped.

The Vietnam Veterans Caucus is leading the effort in the House to focus the attention of the Congress and the Nation on the Vietnam veteran. Jack, would you mention some of the initiatives that your Caucus has undertaken.

Congressman MURTHA. Jim thank you very much. I think there's a real need here to particularly point out the very thing you mentioned in your introduction—these men served, whether they were drafted or volunteered, they came back and there were no bands playing and nobody even knew they were gone, in many cases. They had a very difficult psychological, mental and emotional readjustment.

Even now, 10 years after the war has been over, they have a difficult time finding jobs in some cases. Unemployment is extremely high and many of the young Vietnam veterans haven't taken advantage of the educational benefits. A lot of them have drug and alcohol problems which persist even after they've been out of the service for several years.

What we've done is introduce legislation, a bill which we thought would help take care of this type of problem.

OBERSTAR. Could you describe some of the key provisions of that legislation?

MURTHA. Employment is one of the things we stress and we ask all the government agencies to put a priority on employment of the Vietnam veteran. Education is a second. We want to extend the GI Bill.

We feel that states, in particular, should help out. When I was in the State Legislature in Pennsylvania, we considered the veteran independent of his family's financial resources and, therefore, he could receive a much larger grant. Health care is another area about which we're very concerned. We feel that we need additional counseling. Alcoholism and drug dependence are health care problems. The Caucus has put an emphasis on them. We think those areas need more emphasis from the federal government.

But, let me say, the very thing you mentioned first is as important as anything we can do. We should recognize these young men for the fighting, for the fact that they went into the service and served their country—that's the important thing and that's what we're stressing in this Week that is set aside for the Vietnam veteran.

OBERSTAR. Jack, you've touched on legislation pending in the Congress and pointed out what we in Congress can do. Could you tell us what you think communities could do to support efforts to recognize the Vietnam veterans and help them solve their special problems?

MURTHA. Let me give you some examples. Back home, we've had several special days commemorating Vietnam vetrans. We had a large dinner several years ago; we flew a flag at one of the large cemeteries in town in honor of the veterans; we've picked out veterans who have contributed specifically to young peoples' groups or to civic organizations. We try to point out the good work that's been done. There's a terrible misapprehension about the young fellows who served in Vietnam and, because of the bad publicity, the war and the crisis of the war many people were critical of the veteran himself. Most of the criticism, really should have been directed at the war itself. Yet, it rubbed off on the men. We have tried to point out, through community leaders, through the State government and the local municipalities, any individual who's done a particularly outstanding job, not only thanking him for his service to his community but thanking him for the service to his country.

OBERSTAR. Individual communities must make every effort to make the Vietnam Veteran feel proud of his service to the country and give him, in effect, a homecoming and a welcome that was denied at the time of Vietnam.

MURTHA. Exactly. Rocky Bleier is a good friend of mine and many of you football fans will have heard of Rocky Bleier, the running back for the Pittsburgh Steelers. I've asked him on a number of occasions to come and speak to groups of Vietnam veterans and to civic groups and explain the problems of the readjustment of Vietnam veterans. He and I were older when we went to the war. When we came back, we didn't have a problem. But the young men who went and then received the deluge of criticism—there's no way he could not observe this criticism—is the one we're trying to help with this special Week to be set aside to recognize his service to his country.

OBERSTAR. What could veterans themselves do, working with each other and with other veterans organizations, to advance solutions toward these problems?

MURTHA. Many of the young men felt ostracized, even from the Veterans organizations. I remember when I first went to the State Legislature the organizations themselves couldn't get a handle on why there was a problem. They couldn't induce the young men and women to join the veterans organizations. I think this barrier has been broken and more Vietnam veterans are beginning to join and express their problems through these organizations—The American Legion, the VFW, Disabled Veterans, etc. They're having more of an impact as an organized voice. The things that are needed by them are being articulated by these formal organizations. That's helping too. It's important that the Vietnam veteran join these organizations, which have a formal voice and are well known in their lobbying effort in the national and state legislatures.

OBERSTAR. Jack, thank you very much for tracing for us the efforts in Congress to help Vietnam veterans, the work that can and should be done in communities, the advice you've given for the Vietnam veteran himself.●

● Mr. MURTHA. Mr. Speaker, Vietnam Veterans Week should be an opportunity for all Americans to make certain we adequately repay the contribution made by the young men and women who served our country in Vietnam and during the Vietnam war era.

I served a year in Vietnam. I saw the emotional and psychological problems that were created for the young men and women serving there when the war became divisive back in the United States. Regardless of what side you were on in that debate, it was the servicemen who got caught in the middle. Whether drafted or volunteering, these servicemen and women served, but when they came home, no bands played as they had for veterans of earlier wars, no newspaper headlines welcomed them home. In many cases, they found out no one had even missed them. In too many instances, individuals who opposed the war tainted the soldiers with their bitterness about the conflict.

Even now, 10 years after the war is over, many veterans have a difficult time finding jobs. Unemployment is extremely high. Many veterans have not taken advantage of the educational benefits. A lot have emotional problems which persist even after they have been out of the service for several years.

I was older than the draftees, but for the teenagers the double burden of the war and its lasting effects have been devastating.

Regardless of whether we supported the war or not, we owe it to the young men and women who served our country to take the burden away from them. We should not blame them for what became an unpopular war. During the week of May 28–June 3 there will be national and local events designed to recognize the Vietnam veterans and their service to the country. This is vital to many Vietnam veterans in reestablishing their lives.

These young men and women gave part of their lives to their country. They served. Now, it is time for the country and its people to make certain that debt is repaid.●

● Mr. WINN. Mr. Speaker, from May 28 through June 3, Americans everywhere will observe Vietnam Veterans Week by paying tribute to the men and women who served their Nation in a far-off land during an unpopular war.

During that conflict and since it has been over, veterans of the Vietnam era have never received the Nation's full gratitude. Furthermore, when they have returned to their homes, they have often been burdened by myths and stereotypes. They have not been welcomed with open arms by their neighbors, employers, or their fellow citizens.

Vietnam Veterans Week is the Nation's chance to repay our debt of gratitude. It is our chance to say thanks to the 9 million people who served, whether they wanted to or not. It gives us an opportunity to remember the more than 56,000 men and women who did not make it home alive. It provides an opportunity for us to rededicate our efforts to obtaining a full accounting for the 612 persons still listed as missing in action.

During this special week, the Federal

Government will be involved in many activities expressing support for these veterans. I heartily endorse these efforts and urge all Americans to join me in saying "Thank you" to every Vietnam-era veteran we know.●

● Mr. LAFALCE. Mr. Speaker, the names continue to bring back memories: Khe Sanh, Tet, My Lai, Haiphong, Hanoi, Saigon, Vietnam. For many Americans the names bring on battle scenes narrated by television correspondents; for others they bring flashbacks of antiwar protest marches and the memories of a moratorium and Kent State. Few of the memories are fond, many are better left forgotten.

Next week, May 28 through June 3, 1979, is Vietnam Veterans Week. It represents a major symbolic gesture by the U.S. Congress and President Carter to the contributions made by veterans of this era, and the needs they possess. It is also a time to reflect on the stature of those who served their Nation during this conflict.

The United States sent nearly 3 million soldiers to Southeast Asia during the Vietnam conflict, of whom about 300,000 were wounded and over 57,000 killed. Those who returned, in addition to the nearly 6 million who served elsewhere during this era, were greeted neither with parades nor praise. Instead, a country torn over the merits of this war either turned an embarrassed face away in guilt, or ignored the service of these veterans altogether.

Since the end of the American involvement in Vietnam, the wounds that this era opened have slowly healed. In recent months, major motion pictures and television specials have taken the personal conflicts faced by veterans and their families into the homes and hearts of people across our land. The impact of this new attention to the Vietnam veteran is praiseworthy, for it brings attention to the special problems that many of these men and women face—problems which the Government has never fully addressed.

I served from 1965 to 1967 as a captain in the U.S. Army. Since I entered Congress, the problems of Vietnam-era veterans have been of special importance to me; in some ways we represent a whole generation of "unknown soldiers."

To push measures favorable to Vietnam veterans through Congress, I helped organize the Vietnam-Era Veterans Caucus, a group of Congressmen and Senators, now numbering 19, who served during this era. We pushed through a joint congressional resolution calling for a Vietnam Veterans Week and have introduced the Vietnam Veterans Act to provide better educational, employment, and health benefits to those who served during these years.

What we seek is just treatment for Vietnam veterans. While many of these men and women have entered the mainstream of society and are the backbone of many communities, many still face serious economic and health problems. Of these 9 million veterans, almost 2 million have incomes under $7,000 and 855,000 earn less than $4,000 annually. This type of underemployment ought to be addressed by major programs to encourage private industry to hire the veteran—and one of the major provisions of the Vietnam Veterans Act does just that.

Another aspect of the problem goes beyond financial or physical health, beyond providing tax incentives to employers or psychological readjustment counseling to veterans. I read recently of a Vietnam veteran who, when asked if there was any one thing he would like to ask of the Director of the Veterans' Administration, replied, "Yes. When are we going to get our parade?"

There is no price tag on pride. Government programs cannot buy it, and sympathetic books cannot balm its absence. I hope that communities across America will take the occasion of Vietnam Veterans Week as an opportunity to thank those who served. It was a thankless duty for which little thanks has been given.

There are many lessons to be learned from the American experience in Vietnam. Certainly one of the most important is that we must never forget to honor those who have served their country, no matter how distasteful the memories of that era may be.●

● Mr. LEE. Mr. Speaker, it gives me great pleasure to join today with my colleagues in this House to add my personal thanks to the veterans of the Nation who served in Vietnam, and in our military forces during the period of conflict in that Southeast Asian land.

To some small extent, I feel that I can share in their plight as the "unwanted" soldiers of America. I served in our military forces during the period of the Korean conflict, another no-win, undeclared series of battles for the United States. Even today, it is difficult to say I served during the Korean war, the Korean conflict, the police action. It will, no doubt, remain untitled.

Yet these estimated 9 million Americans who were part of the defense of the nation during our involvement in Vietnam are given a much more difficult task. They represent the active participants of an action which today bears bitter memories. Often they endure hardships inflicted by thoughtless members of the population whose consideration is only for themselves.

Service in military forces has always been an honorable profession for the men and women called on to defend our Nation. These veterans are not made to feel that they were involved in an honorable task. In many cases, the mere fact that a young man had served on Vietnamese soil will come out in conversation only on direct questioning. They do not carry the mantle of pride which every American veteran should have the right to enjoy.

We are at peace today. There is no way of knowing how much of that peace may be directly attributable to these veterans. Certainly, the United States exhibited during our years in Asia the capacity to conduct a war, if not the taste for it. No aggressor or potential foe could have ignored the might which was displayed there. In that vein, these veterans may well have contributed more than we realize to the well-being and safety of our home shores.

But it is unthinkable that all of America can ignore these veterans, because they followed unpopular orders. The fact remains: When called on to follow orders, they did so.

Today, the vast majority of these veterans have adjusted well to the mainstream of daily life. Yet in 1977, fully 40 percent of all patients discharged from VA hospitals following psychiatric treatment were Vietnam veterans. And more than 30 percent of those in VA hospitals with psychiatric care continuing—including drug and alcohol-related illness—are Vietnam veterans.

In addition, because of the unpopularity of the cause for which they fought, jobs, families, and friends were difficult to recapture, leading to societal difficulties which only thorough counseling will help—or a reconsideration by the entire population of America.

I urge my colleagues to take one extra step in formulating veterans' programs to see to it that these valient men are cared for with special attention. And I urge my fellow citizens to remove the shrouds with which we have cloaked the soldiers of the era.

Only the full understanding of this Nation, and the adequate respect and repayment of our debts to them, will satisfy our Nation's debt.

Thank you for this opportunity.●

● Mr. MONTGOMERY. Mr. Speaker, I would like to commend my colleagues for taking this time today to call attention to Vietnam Veterans Week beginning May 28.

There is no doubt that this Nation's debt to Vietnam era veterans still remains to be paid. They served their country during a painful time in a bitter war. They never received the welcome we showered upon returning veterans of past military conflicts.

As a Nation, we have not fully recognized those who fought in Southeast Asia for their service and sacrifice. Vietnam Veterans Week provides the people of America an opportunity to express our appreciation for a difficult job well done and also to spotlight problems being experienced by Vietnam veterans.

For six straight Christmas seasons, I had the privilege to visit with our men in uniform in Southeast Asia and learn firsthand of their personal feats of heroism and the great sacrifices they were making as members of the Armed Forces. This experience left a lasting impression on me of the dedicated soldiers, sailors, marines, and airmen who served our Nation so gallantly during the late 1960's and early 1970's.

Our Vietnam veterans have my greatest respect and deepest admiration for their patriotism and their many contributions to their individual communities since returning to civilian life.

Mr. Speaker, this coming week I hope each of us will take the time to personally thank the young men and women who served during the Vietnam era for their personal sacrifice on behalf of all of us. They are most deserving of our tribute and concern during Vietnam Veterans Week and always.●

● Mr. MURPHY of New York. Mr. Speaker, I am particularly pleased to join in this statement of concern for our fellow veterans. All veterans are, in a way, brothers. We have shared the camaraderie—and the tragedy—of the very worst trait of mankind * * * that of the practice of war, where we set nation against nation in the terrible pursuit of mutual fratricide. We must never think that war, no matter how necessary, no matter how justified, is not a crime. Never has war been a pleasant thing, and with the benefit of 20/20 hindsight, most wars which at the time seemed necessary or justifiable, surely could have been settled without a call to arms.

And yet, whatever the cause, whoever the oppressed, the United States has sent its fathers, brothers and sons to the battlefield in support of the democratic way of life. Thomas Paine told us that in order to reap the blessings of freedom, we must undergo the fatigue of supporting it. And we Americans did so, by leading the way across foreign soil time after time.

The first thing we discovered is that no one ever wins a war—there are only degrees of loss. Many of our friends did not come home. For them, we pray, and offer our everlasting thanks that this Nation and this world has become a better place as a result of their sacrifices. And for those who sacrificed and then returned to this country to pick up their lives where they had been dropped to answer the call, we also owe an immense debt of gratitude. But perhaps more than that, we owe them a chance to return to their homes and their country with a knowledge that there has been a purpose to their commitment.

The Congress of this Nation has not forgotten the veterans. We in the Congress have, and shall continue to develop legislation designed to bring the veterans of all our conflicts support and guidance so necessary in their return to their homes, and to their advancement in society. I believe the Congress has an outstanding record in veteran support.

During the previous Congress, we passed a considerable amount of veterans legislation which will increase the payment rates for many of the basic programs so important to the overall well-being of all our veterans and their families. Among those restructured rate bases, for example, are higher rates for disability compensation, both for the veterans and their dependents; increased rates for vocational rehabilitation, educational assistance and special training allowances; improved housing benefit programs; and better pension programs. Another major step forward was the extension of the special veterans readjustment appointing (VRA) authority, which has the primary purpose of assisting Vietnam era veterans to develop skills through a program combining employment and education and training. The VRA program has already resulted in more than 100,000 Vietnam vets being employed under the authority created.

The overall estimated cost of those programs passed in the last Congress was not cheap—slightly more than $2 billion for the first year alone. Yet the sacrifices of those men were not cheap, either. Some did not come home to their families at all, others came home with disabilities which put them at a great disadvantage in our competitive environment, and all that returned did so with a large portion of their early productive years gone forever.

Altogether, there are currently well over 12½ million veterans of World War II, and over 5½ million from the Korean conflict—1.2 million of those saw service in both—as well as the 8.7 million veterans of the Vietnam era—with over one-half million of them having Korean service. There as still well over 600,00 living veterans of World War I, and a few hundred from the Spanish-American War. Even the deaths of the last soldiers of the Union and Confederacy occurred only 20 years ago. The point is, of course, that if last year's added benefits were evenly divided among only the Vietnam, Korean, and WWII veterans, there would be about $75 extra for each veteran—hardly enough to educate, house or care for anyone for a single day, much less do all three, as well as provide services for the widows and dependents of those who served their country. That added amount of benefits is approximately 10 percent of the inflation rate for the same year, which leads me to the inescapable conclusion that we have not yet done enough for our veterans, particularly in this recent period of high inflation, to help them stay level with the economic pressures of this society.

That is why the Veterans' Affairs Committee of the U.S. House of Representatives is among the most active legislative bodies on Capitol Hill. There are well over a hundred different proposals before the committee so far this year, as well as many variations on similar themes.

This Congress, I am proud to be a cosponsor of H.R. 3102, the Vietnam Veterans Act of 1979, which is currently pending before the House Veterans' Affairs Committee. The bill proposes to erase longstanding inequities in Vietnam era veterans' benefits, specifically in the areas of employment, health, education and housing problems. Important measures are included which would extend the GI bill for 5 years to provide veterans a fair education opportunity, provide superior readjustment counseling and alcohol and drug abuse treatment, and give direct reimbursement to employers of veterans through the use of tax credits and the GI bill. These and other related measures are essential if the Vietnam veteran is not to be denied assistance and opportunity through adequate, effective programs.

I think our record is strong on what Congress has done with regard to legislation to aid the Vietnam-era veteran. It will be even stronger at the end of this session. As I have done in the past, I will continue to give my full support for those programs which will benefit those who have served this Nation so honorably in the pursuit of peace. We cannot defend freedom abroad by deserting it at home.●

● Mr. MIKVA. Mr. Speaker, today I join my colleagues in paying tribute to our Vietnam veterans on the eve of Vietnam Veterans Week, May 28–June 3. In many respects, Vietnam veterans are like the veterans of all of our previous wars. They have returned home with the same wounds and scars—both phsyical and psychological—which afflict any man who is wrenched from the comfortable confines of home and family and sent off to do mortal battle with strangers in a foreign land. But, for all their sufferings, the men who came home from earlier American wars had something which the veterans of the Vietnam war do not have and which we can never give them: the satisfaction, indeed the pride, of having served America in the successful prosecution of a just and important cause. We cannot give the Vietnam veterans this because Vietnam was not that kind of war. And there are none who appreciate that reality with a deeper understanding than the Vietnam veterans themselves.

It is precisely that which we cannot give the veterans of Vietnam in a spiritual sense which makes all the more disgraceful our callous inattention to those of their needs which it is in our power to meet: needs for medical treatment, for economic opportunity and for social readjustment. We needlessly tolerate drug and alcoholism problems afflicting upward of 40 percent of some urban Vietnam veteran populations; we needlessly tolerate conditions which have produced a Vietnam veteran criminal problem of half a million; we needlessly tolerate VA educational benefits programs which offer the Vietnam veteran less of a chance of attending a first-rate college than the GI bill gave us more than 30 years ago.

We drafted most of the men who went to Vietnam. They went there in the belief that they were serving and defending us. Thus, the responsibility of addressing their current needs cuts across the old division over the rightness of our participation in that conflict. Indeed, each side in that debate has a special obligation to the veterans of the Vietnam war. Those who supported that war owe a debt to the men who laid their lives on the line in the execution of that policy. The veterans of Vietnam must not be permitted to become the victims of the frustration felt by the war's supporters. And those, who opposed that war would betray the very humanistic principles which prompted their opposition in the first place if we turned our backs on the Vietnam veteran. We must not permit him to become our scapegoat, the object of our bitterness—for he has suffered far more from that war than any of us, to the needs of our Vietnam veterans less out of a desire to compensate for past sufferings than out of a need to build for future achievements. Representing as they do a sizable proportion of an entire American generation, the Vietnam veterans are a natural resource which we as a nation cannot afford simply to write off. We need them as much in peace as we ever needed them in war. So let us not flatter ourselves that in providing that which is required to return Vietnam veterans to constructive roles in society we are being charitable or altruistic. Without our help now, they will be in no condition to help us fight the wars that remain—the wars against poverty, against disease, and against war itself.●

● Mr. HUGHES. Mr. Speaker, the week

of May 28 to June 3 has been declared Vietnam Veterans Week. There are many weeks designated each year for a variety of causes, commemorations and memorials. But none is more appropriate than this special recognition of the men who served their country in the Vietnam war.

There are many who feel that this wrenching period in our Nation's history should be forgotten. The internal dissent that our involvement in Southeast Asia brought about has left scars that will take decades to permanently heal. Because of this, we have done the men who did serve their country in Vietnam a disservice by not recognizing their bravery and dedication to a cause that they believed to be right.

The men who went to Vietnam gave up the comforts of home and the support of the American people. Many of those who served in this conflict did so out of the conviction that if their Government called upon them they must serve for they would not be asked to make such tremendous personal sacrifices if the cause of peace in Southeast Asia was not right and just. Many were disillusioned with what they found in Vietnam. They felt deceived by their Government about the range and scope of the conflict. They saw their buddies die, lose their limbs or become addicted to the drugs that would hasten their deaths.

When the Vietnam veterans returned to the United States, they met with a searing indifference or outright hostility instead of the grateful appreciation of the American people. They gave everything they had because their Government convinced them that they must.

They found that jobs for vets were hard to come by. Nobody wanted to hire junkies or people who were presumed to be guilty by association. Some returning vets tried to go to college but found frustration there, too. The medical care that they needed was nonexistent in many VA facilities. These veterans needed special help to make the transition back to a normal life. What they received in return for their service was completely inappropriate to their needs.

It is not too late to make amends to the Vietnam veterans. Today, we are offering them our appreciation for their dedication to principle, but this is not enough. We must back up this symbolic recognition of their efforts for our country with positive and constructive educational and rehabilitative programs geared for their special needs. While we will never be able to repay these men adequately for their devotion to a cause they believed in, we must try. These men deserve no less.●

● Mr. GRISHAM. Mr. Speaker, every Memorial Day, we commemorate our Nations' veterans as we turn our thoughts to those who have served our country. This Memorial Day, and for the entire week of May 28, we will focus on a special group of veterans: Vietnam veterans.

This group of Americans has never been honored as have veterans from other wars. After World War II, I returned to the sound of marching bands and was a hero to friends and family alike. After Vietnam, the boys returned to the sound of protests and were received by a society that had become divided because of the war.

With Vietnam Veterans Week, we are beginning to give our Vietnam veterans the recognition that is due. We are calling attention to the difficult task these men were asked to perform and we are acknowledging their contribution to our free society. We may still have differing opinions about our involvement in the Vietnam war, but we are no longer divided in our attitude towards those who served in Vietnam.●

● Mrs. HOLT. Mr. Speaker, I commend the gentleman from Pennsylvania (Mr. BAILEY) for originating this discussion of the needs of Vietnam veterans.

There is a very unfortunate, sometimes even callous, tendency to forget these veterans of the most unpopular war in American history.

I am not among those who have forgotten them. At a time when our country was badly divided politically on the issue of waging the war, those young people risked life and limb on the distant battlefields of Vietnam.

How well I recall the concluding days of World War II, when every returning veteran was treated as a hero. In contrast, our veterans returning from Vietnam slipped invisibly and unnoticed into the population.

Many were maimed in that war. They deserve the best medical care and facilities we can provide.

The war delayed or interrupted the educations of many. We must help those who wish to recover this loss.

The Vietnam veterans deserve most of all our respect and honor, for they lived by the standard of duty to their country at a time of great political conflict about national purpose.●

● Mr. WOLFF. Mr. Speaker, I am proud to participate in this special order with so many of my colleagues in the call for the honorable and just treatment of our Vietnam veterans.

The Vietnam veterans has long been denied the dignity afforded to veterans of other wars. The very nature of the war in which they fought has been to a goodly extent responsible for this negative attitude. As a member of the Committee on Veterans' Affairs, I have devoted my energy and resources to improving the lot of these dedicated young men who have become victims of a miscalculated war. I proudly re-introduced legislation this session to permit Vietnam veterans who were discharged during the height of the Vietnam era to acquire meaningful employment and viable career training through their earned GI bill entitlements notwithstanding the 10-year time period normally limiting use of such veterans' benefits. I will continue to direct my efforts on behalf of those meaningful education, health care, and training programs that were well earned by our veterans of the Vietnam war. It is necessary for all of us, uniformly, to support these veterans in their cause.

The Vietnam veterans have fought hard for the benefits they have gained. They have had to build respect often where it did not exist. Yet material benefits cannot make up for this basic denial of dignity. More importantly, the personal sacrifices and human experiences of our Vietnam veterans must be realized. War is traumatic, but this war was more so than others. Its destructive effect on our society had an impact on the soldiers we sent over there to fight for us.

Whether we agree that the war was right or wrong is worthwhile for historical analysis. But the fact that we have a responsibility for the consequences of that war and the people who served America's interests are real and cannot be denied.

What better way can there be to commemorate Memorial Day than to provide the moral as well as the material support that is so well deserved by our Vietnam veterans. They are our legacy as well as the great potential for our country's future.●

● Mr. PEYSER. Mr. Speaker, the Vietnam conflict was one of the most unpopular wars ever engaged in by the United States. Too late we realized the mistake of sending our young soldiers to fight on foreign soil for a foreign government which enjoyed little popular support from its own people. We lost over 50,000 men in that tragic affair and were rewarded with thousands more maimed and disabled.

We still suffer from the guilt of Vietnam and the resulting casualties that are counted not only in lives lost and persons maimed but also—for those who returned physically intact—in lost opportunities and shattered ideals and loss of faith in our Government.

Returning home, these men who fought valiantly and steadfastly despite the unpopularity of their actions, were rewarded too often with indifference and hostility.

The ambivalence of our feelings toward the war and our returning veterans has expressed itself not only in our negative attitudes but also in the inadequacy of programs available to these men and women. Obligated to fight an unpopular war the Vietnam GI sacrificed valuable years of his life and was forced to forfeit his chance to advance himself through pursuit of higher education and job training.

Having lost this time, the veteran was rewarded with educational and job training assistance which was at best minimally adequate and in later years, with our rising inflation, failed to provide the basis for continuing his educational career.

In other areas many veterans have faced serious readjustment problems; and drug and alcohol related problems among Vietnam vets is a well documented phenomena. Unemployment, though near to average for white veterans in the 24–35 age group is still startlingly higher than the national average for minorities and handicapped veterans.

The purpose of Vietnam Veteran's Week is an attempt not only to recognize the veteran and to praise him for his sacrifice, and his patriotism and his courage, but also to demonstrate our desire to be more responsive to his special needs.

Consistent with this purpose the

House just this week passed H.R. 1608 which among other things provides for psychological readjustment counseling and drug and alcohol programs for the Vietnam vet. This is a step in the right direction and I commend the House for their efforts.

In recognizing the Vietnam veteran for his achievements we should not fail to acknowledge that 19 of our own Members are themselves veterans of the Vietnam era. These men have demonstrated that despite the adverse effects of the war they have been able to overcome its disruptive and destructive effects and now represent millions of citizens in this body.

There are many similar success stories of veterans from this era who, having fought and suffered for our Nation, now continue to contribute so much toward the betterment of our society. I recently met one of these men, a young chaplain who has only recently been appointed as chief of chaplains for the Veterans' Administration, the second largest chaplain service in the world. A veteran of the Vietnam war, Chaplain Cherry lost his leg while serving as chaplain in that country. He is now the youngest individual ever to serve at this post. His example serves as an inspiration to other veterans of the possibilities attainable and of the quality of men and women who served our country during this era.

Regardless of our individual views on the Vietnam war, there is a drastic need to reverse our past attitudes toward the Vietnam veteran and to provide him with the emotional support and material benefits that he both needs and deserves.●

● Mr. ANDERSON of California. Mr. Speaker, in accordance with Public Law 95-513, as approved by the 95th Congress, the week beginning May 28 has been designated as Vietnam Veterans' Week. We reserve this time for America to express her thanks to those who served their country during a period of great turmoil. Additionally, and more important, this should also be a time for reassessing and for reasserting our efforts in meeting the continuing needs of Vietnam veterans.

Unlike the heroes of past years, the Vietnam veterans did not come home to the welcome cheers of their fellow Americans. More typically they were the targets of resentment because of their association with the unpopular episode in our Nation's history that was Vietnam. This has created special needs not met by previously existing veterans' programs. I am pleased to say that some of these needs will be met by a bill that passed the House just this past Monday. H.R. 1608 provides an open-ended authorization for a psychological readjustment counseling program for Vietnam vets suffering from problems adjusting to civilian life, and an expanded drug and alcohol abuse treatment and rehabilitation program. The need for these programs is most regrettable, but symptomatic of the times we live in and the conditions faced by the Vietnam vets upon returning home. For them, more often than following previous wars, the danger did not always end when they returned to American shores.

And economically, for reasons beyond their control, the Vietnam vets are facing conditions that differ from those faced by veterans returning from earlier wars. Estimates indicate that there are still over 300,000 Vietnam veterans who are presently jobless. The GI home loans that made home ownership possible for millions of World War II and Korean veterans are often inadequate in tackling today's skyrocketing interest rates and construction costs.

To help address these problems, I ask my colleagues to join me in encouraging businesses to utilize the incentives of the U.S. Labor Department's HIRE program, which provides $3,000 tax credits to employers who hire and train low-income Vietnam veterans. We should also be asking lending institutions to look more favorably on accepting GI home loans.

All Americans have a stake in improving conditions for the Vietnam veterans. We should remember to judge them as loyal servants to the country and not as the policymakers who took our Nation into the tragic Vietnam war. By properly addressing the Vietnam vets' needs for educational, medical, and work assistance, we are simply helping them in their time of need; a need created because they answered their government's call for assistance.

By demonstrating that the United States treats her veterans equitably, we will be better able to attract young people to the military service. So, through standing by veterans from the recent past, we are strengthening America's defense for the future.●

● Mr. CARTER. Mr. Speaker, Vietnam Veterans Week begins on Memorial Day, the day traditionally set aside to remember those who have completed their lives on this Earth, especially those who gave the full measure of devotion to this great country of ours.

One thousand and thirty-four Kentuckians laid down their lives in Vietnam.

That the war in which they lost their lives was unpopular does not diminish the pain and the sorrow which their parents and brothers and sisters and families felt and still feel.

Nor should it lessen our gratitude that these young men answered the call of their country during a difficult time in our history and made the ultimate sacrifice for their country.

But while more than 56,000 Americans across the country were killed during the Vietnam conflict, it is important that we remember as well those who served there and lived.

This is our week to tell the 9 million veterans of the Vietnam era that we are grateful for their service, that we are grateful they recognized that paying the high price of freedom is a primary obligation of the American citizen.

But just as our Vietnam veterans deserve our gratitude, they deserve a chance at a decent job and a decent education. It has been for this reason that I have consistently supported measures that would continue or would increase aid for educational expenses and medical treatment and for service-connected compensation for those who are disabled.

It was in large part my concern for our Vietnam veterans that led me to reject the President's proposal last year to eliminate the "veterans' preference" in filling Federal jobs. It would have been our Vietnam veterans, many of whom are in the early part of their careers or who have had difficulty gaining employment at all, who would have been harmed most by eliminating veterans' preference.

As we honor our Vietnam veterans during this coming week, I would urge us here in Congress to avoid letting words substitute for action in support of our Vietnam era veterans. Instead of speeches, let us pledge to do our best to provide a helping hand through legislation for our millions of young men and women who are veterans of the Vietnam era.●

● Mr. CAVANAUGH. Mr. Speaker, I join with my colleagues today in calling to the attention of the Congress and the American people the tremendous debt which is still outstanding to those Vietnam veterans who so nobly served their country in that unpopular and ill-fated endeavor. To have been called upon to fight in Southeast Asia, and then to return home to face rejection and derision by one's own peers and the society which was responsible for that war, is an experience which will never be forgotten by these veterans, regardless of any belated efforts on our part to show our appreciation now.

While the vast majority of Vietnam veterans have successfully reintegrated themselves into society, there remains a substantial number of individuals who have been unable to cope with the return to the real world. Some face severe psychological problems created by their combat experiences. The incidence of drug and alcohol dependency among these veterans is extremely high. And, while the unemployment rate for veterans is generally lower than that of the overall population, some Vietnam veterans have experienced chronic unemployment since their release from active duty. It is time we acknowledge these conditions and take action to correct them.

This Nation has for too long ignored the plight of the Vietnam veteran. The popularity of the conflict should not dictate the amount of respect which we give to those whom we ask to go into battle on our behalf. In our rush to put the agony of the Vietnam war behind us, we have neglected the needs of those individuals who gave the most in the service of their country. The designation of one week as Vietnam Veterans Week seeks to draw attention to the debt which we still owe the Vietnam veteran, rather than to serve as the payment of that debt. Later this year, the Congress will be called upon to act on legislation providing a comprehensive approach to the problems of the Vietnam veteran in the areas of employment, educational benefits, housing assistance and, most importantly, health care. I hope that at that time, this Congress will remember its commitment "to care for him who shall have borne the battle," and will act on that commitment.

I urge all of my distinguished colleagues to participate to the fullest in the observance of Vietnam Veterans Week this year, and to wear the red ribbon, the symbol of recognition of the Vietnam veteran. It is time we finally brought the Vietnam veteran home.●

● Mr. JEFFORDS. Mr. Speaker, I wish to address a problem which has been widely ignored: the lack of recognition given to Vietnam veterans.

There are approximately 20,000 Vietnam and Vietnam era veterans in my home State of Vermont. Many of them have had, or continue to have, severe readjustment problems. Because Congress accurately reflects the national sentiment to sweep the war under the carpet, Vietnam veterans' bills are ignored or rarely passed. Because of alienation—post Vietnam syndrome—Vietnam veterans do not join or organize and have little or no influence in Washington in the age of single issue politics.

These men came home from a very unpopular war, and were virtually ignored. We all like to forget unpleasant memories, but these veterans continue to suffer, and cannot forget. They are the unsung heroes of their generation, and they have not been able to stop fighting. Without any meaningful show of public respect or gratitude, guilt and alienation are reinforced, leading to a growing malaise and bitterness—"I was used."

I wish to comment on those involved with the organization of Vietnam Veterans' Week. This is a good step in the right direction and I intend to be an active participant in my State. I urge my colleagues to do the same: To get involved, to show these men that they have not been forgotten, that we care, and that as their Representatives in Congress we want to help by supporting legislation to assist them through rough times.

Mr. Speaker, at this time, I would like to share with my colleagues a statement by a man who understands the plight of the Vietnam veteran, Thomas Bailey, chairman of the Vermont Committee on Vietnam Veterans' Week:

> The Vietnam War is not over, not only for its veterans but for all Americans. Still in 1979, the influence of our Vietnam experience not only reaches deeply into our lives but impairs the ability of our government to function. Our foreign policy making machinery is crippled by the "No More Vietnams" attitude of the American people. The present suspicion and resentment of public leaders and of government generally directly stems from the war. Our present economic problems and debatable condition of our military are rooted in Vietnam.
>
> Ironically, its Vietnam's veterans, called upon to serve their country, because tainted by their direct involvement in the eyes of other Americans. Instead of returning to cheering crowds, Vietnam veterans faced profound ignorance of the war in which they fought and fiercely polarized attitudes, distrust and suspicion from their peers who did not serve and sometimes open hostility. To be accepted in an America that wanted to forget and scab over its wounds, the veteran also had to pretend his own year in 'Nam had not existed: How do you forget a war? . . . A year of experience of the most intense and human kind!
>
> America cannot afford to do with Vietnam what Germany did with WWII, pretend that it never happened. Vietnam Veterans Week is a time to stop pretending and start learning the positive lessons of the Vietnam experience that will help us and our government truly have no more Vietnams . . . and at the same time accept and honor Vietnam veterans for their service in one of our nations most difficult wars.●

● Mr. DASCHLE. Mr. Speaker, I would like to make a few comments about Vietnam Veterans' Week, which, as you know, begins next Monday.

First of all, this recognition is long overdue. It is heartening to get so many groups and organizations as well as the Congress and the administration involved in this event. The scars of Vietnam have not permanently healed and probably never will. But the fact that recognition and attention are now being focused on these individuals is an accomplishment in itself after so many years of bitterness and sweeping the Vietnam war under the rug not only by the American public but by the Government also.

I would like to take a moment and comment on the activities that I have scheduled in my district back in South Dakota. My field representatives have been working with the Sioux Falls Chamber of Commerce to set up an employment opportunity fair on May 29. At the fair will be heard persons closely involved in veterans' employment and outreach programs. Explanations will be given of the various benefits available to veterans and their employers: tax credits, the HIRE program, mandatory listing, on-the-job training and CETA. Employers will be there for actual hiring, also.

We also plan to have the Veterans' Administrator, Max Cleland, speak to this group on a live telephone hookup. Although he cannot be physically present at the employment fair, we are looking forward to Max's comments on the program, the week, and generally what he expects to do to help Vietnam veterans in their battle for a fair shake in today's society.

The afternoon of May 29 I will be chairing a special Veterans' Affairs Committee hearing on the psychological, health and other problems these veterans have faced in readjusting to peacetime society. Joining me at the hearing will be South Dakotas Second District Congressman, JIM ABDNOR. I truly feel that this hearing will focus attention on the actual problems these veterans are facing and give evidence to the fact that Vietnam veterans really need extensive help in readjusting to society. This will allow me to report back to the committee with an accurate description as to what specific things need to be done legislatively and otherwise.

No matter what opinion anyone might have had on the wisdom or practicality of our involvement in Southeast Asia, I feel strongly, as I am sure all of you do, that we all owe a debt of gratitude to those Americans who willingly answered their countrys call to duty and served to the best of their abilities in a controversial and often misunderstood conflict. The time is now to recognize this fact, and I am looking forward to a most successful week.●

● Mr. LOWRY. Mr. Speaker, during the years of the Vietnam war much of our national energy was expended trying to come to terms with the tremendous amount of anguish and confusion caused by that conflict. For many of us that extremely emotional process has ended. Newspapers no longer carry detailed accounts of bloody battles. Statistics of soldiers killed and wounded no longer march eerily across our television screens. The protests have ceased. For most of us the war is over.

The situation is very different for many of the young people who actually served in Vietnam. While the vast majority returning home have made reasonably smooth adjustments, many are still battling the ghosts of Vietnam. The Vietnam era veteran did not enjoy broad, popular support for his efforts. The war's unpopularity grew steadily, culminating in the withdrawal of American troops from Vietnam and a lingering sense of defeat and failure in this country. The Vietnam veteran became the scapegoat for this national malady.

In the years since the war, studies and compilations of statistics have shown that Vietnam-era veterans are disproportionately represented in the unemployment rolls and the prison population. Some have sought solutions to emotional pain in alcohol and other drugs. Returning veterans find it difficult to share feelings with family and friends. Rates of divorce and separation are significantly above the national average.

To complicate this grim picture many veterans received what are known as "bad papers," administrative discharges that made them ineligible for the traditional veteran's benefits and unattractive to potential employers. The status of these discharges ranged from dishonorable to other than honorable and required no court martial and often no legal proceedings. The procedure was arbitrary and greatly abused. While some of these administrative discharges have subsequently been changed, they have compounded the problems of reentry for many returning vets.

Next week, May 28 through June 3, has been declared Vietnam Veteran's Week to honor those who served in that war. It is important that we give the Vietnam veterans more than words of appreciation for their service and sacrifice. We must support efforts that will address the problems that resulted from this unusually difficult period in American history. Yesterday House and Senate conferees agreed on a new program of counseling to aid the Vietnam veteran. In addition, 19 Members of Congress who served in the military during the Vietnam era, have reintroduced H.R. 3102, the Vietnam Veterans Act of 1979 which funds education, employment, health, and housing programs. The legislation acknowledges the fact that Vietnam veterans face problems that are different in nature from those of veterans from any other American war. I am a cosponsor of their bill and urge my colleagues to support it and work for its passage.

Finally, we must work for a change in attitude. Our desire to forget the trauma of the war must not allow neglect and contempt for those who had to fight it. It is time to heal the wounds.

I would like to enclose for the RECORD a copy of the letter sent to Mr. Louis Belcher, Jr., Director of Washington State Office of Veteran Affairs. It is a response to his letter requesting the recommendation of a Vietnam-era veteran to receive a certificate of achievement from the President and the Governor. With the aid of James P. Sanders, acting director of Sea-Vac, a veterans service agency located in my district, I have nominated Mr. Henry Rosier. Mr. Rosier has given much to his country and represents the kind of fine young men who served in Vietnam.

The letter follows:

MAY 1, 1979.

Mr. LOUIS BELCHER, Jr.,
Director, Washington State Director of Veteran Affairs, Olympia, Wash.

DEAR MR. BELCHER: I would like to express my appreciation to you for requesting our assistance in identifying a Vietnam Era Veteran to receive a Certificate of Achievement from the President and the Governor. I believe that the man identified below is an ideal candidate for the honor.

Mr. Henry Rosier, the man whom we are recommending, served with the United States Army in the Republic of Vietnam in 1967 and 1968. His tour of duty was interrupted when he was wounded in combat and returned to the United States for medical treatment. The wound resulted in the loss of his right hand.

Despite his physical handicap he has shown himself to be highly motivated and successful in his pursuits. Shortly after his arrival in the Seattle Area, he was employed by the Central Area Group Homes as a Youth Counselor. Although he left that position, it is my understanding that a number of the young men and women he counseled still contact him to discuss problems and look to him for guidance.

For the past two years, Mr. Rosier has been employed by the State Department of Employment Security as a Disabled Veterans Outreach Person. During that time he has demonstrated his commitment to those who served in the armed forces. Concurrent with his employment, Mr. Rosier has returned to school on a part-time basis, completing his Bachelor of Arts degree in Social Psychology at the University of Washington.

I have had the opportunity to review the criteria established for receipt of the Certificate. In my judgment, Mr. Rosier is an outstanding candidate for the award and I recommend him highly.

Sincerely,

MIKE LOWRY,
Member of Congress.●

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DORNAN) is recognized for 5 minutes.

Mr. DORNAN. Mr. Speaker, I waited for 2½ years in this Chamber to hear the eloquent words just spoken by the gentleman from Pennsylvania (Mr. BAILEY). I have not had the honor of meeting him, except for casual greetings in the hallways. In trying to read the brief biographies of all of the new Members of the 96th Congress—there are 79 of them—I noted in the gentleman's biography that he had played in the 1965 Rose Bowl, in my State of California, for the great Michigan team, but I think it is rather unfortunate that the brief biographies that circulated on the Hill at the beginning of this Congress did not make mention his Vietnam combat record as a paratrooper officer with the 101st Airborne, the Screaming Eagles. It is no surprise, then, given the gentleman's superb military background, why he asked for this special order today to remind this House of the honors so rightly deserved by the over 2.5 million Americans who fought in Vietnam. It was moving indeed to hear the gentleman from Pennsylvania (Mr. BAILEY) speak about the slaughter that he and others tried to prevent from happening in Cambodia and of the deafening silence by most of the pundits in media. Where is the righteousness now of the leaders in our communications and entertainment industry. Why have they not attempted at all to analyze the killing that has unrelentingly persisted in that tortured area of the world called Indochina since the United States pulled out after an agonizing 10 years of shedding American blood.

My 5 years active duty in the Air Force were spent during the Eisenhower peacetime years. Although I broke my back ejecting from a jet fighter in the first of two bailouts and came as close to drowning as is possible after the second ejection, I was lucky enough to have served in noncombat years. However, as a newsman in Indochina over 10 years and on seven trips I visited all four corps areas in Vietnam and flew on many combat missions. I visited several times the so-called secret bases in Thailand, made four trips to Laos, and three to Cambodia. I watched the agony and the suffering of the gentle people of those lands, as Mr. BAILEY did for 15 very long arduous and dangerous months. With Mr. BAILEY I am surprised to see that in our country no outcry by liberals about human rights in Indochina, given the tragic story of the thousands upon thousands of boat people. More Vietnamese have died on the China Sea from drowning, dehydration, shark death, or just plain starvation in any 4-month period over the last year and a half than we lost of our fellow Americans who died trying to defend them over the whole 10-year period of our involvement.

I sat in the gallery of this Chamber during several of those frustrating debates during the 95th Congress, when we were determining whether or not to desert our new friendship with Cambodia and whether or not to turn from our long-standing friendship with our South Vietnamese allies. It seems like it was last month the memories are that vivid. I wonder if the debate would have been different in this House if we had had a direct message from God confirming definitely that 2 million human beings would be slaughtered in Cambodia. As Mr. BAILEY has mentioned, Laos has become the largest concentration camp per population in recorded history. Two hundred fifty thousand people out of a population of 2.5 million are in concentration camps there. The Laotian Communists use the ugliest euphemism I have ever heard in reference to political imprisonment. They call imprisonment being "in seminar."

Last August, in the Soviet Union, when I met with Jewish dissidents in Riga, in Kiev, and in Moscow and Leningrad, when the Vietnam war came up and they brought it up, they asked why there was no outcry over the blood bath in Indochina. They are suffering terribly with many of their relatives in Gulag concentration camps and yet they are concerned over Vietnam today. They asked me to explain to them what our rationale was for deserting our allies in Vietnam and why no one in America speaks out about the boat people. The Soviet dissidents read our magazines, dog-eared copies usually several months old, like Time and Newsweek—and they do not find politicians speaking out with forceful eloquence, or anyone for that matter. No one really speaks out, not those who were against the war because of our indecisive way of waging it; not those who believed in our efforts, not those who believe we should not have been in Vietnam any more than they felt we should have been in Angola or Uganda or even in Hungary to help the freedom fighters after we had told them for over 10 years on radio that if they revolted against their Communist oppressors we would back them up. No clear voices of outrage are heard from any quarter. Mr. BAILEY has changed that.

Those Jewish dissidents in the Soviet Union said to me:

> "How can anyone in the world trust you now? We know you are a Nation of good will. But where is the criticism of the slaughter that goes on in Indochina since you left?

I remember when I traveled to Israel in 1972 that many of their military people predicted to me, because they were facing on three fronts the same Mig 21's, the same Russian T-54, T-55, and T-62 tanks that we were facing in Vietnam, that within 6 months of our departure from Vietnam, if we did pull out, there would be another war in the Middle East. It does not take very complicated arithmetic to look at our departure date, March 1973, and count forward 6 months until September of 1973 and true to the Israeli soldiers predictions their country was attacked on the religious holy day of Yom Kippur.

They also asked me in Israel last year why it appeared that no one in the United States was interested in pointing to the bloodbath in Southeast Asia.

□ 1510

So I think that it is about time we listened to the 2½ million American veterans from Vietnam who, as the gentleman from Pennsylvania (Mr. BAILEY) put it, have sat silently waiting and watching, not apologizing for their sacrifice, but waiting for those of us in this body and those men and women of honor in the news media to start a careful analysis of the agony we left behind in South Vietnam.

I would like—and I hope this does not embarrass the gentleman from Pennsylvania (Mr. BAILEY), but I simply must do this. I would like to read from our official biography book why this gentleman has every right to bring his eloquent special order before this House.

As an officer with the 101st Airborne, the distinguished gentleman from Pennsylvania (Mr. BAILEY) was awarded the Silver Star for extraordinary bravery and in addition during his 15 months of combat in Vietnam, he also won two Bronze Stars, and they are not always given for valor, but both of his were and have that V for Valor symbol upon them. He also was awarded the Army Commendation Medal, again with V for Valor, the Air Medal, the Bronze Star for meritorious achievement, and the Army Commendation Medal for meritorious achievement.

The gentleman from Pennsylvania (Mr. Bailey) was a company commander, and in the politically restricted way in which we fought in Vietnam, it was at the company commander level that all of the tough fighting decisions were made. This was a company commander's war. And pound for pound and ounce of blood for ounce of blood our young men fought with all of the bravery and dedication that any American ever fought with including the other no-win war in Korea or the victorious crusades of World War I and World War II.

I found out just the other day in talking with one of our colleagues on my side of the aisle that we now have a Member here whose kid brother was killed in Vietnam, trying as he felt to contain communism, trying to defend our allies, as inept as they may have been.

I am honored that in the 96th Congress I will be serving with colleagues like the gentleman from Pennsylvania (Mr. Bailey), who will try to restore some truth to this country of ours and help the Vietnam veterans, 2½ million of them who are proud they served and resent being lumped in with this tiny group of dissidents called Vietnam Veterans Against the War.

I hope this House never reduces veterans benefits or credit points for Civil Service jobs. It is not the male veteran's fault that women were not drafted to serve in Indochina. There were many opportunities for nurses to serve in combat. Hundreds were rocketed or mortared at our field hospitals and bases throughout Vietnam.

This House will backup the gentleman if he takes a role of leadership. And, my friend, I will back you on anything you want for the courageous men with whom you served so well.

In 13 years of weird Hollywood product, there is finally a film about Vietnam that rings of truth, interesting that it is about three soldiers who come from Mr. Bailey's area of our country. "The Deerhunter." It is about middle-class Americans and how they went to Indochina not understanding the political confusion about the war but fought bravely anyway. This film was viciously attacked by Fonda after the Academy Awards because it showed two historical truths: One, the vicious torture of our POW's, and, two, the Communist killing of innocent civilians.

One brief 20-second scene in "Deerhunter" shows Communist troops opening up a bunker and throwing grenades in on women and children—that happened on a regular basis throughout the war but the Fondas still defy the truth on Communist terror—now as then.

Ten thousand school teachers were killed in 1967 alone, Mr. Bailey's first year in Vietnam in 1967. Many hamlet chieftains were beheaded that year, their heads put on stakes in front of their villages, all in the glorious name of communism. In that same year Tom Hayden, already a candidate against the junior Senator from California, was meeting in Bratislava, Czechoslovakia, in Havana, and over and over in Hanoi helping Communist terrorists to figure out how to destroy our efforts to help our allies in Vietnam.

So let us see some truth restored to this Chamber. I am sorry that there are not more of us here tonight to join the gentleman from Pennsylvania (Mr. Bailey) in his eloquent special order and I thank the gentleman from Pennsylvania (Mr. Bailey) for sending me the poster about supporting our Vietnam veterans. It hangs proudly in my office. Just tell me what I can do to back you up in any way I can. Thank you, Mr. Speaker.

OBSERVANCE OF MEMORIAL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. Bereuter) is recognized for 5 minutes.

Mr. BEREUTER. Thank you, Mr. Speaker.

I want to commend the eloquent, insightful, judicious comments offered by the gentleman from California and the gentleman from Pennsylvania and commend them and the gentleman from New Jersey for participating in the special order here today.

Monday marks this country's observance of Memorial Day, a day when we honor servicemen and women, both living and dead, who gave of themselves to secure and safeguard the very rights, privileges, and benefits which we enjoy today as American citizens.

Since the Civil War—when the battlegrounds of Antietam, Gettysburg, Bull Run, and Shiloh were on the lips of those who honored the veterans—other battles have been fought.

The names of San Juan Hill, Chateau-Thierry (Sha-Tō Tea-airy), Guadalcanal, Inchon, and Da Nang are now familiar to us as battlegrounds where Americans have fought for democratic ideals, and paid the supreme price.

When Patrick Henry declared, "Give me liberty or give me death," there were thousands of others who concurred in that by deed as well as thought. This country was strong then, not because of a two-ocean Navy, or a large Army, or a vast arsenal of weaponry, but because there was courage in the hearts and conviction in the minds of these men and women.

We all can agree, I believe, that America needs to be physically prepared for war, but, also of equal importance is the fact that America needs to look at the aftermath of its wars. The toll they have taken on those who served our great cause of freedom. In all of these wars, except perhaps Vietnam, we were deeply concerned with assisting those Americans who served their country so ably in the armed services. Veterans arrived home to a country and to a people whose arms were opened wide, willing to help mend the scars the war inflicted upon its servicemen and their families. Not only were we a charitable nation, one which offered assistance to those nations and people who were once our enemies, but, we also lent support to the people who bore the brunt of those wars—our veterans. We accepted our losses as well as our victories and were prepared to move onward. During modern times educational, employment, and housing benefits were made available to those returning.

At present the United States is at peace around the world—an uneasy peace—but we must not forget that we were able to achieve this condition only because of the sacrifices of these same veterans we are honoring.

This Memorial Day is the beginning of a week which Congress has set aside as Vietnam Veterans Week, a week in which we pay tribute to the 8 million forgotten veterans of an unpopular war.

I wish to salute those who served and suffered in all wars—and above all, those who gave their lives. However, our urgent concern is with the veterans of the Vietnam years—and the unfinished business of that war.

With a few exceptions, neither those who supported nor those who opposed the Vietnam war have rallied to aid the veterans. Whether the war is seen as right or wrong, many of those who fought it deserve better than what they have received thus far.

For instance, in the present veterans aid legislation many of the most needy veterans are denied meaningful access to educational assistance. The veterans aid legislation was inadvertently structured to provide benefits to veterans with access to low-cost public institutions. The problem is that many States and cities have few, if any, of these institutions.

A second problem is the lack of attention given to the personal adjustment problems facing the Vietnam-era veterans. Many faced heavy emotional burdens returning unthanked and unnoticed for their sacrifices. Everyone has remained content to put the Vietnam war behind us, and unfortunately the Vietnam-era veteran has also fallen in this category.

I, along with 18 other fellow Congressmen who form the Vietnam-era veterans in Congress, hope to change this sad situation, but we need your help; the Vietnam veteran needs your help.

Your support is needed for H.R. 3102, the Vietnam Veterans Act, now before the Veterans' Affairs Committee. This bill is designed to help both present and future problems facing the Vietnam-era veteran.

I must tell you, we will not give up in our effort to correct this sad situation. This bill is only a beginning, and I promise you we will be back. Something can be done. Please support this important and long-overdue legislation. We can only hope to begin erasing the mental scars this war has left upon its victims—our veterans.

Let's finally bring the Vietnam veteran home from the war.

THE VIETNAM VETERAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. COURTER) is recognized for 5 minutes.

Mr. COURTER. Mr. Speaker, I am pleased that this Congress is pausing for a moment to contemplate the enigma of the Vietnam veteran. In many ways, the Vietnam veteran is more difficult to comprehend than was the "lost generation" of World War I.

There are many grim realities that make up the Vietnam veteran. He was sent to war, in many instances unwillingly. The fact that he was generally poor, while the upper and middle classes received the bulk of exemptions, deepened his bitterness.

We can no longer delude ourselves as to the equality and justice of the Selective Service System in the sixties.

The war became a pivotal point in the life of the veteran. It was a trauma which psychologists and sociologists are only just beginning to understand. War is not pretty, and only the naive find glory in it. Vietnam was a particularly dirty job, and the vet could only hope to come away as unsoiled as possible.

The Vietnam veteran returned to an America seriously divided over the most unpopular war in American history. Many Americans resented this war which had no end, which consumed 56,000 lives and wounded 300,000 more. The veteran with his war stories, his medals, his wounds, and his troubles, were painful reminders of a war that many did not want, and worse, a war that was not won.

By turning its back on the Vietnam veteran, America lost more than just a war. It lost the talents and the labor of thousands of capable young men, who needed understanding and a helping hand when they came home. Statistics, such as the fact that 25 percent of the persons incarcerated in correctional institutions in America are veterans of the Vietnam war, tell us exactly what the war cost our Nation.

This coming Memorial Day, Americans will honor those that sacrificed their lives in America's battles. We should do more than honor the Vietnam veteran, we should understand him.

PRESIDENT CARTER'S STIRRING WORDS ON ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, I recently came across stirring words about the energy crisis, words I would like to share with you today. They speak to the heart of the energy problem we are now enduring. Here is what the writer said:

> We must make hard and bold decisions that will insure that our future is bright. We need a national, unified, long-range and comprehensible energy policy. With proper national planning and determined execution of long-range policies, energy conservation and production can be increased . . . if we fall into the trap of seeing the energy problem as just another marketing opportunity, or just another political opportunity . . . then our country will wind up without energy. It will also be bankrupt in more ways than one.

You will agree, I think, that the words I have just read are forceful and timely. They are written, obviously, from the point of view of someone who is dissatisfied with the energy status quo and is confident he knows what to do to increase and conserve supplies.

Those words were written not this year or last year or the year before that, but in 1976. They are taken from a position paper on energy written by candidate Jimmy Carter.

They stand as a reproach to the lack of leadership of President Carter. They echo through recent history with an ironic ring. Think of it: The President who has shown the least imaginative and most inconsistent energy leadership in the history of this Nation told us 3 years ago our future would be bright under him.

Instead of "hard and bold decisions" we have been given indecisiveness and incompetence.

Instead of a "national unified long range and comprehensible energy policy" we have the Carter Energy Department which, depending on your view, is either a national joke or a national tragedy.

Candidate Carter called upon us not to use the energy crisis as a "political opportunity." But for 3 years his administration has played politics with energy. And they can not even play politics all that well. Even his most blatant political decisions have not helped him, as witness his own party's desertion on the issues of rationing and oil decontrol.

Previously there was confusion about energy. This administration has created chaos. Previously there was an information gap. This administration has created a veritable Grand Canyon of misinformation and ignorance concerning the true facts of the energy crisis.

We should not be surprised by all this. It was apparent 3 years ago.

Tom Bethel, Washington editor of Harper's magazine recently wrote an article about natural gas deregulation in that magazine. Bethel writes:

> In 1976, Carter had made a campaign promise to deregulate natural gas, but in retrospect it seems clear that he just said that because he was in Oklahoma that day. Most probably he didn't understand the issue at all . . .

Most probably, Mr. Speaker? I say quite definitely.

Within the space of a few days the Carter administration has shown once more the chaotic nature of its energy policy. Brock Adams, Secretary of Transportation publicly disagreed with Carter's view that decontrol of oil prices would stimulate a significant increase in oil production. His public relations man later tried to clarify that disagreement but only made matters worse. A week ago, on Tuesday, the President talked about "the inevitable prospect of an energy shortage." On Wednesday he reassured Governor Brown of California that by the end of the month things would get better. Secretary Schlesinger said "the worst is over." But on Thursday, Jody Powell was warning the press against being "overly optimistic about gasoline supplies "this summer." On Friday, the New York Times reported that unnamed White House aides felt the President and Secretary Schlesinger have gone too far in their optimism.

Let me quote the Times:

> In his first energy speech, on April 18, 1977 he called for personal sacrifices in the American life style that were required for a moral war on the energy problem. But, within days, he had put aside his most strident calls for sacrifice and passed the word that his energy program would have "no significant effect" on the Nation's economic growth or standard of living.
>
> This week, his fluctuation between harsh admonition and quiet reassurance reflected that same ambivalent style of leadership.

The most ironic part of the Carter promises on energy is that he used the word "comprehensible" to describe what was needed. Perhaps he meant to say "comprehensive"—but that does not matter. His policy is neither comprehensible nor comprehensive.

Is there onyone, anywhere, in or out of the administration, who understands what the Carter energy program is? His own party in Congress has shown its dismay over the debacle. Needless to say, the majority in the Congress does not have any answers either.

Mr. Speaker, the President of the United States owes it to the American people to give them the facts, the truth, the data upon which they may make energy judgments. He has not done so.

The gasoline lines grow longer and our dependence on foreign oil grows more and more. The confusion and anguish of our people grows in leaps and bounds.

Candidate Carter promised us he knew what to do. President Carter obviously has no idea, but keeps on saying he does. What we want, what we need, is not more confusion, but the facts. I urge all of you to join with those of us who are going to ask the President to give us those facts before it is too late.

We talk about an energy crisis. But what we have is a leadership crisis.

This administration and the majority in the House stand condemned before the bar of history for their inability to deal with a crisis that strikes at the very heart of our Nation.

Mr. Speaker, the resolution that I have referred to reads as follows:

H. RES. —

Resolved, That the President, to the extent possible, is directed to furnish to the House of Representatives, not later than 15 days following the adoption of this resolution, full and complete information on the following:

(1) The existence and percentage of shortages of crude oil and refined petroleum products within the United States and administrative regions;

(2) The current level of demand for crude oil and refined petroleum products within the United States and administrative regions;

(3) The current quantity and location prior to final retail sale of existing supplies of crude oil and refined petroleum products within the United States and administrative regions;

(4) methods used in the allocation of supplies of crude oil and refined petroleum products among the various administrative regions of the United States since January 1, 1978;

(5) directives changing or amending allocations of crude oil or refined petroleum products among or within the various administrative regions of the United States since January 1, 1978;

(6) facts in the possession of the Executive Branch demonstrating any action within private industry to withhold or reduce supplies of crude oil or refined petroleum products available for public distribution since January 1, 1978;

(7) public statements since January 1, 1979, of the President, the Secretary of Energy, or spokesmen acting on their behalf, pertaining specifically to shortages and supply of crude oil and refined petroleum products as well as any diversion of foreign supplies of crude oil and refined petroleum products intended for shipment to the United States;

(8) the percentage change in the various petroleum products obtained from the refining of crude oil, on a monthly basis, since January 1, 1978;

(9) actions, directives, or communications regarding changes in the refinery yield of petroleum products since January 1, 1978;

(10) any reduction in the supply of crude oil from any foreign country since January 1, 1978, if not incompatible with the public interest;

(11) refinery capacity utilization, on a monthly basis, since January 1, 1978.

The information requested in this resolution shall be made available to each Member of the House of Representatives in accordance with applicable rules of the House.

☐ 1430

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman from Indiana yield?

Mr. MICHEL. I will be happy to yield to my friend from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I thank my colleague for yielding and taking this time to hopefully in the future force the answer to some questions that we in the Congress are going to be asked to respond to.

There is one thing very clear today. The country is in confusion. I think it starts at the White House and goes right down to the service station operator out home, or anyone dealing with the problems today involving the shortage or potential shortage of energy. Energy supplies are very badly needed for the wheels of industry and for jobs and to operate our homes and all the business of our country.

No one knows for sure where we are today. This particular resolution that has been introduced today hopefully will answer some questions.

When the President was a candidate 3 years ago he said he had all the answers at that particular time and then suddenly after he becomes President, he begins to make accusations as he has almost daily in the last couple weeks to the American consumer, pointing to the consumer and saying, "why are you using so much fuel?" He points to the people who drive to work every day. He points at people who are employing some of the hard-core unemployed, and to those who are creating new jobs. Maybe he is pointing at the peope who are taking their families to church. "Why are you driving that 7th day of the week?" "Why are you not doing something about conserving fuel?"

Our President blames the American people for a condition that he has helped to contribute to in the last 3 years.

I remember taking a photograph in November of 1976 of a service station pump in my hometown: 30.9 cents per gallon. It is just about triple that price. today. It has tripled during the administration of a President who had all the answers.

Today, have we any answers at all? That is what this inquiry is all about. Again we are going to be asked to vote for decontrol. Will decontrol do what the President wants done? Is the excess profits tax or whatever type of tax it is he refers to one which truly is an excise tax, is that really going to generate extra production? To what extent will it be needed?

These are questions we are going to have to answer. If things continue as they have we are not going to have the answers on the day we are going to have to make a decision. We usually respond in this House in the last 3 weeks during an emergency.

We do not have time because we face rationing.

Next week we are going to run out of gas in the country; you are going to have to vote for this right away so we can get some relief.

This is what has been happening this year, always it is the emergency and we are asked to act right away. A sense of urgency.

This resolution gives the President an opportunity to answer these questions that a great many of us and the American people are asking: is there really a shortage of crude oil in the country? Is there truly a gasoline shortage or is it something contrived by the oil industry?

I am sure most of us do not have the answers. However, the President has had the answers all the way along. He owes it not only to Members of this Congress who are going to be asked to vote on his decontrol plan, but he owes it to the American people.

I certainly congratulate the gentleman in the well and the other Members of the leadership on the Republican side who have seen fit to try to answer the questions the American people are asking.

I thank the gentleman for yielding.

Mr. MICHEL. Mr. Speaker, I thank the gentleman from Indiana for his contribution.

There is no question but that there are many conflicting stories.

I get the general feeling, as the gentleman knows, when we are back home, there is a condemnation outright by many people of the oil companies. I do not know whether even part of that is justified. There is a condemnation of the Congress for being in limbo and not acting. There is a condemnation of the Department of Energy for the kind of faulty information and the conflicting stories that come out. Actually under the so-called energy bill that we passed a year or so ago, we mandated the Department of Energy to serve as a focal point for the gathering of these statistics upon which we might make a good, valid judgment.

I hate to be called upon here in this House to legislate from the depths of my ignorance rather than from having the facts laid before me upon which I can make a sound judgment.

We are not attempting to embarrass the President but it seems to me if the President has a degree of credibility and is as honest as all people say he is then if he is forthcoming with the information we expect of him, under the terms of this resolution, then we will have some good, factual information upon which to make a judgment. Then the news media will have no other alternative than to say, "These are the facts. This is what we have in hand. This is what we can expect for the next year or two. This is all we have got. There is no more to be had, we must live within this supply."

Far be it from this Member to ever countenance rationing in peacetime or if it comes in peacetime during my lifetime we will never get rid of it. In my judgment the name of the game is production. Our Republican proposal initiated over 4 years ago called for decontrol with an excess profits tax and a plow-back feature that required the oil companies to put some of their profits back into the production of additional energy sources. This is what we need for a growing economy and this is what we are driving at on this side of the aisle.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, the gentleman cited our pointing the finger, trying to find someone guilty. I think this administration and perhaps this Congress has done too much of that. We must go beyond the mere pointing of a finger at every possible guilty culprit. How are we going to get ourselves out of the predicament in which the country finds itself today? Pointing the finger is one thing, but if we were asked to point a finger at the guilty culprit right now, where would we point? We have not sufficient facts to know. We must know what is the problem. We do not really know.

Mr. Speaker, I hope the administration does have the answers to the questions we here ask. If they do not have the answers we should never have come up with a decontrol plan, a rationing plan or anything else. There are basic questions which must be answered. We must find the answers before we endeavor to find a solution.

We first must know what is our problem. I am not at all sure we really know what is the problem. Thank goodness, we are finally going to put our finger on it, attempting to find out what is the problem and then start working out the resolution of that problem.

Let us stop doing that and try to solve our problems.

Mr. MICHEL. Mr. Speaker, I thank the gentleman. This is what our resolution of inquiry is all about.

Mr. COURTER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I shall be happy to yield to my friend from New Jersey.

Mr. COURTER. Mr. Speaker, I would like to associate myself with the comments of the gentleman from Illinois. I, too, will join in that resolution of inquiry and I certainly believe it is about time we did this.

I think the gentleman's comments are excellent. I thank the gentleman for yielding.

Mr. MICHEL. Mr. Speaker, might I inquire of the gentleman, did I hear him make a statement a day or so ago that in his home State of New Jersey an official within the gentleman's State energy department made a statement which I hope the gentleman might care to repeat?

Mr. COURTER. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from New Jersey.

Mr. COURTER. A couple days ago I received a letter from Mr. Joel Jacobson, who is in the department of energy in the State of New Jersey. It was very interesting. He came forth with a letter that was sent to all of our representatives in Congress. We have 15 Members in the House from the State of New Jersey and 2 Senators and I am sure he sent that same letter to the members of the media. Basically his position, although perhaps contrary to mine, contributes to the confusion that we have today.

It is Mr. Jacobson's statement that there is, in fact, no shortage whatsoever and that if we decontrol prices charged by energy-producing companies they will use none of that increased revenue for an increase in production or increased refining. His statement adds fuel to this situation wherein people do not know, where people have been misinformed, where people do not know any longer whom to trust.

□ 1440

I think this resolution of inquiry is proper. It is timely, and I think hopefully will lead to some solutions and answers that we so badly need.

I thank the gentleman for yielding.

Mr. MICHEL. Mr. Speaker, I thank the chairman.

I yield to the gentleman from Indiana (Mr. Myers).

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman will yield again, I appreciate the gentleman's continuing forbearance here; but one thing that concerns me that was not in this resolution are some questions asking the administration, such as, what will be the impact of this excise tax? And what really is this excess profits tax? It is going to be a passthrough tax, as I see it. It is going to be a tax placed on profits of the oil companies, if there is one, and there has to be, if they are going to produce the oil. But how will the excise tax, a tax that will be passed on to the consumers of this country, how will it be used? What will be the end result of this extra money? Are we just going to spend it on more social programs? Are we going to spend it on solving the problems that created these extra dollars? This is something that I hope the administration will present the answers to.

I am quite concerned, as the gentleman from New Jersey said, about the extra tax. I have supported decontrol. But if we are going to decontrol with an excise tax, that is going to cost the American consumer more money. But how is it going to create more energy?

Mr. MICHEL. Well, that is the key. If there is not sufficient moneys left to give us the additional production, then why decontrol at all? There is absolutely no incentive whatsoever for us to be for decontrol if there is no increased production, because that is the name of the game. In the absence of it, it seems to me, there is just really no good argument for decontrol.

Mr. MYERS of Indiana. Well, the purpose of the extra profits, if the gentleman will yield once again, in my judgment should be plowed back in. We used the term "plow back."

Mr. MICHEL. That is what we are talking about with respect to the plowback feature, and under our Revenue Code, it would be very easy for the Committee on Ways and Means by way of legislation to require that and to be sure that it takes place.

Mr. MYERS of Indiana. As we search for additional oil wells, gas wells, additional alternate sources of energy, another problem is the question of refining capacity. Right now there are areas of shortages of unleaded gasoline, I am told, not because there is not the crude there, possibly, but because we do not have the refining capacity. It takes capital. It is going to have to be done.

Mr. MICHEL. Part of California's problem, as a matter of fact, with all the available oil from Alaska, only half of it, if that much, can be refined on the west coast. They do not have the capacity. The crude has to come all the way through the canal, up the gulf ports, to be refined. All that results in increased costs because of transportation. We just have to take a comprehensive look at our overall energy requirements.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I want to thank the distinguished minority whip for taking this time today and also to say that I am certainly honored to be one of the cosponsors of this resolution of inquiry.

As the gentleman knows, this is a rarely used parliamentary device, but it dates back more than 200 years and it is a good indication of the way our Constitution was written so as to give the people's representatives the right to know on important policy questions or on problems that face the Nation. Under this procedure, the President should respond within 2 weeks, and if he does not, once this is referred to committee after 7 legislative days it can be called up here on the floor and debated, so that in the full light of day these issues about shortages and allocations and all the other problems that are plaguing the average American today can be discussed and some answers finally provided, hopefully in a definitive manner.

I am sure the gentleman from Illinois would want to join me in commending the gentleman from Florida (Mr. Young), who in our discussions yesterday first raised this issue. He talked of the problem that he found among his constituents in Florida and all of us have found in our own districts of the utter disbelief on the part of the average American of anything that is being told them by the big oil companies, by the Government, or by the Congress. They are totally in confusion. They are not being told all of the facts in a manner that would inspire them to have any confidence in their Government, and yet their very lives are at stake. I think we owe a special debt to the gentleman from Florida (Mr. Young) for raising this issue and I am very pleased that the gentleman from Illinois is taking this time today.

Mr. MICHEL. Well, I want to thank the gentleman for reminding me of that fact, because it was in the whip organization meeting yesterday that the gentleman from Florida raised these questions and we had a very spirited discussion on what we ought to do by way of the party to get on the right track toward resolving some of these questions.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding. As one of the cosponsors of this resolution of inquiry, I commend the gentleman for taking this time this evening.

You know, the American people want to do what they have to do to help solve this problem, but on the one hand they do not like when they are told on the one hand one thing and they turn around the next day and they are told something else. They want the truth. They realize that we are dealing with an international situation here. We use a lot of oil produced in OPEC countries. We have oil companies that are owned internationally.

There is only one person in all the United States of America who is powerful enough to give us the answers, to get us the truth. That is the President of the United States. That is why I believe this resolution of inquiry is not only proper, but it is probably the only vehicle available to use to get that truth.

I want to pay tribute to our colleague, the gentleman from Maryland (Mr. Bauman), whose parliamentary skill and knowledge of the rules that actually initiated the use of a resolution of inquiry as a vehicle for this purpose. I want our colleagues to know that, because of the skill of the gentleman from Maryland (Mr. Bauman) and his knowledge in this field that we do have a vehicle that maybe will for the first time in many years get the people of America the truth to what the situation really is with regard to the oil supply and the energy supply.

You know, just about 2 months ago we were reading in all of our newspapers about the glut of oil in world markets everywhere. The people want to know what happened to that. The people hear how gasoline consumption can be reduced by 15 percent almost overnight by using gasohol. The people want to know why we do not do things like that. The people hear about oil wells that are capped because the oil is too deep in the ground to be recovered using today's processes. They want to know why we do not take some of the money that we would have spent in rationing, for example, to develop a system for getting our own oil out of our own wells?

Those are some of the questions that the American people deserve answers to and truthful answers.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MICHEL. The gentleman mentioned that cost of rationing. We know that the figures by all estimates were $1.7 billion to $2 billion to implement a rationing program. Our argument again is how much better would it be to divert those kind of resources into alternative sources of energy.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from California, who certainly represents a State that has suffered no little bit by what has happened over the last several weeks.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague yielding and also wish to express thanks to the gentleman for taking the time to discuss this issue. I hope that we can alert the people of this country that we are not getting all the facts even though we have tried to put demands and pressures on the administration sources, the industry sources, to find out what the facts are. This resolution, hopefully, will get us the facts from the President, as the gentleman from Maryland and the gentleman from Florida just stated, that one source that supposedly has them on the basis of all the statements that have emanated from his office or spokesmen.

Last week almost the entire California delegation was invited to the White House, supposedly to be informed as to what the facts were.

Mr. MICHEL. Was that a belated invitation, by any means?

Mr. ROUSSELOT. Well, it came suddenly. It is hard to define which came first, our Governor or the invitation. We finally did meet with the President, Dr. Schlesinger, and other Department of Energy officials, who gave us during the almost 1-hour meeting contradictory facts as to what was really occurring.

Many of the questions of this resolution, drafted by the gentleman from Illinois, hopefully will get us the answers we need. I, too, want to join with my colleague, the gentleman from Florida, in complimenting the gentleman from Maryland (Mr. BAUMAN) for coming up with this technique as a way to get the facts.

We asked at that White House meeting, why is there a gasoline shortage in California? It was admitted that the allocation program run by the Federal Government basically was responsible for the short supply of gasoline in our great State.

☐ 1450

Yet when we pressed for further facts as to what the future would be in the next month or so as to the gasoline supply, we got different figures from both the President and from Dr. Schlesinger. Even though they admitted the original calculations were based on 1972, used as the base year for the marketing of gasoline, we were left in confusion as to what the facts would be for the future. It was made clear that the Federal Government or the Department of Energy was making judgments as to how much gasoline the people in California could have and saying that we have to learn to get along with less.

When questions came up about how much crude oil there was, it was admitted that we have adequate supplies of crude oil in this country today. The problem is that there are conflicting Government policies already now in place, such as emphasizing the overproduction of heating oil, and providing that agriculture must get a certain allocation, that have added to the problem.

Much of the confusion is created by the Department of Energy in its allocation program. The powers of the Department of Energy were given to the executive branch by this Congress in 1973 and 1975. Some of us did not want those powers to be given up because we really felt the marketplace can do a better job of allocating energy supplies. Relying on the marketplace rather than getting Government involved in trying to make these determinations would help to alleviate many of the problems facing us.

So I compliment my colleague, our party whip, the gentleman from Illinois (Mr. MICHEL), along with our minority leader, the gentleman from Arizona (Mr. RHODES), for bringing up this resolution and asking the committee to act. I am sure our President will want to respond immediately to these important questions that are raised here. What are the allocation methods that are being used by the Department of Energy for end products that come out of the refineries? How is this being decided? Who is making these determinations? Are supplies of gasoline in fact being withheld from the retail buyers and the consumers of this country?

Mr. Speaker, I think my colleague, the gentleman from Illinois (Mr. MICHEL), is to be complimented for insisting that we move on this issue now and get the facts to the American people. They are tired of being strung out and misled. I think this is the appropriate time to get the facts and I am happy to be a cosponsor of this resolution of inquiry.

Mr. MICHEL. Mr. Speaker, I thank the gentleman from California (Mr. ROUSSELOT) for his very valuable contribution.

I would like to make the observation that we all recognize it is a very difficult decision to even make these allocations.

I had a call just this morning from one of our rural suppliers of diesel fuel to run tractors. The country knows that we have less than 5 percent of our population producing food for the other 95 percent. If we all want to have an abundance of food in this country, we must make absolutely sure our agricultural community is taken care of, and that they are able to plant the seeds and sow and prepare the ground to give us an abundance of food to feed our people.

When it gets to the allocation of gas and oil, the American people want to know exactly what our priorities are. Are we drawing down our overall supply of heating oil for New England from last year to prepare for the severity of this coming winter? If we want to build up a supply of heating oil for the coming winter, then let us openly tell the American people that this is the way we are charting our priorities. Let us tell the people that this is what we are doing for these several months and that that is the way we are going to get through this crisis. Otherwise all the American people will continue to ask questions, and nobody seems to have the right answers. I think that is the basic problem.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, last weekend I took the time to go to better than 20 retail outlets for gasoline in my own district and just immediately adjoining. Most of the gasoline dealers who run local neighborhood service stations admit and say very openly that when they receive their gasoline supplies, about 60 or 75 percent of what they were getting in 1978, and then apply for more, they have to fill out reams of paper that go to the Department of Energy just to get up to last year's supply.

You must remember that in California we have 800,000 more vehicles on the road than we did in 1978.

What is happening is confusing to even the people who are in this business. When we pin them down, they say, "It is the Department of Energy that basically controls what we as retail dealers get at the local level."

Yet the people sitting in line blame them or blame the oil companies.

So this resolution, if we get the facts, will help us to understand how these decisions are made, why they are being made, and why the local dealer is not able to get even what he was getting in gasoline supplies a year ago.

Mr. Speaker, I thank the gentleman very much for yielding.

Mr. MICHEL. Mr. Speaker, the gentleman from California (Mr. ROUSSELOT) has very ably summed up the situation.

Mr. DORNAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. DORNAN. Mr. Speaker, I thank the gentleman from Illinois (Mr. MICHEL) one of our able leaders, for yielding to me.

I want to join with the gentleman in his superb analysis of this situation, and I want to join in his call for more leadership from the Presidency. I also want to join my colleague, the gentleman from California (Mr. ROUSSELOT), and I want to commend him for his excellent analysis.

I also spent all last weekend in my district visiting dealers. I have the largest refinery in the western part of the United States in my district, the Chevron Co. refinery in El Segundo, Calif. I spent a half day there, and I spent a half day at the Mobil Tourism facility. I spent all the following day long at gasoline stations talking with dealers. That gave me, as it did all the other Californians who went home, a good feeling and an understanding of the tragedy the dealer, for instance, suffers. He is the last link in a long chain of industry that starts in the work of the oil fields in Arabia and in what was the oil fields of Iran. But it is the dealers who have to meet the public with a smile and some sort of appreciation of the madness that is going on now.

I heard in California of the pathetic rumors of oil tankers hidden just over the lines of the horizon and of the dumping of gasoline in the Mojave Desert, which, of course, never happened. And we have heard of rumors of the filling up of tanks in deserted gas stations with gasoline supplies, and that the fire stations in the country are on top of it because it is against the law to put highly combustible materials in closed and deserted stations.

All these rumors are subsiding, and the people are focusing on the role which State governments, mine included, have played in aggravting this problem.

The President is absolutely required now, as the gentleman pointed out in one of our party meetings the other day, to make tough decisions. He is required to take over the reins of leadership on this issue, because unfortunately—and this is what I would add, I will say to the gentleman from Illinois (Mr. MICHEL)—the mass media is contributing to a poisoning of the wellstream of public opinion on so-called variety and comedy shows.

Almost every night Johnny Carson—and I name him—contributes to these ugly rumors by alluding to a glut of oil. It is said we have a free enterprise system in this country to create a possible shortage. This is almost a revolutionary or James Bond-type attack on free enterprise in this country to hurt our public acceptance. The "Tonight Show," the "Tomorrow Show," the variety shows, all the shows are contributing to the average American's misunderstanding and confusion on exactly what the roots of his gripes are as they pertain to the oil companies, and it seems to be ending up with mistrust of Government regulation.

So, Mr. Speaker, I support the gentleman's resolution, and I hope the President will take a note from the leaf of Abraham Lincoln, who visited this Congress regularly and, in fact, had an office in the President's Room on the Senate side, which is now a tourist area. I suggest that the President meet with his own party's leadership and also consider the minority's position before this turns into a recession, if not a depression, in this country.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MICHEL. Mr. Speaker, I cannot help but make the observation, since the gentleman talked about the rapport between downtown and the Congress, that I was rather critical of this administration when it took office. We had only three joint leadership meetings in the first session of the 95th Congress. With Gerry Ford and Richard Nixon before that, we had regular weekly meetings with the Republican leadership, and at the minimum we met once every 3 weeks with the joint leadership of the Congress.

In the second year I was informed that they had seven joint leadership meetings, but as of May 1979 we are yet to be invited—and this is May 24—down to the White House at a joint leadership of this Congress to try to work out something together.

Apparently the majority feels it has the votes and the confidence to get the job done, but I believe it is important that we have joint leadership meetings in order that we may find a better way to get the job done. I would say, "You should have the votes to get the job done," but I think, frankly, that we need the confidence of the people and this should be a bipartisan effort. I would like to see that followed through.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I note that the question was raised by the gentleman from California (Mr. DORNAN) about Government regulation, and the question also has been raised about allocation. The gentleman will recall that on Wednesday of last week the gentleman in the well, a number of our colleagues, and myself, from the Committee on Appropriations, met with Dr. Schlesinger. The subject of allocation was presented to him, and he made a statement.

This is what he said: "Our program of allocation is a program of misallocation."

That was an admission that the current allocation program just is not working. If they are willing to admit it, fine, I am happy that they are willing to admit it. But admitting it or not this is the time to do something about it.

Just standing up and saying that inflation is bad and that it is going to get worse will not solve the problem.

□ 1500

Saying that our allocation system is bad without suggesting an alternative just is not going to solve the problem. They are the only people who have enough power, today in this Government of ours, to make those changes and to find the answers to these important questions.

Mr. MICHEL. I thank the gentleman for his comments. I think we have pretty well gone over the subject here today.

Mr. GILMAN. Mr. Speaker, I rise in support of the resolution introduced by the distinguished minority leader, the gentleman from Arizona (Mr. RHODES). I am a cosponsor of this resolution of inquiry which demands from the administration a full accounting of our Nation's oil and gas shortage. Our resolution asks 11 specific questions, which, when taken together, will provide the people of our Nation with an analysis and explanation of our current energy situation. Specifically, the resolution seeks information about the severity of the current crude oil shortages, the current levels of demand, and current reserves. It seeks answers about the possible withholding of supply by private industry and the diversion of foreign oil to other markets.

Mr. Speaker, in view of the contradictory information which has been provided by the administration, I feel that a formal inquiry should be undertaken by means of this resolution. The public has been confused and frustrated long enough. Over the past few months I have tried in vain to receive an adequate response to inquiries of this sort from the Department of Energy.

In the interests of self-preservation, we must see to it that the energy crisis is given a higher priority by the Federal Government, and put into a more rational perspective. The information called for in this resolution should have been available to us back in the 1973 oil embargo. Our Nation is too dependent upon foreign oil not to have a constant and accurate assessment of the situation. The administration has not provided the Congress and the public with this important information and the oil companies have apparently not always been operating in our Nation's best interests.

Mr. Speaker, I would urge my colleagues to support this resolution and bear in mind the implications a problem of this sort may bring upon us in the future years.

GENERAL LEAVE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

IS THERE A REAL FUEL SHORTAGE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. MYERS) is recognized for 30 minutes.

Mr. MYERS of Indiana. Mr. Speaker, I am not going to use my 30 minutes. I do just want to compliment the gentleman from Illinois (Mr. MICHEL), the gentleman from Arizona (Mr. RHODES), and all of those associated with bringing this to the attention of the House. It might have sounded like it was a partisan show here this afternoon, but the problem of our country certainly is not a partisanship matter. We are trying to find the answers to the questions that the country is asking. We are hoping that we have come up with the questions here that the American people would like answered, one of which is that regulations have not provided for the energy that the country needs. Is it the regulations' fault? Or is it the oil companies' fault? Or where does the problem lie? How can it be corrected so that we can get ourselves out of this predicament?

All of these are questions that we have posed to the administration and to the various committees of the House of Representatives, to come forward with the answers, with the hope that we will know and the American people will know the extent of this problem. Is it real or is it manufactured? I would certainly want to have these questions answered. It certainly is not partisanship. We are concerned about the same problems as are the rest of our country. It seems that the President has not answered them, at least to the satisfaction of the American people. The question is: Is there a real problem today? This is the first question we must all answer before we start coming up with solutions.

Mr. Speaker, in closing I want to say that controls simply have not worked. The existing controls have caused higher prices and shortages. Every Member of this body, every person in the country, wants to buy fuel as cheaply as he or she possibly can. But we must have it available. Today we have not only very, very high prices, but we are also faced with shortages. It seems at the present time that the American people are not satisfied. If the American people were satisfied, they would do without, I am sure. They would sacrifice a day or two a week, cut back on driving, cut their thermostats back, or whatever helps, if they were really sure there was a real need for it. This is something American people have not been told, and they are entitled to know this truth. Controls work something like putting a weight on a tire. When it is out of balance, we take it to a tire shop and have it balanced. If we put too much on the tire someplace, we have to put a weight on the other side. And finally you get the whole tire surrounded by lead weights. And that is the same with our controls. They have not worked. It is time we do take a look at what they might do, but we ought to know the answers before we take that next big step. Let us not make the same mistakes that we have in the past.

□ 1520

THOMAS G. DUGAN—HE "GIVES OF HIMSELF"

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. SPELLMAN) is recognized for 5 minutes.

● Mrs. SPELLMAN. Mr. Speaker, a wise man once wrote, "you give but little when you give of your possessions. It is when you give of yourself that you truly give." I rise today, Mr. Speaker, to draw my colleagues' attention to a friend and constituent who has been "giving of himself" in a wide variety of ways in my own Prince Georges County, Md., for many, many years.

His name is Thomas G. Dugan and I am pleased to say he is about to receive some well deserved—in fact, long overdue—recognition for some of his good deeds in my community.

Tom, as he is universally known, grew up in New York City and also lived in Connecticut and New Jersey before moving to Maryland almost 14 years ago. A businessman, husband, and devoted father of four, Tom is not one to be content with just a full career and family life.

This remarkably giving man has somehow found time for a multitude of community and civic activities that I simply do not have time to relate here in full. To mention just a few, however, Tom has served as vice president of the Prince Georges Young Democrats and has been an officer in several other local democratic clubs. He has served on the Parks and Recreation Board of the city of Greenbelt, Md., and has been a member of the Governmental Affairs Committee of the Maryland Association for Retarded Children.

Tom has also served as fundraising chairman and membership chairman for the Prince Georges County Mental Health Association and has been a member of the Finance Committee for St. Nicholas Church in Laurel. Perhaps most important, Tom is about to leave the chairmanship of the Prince Georges County Board of Elections after some 8 continuous years of service to that group.

Mr. Speaker, I am sure my colleagues will agree that is an impressive list of activities for someone whose primary occupations are his job and family. But I must tell you there is an even more important way in which Tom Dugan "gives of himself" to the many individuals who are fortunate enough to cross his path in Prince Georges County.

As anyone who has ever known him will surely relate, Tom has a strength of character and unflappable, unflagging spirit that is truly inspiring. Particularly when adversity clouds the horizon, Tom's bright attitude, engaging wit and ability to make people smile comes shining through. He has an extraordinary capacity to cheer those around him—no matter what the circumstances. His strength and spirit are positively infectious.

It is crystal clear to me, Mr. Speaker, that his energy and character are far away Tom's most important gifts to those around him. And it is these gifts that I shall be thinking of most when I join many of Tom's friends and admirers at a testimonial dinner-dance tomorrow evening in Upper Marlboro, Md. I will be truly honored to be present at any event that recognizes such a deserving individual.

I know my colleagues here today will want to join me in acknowledging the many fine deeds of one who has "given of himself" in so many ways. I know, too, they will want to wish Tom, his wife Mary and their four children happiness and good health in all their future years. And most of all, Mr. Speaker, I know my colleagues will want to join me in offering my heartfelt thanks and sincere appreciation to Tom Dugan for the many wonderful things he has done for my community and the people who live there.

Tom is certainly one who "gives of himself" in some very special ways and there are many, many residents of my area whose lives have been truly enriched because they have been fortunate enough to come in contact with and be inspired by Tom Dugan.●

PROTECTION OF AGRICULTURAL LANDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. GRASSLEY) is recognized for 5 minutes.

● Mr. GRASSLEY. Mr. Speaker, the loss of good agricultural land in this country to nonagricultural uses is a problem that concerns many of us. We see it happening all around us, especially in the expanding urban areas as new housing developments, shopping centers and industrial expansion take over what was once farmland.

Even in rural areas we see recreation developments, highways, powerlines and the like permanently removing land from production.

The situation is more serious in some parts of the country than in others. Many States and communities have taken steps to protect important agricultural lands from this fate. Others are investigating and trying out methods to provide adequate protection. Some are having good results. Others are not. Those who are faced with this problem have almost universally found that it is not an easy one with which to deal.

Private and commercial development is only one factor in the conversion of agricultural land. Government policies and programs often result in unnecessary loss of productive land. The causes are complex and vary from community to community. No two areas seem to have exactly the same problems or require exactly the same kinds of solutions.

There are those who say that loss of agricultural land is not something that should be any cause for concern at a time when we have overproduction of many agricultural commodities. This is a shortsighted view. Productive land is irreplaceable. When it is gone, it is gone, whether it is down a river or under a parking lot.

Clearly this is something that should concern us. It is an issue that requires a reasonable, thoughtful, responsible approach, because there are some very important public interests involved here. It is an area where private property rights, land use decisions, community self-determination and the long-term productive capacity of our Nation are all critical elements.

A sound approach to the problem of agricultural land protection must, of course, be based on the need to preserve the future productive capacity of this country. At the same time it must not be disruptive of the traditional private property rights which have been the strength of this Nation. It must preserve the ability of communities to determine their own future, and it must protect the rights of citizens to make basic decisions on the uses of land at the local level, where community needs are best understood.

It is in this context that I am today introducing legislation designed to help deal with the problem of loss of productive agricultural lands. The program I am proposing is a combination of methods through which the extent of the problem can be determined, effective steps toward alleviating it can be developed, and information and technical assistance can be provided to those who need it.

This approach would combine the resources of the U.S. Department of Agriculture with those of the land-grant university and extension system to put the need for protection of agricultural land in perspective, and recommend ways in which it can be accomplished. It would establish an information clearinghouse network through which information on techniques and methods of protecting important agricultural lands can be made available, and it would provide for a program of technical assistance to States and units of local government both through the land-grant and extension system and the Soil Conservation Service of the U.S. Department of Agriculture. The legislation would also require departments and agencies of the Federal Government to examine their policies and programs that may be promoting unnecessary conversion of agricultural land to nonagricultural uses, and revise them.

The bill would amend title V of the Rural Development Act of 1972 to set up the land-grant/extension service programs proposed. The title V mechanism is a natural one for this kind of effort. Much of the work that has been done on agricultural land protection has been accomplished in the land-grant system. In combination with USDA, the title V system can provide access to the information and technical expertise necessary to help individual communities implement the kinds of land protection programs needed for their particular geographic area and circumstances.

This approach provides a focus for agricultural land protection efforts at the State and local levels, rather than in Washington. It avoids the potential for Federal land-use planning that is inherent or implied in other approaches that have been recommended. It seeks to make the best use of existing resources. It requires no new authorizations for funding, and no large outlays of Federal money—an important consideration at this time when we are looking for ways to stop the hemorrhage of tax dollars from the Federal Treasury .

It is an approach that I believe can be effective in meeting the challenge of loss of important agricultural lands in this country, and I hope it will receive favorable consideration by this Congress.●

ANTI-JUNKETING ACT OF 1979

The SPEAKER pro tempore. Under a previous order of the House. the gentleman from Illinois (Mr. CORCORAN) is recognized for 10 minutes.

● Mr. CORCORAN. Mr. Speaker, I am introducing legislation today that would curb unnecessary travel to foreign countries by Members of Congress. My bill would require that any travel by Members or staff be authorized by a rollcall vote of the full committee and only after consideration of a proposal that includes the legislative objectives of such travel and a projected cost estimate. In addition, my bill would eliminate travel by Members who are retiring or who have been defeated in their primary elections. This eliminates a glaring lame-duck loophole that has given Congress one more chance to prove to the public that our travel is undertaken irresponsibly.

I realize that much congressional travel is necessary and legitimate, but too often congressional trips are more pleasure than business. So-called "junkets" discredit the U.S. Congress and shake the already tenuous confidence of the American public in its representatives. In 1977, the "Obey" Commission, the Commission on Administrative Review, stated that while there was no question that Members needed to be able to travel to adequately fulfill their duties, sufficient safeguards were needed to assure that trips taken did not "compromise the integrity of the House as an institution nor diminish the value of travel as a legitimate aspect" of legislative work.

I do not believe that we yet have sufficient safeguards against abuse. My aim in offering this bill is to make sure that the decisions on legislative travel are made publicly and responsibly, and that public travel is never an occasion for an outgoing Member to "see the world" at Government expense. There is a definite need for Congressmen to be completely open about their official foreign travel. I urge my colleagues to support my bill, which allows for travel at public expense only for travel in the public interest.●

VIETNAM VETERANS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. WEAVER) is recognized for 10 minutes.

● Mr. WEAVER. Mr. Speaker, many of the unique problems of our Vietnam veterans have not been adequately addressed by the Congress, the Veterans' Administration or the citizens of the United States. I am proud to contribute to this small effort on behalf of Members of Congress to heighten the awareness of the neglect which our Vietnam veterans have suffered.

Many of the Members speaking today are Vietnam veterans themselves, others sit on committees that are directly concerned with veterans' problems. They have documented many deficiencies in our programs for Vietnam veterans. I would like to mention a very serious problem that has come to my attention through my investigation of herbicides. Many of our veterans were literally coated with "agent orange" which contained the deadly dioxin contaminant TCDD. A most disturbing pattern of illness has begun to emerge in this veteran population. I have received reports of widespread similar symptoms including chloracne, intestinal and liver disorders, recurring cysts, and specific neurological and psychological disorders. The number of veterans suffering from these symptoms is not known.

To date, the Veterans' Administration has refused to conduct a proper epidemiological study of these veterans. Such a study must be undertaken. The extent of these problems in the Vietnam veteran population must be ascertained. The specific causal factor or factors must be isolated and effective treatment programs developed.

The plight of these ignored, forgotten veterans was most disturbingly documented by the C.B.S. (Chicago) documentary "Agent Orange, the Human Harvest." This Nation needs to recognize this and the other unique problems of our Vietnam veterans and treat them with the respect and service that they deserve.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OTTINGER) is recognized for 5 minutes.

● Mr. OTTINGER. Mr. Speaker, yesterday on rollcall No. 167, the vote on the rule for H.R. 3404 dealing with Department of Treasury drawing authority, I was unavoidably absent, chairing subcommittee hearings. I voted for passage of the bill and, had I been present for the vote on the rule, I would have voted "aye." ●

EXPORT TASK FORCE ARTICLE NO. 8: WORLD TRADE WEEK 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

● Mr. ALEXANDER. Mr. Speaker, President Carter has declared this week—May 20–26—as World Trade Week 1979. This is a time for all Americans to focus on the importance of international trade to our economy.

The U.S. trade deficit of the last few years has placed a new-found importance on the value of exports to our economic well-being. No longer can we rely on domestic sales to achieve a balanced economic growth. The world is full of potential customers waiting to buy American goods and services.

World Trade Week 1979 rightfully places emphasis on the need to increase our exports. Increased exports will bolster the dollar which will assist in the fight to control inflation. The U.S. economy remains the No. 1 economy in the world. It is time to flex our economic muscles.

The following is the proclamation by President Carter declaring May 20–26 as World Trade Week 1979:

WORLD TRADE WEEK, 1979

(A Proclamation by the President of the United States of America)

A strong position in world trade is one of the foundations of the American economy. By expanding our trade, we enlarge the opportunities for U.S. companies to prosper under our free enterprise system and for U.S. workers to find employment throughout the American industrial complex.

Trade also joins us with other nations of the world in a partnership of peace and trust that advances the well-being of people everywhere. It encourages the international exchange of ideas, knowledge and experience, and assists in developing fuller and more fruitful use of the world's resources.

We in the United States are dedicated to policies that promote freer, wider trade and that avoid the destructive consequences of protectionism. We believe our economy is best protected, and our citizens better served, when barriers to trade between nations are lowered rather than raised.

We are the world's largest trading nation. Yet compared to many of our trading partners, we export less of our rich and varied production than we should.

World Trade Week gives us the opportunity to pledge ourselves to exporting as a national priority and renew our determination to succeed in the world marketplace.

Now, therefore, I, Jimmy Carter, President of the United States of America, do hereby proclaim the week beginning May 20, 1979, as World Trade Week, and I request all Federal, State and local officials to cooperate in the observance of that week.

I urge business, labor, agricultural, educational, professional and civic groups, and all the people of the United States to observe World Trade Week with gatherings, discussions, exhibits, ceremonies and other appropriate activities that promote awareness of the importance of world trade to our economy and our relations with other nations.

In witness whereof, I have hereunto set my hand this sixth day of April, in the year of our Lord nineteen hundred seventy-nine, and of the Independence of the United States of America the two hundred and third.

JIMMY CARTER.●

MAX CLELAND—VIETNAM VETERAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. ROBERTS) is recognized for 5 minutes.

● Mr. ROBERTS. Mr. Speaker, earlier this week I called to the attention of my colleagues the proclamation issued by President Carter establishing May 28–June 3 as Vietnam Veterans' Week, a week to recognize the service and sacrifice of the Vietnam veteran. Vietnam-era veterans represent almost one third of the veterans in the United States today. More than 9 million served. Of the 3 million servicemen and women who saw combat in Southeast Asia 57,000 died and a half million are currently receiving compensation for disabilities incurred in that conflict. Officially, the war in Vietnam has been over for 4 years, but the American people are just beginning to come to grips with our experience there. This confusion over how to accept our involvement in Southeast Asia was transferred to those who fought in that war, not by malice, but by our haste to get Vietnam behind us. But, Vietnam is part of our national experience. It cannot be ignored; and likewise, we cannot overlook the men and women who served and those who fought and died in Southeast Asia. This is the aim of Vietnam Veterans' Week.

I think it is especially fitting as we approach the coming week to recognize a man who probably has done more than any other single individual to create an awareness of the needs of the Vietnam veteran in this country. Two years ago, Max Cleland became Administrator of Veterans' Affairs—the administrator of the largest independent agency in the United States. At 34, he was the youngest man and the first Vietnam veteran to hold that position. He has responsibility over a $21 billion budget; more than 200,000 employees; and, with 172 hospitals, the Nation's largest medical care system. As Administrator of Veterans' Affairs he heads an agency serving millions of veterans, their dependents, and survivors of deceased veterans; a potential clientele that includes nearly half the total population of the United States. The job is equal to the man. He freely accepted an obligation to protect the rights of all our veterans but especially to bring those who served during the Vietnam era into the veterans' ranks on an equal basis with their fathers and grandfathers. His dedication to his work, plus his ability to triumph over hardship, inconvenience and pain is an example to his generation, to veterans, and to us all.

During the years Mr. Cleland has served as Administrator, the Congress has worked closely with him in an attempt to achieve an equitable balance in the entitlements of all veterans of our country and especially for those who served in Vietnam. Although we have not accomplished all our goals, we have accomplished some important things. The Vietnam era veteran is now as materially well off in veterans' benefits and entitlements as those who fought in wars before him; in many cases more so. What he lacks is the recognition of his service. The Congress can design programs and services, but we cannot legislate dignity. However, we can help lead the Nation in an upsurge of gratitude to those who served during the Vietnam era.

In his extremely high position of leadership within the Administration, Mr. Cleland has worked closely with the President in helping to meet the needs of our Nation's veterans. He has been a strong advocate for the establishment of a psychological readjustment counseling program for Vietnam veterans. He recommended to the Congress that we establish a pilot program for the treatment of drug and alcohol abuse disabilities to benefit Vietnam veterans. The House and Senate have passed legislation to provide authority for these programs and we hope a bill will be before the President for his signature within the next week or so. Mr. Cleland helped bring about legislation to place a plaque in the trophy room at Arlington National Cemetery in recognition of those who served in Southeast Asia during the Vietnam conflict. The plaque was dedicated by the President on November 11, 1978. He recently submitted to the Congress a proposal to enhance the vocational rehabilitation program for service-connected disabled veterans. We will continue hearings on this measure shortly.

Mr. Speaker, the Administrator and I have certainly had differences of opinion in reference to certain issues pertaining to veterans' affairs; we have disagreed on occasion as to what is best for our Nation's veterans; however, I firmly believe that Max Cleland is totally devoted to exerting all of his energies in helping bring about a better life for every man or woman who served in the Armed Forces. I have no doubt about that. So we honor him along with all other Vietnam veterans during the coming week.

The Administrator was once asked what inscription he would like to see carved on a monument to honor those who fought in Southeast Asia. He replied that the greatest tribute this country could ever pay those who served in that difficult time would simply be for the people of the United States and the leaders of this Nation to rise up and just say, "Thank you." It is a simple request, but a meaningful one.

I would, therefore, like to say "Thank you" to Max Cleland for being willing to serve Vietnam veterans, and all others, as the Administrator of Veterans' Affairs. Second, we should say "Thank you" to the 9 million men and women who left their homes and families to serve their country during the Vietnam era. We acknowledge the force of their dedication, the strength of their service, and the pain of the sacrifice.

A generation of America was tested by the war in Vietnam. Most of those who served came home proud of their country and willing to fight again, if necessary, for a better America. We must remember that the service and dedication they proved in war can be distilled to strengthen an America at peace. It is our obligation and our privilege to give them that opportunity. By honoring the Vietnam veteran, we honor all those who have served their country in time of war. By acknowledging the soldier, we commend the citizen.●

THE SMALL COMMUNITY LIBRARY SERVICES ASSISTANCE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, today I am introducing legislation to assist counties in providing public library services in small communities. There is a great need for this assistance and I urge you and the rest of our colleagues to give careful consideration and support to this legislation.

I think we all realize the important role public libraries play in encouraging educational enrichment and in promoting greater understanding among our people. The recent observance of National Library Week serves to further underscore the importance of libraries and to demonstate that there is a commitment on the part of the people to encourage, promote and support the growth of libraries across the Nation.

As many of you know, the President intends to hold a White House Conference on Library and Information Services in late October and early November of this year. Interest and activity in this area is growing and I believe that Congress must take the lead in defining the nature and extent of public support for libraries. We must begin to debate now what the future role and direction of Federal assistance will be in this area.

We have witnessed major changes in the role of the public library in American life over the last few decades. The advent of television, the explosion of knowledge and information in this computer age, and the increasing necessity of reading skills to function in our complex society all pose serious questions that must be addressed by this body within the context of financial support for libraries.

Since the enactment of the Library

Services Act of 1956, the Federal Government has been helping to support public libraries. This legislation was originally enacted with a clear understanding of the need to encourage the growth of library services in rural areas. Successive Congresses over the ensuing decades have amended this legislation time and again.

Today, we find our present program has lost sight of its original focus. Rural and smaller community library needs are simply not being met. Large centralized libraries in major metropolitan areas have tended over the years to obtain the bulk of Federal assistance available in this area. My legislation seeks to balance this trend by opening a new source of support for library services in smaller communities.

One of the reasons smaller communities have been left out in the cold is that Federal assistance is made available through State library agencies in accordance with comprehensive State library service plans. While I fully recognize the need for adequate planning to strengthen statewide library networks, I sympathize with the many smaller communities that do not fit into these elaborate schemes and end up without assistance. My legislation would avoid this problem by allowing county governments to apply directly on behalf of its smaller communities for Federal assistance.

The text of my legislation is reproduced here for your convenience. I urge you to carefully study it and welcome your advice and support.

H.R. 4234

A bill to assist counties in providing public library services in small communities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Small Community Library Services Assistance Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to assist counties in providing public library services in small communities by—

(1) providing public library personnel and facilities in small communities;

(2) strengthening public library programs in small communities; and

(3) constructing, renovating, and expanding public libraries in small communities.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "Commissioner" means the Commissioner of Education;

(2) the term "county" means (A) a county or parish within a State, (B) in an area of a State which is not within a county or parish, the unit of government which constitutes the next level of government below the State government, or (C) the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, the Trust Territory of the Pacific Islands, or the Northern Mariana Islands;

(3) the term "small community" shall mean—

(A) any city or village having a population of less than 50,000 inhabitants; and

(B) any city having a population of between 50,000 and 75,000 inhabitants, if the immediately adjacent areas of that city have a population density of not more than 100 persons per square mile.

(4) the term "State" means a State of the United States.

APPLICATIONS

SEC. 4. Any county may submit an application to the Commissioner for a grant under this Act. Such application shall be made at such time and in such manner as the Commissioner considers necessary, and it shall contain—

(1) a description of the proposal for which the grant is requested;

(2) a justification of the amount of grant funds requested;

(3) the portion of the cost to be borne by the county;

(4) such fiscal control and accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the county under this Act; and

(5) such other information as the Commissioner considers necessary.

APPROVAL

SEC. 5. Within 60 days after the date of submission of an application for a grant under this Act, the Commissioner shall review such application and, if such application is consistent with the requirements of section 4 and the statement of purposes set forth in section 2, he shall, within such 60-day period, approve such application.

PAYMENTS

SEC. 6. The Commissioner shall make a grant to each county which has submitted an application approved under section 5. Payment of grants may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

RECORDS

SEC. 7. (a) Each county which receives funds under this Act shall keep records which fully disclose the amount and the disposition of the proceeds of the funds, the total cost of the activities, programs, and projects which involve the use of such funds, and the amount and nature of that portion of such cost which is supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Commissioner shall have access for the purpose of audit and examination to any books, documents, papers, and records of a county which receives funds under this Act.

WITHHOLDING

SEC. 8. Whenever the Commissioner, after reasonable notice and opportunity for a hearing to a county receiving funds under this Act, finds that there is a failure to meet the requirements of this Act, the Commissioner shall notify such county that it may not receive further payments under this Act until it has demonstrated, to the satisfaction of the Commissioner, that there is no longer any such failure.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

BET ON A VET, HOW LUCKY CAN YOU GET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, there are no actions that we the members of the 96th Congress can take, that will be able to erase the horrors of the Vietnam war. Nor will we be able to remove the burden of the physical and emotional scarring that these young people experienced as a result of the war. However, we are honored to establish and participate in the National Vietnam Veterans Week. We are proud to be able to convey the appreciation and respect of the American people to those who so bravely fought during the Vietnam war.

The American Government must never entertain the thought that our responsibility with a war ends with the signing of a peace treaty. We must take any necessary actions that will assist our veterans in their rehabilitation to civilian life. In addition we must take steps to aid the survivors of those who died while fighting for the United States. And, we must continue to provide every possible opportunity in an effort to encourage additional educational training to help the vets in succeeding in their selected careers.

Walter McGee, a 28-year-old ex-marine, was out of work for 5 years after returning from Vietnam. He came home bitter and hostile after losing both legs in combat and had given up all hope. A short time later, he was hired for the Disabled Veterans Outreach Program (DVOP) and his whole outlook on life changed. Because of the job, he got a chance to both work and contribute to a worthy cause. Understandably the bitterness and hostility was soon replaced with hope and a chance for a happy future.

According to Ernest Green, assistant secretary for employment and training, the Outreach program is undoubtedly working. During the first 9 months of fiscal year 1978, 510,000 Vietnam-era veterans were served. Given employment opportunities were 170,000 Vietnam veterans, and 113,000 disabled veterans were assisted along with several other services provided. In addition to the DVOP, there are numerous other services and agencies that are working to help the veterans in rehabilitation and in job placements. Among these include the successful help through industry retraining and employment program.

In an effort to better prepare the veterans for readaptation to civilian life, we have encouraged all veterans to take advantage of the Government-sponsored educational benefits. In 1966, the 89th Congress passed the GI bill that provides financing to the veterans in order to offset the high cost of finishing their education. This bill became retroactive to include all veterans since the year 1955. Already the Vietnam veterans are taking advantage of the educational benefits at a much more vigorous rate than any other group of veterans in our country's history. Over 1 million or approximately 65 percent of the Vietnam-era veterans are presently participating in the benefits of the GI bill in an effort to expand their educational scope and increase their chances for a successful career.

We must continue to pay honor, respect and always remember the 107,000 soldiers who bravely and distinguishably gave their lives during the Vietnam conflict. But, at the same time, we must not fail in our efforts to assist the 8,070,000 survivors in their struggle to successfully return to the mainstream in American life.●

THE NEED TO RESPOND TO JAPAN'S TECHNOLOGY DRIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

● Mr. VANIK. Mr. Speaker, In the last several weeks, three articles have appeared in the Nihon Keizai (Japan Economic Journal) describing major commitments by the Government of Japan to achieve technological preeminence in computer production and "high international" standing in aircraft production.

Of course, these are two fields where the United States has been a leader and they are areas which are bright spots in our otherwise dismal export accounts.

Japanese competition, created through government direction, and government subsidy, is likely to severely impact on our sales of these products in the years ahead. More Japan trade problems, here we come.

If the Japanese want to develop taxpayer-subsidized industries in these high-technology fields, that is their right. But we will also have the right to countervail against imports of such products; and under the new subsidies code negotiated in the multilateral trade negotiations, we should have the right to complain about the loss of sales in third markets as a result of subsidized competition.

But the articles point to an even more serious need—the need for the United States to have an industrial policy which provides for research and development, and then the use of that R. & D. We must have a national policy which encourages the development of the industries of the future, that encourages export competitiveness. Competition with Japan in these high-technology fields can lead to better and more efficient products for the consumers of both nations and for the entire world. Failure of the United States to respond creatively to the Japanese challenge will mean a continuing deterioration of the U.S. trade balance and evermore serious trade disputes with Japan.

The articles follow:

[From the Japan Economic Journal, May 8, 1979]

TECHNICAL ASPECTS TO BE PROBED FOR TWO YEARS: MITI ASKS SPECIAL COMMITTEE TO STUDY FIFTH-GENERATION COMPUTER

Japan's Ministry of International Trade & Industry (MITI) has recently made its newly-formed committee start work on creation of its own computers. MITI visualizes highly innovational computers which would represent a basic departure in working principles from conventional ones.

The Fifth-Generation Computer Survey and Research Committee, chaired by Prof. Tatsu Motooka at the University of Tokyo, met in its initial session at the Ministry headquarters to start listing all important technological problems and setting guidelines for developing the new series of computers. The committee will take about two years, that is, until the end of March 1981 or the close of fiscal 1980. That will enable MITI to open in fiscal 1981 its proposed eight-year national project enlisting all eligible governmental and industrial studies in order to attain its ambitious goal.

But MITI's organization of the committee and the committee's job has involved extremely difficult and complex problems. The world's computer-making technology is still led by International Business Machines Corp. (IBM) of the U.S. Japan's computer-building processes, divided among governmental and other public institutions and industrial enterprises though locally better developed than those of IBM, are still considered by most Japanese experts to be still lagging behind those of IBM as a whole. That may be inevitable, considering the start in the late 1950s of Japan's computer development efforts first through learning from the American precedents.

The picture is compounded by the fact that the IBM-led world computer-building technology is now steadily evolving from the development of the third to the fourth generation of computers due to the continued development of the very large-scale integration circuitry (VLSI) of electronics. Japan's VLSI studies have recently drawn wide international attention for their marked progress.)

What MITI envisions is Japan's own computer-building knowledge running clear ahead of that of IBM, putting an end to Japan's continued lag. But, granted MITI's ambition is attained, Japan's development of its own computers of tomorrow could hardly be expected inside of the next 10 years. The committee's job thus involves a tough try to visualize Japan's possible social-economic changes during the coming decade to find out what kind computer will be needed to match the national picture more than a decade hence.

As Prof. Motooka told the press after the committee session, the committee will consider—(1) An entirely new kind of computer that could be called "non-Neuman" type, compared with the "Neuman" type, a categorical name applicable to all existing computers; (2) Total adoption of VLSI for the new kind of computers, including their logic circuits, but with little likelihood of picking up the so-called Josephson effect element utilizing the phenomenon of electronic superconductivity under a super low temperature; and (3) Wide-ranging use of the technology of pattern recognition to directly process picture images and that of the artificial human brain. All this means the committee will plan a comprehensive assembly of all advanced computer developing processes, present and prospective.

[From the Japan Economic Journal, Apr. 17, 1979]

MITI EYES INTERNATIONAL DEVELOPMENT OF NEW JET AIRLINER FOR 150 PASSENGERS

Building of a smaller version of the YX airliner, now being jointly developed by Japan, the U.S. and Italy, is being considered by the Ministry of International Trade & Industry.

The YX is a big airliner for long-distance flights, while the smaller type, dubbed the YXX, will be for local flights.

Last week, MITI revealed what sort of a new plane it now had in mind, how much it intended to spend on it, and when it anticipated its completion.

Its "blueprint" eyes the following points:

It will be an airliner for about 150 passengers, designed for local flights.

Its noise will be low, and it will be highly economical.

The airliner will be available for sale around 1985.

As in the case of the present big YX airliner, the Ministry considers building it jointly with American and European makers.

However, it hopes in such a case to raise Japan's development-production share from the 15 per cent for the present YX to over 50 per cent.

If possible, it hopes also to realize joint development of its engine as to elevate Japan's aircraft manufacturing industry to a truly high international level.

It estimates the total cost of its development at 200 billion yen.

Japan, Boeing Co. of the U.S. and Aeritalia S.p.A. of Italy have formed a joint setup to develop large jet airlines—a Boeing 767 (twin-jet for 225 persons) and a Boeing 777 (tri-jet for 239 persons).

They are intending to turn out over 500 of these planes from 1982.

As for the Japanese side, they are slated to shoulder an expense of 33.6 billion yen during the period from fiscal 1979 to 1983, with the Government footing half of the amount.

However, in this project, the Japanese will handle only 15 per cent of the production, such as fuselage parts, which means that Japan and Italy will be only like subcontractors of Boeing. Italy's production share also is only 15 per cent.

Under such circumstances, MITI hopes to utilize the knowhow secured in building the YX promptly in constructing the YXX, and by doing this, raising Japan's aircraft industry at a stroke to a high international level.

The Ministry believes that all of the world's aircraft markets will be confronted with a rush of replacement demand from around 1985.

It forecasts that Japan's first postwar medium airliner—the YS–11—and the Friendship also will reach the limit of their lifetime around then and will have to be scrapped.

It judges that this replacement demand is going to become the "last and biggest for the present century."

As for the YS–11, 182 of them have been built from 1962, when their production started, to 1973.

Development of its successor—the YX—failed to start subsequently at a proper time owning to such factors as the fall in YS–11 production below the planned target and the resulting deficit, and the emergence of the oil crisis.

Thus, there has been a "vacuum" of 20 years in airliner development since the start of mass production of the YS–11 and the time in 1982 when mass production of the YX is expected to take place.

Considering this big time loss, MITI hopes now rather to have development of the YXX progress virtually parallel with building of the YX.

As for international cooperation in building the YXX, Fokker of the Netherlands already have suggested to Japan joint development of a jet airliner for carrying 120 passengers, and the European Community is said to have started developing one for transporting 130–160 persons.

It remains to be seen how Japan's plan for the YXX can be adjusted with such plane development moves.

[From the Japan Economic Journal, May 8, 1979]

MITI ENVISAGES GREATLY BOOSTING OUTPUT AND USE OF LIGHT PLANES

The Ministry of International Trade & Industry is intending greatly to activate development of light planes by revising present aviation regulations and inducing auto firms also to advance into this area.

As for changing the Aviation Law to build up a more popular environment for such planes, it is intending shortly to seek the cooperation of the Ministry of Transport.

MITI believes that now is an appropriate time for boosting this field since light aircraft makers all over the world have begun to turn their attention toward developing new models which consume less fuel and produce less noise.

As to the dissemination of light planes in Japan, MITI notes that there are only 860 such planes.

Of them, only around 400 are judged to be in use.

This contrasts sharply with the existence of about 185,000 light planes in the U.S.

Even in considering the narrowness of Japan's territory, Japan is capable of using 3,000 to 4,000 of such planes, the Ministry believes.

It says that Japan is a "backward nation" as to private planes since the Aviation Law and other ordinances strictly restrict their operation with a strong feeling that they are luxury.

Some feel, however, that a private plane boom can develop in Japan if a popular environment is created for them as in the U.S., such as by revising air regulations and building airports for them.

At present, Japan has only two light plane makers—Mitsubishi Heavy Industries, Ltd. and Fuji Heavy Industries, Ltd.

The former produces the MU-2, a twin-engine turboprop plane for carrying six to 11 passengers.

Fuji HI is the maker of the single engine FA-200 for four passengers.

However, their production is negligible, amounting to only four or five planes a month in the case of Mitsubishi HI.

According to a spokesman of Fuji HI, this is basically because the domestic market is small and makers face the handicap of having to consider exports from the very start.

As for development of new planes, "MITI feels that now is the time for Japan to get on the light plane bandwagon since the world's aircraft makers are expected to complete their studies and come out with new models in succession in the next three or four years.

The Ministry thus intends to offer energetic assistance to the present two Japanese plane makers and judges there is need also to increase types of light planes.

It considers, moreover, that this is logical inasmuch as the Government is propelling development of airliners and hopes there will be light plane makers in the future.

As to this, it believes that this field can be built up if auto firms, with their big capital and top technicians, move into it.●

A PRESIDENTIAL MESSAGE CONCERNING FINANCIAL INSTITUTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, on April 20, the District of Columbia Court of Appeals ruled interest-bearing transaction accounts illegal. There has also been heightened interest in regulation Q and the interest ceilings on savings accounts. In response to these two phenomena, President Carter sent a message to the Congress on May 22, which I would like to share with all of my colleagues because of its importance.

The message follows:

THE WHITE HOUSE, *May 22, 1979.*

To the Congress of the United States:

For over a decade, the Federal government has limited the interest rates that savers can receive on their deposits in banks and savings institutions. In keeping with my commitment to eliminate inequitable and unnecessary regulations, I directed an Administration task force, chaired by the Treasury Department, to review the fairness, effectiveness and efficiency of these interest rate controls.

Based on the task force's findings, I am today recommending that the Congress enact comprehensive financial reform legislation. I am asking that the Congress permit an orderly transition to a system where the average depositor can receive market-level interest rates on his or her savings. I am also proposing measures to protect the long-term viability of savings institutions so that they can pay fair and competitive rates to depositors and continue their traditional role in meeting our nation's housing needs.

These actions will reform a system which has become increasingly unfair to the small saver. The present rate ceilings are costing the American people billions of dollars in lost interest annually. Our senior citizens, and others whose savings are concentrated in passbook accounts, have suffered the most. During a period of high inflation, it is particularly unconscionable for the Federal government to prohibit small savers from receiving the return on their deposits that is available to large and sophisticated investors.

The present ceilings have also contributed to sharp fluctuations in the flow of housing credit. Large cyclical swings in the availability of mortgage funds have increased housing costs and forced many prospective homebuyers out of the market during periods of high interest rates. The actions I am recommending today will help assure a steadier flow of mortgage credit for homebuyers.

Savings and loan associations exist to channel household savings into mortgages. Mutual savings banks are also major suppliers of housing credit. Because these institutions invest in long-term, fixed-rate mortgages, they are limited in their ability to meet competitive rates for savings when interest rates rise.

In 1966, interest rates rose sharply, and depositors fled many of these institutions to those able to pay higher interest rates. To prevent the failure of savings institutions and the disruption of the mortgage and housing markets, deposit rate ceilings covering commercial banks were temporarily extended to thrift institutions. The ceilings generally have been administered to permit thrift institutions to pay higher rates of interest than commercial banks.

Conditions have changed dramatically since these limitations were first imposed on thrift institutions. In the current economic and financial environment, the ceilings have the following effects:

They discriminate against the small saver, who often lacks sufficient funds to purchase market-rate securities which are available to the large investor.

They are increasingly ineffective in maintaining deposit flows to thrift institutions. The financial marketplace is becoming adept at creating new investment alternatives, such as the money market mutual funds, which induce the small saver to withdraw his funds to obtain benefits similar to those enjoyed by the large investor. While the six-month money market certificate has succeeded in maintaining the flow of housing credit since last year, it has imposed serious pressures on thrift institutions, and it is not a long-term solution.

They avoid the discipline of competition and create inefficiencies in the financial marketplace. Financial institutions are limited to non-price competitive practices such as merchandising gifts, although the consumer might prefer a higher yield on his savings.

These problems cannot be solved overnight. They are rooted in the structure of our financial system, and their resolution will require a careful and deliberate approach which takes account of the realities facing our thrift institutions.

Our savings institutions have been required by law and influenced by tax incentives to invest primarily in residential mortgages. In most states, the law confines them to long-term fixed-rate mortgages. Their sources of funds—deposits—have considerably shorter maturities. When short-term interest rates rise sharply, revenues are limited by their earnings on the existing longer-term mortgages. Since their deposit liabilities are more volatile than their assets, they must pay depositors market rates or they start to lose their deposits.

While raising or removing the ceilings would give savings institutions the legal power to pay market rates to depositors, their economic ability to do so is still limited by the earnings from their mortgage investments. Savings institutions must be given new investment powers so that they can afford to pay higher rates and maintain the flow of morgage credit. The transition to freer deposit rates and to new asset powers must be orderly, to avoid major shocks to the financial system.

The disparity between market rates and the ceilings is greatest during periods of high interest rates. Yet that is the time when it is most difficult for the regulatory agencies that set the ceilings to raise them substantially. These agencies are also responsible for the safety and soundness of financial institutions. If deposit interest rates rise sharply, the institutions' earnings come under great pressure unless, at the same time, their earnings are made more reponsive to changing interest rates.

Accordingly, I shall ask the Congress to:

Provide that through an orderly transition period all deposit interest rates be permitted to rise to market-rate levels. This will be subject to emergency action on the part of the responsible regulators if the safety and soundness of financial institutions is threatened or the implementation of monetary policy so requires;

Grant the power to offer variable rate mortgages to all Federally-chartered savings institutions, subject to appropriate consumer safeguards. This authority, which would be phased in, would permit thrifts the earnings flexibility to pay competitive rates throughout the business cycle;

Permit all Federally-chartered savings institutions to invest up to 10% of their assets on consumer loans; and

Permit all Federally-insured institutions to offer interest-bearing transaction accounts to individuals.

These steps will bring the benefits of market rates to consumers, promote a steadier flow of mortgage credit and improve the efficiency of the financial markets.

In the interim, I support the efforts of the Federal Reserve, the FDIC, the Federal Home Loan Bank Board and the National Credit Union Administration to take steps to increase the interest rates payable to small savers. I urge them to pursue the direction begun with authorization of the six-month money market certificate, with the goal of increasing the responsiveness of the interest rate ceilings to market rates.

JIMMY CARTER.●

SOME SIGNIFICANT OBSERVATIONS ON THE THREE MILE ISLAND ACCIDENT

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PRICE. Mr. Speaker, as I stated on this floor on April 3, 1979 (CONGRESSIONAL RECORD, p. 7083) we need a reasoned consideration of the factors concerning nuclear energy as they relate to the Three Mile Island nuclear power plant accident. I would like to invite my colleagues' attention to such an analysis which was presented to the Subcommittee on Energy Research and Production of the Committee on Science and Technology yesterday. John T. Conway, who is president of the American Nuclear Energy Council, presented views yesterday which will help us all consider the implication of the incident in a balanced way and better face the facts concerning the energy dilemma this Nation faces. For this reason I am including at the end of my remarks pertinent excerpts from John Conway's statement.

I would like to add a few words concerning the outstanding qualifications of John Conway in the energy field. He is an engineer and lawyer. He has had a great deal of experience in the overall consideration of the energy choices we have as both the head professional staff member of the first committee of Congress that considered the overall energy problems this Nation faces—the Joint Committee on Atomic Energy—and as a top management official of the Consolidated Edison Co. which must and does face the day-to-day problems of delivering energy to the people of this Nation.

Mr. Conway's qualifications stand out in stark contrast to those he refers to in his statement who rushed to stand before the TV camera and spew out uninformed estimates of cancer deaths due to radiation.

I also want to take this opportunity to compliment my esteemed colleagues, the Honorable MIKE McCORMACK, who heads up the Energy Research and Production Subcommittee. He is carrying out a reasoned approach to the analysis of the Three Mile Island incident. He is stressing the importance of obtaining the facts before the decisions are made.

The excerpts from John Conway's statement follow:

STATEMENT BY JOHN T. CONWAY

My name is John T. Conway. I am President of the American Nuclear Energy Council. I am here today in response to a request from your Committee to discuss what happened at Three Mile Island and its technological implications.

Obviously, those in government and in industry who are actively involved in analyzing and solving the problems connected with the mishap are best able to describe to you what actually took place. Governor Thornburgh of Pennsylvania—who, along with Lieutenant Governor Scranton had to assume awesome responsibilities during the first several days—has publicly decried the numerous "so-called experts" who had no first-hand knowledge of the situation but who nevertheless were gratuitously offering advice to him and the public, and making dire pronouncements as to the dangers of the situation. The news media, you will recall, were filled with statements by these so-called experts who, despite their lack of knowledge of the factual situations, were quick to make contact with the press and to respond to all sorts of questions pertaining to Three Mile Island. The public, understandably, has been confused and unnecessarily frightened by so much inaccurate information and false speculation.

For example, a number of "experts" with no first-hand knowledge were before TV cameras in the early days of the accident to speculate on the large number of cancers that would result. Much coverage was given to their speculative figures. On the other hand, little media coverage has been given to calculations by the official Ad Hoc Interagency Group set up to evaluate the health effects. This group of knowledgeable and qualified individuals, including members from the HEW Center for Disease Control and the Food and Drug Administration, as well as the Environmental Protection Agency and NRC, conservatively have concluded that this accident will at most result in one fatal and one non-fatal cancer among the public.

On April 8, at a time when it had been determined that no evacuation was required by the Three Mile Island accident, 4,500 to 5,500 persons had to be evacuated from a 300 square mile area of Florida because a freight train carrying harmful chemicals had derailed. A Civil Defense official was contemplating evacuating 7,000 more persons if a wind shift were to occur.

On February 22, 1978, in Waverly, Tennessee, 2,000 people had to be evacuated when a railroad car exploded after a derailment. Fifteen persons were killed and 48 persons were injured by that explosion.

On December 28, 1977, 800 people in a ten mile radius had to be evacuated due to a chemical explosion after a train derailment in Goidonna, Louisiana. Over $2 million property damage resulted in that accident which took place at the main street crossing of that town.

The Department of Transportation records reveal that in a seven year period, 1971 through 1977, there were 130 derailments or vehicle accidents that resulted in high property damage and/or evacuation of persons due to hazardous chemicals. The 130 accidents resulted in 75 deaths, 1049 injuries and property damage just under $43 million. Of the 130 accidents in that seven year period, 41 required evacuation of people.

I mention this because a great deal of discussion is taking place today with respect to evacuation plans in states where nuclear power plants are located. Under the guise of advocating public preparedness, opponents of nuclear power are demanding annual exercises where the population actually would be evacuated out to a given distance. If they were rational in their demand, they would require the same for every town and village through which a railroad passes or through which toxic chemicals are transported by vehicles.

Based on experiences to date, evacuation plans are more apt to be put to the test in areas through which railroads and trucks handling chemicals travel than in places where nuclear plants are located.

There is no doubt in my mind, nor do I believe there is any doubt in the minds of other knowledgeable persons in the nuclear industry, that some significant changes will result once we have had an opportunity to gather all the facts and thoroughly review them.

The Edison Electric Institute—an association of electric companies whose members generate in excess of 77 percent of all electric power in this country—has undertaken a review of the event, including a technical study designed to implement necessary changes in present safety systems and procedures. This review will augment presently on-going studies initiated by individual electric utilities currently operating nuclear power plants. The Edison Electric Institute has appointed an ad hoc committee of top-level utility executives to oversee and coordinate efforts of the industry to address the impacts resulting from the accident in Pennsylvania. Representatives of public power systems have been asked to participate in the work of this committee and have indicated their intention to do so. In addition, the Electric Power Research Institute, an R&D arm of the electric power industry, has undertaken a detailed technical study of the Three Mile Island accident, and a scientific review by recognized experts not associated with the electric power industry is being established to examine the corrective industry response to the safety reviews relating to Three Mile Island.

These actions by the industry are in addition to its pledge to fully cooperate with the President, the NRC and other government agencies responsible for investigating the accident.

As your Subcommittee well knows, there are organizations and individuals in our country that would have our government shut down all nuclear power plants and prohibit all future construction and operation of such plants. Even though the accident at Three Mile Island and apparent meltdown of a portion of the core did not result in any fatalities or injuries to the employees at the facility or to the public, as many anti-nuclear activists claimed would occur with such an accident, they are attempting to use the Three Mile Island accident as justification to deny our Nation the benefits of civilian nuclear power.

Some have testified and submitted testimony to your Subcommittee and other committees of the Congress in the past, and undoubtedly will continue to do so in the future. We are pleased that your Committee and other committees of the Congress that have had an opportunity to hear their testimony and review their submitted data, have wisely not followed their recommendations.

In the United States today, we have 70 nuclear power plants in operation with a rated capacity of 51,000 MWe. As President Carter noted in his April 10 news conference, we now derive between 12 and 13 percent of our electric energy in the United States from nuclear power.

The President went on to say, "There is no way for us to abandon the nuclear supply of energy in our country, in the foreseeable future." President Carter reiterated his recognition of the need to speed up the licensing of nuclear plants and said, "I think it does not contribute to safety to have a bureaucratic nightmare or maze of red tape as licensing and siting decisions are made."

We agree and recommend that in evaluating any necessary changes to regulatory activities resulting from lessons learned at Three Mile Island, the Congress recognize the contribution to safety that could result when technical people are permitted to devote their time efficiently to technical matters and be relieved of unnecessary and time-consuming paper studies.

Our installed electric generating capacity from nuclear power today exceeds the entire electric installed capacity as it existed in the U.S. at the end of World War II. It is fortunate, indeed, that this is so when one examines our perilous dependence upon overseas petroleum supplies. Sections of our nation are especially vulnerable to the continued increases in the OPEC oil prices and to the threat of significant curtailment or cut-off of these foreign oil supplies.

In 1978, approximately 17 percent of our electric generation in the United States was from oil-fired facilities. In New York State, however, 44 percent of all electric generation was from oil. New York State was fortunate in that nuclear power plants within the New York Power Pool were able to furnish 18 percent of all electric generation, and thus, save the equivalent of 37 million barrels of oil that otherwise would have been required. The New York Power Pool has calculated that nuclear power plants in its system saved its customers $550 million in 1978—the incremental costs for alternative generation.

During the same year in New England, over 30 percent of Boston Edison's customers' electricity was furnished by the Pilgrim Nuclear Unit. Fuel adjustment charges to its customers would have been 29 percent higher if the electricity had been produced by oil.

In the Midwest, nuclear power supplied 45.4 percent of the electricity generated by the Commonwealth Edison Company, which supplies electricity to Chicago and surrounding areas, with hundreds of millions of dollars savings to its customers.

We live in a world of innumerable risks to each of us as individuals and to the public at large. We as a nation and the entire western world are facing tremendous risks to our economic well-being, not to mention our national security, by our present dependence upon mideast oil. I need not tell this Committee how perilous and tenuous that oil supply line between the western world and Saudia Arabia is, and what the economic and security implications would be were it to be interrupted.

Presently, we have 92 nuclear power plants under construction in the United States, representing 100,000 MWs of additional electric generating capacity. Of those 92 plants, 37 presently are under operating license review. Those plants due to come on the line in the near future, together with our existing 70 nuclear plants, can and will make a significant contribution to this nation in assuring an adequate supply of electricity for our nation in the years to come.

Hardly a week goes by that one or more OPEC nation does not announce an additional increase in the price of its oil. Nuclear plants presently operating and those that will be coming on the line in the near future will help insulate our citizens from the economic consequences of those continuing price increases and help protect us from future oil embargoes directed at the United States for political or other reasons.

Let there be no mistake, those who advocate the shutdown of our operating nuclear power plants and a moratorium on future nuclear power plants are in fact supporting an action that would constitute an unreasonable risk to the health and safety of the people of the United States. Many of those same people who are against the building of nuclear power plants oppose the construction of coal-fired and hydro electric facilities, which are also essential to our Nation.

The electric utility industry in the United States has indicated its continued belief in the future of nuclear power. At its annual convention in Atlanta, Georgia on April 9, the Board of Directors of the Edison Electric Institute passed a resolution reaffirming its faith in the safety of nuclear power, and reiterated its determination to utilize every conceivable caution to prevent accidents. The Resolution restated the industry's concern for the public safety and for the production of safe and reliable electric power for the benefit of the public it serves (see attachment).

Nuclear power has a safety record second to none. When compared with other alternatives today, and for the foreseeable future, nuclear power, if not fettered and burdened with additional and unnecessary handicaps—be they technical or political—can and will serve this nation well. Nuclear plants can be and are being operated safely today to the economic advantage of our Nation. Their economic advantage will continue to improve in the future as we gain more experience and particularly if fuel oil becomes increasingly expensive as the result of foreign action over which we have no control.

The electric utility industry—both public and private—together with all other segments of the nuclear industry, is prepared to help our country solve our energy crisis by providing a significant portion of the electric needs of our nation in a safe, reliable and environmentally acceptable manner.

RESOLUTION

Whereas, nuclear power remains an irreplaceable component of the nation's electric generation system for the foreseeable future; and

Whereas, for three hundred and nine civilian reactor years nuclear power has provided environmentally clean and economically sound electric energy without causing injury or death to a single member of the general public or death by radiation to a single power plant employee; and

Whereas, the unfortunate accident at Three Mile Island, while it did not cause a single death or serious injury to the public, has resulted in heightened public concern and doubt as to the safety of nuclear power; and

Whereas, this accident proved that the system of redundant safety devices works and does protect the public from harm; therefore,

Be it resolved that the Board of Directors of the Edison Electric Institute, meeting in the City of Atlanta, Georgia, on the ninth day of April, 1979, reaffirms its faith in the safety of nuclear power, reiterates its determination to utilize every conceivable precaution to prevent accidents, restates its concern for the public safety and rededicates itself to the production of safe and reliable electric power for the benefit of all the public it serves.●

PROPOSAL TO ESTABLISH A COMMERCIAL SYNTHETIC FUEL INDUSTRY

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PERKINS. Mr. Speaker, on April 25 I addressed the House on a proposal to establish a commercial synthetic fuels industry. I believe such an industry could do a great deal to reduce our dependence on foreign fuel, to reduce the balance of payments deficit, and to increase domestic employment.

It is apparent to me that such an industry, despite the obvious advantages it offers, will not be possible in the absence of a national coal policy. Such a policy is imperative if we are to have in place a domestic coal industry capable of supplying the volume of coal that would be required by a commercial synfuels industry, and if we are to provide for greater conventional coal use while we are waiting for that industry to develop.

It is obvious to all who have seen the Arab oil embargo, the natural gas shortage, and the recent Three Mile Island incident that we must rely more on coal than we have for the past 30 years.

After World War II, first petroleum and then nuclear energy were relatively cheap, clean, and convenient. As a result coal lost many of its markets. Neither of those fuels, however, are cheap nor secure any longer. This country does, however, have large reserves of coal to which we must turn. Total coal reserves for the United States are approximately 437 billion tons, which are the energy equivalent of three times the oil reserves of the entire world. Even with heavy coal use, these reserves will last for centuries and are entirely under our control.

In my congressional district alone, the reserves of coal producing counties exceed 9 billion tons, an amount sufficient to meet the current U.S. coal demand for more than 13 years. Despite the potential that my congressional district has for alleviating the national energy problem, the unemployment rate in some of my counties has been as high as 20 percent. Greater coal use can put these miners back to work with very positive benefits to the economy and could, at the same time, produce the energy that we so urgently need. The neglect of the coal industry over the past three decades is apparent when one considers that coal production is only now returning to the levels of production in the late 1940's. In the past year, for example, coal use increased only 1.5 percent, less than half the rate of increase for commercial power generation. It is incredible to me that we have virtually ignored our most abundant domestic energy resource in the face of our national energy problem.

I am sorry to say that this policy of neglect has been perpetuated by the administration. Shortly after taking office in 1977, President Carter, on two separate occasions, once speaking directly to the American people and again before a joint session of Congress, emphasized the need to stimulate the production and consumption of coal. Those of us who represent coal-producing districts were excited and encouraged at the prospect of greater coal use. Two years, however, have passed without any substantive actions on the part of the administration to increase either the production or use of coal. Administration policies have, in fact, contributed to further production limits and additional market losses, both at home and abroad, despite all rhetoric to the contrary.

Congress has responded to the request of the President by enacting the first part of his energy package, one component of which called for the conversion of new and existing powerplants from oil and natural gas to coal for electric power generation. Furthermore, Congress created at the request of the President, the Department of Energy, which was designed to consolidate Federal energy activities to the greatest extent possible, including those involving coal. Many of these coal activities were absorbed, but no new coal office emerged in the Department to continue the earlier programs or to develop new ones. As it stands, there are more than 140 offices in the Federal Government that have some jurisdiction on coal issues, yet they are not coordinated in any way.

During the years that I have served in Congress, it has been my experience that one of the best ways to judge the emphasis on any program is by its budget. A quick review of the budget request for fiscal year 1980 for all coal programs reveals that adjusted for recent rates of inflation, the Department of Energy has asked Congress for 10 percent less than in the previous year for coal production and utilization research and development programs. The problem, however, is not so much the size of the Federal budget for coal R.&D., which was $1.1 billion in fiscal year 1979, but that no office, not even the Office of Management and Budget, is coordinating it to prevent gaps or redundancies.

More importantly, no comprehensive coal policy has materialized in this administration and, from all indications, none appears to be forthcoming. The neglect of coal by the administration was obvious in the 1979 energy message, which not only did not stress coal but barely mentioned it at all. To an extent, I can understand the administration's preoccupation with oil price decontrol and gas deregulation and some of the recent oil import problems, but the time has come for a clear exposition of coal policy because of its importance to the future.

It is my belief that the Congress is way ahead of the administration on this matter as evidenced by the $18 million we provided for coal policy review in section 741 of the Powerplant and Industrial Fuel-Use Act of 1978. The degree of seriousness to which the administration has responded to this initiative is evident in the Office of Management and Budget request for only $2 million in the DOE budget to complete this study instead of the full $18 million that was authorized by Congress.

The absence of a national coal policy is especially obvious in the organization of the Department of Energy. Given the lack of structure there, it is not surprising that a coal policy has not evolved. When the Department of Energy was created, much of the manpower that had been in the Bureau of Mines and other agencies was brought to the new Department for the purpose of ending the fragmentation and overlapping jurisdiction that had prevailed up to that time. This pool of talent has since been misassigned and the programs that had been so effective before have been lost in the transition. Instead, the Department of Energy is resorting to a profusion of contract reports which are not carefully designed or monitored, which are often technically inaccurate, and which are seldom used. This has led to an unfortunate situation in which Federal policy on coal matters is being set by private contractors rather than by the Federal Government. The scant attention that the Department of Energy has devoted to coal has been brief, intermittent, and of a strictly ad hoc nature.

We cannot expect, therefore, a national coal policy to evolve from the Department of Energy or any other Department. It is obvious to me that Congress must express its will that a coal policy be established that is in the best interest of the Nation and that does not reflect the special interest of any one Department. Based on this conviction, therefore, I intend to offer legislation following a series of hearings held by my committee beginning May 8. The precise language of this bill will depend on the testimony received in the hearings and on the discussions I intend to have with Government officials and representatives of labor, industry, and environmental organizations. I believe however, that the ideas that I plan to incorporate in this legislation are basic to any national coal policy.

An essential element of this legislation should be creation of a national coal policy advisory group to be located in the Executive Office of the President—possibly organized along the lines of the Office of Science and Technology Policy.

This group would have as one of its main functions the resolving of the departmental impasses that have developed on the subject of coal over the past few years.

Clearly, we must do something to eliminate the need for this endless series of ad hoc studies and commissions. We are in danger of studying ourselves into paralysis in the entire field of energy.

The President should be able to turn to someone and ask, "What are my options on coal?" and get a quick answer and solid recommendations.

During the past 2 years, the administration has very clearly exhibited its inability to develop and to implement a comprehensive policy for the production and utilization of coal. Somewhat belatedly, Congress has come to realize that the administration is not about to develop a national coal policy on its own. It is just as obvious that such a policy will develop only in response to a mandate from the Congress. I believe that this legislation can provide that mandate.

I want to emphasize to my colleagues that the purpose of this legislation is not to advance the interests of Eastern coal production alone but to promote coal production and use generally in all regions of the United States in a manner that is generally acceptable and in the best interest of the Nation. I believe that the plan that I have outlined here is the most achieving this goal. Without a national coal policy, which would evolve from this legislation, it will be impossible to develop and to implement the national energy policy we all agree is essential.●

SLOW MOVING CHAMPION: SYNTHETIC FUELS INDUSTRY

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PERKINS. Mr. Speaker, I am sure the House is familiar with the old expression, "As slow as molasses in January."

In recent and ongoing hearings before the Subcommittee on Employment Opportunities, we have uncovered something infinitely slower.

In fact, our discovery is so slow it would make the polar ice cap look like Spectacular Bid coming down the stretch at Churchill Downs.

This is what our slow-moving champion is: The idea of a synthetic fuels industry as it proceeds through the bureaucracy.

We have had expert witnesses from industry, from academia, and from Government itself, and virtually all of them agreed that it is the Government that is keeping us from using our plentiful coal resources to make oil, and to make ourselves energy independent.

At a time when we are having to import from two-thirds to three-quarters of our petroleum from foreign countries—some of whom are not friendly to us—it is unthinkable that we are doing nothing to get ourselves out of this bind.

We have the technology to become energy independent by the use of coal. But we cannot do it if we are going to sit here forever having seminars, and debating how much research and development we ought to consider, and whether one scheme of coal conversion is better than the other, and so on and on.

Instead of that, we ought to be breaking down the barriers to rapid development of synthetic fuels from coal. We ought to be doing the things that get coal conversion plants built and on stream.

I think the problem was stated very clearly by A. Paul Flask, vice president of Wheelabrator-Frye, Inc., when he appeared before the subcommittee on May 16. I asked this able young executive whether creation of a synthetic fuels industry should be left to the Department of Energy, or turned over to Defense or some other agency that could get things done. I just want to share with the House some of his comments in reply:

> Mr. FLASK. "I am probably not a good one to ask because I am not a creature of Washington and I cannot comment accurately on DOE and its functioning or whether some other agency would be better able to handle it.
>
> "In private industry, and in particular in my company, we have one or two people who call a lot of the big shots. When we sit around and discuss something and make a decision to go, people get it done.
>
> "I suppose if you draw an analogy to the Federal energy policy problems, unless the President sits down and is informed by industry as to what responsibility it is willing to assume and then understand what role government has to play because the risks are too high and then comes out by executive mandate or otherwise and says these things will be done because they are in the category of national defense and national security, I don't see it being done by a bureaucracy which is self-serving, any bureaucracy.
>
> "I think the guy at the top has to get off his rump and get these things done. I think if we sit here and have the bureaucracy mull over this gasifier or that one, sure, we will make mistakes and it will cost money and you will have a few people making a few bucks that they maybe should not be making and there will be some criticism.
>
> "I guess I was 8 or 10 years of age when we developed the atomic bomb, but when you talk to those fellows who were involved in that project, it was miraculous what we accomplished by just shortcutting all the bureaucracy and going to competent, capable people who viewed the urgency of the situation.
>
> "I think that the executive branch of government has to cut through all this red tape and get to it. Industry is there waiting. There is a lot of industry other than the oil companies that are waiting."

The subcommittee is going to continue these hearings into how we can solve our employment and manpower problems by creating a synthetic fuels industry.

Maybe, sometime, some way, we shall be able to persuade someone in authority downtown to get up off of his chair and start moving.

I really do want to see synthetic fuels programs going like Spectacular Bid down the stretch at Churchill Downs or Pimlico—or Belmont Park? ●

CONFERENCE REPORT ON S. 7

Mr. EDWARDS of California submitted the following conference report and statement on the bill (S. 7) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes.

CONFERENCE REPORT (H. REPT. No. 96–223)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 7) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That (a) this Act may be cited as the "Veterans' Health Care Amendments of 1979".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made a section or other provision of title 38, United States Code.

TITLE I—HEALTH SERVICES PROGRAMS

PRIORITY FOR MEDICAL EXAMINATIONS FOR SERVICE-CONNECTED DISABILITIES

SEC. 101. Clause (3) of section 612(i) is amended by inserting "(including any veteran being examined to determine the existence or rating of a service-connected disability)" before the period.

DENTAL SERVICES AND TREATMENT FOR CERTAIN VETERANS

SEC. 102. (a) Section 610(c) is amended by adding at the end thereof the following new sentence: "The Administrator may furnish dental services and treatment, and related dental appliances, under this subsection for a non-service-connected dental condition or disability of a veteran only (1) to the extent that the Administrator determines that the dental facilities of the Veterans' Administration to be used to furnish such services, treatment, or appliances are not needed to furnish services, treatment, or appliances for dental conditions or disabilities described in section 612(b) of this title, or (2) if (A) such non-connected dental condition or disability is associated with or aggravating a disability for which such veteran is receiving hospital care, or (B) a compelling medical reason or a dental emergency requires furnishing dental services, treatment, or appliances (excluding the furnishing of such sevices, treatment, or appliances of a routine nature) to such veteran during the period of hospitalization under this section.".

(b)(1) Subsection (b) of section 612 is amended—

(A) by striking out "or" at the end of clause (5);

(B) by striking out the period at the end of clause (6) and inserting in lieu thereof a semicolon; and

(C) by adding at the end thereof the following:

"(7) from which any veteran of World War I, World War II, the Korean conflict, or the Vietnam era who was held as a prisoner of war for a period of not less than six months is suffering; or

"(8) from which a veteran who has a service-connected disability rated as total is suffering.

In any year in which the Presidents Budget for the fiscal year beginning October 1 of such year includes an amount for expenditures for contract dental care under the provisions of subsections (a) and (f) of this section and section 601(4)(C) of this title during such fiscal year in excess of the level of expenditures made for such purpose during fiscal year 1978, the Administrator shall, not later than February 15 of such year, submit a report to the appropriate committees of the Congress justifying the requested level of expenditures for contract dental care and explaining why the application of the criteria prescribed in section 601(4)(C) of this title for contracting with private facilities and in the second sentence of section 610(c) of this title for furnishing incidental dental care to hospitalized veterans will not preclude the need for expenditures for contract dental care in excess of the fiscal year 1978 level of expenditures for such purpose. In any case in which the amount included in the President's Budget for any fiscal year for expenditures for contract dental care under such provisions is not in excess of the level of expenditures made for such purpose during fiscal year 1978 and the Administrator determines after the date of submission of such budget and before the end of such fiscal year that the level of expenditures for such contract dental care during such fiscal year will exceed the fiscal year 1978 level of expenditures, the Administrator shall submit a report to the appropriate committees of the Congress containing both a justification (with respect to the projected level of expenditures for such fiscal year) and an explanation as required in the preceding sentence in the case of a report submitted pursuant to such sentence. Any report submitted pursuant to this subsection shall include a comment by the Administrator on the effect of the application of the criteria prescribed in the second sentence of section 610(c) of this title for furnishing incidental dental care to hospitalized veterans.".

(2) Subsection (f) of such section is amended by adding at the end thereof the following new sentence: "The Administrator may also furnish outpatient dental services and treatment, and related appliances, to any veterans described in subsection (b)(7) of this section.".

(c) Section 601 is amended—

(1) by inserting "of the first sentence, or in the third sentence," in paragraph (4)(C)(ii) after "(1)(B) or (2)"; and

(2) by striking out "authorized in section 612(b), (c), (d), and (e)" in paragraph (6)(A)(i) and inserting in lieu thereof "described in sections 610 and 612".

READJUSTMENT COUNSELING PROGRAM FOR VETERANS OF THE VIETNAM ERA

SEC. 103. (a)(1) Subchapter II of chapter 17 is amended by inserting after section 612 the following new section:

"§612A. Eligibility for readjustment counseling and related mental health services

"(a) Upon the request of any veteran who served on active duty during the Vietnam era, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to such veteran to assist such veteran in readjusting to civilian life if such veteran requests such counseling within two years after the date of such veterans' discharge or release from active duty or two years after the effective date of this section, whichever is later. Such counseling shall include a general mental and psychological assessment to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

"(b)(1) If, on the basis of the assessment furnished under subsection (a) of this section, a physician or psychologist employed by the Veterans' Administration (or, in areas where no such physician or psychologist is available, a physician or psychologist carrying out such function under a contract or fee arrangement with the Administrator) determines that the provision of mental health services to such veteran is necessary to facilitate the successful readjustment of the veteran to civilian life, such veteran shall, within the limits of Veterans' Administration facilities, be furnished such services on an outpatient basis under the conditions specified in clause (1)(B) of section 612(f) of this title. For the purposes of furnishing such mental health services, the counseling furnished under subsection (a) of this section shall be considered to have been furnished by the Veterans' Administration as a part of hospital care. Any hospital care and other medical services considered necessary on the basis of the assessment furnished under subsection (a) of this section shall be furnished only in accordance with the eligibility criteria otherwise set forth in this chapter (including the eligibility criteria set forth in section 611(b) of this title).

"(2) Mental health services furnished under paragraph (1) of this subsection may, if determined to be essential to the effective treatment and readjustment of the veteran, include such consultation, counseling, training, services, and expenses as are described in section 601(6)(B) of this title.

"(c) Upon receipt of a request for counseling under this section from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such counseling, the Administrator shall—

"(1) provide referral services to assist such individual to the maximum extent practicable, in obtaining mental health care and services from sources outside the Veterans' Administration; and

"(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individual's discharge or release from such service.

"(d) The Chief Medical Director may provide for such training of professional, paraprofessional, and lay personnel as is necessary to carry out this section effectively, and, in carrying out this section, may utilize the services of paraprofessionals, individuals who are volunteers working without compensation, and individuals who are veteran-students (as described in section 1685 of this title), in initial intake and screening activities.

"(e)(1) In furnishing counseling and related mental health services under subsections (a) and (b) of this section, the Administrator shall have available the same authority to enter into contracts with private facilities that are available to the Administrator (under sections 612(f)(2) and 601(4)(C)(ii) of this title) in furnishing medical services to veterans suffering from total service-connected disabilities.

"(2) Before furnishing counseling or related mental health services described in subsections (a) and (b) of this section through a contract facility, as authorized by this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe by regulation) the quality and effectiveness of the program operated by such facility for the purpose for which the counseling or services are to be furnished.

"(3) The authority of the Administrator to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

"(f) The Administrator, in cooperation with the Secretary of Defense, shall take such action as the Administrator considers appropriate to notify veterans who may be eligible for assistance under this section of such potential eligibility.".

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 612 the following new item: "612A. Eligibility for readjustment counseling and related mental health services.".

(b) In the event of a declaration of war by the Congress after the date of the enactment of this Act, the Administrator of Veterans' Affairs, not later than 6 months after the date of such declaration, shall determine and recommend to the Congress whether eligibility for the readjustment counseling and related mental health services provided for in section 612A of title 38, United States Code (as added by subsection (a) of this section) should be extended to the veterans of such war.

PILOT PROGRAM FOR TREATMENT AND REHABILITATION OF VETERANS WITH ALCOHOL OR DRUG DEPENDENCE OR ABUSE DISABILITIES

SEC. 104. (a) Subchapter II of chapter 17 is amended by adding at the end thereof the following new section:

"§ 620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program

"(a)(1) The Administrator, in furnishing hospital, nursing home, and domiciliary care and medical and rehabilitative services under this chapter, may conduct a pilot program under which the Administrator may contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities of eligible veterans suffering from alcohol or drug dependence or abuse disabilities. Such pilot program shall be planned, designed, and conducted by the Chief Medical Director, with the approval of the Administrator, so as to demonstrate any medical advantages and cost effectiveness that may result from furnishing such care and services to veterans with such disabilities in contract facilities as authorized by this section, rather than in facilities over which the Administrator has direct jurisdiction.

"(2) Before furnishing such care and services to any veteran through a contract facility as authorized by paragraph (1) of this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe by regulation) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such care and services.

"(b) The Administrator, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, may take appropriate steps to (1) urge all Federal agencies and appropriate private and public firms, organizations, agencies, and persons to provide appropriate employment and training opportunities for veterans who have been provided treatment and rehabilitative services under this title for alcohol or drug dependence or abuse disabilities and have been determined by competent medical authority to be sufficiently rehabilitated to be employable, and (2) provide all possible assistance to the Secretary of Labor in placing such veterans in such opportunities.

"(c) Upon receipt of an application for treatment and rehabilitative services under this title for an alcohol or drug dependence or abuse disability from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such treatment and services, the Administrator shall—

"(1) provide referral services to assist such individual, to the maximum extent practicable, to obtaining treatment and rehabilitative services from sources outside the Veterans' Administration; and

"(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individual's discharge or release from such service.

"(d)(1) Any person serving in the active military, naval, or air service who is determined by the Secretary concerned to have an alcohol or drug dependence or abuse disability may not be transferred to any facility in order for the Administrator to furnish care or treatment and rehabilitative services for such disability unless such transfer is during the last thirty days of such member's enlistment period or tour of duty, in which case such care and services provided to such member shall be provided as if such member were a veteran. Any transfer of any such member for such care and services shall be made pursuant to such terms as may be agreed upon by the Secretary concerned and the Administrator, subject to the provisions of the Act of March 4, 1915 (31 U.S.C. 686).

"(2) No person serving in the active military, naval, or air service may be transferred pursuant to an agreement made under paragraph (1) of this subsection unless such person requests such transfer in writing for a specified period of time during the last thirty days of such person's enlistment period or tour of duty. No such person transferred pursuant to such a request may be furnished such care and services by the Administrator beyond the period of time specified in such request, unless such person requests in writing an extension for a further specified period of time and such request is approved by the Administrator.

"(e) The Administrator may not furnish care and treatment and rehabilitative services under subsection (a) of this section after the last day of the fifth fiscal year following the fiscal year in which the pilot program authorized by such subsection is initiated.

"(f) Not later than March 31, 1983, the Administrator shall report to the Committees on Veterans' Affairs of the Senate and House of Representatives on the findings and recommendations of the Administrator pertaining to the operation through September 30, 1982, of the pilot program authorized by this section.

"(g) The authority of the Administrator to enter into contracts under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.".

(b) The table of sections at the beginning of chapter 17 is amended by adding after the item relating to section 620 the following new item:

"620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program.".

PILOT PROGRAM OF PREVENTIVE HEALTH-CARE SERVICES

SEC. 105. (a) Chapter 17 is amended by adding at the end thereof the following new subchapter:

"Subchapter VII—Preventive Health-Care Services Pilot Program

"§ 661. Purpose

"The purpose of this subchapter is to provide for a preventive health-care services pilot program under which the Administrator may attempt to (1) ensure the best possible health care for certain veterans with service-connected disabilities rated at 50 per centum or more and for certain veterans being furnished treatment involving a service-connected disability under this chapter, by furnishing to such veterans feasible and appropriate preventive health-care services, and (2) determine the cost-effectiveness and medical advantages of furnishing such preventive health-care services.

"§ 662. Definition

"For the purposes of this subchapter, the term 'preventive health-care services' means—

"(1) periodic medical and dental examinations;

"(2) patient health education (including nutrition education);

"(3) maintenance of drug use profiles, patient drug monitoring, and drug utilization education;

"(4) mental health preventive services;

"(5) substance abuse prevention measures;

"(6) immunizations against infectious disease;

"(7) prevention of musculoskeletal deformity or other gradually developing disabilities of a metabolic or degenerative nature;

"(8) genetic counseling concerning inheritance of genetically determined diseases;

"(9) routine vision testing and eye care services;

"(10) periodic reexamination of members of likely target populations (high-risk groups) for selected diseases and for functional decline of sensory organs, together with attendant appropriate remedial intervention; and

"(11) such other health-care services as the Administrator may determine to be necessary to provide effective and economical preventive health care.

"§ 663. Preventive health-care services

"(a)(1) In order to carry out the purpose of this subchapter, the Administrator, within the limits of Veterans' Administration facilities and in accordance with regulations which the Administrator shall prescribe, may furnish to any veteran described in section 612(f)(2) of this title, and to any veteran receiving care and treatment under this chapter involving a service-connected disability, such preventive health-care services as the Administrator determines are feasible and appropriate.

"(2) In connection with preventive health-care services furnished under paragraph (1) of this subsection, the Administrator, in accordance with regulations which the Administrator shall prescribe, may institute appropriate controls and carry out followup studies (including research) to determine the medical advantages and cost-effectiveness of furnishing such preventive health-care services.

"(b) In carrying out the pilot program provided for by this subchapter, the Administrator may not furnish preventive health-care services after September 30, 1984.

"(c) In carrying out this subchapter, the Administrator shall emphasize the utilization of interdisciplinary health-care teams composed of various professional and paraprofessional personnel.

"(d) In order to carry out the program provided for in this subchapter, the Administrator may not expend more than $10,000,000 in fiscal year 1980, more than $12,000,000 in fiscal year 1981, more than $13,000,000 in fiscal year 1982, more than $14,000,000 in fiscal year 1983, or more than $15,000,000 in fiscal year 1984.

"§ 664. Reports

"The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration of this subchapter, including such recommendations for additional legislation as the Administrator considers necessary.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

"SUBCHAPTER VII—PREVENTIVE HEALTH-CARE SERVICES PILOT PROGRAM

"661. Purpose.
"662. Definition.
"663. Preventive health-care services.
"664. Reports.".

HOSPITAL AND NURSING HOME CARE AND MEDICAL SERVICES WITHIN THE UNITED STATES FOR COMMONWEALTH ARMY VETERANS AND NEW PHILIPPINE SCOUTS

SEC. 106. (a) Subchapter IV of chapter 17 is amended by redesignating section 634 as section 635 and by inserting after section 633 the following new section:

"§ 634. Hospital and nursing home care and medical services in the United States

"The Administrator, within the limits of Veterans' Administration facilities, may furnish hospital and nursing home care and medical services to Commonwealth Army veterans and new Philippine Scouts for the treatment of the service-connected disabilities of such veterans and scouts.".

(b) The table of sections at the beginning of chapter 17 is amended by striking out the item relating to section 634 and inserting in lieu thereof the following new items:

"634. Hospital and nursing home care and medical services in the United States.
"635. Definitions.".

EFFECTIVE DATE OF CERTAIN PROVISIONS

SEC. 107. The amendments made to title 38, United States Code, by sections 102, 103, 104, 105, and 106 of this Act shall be effective on October 1, 1979.

TITLE II—CONTRACT-CARE PROGRAMS

DEFINITION OF "VETERANS' ADMINISTRATION FACILITIES"

SEC. 201. (a) Paragraph (4) of section 601 is amended—

(1) by inserting "or of a veteran described in section 612(g) of this title if the Administrator has determined, based on an examination by a physician employed by the Veterans' Administration (or, in areas where no such physician is available, by a physician carrying out such function under a contract or fee arrangement), that the medical condition of such veteran precludes appropriate treatment in facilities described in clauses (A) and (B) of this paragraph" before the semicolon at the end of subclause (ii) of clause (C);

(2) by striking out "or" after the semicolon at the end of subclause (iv) of clause (C), and striking out the period at the end of such clause and inserting in lieu thereof a semicolon and the following: "or (vi) diagnostic services necessary for determination of eligibility for, or of the appropriate course of treatment in connection with, the provision of medical services at independent Veterans' Administration outpatient clinics to obviate the need for hospital admission."; and

(3) by adding below clause (C) the following new sentence: "In the case of any veteran for whom the Administrator contracts to provide treatment in a private facility pursuant to the provisions of this paragraph, the Administrator shall periodically review the necessity for continuing such contractual arrangement pursuant to such provision.".

(b) Not later than February 1, 1980, and annually thereafter, the Chief Medical Director of the Veterans' Administration shall submit to the appropriate committees of the Congress, through the Administrator of Veterans' Affairs, a full report on the implementation of section 601(4)(C)(v) of title 38, United States Code, and the amendments made by this section, and on the numbers of veterans provided contract treatment (and the average cost and duration thereof) in each State (as defined in section 101(20) of title 38, United States Code) in the categories described in the following provisions of such title; sections 601(4)(C), 610(a), 612(a), 612(f)(1)(A), 612(f)(1)(B), 612(f)(2), 612(g), 612A (as added by section 103(a)(1) of this Act), the third sentence of section 612(f) (as added by section 102(b)(2) of this Act), and section 620A (as added by section 104(a) of this Act).

EMERGENCY MEDICAL SERVICES AT NATIONAL CONVENTIONS OF RECOGNIZED VETERANS' SERVICE ORGANIZATIONS

SEC. 202. Section 611 is amended by adding at the end thereof the following new subsection:

"(c)(1) The Administrator may contract with any organization recognized by the Administrator for the purposes of section 3402 of this title to provide for the furnishing by the Administrator, on a reimbursable basis (as prescribed by the Administrator), of emergency medical services to individuals attending any national convention of such organization, except that reimbursement shall not be required for services furnished under this subsection to the extent that the individual receiving such services would otherwise be eligible under this chapter for medical services.

"(2) The authority of the Administrator to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.".

TITLE III—CONSTRUCTION ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITES

REVISION OF AUTHORITY FOR CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

SEC. 301. (a) Subchapter I of chapter 81 is amended to read as follows:

"Subchapter I—Acquisition and Operation of Medical Facilities

"§ 5001. Definitions

"For the purposes of this subchapter:

"(1) The term 'alter', with respect to a medical facility, means to repair, remodel, improve, or extend such medical facility.

"(2) The terms 'construct' and 'altar', with respect to a medical facility, include such engineering, architectural, legal, fiscal, and economic investigations and studies and such surveys, designs, plans, working drawings, specifications, procedures, and other similar actions as are necessary for the construction or alteration, as the case may be, of such medical facility and as are carried out after the completion of the advanced planning (including the development of project requirements and preliminary plans) for such facility.

"(3) The term 'medical facility' means any facility or part thereof which is, or will be, under the jurisdiction of the Administrator for the provision of health-care services (including hospital, nursing home, or domiciliary care or medical services), including any necessary building and auxiliary structure, garage, parking facility, mechanical equipment, trackage facilities leading thereto, abutting sidewalks, accommodations for attending personnel, and recreation facilities associated therewith.

"(4) The term 'committee' means the Committee on Veterans' Affairs of the House of Representatives or the Committee on Veterans' Affairs of the Senate, and the term 'committees' means both such committees.

"§ 5002. Acquisition of medical facilities

"(a) The Administrator shall provide medical facilities for veterans entitled to hospital, nursing home, or domiciliary care or medical services under this title.

"(b) No medical facility may be constructed or otherwise acquired or altered except in accordance with the provisions of this subchapter.

"(c) In carrying out this subchapter, the Administrator—

"(1) shall provide for the construction and acquisition of medical facilities in a manner that results in the equitable distribution of such facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility; and

"(2) shall give due consideration to excellence of architecture and design.

"§ 5003. Authority to construct and alter, and to acquire sites for, medical facilities

"(a) Subject to section 5004 of this title, the Administrator—

"(1) may construct or alter any medical facility and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, such land or interests in land as the Administrator considers necessary for use as the site for such construction or alteration;

"(2) may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, any facility (including the site of such facility) that the Administrator considers necessary for use as a medical facility; and

"(3) in order to assure compliance with section 5010(a)(2) of this title, in the case of any outpatient medical facility for which it is proposed to lease space and for which a qualified lessor and an appropriate leasing arrangement are available, shall execute a lease for such facility within 12 months after funds are made available for such purpose.

"(b) Whenever the Administrator considers it to be in the interest of the United States to construct a new medical facility to replace an existing medical facility, the Administrator (1) may demolish the existing facility and use the site on which it is located for the site of the new medical facility, or (2) if in the judgment of the Administrator it is more advantageous to construct such medical facility on a different site in the same locality, may exchange such existing facility and the site of such existing facility for the different site.

"(c) Whenever the Administrator determines that any site acquired for the construction of a medical facility is not suitable for that purpose, the Administrator may exchange such site for another site to be used for that purpose or may sell such site.

"§ 5004. Congressional approval of certain medical facility acquisitions

"(a) In order to ensure the equitable distribution of medical facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility—

"(1) no appropriation may be made for the construction, alteration, or acquisition (not including exchanges) of any medical facility which involves a total expenditure of more than $2,000,000 unless each committee has first adopted a resolution approving such construction, alteration, or acquisition and setting forth the estimated cost thereof; and

"(2) no appropriation may be made for the lease of any space for use as a medical facility at an average annual rental of more than $500,000 unless each committee has first adopted a resolution approving such lease and setting forth the estimated cost thereof.

"(b) In the event that the President or the Administrator proposes to the Congress the funding of any construction, alteration, lease, or other acquisition to which subsection (a) of this section is applicable, the Administrator shall submit to each committee, on the same day, a prospectus of the proposed medical facility. Such prospectus shall include—

"(1) a detailed description of the medical facility to be constructed, altered, leased, or otherwise acquired under this subchapter, including a description of the location of such facility;

"(2) an estimate of the cost to the United States of the construction, alteration, lease, or other acquisition of such facility (including site costs, if applicable); and

"(3) an estimate of the cost to the United States of the equipment required for the operation of such facility.

"(c) The estimated cost of any construction, alteration, lease, or other acquisition that is approved under this section, as set forth in the pertinent resolutions described in subsection (a) of this section, may be increased by the Administrator in the contract for such construction, alteration, lease, or other acquisition by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction, alteration. lease, or other acquisition costs, as the case may be. from the date of such approval to the date of contract, but in no event may the amount of such increase exceed 10 per centum of such estimated cost.

"(d) In the case of any medical facility approved for construction, alteration, lease, or other acquisition by each committee under subsection (a) of this section for which funds have not been appropriated within one year after the date of such approval, either such committee may by resolution rescind its approval at any time thereafter before such funds are appropriated.

"(e) In any case in which the Administrator proposes that funds be used for a purpose other than the purpose for which such funds were appropriated, the Administrator shall promptly notify each committee, in writing, of the particulars involved and the reasons why such funds were not used for the purpose for which appropriated.

"(f) The Administrator may accept gifts or donations for any of the purposes of this subchapter.

"§ 5005. Structural requirements

"(a) Each medical facility (including each nursing home facility for which the Administrator contracts under section 620 of this title and each State home facility constructed or altered under section 5031 of this title) shall be of fire, earthquake, and other natural disaster resistant construction in accordance with standards which the Administrator shall prescribe on a State or regional basis after surveying appropriate State and local laws, ordinances, and building codes and climatic and seismic conditions pertinent to each such facility. When an existing structure is acquired for use as a medical facility, it shall be altered to comply with such standards.

"(b) (1) In order to carry out this section, the Administrator shall appoint an advisory committee to be known as the 'Advisory Committee on Structural Safety of Veterans' Administration Facilities', on which shall serve at least one architect and one structural engineer who are experts in structural resistance to fire, earthquake, and other natural disasters and who are not employees of the Federal Government.

"(2) Such advisory committee shall advise the Administrator on all matters of structural safety in the construction and altering of medical facilities in accordance with the requirements of this section and shall review and make recommendations to the Administrator on the regulations prescribed under this section.

"(3) The Associate Deputy Administrator, the Chief Medical Director or the designee of the Chief Medical Director, and the Veterans' Administration official charged with the responsibility for construction shall be ex officio members of such advisory committee.

"§ 5006. Construction contracts

"(a) The Administrator may carry out any construction or alteration authorized under this subchapter by contract if the Administrator considers it to be advantageous to the United States to do so.

"(b) (1) The Administrator may obtain, by contract or otherwise, the services of individuals who are architects or engineers and of architectural and engineering corporations and firms, to the extent that the Administrator may require such services for any medical facility authorized to be constructed or altered under this subchapter.

"(2) No corporation, firm, or individual may be employed under the authority of paragraph (1) of this subsection on a permanent basis.

"(c) Notwithstanding any other provision of this section, the Administrator shall be responsible for all construction authorized under this subchapter, including the interpretation of construction contracts, the approval of materials and workmanship supplied pursuant to a construction contract, approval of changes in the construction contract, certification of vouchers for payments due the contractor, and final settlement of the contract.

"§ 5007. Reports to congressional committees

"(a) In order to promote effective planning for the orderly construction, replacement, and alteration of medical facilities in accordance with the comparative urgency of the need for the services to be provided by such facilities, the Administrator shall submit to each committee an annual report on the construction, replacement, and alteration of medical facilities. Such report shall be submitted to the committees on the same day each year and shall contain—

"(1) a five-year plan for the construction, replacement, or alteration of those medical facilities that, in the judgment of the Administrator, are most in need of construction, replacement, or alteration;

"(2) a list, in order of priority, of not less than ten hospitals that, in the judgment of the Administrator, are most in need of construction or replacement; and

"(3) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility included in the five-year plan required under clause (1) of this subsection or the list required under clause (2) of this subsection.

The first such report shall be submitted not later than September 1, 1979, and each succeeding report shall be submitted not later than June 30 of each year.

"(b) The Administrator shall submit to each committee not later than January 31 of each year (beginning in 1981) a report showing the location, space, cost, and status of each medical facility the construction, alteration, lease, or other acquisition of which has been approved under section 5004(a) of this title and, in the case of the second and each succeeding report made under this subsection, which was uncompleted as of the date of the last preceding report made under this subsection.

"§ 5008. Contributions to local authorities

"The Administrator may make contributions to local authorities toward, or for, the construction of traffic controls, road improvements, or other devices adjacent to a medical facility if considered necessary for safe ingress or egress.

"§ 5009 Garages and parking facilities

"(a) The Administrator may construct, alter, operate, and maintain, on reservations of medical facilities, garages and parking facilities for the accommodation of privately owned vehicles of employees of such facilities and vehicles of visitors and other individuals having business at such facilities.

"(b) (1) The Administrator may establish and collect (or provide for the collection of) fees for the use of such garages and parking facilities at such rate or rates which the Administrator determines would be reasonable under the particular circumstances; but no fee may be charged for the accommodation of any publicly or privately owned vehicle used in connection with the transportation of a veteran to or from any medical facility for the purposes of examination or treatment or in connection with any visit to any patient in such facility. Employees using such garages shall make such reimbursement therefor as the Administrator may deem reasonable.

"(2) The Administrator may contract, by lease or otherwise, with responsible persons, firms, or corporations for the operation of such parking facilities, under such terms and conditions as the Administrator shall prescribe, and without regard to the laws concerning advertising for competitive bids.

"(c) (1) There are authorized to be appropriated such amounts as are necessary to finance in part the construction, alteration, operation, and maintenance of garages and parking facilities (other than the construction or alteration of any garage or parking facility involving the expenditure of more than $2,000,000). Amounts appropriated under the authority of this section, and all income from fees collected for the use of such garages and parking facilities, shall be administered as a revolving fund to effectuate the provisions of this section, but only to the extent provided for in appropriation Acts.

(2) The revolving fund shall be deposited in a checking account with the Treasurer of the United States, except that such amounts thereof as the Administrator may determine to be necessary to establish and maintain operating accounts for the various garages and parking facilities may be placed in depositories selected by the Administrator.

"§ 5010. Operation of medical facilities

"(a) (1) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than one hundred and twenty-five thousand hospital beds in medical facilities over which the Administrator has direct jurisdiction for the care and treatment of eligible veterans. The Administrator shall staff and maintain, in such a manner as to ensure the immediate acceptance and timely and complete care of patients, sufficient beds and other treatment capacities to accommodate, and provide such care to, eligible veterans applying for admission and found to be in need of hospital care or medical services.

"(2) The Administrator shall maintain the bed and treatment capacities of all Veterans' Administration medical facilities so as to ensure the accessibility and availability of such beds and treatment capacities to eligible veterans in all States and to minimize delays in admissions and in the provision of hospital, nursing home, and domiciliary care, and of medical services furnished pursuant to section 612 of this title.

"(3) The Chief Medical Director shall periodically analyze agencywide admission policies and the records of those eligible veterans who apply for hospital care and medical services but are rejected or not immediately admitted or provided such care or services, and the Administrator shall annually advise each committee of the results of such analysis and the number of any additional beds and treatment capacities and the appropriate staffing and funds therefor found necessary to meet the needs of such veterans for such necessary care and services.

"(b) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than twelve thousand beds during fiscal year 1980, and during each fiscal year thereafter, for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct jurisdiction. The beds authorized by this subsection shall be in addition to the beds provided for in subsection (a) of this section.

"(c) When the Administrator determines, in accordance with regulations which the Administrator shall prescribe, that a Veterans' Administration facility serves a substantial number of veterans with limited English-speaking ability, the Administrator shall establish and implement procedures, upon the recommendation of the Chief Medical Director, to ensure the identification of sufficient numbers of individuals on such facility's staff who are fluent in both the language most appropriate to such veterans and in English and whose responsibilities shall include providing guidance to such veterans and to appropriate Veterans' Administration staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"§ 5011. Use of Armed Forces facilities

"The Administrator and the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy may enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate such facilities properly, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number established or approved on June 22, 1944, plus the estimated number required to meet the load of eligibles under this title, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

"§ 5012. Partial relinquishment of legislative jurisdiction

"The Administrator, on behalf of the United States, may relinquish to the State in which any lands or interests therein under the supervision or control of the Administrator are situated, such measure of legislative jurisdiction over such lands or interests as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of legislative jurisdiction shall be initiated by filing a notice thereof with the Governor of the State concerned, or in such other manner as may be prescribed by the laws of such State, and shall take effect upon acceptance by such State.

"§ 5013. Property formerly owned by National Home for Disabled Volunteer Soldiers

"If by reason of any defeasance or conditional clause or clauses contained in any deed of conveyance of property to the National Home for Disabled Volunteer Soldiers, which property is owned by the United States, the full and complete enjoyment and use of such property is threatened, the Attorney General, upon request of the President, shall institute in the United States district court for the district in which the property is located such proceedings as may be proper to extinguish all outstanding adverse interests. The Attorney General may procure and accept, on behalf of the United States, by gift, purchase, cession, or otherwise, absolute title to, and complete jurisdiction over, all such property.

"§ 5014. Use of federally owned facilities; use of personnel

"(a) The Administrator, subject to the approval of the President, may use as medical facilities such suitable buildings, structures, and grounds owned by the United States on March 3, 1925, as may be available for such purposes, and the President may by Executive order transfer any such buildings, structures, and grounds to the control and jurisdiction of the Veterans' Administration upon the request of the Administrator.

"(b) The President may require the architectural, engineering, constructing, or other forces of any of the departments of the Government to do or assist in the construction and alteration of medical facilities, and the President may employ for such purposes individuals and agencies not connected with the Government, if in the opinion of the President such is desirable, at such compensation as the President may consider reasonable.

"§ 5015. Acceptance of certain property

"The President may accept from any State or other political subdivision, or from any person, any building, structure, equipment, or grounds suitable for the care of disabled persons, with due regard to fire or other hazards, state of repair, and all other pertinent considerations. The President may designate which agency of the Federal Government shall have the control and management of any property so accepted.".

(b)(1) Subchapter II of chapter 81 is amended by redesignating sections 5011, 5012, 5013, and 5014 as sections 5021, 5022, 5023, and 5024, respectively.

(2) Section 5022(b) (as so redesignated) is amended by striking out the comma and "clinical, medical, and outpatient treatment" after "administrative".

(c) The table of sections at the beginning of chapter 81 is amended by striking out the item relating to subchapter I and all that follows through the item relating to section 5014 and inserting in lieu thereof the following:

"SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES

"Sec.
"5001. Definitions.
"5002. Acquisition of medical facilities.
"5003. Authority to construct and alter, and to acquire sites for, medical facilities.
"5004. Congressional approval of certain medical facility acquisitions.
"5005. Structural requirements.
"5006. Construction contracts.
"5007. Reports to congressional committees.
"5008. Contributions to local authorities.
"5009. Garages and parking facilities.
"5010. Operation of medical facilities.
"5011. Use of Armed Forces facilities.
"5012. Partial relinquishment of legislative jurisdiction.
"5013. Property formerly owned by National Home for Disabled Volunteer Soldiers.
"5014 Use of federally owned facilities; use of personnel.
"5015. Acceptance of certain property.

"SUBCHAPTER II—PROCUREMENT AND SUPPLY

"5021. Resolving supply fund.
"5022. Authority to procure and dispose of property and to negotiate for common services.
"5023. Procurement of prosthetic appliances.
"5024. Grant of easements in Government-owned lands.".

EFFECTIVE DATES

SEC. 302. (a) Except as provided in subsection (b) of this section, the amendments made by section 301 shall take effect on October 1, 1979.

(b)(1) The amendments made by section 301 shall not apply with respect to the acquisition, construction, or alteration of any medical facility (as defined in section 5001 (3) of title 38, United States Code, as amended by section 301(a) of this Act) if such acquisition, construction, or alteration (not including exchange) was approved before October 1, 1979, by the President.

(2) The provisions of section 5007(a) of title 38, United States Code, as amended by section 301(a) of this Act, shall take effect on the date of the enactment of this Act.

TITLE IV—BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

CHILDREN ADOPTED UNDER LAWS OF FOREIGN COUNTRIES

SEC. 401. Paragraph (4) of section 101 is amended—

(1) by inserting "(A)" before "The" and redesignating clauses (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and (2) by adding at the end of such paragraph the following new subparagraph:

"(B) For the purposes of subparagraph (A) of this paragraph, in the case of an adoption under the laws of any jurisdiction other than a State (as defined in section 101(20) of this title and including the Commonwealth of the Northern Mariana Islands)—

"(i) a person residing outside any of the States shall not be considered to be a legally adopted child of a veteran during the lifetime of such veteran (including for purposes of this subparagraph a Commonwealth Army veteran or new Philippine Scout, as defined in section 1766 of this title) unless such person—

"(I) was less than eighteen years of age at the time of adoption;

"(II) is receiving one-half or more of such person's annual support from such veteran;

"(III) is not in the custody of such person's natural parent, unless such natural parent is such veteran's spouse; and

"(IV) is residing with such veteran (or in the case of divorce following adoption, with the divorced spouse who is also an adoptive or natural parent) except for periods during which such person is residing apart from such veteran (or such divorced spouse) for purposes of full-time attendance at an educational institution or during which such person or such veteran (or such divorced spouse) is confined in a hospital, nursing home, other health-care facility, or other institution; and

"(ii) a person shall not be considered to have been a legally adopted child of a veteran as of the date of such veteran's death and thereafter unless—

"(I) at any time within the one-year period immediately preceding such veteran's death, such veteran was entitled to and was receiving a dependent's allowance or similar monetary benefit under this title for such person; or

"(II) for a period of at least one year prior to such veteran's death, such person met the requirements of clause (i) of this subparagraph.".

STUDY OF BENEFITS PAYABLE TO PERSONS OUTSIDE THE UNITED STATES

SEC. 402. (a) The Administrator of Veterans' Affairs, in consultation with the Secretary of State, shall carry out a comprehensive study of benefits payable under the provisions of title 38, United States Code, to persons who reside outside the fifty States and the District of Columbia. The Administrator shall include in such study—

(1) an analysis of the issues involved in the payment of such benefits to persons who reside outside the fifty States and the District of Columbia, together with analyses of such aspects of the economy of each foreign country and each territory, possession, and Commonwealth of the United States in which a substantial number of persons receiving such benefits reside as are relevant to such issues (such as the rate of inflation, the standard of living, and health care, educational, housing, and burial costs);

(2) an analysis of the issues involved in the payment of such benefits as the result of adoptions under laws other than the laws of any of the fifty States or the District of Columbia;

(3) an analysis of the amounts and method of payment of benefits payable to persons entitled, by virtue of sections 107 and 1765 of such title, to benefits under chapters 11, 13, and 35 of such title;

(4) estimates of the present and future costs of paying monetary benefits under such title to persons described in clauses (1) and (3);

(5) an evaluation of the desirability of continuing to maintain the Veterans' Administration Regional Office in the Republic of the Philippines, taking into consideration (A) the current and expected future workloads of such office, (B) the estimated cost in fiscal years 1981 through 1985 of continuing to maintain such regional office, (C) the feasibility and desirability of transferring appropriate functions of such regional office to the United States Embassy in the Republic of the Philippines, and (D) a provisional plan, which the Administrator shall develop, for the closing of such office and so transferring such functions, together with cost estimates for fiscal years 1981 through 1985

for the implementation of such plan assuming that such office is closed before October 1, 1981; and

(6) an evaluation of the effects of the amendments to such title made by section 401 of this Act.

(b) Not later than February 1, 1980, the Administrator shall report to the Congress and to the President on the results of such study together with the Administrator's recommendations for resolving the issues to be analyzed and evaluated in such study.

(c) The Administrator shall (1) carry out the study required under subsection (a) of this section in conjunction with the study required under section 308(a) of the Veterans' and Survivors' Pension Improvement Act of 1978 (Public Law 95-588), and (2) submit the reports of such studies as a combined report.

TITLE V—MISCELLANEOUS PROVISIONS

ACCEPTANCE OF PAYMENT FOR TRAVEL OF EMPLOYEES

SEC. 501. Section 4108 is amended by adding after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of law, the Administrator may prescribe regulations establishing conditions under which officers and employees of the Department of Medicine and Surgery who are nationally recognized principal investigators in medical research may be permitted, in connection with their attendance at meetings or in performing advisory services concerned with the functions or activities of the Veterans' Administration, or in connection with acceptance of significant awards or with activity related thereto concerned with functions or activities of the Veterans' Administration, to accept payment, in cash or in kind, from non-Federal agencies, organizations, and individuals, for travel and such reasonable subsistence expenses as are approved by the Administrator pursuant to such regulations, to be retained by such officers and employees to cover the cost of such expenses or deposited to the credit of the appropriation from which the cost of such expenses is paid, as may be provided in such regulations.".

CONFIRMATION OF DEPUTY ADMINISTRATOR OF VETERANS' AFFAIRS

SEC. 502. (a) The first sentence of section 210(d) is amended by striking out "by the Administrator" and inserting in lieu thereof "by the President, by and with the advice and consent of the Senate".

(b)(1) The amendment made by subsection (a) shall take effect (A) on the date on which a vacancy first occurs in the office of Deputy Administrator of Veterans' Affairs after the date of the enactment of this Act or on such earlier date as the President submits to the Senate, for the advice and consent of the Senate, the nomination of any individual for appointment to such office, or (B) on the date of the enactment of this Act if such office is vacant on such date.

(2) The Administrator of Veterans' Affairs may designate the individual holding the office of Deputy Administrator of Veterans' Affairs on the date of the enactment of this Act, or any other individual, to serve in such office in an acting capacity pending the first appointment of an individual to such office as provided for in the amendment made by subsection (a).

OVERSEAS AUTHORITIES

SEC. 503. (a) Section 230 is amended by striking out subsection (c).

(b) Section 235 is amended—

(1) in the matter preceding clause (1), by striking out "or to the Veterans' Administration office in Europe, established pursuant to section 230(c) of this title,";

(2) in clause (2), by striking out "and (7)" and inserting in lieu thereof "(7), and (11)"; and

(3) by inserting after clause (5) the following new clauses:

"(6) Section 5724a(a)(3) of title 5 (relating to subsistence expenses for 30 days in connection with the return to the United States of the employee and such employee's immediate family).

"(7) Section 5724a(a)(4) of title 5 (relating to the sale and purchase of the residence or settlement of an unexpired lease of the employee when transferred from one station to another station and both stations are in the United States, its territories or possessions' or the Commonwealth of Puerto Rico).".

(c)(1) The section heading of section 235 is amended to read as follows:

"§ 235. Benefits to employees at overseas offices who are United States citizens".

(2) The item relating to such section in the table of sections at the beginning of chapter 3 is amended to read as follows:

"235. Benefits to employees at overseas offices who are United States citizens.".

(d) The amendment made by subsection (b)(3) shall take effect on October 1, 1979.

CONFORMING AMENDMENTS TO REFLECT PREVIOUS ADJUSTMENTS MADE IN DEPARTMENT OF MEDICINE AND SURGERY SALARY SCHEDULES

SEC. 504. (a) Subsection (a) of section 4107 is amended to read as follows:

"(a) The annual rates or ranges of rates of basic pay for positions provided in section 4103 of this title shall be as follows:

"SECTION 4103 SCHEDULE

"Chief Medical Director, $68,909.

"Deputy Chief Medical Director, $66,104.

"Associate Deputy Chief Medical Director, $63,315.

"Assistant Chief Medical Director, $61,449.

"Medical Director, $52,429 minimum to $59,421 maximum.

"Director of Nursing Service, $52,429 minimum to $59,421 maximum.

"Director of Podiatric Service, $44,756 minimum to $56,692 maximum.

"Director of Chaplain Service, $44,756 minimum to $56,692 maximum.

"Director of Pharmacy Service, $44,756 minimum to $56,692 maximum.

"Director of Dietetic Service, $44,756 minimum to $56,692 maximum.

"Director of Optometric Service, $44,756 minimum to $56,692 maximum.".

(b) Paragraph (1) of subsection (b) of such section is amended to read as follows:

"(1) The grades and annual ranges of rates of basic pay for positions provided for in paragraph (1) of Section 4104 of this title shall be as follows:

"PHYSICIAN AND DENTIST SCHEDULE

"Director grade, $44,756 minimum to $56,692 maximum.

"Executive grade, $41,327 minimum to $53,729 maximum.

"Chief grade, $38,160 minimum to $49,608 maximum.

"Senior grade, $32,442 minimum to $42,171 maximum.

"Intermediate grade, $27,453 minimum to $35,688 maximum.

"Full grade, $23,087 minimum to $30,017 maximum.

"Associate grade, $19,263 minimum to $25,041 maximum.

"NURSE SCHEDULE

"Director grade, $38,160 minimum to $49,608 maximum.

"Assistant Director grade, $32,442 minimum to $42,171 maximum.

"Chief grade, $27,453 minimum to $35,688 maximum.

"Senior grade, $23,087 minimum to $30,017 maximum.

"Intermediate grade, $19,263 minimum to $25,041 maximum.

"Full grade, $15,920 minimum to $20,699 maximum.

"Associate grade, $13,700 minimum to $17,813 maximum.

"Junior grade, $11,712 minimum to $15,222 maximum.

"CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE

"Chief grade, $38,160 minimum to $49,608 maximum.

"Senior grade, $32,442 minimum to $42,171 maximum.

"Intermediate grade, $27,453 minimum to $35,688 maximum.

"Full grade, $23,087 minimum to $30,017 maximum.

"Associate grade, $19,263 minimum to $25,041 maximum.".

STUDY OF HOME MODIFICATIONS FOR TOTALLY BLINDED SERVICE-CONNECTED VETERANS

SEC. 505. The Administrator of Veterans' Affairs shall submit a report to the Committees on Veterans' Affairs of the Senate and House of Representatives, not later than October 1, 1979, on the needs of veterans who are totally blind from service-connected causes for home modifications the cost of which exceed the amount allowable for such purposes under section 612(a) of title 38, United States Code, and on the reasons why such veterans have not applied for home health services under such section 612(a).

And the House agree to the same.

RAY ROBERTS,
DAVID E. SATTERFIELD,
DON EDWARDS,
G. V. MONTGOMERY,
TOM DASCHLE,
JOHN PAUL HAMMERSCHMIDT,
MARGARET M. HECKLER,
CHALMERS WYLIE,
Managers on the Part of the House.

ALAN CRANSTON,
H. E. TALMADGE,
JENNINGS RANDOLPH,
RICHARD (DICK) STONE,
JOHN A. DURKIN,
SPARK M. MATSUNAGA,
ALAN SIMPSON,
STROM THURMOND,
ROBERT STAFFORD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 7), to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes, submit the following joint statement to the Senate and House in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between and the provisions of the Senate bill, the House amendment, and the substitute agreed to in conference are noted below (followed by an appendix showing changes made in existing law), except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I. HEALTH SERVICES PROGRAMS

Priority for medical examinations

Both the Senate bill and the House amendment clarify the statutory hierarchy of outpatient treatment priorities in section 612(i) of title 38, United States Code, by expressly providing that medical examinations to determine the existence or rating of a service-connected disability—for the purpose of establishing eligibility for disability compensation and service-connected health-care services—be included in the third priority for outpatient care, along with non-service-connected care for veterans with service-connected disability ratings.

Dental care

Definition of Medical Services

The Senate bill, but not the House amendment, changes the reference to dental services and appliances in the definition of "medical services" to those "described", rather than those "authorized", in certain subsections of section 612, which do not authorize dental care.

The House recedes with a technical, clarifying amendment.

Outpatient Dental Care for Former Prisoners of War and Totally Disabled Veterans

Both the Senate bill and the House amendment are designed to extend eligibility for outpatient dental-care benefits to veterans who were prisoners of war for at least 6 months or who have total service-connected disabilities. However, the Senate bill, but not the House amendment, includes certain necessary conforming changes to effectuate the common purpose.

The House recedes.

Contract Outpatient Dental Care for Former Prisoners of War

The Senate bill, but not the House amendment, makes eligible for contract outpatient dental care veterans who were prisoners of war for at least 6 months.

The House recedes.

Priorities for Service-Connected Dental Care

The Senate bill, but not the House amendment, requires the Administrator of Veterans' Affairs to prescribe regulations ensuring that, except where required by compelling medical or dental reasons, special priority in the provision of dental care be given in accordance with a specified order, generally emphasizing service-connected dental care.

The conference agreement provides that dental services may be furnished to hospitalized veterans for non-service-connected dental conditions only to the extent that the dental facilities to be used for such care are not needed to provide dental care for dental conditions or disabilities listed in section 612 (b) of title 38. The section 612(b) listing includes dental conditions which are service-connected or associated with and aggravating a service-connected disability, a dental condition of a totally disabled service-connected veteran or a veteran who was a prisoner of war for at least 6 months, a non-service-connected dental condition for which treatment was begun while the veteran was hospitalized, and a dental condition of a Spanish-American War or Indian War veteran. The conference agreement provision permits an exception with respect to incidental dental care during hospitalization only when the dental care is for a dental condition associated with or aggravating a disability for which the veteran was hospitalized or when compelling medical reasons or a dental emergency requires furnishing dental services to a hospitalized veteran. Routine dental work is expressly excluded from the compelling medical reasons or dental emergency criteria.

Expenditures for Contract Dental Care

The Senate bill, but not the House amendment, limits VA expenditures (beginning in fiscal year 1980) for outpatient dental care and services provided by contract—so-called "fee-basis" care—to the amount expended for such care in fiscal year 1978 ($45.2 million).

The conference agreement requires the Administrator to notify and provide justification, in terms of the application of the section 601(4)(C) contract criteria, described below, and the new provision, described in the preceding item, limiting incidental dental care for certain hospitalized veterans, in a report to the Senate and House Veterans' Affairs Committees if and when VA contract dental expenditures are expected to exceed or in fact do exceed the fiscal year 1978 level for such expenditures. The conferees have imposed this reporting requirement because of their concern that the VA has been using its contract dental authority without strictly adhering to the general criteria of section 601(4)(C) of title 38, United States Code, limiting the use of such authority (to situations in which VA facilities cannot furnish economical care because of geographical inaccessibility or because VA facilities cannot furnish the type of care required), and their strong conviction that those criteria should be strictly applied.

Readjustment counseling and related mental health services

Both the Senate bill and the House amendment establish a new program to provide outpatient readjustment counseling and related mental health services for Vietnam-era veterans (including family-member counseling where necessary) who request such counseling within 2 years from discharge or release or within 2 years after enactment, whichever is later.

The House amendment, but not the Senate bill, provides that psychologists, as well as physicians, as provided for in both the Senate bill and the House amendment, may make the determination, based on a mental and psychological assessment of the veteran, that the provision of mental health services to a veteran is necessary to facilitate the veteran's readjustment to civilian life.

The Senate recedes.

Contract Authority

The Senate bill (in section 203 in title II), but not the House amendment, provides the Administrator with authority to furnish by contract with private facilities readjustment counseling services, under the generally applicable section 601(4)(C) criteria described above, and immediately below, in Alaska, Hawaii, and elsewhere in the United States, to the same extent provided to the Administrator to furnish such services directly.

The House recedes, with a clarifying amendment.

Both the Senate bill and the House amendment provide the Administrator with authority to furnish by contract with private facilities mental health services to the same extent provided to the Administrator to furnish such services directly, but to do so under difference criteria. The Senate bill would condition the exercise of the contract authority on satisfaction of the criteria generally applicable to service-connected contract care set forth in section 601(4)(C), namely where it is determined that VA facilities are not capable of furnishing economical care because of geographical inaccessibility or of furnishing the care or services required. The House amendment provides the Administrator with discretionary authority to provide psychiatric, psychological, preventive mental health care, and counseling services from public and private sources on a contract basis if any one of the following criteria is met:

"(A) such services are not available or are inadequate at a Veterans' Administration facility;

"(B) obtaining such services from a Veterans' Administration facility would place an undue hardship on the veteran because of the distance the veteran would have to travel to the nearest Veterans' Administration facility providing such services;

"(C) the hours at which such services are available at a Veterans' Administration facility are incompatible with the time available to the veteran for treatment and obtaining such services through the Veterans' Administration facility would cause a financial or other hardship to the veteran; or

"(D) either the provision of such services outside Veterans' Administration facilities would be more beneficial to the successful treatment, rehabilitation, or readjustment of the veteran than the provision of such services within Veterans' Administration facilities or the provision of such services outside Veterans' Administration facilities would be beneficial to the Veterans' Administration and would not detract from the availability, effectiveness, or quality of treatment available to the veteran."

The House recedes with a technical amendment, with the understanding, agreed to by the conferees, that, if the Administrator, on the advice of a VA mental health professional, upon application of the criterion for furnishing contract care as provided for in new section 612A and section 601(4)(C) that the VA is "not capable of furnishing . . . the care or services required", determines that the VA facility in question cannot effectively furnish counseling or services to meet the needs of that particular veteran, the Administrator should contract with a private facility to provide such services, provided that the quality and effectiveness of the program of such facility has been approved by the Administrator in accordance with the criteria which the Administrator is required to prescribe in regulations. It is further the conferees' view that it would be appropriate for the Administrator to contract with community mental health centers in such cases when such quality and effectiveness criteria of the Administrator are met. The preceding clarification reflects the concern of the conferees that there are veterans who would be made eligible for readjustment counseling and related mental health services under the conference agreement who might not be served effectively if services under this provision were available only directly from the VA.

Regulations Prescribing Criteria for Approval of Contract Programs

The Senate bill requires the Administrator to approve contract programs according to criteria prescribed by the Administrator. The House amendment requires the Administrator to prescribe regulations generally to carry out such contract authorities as are available under the readjustment counseling program.

The conference agreement blends the two provisions so as to require the Administrator's criteria for approval of contract programs to be prescribed in egulations, with a conforming change in the new section 620A(a)(2) contract authority with respect to community-based alcohol or drug dependence or abuse programs.

Limit on Extent of Contracting

The House amendment, but not the Senate bill, requires the Administrator to enter into contracts under the readjustment counseling program only to the extent or in such amounts as are provided in appropriation Acts.

The Senate recedes.

Community-based drug and alcohol treatment program

Both the Senate bill and the House amendment provide for a pilot program for the treatment and rehabilitation of veterans with alcohol and drug dependence or abuse disabilities under which the VA would be authorized, for a period of 5 years, to contract for alcohol or drug treatment for veterans in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities, and require the Administrator to cooperate with the Secretary of Labor and the Director of the Office of Personnel Management with respect to employment opportunities for veterans to whom the VA has provided services for such disabilities and who have been rehabilitated.

The House amendment, but not the Senate bill, provides that the Administrator's authority to contract with private facilities for the furnishing of treatment and rehabilitation services under this program shall be effective only to the extent or in such amounts as are provided in appropriation Acts.

The Senate recedes.

Pilot program of preventive health-care services

Both the Senate bill and the House amendment establish a pilot program of preventive health-care services, as the Administrator may deem feasible and appropriate, for veterans with 50-percent-or-more service-connected disability ratings and for veterans receiving treatment involving a service-connected disability, using interdisciplinary health-care teams in providing such services.

Length of Program

The Senate bill authorizes a 4-year program of preventive health-care services. The House amendment authorizes a 6-year program of such services.

The conference agreement provides for a 5-year program of preventive health-care services.

Maximum Expenditures

The Senate bill provides that maximum expenditures for the preventive health-care program may not exceed $3.5 million in fiscal year 1980, $5 million in fiscal year 1981, $7 million in fiscal year 1982, and $9 million in fiscal year 1983.

The House amendment provides that such expenditures may not exceed $25 million each year and the pro rata portion thereof in any year in which the program is effective for only part of the year.

The conference agreement provides for maximum expenditures of $10 million in fiscal year 1980, $12 million in fiscal year 1981, $13 million in fiscal year 1982, $14 million in fiscal year 1983, and $15 million in fiscal year 1984.

Service-connected care for Filipino veterans in the United States

Both the Senate bill and the House amendment authorize the provision of hospital care, nursing home care, and medical services in the United States for the service-connected disabilities of certain Filipino veterans of service in the Philippine Commonwealth Army and

TITLE II. CONTRACT-CARE PROGRAMS

Definition of "Veterans' Administration facilities"

Veterans in Need of Regular Aid and Attendance and Housebound Veterans

Both the Senate bill and the House amendment restore limited authority to expand the circumstances under which certain veterans are eligible for contract outpatient treatment—so-called "fee-basis" care—for non-service-connected disabilities, by revising certain amendments to chapter 17 of title 38 made by Public Law 94–581, the Veterans Omnibus Health Care Act of 1976, to provide that, if the general conditions for the provision of contract care are satisfied—that VA facilities are incapable of providing care economically because of geographical inaccessibility or are unable to provide the required care—veterans eligible for regular aid-and-attendance or housebound benefits may be provided fee-basis care if, on the basis of a physical examination, it is determined that the medical condition of such veteran precludes appropriate treatment in a VA-operated or other Government facility.

Readjustment Counseling Program in Alaska and Hawaii

Both the Senate bill and the House amendment provide authority to the Administrator to contract in Alaska and Hawaii for mental health services in connection with the new readjustment counseling program which is provided for by title I. The Senate bill also provides authority to the Administrator to contract for the furnishing of the readjustment counseling in those States.

The House recedes.

Because the conference agreement provides to the Administrator, in connection with the new readjustment counseling program provided for by title I, authority to contract for readjustment counseling and mental healths services for veterans in all States, a specific reference to Alaska and Hawaii is not necessary, and the conference agreement does not include this specific provision in title II.

Certain Diagnostic Services

Both the Senate bill and the House amendment expressly provide authority for contract diagnostic services necessary to make determinations of eligibility for, or of the appropriate course of treatment in connection with, treatment of a non-service-connected disability at an independent VA outpatient clinic on the ground that the treatment would obviate the need for hospital admission.

Emergency medical services at certain veterans' conventions

Both the Senate bill and the House amendment authorize the Administrator to contract with certain organizations—those recognized by the VA under section 3402 of title 38—for providing emergency VA medical services at the national conventions of such organizations and to receive reimbursement for such services except to the extent that the recipients of such services are otherwise eligible therefor under chapter 17 of title 38. The House amendment, but not the Senate bill, provides that the Administrator's authority so to contract for the VA to provide such medical services shall be effective for any fiscal year only to the extent provided in appropriation Acts, and provides that such authority shall take effect on October 1, 1979.

The conference agreement includes the House provision limiting the effectiveness of this contract authority to the extent provided in appropriation Acts.

Reports on use of contract-care authorities

Both the Senate bill and the House amendment provide for full reports by the VA on its use of its contract-care authorities, to be submitted annually on February 1, beginning in 1980.

TITLE III. CONSTRUCTION, ALTERATION, LEASE, AND ACQUISITION OF MEDICAL FACILITIES

Approval of major acquisitions

The House amendment, but not the Senate bill, provides that no appropriation shall be made for the construction, alteration, or acquisition of any VA medical facility costing more than $2 million, or for the lease of any medical facility to the VA at an annual rental of more than $500,000, without the House and Senate Veterans' Affairs Committees having first adopted resolutions approving the project.

The Senate recedes with a medical amendment relating to the estimated cost of the project.

Approval of donations and exchanges

The House amendment, but not the Senate bill, provides that the Administrator may not acquire by donation or exchange a medical facility with a fair market value of more than $500,000 unless the Committees have first adopted resolutions approving such exchange or donation.

The House recedes.

Limitation on cost increases

The House amendment, but not the Senate bill, allows the Administrator to increase the estimated construction or acquisition cost by not more than 10 percent over the amount specified in such approval resolutions.

The Senate recedes with amendments making this limitation also applicable to approved facilities acquired by lease and clarifying that the 10-percent limit is a limit on increases over the estimated amount included in the approval resolution.

Notification of proposed reprograming of funds

Both the Senate bill and the House amendment require that the Committees be notified, in advance, of any proposed reprograming of appropriated funds.

Limitation on space reductions

The House amendment, but not the Senate bill, prohibits the Administrator from reducing the amount of space to be provided in an approved project by more than 10 percent of the amount previously approved, unless Committees resolutions approve such a proposed reduction.

The House recedes.

Garages and parking facilities

Both the Senate bill and the House amendment establish, and authorize appropriations for, a revolving fund for certain garage and parking construction projects at VA medical facilities, but only the House amendment limits such projects to those involving expenditures of $2 million or less.

The Senate recedes.

Planning and status reports

Both the Senate bill and the House amendment generally require the VA to submit to the Committees two reports each year, a June 30 report—containing a 5-year plan for construction, replacement, and alteration of the medical facilities that are most in need of construction, replacement cr alteration, a priority listing of the 10, or more, hospitals most needed, and general plans for each such medical facility—and a January 31 report—containing a list of and status report on all approved medical facility projects that were not completed at the time of the previous status report. The Senate bill, but not the House amendment, extends to September 1, 1979, the deadline for submission of the first 5-year plan report.

The House recedes.

Minor, technical, and conforming amendments

Both the Senate bill and the House amendment recodify and make various minor, technical, and conforming amendments to the provisions of title 38, United States Code, relating to the construction and acquisition of VA medical facilities.

TITLE IV. BENEFITS PAYABLE TO PERSONS RESIDING OUTSIDE THE UNITED STATES

Children adopted under laws of foreign countries

Both the Senate bill and the House amendment require, in order for VA benefits to be paid to or on behalf of a child residing outside the United States, based on the adoption of such child by a veteran under the laws of a foreign country, that the adoptive child be under age 18 at the time of the adoption; be receiving one-half or more of such child's annual support from the veteran; be residing with the veteran, except in certain specified circumstances; and not be residing with the child's natural parent, unless the natural parent is the veteran's spouse; and that, after the veteran's death, such an adoption would be recognized for VA benefits purposes only if the veteran was entitled to and did receive a dependent's allowance or similar benefit for the child at any time during the year before the veteran's death, or if the above requirements were met for at least 1 year prior to the veteran's death.

Study of benefits payable to persons residing outside the United States

Both the Senate bill and the House amendment require the VA to submit to the President and the Congress, by February 1, 1980, a report of a comprehensive study (to be performed in conjunction with a similar study, mandated by section 308 of Public Law 95-588, the Veterans' and Survivors' Pension Improvement Act of 1978, regarding the payment of VA pension benefits overseas), together with the VA's recommendations, on various issues involved in the payment of VA benefits to persons residing outside the 50 States and the District of Columbia—including economic issues, issues related to adoptive relationships under foreign laws, issues involved in the amount and method of payment of benefits payable to certain persons in the Philippines, issues relating to the continued operation of a VA regional office in the Philippines, the effects of the provisions described above regarding foreign adoptions, and estimates of the present and future costs of benefits payable to persons residing outside the 50 States and the District of Columbia and of certain Filipino veterans.

TITLE V. MISCELLANEOUS PROVISIONS

Acceptance of payment for travel of employees

Both the Senate bill and the House amendment authorize the Administrator to prescribe regulations permitting employees of the VA's Department of Medicine and Surgery who are nationally recognized principal investigators to accept, in certain limited circumstances, payment, in cash or in kind, from non-Federal agencies, organizations, and individuals for travel expenses in connection with such employees' official duties.

Confirmation of Deputy Administrator of Veterans' Affairs

Both the Senate bill and the House amendment provide for nomination by the President and confirmation by the Senate of the Deputy Administrator of Veterans' Affairs. The Senate bill provides that the incumbent Deputy Administrator may, but is not required to be, appointed by the President with the advice and consent of the Senate, whereas the House amendment makes the confirmation request effective on July 1, 1979.

The House recedes.

Overseas authorities

Both the Senate bill and the House amendment repeal the outdated authority for a VA office in Europe and provide certain benefits to VA employees working outside the United States—specifically, for VA employees in the Philippines, certain family visitation travel expenses, subsistence expenses upon return to the United States, and certain benefits relating to the sale or purchase of a residence or the settlement of an unexpired lease of an employee who is being transferred. The Senate bill makes the provision effective upon enactment, whereas the House amendment provides an October 1, 1979, effective date.

The Senate recedes.

Conforming amendments to Department of Medicine and Surgery salary schedules

Both the Senate bill and the House amendment amend the schedules of rates of basic pay appearing in present section 4107 for section 4103 employees (top Department of Medicine and Surgery (DM&S) employees at the VA's Central Office) and section 4104(1) employees (DM&S physicians, dentists, nurses, podiatrists, optometrists, physician assistants, and expanded-function dental auxiliaries) to reflect the pay rates (effective October 7, 1978) set by Executive Order No. 12087.

Study of home-modification needs of blinded veterans

The Senate bill, but not the House amendment, requires the Administrator of Veterans' Affairs to report to the Senate and House Veterans' Affairs Committees not later than October 1, 1979, on home-modification needs of veterans who are totally blind from service-connected causes. It is expected that the report will include the average cost of home modifications of totally blind veterans and the total number of veterans with service-connected blindness receiving compensation under subsections (l), (m), and (n) of section 314 of title 38, and the number of such veterans who have applied for home health services under section 612(a) of title 38. In the event that the number of such veterans who have applied for home health services is less than 10 percent of the total number of such veterans, the report should also include the Administrator's views as to the reasons therefor and recommendations as to how implementation of the provisions of such section can be improved with regard to the needs of blinded veterans.

The House recedes.

APPENDIX

Changes in existing law made by S. 7 as agreed to in conference

For the information of the Members of Congress, changes in existing law made by the bill (S. 7) as agreed to in conference, are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38—UNITED STATES CODE

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PART I—GENERAL PROVISIONS

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Chapter 1—GENERAL

* * * * *

§ 101. Definitions

For the purposes of this title—

(1) * * *

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(4) *(A)* The term "child" means (except for purposes of chapter 19 of this title and section 5202(b) of this title) a person who is unmarried and—

[(A)] *(i)* who is under the age of eighteen years;

[(B]) *(ii)* who, before attaining the age of eighteen years, became permanently incapable of self-support; or

[(C)] *(iii)* who, after attaining the age of eighteen years and until completion of education or training (but not after attaining the age of twenty-three years), is pursuing a course of instruction at an approved educational institution;

and who is a legitimate child, a legally adopted child, a stepchild who is a member of a veteran's household or was a member at the time of the veteran's death, or an illegitimate child but, as to the alleged father, only if acknowledged in writing signed by him, or if he has been judicially ordered to contribute to the child's support or has been, before his death, judicially decreed to be the father of such child, or if he is otherwise shown by evidence satisfactory to the Administrator to be the father of such child. A person shall be deemed, as of the date of death of a veteran, to be the legally adopted child of such veteran if such person was at the time of the veteran's death living in the veteran's household and was legally adopted by the veteran's surviving spouse within two years after the veteran's death or the date of enactment of this sentence; however, this sentence shall not apply if at the time of the veteran's death, such person was receiving regular contributions toward the person's support from some individual other than the veteran or veteran's spouse, or from any public or private welfare organization which furnishes services or assistance for children. A person with respect to whom an interlocutory decree of adoption has been issued by an appropriate adoption authority shall be recognized thereafter as a legally adopted child, unless and until that decree is rescinded, if the child remains in the custody of the adopting parent or parents during the interlocutory period. A person who has been placed for adoption under an agreement entered into by the adopting parent or parents with any agency authorized under law to so act shall be recognized thereafter as a legally adopted child, unless and until such agreement is terminated, if the child remains in the custody of the adopting parent or parents during the period of placement for adoption under such agreement.

(B) For the purposes of subparagraph (A) of this paragraph, in the case of an adoption under the laws of any jurisdiction other than a State (as defined in section 101(20) of this title and including the Commonwealth of the Northern Mariana Islands)—

(i) a person residing outside any of the States shall not be considered to be a legally adopted child of a veteran during the lifetime of such veteran (including for purposes of this subparagraph a Commonwealth Army veteran or new Philippine Scout, as defined in section 1766 of this title) unless such person—

(I) was less than eighteen years of age at the time of adoption;

(II) is receiving one-half or more of such person's annual support from such veteran;

(III) is not in the custody of such person's natural parent, unless such natural parent is such veteran's spouse; and

(IV) is residing with such veteran (or in the case of divorce following adoption, with the divorced spouse who is also an adoptive or natural parent) except for periods during which such person is residing apart from such veteran (or such divorced spouse) for purposes of full-time attendance at an educational institution or during which such person or such veteran (or such divorced spouse) is confined in a hospital, nursing home, other health-care facility, or other institution; and

(ii) a person shall not be considered to have been a legally adopted child of a veteran as of the date of such veteran's death and thereafter unless—

(I) at any time within the one-year period immediately preceding such veteran's death, such veteran was entitled to and was receiving a dependent's allowance or similar monetary benefit under this title for such person; or

(II) for a period of at least one year prior to such veteran's death, such person met the requirements of clause (i) of this subparagraph.

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Chapter 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

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SUBCHAPTER III—VETERANS' ADMINISTRATION REGIONAL OFFICE; EMPLOYEES

230. Central and regional offices.
231. Placement of employees in military installations.
233. Employees' apparel; school transportation; recreational equipment; visual exhibits; personal property; emergency transportation of employees.
234. Telephone service for medical officers and facility directors.
235. Benefits to employees at [oversea] *overseas* offices who are United States citizens.

236. Administrative settlement of tort claims arising in foreign countries.

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Subchapter II—Administrator of Veterans' Affairs

§ 210. Appointment and general authority of Administrator; Deputy Administrator

(a) * * *

* * * * *

(d) There shall be in the Veterans' Administration a Deputy Administrator of Veterans' Affairs who shall be appointed [by the Administrator] *by the President, by and with the advice and consent of the Senate.* The Deputy Administrator shall perform such functions as the Administrator shall designate and, unless the President shall designate another officer of the Government, shall be Acting Administrator of Veterans' Affairs during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

* * * * *

Subchapter III—Veterans' Administration Regional Offices; Employees

§ 230. Central and regional offices

(a) The Central Office of the Veterans' Administration will be in the District of Columbia. The Administrator may establish such regional offices and such other field offices within the United States, its Territories, Commonwealths, and possessions, as he deems necessary.

(b) The Administrator may exercise authority under this section in the territory of the Republic of the Philippines until June 30, 1978.

[(c) The Administrator is authorized to establish and maintain an office in Europe, at such location as he deems appropriate, to render technical advice and assistance in the administration of veterans' programs in that area.]

* * * * *

§ 235. Benefits to employees at [oversea] *overseas* offices who are United States citizens

The Administrator may, under such rules and regulations as may be prescribed by the President or his designee, provide to personnel of the Veterans' Administration who are United States citizens and are assigned by the Administrator to the Veterans' Administration offices in the Republic of the Philippines [or to the Veterans Administration office in Europe, established pursuant to section 230(c) of this title,] allowances and benefits similar to those provided by the following provisions of law:

(1) Section 1131 of title 22 (relating to allowances to provide for the proper representation of the United States).

(2) Section 1136 (1), (2), (3), (4), (5), [and] (7), *and* (*11*) of title 22 (relating to travel expenses)

(3) Section 1138 of title 22 (relating to transportation of automobiles).

(4) Section 1148 of title 22 (relating to the return of personnel to the United States on leave of absence).

(5) Section 1156 of title 22 (relating to payments by the United States of expenses for treating illness or injury of officers or employees and dependents requiring hospitalization).

(6) Section 5724a(a)(3) of title 5 (relating to subsistence expenses for 30 days in connection with the return to the United States of the employee and such employee's immediate family).

(7) Section 5724a(a)(4) of title 5 (relating to the sale and purchase of the residence or settlement of an unexpired lease of the employee when transferred from one station to another station and both stations are in the United States, its territories or possessions, or the Commonwealth of Puerto Rico).

The foregoing authority supplements, but is not in lieu of, other allowances and benefits for overseas employees of the Veterans' Administration provided by titles 5 and 22.

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PART II—GENERAL BENEFITS

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Chapter 17—HOSPITAL, NURSING HOME, DOMICILIARY AND MEDICAL CARE

* * * * *

Subchapter II—Hospital, Nursing Home or Domiciliary Care and Medical Treatment

Sec.
610. Eligibility for hospital, nursing home and domiciliary care.
611. Care during examinations and in emergencies.
612. Eligibility for medical treatment.
612A. Eligibility for readjustment counseling and related mental health services.
613. Medical care for survivors and dependents of certain veterans.
614. Fitting and training in use of prosthetic appliances; Seeing-eye dogs.
615. Tobacco for hospitalized veterans.
616. Hospital care by other agencies of the United States.
617. Invalid lifts and other devices.
618. Therapeutic and rehabilitative activities.
619. Repair or replacement of certain prosthetic and other appliances.
620. Transfers for nursing home care.
620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program.

* * * * *

Subchapter IV—Hospital and Medical Care for Commonwealth of the Philippine Army Veterans

631. Assistance to the Republic of the Philippines.
632. Contracts and grants to provide hospital care, medical services and nursing home care.
633. Supervision of program by the President.
634. Hospital and nursing home care and medical services in the United States.
[634] *635.* Definitions.

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Subchapter VI—Sickle Cell Anemia

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Subchapter VII—Preventive Health-Care Services Pilot Program

661. Purpose.
662. Definition.
663. Preventive health-care services.
664. Reports.

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Subchapter I—General

§ 601. Definitions

For the purposes of this chapter—

(1) The term "disability" means a disease, injury, or other physical or mental defect.

(2) The term "veteran of any war" includes any veterans of Indian Wars, or any veteran awarded the Medal of Honor.

(3) The term "period of war" includes each of the Indian Wars.

(4) The term "Veterans Administration facilities" means—

(A) facilities over which the Administrator has direct jurisdiction;

(B) Government facilities for which the Administrator contracts; and

(C) private facilities for which the Administrator contracts when facilities described in clause (A) or (B) of this paragraph are not capable of furnishing economical care because of geographical inaccessibility or of furnishing the care or services required in order to provide (i) hospital care or medical services to a veteran for the treatment of a service-connected disability or a disability for which a veteran was discharged or released from the active military, naval, or air service; (ii) medical services for the treatment of any disability of a veteran described in clause (1)(B) or (2) *of the first sentence, or in the third sentence,* of section 612 (f) of this title *or of a veteran described in section 612(g) of this title if the Administrator has determined, based on an examination by a physician employed by the Veterans' Administration (or, in areas where no such physician is available, by a physician carrying out such function under a contract or fee arrangement), that the medical condition of such veteran precludes appropriate treatment in facilities described in clauses (A) and (B) of this paragraph;* (iii) hospital care or medical services for the treatment of medical emergencies which pose a serious threat to the life or health of a veteran receiving hospital care in a facility described in clause (A) or (B) of this paragraph; (iv) hospital care for women veterans; [or] (v) hospital care, or medical services that will obviate the need for hospital admission, for veterans in a State not contiguous to the forty-eight contiguous States, except that the annually determined hospital patient load and incidence of the provision of medical services to veterans hospitalized or treated at the expense of the Veterans' Administration in Government and private facilities in each such noncontiguous State shall be consistent with the patient load or incidence of the provision of medical services for veterans hospitalized or treated by the Veterans' Administration within the forty-eight contiguous States, but the authority of the Administrator under this subclause (except with respect to Alaska and Hawaii) shall expire on December 31, 1981, and until such date the Administrator may, if necessary to prevent hardship, waive the applicability to the Commonwealth of Puerto Rico and to the Virgin Islands of the restrictions in this subclause with respect to hospital patient loads and incidence of provision of medical services; *or (vi) diagnostic services necessary for determination of eligibility for, or of the appropriate course of treatment in connection with, the provision of medical services at independent Veterans' Administration outpatient clinics to obviate the need for hospital admission.*

In the case of any veteran for whom the Administrator contracts to provide treatment in a private facility pursuant to the provisions of this paragraph, the Administrator shall periodically review the necessity for continuing such contractual arrangement pursuant to such provision.

* * * * *

(6) The term "medical services" includes, in addition to medical examination, treatment, and rehabilitative services—

(A) (i) surgical services, dental services and appliances as [authorized] *described* in [section] *sections 610 and 612* [(b), (c), (d), and (e)] of this title, optometric and podiatric services, and (except under the conditions described in section 612(f)(1)(A) of this title), wheelchairs, artificial limbs, trusses, and similar appliances, special clothing made necessary by the wearing of prosthetic appliances, and such other supplies or services as the Administrator determines to be reasonable and necessary, and (ii) travel and incidental expenses pursuant to the provisions of section 111 of this title; and

(B) such consultation, professional counseling, training, and mental health services as are necessary in connection with the treatment—

(i) of the service-connected disability of a veteran pursuant to section 612(a) of this title, and

(ii) in the discretion of the Administrator, of the non-service-connected disability of a veteran eligible for treatment under section 612(f)(1)(B) of this title where such services were initiated during the veteran's hospitalization and the provision of such services on an outpatient basis is essential to permit the discharge of the veteran from the hospital, for the members of the immediate family or legal guardian of a veteran, or the individual in whose household such veteran certifies an intention to live, as may be essential to the effective treatment and rehabilitation of the veteran (including, under the terms and conditions set forth in section 111 of this title, necessary expenses of travel and subsistence of such family member or individual in the case of a veteran who is receiving care for a service-connected disability, or in the case of dependent or survivor of a veteran receiving care under the last sentence of section 613(b) of this title). For the purposes of this paragraph, a dependent or survivor of a veteran receiving care under the last sentence of section 613(b) of this title shall be eligible for the same medical services as a veteran.

* * * * *

Subchapter II—Hospital, Nursing Home or Domiciliary Care and Medical Treatment

§ 610. Eligibility for hospital, nursing home and domiciliary care

(a) The Administrator, within the limits of Veterans' Administration facilities, may furnish hospital care or nursing home care which the Administrator determines is needed to—

(1)(A) any veteran for a service-connected disability; or (B) any veteran for a non-service-connected disability if such veteran is unable to defray the expenses of neccessary hospital or nursing home care;

(2) a veteran whose discharge or release from the active military, naval, or air service was for a disability incurred or aggravated in line of duty;

(3) a person who is in receipt of, or but for the receipt of retirement pay would be entitled to, disability compensation; and

(4) any veteran for a non-service-connected disability if such veteran is sixty-five years of age or older.

(b) The Administrator, within the limits of Veterans' Administration facilities, may furnish domiciliary care to—

(1) a veteran who was discharged or released from the active military, naval, or air service for a disability incurred or aggravated in line of duty, or a person who is in receipt of disability compensation, when such person is suffering from a permanent disability or tuberculosis or neuropsychiatric ailment and is incapacitated from earning a living and has no adequate means of support; and

(2) a veteran who is in need of domiciliary care if such veteran is unable to defray the expenses of necessary domiciliary care.

(c) While any veteran is receiving hospital care or nursing home care in any Veterans' Administration facility, the Administrator, may, within the limits of Veterans' Administration facilities, furnish medical services to correct or treat any non-service-connected disability of such veteran, in addition to treatment incident to the disability for which such veteran is hospitalized, if the veteran is willing, and the Administrator finds such services to be reasonably necessary to protect the health of such veteran. *The Administrator may furnish dental services and treatment, and related dental appliances, under this subsection for a non-service-connected dental condition or disability of a veteran only (1) to the extent that the Administrator determines that the dental facilities of the Veterans' Administration to be used to furnish such services, treatment, or appliances are not needed to furnish services, treatment, or appliances for dental conditions or disabilities described in section 612(b) of this title, or (2) if (A) such nonconnected dental condition or disability is associated with or aggravating a disability for which such veteran is receiving hospital care, or (B) a compelling medical reason or a dental emergency requires furnishing dental services, treatment, or appliances (excluding the furnishing of such services, treatment, or appliances of a routine nature) to such veteran during the period of hospitalization under this section.*

(d) In no case may nursing home care be furnished in a hospital not under the direct jurisdiction of the Administrator except as provided in section 620 of this title.

§ 611. Care during examinations and in emergencies

(a) The Administrator may furnish hospital care incident to physical examinations where such examinations are necessary in carrying out the provisions of other laws administered by the Administrator.

(b) The Administrator may furnish hospital care or medical services as a humanitarian service in emergency cases, but the Administrator shall charge for such care at rates prescribed by the Administrator.

(c)*(1) The Administrator may contract with any organization recognized by the Administrator for the purposes of section 3402 of this title to provide for the furnishing by the Administrator, on a reimbursable basis (as prescribed by the Administrator) of emergency medical services to individuals attending any national convention of such organization, except that reimbursement shall not be required for services furnished under this subsection to the extent that the individual receiving such services would otherwise be eligible under this chapter for medical services.*

(2) The authority of the Administrator to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

§ 612. Eligibility for medical treatment

(a) * * *

* * * * *

(b) Outpatient dental services and treatment, and related dental appliances, shall be furnished under this section only for a dental condition or disability—

(1) which is service-connected and compensable in degree;

(2) which is service-connected, but not compensable in degree, but only (A) if it is shown to have been in existence at time of discharge or release from active military, naval, or air service and (B) if application for treatment is made within one year after such discharge or release, except that if a disqualifying discharge or release has been corrected by competent authority, application may be made within one year after the date of correction or the date of enactment of this exception, whichever is later;

(3) which is a service-connected dental condition or disabilty due to combat wounds or other service trauma, or of a former prisoner of war;

(4) which is associated with and is aggravating a disability resulting from some other disease or injury which was incurred in or aggravated by active military, naval, or air service;

(5) which is a non-service-connected condition or disability of a veteran for which treatment was begun while such veteran was receiving hospital care under this chapter and such services and treatment are reasonably necessary to complete such treatment; [or]

(6) from which a veteran of the Spanish-American War or Indian Wars is suffering[.];

(7) from which any veteran of World War I, World War II, the Korean conflict, or the Vietnam era who was held as a prisoner of war for a period of not less than six months is suffering; or

(8) from which a veteran who has a service-connected disability rated as total is suffering.

In any year in which the President's Budget for the fiscal year beginning October 1 of such year includes an amount for expenditures for contract dental care under the provisions of subsections (a) and (f) of this section and section 601(4)(C) of this title during such fiscal year in excess of the level of expenditures made for such purpose during fiscal year 1978, the Administrator shall, not later than February 15 of such year, submit a report to the appropriate committees of the Congress justifying the requested level of expenditures for contract dental care and explaining why the application of the criteria prescribed in section 601(4)(C) of this title for contracting with private facilities and in the second sentence of section 601(c) of this title for furnishing incidental dental care to hospitalized veterans will not preclude the need for expenditures for contract dental care in excess of the fiscal year 1978 level of expenditures for such purpose. In any case in which the amount included in the President's Budget for any fiscal year for expenditures for contract dental care under such provisions is not in excess of the level of expenditures made for such purpose during fiscal year 1978 and the Administrator determines after the date of submission of such budget and before the end of such fiscal year that the level of expenditures for such contract dental care during such fiscal year will exceed the fiscal year 1978 level of expenditures, the Administrator shall submit a report to the appropriate committees of the Congress containing both a justification (with respect to the projected level of expenditures for such fiscal year) and an explanation as required in the preceding sentence in the case of a report submitted pursuant to such sentence. Any report submitted pursuant to this subsection shall include a comment by the Administrator on the effect of the application of the criteria prescribed in the second sentence of section 610(c) of this title for furnishing incidental dental care to hospitalized veterans.".

* * * * *

(f) The Administrator, within the limits of Veterans' Administration facilities, may furnish medical services for any disability on an outpatient or ambulatory basis—

(1) to any veteran eligible for hospital care under section 610 of this title (A) where such services are reasonably necessary in preparation for, or (to the extent that facilities are available) to obviate the need of, hospital admission, or (B) where such a veteran has been furnished hospital care and such medical services are reasonably necessary to complete treatment incident to such hospital care (for a period not in excess of twelve months after discharge from in-hospital treatment, except where the Administrator finds that a longer period is required by virture of the disability being treated); and

(2) to any veteran who has a service-connected disability rated at 50 per centum or more.

The Administrator may also furnish to any such veteran such home health services as the Administrator determines to be necessary or appropriate for the effective and economical treatment of a disability of a veteran (including only such improvements and structural alterations the cost of which does not exceed $600 (or reimbursement up to such amount) as are necessary to assure the continuation of treatment or provide access to the home or to essential lavatory and sanitary facilities). *The Administrator may also furnish outpatient dental services and treatment, and related appliances, to* *any veteran described in subsection* (b)(7) *of this section.*

*   *   *   *   *

(i) Not later than ninety days after the effective date of this subsection, the Administrator shall prescribe regulations to ensure that special priority in furnishing medical services under this section and any other outpatient care with funds appropriated for the medical care of veterans shall be accorded in the following order, unless compelling medical reasons require that such care be provided more expeditiously:

(1) To any veteran for a service-connected disability.

(2) To any veteran described in subsection (f)(2) of this section.

(3) To any veteran with a disability rated as service-connected (*including any veteran being examined to determine the existence or rating of a service-connected disability*).

(4) To any veteran being furnished medical services under subsection (g) of this section.

(j) In order to assist the Secretary of Health, Education, and Welfare in carrying out national immunization programs pursuant to other provisions of law, the Administrator may authorize the administration of immunizations to eligible veterans (voluntarily requesting such immunizations) in connection with the provision of care for a disability under this chapter in any Veterans' Administration health care facility utilizing vaccine furnished by the Secretary at no cost to the Veterans' Administration, and for such purpose, notwithstanding any other provision of law, the Secretary is authorized to provide such vaccine to the Veterans' Administration at no cost and the provisions of section 4116 of this title shall apply to claims alleging negligence or malpractice on the part of Veterans' Administration personnel granted immunity under such section.

§ *612A. Eligibility for readjustment counseling and related mental health services*

(a) Upon the request of any veteran who served on active duty during the Vietnam era, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to such veteran to assist such veteran in readjusting to civilian life if such veteran requests such counseling within two years after the date of such veteran's discharge or release from active duty or two years after the effective date of this section, whichever is later. Such counseling shall include a general mental and psychological assessment to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

(b)(1) If, on the basis of the assessment furnished under subsection (a) of this section, a physician or psychologist employed by the Veterans' Administration (or, in areas where no such physician or psychologist is available, a physician or psychologist carrying out such function under a contract or fee arrangement with the Administrator) determines that the provision of mental health services to such veteran is necessary to facilitate the successful readjustment of the veteran to civilian life, such veteran shall, within the limits of Veterans' Administration facilities, be furnished such services on an outpatient basis under the conditions specified in clause (1)(B) of section 612(f) of this title. For the purposes of furnishing such mental health services, the counseling furnished under subsection (a) of this section shall be considered to have been furnished by the Veterans' Administration as a part of hospital care. Any hospital care and other medical services considered necessary on the basis of the assessment furnished under subsection (a) of this section shall be furnished only in accordance with the eligibility criteria otherwise set forth in this chapter (including the eligibility criteria set forth in section 611(b) of this title).

(2) Mental health services furnished under paragraph (1) of this subsection may, if determined to be essential to the effective treatment and readjustment of the veteran, include such consultation, counseling, training, services, and expenses as are described in section 601(6)(B) of this title.

(c) Upon receipt of a request for counseling under this section from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such counseling, the Administrator shall—

(1) provide referral services to assist such individual, to the maximum extent practicable, in obtaining mental health care, and services from sources outside the Veterans' Administration; and

(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individual's discharge or release from such service.

(d) The Chief Medical Director may provide for such training of professional, paraprofessional, and lay personnel as is necessary to carry out this section effectively, and, in carrying out this section, may utilize the services of paraprofessionals, individuals who are volunteers working without compensation, and individuals who are veteran-students (as described in section 1685 of this title), in initial intake and screening activities.

(e)(1) In furnshing counseling and related mental health services under subsections (a) and (b) of this section, the Administrator shall have available the same authority to enter into contracts with private facilities that is available to the Administrator (under sections 612(f)(2) and 601(4)(C)(ii) of this title) in furnishing medical services to veterans suffering from total service-connected disabilities.

(2) Before furnishing counseling or related mental health services described in subsections (a) and (b) of this section through a contract facility, as authorized by this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe by regulation) the quality and effectiveness of the program operated by such facility for the purpose for which the counseling or services are to be furnished.

(3) The authority of the Administrator to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

(b) The Administrator, in cooperation with the Secretary of Defense, shall take such action as the Administrator considers appropriate to notify veterans who may be eligible for assistance under this section of such potential eligibility.

*   *   *   *   *

§ 620. Transfers for nursing home care

*   *   *   *   *

§ *620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities; pilot program*

(a)(1) The Administrator, in furnishing hospital, nursing home, and domiciliary care and medical and rehabilitative services under this chapter, may conduct a pilot program under which the Administrator may contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities of eligible veterans suffering from alcohol or drug dependence or abuse disabilities. Such pilot program shall be planned, designed, and conducted by the Chief Medical Director, with the approval of the Administrator, so as to demonstrate any medical advantages and cost effectiveness that may result from furnishing such care and services to veterans with such disabilities in contract facilities as authorized by this section, rather than in facilities over which the Administrator has direct jurisdiction.

(2) Before furnishing such care and services to any veteran through a contract facility as authorized by paragraph (1) of this subsection, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe by regulation) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such care and services.

(b) The Administrator, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, may take appropriate steps to (1) urge all Federal agencies and appropriate private and public firms, organizations, agencies, and persons to provide appropriate employment and training opportunities for veterans who have been provided treatment and rehabilitative services under this title for alcohol or drug dependence or abuse disabilities and have been determined by competent medical authority to be sufficiently rehabilitated to be employable, and (2) provide all possible assistance to the Secretary of Labor in placing such veterans in such opportunities.

(c) Upon receipt of an application for treatment and rehabilitative services under this title for an alcohol or drug dependence or abuse disability from any individual who has been discharged or released from active military, naval, or air service but who is not eligible for such treatment and services, the Administrator shall—

(1) provide referral services to assist such individual, to the maximum extent practicable, in obtaining treatment and rehabilitative services from sources outside the Veterans' Administration; and

(2) if pertinent, advise such individual of such individual's rights to apply to the appropriate military, naval, or air service and the Veterans' Administration for review of such individual's discharge or release from such service.

(d)(1) Any person serving in the active military, naval, or air service who is determined by the Secretary concerned to have an alcohol or drug dependence or abuse disability may not be transferred to any facility in order for the Administrator to furnish care or treatment and rehabilitative services for such disability unless such transfer is during the last thirty days of such member's enlistment period or tour of duty, in which case such care and services provided to such member shall be provided as if such member were a veteran. Any transfer of any such member for such care and services shall be made pursuant to such terms as may be agreed upon by the Secretary concerned and the Administrator, subject to the provisions of the Act of March 4, 1915 (31 U.S.C. 686).

(2) No person serving in the active military, naval, or air service may be transferred pursuant to an agreement made under paragraph (1) of this subsection unless such person requests such transfer in writing for a specified period of time during the last thirty days of such person's enlistment period or tour of duty. No such person transferred pursuant to such a request may be furnished such care and services by the Administrator beyond the period of time specified in such request, unless such person requests in writing an extension for a further specified period of time and such request is approved by the Administrator.

(e) The Administrator may not furnish care and treatment and rehabilitative services under subsection (a) of this section after the last day of the fifth fiscal year

following the fiscal year in which the pilot program authorized by such subsection is initiated.

(f) Not later than March 31, 1983, the Administrator shall report to the Committees on Veterans' Affairs of the Senate and House of Representatives on the findings and recommendations of the Administrator pertaining to the operation through September 30, 1982, of the pilot program authorized by this section.

(g) The authority of the Administrator to enter into contracts under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

* * * * *

Subchapter IV—Hospital and Medical Care for Commonwealth of the Philippines Army Veterans

* * * * *

§ 634. Hospital and nursing home care and medical services in the United States

The Administrator, within the limits of Veterans' Administration facilities, may furnish hospital and nursing home care and medical services to Commonwealth Army veterans and new Philippine Scouts for the treatment of the service-connected disabilities of such veterans and scouts.

§ [634] *635.* Definitions

For the purposes of this subchapter—

(1) The term "Commonwealth Army veterans" means persons who served before July 1, 1946, in the organized military forces of the Government of the Philippines, while forces were in the service of the Armed Forces pursuant to the military order of the President dated July 26, 1941, including among such military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander in Chief, Southwest Pacific Area, or other competent authority in the Army of the United States, and who were discharged or released from such service under conditions other than dishonorable. The term "new Philippine Scouts" means persons who served in the Philippine Scouts under section 14 of the Armed Forces Voluntary Recruitment Act of 1945, and who were discharged or released from such service under conditions other than dishonorable.

(2) The term "service-connected disabilities" means disabilities determined by the Administrator under laws administered by the Veterans' Administration to have been incurred in or aggravated by the service described in paragraph (1) in line of duty.

* * * * *

Subchapter VII—Preventive Health-Care services Pilot Program

§ 661. Purpose

The purpose of this subchapter is to provide for a preventive health-care services pilot program under which the Administrator may attempt to (1) ensure the best possible health care for certain veterans with service-connected disabilities rated at 50 per centum or more and for certain veterans being furnished treatment involving a service-connected disability under this chapter, by furnishing to such veterans feasible and appropriate preventive health-care services, and (2) determine the cost-effectiveness and medical advantages of furnishing such preventive health-care services.

§ 662. Definition

For the purposes of this subchapter, the term "preventive health-care services" means—

(1) periodic medical and dental examinations;

(2) patient health education (including nutrition education);

(3) maintenance of drug use profiles, patient drug monitoring, and drug utilization education;

(4) mental health preventive services;

(5) substance abuse prevention measures;

(6) immunizations against infectious disease;

(7) prevention of musculoskeletal deformity or other gradually developing disabilities of a metabolic or degenerative nature;

(8) genetic counseling concerning inheritance of genetically determined diseases;

(9) routine vision testing and eye care services;

(10) periodic reexamination of members of likely target populations (high-risk groups) for selected diseases and for functional decline of sensory organs, together with attendant appropriate remedial intervention; and

(11) such other health-care services as the Administrator may determine to be necessary to provide effective and economical preventive health care.

§ 663. Preventive health-care services

(a)(1) In order to carry out the purpose of this subchapter, the Administrator, within the limits of Veterans' Administration facilities and in accordance with regulations which the Administrator shall prescribe, may furnish to any veterans described in section 612(f)(2) of this title, and to any veteran receiving care and treatment under this chapter involving a service-connected disability, such preventive health-care services as the Administrator determines are feasible and appropriate.

(2) In connection with preventive health-care services furnished under paragraph (1) of this subsection, the Administrator, in accordance with regulations which the Administrator shall prescribe, may institute appropriate controls and carry out followup studies (including research) to determine the medical advantages and cost-effectiveness of furnishing such preventive health-care services.

(b) In carrying out the pilot program provided for by this subchapter, the Administrator may not furnish preventive health-care services after September 30, 1984.

(c) In carrying out this subchapter, the Administrator shall emphasize the utilization of interdisciplinary health-care teams composed of various professional and paraprofessional personnel.

(d) In order to carry out the program provided for in this subchapter, the Administrator may not expend more than $10,000,000 in fiscal year 1980, more than $12,000,000 in fiscal year 1981, more than $13,000,000 in fiscal year 1982, more than $14,000,000 in fiscal year 1983, or more than $15,000,000 in fiscal year 1984.

§ 664. Reports

The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration of this subchapter, including such recommendations for additional legislation as the Administrator considers necessary.

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PART V—BOARDS AND DEPARTMENTS

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Chapter 73—DEPARTMENT OF MEDICINE AND SURGERY

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SUBCHAPTER I—ORGANIZATION; GENERAL

§ 4107. Grades and pay scales

(a) The annual rates or ranges of rates of basic pay for positions provided in section 4103 of this title shall be as follows:

SECTION 4103 SCHEDULE

Chief Medical Director, [$54.000] *$68.909.*

Deputy Chief Medical Director, [$52,000] *$66,104.*

Associate Deputy Chief Medical Director, [$50,000] *$63,315.*

Assistant Chief Medical Director, [$48,654] *$61,449.*

Medical Director, [$42,066] *$52,429* minimum to [$47,647] *$59,421* maximum.

Director of Nursing Service, [$36,103] *$52,429* minimum to [$40,915] *$59,421* maximum.

Director of Podiatric Service, [$36,338] *$44,756* minimum to [$46,026] *$56,692* maximum.

Director of Chaplain Service, [$31,203] *$44,756* minimum to [$39,523] *$56,692* maximum.

Director of Pharmacy Service, [$31,203] *$44,756* minimum to [$39,523] *$56,692* maximum.

Director of Dietetic Service, [$31,203] *$44,756* minimum to [$39,523] *$56,692* maximum.

Director of Optometric Service, [$39,629] *$44,756* minimum to [$39,523] *$56,692* maximum.

(b)(1) The grades and annual ranges of rates of basic pay for positions provided for in paragraph (1) of section 4104 of this title shall be as follows:

PHYSICIAN AND DENTIST SCHEDULE

Director grade, [$36,338] *$44,756* minimum to [$46,026] *$56,692* maximum.

Executive grade, [$33,736] *$41,327* minimum to [$43,861] *$53,729* maximum.

Chief grade, [$31,309] *$38,160* minimum to [$40,705] *$49,608* maximum.

Senior grade, [$26,861] *$32,442* minimum to [$34,916] *$42,171* maximum.

Intermediate grade, [$22,906] *$27,453* minimum to [$29,782] *$35,688* maximum.

Full grade, [$19,386] *$23,087* minimum to [$25,200] *$30,017* maximum.

Associate grade, [$16,255] *$19,263* minimum to [$21,133] *$25,041* maximum.

NURSE SCHEDULE

Director grade, [$26,898] *$38,160* minimum to [$34,971] *$49,608* maximum.

Assistant Director grade, [$23,088] *$32,442* minimum to [$30,018] *$42,171* maximum.

Chief grade, [$19,700] *$27,453* minimum to [$25,613] *$35,688* maximum.

Senior grade, [$16,682] *$23,087* minimum to [$21,686] *$30,017* maximum.

Intermediate grade, [$13,996] *$19,263* minimum to [$13,018] *$17,813* maximum.

Full grade, [$11,614] *$15,920* minimum to [$15,097] *$20,699* maximum.

Associate grade, [$10,012] *$13,700* minimum to [$13,018] *$17,813* maximum.

Junior grade, [$8,572] *$11,712* minimum to [$11,146] *$15,222* maximum.

CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE

Chief grade [$33,789] *$38,160* minimum to [$43,923] *$49,608* maximum.

Senior grade, [$28,725] *$32,442* minimum to [$37,347] *$42,171* maximum.

Intermediate grade, [$24,308] *$27,453* minimum to [$31,598] *$35.688* maximum.

Full grade, [$20,442] *$23,087* minimum to [$26,571] *$30,017* maximum.

Associate grade, [$17,056] *$19,263* minimum to [$22,177] *$25,041* maximum.

(2) No person may hold the director grade in the "Physician and Dentist Schedule" unless such person is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless such person holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

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§ 4108. Personnel administration

(a) * * *

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(c) As used in this section, the term "remuneration" means the receipt of any amount of monetary benefit from any non-Veterans' Administration source in payment for carrying out any professional responsibilities.

(d) Notwithstanding any other provision of law, the Administrator may prescribe regulations establishing conditions under

which officers and employees of the Department of Medicine and Surgery who are nationally recognized principal investigators in medical research may be permitted, in connection with their attendance at meetings or in performing advisory services concerned with the functions or activities of the Veterans' Administration, or in connection with acceptance of significant awards or with activity related thereto concerned with functions or activities of the Veterans' Administration, to accept payment, in cash or in kind, from non-Federal agencies, organizations, and individuals, for travel and such reasonable subsistence expenses as are approved by the Administrator pursuant to such regulations to be retained by such officers and employees to cover the cost of such expenses or deposited to the credit of the appropriation from which the cost of such expenses is paid, as may be provided in such regulation.

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PART VI—ACQUISITION AND DISPOSITION OF PROPERTY

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Chapter 81—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY

[Subchapter I—Provisions Relating to Hospitals and Homes

Sec.

[5001. Hospital and domiciliary facilities.
[5002. Construction and repair of buildings.
[5003. Use of Armed Forces facilities.
[5004. Garages and parking facilities.
[5005. Acceptance of certain property.
[5006. Property formerly owned by National Home for Disabled Volunteer Soldiers.
[5007. Partial relinquishment of legislative jurisdiction.]

Subchapter I—Acquisition and Operation of Medical Facilities

5001. Definitions.
5002. Acquisition of medical facilities.
5003. Authority to construct and alter, and to acquire sites for, medical facilities.
5004. Congressional approval of certain medical facility acquisitions.
5005. Structural requirements.
5006. Construction contracts.
5007. Reports to congressional committees.
5008. Contributions to local authorities.
5009. Garages and parking facilities.
5010. Operation of medical facilities.
5011. Use of Armed Forces facilities.
5012. Partial relinquishment of legislative jurisdiction.
5013. Property formerly owned by National Home for Disabled Volunteer Soldiers.
5014. Use of federally owned facilities; use of personnel.
5015. Acceptance of certain property.

Subchapter II—Procurement and Supply

[5011] *5021.* Revolving supply fund.
[5012] *5022.* Authority to procure and dispose of property and to negotiate for common services.
[5013] *5023.* Procurement of prosthetic appliances.
[5014] *5024.* Grant of easements in Government-owned lands.

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[Subchapter I—Provisions Relating to Hospitals and Homes

[§ 5001. Hospital and domiciliary facilities

[(a)(1) The Administrator, subject to the approval of the President, shall provide hospitals, domiciliaries, and out-patient dispensary facilities for veterans entitled under this title to hospital or domiciliary care or medical services. Such hospitals, domiciliaries, and other facilities may be provided by (A) purchase, replacement, or remodeling or extension of existing plants, or (B) construction of such facilities on sites already owned by the United States or on sites acquired by purchase, condemnation, gift, or otherwise.

[(2) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than one hundred and twenty-five thousand hospital beds in facilities over which the Administrator has direct jurisdiction for the care and treatment of eligible veterans who are tuberculous, neuropsychiatric, medical, and surgical cases, and the Administrator shall staff and maintain, in such a manner as to insure the immediate acceptance and timely and complete care of patients, sufficient beds and other treatment capacities to accommodate, and provide such care to, eligible veterans applying for admission and found to be in need of hospital care or medical services. The Administrator shall maintain the bed and treatment capacities of all Veterans' Administration medical facilities so as to insure the accessibility and availability of such beds and treatment capacities to eligible veterans in all States and to minimize delays in admissions and in the provision of such care and of services pursuant to section 612 of this title. The Chief Medical Director shall periodically analyze agency-wide admission policies and the records of those eligible veterans who apply for hospital care and medical services but are rejected or not immediately admitted or provided such care or services, and the Administrator shall annually advise the House and Senate Committees on Veterans' Affairs of the results of such analysis and the number of any additional beds and treatment capacities and the appropriate staffing and funds therefor found necessary to meet the needs of such veterans for such necessary care and services.

[(3) The Administrator, subject to the approval of the President, shall establish and operate not less than ten thousand beds in the fiscal year 1980 and in each fiscal year thereafter for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct jurisdiction. The nursing beds authorized by this paragraph shall be in addition to the hospital beds provided for in paragraph (2) of this subsection.

[(b) Hospitals, domiciliaries, and other medical facilities provided by the Administrator (including nursing home facilities for which the Administrator contracts under section 620 of this title) shall be of fire, earthquake, and other natural disaster resistant construction in accordance with standards which the Administrator shall prescribe on a State or regional basis after surveying appropriate State and local laws, ordinances, and building codes and climatic and seismic conditions pertinent to each such facility. When an existing plant is purchased, it shall be remodeled to comply with the requirements stated in the first sentence of this subsection. In order to carry out this subsection, the Administrator shall appoint an Advisory Committee on Structural Safety of Veterans' Administration Facilities, on which shall serve at least one architect and one structural engineer expert in fire, earthquake, and other natural disaster resistance who shall not be employees of the Federal Government, to advise the Administrator on all matters of structural safety in the construction and remodeling of Veterans' Administration facilities in accordance with the requirement of this subsection, and which shall approve regulations prescribed thereunder. The Associate Deputy Administrator, the Chief Medical Director, or the Chief Medical Director's designee, and the Veterans' Administration official charged with the responsibility for construction shall be ex officio members of such committee.

[(c) The location of each hospital or domiciliary and its nature (whether for domiciliary care or the treatment of tuberculosis, neuropsychiatric cases, or general medical and surgical cases) shall be within the discretion of the Administrator, subject to the approval of the President.

[(d) The Administrator may accept gifts or donations for any of the purposes of this section.

[(e) The Administrator, subject to the approval of the President, may use as hospitals, domiciliaries, or out-patient dispensary facilities such suitable buildings, structures, and grounds owned by the United States on March 3, 1925, as may be available for such purposes, and the President may by Executive order transfer any such buildings, structures, and grounds to the control and jurisdiction of the Veterans' Administration upon the request of the Administrator.

[(f) As used in this section and in sections 5002 and 5003 of this title, the term "hospitals, domiciliaries, or out-patient dispensary facilities" includes necessary buildings and auxiliary structures, mechanical equipment, approach work, roads, and trackage facilities leading thereto, sidewalks abutting hospital reservations, vehicles, livestock, furniture, equipment, accessories, accommodations for officers, nurses, and attending personnel, and proper and suitable recreational facilities.

[(g) The Administrator may make contributions to local authorities toward, or for, the construction of traffic controls, road improvements, or other devices adjacent to Veterans' Administration medical facilities when deemed necessary for safe ingress or egress.

[(h) When the Administrator determines, in accordance with regulations which the Administrator shall prescribe, that a Veterans' Administration facility serves a substantial number of veterans with limited English-speaking ability, the Administrator shall establish and implement procedures, upon the recommendation of the Chief Medical Director, to ensure the identification of sufficient number of individuals on such facility's staff who are fluent in both the language most appropriate to such veterans and in English and whose responsibilities shall include providing guidance to such veterans and to appropriate Veterans' Administration staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

[§ 5002. Construction and repair of buildings

[The construction of new hospitals, domiciliaries and out-patient dispensary facilities, or the replacement, extension, alteration, remodeling, or repair of all such facilities, shall be done in such a manner as the President may determine. The President may require the architectural, engineering, constructing, or other forces of any of the departments of the Government to do or assist in such work, and the President may employ individuals and agencies not connected with the Government, if in the opinion of the President such is desirable, at such compensation as the President may consider reasonable.

[§ 5003. Use of Armed Forces facilities

[The Administrator and the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy may enter into agreements and contracts for the mutual use or exchange of use of hospitals and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate such facilities properly, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number established or approved on June 22, 1944, plus the estimated number required to meet the load of eligibles under this title, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

[§ 5004. Garages and parking facilities

[(a) The Administrator may construct and maintain on reservations of Veterans' Administration hospitals and domiciliaries, garages for the accommodation of privately owned automobiles of employees of such hospitals and domiciliaries. Employees using such garages shall make such reimbursement therefor as the Administrator may deem reasonable.

[(b)(1) The administrator may establish operate, and maintain in conjunction with Veterans' Administration hospitals and domiciliaries, parking facilities for the accommodation of privately owned vehicles of Federal employees, and vehicles of visitors and other individuals having business at such hospitals and domiciliaries.

[(2) The Administrator may establish and collect (or provide for the collection of) fees, for the use of the parking facilities, authorized by subsection (b)(1) of this section, at such rate or rates which the Administrator determines would be reasonable under the particular circumstances; but no fee may be charged for the accommodation of any privately owned vehicle used in connection with the transportation of a veteran to or from such a hospital or domiciliary for the purpose of examination or treatment or in connection with a visit to a patient or member in such hospital or domiciliary.

[(3) The Administrator may contract, by lease or otherwise, with responsible persons, firms or corporations, for the operation of such parking facilities, under such terms and conditions as the Administrator may prescribe, and without regard to the laws concerning advertising for competitive bids.

[(c) Money received from the use of the garages and from the parking facilities operations authorized by this section, may be credited to the applicable appropriation charged with the cost of operating and maintaining these facilities. Any amount not needed for the maintenance, operation, and repair of these facilities shall be covered into the Treasury of the United States as miscellaneous receipts.

[§ 5005. Acceptance of certain property

[The President may accept from any State or other political subdivision, or from any person, any building, structure, equipment, or grounds suitable for the care of the disabled, with due regard to fire or other hazards, state of repair, and all other pertinent considerations. The President may designate which agency of the Federal Government shall have the control and management of any property so accepted.

[§ 5006. Property formerly owned by National Home for Disabled Volunteer Soldiers

[If by reason of any defeasance or conditional clause or clauses contained in any deed of conveyance of property to the National Home for Disabled Volunteer Soldiers, which property is owned by the United States, the full and complete enjoyment and use of such property is threatened, the Attorney General, upon request of the President, shall institute in the United States district court for the district in which the property is located such proceedings as may be proper to extinguish all outstanding adverse interests. The Attorney General may procure and accept, on behalf of the United States by gift, purchase, cession, or otherwise, absolute title to and complete jurisdiction over all such property.

[§ 5007. Partial relinquishment of legislative jurisdiction

[The Administrator, on behalf of the United States, may relinquish to the State in which any lands or interests therein under the Administrator's supervision or control are situated, such measure of legislative jurisdiction over such lands or interests as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of legislative jurisdiction shall be initiated by filing a notice thereof with the Governor of the State concerned, or in such other manner as may be prescribed by the laws of such State, and shall take effect upon acceptance by such State.]

Subchapter I—Acquisition and Operation of Medical Facilities

§ 5001. Definitions

For the purposes of this subchapter:

(1) The term "alter", with respect to a medical facility, means to repair, remodel, improve, or extend such medical facility.

(2) The terms "construct" and "alter", with respect to a medical facility, include such engineering, architectural, legal, fiscal, and economic investigations and studies and such surveys, designs, plans, working drawings, specifications, procedures, and other similar actions as are necessary for the construction or alteration, as the case may be, of such medical facility and as are carried out after the completion of the advanced planning (including the development of project requirements and preliminary plans) for such facility.

(3) The term "medical facility" means any facility or part thereof which is, or will be, under the jurisdiction of the Administrator for the provision of health-care services (including hospital, nursing home, or domiciliary care or medical services), including any necessary building and auxiliary structure, garage, parking facility, mechanical equipment, trackage, facilities leading thereto, abutting sidewalks, accommodations for attending personnel, and recreation facilities associated therewith.

(4) The term "committee" means the Committee on Veterans' Affairs of the House of Representatives or the Committee on Veterans' Affairs of the Senate, and the term "committees" means both such committees.

§ 5002. Acquisition of medical facilities

(a) The Administrator shall provide medical facilities for veterans entitled to hospital, nursing home, or domiciliary care or medical services under this title.

(b) No medical facility may be constructed or otherwise acquired or altered except in accordance with the provisions of this subchapter.

(c) In carrying out this subchapter, the Administrator—

(1) shall provide for the construction and acquisition of medical facilities in a manner that results in the equitable distribution of such facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility; and

(2) shall give due consideration to excellence of architecture and design.

§ 5003. Authority to construct and alter, and to acquire sites for, medical facilities

(a) Subject to section 5004 of this title, the Administrator—

(1) may construct or after any medical facility and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, such land or interests in land as the Administrator considers necessary for use as the site for such construction or alteration;

(2) may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, any facility (including the site of such facility) that the Administrator considers necessary for use as a medical facility; and

(3) in order to assure compliance with section 5010(a)(2) of this title, in the case of any outpatient medical facility for which it is proposed to lease space and for which a qualified lessor and an appropriate leasing arrangement are available, shall execute a lease for such facility within 12 months after funds are made available for such purpose.

(b) Whenever the Administrator considers it to be in the interest of the United States to construct a new medical facility to replace an existing medical facility, the Administrator (1) may demolish the existing facility and use the site on which it is located for the site of the new medical facility, or (2) in the judgment of the Administrator it is more advantageous to construct such medical facility on a different site in the same locality, may exchange such existing facility and the site of such existing facility for the different site.

(c) Whenever the Administrator determines that any site acquired for the construction of a medical facility is not suitable for that purpose, the Administrator may exchange such site for another site to be used for that purpose or may sell such site.

§ 5004. Congressional approval of certain medical facility acquisitions

(a) In order to ensure the equitable distribution of medical facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility—

(1) no appropriation may be made for the construction. alteration, or acquisition (not including exchanges) of any medical facility which involves a total expenditure of more than $2.000.000 unless each committee has first adopted a resolution approving such construction, alteration. or acquisition and setting forth the estimated cost thereof; and

(2) no appropriation may be made for the lease of any space for use as a medical facility at an average annual rental of more than $500,000 unless each committee has first adopted a resolution approving such lease and setting forth the estimated cost thereof.

(b) In the event that the President or the Administrator proposes to the Congress the funding of any construction, alteration, lease, or other acquisition to which subsection (a) of this section is applicable, the Administrator shall submit to each committee, on the same day, a prospectus of the proposed medical facility. Such prospectus shall include—

(1) a detailed description of the medical facility to be constructed, altered, leased, or otherwise acquired under this subchapter, including a description of the location of such facility;

(2) an estimate of the cost to the United States of the construction, alteration, lease, or other acquisition of such facility (including site costs, if applicable); and

(3) an estimate of the cost to the United States of the equipment required for the operation of such facility.

(c) The estimated cost of any construction, alteration, lease, or other acquisition that is approved under this section, as set forth in the pertinent resolutions described in subsection (a) of this section, may be increased by the Administrator in the contract for such construction, alteration, lease, or other acquisition by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction, alteration, lease, or other acquisition costs, as the case may be, from the date of such approval to the date of contract, but in no event may the amount of such increase exceed 10 per centum of such estimated cost.

(d) In the case of any medical facility approved for construction, alteration, lease, or other acquisition by each committee under subsection (a) of this section for which funds have not been appropriated within one year after the date of such approval, either such committee may by resolution rescind its approval at any time thereafter before such funds are appropriated.

(e) In any case in which the Administrator proposes that funds be used for a purpose other than the purpose for which such funds were appropriated, the Administrator shall promptly notify each committee, in writing, of the particulars involved and the reasons why such funds were not used for the purpose for which appropriated.

(f) The Administrator may accept gifts or donations for any of the purposes of this subchapter.

§ 5005. Structural requirements

(a) Each medical facility (including each nursing home facility for which the Administrator contracts under section 620 of this title and each State home facility constructed or altered under section 5031 of this title) shall be of fire, earthquake, and other natural disaster resistant construction in accordance with standards which the Administrator shall prescribe on a State or regional basis after surveying appropriate State and local laws, ordinances, and building codes and climatic and seismic conditions pertinent to each such facility. When an existing structure is acquired for use as a medical facility, it shall be altered to comply with such standards.

(b)(1) In order to carry out this section, the Administrator shall appoint an advisory committee to be known as the "Advisory Committee on Structural Safety of Veterans' Administration Facilities", on which shall serve at least one architect and one structural engineer who are experts in structural resistance to fire, earthquake, and other natural disasters and who are not employees of the Federal Government.

(2) Such advisory committee shall advise the Administrator on all matters of structural safety in the construction and altering of medical facilities in accordance with the requirements of this section and shall review and make recommendations to the Administrator on the regulations prescribed under this section.

(3) The Associate Deputy Administrator, the Chief Medical Director or the designee of the Chief Medical Director, and the Veterans' Administration official charged with the responsibility for construction shall be ex officio members of such advisory committee.

§ 5006. Construction contracts

(a) The Administrator may carry out any construction or alteration authorized under this subchapter by contract if the Administrator considers it to be advantageous to the United States to do so.

(b)(1) The Administrator may obtain, by contract or otherwise, the services of individuals who are architects or engineers and of architectural and engineering corporations and firms, to the extent that the Administrator may require such services for any medical facility authorized to be constructed or altered under this subchapter.

(2) No corporation, firm, or individual may be employed under the authority of paragraph (1) of this subsection on a permanent basis.

(c) Notwithstanding any other provisions of this section, the Administrator shall be responsible for all construction authorized under this subchapter, including the interpretation of construction contracts, the approval of materials and workmanship supplied pursuant to a construction contract, approval of changes in the construction contract, certification of vouchers for payments due the contractor, and final settlement of the contract.

§ 5007. Reports to congressional committees

(a) In order to promote effective planning for the orderly construction, replacement, and alteration of medical facilities in accordance with the comparative urgency of the need for services to be provided by such facilities, the Administrator shall submit to each committee an annual report on the construction, replacement, and alteration of medical facilities. Such report shall be submitted to the committees on the same day each year and shall contain—

(1) a five-year plan for the construction, replacement, or alteration of those medical facilities that, in the judgment of the Administrator, are most in need of construction, replacement, or alteration;

(2) a list, in order of priority, of not less than ten hospitals that, in the judgment of the Administrator, are most in need of construction or replacement; and

(3) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility included in the five-year plan required under clause (1) of this subsection or the list required under clause (2) of this subsection.

The first such report shall be submitted not later than September 1, 1979, and each succeeding report shall be submitted not later than June 30 of each year.

(b) The Administrator shall submit to each committee not later than January 31 of each year (beginning in 1981) a report showing the location, space, cost, and status of each medical facility the construction, alteration, lease, or other acquisition of which has been approved under section 5004(a) of this title and, in the case of the second and each succeeding report made under this subsection, which was uncompleted as of the date of the last preceding report made under this subsection.

§ 5008. Contributions to local authorities

The Administrator may make contributions to local authorities toward, or for, the construction of traffic controls, road improvements, or other devices adjacent to a medical facility if considered necessary for safe ingress or egress.

§ 5009. Garages and parking facilities

(a) The Administrator may construct, alter, operate, and maintain, on reservations of medical facilities, garages and parking facilities for the accommodation of privately owned vehicles of employees of such facilities and vehicles of visitors and other individuals having business at such facilities.

(b)(1) The Administrator may establish and collect (or provide for the collection of) fees for the use of such garages and parking facilities at such rate or rates which the Administrator determines would be reasonable under the particular circumstances; but no fee may be charged for the accommodation of any publicly or privately owned vehicle used in connection with the transportation of a veteran to or from any medical facility for the purposes of examination or treatment or in connection with any visit to any patient in such facility. Employees using such garages shall make such reimbursement therefor as the Administrator may deem reasonable.

(2) The Administrator may contract, by lease or otherwise, with responsible persons, firms, or corporations for the operation of such parking facilities, under such terms and conditions as the Administrator shall prescribe, and without regard to the laws concerning advertising for competitive bids.

(c)(1) There are authorized to be appropriated such amounts as are necessary to finance in part the construction, alteration, operation, and maintenance of garages and parking facilities (other than the construction or alteration of any garage or parking facility involving the expenditure of more than $2,000,000). Amounts appropriated under the authority of this section, and all income from fees collected for the use of such garages and parking facilities, shall be administered as a revolving fund to effectuate the provisions of this section, but only to the extent provided for in appropriation Acts.

(2) The revolving fund shall be deposited in a checking account with the Treasurer of the United States, except that such amounts thereof as the Administrator may determine to be necessary to establish and maintain operating accounts for the various garages and parking facilities may be placed in depositories selected by the Administrator.

§ 5010. Operation of medical facilities

(a)(1) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than one hundred and twenty-five thousand hospital beds in medical facilities over which the Administrator has direct jurisdiction for the care and treatment of eligible veterans. The Administrator shall staff and maintain, in such a manner as to ensure the immediate acceptance and timely and complete care of patients, sufficient beds and other treatment capacities to accommodate, and provide such care to, eligible veterans applying for admission and found to be in need of hospital care or medical services.

(2) The Administrator shall maintain the bed and treatment capacities of all Veterans' Administration medical facilities so as to ensure the accessibility and availability of such beds and treatment capacities to eligible veterans in all States and to minimize delays in admissions and in the provision of hospital, nursing home, and domiciliary care, and of medical services furnished pursuant to section 612 of this title.

(3) The Chief Medical Director shall periodically analyze agencywide admission policies and the records of those eligible veterans who apply for hospital care and medical services but are rejected or not immediately admitted or provided such care or services, and the Administrator shall annually advise each committee of the results of such analysis and the number of any additional beds and treatment capacities and the appropriate staffing and funds therefor found necessary to meet the needs of such veterans for such necessary care and services.

(b) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than twelve thousand beds during fiscal year 1980, and during each fiscal year thereafter, for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct jurisdiction. The beds authorized by this subsection shall be in addition to the beds provided for in subsection (a) of this section.

(c) When the Administrator determines, in accordance with regulations which the Administrator shall prescribe, that a Veterans' Administration facility serves a substantial number of veterans with limited English-speaking ability, the Administrator shall establish and implement procedures, upon the recommendation of the Chief Medical Director, to ensure the identification of sufficient numbers of individuals on such facility's staff who are fluent in both the language most appropriate to such veterans and in English and whose responsibilities shall include providing guidance to such veterans and to appropriate Veterans' Administration staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

§ 5011. Use of Armed Forces facilities

The Administrator and the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy may enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate such facilities properly, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for *veterans, except that at no time shall the Administrator enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number established or approved on June 22, 1944, plus the estimated number required to meet the load of eligibles under this title, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.*

§ 5012. Partial relinquishment of legislative jurisdiction

The Administrator, on behalf of the United States, may relinquish to the State in which any lands or interests therein under the supervision or control of the Administrator are situated, such measure of legislative jurisdiction over such lands or interests as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of legislative jurisdiction shall be initiated by filing a notice thereof with the Governor of the State concerned, or in such other manner as may be prescribed by the laws of such State, and shall take effect upon acceptance by such State.

§ 5013. Property formerly owned by National Home for Disabled Volunteer Soldiers

If by reason of any defeasance or conditional clause or clauses contained in any deed of conveyance of property to the National Home for Disabled Volunteer Soldiers, which property is owned by the United States, the full and complete enjoyment and use of such property is threatened, the Attorney General, upon request of the President, shall institute in the United States district court for the district in which the property is located such proceedings as may be proper to extinguish all outstanding adverse interests. The Attorney General may procure and accept, on behalf of the United States, by gift, purchase, cession, or otherwise, absolute title to, and complete jurisdiction over, all such property.

§ 5014. Use of federally owned facilities; use of personnel

(a) The Administrator, subject to the approval of the President, may use as medical facilities such suitable buildings, structures, and grounds owned by the United States on March 3, 1925, as may be available for such purposes, and the President may by Executive order transfer any such buildings, structures, and grounds to the control and jurisdiction of the Veterans' Administration upon the request of the Administrator.

(b) The President may require the architectural, engineering, constructing, or other forces of any of the departments of the Government to do or assist in the construction and alteration of medical facilities, and the President may employ for such purposes individuals and agencies not connected with the Government, if in the opinion of the President such is desirable, at such compensation as the President may consider reasonable.

§ 5015. Acceptance of certain property

The President may accept from any State or other political subdivision, or from any person, any building, structure, equipment, or grounds suitable for the care of disabled persons, with due regard to fire or other hazards, state of repair, and all other pertinent considerations. The President may designate which agency of the Federal Government shall have the control and management of any property so accepted.

Subchapter II—Procurement and Supply

§ [5011] *5021.* Revolving supply fund

(a) The revolving supply fund established for the operation and maintenance of a supply system for the Veterans' Administration (including procurement of supplies, equipment, and personal services and the repair and reclamation of used, spent, or excess personal property shall be—

(1) available without fiscal year limitations for all expenses necessary for the operation and maintenance of such supply system;

(2) reimbursed from appropriations for the cost of all services, equipment, and supplies furnished, at rates determined by the Administrator on the basis of estimated or actual direct and indirect cost; and

(3) credited with advances from appropriations for activities to which services or supplies are to be furnished, and all other receipts resulting from the operation of the fund, including property returned to the supply system when no longer required by activities to which it had been furnished, the proceeds of disposal of scrap, excess or surplus personal property of the fund, and receipts from carriers and others for loss of or damage to personal property.

At the end of each fiscal year, any net income of the fund, after making provision for prior losses, shall be covered into the Treasury of the United States as miscellaneous receipts.

(b) An adequate system of accounts for the fund shall be maintained on the accrual method, and financial reports prepared on the basis of such accounts. An annual business type budget shall be prepared for operations under the fund.

(c) The Administrator is authorized to capitalize, at fair and reasonable values as determined by the Administrator, all supplies and materials and depot stocks of equipment on hand or on order.

§ [5012] *5022.* Authority to procure and dispose of property and to negotiate for common services

(a) The Administrator may lease for a term not exceeding three years lands or buildings, or parts or parcels thereof, belonging to the United States and under the Administrator's control. Any lease made pursuant to this subsection to any public or nonprofit organization may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5). Notwithstanding section 321 of the Act entitled "An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes", approved June 30, 1932 (40 U.S.C. 303b), or any other provision of law, a lease made pursuant to this subsection to any public or nonprofit organization may provide for the maintenance, protection, or restoration, by the lessee, of the property leased, as a part or all of the consideration for the lease. Prior to the execution of any such lease, the Administrator shall give appropriate public notice of the Administrator's intention to do so in the newspaper of the community in which the lands or buildings to be leased are located. The proceeds from such leases, less expenses for maintenance, operation, and repair of buildings leased for living quarters, shall be covered into the Treasury of the United States as miscellaneous receipts.

(b) The Administrator may, for the purpose of extending benefits to veterans and dependents, and to the extent the Administrator deems necessary, procure the necessary space for administrative[, clinical, medical, and outpatient treatment] purposes by lease, purchase, or construction of buildings, or by condemnation or declaration of taking, pursuant to law.

(c) The Administrator may procure laundry services, and other common services as specifically approved by the Administrator, from nonprofit, tax-exempt educational, medical or community institutions, without regard to the requirements of section 302(c) of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 252(c)), whenever such services are not reasonably available from private commercial sources. Notwithstanding this exclusion, the provisions of section 304 of that act shall apply to procurement authorized by this subsection.

§ [5013] *5023.* Procurement of prosthetic appliances

The Administrator may procure prosthetic appliances and necessary services required in the fitting, supplying, and training and use of prosthetic appliances by purchase, manufacture, contract, or in such other manner as the Administrator may determine to be proper, without regard to any other provision of law.

§ [5014] *5024.* Grant of easements in Government-owned lands

The Administrator, whenever the Administrator deems it advantageous to the Government and upon such terms and conditions as the Administrator deems advisable, may grant on behalf of the United States to any State, or any agency or political subdivision thereof, or to any public-service company, easements in and rights-of-way over lands belonging to the United States which are under the Administrator's supervision and control. Such grant may include the use of such easements or rights-of-way by public utilities to the extent authorized and under the conditions imposed by the laws of such State relating to use of public highways. Such partial, concurrent, or exclusive jurisdiction over the areas covered by such easements or rights-of-way, as the Administrator deems necessary or desirable, is hereby ceded to the State in which the land is located. The Administrator may accept or secure on behalf of the United States from the State in which is situated any land conveyed in exchange for any such easement or right-of-way, such jurisdiction as the Administrator may deem necessary or desirable over the land so acquired. Any such easement or right-of-way shall be terminated upon abandonment or nonuse of the same and all right, title, and interest in the land covered thereby shall thereupon revert to the United States or its assignee.

Ray Roberts,
David E. Satterfield,
Don Edwards,
G. V. Montgomery,
Tom Daschle,
John Paul Hammerschmidt,
Margaret M. Heckler,
Chalmers Wylie,
Managers on the Part of the House.

Alan Cranston,
H. E. Talmadge,
Jennings Randolph,
Richard (Dick) Stone,
John A. Durkin,
Spark M. Matsunaga,
Alan Simpson,
Strom Thurmond,
Robert Stafford,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Corman (at the request of Mr. Wright), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Dornan, for himself, Mr. Bereuter, and Mr. Courter, to address the House for 5 minutes each following the special order of the gentleman from Pennsylvania (Mr. BAILEY) today.

(The following Members (at the request of Mr. KRAMER) to revise and extend their remarks and include extraneous matter:)

Mr. GRASSLEY, for 5 minutes, today.

Mr. DERWINSKI, for 60 minutes, on May 31.

Mr. CORCORAN, for 10 minutes, today.

Mr. COURTER, for 5 minutes, today.

(The following Members (at the request of Mr. BAILEY) and to revise and extend their remarks and include extraneous matter:)

Mr. WEAVER, for 10 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. OTTINGER, for 5 minutes, today.

Mr. ALEXANDER, for 30 minutes, today.

Mr. ROBERTS, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GILMAN, to include extraneous remarks on the subject of Mr. MICHEL's special order today.

(The following Members (at the request of Mr. KRAMER) and to include extraneous matter:)

Mr. SHUSTER.
Mr. WAMPLER.
Mr. KEMP in two instances.
Mr. EMERY.
Mr. GILMAN in two instances.
Mr. SOLOMON.
Mr. MITCHELL of New York.
Mr. BOB WILSON in two instances.
Mr. DORNAN in two instances.
Mr. HOLLENBECK.
Mr. DERWINSKI in two instances.
Mr. GOODLING in two instances.
Mr. CORCORAN.
Mr. PAUL.
Mr. SHUMWAY.
Mr. LEE.
Mr. CLAUSEN.
Mr. FINDLEY.
Mr. BROYHILL.

(The following Members (at the request of Mr. BAILEY) and to include extraneous material:)

Ms. MIKULSKI.
Mr. EDGAR.
Mr. ROBERTS in two instances.
Mr. MAZZOLI.
Mr. RICHMOND.
Mr. DASCHLE.
Mr. DODD.
Mr. MONTGOMERY.
Mr. EDWARDS of California in two instances.
Mr. MILLER of California.
Mr. BOLAND in two instances.
Mr. WYATT.
Mr. CORMAN.
Mr. MINETA.
Mr. BARNES.
Mr. MCDONALD.
Mr. DRINAN in two instances.
Mr. SKELTON in two instances.
Mr. MOTTL.
Mrs. SCHROEDER.
Mr. WOLFF.
Mr. GUDGER.
Mr. COTTER.
Mr. NEDZI in two instances.
Mr. GARCIA.
Mr. ECKHARDT.
Mr. COELHO.
Mr. MIKVA.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 383. An act to amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes; to the Committee on Post Office and Civil Service;

S. 716. An act to amend the Retired Federal Employees Health Benefits Act, as amended with respect to the Government contribution toward subscription charge; to the Committee on Post Office and Civil Service.

S.J. Res. 63. Joint resolution to designate the year of 1979 as the "Food-for-Peace Year"; to the Committee on Post Office and Civil Service; and

S.J. Res. 68. Joint resolution to authorize and request the President to proclaim the week of June 17 through 23, 1979, as "Product Safety Week"; to the Committee on Post Office and Civil Service.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 631. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on May 23, 1979, present to the President, for his approval, bills of the House of the following title:

H.R. 1787. An act to authorize a supplemental appropriation to the National Aeronautics and Space Administration for research and development; and

H.R. 2520. An act to amend the National Ocean Pollution Research and Development and Monitoring Planning Act of 1978 to authorize appropriations to carry out the provisions of such Act for fiscal year 1980.

ADJOURNMENT

Mr. BAILEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 25 minutes p.m.) pursuant to the provisions of House Concurrent Resolution 126, 96th Congress, the House adjourned until Wednesday, May 30, 1979, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1671. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies and commodities provided by the Berlin Magistrate, and under the German Offset Agreement during the quarter ended March 31, 1979, pursuant to section 820 of Public Law 95-457; to the Committee on Appropriations.

1672. A letter from the Secretary of the Navy, transmitting notice of the Navy's intention to transfer the obsolete submarine ex-*Bowfin* (ex-SS287) to the Pacific Fleet Submarine Memorial Association, Inc., Honolulu, Hawaii, pursuant to 10 U.S.C. 7308(c); to the Committee on Armed Services.

1673. A letter from the Under Secretary of the Army, transmitting an after-action report on the disposal of certain lethal chemical munitions at the Dugway Proving Ground, Utah; to the Committee on Armed Services.

1674. A letter from the Director, Office of Personnel Management, transmitting notice of various proposed new records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1675. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during April 1979, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

1676. A letter from the Secretary of the Interior, transmitting a report on the study of the suitability of the Mormon Trail for inclusion in the National Trails System, pursuant to section 5(b) of Public Law 90-543 (H. Doc. No. 96-133); to the Committee on Interior and Insular Affairs and ordered to be printed.

1677. A letter from the Secretary, Interstate Commerce Commission, transmitting notice that the Commission is unable to render a final decision in Docket No. 37063, Increased Rates on Coal, L. & N. RR, October 31, 1978 within the initially-specified 7-month period, pursuant to 49 U.S.C. 10707; to the Committee on Interstate and Foreign Commerce.

1678. A letter from the Assistant Attorney General for Legislative Affairs, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to make attempted illegal entry into the United States a crime, and to make remaining in the United States after illegal entry a crime; to the Committee on the Judiciary.

1679. A letter from the Acting Administrator of General Services, transmitting a prospectus proposing the acquisition of space by lease in Atlanta, Ga., for the Veterans' Administration, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

1680. A letter from the Chairman, Advisory Council on Social Security, transmitting notice of the Advisory Council's intention to respond in its final report to the President's request for comments on his proposed legislation to reduce the costs of certain retirement and survivors benefits; to the Committee on Ways and Means.

1681. A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and Public Works and Transportation.

1682. A letter from the Comptroller General of the United States, transmitting a report comparing various advanced nuclear fission technologies (EMD-79-15, May 23, 1979); jointly, to the Committees on Government Operations, Foreign Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. House Resolution 199. Resolution to disapprove Reorganization Plan No. 1 transmitted by the President on April 2, 1979 unfavorably (Rept. No. 96-222). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee of Conference. Conference report on S. 7 (Rept. No. 96-223). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CAVANAUGH:

H.R. 4221. A bill to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes; to the Committee on Veterans' Affairs.

By Mr. DINGELL:

H.R. 4222. A bill to impose an excise tax on domestic crude oil; to the Committee on Ways and Means.

By Mr. EDWARDS of California (for himself, Mr. Stark, Mr. McCloskey, Mr. Beilenson, Mr. Dellums, Mr. Van Deerlin, and Mr. Miller of California):

H.R. 4223. A bill to amend the Wild and Scenic Rivers Act by designating certain segments of the Stanislaus River in California as a component of the National Wild and Scenic River System; to the Committee on Interior and Insular Affairs.

By Mr. EMERY:

H.R. 4224. A bill to authorize the Camp Fire Girls of Cundys Harbor, Maine to erect a monument on Maine Avenue in the District of Columbia; to the Committee on House Administration.

By Mr. GILMAN:

H.R. 4225. A bill to amend the Internal Revenue Code of 1954 to provide for nonrecognition of gain on sales of certain business interests, and for accelerated depreciation of certain property, and to amend certain securities laws to facilitate private offerings and for other purposes; to the Committee on Ways and Means.

By Mr. GRADISON:

H.R. 4226. A bill to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition; to the Committee on Ways and Means.

By Mr. GRASSLEY:

H.R. 4227. A bill to establish internal Federal policy concerning protection of certain agricultural land; to amend title V of the Rural Development Act of 1972 to authorize the Secretary of Agriculture to study and report on the protection of agricultural land, and to authorize technical assistance and an agricultural land protection information clearinghouse network; and for other purposes; to the Committee on Agriculture.

By Mr. HAMMERSCHMIDT:

H.R. 4228. A bill to amend the Higher Education Act of 1965 to provide for grants and studies relating to preretirement education; to the Committee on Education and Labor.

H.R. 4229. A bill to amend the Federal Aviation Act of 1958 to eliminate the age limitation presently imposed on certain pilots of aircraft, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 4230. A bill to amend the Social Security Act to provide long-term care services in certain rural hospitals; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. JONES of North Carolina:

H.R. 4231. A bill to designate the "John D. Larkins, Jr., Federal Building"; to the Committee on Public Works and Transportation.

By Mr. MOTTL:

H.R. 4232. A bill to amend the Food Stamp Act of 1977 to allow for a deduction for certain medical and dental expenses in the computation of income for any household which is composed entirely of persons who are age 60 or older or who receive supplemental security income benefits under the Social Security Act; to the Committee on Agriculture.

By Mr. NEAL:

H.R. 4233. A bill to provide for the regulatory analysis of proposed rules and the review of existing rules by the agencies, to make other improvements in regulatory procedures, to establish the Administrative Conference of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. PANETTA:

H.R. 4234. A bill to assist counties in providing library services in small communities; to the Committee on Education and Labor.

By Mr. PAUL (for himself, Mr. Mottl, Mr. Solomon, Mr. Collins of Texas, Mr. Daniel B. Crane, Mr. Roth, and Mr. Cleveland):

H.R. 4235. A bill to discontinue annual and quadrennial adjustments in the pay of Members of Congress, and to provide for a reduction in the pay of Members of Congress effective for any pay period based on any incerase in the Consumer Price Index published during the preceding pay period, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RINALDO (for himself and Mr. Ottinger):

H.R. 4236. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize the Secretary of Transportation to require tire manufacturers, in certain circumstances, to provide public notice of tire defects; to the Committee on Interstate and Foreign Commerce.

By Mr. WEAVER (for himself, Mr. Roe, Mr. Derwinski, Mr. Blanchard, Mr. Oberstar, Mr. Winn, Mr. Evans of Georgia, Mr. Hanley, Mr. D'Amours, Mr. Santini, Mr. LaFalce, Mr. Duncan of Tennessee, Mr. Johnson of California, Mr. Ottinger, Mr. Hubbard, Mr. Derrick, Mr. Florio, Mr. Vento, Mr. Flood, Mr. Zeferetti, Mr. Rodino, Mr. Seiberling, Mr. Jenrette, Mr. Yates, Mr. Dodd, Mr. Downey, Mr. Daschle, Mr. Nolan, Mr. Edgar, Mr. Yatron, Mr. Moakley, Mr. Hollenbeck, Mr. Lee, Mr. Neal, Mr. Albosta, Mr. Levitas, Mr. Shumway, Mr. Wolpe, Mr. Bevill, Mr. Leath of Texas, Mr. Bennett, Mr. Solomon, Mr. Montgomery, Mr. Clinger, Mr. Carter, Mr. Panetta, Mr. Hughes, Mr. Miller of Ohio, Mr. Cleveland, Mr. Whitehurst, Mr. Ertel, Mr. Mottl, and Mr. Dornan):

H.R. 4237. A bill to amend the Commodity Credit Corporation Charter Act to create within the Commodity Credit Corporation a National Grain Board, to provide the highest possible prices in foreign markets for American agricultural producers, to provide price and supply stability in domestic markets, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. WOLFF:

H.R. 4238. A bill to amend title 5, United States Code, to entitle Civil Air Patrol Cadets 18 years of age and older to compensation available to Civil Air Patrol senior members in the event of disability or death, and to increase the level of compensations available to both; to the Committee on Education and Labor.

H.R. 4239. A bill to amend the Airport and Airways Development Act of 1970; to the Committee on Ways and Means.

By Mr. BEARD of Tennessee:

H.J. Res. 342. Joint resolution proposing an amendment to the Constitution to require that congressional resolutions setting forth levels of total budget outlays and Federal revenues must be agreed to by two-thirds vote of both Houses of the Congress if the level of outlays exceeds the level of revenues; to the Committee on the Judiciary.

By Mr. DODD (for himself and Mr. Ford of Michigan):

H.J. Res. 343. Joint resolution authorizing the President to designate the third week of June 1980 as "National Veterans' Hospital Week"; to the Committee on Post Office and Civil Service.

By Mr. BOB WILSON:

H.J. Res. 344. Joint resolution designating the second Sunday in June of each year as "National Pet Remembrance Day"; to the Committee on Post Office and Civil Service.

By Mr. WYLIE (for himself, Mr. Devine, Mr. Applegate, Mr. Ashbrook, Mr. Ashley, Mr. Brown of Ohio, Mr. Gradison, Mr. Guyer, Mr. Hall of Ohio, Mr. Harsha, Mr. Kindness, Mr. Latta, Mr. Luken, Mr. Miller of Ohio, Mr. Mottl, Ms. Oakar, Mr. Pease, Mr. Regula, Mr. Seiberling, Mr. Stanton, Mr. Stokes, Mr. Vanik, and Mr. Williams of Ohio):

H.J. Res. 345. Joint resolution to commemorate the 100th Anniversary of the Ohio State University Marching Band; to the Committee on Post Office and Civil Service.

By Mr. WOLFF:

H.J. Res. 346. Joint resolution to authorize and request the President of the United States to issue a proclamation designating December 1 as "National Civil Air Patrol Day"; to the Committee on Post Office and Civil Service.

By Mr. MOTTL (for himself, Mr. Guyer, Mr. Murphy of Pennsylvania, Mr. Leach of Louisiana, Mr. Whitehurst, Mr. Kogovsek, Mr. Devine, Mr. Montgomery, Mr. Derwinski, Mr. Dornan, Mr. Shumway, Mr. Daniel B. Crane, Mr. Donnelly, and Mr. Flood):

H. Con. Res. 129. Concurrent resolution urging the President to attempt to bring about the establishment of an international food cartel involving the major food exporting countries which would use export prices for food commodities as a bargaining tool in negotiations with the Organization of Petroleum Exporting Countries for reasonable oil prices; to the Committee on Foreign Affairs.

By Mr. STANGELAND:

H. Con. Res. 130. Concurrent resolution to express the sense of the Congress that the President should immediately establish and appoint a National Energy Council; to the Committee on Interstate and Foreign Commerce.

By Mr. CORCORAN:

H. Res. 288. Resolution amending the Rules of the House of Representatives with respect to use of committee funds for travel; to the Committee on Rules.

By Mr. DODD:

H. Res. 289. Resolution amending clause 3 of rule X of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. PEPPER:

H. Res. 290. Resolution expressing the sense of the House of Representatives that the deepening energy crisis demands strong and positive action and leadership on the part of the Government and the President; to the Committee on Interstate and Foreign Commerce.

By Mr. RHODES (for himself, Mr. Michel, Mr. Anderson of Illinois, Mr. Shuster, Mr. Devine, Mr. Edwards of Alabama, Mr. Lott, Mr. Vander Jagt, Mr. Quillen, Mr. Myers of Indiana, Mr. Rousselot, Mr. Hagedorn, Mr. Young of Florida, Mr. McDade, Mr. Lagomarsino, Mr. Lujan, Mr. Winn, Mr. Grassley, Mr. Wylie, Mr. Findley, Mr. Taylor, Mr. Bauman, Mr. Dickinson, Mr. Forsythe, Mr. Mitchell of New York, Mr. Schulze, Mr. Walker, Mr. Bethune, Mr. Rudd, Mr. Cleveland, Mr. Stangeland, Mr. McEwen, Mr. Lee, Mr. Lungren, Mr. Solomon, Mr. Grisham, Mr. Spence, Mr. Williams of Ohio, Mr. Hyde, Mr. Regula, Mr. Ashbrook, Mrs. Smith of Nebraska, Mrs. Holt, Mr. Dannemeyer, Mr. Horton, Mr. Hillis, Mr. Jeffries, Mr. Sensenbrenner, Mr. Cheney, Mr. McClory, Mr. Marlenee, Mr. Thomas, Mr. Royer, Mr. Martin, Mr. Badham, Mr. Broomfield, Mr. AuCoin, Mr. Jeffords, Mr. John L. Burton, Mr. Moorhead of California, Mr. Leach of Iowa, Mr. Miller of Ohio, Mr. Sebelius, Mr. Abdnor, Mr. Kemp, Mr. Lent, Mrs. Fenwick, Mr. Hansen, Mr. Edwards of Oklahoma, Mr. Goodling, Mr. Tauke, Mr. Gilman, Mr. Bereuter, Mr. Beard of Tennessee, Mr. Buchanan, Mr. Green, Mr. Hammerschmidt, Mr. Erlenborn, Mr. Harsha, Mr. Kelly, and Mr. McKinney):

H. Res. 291. Resolution of inquiry directing the President to provide Members of the House with information on the energy situation; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII:

201. The SPEAKER presented a memorial of the Assembly of the State of New York, relative to Federal funding for State and local compliance costs under the Education of All Handicapped Children Act of 1975; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DODD:

H.R. 4240. A bill to direct the Secretary of the department in which the U.S. Coast Guard is operating to cause the vessel *Albatross* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

By Mr. HANSEN:

H.R. 4241. A bill for the relief of Amina (Mona) Abou-bakr; to the Committee on the Judiciary.

By Mr. LOWRY:

H.R. 4242. A bill for the relief of Jennifer Ferrer; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 80: Mr. Oberstar.

H.R. 545: Mr. Dougherty, Mr. Duncan of Tennessee, Mr. Chappell, Mr. Evans of Indiana, Mr. Stump, Mr. Russo, and Mr. Wolpe.

H.R. 1520: Mr. Won Pat, Mr. Hansen, Mr. Kelly, Mr. Symms, Mr. Hollenbeck, Mrs. Holt, and Mr. Kramer.

H.R. 1523: Mr. Jeffords, Mr. Nolan, Mr. Roe, Mr. Roybal, Mr. Stokes, and Mr. Weaver.

H.R. 1603: Mr. Neal, Mr. Andrews of North Dakota, Mr. Fish, Mr. Cleveland, Mr. D'Amours, Mr. Bevill, Mr. Loeffler, and Mr. Wampler.

H.R. 1711: Mr. Edgar, Mr. Fazio, Ms. Ferraro, Mr. Gilman, Mr. Glickman, Mr. Jeffords, Mr. Mineta, Mr. Peyser, Mr. Shannon, and Mrs. Spellman.

H.R. 1918: Mr. O'Brien, Mr. Buchanan, Mr. Leach of Iowa, and Mr. Corcoran.

H.R. 1985: Mr. Leach of Louisiana.

H.R. 2074: Mr. Scheuer, Mr. Stokes, Mr. Richmond, Mr. Mikva, and Mr. McKinnney.

H.R. 2371: Mr. Lott, Mr. Archer, Mr. Kindness, Mr. Corrada, Mr. Whitehurst, Mr. Abdnor, Mr. Bafalis, Mr. McDonald, Mr. Corcoran, Mr. Derwinski, Mr. Burgener, Mr. Miller of Ohio, Mr. Evans of Georgia, Mr. Hyde, Mr. Simon, Mr. Jeffries, Mr. Dan Daniel, Mr. Hance, Mr. Edgar, Mr. Cleveland, Mr. Hagedorn, Mr. Chappell, Mr. Dornan, Mr. Treen, Mr. Gingrich, and Mr. McEwen.

H.R. 2482: Mr. Maguire and Mr. Nolan.

H.R. 2553: Mr. Daniel B. Crane.

H.R. 2655: Mr. Mollohan.

H.R. 2705: Mr. Stewart and Mr. Seiberling.

H.R. 2809: Mr. Symms.

H.R. 2977: Mr. Phillip Burton, Mr. Evans of the Virgin Islands, Mr. Rose, Mr. Rinaldo, and Mr. Weaver.

H.R. 3056: Mrs. Spellman, Mr. Andrews of North Dakota, Mr. Neal, Mr. Lundine, Mr. Mineta, Mr. Seiberling, Mr. Frenzel, Mr. McHugh, and Mrs. Bouquard.

H.R. 3221: Mr. Pursell, and Mr. Traxler.

H.R. 3227: Mr. Buchanan, Mr. Anderson of Illinois, Mr. Seiberling, Mr. Simon, Mr. Gray, Mr. Panetta, Mr. Pritchard, Mr. Beilenson, Mr. Hughes, Mr. LaFalce, Mr. Mazzoli, Mr. Downey, Mr. Sabo, Mr. Nolan, Mr. Bedell, and Mr. Stark.

H.R. 3244: Mr. Jenkins.

H.R. 3245: Mr. Holland, Mr. Beard of Rhode Island, Mr. Harris, Mr. Murphy of Pennsylvania, Mr. Stokes, Mr. Cavanaugh, Mr. Whitehurst, Mr. Frenzel, Mr. Chappell, Mr. Snyder, Mr. Collins of Texas, Mr. LaFalce, Mr. Glickman, Mr. Hughes, Mr. Vento, Mr. Gramm, Mr. Roth, Mr. Jenkins, Mr. Hance, Mr. Lagomarsino, Mr. Bafalis, Mr. Corrada, Mr. Kelly, Mr. Heftel, Mr. Young of Missouri, Mr. Duncan of Tennessee, Mr. Blanchard, Mr. Evans of Georgia, Mr. Mineta, and Mr. Hubbard.

H.R. 3335: Mr. Donnelly.

H.R. 3415: Mr. Forsythe, Mr. Stokes, Mr. Stangeland, Mr. Clinger, Mr. Downey, Mr. Walgren, Mr. Brown of California, Mr. Wolpe, Mrs. Fenwick, Mr. Robert W. Daniel, Jr., Mr. Roe, and Mr. Frenzel.

H.R. 3534: Mr. Beilenson, Mr. Bonior of Michigan, Mr. Dougherty, Mr. Jenrette, Mr. Lagomarsino, Mr. Mineta, and Mr. Seiberling.

H.R. 3558: Mr. Wolpe, Mr. Bedell, Mr. Roe, Mr. Lloyd, Mr. Edwards of California, Mr. Lagomarsino, Mr. Bingham. Mr. Brodhead. Mr. Howard, Mr. Long of Maryland, Mr. McHugh, Mr. Moakley, Mrs. Chisholm, Mr. Akaka, Mr. Downey, Mr. Weaver, Mr. Studds, Mr. Coelho, Mr. Hughes, Mr. Frost, Mr. Albosta, Mr. Glickman, Mr. Neal, Mr. Pepper, Mr. Daschle, Mr. Yatron. Mr. Gray. Mr. Seiberling, Mr. Pickle, Mr. Stangeland, Mr. Mazzoli, Mr. Kildee, Mr. Donnelly, Mr. Weiss, and Mr. Carr.

H.R. 3566: Mrs. Smith of Nebraska.

H.R. 3685: Mr. Luken, Mr. Butler, Mr. Kindness, and Mr. Leath of Texas.

H.R. 3720: Mr. Seiberling. Mr. Gingrich, Mr. Dan Daniel, and Mr. McClory.

H.R. 3746: Mr. Addabbo.

H.R. 3762: Mr. Goldwater, Mr. Whitehurst, Mr. Winn, Mr. Addabbo, Mr. Myers of Indiana, Mr. Lott, Mr. Skelton, Mr. Robinson, Mr. Bevill, Mr. Chappell, Mr. Robert W. Daniel, Jr., Mr. Montgomery, Mr. Hughes, Mr. Stratton, Mr. Derwinski, Mr. Spence, Mr. Lungren, Mr. Wolff, Mr. Dornan, Mr. Dougherty, Mr. McDonald, Mr. Gilman, Mr. Broomfield, Mr. Rinaldo, Mr. Bafalis, Mr. Evans of Georgia, Mr. Devine, Mr. Cleveland, Mr. Fountain, Mr. Hutto, Mr. Lagomarsino, Mr. Nichols, Mr. Hyde, and Mr. Lee.

H.R. 3764: Mr. Dellums, Mr. Dixon, Mr. Edwards of California, Mr. Fazio, Mr. Hawkins, Mr. Panetta, Mr. Stark, Mr. Van Deerlin, Mr. Waxman, Mr. Kogovsek, Mrs. Schroeder, Mr. Ottinger, Mr. Ginn, Mr. Akaka, Mr. Mikva, Mr. Jacobs, Mr. Leach of Iowa, Mr. Carter, Mr. Barnes, Mr. Mitchell of Maryland, Mrs. Spellman, Mr. Markey, Mr. Conte, Mr. Studds, Mr. Diggs, Mr. Wolpe, Mr. Nolan, Mr. Sabo, Mr. Vento, Mr. Bowen, Mr. Lott, Mr. Cavanaugh, Mr. Guarini, Mr. Maguire, Mr. Roe, Mrs. Chisholm, Mr. Richmond, Mr. Neal, Mr. Mottl, Mr. Stokes, Mr. Myers of Pennsylvania, Mr. Yatron, Mr. St Germain, Mr. Rahall, Mr. Baldus, Mr. Reuss, Mr. Evans of Virgin Islands, Mr. Seiberling, and Mr. Kildee.

H.R. 3769: Mr. Frenzel, Mr. Richmond, and Mr. Wolpe.

HR. 4007: Mr. Pursell and Mr. Traxler.

H.R. 4057: Ms. Oakar, Mr. Ullman, and Mr. Ford of Tennessee.

H.R. 4058: Mr. Rahall, Mr. Whittaker, Mr. Lujan, Mr. Bevill, Mr. Hall of Texas, Mr. Mollohan, Mr. Duncan of Tennessee, Mr. Montgomery, Mr. Stangeland, Mr. Leach of Louisiana, Mr. Collins of Texas, Mr. Wampler, and Mr. Frenzel.

H.J. Res. 19: Mr. Snyder and Mr. Evans of Indiana.

H.J. Res. 238: Mr. Abdnor, Mr. Akaka, Mr. AuCoin, Mr. Bailey, Mr. Bevill, Mr. Brademas, Mr. Broyhill, Mr. Carter, Mr. Cheney, Mr. Coelho, Mr. Dellums, Mr. Duncan of Tennessee, Mr. Ertel, Mr. Evans of Delaware, Mr. Fascell, Mr. Ford of Michigan, Mr. Gephardt, Mr. Gibbons, Mr. Gray, Mr. Guarini, Mr. Hall of Ohio, Mrs. Holt, Mr. Howard, Mr. Hughes, Mr. Hutto, Mr. Johnson of California, Mr. Lederer, Mr. Levitas, Mr. Madigan, Mr. Maguire, Mr. Mica, Mr. Mikva, Mr. Moorhead of Pennsylvania, Mr. Murphy of Illinois, Mr. Myers of Pennsylvania, Mr. Peyser, Mr. Sabo, Mr. Solomon, Mr. Stack, Mr. Stockman, Mr. Thompson, Mr. Vento, Mr. Whitehurst, Mr. Won Pat, Mr. Young of Missouri, and Mr. Zeferetti.

H.J. Res. 318: Mr. Stangeland.

H.J. Res. 321: Mr. Pepper, Mr. Simon, Mr. White, Mr. Wolpe, Mr. Donnelly, Mr. Weiss, and Mr. Neal.

H. Con. Res. 92: Mr. Fithian, Mr. Stark, Mr. Guarini, Mr. Fish, and Mr. Emery.

H. Res. 84: Mr. Bedell, Mr. Bingham, Mr. Edgar, Mr. Fazio, Mr. Gilman, Mr. Maguire, Mr. Mineta, Mr. Nolan, Mr. Pashayan, Mr. Sharp, and Mr. Seiberling.

H.R. 190: Mr. Pashayan, and Mr. Matsui.

H. Res. 238: Mr. Solarz, Mr. Corrada, Mr. Wolpe, Mr. Stack, Mr. Studds, and Mr. Flood.

H. Res. 244: Mr. Stenholm, Mr. Marlenee, Mr. Moorhead of California, Mr. Albosta, Mr. Matsui, and Mr. Tauke.

H. Res. 247: Mr. Conte, Mr. Edgar, Mr. Gradison, Mr. Hagedorn, Mr. Leach of Iowa, Mr. Lungren, and Mr. McKinney.

H. Res. 267: Mr. AuCoin, Mr. Barnes, Mr. Beilenson, Mr. Benjamin, Mr. Derwinski, Mr. Edwards of Alabma, Mr. Forsythe, Mr. Gradison, Mr. Kemp, Mr. LaFalce, Mr. Lagomarsino, Mr. Lehman, Mr. Lungren, Mr. Maguire, Mr. Markey, Mr. Roe, Mr. Brodhead, Mr. Scheuer, Mr. Vento, Mr. Waxman, Mr. Wolpe, Mr. Yates, Mr. Frenzel, Mr. Sabo, Mr. Frost, Mr. Courter, Mr. Rinaldo, Mrs. Holt, Mr. Hughes, Mr. Corrada, Mr. Walker, Mr. Mazzoli, Mr. Rangel, Mr. Blanchard, Mr. Ertel, Mr. Green, Mr. Rosenthal, Mr. D'Amours, Mr. Simon, Mr. Dornan, Mr. Patten, and Mr. Gray.

PETITIONS, ETC.

Under clause 1 of rule XXII,

126. The SPEAKER presented a petition of the Southern Regional Conference of Attorneys General, Nashville, Tenn., relative to Amtrak; to the Committee on Interstate and Foreign Commerce.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the first calendar quarter 1979:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Kenneth R. Adams, 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.

B. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092.

A. Akin, Gump, Hauer & Feld, 1155 15th Street NW., 1100 Madison Office Building, Washington, D.C. 20005.

B. Alaskan Petrochemical Co., 3700 Buffalo Speedway, Houston, Tex. 77098.

A. Akin, Gump, Hauer & Feld, 1155 15th Street NW., 1100 Madison Office Building, Washington, D.C. 20005.

B. Goldston Oil Corp., P.O. Box 22568, Houston, Tex. 77207.

A. Joan Hess Albert, National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.

B. Air Florida, A.M.F.P.O. 582337, Miami, Fla. 33159.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.

B. Automotive Filter Manufacturers Council, 222 Cedar Lane, Teaneck, N.J. 07666.

A. W. Stanley Armstrong, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Iron & Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. National Coordinating Committee for Multiemployer Plans, 815 16th Street NW., Suite 603, Washington, D.C. 20006.

A. Assure Competitive Transportation, Inc., 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.

A. Automotive Filter Manufacturers Council, 222 Cedar Lane, Teaneck, N.J. 07666.

A. William F. Averyt, Jr., The National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. The National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Joseph W. Ayres, 1909 K Street NW., Suite 410, Washington, D.C. 20006.

B. The National Industrial Traffic League, 1909 K Street NW., Suite 410, Washington, D.C. 20006.

A. William W. Bailey, 1050 17th Street NW., Suite 1050, Washington, D.C. 20036.

B. Merck & Co., Inc., Box 2000, Rahway, N.J. 07065.

A. Baker & Daniels, Suite 590 South, 1800 M Street NW., Washington, D.C. 20036.

B. Coalition For Safe Drinking Water, 1220 Waterway Boulevard, Indianapolis, Ind. 46202.

A. Dennis J. Baker, 98 Sargent Road, Westminster, Mass. 01473.

B. Norton Co., 1 New Bond Street, Worcester, Mass. 01606.

A. Richard M. Bank, Brophy Associates, 1611 Connecticut Avenue NW., Room 3, Washington, D.C. 20009.

B. Youth Project, 1555 Connecticut Avenue NW., Suite 501, Washington, D.C. 20036; Center for Community Change, 1000 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Donna R. Barnako, National Council of Health Care Services, 1200 15th Street NW., No. 601, Washington, D.C. 20005.

B. National Council of Health Care Services, 1200 15th Street NW., No. 601, Washington, D.C. 20005.

A. Barnett, Alagia & Carey, 1627 K Street NW., Washington, D.C. 20006.

B. Dairymen, Inc., 200 West Broadway, Louisville, Ky. 40202.

A. James C. Barr, Credit Union National Association, 1730 Rhode Island Avenue NW., Suite 810, Washington, D.C. 20036.

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B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20035 (for Thomon-CSF,178 Boulevard Gabriel Péri, 92240 Malakoff, France).

A. Thea Rossi Barron, 303 Jackson Street, Falls Church, Va. 22046.

B. The Italian American Forum, 2626 Pennsylvania Avenue, Washington, D.C. 20037.

A. John E. Baughman, 5081 Stacy Drive, East, Harrisburg, Pa. 17111.

B. Pennsylvania State Education Association, 400 North Third Street, Harrisburg, Pa. 17105.

A. James Beizer, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Bell Helicopter Textron, Suite 300, 1666 K Street NW., Washington, D.C. 20006.

A. W. M. Benkert, American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

A. Richard B. Berman, Steak & Ale Restaurants of America, Inc., 12890 Hillcrest Road, Dallas, Tex. 75230.

B. Steak & Ale Restaurants of America, Inc., 12890 Hillcrest Road, Dallas, Tex. 75230.

A. Billig, Sher & Jones, 2033 K. Street NW., Washington, D.C. 20006.

B. The Adherence Group, 21 West Street, New York, N.Y. 10006.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street N.W., Suite 300, Washington, D.C. 20015.

B. MAPCO, 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

A. W. Stanley Blackburn, Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 100 Peachtree Street, Atlanta, Ga. 30303.

B. Kilpatrick, Cody, Rogers, et al. (for Chinese National Association of Industry and Commerce); 100 Peachtree Street, Atlanta, Ga. 30303.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.

B. RCA Global Communications, Inc., 60 Broad Street, New York, N.Y.

A. Joseph H. Blatchford, Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Government of El Salvador, Office of the President, San Salvador, El Salvador.

A. Joseph H. Blatchford, Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. David Blatt, 818 18th Street NW., Suite 750, Washington, D.C. 20006.

B. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.

A. Michael K. Blevins, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

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B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.

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B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, No. 800, Arlington, Va. 22209.

A. Gene Bottoms, American Vocational Association, 2020 North 14th Street, Arlington, Va. 22201.

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A. Thomas Edward Braswell, Jr., Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.

B. Newport News Shipbuilding & Drydock Co., North Washington Street, Newport News, Va.

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B. Lasker, Stone & Stern, 20 Broad Street, New York, N.Y.

A. Barbara Brendes, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. George Bristol, 1106 West Avenue, Austin, Tex.

B. E. F. Hutton & Co., Inc., 1 Battery Park Plaza, New York, N.Y. 10004.

A. Daniel T. Bross, United Gas Pipe Line Co., 1101 17th Street NW., Washington, D.C. 20036.

B. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.

A. Holmes Brown, Americans for SALT, Inc., 656 E Street NE., Washington, D.C. 20002.

B. Americans for SALT, Inc., 324 Fourth Street NE., Washington, D.C. 20002.

A. Thomas H. Brownell, 23820 30th Avenue South, B27, Kent, Wash. 98031.
B. Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

A. Richard L. Brubacher, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Kathryne M. Bruner, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif. 92138.

A. Joseph A. Bruno, 5110 41st Street NW., Washington, D.C. 20016.
B. FMC Corp., 1627 K Street NW., Washington, D.C. 20006.

A. Burke & Burke, 30 Rockefeller Plaza, New York, N.Y. 10020.
B. Amroc International Corp., 1 World Trade Center, New York, N.Y. 10048; Central Trust of China, 1 World Trade Center, New York, N.Y. 10048.

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A. Burson-Marsteller, Suite 750S, 1800 M Street NW., Washington, D.C. 20036.
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A. Busby, Rehm & Leonard, 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Automobile Importers of America, Inc., 1735 Jefferson Davis Highway, Suite 1002, Arlington, Va. 22202.

A. Butler, Binion, Rice, Cook & Knapp, 818 Connecticut Avenue NW., Suite 350, Washington, D.C. 20006.
B. City of Philadelphia, 1660 Municipal Services Building, Philadelphia, Pa. 19107.

A. Carl Byoir & Associates, Inc., 1899 L Street NW., Washington, D.C. 20036.
B. Railway Progress Institute Tank Car Safety Committee, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Thomas D. Byrne, 2111 Jefferson Davis Highway, 917N, Arlington, Va. 22202.
B. Alton Box Board Co., 401 Alton Street, Alton, Ill. 62002.

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B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Cadwalader, Wickersham & Taft, 11 Dupont Circle, Suite 450, Washington, D.C. 20036.
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A. Cadwalader, Wickersham & Taft, 11 Dupont Circle, Suite 450, Washington, D.C. 20036.
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A. David G. Calkins, Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

A. Paul W. Cane, 5 Corte Alegre, Greenbrae, Calif. 94904.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Caplin & Dryside, 1101 17th Street NW., Washington, D.C. 20036.
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B. Phillips Petroleum Co., Bartlesville, Okla.

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A. Jim Casey, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.
B. Garrison Diversion Conservancy District, P.O. Box 140, Carrington, N. Dak. 58421.

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B. RCA, 1901 North Moore Street, Arlington, Va.; United Technologies, 1125 15th Street NW., Washington, D.C.; Grumman Corp., 1600 Wilson Boulevard, Arlington, Va.; Martin Marietta Corp., Rockville, Md.

A. Central Station Electrical Protection Association, 1000 Vermont Avenue NW., Washington, D.C. 20005.

A. John A. Chambers, 1050 17th Street NW., Suite 680, Washington, D.C. 20036.
B. Satra Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.

A. David F. Chavkin, National Health Law Program, Inc., 1424 16 Street NW., Suite 304, Washington, D.C. 20036.
B. National Health Law Program, Inc., 2401 Main Street, Santa Monica, Calif. 90405.

A. Ed Chandler, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

A. Citizen Inflation Fighters, Inc., P.O. Box 617, Naples, Fla. 33939.

A. Donald M. Clarke, International Harvester Co., 1707 L Street NW., Washington, D.C. 20036.
B. International Harvester Co., 1707 L Street NW., Washington, D.C. 20036.

A. A. Stephens Clay, Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 2033 K Street NW., Suite 400, Washington, D.C. 20006.
B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 2033 K Street NW., Suite 400, Washington, D.C. 20006 (for Chinese National Association of Industry and Commerce).

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sporting Arms & Ammunition Manufacturers Institute, 420 Lexington Avenue, New York, N.Y. 10017.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, California 90067.

A. David Clingman, Americans for SALT, Inc., 4214 38th Street NW., Washington, D.C. 20016.
B. Americans for SALT, Inc., 324 Fourth Street NE., Washington, D.C. 20002.

A. Walter Clinton, 6845 Elm Street, Suite 500, McLean, Va. 22101
B. Jack McDonald Associates, Inc., 6845 Elm Street, Suite 500, McLean, Va. 22101, The Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005.

A. Coan, Couture & Lyons, 1625 I Street NW., Suite 1015, Washington, D.C. 20006.
B. Dealer Bank Association, 1800 K Street NW., Washington, D.C.

A. Coan, Couture & Lyons, 1625 I Street NW., Suite 1015, Washington, D.C. 20006.
B. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C.

A. Richard B. Cobb, Petroleum Council of Georgia, 230 Peachtree Street, NW., Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street, NW., Washington, D.C. 20037.

A. Herbert B. Cohn, Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800, Washington, D.C. 20036.
B. Committee on Capital Formation Through Dividend Reinvestment.

A. Calvin J. Collier, 1660 L Street NW., Washington, D.C. 20036.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

A. Committee on Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800, Washington, D.C. 20036.

A. Committee to Bar Discrimination In Construction, 9416 Seddon Road, Bethesda, Md. 20034.

A. Alexandra W. Cook, Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C., 20003.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. American Motorcyclist Association, P.O. Box 141, Westerville, Ohio 43081.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Bank of Louisville, 500 West Broadway, Louisville, Ky. 40202.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Brown & Williamson Industries, Inc., 2000 Citizens Plaza, Louisville, Ky. 40232.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Harley-Davidson Motor Co., Inc., P.O. Box 652, Milwaukee, Wis. 53201.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.

B. Ohio Valley Improvement Association, Inc., 401 Carew Tower, Cincinnati, Ohio 45202.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.

B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

A. John McD. Corn, Episcopal Immigration Services, 4201 Via Marina No. 167, Marina del Rey, Calif. 90291.

B. Episcopal Immigration Services, 4201 Via Marina No. 167, Marina del Rey, Calif. 90291.

A. Council To Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.

A. Raymond L. Courage, 1899 L Street NW., Washington, D.C. 20036.

B. Carl Byoir & Associates, Inc., 1899 L Street NW., Washington, D.C. 20036; (for Railway Progress Institute Tank Car Safety Committee, 700 North Fairfax Street, Alexandria, Va. 22314).

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Houdaille Industries, Inc., 1 Financial Plaza, Fort Lauderdale, Fla. 33394.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Penjerdel Corp., 1617 JFK Boulevard, No. 1960, Philadelphia, Pa. 19103.

A. Critical Mass Energy Project, 133 C Street SE., Washington, D.C. 20003.

A. Robert W. Cromartie, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

A. The Curtis Publishing Co., 1100 Waterway Boulevard, Indianapolis, Ind. 46206.

A. Fred H. Daly, 1725 K Street NW., Suite 1009, Washington, D.C. 20006.

A. Drew M. Davis, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Gary W. Davis, R.D. 1, Wood Road, Hummelstown, Pa. 17036.

B. Pennsylvania State Education Association, 400 North Third Street, Harrisburg, Pa. 17105.

A. Brian Deery, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. DeHart Associates, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. The University of New Mexico, 152 Scholes Hall, Albuquerque, N. Mex. 87131.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Governor Roberto de La Madrid, Post Office Box 286, San Ysidro, Calif. 92073.

A. Dell, Craighill, Fentress & Brown, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Santiago Roel, Avenida Honoaldo No. 1, Mexico, D.F.

A. Dell, Craighill, Fentress & Brown, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Jesus Almeida N., Mexican National Confederation of Livestock Producers, 16th Street, No. 3200, Chihuahua, Chihuahua, Mex.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Washington, D.C. 20006.

B. Jorge Diaz Serrano, Avenida Merino National No. 329, Edificio No. 1810, 120 Piso, Mexico, 17, D.F.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Washington, D.C. 20006.

B. Lic. Jose Carlos de Saracho Calderon, Bulevard Emiliao Zapata No. 2, P.O. Box 712, Culiacan, Sinaloa, Mex.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Can Co., American Lane, Greenwich, Conn. 06830.

A. Drew S. Diehl, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

A. Distilled Spirits Committee for International Trade, Suite 400, Federal Bar Building, 1819 H Street NW., Washington, D.C. 20006.

A. Cushing N. Dolbeare, 215 Eighth Street NE., Washington, D.C. 20002.

B. Ad Hoc Low Income Housing Coalition, 215 Eighth Street NE., Washington, D.C. 20002.

A. Julie Domenick, New York City Municipal Labor Unions, 818 18th Street NW., Suite 750, Washington, D.C. 20006.

B. Municipal Labor Committee on New York City, 140 Park Place, New York, N.Y. 10007.

A. Frank Domurad, Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

A. Jack C. Donovan, P.O. Box 5000, Room 612, Cleveland, Ohio 44101.

B. The Cleveland Electric Illuminating Co., P.O. Box 5000, Cleveland, Ohio 44101.

A. Joseph W. Dorn, Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 2033 K Street NW., Suite 400, Washington, D.C. 20006.

B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein (for Chinese National Association of Industry and Commerce), 2033 K Street NW., Suite 400, Washington, D.C. 20006.

A. Doub, Purcell, Muntzing & Hansen, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Washington, D.C.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Hampton Roads Energy Co., Security Marine Terminal Co., Suite 202, Central Office Building, 330 County Street, Portsmouth, Va. 23704.

A. Mary Jane C. Due, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Michael F. Duffy, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., No. 1200, Washington, D.C. 20006.

B. Adolph Kizas, 2633 Fort Farnsworth Road, Alexandria, Va. 22303.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., No. 1200, Washington, D.C. 20006.

B. Louisville & Nashville Railroad, 908 West Broadway, Louisville, Ky. 40201.

A. Vicki L. Dungan, Schanes Associates, 451 New Jersey Avenue SE., Washington, D.C. 20003.

B. National Employee Benefits Institute, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Vicki L. Dungan, Schanes Associates, 451 New Jersey Avenue SE., Washington, D.C. 20003.

B. Society of Professional Benefit Administrators, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Stuart Dunwoody, Consumer Energy Council of America, 1990 M Street NW., Suite 620, Washington, D.C. 20036.

B. Consumer Energy Council of America, 1990 M Street NW., Suite 620, Washington, D.C. 20036.

A. Peter B. Edelman, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Republic of the Philippines).

A. Steven G. Ellis, Suite 750S, 1800 M Street NW., Washington, D.C. 20036.

B. Burson-Marsteller (for Newport News Shipbuilding & Drydock Co.), Suite 750S, 1800 M Street NW., Washington, D.C. 20036.

A. Episcopal Immigration Services, 4201 Via Marina, No. 167, Marina del Rey, Calif. 90291.

A. Penelope S. Farthing, 1700 Pennsylvania Avenue NW., Suit 750, Washington, D.C. 20006.

B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Penelope S. Farthing, 1700 Pennsylvania Avenue NW., Suit 750, Washington, D.C. 20006.

B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Stanley S. Fine, 22 Light Street, Suite 402, Baltimore, Md. 21202.

B. Scientific Games Development Corp., 2625 Cumberland Parkway NW., Atlanta, Ga. 30339.

A. H. Barney Firestone, 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.

B. Assure Competitive Transportation, Inc., 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.

A. Douglas P. Fischer, National Beer Wholesalers' Association of America, 5205 Leesburg Pike, Falls Church, Va. 22041.

B. National Beer Wholesalers' Association of America, 5205 Leesburg Pike, Falls Church, Va. 22041.

A. John Hall Fitch, Jr., 1717 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.

B. National Society of Public Accountants, 1717 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.

A. M. Kendall Fleeharty, 1615 H. Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. John H. Florer, 9404 Thornhill Road, Silver Spring, Md. 20901.

B. National Motorsports Committee, 1701 K Street NW., Suite 1204, Washington, D.C. 20006.

A. Foodservice & Lodging Institute, 1666 K Street NW., Washington, D.C. 20006.

A. Richard J. Fox, Suite 503, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. of Indiana, 200 East Randolph Drive, Chicago, Ill. 60680.

A. Donald Fraher, 810 18th Street NW., Washington, D.C. 20006.

B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.

A. Peter Franchot, Union of Concerned Scientists, 1025 15th Street NW., Washington, D.C. 20005.

B. Union of Concerned Scientists, 1208 Massachusetts Avenue, Cambridge, Mass. 02138.

A. George Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. The Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.

A. Thomas C. Franks, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

A. Fried, Frank, Harris, Shriver & Kampelman, Suite 1000, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Automotive Dismantlers & Recyclers of America, 1000 Vermont Avenue NW., Washington, D.C. 20005.

A. Fried, Frank, Harris, Shriver & Kampelman, Suite 1000, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Center for Research Libraries, 5721 South Cottage Grove Avenue, Chicago, Ill. 60637.

A. Joseph B. Friedman, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Lucas, Friedman & Mann (for Republic of the Philippines), 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Gary R. Frink, Watergate 600, Suite 480, Washington, D.C. 20037.

B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.

A. Edward W. Furia, 3515 East Spring Street, Seattle, Wash. 98122.

A. Timothy P. Furlong, Manatt, Phelps, Rothenberg & Tunney, 1888 Century Park East, Los Angeles, Calif. 90067.

B. Northrop Corp., 1800 Century Park East, 12th Floor, Los Angeles, Calif. 90067.

A. Carl I. Gable, Jr., Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 100 Peachtree Street, Atlanta, Ga. 30303.

B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 100 Peachtree Street, Atlanta, Ga. 30303 (for Chinese National Association of Industry and Commerce).

A. Robert P. Gardner, Standard Brands Food Co., 1899 L Street NW., Suite 505, Washington, D.C. 20035.

B. Standard Brands Food Co., Standard Brands, Inc., 625 Madison Avenue, New York, N.Y. 10022.

A. Theodore J. Garrish, 1525 New Hampshire Avenue NW., Washington, D.C. 20036.

B. National Outdoor Coalition, 8387 Tamarind, Fontana, Calif. 92335.

A. Marie Gavigan, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. William G. Giery, 1666 K Street NW., Washington, D.C. 20006.

B. Foodservice and Lodging Institute, 1666 K Street NW., Washington, D.C. 20006.

A. Robert E. Ginther, Association of Local Transport Airlines, Suite 803, 1801 K Street NW., Washington, D.C. 20006.

B. Association of Local Transport Airlines, Suite 803, 1801 K Street NW., Washington, D.C. 20006.

A. J. F. Godfrey, P.O. Box 186, Fort Worth, Tex. 76101.

B. The Western Co. of North America, P.O. Box 186, Fort Worth, Tex. 76101.

A. Elliott Goldstein, Powell, Goldstein, Frazer & Murphy, Eighth Floor, 1634 Eye Street NW., Washington, D.C. 20006.

B. Ditter Brothers, Inc., P.O. Box 19833, Station N, Atlanta, Ga. 30325.

A. David L. Gordon, 6 E Street SE., Washington, D.C. 20003.

B. National Taxpayers Legal Fund, 6 E Street SE., Washington, D.C. 20003.

A. John S. Gottschalk, 1412 16th Street NW., Washington, D.C. 20036.

B. International Association of Fish & Wildlife Agencies, 1412 16th Street NW., Washington, D.C. 20036.

A. Government of El Salvador, Office of the President, San Salvador, El Salvador.

A. George R. Green, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Dean Griffin, American Vocational Association, 2020 North 14th Street, Arlington, Va. 22201.

A. Edward D. Griffith, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. John T. Grupenhoff, 6410 Rockledge Drive, Suite 208, Bethesda, Md. 20034.

B. National Association for Hospital Development, 1700 K Street NW., Suite 605, Washington, D.C. 20006.

A. William B. Gunter, Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 100 Peachtree Street, Atlanta, Ga. 30303.

B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 100 Peachtree Street, Atlanta, Ga. 30303 (for Chinese National Association of Industry & Commerce).

A. William B. Gunter, Kilpatrick, Cody, Rogers, McClatchey & Regenstein, Suite 400, 2033 K Street NW., Washington, D.C. 20006.

B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, Suite 400, 2033 K Street NW., Washington, D.C. (for Furniture Rental Association of America).

A. W. Craig Hackler, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C. 20036.

B. E. F. Hutton & Co., Inc., 1 Battery Park Plaza, New York, N.Y. 10004.

A. Charles W. Hackney, Jr., National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

A. Bruce N. Hahn, 9300 Livingston Road, Washington, D.C. 20022.

B. National Tool, Die and Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Haley, Bader & Potts, 1730 M Street NW., Suite 700, Washington, D.C. 20036.

B. Pilots Rights Association, P.O. Box 7000-367, Redondo Beach, Calif. 90277.

A. Cheryl A. Haley, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill., 60611.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.

B. Helicopter Association of America, 1156 15th Street NW., Washington, D.C. 20005.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.

B. Kansas Grain and Feed Dealers Association, 1722 North Plum, Hutchison, Kans. 67501.

A. Richard F. Hall, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Stanley Hamilton, Common Carrier Conference—Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C. 20036.

B. Common Carrier Conference—Irregular Route, 1616 P Street NW., Washington, D.C. 20036.

A. Elisabeth Hanlin, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.

B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

A. J. E. Hansen, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill., 60056.

A. W. Risque Harper, National Congress of Petroleum Retailers, Inc., 2021 K Street NW., Suite 303, Washington, D.C. 20006.

B. National Congress of Petroleum Retailers, Inc., 2021 K Street NW., Suite 303, Washington, D.C. 20006.

A. James E. Hawkins, 1725 DeSales Street NW., Suite 402, Washington, D.C. 20036.

B. National Demonstration Water Project, 1725 DeSales Street NW., No. 402, Washington, D.C. 20036.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.

B. P. Mastrippolito and Sons, Inc., Box 445, Embreeville, Coatesville, Pa. 19320.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell and Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.

B. Petroleum Heat and Power Co., 3000 Peltz Street, Philadelphia, Pa. 19145.

A. Henkel & Lamon, 2500 Peachtree Center, Cain Tower, 229 Peachtree Street NE., Atlanta, Ga. 30303.

B. Small Business Council of America, 702 Longfellow Building, 1201 Connecticut Avenue NW., Washington, D.C. 20036.

A. William R. Hesse, 1899 L Street NW., Suite 700, Washington, D.C. 20036.

B. American Association of Advertising Agencies, 200 Park Avenue, Pan Am Building, New York, N.Y. 10017.

A. Bert Ingalls, Hickman, Jr., The Keefe Co., 1625 Massachusetts Avenue NW., Suite 505, Washington, D.C. 20036.

B. Cordage Institute, 1625 Massachusetts Avenue, Washington, D.C. 20036.

A. Kevin M. Higgins, 9 West 57th Street, New York, N.Y. 10019.

B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. Richard E. Hill, Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Northwest Alaska Pipeline Co., P.O. Box 1526, Salt Lake City, Utah 84110.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Schrader Stoves, Inc., Energy Alternatives, Inc., J.N.J. Enterprises, Inc., c/o Fisher Stoves International, Inc., P.O. Box 10605, Eugene, Oreg. 97440.

A. Taft Holland, 5600 Oakmont Avenue, Bethesda, Md. 20034.

B. Santa Associates, 5600 Oakmont Avenue, Bethesda, Md. 20034.

A. E. Y. Holt, Jr., National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. Gary Hong, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., 701, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., 701, Washington, D.C. 20036.

A. Fortescue W. Hopkins, Box 218, Daleville, Va. 24083.

B. Graham-White Manufacturing Co., P.O. Box 1099, Salem, Va. 24153.

A. Michael L. Horn, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. Karl T. Hoyle, Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Suite 810, Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Suite 810, Washington, D.C. 20036.

A. Karetta B. Hubbard, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

A. John K. Iglehart, 900 17th Street, NW., Washington, D.C. 20006.

B. Kaiser Foundation Health Plan, Inc.

A. Mary Lee Jackson, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.

B. Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.

A. Mary Jo Jacobi, 1101 15th Street NW., Washington, D.C. 20005.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

A. Roy Jacobsen, 6845 Elm Street, No. 500, McLean, Va. 22101.

B. Jack McDonald Associates, Inc., 6845 Elm Street, No. 500, McLean, Va. 22101 (for The Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005).

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.

B. Cooperative League of the USA, 1828 L Street NW., Washington, D.C. 20036.

A. E. A. Jaenke & Associates Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.

B. Distilled Spirit Committee for International Trade, 1819 H Street NW., Suite 400, Washington, D.C. 20006.

A. Jane Johnston, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Norvill Jones, 1620 I Street NW., Washington, D.C. 20006.

B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.

A. Thomas O. Kay, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

A. Robert J. Keefe, The Keefe Co., 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Cordage Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Candace Keller, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

A. Michael T. Kelley, Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.

B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.

A. William J. Kenney, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. New England Gas Distributors Group.

A. John A. Keutmann, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

A. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, 100 Peachtree Street, Atlanta, Ga.

B. Chinese National Association of Industry and Commerce, 4th floor, Yu-Ming Mansion, 7 Roosevelt Road, section 1, Taipei, 107, Taiwan (ROC).

A. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, Suite 400, 2033 K Street NW., Washington, D.C. 20006.

B. Furniture Rental Association of America, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Kurrus, Dyer & Jacobi, 1055 Thomas Jefferson Street NW., No. 418, Washington, D.C. 20007.

A. Kutak, Rock & Huie, The Omaha Building, 1650 Farnam Street, Omaha, Neb. 68102.

B. E. F. Hutton & Co., Inc., 1 Battery Park Plaza, New York, N.Y. 10004.

A. Kutak, Rock & Huie, 1101 Connecticut Avenue NW., 11th floor, Washington, D.C. 20036.

B. Old Stone Bank, 150 South Main Street, Providence, R.I.

A. David F. Lambert III, Suite 1101, 2001 Jefferson Davis Highway, Arlington, Va. 22202.

B. Automotive Occupant Protection Association, Suite 1101, 2001 Jefferson Davis Highway, Arlington, Va. 22202.

H. Harry J. Lambeth, 725 15th Street NW., Suite 700, Washington, D.C. 20005.

B. Council to Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.

A. Joanne Lamere, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.

B. Johns-Manville, Corp. P.O. Box 5108, Denver, Colo. 80217.

A. S. J. Lanahan, Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Estate of Mary Adams, P.O. Box 1208, Savannah, Ga. 31402.

A. Latham, Watkins & Hills, 1333 New Hampshire Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Republic National Bank, 5200 North Shepherd, Houston, Tex. 77018.

A. Ivan L. Lawyer, GCC Beverages, Inc., 7777 Northwest 41st Street, Miami, Fla. 33159.

B. GCC Beverages, Inc., 777 Northwest 41st Street, Miami, Fla. 33159.

A. Charles W. Lee, 207 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Committee for Full Funding of Education Programs, 207 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Robert B. Leflar, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Joseph M. Leigh, 13800 Northeast Sixth Avenue, Apt. 4, North Miami, Fla. 33161.

B. Senior Pilots Association, P.O. Box 530164, Miami, Fla. 33153.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. The Adhesive and Sealant Council, Inc., 1500 North Wilson Boulevard, Suite 1117, Arlington, Va. 22209.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Agri International, Inc., 1016 22d Street NW., Washington, D.C. 20036.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. American Association of Nurse Anesthetists 11 East Wacker Drive, Chicago, Ill. 60601.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. American Dental Assistants Association, 666 North Lake Shore Drive, Suite 1130, Chicago, Ill. 60611.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. American Telecom of Maryland, Inc., 5110 College Avenue, College Park, Md. 20740.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. City & Regional Magazine Association, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Delex International, Inc., 1111 19th Street, Arlington, Va. 22209.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Developmental Healthcare & Wellness, Inc., 6188 Oxon Hill Road, Oxon Hill, Md. 20021.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Family Practice Life & Health Action Research Institute, Inc., 6188 Oxon Hill Road, Oxon Hill, Md. 20021.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Fireman's Fund Insurance Co., 1600 Los Gamos Drive, San Rafael, Calif. 94911.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Gem Mailing, Inc., 9760B George Palmer Highway, Lanham, Md. 20801.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Intraocular Lens Manufacturers Association, 1420 Crestview Avenue, Seal Beach, Calif. 90740.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Jet American International, Inc., General Aviation Terminal, Washington National Airport, Washington, D.C. 20001.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C. 20006.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. National Glass Dealers Association, 1000 Connecticut Avenue NW., Suite 212, Washington, D.C. 20036.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. National Macaroni Manufacturers Association, P.O. Box 336, Palatine, Ill. 60067.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. The ROVAC Corp., 100 Rovac Parkway, Rockledge, Fla. 32955.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Security Associates, Inc., 1 Washington Circle, Washington, D.C. 20037.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Ted Turner & Turner Communications Corp., 1018 West Peachtree Street NW., Atlanta, Ga. 30309.

A. Leighton Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Universal Medical Laboratory, Inc., 2141 K Street NW., Suite 108, Washington, D.C. 20006.

A. Carl Levin, Suite 750S, 1800 M Street NW., Washington, D.C. 20036.

B. Burson-Marsteller (for Newport News Shipbuilding and Drydock Co.), Suite 750S, 1800 M Street NW., Washington, D.C.

A. Dan Lewolt, 6 E Street SE., Washington, D.C. 20003.

B. National Taxpayers Legal Fund, 6 E Street SE., Washington, D.C. 20003.

A. William J. Lhota, 301 Cleveland Avenue SW., Canton, Ohio 44702.

B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702 (a subsidiary of American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004).

A. Naomi R. Licker, Kilpatrick, Cody, Rogers, McClatchey & Regenstein, Suite 400, 2033 K Street NW., Washington, D.C. 20006.

B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, Suite 400, 2033 K Street NW., Washington, D.C. 20006 (for Furniture Rental Association of America).

A. William Lilley III, American Express Co., 1700 K Street NW., Washington, D.C. 20006.

B. American Express Co., American Express Plaza, N.Y. 10004.

A. Leslie Loble, 1411 K Street NW., No. 850, Washington, D.C. 20005.

B. Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.

A. Robert H. Loeffler, Isham, Lincoln & Beale, Suite 701, 1050 17th Street NW., Washington, D.C. 20036.

B. State of Alaska, Department of Natural Resources, Pouch M, State Capitol, Juneau, Alaska 99811.

A. Timothy B. Lovain, New Directions, 305 Massachusetts Avenue NE., Washington, D.C. 20002.

B. New Directions, 305 Massachusetts Avenue NE., Washington, D.C. 20002.

A. Lucas, Friedman & Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Republic of the Philippines.

A. Kathy K. Luhn, 1899 L Street NW., Suite 403, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1899 L Street NW., Suite 403, Washington, D.C. 20036.

A. Jack A. MacDonald, National Council of Health Care Services, 1200 15th Street NW., No. 601, Washington, D.C. 20005.

B. National Council of Health Care Services, 1200 15th Street NW., Washington, D.C. 20005.

A. Edward C. Maeder, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Government of Morocco, Rabat, Morocco), 1225 19th Street NW., Washington, D.C. 20036.

A. James H. Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Lucas, Friedman & Mann (for Republic of the Philippines), 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Milton C. Mapes, Jr., c/o National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

B. National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

A. Marshall, Bratter, Greene, Allison & Tucker, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. ADP Pension Services, Inc., 180 Newport Center Drive, Newport Beach, Calif. 92663.

A. Joseph J. Martyak, Union Carbide Corp., Suite 1250, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. W. A. Mason, Southwestern Electric Power Co., P.O. Box 21106, Shreveport, La. 71156.

B. Southwestern Electric Power Co., P.O. Box 21106, Shreveport, La. 71156.

A. Herbert S. Matthews, Box 72, Mechanicsville, Md. 20659.

B. National Motorsports Committee, 1701 K Street NW., Washington, D.C. 20006; Jacksonville Transportation Authority, Box 5150, Jacksonville, Fla. 32207; Martin-Marietta Aerospace, 6801 Rockledge Drive, Bethesda, Md. 20034.

A. Samuel L. Maury, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

A. Douglas E. McAllister, American Mining Congress, 1100 Ring Building, Washington, D.C. 20033.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. A. R. McCammon, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Class I Railroads.

A. Sean A. McCarthy, 8003 Westpark Drive, McLean, Va. 22102.

B. Satellite Business Systems, 8003 Westpark Drive, McLean, Va. 22102.

A. Sally McCormick, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Jack McDonald, 6845 Elm Street, No. 500, McLean, Va. 22101.

B. Jack McDonald Associates, Inc. (for The Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005), 6845 Elm Street, No. 500, McLean, Va. 22101.

A. Jack McDonald Associates, Inc., 6845 Elm Street, No. 500, McLean, Va. 22101.

B. The Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005.

A. P. Anne McGhee, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Gregory E. McGowan, Firestone Tire & Rubber Co., 1730 K Street NW., Suite 915, Washington, D.C. 20006.

B. The Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.

A. Janice McLaughlin, 1718 P Street NW., No. T 15, Washington, D.C. 20036.

B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. James D. McMillan, Suite 1100, 1899 L Street, NW., Washington, D.C. 20036.

B. Exxon Corp., 1261 Avenue of the Americas, New York, N.Y.

A. James A. McPherson, Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Michigan Knife Co., 120 Pere Marquette Street, Big Rapids, Mich. 49307.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Outdoor Amusement Business Association, 4600 West 77th Street, Minneapolis, Minn. 55435.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans-Alaska Pipeline Liability Fund, 601 West Fifth Avenue, Suite 700, Anchorage, Alaska 99501.

A. Wayne L. Millsap, Suite 2300, Clayton Inn Center, 7777 Bonhomme Avenue, St. Louis, Mo. 63105.
B. Seven-Up Bottling Co. of St. Louis, Mo., 555 Brown Road, St. Louis, Mo.

A. J. L. Milne, Sierra Club, 300 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Daniel Minchew, 3911 Bradley Lane, Chevy Chase, Md. 20015.

A. Richard V. Minck, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

A. A. W. Mininni, 2878 Sherwood Road, Columbus, Ohio 43209.
B. National Resisters to the Selling of America, 1187 East Broad Street, Columbus, Ohio 43205.

A. John S. Monagan, 1333 New Hampshire Avenue NW., Washington, D.C. 20006.
B. Central Station Electrical Protection Association, 1000 Vermont Avenue NW., Washington, D.C. 20005.

A. Elizabeth R. Monro, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800, Washington, D.C. 20036.
B. Committee on Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800, Washington, D.C. 20036.

A. George E. Morrow, 705 Union Planters National Bank Building, Memphis, Tenn. 38103.
B. Briarcrest Baptist School System, Inc., 842 Sweetbriar Road, Memphis, Tenn. 38138.

A. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.

A. Murdoch & Walsh, P.O. Box 949, Wilmington, Del. 19899.
B. Small Business Council of America, Inc., 702 Longfellow Building, 1201 Connecticut Avenue NW., Washington, D.C. 20036.

A. Ralph D. Murphine, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Committee to Preserve the Appalachian Coal Market, Suite 507, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. Hardy L. Nathan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. National Association for Neighborhood Schools, Inc., P.O. Box 14887, Columbus, Ohio 43214.

A. National Association of Personnel Consultants, 1012 14th Street NW., 15th Floor, Washington, D.C. 20005.

A. National Coordinating Committee for Multiemployer Plans, 815 16th Street NW., Suite 603, Washington, D.C. 20006.

A. National Employee Benefits Institute, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. National Industrial Traffic League, 1909 K Street NW., Suite 410, Washington, D.C. 20006.

A. National Low Income Housing Coalition, 215 Eighth Street NE., Washington, D.C. 20002.

A. National Maritime Council, 1742 N Street NW., Washington, D.C. 20036.

A. National Peace Academy Campaign, 1625 I Street NW., Suite 123–4, Washington, D.C. 20006.

A. National Realty Committee, Inc., 2033 M Street NW., Washington, D.C. 20036.

A. National Resisters to the Selling of America, 87 East Broad Street, Columbus, Ohio 43205.

A. National Taxpayers Legal Fund, 6 E Street SE., Washington, D.C. 20003.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, Crystal Lake, Ill. 60014.

A. Janet G. Newport, National Oil Jobbers Council, Inc., 1707 H Street NW., 11th floor, Washington, D.C. 20006.
B. National Oil Jobbers Council, 1707 H Street NW., 11th floor, Washington, D.C. 20006.

A. Nicholas John Nichols, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute Certified Public Accountants, 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Julia J. Norrell, 1801 K Street NW., Suite 821, Washington, D.C.20006.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y. 10017; 1801 K Street NW., Washington, D.C. 20006.

A. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Clifford R. Northup, Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Suite 810, Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Suite 810, Washington, D.C. 20036.

A. Nossaman, Krueger & Marsh, 850 K Street NW., Suite 215, Washington, D.C. 20006.
B. Montco, Billings, Mont. 59107; Nance Cattle Co., Birney, Mont. 59012.

A. Mark J. Nuzzaco, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

A. Thomas A. O'Day, 1776 F Street NW., Washington, D.C.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., 8th floor, Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., No. 600, Washington, D.C. 20006.
B. National Hockey League.

A. O'Neill & Forgotson, 1220 19th Street NW., Washington, D.C. 20036.
B. Texas Oil and Gas Corp., Fidelity Union Tower, Dallas, Tex. 75201.

A. O'Neill & Forgotson, 1220 19th Street NW., Washington, D.C. 20036.
B. Texas Utilities Services, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.

A. Barbro Owens, 1957 E Street NW., Washington, D.C. 2006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Ann L. Parenteau, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. Linda Kaye Parson, Cities Service Co., Suite 207, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., Suite 207, 1660 L Street NW., Washington, D.C. 20036.

A. Thomas Patterson, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Benamy International, Inc., 3937 Oakcliff Industrial Court NE., Atlanta, Ga. 30340.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Handicraft Designs, Inc., 87 Commerce Drive, Talford, Pa. 18969.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Pepsico, Inc., Purchase, N.Y., 10577.

A. Andrew R. Paul, Suite 920, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Washington, D.C. 20037.

A. Peabody, Rivlin, Lambert & Meyers, Glenn R. Reichardt, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Michigan Knife Co., 120 Pere Marquette Street, Big Rapids, Mich. 49307.

A. Elinor Peretsman, 55 Tain Drive, Great Neck, N.Y. 11021.
B. United Action for Animals, 205 East 42d Street, New York, N.Y. 10017.

A. Sammye J. Phelps, 4723 Crestwood Drive, Little Rock, Ark. 72207.

B. Sanyo Manufacturing Corp., 3333 Sanyo Road Forrest City, Ark. 72335.

A. Richard P. Pollock, 133 C Street SE., Washington, D.C. 20003.

B. Critical Mass Energy Project, 133 C Street SE., Washington, D.C. 20003.

A. Joan E. Porte, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

A. Raymond K. Pope, 1639 K Street NW., Suite 800, Washington, D.C. 20006.

B. Amfac, Inc., 50 O'Farrell Street, San Francisco, Calif. 94120.

A. William B. Prendergast, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, Washington, D.C. 20006.

B. The Alaska Railroad, Pouch 7-21111, Anchorage, Alaska 99510.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, Washington, D.C. 20006.

B. National Education Association, 1201 16th Street NW., Washington, D.C.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, Washington, D.C. 20006.

B. State of Alaska, Juneau, Alaska.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, Washington, D.C. 20006.

B. State of Washington, Department of Ecology, Olympia, Wash.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, Washington, D.C. 20006.

B. United States Cruises, Inc., 2200 Sixth Avenue, Seattle, Wash. 98121.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, D.C. 20006.

B. Washington Natural Gas, 815 Mercer, Seattle, Wash.

A. Susan E. Pridgen, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Carlsbrook Industries, Inc., Sutton Metropark Building, 33 Wood Avenue South, Iselin, N.J. 08830.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Citricos de Chiriqui, S.A., 1345 Avenue of the Americas, New York, N.Y.

A. Randall, Bangert & Thelen, 1625 K Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Gary B. Randall, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

A. A. G. Randol III, 1899 L Street NW., No. 1100, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. G. David Ravencraft, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

A. Reid & Priest, c/o Richard C. Allison, 40 Wall Street, New York, N.Y. 10005.

B. Shanghai Power Co., P.O. Box 50, Boise, Idaho 83728.

A. Jerry E. Reider, 2361 Jefferson Davis Highway, Arlington, Va. 22202.

B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.

A. Allan R. Rexinger, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Kent Rhodes, Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.

B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.

A. Mark E. Richardson, 1900 L Street NW., Suite 710, Washington, D.C. 20036.

B. Business Round Table, 1901 K Street NW., Washington, D.C. 20036.

A. Douglas A. Riggs, 516 First Street SE., Washington, D.C. 20003.

B. Citizens for Management of Alaska Lands, P.O. Box 3256 DT, Anchorage, Alaska 99510.

A. Valentin Riva, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Danny R. Robertson, 3306 Loyola Lane, Austin, Tex. 78723.

B. Coronado Exploration Co., Inc., 3303 67th, Lubbock, Tex. 79413.

A. Betty S. Robinson, United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.

B. United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

A. James T. Rogers, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Teno Roncalio, 601 Rocky Mountain Plaza, P.O. Box 1701, Cheyenne, Wyo. 82001.

B. Northwest Alaskan Pipeline Co., 1801 K Street NW., Washington, D.C. 20006.

A. Rose, Schmidt, Dixon, Hasley, Whyte & Hardesty, 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. Institute of Makers of Explosives, 420 Lexington Avenue, New York, N.Y. 10017.

A. Barry A. Ross, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Kathleen B. Ross, National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.

B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.

A. Michael O. Roush, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

A. Edward J. Russell, 420 Cedarcroft Road, Baltimore, Md. 21212.

B. United Gamefowl Breeders Association, P.O. Box 267, Muskogee, Okla. 74401.

A. St. Joe Paper Co., P.O. Box 1380, Jacksonville, Fla. 32201.

A. Frank Max Salinger, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

A. David Sandler, National Council of Community Mental Health Centers, 2233 Wisconsin Avenue, NW, Suite 322, Washington, D.C. 20007.

B. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., Suite 322, Washington, D.C. 20007.

A. Donald E. Santarelli, 2033 M Street NW., Suite 700, Washington, D.C. 20036.

B. Kings River Water Users Committee.

A. Albert C. Saunders, 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. W. P. Sayles, P.O. Box 841, Abilene, Tex. 79604.

B. West Texas Utilities Co., P.O. Box 841, Abilene, Tex. 79604.

A. Schanes Associates, 451 New Jersey Avenue SE., Washington, D.C. 20003.

B. National Employee Benefits Institute, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Schanes Associates, 451 New Jersey SE., Washington, D.C. 20003.

B. Society of Professional Benefit Administrators, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Steven E. Schanes, Schanes Associates, 451 New Jersey Avenue SE., Washington, D.C. 20003.

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A. Kathi L. Schear, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Deborah M. Schechter, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Arthur L. Schmuhl, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street N.W., Washington, D.C. 20006.

A. Mark Schultz, The Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. James H. Schuyler, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Street NW., Washington, D.C. 20005.

A. William F. Schwind, Jr., Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
F Marathon Oil Co., Findlay, Ohio 45840.

A. Sandy Sedacca, Americans for SALT, Inc., 12109 Grand View Avenue, Wheaton, Md. 20902.
B. Americans for SALT, Inc., 324 Fourth Street NE., Washington, D.C. 20002.

A. John H. Sharon, 1800 M. Street NW., Washington, D.C. 20036.
B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Place d'Armes, Port Louis, Mauritius.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y.
B. BancNorthwest et al., 7100 Sears Tower, Chicago, Ill. 60606.

A. Karl Shipley, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. 6th Pro-Life-Congressional District Action Committee, 878 Sixth Avenue South, St. Petersburg, Fla. 33701.

A. Donald E. Sinville, Public Service Co. of New Hampshire, 227 North Street, Manchester, N.H. 03104.
B. Public Service Co. of New Hampshire, Manchester, N.H. 03105.

A. William Slider, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

A. Small Business Council of America, Inc., 702 Longfellow Building, 1201 Connecticut Avenue NW., Washington, D.C. 20036.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. City Gas Co. of Florida, 955 East 25th Street, Hialeah, Fla. 33013.

A. Douglas J. Smith & Associates, 2550 M Street NW., Suite 300, Washington, D.C. 20037.
B. Institute of Signage Research, 4020 Fabian Way, Palo Alto, Calif. 94304.

A. Douglas J. Smith & Associates, 2550 M Street NW., Suite 300, Washington, D.C. 20037.
B. National Electric Sign Association, 2625 Butterfield Road, Suite 310E, Oak Brook, Ill. 60521.

A. Douglas J. Smith & Associates, 2550 M Street NW., Suite 300, Washington, D.C. 20037.
B. Sperry Gyroscope, Great Neck, N.Y. 11020.

A. Nancy L. Smith, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Norman J. Snow, 1660 L Street NW., Suite 504, Washington, D.C. 20036.
B. Rohr Industries, Inc., P.O. Box, 878, Chula Vista, Calif. 92012.

A. Snyder & Ball Associates, Inc., 1111 Army Navy Drive, No. A-111, Arlington, Va. 22202.
B. Aerojet-General Corp., 9100 East Flair Drive, El Monte, Calif. 91734.

A. John M. Snyder, 600 Pennsylvania Avenue SE., Suite 205, Washington, D.C. 20003.
B. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE, Suite 151, Bellevue, Wash. 98004.

A. Society of Professional Benefit Administrators, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Henry A. Solomon, Pilots Rights Association, P.O. Box 7000-367, Redondo Beach, Calif. 90277.
B. Pilots Rights Association, P.O. Box 7000-367, Redondo Beach, Calif. 90277.

A. Rodney K. Spackman, National Association of Manufacturers, 601 North Vermont Avenue, Suite 205, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. William J. Spencer, c/o National Peace Academy Campaign, 1625 I street NW., Suite 123-4, Washington, D.C. 20006.
B. National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

A. John M. Starke III, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Samuel E. Stavisky & Associates Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Instituto Brasilerio do Café (Brazilian Coffee Institute), 767 Fifth Avenue, New York, N.Y. 10022.

A. Barbara Diane Steigler, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street, NW., Washington, D.C. 20005.

A. Elizabeth Bell Stengel, 9 Seventh Street SE., Washington, D.C. 20003.
B. Action for Children's Television, 46 Austin Street, Newtonville, Mass. 02160.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Bank of America, Bank of America Center, San Francisco, Calif. 94137.

A. Scott E. Sterling, Schanes Associates, 451 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Employee Benefits Institute, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Scott E. Sterling, Schanes Associates, 451 New Jersey Avenue SE., Washington, D.C. 20003.
B. Society of Professional Benefit Administrators, 451 New Jersey Avenue SE., Washington, D.C. 20003.

A. Richard W. Sternberg, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Karen L. Stevens, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C.

A. Michael Stientjes, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

A. David E. Strachan, National Association of Personnel Consultants, 1012 14th Street NW., 15th floor, Washington, D.C. 20005.
B. National Association of Personnel Consultants, 1012 14th Street NW., 15th floor, Washington, D.C. 20005.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. J. Aron & Co., Inc., 160 Water Street, New York, N.Y. 10030.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Mrs. Patsy Perry, 70 Glen Cove Road, Roslyn Heights, N.Y.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Scientific Games International, Inc., 2625 Cumberland Parkway NW., Atlanta, Ga. 30339.

A. George Strumpf, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

A. Sullivan, Beauregard, Clarkson, Moss, Brown & Johnson, 1800 M Street NW., Suite 925, Washington, D.C. 20036.
B. Holly Corp., 2001 Bryan Tower, Suite 2680, Dallas, Tex. 75201.

A. Daniel C. Sullivan, 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.
B. Assure Competitive Transportation, Inc., 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Suite 1200, Washington, D.C. 20005.
B. Government of the Republic of Zaire, Kinshasa, Zaire.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Suite 1200, Washington, D.C. 20005.
B. Hamilton Brothers Oil Co., Great Britain, Ltd., 1600 Broadway, Suite 2600, Denver, Colo. 80202.

A. Frank L. Sundstrom, 19 Country Club Drive, Chatham, N.J. 07928.
B. Ad Hoc Committee of American Distillers.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Life Companies, Suite 1060, Tower Place, 3340 Peachtree Road NE., Atlanta, Ga. 30326.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Nord Resources Corp., Ole Town Park, 39 Iron Gate Drive, Dayton, Ohio 45459.

A. Mary V. Swann, Route 1, Box 305, Berryville, Va. 22611.
B. Gulf and Atlantic Coast Ports, P.O. Box 60046, New Orleans, La. 70160.

A. Lewis M. Taffer, American Express Co., 1700 K Street NW., Washington, D.C. 20036.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. C. Michael Tarone, 2033 M Street NW., Suite 700, Washington, D.C. 20036.
B. Santarelli & Gimer (for Kings River Water Users Committee), 2033 M Street NW., Suite 700, Washington, D.C. 20036.

A. Arthur Earle Teele, Jr., P.O. Box 1877, 135 South Monroe Street, Suite 100C, Tallahassee, Fla. 32302.
B. National Motorsports Committee, 1710 K Street NW., Washington, D.C. 20036.

A. 10th Pro-Life Congressional District Action Committee, 1338 Lafayette Street, Cape Coral, Fla. 33904.

A. Texas Students for Political Activity, Box 172 Plemons Route, Borger, Tex. 79007.

A. Textron, Inc., 40 Westminister Street Providence, R.I. 02903.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue NW, Suite 1128, Washington, D.C. 20036.
B. Time-Critical Shipment Committee.

A. Doris I. Thomas, National Association of Home Builders of the United States, 15th and M Streets NW, Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

A. C. H. Timberlake, Phillips Petroleum Co., 1825 K Street NW, Suite 1107, Washington, D.C.
B. Phillips Petroleum Co., Bartelsville, Okla.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Office of the Governor of the State of Alaska, 444 North Capitol Street NW., Washington, D.C. 20001.

A. Ron Tipton, the Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Title Associates, Inc., Route 2, Box 89, Columbia, Tenn. 38401.

A. M. Douglas Todd, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C. 20006.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C. 20006.

A. Philip J. Tulimieri, Jr., 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y.

A. G. John Tysse, Kimberly-Clark Corp., Suite 1000, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.

A. United States Cruises, Inc., 2200 Sixth Avenue, Seattle, Wash. 98121.

A. Henry A. S. van Daalen, 4424 Montgomery Avenue, Bethesda, Md. 20034.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Allied-General Nuclear Service, Barnwell, S.C. 29812.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

A. Gerald W. Vaughan, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.

A. John P. Venners, 1899 L Street NW., Suite 1250, Washington, D.C. 20036.
B. Venners and Co., 1899 L Street NW., Suite 1250, Washington, D.C. 20036 (for Koch Industries, P.O. Box 2302, Wichita, Kans. 67201).

A. David Vienna, 1523 L Street NW., Suite 200, Washington, D.C. 20005.
B. American Health Planning Association, 1601 Connecticut Avenue, Seventh Floor, Washington, D.C. 20009.

A. David Vienna, 1523 L Street NW., Suite 200, Washington, D.C. 20005.
B. Medi-Cal Audit Project, State Capitol, Sacramento, Calif. 95814.

A. David Vienna, 1523 L Street NW., Suite 200, Washington, D.C. 20005.
B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.

A. Vorys, Sater, Seymour & Pease, 1800 M Street NW, Suite 800 South, Washington, D.C. 20036.
B. Ohio Manufacturers Association, 100 East Broad Street, Columbus, Ohio 43215.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Telephone & Telegraph Co., 2000 L Street NW., Washington, D.C. 20036.

A. Charls E. Walker Associates., Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Telephone & Electronics, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. ML Barge Management Corp., 60 East 42d Street, New York, N.Y. 10017.

A. R. Douglas Wallin, Jr., 2361 Jefferson Davis Highway, Arlington, Va. 22202.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Joseph Waterman, P.O. Box 09768, Columbus, Ohio.
B. National Resisters to the Selling of America, 87 East Broad Street, Columbus, Ohio 43205.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., No. 317, Washington, D.C. 20036.
B. Canada-France Hawaii Telescope Corp., Kamuela, Hawaii 96743.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., No. 317, Washington, D.C. 20036.
B. Council of Creative Artists, Libraries & Museums, 250 West 57th Street, New York, N.Y.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., No. 317, Washington, D.C. 20036.
B. Trans-Lux Corp., 625 Madison Avenue, New York, N.Y. 10022.

A. The Western Co. of North America, P.O. Box 186, Fort Worth, Tex. 76101.

A. Charles W. Whalen, Jr., New Directions, 305 Massachusetts Avenue NE., Washington, D.C. 20002.
B. New Directions, 305 Massachusetts Avenue NE., Washington, D.C. 20002.

A. William Whichard, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. John F. White, National Beer Wholesalers' Association of America, 5205 Leesburg Pike, Falls Church, Va. 22041.
B. National Beer Wholesalers' Association of America, 5205 Leesburg Pike, Falls Church, Va. 22041.

A. Gary L. Whittle, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Emily M. Williams, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.
B. RCA Global Communications, Inc., 60 Broad Street, New York, N.Y.

A. Williams & Jensen, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
B. Feather & Down Association, Inc., 4441 Auburn Boulevard, Suite O, Sacramento, Calif. 95841.

A. Williams & Jensen, 1101 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.
B. Lanham Act Preservation Association, 1101 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.

A. Williams & Jensen, 1101 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Williams & Jensen, 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

A. Williams & Jensen, 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.
B. Southern California Gas Co., 1150 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Mrs. Bjorg Opdahl Wilson, 6107 Greentree Road, Bethesda, Md. 20034.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C.

A. Winner/Wagner & Associates, Inc., 6535 Wilshire Boulevard, Los Angeles, Calif. 90048.
B. Rockwell International Space Systems Division, Downey, Calif.

A. Kurt D. Witzel, 1601 114th Street SE., Suite 151, Bellevue, Wash. 98004.
B. Citizens Committee for the Right to Keep and Bear Arms, American Hunting Union Division, 1601 14th Street SE., No. 151, Bellevue, Wash. 98005.

A. Herman Wolf, P.O. Box 747, Fairfield, Conn. 06430.
B. Heublein, Inc., Farmington, Conn. 06032.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France), 1225 19th Street NW., Washington, D.C. 20036.

A. D. Scott Yohe, 1629 K Street NW., Room 204, Washington, D.C. 20006.

B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.

A. Youth Project, 1555 Connecticut Avenue NW., Suite 501, Washington, D.C. 20036.

A. Harry M. Zachem, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Second Floor, Washington, D.C. 20006.

B. DHL Corp., 411 East Capitol Street, Washington, D.C. 20001.

A. Carl E. Zwisler III, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.

B. International Franchise Association, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.

QUARTERLY REPORTS*

***All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.**

The following quarterly reports were submitted for the second calendar quarter 1977:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19....... ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PAGE 2

A. Robert J. Aagre, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $21.50.

A. Albert E. Abrahams, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $5,875. E. (9) $401.22.

A. ACLI International, Inc., 717 Westchester Avenue, White Plains, N.Y. 10604.
E. (9) $1,096.21.

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,824.40

A. Thomas L. Adams, Jr., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Kenneth R. Adams, Volkswagen of America, Inc., 475 L'Enfant Plaza Southwest, Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092.
D. (6) $300.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $11,770.43. E. (9) $11,770.43.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,100. E. (9) $5,897.04.

A. Donald G. Agger, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).

A. Donald G. Agger, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016, Paris, France).

A. Air Products and Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
E. (9) $69.34.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $16,401.35. E. (9) $16,401.35.

A. Aircraft Owners and Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $1,607.62.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $850. E. (9) $105.70.

A. G. Colburn Aker, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Alaskan Petrochemical Co., 3700 Buffalo Speedway, Houston, Tex. 77098.
D. (6) $2,500.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. American Polygraph Association, 3701 West Alabama, Suite 330, Houston, Tex. 77027.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Aevnue NW., Suite 400, Washington, D.C. 20036.
B. Arlington Red Top Cab Co., 12000 North Hudson Street, Arlington, Va. 22201.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Coastal States Gas Producing Co., 9 Greenway Plaza, Houston, Tex. 77046.
D. (6) $2,500.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. E. & J. Gallo Winery, P.O. Box 1130, Modesto, Calif. 95353.
D. (6) $250.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Haskins & Sells, 1114 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $500.

A. Akin, Gump, Hauer, & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. The John Akridge Co., 1627 K Street NW., Washington, D.C. 20006.

A. Akin, Gump, Hauer, & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Northwest Exploration Co., 315 East 200 South, Box 1526, Salt Lake City, Utah 84111.

A. Akin, Gump, Hauer, & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Sun Co., Inc., 1608 Walnut Street, Philadelphia, Pa. 19013.
D. (6) $2,500.

A. Akin, Gump, Hauer, & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Vickers Petrolem Corp., P.O. Box 2240, Wichita, Kans. 67201.
D. (6) $750.

A. Alaska Coalition, 620 C Street SE., Washington, D.C. 20003.
D. (6) $86,575.66. E. (9) $53,110.

A. Joan H. Albert, National Association of Casualty and Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.
B. National Association of Casualty and Surety Agents, 5225 Wisconsin Avenue, Washington, D.C. 20015.
E. (9) $228.25.

A. James J. Albertine, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Arlington, Va. 22209.
B. Associated Industries of Florida, 203 South Adams Street, Tallahassee, Fla. 32302.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Association of Local Transport Airlines, 1801 K Street NW., Suite 803, Washington, D.C. 20006.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. The Brunswick Corp, 1 Brunswick Plaza, Skokie, Ill. 60076.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Computer Sciences Corp., 650 North Sepulveda Boulevard, El Segundo, Calif. 90245.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. The Continental Group, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alcalde, Henderson, O'Bannon & Kline, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla. 33622.
D. (6) $3,000.

A. Frederick K. Alderson, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $405. E. (9) $69.07.

A. Alderson, Ondov, Leonard & Sween, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Claude Alexander, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $210.06.

A. Willis W. Alexander, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,875. E. (9) $4,214.95.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Maxton M. Allcox, 400 First Street NW., Room 801, Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $11,125.23.

A. Anne Genevieve Allen, North American Aircraft Group, Rockwell International, 2230 East Imperial Highway, El Segundo, Calif. 90245.

B. Rockwell International, North American Aircraft Group, 2230 East Imperial Highway, El Segundo, Calif. 90245.

D. (6) $415.88. E. (9) $824.87.

A. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $797.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.

B. Lockheed Corp., P.O. Box 551, Burbank, Calif. 91520.

D. (6) $2,220. E. (9) $854.58.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.

D. (6) $1,536.42. E. (9) $1,536.42.

A. American Arts Alliance, Inc., 424 C Street NE., Washington, D.C. 20002.

D. (6) $39,729.17. E. (9) $79,815.46.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa., 17022.

D. (6) $505. E. (9) $128.76.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $32,062.74. E. (9) $32,062.74.

A. American Congress on Surveying and Mapping, 210 Little Falls Street, Falls Church, Va. 22046.

D. (6) $2,051. E. (9) $6,464.17.

A. American Council for Capital Formation, 1919 Pennsylvania Avenue NW., Suite 201, Washington, D.C. 20006.

D. (6) $4,297. E. (9) $1,381.08.

A. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

E. (9) $775.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge Ill. 60068; 425 13th Street NW., Washington, D.C. 20004.

D. (6) $59,076. E. (9) $59,076.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.

E. (9) $112,586.05.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $2,500. E. (9) $2,500.

A. American Hellenic Institute, Public Affairs Committee, Inc., 1730 K Street NW., Washington, D.C. 20006.

E. (9) $704.62.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73059.

D. (6) $8,296.40. E. (9) $4,111.95.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $9,771.01. E. (9) $6,502.75.

A. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.

E. (9) $1,800.

A. American Israel Public Affairs Committee, 444 North Capitol Street, Washington, D.C. 20001.

D. (6) $50,170. E. (9) $46,123.81.

A. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

E. (9) $1,263.50.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.

D. (6) $64,107.75. E. (9) $64,107.75.

A. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

E. (9) $3,837.

A. American League for Exports and Security Assistance, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.

D. (6) $13,571.30. E. (9) $13,571.30.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.

D. (6) $1,240.27. E. (9) $4,197.74.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $1,863.75. E. (9) $31,040.59.

A. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $6,769.48. E. (9) $27,769.17.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.

D. (6) $8,078.02. E. (9) $8,078.02.

A. American Optometric Association, Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 76211.

D. (6) $957.42. E. (9) $957.42.

A. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $243,112. E. (9) $151,179.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.

D. (6) $1,930.22. E. (9) $1,930.22.

A. American Plywood Association, P.O. Box 11700, Tacoma, Wash. 98411.

A. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.

E. (9) $15,713.83.

A. American Postal Workers Union, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $2,677,875.74. E. (9) $145,106.59.

A. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.

D. (6) $2,400. E. (9) $12,495.

A. American Textile Manufacturers Institute, Inc., Wachovia Center, 400 South Tryon Street, Charlotte, N.C. 28285.

D. (6) $40,250.08. E. (9) $40,250.08.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $10,290.06. E. (9) $49,874.24.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

D. (6) $600. E. (9) $138.

A. Americans for SALT, Inc., 324 Fourth Street NE., Washington, D.C. 20002.

D. (6) $20,626.24. E. (9) $39,366.

A. Morris J. Amitay, 444 North Capitol Street NW., Washington, D.C. 20001.

B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Washington, D.C. 20001.

D. (6) $7,500.

A. Anthony L. Anderson, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.

D. (6) $4,934. E. (9) $4,108.

A. Gwen A. Anderson, American Sign and Indicator Corp., 1220 19th Street NW., Washington, D.C. 20036.

B. American Sign and Indicator Corp., 2310 Fancher Way, P.O. Drawer 2727, Spokane, Wash. 99220.

D. (6) $1,500. E. (9) $825.55.

A. J. L. Anderson, Time Inc., 888 16th Street NW., Washington, D.C. 20006.

B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y.

D. (6) $2,500. E. (9) $136.74.

A. Anderson, Pendleton, McMahon, Peet & Donovan, Suite 701, 1000 16th Street NW., Washington, D.C. 20036.

B. Embassy of Chile, 1732 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $6,249. E. (9) $122.76.

A. Robert L. Anderson, Deere & Co., John Deere Road, Moline, Ill. 61265.

B. Deere & Co., John Deere Road, Moline, Ill. 61265.

D. (6) $100. E. (9) $23.50.

A. Scott G. Anderson, Burlington Northern Inc., Suite 506, 2000 L Street NW., Washington, D.C. 20036.

B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.

D. (6) $1,900. E. (9) $2,344.31.

A. Wayne C. Anderson, 1629 K Street NW., Washington, D.C. 20006.

B. Nabisco, Inc., East Hanover, N.J. 07936.

D. (6) $2,500. E. (9) $1,204.47.

A. William C. Anderson, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $54.50.

A. Emmet Andrews, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $7,473.83.

A. Laureen E. Andrews, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $761. E. (9) $27.30.

A. Robert C. Angel, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $300.

A. J. Donald Annett, 1050 17th Street NW., No. 500, Washington, D.C. 20036.

B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

D. (6) $300.

A. Linda M. Anzalone, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,500. E. (9) $159.

A. APA Co., 400 First Street NW., Washington, D.C. 20001.

B. University of Health Sciences/The Chicago Medical School, 2020 West Ogden Avenue, Chicago, Ill. 60612.
D. (6) $750.

A. John Archer, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Automotive Filter Manufacturers Council, 222 Cedar Lane, Teaneck, N.J. 07666.
E. (9) $4,500.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $960.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20036.
D. (6) $8,750.01.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 2033 M Street NW., Washington, D.C. 20036.
D. (6) $833.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $625.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $625.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $875.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.
B. American Association of Dealers in Ancient, Oriental and Primitive Art, 159½ East 94th Street, New York, N.Y. 10028.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.
D. (6) $4,600. E. (9) $23.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.
E. (9) $8.40.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. The London Commodity Exchange Co. Ltd., Cereal House, 58 Mark Lane, London EC3R 7NE, England.
E. (9) $17.75.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.
B. Maritz, Inc., 1355 North Highway Drive, Fenton, Mo. 63026.
E. (9) $97.28.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. MFA Mutual Insurance Co., 1817 West Broadway, Columbia, Mo. 65201.
D. (6) $7,231.25. E. (9) $150.14.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. National Coordinating Committee for Multiemployer Plans, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $700. E. (9) $45.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Price Waterhouse & Co., 1259 Avenue of the Americas, New York, N.Y. 10020.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $69.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Automobile Insurance Co., One State Farm Plaza, Bloomington, Ill. 61701.
D. (6) $158. E. (9) $34.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Richard Asplund, 4012 Calvert Street NW., Washington, D.C. 20007.
B. Americans for SALT, Inc., 324 Fourth Street NE., Washington, D.C. 20002.
D. (6) $3,833.34. E. (9) $86.40.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $600.

A. Association for the Advancement of Invention & Innovation, Suite 605, 1735 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $325. E. (9) $1,475.92.

A. Association for the Improvement of the Miss River, Ramsay D. Potts, 1800 M Street, NW., Suite 900-S, Washington, D.C. 20036.

A. Association of American Publisher, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $5,255.74. E. (9) $5,255.74.

A. Association of American Railroads, American Railroads Building (211), 1920 L Street NW., Washington, D.C. 20036.
D. (6) $19,005.23. E. (9) $19,239.38.

A. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $400.

A. Association of Independent Corrugated Converters, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $14,000.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
E. (9) $34.90.

A. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $4,000. E. (9) $8,675.

A. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $4,191. E. (9) $4,191.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Assure Competitive Transportation, Inc., 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.
D. (6) $84,345.25. E. (9) $150.

A. Carl E. Atkinson, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $280. E. (9) $28.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $2,313.90.

A. Frank M. Ault, Box 166, South Otselic, N.Y. 13155.
B. Norwich-Eaton Pharmaceuticals Division of Morton-Norwich Products, Inc., 17 Eaton Avenue, Norwich, N.Y. 13815.
D. (6) $643.

A. Automotive Filter Manufacturers Council, 222 Cedar Lane, Teaneck, N.J. 07666.

A. John S. Autry, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., Box 5108, Denver, Colo. 80217.
D. (6) $1,200. E. (9) $968.35.

A. William F. Averyt, Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
E. (9) $200.

A. Walter C. Ayers, Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Joseph W. Ayres, 1909 K Street NW., Suite 410, Washington, D.C. 20006.
B. The National Industrial Traffic League, 1909 K Street NW., Suite 410, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $60.

A. Craig H. Baab, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $600. E. (9) $50.

A. Bache, Halsey, Stuart, Shields, Inc., 100 Gold Street, New York, 10038.
E. (9) $700.

A. Baer, Marks & Upham, 299 Park Avenue, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $2,040. E.(9) $784.60.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. George F. Bailey, Jr., Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.
D. (6) $299.16. E. (9) $365.30.

A. William W. Bailey, 1700 Pennylvania Avenue NW., Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $6,000. E. (9) $46.75.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77002.

A. Baker & Daniels, 1800 M Street NW., Suite 590 South, Washington, D.C. 20036.
B. The Consumer Bankers Association, 1725 K Street, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $119.30.

A. Baker & Daniels, 1800 M Street NW., Suite 590 South, Washington, D.C. 20036.
B. Indiana Toll Road Commission, P.O. Box 748, South Bend, Ind. 46624.
E. (9) $180.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Magnatex Corp., 1 Marienfeld Place, Midland, Tex. 79701.

A. Donald Baldwin, Donald Baldwin Associates, Suite 804, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,600.

A. Jacqueline Balk-Tusa, 1625 I Street NW., No. 809, Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $9,123.

A. Bally Manufacturing Corp., 2640 Belmont Avenue, Chicago, Ill. 60619.
E. (9) $9,123.91.

A. Richard M. Bank, c/o Brophy Associates, 1611 Connecticut Avenue NW., Room 3, Washington, D.C. 20009.
B. Youth Project, 1555 Connecticut Avenue NW., Suite 501, Washington, D.C. 20036.
D. (6) $1,668.75.

A. Will G. Barber, 1300 American Bank Tower, Austin, Tex. 78701.
B. Texas Medical Association, 1801 North Lamar Boulevard, Austin, Tex. 78701.
D. (6) $250. E. (9) $80.

A. Dennis J. Barbour, 1015 18th Street NW., Washington, D.C. 20036.
B. American College of Preventive Medicine, 1015 18th Street NW., Washington, D.C. 20036.

A. Dennis J. Barbour, 1015 18th Street NW., Washington, D.C. 20036.
B. American Occupational Medical Association, 1015 18th Street NW., Washington, D.C. 20036.

A. Dennis J. Barbour, 1015 18th Street NW., Washington, D.C. 20036.
B. Association of Teachers of Preventive Medicine, 1015 18th Street NW., Washington, D.C. 20036.

A. Wayne B. Bardsley, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $36. E. (9) $3.

A. Robert O. Barker, NAM, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Thomas H. Barksdale, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $7,300. E. (9) $214.10.

A. Donna R. Barnako, National Council of Health Care Services, 1200 15th Street NW., Suite 601, Washington, D.C. 20005.
B. National Council of Health Care Services, 1200 15th Street NW., No. 601, Washington, D.C. 20005.
D. (6) $720. E. (9) $195.49.

A. Roger H. Barnard, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. Barnett, Alagia & Carey, 1627 K Street NW., Washington, D.C. 20006.
B. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla. 32814.
D. (6) $2,500.

A. Larry P. Barnett, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,262.50.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. Meat Importers Council of America, Inc., 1 Penn Plaza, New York, N.Y. 10001.
D. (6) $500.

A. James C. Barr, Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $300. E. (9) $40.15.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. New York Cocoa Exchange, Inc.; New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y. 10038.
E. (9) $369.50.

A. Barrett, Smith, Schapiro, Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. New York Coffee & Sugar Exchange, Inc.; New York Coffee & Sugar Clearing Association, Inc., 4 World Trade Center, New York, N.Y. 10048.
E. (9) $369.50.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $2,500.

A. Thea Rossi Barron, DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for Government of Morocco, Rabat, Morocco), 1225 19th Street NW., Washington, D.C. 20036.

A. Thea Rossi Barron, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for Thomson-CSF (AVS), 178 Boulevard Gabriel Péri, 92240 Malakoff, France), 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $378.

A. Thea Rossi Barron, 303 Jackson Street, Falls Church, Va. 22046.
B. The Italian American Forum, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. David S. Barrows, 1201 Southwest 12th, Suite 300, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200. E. (9) $756.96.

A. Richard A. Barton, Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, Inc., 6 East 43d Street, New York, N.Y. 10017.
D. (6) $1,400. E. (9) $100.

A. James P. Bass, 1101 17th Street NW., Washington, D.C. 20036.
B. American Airlines, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $50.

A. Robert E. Bates, Jr., 1100 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125. E. (9) $71.83.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $600.

A. Laurie C. Battle, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,600.

A. Lucius D. Battle, Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L' Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $300.

A. Lynne D. Battle, The College Placement Council, Inc., 1101 Connecticut Avenue NW., Suite 705, Washington, D.C. 20036.
B. The College Placement Council, Inc., P.O. Box 2263, Bethlehem, Pa. 18001.
D. (6) $1,050. E. (9) $18.65.

A. John F. Battles, Massachusetts Petroleum Council, 11 Beacon Street, Room 515, Boston, Mass. 02108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Gary L. Bauer, Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, Inc., 6 East 43d Street, New York, N.Y. 10017.

A. Marvella Bayh, American Cancer Society, Inc., 1875 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20009.
B. American Cancer Society, Inc., 777 Third Avenue, New York, N.Y. 10017.
D. (6) $172.50. E. (9) $632.31.

A. Tina Marts Beach, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $65.

A. Bruce A. Beam, American Electric Power Service Corp., 1629 K Street NW., Washington, D.C. 20006.
B. American Electric Power Service Corp., 2 Broadway, New York, N.Y. 10004.
D. (6) $95.90. E. (9) $130.38.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.
B. GPU Service Corp., 260 Cherry Hill Road, Parsippany, N.J. 07054.
D. (6) $1,924.23. E. (9) $1,985.28.

A. Donald S. Beattie, Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $2,656.37.

A. Christine T. Beatty, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joseph Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $2,670. E. (9) $34.20.

A. Robert J. Becker, Joint Council of Allergy & Immunology, 401 East Prospect Avenue, Suit 210, Mount Prospect, Ill. 60056.
B. Joint Council of Allergy & Immunology, 401 East Prospect Avenue, Suite 210, Mount Prospect, Ill. 60056.

A. Edwin L. Behrens, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Proctor & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $15.

A. Max J. Beilke, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $759.38.

A. Alexander B. Bell, 9618 Cottrel Terrace, Silver Spring, Md. 20903.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $379.63.

A. Winston Everett Bell, P.O. Box 5463, Las Vegas, Nev. 89102.

A. C. Thomas Bendorf, 3615 Overcreek Drive, Columbia, S.C. 29206.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $3,000. E. (9) $100.

A. C. Robert Benedict, Hospital Association, 603 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Osteopathic Hospital Association, 930 Busse Highway, Chicago, Ill. 60068.
D. (6) $2,155. E. (9) $731.

A. Bruce Benefield, TRW, Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Kenneth U. Benjamin, Jr., American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887.50. E. (9) $105.01.

A. W. M. Benkert, American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,250. E. (9) $13.50.

A. Douglas P. Bennett, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. Jacques Borel Enterprises, Inc., 555 Madison Avenue, New York, N.Y. 10022.
D. (6) $2,500. E. (9) $10.70.

A. Douglas P. Bennett, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. National Restaurant Association, Suite 850, 1850 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $3.60.

A. James M. Bennett, Jos. Schlitz Brewing Co., 235 West Galena Street, Milwaukee, Wis. 53212.
B. Jos. Schlitz Brewing Co., 235 West Galena Street, Milwaukee, Wis. 53212.
D. (6) $200. E. (9) $330.

A. Kathleen M. Bennett, Crown Zellerbach, 1660 L Street NW., Suite 215, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $405.

A. Walter L. Benning, 14901 Ritchie Road, Centreville, Va. 22020.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $1,500. E. (9) $106.

A. Nancy C. Benson, 1625 I Street NW., Suite 401, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $136.50. E. (9) $22.

A. Rebecca J. Berg, 1730 Rhode Island Avenue NW., Suite 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue, Suite 213, Washington, D.C. 20036.
D. (6) $240.

A. Kenneth W. Bergen, Bingham, Dana & Gould, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. David Berick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,800.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. CNA, CNA Plaza, Chicago, Ill.
D. (6) $3,000.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Dutcher Industries, 7617 Convoy Court, San Diego, Calif. 92111.
D. (6) $4,000.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Lowes Corp., 666 Fifth Avenue, New York, N.Y.
D. (6) $4,500.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Unicare Services, Inc., 105 West Michigan Street, Milwaukee, Wis 53203.
D. (6) $2,500.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $8,000.

A. Charles Bernhardt, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. William R. Berman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Centre National Interprofessional De L'Economie Laitiere (French Dairy Association), 8, Rue Danielle Casanova, 75002 Paris, France.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Constructora Nacional de Carros de Ferrocarril, S.A., (Mexican Assoc. of Railroad Car Manufacturers), San Lorenzo 925, 5° Piso, Mexico 12, D.F., Mexico.
E. (9) $250.44.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., No. 670, Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Energy Consumers & Producers Association, Petroleum Plaza, Box 1726, Seminole, Okla. 74868.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.
D. (6) $7,218.75. E. (9) $695.05.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

D. (6) $1,500. E. (9) $143.94.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va.

A. Max N. Berry, Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Committee to Assure the Availability of Casein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert A. Best, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.

B. American League for Exports & Security Assistance, Inc. (ALESA), 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.

D. (6) $1,500. E. (9) $500.

A. Robert A. Best, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.

B. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006; Archer Daniels Midland Co., Decatur, Ill. 62525.

D. (6) $600.

A. Robert L. Bevan, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,000. E. (9) $168.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.

B. New England Power Co., 20 Turnpike Road, Westborough, Mass. 01581.

D. (6) $660.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.

B. The Society of Plastics, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20006.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.

B. Union Mines, 9 West 57th Street, New York, N.Y. 10019.

D. (6) $1,000.

A. Thomas E. Biery, Mid-Continent Oil & Gas Association, 1800 K Street NW., Suite 620, Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $1,903.

A. Gerda V. Bikales, 6711 Pine Creek, McLean, Va. 22101.

B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.

D. (6) $600. E. (9) $25.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Washington, D.C. 20015

B. Aleutian-Pribilof Island Association, Inc., 430 C Street, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.

B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.

B. Coastal States Gas Corp., 9 Greenway Plaza, Houston, Tex. 77046.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.

B. MAPCO, 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.

B. Potlatch Corp., 2 Embarcadero Center, 20th Floor, San Francisco, Calif. 94120.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20015.

A. C. Thomason Bishop III, National Association of Manufacturers, 704 Lisburn Road, Camp Hill, Pa. 17011.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $212.50.

A. Neal R. Bjornson, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $2,125.

A. Tom H. Black, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,250.

A. Steven Blackwell, 2626 Pennsylvania Avenue, NW., Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

D. (6) $125.

A. Donna C. Blair, 1025 Connecticut Avenue N.W., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Richard W. Blake, 1776 K Street NW., Suite 900, Washington, D.C. 20006.

B. American Sugarbeet Growers Association, 1776 K Street NW., Suite 900, Washington, D.C. 20006.

D. (6) $455.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C.

B. Board of Trade Clearing Corp., 141 Jackson Boulevard, Chicago, Ill. 60604.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C.

B. Agribusinessmen, Inc., 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C.

B. IC Industries, 1625 I Street NW., Washington, D.C.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C.

B. RCA Global Communications, Inc., 60 Broad Street, Room 700, New York, N.Y. 10004.

D. (6) $250.

A. Joseph H. Blatchford, Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Government of El Salvador, Office of the President, San Salvador, El Salvador.

D. (6) $3,000. E. (9) $233.73.

A. Joseph H. Blatchford, Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill., 60606.

A. David Blatt, 818 18th Street NW., Suite 750, Washington, D.C. 20006.

B. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.

D. (6) $1,935. E. (9) $475.45.

A. Kenneth T. Blaylock, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue, NW., Washington, D.C. 20005.

D. (6) $15,309. E. (9) $2,037.25.

A. Michael K. Blevins, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $1,250.

A. L. Thomas Block, Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.

B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.

D. (6) $450. E. (9) $386.

A. Mark Bloomfield, American Council for Capital Formation, 1919 Pennsylvania Avenue, NW., Suite 201, Washington, D.C. 20006.

B. American Council for Capital Formation, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $437.50.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.

B. Association of Independent Corrugated Converters, 1100 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.

B. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.

D. (6) $75. E. (9) $4.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.

B. National Union Electric Corp., 575 Adams Avenue, Philadelphia, Pa. 19120.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.

B. New York Mercantile Exchange, 4 World Trade Center, New York, N.Y. 10048.

D. (6) $300. E. (9) $10.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.

B. Northwest Pipeline Corp., P.O. Box 1526, Salt Lake City, Utah 84110.

A. Blum & Nash, 1015 18th Street, Suite 408, Washington, D.C. 20036.

B. Zenith Radio Corp., 1000 Milwaukee Avenue, Glenview, Ill. 60025.

D. (6) $1,000. E. (9) $8.

A. Jack A. Blum, 1015 18th Street NW., Washington, D.C. 20036.

B. Independent Gasoline Marketers Council, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $12,100. E. (9) $977.

A. Jared O. Blum, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $89.16.

A. Wayne F. Boan, National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. Theodore D. Bogue, 2000 P Street NW., No. 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., No. 708, Washington, D.C. 20036.
D. (6) $22.

A. Christie K. Bohner, 900 17th Street NW., No. 1016, Washington, D.C. 20006.
B. Kaiser Steel Corp., 900 17th Street NW., No. 1016, Washington, D.C. 20006.
D. (6) $195.

A. Patricia M. Boinski, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $80. E. (9) $18.90.

A. Robert J. Bolger, National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
B. National Association of Chain Drug Stores (NACDS), 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
D. (6) $1,650.

A. Jeffrey W. Bolotin, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.
B. RCA Global Communications, Inc., 60 Broad Street, New York, N.Y.
D. (6) $2,124. E. (9) $20.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. William H. Bonde, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,050.

A. L. H. Bonin, Jr., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $2,400. E. (9) $250.

A. Jay Bonitt, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $300.

A. Sharon Lee Bonitt, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co. 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Thomas C. Borzilleri, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $318.77.

A. G. Stewart Boswell, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, No. 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, No. 800, Arlington, Va. 22209.
D. (6) $2,916.66. E. (9) $165.01.

A. Charles G. Botsford, The Botsford Co., 1730 M Street NW., No. 609, Washington, D.C. 20036.
B. Colt Industries, et al.

A. A. D. Bourland, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $3,068.96.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $600. E. (9) $189.10.

A. David W. Bowers, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714, Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $682. E. (9) $530.65.

A. Edward L. Bowley, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $10,834.46. E. (9) $3,610.72.

A. Randal Bowman, 1600 Rhode Island Avenue, Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $562.50. E. (9) $19.25.

A. John G. Boyd, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines, Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $549.45. E. (9) $43.90.

A. Herbert W. Boyer, 460 Point San Bruno Boulevard, South San Francisco, Calif. 94080.
B. Genentech, Inc., 460 Point San Bruno Boulevard, South San Francisco, Calif. 94080.

A. Robert E. Bradford, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street, Washington, D.C. 20006.
D. (6) $2,000.

A. Frank W. Bradley, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $540.

A. Wayne W. Bradley, American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $500.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $853.85. E. (9) $119.44.

A. Raymond F. Bragg, Jr., American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
D. (6) $150.

A. S. Gail Bramblett, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,262.66. E. (9) $230.40.

A. David C. Branand, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $11.32.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.
B. Board of Trade Clearing Corp., 141 W. Jackson Boulevard, Chicago, Ill. 60604.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.
B. RCA Global Communications, Inc., 60 Broad Street, Room 700, New York, N.Y. 10004.
D. (6) $1,125. E. (9) $124.95.

A. Breed, Abbott & Morgan, 1700 Pennsylvania Avenue, Washington, D.C.
B. Lasker, Stone & Stern, 20 Broad Street, New York, N.Y.
E. (9) $20.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20036.
D. (6) $800.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. American Car Rental Association (ACRA), 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $500.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $1,000.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Truck Renting & Leasing Association (TRALA), 1750 Pennsylvania Avenue NW., No. 1303, Washington, D.C. 20006.
D. (6) $500.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C.
D. (6) $700.

A. Jerome J. Breiter, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $46.66.

A. Edward J. Brenner, Suite 605, 1735 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention & Innovation, Suite 605, 1735 Jefferson Davis Highway, Arlington, Va. 22202.

A. Cyril F. Brickfield, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $2,000. E. (9) $42.

A. Bill Brier, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
B. CF Industries, Inc., Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500.

A. Claude S. Brinegar, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $1,140.

A. Belva B. Brissett, 1771 N Street NW., Washington, D.C., 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,406.25. E. (9) $319.41.

A. George L. Bristol, 1106 West Avenue, Austin, Tex. 78701.
B. E. F. Hutton & Co., Inc., 1 Battery Park Plaza, New York, N.Y. 10004.
D. (6) $1,500.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $1,025.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500.

A. Dale E. Brooks, Chevron U.S.A. Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A. Inc., (Subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Phillip W. Brooks, Volunteer State Oil Committee, 18th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $700. E. (9) $739.49.

A. David W. Broome, 1800 M Street, NW., Suite 760 South, Washington, D.C. 20036.
B. Burlington Industries, Inc., 1800 M Street, NW., Suite 760 South, Washington, D.C. 20036.
D. (6) $3,500. E. (9) $507.50.

A. Daniel T. Bross, United Gas Pipe Line Co., 1101 17th Street, N.W., Washington, D.C. 20036.
B. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
D. (6) $525. E. (9) $204.

A. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street, NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $18,743. E. (9) $19,341.

A. Donald G. Brotzman, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $8,000.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $210. E. (9) $3.

A. Charles T. Brown, Cities Service Co., Box 100, Miami, Ariz. 85539.
B. Cities Service Co., Box 100, Miami, Ariz. 85539.

A. David S. J. Brown, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $281.83.

A. Donald K. Brown, 1127 11th Street, Suite 618, Sacramento, Calif.
B. Summa Corp.

A. Holmes Brown, Americans for SALT, Inc., 656 E Street NE., Washington, D.C. 20002.
B. Americans for SALT, Inc., 324 Fourth Street, NE., Washington, D.C. 20002.
D. (6) $1,775.

A. J. D. Brown, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $200.

A. Vincent D. Brown, Nebraska Petroleum Council, P.O. Box 95063, 334 South 13th Street, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washingon, D.C. 20037.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $112.20. E. (9) $151.60.

A. Richard L. Brubacher, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $671.81. E. (9) $572.66.

A. Fred J. Bruner, Indiana & Michigan Electric Co., 2101 Spy Run Avenue, Fort Wayne, Ind., 46801.
B. Indiana & Michigan Electric Co., 2101 Spy Run Avenue, Fort Wayne, Ind., 46801.
D. (6) $1,184. E. (9) $1,655.15.

A. Kathryne M. Bruner, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $170. E. (9) $195.

A. Michael E. Brunner, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $3,000. E. (9) $344.31.

A. Joseph A. Bruno, 5110 41st Street NW., Washington, D.C. 20016.
B. FMC Corp., 1627 K Street NW., Washington, D.C. 20006.
D. (6) $3,000.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Margaret H. Bryant, American Natural Resources System, 1899 L Street NW., Suite 500, Washington, D.C. 20036.
B. American Natural Service Co., 1 Woodward Avenue, Detroit, Mich. 48226.
D. (6) $250. E. (9) $25.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 1200 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $143.

A. Douglas W. Bulcao, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $1,312. E. (9) $31.28.

A. Norman D. Burch, 1333 New Hampshire Avenue NW., Suite 520, Washington, D.C. 20036.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60077.
D. (6) $5,220. E. (9) $59.50.

A. David G. Burden, 200 East Randolph Drive, M.C. 3704, Chicago, Ill. 60601.
B. Standard Oil Co. (Ind.), 200 East Randolph Drive, Chicago, Ill. 60601.

A. William J. Burhop, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Duane V. Burke, P.O. Box 1724, Rockville, Md. 20850.
B. Association of State Lotteries, 1290 Silas Deane Highway, Wethersfield, Conn. 06109.
D. (6) $1,800.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $20.13.

A. John L. Burke, Jr., 1815 H Street NW., Washington, D.C. 20006.
B. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006 (for Automotive Filter Manufacturers Council, 222 Cedar Lane, Teaneck, N.J. 07666.
D. (6) $4,500.

A. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.

D. (6) $13,508.45. E. (9) $998.72.

A. Phillip C. Burnett, 1918 North Parkway, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $232.62. E. (9) $41.25.

A. Charles S. Burns, Phelps Dodge Corp., 1620 Eye Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

D. (6) $1,200.

A. James L. Burridge, 13605 Glenhurst Road, Trauilah, Md. 20760.

B. FMC Corp., 1627 K Street NW., Suite 500, Washington, D.C. 20006.

D. (6) $1,500.

A. B. Kent Burton, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $130.81.

A. John M. Burzio, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20036

B. Magazine Publishers Association, Inc., Magazine Center, 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $2,583. E. (9) $283.61.

A. Busby, Rehm & Leonard, 1629 K Street NW., Suite 1100, Washington, D.C. 20006.

B. Automobile Importers of America, Inc., 1735 Jefferson Davis Highway, Suite 1002, Arlington, Va. 22202.

E. (9) $25.

A. Nicholas J. Bush, 1899 L Street NW. Suite 1100, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

E. (9) $268.33.

A. Gary Bushell, Branscomb & Miller, 1700 Bank & Trust Tower, B. & T. Box 197, Corpus Christi, Tex. 78477.

B. Atlantic Richfield Co., 1601 Bryon Street, Dallas, Tex. 75221.

D. (6) $12,501. E. (9) $1,565.22.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.

D. (6) $9,007.71 E. (9) $985.48.

A. Business Products Council Association, 330 Brush Street, Oakland, Calif. 94607.

D. (6) $3,300. E. (9) $458.

A. James J. Butera, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $2,500. E. (9) $223.52.

A. Butler, Binion, Rice, Cook & Knapp, 818 Connecticut Avenue NW., No. 350, Washington, D.C. 20006.

B. City of Philadelphia, 1660 Municipal Services Building, Philadelphia, Pa. 19107.

E. (9) $3,965.06.

A. Kenneth W. Butler, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

D. (6) $622.50.

A. John R. Butz, 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.

B. Non Commissioned Officers Association of the U.S.A., P.O. Box 2268, San Antonio, Tex. 78298.

D. (6) $1,500. E. (9) $116.75.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for American Family Mutual Insurance Co.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for Cabot Corp.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Insurance Association of Connecticut).

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Johnson Controls, Inc.).

A. John W. Byrnes, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Republic of the Philippines).

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.

B. Del Monte Corp., 1 Market Plaza, San Francisco, Calif. 94119.

D. (6) $1,000. E. (9) $50.

A. Charles S. Caldwell, District No. 1, Pacific Coast District, MEBA, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

D. (6) $1,500. E. (9) $386.46.

A. Frank W. Calhoun, 500 Gulf Building, Houston, Tex. 77002.

B. El Paso Natural Gas Co., P.O. Box 2185, Houston, Tex. 77001.

E. (9) $873.06.

A. C. Richard Calkins, American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. David G. Calkins, Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

D. (6) $600.

A. F. Patricia Callahan, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

D. (6) $530. E. (9) $42.90.

A. Peter E. Callanan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Honeywell, Inc., Honeywell Plaza, Minneapolis, Minn. 55408.

D. (6) $700. E. (9) $290.

A. James R. Calloway, Suite 500, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.

D. (6) $13,000.

A. Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.

D. (6) $65,867. E. (9) $14,907.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.

B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal Corp., 8004 Cameron Road, Austin, Tex. 78753; Safetran Systems Corp., 7721 National Turnpike, Louisville, Ky. 40214.

D. (6) $5,625.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.

B. Prismo Universal Corp., et al., 300 Lanidex Plaza, Parsippany, N.J. 07054.

D. (6) $5,499.

A. C. Russell Campbell, Jr., 1120 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. General Telephone & Electronics Corp., 1 Stamford Forum, Stamford, Conn. 06904.

D. (6) $500.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $211.80.

A. Thomas D. Campbell, 1000 16th Street NW., Suite 500, Washington, D.C. 20036.

B. Standard Oil Co. of Indiana, 200 East Randolph Drive, Chicago, Ill. 60680.

D. (6)$ 1,500. E. (9) $45.

A. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

E. (9) $365.

A. Alyce D. Canaday, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.

B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.

D. (6) $400. E. (9) $487.25.

A. David A. Caney, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $7,250. E. (9) $9,958.29.

A. W. Dean Cannon, Jr., 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.

B. California Saving and Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.

D. (6) $2,000. E. (9) 2,913.16.

A. David L. Cantor, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $363.72 E. (9) $89.63.

A. Marvin H. Caplan, Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $5,313.75. E. (9) $84.25.

A. Caplin & Drydale, 1101 17th Street NW., Washington, D.C. 20036.

B. American Family Life Assurance Co. of Georgia, P.O. Box 1459, Columbus, Ga. 31902.

D. (6) $2,258. E. (9) $23.50

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.

B. Association of American Publishers, Mass Market Paperback Book Division, 1 Park Avenue, New York, N.Y. 10016.

D. (6) $5,000.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.

B. Council on Foundations, Inc., 1828 L Street NW., Washington, D.C. 20036.

D. (6) $2,116. E. (9) $15.01.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.

B. Salomon Brothers, 1 New York Plaza, New York, N.Y. 10004.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.

B. Council of European & Japanese National Shipowners' Association, 17/18 Bury Street, London, EC3A 5AH England.

D. (6) $8,400. E. (9) $330.39.

A. Milton F. Capps, 196 Sweet Wood Circle, Columbia, S.C. 29210.

B. J. Crawford Cook, Inc., P.O. Box 50485, Columbia, S.C. 29250; Cook, Ruef, Spann & Weiser, Inc., 1735 St. Julian Place, Columbia S.C. (for Royal Embassy of Saudi Arabia).

E. (9) $476.80.

A. Norval E. Carey, 2021 K Street NW., Suite 709, Washington, D.C. 20006.

B. General Atomic Co., San Diego, Calif.

D. (6) $1,800. E. (9) $116.82.

A. Warren H. Carey, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C.

B. Phillips Petroleum Co., Bartlesville, Okla.

A. Charles R. Carlisle, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.

B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.

D. (6) $9,360. E. (9) $560.09.

A. Peter Carlson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $1,875.

A. Chapin Carpenter, Jr., Magazine Publishers Association, 1629 K Street NW., No. 603, Washington, D.C. 20006.

B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y.

D. (6) $1,500.

A. Jack M. Carpenter, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $126.79. E. (9) $50.50.

A. L. C. Carpenter, Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.

B. Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.

D. (6) $5,299.32. E. (9) $2,130.86.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $300.

A. John R. Carson, 20 Chevy Chase Circle, Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.

D. (6) $8,000.

A. Charles S. Carter, Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $131.50. E. (9) $37.65.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $1,625.

A. Joseph L. Carter, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $456. E. (9) $234.88.

A. James P. Carty, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $425.

A. Jim Casey, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.

B. American Falls Reservoir District, 1132 Locust Street, Twin Falls, Idaho 83301.

D. (6) $800. E. (9) $219.

A. Jim Casey, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.

B. Committee on Power for the Southwest, Inc., 5541 East Skelly Drive, Suite 17, Tulsa, Okla.

D. (6) $750. E. (9) $204.

A. Jim Casey, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.

B. Garrison Diversion Conservancy District, P.O. Box 140, Carrington, N. Dak. 58421.

D. (6) $1,000. E. (9) $272.

A. John S. Casey, P.O. Box 266, Heflin, Ala. 36264.

B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. Kathleen Casey, Citizen's Choice, Inc., 1615 H Street NW., Washington, D.C. 20062.

B. Citizen's Choice, Inc., 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,685. E. (9) $63.30.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.

B. Slurry Transport Association, 490 L'Enfant Plaza East, Suite 320, Washington, D.C. 20024.

D. (6) $1,000. E. (9) $137.25.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.

B. Texas Oil & Gas Corp., 2700 Union Fidelity Tower, Dallas, Tex. 75201.

A. James B. Cash, Jr., American Bankers' Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000.

A. Allen R. Caskie, American Council of Life Insurance, Inc., 1850 K Street NW,. Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

D. (6) $170.

A. Eugene I. Casraiss, Jr., United Automobile, Aerospace, & Agricultural Implement Workers of America, 1125 15th Street, NW., Washington, D.C. 20005.

B. United Automobile, Aerospace, & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $8,118.83. E. (9) $128.80.

A. John J. Castellani, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $634.60. E. (9) $16.

A. Joseph E. Cavanagh, International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.

B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $2,375.

A. Philip T. Cavanaugh, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.

B. Chevron U.S.A., Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,312.50.

A. Cederberg & Associates, 7100 Sussex Road, Alexandria, Va. 22307.

D. (6) $250.

A. CF Industries, Inc., Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.

E. (9) $1,000.

A. Owen R. Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $2,000. E. (9) $100.

A. Henry Chajet, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $48.08. E. (9) $8.

A. R.S. Chamberlin, Dow Chemical U.S.A., 1800 M Street NW., Suite 700-S, Washington, D.C. 20036.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $550. E. (9) $480.

A. Jerry L. Chambers, National Association of Manufacturers, 704 Lisburn Road, Camp Hill, Pa. 17011.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. John A. Chambers, 1050 17th Street NW., Suite 680, Washington, D.C. 20036.

B. Satra Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.

D. (6) $3,200. E. (9) $900.

A. Ed Chandler, 7901 Westpark Drive, McLean, Va. 22102.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

D. (6) $468.75. E. (9) $500.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1101 17th Street NW., Washington, D.C. 30036.

B. York Division, Borg-Warner Corp., South Richland Avenue, Pa. 17405.

E. (9) $47.70.

A. William C. Chapman, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,000. E. (9) $3,985.36.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.

B. Vinson & Elkins (for Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002), 2100 First City National Bank Building, Houston, Tex. 77002.

E. (9) $85.85.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.

B. Vinson & Elkins (for Petroleum Equipment Suppliers Association, 1703 First City National Bank Building. Houston, Tex. 77002), 2100 First City National Bank Building, Houston, Tex. 77002.

D. (6) $12,500.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.

B. Vinson & Elkins (for Quintana Petroleum Corp., 500 Jefferson, Houston, Tex. 77002), 2100 First City National Bank Building, Houston, Tex. 77002.

D. (6) $1,575.

A. David Chavkin, National Health Law Program, 1424 16th Street NW., Suite 304, Washington, D.C. 20036.

B. National Health Law Program, 2401 Main Street, Santa Monica, Calif. 90405.

D. (6) $279.89. E. (9) $310.25.

A. Leslie Cheek III, Crum & Forster Corp., 1120 Connecticut Avenue NW., Suite 1142, Washington, D.C. 20036.

B. Crum & Forster Corp., Madison Avenue at Canfield Road, P.O. Box 2387, Morristown, N.J. 07960.

D. (6) $12,500. E. (9) $944.94.

A. Yvonne M. Chicoine, 316 Pennsylvania Avenue SE., Suite 400, Washington, D.C. 20003.

B. The American Conservative Union, 316 Pennsylvania Avenue SE., Suite 400, Washington, D.C. 2003.

D. (6) $3,749.98. E. (9) $254.86.

A. Children's Rights, Inc., 3443 17th Street, NW., Washington, D.C. 20010.

D. (6) $197.85. E. (9) $177.68.

A. Phillip R. Chisholm, National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.

B. National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.

D. (6) $6,125. E. (9) $394.89.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.

B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $3,000.

A. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.

E. (9) $77.67.

A. Julia Churchman, Preservation Action, 1914 Sunderland Place NW., Washington, D.C. 20036.

B. Preservation Action, 1914 Sunderland Place NW., Washington, D.C. 20036.

D. (6) $1,872.90. E. (9) $46.34.

A. James W. Ciarroccki, Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.

B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.

D. (6) $937.50. E. (9) $253.62.

A. Citizen Inflation Fighters, Inc., P.O. Box 617, Naples, Fla. 33939.

D. (6) $4,757. E. (9) $2,252.

A. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.

D. (6) $316,369.33. E. (9) $84,071.27.

A. Citizens for Government Fairness, P.O. Box 1336, Brawley, Calif. 92227.

D. (6) $3,000. E. (9) $11,027.20.

A. Citizens for Tax Reform. Inc., 1801 K Street NW., Suite 901, Washington, D.C. 20006.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Ashland Oil, Inc., 1401 Winchester Avenue, Ashland, Ky.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. 1168, Baltimore, Md. 21203.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Processors, 4100 One Shell Square, New Orleans, La. 70139.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,039. E. (9) $117.64.

A. James W. Clark, Jr., American Optometric Association, 1730 M Street, NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.

D. (6) $56.97. E. (9) $443.23.

A. Kimball Clark, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $288.75. E. (9) $274.84.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,750.01.

A. Thomas R. Clark, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

D. (6) $84.38.

A. Vernon A. Clark, 1899 L Street NW., Suite 403, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1899 L Street NW., Washington, D.C. 20036.

D. (6) $750. E. (9) $130.

A. Donald M. Clarke, Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $300.

A. Wade P. Clarke, Jr., Deere & Co., John Deere Road, Moline, Ill. 61265.

B. Deere & Co., John Deere Road, Moline, Ill. 61265.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $1,375.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Sporting Arms and Ammunition Manufacturers Institute, 420 Lexington Avenue, New York, N.Y. 10017.

E. (9) $8.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10583.

E. (9) $2.50.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Time-Critical Shipment Committee.

D. (6) $922. E. (9) $31.75.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

E. (9) $17.95.

A. Walter S. Clement, Norfolk and Western Railway Co., P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.

B. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.

A. Vera C. Clemente, et al., 36 Roberto Clemente Street, Ext. San Augustin, Rio Piedras, P.R., 00926.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street, NW., Washington, D.C. 20006.

D. (6) $185. E. (9) $185.

A. Ronald D. Clements, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $690. E. (9) $225.

A. Clifford & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Australian Meat & Live-Stock Corp., One World Trade Center, New York, N.Y. 10048.

A. Clifford & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.

B. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.

D. (6) $900. E. (9) $270.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.

B. New York Cocoa Exchange, Inc.; New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y. New York Coffee & Sugar Exchange, Inc., 4 World Trade Center, New York, N.Y.
D. (6) $2,920. E. (9) $730.

A. Clifford & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Clifford, & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Warner-Lambert Co., 201 Tabor Road, Morris Plains, N.J. 07950.

A. Walter Clinton, 6845 Elm Street, No. 500, McLean, Va. 22101.
B. Jack McDonald Associates, Inc. (for the Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005), 6845 Elm Street, No. 500, McLean Va., 22101.
D. (6) $1,600.

A. CNA, CNA Plaza, Chicago, Ill. 60685.
E. (9) $3,000.

A. Coalition of Automotive Associations, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.

A. Coalition on American Rivers, P.O. Box 2667, Station A, Champaign Ill. 61820.
D. (6) $5,628.75. E. (9) $1,454.25.

A. Thomas B. Coates, c/o Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $400. E. (9) $393.43.

A. Richard B. Cobb, c/o Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $450. E. (9) $636.38.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $937.36.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $2,778.42.

A. John J. Coffey, Chevron U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $240.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $11,749.98. E. (9) $897.91.

A. Thomas Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,291.65. E.(9) $91.65.

A. Cohen & Uretz, 1775 K Street NW., Fourth Floor, Washington, D.C. 20006.
B. Estate of Sylvia S. Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
E. (9) $33.38.

A. Herbert B. Cohn, Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800, Washington, D.C. 20036.
B. Committee on Capital Formation Through Dividend Reinvestment.
D. (6) $320.

A. Cole, Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

A. Cole, Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. H. H. Roberton, Co., 2 Gateway Center, Pittsburgh, Pa. 15222.

A. Cole, Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. International Six, Ltd., care of William Gulley, 78 Welch Court, Alexandria, Va. 22310.
D. (6) $747.50.

A. E. William Cole, Jr., 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $600. E. (9) $200.

A. Eleanor Cole, UBA, Inc., 1800 M Street NW., Suite 460 South, Wahington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $1,000.

A. Ken W. Cole, Security Life Building, Denver, Colo. 80202.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,875.92. E. (9) $128.90.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp.
D. (6) $2,500. E. (9) $2,544.59.

A. Stacey W. Cole, c/o N. H. Petroleum Council, 23 School Street, Concord, N.H.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6). $281.54. E. (9) $235.69.

A. William J. Colley, 2550 M Street N.W., Washington, D.C. 20037.
B. Cardio Pulmonary Contractors Association, 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. National Association of Truck Stop Operators, P.O. Box 1285, Alexandria, Va. 22313.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. National Pharmaceutical Alliance, P.O. Box 13547, St. Petersburg, Fla. 33733.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow for Ad Hoc 602 Committee, 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow for (Air Products & Chemical Co.), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for American Guild of Authors and Composers), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for American Imported Automobile Dealers Association), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for American Maritime Association), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for American Retail Federation), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for American Society of Association Executives), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Boating Industry Association), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Business Roundtable), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Chicago Board of Options Exchange), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Committee Concerned with Safe Banking Act), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Computer Sciences Corp.), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Council of State Chambers of Commerce), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Energy Advances), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Independent U.S. Tanker Owners), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Machinery Dealers National Association), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. Patton, Boggs & Blow (for Marathon Oil), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Mars, Inc.), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Mocatta Metals), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for National Association of Engine & Boat Manufacturers), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Ocean Minerals Co.), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Jack Philip & Sons, Inc.), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Pyrotechnic Signal Manufacturers Association), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Reading Co.), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Redwood Industry Park Committee), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for State of Louisiana), 2550 M Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Patton, Boggs & Blow (for Uncle Ben's Foods), 2550 M Street NW., Washington, D.C. 20037.

A. Calvin J. Collier, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $522.50. E. (9) $6.

A. Calvin J. Collier, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.

B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $1,320. E. (9) $27.30.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $975.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. Republic of China, Taipei, Taiwan.

D. (6) $1,750. E. (9) $1,750.

A. Robert B. Collyer, UBA, Inc., 1800 M Street NW., 460 South, Washington, D.C. 20036.

B. UBA, Inc., 1800 M Street NW., 460 South, Washington, D.C. 20036.

D. (6) $1,000.

A. Geri Colombaro, 316 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. American Conservative Union, 316 Pennsylvania Avenue SE, Washington, D.C. 20003.

D. (6) $2,937.48.

A. Bruce Collins, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $1,562. E. (9) $13.

A. George R. Collins, IUE–AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

B. IUE–AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $600. E. (9) $300.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

D. (6) $700. E. (9) $1,062.73.

A. Committee for Consumers No-Fault, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $200. E. (9) $4.

A. Committee for Do-It-Yourself Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Committee of Americans for the Canal Treaties, Inc., 1019 19th Street NW., Washington, D.C. 20036.

E. (9) $250.

A. Committee of Urban Program Universities, 1300 19th Street NW., No. 220, Washington, D.C. 20036.

D. (6) $31,500. E. (9) $8,905.79.

A. Committee on Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800, Washington, D.C. 20036.

D. (6) $3,500. E. (9) $690.

A. Committee to Assure the Availability of Casein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Committee to Bar Discrimination In Construction, 9416 Seddon Road, Bethesda, Md. 20034.

D. (6) $9,000.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,363,242. E. (9) $352,259.05.

A. Lance Compa, 917 15th Street NW., Washington, D.C. 20005.

B. United Electrical, Radio & Machine Workers of America, 11 East 51st Street, New York, N.Y. 10022.

D. (6) $3,960.32. E. (9) $97.50.

A. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.

A. Stephen R. Conafay, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

D. (6) $450. E. (9) $350.

A. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

E. (9) $1,664.67.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $28,990.70. E. (9) $28,990.70.

A. Congressional District Action Committee, 700 Euclid Avenue, Wilmington, Del. 19809.

A. Congressional District Action Committee, D.R. 2 Chesapeake Isle, North East, Md. 21901.

D. (6) $5. E. (9) $9.

A. Raymond F. Conkling, 1050 17th Street NW., Washington, D.C. 20036.

B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

D. (6) $120.

A. James T. Conner, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. MOBAY Chemical Corp., P.O. Box 4913, Hawthorn Road, Kansas City, Mo. 64120.

A. Robert J. Conner, Chrysler Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.

D. (6) $500. E. (9) $1,484.91.

A. Stephen N. Conner, Route 1, Box 165, Easton, Md. 21601.

B. Ministry of Foreign Affairs, Kingdom of Saudi Arabia, c/o Royal Embassy of Saudi Arabia, 1520 18th Street NW., Washington, D.C.

E. (9) $841.83.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.

B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. John J. Connolly, The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.

B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.

D. (6) $1,000.

A. Jerry C. Connors, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.

A. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza, Washington, D.C. 20024.

E. (9) $20,068.

A. Constructora Nacional de Carros de Ferrocarril, S.A., San Lorenzo, 925, 5° Piso, Mexico 12, D. F., Mexico.

A. Contract Carrier Conference of American Trucking Associations, Inc., 1730 Rhode Island Avenue, NW., Suite 801, Washington, D.C. 20036.

D. (6) $250.

A. John T. Conway, American Nuclear Energy Council, 1750 K Street, NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street, NW., Suite 300, Washington, D.C.

D. (6) $3,937.50 E. (9) $556.68.

A. Alexandra W. Cook, Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Electronic Data Systems Corp. 229 Pennsylvania Avenue SE., Washington, D.C. 20003

D. (6) $161. E. (9) $65.05.

A. Charles F. Cook, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $306.68. E. (9) $14.75.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $900. E. (9) $612.12.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Allegheny Airlines, Washington National Airport, Washington, D.C. 20001.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Aleutian/Pribilof Islands Association, Inc., 1689 C Street, Anchorage, Alaska 99501.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. American Motorcyclist Association, P.O. Box 141, Westerville, Ohio 43081.
D. (6) $1,535.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Bank of Louisville, 500 West Broadway, Louisville, Ky. 40202.
D. (6) $3,933.75.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Business & Professional Women's Clubs, Inc., 2011 Massachusetts Avenue, NW., Washington, D.C. 20036.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Consolidated Natural Gas Co., 4 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,125. E. (9) $54.88.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Food Distributors Task Force, 1750 K Street NW., Suite 700, Washington, D.C. 20006.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Harley-Davidson Motor Co., Inc., P.O. Box 652, Milwaukee, Wis. 53201.
D. (6) $512.50.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. St. George Tanaq Corp., c/o Aleutian/Pribilof Islands Association, Inc., 1689 C Street, Anchorage, Alaska 99501.
D. (6) $600.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.
D. (6) $500.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Texas Gas Transmission Corp., 3800 Frederica Street, Owensboro, Ky. 42301.
D. (6) $2,500. E. (9) $77.30.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $5,438.90. E. (9) 90.88.

A. J. Crawford Cook, P.O. Box 5845, Columbia, S.C. 29250.
B. J. Crawford Cook, Inc., P.O. Box 50485, Columbia, S.C., 29250, Cook, Ruef, Spann & Weiser, Inc., 1735 St. Julian Place, Columbia, S.C. 29204 (for Royal Embassy of Saudi Arabia).
E. (9) $6,442.44.

A. J. Crawford Cook, P.O. Box 50845, Columbia, S.C. 29250.
B. Royal Embassy of Saudi Arabia.
D. (6) $469,868. E. (9) $232,453.03.

A. K. Richard Cook, General Electric Co., 777 14th Street NW., Suite 700, Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $425.

A. Cook, Ruef, Spann & Weiser, Inc., 1735 St. Julian Place, Columbia, S.C. 29204.
B. Royal Embassy of Saudi Arabia.
D. (6) $212,266.65. E. (9) $1,262.65.

A. Charles E. Cooke, 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91700.
D. (6) $100. E. (9) $35.

A. Eileen D. Cooke, American Library Association, 110 Maryland Avenue NE., Suite 101, Box 54, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $924.

A. Benjamin Y. Cooper, Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
E. (9) $150.

A. Edward Cooper, 1600 Eye Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 Eye Street NW., Washington, D.C. 20006.

A. Janet Cooper, 1016 16th Street, N.W., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street, Washington, D.C. 20036.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $2,500. E. (9) $468.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $10,500. E. (9) $6.40.

A. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $5,900. E. (9) $878.

A. Darrell Coover, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, DesPlaines, Ill. 60018.
D. (6) $2,000. E. (9) $178.

A. Paul Corbin, 1028 Connecticut Avenue, Suite 516, Washington, D.C. 20036.
B. Ponchartrain State Bank, Metairie, La. 70003.
D. (6) $3,750. E. (9) $50.

A. John McD. Corn, Episcopal Immigration Services, 4201 Via Marina No. 167, Marina del Rey, Calif. 90291.
B. Episcopal Immigration Services, 4201 Via Marina No. 167, Marina del Rey, Calif. 90291.

A. Richard L. Corrigan, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
D. (6) $875.

A. Allan D. Cors, 1800 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $300.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $8,750. E. (9) $6.357.

A. R. H. "Dick" Cory, 1510 American Bank Tower, Austin, Tex. 78701.
B. Central and South West Services, Inc., 1 Main Place, Suite 2700, Dallas, Tex. 75250.
D. (6) $42. E. (9) $154.86.

A. John E. Cosgrove, Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $9,980.62.

A. David Cosson, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $413.

A. Michael E. Costello, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $145.53.

A. Carol Coston, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
E. (9) $7,678.30.

A. Council of State Chambers of Commerce, 499 South Capitol Street SW., Suite 412, Washington, D.C. 20003.
D. (6) $4,014. 70. E. (9) $1,462.51.

A. Council to Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.

A. James H. Cousins, National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $800. E. (9) $80.

A. Douglas Couttee, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $846.80. E. (9) $3.40.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Association of Oral and Maxillofacial Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $13.70.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Watch Association, 10 East 40th Street, New York, N.Y. 10016.
D. (6) $5,400.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Anchor National Life Insurance Co., Camelback at 22d Street, Phoenix, Ariz. 85016.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Delmarva Poultry Industry, Inc., R.D. No. 2, Box 47, Georgetown, Del. 19947.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Houdaille Industries, Inc., One Financial Plaza, Fort Lauderdale, Fla. 33394.
D. (6) $3,888.75.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Hugo Neu, 380 Madison Avenue, New York, N.Y. 10017 (for Hugo Neu & Sons, Inc., 380 Madison Avenue, New York, N.Y. 10017).

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Interbank Card Association, 888 7th Avenue, New York, N.Y. 10019.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $11.45.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
D. (6) $1,500.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Penjerdel Corp., 1617 JFK Boulevard, No. 1960, Philadelphia, Pa. 19103.
E. (9) $3.50.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Farms Inc., P.O. Box 1537, Salisbury, Md. 21801.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pyramid Ventures Group, Inc., P.O. Box 1671, Morgan City, La. 70380.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Standard Brands Inc., 625 Madison Avenue, New York, N.Y. 10022.
D. (6) $15,000.

A. Eugene S. Cowen, 2759 Unicorn Lane NW., Washington, D.C. 20015.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $319.

A. Carol A. Cowgill, American Academy of Family Physicians, 475 L'Enfant Plaza West SW., Suite 2970, Washington, D.C. 20024.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $675. E. (9) $105.26.

A. C. Bryan Cox, P.O. Box 139, Kansas City, Mo. 64141.
B. Kansas City Life Insurance Co., P.O. Box 139, Kansas City, Mo. 64141.
D. (6) $195.75. E. (9) $799.80.

A. Kenneth A. Cox, 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $935. E. (9) $0.90.

A. R. LaVaun Cox, 180 East First South Street, Salt Lake City, Utah 84139.
B. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah 84139.

A. William J. Cox, National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $8,459. E. (9) $2,491.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington. D.C. 20024.
B. American Sign and Indicator Corp., P.O. Drawer 2727, Spokane, Wash. 99220.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Institute of Signage Research, 4020 Fabian Way, P.O. Box 719, Palo Alto, Calif. 94304.

A. William D. Crawford, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,470.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $300.

A. M. Josephine Crewe, 4601 North Park Avenue, Chevy Chase, Md. 20015.
B. Americans for SALT, 324 Fourth Street NE., Washington, D.C. 20002.
D. (6) $3,541.64. E. (9) $1,241.

A. Joseph M. Cribben, 6900 Valley Brook Drive, Falls Church, Va. 22042.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $30.

A. Richard E. Cristol, Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga., 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.)
D. (6) $90.

A. James H. Cromwell, Sr., 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $300.

A. Donald A. Crosier, Nebraska Petroleum Council, P.O. Box 95063, 334 South 13th Street, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David T. Crow, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $976.18.

A. Jack A. Crowder, American Textile Manufacturers Institute, Inc., Suite 300, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $2,000. E. (9) $91.

A. Douglas A. Crowley, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Cuba Claims Association, Executive Committee, P.O. Box 014004, Miami, Fla. 33101.
E. (9) $10.

A. Barry M. Cullen, International Paper Co., 1620 Eye Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., 1620 Eye Street NW., No. 700, Washington, D.C. 20006.
D. (6) $130.

A. Frank Cummings, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Institute of Electrical and Electronics Engineers, Inc., 345 East 47th Street, New York, N.Y. 10022.
D. (6) $1,300.50.

A. John T. Curran, Laborers' International Union of North America, AFL–CIO, 905 16th Street, NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street, NW., Washington, D.C. 20006.
D. (6) $10,977.27. E. (9) $349.70.

A. Curtis, Mallet-Prevost, Colt & Mosle, 888 17th Street, NW., No. 902, Washington, D.C. 20006.
B. Jacques Borel Enterprises, Inc., 555 Madison Avenue, New York, N.Y. 10022.

A. Curtis, Mallet-Prevost, Colt & Mosle, 100 Wall Street, New York, N.Y. 10005.
B. United States Trust Co. of New York, 45 Wall Street, New York, N.Y. 10005.
E. (9) $8.89.

A. Curtis, Morris & Safford, 530 Fifth Avenue, New York, N.Y. 10036.
B. Estate of Bert N. Adams, P.O. Box 4215, Yuma, Ariz. 85364.
E. (9) $5.

A. William K. Dabaghi, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. William Kay Daines, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $290. E. (9) $30.20.

A. Thomas A. Daly, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. John M. Damgard, ACLI International, Inc., 888 17th Street NW., No. 902, Washington, D.C. 20006.
B. ACLI International, Inc., 717 Westchester Avenue, White Plains, N.Y. 10604.
D. (6) $1,000.

A. Tracy Danese, P.O. Box 529100, Miami, Fla. 33152.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.

A. Joan E. Dannenbaum, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
B. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $4,000. E. (9) $125.

A. William H. Darden, 1620 I Street NW., Washington, D.C. 20006.
B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.
D. (6) $750. E. (9) $30.

A. Thomas Roger Dart, Alabama Petroleum Council, P.O. Box 4220, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $459.92 E. (9) $336.67.

A. John C. Datt, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.
D. (6) $6,249.

A. Philip J. Daugherty, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $5,313.75. E. (9) $174.

A. John B. Davenport, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $281.50.

A. Larry C. Davenport, Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).
D. (6) $300.

A. Daniel I. Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051.

A. John L. Davidson, Jr., The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.
B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. First Chicago Corp., 1 First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,000.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $8,000.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. David R. Davis, Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $387.30. E. (9) $261.72.

A. Drew M. Davis, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,000.09. E. (9) $137.

A. Edward M. Davis, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $2,135.41. E. (9) $153.26.

A. Kenneth E. Davis, 1899 L Street NW., No. 807, Washington, D.C. 20036.
B. Rohm and Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $211.64.

A. Ovid R. Davis, The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $360. E. (9) $739.95.

A. R. Hilton Davis, Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Robert W. Davis, Ford Motor Co., 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,300. E. (9) $987.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., Suite 407, Washington, D.C. 20003.
B. Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $3,125. E. (9) $367.25.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., Suite 407, Washington, D.C. 20003.
B. American Horse Council, Inc., 1700 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $2,083.25. E. (9) $330.06.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., Suite 407, Washington, D.C. 20003.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80201.
D. (6) $1,125. E. (9) $109.46.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., Suite 407, Washington, D.C. 20003.
B. Florida Sugar Cane League, Inc., P.O. Box 1148, Clewsiton, Fla. 33440.
D. (6) $1,500.

A. Walter L. Davis, Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. William Lee Davis, 299 Park Avenue, New York, N.Y. 10017.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $412.50. E. (9) $474.73.

A. P. M. Davison, Jr., North Dakota Railway Lines, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.

A. John Russell Deane III, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Coalition of Automotive Associations, 1825 K Street, NW., Suite 1103, Washington, D.C. 20006.

A. John Russell Deane III, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Specialty Equipment Market Association, 11001 East Valley Mall, El Monte, Calif. 91731.

A. Deaver & Hannaford, Inc., 2030 M Street, NW., Suite 403, Washington, D.C. 20036.
B. National Venture Capital Association, 2030 M Street NW., Suite 403, Washington D.C. 20036.
D. (6) $7,000. E. (9) $657.48.

A. Tony T. Dechant, The Farmers' Educational and Cooperative Union of America, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of American, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $7,500. E. (9) $289.29.

A. Mark O. Decker, Manufacturing Chemists Association, 1825 Connecticut Avenue N.W., Washington, D.C. 20009.
B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $300.

A. Winston M. Decker, 1522 K Street NW., No. 828, Washington, D.C. 20005.

B. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C. 20005.

D. (6) $138.

A. Winston M. Decker, 1522 K Street NW., No. 828, Washington, D.C. 20005.

B. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.

D. (6) $100.

A. Catharine B. Deely, 1730 M. Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $853. E. (9) $17.75.

A. DeHart Associates, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.

D. (6) $975. E. (9) $52.84.

A. Rita del Lupo, 3350 Huntley Square Drive, T-2, Temple Hills, Md. 20031.

B. Chicago Rock Island & Pacific Railroad Co., 332 South Michigan Avenue, Chicago, Ill. 60604.

D. (6) $3,000.

A. Stephen T. DeLaMater, Halliburton Co., 2600 Southland Center, Dallas, Tex. 75201.

B. Halliburton Co., 2600 Southland Center, Dallas, Tex. 75201.

D. (6) $200. E. (9) $175.

A. Myra J. DeLapp, 1901 L Street NW., Suite 702, Washington, D.C. 20036.

B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif. 90071.

D. (6) $900. E. (9) $74.50.

A. Garry J. DeLoss, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,250.

A. John H. Denman, Missouri Oil Council, 428 East Capitol, Suite 203, Jefferson City, Mo. 65101.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $300. E. (9) $12.

A. Wells Denyes, Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.

B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.

D. (6) $160. E. (9) $21.25.

A. Desautels Associates, Inc., 1725 K Street NW., Suite 811, Washington, D.C. 20006.

B. Flavor and Extract Manufacturers Association of the United States, 900 17th Street NW., Washington, D.C. 20006.

D. (6) $400.

A. Desautels Associates, Inc., 1725 K Street NW., Suite 811, Washington, D.C. 20006.

B. Merrill Lynch, Pierce, Fenner & Smith, Inc., 1 Liberty Plaza, New York, N.Y. 10006.

D. (6) $1,000.

A. Dennis Devaney, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.

B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

D. (6) $315.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 140 Broadway, New York, N.Y. 10005.

B. Needham, Harper & Steers, Inc., 909 Third Avenue, New York, N.Y. 10022.

D. (6) $119.27. E. (9) $9.

A. Ralph B. Dewey, Pacific Gas & Electric Co., 1050 17th Street NW., No. 1100, Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $750.75. E. (9) $906.40.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. Airbus Industrie, Avenue Lucien Servanty, 31700, Blagnac, France.

D. (6) $220. E. (9) $27,082.03.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. Government of Morocco, Rabat, Morocco.

D. (6) $6,960. E. (9) $3,145.84.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Munich, Federal Republic of Germany.

A. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. Societe Nationale Industrielle Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France.

D. (6) $638.25. E. (9) $5,611.50.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. Thomson-CSF, Division Equipements Avioniques, 178 Boulevard Gabriel Peri, 92240 Malakoff, France.

D. (6) $803.25. E. (9) $422.41.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $1,875. E. (9) $81.47.

A. John M. Dickerman, John Dickerman & Associates, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.

D. (6) $6,500.01. E. (9) $238.41.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. Kennecott Copper Corp., 161 East 42d Street, New York, N.Y.

D. (6) $1,690.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. Custom Automotive Sound Association, Inc., Suite 1000, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $1,000.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. National Federation of Societies for Clinical Social Work, 698 West End Avenue, New York, N.Y. 10025.

D. (6) $1,000.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.

B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

D. (6) $300. E. (9) $37.80.

A. Paula A. Dilley, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.

B. Marathon Oil Co., Findlay, Ohio 45840.

A. Timothy V. A. Dillon, 1850 K Street NW., Washington, D.C. 20006.

B. Westlands Water District, P.O. Box 5222, Fresno, Calif. 93755.

D. (6) $3,810. E. $60.57.

A. Michael F. Dineen, Lumbermens Mutual Casualty Co., Suit 206, 600 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.

D. (6) $1,800.

A. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.

E. (9) $4,123.85.

A. Harley M. Dirks, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,887.50. E. (9) $167.32.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $57,661.57. E. (9) $57,661.57.

A. Disabled Officers Association, Suite 6, 927 South Walter Reed Drive, Arlington, Va. 22204.

A. Discover America Travel Organizations, Inc., 1899 L Street NW., Washington, D.C. 20036.

D. (6) $45,190. E. (9) $45,190.

A. J. L. Disque, 556 Morris Avenue, Summit, N.J. 07901.

B. CIBA-GEIGY Corp., 556 Morris Avenue, Summit, N.J. 07901.

D. (6) $1,500. E. (9) $1,714.

A. Norman L. Dobyns, Cutler-Hammer, Inc., 1660 L Street NW., No. 912, Washington, D.C. 20036.

B. Cutler-Hammer, Inc., 4201 North 27th Street, Milwaukee, Wis. 53216.

E. (9) $200.

A. H. A. Doersam, 517 Powell Drive, Annapolis, Md. 21401.

B. Household Finance Corp., 2700 Sanders Road, Prospect Heights, Ill. 60070.

D. (6) $2,134.05. E. (9) $1,842.98.

A. James F. Doherty, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

D. (6) $1,350.

A. Hollis M. Dole, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $950.

A. David P. Dolgen, Seafarers International Union, AGLIW District, 815 16th Street NW., Room 510, Washington, D.C. 20006.

B. Seafarers International Union, AGLIWD, 815 16th Street NW., Room 510, Washington, D.C. 20006.

D. (6) $3,800. E. (9) $904.28.

A. Julie Domenick, New York City Municipal Labor Unions, 818 18th Street NW., Suite 750, Washington, D.C. 20006.

B. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.

D. (6) $9,038.54. E. (9) $1,697.20.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.

B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Richard M. Donaldson, 1700 Guildhall Building, Cleveland, Ohio 44115.

B. The Standard Oil Co., Guildhall Building, Cleveland, Ohio 44115.

D. (6) $112.50.

A. Francis X. Dooley, 525 School Street SW., Washington, D.C. 20024.

D. (6) $3,000. E. (9) $125.

A. Joseph W. Dorn, Kilpatrick, Cody Rogers, McClatchey & Regenstein, Suite 400, 2033 K Street NW., Washington, D.C. 20006.

B. Kilpatrick, Cody, Rogers, McClatchey & Regenstein, (for Furniture Rental Association of America), Suite 400, 2033 K Street NW., Washington, D.C. 20006.

D. (6) $10,000. E. (9) $12.

A. James A. Dorsch, 1750 K Street NW., Washington, D.C.

B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. Doub, Purcell, Muntzing & Hansen, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Rice, Inc., Houston, Tex.

D. (6) $1,500. E. (9) $2,674.68.

A. Doub, Purcell, Muntzing & Hansen, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. CSR, Ltd., Sydney, Australia.

D. (6) $1,250. E. (9) $436.22.

A. Doub, Purcell, Muntzing & Hansen, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Washington, D.C.

D. (6) $500. E. (9) $3.

A. Doub, Purcell, Muntzing & Hansen, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Iowa Beef Processors, Dakota City, Nebr.

D. (6) $3,000. E. (9) $751.99.

A. H. Eugene Douglas, Memorex Corp., 1970 Chain Bridge Road, McLean, Va. 22102.

B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.

D. (6) $5,124. E. (9) $325.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chicago Metropolitan Higher Education Council, et al., Douglas Library, Chicago State University, 95th Street at King Drive, Chicago, Ill. 60628.

D. (6) $12,775. E. (9) $1,792.31.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Hampton Roads Energy Co., Security Marine Terminal Co., Central Office Building, 330 County Street, Suite 202, Portsmouth, Va. 23704.

E. (9) $3,301.40.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Univest Corp., 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Richard Morgan Downey, American Speech-Language-Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.

B. American Speech-Language-Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.

A. John C. Doyle, Jr., Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $1,500.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., No. 310, Washington, D.C. 20036.

B. Water Quality Association, 477 East Butterfield Road, Lombard, Ill. 60148.

D. (6) $997.50.

A. Nancy Drabble, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $3,250.

A. James E. Drake, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,984.85.

A. Andrew Drance, Room 402, 2020 North 14th Street, Arlington, Va. 23219.

B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

D. (6) $276.66. E. (9) $22.30.

A. Kevin J. Driscoll, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400. E. (9) $50.

A. Thomas E. Drumm, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Macmillan, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $350.

A. Franklin B. Dryden, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

D. (6) $100. E. (9) $100.

A. Lawrence M. Dubin, One First National Plaza, No. 5200, Chicago, Ill. 60603.

B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Evelyn Dubrow, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.

B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.

D. (6) $6,695. E. (9) $3,539.27.

A. Morgan D. Dubrow, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $125.

A. Henry A. Dudley, 1737 H Street NW., Washington, D.C. 20006.

B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.

D. (6) $2,100. E. (9) $90.39.

A. Francis J. Duggan, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $191.26. E. (9) $361.39.

A. Mervin E. Dullum, 1629 K Street NW., Room 204, Washington, D.C. 20006.

B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.

D. (6) $200. E. (9) $29.65.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., No. 1200, Washington, D.C. 20006.

B. Koniag, Inc., P.O. Box 746, Kodiak, Alaska.

D. (6) $105.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.

B. The Louisville & Nashville Railroad, 908 West Broadway, Louisville, Ky. 47401.

D. (6) $12.50.

A. Louise C. Dunlap, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $250.

A. Douglas G. Dunn, Northern Natural Gas Co., 1133 15th Street NW., Washington, D.C. 20005.

B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $1,500.

A. Dunnells, Duvall, Bennett & Porter, 1220 19th Street NW., Washington, D.C. 20036.

B. United Action for Animals, Inc., 205 East 42d Street, New York, N.Y.

A. James A. Dupree, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

D. (6) $1,625. E. (9) $766.40.

A. Dutcher Industries, 7617 Convoy Court, San Diego, Calif. 92111.

E. (9) $4,000.

A. L. L. Duxbury, Burlington Northern, Inc., Suite 506, 2000 L Street NW., Washington, D.C. 20036.

B. Burlington Northern, Inc., 176 East Fifth Street, St. Paul, Minn. 55101.

D. (6) $5,000. E. (9) $2,697.96.

A. Jean F. Dye, 12700 Lake Avenue, Lakewood, Ohio 44107; National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $2,149.19.

A. Roy W. Easley, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
D. (6) $34.90.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $16,325. E. (9) $384.

A. Joan Eazarsky, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $150.

A. Patricia S. Ebaugh, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $1,125. E. (9) $21.70.

A. Donald R. Ebe, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $1,000.

A. Robert E. Ebel, ENSERCH Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. ENSERCH Corp., 301 South Harwood Street, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $630.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $32.30.

A. Jack Eckerd Corp., P.O. Box 4689, Clearwater, Fla. 33518.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
D. (6) $5,400. E. (9) $57.74.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Government of Turkey/Embassy of Turkey, 1606 23d Street NW., Washington, D.C. 20008.

A. Peter B. Edelman, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Republic of the Philippines), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
D. (6) $2,451.92.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,112.50.

A. Edison Electric Institute, 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.
D. (6) $88,843.63. E. (9) $16,205.39.

A. Stephen L. Edmiston, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $6,022.

A. Clifford E. Edwards, National Rural Letter Carriers Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $14.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,375. E. (9) $38.27.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $134.

A. Adelaide K. Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, 16822 Southwest 82d Court, Miami, Fla. 33157.

A. Richard Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, 16822 Southwest 82d Court, Miami, Fla. 33157.
D. (6) $97.18. E. (9) $401.21.

A. Electronic Data Systems Corp., 229 Pennsylvania SE., Washington, D.C. 20003.
B. Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
E. (9) $1,046.65.

A. George K. Eliades, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $250. E. (9) $360.

A. J. Burton Eller, Jr., 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $653.32. E. (9) $470.97.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
E. (9) $491.61.

A. Kimberly A. Elliott, 444 North Capitol Street NW., No. 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., No. 409, Washington, D.C. 20001.
D. (6) $3,620. E. (9) $300.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Perry R. Ellsworth, National Council of Agricultural Employers, 1425 H Street NW., Washington, D.C. 20005.
B. National Council of Agricultural Employers, 1425 H Street NW., Washington, D.C. 20005.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $562.50.

A. Law Offices of Northcutt Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Associated Electric Cooperative, Inc., Springfield, Mo. 65801.

A. Law Offices of Northcutt Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Basin, Inc., 511 West Ohio, Midlands, Tex. 79701.

A. Law Offices of Northcutt Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Ocean Mining Associates, Gloucester Point, Va.
D. (6) $6,000.

A. Carl F. Emde, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $37.59.

A. John W. Emeigh, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Emerson Electric Co., c/o Ramsay D. Potts, 1800 M Street NW. (900–S), Washington, D.C. 20036.
E. (9) $1,007.30.

A. William Emerson, Suite 800, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.

A. Lowell J. Endahl, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $235.

A. Energy Consumers & Producers Association, P.O. Box 1726, Petroleum Plaza, Seminole, Okla. 74868.

A. Robert J. Englehart, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Patricia Hanahan Engman, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $140.

A. M. Dale Ensign, 1800 M Street NW., Suite 295, Washington, D.C. 20036.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
E. (9) $1,955.96.

A. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $43,385. E. (9) $27,949.71.

A. James R. Enyart, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $88.89.

A. Episcopal Immigration Services, 4201 Via Marina, No. 167, Marina del Rey, Calif. 90291.

A. Vickie Erickson, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $600.

A. John M. Erskine, Jr., P.O. Box 3092, Houston, Tex. 77001.
B. Standard Oil Co. (Indiana), P.O. Box 3092, Houston, Tex. 77001.
D. (6) $164.38. E. (9) $329.90.

A. George T. Esherick, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $630. E. (9) $247.

A. Thomas E. Esterly, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $142.60.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
E. (9) $600.

A. O. Keister Evans, Imported Hardwood Products Association, P.O. Box 1308, Alexandria, Va. 22313.
B. Imported Hardwood Products Association, P.O. Box 1308, Alexandria, Va. 22313.
D. (6) $2,252.36. E. (9) $82.50.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Fawn K. Evenson, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.
B. American Footwear Industries Association, Suite 900, 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $400. E. (9) $75.95.

A. Robbie Exley, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Robert R. Fahs, Cargill, Inc, 1050 17th Street NW., Washington, D.C. 20036.
B. Cargill, Inc., P.O. Box 9300, Minneapolis, Minn. 55440.
D. (6) $2,500. E. (9) $29.15.

A. Thomas B. Farley II, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $4,450. E. (9) $131.70.

A. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $132,369.72. E. (9) $46,869.06.

A. John W. Farquhar, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Dolores L. Farr, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,503. E. (9) $75.55.

A. Penelope S. Farthing, 1700 Pennsylvania Avenue, NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Penelope S. Farthing, 1700 Pennsylvania Avenue, NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Companies, Allstate Plaza, Northbrook, Ill. 60062.

A. R. Roy Fausset, 1050 17th Street NW., No. 301, Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $300.

A. Clinton B. Fawcett, Coastal States Gas Corp., Nine Greenway Plaza, Houston, Tex. 77046.
B. Coastal States Gas Corp., Nine Greenway Plaza, Houston, Tex. 77046.
D. (6) $1,375.

A. Jane Fawcett-Hoover, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $25.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $983.06. E. (9) $983.06.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $7,650. E. (9) $7,650.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $1,950.

A. John W. Feist, 900 17th Street NW., No. 1016, Washington, D.C. 20006.
B. Kaiser Steel Corp., 900 17th Street NW., No. 1016, Washington, D.C. 20006.
D. (6) $968.

A. Lois M. Felder, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $712.60. E. (9) $68.

A. Kenneth E. Feltman, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $6,000. E. (9) $1,405.95.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $3,000. E. (9) $823.83.

A. Edward T. Fergus, Bache Halsey Stuart Shields, 100 Gold Street, New York, N.Y. 10038.
B. Bache Halsey Stuart Shields Inc., 100 Gold Street, New York, N.Y. 10038.
D. (6) $700.

A. Jack Ferguson Associates, 513 A Street, SE., Washington, D.C. 20003.
B. Cook Inlet Region, Inc., 2525 C. Street, Suite 100, Anchorage, Alaska 99509.
D. (6) $500.

A. Jack Ferguson Associates, 513 A Street SE., Washington, D.C. 20003.
B. Northwest Alaska Pipeline Co., P.O. Box 1526, Salt Lake City, Utah 84110.
D. (6) $2,250. E. (9) $1,749.

A. Jack Ferguson Associates, Inc., 513 A Street SE., Washington, D.C. 20003.
B. Steering Council for Alaska Lands, 1016 West Sixth Avenue, Suite 435, Anchorage, Alaska 99501.
D. (6) $2,650. E. (9) $28.90.

A. Jack Ferguson Associates, 513 A Street SE., Washington, D.C. 20003.
B. U.S. Borax & Chemical Corp., 3075 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $6,550. E. (9) $5,857.

A. James H. Ferguson, 1625 I Street NW., Suite 926, Washington, D.C. 20006.
B. American Society for Personnel Administration, 30 Park Drive, Berea, Ohio 44017.
D. (6) $5,000. E. (9) $1,626.

A. Vincent J. Ferri, 444 North Capitol Street NW., No. 820, Washington, D.C. 20001.
B. Professional Air Traffic Controllers Organization, 444 North Capitol Street NW., No. 820, Washington, D.C. 20001.

A. Robert Ferrie, 600 15th Street, Bellingham, Wash. 98225.
B. Intalco Aluminum Corp., P.O. Box 937, Ferndale, Wash. 98248.

A. C. H. Fields, American Farm Bureau Federation, 425 13th Street NW, Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.
D. (6) $4,216. E. (9) $22.30.

A. Manuel D. Fierro, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Herbert A. Fierst, 610 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of B. C., 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $10,625.01. E. (9) $378.

A. Paul F. Finger, 2027½ O Street NW., Washington, D.C. 20036.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. Matthew P. Fink, Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $345. E. (9) $47.25.

A. Thomas D. Finnigan, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $86.05.

A. Laurie A. Fiori, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $329.81. E. (9) $45.

A. Firearms Lobby of America, 325 Pennsylvania Avenue, SE., Washington, D.C. 20003.
D. (6) $8,075.06. E. (3) $7,615.75.

A. First Class Mailers Association, Inc., 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $34.

A. 1st Congressional District Action Committee, 6 Maxfield Ccurt, Barrington, R.I. 02806.
D. (6) $5,163.06. E. (9) $1,244.31.

A. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
E. (9) $3,564.46.

A. Michael D. Fischer, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Republic of the Philippines).

A. Richard L. Fisher, 1000 16th Street NW., Suite 500, Washington, D.C. 20036.
B. Standard Oil Co. of Indiana, 200 East Randolph Drive, Chicago, Ill. 60680.
D. (6) $218. E. (9) $104.20.

A. T. E. Fitzgerald, Jr., 18913 Quail Valley Boulevard, Gaithersburg, Md. 20760.
B. Household Finance Corp., 2700 Sanders Road, Prospect Heights, Ill. 60070.
D. (6) $1,427.50. E. (9) $690.55.

A. Margaret Fitzgerald-Bare, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,031.25.

A. James H. Fitzpatrick, Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

A. Five Freedoms, Inc., P.O. Box 656, Columbia, Md.

A. Hilliard J. Fjord, 602 Main Street, Cincinnati, Ohio 45202.
B. The Ohio River Co., 580 Walnut Street, Cincinnati, Ohio 45202.
D. (6) $1,500. E. (9) $272.

A. Susan Garber Flack, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $46.15.

A. Daniel V. Flanagan, Jr., 1801 K Street N.W., Suite 221, Washington, D.C. 20006.
B. Southern Pacific Co., One Market Plaza, San Francisco, Calif. 94105.
D. (6) $5,400. E. (9) $340.24.

A. James J. Flanagan, New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
B. New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $1,043. E. (9) $376.87.

A. Ronald L. Floor, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $650. E. (9) $11.43.

A. John H. Florer, 9404 Thornhill Road, Silver Spring, Md. 20901.
B. National Motorsports Committee, 1725 K Street, Suite 302, Washington, D.C. 20016.
D. (6) $1,600. E. (9) $25.64.

A. Robert P. Fogarty, 3499 Ridgewood Drive, Columbus, Ohio 43220.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Family Mutual Insurance Co., 3099 East Washington Avenue, Box 7430, Madison, Wis. 53707.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $2,735. E. (9) $18.54.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $6,825. E. (9) $6.17.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Johnson Controls, Inc., 507 East Michigan Street, P.O. Box 423, Milwaukee, Wis. 53201.
D. (6) $3,020. E. (9) $24.08.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic of the Philippines.
E. (9) $56.63.

A. Food and Beverage Trades Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D (6) $8,999.65. E. (9) $8,999.65.

A. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
E. (9) $9,825.

A. Food Policy Center, 538 Seventh Street SE., Washington, D.C. 20003.
D. (6) $26,239.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association.
D. (6) $500. E. (9) $680.29.

A. John S. Forsythe, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $175.

A. Ira N. Forman, 444 North Capitol Street NW., Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Washington, D.C. 20001.
D. (6) $6,499.98.

A. David H. Foster, Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.
B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.
D. (6) $2,900. E. (9) $584.62.

A. John G. Fox, American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 1007; 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Richard J. Fox, 1000 16th Street NW., No. 503, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60680.
D. (6) $1,500. E. (9) $52.72.

A. Donald Fraher, 810 18th Street N W., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $2,503.84. E. (9) $10.

A. William C. France, National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.

A. William H. G. France, National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.

A. J. Dee Frankfourth, P.O. Box 403, Eagle River, Alaska 99577.
B. Alaska Coalition, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800. E. (9) $77.53.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,600.30. E. (9) $116.58.

A. Thomas C. Franks, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, Government Affairs Office, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $608.15.

A. Charles L. Frazier, National Farmers Organization, Corning, Iowa 50841; 475 L'Enfant Plaza SW., No. 2250, Washington, D.C. 20024.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $2,722.50. E. (9) $4,067.36.

A. Robert M. Frederick, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Harry L. Freeman, American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,500. E. (9) $28.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $500. E. (9) $15.

A. Gregory Friberg, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builder and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $4,800. E. (9) $225.

A. George L. Frick, Delaware Oil Men's Association, 20 East Division Street, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Susan Fridy, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,170.

A. Fried, Frank, Harris, Shriver & Kampelman, Suite 1000, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
E. (9) $2.40.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers and Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $1,125.

A. Joseph B. Friedman, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Lucas, Friedman & Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036 (for Republic of the Philippines).

A. Gay H. Friedmann, 1150 Connecticut Avenue, Suite 717, Washington, D.C. 20036.
B. Southern California Gas Co., 720 West Eighth Street, M.L. 1208, Los Angeles, Calif. 90017.
D. (6) $4,810. E. (9) $118.39.

A. John A. Friel, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,132. E. (9) $69.30.

A. Marie Louise Friendly, Preservation Action, 1914 Sunderland Place, Washington, D.C. 20036.
B. Preservation Action, 1914 Sunderland Place, Washington, D.C. 20036.
D. (6) $1,926.30. E. (9) $39.41.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.
D. (6) $85,993. E. (9) $17,992.

A. Gary R. Frink, Watergate 600, Suite 480, Washington, D.C. 20037.
B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $4.

A. Gustave Fritschie, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Robert D. Fritz, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
(D. (6) $750. E. (9) $783.

A. Charles H. Fritzel, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $300. E. (9) $190.

A. Cornelius F. Froeb, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $40.

A. Gordon H. Fry, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

A. Fulbright & Jaworski, 800 Bank of the Southwest Building, Houston, Tex. 77002.
B. St. Joe Paper Co., P.O. Box 1380, Jacksonville, Fla. 32201.

A. David C. Fullarton, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Ave NW., Washington, D.C. 20037.
D. (6) $526.

A. Ronald K. Fuller, 1150 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. San Diego Gas and Electric Co., 101 Ash Street, San Diego, Calif. 92112.
D. (6) $1,200.

A. Claudia Fuquay, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $9.

A. Edward W. Furia, 3515 East Spring Street, Seattle, Wash. 98122.
B. Citizen's Action Group, Kodiak, Alaska.
D. (6) $3,200. E. (9) $300.

A. G-4 Children's Coalition, 7309 Delfield Street, Chevy Chase, Md. 20015.
D. (6) $730. E. (9) $604.85.

A. Terry Gabrielson, 490 L'Enfant Plaza SW., No. 3202, Washington, D.C. 20024.
B. Transcontinental Gas Pipeline Co., 2700 South Post Oak Road, Houston, Tex. 77001.
D. (6) $450.

A. James E. Gaffigan, American Hotel & Motel Association, Suite 1006, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $692.31.

A. Norman S. Gaines, 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $566.04.

A. Mark J. Gallagher, National Committee for a Human Life Amendment, 1707 L Street NW., No. 400, Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington, D.C. 20036.
D. (6) $7,388. E. (9) $1,232.

A. Robert M. Gants, National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., No. 1000, Washington, D.C. 20005.

A. M. D. Garber, Jr., Phillips Petroleum Co., 2101 L Street NW., Sixth Floor, Washington, D.C. 20037.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. Bob Garcia, Winner/Wagner & Associates, Inc., 1024 10th Street, Suite 310, Sacramento, Calif. 95814.
B. Southwest Flight Crew Association, 6160 Mission Gorge Road, Suite 100, San Diego, Calif. 92120.
D. (6) $2,000. E. (9) $2,465.15.

A. Gardner, Carton & Douglas, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $15.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,000.02.

A. Robert P. Gardner, Standard Brands Food Co., 1899 L Street NW., Suite 505, Washington, D.C. 20036.
B. Standard Brands Food Co., Standard Brands, Inc., 625 Madison Avenue, New York, N.Y. 10022.
D. (6) $500.

A. Wendell P. Gardner, Jr., 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $84. E. (6) $23.

A. Theodore J. Garrish, 1525 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Outdoor Coalition, 8387 Tamarind, Fontana, Calif. 92335.
D. (6) $549.74. E. (9) $514.32.

A. W. Bradford Gary, 3M Co., 1101 15th Street NW., Washington, D.C. 20006.
B. 3M Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $10.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,762.50.

A. Margaret L. Gehres, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $116.11.

A. Robert C. Gelardi, Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346; Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
D. (6) $500.

A. Irving Geller, 1016 16th Street, Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Genentech, Inc., 460 Point San Bruno Boulevard, South San Francisco, Calif. 94080.

A. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.

E. (9) $2,451.92.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif., 90291.

A. Joseph G. Gerard, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $2,700. E. (9) $2,673.62.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

D. (6) $3,635.59. E. (9) $51.85.

A. Llewellyn H. Gerson, North Washington at Madison, Alexandria, Va. 22314.

B. United Fresh Fruit & Vegetable Association, North Washington at Madison, Alexandria, Va. 22314.

D. (6) $19.77. E. (9) $8.30.

A. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.

E. (9) $20,418.22.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1800 K Street NW., Suite 620, Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $4,450. E. (9) $98.55.

A. Anne Marie Gibbons, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.

D. (6) $400.

A. William L. Gifford, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. Norma J. Gilbert, 1776 K Street NW., Suite 200, Washington, D.C. 20006.

B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.

D. (6) $1,225. (9) $75.53.

A. John E. Giles, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. James T. Gillice, 1776 F Street NW., Washington, D.C. 20006.

B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Robert E. Ginther, Association of Local Transport Airlines, Suite 803, 1801 K Street NW., Washington, D.C. 20006.

B. Association of Local Transport Airlines, Suite 803, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $3,500.

A. Michael J. Guiffrida, 1469 Quail Hollow Road, Harrisburg, Pa. 17112.

B. National Frozen Food Association, Inc., 1 Chocolate Avenue, P.O. Box 398, Hershey, Pa. 17033.

D. (6) $247. E. (9) $318.40.

A. Vernie R. Glasson III, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

D. (6) $4,313. E. (9) $17.60.

A. George L. Gleason, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $1,750. E. (9) $41.12.

A. Elmer G. Gieske, 1629 K Street NW., Suite 400, Washington, D.C. 20006.

B. Flight Safety International, Inc., Marine Air Terminal, LaGuardia Airport, Flushing, N.Y. 11371.

D. (6) $500. E. (9) $100.

A. George T. Glover, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $245. E. (9) $49.25.

A. Godfrey Association, Inc., 918 16th Street NW., S-501, Washington, D.C. 20006.

E. (9) $56.20

A. Godfrey Association, Inc., 918 16th Street NW., S-501, Washington, D.C. 20006.

B. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

E. (9) $42.50.

A. Horace D. Godfrey, 918 16th Street NW., S-501, Washington, D.C. 20006.

B. Godfrey Association, Inc., 918 16th Street NW., S-501, Washington, D.C. 20006.

D. (6) $2,400. E. (9) $98.70.

A. J. F. Godfrey, P.O. Box 186, Forth Worth, Tex. 76101.

B. The Western Co. of North America, P.O. Box 186, Forth Worth, Tex. 76101.

D. (6) $16.

A. Patrick L. Godfrey, National Association of Manufacturers, 711 Court A, Tacoma, Wash. 98402.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,400.

A. Harvey S. Gold, Velsicol Chemical Corp., 910 17th Street NW., Suite 1000, Washington, D.C. 20006.

B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France), 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $67.85.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France), 1225 19th Street NW., Washington, D.C. 20036.

A. Carl Goldfield, American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.

D. (6) $500.

A. Elliott Goldstein, Powell, Goldstein, Frazer & Murphy, Eighth Floor, 1634 I Street NW., Washington, D.C. 20006.

B. Dittler Brothers, Inc., P.O. Box 19833, Station N, Atlanta, Ga. 30325.

A. Ruth Gonze, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.

D. (6) $600.

A. Don A. Goodall, 1625 I Street NW., Suite 401, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J. 07470.

D. (6) $891. E. (9) $142.51.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France), 1225 19th Street NW., Washington, D.C. 20036.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Government of Morocco, Rabat, Morocco), 1225 19th Street NW, Washington, D.C. 20036.

D. (6) $363.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW, Washington, D.C. 20036.

B. DGA International, Inc. (for Krauss-Maffei AG, Krauss-Maffei Strasse 2, 8000 Munich, FRG), 1225 19th Street NW, Washington, D.C. 20036.

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.

B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15407, Minneapolis, Minn. 55415.

D. (6) $8,646.99.

A. Vivian Goodier, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006

B. National Cable Television Association, Inc., 918 16th Street NW, Washington, D.C. 20006.

D. (6) $1,375. E. (9) $72.

A. Robert F. Goodwin, Meredith Corp., 1850 K Street NW., Suite 275, Washington, D.C. 20006.

B. Meredith Corp., 1850 K Street NW., Suite 275, Washington, D.C. 20006.

D. (6) $40. E. (9) $23.75.

A. David L. Gordon, 6 E Street SE, Washington, D.C. 20003.

B. National Taxpayers Legal Fund, 6 E Street SE., Washington, D.C. 20003.

D. (6) $409.44. E. (9) $1,500.

A. Sara Ann Gordon, 1901 North Fort Myer Drive, Suite 809, Arlington, Va. 22209.

B. Bill Newbold & Associates (for American Protestant Hospital Association, 840 North Lake Shore Drive, Chicago, Ill 60611), 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $1,000. E. (9) $15.

A. Sara Ann Gordon, 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Bill Newbold & Associates (for Texas Hospital Association), 1901 North Fort Myer Drive, Arlington, Va. 22209.
D (6) $1,000. E. (9) $75.

A. Frank D. Gorham III, 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $913.88 E. (9) $33.

A. Gould, Reichert & Strauss, 2613-20 Carew Tower, Cincinnati, Ohio, 45202.
B. Francis J. Rorke, et al.
E. (9) $107.37.

A. Government of El Salvador, Office of the President, San Salvador, El Salvador.
E. (6) $3,000.

A. Lawrence T. Graham, American Hotel & Motel Association, Suite 1006, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $692.31.

A. Maria Ann Graham, 1301 20th Street NW., Apartment 501, Washington, D.C. 20036.
B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.
D. (6) $3,999.99. E. (9) $1,900.

A. John K. Gram, Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
B. Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $1,650. E. (9) $522.40.

A. Allan Grant, American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touchy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,750.

A. John Grant, Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
D. (6) $1,550. E. (9) $915.

A. William W. Grant, Utah International, Inc., 1150 Connecticut Avenue NW., Suite 710, Washington, D.C. 20036.
B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $1,255.53.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $1,234. E. (9) $25.

A. Kirk L. Gray, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,375.

A. Martha W. Gray, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $24.30.

A. Robert Keith Gray, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc. (for Motorola), 633 Third Avenue, New York, N.Y. 10017.
D. (6) $270.

A. Mark E. Grayson, National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $750. E. (9) $20.

A. The Great Western Sugar Co., P.O. Box 5308 T.A., Denver, Colo. 80217.
E. (9) $7,707.46.

A. Donald R. Greeley, 1101 17th Street NW., Suite 603, Washington, D.C. 20036.
B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $750. E. (9) $196.13.

A. James W. Green, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,989.80. E. (9) $297.43.

A. Mark Green, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $4,749.99.

A. Wayne Green, 73 Magazine, Peterborough, N.H. 03458.
B. 73 Inc., Peterborough, N.H. 03458.

A. Howard Greenberg, 7426 Arrowood Road, Bethesda, Md. 20034.
B. Public Timbers Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $4,500.

A. Alison E. Greene, 1707 H Street NW., Washington, D.C. 20006.
B. National Foundation—March of Dimes, 1275 Mamaroneck Avenue, White Plains, N.Y., 10605.
D. (6) $400. E. (9) $55.

A. Robert M. Greening, Jr., Public Power Council, 1310 Main Street, Vancouver, Wash. 98666.
B. Public Power Council, 1310 Main Street, Vancouver, Wash. 98666.
D. (6) $1,200. E. (9) $300.

A. Margit S. Greenspon, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $375.

A. Saunders Gregg, Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.
B. Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $10,000.

A. Lori Gribbin, 1899 L Street NW., No. 807, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $39.90.

A. Harold H. Griffin, 1050 17th Street NW., No. 320, Washington, D.C. 20036.
B. Family Health Program, 2925 North Palo Verde Avenue, Long Beach, Calif. 90815.
D. (6) $2,625. E. (9) $507.11.

A. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., No. 450, Washington, D.C. 20006.
B. Aetna Life & Casualty, 151 Farmington Road, Hartford, Conn. 06115.

A. Groom & Nordberg, 1775 Pennsylvania Avenue, NW., Suite 450, Washington, D.C. 20006.
B. Baxter Travenol Laboratories, Inc., 1 Baxter Parkway, Deerfield, Ill. 60015.
E. (9) $120.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48288.
D. (6) $50. E. $6.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Connecticut General Insurance Co., Hartford, Conn. 06115.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
E. (9) $50.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Eli Lilly & Co., 307 East McCarty, Indianapolis, Ind. 46206.
E. (9) $15.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.
E. (9) $100.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.
E.(9) $20.

A. David B. Gross, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C.

B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.

D. (6) $1,000.

A. Frank N. Grossman, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.

D. (6) $1,500. E. (9) $300.

A. The Group, Inc., P.O. Box 949, Wilmington, Del. 19899.

D. (6) $1,600. E. (9) $19,373.

A. John T. Grupenhoff, 6410 Rockledge Drive, Suite 208, Bethesda, Md. 20034.

B. American Academy of Dermatology, 820 Davis Street, Evanston, Ill. 60201.

D .(6) $411.20. E. (9) $41.20.

A. John T. Grupenhoff, 6410 Rockledge Drive, Suite 208, Bethesda, Md. 20034.

B. American Gastroenterological Association c/o Charles Slack, Inc., Thorofare, N.J. 08086.

D. (6) $614. E. (9) $24.70.

A. John T. Grupenhoff, Grupenhoff & Endicott, 6410 Rockledge Drive, Suite 208, Bethesda, Md. 20034.

B. MEGO Corp., 41 Madison Avenue, New York, N.Y. 10010.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $900.

A. Gun Owners of America, Inc., 101 South Whiting Street, Alexandria, Va. 22301.

D. (6) $53,134. E. (9) $57,952.58.

A. Thomas M. Gunn, P.O. Box 516, St. Louis, Mo. 63166.

B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. Marjorie Guthrie, Committee to Combat Huntington's Disease, 250 West 57th Street, New York, N.Y. 10019.

A. Maria Faller Gwaltney, 1730 K Street NW., Washington, D.C. 20006.

B. American Hellenic Institute Public Affairs Committee, Inc., 1730 K Street NW., No. 903, Washington, D.C. 20006.

D. (6) $140.

A. James M. Hacking, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $484.61 E. (9) $51.50.

A. Craig Hackler, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C. 20036.

A. W. Craig Hackler, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C. 20036.

B. E. F. Hutton & Co., Inc., 1 Battery Park Plaza, New York, N.Y. 10004.

D. (6) $1,500.

A. Loyd Hackler, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $118.75.

A. Thomas F. Hairston, 1100 Connecticut Avenue, Suite 800, Washington, D.C. 20036.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

E. (9) $388.05.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.

B. Tobacco Tax Council, P.O. Box 8269, 5407 Patterson Ave., Richmond, Va. 23226.

A. Harry L. Hall, National Multiple Sclerosis Society, 6845 Elm Street, Suite 511, McLean, Va. 22101.

B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.

D. (6) $3,925.

A. Richard F. Hall, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Isabelle Hallahan, American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.

B. American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill., 60611.

D. (6) $3,510. E.(9) $1,168.79.

A. Norman S. Halliday, 600 Pennsylvania Avenue SE., No. 300, Washington, D.C. 20003.

A. Norman S. Halliday, 600 Pennsylvania Avenue SE., No. 300, Washington, D.C. 20003.

B. National Association of Greeting Card Publishers, 600 Pennsylvania SE., No. 300, Washington, D.C. 20003.

D. (6) $1,300.

A. Joseph Halow, North American Grain Association, Inc., 1800 M Street NW., Washington, D.C. 20036.

B. North American Export Grain Association, Inc., 1800 M Street NW., Washington, D.C. 20036.

D. (6) $3,000.

A. Jerald V. Halvorsen, Allied-General Nuclear Services, 2120 L Street NW., Suite 245, Washington, D.C. 20037.

B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

E. (9) $320.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Belize Sugar Industries, Ltd., Belize City, Belize (Central America).

E. (9) $452.30.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Beneficial Foundation, 1300 Market Street, Wilmington, Del. 19899.

E. (9) $100.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Central Bank for Cooperatives and Associated District Banks, P.O. Box 17389, Denver, Colo. 80217.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.

B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A., and Azucarera Nacional, S.A., Panama City, Panama.

D. (6) $3,062.71. E. (9) $24.96.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $3,000. E. (9) $13.01.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Sugar Association of the Caribbean, Port of Spain, Trinidad.

D. (6) $17,963.24. E. (9) $208.15.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. James L. Hamilton III, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $219. E. (9) $101.

A. Philip W. Hamilton, 1901 L Street NW., Suite 711, Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 1901 L Street NW., Washington, D.C. 20036 (for the National Labor-Management Foundation, Louisville, Ky.).

E. (9) $2.

A. Stanley Hamilton, Common Carrier Conference—Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C. 20036.

B. Common Carrier Conference—Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C. 20036.

D. (6) $500. E. (9) $50.

A. Thomas A. Hammer, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.

D. (6) $233,375.26. E. (9) $18,579.79.

A. Christopher G. Hankin, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

E. (9) $12.83.

A. J. E. Hansen, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.

D. (6) $350.

A. Peter J. Hapworth, 1850 K Street NW., Suite 850, Washington, D.C. 20006.

B. National Restaurant Association, 1850 K Street NW., Washington, D.C. 20006; 1 IBM Plaza, Suite 2600, Chicago, Ill., 60611.

D. (6) $775. E. (9) $157.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.

B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $8.50.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

B. National Right to Work Committee, 8316 Arlington Blvd., Suite 600, Fairfax, Va. 22038.

D. (6) $350. E. (9) $186.

A. Bryce L. Harlow, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

D. (6) $40.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.

B. Air Force Sergeants Association, 4235 28th Avenue, Marlow Heights, Md. 20031.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Toni Harrington, Suite 905, 955 L'Enfant Plaza, North, SW., Washington, D.C. 20024.

B. American Honda Motor Co., Inc., 100 Alondra Boulevard, Gardena, Calif. 90247.

D. (6) $150. E. (9) $34.35.

A. Robert L. Harris, 818 Connecticut Avenue NW., Washington, D.C. 20006.

B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.

E. (9) $220.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $192.30. E. (9) $17.

A. Jim Harrison, Committee of Urban Program Universities, 1300 19th Street NW., No. 220, Washington, D.C. 20036.

B. Committee of Urban Program Universities, 1300 19th Street NW., No. 220, Washington, D.C. 20036.

D. (6) $5,349.99. E. (9) $100.

A. Kay Harrold, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

D. (6) $210.

A. Harshe-Rotman & Druck, Inc., 1010 Wisconsin Avenue NW., No. 640, Washington, D.C. 20007.

A. Hartford Fire Insurance Co., Hartford Plaza, Hartford, Conn. 06115.

E. (9) $7,100.

A. Norman B. Hartnett, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $14,316. E. (9) $313.30.

A. Clifford J. Harvison, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Lewis B. Hastings, 1776 K Street NW., Suite 200, Washington, D.C. 20006.

B. Motorola, 1776 K Street NW., Suite 200, Washington, D.C. 20006.

D. (6) $500. E. (9) $100.

A. Walter A. Hasty, Jr., 1801 K Street NW., Suite 230, Washington, D.C. 20006.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $311.91.

A. Mary W. Haught, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa., 19087.

D. (6) $650. (9) $1,058.55.

A. Charles W. Havens III, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Mead Corp., Mead World Headquarters, Courthouse Plaza NE., Day, Ohio 45463.

D. (6) $450.

A. John H. Hawkins, Jr., Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.

B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.

D. (6) $8,814. E. (9) $6,758.92.

A. Paul M. Hawkins, 1750 K Street NW., Washington, D.C.

B. Health Insurance Association of America, Inc., 919 Third Avenue, New York, N.Y. 1750 K Street NW., Washington, D.C.; 332 South Michigan Avenue, Chicago, Ill.

A. Bruce R. Hawley, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

D. (6) $3,875. E. (9) $25.15.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.

B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $7,228.70.

A. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.

D. (6) $29.95. E. (9) $29.25.

A. Health Research Group, 2000 P Street NW., No. 708, Washington, D.C. 20036.

D. (6) $30.52. E. (9) $30.52.

A. Patrick B. Healy, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $543.75.

A. William H. Hecht, No. 1200, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,690. E. (9) $550.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $10,036. E. (9) $15.

A. Clyde M. Heiner, 180 East First South Street, Salt Lake City, Utah 84139.

B. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah 84139.

A. Richard L. Hellwege, Lear Siegler, Inc., 1911 Jefferson Davis Highway, Suite 1002, Arlington, Va. 22202.

B. Lear Siegler, Inc., 4141 Eastern Avenue SE., Grand Rapids, Mich. 49508.

D. (6) $546. E. (9) $148.70.

A. John Helm, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Phil D. Helmig, 410 East College Street, Roswell, N. Mex. 88201.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Carol C. Henderson, American Library Association, 110 Maryland Avenue NE., Suite 101, Box 54, Washington, D.C. 20002.

B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.

D. (6) $511.

A. Douglas F. Henderson, Rocky Mountain Oil and Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.

B. Rocky Mountain Oil and Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.

E. (9) $798.10.

A. Richard Dean Henderson, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.

B. Private Truck Council of America, Inc., 1101 17th Street, NW., No. 1008, Washington, D.C. 20036.

E. (9) $20.

A. Henkel & Lamon, 229 Peachtree Street NE., Suite 2500, Atlanta, Ga. 30303.

B. The National Association of Pension, Consultants and Administrators, Inc., Suite 300, Three Piedmont Center, Atlanta, Ga. 30305.

D. (6) $1,350.50. E. (9) $346.95.

A. Henkel & Lamon, 229 Peachtree Street NE., 2500 Peachtree Center Cain Tower, Atlanta, Ga. 30303.

B. Small Business Council of America, Inc., 702 Longfellow Building, 1201 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $293.02.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,500.

A. Thomas M. Hennessy, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.

D.. (6) $7,444.50. E. (9) $496.18.

A. George F. Hennrikus, Jr., The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.

B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.

D. (6) $3,827.50.

A. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

E. (9) $810.

A. Herrick, Allen & Davis, 1701 K Street NW., Suite 706, Washington, D.C. 20006.

B. Amusement and Music Operators Association, 35 East Wacker Drive, Suite 1940, Chicago, Ill. 60601.

D. (6) $611.10.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.

B. National Committee Against Repressive Legislation, 1250 Wilshire Blvd., Los Angeles, Calif. 90017.

D. (6) $3,055. E. (9) $1,902.28.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.

B. Self-Determination for D.C., 2030 M Street NW., Room 300, Washington, D.C. 20036.

D. (6) $6,250. E. (9) $46.

A. William R. Hesse, American Association of Advertising Agencies, 1899 L Street NW., Suite 700, Washington, D.C. 20036.

B. American Association of Advertising Agencies, 200 Park Avenue, Pan Am Building, New York, N.Y. 10017.

D. (6) $2,500. E. (9) $750.

A. Heublein, Inc., Munson Road, Farmington, Conn. 06032.

E. (9) $972.54.

A. Ted A. Heydinger, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

E. (9) $215.87.

A. Andrew I. Hickey, Jr., Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

D. (6) $15,125. E. (9) $1,032.69.

A. Frederick W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. First Chicago Corp., 1 First National Plaza, Chicago, Ill. 60670.

A. Frederick W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $1,000.

A. Frederick W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.

B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.

B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Paul T. Hicks, Rhode Island Petroleum Association, 154 Francis Street, Providence, R.I. 02903.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $150. E. (9) $95.

A. J. Thomas Higginbotham, Mellon Bank N.A., Pittsburgh, Pa. 15230.

B. Mellon Bank, N.A. and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.

D. (6) $2,000. E. (9) $2,066.39.

A. Dave Hill, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

D. (6) $3,000. E. (9) $48.90.

A. Gerald "Jerry" Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. J. Eldred Hill, Jr., UBA, Inc., 1800 M Street NW., 460 South, Washington, D.C. 20036.

B. UBA, Inc., 1800 M Street NW., 460 South, Washington, D.C. 20036.

D. (6) $2,000.

A. E. Joseph Hillings, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20336.

B. National Airlines, Inc., P.O. Box 592055 AMF, Miami, Fla. 33159.

D. (6) $1,100. E. (9) $50.

A. Kathryn Hilton, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $1,687.

A. Arthur F. Hintze, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Janet L. Hirschberg, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

D. (6) $145.

A. Lawrence S. Hobart, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $600.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $3,200. E. (9) $733.

A. Valery Hobbs, 2030 M Street NW., Suite 800, Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

D. (6) $1,000.

A. Howard E. Hoelter, Illinois Petroleum Council, P.O. Box 5034, Springfield, Ill. 62705.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $240. E. (9) $404.37.

A. Lawrence S. Hoffheimer, 6845 Elm Street, Suite 511, McLean, Va. 22101.

B. American Group Practice Association, 20 South Quaker Lane, Alexandria, Va. 22314.

D. (6) $5,000. E. (9) $850.

A. Lawrence S. Hoffheimer, National Multiple Sclerosis Society, 6845 Elm Street, Suite 511, McLean, Va. 22101.

B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y., 10017.

D. (6) $3,750. E. (9) $1,350.

A. Ellen S. Hoffman, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Children's Defense Fund of the Washington Research Project, Inc.

D. (6) $1,309. E. (9) $170.10.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Council of European and Japanese National Shipowners' Associations, 17/18 Bury Street, London EC3A 5AH, England.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $2,500.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Schrader Stoves, Inc., Energy Alternatives, Inc., J N J Enterprises, Inc., care of Fisher Stoves International, Inc., P.O. Box 10605, Eugene, Oreg. 97440.

D. (6) $1,702.53.

A. John H. Holloman III, O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $750.

A. John H. Holloman III, O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Wendell M. Holloway, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $560.10. E. (9) $428.03.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $1,575.

A. Peter E. Holmes, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

D. (6) $500.

A. Richard C. Holmquist, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $90.66. E. (9) $9.

A. Fortescue W. Hopkins, Box 218, Daleville, Va. 24083.

B. Graham-White Manufacturing Co., P.O. Box 1099, Salem, Va. 24153; Graham-White Sales Corp., P.O. Box 218, Salem, Va., 24153.

D. (6) $3,300. E. (9) $807.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Michael L. Horn, American Apparel Manufacturers Associations, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

A. Robert Jack Horn, 1819 H Street NW., Suite 950, Washington, D.C. 20006.

B. The Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. 48226.

D. (6) $358. E. (9) $55.83.

A. Michael E. Hor[illegible], American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $682.50. E. (9) $35.94.

A. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

D. (6) $3,814. E. (9) $3,814.

A. Houdaille Industries, Inc., 1 Financial Plaza, Fort Lauderdale, Fla. 33394.

E. (9) $105,865.18.

A. Houger, Garvey & Schubert, 1725 K Street NW., Suite 303, Washington, D.C. 20006.

B. American Pyrotechnics Association, 407 Campus Avenue, Chestertown, Md. 21620.

D. (6) $2,731.50. E. (9) $262.35.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

E. (9) $3,613.23.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Insurance Companies, Allstate Plaza, Northbrook, Ill. 60062.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.

D. (6) $1,500.

A. Clifford T. Howlett, Jr., Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.

E. (9) $420.

A. Karl T. Hoyle, Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C.

D. (6) $300. E. (9) $379.71.

A. Karetta B. Hubbard, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

A. David Emery Hughes, Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04112.

B. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04112.

D. (6) $86.68.

A. Peter W. Hughes, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $848.08.

A. Royston C. Hughes, Florida Gas Transmission Co., 1711 Venetian Way, Winter Park, Fla. 32789.

B. Florida Gas Transmission Co., P.O. Box 44, Winter Park, Fla., 32790.

A. William G. Hughes, The National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.

B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.

D. (6) $101.57.

A. Edward L. Huie, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.

B. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.

D. (6) 5,431.14. E. (9) $697.12.

A. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. William J. Hull, Ohio Valley Improvement Association, Inc., 401 Carew Tower, Cincinnati, Ohio 45202.

B. Ohio Valley Improvement Association, Inc.

A. Keith R. Hundley, 1625 I Street NW., No. 902, Washington, D.C. 20006.

B. Weyerhaeuser Company, Tacoma, Wash. 98401.

D. (6) $300. E. (9) $30.70.

A. Burt H. Hunley, Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.

B. Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.

D. (6) $85.

A. Frederick D. Hunt, Jr., 1835 K Street NW., No. 515, Washington, D.C. 20006.

B. American Academy of Actuaries, 1835 K Street NW., No. 515, Washington, D.C. 20006.

A. Richard M. Hunt, NL Industries, Suite 1009, Connecticut Building, 1150 Connecticut Avenue NW., Washington, D.C. 20036.

B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.

A. Milton F. Huntington, Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $640. E. (9) $854.50.

A. Joan L. Huntley, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $232.22. E. (9) $17.90.

A. Jerry Hurley, National Club Association, 1625 I Street NW., Washington, D.C. 20006.

B. National Club Associates, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $1,125.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

E. (9) $137.

A. Benjamin Melvin Hurwitz, Coastal States Gas Corp., 1015 18th Street NW., Suite 610, Washington, D.C. 20036.

B. Coastal States Gas Corp., 9 Greenway Plaza, Houston, Tex. 77046.

D. (6) $1,200. E. (9) $60.

A. John F. Hussey, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.

B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.

D. (6) $500. E. (9) $405.08.

A. Dewey M. Hutchins, Eastman Kodak Co., 500 12th Street SW., Washington, D.C. 20024.

B. Eastman Kodak Co., 343 State St., Rochester, N.Y. 14650.

D. (6) $375. E. (9) $117.

A. Philip A. Hutchinson, Jr., Volkswagen of America, Inc., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.

B. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092.

D. (6) $250.

A. Randy Huwa, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,798.

A. Hydeman, Mason & Goodell, 1220 19th Street NW., Suite 700, Washington, D.C. 20036.

B. Atlantic Container Line, GIE, Overline House, Southampton, England.

A. David C. Hyer, Ohio Petroleum Council, 88 East Broad Street, Columbus, Ohio 43215.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Atilla S. Ilkson, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.

D. (6) $2,000. E. (9) $161.77.

A. Independent Data Communication Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $628. E. (9) $628.

A. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038; Suite 530, 1120 19th Street NW., Washington, D.C. 20036.

E. (9) $24,070.40.

A. Independent Local Newspaper Association, 1050 17th Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $7,500.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $15,085.12. E. (9) $15,085.12.

A. G. Conley Ingram, Citizens & Southern National Bank Building, 35 Broad Street, Atlanta, Ga. 30303.

B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.

D. (6) $57.

A. Deborah A. Insley, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

D. (6) $2,500. E. (9) $220.95.

A. Interlake, Inc., 2015 Spring Road, Oak Brook, Ill. 60521.

E. (9) $11,992.23.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

E. (9) $26,164.77.

A. International Services Corp., 1776 K Street NW., Suite 605, Washington, D.C. 20006.

B. United States Merchant Marine Academy Alumni Association, Inc. (Kings Point Fund, Inc.), Kings Point, Long Island, N.Y. 11024.

D. (6) $1,250. E. (9) $1,250.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $3,146.34.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.W. 10022.
E. (9) $56.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $32,912.19. E. (9) $8,971.06.

A. William A. Irvine, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
D. (6) $600.

A. John D. Isaacs, Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,852.08.

A. Joseph S. Ives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $120.

A. Robert A. Jablon, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce; Gainesville-Alachua County Regional Electric Water & Sewer Utilities; Sebring Utilities Commission; cities of Homestead, Kissimmee, Lakeland, Starek, Tallahassee, Fla., et al.

A. Mary Jo Jacobi, 3M, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $3,300.

A. Roy Jacobsen, 6845 Elm Street, No. 500, McLean, Va. 22101.
B. Jack McDonald Associates, Inc., 6845 Elm Street, No. 500, McLean, Va. 22101 (for The Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005).
D. (6) $9,000. E. (9) $728.70.

A. Mary Lee Jackson, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. Cooperative League of the U.S.A., 1828 L Street NW., Washington, D.C. 20036.
D. (6) $1,500.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.
B. Distilled Spirit Committee for International Trade, 1819 H Street NW., Suite 400, Washington, D.C. 20006.
D. (6) $1,000.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.
B. Land O'Lakes, Inc., 614 McKinley Place, Minneapolis, Minn. 55413.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.

B. BankAmerica Corp., Bank of America Center, San Francisco, Calif.
D. (6) $357.11. E. (9) $201.85.

A. Leslie A. Janka, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Government of Morocco, Rabat, Morocco).
D. (6) $146.64. E. (9) $84.28.

A. Gary L. Jarmin, 316 Pennsylvania Avenue SE., Suite 400, Washington, D.C. 20003.
B. American Conservative Union, 316 Pennsylvania Avenue SE., No. 400, Washington, D.C. 20003.
D. (6) $5,124.99. E. (9) $751.71.

A. T. Destry Jarvis, 529 Tennessee Avenue, Alexandria, Va. 22305.
B. National Parks and Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.
D. (6) $3,000.

A. Joseph A. Jeffrey, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $302.20. E. (9) $74.40.

A. Joseph S. Jenckes, Abbott Laboratories, 1730 M Street NW., Suite 808, Washington, D.C. 20036.
B. Abbott Laboratories, Abbott Park, North Chicago, Ill. 60064.

A. Linda Jenckes, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. Jennings, Strouss & Salmon, 111 West Monroe, Phoenix, Ariz. 85001.
B. Shamrock Foods Co., 2228 North Black Canyon, Phoenix, Ariz. 85009.
D. (6) $50.

A. W. Pat Jennings, Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $500.

A. Chris L. Jensen, Florida Petroleum Council, 111 North Gadsden Street, Tallahassee, Fla. 32301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $945. E. (9) $866.15.

A. A. W. Jessup, 1899 L Street NW., No. 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $462.40.

A. Guy E. Jester, J. S. Alberici Construction Co., 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Charles E. Joeckel, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $6,693.

A. Ronald P. Johnsen, Columbia Gas System Corp., 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $216.62.

A. Bob Johnson, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,234. E. (9) $198.

A. Calvin P. Johnson, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C. 20006; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. David H. Johnson, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, c/o Alabama Petroleum Council, P.O. Box 420, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $418.50. E. (9) $506.65.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $2,220. E. (9) $257.64.

A. Reuben L. Johnson, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $7,107.70. E. (9) $23.24.

A. Richard W. Johnson, Jr., 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the U.S.A., P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $2,445.53. E. (9) $318.97.

A. Stanley L. Johnson, Texaco, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $120.

A. William Johnson, Consumers Power Co., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
D. (6) $600.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
E. (9) $200.

A. James D. Johnston, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $2,326.70.

A. Jane Johnston, 1957 E. Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $2,000. E. (9) $1,170.

A. Allan R. Jones, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $528.50.

A. Charlie W. Jones, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $225. E. (9) $200.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
D. (6) $190. E. (9) $10.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $230. E. (9) $10.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Control Data Corp., 6003 Executive Boulevard, Rockville, Md. 20852.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. James E. Jones, Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24022.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24022.

A. James E. Jones, Jr., Alliance of American Insurers, 1776 F Street NW., Washington, D.C.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $100. E. (9) $60.

A. Phillip W. Jones, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $506.25.

A. Randall T. Jones, National Cotton Council, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $550.

A. De Soto Jordan, Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Electronic Data Systems Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $300. E. (9) $134.60.

A. Donald L. Jordan, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Jeffrey H. Joseph, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,365. E. (9) $132.65.

A. Thomas Joyce, 1120 19th Street, Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $24,070.40.

A. William R. Joyce, Jr., 1701 Pennsylvania Avenue NW., Suite 520, Washington, D.C. 20006.
B. Vance & Joyce, 1701 Pennsylvania Avenue NW., Suite 520, Washington, D.C. 20006 (for Embassy of Bolivia).
D. (6) $6,312.50.

A. Robert E. Juliano, Hotel and Restaurant Employees and Bartenders International Union, 1666 K Street NW., Washington, D.C. 20006.
B. Hotel and Restaurant Employees and Bartenders International Union, 120 East Fourth Street, Suite 1300, Cincinnati, Ohio 45202.
D. (6) $9,999.96. E. (9) $493.97.

A. H. Richard Kahler, 1850 K Street NW., Suite 925, Washington, D.C. 20006.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $3,183.25.

A. Ann P. Kahn, National Congress of Parents and Teachers, 9202 Ponce Place, Fairfax, Va. 22031.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $71.50.

A. Kaiser Steel Corp., 900 17th Street NW., No. 1016, Washington, D.C. 20006.
E. (9) $1,315.89.

A. Irving K. Kaler, Kaler, Lefkoff, Pike & Fox, Suite 2101, 100 Colony Square, 1175 Peachtree Street NE., Atlanta, Ga. 30361.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.
D. (6) $550. E. (9) $412.71.

A. Donald J. Kaniewski, Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $4,749.99. E. (9) $61.

A. Liz Kaplan, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,048.43.

A. Richard T. Kaplar, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NE., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $50. E. (9) $35.13.

A. Charles W. Karcher, 1780 Guildhall, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Gene Karpinski, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc., 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $5,500.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $3,500. E. (9) $1,100.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. Special Committee for United States Exports, 1666 K Street NW., Washington, D.C. 20005.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006; Archer Daniels Midland, Decatur, Ill. 62525.
D. (6) $3,500.

A. Linda Eileen Katz, 3350 Huntley Square Drive, T–2, Temple Hills, Md. 20031.
B. Chicago, Rock Island & Pacific Railroad Co., 332 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $6,500. E. (9) $629.43.

A. Kathryn Kavanagh, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,399.66.

A. Thomas O. Kay, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $147.62.

A. Howard B. Keck, The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. Keck, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,200.01. E. (9) $124.47.

A. David C. Keeh, Air Products and Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products and Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $31.75.

A. Robert H. Kellen, Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.

B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
D. (6) $600.

A. Candace Keller, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $99.45.

A. John B. Kelley, 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.
D. (6) $1,500.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.
B. U-Haul International, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
D. (6) $2,000. E. (9) $1,993.03.

A. Michael T. Kelley, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.
E. (9) $20.

A. Ty Kelley, National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
D. (6) $1,500.

A. Stephen G. Kellison, 1835 K Street NW., Suite 515, Washington, D.C. 20006.
B. American Academy of Actuaries, 1835 K Street NW., Suite 515, Washington, D.C. 20006.

A. Carol A. Kelly, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $3,850. E. (9) $82.13.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. John T. Kelly, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Don Kennard, Read-Poland, Inc, 1011 Congress Avenue, Austin, Tex. 78701.
B. Central and South West Corp, 2700 One Main Place, Dallas, Tex. 75201.
D. (6) $1,500. E. (9) $618.98.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers Express & Station Employees, 3 Research Place, Rockville, Md. 20850.
D. (6) $5,000. E. (9) $690.

A. Jeremiah J. Kenney, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Robert T. Kenney, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

A. Vytautas Kerbelis, 69 Cottage Street, Bar Harbor, Maine 04609.
B. ARAS (Psychomotor Domain of Self), 69 Cottage Street, Bar Harbor, Maine 04609.
D. (6) $600. E. (9) $600.

A. Gilbert W. Keyes, P.O. Box 3999, Seattle, Wash. 98124.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $44. E. (9) $43.28.

A. William S. Kies, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street, Washington, D.C. 20006.
D. (6) $750.

A. Roberta D. Kimball, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
D. (6) $172.71. E. (9) $552.20.

A. Richard H. Kimberly, Kimberly-Clark Corp., 3390 Peachtree Road NE., Executive Suite, Atlanta, Ga. 30326.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
D. (6) $39.71. E. (9) $462.30.

A. Charles L. King, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $240.

A. Dean King, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $15.

A. G. Jack King, Allegheny Airlines, Washington National Airport, Washington, D.C. 20001.
B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $1,000.

A. Gibson Kingren, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $1,170.

A. John M. Kinn, 934 Jaysmith Street, Great Falls, Va. 22304.
B. The Institute of Electrical & Electronics Engineers, Inc., 2029 K Street NW., Suite 601, Washington, D.C. 20006.
D. (6) $1,800. E. (9) $1,220.

A. John M. Kinnaird, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500.

A. John R. Kirk, Bingham, Dana & Gould, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Kirkland & Ellis, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Ralph W. Kittle, 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $565. E. (9) $200.

A. Saul B. Klaman, National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,084.61.

A. Catherine B. Klarfeld, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Republic of the Philippines).

A. Richard P. Kleeman, Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.

A. Allie C. Kleinpeter, Jr., Louisiana Bankers Association, 666 North Street, P.O. Box 2871, Baton Rouge, La. 70821.
B. Louisiana Bankers Association, 666 North Street, P.O. Box 2871, Baton Rouge, La. 70821.
D. (6) $500. E. (9) $100.65.

A. Joann Klimschot, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,600.

A. Richard A. Kline, 1150 17th Street NW., Suite 609, Washington, D.C. 20036.
B. Council of Active Independent Oil and Gas Producers, 1150 17th Street NW., Suite 609, Washington, D.C. 20036.
D. (6) $5,781.

A. Ruth E. Kobell, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C., 20005.
D. (6) $3,530.77. E. (9) $145.45.

A. Bradley R. Koch, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $128.50.

A. George W. Koch, 1010 Wisconsin Avenue NW., Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.
D. (6) $30.

A. Robert M. Koch, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

A. Horace R. Kornegay, Suite 1200, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $500. E. (9) $150.

A. Kenneth S. Kovack, United Steelworkers of America, 815 16 Street NW., Suite 706, Washington, D.C. 20006.

B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $7,228.70

A. Gary D. Knight, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $165. E. (9) $33.

A. Keith R. Knoblock, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $127.67. E. (9) $12.65.

A. C. Neal Knox, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $1,375.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.

B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

D. (6) $100.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.

D. (6) $3,000. E. (9) $9.70.

A. Mylio S. Kraja, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $7,881. E. (9) $940.68.

A. Amos Kramer, Kansas Petroleum Council, 1414 Merchants Bank, Eighth and Jackson Streets, Topeka, Kans. 66612.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $455. E. (9) $437.45.

A. Raymond R. Krause, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

D. (6) $300. E. (9) $170.

A. Lawrence E. Kreider, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $360.

A. Lloyd R. Kuhn, Aerospace Industries Association, 1725 DeSales Street NW., Washington, D.C. 20036.

B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

D. (6) $10,392. E. (9) $1,316.30.

A. Thomas R. Kuhn, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $2,850. E. (9) $167.87.

A. Daniel M. Kush, CertainTeed Corp., Suite 610, 1627 K Street NW., Washington, D.C. 20006.

B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.

D. (6) $330. E. (9) $36.35.

A. Kutak, Rock & Huie, 1101 Connecticut Avenue NW., 11th Floor, Washington, D.C. 20036.

B. Citibank, N.A., 399 Park Avenue, New York, N.Y. 10043.

D. (6) $1,500. E. (9) $85.67.

A. Dan Kuykendall, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Southern Furniture Manufacturers Association, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

D. (6) $14,000.01. E. (9) $690.82.

A. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.

E. (9) $21,779.23.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $4,979. E. (9) $5,788.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.

B. Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20036.

D. (6) $1,040. E. (9) $12.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street, Washington, D.C. 20036.

B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.

D. (6) $260. E. (9) $6.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.

B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $910. E. (9) $12.

A. Walter B. Laessig, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $150.

A. Sarah M. Laird, 1730 M Street NW., Washington, D.C. 20036.

B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $1243. E. (9) $35.50.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. James H. Lake, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Nelson & Harding (for National Potato Council, 1101 Connecticut Avenue, Suite 800, Washington, D.C. 20036), 1101 Connecticut Avenue, Suite 800, Washington, D.C. 20036.

A. David F. Lambert III, Suite 1101, 2001 Jefferson Davis Highway, Arlington, Va. 22202.

B. Automotive Occupant Protection Association, 2001 Jefferson Davis Highway, Suite 1101, Arlington, Va. 22202.

D. (6) $13,332. E. (9) $412.80.

A. David R. Lambert, The National Grange, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,600.

A. Harry J. Lambeth, 725 15th Street NW., Suite 700, Washington, D.C. 20005.

B. Council To Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.

A. A. M. Lampley, United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

A. David W. Landsidle, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $225.

A. Lane & Edson, 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.

B. City of Baltimore, Mayor William Donald Schaefer, Office of the Mayor, 250 City Hall, Baltimore, Md. 21202.

D. (6) $2,000.

A. Lane and Edson, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.

B. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.

D. (6) $450.

A. James J. LaPenta, Jr., LIUNA, 905 16th Street NW., Washington, D.C. 20006.

B. Laborers' International Union of No. America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.

D. (6) $3,659.09. E. (9) $107.18.

A. J. Stephen Larkin, International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $300. E. (9) $114.50.

A. Lucille Larkin, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $82.50.

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. Theodore A. Lattanzio, 1600 Rhode Island Avenue, Washington, D.C. 20036.

B. National Rifle Association, 1600 Rhode Island Avenue, Washington, D.C. 20036.

D. (6) $600.

A. Dennis Lavallee, National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

D. (6) $317. E. (9) $219.66.

A. Kenneth L. Lay, 641 Via Lugano, Winter Park, Fla. 32790.

B. Florida Gas Transmission Co., P.O. Box 44, Winter Park, Fla. 32790.

A. Alice V. Leaderman, Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $500. E. (9) $21.

A. Kevin R. Leary, National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

B. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $2,875.

A. John I. Le Berre, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C.

A. LeBoeuf, Lamb, Leiby & MacRae, 1757 N Street NW., Washington, D.C. 20036.

B. Neratoom, B. V., P.O. Box 93244, AE Den Haag, The Hague, Holland.

D. (6) $3,305.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.

B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Charles W. Lee, 207 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Committee for Full Funding of Education Programs, 207 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $22.

A. Joseph M. Leigh, 13800 Northeast Sixth Avenue, Apt. 4, North Miami, Fla. 33161.

B. Senior Pilots Association, P.O. Box 530164, Miami, Fla. 33153.

D. (6) $10,130. E. (9) $7,796.63.

A. Robert J. Leigh, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

D. (6) $150.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. American Express Co., 1700 K Street NW., Suite 702, Washington, D.C. 20006.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Fireman's Fund American Life Insurance Co., 1600 Los Gamos Drive, San Rafael, Calif. 94911.

D. (6) $1,000.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Fireman's Fund Insurance Co., 1600 Los Gamos Drive, San Rafael, Calif. 94911.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. National Manufactured Housing Federation, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

D. (6) $1,500.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.

B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.

D. (6) $1,160. E. (9) $2,064.

A. Gilbert LeKander, 1629 K Street NW., No. 801, Washington, D.C. 20006.

B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., Box 3727, Spokane, Wash. 92220.

D. (6) $350.

A. Earl T. Leonard, Jr., The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

D. (6) $768. E. (9) $910.47.

A. Kaye Conniff Leonard, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Southern Furniture Manufacturing Association, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

D. (6) $4,875. E. (9) $444.35.

A. Lloyd Leonard, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $875. E. (9) $23.45.

A. Lynette B. Leonard, 1800 M Street NW., Suite 700S, Washington, D.C. 20036.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $1,000. E. (9) $236.25.

A. Steven H. Lesnik, Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.

B. Lumbermans Mutual Casualty Co., Long Grove, Ill. 60049.

D. (6) $300.

A. Dale Lestina, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,235.60. E. (9) $227.90.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

D. (6) $109.37.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue N.W., Washington, D.C. 20006.

B. National Association for Hospital Development (NAHD), 1700 K Street NW., Suite 605, Washington, D.C. 20006.

D. (6) $435.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Beer Wholesalers' Association of America, Suite 505, 5205 Leesburg Pike, Falls Church, Va. 22041.

D. (6) $10,920.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Council of Community Hospitals (NCCH), 815 Connecticut Avenue NW., Washington, D.C. 20006.

D. (6) $2,797.50.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.

B. Independent Local Newspaper Association, Suite 240, 1050 17th Street NW., Washington, D.C. 20036.

D. (6) $7,500.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.

B. Association of American Railroads, American Railroad Building, Washington, D.C.

D. (6) $2,000.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.

D. (6) $135.

A. Roger N. Levy, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.

B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.

E. (9) $24,070.40.

A. E. David Lewis, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.

B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.

D. (6) $110. E. (9) $85.

A. Lewis, Rice, Tucker, Allen & Chubb, 611 Olive Street, Suite 1400, St. Louis, Mo. 63101.

B. The St. Louis Mercantile Library Association, 510 East Locust Street, St. Louis, Mo. 63188.

D. (6) $1,035. E. (9) $14.12.

A. Robert G. Lewis, 1012 14th Street, NW., Washington, D.C. 20005.

B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $1,975.38. E. (9) $21.25.

A. Stuart A. Lewis, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.

B. Association of Reserve City Bankers, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.

D. (6) $200.

A. Susan Paris Lewis, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Walter R. Lewis, Jr., National Association of Manufacturers, 704 Lisburn Road, Camp Hill, Pa. 17011.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $212.50.

A. Dan Lewolt, 6 E Street SE., Washington, D.C. 20003.

B. National Taxpayers Legal Fund, 6 E Street SE., Washington, D.C. 20003.

D. (6) $409.44. E. (9) $1,500.

A. Ronald L. Leymeister, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $200. E. (9) $63.

A. Herbert Liebenson, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $4,500. E. (9) $1,200.

A. Herbert Liebenson, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $2,500.

A. William C. Lienesch, 238 10th Street SE., Washington, D.C. 20003.

B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.

D. (6) $1,031.40. E. (9) $38.76.

A. Russell B. Light, 955 L'Enfant Plaza, North SW., Washington, D.C. 20024.

B. The Boeing Co., P.O. Box 3707, Seattle, Washington 98124.

D. (6) $370. E. (9) $232.56.

A. Edward J. Lincoln, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street, NW., Suite 200, Washington, D.C. 20036.
B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.
D. (6) $301.68.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.
D. (6) $669.39.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.
D. (6) $904.32.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $9,185.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Superior Water, Light & Power Co., 1230 Tower Avenue, Superior, Wis. 54880.
D. (6) $181.34.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW., Suilt 200, Washington, D.C. 20036.
B. Wisconsin Electric Power, 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $2,935. E. (9) $129.85.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW, Suite 200, Washington, D.C. 20036.
B. Wisconsin Power & Light Co., Madison, Wis. 53701.
D. (6) $1,256.18.

A. Linton, Mields, Reisler & Cotton, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.
D. (6) $1,214.19.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Washngton, D.C. 20036.
B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $982. E. (9) $180.63.

A. Andrew Litsky, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,169.

A. E. F. Livaudais, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $480. E. (9) $80.

A. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
E. (9) $4,500.

A. Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. American Hardware Manufacturers Association, 117 East Palatine Road, Palatine, Ill. 60067.
D. (6) $1,500.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Association of Bituminous Contractors, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Classroom Publishers Association, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Industrial Diamond Association, 59 East Main Street, Moorestown, N.J. 08057.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Linen Supply Association of America, 1250 East Hallandale Beach Boulevard, Hallandale, Fla. 33009.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Edward J. Lord, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $50.43. E. (9) $273.53.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. Robert E. Losch, McNutt, Dudley Eastérwood & Losch, 910 17 Street NW., Washington, D.C. 20006.
B. American Dredging Co., et al.
D. (6) $24,500. E. (9) $1,980.98.

A. Robert E. Losch, McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Pelican Terminal Corp., 500 Jefferson Building, Suite 2025, Houston, Tex.; Port of Galveston (Galveston Wharve), P.O. Box 328, Galveston, Tex. 77550.
D. (6) $12,501. E. (9) $747.24.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $500. E. (9) $200.

A. James P. Low, American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Robert C. Lower, 1200 Citizens & Southern National Bank Building, 35 Broad Street, Atlanta, Ga. 30303.
B. Rosenthal & Co., 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. William C. Lowrey, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gerald M. Lowrie, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000.

A. Mrs. Freddie H. Lucas, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,200.78.

A. Lucas, Friedman & Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Republic of the Philippines.

A. John S. Lucas, Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $335.

A. William F. Ludlam, Sr., P.O. Box 5282, Virginia Beach, Va. 23455.
B. American Revolution Bicentennial Administration Licencees Association, P.O. Box 10, Cocoa Beach, Fla. 32931.
D. (6) $150. E. (9) $742.

A. C. Lance Lujan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,235.60. E. (9) $108.50.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $3,233.45.

A. Milton F. Lunch, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Bldg., Hartford, Conn. 06101; 1125 15th Street, NW., Washington, D.C. 20005.
D. (6) $10,000. E. (9) $73.30.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $300. E. (9) $1.56.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. National Product Liability Council, Box 11111, Cincinnati, Ohio 45211.
E. (9) $37.93.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
D. (6) $875. E. (9) $104.70.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.

D. (6) $200. E. (9) $15.48.

A. Richard Lyng, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Blvd., Arlington, Va.

D. (6) $500.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.

D. (6) $80.

A. Alan G. Macdonald, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $3,600.

A. Jack A. MacDonald, National Council of Health Care Services, 1200 15th Street NW., Suite 601, Washington, D.C. 20005.

B. National Council of Health Care Services, 1200 15th Street NW., No. 601, Washington, D.C. 20005.

D. (6) $731.25. E. (9) $260.55.

A. James E. Mack, National Confectioners Association, 5101 Wisconsin Avenue, Suite 506, Washington, D.C. 20016.

B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.

D. (6) $18,375. E. (9) $3,798.95.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22102.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

D. (6) $896.75. E. (9) $500.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.

D. (6) $238. E. (9) $273.64.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.

B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.

D. (6) $5,900.72. E. (9) $3,068.65.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,650.

A. Edward C. Maeder, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. DGA International, Inc., 1225 19th Street NW., Washingon, D.C. (for Government of Morocco, Rabat, Morocco).

D. (6) $2,450. E. (9) $172.16.

A. John R. Maguire, 10612 Runaway Lane, Great Falls, Va. 22066.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. W. Terry Maguire, National Newspaper Association, Suite 400, 1627 K Street NW., Washington, D.C. 20006.

B. National Newspaper Association, Suite 400, 1627 K Street NW., Washington, D.C. 20006.

A. John F. Mahoney, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $3,865.44. E. (9) $189.02.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C.

D. (6) $140. E. (9) $4.

A. Andre Maisonpierre, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.

B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Leonard W. Mall, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20515.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20515.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.

B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.

D. (6) $280. E. (9) $18.50.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.

B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.

D. (6) $9,624.99. E. (9) $64.55.

A. Mike Manatos, 1801 K Street NW., Suite 230, Washington, D.C. 20006.

B. Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $50.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

A. Forbes Mann, 1155 15th Street NW., No. 1004, Washington, D.C. 20005.

B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.

D. (6) $2,000. E. (9) $550.

A. James Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Lucas, Friedman & Mann (for Republic of the Philippines), 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $5,000. E. (9) $3,000.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $4,706. E. (9) $4,706.

A. Milton C. Mapes, Jr., National Peace Academy Campaign, 1625 Eye Street NW., Suite 123-4, Washington, D.C. 20006.

B. National Peace Academy Campaign, 1625 K Street NW., Suite 123-4, Washington, D.C. 20006.

D. (6) $3,020.

A. Dallace E. Marable, NAM, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,050. E. (9) $26.50.

A. John V. Maraney, 324 East Capitol Street NE., Washington, D.C. 20003.

B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. March for Life, Inc., P.O. Box 2950, Washington, D.C. 20013.

D. (6) $65,585.03. E. (9) $59,858.11.

A. Charles T. Marck, 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $1,000. E. (9) $250.

A. Carl M. Marcy, 300 Maryland Avenue NE., Washington, D.C. 20002.

B. The United Nations University, 3932 Huntington Street NW., Washington, D.C. 20005.

A. R. V. Mariani, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhod of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.

D. (6) $825. E. (9) $829.

A. Marine Engineers' Beneficial Association (AFL-CIO), District No. 1, Pacific Coast District, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

E. (9) $2,246.46.

A. Maritime Legislative Association, 923 15th Street NW., Suite 400, Washington, D.C. 20005.

D. (6) $129,929.40. E. (9) $78,366.38.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $2,000. E. (9) $403.88.

A. Lawrence D. Markley, P.O. Box 3518, Anchorage, Alaska 99501.

B. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.

E. (9) $77.67.

A. John C. Marlin, 309 West Nevada, Urbana, Ill. 61801.

B. Coalition on American Rivers, P.O. Box 2667 Station A, Champaign, Ill. 61820.

D. (6) $510. E. (9) $165.39.

A. Jack D. Maroney, 1300 AmericanBank Tower, Austin, Tex. 78711.

B. Texas Medical Asssociation, 1801 North Lamar Boulevard, Austin, Tex. 78701.

D. (6) $250. E. (9) $80.

A. C. Travis Marshall, 1776 K Street NW., Washington, D.C. 20006.

B. Motorola, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $250.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $107.50. E. (9) $109.33.

A. David O. Martin, Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.

B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.

D. (6) $133. E. (9) $89.90.

A. John B. Martin, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $732.30.

A. Katherine E. Martin, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20003.
D. (6) $358.87. E. (9) $250.47.

A. Larry K. Martin, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $150. E. (9) $150.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C., 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $225.

A. Martin, Whitfield, Smith & Bebchick, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alaska International Air, Inc., P.O. Box 60029, Fairbanks International Airport, Fairbanks, Alaska. 99701.

A. Joseph J. Martyak, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Suite 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $565.46.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Masaoka-Ishikawa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. W. A. Mason, 442 Ontario, Shreveport, La. 71106.
B. Southwestern Electric Power Co., P.O. Box 21106, Shreveport, La. 71156.
D. (6) $17.22.

A. Cliff Massa III, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. David Masselli, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. William F. Massmann, Dr. Pepper Co., P.O. Box 225086, Dallas, Tex. 75265.
B. Dr. Pepper Co., P.O. Box 225086, Dallas Tex. 75265.
D. (6) $140. E. (9) $255.

A. Charles D. Matthews, National Ocean Industries Association, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $631.17. E. (9) $1,262.33.

A. Herbert S. Matthews, Box 72, Mechanicsville, Md. 20659.
B. Jacksonville Transportation Authority, Box 5150, Jacksonville, Fla. 32207.
D. (6) $1,333.33.

A. Herbert S. Mathews, Box 72, Mechanicsville, Md. 20659.
B. Martin-Marietta Aerospace, 6801 Rockledge Drive, Bethesda, Md. 20034.
D. (6) $1,050.

A. Herbert S. Matthews, Box 72, Mechanicsville, Md. 20659.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.
D. (6) $3,000.

A. Robert A. Matthews, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 N. Fairfax Street, Alexandria, Va. 22314.
D. (6) $506.25.

A. Joanne E. Mattiace, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Towers, Chicago, Ill. 60684.
D. (6) $150. E. (9) $43.55.

A. Robert R. Mattson, Standard Oil Company (Indiana), 200 East Randolph Drive, Mail Code 6123, Chicago, Ill. 60601.
B. Standard Oil Company (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $415. E. (9) $584.

A. Anthony F. Mauriello, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $824.52. E. (9) $492.46.

A. Samuel L. Maury, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $204.06. E. (9) $9.

A. Buddy L. Mawyer, Sheet Metal and Air Conditioning Contractors' National Association, 8224 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal and Air Conditioning Contractors' National Association, 8224 Old Courthouse Road, Vienna, Va. 22180.

A. Thomas H. Maxedon, Kentucky Petroleum Council, 4010 Dupont Circle, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street, NW., Washington, D.C. 20037.

A. Albert E. May, Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $555. E. (9) $6.98.

A. James C. May, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Harold R. Mayberry, Jr., 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street, NW., Washington, D.C. 20062.

A. Arnold Mayer, Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 100 Indiana Avenue, NW., Room 502, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $10,289. E. (9) $165.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Brunswick Corp., 1 Brunswick Plaza, Skokie, Ill. 60076.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. The ERISA Industry Committee, Suite 1201, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. H. Wesley McAden, 1707 L Street NW., Suite 650, Washington, D.C. 20036.
B. J. G. Boswell Co., 333 South Hope Street, Los Angeles, Calif. 90017.
D. (6) $2,625. E. (9) $1,593.75.

A. H. Wesley McAden, 1707 L Street NW., Suite 650, Washington, D.C. 20036.
B. Salyer Land Co., P.O. Box 488, Corcoran, Calif. 93212.
D. (6) $2,625. E. (9) $1,593.75.

A. Richard F. McAdoo, 1901 L Street NW., Suite 702, Washington, D.C. 20036.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif. 90071.
D. (6) $185. E. (9) $128.20.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Inc., 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $835.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,750. E. (9) $160.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. A. R. McCammon, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
B. Class I Railroads in Tennessee.

A. Robert C. McCandless, McCandless & Barrett, 1707 H Street NW., Suite 1005, Washington, D.C. 20006.
B. Transamerica Insurance Corporation of California (Occidental Life), Occidental Center, Hill and Olive at 12th Street, Los Angeles, Calif. 90015.
D. (6) $18,896. E. (9) $3,425.75.

A. John A. McCart, Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $2,344.32.

A. Sean A. McCarthy, 8003 Westpark Drive, McLean, Va. 22102.
B. Satellite Business Systems, 8003 Westpark Drive, McLean, Va. 22102.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Allied Capital Corp., 1625 I Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $1,000.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C.

B. Cities Service Co., Box 300, Tulsa, Okla. 74102.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Gulf & Western Industries, Inc., 1 Gulf and Western Plaza, New York, N.Y. 10023.

D. (6) $10,000.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Mobil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $7,500.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Estate of Chester H. Roth, Parker, Chapin, Flattau and Klimpl, 530 Fifth Avenue, New York, N.Y. 10036.

E. (9) $21.95.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Tidewater, Inc., 1440 Canal Street, Suite 2100, New Orleans, La. 70112.

A. McClure and Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. Joel C. McConnell, Jr., Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 203, Washington, D.C. 20036.

B. Independent Bankers Association of America, 1168 South Main, Sauk Centre, Minn. 56378.

D. (6) $5,000. E. (9) $1,000.

A. Richard M. M. McConnell, National Association of Federal Credit Unions, 1111 North Nineteenth Street, Suite 700, Arlington, Va. 22209.

B. National Association of Federal Credit Unions, 1111 North Nineteenth Street, Suite 700, Arlington, Va. 22209.

A. Linda A. McCorkle, Blum & Nash, 1015 18th Street, NW., Washington, D.C. 20036.

B. Independent Gasoline Marketers Council, 1015 18th Street NW., No. 408, Washington, D.C. 20036.

A. John L. McCormick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,550.

A. Bruce A. McCrodden, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

D. (6) $291.80.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, 400 First Street NW., Suite 819, Washington, D.C. 20001.

B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.

D. (6) $284.60. E. (9) $85.20.

A. Albert L. McDermott, American Hotel & Motel Association, Suite 1006, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $1,269.70.

A. E. T. McDonald, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express & Station Employees, 3 Research Place, Rockville, Md. 28050.

D. (6) $975. E. (9) $644.

A. James McDonald, 6845 Elm Street, No. 500, McLean, Va. 22101.

B. Jack McDonald Associates, 6845 Elm Street, No. 500, McLean, Va. 22101 (for Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067).

D. (6) $2,250.

A. Jack McDonald, 6845 Elm Street, No. 500, McLean, Va. 22101.

B. Jack McDonald Associates, Inc., 6845 Elm Street, No. 500, McLean, Va. 22101 (for the Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005).

D. (6) $9,000.

A. Jack McDonald Associates, 6845 Elm Street, No. 500, McLean, Va. 22101.

B. Northrop Corp., Manufacturing, 1800 Century Park East, Los Angeles, Calif. 90067.

D. (6) $4,500. E. (9) $2,450.

A. Jack McDonald Associates, Inc., 6845 Elm Street, No. 500, McLean, Va. 22101.

B. The Sugar Association of America, 1511 K Street NW., Washington, D.C. 20005.

D. (6) $25,000. E. (9) $21,850.

A. Michael D. McDonald, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $125. E. (9) $30.60.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.

B. Montana Power Co., Butte, Mont. 59701.

E. (9) $127.55.

A. Jerome J. McGrath, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $500.

A. Peter E. McGuire, National Association of Retired and Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.

B. National Association of Retired and Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106; Hotel & Restaurant Employees & Bartenders Union, 1666 K Street NW., Washington, D.C., International Union of Police Association, 422 First Street SE., Washington, D.C.

D. (6) $5,999.98. E. (9) $481.66.

A. John J. McHale, Jr., 1817 Biltmore Street NW., Apartment A, Washington, D.C. 20009.

B. Consolidated Rail Corporation, P.O. Box 23451, L'Enfant Plaza, Washington, D.C. 20024.

D. (6) $1,500.

A. Clarence M. McIntosh, Jr., Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.

B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.

D. (6) $1,126.38.

A. Lyn R. McIntosh, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $900. E. (9) $167.87.

A. Robert S. McIntyre, Public Citizens' Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

B. Public Citizens' Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

D. (6) $937.50.

A. Susan M. McKenzie, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

E. (9) $6,074.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.

B. National Headquarters, Marine Corps League, 933 N. Kenmore Street, Suite 321, Arlington, Va. 22201.

E. (9) $23.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.

B. Non Commissioned Officers Association of the U.S.A. (NCOA), P.O. Box 33610, San Antonio, Tex. 78298.

D. (6) $5,671.50. E. (9) $7,283.89.

A. John S. McLees, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

E. (9) $250.

A. Michael R. McLeod, Davis & McLeod, 499 South Capitol Street SW., Suite 407, Washington, D.C. 20003.

B. Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.

D. (6) $3,125. E. (9) $33.75.

A. Michael R. McLeod, Davis & McLeod, 499 South Capital Street SW., Suite 407, Washington, D.C. 20003.

B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.

D. (6) $833.

A. William F. McManus, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., Easton Turnpike, Fairfield, Conn. 06431.

D. (6) $405. E. (9) $210.29.

A. C. W. McMillan, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.

B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.

D. (6) $1,500.

A. Craig L. McNeese, P.O. Box 1700, Houston, Tex. 77001.

B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.

D. (6) $875. E. (9) $677.07.

A. James A. McPherson, Mo-Ark Basins Flood Control & Conservation Associations, P.O. Box 1160, Kansas City, Kans. 66117.

B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. George G. Mead, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000.

A. Francis X Meaney, 1 Center Plaza, Boston, Mass. 02108.
B. Goldman, Sachs & Co., 55 Broad Street, New York, N.Y. 10004.
D. (6) $3,000. E. (9) $35.

A. Joseph J. Meder, Interlake, Inc., 1050 17th Street NW., Suite 1160, Washington, D.C. 20036.
B. Interlake, Inc., Commerce Plaza, Suite 700, 2015 Spring Road, Oak Brook, Ill. 60521.
D. (6) $7,380. E. (9) $449.73.

A. David O. Meeker, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Carl J. Megel, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $285.71. E. (9) $7.50.

A. William H. Megonnell, Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $285.71. E. (9) $7.50.

A. Louis L. Meier, Jr., American Society of Civil Engineers, 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $1,050. E. (9) $365.

A. F. A. Meister, Jr., 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $350. E. (9) $15.

A. Memorex Corp., 1970 Chain Bridge Road, McLean, Va., 22102; San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $9,124. E. (9) $525.

A. Faye L. Mench, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $201.92.

A. Ellis E. Meredith, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. Ralph Merigliano, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW, Washington, D.C. 20001.
D. (6) $1,153.85.

A. Harold E. Mesirow, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C.
B. Stencel Aero Engineering Corp., P.O. Box 5836, Ashville, N.C. 28803.

A. Marc Messing, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,800.

A. Tanya K. Metaska, 1600 Rhode Island Avenue, Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue, Washington, D.C. 20036.
D. (6) $787.50.

A. M. Barry Meyer, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
E. (9) $270.

A. James G. Michaux, 1801 K Street NW., Suite 903, Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald A. Michieli, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $10,455.16. E. (9) $6,809.26.

A. Joy Midman, National Association of Private Psychiatric Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.
B. National Association of Psychiatric Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.
D. (6) $250.

A. Migrant Legal Action Program, Inc., 806 15th Street NW., Suite 600, Washington, D.C. 20005.
E. (9) $998.73.

A. Roy H. Millenson, Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $128.83.

A. A. Stanley Miller, 910 16th Street, Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place N., New York, N.Y. 10004.
D. (6) $200.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $4,052.50. E. (9) $7.50.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American General Capital Management, Inc., 717 Fifth Avenue, New York, N.Y. 10022.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American International Group, Inc., 102 Maiden Lane, New York, N.Y. 10005.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Estate of Charlotte M. O'Toole, Westover Hills, 710 Princeton Road, Wilmington, Del.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. H. E. Butt, P.O. Box 9216, Corpus Christi, Tex. 78408.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Fidelity Management & Research Co., 35 Congress Street, Boston, Mass. 02109.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Havens Relief Fund Society, 289 Park Avenue S., New York, N.Y. 10010.

A. Miller & Chevalier, 1700 Pennsylvania Avenue, Suite 800, NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $410.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lincoln National Corp., 1301 South Harrison, Fort Wayne, Ind. 46801.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Corp., Burbank, Calif. 91520.
D. (6) $3,955.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Medical Area Service Corp., Michael Brewer, Holyoke Center, Cambridge, Mass. 02138.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Clara A. Miller, Trust, Frederick M. Bransfield, Trustee, 2666 One First National Plaza, Chicago, Ill. 60603.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Outdoor Amusement Business Association, 4600 West 77th Street, Minneapolis, Minn. 55435.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Raytheon Co., 141 Spring Street, Lexington, Mass. 02173.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. State Street Research & Management Co., 225 Franklin Street, Boston, Mass. 02110.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans-Alaska Pipeline Liability Fund, 601 West Fifth Avenue, Suite 700, Anchorage, Alaska 99501.
D. (6) $7,543.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Robert B. White and Edwin H. Nielsen, 680 Davis Road, Coral Gables, Fla. 33143.

A. Clinton R. Miller, National Health Federation, 212 W. Foothill Boulevard, Monrovia, Calif. 91016.
B. National Health Federation, 212 W. Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $317.26. E. (9) $778.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston.
D. (6) $262.50. E. (9) $23.09.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., Stamford, Conn.
D. (6) $450. E. (9) $401.67.

A. Kirk Miller, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

D. (6) $3,750. E. (9) $29.67.

A. Robert H. Miller, Tenneco Inc., 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.

E. (9) $96.70.

A. Stella L. Miller, National Paint & Coatings Associations, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.

B. National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.

D. (6) $250. E. (9) $3.50.

A. William P. Miller, Jr., American Society of Mechanical Engineers, 2029 K Street NW., Washington, D.C. 20006.

B. American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. Millman Broder and Curtis, 1730 M Street NW., Suite 908, Washington, D.C. 20036.

B. National Council of Senior Citizens, 1511 K Street NW., Washington, D.C. 20005.

D. (6) $4,500. E. (9) $151.26.

A. John F. Mills, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $600.

A. Wayne L. Millsap, Suite 2300, 7777 Bonhomme Avenue, St. Louis, Mo. 63105.

B. Seven-Up Bottling Co. of St. Louis, Mo., 555 Brown Road, St. Louis, Mo. 63042.

D. (6) $2,199. E. (9) $218.

A. Edward J. Milne, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $366.17. E. (9) $213.70.

A. J. L. Milne, Sierra Club, 330 Penn Avenue SE., Washington, D.C. 20003.

B. Sierra Club, 330 Penn Avenue SE., Washington, D.C. 20003.

A. David Mintz, No. 1703, 1666 Pendrell, Vancouver, B.C., Can.

B. Wometco Ent. Inc., 306 N. Miami Avenue, Miami Fla.; KVOS Television Inc., 1151 Ellis Street, Bellingham, Wash.

A. Thomas F. Mitchell, Georgia-Pacific Corporation, 1735 I Street NW., Washington, D.C. 20006.

B. Georgia-Pacific Corporation, 900 SW. 5th Avenue, Portland, Oreg. 97204.

E. (9) $228.

A. Richard Mizrack, 270 Madison Avenue, New York, N.Y. 10016.

B. Wolf Haldenstein Adler Freeman & Herz, 270 Madison Avenue, New York, N.Y. 10016. (for Fallek-Lankro Corp., Tuscaloosa, Ala.).

A. Phillip W. Moery, 1230 Kensington Road, McLean, Va. 22101.

B. Surrey, Karasik & Morse, 1156 15th Street NW., Suite 1200, Washington, D.C. 20005; Westway Trading Corporation, 464 Hudson Terrace, Englewood Cliffs, N.J. 07632.

D. (6) $75. E. (9) $7.50.

A. Robert M. Moliter, General Electric Company, 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Company, 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. Michael J. Molony, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $60.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Elizabeth R. Monro, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $837.50.

A. Michael Monroney, 2030 M Street NW., Suite 800, Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio. 44117.

D. (6) $1,000.

A. Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., 1 Montgomery Ward Plaza, Chicago, Ill. 60671.

E. (9) $100.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $211.55. E. (9) $190.

A. Alan J. Moore, The Atchison, Topeka & Santa Fe Railway Co., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

D. (6) $1,000.

A. Joy E. Moore, National Association of Realtors, 925 15th Street, NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street, NW., Washington, D.C. 20005.

D. (6) $1,750. E. (9) $216.16.

A. L. Calvin Moore, Oil, Chemical & Atomic Workers International Union, 1126 16th Street NW., Washington, D.C. 20036.

B. Oil, Chemical and Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.

D. (6) $3,875.

A. Roger Owen Moore, Five Freedoms, Inc., P.O. Box 656, Columbia, Md. 21045.

B. Five Freedoms, Inc., P.O. Box 656, Columbia, Md. 21045.

A. Jo V. Morgan, Jr., 1050 17th Street NW., Washington, D.C. 20036.

B. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.

D. (6) $1,800.

A. John Morgan, Communications Workers of America, 1925 K Street, NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street, NW., Washington, D.C. 20006.

D. (6) $588. E. (9) $27.50.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street, NW., Suite 900, Washington, D.C. 20006.

B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

A. Morgan, Lewis & Bockins, 1800 M Street, NW., Suite 800, Washington, D.C. 20036.

B. Committee on Capital Formation Through Dividend Reinvestment, 1800 M Street, NW., Suite 800, Washington, D.C. 20036.

D. (6) $690. E. (9) $420.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.

B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $2,000.

A. James A. Morrill, 925 15th Street, NW., Washington, D.C. 20005.

B. National Association of Realtors, Government Affairs Office, 925 15th Street NW., Washington, D.C. 20005.

D. (6) $1,500. E. (9) $210.74.

A. Sol Mosher, Crown Zellerbach, 1660 L Street NW., Suite 215, Washington, D.C. 20036.

B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.

D. (6) $2,534.53. E. (9) $2,534.53.

A. David Moulton, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $1,339.75.

A. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah 84139.

A. Roger L. Mozingo, The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

D. (6) $150.

A. Karen Mulhauser, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005

D. (6) $293.44.

A. John P. Mulligan, Tuna Research Foundation, 1101 17th Street NW., Washington, D.C. 20036.

B. Tuna Research Foundation, Inc., 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $1,250.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

E. (9) $519.50.

A. William G. Mullen, National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.

B. National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.

D. (6) $5,625. E. (9) $25.

A. Mullin, Connor & Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Alberto de la Vega-Ripol, Flemingstrasse 46, 8000 Munich 81, West Germany.

E. (9) $128.18.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $50.

A. Robert J. Mullins, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $3,530.77. E. (9) $22.97.

A. Fred J. Multz, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $30.

A. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.
D. (6) $25,727.63. E. (9) $25,727.63.

A. Murdoch & Walsh, P.O. Box 949, Wilmington, Del. 19899.
B. The Group, Inc., P.O. Box 949, Wilmington, Del. 19899.
D. (6) $17,000.

A. Murdoch & Wash, P.O. Box 949, Wilmington, Del. 19899.
B. Small Business Council of America, Inc., 702 Longfellow Building, 1201 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $145.89.

A. Ralph D. Murphine, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Committee to Preserve the Appalachian Coal Market, Suite 507, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $52.50.

A. Daniel Patrick Murphy II, Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.
D. (6) $500. E. (9) $21.

A. Richard E. Murphy, 2020 K Street NW., No. 200, Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, CLC 2020 K Street NW., Suite No. 200, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $200.

A. Richard W. Murphy, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $239.86.

A. William T. Murphy, Jr., American Natural Resources System, 1899 L Street NW., Suite 500, Washington, D.C. 20036.
B. American Natural Service Co., Woodward Avenue, Detroit, Mich. 48226.
D. (6) $2,500. E. (9) $1,200.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad, 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $300. E. (9) $14.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. The Cleveland Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio. 44115.
D. (6) $300.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $200. E. (9) $64.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $450.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. LTV Corp., P.O. Box 5003, Dallas, Tex. 75222.
D. (6) $200.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Association of Industrial and Office Parks, 1901 North Fort Meyer Drive, No. 1100, Arlington, Va. 22209.
D. (6) $300.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C. 20035.
D. (6) $300.

A. William E. Murray, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $179.50.

A. Thomas H. Mutchler, International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

A. Harold D. Muth, 1600 Wilson Boulevard, Suite 1101, Arlington, Va., 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $300.

A. Gary D. Myers, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $561.33.

A. Gerald P. Nagy, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $560.

A. John J. Nangle, National Association Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
D. (6) $1,000.

A. Bernard Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Association of Independent Corrugated Converters, 1100 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Bernard Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.
D. (6) $75. E. (9) $4.

A. Bernard Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. National Union Electric Corp., 575 Adams Avenue, Philadelphia, Pa. 19120.

A. Bernard Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Northwest Pipeline Corp., P.O. Box 1526, Salt Lake City, Utah. 84110.

A. Bernard Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Zenith Radio Corp., 1000 Milwaukee Avenue, Glenview, Ill. 60025.
D. (6) $1,000. E. (9) $8.

A. Hardy L. Nathan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $106,653.41. E. (9) $31,658.41.

A. National Association for Humane Legislation, Inc., P.O. Box 11675, St. Petersburg, Fla. 33733.
D. (6) $99.80.

A. National Association for Uniformed Services, 956 N. Monroe Street, Arlington, Va. 22201.
D. (6) $59,132.77. E. (9) $6,272.09.

A. National Association of Air Traffic Specialists, Inc., Wheaton Plaza North, Suite 415, Wheaton, Md. 20902.
D. (6) $103,259.13. E. (9) $6,128.26.

A. National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
E. (9) $1,530.

A. The National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
E. (9) $249.55.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Latino Democratic Officials, Inc., 1223 Massachusetts Avenue SE., Washington, D.C.
D. (6) $1,000. E. (9) $432.29.

A. The National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $72,388.16. E. (9)$72,388.16.

A. National Association of Mutual Insurance Companies, 7931 Castleway Drive, Indianapolis, Ind. 46250.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $10,597.98. E. (9) $10,597.98.

A. National Association of Pension Consultants & Administrators, Inc., Piedmont Center, Suite 300, Atlanta, Ga. 30305.
D. (6) $18,315. E. (9) $1,839.02.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

D. (6) $4,780.97. E. (9) $4,780.97.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $300. E. (9) $300.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.

E. (9) $26,040.35.

A. National Association of State Lotteries, 1290 Silas Deane Highway, Weathersfield, Conn. 06109.

D. (6) $1,800. E. (9) $1,800.

A. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.

D. (6) $18,006.93. E. (9) $10,036.77.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.

D. (6) $253,989. E. (9) $3,056.48.

A. National Business Aircraft Association, 1 Farragut Square, South, Washington, D.C. 20006.

A. National Cable Television Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $9,331.50. E. (9) $9,822.50.

A. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.

E. (9) $4,051.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $1,078,704.60. E. (9) $23,283.03.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.

D. (6) $756. E. (9) $4,338.02.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington, D.C. 20036.

D. (6) $189,969. E. (9) $13,089.

A. National Committee for Symphony Orchestra Support, 1100 17th Street NW., Suite 313, Washington, D.C. 20036.

D. (6) $8,309.01. E. (9) $22,862.15.

A. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.

E. (9) $1,250.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $7,352.96. E. (9) $7,352.96.

A. National Council of Agricultural Employers, 1425 H Street NW., Washington, D.C. 20005.

A. National Electrical Manufacturers Association, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $81.36. E. (9) $81.36.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

D. (6) $43,420.30. E. (9) $43,420.30.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024.

B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.

D. (6) $112,077. E. (9) $112,077.

A. National Federation of Licensed Practical Nurses, 888 7th Avenue, New York, N.Y. 10019.

D. (6) $1,760. E. (9) $1,760.

A. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $4,625. E. (9) $3,576.92.

A. The National Grange, 1616 H Street NW., Washington, D.C.

D. (6) $10,625. E. (9) $6,287.50.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.

D. (6) $33,268.30. E. (9) $2,562.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.

E. (9) $935.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $94,052.17. E. (9) $116,947.87.

A. National Industrial Traffic League, 1909 K Street NW., Suite 410, Washington, D.C. 20006.

D. (6) $3,000. E. (9) $3,000.

A. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.

D. (6) $450. E. (9) $450.

A. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

D. (6) $3,977.46. E. (9) $3,977.46.

A. National Maritime Council, 1742 N Street NW., Washington, D.C. 20036.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $6,058.51. E. (9) $6,058.51.

A. National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.

D. (6) $48,500. E. (9) $16,131.26.

A. National Newspaper Association, Suite 400, 1627 K Street NW., Washington, D.C. 20006.

D. (6) $9,475. E. (9) $9,475.

A. National Oil Jobbers Council, Inc., 1707 H Street NW., 11th floor, Washington, D.C. 20006.

D. (6) $141,348.82. E. (9) $23,929.85.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

E. (9) $6,228.57.

A. National Peace Academy Campaign, 1625 I Street NW., Suite 123–4, Washington, D.C. 20006.

D. (6) $27,260.54. E. (9) $24,239.58.

A. National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.

D. (6) $6,300.

A. National Potato Council, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Product Liability Council, 20 North Wacker Drive, Chicago, Ill. 60606.

D. (6) $43,352. E. (9) $24,896.85.

A. National Realty Committee, Inc., 2033 M Street NW., Washington, D.C. 20036.

D. (6) $1,794.60. E. (9) $1,794.60.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

E. (9) $2,685.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $5,650. E. (9) $64,880.

A. National Right to Life Committee, Inc., Suite 341, National Press Building, 529 14th Street NW., Washington, D.C. 20045.

D. (6) $57,000. E. (9) $11,350.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

D. (6) $3,141. E. (9) $3,141.

A. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue, Washington, D.C. 20036.

E. (9) $3,363.37.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $6,339. E. (9) $6,644.

A. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

D. (6) $267,443. E. (9) $880.

A. National School Transportation Association, 9001 West Braddock Road, Room 310, Springfield, Va. 22151.

D. (6) $1,595.04. E. (9) $1,595.04.

A. National Security Traders Association, 55 Broad Street, New York, N.Y. 10004.

E. (9) $2,252.08.

A. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $5,000. E. (9) $529.50.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $12,500. E. (9) $13,450.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

D. (6) $60,375. E. (9) $14,213.14.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., Suite 930, Washington, D.C. 20036.

A. National Taxpayers Legal Fund, 6 E Street SE., Washington, D.C.

D. (6) $409.44. E. (9) $1,500.

A. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

E. (9) $1,889.

A. National Tire Dealers and Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

D. (6) $2,733. E. (9) $2,733.

A. National Turkey Federation, Reston International Center, Suite 302, Reston, Va. 22091.

D. (6) $1,000. E. (9) $1,000.

A. National Water Resources Association, 955 L'Enfant Plaza North SW., Suite 1202, Washington, D.C. 20024.
D. (6) $13,202.02. E. (9) $9,644.81.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. 60201.
D. (6) $2,038. E. (9) $2,309.24.

A. National Wool Growers Association, Inc., 1776 F Street NW., Washington, D.C. 20006.
E. (9) $4,050.

A. Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.
D. (6) $219,500. E. (9) $6,183.75.

A. Nazario & Ortiz-Daliot, 1522 K Street NW., Suite 410, Washington, D.C. 20005.
B. The Puerto Rico Mayors' Association, 1510 Ponce de Leon Avenue, Santurce, Puerto Rico 00909.
E. (9) $0.15.

A. Alexander W. Neale, Jr., Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,227. E. (9) $77.67.

A. Alan M. Nedry, 1801 K Street NW., Suite No. 1041, Washington, D.C. 20006.
B. Southern California Edison Company, P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $150. E. (9) $75.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C. 20002.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.
D. (6) $2,497.

A. Gordon E. Nelson, 12005 Millstream Drive, Bowie, Md. 20715.
B. Farm Water Alliance, 955 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $15,000. E. (9) $4,194.27.

A. J. T. Nelson, Gibson Island, Md. 21056.
B. Household Finance Corporation, HFC International Headquarters, 2700 Sanders Road, Prospects Heights, Ill. 60070.
D. (6) $1,620. E. (9) $655.26.

A. L. James Nelson, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $925.

A. Robert W. Nelson, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $160.

A. A. S. Nemir Associates, Suite 1230 Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar & Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $12,500. E. (9) $520.07.

A. Network, 1029 Vermont Avenue NW., No. 650, Washington, D.C. 20005.
D. (6) $16,952.85. E. (9) $22,733.21.

A. E. John Neumann, Baltimore Gas & Electric Co., 1523 L Street NW., No. 500, Washington, D.C. 20005.
B. Baltimore Gas & Electric Company, Gas & Electric Building, P.O. Box 1475, Baltimore, Md. 21203.
D. (6) $191.69. E. (9) $237.18.

A. Robert B. Neville, 1850 K Street NW., Suite 850, Washington, D.C. 20006.
B. National Restaurant Association, 1850 K Street NW., Washington, D.C. 20006; 1 IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $6,500. E. (9) $34.40.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $3,593.75. E. (9) $710.92.

A. Frank Newham, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letters Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Kathryn L. Newman, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio, 44101.

A. Thomas E. Newman, National Association of Manufacturers, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Janet G. Newport, National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.
B. National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.
D. (6) $3,875. E. (9) $46.85.

A. M. Ray Niblack, 1101 15th Street NW., Washington, D.C. 20005.
B. American Bankers Insurance Co. of Florida, 600 Brickell Avenue, Miami, Fla. 33131.
D. (6) $1,000. E. (9) $85.04.

A. Nicholas John Nichols, American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1211 Avenue of the Americas, New York, N.Y. 10036.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,425. E. (9) $643.40.

A. John B. Nicholson, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $150.

A. Melissa A. Nielson, 1775 K Street NW., Washington, D.C. 20006.
B. Kennecott Copper Corp., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $450. E. (9) $200.

A. Donald R. Niemi, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $280. E. (9) $229.50.

A. Patrick J. Nilan, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $11,659.83. E. (9) $6,502.47.

A. Nan Fielding Nixon, 309 Fourth Street SE., Apartment 7, Washington, D.C. 20003.

B. Office of Government and Community Affairs, Grays Hall, 16, Harvard University, Cambridge, Mass. 02138.
D. (6) $6,600. E. (9) $443.93.

A. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $2,000.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. H. Christopher Nolde, Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $300.

A. Kathryn Nordstrom, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $464.

A. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $230.

A. Richard B. Norment IV, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $600.

A. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. North American Export Grain Association, Inc., 1800 M Street NW., Washington, D.C. 20036.
E. (9) $3,000.

A. North American Telephone Association, 1030 15th Street NW., Washington, D.C. 20036.
D. (6) $14,779. E. (9) $14,779.

A. Frank Northcutt, Southwest Homefurnishings Association, 7139 Hunters Ridge Drive, Dallas, Tex. 75248.
B. Southwest Homefurnishings Association, 4313 North Central Expressway, Dallas, Tex. 75205.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn. 06037.
E. (9) $1,975.68.

A. Cliff Northrup, Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C.
D. (6) $300. E. (9) $35.78.

A. Nossaman, Krueger & Marsh, 445 South Figueroa Street, Los Angeles, Calif. 90071 and 1850 K Street NW., Suite 215, Washington, D.C. 20006.
B. Montco, Billings, Mont. 59107, Nance Cattle Co., Birney, Mont. 59012.
D. (6) $4,694.99. E. (9) $827.90.

A. N.O.S.I. ("Not One Square Inch"), 4082 Howard Avenue, Los Alamitos, Calif.
E. (9) $4.16.

A. Franklin W. Nutter, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

A. Mark J. Nuzzaco, 7901 Westpark Drive, McLean, Va. 22102.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.

D. (6) $393.75. E. (9) $250.

A. Seward P. Nyman, 20 Chevy Chase Circle, Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.

D. (6) $850.

A. Mary E. Oakes, Hercules, Inc., 1800 K Street NW., Washington, D.C. 20006.

B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

D. (6) $113.

A. Dallin H. Oaks, Brigham Young University, Provo, Utah. 84602.

B. Brigham Young University, Provo, Utah. 84602.

A. Hubert K. O'Bannon, Conrail, 1532 34th Street NW., Washington, D.C. 20007.

B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza, Washington, D.C. 20024.

D. (6) $1,200.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $2,062.50. E. (9) $2.35.

A. Raymond V. O'Brien, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.

B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.

D. (6) $50. E. (9) $10.

A. Rosemary L. O'Brien, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.

B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.

D. (6) $500. E. (9) $48.53.

A. W. Brice O'Brien, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. G. H. Ochenrider, Grumman Aerospace Corp., 1600 Wilson Boulevard, Arlington, Va. 22209.

B. Grumman Aerospace Corp., Bethpage, N.Y. 11714.

D. (6) $2,500. E. (9) $933.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $2,000.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

D. (6) $3,500.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Public Transit Association, 1100 17th Street NW., Washington, D.C.

D. (6) $200.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Hennepin County, 2300 Government Center, Minneapolis, Minn. 55487.

D. (6) $130. E. (9) $5.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. Hospital Financing Study Group, New York, N.Y.

D. (6) $1,875.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Personnel Consultants, 1012 14th Street NW., Washington, D.C. 20006.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Committee for Quality Health Care, New York, N.Y.

D. (6) $900.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. John Nuveen and Co., Inc., 209 South LaSalle Street, Chicago, Ill. 60604.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $400.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C 20024.

D. (6) $3,244.44.

A. O'Connor and Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

D. (6) $760.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.

B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. T. J. Oden, National Forest Products Association, 1619 Massachusetts Avenue, NW., Washington, D.C. 20036.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $2,250. E. (9) $1,085.44.

A. Robert C. Odle, Jr., International Paper Co., 1620 I Street, NW, Suite 700, Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $100. E. (9) $100.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.

B. Philippine Sugar Commission, Quezon City, Philippines.

D. (6) $1,500. E. (9) $378.32.

A. Patrick E. O'Donnell, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $85.

A. Bradford C. Oelman, Owens-Corning Fiberglas Corp., 900 17th Street NW., Suite 508, Washington, D.C. 20006.

B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. Neil H. Offen, 1730 M Street NW., Washington, D.C. 20036.

B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $1,000. E. (9) $34.69.

A. Therese Ogle, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

D. (6) $3,961.53.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $8,667.

A. James Grant O'Hara, Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.

D. (6) $225.

A. James G. O'Hara, Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

D. (6) $825. E. (9) $7.

A. Matthew O'Hara, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Nancy J. Olson, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.

B. Johns-Manville Corp., Box 5108, Denver, Colo. 80217.

D. (6) $400. E. (9) $164.31.

A. W. J. Olwell, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $3,259.60. E. (9) $910.81.

A. Olwine, Connelly, Chase, O'donnell & Weyher, 299 Park Avenue, New York, N.Y. 10017.

B. U.S. Industries, Inc., 250 Park Avenue, New York, N.Y. 10017.

D. (6) $1,465.50. E. (9) $62.44.

A. Samuel Omasta, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

A. R. E. Omohundro, The National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.

B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.

D. (6) $116.41.

A. Law Offices of John F. O'Neal, 600 New Hampshire Avenue NW., Suite 952, Washington, D.C. 20037.

B. Commodity Exchange, Inc., Four World Trade Center, SE Plaza Building, New York N.Y. 10048.

D. (6) $1,221.

A. O'Neill, Forgotson & Roncalio, Suite 303, 1220 19th Street NW., Washington, D.C. 20036.
B. Texas Oil & Gas Corp., Fidelity Union Tower, Dallas, Tex. 75201.
D. (6) $5,000. E. (9) $4,562.56.

A. O'Neill, Forgotson & Roncalio, Suite 303, 1220 19th Street NW., Washington, D.C. 20036.
B. Texas Utilities Services, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $5,000. E. (9) $728.84.

A. Charles Orasin, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $3,715.39. E. (9) $33.

A. J. Denis O'Toole, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $880.

A. Roland A. Ouellette, General Motors Corp., 1660 L Street NW., No. 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,600. E. (9) $3,364.66.

A. Outdoor Power Equipment Institute, Inc., 1901 L Street NW., Suite 700, Washington, D.C. 20036.

A. Joseph A. Overton III, 2030 M Street NW., Suite 800, Washington, D.C. 20036
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. William H. Owens, Jr., 1101 17th Street, NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Henry S. Palau, the Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $604.75.

A. J. J. Panella, 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $700. E. (9) $250.

A. Fred Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., No. 1200, Washington, D.C. 20006.
D. (6) $510. E. (9) $320.

A. G. Oliver Papps, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $400. E. (9) $245.15.

A. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,014.43. E. (9) $832.37.

A. Herschell E. Parent, Arkansas Petroleum Council, 302 Commercial National Bank Building, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Tom E. Paro, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Robert D. Partridge, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $315.

A. Nicholas D. Pasco, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $750. E. (9) $186.49.

A. Howard G. Paster, United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $13,439.70. E. (9) $229.60.

A. Richard M. Patterson, 1800 M Street NW., Suite 700 S. Washington, D.C. 20036.
B. Dow Chemical Co., Midland, Mich. 48640.
D. (6) $500. E. (9) $239.50.

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $95.

A. Kenton Pattie, National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $2,457.81.

A. David J. Pattison, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Ad Hoc Committee on Section 602, 1101 16th Street NW., Suite 300, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street, Washington, D.C. 20037.
B. Ad Hoc Committee of Zonal Electric Heating Manufacturers, 150 Avenue L, Newark, N.J. 07101.

A. Patton, Boggs & Blow, 2550 M Street, Washington, D.C. 20037.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street, Washington, D.C. 20037.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Patton, Boggs & Blow, 2550 M Street, Washington, D.C. 20037.
B. Armco Steel Corp., General Offices, Middletown, Ohio. 45042.
D. (6) $600.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.
D. (6) $270.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Bath Iron Works Corp., 700 Washington Street, Bath, Maine. 04530.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Benamy International, Inc., 3937 Oakcliff Industrial Court NE., Atlanta, Ga. 30340.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Bixby Ranch Co., 523 West Sixth Street, Los Angeles, Calif. 90014.
D. (6) $6,287.50. E. (9) $59.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine and Boat Manufacturers, P.O. Box 5555, Grand Central Station, New York, N.Y. 10017.
D. (6) $611.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $450.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Chippewa-Cree Tribe, Rocky Boy Reservation, Box Elder, Mont. 59521.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Diagnostic Imaging & Therapy Systems Division, 2101 L Street NW., Washington, D.C. 20036.
D. (6) $125. E. (9) $1.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Donaldson, Lufkin & Jenretts, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Federal Pacific Electric Co., 150 Avenue L, Newark, N.J. 07101.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Handicraft Designs, Inc., 87 Commerce Drive, Talford, Pa. 18969.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Hobby Industry of America, 319 East 54th Street, Elmwood, N.J. 07407.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Institute of Electrical and Electronics Engineers, 2029 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Institute of Scrap Iron and Steel, Inc., 1627 K Street NW., Washington, D.C. 20006.
D. (6) $1,095.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. LOOP, Inc., 1010 Common Street, 250 Bank of New Orleans Building, New Orleans, La. 70112.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Louisiana Pacific Corp. 1300 Southwest Fifth Avenue, Portland, Oreg. 97201.
D. (6) $4,084. E. (9) $28.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Mars, Inc., 1651 Old Meadow Road, McLean, Va. 22101.
D. (6) $1,884. E. (9) $353.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Mocatta Metals Corp., 35 Broad Street, New York, N.Y. 10004.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. National Electrical Manufacturers Association, 2101 L Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. New Process Co., 220 Hickory Street, Warren, Pa. 16366.
D. (6) $1,000.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Northwest Energy Corp., 315 East 200 South Salt Lake City, Utah. 84111.
D. (6) $12,482. E. (9) $166.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Ocean Minerals Co., 465 North Bernardo, Mountain View, Calif. 94040.
D. (6) $10,800. E. (9) $275.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Pepsico, Inc., Purchase, New York. 10577.
D. (6) $300.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Jack Philip & Son, Inc., 724 Dupont Plaza Center, Miami, Fla. 33131.
D. (6) $1,931. E. (9) $97.

A. Patton, Boggs & Blow, 2550 M Street, NW., Washington, D.C. 20037.
B. Pyrotechnic Signal Manufacturers Association, Inc., 1730 K Street, N.W., Suite 1300, Washington, D.C. 20006.
D. (6) $82.

A. Patton, Boggs & Blow, 2550 M Street, NW., Washington, D.C. 20037.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs & Blow, 2550 M Street, NW., Washington, D.C. 20037.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $3,000.

A. Patton, Boggs & Blow, 2550 M Street, NW., Washington, D.C. 20037.
B. Redwood Industry Park Committee, 2750 Sand Hill Road, Menlo Park, Calif. 94205.
D. (6) $54.

A. Patton, Boggs & Blow 2550 M Street NW., Washington, D.C. 20037.
B. St. Joe Minerals Co., 1730 Rhode Island Avenue, NW., Suite 911, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Virgin Islands Manufacturers and Importers Association, Inc., care of Mr. Thomas Travis, 1290 Avenue of the Americas, New York, N.Y. 10019.

A. Andrew R. Paul, Suite 920, 600 New Hampshire Avenue SW., Washington, D.C. 20037.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $200. E. (9) $50.

A. Barbara Jo Pease, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
E. (9) $979.70.

A. Dominic V. Pensabene, Chevron U.S.A. Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A. Inc., a subsidiary of Standard Oil Co. of California, Washington, D.C. 20006.
D. (6) $375.

A. Gregory M. Pensabene, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,000.

A. Barbara Pequet, 2926 Upton Street, Washington, D.C. 20008.
B. National Consumers League, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $85.

A. Elinor Peretsman, 55 Tain Drive, Great Neck, N.Y. 11021.
B. United Action for Animals, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $4,800. E. (9) $1,010.56.

A. Perito, Duerk and Carlson, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Foremost-McKesson, Inc., Crocker Plaza, 1 Post Street, San Francisco, Calif. 94100.

A. Tony Perkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $150.

A. John P. Perrin, American Osteopathic Association, 1611 N. Kent Street, No. 803A, Arlington, Va. 22209.
B. American Osteopathic Association, 1611 North Kent Street, No. 803A, Arlington, Va. 22209.
D. (6) $2,218.85 E. (9) $2,412.85.

A. Susan Perry, American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $2,100.

A. Tom E. Persky, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $1,300. E. (9) $552.10.

A. Mary B. Peterson, General Motors Corp., 1660 L Street NW., Washington, D.C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,928.65.

A. Michael J. Petrina, Jr., 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Paul F. Petrus, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.
D. (6) $1,200.

A. Henry S. Pflanz, Pilots Lobby, 1629 K Street NW., Suite 701, Washington, D.C. 20006.
B. Pilots Lobby, 1629 K Street, NW., Washington, D.C. 20006.

A. Henry S. Pflanz, Pflanz and Associates, 9111 Grandhaven Avenue, Upper Marlboro, Md. 20870.
B. Zantop International Airlines, Inc., Willow Run Airport, Ypsilanti, Mich. 48197.
D. (6) $4,250.

A. John E. Pflieger, Time Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time and Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,700. E. (9) $63.70.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John F. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $37.64.

A. Sam Pickard, Monsanto Co., 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $28.80.

A. Ace Pickens, 1300 American Bank Tower, Austin, Tex. 78711.
B. Texas Medical Association, 1801 North Lamar Boulevard, Austin, Tex. 78701.
D. (6) $250. E. (9) $80.

A. Wilhelm Pickens, 1600 Rhode Island Avenue, Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $787.50. E. (9) $45.60.

A. Pierce, Atwood, Scribner, Allen, Smith and Lancaster, 1 Monument Square, Portland, Maine 04101.

B. Great Northern Paper Co., 75 Prospect Street, Stamford, Conn. 06901.

D. (6) $120. E. (9) $6.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Satellite Business Systems, 8003 Westpark Drive, McLean, Va. 22101.

D. (6) $2,500.

A. Pierson Semmes Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Oklahoma Natural Gas Co., P.O. Box 871, Tulsa, Okla. 74102.

A. Rena S. Pies, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

B. American Footwear Industries Association, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

D. (6) $500. E. (9) $80.55.

A. David E. Piper, Pacific Northwest Generating Co., 10570 Southeast Washington, Portland, Oreg. 97216.

B. Pacific Northwest Generating Co., 10570 Southeast Washington, Portland, Oreg. 97216.

D. (6) $100. E. (9) $200.

A. Plains Cotton Growers, Inc., P.O. Box 3640, Lubbock, Tex. 79452.

D. (6) $665.41. E. (9) $665.46.

A. Robert Plett Associates, Ltd., 1200 18th Street NW., Suite 700, Washington, D.C. 20036.

A. Michael M. Pocost, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Frances A. Pollak, The Goodyear Tire & Rubber Co., 1800 K Street NW., Suite 800, Washington, D.C. 20006.

B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

D. (6) $1,000.

A. Rafe Pomerance, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $3,900.

A. Robert F. Pontzer, Lear Siegler, Inc., 1911 Jefferson Davis Highway, Suite 1002, Arlington, Va. 22202.

B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.

E. (9) $49.93.

A. Garry C. Porter, 11356 Southeast Black Road, Olalla, Wash. 98359.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $328. E. (9) $211.

A. Everett O. Post, National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.

B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.

D. (6) $250. E. (9) $14.05.

A. John Post, 1801 K Street NW., Suite 821, Washington, D.C. 20006.

B. The Business Roundtable, 200 Park Avenue, New York, N.Y.; 1801 K Street NW., No. 821, Washington, D.C.

D. (6) $200. E. (9) $40.

A. Alonzo M. Poteet, Veterans of Foreign Wars of the United States; 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $2,500.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.

B. Rockwell International, Inc., 600 Grant Street, Pittsburgh, Pa. 15217.

D. (6) $5,000.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.

B. Western Shipbuilding Association, P.O. Box 3976, San Francisco, Calif. 94119.

D. (6) $3,000.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., 900–S, Washington, D.C. 20036.

B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $2,400.

A. M. Elizabeth Powell, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Southern Furniture Manufacturers Association, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

D. $5,000.01. E. (9) $770.23.

A. Robert D. Powell, 734 15th Street NW., Suite 401, Washington, D.C. 20005.

B. National Business Aircraft Association, 1 Farragut Square, South, Washington, D.C. 20006.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn 38112.

D. (6) $106.25.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $5,200. E. (9) $1,069.97.

A. Graydon R. Powers, Jr., Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.

B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $200.

A. William C. Prather, United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $745. E. (9) $138.

A. William B. Prendergast, Sr., Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C. 20004.

D. (6) $4,500. E. (9) $222.78.

A. Brainard E. Prescott, 670 Main Street, East Aurora, N.Y. 14052.

B. Security New York State Corporation, 1 East Avenue, Rochester, N.Y. 14638.

D. (6) $3,000.

A. Preservation Action, 1914 Sunderland Place NW., Washington, D.C. 20036.

D. (6) $33,401.34. E. (9) $29,201.02.

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France), 1225 19th Street NW., Washington, D.C. 20036.

A. Lloyd T. Preslar, DGA International, Inc. 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for: Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France) 1225 19th Street NW., Washington, D.C. 20036.

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for: Government of Morocco Rabat, Morocco) 1225 19th Street NW., Washington, D.C. 20036.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Washington, D.C.

B. National Education Association, 1201 16th Street NW., Washington, D.C.

D. (6) $362.50.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Washington, D.C. 20006.

B. Seatrain Lines, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

D. (6) $127.50.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 919 18th Street NW., Suite 300, Washington, D.C. 20006.

B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.

D. (6) $2,408.50.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

D. (6) $668.75.

A. Patricia Pride, Financial Accounting Standards Board, 1129 20th Street NW., Washington, D.C. 20036.

B. Financial Accounting Standards Board, High Ridge Park, Stamford, Conn. 06905.

D. (6) $243.39. E. (9) $211.14.

A. Susan E. Pridgen, Distilled Spirits Council of the U.S., Inc. 1300 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the U.S., Inc. 1300 Pennsylvania Building, Washington, D.C.

D. (6) $2,940. E. (9) $98.10.

A. Arnold J. Prima, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,200.

A. Jerry C. Pritchett, Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue NW., Suite 750, Washington, D.C. 20015.

B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue NW., Suite 750, Washington, D.C.

A. Pro Life Congressional District 11, P.O. Box 727, San Carlos, Calif. 94070.

D. (6) $161. E. (9) $117.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C.

E. (9) $6,046.75.

A. Jerry Z. Pruzan, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif., 90071.

D. (6) $300.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

D. (6) $5,941.09. E. (9) $4,403.58.

A. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $23,404.47. E. (9) $27,388.94.

A. Public Timber Purchasers Group, 1214 Oregon Bank Building, 319 Southwest Washington Street, Portland, Oreg. 97204.

D. (6) $27,616.18. E. (9) $7,616.50.

A. Philip N. Pulizzi, Jr., 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.

D. (6) $400. E. (9) $50.

A. David E. Pullen, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.

B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

D. (6) $600. E. (9) $195.94.

A. Purcell & Nelson, 1776 F. Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 200 Park Avenue, No. 2222, New York, N.Y. 10017.

D. (6) $472.50.

A. Howard Pyle III, 2550 M Street NW., Suite 770, Washington, D.C. 20037.

B. R. J. Reynolds Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.

D. (6) $329.67.

A. Robert N. Pyle, Stephen S. Boynton, Box 3731, Washington, D.C. 20007.

B. American Fur Industries, 101 West 30th Street, New York, N.Y. 10001.

D. (6) $4,700.

A. Robert N. Pyle, P.O. Box 3731, Washington, D.C. 20007.

B. Independent Bakers Association, P.O. Box 3731, Washington, D.C. 20007.

D. (6) $3,000.

A. Clifford H. Raber, McDonald's Corp., 1 McDonald Plaza, Oak Brook, Ill. 60521.

B. McDonald's Corp., 1 McDonald's Plaza, Oak Brook, Ill. 60521.

D. (6) $245.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $495.52.

A. Richard W. Rahn, American Council for Capital Formation, 1919 Pennsylvania Avenue NW., Suite 201, Washington, D.C. 20006.

B. American Council for Capital Formation, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $343.17.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.

D. (6) $28,900. E. (9) $28,900

A. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Gretchen P. Ralph, 303 Kimry Moor, Fayetteville, N.Y. 13066.

B. National Committee for Symphony Orchestra Support, 1100 17th Street NW., Suite No. 313, Washington, D.C. 20036.

D. (6) $10,500. E. (9) $108.06.

A. Randall, Bangert & Thelen, 1625 K Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Donald A. Randall, 1625 K Street NW., Suite 1205, Washington, D.C. 20006.

B. Automotive Service Councils, Inc., 188 Industrial Drive, Suite 112, Elmhurst, Ill. 60126.

D. (6) $937.50.

A. Donald A. Randall, 1625 K Street NW., Suite 1205, Washington, D.C. 20006.

B. National Asscociation for Milk Marketing Reform, 1625 K Street NW., Suite 1206, Washington, D.C. 20006.

D. (6) $1,195.

A. Wm. J. Randall, 1515 Jefferson Davis Highway, Suite 821, Arlington, Va. 22202.

B. City of Independence, Missouri, 103 North Main Street, Independence, Mo. 64050.

D. (6) $1,500. E. (9) $1,343.

A. Wm. J. Randall, 1515 Jefferson Davis Highway, Suite 821, Arlington, Va. 22202.

B. United States Railway Association, 955 L'Enfant Plaza, Washington, D.C.

D. (6) $3,000. E. (9) $390.

A. R. Ray Randlett, 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Allied Chemical Corp, P.O Box 3000–R, Morristown, NJ. 07960.

D. (6) $132.

A. Arthur G. Randol III, 1899 L Street NW., No. 1100, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

E. (9) $94.18.

A. Jerry F. Rapp, Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $1,000.

A. D. Michael Rappoport, P.O. Box 1980, Salt River Project, Phoenix, Ariz. 85001.

B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.

D. (6) $1,125. E. (9) $642.09.

A. Magda Ratajski, Norfolk & Western Railway Co., P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.

B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.

D. (6) $155. E. (9) $75.

A. G. David Ravencraft, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) $2,000.

A. W. Randall Rawson, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

E. (9) $17.56.

A. J. Gene Raymond, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C.20036.

D. (6) $709.27.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.

B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washiington, D.C. 20036.

D. (6) $575. E. (9) $34.70.

A. Gladys Reckley, G. G. Reckley Associates, 2737 Devonshire Place, No. 9 NW., Washington, D.C. 20008.

B. Ketchikan Indian Corp., P.O. Box 6855, Ketchikan, Alaska 99901.

D. (6) $260.

A. Gladys Reckley, G. G. Reckley Associates, 2737 Devonshire Place, No. 9 NW., Washington, D.C. 20008.

B. Kootznoowoo Inc., P.O. Box 116, Angoon, Alaska 99820.

D. (6) $5,500. E. (9) $1,166.49.

A. Gladys Reckley, G. G. Reckley Associates, 2737 Devonshire Place, No. 9 NW., Washington, D.C. 20008.

B. 13th Regional Corp., Alaska Native Corp., 1800 Westlake North, Suite 313, Seattle, Wash. 98109.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dwight C. Reed, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

D. (6) $72.12.

A. John H. Reed, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

D. (6) $8,000. E. (9) $300.

A. Jerry Rees, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.

B. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.

D. (6) $1,385.84.

A. Thomas M. Rees, 1101 Connecticut Avenue NW., Suite 403, Washington, D.C. 20036.

B. American Constituency Overseas, George E. Fischer Associates, 2152 DuPont Drive, No. 106, Irvine, Calif. 92715.

A. Thomas M. Rees, 1101 Connecticut Avenue NW., Suite 403, Washington, D.C. 20036.

B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Los Angeles, Calif. 90045.

A. Thomas M. Rees, 1101 Connecticut Avenue NW, Suite 403, Washington, D.C. 20036.

B. Fluor Corp., 1627 K Street NW., Washington, D.C. 20006.

A. Thomas M. Rees, 1101 Connecticut Avenue NW., Suite 403, Washington, D.C. 20036.

B. Imperial Resources Association, Post Office Box 119, Brawley, Calif. 92227.

A. Thomas M. Rees, 1101 Connecticut Avenue, Suite 403, Washington, D.C. 20036.

B. Southern California Gas Co., 810 South Flower Street, Los Angeles, Calif. 90017.

A. Robert S. Reese, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $1,049.71.

A. Don Reeves, 245 Second Street NE., Washington, D.C. 20002.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.

D. (6) $2,497.

A. J. Ronald Reeves, Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.

B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.

D. (6) $2,000. E. (9) $131.46.

A. John T. Reggitts, Jr., R.D. No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. Frank D. Register, National Association of Retail Grocers of the United States, Inc., 11800 Sunrise Valley Drive, Reston, Va. 22091.

B. National Association of Retail Grocers of the United States, Inc., 11800 Sunrise Valley Drive, Reston, Va. 22091.

D. (6) $125. E. (9) $28.

A. Reid & Priest, 1701 K Street NW., Washington, D.C. 20006.

B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $63.

A. Jerry E. Reider, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

E. (9) $14.95.

A. J. E. Reinke, 1030 15th Street NW., Washington, D.C. 20005.

B. Eastern Air Lines, Inc., 1030 15th Street NW., Washington, D.C. 20005.

E. (9) $305.

A. Harry O. Reinsch, 1310 Jones Street, Apartment 902, San Francisco, Calif. 94109.

B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Diane Rennert, 1707 L Street NW., Washington, D.C. 20036.

B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.

D. (6) $950. E. (9) $468.27.

A. Jamie Replogle, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $6.25.

A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky. 40579.

D. (6) $384.50. E. (9) $499.23.

A. Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $25,757.84. E. (9) $25,757.84.

A. The Retired Officers Association, 201 N. Washington Street, Alexandria, Va. 22314.

D. (6) $5,691.63.

A. Nancy C. Reynolds, 300 Maryland Avenue NE., Washington, D.C. 20002.

B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $821.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044; 3046 Roosevelt Street, Detroit, Mich. 48216.

E. (9) $112.54.

A. Grace Ellen Rice, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

D. (6) $3,250. E. (9) $76.

A. Theron J. Rice, Continental Oil Co., 1025 Connecticut Avenue, No. 1000, Washington, D.C. 20036.

B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Alan H. Richardson, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $300.

A. K. O. Richardson, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 28050.

D. (6) $1,275. E. (9) $745.

A. Mark E. Richardson, 1900 L Street NW., Suite 710, Washington, D.C. 20036.

B. Business Round Table, 1901 K Street NW., Washington, D.C.

D. (6) $1,500.

A. Russell C. Richardson, Jr., 155 15th Street NW., No. 713, Washington, D.C. 20005.

B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

D. (6) $425.

A. Russell W. Richardson, Lear Siegler, Inc., Suite 1002, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.

A. Peter S. Ridley, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $525.

A. E. Philip Riggin, National Legislative Commission, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $4,569. E. (9) $251.20.

A. Douglas V. Rigler, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006. (For Republic of the Philippines.)

A. Morris A. Riley, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $1,200.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

D. (6) $601.88. E. (9) $23.20.

A. Carol A. Risher, Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.

B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.

D. (6) $1,000. E. (9) $83.32.

A. Nancy J. Risque, Suite 650, 1050 17th Street NW., Washington, D.C. 20036.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio. 44115.

D. (6) $37.50.

A. James E. Ritchie, 499 South Capitol Street NW., Suite 400, Washington, D.C. 20003.

B. Gaming Industry Association of Nevada, Inc., 1 East First Street, No. 1007, Reno, Nev. 89501.

D. (6) $2,800. E. (9) $1,126.35.

A. James E. Ritchie, 499 South Capitol Street SW., No. 400, Washington, D.C. 20003.

B. National Association of Off-Track Betting, P.O. Box 446, Batavia, N.Y. 14020.

D. (6) $2,319.10. E. (9) $1,085.13.

A. James E. Ritchie, 499 South Capitol Street SW., No. 400, Washington, D.C. 20003.

B. Nevada Resort Association, 732 East Sahara Avenue, Las Vegas, Nev. 89104.

D. (6) $4,200. E. (9) $1,689.55.

A. Valentin Riva, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Roadside Business Association, 9001 West Braddock, Room 310, Springfield, Va. 22151.

D. (6) $841.63. E. (9) $841.63.

A. Kenneth Roberson, 193 Stuart Road, Valley Stream, N.Y. 11581.

B. Meat Importers Council of America, Inc., 1 Penn Plaza, New York, N.Y. 10001.

A. Perry A. Roberts, Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

E. (9) $865.90.

A. William S. Roberts, National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $25.

A. Hope E. Robertson, 317 Pa. Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pa. Avenue SE., Washington, D.C. 20003.

D. (6) $2,250.

A. Betty S. Robinson, United Automobile, Aerospace and Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $7,743.79. E. (9) $37.75.

A. Charles A. Robinson, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington. D.C. 20036.

D. (6) $235.75.

A. John K. Robinson, Chamber of Commerce of the U.S., 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street N.W., Washington, D.C. 20062.

E. (9) $91.25.

A. Howard W. Robison, 3903 Franklin Street, Kensington, Md. 20795.

B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza, Washington, D.C. 20024.

D. (6) $2,250.

A. Antoinette K. Roche, 2021 K Street NW., Suite 709, Washington, D.C. 20006.

B. General Atomic Co., San Diego, Calif.

D. (6) $500. E. (9) $25.

A. Betty P. Rocker, Seafarers International Union of North America, 815 16th Street NW., Washington, D.C. 20006.

B. Seafarers International Union of North America, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $124.30.

A. William H. Rockwell, American National Standards Institute, Inc., 1430 Broadway, New York, N.Y. 10018.

B. American National Standards Institute, Inc., 1430 Broadway, New York, N.Y. 10018.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.

B. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.

A. Ted V. Rodgers and Sandra LaFevre, 1000 Connecticut Avenue NW., Suite 304, Washington, D.C. 20036.

B. Nationwide Insurance Companies, 1 Nationwide Plaza, Columbus, Ohio. 43216.

A. Robert Rodriguez, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,165.

A. Mitchell Rofsky, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $3,750.

A. Bruce N. Rogers, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $2,000. E. (9) $1,928.79.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.

D. (6) $1,270.63.

A. Margaret Rogers, 1730 North Lynn Street, Arlington, Va. 22209.

B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

D. (6) $1,000. E. (9) $90.

A. Terrence L. Rogers, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $5,506.20. E. (9) $7,676.47.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Seyforth Laboratories, Inc., 8150 North Central Expressway, Dallas, Tex. 75206.

A. Richard A. Rohrbach, 1625 I Street NW., Washington, D.C. 20006.

B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.

D. (6) $15,000.

A. John F. Rolph III, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,500.

A. Teno Roncalio, Rocky Mountain Plaza, P.O. Box 1707, Cheyenne, Wyo. 82001.

B. Northwest Alaskan Pipeline Co., 1801 K Street NW., Washington, D.C. 20036.

D. (6) $1,500.

A. Tatiana Roodkowski, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

D. (6) $2,000. E. (9) $23.45.

A. Nicholas Roomy, Jr., Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327.

B. Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327, subsidiary of the American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.

D. (6) $628.80. E. (9) $523.99.

A. Kevin M. Rooney, Long Island Lighting Co., 250 Old County Road, Mineola, N.Y. 11501.

B. Long Island Lighting Co., 250 Old Country Road, Mineola, N.Y. 11501.

D. (6) $562.50. E. (9) $550.48.

A. David N. Rose, 180 East First South Street, Salt Lake City, Utah. 84139.

B. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah. 84139.

A. Walda W. Roseman, National Public Radio, 2025 M Street NW., Washington, D.C. 20036.

B. National Public Radio, 2025 M Street NW., Washington, D.C. 20036.

D. (6) $10,000. E. (9) $8.45.

A. Albert B. Rosenbaum III, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Barry A. Ross, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

B. National Telephone Cooperative, 2626 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $155.

A. Seymour N. Ross, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc. (for Thomson-CSF(AVS), 178 Boulevard Gabriel Peri, 92240 Malakoff, France), 1225 19th Street NW., Washington, D.C. 20036.

A. W. F. Ross, SC Petroleum Council, 716 Keenan Building, Columbia, S.C. 29201.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $285. E. $541.74.

A. Alan J. Roth, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. Fort Pierce Utilities Authority of the City of Fort Pierce, Gainesville-Alachua County Regional Electric Water & Sewer Utilities, Sebring Utilities Commission, Cities of Homestead, Kissimee, Lakeland, Starke, Tallahassee, Fla.

A. Donald D. Rounds, South Dakota Petroleum Council, P.O. Box 669, Pierre, S. Dak. 57501.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William C. Rountree, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio. 44115.

D. (6) $137.50.

A. Rouss & O'Rourke, Lawyers Building, 231 E. Vermijo, Colorado Springs, Colo. 80903.

B. Union Nacional de Productores de Azucar, S.A. de C.V. (UNPASA) Balderas 36, Mexico, D.F., Mexico.

D. (6) $2,400. E. (9) $4,205.83.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. Kathryn Coe Royce, 1600 Rhode Island Avenue, Washington, D.C. 20036.

B. National Rifle Association, 1600 Rhode Island Avenue, Washington, D.C. 20036.

D. (6) $575. E. (9) $83.50.

A. James S. Rubin, 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Allied Chemical Corp., P.O. Box 3000-R, Morristown, N.J. 07960.

D. (6) $434. E. (9) $36.

A. Steven J. Rukavina, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20515.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20515.

D. (6) $39.95.

A. Leonard H. Ruppert, New Jersey Petroleum Council, 170 W. State Street, Trenton, N.J. 08608.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.

B. Orkin Exterminating Co., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

D. (6) $210. E. (9) $175.

A. Wally Rustad, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $50.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. American Association of Bioanalysts, International Society of Clinical Lab Tech, No. 614 Paul Brown Building, St. Louis, Mo.

D. (6) $350. E. (9) 261.86.

A. J. T. Rutherford & Associates, 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.

D. (6) $1,100. E. (9) $287.81.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. American Optometric Association, 1730 M Street NW., Washington, D.C.

D. (6) $1,100. E. (9) $273.95.

A. J. T. Rutherford & Associates, 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. Hospital Pharmacy Inc., 10960 Wilshire Boulevard, Los Angeles, Calif. 90024.
D. (6) $1,000. E. (9) $113.10.

A. Ella Marice Ryan, J. C. Penney Co., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co, Inc, 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $85.

A. Fred J. Sacco, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2107 L Street NW., Washington, D.C. 20037.
D. (6) $350. E. (9) $72.31.

A. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.
E. (9) $1,049.12.

A. Robert P. St. Louis, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $750. E. (9) $256.17.

A. Frank P. Sanders, The Flying Tiger Line, Inc., 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.
D. (6) $100.

A. Frank P. Sanders, The Signal Co., Inc., the Flying Tiger Line, Inc., 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Co., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $250.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,000.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Associations, 17/18 Bury Street, London EC3A 5AH, England
D. (6) $300.

A. W. P. Sayles, P.O. Box 841, Abilene, Tex. 79604.
B West Texas Utilities Co, P.O Box 841, Abilene, Tex 79604.
E. (9) $1,904.40.

A. Thomas T. Scambos, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-Maffei, Krauss-Maffei-Strasse 2, 8000 Munich, FRG).

A. Thomas T. Scambos, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Thomson-CSF(AVS), 178 Boulevard Gabriel Peri, 92240 Malakoff, France).

A. Henry Schacht, California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $3,600. E. (9) $2,479.03.

A. Harold A. Schaitberger, International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $8,346.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,600.

A. Herbert Y. Schandler, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc., 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $3,750. E. (9) $57.95.

A. Lois M. Schell, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
D. (6) $170.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $565.46.

A. Allan D. Schlosser, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $400.

A. Jay T. Scheck, Jr., Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $1,350. E. (9) $1,205.19.

A. Allan D. Schimmel, ConRail, 639 South Carolina Avenue SW., Washington, D.C. 20024.
B. Consolidated Rail Corporation, P.O. Box 23415, L'Enfant Plaza, Washington, D.C. 20024.
D. (6) $3,625.

A. Richard M. Schmidt, Jr., 1333 New Hampshire Avenue NW., Suite 600, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $500.

A. Robert L. Schmidt, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $227.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capital City Boulevard, Lansing, Mich. 48906.
D. (6) $900.

A. Andy Schneider, National Health Law Program, 1424 16 Street NW., Washington, D.C. 20036.
B. National Health Law Program, Inc., 2401 Main Street, Santa Monica, Calif. 90405.
D. (6) $750. E. (9) $310.25.

A. Frank Schneller, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
E. (9) $200.

A. Michael M. Schoor, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Anthony Schopp, Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.
B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. Robert I. Schramm, 1725 K Street NW., Suite 909, Washington, D.C. 20006.
B. The Superior Oil Co., and Superior Farming Co., 1725 K Street NW., Washington, D.C. 20006.

A. A. Kolbet Schrichte, 1850 K Street NW., Suite 850, Washington, D.C. 20006.
B. National Restaurant Association, 1850 K Street NW., Washington, D.C. 20006; 1 IBM Plaza, Suite 2600, Chicago, Ill. 60611.
D. (6) $1,325. E. (9) $14.40.

A. N. Donald Schroeder, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $80. E. (9) $5.

A. Robert L. Schulz, Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $411.25. E. (9) 558.90.

A. Donald H. Schwab, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,050. E. (9) $354.72.

A. Carl F. Schwensen, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
B. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
D. (6) $1,524.27.

A. William F. Schwind, Jr., Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio. 45840.

A. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.
B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.
D. (6) $4,315. E. (9) $3,718.54.

A. Harold B. Scoggins, Jr., 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $30.10.

A. David A. Scott, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $772.50. E. (9) $718.27.

A. Donald A. Scott, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John W. Scott, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $687.50.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38122.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $487.50. E. (9) $11.99.

A. Sandy Sedacca, Americans for SALT, Inc., 12109 Grand View Avenue, Wheaton, Md. 20902.
B. Americans for SALT, Inc., 324 Fourth Street, NE., Washington, D.C. 20002.
D. (6) $3,000. E. (9) $131.

A. Pamela Sederholm, SMACNA, 8224 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal & Air Conditioning Contractors' National Association, 8224 Old Courthouse Road, Vienna, Va. 22180.
D. (6) $800. E. (9) $300.

A. Harry Richard Seibert Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $305. E. (9) $12.

A. David Seldner, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
D. (6) $400.

A. Self-Determination for D.C., Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $19,795. E. (9) $10,065.

A. Andrea I. Semmes, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $2,650. E. (9) $167.79.

A. Seven Months Session for Congress, 7201 Wood Hollow Drive, No. 337, Austin, Tex. 78731.
E. (9) $473.50.

A. Seven-Up Bottling Co., 555 Brown Road, Hazelwood, Mo. 63042.
E. (9) $8,006.

A. Seventh Prolife Congressional District Action Committee, 2735 Ivy Street, Tampa, Fla. 33607.
D. (6) $125. E. (9) $100.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $425. E. (9) $86.97.

A. James M. Shamberger, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512 Washington, D.C. 20036.
E. (9) $25.75.

A. Shamrock Foods Co., 2228 North Black Canyon, Phoenix, Ariz. 85009.
E. (9) $50.26.

A. Lloyd D. Shand, Monsanto Co., 1101 17th Street NW., Washington, D.C.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $400. E. (9) $124.50.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $565.46.

A. John J. Sharkey, 1629 K Street NW., Room No. 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $986.50 E. (9) $57.34.

A. John H. Sharon, 1800 M Street NW., Washington, D.C. 20036.
B. Mauritius Sugar Syndicate; Mauritius Chamber of Agriculture; Plantation House, Place d'Armes; Port Louis, Mauritius.
E. (9) $193.55.

A. Richard N. Sharood, 1899 L Street NW., No. 705, Washington, D.C. 20036.
B. National Federation of Fishermen, 919 18th Street NW., No. 820, Washington, D.C. 20006.
D. (6) $3,832. E. (9) $503.75.

A. Shaw, Pittman, Potts & Trowbridge, Ramsay D. Potts, 1800 M Street NW. 900-S, Washington, D.C. 20036.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Shaw, Pittman, Potts & Trowbridge, Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. Atlas Corp., 2506 Prudential Plaza, Denver, Colo. 80202.
D. (6) $329. E. (9) $2.70.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Bally Manufacturing Corp., 2640 Belmont Avenue, Chicago, Ill. 60618.
D. (6) $9,123.91.

A. Shaw, Pittman, Potts & Trowbridge, c/o Ramsay D. Potts, 1800 M Street NW., 900-S, Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, Saint Louis, Mo. 63136.

A. Shaw, Pittman, Potts & Trowbridge, c/o Ramsay D. Potts, 1800 M Street NW., 900-S, Washington, D.C. 20036.
B. Investment Counsel Association of America, Inc., 127 and 59th Street, New York, N.Y. 10022.
D. (6) $56.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Radioactive Waste Management Group, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $1,884.88.

A. Shea, Gould Climenko & Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Estate of Sol Atlas, Peavis & McGrath, 345 Park Avenue, New York, N.Y. 10022.
D. (6) $149,705.39. E. (9) $294.61.

A. Maureen Shea, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,577.27. E. (9) $77.25.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $9,305.45.

A. John P. Sheffey, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,169.06.

A. Spencer C. Sheldon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $150.

A. Jowanda Shelton, 2101 L Street NW., Washington, D.C. 20037.
B. Committee for Humane Legislation, 11 East 60th Street, New York, N.Y. 10023.
D. (6) $5,400.

A. Dale Sherwin, 888 17th Street NW., No. 902, Washington, D.C. 20006.
B. A. E. Staley Manufacturing Co., 2200 Eldorado Street, Decatur, Ill. 62525.
D. (6) $1,500. E. (9) $188.13.

A. Nelson Shields, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $1,906.61.

A. Fred B. Shippee, American Apparel Manufacturers Association, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. W. Ray Shockley, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., No. 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 S. Tryon Street, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $3.

A. Candice J. Shy, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. ENSERCH Corp., 301 South Harwood Street, Dallas, Tex. 75201.
D. (6) $900. E. (9) $600.

A. Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.
B. Chicago Community Trust, 208 South La Salle Street, Chicago, Ill. and Northwestern University, 633 Clark Street, Evanston, Ill.
D. (6) $450.

A. Lawrence E. Siegel, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $3,300. E. (9) $32.

A. Mark A. Siegel, Mark A. Siegel & Associates, 400 North Capitol Street NW., Suite 368, Washington, D.C. 20001.

B. Michigan State Democratic Party, Morley Winograd, 606 Townsend Street, Lansing, Mich. 48933.

D. (6) $7,867.04.

A. Mark A. Siegel, Mark A. Siegel & Associates, 400 North Capitol Street NW., Suite 368, Washington, D.C. 20001.

B. Tadco Enterprises, 1625 Eye Street NW., Suite 1009, Washington, D.C. 20006.

D. (6) $6,000. E. (9) $58.70.

A. Richard H. Siemsen, Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

E. (9) $141.40.

A. Bernard H. Sieracki, Illinois Petroleum Council, 200 East Randolph Drive, Suite 7209, Chicago, Ill. 60601.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $375. E. (9) $409.57.

A. David Silver, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $150.

A. Silver Users Association, 1717 K Street NW., Washington, D.C. 20006.

D. (6) $3,001. E. (9) $2,865.52.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. American Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Champion International Corp., 1 Landmark Square, Stamford, Conn. 06921.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Music Corporation of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. National Savings & Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Ogden Transportation Corp., 277 Park Avenue, New York, N.Y. 10017.

A. Althea T. L. Simmons, NAACP, 733 15th Street NW., Suite 410, Washington, D.C. 20005.

B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $4,000.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $320. E. (9) $342.80.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,039. E. (9) $83.68.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

D. (6) $98.04.

A. Richard L. Sinnott & Co., 888 17th Street NW., Suite 212, Washington, D.C. 20006.

B. Citizens for Management of Alaska Lands, 840 K Street, Suite 205, Anchorage, Alaska 99501.

D. (6) $1,500.

A. Richard L. Sinnott & Co., 888 17th Street NW., Suite 212, Washington, D.C. 20006.

B. Port of Oakland, Oakland, Calif. 94607.

D. (6) $1,250.

A. Donald E. Sinville, 227 North Street, Manchester, N.H. 03104.

B. Public Service Co. of New Hampshire, Manchester, N.H. 03105.

A. William J. Skinner, 815 15th Street NW., Washington, D.C. 20005.

B. United States Pharmacopeial Convention, Inc., 12601 Twinbrook Parkway, Rockville, Md. 20852.

D. (6) $819.80. E. (9) $120.58.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,125.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.

B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. F. Slatinshek & Associates, Inc., 218 North Lee Street, Alexandria, Va. 22314.

B. Grumman Aerospace Corp., Bethpage, N.Y. 11714; United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005; General Dynamics Corp., Pierre LacLede Center, St. Louis, Mo. 63105.

D. (6) $550.

A. William T. Slider, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

D. (6) $1,500. E. (9) $274.47.

A. Frank Slover, Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.

E. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (For Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.)

D. (6) $1,200.

A. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

D. (6) $58,500. E. (9) $917.40.

A. Small Business Council of America, Inc., 702 Longfellow Building, 1201 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $19,105. E. (9) $3,857.46.

A. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

E. (9) $2,031.

A. Small Producers for Energy Independence, 1000 Sutton Place Building, Wichita, Kans. 67202.

D. (6) $74,098.75. E. (9) $5,881.

A. Stephan K. Small, Suite 3212, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

D. (6) $838.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. American Horse Council, 1700 K Street NW., Suite 300, Washington, D.C. 20006.

D. (6) $5,500. E. (9) $5.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. American Inland Waterway Committee, 7733 Forsyth Boulevard, St. Louis, Mo.

D. (6) $3,500.

A. Smathers, Symington, & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. Association of Insular Manufacturers, 400 S. Jefferson Street, Chicago, Ill. 60607.

D. (6) $6,000.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. City Gas Company of Florida, 955 East 25th Street, Hialeah, Fla. 33013.

D. (6) $500. E. (9) $8.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. Goldman Sachs, 55 Broad Street, New York, N.Y. 10004.

D. (6) $1,500.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.

B. Pennzoil Co., Houston, Tex. 77001.

D. (6) $6,000.

A. Donald E. Smiley, 1899 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

E. (9) $54.27.

A. John G. Smillie, 900 17th Street NW., Washington, D.C. 20006.

B. Permanente Medical Group.

D. (6) $21,924.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.

B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.

D. (6) $500.

A. Smith, Barney, Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

E. (9) $8,246.

A. Cathy Smith, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington D.C. 20003.

D. (6) $2,235.

A. Douglas J Smith & Associates, 2550 M Street NW., Suite 300 Washington, D.C. 20037.

B. Institute of Signage Research, 4020 Fabian Way, Palo Alto, Calif. 94304.

D. (6) $3,750. E. (9) $5,107.88.

A. Douglas J Smith & Associates, 2550 M Street NW., Suite 300 Washington, D.C. 20037.

B. National Electric Sign Association, 2625 Butterfield Road, Suite 310E, Oak Brook, Ill. 60521.

D. (6) $3,750. E. (9) $5,107.88.

A. Douglas J Smith & Associates, 2550 M Street NW., Suite 300 Washington, D.C. 20037.

B. Sperry Gyroscope, Great Neck, N.Y. 11020.

D. (6) $10,000. E. (9) $6,872.67.

A. Elizabeth Smith, 815 16th Street NW., Washington, D.C. 20006.

B. Amalgamated Clothing & Textile Workers Union, 770 Broadway, New York, N.Y. 10003.

D. (6) $2,216. E. (9) $64.06.

A. J. Kenneth Smith, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.

D. (6) $3,480. E. (9) $3,705.35.

A. Michael P. Smith, New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.

B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.

D. (6) $375. E. (9) $1,073.64.

A. Nancy L. Smith, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. Nelson & Harding, 1101 Connecticut Avenue, Suite 800, Washington, D.C. 20036 (for National Campground Owners Association, 1101 Connecticut Avenue, Suite 800, Washington, D.C. 20036).

A. P. Daniel Smith, 1600 Rhode Island Avenue, Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $550. E. (9) $22.26.

A. Robert Bland Smith, Jr., American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 2006.

D. (6) $190.

A. Robert F. Smith, 8316 Arlington Boulevard, Suite 600, Arlington, Va. 22038.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Arlington, Va. 22038.

A. Talbott C. Smith, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, 20062.

D. (6) $3,000. E. (9) $138.25.

A. Wayne H. Smithey, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

D. (6) $1,375. E. (9) $1,270.30.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

D. (6) $450. E. (9) $19.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C., 20036.

B. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washintgon, D.C. 20036.

D. (6) $850.02. E. (9) 193.70.

A. Norman J. Snow, 1660 L Street NW., Washington, D.C. 20036.

B. Rohr Industries, Inc, PO. Box 878, Chula Vista, Calif. 92012.

D. (6) $340. E. (9) $96.

A. Snyder & Ball Associates, Inc., 1111 Army Navy Drive, A–111, Arlington, Va. 22202.

B. Aerojet-General Corp., 9100 E. Flair Drive, El Monte, Calif. 91734.

D. (6) $200.

A. Edward F. Snyder, Society of Friends, 245 Second Street NE., Washington, D.C. 20002.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C. 20002.

D. (6) $4,110.

A. J. R. Snyder, United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

E. (9) $600.

A. John M. Snyder, 600 Pennsylvania Avenue SE., Suite 205, Washington, D.C. 20003.

B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.

D. (6) $5,100.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.

D. (6) $17,997.89. E. (9) $10,521.72.

A. Henry A. Solomon, Haley, Bader & Potts, 1730 M Street NW., Suite 700, Washington, D.C. 20036.

B. Pilots Rights Association, P.O. Box 7000–367, Redondo Beach, Calif. 90277.

A. Michael L. Solomon, 1850 Columbia Pike Apartment 619, Arlington, Va.

B. National Apartment Association, 1825 K Street NW., No. 604, Washington, D.C. 20006.

D. (6) $3,000.

A. Edmund T. Sommer, Jr., Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.

B. Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.

D. (6) $127.

A. S. L. Sommer & Associates, Inc., 1800 North Kent Street, Suite 1104, Arlington, Va. 22209.

B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.

D. (6) $12,000. E. (9) $16,508.89.

A. Sonosky, Chambers & Sachse, 2030 M Street NW., Washington, D.C. 20036.

B. Assiniboine and Sioux Tribes, Fort Peck Indian Reservation, Poplar, Montana.

A. Sonosky, Chambers & Sachse, 2030 M Street NW., Washington, D.C. 20036.

B. Shoshone Indian Tribe, Wind River Indian Reservation, Fort Washakie, Wyo. 82514.

A. Sonosky, Chambers & Sachse, 2030 M Street NW., Washington, D.C. 20036.

B. Standing Rock Sioux Tribe, Fort Yates, N.D. 58538.

A. Mary Sophos, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $375. E. (9) $154.

A. Leland R. Sorteberg, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

E. (9) $2.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $5,900. E. (9) $878.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.

B. American Greyhound Track Operators Association, 139 Southeast 14th Lane, Miami, Fla. 33131.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.

D. (6) $15,000. E. (9) $2,949.80.

A. Souther, Spaulding, Kinsey, Williamson & Schwebe, 1200 Standard Plaza, Portland, Oreg. 97204.

B. Public Power Council, 1310 Main Street, Vancouver, Wash. 89866.

D. (6) $865.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150. E. (9) $150.

A. Giardeau A. Spann, Public Citizen, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.

B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.

D. (6) $420. E. (9) $10.

A. Larry M. Speakes, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20036.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

B. Schenley Distillers, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Specialty Equipment Market Association, 11001 East Valley Mall, Suite 204, El Monte, Calif.

A. Speiser, Krause & Madole, 1216 16th Street NW., Washington, D.C.

B. Vera C. Clemente, No. 36 Roberto Clemente Street, Executive San Augstin, Rio Piedras, P.R. 00926; Margarita Cardona Matias, Yagrumo AD-3, Valle Arriba Heights, Carolina, P.R.; Maria Lozano, 519th Street QC-1, Urb. Country Club, Rio Piedras, P.R.

E. (9) $245.52.

A. William J. Spencer, National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

B. National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

D. (6) $3,617.53.

A. George Spiegel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051, Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, Calif., and Associate Member, Plumas-Sierra Rural Electric Cooperative.

A. Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. Northern California Power Agency, et al.

A. Larry N. Spiller, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

D. (6) $900.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $200.

A. Frederick C. Spreyer, Pacific Resources, Inc., 1990 M Street NW., Suite No. 560, Washington, D.C. 20036.

B. Pacific Resources, Inc., 1060 Bishop Street NW., P.O. Box 3379, Honolulu, Hawaii 96842.

D. (6) $500.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Earl C. Spurrier, Monsanto Co., 1101 17th Street NW., Suite 604, Washington, D.C. 20036.

B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.

D. (6) $156.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.

A. Squire, Sanders & Dempsey, 21 Dupont Circle NW., Washington, D.C. 20036.

B. American Society of Anesthesiologists, 515 Busse Highway, Park Ridge, Ill. 60068.

D. (6) $168. E. (9) $488.75.

A. Squire, Sanders & Dempsey, 21 Dupont Circle NW., Washington, D.C. 20036.

B. National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.

D. (6) $2,110. E. (9) $39.10.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Lynn E. Stalbaum, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $2,000. E. (9) $219.76.

A. Joe A. Stamm, 1050 17th Street NW., Suite 650, Washington, D.C.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio. 44115.

D. (6) $50.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio. 44115.

E. (9) $2,129.30.

A. David P. Stang, Stang and Svendson, 1629 K Street NW., Washington, D.C. 20006.

B. J. Ray McDermott & Co., Inc., 1010 Common Street, New Orleans, La. 70160.

D. (6) $557.79.

A. David P. Stang, Stang & Svendson, 1629 K Street NW., Washington, D.C. 20006.

B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20037.

A. David P. Stang, Stang & Svendson, 1629 K Street NW., Washington, D.C. 20006.

B. Ocean Minerals Co., P.O. Box 4531, Mountain View, Calif. 94040.

D. (6) $44.88.

A. David P. Stang, Stang & Svendson, 1629 K Street NW, Washington, D.C. 20006.

B. Fred J. Russell, P.O. Box 54228, Los Angeles, Calif. 90054.

A. Melvin L. Stark, 1707 L Street NW., Suite 321, Washington, D.C. 20036.

B. Hartford Insurance Group, Hartford, Conn.

D. (6) $6,000.

A. John M. Starke III, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C.

B. Phillips Petroleum Co., Bartlesville, Okla.

A. Charles D. Statton, 2130 Oaks Drive, Hillsborough, Calif. 94010.

B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Eugene H. Stearns, American Petroleum Institute, 200 East Randolph Drive, Room 7209, Chicago, Ill.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Barbara Diane Steigler, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

D. (6) $1,500.

A. Theodore P. Stein, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,558.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Bank of America, Bank of America Center, San Francisco, Calif. 94137.

E. (9) $37.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

D. (6) $150. E. (9) $8.

A. Karen L. Stevens, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $200.

A. Sarah Jane Stewart, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

A. Robert B. Stewart, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.

D. (6) $5,066. E. (9) $221.14.

A. Michael Stientjes, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy, Park Ridge, Ill.

A. Kenneth F. Stinger, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $212.98.

A. Stephen A. Stitle, Eli Lilly & Co., 1901 L Street NW., Washington, D.C. 20036.

B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

D. (6) $3,000.

A. George Stockton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

E. (9) $200.

A. William M. Stover, Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $1,000.

A. Richard B. Straus, 444 North Capitol Street NW., Washington, D.C. 20001.

B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Washington, D.C. 20001.

D. (6) $8,625.

A. John D. Stringer, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.

B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

D. (6) $400. E. (9) $100.

A. John H. Stroh, Suite 3400, 1 Mercantile Center, St. Louis, Mo. 63101.

B. Seven-Up Bottling Co., 555 Brown Road, Hazelwood, Mo. 63042.

D. (6) $7,016.60. E. (9) $282.65.

A. George W. Strong, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

B. Houston Natural Gas, P.O. Box 1188, Houston, Tex. 77001.

D. (6) $733.37. E. (9) $761.16.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. J. Aron & Co., Inc., 160 Water Street, New York, N.Y. 10030.

E. (9) $6.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Mrs. Patsy Perry, 70 Glen Cove Road, Roslyn Heights, N.Y.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Scientific Games International, Inc., 2625 Cumberland Parkway NW., Atlanta, Ga. 30339.

E. (9) $3.

A. George Strumpf, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

D. (6) $183.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $5,437.50. E. (9) $462.78.

A. Walter B. Stults, 618 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.

D. (6) $1,000.

A. Eugene F. Sturgeon, 182 Crater Lane, Kensington, Conn. 06037.

B. Northeast Utilities Service Co., Selden Street, Berlin, Conn.

D. (6) $787.94. E. (9) $1,187.74.

A. Sullivan & Cromwell, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. INCO Limited, Tornoto-Dominion Centre, Toronto, Ontario, Canada M5K 1E3.

D. (6) $10,000. E. (9) $45.

A. Harold R. Sullivan, 1750 K Street NW., Washington, D.C. 20006.

B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $1,500.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.

B. Hawaiian Sugar Planters' Association, Aiea, Hawaii 96701.

E. (9) $215.74.

A. Sullivan & Worcester, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

D. (6) $12,989. E. (9) $27.73.

A. Duward F. Sumner, Jr., Professional Insurance Agents. 400 North Washington Street, Alexandria, Va. 22314.

B. Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.

D. (6) $250. E. (9) $250.

A. Frank L. Sundstrom, 19 Country Club Drive, Chatham, N.J. 07928.

B. Ad Hoc Community of American Distillers.

D (6) $4,500.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Suite 1200, Washington, D.C. 20005.

B. Westway Trading Corp., 464 Hudson Terrace, Englewood Cliffs, N.J. 07632.

D. (6) $75. E. (9) $75.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz; 7733 Forsyth Boulevard, 22 Floor, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. American Inland Waterways Committee, 7733 Forsyth Boulevard, 22d Floor, St. Louis, Mo. 63105.

D. (6) $25,000.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d Floor, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Midland Enterprises, Inc., 1400–580 Building, Cincinnati, Ohio. 45202.

D. (6) $3,750.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d Floor, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. The Valley Line Company, 120 South Central, Clayton, Mo. 63105.

D. (6) $3,750.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. American Industrial Clay and Georgia Kaolin Divisions of Yara Engineering Corp., 511 Westminister Avenue, Elizabeth, N.J. 07207.

D. (6) $188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.

D. (6) $188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Carnegie Corp. of New York, 437 Madison Avenue, New York, N.Y. 10022.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006; and 3100 First National Bank Tower, Atlanta, Ga. 30303.

B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Connecticut Mutual Life Insurance Co., 140 Garden Street, Hartford, Conn. 06115.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Engelhard Minerals and Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.

D. (6) $188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Equifax Inc., P.O. Box 4081, Atlanta, Ga. 30302.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Estate of Cartter Lupton, c/o Miller & Martin, Volunteer State Life Building, Chattanooga, Tenn. 37402.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

D. (6) 188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. J. M. Huber Corp., Thornall Street, Edison, N.J. 08817.

D. (6) $188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Kansas Farm Bureau Life Insurance Co., 2321 Anderson Avenue, Manhattan, Kans. 66502 and Farm Bureau Mutual Insurance Co., KFB Insurance Co., Manhattan, Kans.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Kentucky Farm Bureau Mutual Insurance Co., 120 South Hubbard Lane, Louisville, Ky. 40207 and FB Insurance Co., 120 South Hubbard Lane, Louisville, Ky. 40207.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Lincoln National Life Insurance Co., 1300 South Clinton Street, Fort Wayne, Ind. 46801.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01111.

A. Sutherland, Asbill & Brennan 1666 K Street NW., Washington, D.C. 20006.

B. Mullite Co. of America, Andersonville, Ga. 31711.

D. (6) 188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Mutual Benefit Life Insurance Co., 520 Broad Street, Newark, N.J. 07101.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mutual Life Insurance Co. of New York, 1740 Broadway, New York, N.Y. 10019.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mutual of Omaha Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131 and United Benefit Life Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. New England Mutual Life Insurance Co., 501 Boylston Street, Boston, Mass. 02117.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Nord Resources Corp., Ole Town Park, 39 Iron Gate Drive, Dayton, Ohio. 45459.

D. (6) $188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 73202.

A. Sutherland, Asbill & Brennan, 3100 First National Bank Tower, Atlanta, Ga. 30303 and, 1666 K Street, Washington, D.C. 20006.

B. Oglethrope Power Corp., 2888 Woodcock Road, Atlanta, Ga. 30341.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Southern Farm Bureau Life Insurance Co., P.O. Box 78, Jackson, Miss. 39205; Southern Farm Bureau Casualty Insurance Co., P.O. Box 1985, Jackson, Miss. 39205; Mississippi Farm Bureau Mutual Insurance Co., Jackson, Miss.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga.

D. (6) $188.62. E. (9) $2.57.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. United Farm Bureau Family Life Insurance Co., 130 East Washington Street, Indianapolis, Ind. 46204, and United Farm Bureau Mutual Insurance Co., 130 East Washington Street, Indianapolis, Ind. 46204.

A. Mary V. Swann, Route 1, Box 305, Berryville, Va. 22611.

B. Gulf & Atlantic Coast Ports, P.O. Box 60046, New Orleans, La. 70160.

A. Irving W. Swanson, 1212 Farmland Drive, Rockville, Md. 20852.

B. Harris Corp., 2600 Virginia Avenue NW., Suite 800, Washington, D.C. 20037.

D. (6) $3,250. E. (9) $428.84.

A. Robert A. Swanson, 460 Point San Bruno Boulevard, South San Francisco, Calif. 94080.

B. Genentech, Inc., 460 Point San Bruno Boulevard, South San Franscico, Calif. 94080.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $11,250.

A. John L. Sweeney, ConRail, 13931 Esworthy Road, Germantown, Md. 20767.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza, Washington, D.C. 20024.
D. (6) $6,000.

A. Rosemarie Sweeney, 1659 32d Street NW., Washington, D.C. 20007.
B. American Osteopathic Association, 1611 North Kent Street, Suite 803A, Arlington, Va. 22209.
D. (6) $2,312. E. (9) $163.85.

A. Robert D. Swezey, Jr., 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $1,101.24. E. (9) $8.15.

A. Michael T. Swinehart, National Association of Manufacturers, 1422 West Peachtree Street NW., Suite 612, Atlanta, Ga. 30309.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Howard Symons, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,250.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Capitol Hill Hospital, c/o Williamson, 1701 K Street NW, Washington, D.C. 20006).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202; (for Family Leisure Centers, Inc., 1906 Highland Avenue, Cincinnati, Ohio 45219).
D. (6) $5,004.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202; (for Hanna-Barbera Productions, Inc. 3400 Cahuenga Boulevard, Los Angeles, Calif. 90068).
D. (6) $9,182.50. E. (9) $34.51.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202; (for Taft Broadcasting Co., 1906 Highland Avenue, Cincinnati, Ohio 45219).
D. (6) $10,005. E. (9) $31.70.

A. Tanaka Walders & Ritger, 1819 H Street NW., Washington, D.C. 20006.
B. Sony Corp. of America, 9 West 57th Street, New York, N.Y. 10019.
D. (6) $2,500. E. (9) $240.75.

A. Susan Tannenbaum, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,292.42. E. (9) $42.40.

A. Norman Wilson Tanner, Jr., 1899 L Street NW., Suite 403, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1899 L Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $90. E. (9) $13.

A. William M. Tartikoff, Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $126. E. (9) $39.09.

A. Darold W. Taylor, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.

A. David K. Taylor, Jr., 1100 Connecticut Avenue NW., No. 620, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Frank A. Taylor, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Sid Taylor, National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,200. E. (9) $374.

A. Arthur Earle Teele, Jr., P.O. Box 1877—135 S. Monroe Street, Suite 100C, Tallahassee, Fla. 32302.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., Room 1204, Washington, D.C. 20006.
D. (6) $721.30.

A. William K. Tell, Jr., 1050 17th Street NW., Washington, D.C.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $625.

A. Paul M. Tendler, 2020 K Street NW., Suite 420, Washington, D.C. 20006.
B. Paul Tendler Associates, 2020 K Street NW., Suite 420, Washington, D.C. 20006 (for The National Federation of Licensed Practical Nurses).
D. (6) $1,600. E. (9) $160.

A. Robert P. Terzian, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. The Edison Electric Institute, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $260.79. E. (9) $89.92.

A. Textron Inc., 40 Westminster Street, Providence, R.I. 02903.
D. (6) $105. E. (9) $170.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Association of Stevedores, 1899 L Street NW., Suite 705, Washington, D.C. 20035.
D. (6) $500.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. Swaziland Sugar Association, Mbabane, Swaziland.
D. (6) $6,000.

A. Craig G. Thibaudeau, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.

A. 13th Congressional District Action Committee, 860 Dearborn Place, Gilroy, Calif. 95020.
D. (6) $250. E. (9) $283.35.

A. 13th Regional Alaska Native Corp., 1800 Westlake North, Suite 313, Seattle, Wash. 98109.

A. 38th Pro Life Congressional District Action Committee, 8654 Bonview Terrace, Williamsville, N.Y. 14221.
D. (6) $565. E. (9) $106.

A. 35th Congressional District Action Committee, Bills Road, Perry, N.Y. 14530.
D. (6) $500.

A. 39th Congressional District Action Committee, R.D. 2, Allegany, N.Y. 14706.
D. (6) $500. E. (9) $69.39.

A. 37th Congressional District Action Committee, 419 Woodbridge Avenue, Buffalo, N.Y. 14214.
D. (6) $500.

A. Robert L. Thomas, National Association of Private Psyche Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.
B. National Association of Private Psyche Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.
D. (6) $250.

A. Stephen M. Thomas, Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,826.22.

A. Fred D. Thompson, Thompson & Crawford, 14th Floor, First American Center, Nashville, Tenn. 37238.
B. Westinghouse, 1801 K Street, Washington, D.C. 20006.
D. (6) $5,283. E. (9) $1,176.07.

A. Kathleen O'Flaherty Thompson, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $225. E. (9) $9.

A. Kenneth W. Thompson, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washintgon, D.C. 20036.
D. (6) $300.

A. Richard L. Thompson, Abbott Laboratories, 1730 M Street NW., Suite 808, Washington, D.C. 20036.
B. Abbott Laboratories, Abbott Park, North Chicago, Ill. 60064.

A. Roger G. Thompson, Kentucky Power Co., 1701 Central Avenue, Ashland, Ky. 41101.
B. Kentucky Power Co., 1701 Central Avenue, Ashland, Ky. 41101.
D. (6) $237. E. (9) $351.42.

A. William D. Thompson, Lear Siegler, Inc., 1001 Connecticut Avenue NW., Suite 601, Washington, D.C. 20036.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $3,000. E. (9) $300.26.

A. Robert T. Thornburg, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. Cyrus C. Tichenor III, 1050 17th Street NW., Suite 1104, Washington, D.C. 20036.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $720. E. (9) $80.66.

A. Drew V. Tidwell, The Consumer Bankers Association, 1725 K Street NW., Suite 1410, Washington, D.C. 20006.
B. The Consumer Bankers Association, 1725 K Street NW., Suite 1410, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $2,241.78.

A. Wallace F. Tillman, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Ave. NW., Washington, D.C. 20036.
D. (6) $126.

A. George Tilton, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,887.60.

A. C. H. Timberlake, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $633.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $863.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $319.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. H. J. Heinz Co., P.O. Box 57, Pittsburgh, Pa. 15230.
D. (6) $495.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Major League Baseball, 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $675.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $578.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $563.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.
D. (6) $625.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.
D. (6) $275.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $550.

A. Michael L. Tiner, Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $3,325.30. E. (9) $155.67.

A. E. Linwood Tipton, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $632.87.

A. Ron Tipton, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $5.

A. Tobacco Associates, Inc., 1101 17th Street NW., Suite 912, Washington, D.C. 20036.
E. (9) $2,526.

A. James R. Tobin, Becton Dickinson & Co., Mack Centre Drive, Paramus, N.J. 07652.
B. Becton Dickinson & Co., Mack Centre Drive, Paramus, N.J. 07652.
D. (6) $2,000. E. (9) $225.

A. Mary A. Tobin, 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $232.01.

A. H. Willis Tobler, 1735 I Street, Washington, D.C. 20006.
B. E. A. Jaenke & Associates Inc., 1735 I Street NW., Suite, 610, Washington, D.C. 20006.
D. (6) $750.

A. Warren D. Toburen, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $475.

A. M. Douglas Todd, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $141.67. E. (9) $1.65.

A. William R. Tolley, Jr., Harris Corp., Melbourne, Fla. 32919.
B. Harris Corp., Melbourne, Fla. 32919.
E. (9) $61.40.

A. William D. Toohey, 1899 L Street NW., Suite 600, Washington, D.C. 20036.
B. Discover America Travel Organizations, Inc., 1899 L Street NW., Washington, D.C. 20036.
D. (6) $6,952.

A. Howard A. Topel, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Mullin, Connor and Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036 (for Alberto de la Vega-Ripol, Flemingstrasse 46, 8000 Munich 81, West Germany).
D. (6) $95.19.

A. John M. Torbet, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International.
D. (6) $32.25. E. (9) $171.20.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $5,200. E. (9) $1,025.

A. TransAfrica, 1325 18th Street NW., No. 202, Washington, D.C. 20036.
D. (6) $23,967.47. E. (9) $21,514.02.

A. Transportation Institute, 923 15th Street NW., Washington, D.C.
E. (9) $2,505.80.

A. Paula C. Treat, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $375.

A. Richard S. Tribbe, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $128.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. William C. Triplett II, Suite 905, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. American Honda Motor Co., Inc., 100 Alondra Boulevard, Gardena, Calif. 90247.
D. (6) $200. E. (9) $67.44.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $4,625. E. (9) $128.

A. George G. Troutman, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $200.

A. Thomas L. Trueblood, International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,000. E. (9) $940.14.

A. Tuna Research Foundation, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $15,695.68. E. (9) $2,412.40.

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $600. E. (9) $20.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.

B. Courtner & McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Shela C. Turpin, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000.

A. W. Glenn Tussey, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touchy Avenue, Park Ridge, Ill.

D. (6) $5,000. E. (9) $58.99.

A. St. Clair J. Tweedie, Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,100. E. (9) $75.00.

A. Twelfth Congressional District Action Committee, 2372 Lida Drive, Mountain View, Calif. 94043.

D. (6) $12. E. (9) $21.98.

A. Stewart L. Udall, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.

B. The Alaska Federation of Natives, 550 West Eighth Street, Anchorage, Alaska 99503.

A. Jerry G. Udell, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation Inc., 1616 H Street NW., Washington, D.C. 20006.

D. (6) $300. E. (9) $100.

A. Joseph Uehlein, Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $1,547. E. (9) $110.

A. John C. Uehlinger, ACSM, 501 North Quaker Lane, Alexandria, Va. 22304.

B. American Congress on Surveying and Mapping (ACSM), 210 Little Falls Street, Falls Church, Va. 22046.

D. (6) $537.50.

A. Unicare Services, Inc., 105 West Michigan Street, Milwaukee, Wis. 53203.

E. (9) $2,500.

A. United Action for Animals, Inc., 205 East 42d Street, New York, N.Y. 10017.

D. (6) $1,5858.39. E. (9) $1,367.83.

A. United Automobile Aerospace and Agriculture Implement Workers of America, 800 East Jefferson, Detroit, Mich. 48234.

D. (6) $59,957. E. (9) $59,957.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

E. (9) $6,269.97.

A. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.

E. (9) $1,181.75.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

E. (9) $5,471.46.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $920. E. (9) $920.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

E. (9) $80,665.91.

A. U.S. Maritime Committee, Inc., 600 New Hampshire Avenue NW., Washington, D.C. 20037.

D. (6) $5,308.33. E. (9) $41,070.79.

A. U.S. & Overseas Employees Tax Fairness Committee, 1101 15th Street NW., Suite 1002, Washington, D.C. 20005.

D. (6) $41,900. E. (9) $7,709.94.

A. Lloyd N. Unsell, Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $27.

A. Howard S. Useem, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $20.10.

A. J. Joseph Vacca, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $669.85.

A. Francis R. Valeo, 818 18th Street NW., Washington, D.C. 20006.

B. United Nations University, D.C., 1180 U.N., New York, N.Y.

D. (6) $1,500. E. (9) $956.29.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. John A. Vance, 1050 17th Street NW., Suite 1180, Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $378.50. E. (9) $254.22.

A. Vance & Joyce, 1701 Pennsylvania Avenue NW., Suite 520, Washington, D.C. 20006.

B. Embassy of Bolivia, 3014 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $12,625. E. (9) $12,671.45.

A. Sheldon B. Vance, 1701 Pennsylvania Avenue NW., Suite 520, Washington, D.C. 20006.

B. Vance & Joyce, 1701 Pennsylvania Avenue NW., Suite 520, Washington, D.C. 20006.

D. (6) $6,312.50.

A. Henry A. S. van Daalen, 4424 Montgomery Avenue, Bethesda, Md. 20014.

D. (6) $100. E. (9) $20.

A. Richard F. Vander Veen, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. American Seating Co.

D. (6) $5,775. E. (9) $175.

A. Richard F. Vander Veen, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Consumers Power Co.

D. (6) $7,575. E. (9) $150.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Allied-General Nuclear Service, Barnwell, S.C. 29812.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. American Institute for Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Arctic Slope Regional Corp., Barrow, Alaska.

D. (6) $394. E. (9) $233.90.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Basin, Inc., P.O. Box 2297, Midland, Tex. 79702.

D. (6) $170. E. (9) $8.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Delaware & Hudson Railway Co., Albany, N.Y. 12207.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Huntington's Disease Coalition, 250 West 57th Street, New York, N.Y. 10019.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. North Slope Borough, P.O. Box 69, Barrow, Alaska 99723.

D. (6) $50. E. (9) $20.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Northern Tier Pipeline Co., 1776 Lincoln Street (P.O. Box 5568), Denver, Colo. 80217.

D. (6) $100. E. (9) $18.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Palm Beach-Broward Farmers Committee for Legislative Action, P.O. Box 396, Boynton Beach, Fla. 33435.

D. (6) $60. E. (9) $10.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. Republic Geothermal, Inc., 11823 East Slauson Avenue, Suite One, Santa Fe Springs, Calif. 90670.

D. (6) $145. E. (9) $12.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. South Florida Tomato & Vegetable Growers Association, P.O. Drawer B.B., Homestead, Fla. 33030.

D. (6) $60. E. (9) $10.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. South West Winter Vegetable Growers Association, P.O. Box 1670, Immokalee, Fla. 33934.
D. (6) $60. E. (9) $10.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Wheelabrator-Frye, Inc., Liberty Lane, Hampton, N.H. 03842.
D. (6) $90. E. (9) $4.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Yellowstone Park Co., Yellowstone National Park, Wyo. 82190.
D. (6) $144. E. (9) $13.

A. Gerald W. Vaughan, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.
E. (9) $30.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1000, Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan American Building, New York, N.Y. 10017.
D. (6) $1,200. E. (9) $79.61.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1000, Washington, D.C. 20036.
B. Texas International Airlines, P.O. Box 12788, Houston, Tex. 77017.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036
B. Vinson & Elkins, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036; (for Houston Natural Gas Corp.).
D. (6) $1,312.50. E. (9) $815.65.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Vinson & Elkins, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036; (for Texas Eastern Transmission Corp).

A. Brenda R. Viehe-Naess, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

A. Rudolph A. Vignone, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio. 44316.
D. (6) $500.

A. Howard A. Vine, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Robert P. Visser, 475 L'Enfant Plaza SW., Suite 4100, Washington, D..C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024; (for American Nicaraguan Council).

A. Robert P. Visser, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024; (for Government of Nicaragua, Comite Nacional de Emergencia).

A. Robert P. Visser, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024; (for Northwest Alaskan Pipeline Co.).

A. Robert P. Visser, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024; (for United Broadcasting Co.).

A. Andrew Vitali, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,000. E. (9) $130.

A. Volkswagen of America, Inc., 27621 Parkview Boulevard, Warren, Mich. 48092; c/o P. A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
E. (9) $650.

A. Ingrid A. Voorhees, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $300.

A. Vorys, Sater, Seymour & Pease, 1800 M Street NW., Suite 800 South, Washington, D.C. 20036.
B. International Agricultural Development Service, 1133 Avenue of the Americas, New York, N.Y. 10036.

A. Vorys, Sater, Seymour & Pease, 1800 M Street NW., Suite 800 South, Washington, D.C. 20036.
B. Ohio Manufacturers Association, 100 East Broad Street, Columbus, Ohio 43215.
E. (9) $2,226.50.

A. Joseph S. Wager, Wager & McVey, 1333 New Hampshire Avenue NW., Suite 1220, Washington, D.C. 20036.
B. Zantop International Airlines, Inc., Willow Run Airport, Ypsilanti, Mich. 48197.
D. 6) $1,525. E. (9) $18.50.

A. Robert J. Wager, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $762.50. E. (9) $7.35.

A. Herbert R. Waite, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $1,500. E. (9) $2,064.46.

A. Wakefield Washington Associates, Inc., 1129 20th Street NW., Washington, D.C. 20036.
B. National Distillers & Chemical Corp., 99 Park Avenue, N.Y. 10016.
D. (6) $375. E. (9) $86.60.

A. Robert E. Waldron, c/o Associated Petroleum Industries of Michigan, P.O. Box 10070, Lansing, Mich. 48901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $488.75 E. (9) $618.89.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $698.18.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, Washington, D.C. 20006.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. AMAX, Inc., AMAX Center, Greenwich, Conn. 06830.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Airlines, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Telephone & Telegraph Co., 2000 L. Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dealer Bank Association, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $1,875.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Air Lines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hughes Airwest, San Francisco International Airport, San Francisco, Calif. 94128.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Lone Star Steel Co., 2200 W. Mockingbird Lane, Dallas, Tex. 75215.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Piedmont Airlines, Smith Reynolds Airport, Winston-Salem, N.C. 27102.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide, 270 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,000.

A. Charles W. Walker, International Brotherhood of Electrical Workers, 1125 15th Street NW.,, Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,250.

A. DeMelt E. Walker, 214 North Pitt Street, Alexandria, Va. 22314.
B. Credit Union National Association, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Elaine Nogay Walker, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $210. E. (9) $155.

A. Linda Walker-Hill, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. R. Duffy Wall, 1050 17th Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick, Road, Piscataway, N.J. 08854.
D. (6) 472.12.

A. Don Wallace Associates, Inc., 1707 L Street NW, Suite 540, Washington, D.C. 20036.
B. American Sugar Cane League of the U.S.A., Inc., 416 Whitney Building, New Orleans La. 70130.
D. (6) $7,500. E. (9) $10,468.10.

A. Don Wallace Associates, Inc., 1707 L Street NW., No. 540, Washington, D.C. 20036.
B. American Textile Machinery Association, 1730 M Street NW., Suite 804, Washington, D.C. 20036.
D. (6) $1,800. E. (9) $2,537.51.

A. Don Wallace Associates, Inc., 1707 L Street NW., No. 540, Washington, D.C. 20036.
B. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $9,375. E. (9) $11,140.15.

A. R. Douglas Wallin, Jr., 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $89.95.

A. Charles S. Walsh, Fleischman & Walsh, 1725 N Street NW., Washington, D.C. 20036.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C. 20006.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Johnnie M. Walters, Hunton & Williams, P.O. Box 19230, Washington, D.C. 20036.
B. Vepco, 701 East Cary Street, 1 James River Plaza Building, Richmond, Va. 23219.
E. (9) $10.

A. John F. Wanamaker, Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $1,259.38.

A. Gregg Ward, SMACNA, 8225 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal and Air Conditioning Contractors' National Association, 8224 Old Courthouse Road, Vienna, Va. 22180.
D. (6) $800. E. (9) $300.

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,259. E. (9) $160.03.

A. Michael O. Ware, Continental Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.
D. (6) $900.

A. Peter F. Warker, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio. 44117.
D. (6) $500.

A. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
E. (9) $8,000.

A. Washington State NARAL, P.O. Box 15549, Seattle, Wash. 98115.
D. (6) $3,075.25. E. (9) $3,095.36.

A. Nan Waterman, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,503.94. E. (9) $253.94.

A. Ralph J. Watson, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International.
E. (9) $171.20.

A. Carolyn Herr Watts, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $50.

A. James L. Watts, 618 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.
D. (6) $2,000.

A. William J. Way, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $1,403.33.

A. Raymond J. Weatherly, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,000.

A. William H. Weatherspoon, NC Petroleum Council, P.O. Box 167, Raleigh N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $300. E. (9) $448.62.

A. Douglas M. Webb, 1899 L Street NW., 11th Floor, Washington, D.C. 20036.
B. Exxon Corporation, 1251 Avenue of the Americas, New York.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $2,000.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Associated Credit Bureaus, 6767 Southwest Freeway, Houston, Tex.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Club Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $2,700.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Building, Tulsa, Okla.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Truck Body & Equipment Association, 5530 Wisconsin Avenue NW., Suite 1220, Washington, D.C. 20016.

A. Webster & Sheffield, 1 Rockefeller Plaza, New York, N.Y. 10020; 1750 New York Avenue NW., Washington, D.C. 20006.
B. City of Northglen, Colo. 80234, 10701 Melody Drive, Suite 313. Attn.: Richard Lundahl.

A. Webster & Sheffield, 1750 New York Avenue NW., Washington, D.C. 20006.
B. National Conference of Bankruptcy Judges c/o Webster & Sheffield, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $135.80.

A. Webster & Sheffield, 1 Rockefeller Plaza, New York, N.Y. 10020; 1750 New York Avenue NW., Washington, D.C. 20006.
B. Pitkin County, City of Aspen, 601 Main Street, Aspen, Colo.
D. (6) $1,200.

A. Webster & Sheffield, 1 Rockefeller Plaza, New York, N.Y. 10020.
B. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $8,246. E. (9) $55.

A. Lee J. Weddig, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Fred Wegner, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW, Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $457.69. E. (9) $19.20.

A. Donald G. Weinert, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $109.56. E. (9) $347.66.

A. Weisman, Celler, Spett, Modlin & Wertheimer, No. 317, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, National Security Traders Association, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,875. E. (9) $377.08.

A. Dennis W. Weissman, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
B. American Society for Medical Technology, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $1,350. E. (9) $150.

A. L. H. Wells, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Carol Werner, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $5,063.23.

A. W. R. Werner, CertainTeed Corp., 1627 K Street NW., Suite 610, Washington, D.C. 20006.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.

A. Fred Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $10,803.68. E. (9) $120.

A. West Mexico Vegetable Distributors, Inc., P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Western Advocates, Inc., Suite 696, Kennecott Building, 10 East South Temple St., Salt Lake City, Utah. 84111.
D. (6) $15,000. E. (9) $5,800.

A. The Western Company of North America, P.O. Box 186, Fort Worth, Tex. 76101.
E. (9) $241.60.

A. Harvey J. Wexler, Continental Airlines, Inc., 1025 Connecticut Avenue NW., Suite 1017, Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $2,000. E. (9) $1,000.

A. Brian B. Whalen, International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester, 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,250. E. (9) $47.27.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $15,000. E. (9) $7,248.

A. Edwin M. Wheeler, the Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $995. E. (9) $208.

A. John C. Whitaker, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.
E. (9) $10.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10022.
D. (6) $666.20. E. (9) $2.67.

A. Donald F. White, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $32.

A. Evelyn J. White, 2301 Market Street, Philadelphia, Pa. 19101.
B. Philadelphia Electric Co., 2301 Market Street, Philadelphia, Pa. 19101.
D. (6) $6,250. E. (9) $898.50.

A. John C. White, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1007, Washington, D.C. 20036.
E. (9) $20.

A. John S. White, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $128.73.

A. Alton W. Whitehouse, Jr., 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.

A. Elizabeth D. Whitley, the American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,531.25. E. (9) $19.26.

A. Gary L. Whittle, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $100. E. (9) $60.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Allegheny Airlines, National Airport, Washington, D.C. 20001.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20006.
B. American Airlines, 633 3d Avenue, New York, N.Y. 10017.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Congaree Ltd. Partnership, 222 West Adams Street, Suite 821, Chicago, Ill. 60606.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Eastern Air Lines, Miami International Airport, Miami, Fla. 33148.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Encyclopedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Hughes Air West, San Francisco International Airport, San Francisco, Calif. 44128.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Pan American World Airways, Pan Am Building, New York, N.Y. 10017.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Piedmont Airlines, Smith Reynolds Airport, Winston Salem, N.C. 27102.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Ryder System, Inc., 3600 NW., 82nd Avenue, Miami, Fla. 33166.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Trans World Airlines, 605 Third Avenue, New York, N.Y. 10016.

A. Wickham & Craft, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. United Airlines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. Leonard M. Wickliffe, 1801 K Street NW., Suite 221, Washington, D.C. 20006.
B. California Railroad Association, 1127 11th Street, Suite 242, Sacramento, Calif. 95814.
D. (6) $11,875.03. E. (9) $5,061.42.

A. Everett H. Wilcox, Jr., Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.
B. IC Industries, 1625 I Street NW., Washington, D.C.

A. Rebecca Wilcox, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $8,500. E. (9) $1,500.

A. Jerry C. Wilkerson, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.
B. International Franchise Association, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.
D. (6) $650. E. (9) $770.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
E. (9) $874.82.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $102.57.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 210 Summit Avenue, Montvale, N.J. 07645.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 36 South State Street, Salt Lake City, Utah.
E. (9) $475.12.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. The Church of Jesus Christ of Latter-Day Saints, 10 East North Temple, Salt Lake City, Utah.
E. (9) $57.90.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. College Placement Council, Inc., 65 Elizabeth Street, Bethlehem, Pa.
E. (9) $52.27.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $214.11.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $58.15.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc. (IDCMA), 1835 New York Avenue NW., Washington, D.C. 20006.
D. (6) $613. E. (9) $15.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. Independent Insurance Agents of America, 85 John Street, New York, N.Y. 10038.
D. (6) $4,412. E. (9) $250.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 49, Kotzebue, Alaska. 99752.
E. (9) $10.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW, Washington, D.C. 20006.
B. State of Hawaii, Department of Regulatory Agencies, P.O. Box 531, Honolulu, Hawaii.
D. (6) $305. E. (9) $9.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of The Fort Berthold Reservation, New Town, N. Dak.
E. (9) $94.88.

A. Sandra L. Willett, 624 C Street SE., Washington, D.C. 20003.
B. National Consumers League, 1028 Connecticut Avenue N.W., Washington, D.C. 20006.
D. (6) $325. E. (9) $200.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. CBS, Inc., 1800 M Street NW., Washington, D.C. 20036.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. El Paso LNG Co.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Federal National Mortgage Association (FNMA), 1133 15th Street NW., Washington, D.C. 20005.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02111.
E. (9) $30.80.

A. Emily M. Williams, Alston, Miller & Gaines, 1800 M Street NW., No. 1000, Washington, D.C. 20036.
B. RCA Global Communications, Inc., 60 Broad Street, New York, N.Y.

A. Harry D. Williams, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. Williams & King, 1620 Eye Street NW., Suite 800, Washington, D.C. 20006.
B. American Netting Manufacturers Organization, c/o Ralph J. Sigler, FNT Industries, 927 First Street, Menominee, Mich. 49858.
D. (6) $2,000.

A. Lee Williams, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,600.

A. Lucinda L. Williams, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $3,150.

A. Williams, Myers & Quiggle, 888 17th Street NW., Washington, D.C. 20006.
B. Church Alliance for Clarification of ERISA. c/o Gary S. Nash, 511 North Akard Building, Suite 311, Dallas, Tex. 75201.
E. (9) $133.36.

A. Frederick L. Williford, National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Allen W. Wills, Memorex Corp., 1970 Chain Bridge Road, McLean, Va. 22102.
B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $4,000. E. (9) $200.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The State of Alaska, Department of Revenue, Pouch SB, Juneau, Alaska 99981.
D. (6) $2,000.

A. Bjorg Opdahl Wilson, 6107 Greentree Road, Bethesda, Md. 20034.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C.
E. (9) $50.

A. Charles D. Wilson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $9.80.

A. Albert Winchester, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,912.07.

A. Joseph B. Winkelmann, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $881.79.

A. Winston & Straw, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Atlanta/LaSalle Corp., 150 South Wacker Street, Chicago, Ill. 60600.
D. (6) $35.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Building Owners and Managers Association International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $130. E. (9) $20.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Robert W. Galvin, Route 2, Box 160–H, Barrington, Ill. 60010.
D. (6) $35.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Gould, Inc., 8550 Bryn Mawr Avenue, Chicago, Ill. 60631.
D. (6) $240. E. (9) $8.50.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. International Council of Shopping Centers, 665 Fifth Avenue, New York, N.Y. 10022.
D. (6) $195. E. (9) $15.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

A. Mark E. Winter, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

B. American Land Title Association, 1828 L. Street NW., Washington, D.C.

D. (6) $3,000.

A. Jane Wishner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,954.10.

A. Richard F. Witherall, Colorado Railroad Association, 430 Denver Club Building, Denver, Colo. 80202.

B. Colorado Railroad Association, 420 Denver Building, Denver, Colo.

D. (6) $700. E. (9) $1,062.73.

A. Witkowski, Weiner, McCaffrey & Brodsky, 1750 K Street NW., Suite 1130, Washington, D.C. 20006.

B. Ad Hoc Mobile Home Finance Corp., 1750 K Street NW., Suite 1130, Washington, D.C. 20006.

D. (6) $4,000.

A. H. C. Witthaus, General Motors Corp., 1660 L Street NW., Suite 501, Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,000. E. (9) $845.10.

A. Kurt D. Witzel, 1601 114th Street SE., Suite 151, Bellevue, Wash. 98004.

B. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th Street SE., 151, Bellevue, Wash. 98005.

D. (6) $1,500.

A. F. Lorraine Woehrle, National Association of Truck Stop Operators, Inc., 700 No. Fairfax St., No. 505, Alexandria, Va. 22314.

B. National Association of Truck Stop Operators, Inc., 700 No. Fairfax St., No. 505, Alexandria, Va. 22314.

D. (6) $1,875.

A. Wolf Haldenstein Adler Freeman, & Herz, 270 Madison Avenue, New York, N.Y. 10016.

B. Fallek-Lankro Corp., P.O. Box H, Tuscaloosa, Ala.

D. (6) $1,650. E. (9) $123.

A. Herman Wolf, P.O. Box 747, Fairfield Conn. 06430.

B. Heublein, Inc., Joseph McGarry, Farmington, Conn. 06032.

D. (6) $1,500. E. (9) $472.54.

A. James E. Wolf, The Trane Co., 2020 14th Street, North Arlington, Va. 22201.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

D. (6) $800. E. (9) $200.45.

A. Kenneth Wollack, 444 North Capitol Street NW., Washington, D.C. 20001.

B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Washington, D.C. 20001.

D. (6) $9,499.98.

A. Don Womack, 1150 Connecticut Avenue NW., Suite 1013, Washington, D.C. 20036.

B. Texas Utilities Services Inc., 2001 Bryan Tower, Dallas, Tex. 75201.

D. (6) $1,687. E. (9) $114.65.

A. Charles A. Wood, National Fuel Gas Distribution Corporation, Room 900, 10 Lafayette Square, Buffalo, N.Y. 14203.

B. National Fuel Gas Distribution Corp.; National Gas Storage Corp.; National Fuel Gas Supply Corp.; Seneca Resources Corp.

D. (6) $490.08. E. (9) $746.89.

A. Wilbur S. Wood, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

E. (9) $2.

A. Diane Woodruff, Committee of Urban Program Universities, 1300 19th Street NW., No. 220, Washington, D.C. 20036.

B. Committee of Urban Program Universities, 1300 19th Street NW., No. 220, Washington, D.C. 20036.

D. (6) $1,968.75.

A. M. Alan Woods, DGA International, Inc., 1225, 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225, 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

D. (6) $43.75.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036; (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).

D. (6) $62.50.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036; (for Thomson-CSF(AVS), 178 Boulevard Gabriel Péri, 92240 Malakoff, France).

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $8,000. E. (9) $215.

A. Melanie Woolston, 1600 S. Eads Street, Apt. 1222-S, Arlington, Va. 22202.

B. Self-Determination for D.C., room 300, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,750. E. (9) $19.

A. Ronald L. Wooten, Consolidation Coal Co., 1025 Connecticut Avenue, NW-Suite 1000, Washington, D.C. 20036.

B. Consolidation Coal Co., Consol Plaza, Pittsburgh, Pa. 15241.

D. (6) $331.80 E. (9) $45.

A. Dee Workman, 150 East 42d Street, New York, N.Y. 10017.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $625.

A. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.

D. (6) $12,272.73. E. (9) $8,193.65.

A. W. Robert Worley, 730 Densley Drive, Decatur, Ga. 30033.

B. Georgia Power Co., 270 Peachtree Street NW., Atlanta, Ga. 30302.

D. (6) $3,101. E. (9) $3,174.09.

A. Edward E. Wright, Muir, Schoenfeld & Stolper, 1819 H Street NW., Washington D.C. 20006.

B. G-4 Children's Coalition, 7309 Delfield Street, Chevy Chase, Md. 20015.

D. (6) $498.

A. Franklin L. Wright, Jr., 1709 New York Avenue NW., Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $2,250. E. (9) $106.93.

A. Donald Yarborough, Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $215.

A. John Yarmola, Seafarers International Union of North America, 815 16th Street NW., Room 510, Washington, D.C. 20006.

B. Seafarers Internatonal Union of North America, 815 16th Street NW, Room 510, Washington, D.C. 20006.

D. (6) $3,500. E. (9) $446.70.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. D. Scott Yohe, 1629 K Street NW., Room No. 204, Washington, D.C. 20006.

B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.

D. (6) $330. E. (9) $79.16.

A. G. Reynolds Young, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000.

A. Pamela K. Young, National Association of Manufacturers, 7250 York Avenue South, No. 516, Edina, Minn. 55435.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $70.

A. Stephen Young, National Audubon Society, 1425 17th Street NW., Apartment 504, Washington, D.C. 20036.

B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.

D. (6) $4,250.01. E. (9) $1,900.

A. Betsy Younkins, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $3,000. E. (9) $102.28.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.

B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

D. (6) $200.

A. The Youth Project, 1555 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $1,695.65.

A. Harry M. Zachem, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., Post Office Box 391, Ashland, Ky. 41101.

D. (6) $2,000.

A. Michael D. Zagata, National Audubon Society, 18721 Paprika Court, Germantown, Md. 20767.

B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.

D. (6) $9,275.01. E. (9) $1,900.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va., 22038.

D. (6) $340. E. (9) $186.

A. Lynn Zakupowsky, General Electric Co., 777 14th Street NW.,Washington, D.C. 20005.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

D. (6) $500.

A. John S. Zapp, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $3,960. E. (9) $150.92.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street Street NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $250.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. DHL Corp., 411 East Capitol Street, Washington, D.C. 20001.

D. (6) $2,000. E. (9) $82.95.

A. John L. Zorack, 1735 K Street, 2d Floor, Washington, D.C. 20006.

B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38130.

D. (6) $10,833.32. E. (9) $100.34.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Frontier Airlines, 1776 K Street NW., Washington, D.C. 20006.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.

B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Resource Associates of Alaska, 3230 Airport Way, Fairbanks, Alaska. 99701.

D. (6) $2,075. E. (9) $82.98.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Time-Critical Shipment Committee.

D. (6) $4,950.10.

A. Charles O. Zuver, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000.

A. Frances Zwenig, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $3,750.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1977:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

***Receipts* (other than loans)**

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).
9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	***Name and Address of Contributor***
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	**John Doe, 1621 Blank Bldg., New York, N.Y.**
$1,785.00	**The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.**
$3,285.00	**TOTAL**

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

***Expenditures* (other than loans)**

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).
12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	***Date or Dates—Name and Address of Recipient—Purpose***
$1,750.00	**7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."**
$2,400.00	**7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.**
$4,150.00	**TOTAL**

A. ACLI International, Inc., 717 Westchester Avenue, White Plains, N.Y. 10604.
E. (9) $1,362.51.

A. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., No. 800, Washington, D.C. 20001.
D. (6) $67,503.07 E. (9) $54,344.75.

A. Ad Hoc Low-Income Housing Coalition, 215 Eighth Street NE., Washington, D.C. 20002.
D. (6) $1,210.06. E. (9) $3,418.76.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $950. E. (9) $1,050.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $10,459.41 E. (9) $10,459.41.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $1,824.58.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $200.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Cancer Society, Inc., 777 Third Avenue, New York, N.Y. 10017.
E. (9) $2,795.31.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,500. E. (9) $2,500.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $37,489. E. (9) $37,489.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,171.96. E. (9) $1,171.96.

A. American Israel Public Affairs Committee, 444 North Capitol Street NW., Washington, D.C. 20001.
D. (6) $46,968. E. (9) $42,702.87.

A. The American League of Anglers, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $2,766. E. (9) $2,780.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $5,934.65. E. (9) $3,453.

A. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 76211.
D. (6) $596.32. E. (9) $596.32.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. $1,125.47. E. (9) $1,125.47.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $21.50.

A. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $2,760.44. E. (9) $1,403.

A. Cyrus T. Anderson, 400 First Street NW, Washington, D.C. 20001.
B. Revere Copper and Brass, 605 Third Avenue, New York, N.Y. 10016.

A. J. L. Anderson, Time, Inc., 888 16th Street NW, Washington, D.C. 20006.
B. Time, Inc., Time & Life Building, Rockefeller Center, New York, N.Y.
D. (6) $2,500. E. (9) $275.02.

A. Andrews, Kurth, Campbell & Jones, 2500 Exxon Building, Houston, Tex. 77002.
B. King Ranch, Inc., Kingsville, Tex. 78363.

A. John Archer, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Fred Armstrong, 1957 E Street NW, Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $200.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $1,000.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $8,750.01.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 2033 M Street NW., Washington, D.C. 20036.
D. (6) $2,253.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $750.

A. Carl F. Arnold, 1100 Connecticut Avenue NW, Washington, D.C. 20036.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $750.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $350.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. American Association of Dealers in Ancient, Oriental, and Primitive Art, 159½ East 94th Street, New York, N.Y. 10028.
D. (6) $750. E. (9) $234.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Association Francaise des Banques, 18 Rue LaFayette, 75009 Paris, France.
D. (6) $33,300.01. E. (9) $1,193.81.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Price Waterhouse & Co., 1259 Avenue of the Americas, New York, N.Y. 10020.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $125.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Automobile Insurance Co., One State Farm Plaza, Bloomington, Ill. 61701.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. West Mexico Vegetable Distributors Association, P.O. Box 838, Nogales, Ariz.
D. (6) $33,263.08. E. (9) $7,832.01.

A. Joseph Ashooh, 1957 E. Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Association of Independent Corrugated Converters, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,738.

A. Carl E. Atkinson, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $115.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $2,327. E. (9) $296.

A. Baer, Marks & Upham, 299 Park Avenue, New York, N.Y. 10017.
B. Commodity Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $1,900. E. (9) $223.50.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Michael Baly III, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,875. E. (9) $501.20.

A. Robert D. Bannister, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $10,314.54. E. (9) $1,206.46.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. Meat Importers Council of America, 1 Penn Plaza, New York, N.Y. 10001.
D. (6) $500.

A. Larry P. Barnett, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,242.50.

A. Joseph D. Baroody, 1100 17th Street NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

A. Eileen Barthelmy, 810 18th Street NW., Washington, D.C. 20006.
B. The American League of Anglers, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $330.

A. James P. Bass, 1101 17th Street NW., Washington, D.C. 20036.
B. American Airlines, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $275.

A. Michael K. Beard, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $5,750. E. (9) $964.25.

A. Max J. Beilke, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $719.

A. Kim Alan Benjamin, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
B. American Society for Medical Technology, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $400. E. (9) $100.

A. Douglas P. Bennett, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. Eugene C. Cashman, 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. William C. Bennett, Jr., Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $405.

A. Walter L. Benning, 14901 Ritchie Road, Centreville, Va. 22020.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,000. E. (9) $150.

A. Randolph C. Berkeley, 6200 Lakeview Drive, Falls Church, Va. 22041.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $125.52.

A. William R. Berman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Charles Bernhardt, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Sarah Massengale Billock, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $224.35. E. (9) $36.20.

A. Robert Bird, 1629 K Street NW., Suite 300, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.

A. Robert B. Bizal, 2954 Security Life Building, Denver, Colo. 80202.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Tom G. Black, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Donna C. Blair, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250. E. (9) $100.

A. Helen Blank, American Parents Committee, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Parents Committee, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $18,398.

A. Blum, Parker & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Mount Airy Refining Co., 1 Allen Center, Suite 100, Houston, Tex. 77002.

A. Patricia M. Boinski, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $12. E. (9) $3.

A. William H. Bonde, National Wool Growers Association, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,067.

A. Thomas C. Borzilleri, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 W Street, Washington, D.C. 20049.
D. (6) $249.23.

A. Boyden, Kennedy, Romney & Howard, 1000 Kennecott Building, Salt Lake City, Utah 84133.
B. The Zuni Indian Tribe, Zuni, N. Mex.
D. (6) $25.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Asociation, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. S. Gail Bramblett, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,152.60. E. (9) $96.95.

A. Bread for the World, Inc., 107 East 16th Street, New York, N.Y. 10003.
D. (6) $192,495. E. (9) $147,794.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20036.

A. Bregman, Abell, Solter & Kay, 1900 L Street N.W., Suite 610, Washington, D.C. 20036.
B. American Car Rental Association (ACRA), 1750 Pennsylvania Avenue NW., 1303, Washington, D.C. 20006.

A. Bregman, Abell, Solter & Kay, 1900 L Street N.W., Suite 610, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street N.W., Washington, D.C. 20009.

A. Bregman, Abell, Solter & Kay, 1900 L Street N.W., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, 1000 16th Street N.W., Washington, D.C. 20036.

A. Bregman, Abell, Solter & Kay, 1900 L Street N.W., Suite 610, Washington, D.C. 20036.
B. Truck Renting & Leasing Association (TRALA), 1750 Pennsylvania Avenue NW., 1303, Washington, D.C. 20006.
D. (6) $1,200.

A. Bregman, Abell, Solter & Kay, 1900 L Street N.W., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 17th Street NW., Washington, D.C.
D. (6) $750.

A. Cyril F. Brickfield, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street N.W., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, Washington, D.C. 20049.
D. (6) $2,000. E. (9) $71.

A. Bill Brier, 1629 K Sreet NW., Suite 701, Washington, D.C. 20006.
B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500. E. (9) $352.76.

A. David W. Broome, Burlington Industries, Inc., 1800 M Street NW., Suite 760 South, Washington, D.C. 20036.
B. Burlington Industries, Inc., 1800 M Street NW., Suite 760 South, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $410.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $45. E. (9) $5.50.

A. Charles T. Brown, Cities Service Co., Box 100, Miami, Ariz. 85539.
B. Cities Service Co., Box 100, Miami, Ariz. 85539.
E. (9) $17.10.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Science Industries, Inc., 9200 Leesburg Turnpike, Vienna, Va. 22180.

A. John J. Brown, 1125 17th Street NW., Washington, D.C. 20036.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $325.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Council of Housing Producers, 9255 Sunset Boulevard, 8th Floor, Los Angeles, Calif. 90069.

A. Margaret H. Bryant, American Natural Resources System, 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.

B. American Natural Service Co., 1 Woodward Avenue, Detroit, Mich. 48226.

D. (6) $250. E. (9) $20.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $100.

A. William J. Burhop, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,330.

A. Duane V. Burke, P.O. Box 1724, Rockville, Md. 20850.

B. National Association of State Lotteries, 1290 Silas Deane Highway, Wethersfield, Conn. 06109.

D. (6) $1,800.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont. 59701.

E. (9) $63.01.

A. James L. Burridge, 13605 Glenhurst Road, Travilah, Md. 20760.

B. FMC Corp., 1627 K Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $1,390.

A. Burson-Marsteller, 1800 M Street NW., Suite 750 South, Washington, D.C. 20036.

B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.

A. Burwell, Hansen & Manley, 1815 H Street NW., Suite 550, Washington, D.C. 20006.

B. Trans International Airlines, Inc., P.O. Box 2504, Airport Station, Oakland, Calif. 94614.

D. (6) $137.50.

A. Cadwalader, Wickersham & Taft, 11 Dupont Circle, Suite 450, Washington, D.C. 20036.

B. International Paper Co., 220 East 42d Street, New York, N.Y. 10017.

D. (6) $2,500. E. (9) $2,500.

A. Cadwalader, Wickersham & Taft, 11 Dupont Circle, Suite 450, Washington, D.C. 20036.

B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.

D. (6) $1,250. E. (9) $1,250.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.

B. Prismo Universal Corp., et al., 300 Lanidex Plaza, Parsippany, N.J. 07054.

D. (6) $5,499.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.

B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal Corp., 8004 Cameron Road, Austin, Tex. 78753; Safetran Systems Corp., 7721 National Turnpike, Louisville, Ky. 40214.

D. (6) $5,625.

A. John E. Campbell, American Hospital Association, 444 North Capitol Street, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Milton F. Capps, 196 Sweet Wood Circle, Columbia, S.C. 29210.

B. J. Crawford Cook, Inc., P.O. Box 50485, Columbia, S.C. 29250; Cook, Ruef, Spann & Weiser, Inc., 1735 Saint Julian Place, Columbia, S.C. 29204.

D. (6) $6,634.60. E. (9) $1,109.86.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street NW., Suite 695, Washington, D.C. 20037.

B. ACLI International, Inc., New York City, N.Y.

A. L. C. Carpenter, Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.

B. Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.

D. (6) $5,299.32. E. (9) $790.64.

A. Richard M. Carrigan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,235.60. E. (9) $147.

A. Eugene I. Casraiss, Jr., United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $7,002.22. E. (9) $549.12.

A. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.

E. (9) $1,000.

A. Owen R. Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $1500. E. (9) $150.

A. R. S. Chamberlin, Dow Chemical U.S.A., 1800 M Street, NW., Suite 700S, Washington, D.C. 20036.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $800. E. (9) $450.

A. Charles S. Caldwell, District No. 1, Pacific Coast District, MEBA, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

D. (6) $1,500. E. (9) $198.55.

A. Steven M. Champlin, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Council of Vietnam Veterans, Inc., Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $92.50.

A. Charles T. Carroll, 1957 E Street, NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $200.

A. Jan Cheever, First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

B. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Yvonne M. Chicoine, 316 Pennsylvania Avenue, SE, Suite 400, Washington, D.C. 20003.

B. The American Conservative Union, 316 Pennsylvania Avenue SE., Suite 400, Washington, D.C. 20003.

D. (6) $3,442.33.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, D.C., 20010.

D. (6) $135.55. E. (9) $151.32.

A. Citizens for Management of Alaska Lands, Inc., P.O. Box 3256, Anchorage, Alaska. 99510.

D. (6) $131,559. E. (9) $153,002.92.

A. Citronelle-Mobile Gathering, Inc., 717 First Southern Federal Tower, Mobile, Ala. 36616.

E. (9) $1,869.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. Cladouhos & Brashares, 1750 New York Avenue, NW., Washington, D.C. 20006.

B. Crown Central Petroleum Corp., One North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Processors, 4100 One Shell Square, New Orleans, La. 70139.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Ashland Oil, Inc., 1401 Winchester Avenue, Ashland, Ky.

A. Anne Harrison Clark, Population Resource Center, 110 Maryland Avenue NE., Washington, D.C. 20002.

B. Population Resource Center, 622 Third Avenue, New York, N.Y. 10017.

D. (6) $1,308. E. (9) $545.

A. Glen S. Corso, National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

D. (6) $5,818.13. E. (9) $276.18.

A. Clifford & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Australian Meat & Live-Stock Corp., One World Trade Center, New York, N.Y. 10048.

D. (6) $300. E. (9) $79.08.

A. Clark R. Cosse III, 5644 Hawthorne Place, New Orleans, La. 70124.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $6,650.

A. Coalition for New York, Inc., 230 Park Avenue, New York, N.Y. 10017.

A. Coan and Couture, 1707 L Street NW., Suite 446, Washington, D.C. 20036.

B. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C.

E. (9) $525.57.

A. Coan and Couture, 1707 L Street NW., Suite 446, Washington, D.C. 20036.

B. Dealer Bank Association, 1800 K Street NW., Washington, D.C.
D. (6) $10,933.60. E. (9) $2,895.51.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $387.

A. Lynn Coddington, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $6,249.99. E. (9) $114.27.

A. Jeffery Cohelan, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $4,914.

A. Cohen and Uretz, 1775 K Street NW., Fourth Floor, Washington, D.C. 20006.
B. Estate of Sylvia S. Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
E. (9) $26.23.

A. Cohen and Uretz, 1775 K Street NW., Fourth Floor, Washington, D.C. 20006.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, P.O. Box 2440, Miami, Fla. 33128.
D. (6) $850. E. (9) $116.91.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
D. (6) $780. E. (9) $807.15.

A. Timothy A. Colcord, Visa U.S.A., Inc., 1620 Eye Street NW., Washington, D.C. 20006.
B. Visa U.S.A., Inc., P.O. Box 8999, San Francisco, Calif.
D. (6) $6,875. E. (9) $2,384.84.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Tanners Council of America, Inc., 411 Fifth Avenue, New York, N.Y. 10016.
D. (6) $225. E. (9) $41.61.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70115.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $8,133.36.

A. Committee for 806.30 and 807, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
D. (6) $12,618.35. E. (9) $9,440.

A. Committee for a Uniform Investment Tax Credit, 1050 17th Street NW., Suite 1112, Washington, D.C. 20036.

A. Congressional District Action Committee.
D. (6) $50. E. (9) $10.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. John J. Connolly, The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $1,000.

A. Jerry C. Connors, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C. 20036.
B. The National Waterways Conference, Inc.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Consolidated Natural Gas Co., Four Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,000.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Texas Gas Transmission Corp., 3800 Frederica Street, Owensboro, Ky. 42301.
D. (6) $3,750. E. (9) $40.26.

A. J. Crawford Cook, P.O. Box 5845, Columbia, S.C. 29250.
B. J. Crawford Cook, Inc., P.O. Box 50485, Columbia, S.C. 29250; Cook, Ruef, Spann and Weiser, Inc., 1735 St. Julian Place, Columbia, S.C. 29204.
D. (6) $13,076.96. E. (9) $9,288.34.

A. J. Crawford Cook, Inc., P.O. Box 50485, Columbia, S.C. 29250.
E. (9) $34,808.27.

A. Cook, Ruef, Spann and Weiser, Inc., 1735 St. Julian Place, Columbia, S.C. 29204.
E. (9) $1,296.25.

A. Janet Cooper, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Paul Corbin, 1028 Connecticut Avenue, Suite 516, Washington, D.C. 20036.
B. Pontchartrain State Bank, Metarirle, La. 70003.
D. (6) $3,750. E. (9) $200.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $8,750. E. (9) $5,930.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
E. (9) $4,979.63.

A. Council for Inter-American Security, 305 Fourth Street NE., Washington, D.C. 20002.
D. (6) $181.62. E. (9) $250.

A. Eric Cox, 3133 Connecticut Avenue NW., Washington, D.C. 20008.
B. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.
D. (6) $849.99.

A. R. LaVaun Cox, 180 East First South Street, Salt Lake City, Utah 84139.
B. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah 84139.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW, Washington, D.C. 20006.
D. (6) $4,000. E. (9) $200.

A. Joseph M. Cribben, 6900 Valley Brook Drive, Falls Church, Va. 22042.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada, 901 Massachuseets Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $30.

A. P. H. Croft, American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,149.99. E. (9) $1,232.60.

A. James H. Cromwell, Sr., 1957 E Street NW., Washington, D.C. 20006
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $200.

A. Douglas A. Crowley, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Cuba Claims Association, P.O. Box 014004, Miami, Fla. 33101.
E. (9) $20.

A. Culp, Dwyer, Guterson & Grader, 1300 Hoge Building, Seattle, Wash. 98104.
B. Pacific Northwest Utilities Conference Committee, 327 North Wenatchee Avenue, Wenatchee, Wash. 98801.
D. (6) $8,764. E. (9) $4,141.80.

A. William E. Cumberland, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $550. E. (9) $645.

A. Jay B. Cutler, American Phychiatric Association, 2033 M Street NW., Suite 802, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $3,278. E. (9) $754.84.

A. Eugene B. Dalton, 1600 South Eads Street, No. 1010 N, Arlington, Va. 22202.
B. National League of Postmasters, Crystal Square No. 4, Suite 501, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
E. (9) $221.04.

A. John M. Damgard, ACLI International, Inc., 888 17th Street NW., Suite 902, Washington, D.C. 20006.
B. ACLI International, Inc., 717 Westchester Avenue, White Plains, N.Y. 10604.
D. (6) $1,000. E. (9) $92.38.

A. Tracy Danese, P.O. Box 529100, Miami, Fla. 33152.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.
D. (6) $123. E. (9) $1,240.75.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.
B. Confederation Europeenne de L'Industrie de la Chaussure (European Confederation of Footwear Industry), Rue du Luxembourg 19—BTE 14, 1040 Bruxelle, Belgium.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.
B. Associacao Brasileira de Produtores de Ferro Ligas "ABRAFE" Grupo 1305, Rio de Janeiro, Brazil.
D. (6) $2,000.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.
B. Industrial Fasteners Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $2,000.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.

B. Committee in Support of Existing U.S. Tariff Policy With Respect to Honey, M–50 at Springville, Onsted, Mich. 49265.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.

B. Committee for 806.30 & 807, 2001 I Street NW., Washington, D.C. 20006.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.

B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

D. (6) $3,750. E. (9) $473.52.

A. Richard C. Darling, J. C. Penney Co., 1156 15th Street NW., Washington, D.C.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y.

D. (6) $300. E. (9) $238.43.

A. John C. Datt, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $5,833. E. (9) $33.40.

A. Dennis N. Davis, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. American Horse Council, Inc., 1700 K Street NW., No. 300, Washington, D.C. 20006.

D. (6) $2,083.25. E. (9) $890.11.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. National Corporation for Housing Partnerships n/b/a National Housing Partnerships, 1133 15th Street NW., Washington, D.C. 20005.

D. (6) $191.25.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW,, No. 407, Washington, D.C. 20003.

B. Eugene C. Cashman, 141 West Jackson, Chicago, Ill. 60604.

D. (6) $1,921.38.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. Florida Sugar Cane League, Inc., P.O. Box 1148, Clewiston, Fla. 33440.

D. (6) $750.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla., 33101.

D. (6) $864.87. E. (9) $15.73.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80201.

D. (6) $1,125. E. (9) $341.93.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.

D. (6) $585.94. E. (9) $97.67.

A. Thomas A. Davis, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.

B. Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.

D. (6) $3,593.75. E. (9) $1,959.47.

A. John L. Davidson, Jr., The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.

B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.

A. Dealer Bank Association, 1800 K Street NW., Suite 1014, Washington, D.C. 20006.

E. (9) $11,236.19.

A. DECQ Committee, P.O. Box 5551, Beverly Hills, Calif. 90210.

D. (6) $2,000. E. (9) $28,711.65.

A. DeKalb AgResearch, Sycamore Road, DeKalb, Ill. 60115.

E. (9) $730.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Jesus Almeida N., Mexican National Confederation of Livestock Producers, 16th Street, No. 3200, Chihuahua, Chihuahua, Mexico.

D. (6) $250. E. (9) $87.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Governor Roberto de la Madrid, P.O. Box 286, San Ysidro, Calif. 92073.

D. (6) $125.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Santiago Roel, Avenida Honoalco No. 1, Mexico, D.F.

D. (6) $250. E. (9) $30.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Washington, D.C. 20005.

B. Jorge Diaz Serrano, Avenida Merino Nacional No. 329 Edificio No. 1810 120 Piso, Mexico, 17, D.F.

A. Department for Professional Employees, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $6,000. E. (9) $3,328.05.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Krivit & Krivit, 101 Duddington Place, SE., Washington, D.C. 20003.

D. (6) $3,000.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Jefferson Young & Associates, 1600 Kapiolania Boulevard, Honolulu, Hawaii. 96814.

D. (6) $550.

A. Charles J. DiBona, 2101 L Street NW., Washington ,D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. United States Tour Operators Association, 1671 Wilshire Boulevard, Los Angeles, Calif. 90017.

D. (6) $700.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. National Federation of Societies for Clinical Social Work, 698 West End Avenue, New York, N.Y. 10025.

D. (6) $1,000.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. Kennecott Copper Corp., 161 East 42d Street, New York, N.Y.

D. (6) $9,644.

A. Dickstein, Shapiro & Morin, 2101 L Streets NW., Washington, D.C. 20037.

B. Custom Automotive Sound Association, Inc., Suite 1000, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $1,000.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.

B. Mitsubishi International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $9,644.

A. Discover America Travel Organizations, Inc., 1899 L Street NW., Washington, D.C. 20036.

D. (6) $19,567. E. (9) $19,567.

A. J. L. Disque, 556 Morris Avenue, Summit, N.J. 07901.

B. CIBA–GEIGY Corp., 556 Morris Avenue, Summit, N.J. 07901.

D. (6) $450. E. (9) $301.

A. James F. Doherty, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

D. (6) $4,050.

A. Cushing N. Dolbeare, 215 Eighth Street NE., Washington, D.C. 20002.

B. Ad Hoc Low Income Housing Coalition, 215 Eighth Street NE., Washington, D.C. 20002; and Center for Community Change, I Street NW., Suite 700, Washington, D.C. D.C. 20007.

D. (6) $3,100. E. (9) $806.51.

A. Hollis M. Dole, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co. 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $950.

A. Dana Dolloff, 1620 I Street NW., No. 700, Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.

E. (9) $50.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.

B. American Association of Nurseymen, 230 Southern Building, Washington, D.C. 20005.

A. Charlene Dougherty, 1525 18th Street NW., Washington, D.C. 20036.

B. Environmental Defense Fund, 1525 18th Street NW., Washington, D.C. 20036.

D. (6) $16,069.52. E. (9) $7,244.58.

A. William E. Duke, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $250. E. (9) $175.

A. William E. Dutcher, Independent Gas Producers Committee, 2601 Northwest Expressway, Suite 300, Oklahoma City, Okla. 73112.

B. Independent Gas Producers' Committee, Suite 300, 2601 Northwest Expressway Oklahoma City, Okla. 73112.

E. (9) $5,413.19.

A. R. Ken Dyar, 1620 Southeast 127th Avenue, Vancouver, Wash. 98664.

B. Central Lincoln People's Utility District, 255 Southwest Coast Highway, Newport, Oreg. 97365.

D. (6) $1,350. E. (9) $1,870.99.

A. George H. Eatman, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $2,000. E. (9) $391.88.

A. Jack Eckerd Corp., P.O. Box 4689, Clearwater, Fla. 33518.

E. (9) $1,000.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.

B. Cherokee Nation, P.O. Box 119, Tahlequah, Okla. 74464.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.

B. Oklahoma Association of Electric Cooperatives, P.O. Box 11047, Oklahoma City, Okla. 73111.

A. Phyllis Eisen, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $20.

A. Adelaide K. Eisenmann, 607 G Street SW., Washington, D.C. 20024.

B. Panamanian Committee for Human Rights, 16822 Southwest 82d Court, Miami, Fla. 33157.

A. Richard Eisenmann, 607 G Street SW., Washington, D.C. 20024.

B. Panamanian Committee for Human Rights, 16822 Southwest 82d Court, Miami, Fla. 33157.

E. (9) $85.45.

A. Kimberly Elliott, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.

D. (6) $3,620. E. (9) $300.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Perry R. Ellsworth, National Council of Agricultural Employers, 1425 H Street NW., Washington, D.C. 20005.

B. National Council of Agricultural Employers, 1425 H Street NW., Washington, D.C. 20005.

D. (6) $2,500. E. (9) $2.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $14,197.13. E. (9) $11,220.42.

A. Robert J. Englehart, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Brock Evans, Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

D. (6) $8,620. E. (9) $166.95.

A. Robbie Exley, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38130.

E. (9) $42,713.32.

A. Joseph D. Feeney, 222 South Riverside Plaza, Chicago, Ill. 60606.

B. Western Railroad Association, 222 South Riverside Plaza, Suite 1200, Chicago, Ill. 60606.

D. (6) $1,753.48.

A. Stuart F. Feldman, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Council of Vietnam Veterans, Inc., Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $777.50. E. (9) $1,889.85.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $6,000. E. (9) $1,063.81.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.

B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.

D. (6) $3,000. E. (9) $420.62.

A. Jack Ferguson Associates, Inc., 513 A Street SE., Washington, D.C. 20003.

B. Cook Inlet Region, Inc., 2525 C Street, Suite 100, Anchorage, Alaska 99509.

D. (6) $2,100. E. (9) $8,215.70.

A. Jack Ferguson Associates, Inc., 513 A Street SE., Washington, D.C. 20003.

B. Northwest Alaska Pipeline Co., P.O. Box 1526, Salt Lake City, Utah 84110.

D. (6) $12,100. E. (9) $8,199.11.

A. Jack Ferguson Associates, Inc., 513 A Street SE., Washington, D.C. 20003.

B. Steering Council for Alaska Lands, 1016 West Sixth Avenue, Suite 435, Anchorage, Alaska 99501.

D. (6) $5,500. E. (9) $7,979.24.

A. Jack Ferguson Associates, Inc., 513 A Street SE., Washington, D.C. 20003.

B. State of Alaska, Department of Revenue and the Multi State Tax Commission, Juneau, Alaska.

A. Jack Ferguson Associates, Inc., 513 A Street SE., Washington, D.C. 20003.

B. U.S. Borax & Chemical Corp., 3075 Wilshire Boulevard, Los Angeles, Calif. 90010.

D. (6) $6,050. E. (9) $9,511.95.

A. James H. Ferguson, 1625 I Street NW., Suite 926, Washington, D.C. 20006.

B. American Society for Personnel Administration, 30 Park Drive, Berea, Ohio 44017.

D. (6) $5,000. E. (9) $800.

A. C. H. Fields, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $3,966. E. (9) $39.

A. Samuel S. Fields, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $4,000. E. (9) $20.

A. Stanley R. Fike, 511 Boston Avenue, Takoma Park, Md. 20012.

B. Fike Metal Products Corp., Blue Springs, Mo. 64015; Fike Chemical Corp., Box 546, Nitro, W. Va. 25143.

D. (6) $450.

A. Theodora Fine, American Psychiatric Association, 2033 M Street NW., Suite 802, Washington, D.C. 20036.

B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.

D. (6) $1,438. E. (9) $584.10.

A. Paul Finger, 2027½ O Street NW., Washington, D.C. 20036.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

E. (9) $25.

A. Laurie A. Fiori, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $248.08. E. (9) $94.35.

A. First Class Mailers Associations, Inc., 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

E. (9) $47.

A. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Douglas P. Fischer, National Beer Wholesalers Association, 5205 Leesburg Pike, Suite 505, Falls Church, Va. 22041.

B. National Beer Wholesalers Association, 5205 Leesburg Pike, Suite 505, Falls Church, Va. 22041.

A. Mark Fitzgerald, National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

D. (6) $5,390.64. E. (9) $1,335.26.

A. James H. Fitzpatrick, Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.

A. Charles D. Fleishman, 2625 Clearbrook Drive, Arlington Heights, Ill. 60005.

B. American Fishing Tackle Manufacturers Association, 2625 Clearbrook Drive, Arlington Heights, Ill. 60005.

D. (6) $1,725. E. (9) $4,232.24.

A. Food Policy Center, 538 Seventh Street SE., Washington, D.C. 20003.

D. (6) $23,452.24.

A. Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $23,375. E. (9) $4,640.72.

A. Wm. David Foreman, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $102.32.

A. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. Peter Franchot, Union of Concerned Scientists, 1025 15th Street NW., Washington, D.C. 20005.

B. Union of Concerned Scientists, 1208 Massachusetts Avenue, Cambridge, Mass. 02138.

D. (6) $3,750.

A. J. Dee Frankfourth, P.O. Box 403, Eagle River, Alaska 99577.
B. Alaska Coalition, 620 C Street SE., Washington, D.C. 20003; The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,880. E. (9) $231.81.

A. Harley Frankel, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc., 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $690.84.

A. Charles L. Frazer, National Farmers Organization, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Farmers Organization, Corning, Iowa 50841.
D. (6) $2,722.50. E. (9) $4,639.41.

A. Robert M. Frederick, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Glenn Freie, P.O. Box 66, Des Moines, Iowa 50301.
B. Meat Price Investigators Association, P.O. Box 66, Des Moines, Iowa. 50301.
D. (6) $600. E. (9) $1,999.92.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Vought Corp., P.O. Box 5907, Dallas, Tex.
E. (9) $5,421.69.

A. Gustave Fritschie, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $500. E. (9) $75.

A. Norman S. Gaines, 1150 Connecticut Avenue, NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70002.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $1,550.

A. Bob Garcia, Winner/Wagner & Associates, Inc., 1024 10th Street, Suite 310, Sacramento, Calif. 95814.
B. Southwest Flight Crew Association, 6160 Mission Gorge Road, Suite 100, San Diego, Calif. 92120.
D. (6) $2,000. E. (9) $1,375.38.

A. W. Bradford Gary, 3M Co., 1101 15th Street, NW., Washington, D.C. 20005.
B. 3M Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $10.

A. Leo J. Gehrig, American Hospital Association, 444 North Capital Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Irving Geller, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees 1016 16th Street NW., Washington, D.C. 20036.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $200.

A. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
E. (9) $6,034.05.

A. Jonathan Carl Gibson, 330 Pennsylvania Avenue, SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $4,125. E. (9) $13.95.

A. Norma J. Gilbert, 1776 K Street, NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,200.

A. Robert E. Ginther, Association of Local Transport Airlines, Suite 803, 1801 K Street NW., Washington, D.C. 20006.
B. Association of Local Transport Airlines, Suite 803, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $3,500.

A. Vernie R. Glasson III, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $4,021. E. (9) $46.

A. Robert G. Glavin, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $451.32. E. (9) $114.17.

A. Lloyd L. Golding, National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.
B. National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.
D. (6) $1,300.

A. Michael E. Goldman, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
D. (6) $550. E. (9) $150.30.

A. Neil B. Goldstein, Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $5,562.51. E. (9) $475.89.

A. Jack Golodner, 815 16th Street NW., Washington, D.C.
B. Department for Professional Employees, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Jack Golodner, 1140 Connecticut Avenue NW., Washington, D.C.
B. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $360.

A. Brenda J. Gore, The LTV Corp., 1155 15th Street NW., Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $500.

A. Frank D. Gorham III, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $333. E. (9) $2.50.

A. Maria Ann Graham, National Audubon Society, 1301 20th Street NW., Apt. 501, Washington, D.C. 20036.
B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.
D. (6) $3,999.99. E. (9) $2,993.

A. John K. Gram, Public Timber Purchasers Group, 1214 Oregon Bank Bldg., Portland, Oreg. 97204.
B. Public Timber Purchasers Group, 1214 Oregon Bank Bldg., Portland, Oreg. 97204.
D. (6) $1,500. E. (9) $275.34.

A. James W. Green, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,989.80. E. (9) $285.49.

A. P. Michael Greenwald, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $759.10.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $12,967.58. E. (9) $12,967.58.

A. Marjorie Guthrie, 250 West 57th Street, New York, N.Y. 10019.

A. James M. Hacking, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW, Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $369.23. E. (9) $108.85.

A. Martin, Ryan, Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.
B. Yandell & Hiller, Inc., 2805 Forth Worth National Building, Fort Worth, Tex. 76102.

A. Isabelle Hallahan, The American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.
B. American Dietetic Association, 430 Northt Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,620. E. (9) $499.07.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.
B. Beneficial Foundation, 1300 Market Street, Wilmington, Del. 19899.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.
B. Central Bank for Cooperatives & Associated District Banks, P.O. Box 17389, Denver, Colo. 80217.
D. (6) $450.

A. Thomas A. Hammer, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $180,700.42. E. (9) $8,070.07.

A. Erling Hansen, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, 4235 28th Avenue, Marlow Heights, Md. 20031.

A. William B. Harman, Jr., American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

A. Toni Harrington, Suite 905, 955 L'Enfant Plaza, North SW., Washington, D.C. 20024.
B. American Honda Motor Co., Inc., 100 Alondra Boulevard, Gardena, Calif. 90247.
D. (6) $150. E. (9) $23.70.

A. Kay Harrold, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $180.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanian Road, Wilmington, Del. 19807.
D. (6) $325.50. E. (9) $372.60.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Clifford J. Harvison, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C.

A. Michael M. Hash, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $646.15. E. (9) $310.81.

A. Bruce R. Hawley, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $3,625. E. (9) $10.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,164.56. E. (9) $2,258.75.

A. Alison Heath, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Heavy & Specialized Carriers Conference, Inc., 1155 16th Street NW., Washington, D.C. 20036.

A. Clyde M. Heiner, 180 East First South Street, Salt Lake City, Utah. 84139.
B. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah. 84139.

A. Robert B. Heiney, Box 569, Lake of the Woods, Locust Grove, Va. 22508.
B. Gerber Products Co., Fremont, Mich. 49412.
D. (6) $1,462.50.

A. Heinold Commodities, 222 South Riverside Plaza, Chicago, Ill. 60606.
E. (9) $875.

A. John Helm, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Daniel R. Helmick, 1625 I Street NW., Room 301, Washington, D.C. 20006.
B. Columbia Gas Distribution Cos., 99 North Front Street, Columbus, Ohio 43215
D. (6) $3,562.50. E. (9) $780.81.

A. Noel Hemmendinger, 1000 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.
B. U.S.-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. William S. Hemsley, Jr., Suite 701, 1000 16th Street NW., Washington, D.C. 20036.
B. Adams, Duque & Hazeltine, 523 West Sixth Street, Los Angeles, Calif. 90014.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $7,189.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. American Society of Farm Managers & Rural Appraisers, P.O. Box 6857, Denver, Colo. 80206.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. National Customs Brokers & Freight Forwarders of America, Inc., 1 World Trade Center, Suite 1190, New York, N.Y. 10048.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. Partnership Placements, Inc., 2011 I Street NW., Suite 500, Washington, D.C. 20006.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. Philadelphia Gas Works, 1518 Walnut Street, Philadelphia, Pa. 19105.
D. (6) $150.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. Pennsylvania Food Processors Association, Mushroom Processors Committee, 25 North Duke Street, York, Pa. 17070.

A. Douglas F. Henderson, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.
D. (6) $416.66. E. (9) $664.69.

A. Thomas M. Hennessy, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $2,127. E. (9) $705.78.

A. Herrick, Allen & Davis, 1701 K Street NW., Suite 706, Washington, D.C. 20006.
B. Amusement & Music Operators Association, 35 East Wacker Drive, Suit 1940, Chicago, Ill. 60601.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.
B. Self-Determination for DC, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,250.

A. Bert Ingalls Hickman, Jr., The Keefe Co., 1625 Massachusetts Avenue, Suite 505, Washington, D.C. 20036.
B. American Family Life Assurance Co., P.O. Box 1459, Columbus, Ga. 31902.
D. (6) $6,570. E. (9) $327.37.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Commonwealth Edison, Co., 1 First National Plaza, Chicago, Ill. 60603.

A. Dave Hill, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $2,667. E. (9) $44.75.

A. E. Joseph Hillings, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
B. National Airlines, Inc., P.O. Box 592055 AMF, Miami, Fla. 33159.
D. (6) $1,100. E. (9) $20.

A. Arthur F. Hintze, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. James D. Hittle, 3137 South 14th Street, Arlington, Va. 22204.
B. Vought Corp., P.O. Box 5907, Dallas, Tex.
D. (6) $4,500. E. (9) $5,421.69.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Patagonia Corp., 149 North Stone Avenue, Tucson, Ariz. 85701.

A. Holland & Knight, P.O. Box 1288, Tampa, Fla. 33601.
B. Sikes Corp., 608 Prospect, Lakeland, Fla. 33802.
D. (6) $400. E. (9) $850.

A. Holt International Children's Services, Inc., Holt Adoption Program, Inc., P.O. Box 2420, Eugene, Oreg. 97402.
E. (9) $125.

A. John C. Hooper, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Douglass C. Horstman, 1612 K Street NW., Suite 906, Washington, D.C. 20006.
B. The Maytag Co., Newton, Iowa. 50208.
D. (6) $660. E. (9) $234.97.

A. Douglass C. Horstman, 1612 K Street NW., Suite 906, Washington, D.C. 20006.
B. Northern Textile Association, 211 Congres Street, Boston, Mass. 02110.
D. (6) $660. E. (9) $234.97.

A. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y.
D. (6) $4,206.64. E. (9) $4,206.64.

A. Houdaille Industries, Inc., 1 Financial Plaza, Fort Lauderdale, Fla. 33394.
E. (9) $71,500.

A. Arthur L. Howard, 1100 H Street NW., Washington, D.C. 20080.

B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

D. (6) $168.04. E. (9) $86.45.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Clifford T. Howlett, Jr., Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.

E. (9) $900.

A. Tony R. Huerta, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $4,297.43.

A. Peter W. Hughes, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $670.38. E. (9) $195.99.

A. Edward L. Huie, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.

B. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.

D. (6) $6,307.48. E. (9) $458.30.

A. Gregory A. Humphrey, American Federation of Teachers, AFL–CIO, 11 DuPont Circle NW., Washington, D.C. 20036.

B. American Federation of Teachers, AFL–CIO, 11 DuPont Circle NW., Washington, D.C. 20036.

D. (6) $8,188.50. E. (9) $51.

A. Frederick D. Hunt, Jr., 1835 K Street NW., Suite 515, Washington, D.C. 20006.

B. American Academy of Actuaries, 1835 K Street NW., No. 515, Washington, D.C. 20006.

A. Gerard F. Hurley, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

B. National Club Association, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $2,000. E. (9) $12,032.90.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

E. (9) $194.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

B. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. Raymond D. Hurley, 1828 L Street NW., Suite 405, Washington, D.C. 20036.

B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. Hydeman, Mason & Goodell, 1220 19th Street NW., Suite 700, Washington, D.C. 20036.

B. Atlantic Container Line, GIE, Overline House, Southampton, England.

A. Independent Gas Producers Committee, Suite 300, 2601 Northwest Expressway, Oklahoma City, Okla. 73112.

D. (6) $87,203.24. E. (9) $7,071.34.

A. Institute of Foreign Bankers, c/o Mrs. Elizabeth Tobon, 200 Park Avenue, Suite 303, Room 23, New York, N.Y. 10017.

E. (9) $18,903.03.

A. Interlake, Inc., 2015 Spring Road, Oak Brook, Ill. 60521.

E. (9) $11,819.59.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.

E. (9) $4,475.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson, Detroit, Mich. 48214.

D. (6) $26,963. E. (9) $26,963.

A. Investment Annuities Institute, Inc., Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $95. E. (9) $2,424.01.

A. John D. Isaacs, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $4,660.38. E. (9) $124.

A Philip F. Jehle, 1150 Connecticut Avenue NW., No. 310, Washington, D.C. 20036.

B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.

D. (6) $1,000. E. (9) $850.

A. Walter W. John, Organization of Professional Employees of the U.S. Department of Agriculture, Washington, D.C. 20250.

B. Organization of Professional Employees of the U.S. Department of Agriculture, Room 1414–S Building, Washington, D.C. 20250.

D. (6) $300.

A. Bruce T. Johnson, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $5,400. E. (9) $4,557.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.

B. New York Dock Railway, 334 Furman Street, Brooklyn, N.Y.

D. (6) $909.37. E. (9) $8.02.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.

B. United States Lines, One Broadway, New York, N.Y. 10004.

D. (6) $909.37. E. (9) $8.02.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Charlie W. Jones, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

D. (6) $350. E. (9) $200.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Control Data Corp., 6003 Executive Boulevard, Rockville, Md. 20852.

D. (6) $1,822.50. E. (9) $3.65.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. L. Dan Jones, Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

A. Thomas M. Joyce, 1120 19th Street NW., Suite 503, Washington, D.C. 20036.

B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.

E. (9) $15,712.49.

A. Gary Paul Kane, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $7,656.26. E. (9) $701.68.

A. Julius Kaplan, 1218 16th Street NW., Washington, D.C. 20036.

B. Kirkwood, Kaplan, Russin & Vecchi, 1218 16th Street NW., Washington, D.C. 20036.

A. Liz Kaplan, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $2,048.43.

A. Robert J. Keefe, The Keefe Co., 1625 Massachusetts Avenue, Suite 505, Washington, D.C. 20036.

B. American Family Life Assurance Co., P.O. Box 1459, Columbus, Ga. 31902.

D. (6) $6,750. E. (9) $327.37.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.

B. U-Haul International, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.

D. (6) $2,000. E. (9) $746.17.

A. Stephen G. Kellison, 1835 K Street NW., Suite 515, Washington, D.C. 20006.

B. American Academy of Actuaries, 1835 K Street, No. 515, Washington, D.C. 20006.

A. John J. Kelly, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street, NW., Washington, D.C. 20005.

D. (6) $1,672.91.

A. W. Thomas Kelly, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C.

B. Investment Annuities Institute, Inc., Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $1,000.37.

A. William F. Kennedy, General Electric, Fairfield, Conn. 06431.

B. General Electric Co., Fairfield, Conn. 06431.

A. William J. Kenney, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bay State Gas Co., Fitchburg Gas & Electric Light Co.

D. (6) $3,000. E. (9) $2,000.

A. William J. Kenney, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. New England Gas Distributors Group.

D. (6) $7,500. E. (9) $4,000.

A. Kenyon & Kenyon Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.

B. Estate of Bert N. Adams, et al., P.O. Box 4215, Yuma, Ariz. 85364.
E. (9) $5.

A. Vytautas Kerbelis, 69 Cottage Street, Bar Harbor, Maine 04609.
B. ARAS (Psychomotor Domain of Self), 69 Cottage Street, Bar Harbor, Maine. 04609.
D. (6) $600. E. (9) $600.

A. Daniel L. Kiley, 8 North Jefferson Street, Roanoke, Va. 24042.
B. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $213. E. (9) $119.80.

A. Roberta D. Kimball, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
E. (9) $585.92.

A. James L. Kimble, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Gibson Kingren, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue, No. 701, Washington, D.C. 20036.
D. (6) $900.

A. John M. Kinn, 934 Jaysmith Street, Great Falls, Va. 22066.
B. The Institute of Electrical and Electronic Engineers, Inc., 2029 K Street NW., Suite No. 601, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,450.

A. Sally Ann Kirkpatrick, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,224. E. (9) $800.

A. Ralph W. Kittle, 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $200.

A. Amy Klaben, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

A. Terrence H. Klasky, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
E. (9) $1,200.

A. Roger Klein, Public Securities Association, One World Trade Center, New York, N.Y. 10048.
B. Public Securities Assn., One World Trade Center, New York, N.Y. 10048.
D. (6) $170.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottler's Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $75.

A. Ann Kolker, National Women's Political Caucus, 1411 K Street NW., Washington, D.C. 20005.
B. National Women's Political Caucus, 1411 K Street NW., Washington, D.C. 20005.
D. (6) $2,043.72. E. (9) $83.81.

A. William G. Kopit, Epstein, Becker, Borsody & Green, 1900 M Street, NW., Suite 730, Washington, D.C. 20036.
B. American Health Planning Association, 2560 Huntington Avenue, Alexandria, Va. 22303.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. National Association of Homes for Children, 200 South Tryon Street, Suite 1500, Charlotte, N.C. 28202.
D. (6) $750.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. ServiceMaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.
D. (6) $250.

A. Richard W. Kreutzen, Chevron U.S.A., Inc., 555 Market Street, San Francisco, Calif. 94105.
B. Chevron U.S.A., Inc., subsidiary of Standard Oil Co. of California.

A. Anthony L. Kucera, The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $100.

A. Joseph Kuchler, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $686.30.

A. Philip Kugler, American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $8,188.50.

A. Dan Kuykendall, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
D. (6) $14,000.01. E. (9) $2,026.94.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. James H. Lake, Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036. (For National Potato Council.)

A. David R. Lambert, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,600.

A. Phil M. Landrum, P.O. Box 100, Jasper, Ga. 30143.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $750.

A. Clifford LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $315.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,475.

A. Dennis Lavallee, National Association of Plumbing, Heating, Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing, Heating, Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

A. George H. Lawrence, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $600. E. (9) $10.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. American Express Co., 1700 K Street NW, Suite 702, Washington, D.C. 20006.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. The Clorox Co., 1221 Broadway, Oakland, Calif.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Fireman's Fund American Life Insurance Co., 1600 Los Gamos Drive, San Rafael, Calif. 94911.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B Fireman's Fund Insurance Companies, 1600 Los Gamos Drive, San Rafael, Calif. 94911.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. General Atomic Co., 2021 K Street NW., Suite 709, Washington, D.C. 20006.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW, Suite 800, Washington, D.C. 20007.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. National Cable Television Association, Inc., 918 Sixteenth Street NW., Washington, D.C. 20006.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. National Manufactured Housing Federation, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Radioactive Waste Management Group, c/o Shaw, Pitman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. The ROVAC Corp., 100 Rovac Parkway, Rockledge, Fl. 32955.

A. Leighton, Conklin & Lemov, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. Whey Products Institute, 130 North Franklin Street, Chicago, Ill. 60606.

A. Gilbert LeKander, 1629 K Street NW., No. 801, Washington, D.C. 20006.

B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., Box 3727, Spokane, Wash. 92220.

D. (6) $300.

A. Kaye Conniff Leonard, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Southern Furniture Manufacturers Association, 918 16th Street NW., Suite 402, Washington, D.C. 20006.

D. (6) $4,875. E. (9) $1,416.07.

A. Dale Lestina, National Education Association, 1201 16th Street, NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,235.60. E. (9) $215.49.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Commonwealth Edison Co., One First National Plaza, Chicago, Ill.

E. (9) $5.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

D. (6) $125.

A. Roger N. Levy, 1120 19th Street, Suite 503, Washington, D.C. 20036.

B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10036.

E. (9) $16,044.99.

A. Lewis, Rice, Tucker, Allen & Chubb, 611 Olive Street, Suite 1400, St. Louis, Mo. 63101.

B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.

D. (6) $763.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.

D. (6) $112,494.79. E. (9) $96,526.64.

A. Herbert Liebenson, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $4,500. E. (9) $1,200.

A. Herbert Liebenson, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $1,856.28.

A. Russell B. Light, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $643. E. (9) $779.39.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.

D. (6) $64.51.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.

D. (6) $128.50.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.

D. (6) $173.69.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Superior Water, Light & Power Company, 1230 Tower Avenue, Superior, Wisconsin 54880.

D. (6) $34.80.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Wisconsin Electric Power Co., 231 West Michigan, Milwaukee, Wis. 53201.

D. (6) $563.40. (9) $180.78.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Wisconsin Power & Light Co., Madison, Wis. 53701.

D. (6) $241.12.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.

D. (6) $233.06.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Radwaste Management Group, 1800 M. Street NW., Washington, D.C. 20036.

D. (6) $255. E. (9) $21.45.

A. Pamela Lippe, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $2,396.25.

A. E. F. Livaudais, Jr., Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $160. E. (9) $18.

A. Nellie L. Longsworth, 5627 Newington Road, Washington, D.C. 20016.

B. Preservation Action, 1914 Sunderland Place NW., Washington, D.C. 20036.

D. (6) $7,622.42. E. (9) $1,879.25.

A. Judith A. Lorenson, 1960 Lake Clay Drive, Chesterfield, Mo. 63017.

B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo., 63105.

D. (6) $7,500.

A. James P. Low, American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. William F. Ludlam, Sr., ARBA Licensees Association, P.O. Box 5282, Virginia Beach, Va. 23455.

B. American Revolution Bicentennial Administration Licensee Association, P.O. Box 10, Cocoa Beach, Fla. 32931.

E. (9) $521.50.

A. C. Lance Lujan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,235.60. E. (9) $71.50.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

D. (6) $380. E. (9) $40.

A. Russell MacCleery, National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.

D. (6) $400.

A. James B. Magnor, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Airlines, Inc., P.O. Box 592055 AMF., Miami, Fla., 33159.

D. (6) $30.

A. John R. Maguire, 10612 Runaway Lane, Great Falls, Va. 22066.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

A. Forbes Mann, LTV, Corp., 1155 15th Street NW., No. 1004, Washington, D.C. 20005.

B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.

D. (6) $2,000. E. (9) $550.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $3,575. E. (9) $3,575.

A. Milton C. Mapes, Jr., c/o National Peace Academy Campaign, 1625 I Street NW., Suite 123–4, Washington, D.C. 20006.

B. National Peace Academy Campaign, 1625 I Street NW., Suite 123–4, Washington, D.C. 20006.

D. (6) $300. E. (9) $391.99.

A. Charles T. Marck, 1800 M Street NW., Suite 700 South, Washington, D.C. 20035.

B. The Dow Chemical Co., Midland, Mich. 48640.

D. (6) $1,000. E. (9) $250.

A. Marine Engineers' Beneficial Association (AFL–CIO), District No. 1, Pacific Coast District, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

E. (9) $2,058.55.

A. John B. Martin, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $579.69. E. (9) $199.73.

A. Martin, Whitfield, Smith & Bebchick, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Alaska International Air, Inc., P.O. Box 60029, Fairbanks International Airport, Fairbanks, Alaska 99701.

A. Joseph J. Martyak, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $3,125. E. (9) $459.02.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $162.32.

A. David Masselli, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth. 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. James C. May, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. F. Stephen McArthur, 444 North Capitol Street NW., Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Washington, D.C. 20001.
D. (6) $3,536.54.

A. Robert C. McCandless, McCandless & Barrett, 1707 H Street NW., Suite 1005, Washington, D.C. 20006.
B. Transamerica Insurance Corp. of California (Occidental Life), Occidental Center, Hill and Olive Streets at 12th Street, Los Angeles, Calif. 90015.
D. (6) $22,160.30. E. (9) $922.30.

A. McCarty & Noone, 490 L'Enfant Plaza East, Suite 3306, Washington, D.C. 20024.
B. American Medical Technologists, 710 Higgins Road, Park Ridge, Ill. 60068.
D. (6) $540. E. (9) $43.02.

A. Nancy Fifield McConnell, American Parents Committee Division, CWLA, 1346 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Child Welfare League of America, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,700.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. BALCOR Co., 10024 Skokie Boulevard, Skokie, Ill. 60077.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Big Prairie Farms, Inc., c/o J. J. White, 100 State Street, Beardstown, Ill. 62618.

A. Francis O. McDermott, 1750 K Street NW., No. 1110, Washington, D.C. 20006.
B. First Chicago Corp., 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.
D. (6) $655. E. (9) $3.20.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. JMB Realty Corp., 875 North Michigan Avenue, Suite 3804, Chicago, Ill. 60611.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $7,100.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,850. E. (9) $31.14.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $31.15.

A. Francis O. McDermott, 1750 K Street NW., No. 1110, Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $200.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trustees Under the Will of Warren Wright, c/o the First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60603.

A. James McDonald, 6845 Elm Street, No. 500, McLean, Va. 22101.
B. Jack McDonald Association, Inc. (for Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067), 6845 Elm Street, No. 500, McLean Va. 22101.
D. (6) $2,250.

A. Stanley J. McFarland, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $6,525. E. (9) $21.

A. Thomas H. McGannon, Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.
B. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022

A. Walter P. McHugh, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill 60611.
D. (6) $213.33.

A. Phil A. McKeaney, American Federation of Teachers, AFL–CIO, 11 DuPont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 DuPont Circle NW., Washington, D.C. 20036.
D. (6) $6,904.98. E. (9) $42.50.

A. Susan A. McKenzie, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
E. (9) $6,007.39.

A. James D. McKevitt, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $3,500. E. (9) $75.

A. Michael R. McLeod, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $3,593.75. E. (9) $112.72.

A. Michael R. McLeod, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. Florida Sugar Cane League, Inc., P.O. Box 1148, Clewiston, Fla. 33440.
D. (6) $1,500.

A. Michael R. McLeod, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80201.
D. (6) $1,125. E. (9) $4.54.

A. Michael R. McLeod, Davis & McLeod, 499 South Capitol Street SW., No. 407, Washington, D.C. 20003.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.
D. (6) $1,171.88. E (9) $78.25.

A. Paula V. McMartin, 4101 Cathedral Avenue NW., Washington, D.C. 20016.
B. Physicians National Housestaff Association, 1029 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $600.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $4,200. E. (9) $1,512.43.

A. James A. McPherson, Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Robert McVicker, 2421 Cavendish Drive, Alexandria, Va. 22308.
B. Kollsman Instrument Co., Daniel Webster Highway South, Merrimack, N.H. 03054.
E. (9) $200.

A. Ronald E. McWilliams, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $363.52. E. (9) $47.38.

A. Meat Price Investigators Association, P.O. Box 66, Des Moines, Iowa 50301.
D. (6) $2,599.92. E. (9) $600.

A. Carl J. Megel, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (8) $8,135. E. (9) $29.70.

A. F. Robert Meier, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Louis L. Meier, Jr., American Society of Civil Engineers, 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $1,050. E. (9) $365.

A. Faye L. Mench, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $155.77. E. (9) $73.32.

A. Ted H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $3,009.00.

A. Ralph J. Merigliano, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $5,000.01.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. DECQ Committee, P.O. Box 5551, Beverly Hills, Calif. 90210.

D. (6) $28,595.51. E. (9) $73.93.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Lockheed Corp., Burbank, Calif. 91520.

D. (6) $1,515.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Medical Area Service Corp., c/o Michael Brewer, Holyoke Center, Cambridge, Mass. 02138.

D. (6) $110. E. (9) $27.50.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Clara A. Miller, Trustee, Frederick M. Bransfield Trust, 2666 One First National Plaza, Chicago, Ill. 60603.

A. Miller & Chevalier, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Nuclear Fuel Services, Inc., Suite 600, 6000 Executive Boulevard, Rockville, Md. 20852.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Robert B. White and Edwin H. Nielsen, 680 Davis Road, Coral Gables, Fla. 33143.

D. (6) $130. E. (9) $32.51.

A. Clinton R. Miller, National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.

B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.

D. (6) $369.12. E. (9) $320.

A. Deborah Imle Miller, National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th & M Streets, NW., Washington, D.C. 20005.

D. (6) $1,876.62. E. (9) $101.83.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $4,500. E. (9) $670.50.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.

B. MEBA Political Action Fund, 444 North Capitol Street, Washington, D.C. 20001.

D. (6) $3,000. E. (9) $745.20.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.

B. O&C Counties Association, Route 3, Box 1530, Roseburg, Oreg. 97470.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.

B. Port of Portland, Box 3529, Portland, Oreg. 97208.

D. (6) $1,200.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.

B. Professional Air Traffic Controllers Organization, 444 North Capitol Street, Washington, D.C. 20001.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.

B. Western Forest Industries Association, 1500 Southwest Taylor, Portland, Oreg. 97205.

D. (6) $3,000. E. (9) $260.

A. Kirk Miller, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $3,500. E. (9) $9.40.

A. Wayne L. Millsap, Suite 2300, Clayton Inn Center, 7777 Bonhomme Avenue, St. Louis, Mo. 63105.

B. Seven-Up Bottling Co. of St. Louis, Mo., 555 Brown Road, St. Louis, Mo.

D. (6) $999. E. (9) $25.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Rush Moody, Jr., 1101 Connecticut Avenue NW., Washington, D.C. 20036.

B. Vinson & Elkins (for Lone Star Steel Co., P.O. Box 35888, Dallas, Tex. 75235), 1101 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

D. (6) $2,500.

A. Clarence W. Moore, 407 Lincoln Road, Miami Beach, Fla. 33139; Barr Building 912, 910 17th Street NW., Washington, D.C. 20006.

B. National Barrel & Drum Association, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,250.

A. Moore McCormack Resources, Inc., 1 Landmark Square, Stamford, Conn.

E. (9) $552.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. The Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. KUTV, Inc., 179 Social Hall Avenue, Salt Lake City, Utah 84111.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. Northwest Alaskan Pipeline Co., 1801 K Street NW., Washington, D.C. 20006.

D. (6) $125.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. Sunsat Energy Council, Watergate 600, Suite 480, Washington, D.C. 20037.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. Thiokol Corp., P.O. Box 1000, Newtown, Pa. 18940.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. United Parcel Service of America, Inc., Greenwich Office Park 5, Greenwich, Conn. 06830.

D. (6) $200.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.

B. Utah Power & Light Co., 1407 West North Temple Street, Salt Lake City, Utah 84101.

D. (6) $1,000.

A. John J. Motley, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

D. (6) $2,250. E. (9) $375.

A. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah 84139.

A. Perry Moyle, The Wilderness Society, 518½ Main Street, Grand Junction, Colo. 81501.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $383.64. E. (9) $201.

A. Karen Mulhauser, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

D. (6) $237.72.

A. John P. Mulligan, Tuna Research Foundation, 1101 17th Street NW., Washington, D.C. 20036.

B. Tuna Research Foundation, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $1,406.25.

A. Daniel J. Mundy, Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.

B. Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.

D. (6) $9,725.12. E. (9) $629.81.

A. William T. Murphy, Jr., American Natural Resources System, 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.

B. American Natural Service Co., One Woodward Avenue, Detroit, Mich. 48226.

D. (6) $2,500. E. (9) $1,200.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.

B. Chicago, Milwaukee, St. Paul & Pacific Railroad, 516 West Jackson Boulevard, Chicago, Ill. 60606.

D. (6) $300.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.

B. The Cleveland Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.

D. (6) $200.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.

B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

D. (6) $200.

A. D. Michael Murray, 1120 Connecticut Avenue NW, No. 1128, Washington, D.C. 20036.

B. Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn. 55101.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.

B. LTV Corp., P.O. Box 5003, Dallas, Tex. 75222.

D. (6) $200.

A. D. Michael Murray, 1120 Connecticut Avenue, NW, No. 1128, Washington, D.C. 20036.

B. National Association of Industrial and Office Parks, 1901 North Fort Myer Drive, No. 1100, Arlington, Va. 22209.

D. (6) $250.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.

B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C. 20035.

D. (6) $250.

A. Margaret R. Murray, 1339 Wisconsin Avenue NW., Washington, D.C. 20007.

B. DeKalb AgResearch, Sycamore Road, DeKalb, Ill. 60115.

D. (6) $730.

A. Margaret R. Murray, 1339 Wisconsin Avenue NW., Washington, D.C. 20007.

B. Heinold Commodities, 222 South Riverside Plaza, Chicago, Ill. 60606.

D. (6) $770.

A. Harold D. Muth, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.

B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.

D. (6) $300. E. (9) $3.

A. J. Walter Myers, Jr., P.O. Box 95385, Atlanta, Ga. 30347.

B. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

D. (6) $345,849.60. E. (9) $13,804.17.

A. National Air Carrier Association, 1730 M Street NW., Suite 710, Washington, D.C. 20036.

D. (6) $1,250. E. (9) $1,250.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., No. 615, Washington, D.C. 20036.

D. (6) $975.50. E. (9) $3,984.16.

A. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. National Association For Neighborhood Schools, Inc., P.O. Box 14887, Columbus, Ohio. 43214.

D. (6) $6,865.60. E. (9) $3,949.33.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $36,185.05. E. (9) $5,508.07.

A. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.

D. (6) $131,302.59. E. (9) $17,704.70.

A. National Association of Home Builders, of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $121,000.64. E. (9) $89,161.60.

A. National Association of Homes for Children, 200 South Tryon Street, Suite 1500, Charlotte, N.C. 28202.

E. (9) $750.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $1,501,127.89. E. (9) $82,053.49.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Cos., 7931 Castleway Drive, Indianapolis, Ind. 46250.

A. National Association of State Lotteries, 1290 Silas Deane Highway, Wethersfield, Conn. 06109.

D. (6) $1,800. E. (9) $1,800.

A. National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.

D. (6) $9,420.03 E. (9) $9,420.03

A National Business Aircraft Association, One Farragut Square South, Washington, D.C. 20006.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

D. (6) $1,095. E. (9) $1,237.31.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $1,008,114.24. E. (9) $20,654.82.

A. National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $81,987.38. E. (9) $90,878.47.

A. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.

E. (9) $820.

A. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.

D. (6) $255. E. (9) $2,647.

A. The National Federation of Business and Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $118,133.50. E. (9) $6,838.40.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024, 150 West 20th Avenue, San Mateo, Calif. 94403.

D. (6) $54,848. E. (9) $54,848.

A. National Federation of Licensed Practical Nurses, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $1,850. E. (9) $1,850.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $10,625. E. (9) $6,287.50.

A. National Hairdressers & Cosmetologists Association, 3510 Olive Street, St. Louis, Mo. 63103.

D. (6) $1,368.10.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.

D. (6) $45,367. E. (9) $118,427.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

E. (9) $4,368.03.

A. National Peace Academy Campaign, 1625 I Street NW., Suite 123–4, Washington, D.C. 20006.

D. (6) $12,703. E. (9) $11,013.

A. National Potato Council, Suite 800, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. National Realty Committee, Inc., 2033 M Street NW., Washington, D.C. 20036.

D. (6) $3,496.62. E. (9) $3,496.62.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C. 20005.

E. (9) $5,000.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $54,350. E. (9) $52,370.

A. National Right to Life Committee, Inc., Suite 341, National Press Building, 529 14th Street NW., Washington, D.C. 20045.

D. (6) $12,000. E. (9) $11,664.

A. National School Transportation Association, 9001 West Braddock Road, Room 310, Springfield, Va. 22151.

D. (6) $495.53. E. (9) $495.53.

A. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $5,000. E. (9) $319.56.

A. National Small Business Index, RR. 1, Aitkin, Minn. 56431.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., No. 615, Washington, D.C. 20036.

D. (6) $5,162.25. E. (9) $5,540.47.

A. National Taxpayers Union, 153 E Street SE., Washington, D.C. 20003.

D. (6) $7,663.01. E. (9) $7,663.01.

A. National Wool Growers Association, Inc., 1776 F Street NW., Washington, D.C. 20006.

E. (9) $5,067.

A. New Directions, 305 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $90,074.50. E. (9) $5,776.34.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

D. (6) $43,500. E. (9) $23,258.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Charles M. Noone, 490 L'Enfant Plaza East, No. 3306, Washington, D.C. 20024.

B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500. E. (9) $175.25.

A. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.

E. (9) $397.80.

A. Julia J. Norrell, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $2,063.25. E. (9) $384.46.

A. Rosemary L. O'Brien, 1629 K Street NW., Suite 701, Washington, D.C. 20006.

B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Personnel Consultants, 1012 14th Street NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc,, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Leonard F. O'Connor, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. T. J. Oden, 204 Fourth Street SE., Washington, D.C. 20003.
B. Independent Gasoline Marketers Council, 1015 18th Street NW., Washington, D.C. 20036.

A. Therese S. Ogle, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $3,000.

A. Charles Orasin, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $2,569.24. E. (9) $7.

A. Organization of Professional Employees of the U.S. Department of Agriculture, Room 1414–S Building, Department of Agriculture, Washington, D.C. 20250.
D. (6) $1,473.48. E. (9) $565.25.

A. Townes L. Osborn, National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
B. National Citizens Communications Lobby, 1028 Connecticut Avenue NW., Suite 918, Washington, D.C.
D. (6) $1,095. E. (9) $1,237.31.

A. Cordell J. Overgaard, 1 First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. Big Prairie Farms, Inc., c/o J. J. White, 100 State Street, Beardstown, Ill. 62618.

A. J. Allen Overton, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Wahington, D.C. 20036.
D. (6) $137.38. E. (9) $11.50.

A. Pacific Northwest Utilities Conference Committee, 327 North Wenatchee Avenue, Wenatchee, Wash. 98801.
D. (6) $10,499.99. E. (9) $12,905.80.

A. Gerard Paul Panaro, Retail Bakers of America, Room 250, 6525 Belcrest Road, Hyattsville, Md. 20782.
B. Retail Bakers of America, Room 250, 6525 Belcrest Road, Hyattsville, Md. 20782.
D. (6) $180. E. (9) $20.

A. J. J. Panella, 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $700. E. (9) $250.

A. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $614. E. (9) $486.91.

A. Carl A. Parker, 449 Stadium Road, Port Arthur, Tex. 77640.
B. Government of Republic of Liberia, Monrovia, Liberia.
D. (6) $3,000.

A. Lynn Parker, Food Research and Action Center, 2011 Eye Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research and Action Center, 2011 Eye Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $1,745.52. E. (9) $12.

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $200.

A. Endicott Peabody, 1150 Connecticut Avenue NW., 12th Floor, Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
D. (6) $2,000. E. (9) $80.89.

A. James M. Peirce, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,187.67.

A. Edmund J. Perret II, American Psychiatric Association, 2033 M Street NW., Suite 802, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $913. E. (9) $607.94.

A. John P. Perrin, American Osteopathic Association, 1611 North Kent Street, Suite 803A, Arlington, Va. 22209.
B. American Osteopathic Association, 1611 North Kent Street, Suite 803A, Arlington, Va. 22209.
D. (6) $2,218.85. E. (9) $2,302.85.

A. John Joseph Pesch, 1701 North Ft. Myer Drive, Suite 1208, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Ft. Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $7,500. E. (9) $3,697.53.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $1,300. E. (9) $2,291.73.

A. Geoffrey G. Peterson, American Insurance Association, 1025 Connecticut Avenue, NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,000. E. (9) $4,062.39.

A. John E. Pflieger, Time Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,700. E. (9) $38.84.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 8003 Westpark Drive, McLean Va., 22101.
D. (6) $2,500.

A. Grant C. Pinney, 113 Felspar, Ridgecrest, Calif. 93555.
B. Sierra Sands Unified School District, 113 Felspar, Ridgecrest, Calif. 93555.

A. Plains Cotton Growers, Inc., P.O. Box 3640, Lubbock, Tex. 79452.

A. Ronald F. Pollack, Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $1,508.12. E. (9) $20.

A. Nathaniel Polster, 2128 Wyoming Avenue NW., Washington, D.C. 20008.
B. American Cancer Society, 777 Third Avenue, New York, N.Y. 10017; Research to Prevent Blindness, 598 Madison Avenue, New York, N.Y. 10022.
D. (6) $1,260. E. (9) $1,217.93.

A. Population Resource Center, Inc., 622 Third Avenue, New York, N.Y. 10017.
D. (6) $1,704. E. (9) $1,853.

A. Garry C. Porter, 11356 Southeast Black Road, Olalla, Wash. 98359.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $328.

A. John Post, 1801 K Street NW., Suite 821, Washington, D.C. 20006.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y.; 1801 K Street NW., Suite 821, Washington, D.C.
D. (6) $200. E. (9) $40.

A. M. Elizabeth Powell, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
D. (6) $5,000.01. E. (9) $120.89.

A. Robert D. Powell, Suite 401, 734 15th Street NW., Washington, D.C. 20005.
B. National Business Aircraft Association, 1 Farragut Square South, Washington, D.C. 20006.

A. Prather Seeger Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C.
D. (6) $500.

A. Prather Seeger Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Prather Seeger Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $500.

A. William B. Prendergast, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $750. E. (9) $103.42.

A. Preservation Action, 1914 Sunderland Place NW., Washington, D.C. 20036.
D. (6) $21,254. E. (9) $21,034.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Bonneville Power Administration Industrial Customers, Suite 310, Lloyd Building, 700 Northeast Multromak Street, Portland, Oreg. 97232.
D. (6) $8,760.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. Moore McCormack Resources, Inc., One Landmark Square, Stamford, Conn.

D. (6) $475.

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A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. Seatrain Lines, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005.

D. (6) $1,138.50.

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A. Jerry C. Pritchett, Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Washington, D.C. 20015.

B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue NW., Suite 750, Washington, D.C. 20015.

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A. Pro-Life Congressional District Action Committee IN-2, 3310 Lindbergh Drive, Indianapolis, Ind. 46227.

D. (6) $50.

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A. Jerry Z. Pruzan, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $300.

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A. Public Securities Association, One World Trade Center, New York, N.Y. 10048.

D. (6) $625. E. (9) $79,062.

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A. Public Timber Purchasers Group, 1214 Oregon Bank Building, 319 Southwest Washington Street, Portland, Oreg. 97204.

D. (6) $28,027.26. E. (9) $7,542.95.

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A. Purcell & Nelson, 1776 F Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 200 Park Avenue, Suite 2222, New York, N.Y. 10017.

D. (6) $238.

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A. Howard Pyle III, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.

B. R. J. Reynolds Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.

D. (6) $10. E. (9) $5.

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A. Robert N. Pyle, P.O. Box 3731, O Street NW., Washington, D.C. 20007.

B. American Bakers Association, 2020 K Street NW., Washington, D.C. 20006.

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A. Robert N. Pyle, P.O. Box 3731, O Street NW., Washington, D.C. 20007.

B. Automotive Parts Rebuilding Association, 6849 Old Dominion Drive, McLean, Va., 22101.

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A. Robert N. Pyle, P.O. Box 3731, O Street NW., Washington, D.C. 20007.

B. Fur Conservation Institute of America, Suite 450, 1707 L Street NW., Washington, D.C. 20036.

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A. Quinn, Jacobs, Barry & Dick, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. National Association of Marine Services, Inc., P.O. Box 1927, Silver Spring, Md. 20902.

E. (9) $846.17.

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A. Radioactive Waste Management Group, c/o Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.

D. (6) $14,494.35. E. (9) $14,494.35.

—

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. American Ship Building Co., Bond Court Building, Room 911, 1300 East Ninth Street, Cleveland, Ohio.

D. (6) $1,000.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Wahington, D.C.

B. Bechtel Corp., 141 Battery Street, San Francisco, Calif.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. The Bermuda Government, Hamilton, Bermuda.

D. (6) $1,666.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. First Colony Farms, Route 1, Box 130, Creswell, N.C.

D. (6) $1,000.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Glass Packaging Institute, 1800 K Street NW., Washington, D.C.

D. (6) $6,000.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Greater Cleveland Growth Association, 690 Union Commerce Building, Cleveland, Ohio.

D. (6) $20,587.50.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.

D. (6) $2,000.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. The Harris Corp., 55 Public Square, Cleveland, Ohio.

D. (6) $2,000.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.

D. (6) $4,500.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. National Ski Areas Association, 61 South Main Street, West Hartford, Conn.

D. (6) $1,500.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. New York Yankees, Flushing Meadows, Corona Park, Flushing, N.Y.

D. (6) $2,000.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Ohio Board of Regents, 30 East Broad Street, Columbus, Ohio.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

D. (6) $3,000.

—

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.

D. (6) $1,000.

—

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Seacoast Products, Inc., Box D, Port Monmouth, N.J.

D. (6) $750.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.

D. (6) $5,000.

—

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Security Pacific Leasing Corp., 333 South Hope Street, Los Angeles, Calif.

A. Ragan & Ragan, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif.

D. (6) $7,050.

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A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Stimson Lumber Co., and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.

D. (6) $125.

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A. Wm. J. Randall, 1515 Jefferson Davis Highway, Arlington, Va. 22202.

B. City of Independence, Mo.

D. (6) $1,500. E. (9) $840.

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A. Wm. J. Randall, No. 821, 1515 Jefferson Davis Highway, Arlington, Va. 22202.

B. United States Railway Association, 955 L'Enfant Plaza, Washington, D.C.

D. (6) $3,000. E. (9) $240.

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A. Magda Ratajski, Norfolk & Western Railway Co., P.O. Box 23652 L'Enfant Plaza Station, Washington, D.C. 20024.

B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.

D. (6) $65.

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A. G. David Ravencraft, Ashland Oil, Inc., 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) $2,000.

—

A. J. Gene Raymond, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

D. (6) $709.27.

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A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.

B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150.

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A. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.

D. (6) $8,731.04 E. (9) $54,609.72.

—

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

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A. John T. Reggitts, Jr., 95 R.D. 2, Boonton Avenue, Boonton, N.J. 07005.

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A. J. E. Reinke, 1030 15th Street NW., Washington, D.C. 20005.

B. Eastern Air Lines, Inc., 1030 15th Street NW., Washington, D.C. 20005.

E. (9) $435.

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A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky. 40579.

D. (6) $1,270. E. (9) $193.09.

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A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y. 10022.

E. (9) $391.62.

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A. Reserve Officers Association of United States, 1 Constitution Avenue NE., Washington, D.C. 20002.

D. (6) $1,569.80. E. (9) $7,258.30.

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A. John H. Reurs, 25 Broadway, New York, N.Y. 10004.

B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

D. (6) $9,375. E. (9) $200.

A. Nancy C. Reynolds, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $945.

A. Edmund B. Rice, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $502.57. E. (9) $21.36.

A. Grace Ellen Rice, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,167. E. (9) $17.55.

A. Peter S. Ridley, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $525.

A. Mark J. Riedy, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $1,875. E. (9) $1,478.

A. Siert F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Washington, D.C. 20006.

A. James E. Ritchie, 499 South Capitol Street SE., No. 400, Washington, D.C. 20003.
B. Gaming Industry Association of Nevada, Inc., 1 East First Street, No. 1007, Reno, Nev. 89501.
D. (6) $1,667. E. (9) $956.63.

A. James E. Ritchie, 499 South Capitol Street SE., No. 400, Washington, D.C. 20003.
B. National Association of Off-Track Betting, Post Office Box 446, Batavia, N.Y. 14020.
D. (6) $3,500. E. (9) $3,484.92.

A. James E. Ritchie, 499 South Capitol Street SE., No. 400, Washington, D.C. 20003.
B. Nevada Resort Association, 732 East Sahara Avenue, Las Vegas, Nev. 89104.
D. (6) $3,333. E. (9) $1,913.26.

A. RJR Industries, Inc., 1100 Reynolds Boulevard, Winston-Salem, N.C. 27106.
E. (9) $649.27.

A. Roadside Business Association, 9001 West Braddock Road, Room 310, Springfield, Va. 22151.
D. (6) $1,024.09. E. (9) $1,024.09.

A. Kenneth Roberson, 193 Stuart Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., 1 Penn Plaza, New York, N.Y. 10001.

A. Hope E. Robertson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Katherine Robinson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Ted V. Rodgers, Sandra L. LaFevre, 1000 Connecticut Avenue NW., Suite 304, Washington, D.C. 20036.
B. Nationwide Insurance Co., 1 Nationwide Plaza, Columbus, Ohio 43216.
D. (6) $3,000.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, New York, N.Y. 10048.

A. Martin H. Rogol, 239 10th Street SE., Washington, D.C. 20003.
B. Food Policy Center, 538 Seventh Street SE., Washington, D.C. 20003.

A. James C. Rosapepe, Rosapepe & Associates, 101 North Columbus Street, Suite 400, Alexandria, Va. 22314.
B. Rosapepe & Associates, 101 North Columbus Street, Suite 400, Alexandria, Va. 22314 (for: Interfaith Center on Corporate Responsibility, New York, N.Y. 10027).
D. (6) $100. E. (9) $107.73.

A. David N. Rose, 180 East First South Street, Salt Lake City, Utah 84139.
B. Mountain Fuel Supply Co., 180 East First South Street, Salt Lake City, Utah 84139.

A. J. Patrick Rowland, 1800 K Street NW., Washington, D.C. 20006.
B. Glass Packaging Institute, 1800 K Street NW., Washington, D.C. 20006.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

A. Sheryl P. Rutledge, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
D. (6) $192.04. E. (9) $151.94.

A. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.
E. (9) $763.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.
D. (6) $200.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $150.

A. Jennifer Sauve, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $6,046.89. E. (9) $801.99.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Harold A. Schaitberger, International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington D.C. 20006.
D. (6) $8,122.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,600.

A. Fred E. Schillreff, International Association of Fire Fighters, AFL–CIO, 1750 New York Avenue NW., Third Floor, Washington, D.C. 20006.
B. International Association of Fire Fighters, AFL–CIO, 1750 New York Avenue NW., Third Floor, Washington, D.C. 20006.
D. (6) $507.74.

A. Denise Schlener, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $557.69. E. (9) $9.70.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $162.32.

A. Stephen I. Schlossberg, International Union, United Automobile, Aerospace & Implement Workers of America, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue, Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capital City Boulevard, Lansing, Mich. 48906.
D. (6) $900.

A. Frank Schneller, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $200.

A. Peter Scholes, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,927.88. E. (9) $217.30.

A. Robert I. Schramm, 1725 K Street NW., Suite 909, Washington, D.C. 20006.
B. The Superior Oil Co. and Superior Farming Co., 1725 K Street NW., Washington, D.C. 20006.

A. A. Kolbert Schrichte, 1850 K Street NW., Suite 850, Washington, D.C. 20006.
B. National Restaurant Association, 1850 K Street NW., Washington, D.C. 20006; 1 IBM Plaza, Suite 2600, Chicago, Ill. 60611.
D. (6) $1,325. E. (9) $77.30.

A. Donald A. Scott, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John W. Scott, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $687.50.

A. Deborah K. Sease, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $14.42.

A. Seatrain Lines, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.
E. (9) $1,269.50.

A. Self-Determination for DC, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,759. E. (9) $10,378.

A. Andrea I. Semmes, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Stanley Senner, SR Box 30481, Fairbanks, Alaska 99701.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $110.58. E. (9) $341.04.

A. Servicemaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.
E. (9) $250.

A. Leo Seybold, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,700. E. (9) $195.87.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $162.32.

A. Rebecca D. Shapiro & Associates, 111 C Street SE., Washington, D.C. 20003.
B. Makah Tribal Council, P.O. Box 115, Neah Bay, Wash. 98357.

A. Rebecca D. Shapiro & Associates, 111 C Street SE., Washington, D.C. 20003.
B. Pueblo of Zia, General Delivery, San Ysidro, N.M. 87053.
D. (6) $250.

A. Rebecca D. Shapiro & Associates, 111 C Street SE., Washington, D.C. 20003.
B. Quinault Indian Nation, P.O. Box 1118, Taholah, Wash. 98587.
D. (6) $1,875.

A. Rebecca D. Shapiro & Associates, 111 C Street SE., Washington, D.C. 20003.
B. Yakima Indian Nation, P.O. Box 151, Toppenish, Wash. 98948.

A. Shea, Gould, Climenko, & Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Committee for a Uniform Investment Tax Credit, 1050 17th Street NW., Suite 1112, Washington, D.C. 20036.

A. Shea, Gould, Climenko, & Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Estate of Sol Atlas, c/o Reavis & McGrath, 345 Park Avenue, New York, N.Y. 10022.
D. (6) $25,000. E. (9) $47.55.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $9,241.31. E. (9) $7,734.64.

A. John P. Sheffey, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,125.

A. Dale Sherwin, 888 17th Street NW., No. 902, Washington, D.C. 20006.
B. A. E. Staley Manufacturing Co., 2200 Eldorado Street, Decatur, Ill. 62525.
D. (6) $1,500. E. (9) $290.45.

A. Nelson T. Shields, 810 18th Street NW., Washington, D.C. 20006.
B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $2,533.34.

A. Fred B. Shippee, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006; 1 First National Plaza, Chicago, Ill. 60603.
B. Canadian Pacific Ltd., Windsor Station, Montreal, Quebec, Canada, et al.
D. (6) $28,500. E. (9) $3,973.75.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. American Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Champion International Corp., 1 Landmark Square, Stamford, Conn. 06921.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corp. of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings & Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Ogden Transportation Corp., 277 Park Avenue, New York, N.Y. 10017.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $213.75.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Washington, D.C. 20006.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $3,100. E. (9) $92.70.

A. David A. Skedgell, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $350. E. (9) $133.45.

A. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
E. (9) $1,856.28.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. American Horse Council, 1700 K Street, NW., Suite 300, Washington, D.C. 20006.
D. (6) $5,500. E. (9) $28.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. American Inland Waterway Committee, 7733 Forsyth Boulevard, St. Louis, Mo.
D. (6) $3,750.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. The Arthritis Foundation, 422 C Street NW., Washington, D.C. 20001.
D. (6) $5,000.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. Association of Insular Manufacturers, 400 South Jefferson Street, Chicago, Ill. 60607.
D. (6) $6,000. E. (9) $16.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. Burlingon Northern, 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $6,000.

A. Smathers, Symington & Herlong, 1700 K Street NW., Suite 400, Washington, D.C. 20006.
B. Goldman-Sachs, 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500. E. (9) $13.50.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Pennzoil Co., Houston, Tex. 77001.
D. (6) $6,000.

A. Milton E. Smedsrud, Law Office Building, Fergus Falls, Minn. 56537.
B. Communicating for Agriculture, Inc., Law Office Building, Fergus Falls, Minn. 56537.
D. (6) $11,870.98. E. (9) $13,106.95.

A. John G. Smillie, 900 17th Street NW., Washington, D.C. 20006.
B. Permanente Medical Group.
D. (6) $19,710. E. (9) $58.47.

A. Cathy Smith, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,235.

A. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $35,818.85. E. (9) $35,818.85.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Girardeau A. Spann, Public Citizen, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $420. E. $10.

A. Wilbur D. Sparks, Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

B. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $700. E. (9) $350.

A. William J. Spencer, c/o National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

B. National Peace Academy Campaign, 1625 I Street NW., Suite 123-4, Washington, D.C. 20006.

D. (6) $550. E. (9) $118.

A. Frederick C. Spreyer, Pacific Resources, Inc., 1990 M Street NW., Suite No. 560, Washington, D.C. 20036.

B. Pacific Resources, Inc., 1060 Bishop Street, P.O. Box 3379, Honolulu, Hawaii 96842.

D. (6) $500.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. David E. Stahl, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D C. 20005.

D. (6) $2,658.84. E. (9) $97.30.

A. Gloria Stark, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,152.60. E. (9) $21.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Robert B. Stewart, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.

D. (6) $935.83. E. (9) $118.34.

A. Sarah Jane Stewart, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

D. (6) $313.80.

A. Travis B. Stewart, Hoffmann-La Roche, Inc., 1775 K Street NW., Washington, D.C. 20006.

B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

D. (6) $1,000. E. (9) $250.

A. George Stockton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $200.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. J. Aron & Co., Inc., 160 Water Street, Washington, D.C. 10030.

D. (6) $15,000. E. (9) $65.78.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Commonwealth of Puerto Rico, Office of the Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Patsy Perry, 70 Glen Cove Road, Roslyn Heights, N.Y.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.

B. Tris Indemnity Corporate Group, 1150 17th Street NW., No. 600, Washington, D.C. 20036.

D. (6) $11,000. E. (9) $109.59.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.

B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.

D. (6) $7,198.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. American Inland Waterways Committee, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105.

D. (6) $35,000.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Midland Enterprises, Inc., 1400 580 Building, Cincinnati, Ohio 45202.

D. (6) $3,750.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105; 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. The Valley Line Co., 120 South Central, Clayton, Mo. 63105.

D. (6) $3,750.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. American Industrial Clay and Georgia Kaolin Division of Yara Engineering Corp., 511 Westminister Avenue, Elizabeth, N.J. 07207.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Association of Art Museum Directors, P.O. Box 620, Philadelphia, Pa. 10021.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Carnegie Corp. of New York, 437 Madison Avenue, New York, N.Y. 10022.

D. (6) $1,000. E. (9) $10.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Connecticut Mutual Life Insurance Co., 140 Garden Street, Hartford, Conn. 06115.

E. (9) $1.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B Englehard Minerals & Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Equifax, Inc., P.O. Box 4081, Atlanta, Ga. 30302.

D. (6) $5,000. E. (9) $429.31.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Estate of Cartter Lupton, c/o Miller and Martin, Volunteer State Life Building, Chattanooga, Tenn. 37402.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Farm Bureau Mutual Insurance Co. of Arkansas, P.O. Box 31, Seventh at High Street, Little Rock, Ark. 72203.

D. (6) $750. E. (9) $95.77.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. J. M. Huber Corp., Thonrall Street, Edison, N.J. 08817.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Kansas Farm Bureau Life Insurance Co., 2321 Anderson Avenue, Manhattan, Kan. 66502; Farm Bureau Mutual Insurance Co., KFB Insurance Co., Manhattan, Kan.

D. (6) $1,500. E. (9) $191.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Kentucky Farm Bureau Mutual Insurance Co. & FB Insurance Co., 120 South Hubbard Lane, Louisville, Ky. 40207.

D. (6) $1,500. E. (9) $191.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Lincoln National Life Insurance Co., 1300 South Clinton Street, Fort Wayne, Ind. 46801.

D. (6) $2,000. E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01111.

E. (9) $1.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mullite Co. of America, Andersonville, Ga. 31711.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Mutual Benefit Life Insurance Co., 520 Broad Street, Newark, N.J. 07101.

E. (9) $1.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mutual Life Insurance Co. of New York, 1740 Broadway, New York, N.Y. 10019.

E. (9) $1.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mutual of Omaha Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Mutual of Omaha Insurance Co. and United Benefit Life Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131.

D. (6) $1,500. E. (9) $191.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. New England Mutual Life Insurance Co., 501 Boylston Street, Boston, Mass. 02117.

E. (9) $1.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Nord Resources Corp., Ole Town Park, 39 Iron Gate Drive, Dayton, Ohio 45459.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.

E. (9) $1.

A. Sutherland, Asbill & Brennan, 3100 First National Bank Tower, Atlanta, Ga. 30303; 1666 K Street NW., Washington, D.C. 20006.

B. Oglethorpe Power Corp., 2888 Woodcock Boulevard, Atlanta, Ga. 30341.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. South Carolina Farm Bureau Mutual Insurance Co., P.O. Box 124, Cayce, S.C. 29033.

D. (6) $750. E. (9) $95.77.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Southern Farm Bureau Life Insurance Co., P.O. Box 78, Jackson, Miss. 39205; Southern Farm Bureau Casualty Insurance Co., P.O. Box 1985, Jackson, Miss. 39205; Mississippi Farm Bureau Mutual Insurance Co., Jackson, Miss.

D. (6) $1,500. E. (9) $191.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga. 31082.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. United Farm Bureau Family Life Insurance Co. and United Farm Bureau Mutual Insurance Co., 130 East Washington Street, Indianapolis, Ind. 46204.

D. (6) $1,500. E. (9) $191.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.

A. Glenn A. Swanson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.

B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

D. (6) $80,617.09. E. (9) $21,383.75.

A. John R. Sweeney, 800 Solar Building, 1000 16th Street NW., Washington, D.C. 20036.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

D. (6) $160. E. (9) $72.

A. Swerdloff Associates, Inc., 18 West 10th Street, New York, N.Y. 10011.

B. Coalition for New York, Inc., 230 Park Avenue, New York, N.Y. 10017.

A. Taxation With Representation, 6830 North Fairfax Drive, Arlington, Va. 22213.

D. (6) $30,857.19. E. (9) $38,387.86.

A. Frank A. Taylor, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.

E. (9) $2,555.20.

A. 10th Pro-Life Congressional District Action Committee, 1338 Lafayette Street, Cape Coral, Fla. 33904.

D. (6) $34.60. E. (9) $475.

A. Thevenot, Murray and Scheer, 1120 Connecticut Avenue NW., Suite 1128, Washington, D.C. 20036.

B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $500.

A. 35th Congressional District Action Committee, Bills Road, Perry, N.Y. 14530.

E. (9) $15.

A. Stephen M. Thomas, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.

A. Fred D. Thompson, Thompson, Crawford & Rodgers, First American Center, 14th Floor, Nashville, Tenn. 37238.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Terence Hastings Thorn, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $525. E. (9) $106.10.

A. Drew V. Tidwell, Consumer Bankers Association, 1725 K Street NW., Suite 1410, Washington, D.C. 20006.

B. The Consumer Bankers Association, 1725 K Street NW., Suite 1410, Washington, D.C. 20006.

D. (6) $2,000. E. (9) $6,793.83.

A. Karin R. Tilberg, 3539 S Street NW., Washington, D.C. 20007.

B. Alaska Coalition, 620 C Street SE., Washington, D.C.

D. (6) $1,315.08

A. George Tilton, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

D. (6) $2,928.63.

A. Patrick Tobin, International Longshoremen's & Warehousemen's Union, 417 Fourth Street SW., Washington, D.C. 20001.

B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109

D. (6) $4,810.02.

A. William D. Toohey, 1899 L Street NW., Suite 600, Washington, D.C. 20036.

B. Discover America Travel Organizations, Inc., 1899 L. Street NW., Washington, D.C. 20036.

D. (6) $1,592.

A. Thomas J. Trabucco, 1016 16th Street NW., Washington, D.C. 20036.

B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

D. (6) $4,815,18.

A. TransAfrica, 1325 18th Street NW., Suite 202, Washington, D.C. 20036.

D. (6) $24,299. E. (9) $30,090.54.

A. Transportation Institute, 923 15th Street NW., Washington, D.C.

E. (9) $417.75.

A. W. M. Trevarrow, 976 National Press Building, Washington, D.C. 20045.

B. American Motors Corp., 27777 Franklin Road, Southfield, Mich. 48076.

D. (6) $6,375. E. (9) $213.50.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio. 44113.

B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio. 44113.

A. William C. Triplett II, Suite 905, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

B. American Honda Motor Co., Inc., 100 Alondra Boulevard, Gardena, Calif. 90247.

D. (6) $200.

A. Jerry R. Tucker, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $6,852.22. E. (9) $174.35.

A. Tuna Research Foundation, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $15,950. E. (9) $2,907.25.

A. W. Glenn Tussey, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

A. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.

A. United States Merchant Marine Academy Alumni Association, Inc. (Kings Point Fund, Inc.), Kings Point, Long Island, N.Y. 11024.

E. (9) $1,250.

A. J. Joseph Vacca, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $2,917.66.

A. H. Stewart Van Scoyoc, 1701 Pennsylvania Avenue NW., Suite 1120, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

D. (6) $30. E. (9) $6.

A. Gilda Ventresca, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D (6) $520.

A. Ingrid A. Voorhees, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $200.

A. Betty Vorhies, United Egg Producers, 499 South Capitol Street SW., Suite 411, Washington, D.C. 20003.

B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.

E. (9) $135.

A. Abe J. Voron, 6204 White Oak Lane, Tamarac, Fla. 33319.

B. National Radio Broadcasters Association, Suite 500, 1705 De Sales Street NW., Washington, D.C. 20036.

D. (6) $1,200. E. (9) $1,640.

A. Joseph S. Wager, Sellers, Conner & Cuneo, 1625 K Street NW., Washington, D.C. 20006.

B. Zantop International Airlines, Inc., Willow Run Airport, Ypsilanti, Mich. 48197.

D. (6) $5,058. E. (9) $47.50.

A. Ethan J. Wagner, Winner/Wagner & Associates, Inc., 1024 10th Street, Suite 310, Sacramento, Calif. 95814.

B. Southwest Flight Crew Association, 6160 Mission Gorge Road, Suite 100, San Diego, Calif. 92120.

D. (6) $1,000. E. (9) $909.16.

A. Herbert R. Waite, First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

B. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Johnnie M. Walters, Hunton & Williams, P.O. Box 19230, Washington, D.C. 20036.

B. Vepco, 701 East Cary Street, 1 James River Plaza Building, Richmond, Va. 23219.

E. (9) $10.

A. Gregg Ward, SMACNA, 8224 Old Courthouse Road, Vienna, Va. 22180.

B. Sheet Metal and Air Conditioning Contractors' National Association, Inc, 8224 Old Courthouse Road, Vienna, Va 22180

D. (6) $800. E. (9) $300.

A. Warner Communications Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.

E. (9) $12,000.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

E. (9) $1,345.04.

A. Raymond J. Weatherly, 9824 Fairfax Square, Fairfax, Va. 22031.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $500. E. (9) $250.

A. Lee J. Weddig, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

D. (6) $500. E. (9) $100.

A. Fred W. Wegner, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

D. (6) $380.77.

A. Frances E. Welles, 810 18th Street NW., Washington, D.C. 20006.

B. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.

A. Carol Werner, 825 15th Street NW., Washington, D.C. 20005.

B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.

D. (6) $3,816.39.

A. Western Railroad Association, 222 South Riverside Plaza, Room 1200, Chicago, Ill. 60606.

D. (6) $2,765.95. E. (9) $2,765.95.

A. Thomas E. Wheeler, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $995. E. (9) $96.

A. Evelyn J. White, 2301 Market Street, Philadelphia, Pa. 19101.

B. Philadelphia Electric Co., 2301 Market Street, Philadelphia, Pa. 19101.

D. (6) $5,900. E. (9) $1,424.

A. John F. White, National Beer Wholesalers Association, 5205 Leesburg Pike, Suite 505, Falls Church, Va. 22041.

B. National Beer Wholesalers Association, 5205 Leesburg Pike, Suite 505, Falls Church, Va. 22041.

A. Thomas D. Wilcox, 919 18th Street NW., Washington, D.C. 20006.

B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $6,250. E. (9) $2,220.16.

A. Thomas C. Williams, 1776 K Street NW., Washington, D.C. 20006.

B. National Football League, 410 Park Avenue, New York, N.Y. 10022.

D. (6) $1,500.

A. John C. Williamson, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.

B. Mortgage Insurance Cos. of America, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.

D. (6) $2,000.

A. John C. Williamson, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.

B. National Apartment Association, 1825 K Street NW., Suite 604, Washington, D.C. 20006.

D. (6) $1,200.

A. Peters Willson, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Zero Population Growth, Inc., 1346 Connecticut Avenue, NW., Washington, D.C. 20036.

D. (6) $192.

A. Charles D. Wilson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

E. (9) $80.25.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. Atlanta/LaSalle Corp., 150 South Wacker Street, Chicago, Ill. 60600.

D. (6) $32.50.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. Building Owners and Managers Association International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. Robert W. Galvin, Route 2, Box 160-H, Barrington, Ill. 60010.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. Gould, Inc., 8550 Bryn Mawr Avenue, Chicago, Ill. 60631.

D. (6) $197.50.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. International Council of Shopping Centers, 665 Fifth Avenue, New York, N.Y. 10022.

D. (6) $142.50.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.

B. New England Petroleum Corp., 825 Third Avenue, New York, 10022.

A. Richard F. Witherall, Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

D. (6) $780. E. (9) $807.15.

A. F. Lorraine Woehrle, National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.

B. National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.

D. (6) $1,990.38.

A. James E. Wolf, The Trane Co., 2020 14th Street, North Arlington, Va. 22201.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

D. (6) $1,000. E. (9) $102.60.

A. Burton C. Wood, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $7,650. E (9) $16,678.

A. Charles A. Wood, National Fuel Gas Distribution Corp., Room 900, 10 Lafayette Square, Buffalo, N.Y. 14203.

B. National Fuel Gas Distribution Corp.; National Fuel Gas Supply Corp.; National Gas Storage Corp.; Seneca Resources Corp.

D. (6) $571.60. E. (9) $501.50.

A. William E. Woods, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.

B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.

D. (6) $750. E. (9) $150.

A. Melanie Woolston, 1600 South Eads Street, Apt. 1222-S, Arlington, Va. 22202.

B. Self-Determination for D.C., Room 300, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,750. E. (9) $25.

A. George M. Worden, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.

D. (6) $4,601.15. E. (9) $5,262.66.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1140, The Watergate 600, 600 New Hampshire Avenue NW., Washington D.C., 20037.

B. Bristol Bay Native Corp., P.O. Box 220, Anchorage, Alaska 99501.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1140, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90060.

D. (6) $62.50.

A. Donald Yarborough, Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $210.

A. Edward R. Yawn, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $3,625. E. (9) $96.73.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. A. Steven Young, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $200.

A. Stephen Young, National Audubon Society, 1425 17th Street NW., Apt. 504, Washington, D.C. 20036.

B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.

D. (6) $4,250.01. E. (9) $3,043.

A. Harry M. Zachem, Ashland Oil, Inc., 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) $2,000.

A. Michael D. Zagata, National Audubon Society, 11801 Rockville Pike, Apt. 914, Rockville, Md. 20852.

B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.

D. (6) $9,275.01. E. (9) $2,665.75.

A. Barry W. Zander, 6113 Amhurst Street, Metairie, La. 70003.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $5,300.

A. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $422. E. (9) $649.

A. Stanley Zimmerman, Conset Corp., 1820 Jefferson Place NW., Washington, D.C. 20036.

B. Conset Corp., 1820 Jefferson Place, NW., Washington, D.C. 20036.

A. Barry Zorthian, Time Inc., 888 16th Street NW., Washington, D.C.

B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y.

D. (6) $2,950. E. (9) $23.90.

A. Daniel I. Zwick, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

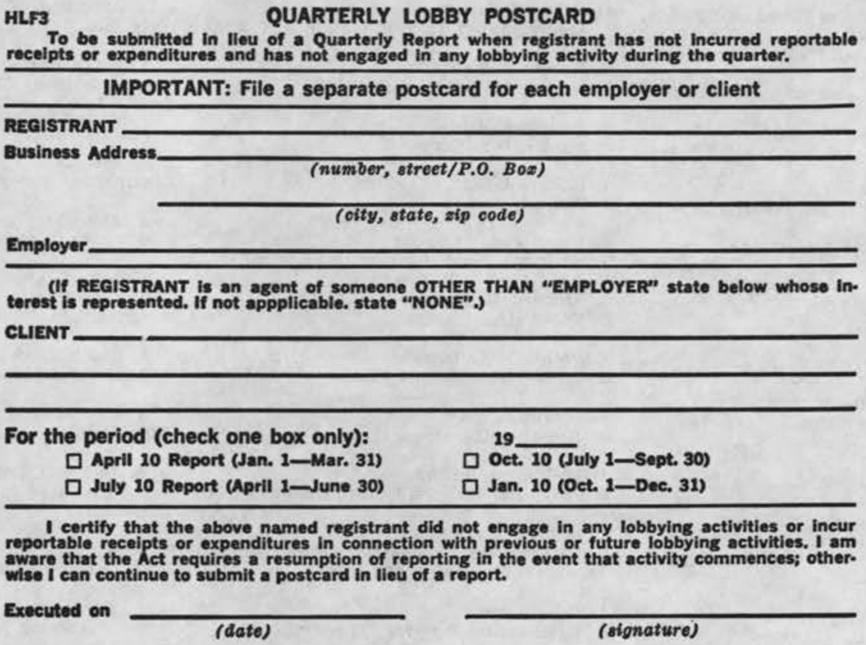
QUARTERLY LOBBY POSTCARD

The following Quarterly Lobby Postcards were filed with the Clerk of the House of Representatives for the second calendar quarter of 1979:

A POSTCARD MAY BE USED WHEN A REGISTRANT HAS NOT INCURRED REPORTABLE RECEIPTS AND EXPENDITURES AND HAS NOT ENGAGED IN ANY LOBBYING ACTIVITY DURING THE QUARTER.

NOTE: THE FOLLOWING INFORMATION IS BEING PROVIDED FOR INFORMATIONAL PURPOSES ONLY.

The Postcard has been reproduced below:



HLF3

QUARTERLY LOBBY POSTCARD

To be submitted in lieu of a Quarterly Report when registrant has not incurred reportable receipts or expenditures and has not engaged in any lobbying activity during the quarter.

IMPORTANT: File a separate postcard for each employer or client

REGISTRANT

Business Address
(number, street/P.O. Box)
(city, state, zip code)

Employer

(If REGISTRANT is an agent of someone OTHER THAN "EMPLOYER" state below whose interest is represented. If not appplicable. state "NONE".)

CLIENT

For the period (check one box only): 19

☐ **April 10 Report (Jan. 1—Mar. 31)** ☐ **Oct. 10 (July 1—Sept. 30)**
☐ **July 10 Report (April 1—June 30)** ☐ **Jan. 10 (Oct. 1—Dec. 31)**

I certify that the above named registrant did not engage in any lobbying activities or incur reportable receipts or expenditures in connection with previous or future lobbying activities. I am aware that the Act requires a resumption of reporting in the event that activity commences; otherwise I can continue to submit a postcard in lieu of a report.

Executed on *(date)* *(signature)*

A. John J. Adams.
B. Ethyl Corp.

A. John J. Adams.
B. VEPCO.

A. Alan P. Agle.
B. Buckingham Township Supervisors.

A. Akin, Gump, Hauer, & Feld.
B. Beacon Oil Co.

A. Akin, Gump, Hauer, & Feld.
B. Goldston Oil Corp.

A. Akin, Gump, Hauer, & Feld.
B. Northwest Alaskan Pipeline Co.

A. Akin, Gump, Hauer & Feld.
B. Northwest Pipeline Co.

A. Akin, Gump, Hauer & Feld.
B. Sun Pipe Line Co.

A. Akin, Gump, Hauer & Feld.
B. United Refining Co.

A. Robert D. Allen.
B. Bechtel Power Corp.

A. Joseph C. Allwarden.
B. Kollsman Instrument Co.

A. Amalgamated Transit Union, National Capital Local 689.

A. American Advertising Federation.

A. American Association of Blood Banks.

A. American Frozen Food Institute.

A. American Hellenic Institute, Public Affairs Committee.

A. American Institute of Merchant Shipping.

A. American Radio Relay League, Inc.

A. American Seed Trade Association.

A. Jack R. Angell.
B. United Gas Pipe Line Co.

A. Tobias Anthony.
B. Research-Cottrell, Inc.

A. John D. Aquilino, Jr.
B. National Rifle Association.

A. Meyer L. Aron.

A. Associated Employers, Inc.

A. Association of Government Accountants.

A. Allan E. Auger.
B. The Great Western Sugar Co.

A. John Austin.
B. American Mining Congress.

A. Baker and Daniels.
B. Coalition for Safe Drinking Water.

A. Baker & McKenzie.
B. Cambridge Research and Development Group.

A. Richard L. Baldwin.
B. American Radio Relay League, Inc.

A. John H. Barnard, Jr.
E. Bechtel Power Corp.

A. Richard L. Barr.
B. Iowa Railway Association.

A. Stephen M. Belikoff.
B. Provident Indemnity Life Insurance Co.

A. Howard H. Bell.
B. American Advertising Federation, Inc.

A. Douglas P. Bennett.
B. Association of Executive Recruiting Consultants.

A. O. M. Berge.
B. Brotherhood of Maintenance of Way Employes.

A. Richard B. Berman.
B. Steak and Ale Restaurants of America, Inc.

A. Arthur S. Berner.
B. Inexco Oil Co.

A. Berry, Epstein, Sandstrom & Blatchford.
B. Orkin Exterminating.

A. Beveridge, Fairbanks & Diamond.
B. Florida Power & Light Co.

A. Beveridge, Fairbanks & Diamond.
B. International Paper, Inc.

A. Beveridge, Fairbanks & Diamond.
B. New England Fish Co.

A. Frank Bianco
B. 10th Pro Life Congressional District Action Committee.

A. Walter J. Bierwagen.
B. Amalgamated Transit Union, AFL–CIO.

A. Robert J. Bird.
B. Occidental Life Insurance Co.

A. Robert J. Bird.
B. Paul Revere Corp.

A. Robert J. Bird.
B. Zachry, Inc.

A. Bison and Wenning.
B. National Food Brokers Association.

A. Richard H. Blades.
B. Bell Petroleum Co.

A. Richard W. Bliss.
B. Edison Electric Institute.

A. Jerald Blizin.
B. Hill and Knowlton.

A. M. Warren Bolton.
B. Provident Indemnity Life Insurance Co.

A. Rodney A. Bower.
B. International Federation of Professional & Technical Engineers, AFL–CIO.

A. T. L. Bowes.
B. Intellectual Property Owners, Inc.

A. Boyden, Kennedy, Romney & Howard.
B. Zuni Indian Tribe.

A. Miles H. Bresee, Jr.
B. Bechtel Power Corp.

A. Jeffrey M. Bricker.
B. Fallek Chemical Corp.

A. Michael F. Brown.
B. American Frozen Food Institute.

A. Brownstein, Zeidman and Schomer.
B. Holiday Inns, Inc.

A. Brownstein, Zeidman and Schomer.
B. International Foodservice Manufacturers Association.

A. Brownstein, Zeidman and Schomer.
B. International Franchise Association.

A. Harvey F. Brush.
B. Bechtel, Inc.

A. Timothy F. Burns.
B. Society of American Florists.

A. Edward G. Burton.
B. Eklutna.

A. Michael F. Butler.
B. Grocery Manufacturers of America, Inc.

A. H. E. Butt.

A. Cadwalader, Wickersham & Taft.
B. Associated Metals & Minerals Corp.

A. Jerry L. Campbell.
B. Tennessee Valley Public Power Association.

A. Charles E. Capron.

A. I. R. Caraco.
B. Bechtel Power Corp.

A. Michael H. Cardozo.

A. Charles C. Carella.
B. Wagner Electric Corp.

A. John L. Carr.
B. Full Employment Action Council.

A. W. G. Carter.
B. American Chamber of Commerce in Italy, Inc.

A. W. G. Carter.
B. American Chamber of Commerce in Spain, Inc.

A. W. G. Carter.
B. Association of American Chamber of Commerce—Europe and Mediterranean, Inc.

A. Jim Casey.
B. City of Virginia Beach.

A. John L. Casey.
B. Investment Counsel Association of America, Inc.

A. Casey, Lane & Mittendorf.
B. Kansas Delaware Tribe of Indians, Inc.

A. Casey, Lane & Mittendorf.
B. Wabanex Energy Corp., Ltd.

A. Daniel J. Cassidy.
B. Chemical Specialties Manufacturers Association.

A. Rita L. Castle.
B. Caterpillar Tractor Co.

A. Robert B. Catell.
B. The Brooklyn Union Gas Co.

A. Frank R. Cawley.
B. Agricultural Publishers Association, Inc.

A. Chain Saw Manufacturers Association.

A. John E. Chapoton.
B. Vinson & Elkins (for Belco Petroleum Corp.).

A. John E. Chapoton.
B. Vinson & Elkins (for Lone Star Steel Co.).

A. Chemical Specialties Manufacturers Association.

A. Chemtex Fibers, Inc.

A. Howard P. Chester.
B. Stone, Glass & Clay Coordinating Committee.

A. Vanessa Lea Chiapetta.
B. Doctors for Equal Rights Amendment.

A. Donald T. Chunn.
B. Title Associates, Inc.

A. Bob Clark & Associates.
B. Ryder System, Inc.

A. Gilbert M. Clark.
B. American Association of Blood Banks.

A. Clark Oil & Refining Corp.

A. A. Stephens Clay.
B. Furniture Rental Association of America.

A. Clay, Pipe Industry Depletion Committee.

A. Robert T. Cole.
B. American Express Co.

A. Coles & Goertner.
B. Crown Central Petroleum Corp.

A. Collier, Shannon, Rill, Edwards & Scott.
B. Allegheny Ludlum Industries, Inc.

A. Collier, Shannon, Rill, Edwards & Scott.
B. American Cylinder Manufacturers Committee.

A. Collier, Shannon, Rill, Edwards & Scott.
B. American Footwear Industries Association, Inc.

A. Collier, Shannon, Rill, Edwards & Scott.
B. Bicycle Manufacturers Association of America, Inc.

A. Collier, Shannon, Rill, Edwards & Scott.
B. Can Manufacturers Institutes.

A. Collier, Shannon, Rill, Edwards & Scott.
B. National Broiler Council.

A. Charles P. Collins III.
B. ICX Aviation, Inc.

A. Richard Colvin.
B. Indiana State Prisoners, et al.

A. Congressional District Action Committee.

A. Connecticut Bankers Association.

A. Cook & Franke.
B. M&I Marshall & Ilsley Bank.

A. Cook & Henderson.
B. Brown & Williamson Industries, Inc.

A. Cook & Henderson.
B. Ashland Oil.

A. Cook & Henderson.
B. Ohio Valley Improvement Association, Inc.

A. Cook & Henderson.
B. Texaco.

A. Robert M. Cook.
B. Livestock Marketing Association.

A. Patrick H. Corcoran.
B. Association of Oil Pipe Lines.

A. Samuel C. Corey.
B. Provident Indemnity Life Insurance Co.

A. Samuel C. Corey, Jr.
B. Provident Indemnity Life Insurance Co.

A. Bennet J. Corn.
B. New York Coffee and Sugar Exchange, Inc.

A. Covington & Burling.
B. Lydall, Inc.

A. Bobby E. Crow.
B. Columbia Gulf Transmission Co.

A. Everett E. Cutter.
B. Oregon Railroad Association.

A. Damon Corp.

A. John E. Daniel.
B. American Paper Institute, Inc.

A. David S. Danielson.
B. American Optometric Association.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Government of Antigua.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Japan Atomic Industrial Forum.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. National Standards Association, Inc.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. PEPCO.

A. Stephen I. Danzansky.
B. Government of Antigua.

A. Stephen I. Danzansky.
B. PEPCO.

A. Joseph Dauksys.
B. Rubber Manufacturers Association.

A. Clarence F. Davan, Jr.
B. The Great Western Sugar Co.

A. George R. Davis.
B. Amalgamated Transit Union, National Capital Local 689.

A. Thomas A. Davis.
B. Florida Power & Light Co.

A. Thomas A. Davis.
B. National Corporation for Housing Partnerships.

A. Thomas A. Davis.
B. National Life & Accident Insurance Co.

A. Thomas A. Davis.
B. United Egg Producers.

A. Charles W. Day.
B. Ford Motor Co.

A. J. Edward Day.
B. Associated Third Class Mail Users.

A. J. Edward Day.
B. Electronic Industries Association.

A. Gaston de Bearn.
B. Hoffman-La Roche, Inc.

A. DeHart Associates, Inc.
B. University of New Mexico.

A. DeKalb AgResearch.

A. Donald E. deKieffer.
B. DeKieffer & Associates (for South Africa Information Service).

A. John L. Delano.
B. Montana Railroad Association.

A. Bradford T. Dempsey.

A. James T. Devine.
B. Bowling Proprietor's Association of America.

A. James T. Devine.
B. Rosenthal and Co.

A. Dickstein, Shapiro and Morin.
B. Agtek International, Inc.

A. Dickstein, Shapiro and Morin.
B. Holstein-Fresion Association of America.

A. Dickstein, Shapiro and Morin.
B. International Brotherhood of Teamsters.

A. Dickstein, Shapiro and Morin.
B. Marine Engineers Beneficial Association.

A. Dickstein, Shapiro and Morin.
B. Mitsubishi International Corp.

A. Dickstein, Shapiro and Morin.
B. Tennessee Gas Transmission.

A. Dickstein, Shapiro and Morin.
B. United States Tour Operators Association.

A. Joseph E. Dillon.
B. Automotive Parts and Accessories Association, Inc.

A. Joseph E. Dillon.
B. Investors Diversified Services, Inc.

A. Doctors for Equal Rights Amendment.

A. Robert C. Dolan.
B. Edison Electric Institute.

A. William D. D'Onofrio.
B. National Association for Neighborhood Schools, Inc.

A. William D. D'Onofrio.
B. Positive Action Committee, Inc.

A. Doub, Purcell, Muntzing & Hansen.
B. L. T. Barringer & Co.

A. Doub, Purcell, Muntzing & Hansen.
B. Board of Trade of Kansas City, Mo., Inc.

A. Doub, Purcell, Muntzing & Hansen.
B. Campbell Taggart, Inc.

A. Doub, Purcell, Muntzing & Hansen.
B. Clayton Brokerage Co. of St. Louis, Inc.

A. Doub, Purcell, Muntzing & Hansen.
B. Pesticide Producers Association.

A. Doub, Purcell, Muntzing & Hansen.
B. Pioneer Corp.

A. Doub, Purcell, Muntzing & Hansen.
B. Planters Peanuts.

A. Harry L. Downey, Jr.
B. Firestone Government Affairs.

A. Jerome L. Dreyer.
B. Association of Data Processing Service Organizations.

A. Deborah Drudge.
B. Healthy America.

A. William DuChessi.
B. Amalgamated Clothing & Textile Workers Union.

A. Thomas J. Duffy.
B. Soap and Detergent Association.

A. Duncan, Brown, Weinberg & Palmer.
B. East Bay Regional Park District.

A. Duncan, Brown, Weinberg & Palmer.
B. Iva May Harvey.

A. Duncan, Brown, Weinberg & Palmer.
B. Huron-Clinton Metropolitan Authority.

A. Duncan, Brown, Weinberg & Palmer.
B. Paul Kellerblock.

A. Duncan, Brown, Weinberg & Palmer.
B. Kenai Natives Association, Inc.

A. Duncan, Brown, Weinberg & Palmer.
B. Mid-West Electric Consumers Association.

A. Duncan, Brown, Weinberg & Palmer.
B. Shee Atika, Inc.

A. Duncan, Brown, Weinberg & Palmer.
B. Western Fuels Association, Inc.

A. Duncan, Brown, Weinberg & Palmer.
B. Western Railroad Association.

A. Mari Lee Dunn.
B. American Council for Capital Formation.

A. John H. Dunne.
B. International Federation of Professional & Technical Engineers, AFL-CIO.

A. Joseph L. Duran.
B. First National Bank of Boston.

A. Henry I. Dworshak.
B. American Mining Congress.

A. Jack D. Early.
B. National Agricultural Chemicals Association.

A. Eaton Associates.

A. Robert E. L. Eaton.
B. Eaton Associates.

A. Daniel J. Edelman, Inc.
B. Alaska Airlines.

A. Daniel J. Edelman, Inc.
B. American Seat Belt Council.

A. Edelman International Corp.
B. Airbus Industrie.

A. Edelman International Corp.
B. Republic of Haiti/Embassy of Haiti.

A. V. Anne Edlund.
B. Motor Vehicle Manufacturers Association.

A. Jonathan W. Edwards.
B. Blue Ribbon Sports, Inc.

A. Jonathan W. Edwards.
B. Confederated Tribes of Warm Springs.

A. Jonathan W. Edwards.
B. The Navajo Nation.

A. Jonathan W. Edwards.
B. Portland General Electric Co.

A. H. Brent Egbert.
B. BankAmerica Corp.

A. J. C. B. Ehringhaus, Jr.
B. The Tobacco Institute.

A. Steve W. Elliott.
B. Fidelity Union Trust Co.

A. Energy Action Educational Foundation.

A. Ralph Engel.
B. Chemical Specialties Manufacturers Association.

A. Steven L. Engelberg.
B. American Association for Marriage and Family Therapy.

A. David C. Evans.
B. Brick Institute of America.

A. Joseph O. Evans.

A. Arthur Fefferman.
B. American Council of Life Insurance, Inc.

A. Lloyd A. Nelson.
B. Fellowship Square Foundation, Inc.

A. C. Welles Fendrich.
B. Research-Cottrell, Inc.

A. John L. Festa.
B. American Paper Institute, Inc.

A. First National Boston Corp.

A. Mary Clare Fitzgerald.
B. BankAmerica Corp.

A. C. D. Fleet, Jr.
B. Hunt International Resources.

A. C. D. Fleet, Jr.
B. N. B. Hunt.

A. Aaron I. Fleischman.
B. Cablecom-General, Inc.

A. Aaron I. Fleischman.
B. Warner Cable Corp.

A. James F. Flug.
B. Energy Action Educational Foundation.

A. Raymond J. Foley.
B. National Candy Wholesalers Association, Inc.

A. Food Policy Center.

A. Foodservice and Lodging Institute.

A. James W. Foristel.
B. American Association of Opthalmology.

A. C. Allen Foster.
B. Safari Club International.

A. Ebert E. Fournace.

A. Joseph L. Fraites.
B. New York Coffee and Sugar Exchange, Inc.

A. Harry L. Freeman.
B. American Express Co.

A. Pamela B. Freer.
B. International Ladies' Garment Workers' Union.

A. Robert E. Freer, Jr.
B. Kimberly-Clark Corp.

A. David T. French.
B. American Bakers Association.

A. Annette Fribourg.
B. National Association of Manufacturers.

A. Edward W. Furia.
B. New England Fish Co.

A. Terry Gabrielson.
B. Transcontinental Gas Pipeline Corp.

A. Gailor, Elias & Matz.
B. Maryland Savings Share Insurance Co.

A. Gailor, Elias & Matz.
B. National Association of State Savings & Loan Supervisors.

A. Gailor, Elias & Matz.
B. North Carolina Guaranty Savings Corp.

A. Gardner, Carton and Douglas.
B. Elmer W. Kneip.

A. Gardner, Carton and Douglas.
B. Sealed Power Corp.

A. James J. Garry.
B. New York Coffee and Sugar Exchange, Inc.

A. James A. Gavin.
B. Tenneco, Inc.

A. Morton A. Geller.
B. First National Bank of Boston.

A. Jose A. Gemeil.
B. Brazilian Coffee Institute.

A. Donald H. Gerrish.
B. American Bakers Association.

A. William T. Gibb III.
B. American Council of Life Insurance, Inc.

A. William G. Giery.
B. Foodservice and Lodging Institute.

A. Arthur P. Gildea.
B. National Conference of Brewery Workers—International Brotherhood of Teamsters.

A. Neal P. Gillen.
B. American Cotton Shippers Association.

A. Jonah Gitlitz.
B. American Advertising Federation, Inc.

A. John P. Gleason, Jr.
B. Brick Institute of America

A. Glenmede Trust Co.

A. Thomas G. Godfrey.
B. Kikkoman Foods, Inc.

A. Vance V. Goodfellow.
B. Crop Quality Council.

A. Bruce G. Goodman.
B. Damon Corp.

A. Carl F. Graham.
B. Amway Corp.

A. Donald E. Graham.
B. National Council of Farmer Cooperatives.

A. Samuel A. Grayson.
B. Union Pacific Railroad.

A. Edward M. Green.
B. American Mining Congress.

A. Michael B. Green.
B. Montgomery Ward & Co., Inc.

A. Dale W. Greenwood.
B. Washington Railroad Association.

A. David R. Griffin.
B. Tenneco, Inc.

A. Roger F. Griffin.
B. Bechtel Corp.

A. A. Jack Grimes.
B. National Pest Control Association.

A. Robert J. Grimm.
B. Avon Products, Inc.

A. Chester A. Groseclose, Jr.
B. South Dakota Railroads Association.

A. James C. Hackett.
B. American Plywood Association.

A. Martin, Ryan, Haley & Associates.
B. Agri-Business Inc.

A. Martin, Ryan, Haley & Associates.
B. Federal Express Corp.

A. Martin, Ryan, Haley & Associates.
B. Helicopter Association of America.

A. Martin, Ryan, Haley & Associates.
B. M&M/Mars Division of Mars, Inc.

A. Floyd D. Hall.
B. International Air Transport Association.

A. J. Lincoln Hallowell.
B. New England Petroleum Corp.

A. Erling Hansen.
B. Group Health Association of America, Inc.

A. Michael T. Harrigan.
B. U.S. Olympic Committee.

A. William C. Hart.
B. Columbia Gas System Service Corp.

A. David A. Hartquist.
B. United States Fastener Manufacturing Group.

A. Robert Heggestad.
B. Manufactured Housing Institute.

A. Spencer H. Heine.
B. Montgomery Ward & Co., Inc.

A. Heinold Commodities, Inc.

A. C. Dayle Henington.
B. Chicago Mercantile Exchange.

A. Donald A. Henriksen.
B. Atlantic Richfield Co.

A. Kevin M. Higgins.
B. Avon Products, Inc.

A. Robert L. Holding.
B. Association of Home Appliance Manufacturers.

A. Kelly Holley.
B. American Paper Institute, Inc.

A. Henry W. Holling.
B. Caterpillar Tractor Co.

A. John W. Holton.
B. American Bankers Association.

A. Linwood Holton.
B. American Council of Life Insurance, Inc.

A. Gary Hong.
B. Group Health Association of America, Inc.

A. Douglas C. Horstman.
B. The Maytag Co.

A. Douglas C. Horstman.
B. Northern Textile Association.

A. Tomas B. House.
B. American Frozen Food Institute.

A. Mary G. Houston.
B. Wilson E. Hamilton & Associates, Inc. (for Farm Labor Research Committee).

A. C. T. Hoversten.
B. National Advertising Co.

A. Gary E. Hughes.
B. American Council of Life Insurance, Inc.

A. Acacia G. Hunt.
B. American Bakers Association.

A. Lawrence H. Hunt, Jr.
B. Heinold Commodities, Inc.

A. Peter C. Hunt.
B. The Brooklyn Union Gas Co.

A. Robert C. Hunt.
B. Brick Institute of America.

A. John Edward Hurley.
B. National Association for Free Enterprise.

A. Robert R. Hurt.
B. Merck & Co., Inc.

A. ICX Aviation, Inc.

A. Independent U.S. Tanker Owners' Committee.

A. Inter-American Services, Inc.

A. E. A. Jaenke.
B. E. A. Jaenke & Associates.

A. E. A. Jaenke & Associates, Inc.
B. Midcontinent Farmers Association.

A. James C. Jennings.
B. Hill & Knowlton, Inc.

A. H. Bradley Johnson.
B. American Mining Congress.

A. Spencer A. Johnson.
B. Paperboard Packaging Council.

A. Stuart H. Johnson, Jr.
B. New York Dock Railway.

A. Stuart H. Johnson, Jr.
B. United States Lines.

A. Jones, Day, Reavis & Pogue.
B. Associated Gas Distributors.

A. James V. Jordan III.
B. Southern Natural Gas Co.

A. Ardon B. Judd, Jr.
B. Dresser Industries, Inc.

A. James N. Juliana.
B. Braniff International.

A. Julius Kaplan.
B. Kirkwood, Kaplan, Russin & Vecchi (for Government of Colombia).

A. Candace Sue Kasper.
B. Doctors for Equal Rights Amendment.

A. Linda Eileen Katz.
B. Chicago Rock Island & Pacific Railroad Co.

A. Everette E. Kavanaugh.
B. Cosmetic, Toiletry & Fragrance Association, Inc.

A. William J. Keating.
B. National Grain & Feed Association.

A. Robert C. Keeney.
B. United Fresh Fruit & Vegetable Association.

A. Jefferson D. Keith.
B. National Pest Control Association.

A. Donald W. Keller.
B. Quintana Petroleum Corp.

A. Stephen S. Kellner.
B. Chemical Specialties Manufacturers Association.

A. Robert F. Kelley.
B. E. I. du Pont de Nemours & Co., Inc.

A. William J. Kenney.
B. American Gas Association.

A. William J. Kenney.
B. Bay State Gas Co.—Fitchburg Gas & Electric.

A. Robert M. Ketchel.
B. General Electric Co.

A. Richard F. Kibben.
B. The Business Roundtable.

A. Daniel L. Kiley.
B Norfolk & Western Railway Co.

A. Edward H. King.
B. Wolgreen Co.

A. Francis L. Kinney.
B. Northeast Utilities Service Co.

A. Arthur E. Klauser.
B. Dow Corning Corp.

A. Richard P. Kleeman.
B. Association of American Publishers, Inc.

A. Roger Klein.
B. Public Securities Association.

A. John C. Knott.
B. Burlington Northern, Inc.

A. Charles B. Kornmann.
B. South Dakota Railroads Association.

A. Stephen W. Kraus.
B. American Council of Life Insurance, Inc.

A. L. Wayne Krug.
B. Union Oil Co. of California.

A. James G. Krzyminski.
B. National Council of Farmer Cooperatives.

A. Anthony L. Kucera.
B. American Waterways Operators, Inc.

A. Philip Kugler.
B. American Federation of Teachers.

A. Kurrus, Dyer, Jacobi & Mooers.
B. Coalition for New York.

A. Kurrus, Dyer, Jacobi & Mooers.
B. Facts & Comparisons, Inc.

A. Labor Bureau of Middle West.

A. Thomas M. Landin.
B. SmithKline Corp.

A. Laurence C. Laser.
B. Cities Service Co.

A. Glenn T. Lashley.
B. American Automobile Association.

A. Richard A. Leahy.
B. Investment Counsel Association of America, Inc.

A. Robert B. Leflar.
B. Health Research Group.

A. Robert Leibner.
B. American Frozen Food Institute.

A. Leighton, Conklin & Lemov.
B. Adhesive and Sealant Council, Inc.

A. Leighton, Conklin & Lemov.
B. Agri International, Inc.

A. Leighton, Conklin & Lemov.
B. American Association of Nurse Anesthetists.

A. Leighton, Conklin & Lemov.
B. American Dental Assistants Association.

A. Leighton, Conklin & Lemov.
B. American Telecom of Maryland, Inc.

A. Leighton, Conklin & Lemov.
B. City and Regional Magazine Association, Inc.

A. Leighton, Conklin & Lemov.
B. The Clorox Co.

A. Leighton, Conklin & Lemov.
B. Delex International, Inc.

A. Leighton, Conklin & Lemov.
B. Development Healthcare & Wellness, Inc.

A. Leighton, Conklin & Lemov.
B. Family Practice Life & Health Action Research Institute.

A. Leighton, Conklin & Lemov.
B. GEM Mailing, Inc.

A. Leighton, Conklin & Lemov.
B. General Atomic Co.

A. Leighton, Conklin & Lemov.
B. Grocery Manufacturers of America, Inc.

A. Leighton, Conklin & Lemov.
B. Intraocular Lens Manufacturers Association.

A. Leighton, Conklin & Lemov.
B. Jet America International, Inc.

A. Leighton, Conklin & Lemov.
B. National Cable Television Association, Inc.

A. Leighton, Conklin & Lemov.
B. National Glass Dealers Association.

A. Leighton, Conklin & Lemov.
B. Radioactive Waste Management Group.

A. Leighton, Conklin & Lemov.
B. The ROVAC Corp.

A. Leighton, Conklin & Lemov.
B. Security Associates, Inc.

A. Leighton, Conklin & Lemov.
B. Universal Medical Laboratories, Inc.

A. Leighton, Conklin & Lemov.
B. Whey Products Institute.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. General Electric Co.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Glass Packaging Institute.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. National Franchise Association Coalition.

A. Wayne E. Lewis.

A. John F. Lillard III.
B. American Solar Energy Association, Inc.

A. William Lilley III.
B. American Express Co.

A. Charles W. Linderman.
B. Slurry Transport Association.

A. Livestock Marketing Association.

A. H. Richard Lloyd, Jr.
B. General Electric Co.

A. Harold D. Loden.
B. American Seed Trade Association.

A. Nils A. Lofgren.
B. Motor Vehicle Manufacturers Association of the United States, Inc.

A. Robert W. Long.
B. American Mining Congress.

A. James E. Lyons.
B. International Federation of Professional & Technical Engineers.

A. A. Everette MacIntyre.
B. Grocery Manufacturers of America, Inc.

A. Lynn L. Mack.
B. Harshe-Rotman & Druck.

A. Curtis T. Mackey.
B. National Insulation Contractors Association.

A. Robert L. Madeira.
B. American Association of Meat Processors.

A. Lee G. Magnussen.
B. Heinold Commodities, Inc.

A. Jeffrey A. Manley.
B. Trans International Airlines, Inc.

A. D. V. Maroney, Jr.
B. Amalgamated Transit Union, AFL–CIO.

A. Ernest C. Marty.

A. Judith L. Marty.

A. Mike M. Masaoka.
B. American Japanese Trade Committee.

A. Mike M. Masaoka.
B. Nisei Lobby.

A. Paul J. Mason.
B. American Council of Life Insurance, Inc.

A. Jon G. Massey.
B. Oil Investment Institute.

A. Richard D. Mathias.
B. Pacific Southwest Airlines.

A. C. V. & R. V. Maudlin.
B. Georgia Power Co.

A. C. V. & R. V. Maudlin.
B. Joint Government Liaison Committee.

A. William J. McAuliffe, Jr.
B. American Land Title Association.

A. John A. McCahill.
B. U.S. Olympic Committee.

A. Robert S. McConnaughey.
B. American Council of Life Insurance, Inc.

A. Robert E. McCoy.
B. Exxon Corp.

A. Thomas H. McGannon.
B. Chemtex, Inc.

A. James M. McGarry, Jr.
B. Eaton Associates.

A. Ruth G. McGill.
B. Doctors for Equal Rights Amendment.

A. Jack E. McGregor.
B. New England Petroleum Corp.

A. William F. McKenna.
B. Silver, Freedman, Housley & Taff.

A. Michael R. McLeod.
B. Florida Sugar Cane League.

A. Michael R. McLeod.
B. National Cattlemen's Association.

A. L. Bradley McNally.
B. Blue Cross and Blue Shield Associations.

A. Brian J. McNeeley.
B. National Association of Chain Drug Stores.

A. Robert E. McVicker.
B. Kollsman Instrument Co.

A. Gil Meisgeier.
B. National Franchise Association Coalition.

A. R. Otto Meletzke.
B. American Council of Life Insurance, Inc.

A. Metzger, Shadyac & Schwarz.
B. Melex USA, Inc.

A. M&I Marshall & Ilsley Bank.

A. Milton E. Meyer, Jr.
B. Colorado Bar Association.

A. Joy Midman.
B. National Association of Private Psychiatric Hospitals.

A. Miller & Chevalier.
B. H. E. Butt.

A. Luman G. Miller.
B. Oregon Railroad Association.

A. R. Eric Miller.
B. Bechtel Corp.

A. William Miller.
B. ASME.

A. Linda Mills.
B. General Mills, Inc.

A. Richard V. Minck.
B. American Council of Life Insurance, Inc.

A. Stacey J. Mobley.
B. E. I. du Pont de Nemours & Co.

A. Michael S. Moe.
B. Tenneco, Inc.

A. John V. Moller, Jr.
B. Motor Vehicle Manufacturers Association of the United States, Inc.

A. Herman J. Molzahn.
B. American Waterways Operators.

A. John S. Monagan.
B. Connecticut Bankers Association.

A. E. Joyce Morgan.
B. American Mining Congress.

A. Earl J. Morgan.
B. McDonnell Douglas Corp.

A. Victor G. Morris.
B. Montgomery Ward & Co., Inc.

A. George E. Morrow.
B. Briarcrest Baptist School System, Inc.

A. Walter L. Mote.

A. Anne Murphy.
B. Public Broadcasting Service.

A. James J. Murphy.
B. Laclede Gas Co.

A. Margaret R. Murray.
B. DeKalb AgResearch.

A. Margaret R. Murray.
B. Heinold Commodities, Inc.

A. Paul J. Myer.
B. American Broadcasting Co.

A. Law Offices of Timothy D. Naegele.
B. BayBanks, Inc.

A. Law Offices of Timothy D. Naegele.
B. PruLease, Inc.

A. National Agricultural Chemicals Association.

A. National Air Carrier Association.

A. National Association for Free Enterprise.

A. National Association for Neighborhood Schools, Inc.

A. National Broiler Council.

A. National Grain & Feed Association.

A. National Small Business Index.

A. Lloyd A. Nelson.
B. Fellowship Square Foundation, Inc.

A. Mark D. Nelson.
B. E. I. du Pont de Nemours & Co.

A. Milton E Neshek
B. Kikkoman Foods, Inc.

A. New England Petroleum Corp.

A. Northwest Energy Options.

A. Victor L. Nutt.
B. Gulf + Western Industries, Inc.

A. John F. O'Brien.
B. American Petroleum Institute.

A. Mary Eileen O'Brien.
B. Dow Corning Corp.

A. Leonard F. O'Connor.
B. First National Bank of Boston.

A. Ashton J. O'Donnell.
B. Bechtel Inc.

A. Oil Investment Institute.

A. Robert Todd Oldham.
B. Oldham Landscape Contractor.

A. Alvin E. Oliver.
B. National Grain & Feed Association.

A. Paperboard Packaging Council.

A. Larry E. Paulick.
B. National Swimming Pool Institute.

A. Richard A. Paysor.
B. Chromalloy American Corp.

A. Beth Peacock.
B. General Foods.

A. Pepper, Hamilton & Scheetz.
B. Glenmede Trust Co.

A. Victor J. Perini, Jr.
B. Highway Users Federation for Safety & Mobility.

A. Barbara F. Phillips.
B. Energy Transportation Systems, Inc.

A. Ilbert Phillips.
B. American Council of Life Insurance, Inc.

A. Scott H. Phillips.
B. Howell Corp.

A. Stuart F. Pierson.
B. Pan Am, LTV, Consolidated Freightways, Overnight, Trailways, Airline of Portugal, Finnair, Commonwealth of Puerto Rico, Puyallup Indians, N.W. Indian Fisheries Comm.

A. Robert G. Pinco.
B. Foremost-McKesson, Inc.

A. Pineapple Growers Association of Hawaii.

A. Ronald L. Platt.
B. Burger King Corp.

A. James L. Pledger.
B. National Savings & Loan League.

A. S. J. Poray-Tucholski.
B. Bermejo River Project Development Association.

A. Positive Action Committee, Inc.

A. E. A. Potter.
B. NCR.

A. Potter International, Inc.
B. Rohr Industries, Inc.

A. James B. Potter, Jr.
B. American Waterways Operators, Inc.

A. Richard M. Powell.
B. International Association of Refrigerated Warehouses.

A. James T. Prendergast.
B. Staff Builders, Inc.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Bonneville Power Administration Industrial Customers.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Fisheries Development Corp.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Kyukuyo Co., Ltd.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B OPASTCO.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Port of Seattle.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Seatrain Lines, Inc.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. State of Alaska.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. State of Washington.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. 13th Regional Corp.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Washington Natural Gas.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher.
B. Wometco Enterprises, Inc.

A. Pro-Life Congressional District Action Committee IN-2.

A. Provident Indemnity Life Insurance Co.

A. Public Securities Association.

A. Earle W. Putnam.
B. Amalgamated Transit Union, AFL-CIO.

A. William A. Quinlan.
B. Retail Bakers of America.

A. Rare Animal Relief Effort, Inc.

A. G. J. Rauschenbach.
B. Comsat Corp.

A. Julian O. Read.
B. Central and South West Corp.

A. Paul Reiber.
B. International Air Leases, Inc.

A. Charlotte T. Reid.
B. Motorola.

A. Harry O. Reinsch.
B. Bechtel Power Corp.

A. Murray P. Reiser.
B. Edward Blankstein, Inc.

A. W. W. Renfroe.
B. Kentucky Railroad Association.

A. Reproductive Freedom League.

A. William L. Reynolds.
B. National Savings and Loan League.

A. Austin T. Rhoads.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation.

A. C. Brewster Rhoads, Jr.
B. Bell Telephone Co. of Pennsylvania.

A. M. Lee Rice.
B. Ogden Corp.

A. Leister L. Richards.
B. Alaska Movers Association, Inc.

A. Lloyd C. Richardson, Jr.
B. South Dakota Railroads Association.

A. Cary Ridder.
B. Environmental Policy Center.

A. Stark Ritchie.
B. American Petroleum Institute.

A. Jerome Robinson.
B. Florida Restaurant Association.

A. Rogers & Wells.
B. F & M Schaefer Corp.

A. Rogers & Wells.
B. A. Johnson & Co., Inc.

A. Rogers & Wells.
B. Overseas Shipholding Group, Inc.

A. Rogers & Wells.
B. S. Shamash & Sons, Inc.

A. Rogers & Wells.
B. Squibb Corp.

A. Rogers & Wells.
B. Tax Equity for Americans Abroad.

A. Rogers & Wells.
B. Teachers Insurance & Annuity Association/CREF.

A. Rogers & Wells.
B. Twentieth Century Fox Film Corp.

A. Martin H. Rogol.
B. Food Policy Center.

A. Harry N. Rosenfield.
B. American Chiropractic Association.

A. Edwin Rothschild.
B. Energy Action Educational Foundation.

A. John W. Rowland.
B. Amalgamated Transit Union, AFL-CIO.

A. Perry A. Russ.
B. Society of American Florists.

A. John F. Ryan.
B. International Telephone & Telegraph Corp.

A. Carl K. Sadler.
B. American Federation of Government Employees.

A. Deborah M. Schechter.
B. Health Research Group.

A. Mahlon C. Schneider.
B. Green Giant Co.

A. John M. Schobel, Jr.
B. New York Coffee and Sugar Exchange, Inc.

A. Lauren Kim Schryver.
B. American Paper Institute, Inc.

A. Second Congressional District Action Committee.

A. Ronald C. Seeley.
B. Claimants to the Bert N. Adams Claim.

A. Seyfarth, Shaw, Fairweather & Geraldson.
B. Dresser Industries, Inc.

A. Seyfarth, Shaw, Fairweather & Geraldson.
B. Trans-Union Corp.

A. Mark Sharfman.

A. Thomas F. Shannon.
B. Tool and Stainless Steel Industry Committee.

A. Luther W. Shaw.
B. Paluszek & Leslie Associates.

A. Shaw, Pittman, Potts & Trowbridge.
B. Institute of Foreign Bankers.

A. Shea, Gould, Climenko & Casey.
B. Committee for a Uniform Investment Tax Credit.

A. Shea, Gould, Climenko & Casey.
B. New Zealand Wool Board.

A. Shea, Gould, Climenko & Casey.
B. Occidental Petroleum Corp.

A. Shea, Gould, Climenko & Casey.
B. Union Pacific Corp.

A. Shearman & Sterling.
B. BancNorthwest, et al.

A. Seymour Sheriff.
B. Man-Made Fiber Producers Association, Inc.

A. Russell L. Shipley, Jr.
B. National Candy Wholesalers Association, Inc.

A. James K. Shiver.
B. Diamond Shamrock.

A. Karen Sikkema.
B. Union Oil Co. of California.

A. Robert C. Singer.
B. Soap and Detergent Association.

A. Sixth Pro-Life District Action Committee.

A. Mary Frances Shlagel.
B. Union Oil Co. of California.

A. Robert Wm. Smith.
B. Railway Progress Institute.

A. William H. Smith.
B. American Bankers Association.

A. Snyder & Ball Associates, Inc.
B. Gould, Inc.

A. Carl A. Soderblom.
B. Nevada Railroad Association.

A. Sonosky, Chambers & Sachse.
B. Seminole Indian Tribe of Florida.

A. Sonosky, Chambers & Sachse.
B. Sioux Nation.

A. South Dakota Railroads Association.

A. Philip J. Spear.
B. National Pest Control Association.

A. John F. Speer, Jr.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation.

A. William C. Spence.
B. Columbia Gulf Transmission Co.

A. Staff Builders, Inc.

A. Walter M. Starke.
B. Southern Natural Gas Co.

A. State and Federal Associates, Inc.
B. National Association of Convenience Stores.

A. State and Federal Associates, Inc.
B. Potato Chip/Snack Food Association.

A. State and Federal Associates, Inc.
B. Schering Plough.

A. Samuel E. Stavisky.
B. Brazilian Coffee Institute.

A. Samuel E. Stavisky.
B. Broadcast Music Inc.

A. Randolph J. Stayin.
B. Taft, Stettinius & Hollister (for American Hospital Association).

A. Randolph J. Stayin.
B. Taft, Stettinius & Hollister (for Special Committee for Workplace Product Liability Reform).

A. David J. Steinberg.
B. National Council for a Responsible Firearms Policy, Inc.

A. Arthur R. Stewart.
B. Great Western Sugar Co.

A. Edward W. Stimpson.
B. General Aviation Manufacturers Association, Inc.

A. B. R. Stokes.
B. American Public Transit Association.

A. Richard Boyle Storey.
B. International Military Club Executives Association.

A. C. R. Strackbein.
B. International Allied Printing Trades Association.

A. Roger J. Stroh.
B. United Fresh Fruit & Vegetable Association.

A. Robert B. Stulberg.
B. Health Research Group.

A. John R. Sweeney.
B. Bethlehem Steel Corp.

A. Russell A. Swindell.
B. North Carolina Railroad Association.

A. Lewis M. Taffer.
B. American Express Co.

A. Robert Taft, Jr.
B. Taft, Stettinius & Hollister (for American Hospital Association).

A. Robert Taft, Jr.
B. Taft, Stettinius & Hollister (for Grocery Manufacturers of America, Inc.).

A. Robert Taft, Jr.
B. Taft, Stettinius & Hollister (for Sisters of Charity of Cincinnati).

A. Robert Taft, Jr.
B. Taft, Stettinius & Hollister (for Special Committee for Workplace Product Liability Reform).

A. Robert Taft, Jr.
B. Taft, Stettinius & Hollister (for Werner Von Clemm).

A. Warren Tanner.
B. Organization of Independent Artists.

A. Harvey M. Tettlebaum.

A. Texas Students for Political Activity.

A. Third Congressional District Action Committee.

A. John W. Thomas.
B. American Veterinary Medical Association.

A. John W. Thomas.
B. Association of American Veterinary Medical Colleges.

A. Robert L. Thomas.
B. National Association of Private Psychiatric Hospitals.

A. Eugene M. Thore.
B. Aetna Life & Casualty Co., et al.

A. Grace Thorpe.

A. Paul J. Tierney.
B. Transportation Association of America.

A. Martin R. Tilson, Jr.
B. Southern Natural Gas Co.

A. Title Associates, Inc.

A. C. Richard Titus.
B. Society of the Plastics Industry, Inc.

A. David G. Todd.
B. American Mining Congress.

A. Thomas J. Touhey.
B. A.R.F. Products, Inc.

A. Jay Charles Townley.
B. Schwinn Bicycle Co.

A. Transportation Association of America.

A. 23d Pro-Life Congressional District Action Committee.

A. Philip J. Tulimieri, Jr.
B. Avon Products, Inc.

A. G. John Tysse.
B. Kimberly-Clark, Corp.

A. Stewart L. Udall.
B. Alaska Federation of Natives, Inc.

A. Stewart L. Udall.
B. Aloha Natives Association, Inc.

A. Stewart L. Udall.
B. Foothills Pipe Lines (Yukon) Ltd.

A. Mathew T. Valencic.
B. HALT.

A. Nicholas L. Van Nelson.
B. American Paper Institute, Inc.

A. Richard F. Vander Veen.
B. Citibank.

A. Jerry T. Verkler.
B. Texas Eastern Transmission Corp.

A. C. John Vermilye.
B. United States Steel Corp.

A. Verner, Liipfert, Bernhard & McPherson.
B. Hellenic Republic of Greece.

A. R. Eric Vige.
B. Cities Service Co.

A. Voice in the Wilderness.

A. Ethan J. Wagner.
B. Rockwell International.

A. Ethan J. Wagner.
B. Southwest Flight Crew Association.

A. Herbert R. Waite.
B. First National Boston Corp.

A. Wald, Harkrader & Ross.
B. Chemtex Fibers, Inc.

A. Warren W. Walkley.
B. General Electric Co.

A. Donald L. Wallace, Jr.
B. Delta and Pine Land Co. of Mississippi.

A. Donald L. Wallace, Jr.
B. Diversion Communications, Inc.

A. Donald L. Wallace, Jr.
B. ML Barge Management Corp.

A. Raymond C. Wallace.
B. Amalgamated Transit Union, AFL-CIO.

A. Bonnie B. Wan.
B. Montgomery Ward & Co., Inc.

A. Alan S. Ward.
B. Baker & Hostetler (for the Soap and Detergent Association).

A. Robert B. Washington, Jr.
B. Danzansky, Dickey, Tydings, Quint & Gordon (for Government of Antigua).

A. Robert B. Washington, Jr.
B. Danzansky, Dickey, Tydings, Quint & Gordon (for Government of Dominica).

A. Robert B. Washington, Jr.
B. Danzansky, Dickey, Tydings, Quint & Gordon (for PEPCO).

A. George B. Watts.
B. National Broiler Council.

A. Webster & Chamberlain.
B. National Sporting Goods Association.

A. Michael A. Weiss.
B. Tenneco, Inc.

A. Thomas F. Wenning.
B. National Food Brokers Association.

A. Phyllis G. West.
B. National Organization for Women.

A. Louis M. Whitlock.
B. Beker Industries Corp.

A. Richard J. Wiechmann.
B. American Paper Institute, Inc.

A. Harding deC. Williams.
B. National Savings and Loan League.

A. Bertram C. Willis.
B. International Telephone & Telegraph Corp.

A. Wilmer, Cutler & Pickering.
B. Dealer Bank Association.

A. Wilmer, Cutler & Pickering.
B. Morgan Guaranty Trust Co.

A. Wilmer, Cutler & Pickering.
B. Motor Vehicle Manufacturers Association of the U.S., Inc.

A. Wilmer, Cutler & Pickering.
B. National Corporation for Housing Partnerships.

A. Dorothy Roth Wilson.
B. Coalition of Concerned Charities.

A. James R. Winnie.
B. Cities Service Gas Co.

A. Glen P. Witte.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation.

A. Erving Wolf.
B. Inexco Oil Co.

A. Sidney M. Wolfe.
B. Health Research Group.

A. Barry Zorthian.
B. Time, Inc.

A. Carl E. Zwisler III.
B. International Franchise Association.

SENATE—*Thursday, May 24, 1979*

(Legislative day of Monday, May 21, 1979)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. Wendell H. Ford, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

MEMORIAL DAY TRIBUTE

Let us pray.

Dear Lord and Father of mankind, as we approach the day sacred to the memory of our Nation's war dead, we thank Thee for all who have fought a good fight, nobly lived, bravely died, and kept the faith. Spare us especially from forgetting or neglecting that noble band of American youth who joined forces with the embattled Vietnamese in their quest for freedom and democracy. In prayerful remembrance, and with due honor and dignity, may we strengthen their efforts to win a new and better life.

We pray for all whom war has left weakened in body, mind, or spirit. Grant that they may live brave, cheerful, and useful lives among a grateful people.

Now bless the work we do this day. Give journeying mercy as we travel. Watch over us in our separation. Return us to this Chamber renewed in heart and mind. Amid the busy pace of things visable and temporal may we ever witness to that which is invisible and eternal.

In the name of the Living Lord, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Magnuson).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., May 24, 1979.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Wendell H. Ford, a Senator from the State of Kentucky, to perform the duties of the Chair.

Warren G. Magnuson,
President pro tempore.

Mr. FORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VIETNAM VETERANS' WEEK MAY 28–JUNE 3

Mr. ROBERT C. BYRD. Mr. President, this Nation has had a longstanding commitment to honor and care for those who have borne arms in serving the country. In the United States today there are more than 29 million men and women who are veterans of duty in the Armed Services, and more than 26 million of these are veterans of wartime service.

Memorial Day, May 28, marks the beginning of Vietnam Veterans' Week, officially designated by the Congress and the President to honor and remember those Americans who sacrificed and endured hardship in military service during the Vietnam war. More than 2½ million veterans served in Vietnam, and another 6 million served elsewhere during that period of time.

The Congress has demonstrated the country's commitment to honoring veterans' service by providing needed assistance programs. Proportionately more veterans of the Vietnam era have used the education benefits of the GI bill of rights than any other group of veterans. Other veterans' programs have been redesignated to deal with the unique problems faced by Vietnam veterans.

The distinguished senior Senator from California, the majority whip (Mr. Cranston), has been an eloquent spokesman for this country's veterans: Soon after his arrival to the Senate in 1969, he conducted, as chairman of the Subcommittee on Veterans' Affairs of the Labor and Public Welfare Committee, an important series of hearings on the quality of medical care being provided to veterans of the Vietnam war. This investigation revealed that our commitment "to care for him who shall have borne the battle," was not being met for the veterans of the Vietnam era. The Congress instituted major reforms in veterans' health and medical programs as a direct result of those hearings.

Just a few weeks ago, the Senate acted on another bill introduced by Senator Cranston—now chairman of the Committee on Veterans' Affairs—which would, if enacted, establish a new program of outpatient readjustment counseling for veterans of the Vietnam war. Similar veterans' health care legislation has been acted on by the Senate in each of the last four Congresses. This much-needed legislation should become law this year.

It is my hope that citizens pause during Vietnam Veterans' Week to honor and remember those who served this country in Vietnam.

THE NEED FOR GOVERNMENT REFORM

Mr. ROBERT C. BYRD. Mr. President, a look at anticipated Senate business for the rest of the 96th Congress indicates three areas of paramount concern: Inflation and decisions concerning the Federal budget; energy; and the SALT II treaty.

In our legitimate preoccupation with these issues of overriding importance, we do not lose sight of another important area demanding legislative action. The American people are frustrated about the performance of their Government. They are upset by the size of the Government, and the proliferation of complex regulations and redtape. They are dismayed by the delays encountered in the regulatory or judicial process. They see the Government as being out of touch with the people and they believe themselves under assault by bureaucrats writing regulations which may be theoretically sound, but which are unworkable in the real world.

Responding to these concerns, the 95th Congress enacted several pieces of important legislation in the area of Government reform and reorganization. At the President's urging, Congress adopted the landmark civil service reform bill, the first major overhaul of the civil service system in almost a century. Congress established offices of inspectors general in 12 major agencies and departments to root out fraud and waste. The Ethics in Government Act mandated public financial disclosure for high-ranking officials in all three branches of Government. The 95th Congress consolidated the major agencies dealing with energy into one department.

Substantial challenges—and important opportunities—in the Government reform area await action in this Congress. There is widespread support for serious efforts to reduce the delay in the regulatory process and to review the costs and benefits of regulations. Broad support continues to exist for carefully drafted "sunset" legislation of the sort passed by the Senate at the close of the 95th Congress, designed to insure periodic review of the performance of agencies and programs.

Congress should also give careful consideration to significant proposals to reform the Federal judicial system. Legislation last year created 152 new Federal judgeships, a long overdue response to the serious backlog in the courts. But we must avoid the possibility of simply enlarging the judicial system without attending to the problems that remain. Consideration should be given to what the proper role of the Federal courts should be, and Federal jurisdiction should be defined accordingly.

President Carter has made reform and reorganization of the Government process a high priority of his administration. The administration deserves credit for their efforts in this area during the last Congress and their proposals for this year. They have been willing to identify the defects in our Government machinery and suggest remedies. Congress is not obligated to accept either their diagnosis or their prescription, but we should seize the opportunity for cooperative efforts toward shared goals. Legislation making the Government operate more efficiently, up lower cost and with less redtape, is legislation which the public expects—and will strongly support.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

VIETNAM VETERANS DAY

Mr. BAKER. Mr. President, as we conclude the business of the Senate prior to the Memorial Day recess, I think it fitting to note that Memorial Day this year will take on an added measure of significance. As a result of a resolution sponsored by my good friend from Pennsylvania (Mr. HEINZ) and cosponsored by many of us, this Memorial Day marks the initial celebration of Vietnam Veterans Week.

Mr. President, I am especially pleased that this recognition of those who served their country honorably and well in Vietnam has come to pass. For too long and for too many of us, Vietnam has meant only a continuing national debate on whether our participation in that war was right or wrong, or on the relative merits of amnesty, or other such issues.

This week, set aside for those who served, can be but a token of our gratitude to those brave and gallant men and women. It should, however, serve as a reminder that the Vietnam veteran remains woefully underemployed, remains subject to psychological trauma and drug abuse far in excess of the society as a whole. It should also remind us that many veterans of that war are productive members and leaders of society, and that all of them are deserving of our respect and our appreciation.

I would hope that this week—and this designation of it—will serve that purpose well.

PROSPECTIVE LEGISLATIVE SCHEDULE FOR REMAINDER OF THE SESSION

Mr. BAKER. Mr. President, I observed the remarks of the distinguished majority leader this morning on the nature of the legislative responsibility and challenge still confronting us.

I wonder if the majority leader has a moment to address my curiosity about what he sees the prospect or likely ending of this session of Congress this year?

Mr. ROBERT C. BYRD. Well, as my friend knows, we have been discussing the prospect for our sitting down and taking a look at what will have to be done.

As a general—just a general—response, I would list the hospital cost containment legislation, which would be helpful in dealing with inflation. That hospital containment legislation, however, must be carefully drawn so that it will not unfavorably or adversely affect rural hospitals.

Also, in my judgment, there should be some legislation in this Congress—in this session, I hope—to deal at least with catastrophic illness.

I hope and expect to see legislation dealing with an excess profits tax. The President has indicated that he will decontrol crude oil prices beginning June 1, on a phased basis, and he has asked for an excess profits tax. I feel that there should be such a tax, and I include that in my general response, a rather extemporaneous response, to the question of the distinguished minority leader.

We will have the 13 regular appropriation bills. They should come along in July.

The expiring authorization bills will be coming along. We have been dealing with those very well up to this point, and I thank the distinguished minority leader for the cooperation I have been getting from the minority in working with those measures. Many of those were passed by unanimous consent because the problems are being worked out at the committee level and outside the Chamber. It is possible to handle many measures by unanimous consent which in past years have taken hours and days on the Senate floor. So more is really being done than may appear to the naked eye or to the jaundiced eye, whichever it may be.

In addition, I should think that there should be further effort to develop a standby—s-t-a-n-d-b-y, underlined, emphasized, and repeated—standby gasoline rationing plan, in order to give this country some insurance in the event a sudden emergency should strike.

The administration will have to administer the plan. We are told by the President that it would require 9 months to set up the machinery. Nobody wants to vote for gasoline rationing, but we should provide a standby rationing plan that will protect this country against a sudden emergency. So I assume and hope and expect that there will be legislation on that.

I have urged the President to come up with another plan. The defeat of one plan does not preclude the offering of another.

I also have urged the President to get people together. I, obviously, am in no position to ask the Speaker and the majority leader of the House and the Republican leader and the energy leaders in the committees over there and on this side of the aisle to meet. The Speaker obviously is in no position to ask the Republican and Democratic leaders in this body and the Republican and Democratic leaders on the energy committees to get together. But the President is in that position, and I have urged him to do that, and I think he will do that.

The ACTING PRESIDENT pro tempore. The Chair advises the two leaders that their time has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may utilize part of my 15-minute order at this time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I think the President will do this. It does not have to be done today or tomorrow. But he is the one person who can act as a catalyst, and I am confident that he will do it. He has problems, also. He has to be bipartisan. It has to have broad support. It cannot be a one-party matter, and we do not operate that way in this body.

We always have worked together with the Republicans. We have to have Republican support, and it is a national problem. I always have felt that it was best to get a consensus and work with our Republican brethren, and they have worked with us. I feel that, in both Houses, the President can help to bring this kind of bipartisan effort to bear on this problem.

I think the planned approach is better than legislation, because the plan has the built-in time agreement so far as the Senate is concerned, which eliminates the prospects of a filibuster on this most divisive and controversial and thorny and contentious issue.

Beyond that, we would have the trade legislation, which is important measure.

These measures, in the main, should take us through June and July. Most of them are absolute must measures. We have to pass them in every Congress before we can go home.

Then, I would like to clear the decks for the second concurrent budget resolution, which will be coming along in September. I do not know yet how we are going to get along with the first one, but so far as I am concerned, I am against cutting the defense budget any more. The Senate has shown that it wants to go the extra mile, by acceding yesterday to the House request for moneys for certain social programs, and I hope the House will accept this conference report.

SALT TREATY

There will be the second concurrent budget resolution, and then SALT. I hope that the Senate could dispose of the SALT Treaty, one way or the other, within 6 or 8 weeks and get it behind us this year. I would not want to see it carried into next year. So it would be my plan to proceed with that treaty.

I already have talked with Senator CHURCH and Senator STENNIS about moving their hearings along and gearing up for those hearings as soon as possible, so that when we get back in September, the treaty will be ready to be taken up as soon as we get the second concurrent budget resolution out of the way. If we have the excess profits tax still hanging around, we will work on that.

That should take us up to mid-November. I would hope we would not have to go beyond that point.

That is a broad-brush response, and I apologize to the distinguished minority leader for not at the moment filling in with greater detail. That would indicate that we have plenty of work ahead of us.

FRIDAY SESSIONS IN JULY

I take advantage of this opportunity to say that come July, the Senate will have to be in session on Fridays and will have to be in session on some Saturdays in order to get our work done.

There will have to be long sessions.

The leadership has been very considerate of the Members and very understanding of their problems. We have gone out on Fridays to enable committees to meet, in order to make the May 15 deadline. They have done well. But come July, I say again, we will have to meet on Fridays and Saturdays—some Saturdays, probably—with long days, in order to complete this kind of agenda.

We will be off for the Independence Day holiday, and we will be out for the August recess, which, by law, is to be taken every other year.

Again, I thank the minority leader for his cooperation. I express the hope, the urgent hope, that we may continue to be able to obtain agreement, unanimous-consent agreements where possible, on passing measures; and if not unanimous consent, certainly time agreements which will enable us to deal with the necessary legislation we must deal with before going out.

I have every reason to believe that the fine cooperation I have had up to this moment will continue. I know that I have the minority leader's understanding and the minority whip's understanding.

Having said that, I hope that will constitute a fair and reasonable answer to the Senator's question.

Mr. BAKER. Mr. President, it is indeed a fair and equitable answer, and very complete.

I observe, then, that for the purpose of planning, I would expect that most of our colleagues—certainly those on this side of the aisle—should assume that we are going to be here until the middle of November or later.

Mr. ROBERT C. BYRD. I do not see any way other than to plan on that. I would like to state the response in conservative terms and hope we will do better.

Mr. BAKER. I hope so, too. In that respect, I will cooperate as best I can; and I believe we have tried to do that on this side of the aisle on procedural matters.

COMMITTEE REPORTS—3-DAY RULE

There is one procedural matter that was brought to my attention yesterday, about which I have written the majority leader, in respect to the 3-day rule.

It was brought to my attention by one Member that while my calendar was noted that a committee report was available within the meaning of the Senate rule on a particular date as a practical matter it was not physically available to that Senator until the following day. That poses a real problem for people on our side.

I pledged to the majority leader we will try to move the calendar as soon as we can, but I would hope that we could have some assistance in respect to the handling of the printing clerk's office and the physical arrangements to make sure that these reports, bills, and amendments are available as soon as possible so that our people can examine them carefully.

Mr. ROBERT C. BYRD. I thank the minority leader. I am sorry if that occurred. I have asked that it be checked out. I am also asking that I be personally supplied with a copy of every committee report as soon as it is made available, so I personally will know when it arrives here and is available.

Now that the distinguished minority leader has brought up the subject of the 3-day rule, while it is a useful rule and one that we should have, I hope it will not be abused. I have heard that a Senator on the other side of the aisle, a new Senator in this instance, has asked that the 3-day rule be rigidly adhered to, and it has been pretty rigidly adhered to up to this point. I have not much of a problem with the 3-day rule on my side of the aisle, but I have to say that I can appreciate the constraints, the restrictions, and the problems that the distinguished minority leader has to work under, if indeed he is being requested by a member of his side to insist on the 3-day rule. He has to do that if that is the case.

As to the availability of the report. I will certainly take steps to correct that.

Mr. BAKER. I thank the majority leader.

Mr. ROBERT C. BYRD. I apologize to the Senator from Colorado for impinging on his order.

Mr. BAKER. I shall intrude for one additional moment. There is one thing I must point out. As a matter of policy, for the information of the majority leader. I do not accept blanket requests on this side of the aisle for holds, for 3-day rule, for anything else, because that is my special responsibility under our conference rules to deal with the calendar. I do respect insofar as I can requests on individual calendar items, individual bills. We have had a number of those by specific reference to bills on the calendar and on some days every bill on the calendar to observe the 3-day rule. But each is individually requested and in many cases we have been able to shave a day or 2 from the 3-day rule and, frankly, I wish to continue that.

But it is absolutely essential that Members on this side understand they are getting a fair shake in terms of "availability" of reports, bills, and amendments in order for me to try to accommodate that expedition of the calendar.

And I thank the majority leader for his assurance in that respect.

Mr. ROBERT C. BYRD. Let me say to the Senator, he can be guaranteed of a fair shake. There is no intention or desire on my part to proceed in any other way. We wish also to be guaranteed on this side that that rule will not be abused by any Member on that side of the aisle or on this. And if it is being abused on this side of the aisle, I have no hesitancy to direct my criticism to my own side of the aisle. I have done this before and I have been taken on by Members on my own side of the aisle, but I recognize fairness and I stand for it on both sides of the aisle.

The distinguished Senator will get a fair shake. His people will get a fair shake. And if that committee report is available to me, it will be available to anyone on his side of the aisle. He can be assured of that.

Mr. BAKER. I am sure that is right. I think that has not been the case in the past.

Mr. ROBERT C. BYRD. I am going to check into it and see about that, and I am going to see about this particular committee report as soon as the Senator identifies it. But there is no intent to pull any fast ones over here.

Mr. BAKER. I know that. I know the majority leader does not intend to do that. I also know that I trust and respect the representations made to me by the Members on this side.

Mr. ROBERT C. BYRD. I trust and respect that also. But I want to see the evidence that that was the case and if that is the case I am going to do everything I can to prevent its recurrence. At the same time, I hope that the same energy, the same determination will be applied in getting Members on this other side of the aisle to be reasonable in the application of the 3-day rule.

I believe that the distinguished minority leader will do that. He is not the one who is applying it. He has to do his duty as he sees it. And if there is someone on his side of the aisle who puts on a blanket request I do not think that the minority leader is going to allow that to happen very long.

Mr. BAKER. No. There is no blanket request and none will be honored on this side as long as I hold this position. But I will honor the requests of Members on this side individually made, and I do not think of that as an abuse. No one is abusing that rule, in my view, on this side.

Now, I am happy to try to expedite this calendar, and I will do that. I think we should just discontinue this conversation before we get mad at each other.

Mr. ROBERT C. BYRD. I am not going to get mad at my friend.

Mr. BAKER. I recognize we have a problem over here in making sure we get that report at the same time it is noted as being available at the printing clerk's office.

Mr. ROBERT C. BYRD. Let me say this to the Senator. I can do away with all this claptrap about not being available to the Senators over there. I am instructing my policy committee to make available to me and to the minority leader at the same time the committee report when it appears.

Mr. BAKER. And with the notation on it as to the time it was received.

Mr. ROBERT C. BYRD. With notation as to the time it was received.

Mr. BAKER. I think that will solve the problem.

Mr. ROBERT C. BYRD. So, we will not hear any more about that problem, but I hope we will not have any blanket application of the 3-day rule. Every time I look at that calendar, I am confronted with 3-day rule, 3-day rule, 3-day rule, 3-day rule. And it comes from the other side of the aisle. I have made my promise to the Senator, and I will carry it out.

Mr. BAKER. I will carry out mine. But the point of the matter is, that is not an abuse. Members on this side who request me to adhere to that are perfectly within their rights, and I think we can do much to expedite this calendar, but that is not an abuse of the 3-day rule.

Mr. ROBERT C. BYRD. It is an abuse if it is held to on every little bill. Last year it was the District of Columbia appropriation bill, for example. The Senator will remember that we went over that. And I just hope we can cooperate and the Senator will have my cooperation in making available to him the committee report the minute it is made available to me. As a matter of fact, I will ask it be made available to him first and with the notation on it.

Mr. BAKER. Mr. President, I apologize to the Senator from Colorado. I have seen him standing on one leg and then the other waiting his turn, and I am sorry for that. But I think the information that we have developed for this record today is important to every Member of the Senate in terms of our future scheduling. I apologize for the inconvenience.

Mr. ROBERT C. BYRD. Mr. President, I apologize also.

Do I have any time remaining?

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. ROBERT C. BYRD. I yield to the Senator from Colorado.

RECOGNITION OF SENATOR HART

The ACTING PRESIDENT pro tempore. The Senator from Colorado has 15 minutes in his own right plus 1 minute.

Mr. HART. Mr. President, I thank the majority leader.

SALT II

Mr. HART. Mr. President, just over a year ago, in March 1978, I discussed before the Senate the issue of the duration of the protocol to the SALT II Treaty. Today, attacks still persist on issues involved in the protocol.

Therefore, I am proposing specific clarifying language to be attached to the protocol at such time as the SALT II agreement is before the Senate. In brief, this clarifying language to the resolution of ratification will confirm, in unmistakable terms, the limited duration of the protocol. It is intended to place at least some of the SALT critics' arguments in perspective.

Much past criticism has centered on the decision of May 1977, to divide the SALT accordment into two parts: An 8-year treaty that will embody the key numerical limits, and a protocol, expiring in December 1981, affecting new systems still under development.

Although the limits of the protocol are widely viewed as advantageous to the United States, critics have characterized the strategy of dividing the two documents as a "distinction without a difference." They argue that, once an agreement is reached, it will automatically persist, even thought it expires by its own terms on a date certain. Even more distressing, they have charged that this position with regard to protocol was deliberately conceived to avoid discussing the most difficult and controversial issues in the Senate and with the American people.

The division of the agreement into both a treaty and a short-term protocol is in my judgment a superb negotiating strategy that should be commended and supported instead of criticized. It provides a way to segregate issues on which there was promise of early agreement from more long-term issues. Those longer term issues involve systems still under development, which pose special problems of counting and verification, at least under today's negotiating terms.

The difference between treaty and protocol is not, therefore, a cosmetic one. It is a separation of issues that are inherently different in both technical and political implications. It is not a diplomatic dodge, a concession to the Soviets, or political eyewash. In a very real sense, resolution of problems treated in the protocol may point the way to SALT III.

The fact that this line of demarcation between protocol and treaty is substantive adds to the importance of maintaining the distinction. I do not accept the blanket charge of some critics that the mechanism provides a way for the administration to avoid addressing the tough issues with the Senate, with our European allies, or with the American public. By adopting the language I propose we can assure ourselves that essentially tentative and temporary decisions embodied in the protocol will not slide, by simple fact of their existence, into permanence.

If these constraints in the protocol ultimately become part of a future treaty, there will be a positive decision to that effect; it will not occur by default. For this reason, I am offering, for consideration at the appropriate time in the process, clarifying language to the resolution of ratification in the following form:

> Before the period at the end of the resolution of ratification, insert a comma and the following: "Subject to the understanding that nothing in the protocol shall bind either of the parties after the date of the termination of the protocol, unless the parties otherwise agree and approve such agreement, in accordance with their constitutional processes."

The purpose of this clarifying language will be to confirm, in unmistakable terms, the limited nature of the protocol; and to insure that any commitment to extend or alter the protocol or any of its provisions is reached through the full, unconstrained process of negotiation and Senate approval.

Because of the gravity and complexity of the matters at issue in the SALT protocol, such an unequivocal understanding is vital on several counts:

The Soviet Union must understand that these issues are not permanently resolved, and that serious negotiation must continue to seek mutually acceptable answers;

Our European allies must be reassured that we understand their special concerns, and that we will not unilaterally foreclose options of importance to them;

The Senate must be assured that our exercise of the constitutional responsibility and prerogative will not be impeded; and

Perhaps most important, the American people must have confidence that the public process will run its full course, and that major decisions affecting now strategic weapons systems will be made only after complete public debate.

In addition to the intrinsic value of these reassurances, they also will serve to shift the debate from an unproductive focus on matters of form to an examination of the substance of the negotiations.

Much of the argument about the automatic permanence of the protocol is such a manufactured issue. It is charged that any concession inevitably persists to condition and limit subsequent negotiations. Thus, for instance, the critics argue that the limitations on deployment of ground- and sea-launched cruise missiles for the duration of the protocol are really permanent. The Soviets, they say, implacably resist any alteration or amendment of treaties that does not materially and unilaterally enhance their own position. Implicit in this argument, though rarely stated, is the corollary charge that the United States, having made a temporary concession, inevitably lacks the will or tenacity to pursue the issue.

Any reasonable reading of recent history belies such arguments. The 1972 treaty on the limitation of antiballistic missile systems was amended just 2 years later to further reduce the number of allowable sites. Similarly, the Vladivostok accords of 1974 posit a reduction of numerical limits from the 1972 SALT interim agreement. The accords require the Soviets to accept numerical symmetry—a concession that critics of SALT I argued would never occur. Even the decision by the United States and U.S.S.R. to continue to abide by SALT I limits after the expiration of the accord, pending the completion of SALT II, is brandished as proof of Soviet duplicity and American naivete. It ignores the fact that only the Soviets have had to make actual force reductions under SALT I, dismantling ICBM launchers as a tradeoff for submarine launchers, and that the Soviets are at a stage in weapons production which could, at the moment, be more rapidly escalated than our own if SALT I limits were suspended.

Thus, this train of thought is both inaccurate and superficial. More important, though it is irrelevant. It is not possible to prove a negative. No one knows what will—or even what should—become of the terms of the protocol. And a debate that is comprised of assertions that they will or would not become permanent ignores the real issues at hand.

First, the protocol allows for our continued development and testing of new systems. Clearly, this right extends to both sides, but it is particularly important to the United States because the M–X ground-launched cruise missile, and sea-launched cruise missile are at critical points in development, but are still some years short of full operational readiness.

Second, the timing of the protocol provides a point of leverage to secure Soviet agreement to reductions or constraints on other systems, including the possibility of securing some meaningful breakthroughs on theater weapons issues in the mutual balanced force reduction talks.

Third, the protocol buys time—time to attempt to find ways of dealing with the counting, verification and control problems introduced by mobile systems and by technologically new weapons such as cruise missiles.

In sum, then, the protocol offers much-needed breathing space. We can institute the absolutely fundamental numerical and other limits embodied in the SALT II treaty. We can strengthen our position in other arms control negotiations in progress. We can try to deal with problems of compliance monitoring and verification introduced by new technologies. And if we fail, we retain the right ultimately to deploy these weapons. For these reasons, I believe the protocol to be a welcome development which, on its merits, will deserve our support.

In this context, let me stress again the nature of the language I propose. It would apply, firs of all, to the resolution of ratification, not to the treaty itself. It would not alter the treaty in any way, or call for any action or reaction on the part of the Soviet Union. It would impose nothing beyond that which we will already have committed ourselves to do; namely, to limit some elements of the agreement to a shorter time span than others. Its purpose is, simply, to confirm—to assure and reassure.

But it will do something else as well. It will hopefully help refocus the debate on the serious considerations inherent in a treaty between the Soviet Union and the United States dealing with our national security and survival. The real issues are sufficient in and of themselves. There is no need to invent others.

I call on my colleagues to consider the course I propose. I invite their comments and, in due time, their support.

Mr. President, I yield back the remainder of my time.

RECOGNITION OF SENATOR PRYOR

The PRESIDING OFFICER. (Mr. DeConcini). Under the previous order, the Senator from Arkansas (Mr. Pryor) is recognized for not to exceed 15 minutes. The Senator from Arkansas.

Mr. PRYOR. Mr. President, first, I ask unanimous consent for the Senator from Colorado (Mr. Hart) to yield to me the remainder of his time.

Mr. HART. Mr. President, I ask unanimous consent that the Senator from Arkansas may have the remainder of the time allotted to me.

The PRESIDING OFFICER. Without objection, it so ordered.

Mr. PRYOR. I deeply appreciate the Senator allowing me that time.

Also, Mr. President, it is my understanding that the Senator from New Mexico (Mr. Domenici) has a subsequent special order and has an emergency situation and, therefore, if it is proper, I ask unanimous consent to yield to him my place at this time and my special order could, perhaps, follow his.

Mr. ROBERT C. BYRD. What is that request?

The PRESIDING OFFICER. The request is by the Senator from Arkansas to yield his position, not his time, but his position, in the order of recognition today to the Senator from New Mexico.

Mr. ROBERT C. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR DOMENICI

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

S. 1241—NATIONAL WATER RESOURCES POLICY AND DEVELOPMENT ACT OF 1979

Mr. DOMENICI. Let me say to my good friend from Arkansas that I deeply appreciate his accommodating me this morning, and I hope I will be able to accommodate him in a similar way in the future.

Mr. President, I send a bill to the desk in behalf of myself and my good friend, the distinguished Senator from New York, the junior Senator (Mr. Moynihan).

The PRESIDING OFFICER. Without objection, the bill will be received.

Mr. DOMENICI. Mr. President, we humans have a tendency to speak harshly of Mother Nature. Floods, blizzards, hurricanes—we see each as an attack upon us and our way of life.

Yet, occasionally the assaults of nature can result in progress. By fashioning a vision of the future, natural disasters should impell us to take corrective steps now in an effort to forestall greater crises in the future.

The drought much of the Nation suffered in 1976–77 may serve as precisely such a disaster. Embedded within the $15 billion in economic loss suffered in the West was a portent of the next century, if our Nation fails to address and reform the management of our water resources.

The national water resources development effort is in disarray. If anyone doubts that assertion, just let them look at the program. We are not building very many projects, we certainly are not building them very fast, and the ones we build may well be the wrongs ones because there is no systematic effort to develop and attack priorities. While water resources are vital to our progress as a nation, we are letting the effort linger. Even when we decide to build a project, it is plagued by slowness.

We need to look at this serious question, and we need to do it while there is still time.

During the 1976–77 drought, President Carter brought forth his own view of a better water policy. It was a narrow view, one based on attacking Federal extravagance and waste. The President chose the height of drought to announce his opposition to 18 allegedly wasteful water resource projects in the West.

But the issues we confront go well beyond the merits of a few projects. They extend to the issue of whether the water policies of the first three-quarters of the 20th century will take us safely into the next century.

Just last week, President Carter submitted a proposal that had been in development for a year, a proposal requiring increased local cost sharing on Federal water projects. Personally, I believe that proposal fails to achieve the goals of what a Federal water policy needs to do: To increase State responsibility, to move projects ahead to earlier completion, and to establish an effective system of project priorities.

The issues extend to the basic structure of our national response to water needs. I believe we need to restructure our basic water program. I believe we need to do it now, so that we can evolve into an approach that identifies and funds critical priorities. Water for our future is too important to leave to the whims of our present ad hoc approach.

For these reasons, I am today introducing legislation that I hope will enable the Congress to focus on the basic structure of our Federal water program. While the language of the bill is necessarily broad in certain areas, I hope that the structure will enable us to examine Federal water policy in a new light in hearings over the coming weeks and months.

WATER AND CIVILIZATION

From the moment that a raindrop hits the ground, civilized man manipulates water. The issue is not whether we should engage in such manipulation, but rather how well we do it.

Civilization itself arose out of a collective effort to irrigate the Middle East. As W. H. McNeil notes in his classic, "The Rise of the West," man's first civilized communities "differed fundamentally from Neolithic village communities, for the simple reason that the water engineering vital to survival required organized community effort." The world's first bureaucrats were Sumerian priests whose principal expertise was water resource management. According to McNeil:

> The authority of the priestly colleges was thus very great; but their services to the

> community were correspondingly vital. The priests alone possessed the skills of calculating the seasons. Laying out canals, and keeping accounts, without which effective coordination of community effort would have been impossible.

Five thousand years later, human civilization still remains dependent on the skill with which water is dammed, conveyed, and treated before it is consumed. Over 97 percent of the world's water is found in the oceans. Three-fourths of the remainder is frozen into glaciers. A minuscule three-tenths of 1 percent of the Earth's water is readily available to man. It is an obvious truism that water is a scarce resource that must be carefully husbanded for man's survival. Yet we, as the richest Nation in the world, may be failing to build the most needed water projects.

The greatest danger is that we have not perceived the severity of the crisis. We have failed to recognize that present policies may lead to disaster. Because the West has the most at stake, it also has the most to gain from sounder policies.

Previous discussions of water policy and water projects have simply lacked any national perspective. President Carter has targeted on water policy in the context simply of pork-barrel politics, not as the need to fashion a coherent strategy that will meet an emerging need. The President has counseled reduced water resource investments, a view I consider shortsighted. What we require is more efficient projects built to a prompter schedule that meets the Nation's needs.

THE EMERGING CRISIS

While the President's tunnel vision on "pork" is regrettable, the "I'm-all-right-Jack" attitude often prevailing in the desert West and elsewhere could prove fatal. The West was built on Federal water projects that rival the Roman aqueducts. Subsidized water enabled cities to grow and the desert to bloom. The goal of the 1902 Reclamation Act was the settlement of the West. This has been achieved essentially. Population growth proceeds apace. Houston, a town of 385,000 during the 1940's is now a metropolis of 1.4 million. The Sunbelt, the fastest growing region of the country, continues to experience an extraordinary economic boom. And the Nation counts on the West to offer up our reserves of coal, oil, gas, and uranium to meet national energy needs.

But all this activity requires vast new sources of water, when water already is scarce. The Water Resources Council has found that water shortages already exist in 21 of the 116 subregions of the country. These subregions lie in the Central Plains and Southwest. By the year 2000, 39 of these 116 subregions are likely to suffer water shortages, including areas in the Northern Plains, Rockies, and California. Thus, by the year 2000, most of the Nation west of the Mississippi will be likely to face severe water shortages.

The people in the West recognize that without new sources of water, or more efficient use of water, the economic future is cloudy. What many fail to recognize is that present policies, based on massive Federal expenditures and cheap, subsidized water, long past their original goal of the settling of the West, may have reached the point of diminishing returns.

The Colorado River presents a classic example. Portions of Arizona, Nevada, and California survive on water diverted out of the Colorado. The basis for these diversions is a complex compact drawn up by the affected States in the 1920's. There is just one tiny problem. When the States divvied up the river, it was running about 20 percent above historic average flows. Thus, while the various States are entitled to 15 million acre-feet of water, only 13 million or so acre-feet are likely to be available on a reliable long-term basis. The cornucopia of the Colorado may soon be exhausted.

The Colorado River is but one example that the easy (and cheap) solutions have vanished. Most western rivers are dammed, and most possible diversions are operating. The Colorado would indicate that the growing western economy faces the future on a fixed supply of water. The truth is even worse.

Many areas of the West may have mortgaged their future to pay for the present boom. With most of its surface waters appropriated, the West has aggressively pumped out groundwater, often uncontrolled by State water laws. If the annual recharge rate is not exceeded, groundwater proves a valuable, renewable resource. When we exceed the recharge rate, groundwater becomes a nonrenewable diminishing resource. In parts of the West, groundwater threatens to become an exhausted resource. The Water Resources Council estimates that the Nation's daily overdraft of groundwater is 20 billion gallons, with 60 percent of that overdraft occurring in one huge aquifer known as the Ogallala.

The Ogallala is a water problem of vast national significance. This aquifer serves 6 States: Texas, New Mexico, Colorado, Oklahoma, Nebraska, and Kansas. In 1937, 600 wells existed into the Ogallala. By recent years, that number had risen to 55,000, and the aquifer has begun to go dry. Why is this important? The States served by the Ogallala produce 386 million bushels of grain and support 40 percent of the Nation's beef market. It is not difficult to imagine the widespread economic and social dislocations that may occur in the Ogallala by the 1980's.

In 20 years, 4 million acres of irrigated agricultural land may be reduced to as low as 125,000 acres, a drop of 97 percent. The Platte Valley in Nebraska confronts the same situation as the Ogallala, with unrestrained drilling of groundwater. Groundwater exhaustion problems are also occurring in Arizona and California. In Baytown, Tex., reliance on groundwater has produced a subsidence in the land of as much as 17 feet, exposing 400 homes to severe threats from tidal floods.

Yet there is no strategy to confront these problems. Let me provide an example. The Congress long ago authorized a project that would construct a barge canal to Dallas, at an estimated cost of $2 billion. Such an idea, while nice, may not be very high on anyone's priority list. Yet, as of today, the Dallas canal is authorized, while there is no Federal program for meeting the crisis involved in the exhaustion of the Ogallala. Such a situation would be comic if it were not so tragic.

While studies have been made of the cost of shipping Mississippi River waters to New Mexico ($10 million), of Alaskan waters to Texas ($100 billion), no program exists for conserving water from Federal irrigation projects. Such surrealism almost makes it impossible to speak of "existing policies" as very coherent.

The myopia of the West is most apparent when it comes to the issue of price. Western rhetoric is chockablock with declarations of the scarcity of water, and how cherished each drop is. And it is. But by keeping the price of water artificially low, the Federal Government has made waste almost endemic in many areas. Residents of Philadelphia pay $13 for the same volume of water that will cost the residents of Salt Lake City $2.10. Such low prices inevitably lead to a careless approach that is potentially suicidal.

Federal projects supply water to a substantial portion of the irrigated lands in the West. And Federal water is far cheaper than water from other sources. In California, water from the Federal Central Valley projects costs between $3.50–$7.50 per acre-foot. In contrast, water from a nearby project run by the State of California costs $22 an acre-foot. It takes little imagination to guess which farmers are most likely to conserve.

My sister State of Arizona, which has recently been the Nation's fastest growing, epitomizes the profligacy that cheap water prices encourage. For example:

Arizona, the second driest State in the Nation, has a per capita consumption of water double the national average.

Arizona has more boats per capita than any other State in the Union.

Arizona has the world's highest water fountain—one which is as tall as the Washington Monument.

Portions of the water table in Arizona have dropped 150 feet over a 10-year period.

Residents of Tucson water their lawns from unmetered irrigation gates.

Sadly, waste is endemic in many areas of the West. While the West comprises half of the Nation's land mass, it receives only 14 percent of the rainfall. Nevertheless it consumes a staggering 85 percent of the Nation's water consumption (water not returned to the river). The reason, of course, is irrigated agriculture. And just as with early Sumerian civilization, irrigated agriculture is the basis of much of civilization in the West. Although irrigated agriculture accounts for only one-sixth of the land farmed in the country, it consumes 90 percent of the water in the West, or over 70 percent of the water consumed nationally.

The General Accounting Office, in looking at Federal irrigation projects, has estimated that from 20 to 50 percent of the water is wasted. If 20 percent is a reasonable number, this equals all the water used by urban America. A modest 10 percent saving (or over 1 trillion gallons a year) would go a long way toward ending the water crisis in the West.

New Mexico has shown that modest water savings are reasonable. By metering water in the Pecos Valley, the state reduced the annual average need for certain crops from 5 to 3 acre-feet of water. The water reductions caused no adverse impact on yield. (If other States would take this example to heart, enough water would be saved to preclude the need for many controversial and expensive projects.)

Water problems, of course, are not a Western monopoly. In the East, pollution of existing supplies has been the focus of a multibillion dollar effort to clean up wastes from municipalities and industry. But the problems of the East are not purely those of quality. The East has more than its share of the $3 billion in flood damages that occur each year. Water consumption in the East is expected to double by the end of the century. Already supply shortages have developed in Boston, Atlanta, and here in Washington, D.C. Groundwater overdrafts in New Jersey, New York, and Florida have produced problems. Major urban water supply systems in the East are in disrepair. And New York City, the grandaddy of all problem areas, is expected to have a 390 million-gallon-a-day shortage by the year 2000.

A PROGRAM FOR ACTION

The water crisis shares many of the same features as the environmental and energy crises: Neglect, economic ignorance, and lack of timely action have each played a part. But there is one critical difference. Time still exists to solve the water problem. Timely, incremental changes, if initiated today, can produce the needed improvements. Wild crusades are not needed. A sound, blue-chip investment strategy will be sufficient.

In the babble over water policy, no one has focused on what I believe is the principle issue: Our lack of a sound investment strategy on water development. The king has no clothes: There is no planning mechanism to identify and attack the priority problems first. In a nutshell, there is no strategy for funding; there is no effort to find and solve the most pressing problems.

Ron Robie, director of the California water program, put it this way:

> National water policy at this time is a jumble. Each of the federal agencies has, in effect, its own policy and mission which it seemingly pursued with little or no coordination with any other agency. Superimposed on this actuality is the theoretical policy by which the U.S. Water Resources Council is designated as the agency responsible for coordinating federal policies and programs. The Council has been quite ineffective in achieving this mission.

Of course, there is no lack of effort to throw dollars at the problem, 25 agencies spend close to $10 billion a year—$5 billion, if EPA's sewage treatment grants are excluded—on water. A backlog of 1,900 projects exists, with a cost of $34 billion. Between now and the year 2020, some estimate our country will invest $538 billion in water resource projects; $250 billion of capital will be in Federal tax dollars. But without a priority system, there is no assurance that this investment will be spent to meet the real national problems.

Slowness plagues so many projects. The average project now requires something on the order of 26 years just to initiate, according to the General Accounting Office. Even if this figure is inflated by the inclusion of some very major and lengthy projects, the time for implementation is tedious, and it is continuing to lengthen.

Delays, of course, stem from a variety of factors. There is the need for multiple congressional actions. There is the usual lack of optimum funding during actual construction. There are numerous examples where just the planning of a project stretches years beyond a city's or the Corps' ability to keep pace with reality.

We can, and we must attack this problem. Accordingly, we are introducing legislation that seeks to reform present policy by establishing a new investment strategy, one that sets priorities and involves the States in a meaningful fashion.

I am honored to be joined in the sponsorship of this bill by the distinguished Senator for New York (Mr. MOYNIHAN). While Senator MOYNIHAN and I have not circulated the bill to other Members, I know that we plan to invite others among our colleagues to join in sponsoring this bill, which is designed to create a fair and equitable distribution of water resource moneys.

Our bill also makes a first step at improving conservation on Federal projects. What we are proposing with the bill is a sharp change from the present system of tedious studies, delays, authorizations, delays, appropriations, delays, and more delays. We are offering legislation that will free the Federal water resource agencies from the current straitjacket, and enable them to go after the priority work, in consultation and full cooperation with the States.

Specifically, our bill is divided into five basic provisions:

First. It sets up a method for automatically studying water needs.

Second. It establishes a system of grants to the States for their use on priority projects—their priorities—to be built by Federal agencies.

Third. It establishes a system of loans for some older projects not on the new priority lists.

Fourth. It sets up a special national category of regional, interstate projects that will be built by the traditional method, at Federal cost.

And, Fifth. It initiates a program of water conservation on new projects, and requires a study of how to conserve on old projects.

We can, and we must, attack this problem. We must work toward a system of priorities. We must encourage local and State governments to take a more active role in the development of projects, to let the States determine what is spent, where it is spent, and at what speed, as other Federal-aid grant programs now proceed.

Some cost sharing is the price of more local involvement, and more local control, and better priority setting means a more effective program.

It may be argued that this bill would place a new burden on local officials by requiring a 25-percent local contribution.. That is not so. Present law requires local officials to repay much of the costs of various projects. Our bill, moreover, offsets this cost by allowing projects to move ahead much faster, and to end the total reliance on the tyranny of cost-benefit analysis.

No other Federal program has become so tied in knots over a single number as the cost-benefit ratio. Rather than serve as protection against political manipulation, the benefit-cost ratio has become the subject of ever greater political fudging. Its role should be reduced. A local financial commitment, built upon a local priority list, serves as a far better protection against poorly conceived projects. And this bill incorporates the compromise we worked out last year on waterway user charges by allowing a new Inland Waterway Trust Fund to be used toward the 25-percent local contribution.

I know that there are those in the West who will look upon what I have said today as an act of heresy. They will say I am not sufficiently sympathetic to the needs of irrigation, to new water resources projects. But that is exactly what I am. I believe in water resources development. The objection to present policy is that these projects are not meeting legitimate needs. Scarce resources are being used up for the wrong reasons, as America heads toward a water crisis.

Personally, I believe the West has too much at stake not to attempt to do a better job. We can no longer afford the present crippled program of ad hoc decisions. The only way we are going to have adequate development is to develop a program, to make that program work, to go after the priority work, and make sure that local people who will benefit offer a reasonable commitment to the work, then move it on to early completion.

By introducing this bill, we make no pretenses that this represents a complete and final answer. For example, the bill provides for reallocation of grant funds if not reused. An alternative could involve a system allowing the States to loan allocated funds among one another. I hope that hearings will explore this alternative, which could prove to be a more effective way to assure that the best and highest priority projects are built at any one time.

But the debate must begin and we believe this bill represents a sound starting point for discussion. Senator MOYNIHAN and I look forward to the dialog of hearings.

Mr. President, I ask unanimous consent that a section-by-section analysis that I have prepared, as well the text of the bill be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Water Resources Policy and Development Act of 1979."

TITLE I

CONGRESSIONAL FINDINGS

SEC. 101. (a) The Congress finds that development of important and necessary water resources projects and the wise expenditure of Federal funds has been frustrated by increasing delays in the implementation of Federal water resources programs. The Congress finds further that it takes, on average, 26 years from the time of the authorization of the planning of a typical water resources project to the initiation of its actual construction, and that such delays are caused by a variety of factors, including the lack of expeditious Congressional action, as well as the failure of the Federal Government and the States to establish any effective system of priorities in order to determine those water resources projects most needed for the efficient and cost-effective development of the nation and the national economy.

(b) The Congress, therefore, declares that the nation's water resources development effort will operate more effectively and efficiently when projects are developed in accordance with a system of Federal and State priorities, and administered with an increased degree of state participation.

(c) It is, therefore, the purpose of this act to establish and encourage a cooperative Federal-State program to solve water resources problems throughout the nation, providing the States with greater responsibility for establishing priorities and the pace of projects, while maintaining reliance on the basic expertise and financial assistance of the United States and its water resources agencies.

FEASIBILITY STUDIES

SEC. 102. (a) Each State shall periodically review the water resources needs of such state, including the need for specific projects in such State, and may submit requests to the Water Resources Council (hereinafter referred to as the "Council") for detailed studies of specific, identified water resource needs and problems within such State or region. The Council shall convey any request received under this subsection to the appropriate Federal water resources agency or agencies for study.

(b) In addition to the requests under Subsection (a) of this Section, each state shall, no later than July 1, 1980, submit to the Council a list of those studies that were authorized prior to the date of enactment of this Act, but which have not been initiated or completed as of July 1, 1980, and which such state finds are necessary to meet identified water resources needs and problems in such state or region.

(c) For any feasibility study submitted or listed as a result of subsections (a) or (b) of this section, the appropriate Federal water resources agency, as determined by the Council, is authorized, within the funds available under this section, to make detailed evaluation of specific water resources needs or problems, including the development of plans and specifications, and shall take into account the requirements of any affected interstate compact relating to water use. Notwithstanding any other provision of law, no studies of a specified and identified water resources need or problem shall be eligible for funding after September 30, 1980, except as provided by the terms of this section or Section 106 of this Act.

(d) Before any Federal water resources agency may initiate, under the terms of this section, any study which had not been commenced prior to enactment of this Act, the Council must receive from the appropriate State or States, or other non-Federal body, an agreement that such state, states, or non-Federal body will pay 10 percentum of the cost of such study upon its completion.

(e) Once a study is initiated under the terms of this section, the appropriate Governor shall appoint at least one, but no more than five, employees of such State (or a total of seven employees from among the states when more than one state is participating), who shall work in coordination with the appropriate Federal water resources agency or agencies in the formulation and development of such study. Such State or States shall be reimbursed out of funds authorized by this Section for the services of the person or persons appointed under this subsection.

(f) Within the funds available and the overall national priorities, the Federal water resources agencies shall seek to assure that studies under this section are undertaken on a basis that is equitable on a regional basis and meet the priorities established by each State.

(g) For the purposes of undertaking feasibility studies under this section, there is authorized to be appropriated to the Council, for distribution among appropriate Federal water resources agencies, $150,000,000 for the fiscal year ending September 30, 1981, and each fiscal year thereafter.

GRANTS FOR CONSTRUCTION

SEC. 103. (a) Following public hearings to be held at least annually for the purposes of reviewing projects and proposals for water resources development that merit priority consideration, each State shall develop a priority list for those water resource needs and projects that are to be studied and implemented in such State, and submit such list to the Council by July 1, 1980, and annually thereafter. Each such list shall be published by the Council in the Federal Register, and shall be utilized to establish the order and rate of funding for such projects.

(b) In considering projects for the priority list required by subsection (a) of this Section, each State shall consider the needs for alternative water sources or projects in such State, and the need to assure widespread benefits for any proposed project.

(c) The list submitted by a State under the terms of Subsection (a) of this Section shall be deemed to be approved within 60 days of its submission to the Council unless the Council finds that such list was developed without an adequate and full opportunity for public hearings and participation. In the event the Council finds the list was developed without an adequate and full opportunity for public hearings and participation, the Council shall immediately notify such State, which shall conduct such hearings and submit a new list as soon as practicable. No funds under this section shall be available for expenditure in any State until a priority list for such state has been submitted and approved.

(d) Upon completion of any study under the authority of Section 102 of this Act, an appropriate, detailed report on such study shall be filed by the appropriate Federal water resources agency or agencies with the Council and the appropriate State or States. After a public hearing in the appropriate State or States and after certification by the appropriate Governor or Governors to the Council that such project is desirable, needed, and entitled to priority consideration within such state, a brief evaluation of such project shall be published in the Federal Register, and such project shall, 90 days after such publication, be considered to be authorized for construction and eligible for inclusion on a State's priority list for construction under the terms of Subsection (a) of this section and funding utilizing monies authorized by subsection (h) of this Section.

(e) Notwithstanding the provisions of Subsection (d) of this section, any project proposed to be constructed in one state, where the Governor of another State in the affected watershed objects in writing to the Council within 90 days after the publication in the Federal Register required in subsection (d) of this Section stating that such project adversely affects the quality or quantity of water available in such other state, must be authorized by an Act of Congress.

(f) Notwithstanding the provisions of Subsection (d) of this section, any project proposed for construction shall require the approval of the Council if the appropriate water resources agency had failed to recommend construction of such project.

(g) Any project that was under construction at the time of enactment of this Act, may, at the discretion of the Governor or Governors of the State or States in which such project is located, become eligible for funding under the terms of this section.

(h) Any project to be constructed using funds authorized by this section may be constructed, notwithstanding any computation of the project's benefits and costs, so long as such project is on a State's priority list under the terms of Subsection (a) of this Section.

(i) The sum of $4,000,000,000 is authorized to be appropriated to the Council for the fiscal year ending September 30, 1981, and for each fiscal year thereafter for the construction of projects to be undertaken under the terms of this section, providing that the cooperating State, or States jointly, or other appropriate non-Federal body, agree to pay, or contribute in kind, 25 percentum of the cost of constructing such project, and 50 per centum of the cost of efficiently operating and maintaining such project upon its completion.

(j)(1) The non-Federal contribution on projects authorized prior to the date of enactment of this Act to be constructed under the terms of this Section may, at the discretion of the non-Federal interests, be contributed over the life of the project including a reasonable rate of interest to be determined by the Council, and revenues received by the United States as a result of the sale of water or other benefits produced by such project shall be available for use toward computing a portion or all of such non-Federal payments.

(2) The Inland Waterways Trust Fund established by Title II of Public Law 95–502 shall be available to pay the non-federal contribution toward the cost of projects authorized for the purposes of commercial inland navigation.

(k) For the purpose of protecting human life and property, projects that were authorized prior to the date of enactment of this Act for the stated purpose of the elimination of hazards and failure of dams shall be subject to the cost-sharing described in such authorization.

(l) Whenever a project provides electrical power, municipal and industrial water, or other revenue-producing benefits, revenues from the sale of such benefits shall, on those projects where the non-Federal interests contribute their share at the time of construction of such project, be shared between the contributing non-Federal interests and the participating Federal agencies on the basis of that percentage contributed by each entity toward the project's construction costs and its operations and maintenance. Revenues received by the Federal government as a result of the preceding sentence shall be available for the purposes of this section and Section 108 of this Act, and the Council shall allocate those funds related to construction costs annually among the states in the manner of allocation specified in Section 104, and such funds shall be in addition to those authorized for distribution by subsection (i) of this section. Revenues repaid directly to the States under this section shall be available to the states for any purpose.

STATE ALLOCATION

SEC. 104(a) Beginning in the fiscal year that ends September 30, 1981, sums authorized to be appropriated pursuant to Section 4 of this Act shall be allocated by the Council among the States at the beginning of each fiscal year in accordance with regulations promulgated by the Council, one-half in the ratio that the population of each state bears to the population of all of the States, and one-half on the ratio that the area of each state bears to the area of all states, provided that no state shall receive less than one-third of 1 percent of the sums allocated annually among all the states, and provided further that the sums of $100,000,000, or 3 per centum of the funds appropriated pursuant to Section 4 of this Act, whichever is the lesser, shall be allocated annually to the State of Alaska.

(b) Sums allocated to a State under subsection (a) of this Section shall be available for obligation on and after the date of such allocation, provided such state meets the requirements of Section 103(c) of this Act. Such sums shall continue to be available for obligation in such State for a period of three years after the close of the fiscal year for which such sums are authorized. Any allocated sums which have not been obligated by the end of such three-year period shall be reallocated by the Council on the basis of the ratio used in making the original allocation of sums under this section. Any sum made available to a State by reallocation under the preceding sentence shall be in addition to funds otherwise allocated to such State for grants under this Act during any fiscal year.

DEAUTHORIZATION

Sec. 105. Any project authorized for construction prior to enactment of this Act, but on which no construction has begun within five years following the date of enactment of this Act, shall cease to be authorized five years after the date of enactment of this Act unless such project has been placed on the priority list of the appropriate state or states, and such project can reasonably be expected to receive construction funding within the succeeding five years, or unless such project is included under the terms of Section 106(b) of this Act, or unless such project can be expected to be constructed under a loan under the terms of Section 107 of this Act.

SPECIAL REGIONAL PROJECTS

Sec. 106. (a) As a result of its review under Section 110 of this Act, or other information made available to the Council, the Council may direct the study of, and may propose enactment of, legislation authorizing construction regional, water resources projects that, in the view of the Council, have or are likely to have a national significance and priority. The Council shall direct that such studies be undertaken by the appropriate water resources agency or agencies.

(b) From among projects authorized prior to the enactment of this Act, the Council shall, within six months of enactment of this Act, select up to 25 projects of a regional, character that have national significance and priority. Upon the listing of a project under the terms of this subsection, such project shall be eligible for funding by direct appropriation of Congress without regard to the terms of Section 103 of this Act, or the limitations of subsection (e) of this Section.

(c) Projects studied under the terms of subsection (a) of this section, if authorized specifically by the Congress, and projects listed under the terms of subsection (b) of this section, shall be constructed at full Federal cost, provided that once the project is available for utilization, the users or beneficiaries of such projects shall pay a fee, as the Council or law may require, that is designed to recover all or an appropriate percentage of the project's cost, with interest, during the project's anticipated life, together with its cost of operation and maintenance.

(d) Projects constructed under the authority of this section must produce benefits that exceed the cost of such project, using a reasonable rate of interest as determined by the Council.

(e) There is authorized to be appropriated to the Council $20,000,000 for the fiscal year ending September 30, 1981, and for each fiscal year thereafter, for feasibility studies of regional, water resources projects that have a national significance and priority. No more than 20 such projects of national priority shall be under study and design at one time, while no more than 10 such projects of national priority shall be under construction at one time.

(f) While projects under this section may be constructed wholly within one state, such projects must provide benefits significantly affecting two or more states, and receive the approval of the Governors of such states.

CONSTRUCTION LOANS

Sec. 107. In the case of any project authorized for construction prior to enactment of this Act, but on which construction was not initiated as of the date of enactment of this Act, the appropriate State or States may, notwithstanding the provisions of Sections 103 or Section 106 of this Act, apply to the Council for a loan to finance the construction by the appropriate Federal agency or agencies of such project, provided the State or States agrees to repay such loan over the anticipated life of such project, together with a reasonable rate of interest to be determined by the Council. The sum of $3,000,000,000 is authorized to be appropriated by the Council for loans under this Section, and shall remain available until expended. The Council shall approve loans under the terms of this Section whenever the Council determines that such loan would enable the project to be completed in an expeditious manner.

OPERATION AND MAINTENANCE

Sec. 108. For the purposes of operating and maintaining facilities of water resources agencies that are in existence at the time of enactment of this Act or are constructed under the terms of this Act, the sum of $1,000,000,000 is authorized to be appropriated for the fiscal year ending September 30, 1981, and annually thereafter to the Council for distribution to the appropriate water resources agencies.

CLARIFICATIONS

Sec. 109. (a) Nothing in this Act shall alter the requirements of the National Environmental Policy Act (42 U.S.C. 4343), the Fish and Wildlife Coordination Act (16 U.S.C. 661), or the Endangered Species Act (16 U.S.C. 1530 et seq.).

(b) Projects authorized as a result of enactment of this Act shall incorporate the best available techniques for the conservation of water.

STUDIES

Sec. 110. (a) The Council, after public hearings and in consultation with the States. shall make a detailed evaluation of the national priorities for water resources development through the year 2000, together with an estimate of the needs for cost-effective development of the projects throughout the nation by the year 2000. The Council shall submit such detiled estimate of need and costs to the Congress no later than July 1, 1981.

(b) The Council, in cooperation with the Office of Water Research and Technology, shall undertake a study of the best ways to achieve the maximum efficient use of water supplies from existing Federal projects. The Council shall report its findings to the Congress by July 1, 1981.

(c) Prior to the submission of the studies under this section, no funds shall be obligated by any water resources agency for the initiation of construction of any project, the principal purpose of which is to bring land into production for crops currently receiving Federal price supports.

(d) There is authorized to be appropriated to the Council the sum of $3,000,000 to carry out the purpose of this section.

DEFINITIONS

Sec. 111. As used in this Act:

(a) The term "water resource agencies" included the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the Soil Conservation Service;

(b) The term "project" means any publicly owned water resources facility, device, or system designed for flood protection, erosion control, reclamation, hurricane protection, municipal and industrial water supply, navigation, power generation, saline water conversion, water-based recreation, sediment control, water conveyance, or related water purposes; and

(c) The term "conservation of water" shall include methods to store water and to reduce water loss.

(d) The term "Governor" shall include any official or body under State law with responsibility for water resources in such States.

TITLE II

The Water Resources Planning Act as amended (42 U.S.C. 1962 et seq.) is amended by deleting section 101 and inserting in lieu thereof the following:

"Sec. 101. There is hereby established an independent Water Resources Council (hereinafter referred to as the 'council') which shall be composed of nine members, including the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, plus five members chosen by the President, with the advice and consent of the Senate, for their expertise in the engineering or economics of water resources development. The chairman of the Council shall be selected from those members selected by the President."

SECTION-BY-SECTION ANALYSIS OF DOMENICI-MOYNIHAN WATER POLICY BILL

The short title of the bill declares the Act to be the National Water Resources Policy and Development Act of 1979.

Section 101 declares that it is the findings of Congress that the present water resources program has been frustrated by delays, and that it is the intent of the Congress to place greater reliance on the states for funding and establishing priorities for water resources development.

Section 102 authorizes the state to request specific feasibility studies, with $150,000,000 to be available annually for distribution among the various Federal water agencies to finance these engineering and feasibility studies of specific projects requested by the states. This section also directs that the states or local interests agree to pay 10 percent of any future water resource studies, once completed. The states will also be reimbursed for as many as seven persons appointed to work with the Federal agency on the study.

Section 103. Each state is required to develop a priority list for water projects, which shall be automatically approved in 60 days, so long as it was subjected to annual public hearings and participation. New projects that are studies under Section 102 will become automatically authorized for construction 90 days after the study is approved by the appropriate Governor, submitted to the Water Resources Council, and summarized in the Federal Register, unless the Governor of a neighboring state objects on the grounds that the project would adversely affect water quality or quantity in that Governor's state. In such cases, the project must receive Congressional authorization. If a proposal is not endorsed by the Federal water agency, the WRC would determine if it could be authorized and eligible for a state priority list.

$4 billion is authorized annually for distribution to the states for construction of projects on a state's priority list, while the states or local interests are required to put up 25 percent of a project's cost and half of operating costs. That contribution, or a portion of it, can be in kind. Also, on projects already authorized, the 25 percent contribution can be paid over the project's life, with interest, and payments can be calculated as coming from user charges on hydropower, water sales or other vendible outputs from the project. In addition, the existing Inland Waterways Trust Fund can also be used toward the state's contribution on inland navigation projects.

The state may fund projects under this section without strict adherence to the benefit-cost ratios.

Section 104 provides that Section 103 monies shall be allocated annually to the states, half on the basis of population, half on the basis of land area. No state shall receive less than ⅓ of 1 percent of funds distributed each year.

Section 105 creates a method to deauthorize old projects five years after the date of enactment of the bill, unless those projects are either under construction or have been placed on a state's priority list with the anticipation that the project will receive construction monies within the following five years.

Section 106 authorizes $20,000,000 for studies and direct appropriation for up to 20 special regional water projects at one time. Also, Federal water agencies are authorized to build up to 25 special regional projects that were authorized in the past, in addition to those covered by the state grants program, plus up to 10 new projects at a time that have been studied under this special program. Projects under this section are built by direct appropriation and at full Federal cost, but with user fees. A positive benefit-cost ratio is required. While projects in this section may be wholly within one state, they must provide substantial benefits to at least two states.

Section 107 establishes a special $3 billion fund for loans to states to build projects authorized prior to this act. This provision supplements the regular grant approach on projects already authorized.

Section 108 provides $1 billion annually for operating and maintenance expenditures on Federal water projects now in existence and to be built.

Section 109 requires that various environmental laws apply to projects under this bill, and requires use of best available water conservation techniques in new projects.

Section 110 authorizes two special studies: one on national water resources needs and a second to study the maximum efficient use of water from Federal projects. Prior to these studies, no new project can be initiated that brings land into production of crops that receive Federal price supports.

Section 111 provides definitions of the terms water resources agencies, projects, conservation of water, and governor of a state.

TITLE II

Reorganizes the makeup of the Water Resources Council so that it will consist of 4 members of Cabinet rank plus 5 outsiders, one of whom shall be Council chairman.

Mr. DOMENICI. Mr. President, today we have introduced a bill which is going to change long traditions around the Senate, around the country, and in the other body. But for myself, I think it is a historic bill; it is long overdue; and it is a must for the American people. If there is anything that is important to life, it is water. And if there is any policy of the U.S. Government that is ineffective, inoperative, and disastrous, it is the nonwater policy that exists today. That nonwater policy exists only by way of a series of ad hoc projects dreamed up, promoted, and that now take an average of 26 years from the time they are authorized until they go into construction. There is no prioritizing either by State or by the Nation.

A cost/benefit ratio is developed to indicate their worth, but that is in shambles. To many who have looked at that ratio, it is meaningless today.

We have $34 billion in authorized, unbuilt projects, pending in this land.

We have one, believe it or not, authorized and waiting around to make the beautiful city of Dallas—and I have been there and I love that city and its people—an inland seaport, if you can imagine that. Its estimated costs are around $2 billion and, at the same time, we have a huge water basin feeding six States called the Ogallala Water Basin, where millions of bushels of wheat, corn, and other products are produced each year for America. And the Ogallala is going dry. Until 2 years ago, we had not spent one nickel of American money to solve it. We now have a study going for $300,000 or $400,000.

I could go on and on, indicating the complete lack of sense existing in this disastrous nonpolicy.

So today, knowing full well that we are in for months of hard work, maybe even years, and that we are in for a lot of heated debate, it is my pleasure to introduce a new American water policy. It is designed to address the delays, for it will make the system work faster. And it will, for the first time, put some priorities into the system.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DOMENICI. I yield myself 2 additional minutes.

Under our bill, each of our sovereign States will select projects they think are needed, submit them to the appropriate Federal agency for review, and unless there is something basically wrong with them, they will go forward under a priority system.

Yes, the States are going to have to pay 25 percent of the cost of the projects; but, as we see it, since they are going to have much to say about what we do, they ought to pay some part of it. In addition, they will benefit greatly from the expedited process.

The bill is an effort to develop a coordinated water resources program, ending the ad hoc approach I have just described. The money in the bill will be distributed on the basis of need; and what better guide for need is there than to disburse the money to our States based upon their size geographically and the number of people in each State? That is our formula for a block grant of $4 billion a year for construction money.

Our President has submitted a water policy approach which adds to the States' cost, but fails, as I see it, to reform the system. It does not strengthen State efforts. It does not necessarily identify priorities or speed up the process.

Our bill moves much of the program out from under the tyranny of the benefit-cost analysis, which I alluded to previously. The bill also sets up a national category of regional projects, 10 of which can be under construction at any one time; and it sets up a process to clear out the dead wood projects, based upon the priorities of the States. But it gives plenty of time for that dead wood to be screened, so that we will not have to be worried that we are taking out real wood instead of dead wood.

In conclusion, I want to say that I am most pleased that this bill comes to the floor under the sponsorship of PETE DOMENICI from New Mexico, in the Southwest, and my good friend the distinguished Senator from New York (Mr. MOYNIHAN) from the East. Water problems exist from coast to coast in America. They are not only in the West or the Southwest, as many think; they are across America.

I commend my good friend from New York for his willingness to join with me in an attempt to make sense out of American water policy, which now is in a shambles and is senseless. I know that together we will succeed in drastically affecting American water policy for the better.

I yield my good friend from New York (Mr. MOYNIHAN) as much time as he needs.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I purpose first to acknowledge the personal debt which I believe I share with the whole of the U.S. Senate, for the extraordinary initiative, competence, and insight into our public policy that the Senator from New Mexico has shown in his leadership in bringing this measure to the floor. There are not many Members here at this early hour. Not much heed is being paid at this particular moment to what we are saying. But, Mr. President, we are, indeed, saying something of the greatest importance, and the time will come when we will be heard. We are making a proposal as profound in its implications for economic and social development in this country as any we have heretofore made in this Congress, and perhaps as any made in this decade.

Mr. President, I would make two large points. The first is that we are seeking to bring to a chaotic and idiosyncratic system of economic and resource development the concept of national policy—a concept which is, I think, deeply sensitive to the uses of federalism: The capacity of States to know best what they most need, and the capacity of the Federal Government to look to national interests and the sharing of costs.

The existing system is really no system at all. Rather, it is a random array of benefits that respond to the vagaries of seniority in the U.S. Congress more than anything else.

The Senator from New Mexico has observed that there now exists on paper—authorized and ready to go any time that we are willing to vote the resources—a plan to make Dallas a seaport. This project would be the equivalent for the 1970's of the great Apollo project of the 1960's, an enterprise that dazzles the imagination and certainly suggests that we are still a people capable of the boldest enterprise. It is wondrous, indeed, that the U.S. water projects now include a plan to clone the Mississippi River.

It is generally acknowledged that when the Lord bestowed His beneficence on this continent, His central theme was the great central waterway, the Mississippi River, by which one makes one's way from the Gulf of Mexico to the Ohio River. But not content with the Lord's perfection, we are prepared—and may the Lord spare us the punishment for such—to clone the Mississippi River by running a parallel waterway from Mobile, Ala., on the Gulf of Mexico, to Pickwick Pool on the Tennessee River, whence you can make your way down to the gulf coast, a project that invites philosophical wonderment, if not outright public derision.

These projects are the pattern of the randomly acquired influence of the relevant committees of the U.S. Congress; they most assuredly do not reflect a clear policy.

A second point to be made is that while these matters could have had great value as a kind of innocent patronage in their time, they have now reached a level at which the environmental concerns involved are critical, and it is precisely because these projects come to the regions involved, the States involved, as cost-free—that is, incurring no cost whatever to the locality—that they are so irresistable.

So I rise today to address a matter that is of tremendous importance in the continuing efforts of this Congress to deal with the issues of water policy reform. I speak, of course, to the bill which I and my distinguished colleague, the Senator from New Mexico, have just introduced. This legislation could, if implemented in a responsible and thoughtful fashion, represent a landmark in our attempts to formulate a water policy that promises to be efficient and equitable.

Some will no doubt note that this bill represents a radical departure from current water policy. To say this, of course, is not necessarily to condemn the new ideas here presented. Indeed, to note that this bill provides a fresh approach to consideration of water policy may be the most effective tribute that can be paid it. I think there are few here who would claim that the current state of affairs in which the authorization of important water projects is left a scarred battlefield of congressional-administration conflict, is the optimal means of dealing with this difficult situation. Current authorizations of water projects become the subject for intense debate about environmental acceptability, cost effectiveness, and jurisdictional authority. Though these are all valid and important questions, it would seem far more effective to establish a systematic way in which they can be handled.

This, of course, is one of the reasons I find the approach presented in this legislation so appealing. Our bill would create a uniform, national system by which water projects can be approved and undertaken, while at the same time allowing for the full consideration of all the questions that must be answered in approval of each initiative. The bill would change the current practice of authorizing and appropriating water resources funds to States on a project-by-project basis, that has no relation whatever to national policy, and which, indeed, makes national policy impossible. Instead, funds would regularly be appropriated on the basis of population and land area. States would be required to match these funds on a 75-percent Federal, 25 percent State basis regardless of type of project and could choose to spend their allocation on whatever feasible projects are of most importance to them. Current restrictions on Federal funding, such as those placed on single purpose water supply projects, would be eliminated to give the States more flexibility in addressing those pressing needs that previously have gone unmet.

The inefficiencies resulting from the expenditure of large sums of Federal dollars in an ad hoc and haphazard manner are by now notorious. We make the case that the wealth of funds available for expenditure on all manner of projects in the West may only have exacerbated the problems we now experience in dealing with water resources issues. The fact, as we see it, that these funds have often been used to finance wasteful projects only points to the fact that we need a policy that insures that funds will be spent on projects that are truly needed, in both a regional and national sense. Our bill represents a first step toward the more efficient allocation of funds such that those projects that are truly necessary will get the attention and funding they deserve, while we avoid the waste and mismanagement that has all too frequently characterized water resources management in the past.

Our current water policy has been inefficient in developing in the West those projects that are truly significant and necessary. There is a direct counterpart in my area of the country. Inefficiency in the handling of water projects has been prevalent in the Northeast for precisely the opposite reason from that which produces similar results in the West. We simply receive too little Federal attention. We are blessed for the most part with plentiful water resources, but lack the funds to manage and utilize this important resource properly. We too have floods, dessicated farmlands, decaying municipal water systems, and water shortages. Nonetheless, important remedial projects have not been undertaken here due to the archaic structure of existing law, and the lack of adequate political bargaining strength.

Thus New York has a project of much importance which so far has been ineligible for Federal funds, despite its obvious utility. The project to which I refer is the Third City Water Tunnel, in New York City, which certainly would represent wise use of Federal dollars in this time of emphasis on conservation and efficient use of scarce water resources. Aid for construction of this tunnel would not only mean increased reliability in delivering the water supply for all of New York City, but would also be a milestone in our attempts to conserve water and maintain existing facilities. Under historic cost sharing arrangements, however, this project has been ineligible for Federal consideration. The Domenici-Moynihan bill would change this situation by giving States the authority to determine which projects are important to them, and by allowing the States to make efficient investment decisions based on the certain knowledge of a continued level of funds.

This authorization to fund necessary and efficient water projects without regard to the region of the country in which they are located, thus, begins to right a historic inequity in the distribution of water project funds. In the period from 1950 to 1976, the Northeast received slightly more than 6 percent of the cumulative national water resources funds spent per capita, while the West received over 48 percent, the South 28 percent and the north-central region 18 percent. Under our bill, the Northeast share of total per capita funds allocated rises to just over 13 percent. The share for the north-central region of the country rises to 21 percent, that for the South is decreased to 21 percent, and that of the West to 45 percent. This does not represent an extraordinary change from the historic approach. Nonetheless, these statistics represent an important change in this regional pattern.

The Northeast is asking for some measure of equity in the distribution of the Federal water project funds. This legislation, we hope, marks the beginnings of an important national policy. The thoughtful comments of my friend Senator DOMENICI testify to this point. Consensus on this matter is of utmost importance, and I feel that we have here an approach that will make that valuable unity a possibility. I urge your attention and support, and hope that its fruit will be a product that is workable and ultimately fair.

The PRESIDING OFFICER. The time of the Senator from New Mexico is expired.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that I be yielded 2 additional moments.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, who has the next special order?

The PRESIDING OFFICER. The Senator from Arkansas has the next special order.

Mr. PRYOR. Mr. President, I am happy to yield the Senator from New Mexico 5 minutes of my time.

Mr. MOYNIHAN. That will serve me fine, if the Senator from New Mexico will yield 2 minutes to me.

Mr. ROBERT C. BYRD. Will the Senator withdraw his request?

Mr. MOYNIHAN. I withdraw my request.

Mr. DOMENICI. Then I yield 2 minutes of my 5 minutes to the Senator from New York.

Mr. MOYNIHAN. I thank the Senator from Arkansas.

I would just make this additional point, that although these projects are seen as cost free to the recipients, though they surely are not cost free—they have been punishingly expensive to the environment. This is precisely the kind of water project entered upon because it creates employment, because it brings certain kinds of activity into the region for the period involved. But it must be remembered that the environment pays. That is why we have this curious situation—in which the groups in this country which are most sensitive to the needs for the development of such a fundamental aspect of the human condition as water supply are the very people most opposed to the projects and the processes involved today, and they ought to be.

For myself and the Senator from New Mexico, who has shown an exquisite sensibility in these matters, we invite those concerned with the environment to ask if ours is not a better system, a more rational system, a national system that can bring order and progress into a field which has been characterized by randomness, a very great deal of waste, and even destruction of natural resources.

Mr. President, this is a large bill, and before this Congress is out we will be heard from on it. We will hear screams, we will hear deprecation, we will hear horror, but in the end I dare to think we will have a measure of success which will do credit to this entire enterprise.

Once again, I would like to state that it is my great honor to share in a secondary capacity this initiative with the Senator from New Mexico.

Mr. DOMENICI. I thank my good friend from New York. Mr. President, I would like to make three points, and then I will yield the floor.

First, we had a water crisis that hit a part of the United States a couple of years ago. It caused $15 million in measurable damage. It is now obvious that the United States has a tendency to wait until a crisis is not only upon us, but until we are in the midst of it, before we try to solve it.

I am not one who thinks this legislative process is forever bound to that kind of proposition. Every indication exists that America is in for a water crisis across this land. We are going to have in Eastern, Western, and Southwestern States—in their cities and for their people—shortages and water problems of significant dimension. I believe it is time we begin to put in place a set of laws that can address those problems now, handling the problems far more expeditiously than occurs now with the present chaos.

Second, I do not want anyone to think that this bill comes cheap. We spend about $4 billion a year, which is not pursuant to any priority plan, and, therefore, America's real water problems have been unattended, in spite of these expenditures. So we plan to spend $4 billion a year under this new State priority system. We plan to have 10 major American projects going all the time that Congress will have the say-so over, and which Congress will pay for 100 percent. But we do plan to make the States pay 25 percent of their State projects.

We protect adjoining States and affected States under this bill from any State determining that it wants a project that will do damage to its sister or adjoining States.

Finally, we provide for a method to filter out of the $34 billion in pending, backlog projects those that do not rate priority treatment.

We know they are important to many people. Without going into detail, we will give 10 years to get these projects started, and some of them are 30 years old and have not been started yet. We will give 10 years for them to filter through this new screen, which we hope will leave us with the best of them, while we get on in accomplishing those that are really needed.

The PRESIDING OFFICER. The additional 5 minutes of the Senator have expired.

Mr. DOMENICI. Could I have 1 additional minute?

Mr. PRYOR. I am glad to yield 1 additional minute.

Mr. DOMENICI. In conclusion, we hope that when this priority system begins to move properly it will not take longer than 3 years from the time a State selects a project until construction can begin. But even if it was to take 5 years, that is far less than 26. And we will do that with all of the environmental protection that the present laws prescribe. I thank my good friend from Arkansas for yielding, and I yield the floor.

RECOGNITION OF SENATOR PRYOR

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas is recognized for not to exceed 19 minutes.

AN ENERGY SUMMIT

Mr. PRYOR. Mr. President, we have facing us today one of the most serious crisis situation of our time. If ever we were challenged to pull together all our strength, all our courage, and all our leadership abilities to guide the course of our country, it is now. Because of the vast amount of energy that has been available to use in the past, readily and cheaply, we have become the greatest industrialized nation in the world.

Ever since the beginning of mankind, man has depended on energy for survival. Today we have learned a new strength: the strength of fossil fuels. While making our Nation great, we have unwittingly frittered them away until today the end is in sight and we are not prepared.

As it stands, we have two choices. We can give up our reliance on our private automobiles; we can store away our electric can openers, garbage compactors, and other convenience appliances; we can turn off the lights and burn candles. But in choosing this option we will be giving up the things that signify freedom in America—a Nation which is synonymous with freedom.

The other choice is to find new, replenishable sources of energy. Whatever the solution, this is a great challenge, because this critical decision applies to the point of whether we survive.

Clearly the second choice is the preferable one. This choice is not one to be made sometime in the future, when we are severely crippled and brought to our knees for lack of energy to run the mechanized society we have produced. The time to make these critical energy decisions is now, while we still have options. To postpone is a luxury America can no longer afford.

To make these decisions, we must have, above all, the facts. Yet unfortunately, the facts are what it has proven almost impossible to obtain.

On the one hand, we are told that we have enough proven oil reserves in this country to supply us until the end of the century and beyond. At the same time, we are importing over 50 percent of our oil from the OPEC countries.

On the one hand, we are told that the oil companies must have decontrol to make domestic production more attractive financially. On the other hand, we see where many of the large oil companies made record profits last year.

On the one hand, we are told that the current supplies of crude are unchanged; and on the other we are told that the Iranian situation has caused a serious shortfall. Most acutely, we see our fellow citizens in California waiting in long gasoline lines, victims of a true crisis situation. Which States or communities are next?

For sure, we do not know what is at the root of this problem, so we do not know how to even begin to solve it. We appear impotent, weak, and indecisive.

This confusing, contradictory scenario has created the most threatening and disabling problem of all: The American people have serious doubts as to whether the energy crisis is for real. And you cannot blame them. More dangerous even than the lack of energy is this lack of credibility which is building daily. The public and those of us in Congress are having a hard time separating fact from fiction. Upon which set of facts do we rely? Whose information do we accept and whose can be discarded? What is the truth, Mr. President?

The major energy producers are hearing the brunt of the criticism—perhaps rightly and perhaps wrongly so. It is clear that we in leadership positions in this Nation have taken a place alongside the oil companies. We are losing respect and credibility, and rightly so, for our inability to come to grips with a crisis that is spreading like a prairie fire.

We have argued and discussed and debated until we are blue in the face. All of our discussions in the areas of energy production, foreign dependence, and allocation formulas have only resulted in unresolved arguments over whose facts are real. This is a preposterous and indefensible position and one which will lead to chaos in this country and in the world, if not corrected immediately. It is impossible for us to assume that the American public will follow our leadership under such circumstances.

Following the Memorial Day recess, I

intend to introduce a resolution which I seriously believe has the potential to help this situation. I think that one of the major problems has been that the people who play important roles in our energy society have not yet met together in an atmosphere stressing the magnitude of the problem to discuss the facts face-to-face. We have had only segmented debates, often philosophical in nature. Each group has raised its voice and all the voices together create a terrible discord.

The resolution I will submit calls on the President of the United States to call an energy summit immediately. I had intended to introduce this resolution today, but because of the interest expressed by several of my colleagues, I have decided to delay its introduction to give you an opportunity to join as cosponsors. The purpose of the energy summit would be to attempt to establish the true facts before we make long-range and critical energy decisions in the dark, and literally, before it gets even darker.

The President, during the Middle East summit, demonstrated his ability to get at hard-core facts and bring out the kind of cooperation necessary when diverse groups and interests are involved.

Included at this energy summit would be spokesmen, hopefully, from the oil companies, from the majors and the independents, even spokesmen for service station operators, representatives of the Government, and spokesmen from consumer organizations—anyone who is involved with energy in this country.

Mr. President, our energy problem must be given the weight and the attention that it demands. I believe that bringing together these groups in this forum would help to accomplish this end.

A summit of this type, if structured properly, would produce a better base of understanding and would help to allay some of the fears and some of the rumors which have resulted in what can only be termed a crisis of credibility.

The Congress and the American people, I believe, will accept whatever decisions are made as long as they are based on the proper facts and as long as everyone is treated equally. To be able to pinpoint the facts would be a major step toward restoring the confidence of the American people in their Government's ability to address and ultimately resolve perhaps the most critical domestic issue of our time.

Last week I wrote the President asking that he give this idea of an energy summit his immediate and serious consideration. I hope that many of my colleagues will join me in my resolution expressing the sense of the Senate that the President should call this summit, for it will show our seriousness and our commitment to gleaning the facts that we must have to face these most monumental decisions.

The people of America, Mr. President, are crying for positive action that will demonstrate that their Government has the capacity to resolve this national crisis. The American people want the facts, no matter how alarming or bad they may be. We can do no less than to provide a proper forum for those facts to be developed and then to quickly and decisively act upon those facts.

Mr. President, at this time, I yield to the distinguished Senator from the State of New Jersey (Mr. BRADLEY), who has done an extreme amount of work in this field and who also, I understand, called upon the President in a past speech on this floor to assemble those individuals together to discuss this monumental situation.

Mr. BRADLEY. Mr. President, I compliment the Senator from Arkansas for his comments this morning. I am pleased to see that he has joined in calling for an energy summit. Three weeks ago, on this floor, I made a similar call and followed it with a letter to the President. I did that because, clearly, we are at a problem, a crisis of credibility. Clarification is badly needed. Confidence is eroding. The President, in my opinion, is the only person who can focus national attention on the issue, obtain the facts, and give them to the American people. This is critical, because no sacrifice will be made until the crisis is perceived and understood. Americans deserve a straightforward accounting of the facts.

Specifically, I would suggest five steps, as I did to the President, 3 weeks ago. First, he should ask all major corporations producing, refining, or transporting oil sold in the United States to hand him any data which he considers relevant to the current supply conditions.

Next, he should have this information analyzed independently by such organizations as the Energy Information Agency, which is presently funded at a figure of $88 million for the purpose of this type of energy verification.

He should engage the special counsel for energy regulations that has charge of auditing the oil companies' information now and is funded at a level of $35 million.

He should involve the General Accounting Office, which is presently doing a study on the supply of oil to this country.

After independent verification, I suggest that he call an energy summit conference, inviting not only the independent verifiers and the oil company executives, but also involving other individuals that he feels are appropriate. And I strongly suggest that he involve representatives of consumer groups active in the energy field.

He should direct the participants to review the fundamental facts that have been gathered, explain the causes and dimensions of the Nation's present energy problems: Is there a crisis? Is it due to Iran? Is it due to a lack of refining capacity? Is it due to an increase in demand? Is it due to all of the above factors, or more?

He should then project the supply trends for the rest of the year.

Fifth, and finally, he should present the conclusions of the conference to the American people as quickly and clearly as possible. He must let them know what individual sacrifices can be expected of them as a result of the facts which he has obtained by the means that are unique to his office.

In my opinion, such actions would help reduce public suspicion and uncertainty. They would put this Nation in a far better position to meet the challenges at hand.

I am pleased that the Senator from Arkansas has joined in this call, and I hope that other Senators in this body will join us in asking the President to obtain the facts and present them to the American people.

Mr. PRYOR. Mr. President, I applaud the Senator from New Jersey for his leadership role. He is an effective member of the Energy Committee in the Senate. In his short weeks as a Member of the U.S. Senate, he has very quickly become an authority in the area of energy. His words, I am certain, will be well heeded by our colleagues.

Mr. President, I am very, very proud to be able to join him in this effort, urging the President of the United States forthwith to summon an energy summit meeting so that we may get the facts and give those facts to the American people.

Mr. President, at this time, if the Senator has no other comments, I do yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa (Mr. JEPSEN) is recognized for 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. JEPSEN. Yes.

ORDER TO CONSIDER S. 495 TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the disposition of Calendar Order No. 107 today, the Senate proceed to the consideration of Calendar Order No. 191, S. 495, a bill to authorize the establishment of the Frederick Law Olmsted National Historic Site in the State of Massachusetts.

It was announced on yesterday that this measure would be taken up today.

Mr. JEPSEN. Reserving the right to object——

The PRESIDING OFFICER. Is the Senator objecting?

Mr. ROBERT C. BYRD. May I say to the distinguished Senator, I have already cleared it on his side of the aisle.

Mr. JEPSEN. I have just been advised. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa.

EXPORT ADMINISTRATION ACT

Mr. JEPSEN. Mr. President, export development is critical to the Nation's economy. Developing greater world markets for U.S. products creates more jobs and helps to reduce inflation. In 1978 our Nation had a $29 billion trade deficit. If we plan to reduce this trade imbalance we must expand our international trade immediately. It is necessary to reduce barriers which prevent freer trade, not only foreign barriers but our own domestic barriers. With our large and insensitive bureaucracy we have created endless rolls of redtape for our Nation's exporters. Licensing and policy procedures have not only prevented trade but have forced companies to be unreliable suppliers.

I must emphasize the necessity for economic and political realities of a global situation. We cannot overlook the fundamental rights of every American business to market its products overseas and should clearly establish that the encumbrance of that right through the export licensing process is to be the exception and not the rule. The administration has been exercising control over U.S. exports for reasons of foreign policy. I recognize that there will be occurrences when sanctions may be justified in pursuit of foreign policy objectives. But we must realize the importance of a commonsense and practical approach that does not unjustly impair American companies engaging in international trade. Export controls are not an efficient manner in which to apply sanctions. I emphasize the commonsense approach to this matter, in the realization that exports yield increased production and jobs.

Mr. President, today I am joining Senators Stevenson and Heinz on S. 737, a bill to provide authority to regulate exports to provide the efficiency of export regulation and minimize interference with the right to engage in commerce. This legislation would establish an export control policy which protects vital security and foreign policy interests without unnecessarily restricting U.S. exports. It would reduce the number of control items and focus national security controls on technologies and related products critical to military systems. It would set criteria which the President must consider before imposing export controls for foreign policy purposes. It would reduce paperwork by establishing licenses under which mobile shipments could be made to a specified purchaser for a stated use. It would expedite interagency review by requiring agreement in writing on types and categories of applications requiring interagency re-referral and setting a 30-day deadline for returning comments to the Commerce Department. It would reduce final decisions on all applications with a maximum of 180 days by requiring application is either decided in a specified period or referred to a higher level, if necessary to the President.

This legislation assigns clear responsibility for assessing the foreign availability of goods and technology subject to U.S. export controls. Recently, a report was released by the General Accounting Office noting that no one in the executive branch is given responsibility to determine whether products or technology are freely available to control countries from our foreign competitors. The report clearly shows that each agency makes its own assessments leading to needless duplication of effort and delays in license reviews. The recommendation by the General Accounting Office calls for a practical solution to this matter. They recommended that foreign availability be assessed by a single office drawing its necessary on expertise and information from other Federal agencies.

S. 737 requires establishment of an Office of Foreign Product and Technology Assessment in the Department of Commerce. This office could call upon any Federal agency for assistance in assessing foreign availability and would also receive information from the business sector. Centralizing responsibility for foreign availability assessments should yield substantial savings to administrative expense and license processing time.

Mr. President, I ask unanimous consent that an excerpt of a speech by William A. Hewitt, chairman of the board of John Deere & Co., be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

How Deere, Iowa Mutually Benefit

Of all the 50 states, none is more important to Deere & Co. than Iowa. Iowa's farmers are among John Deere's best customers, and our six factories in this state employ more than 28,000 people, almost half of the 60,000 John Deere employees around the world. Our annual payroll in Iowa is more than $550 million. We are the largest private employer in the state.

We have been an Iowa manufacturer since 1910, when we acquired our factory at Ottumwa.

Deere & Co. has had substantial new growth in Iowa during the 1970s. We built a completely new factory in Davenport, which, along with the Dubuque factory, produces the construction and forestry machines that make up our billion-dollar-a-year industrial equipment line. We built a new electric foundry in Waterloo and a new factory in Waterloo for manufacturing diesel engines. Currently, we are constructing in Waterloo a new tractor assembly and manufacturing facility that will become the seventh John Deere factory in Iowa.

Our employment has grown substantially also. In 1959, we employed slightly more than 10,000 persons in Iowa and our annual payroll in the state was some $60 million. In the 20 years since then, we have created more than 18,000 new jobs in Iowa.

From a company with $330 million in sales in 1955, we have grown into a company that had $4 billion in sales last year.

In 1955 we were basically a domestic manufacturer of farm machinery. Almost all of our sales were in the United States and Canada. Since then we have become the world's largest farm-equipment company and have diversified into the manufacture of construction and forestry equipment. Additionally, we now produce a line of consumer products, such as lawn and garden tractors and snowmobiles.

The development of our overseas operations has created many new job opportunities in Iowa and in the United States. One out of every six of the jobs in our Iowa factories today is the direct result of our overseas activities and the export opportunities they have created.

Because it is so much on people's minds today, I also should mention that we have been working to develop our relationships with the People's Republic of China. We have sold more than $2.5 million worth of farm equipment to the Chinese, who are testing this equipment on one of their large farm communes in Manchuria. We hope for additional business with the PRC in the future.

I have been telling you about our growth in recent years because I would like to make a point. In order to do this, I will raise a question. Why have we been able to expand our business, in Iowa and other states, and, in doing so, create thousands of new jobs?

Quite simply, we have been able to do these things because we have been a financially sound and profitable company. Being profitable has enabled us to spend more than 4 cents out of each sales dollar—which is substantially more than industry as a whole—on research and development to create more productive machines to do jobs better and more economically.

The popular concept—often perpetuated by newspaper cartoonists—is that profits are something wrung out of the economic system by greedy fat cats. The facts are considerably different. The controversy over oil company profits is a case in point.

The media feature sensational headlines about the higher profits of major oil companies in the first quarter of 1979. This approach, of course, appeals to the public's emotions about rising gasoline prices and the issue of whether there actually is an oil crisis. Unfortunately, this type of coverage often presents the facts out of context. It is true that the five largest oil companies averaged about a 50 percent profit increase in the first quarter, but there were several factors in addition to higher prices that contributed to this improvement.

The strengthening of the U.S. dollar and better earnings from chemical products abroad are two of these. One company had a 300 percent profit increase. The media played up that number but downplayed the fact that this year's first quarter was up so much mainly because the company's coal operations were on strike in the corresponding quarter of 1978.

Somehow such facts become lost in the heat of the oil debate. This contributes to the public's misunderstanding of the real situation facing the companies, which need better returns to get the capital to finance costly oil exploration and drilling.

Let us remember that major businesses today are publicly held corporations owned by millions of Americans who have invested their savings in the equity stock of those corporations. Additionally, a substantial portion of corporate stock is owned by pension funds that serve millions of retired workers. Consequently, many Americans who do not own stock in their own names are really among those sharing in American business.

We should also remember that stockholders receive only part of the profits earned by American business. The balance is reinvested to build modern factories, to increase productivity and to provide more jobs.

Too often, the public fails to grasp this. And the public doesn't have a clear idea of just how much profit business does earn. Surveys show the popular concept is that profits run as high as 40, 50 or 60 percent of sales.

In Deere & Co.'s case, profits last year were only slightly more than 6 percent of sales—6.4 cents out of each sales dollar. Industry as a whole last year earned about 5 percent—about the average rate of return that all industry earned during the inflationary decade of the 1970s. By contrast, during the period from 1947 to 1965, industrys' average profits were about 8.6 percent.

Because of the squeeze on profits, many segments of American industry have had insufficient funds to invest in new factories and new machine tools. As a result, much of this nation's manufacturing capacity has grown old and obsolete, and productivity increases have declined.

Probably all of us here today agree that the most serious domestic problem facing our nation today is inflation. Every American feels the impact of inflation each day. Business feels it, too.

Since 1972, for example, the cost of energy has increased an average of 23 percent a year compounded annually. In order to reduce this high cost of energy, Deere & Co. has conducted a major energy-conservation effort and the results have been excellent.

In six years, we have achieved a 35 percent decrease in the amount of energy we need to produce a ton of finished product. However, despite this dramatic saving, our total cost of energy in 1978 was $33 million more than in 1972.

To combat inflation, we have pledged Deere & Co.'s best efforts to comply with President's Carter's voluntary wage and price standards. In order to cover higher costs of energy, materials and wages without corresponding price increases, we must make corresponding gains in productivity. This requires greater capital investment, which, in turn, depends upon sufficient profitability.

To increase productivity, we have been investing at the highest rate in our history. During the past five years, our profits after taxes have totaled $1.1 billion. In those five years, we reinvested $880 million—an amount equal to 80 percent of those profits—in new plant and equipment.

Iowa has been an excellent place in which to do business, and I hope its favorable business climate will continue. I am pleased that Iowa has recognized the progressive steps that have been taken by other state governments and is acting to preserve its advantages.

The fostering of a favorable business climate is vitally important, both for our business and yours. The single-factor tax, for example, has played a key role in Iowa's industrial development in the past. Deere's long history of growth in this state in the past offers ample evidence that Iowa has been an excellent place for industry. The additional factory expansions we are announcing today reflect our confidence that Governor Ray and Iowa's other leaders will keep this state an excellent place for industry in the future.

S. 1242—INDEX INDIVIDUAL RETIREMENT ACCOUNTS FOR INFLATION

Mr. JEPSEN. Mr. President, in my opinion one of the most important things Congress has done in recent years is to authorize the establishment of individual retirement accounts or IRA's. This allows an individual to set aside up to $1,500 per year of his taxable income in a special interest-bearing account, with no taxes paid on the principal or the interest until the money is withdrawn after age 60.

Mr. President, IRA's serve two vital functions: They help individuals save for retirement, so that they may retire with dignity, and they help encourage savings, which aids capital formation and industrial expansion.

For too many years it has been the policy of our Government to discourage savings and encourage people to rely on social security for their retirement income. As Prof. Martin Feldstein's work has shown, one of the major reasons that people save is for retirement. If they are led to believe that social security will take care of their retirement needs, then people will have much less reason to save.

Unfortunately, older Americans are discovering too late that social security is not adequate—especially in a time of inflation. Since we cannot increase social security benefits without greatly increasing taxes, we must therefore look at new ways of helping people better prepare themselves for retirement financially. Allowing people to set up individual retirement accounts is an important step in this direction.

Another important thing about IRA's is that they help reduce the absurdly high tax rates suffered by Americans. By allowing people to take up to $1,500 off the top of their taxable incomes, substantial tax savings can be made. A single individual with a gross income of $15,000 per year, for example, would save $407 in Federal income taxes if he put the maximum amount of his income into an IRA.

Because I think that IRA's are such a good thing I believe they should be expanded. Today I am taking a small step in that direction by proposing legislation which would "index" the maximum amount which can be put into an individual retirement account to the rate of inflation. Thus, as inflation increases nominal incomes the maximum amount which can be put into an IRA will also increase. Thus, if inflation went up 10 percent the maximum amount which could be put into an IRA would increase to $1,650 and so on.

Mr. President, for years the Congress has opposed indexing measures for two reasons: They are said to be a "cop-out" in the war against inflation and they are said to be too expensive in terms of lost revenue. Neither reason is valid; first because this proposal would have a negligible revenue impact and second because Congress has clearly shown that it cannot deal effectively with inflation, so we should begin now to start minimizing its impact. Indexing individual retirement accounts is a good place to start.

Mr. President, I submit the bill for appropriate referral.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

RECOGNITION OF SENATOR LEAHY

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont (Mr. LEAHY) is recognized for not to exceed 15 minutes.

OPPOSITION TO OIL DECONTROL

Mr. LEAHY. Mr. President, today I am announcing my support for and cosponsorship of Senators JACKSON and KENNEDY's bill, S. 936, to extend Federal controls on crude oil. I am doing this because of my dissatisfaction with the policies of the administration and the Department of Energy.

The news recently has been dominated by stories of long lines at gas stations, stations closing for hours or days because they have no gasoline. Panic buying and general supply problems have created havoc in California and other areas. Supply shortage and gas station lines were predicted for this summer—our heaviest driving season. But the summer scene has appeared already. We must ask ourselves why. Why are people lining up to buy overpriced gasoline that is already in short supply? Why are the American people either killing each other to buy the gas or driving as if no supply problem existed? Why can we not have reliable information on oil product supply and demand? We, after all, have a huge bureaucracy dedicated to energy. We must also ask why is the administration proposing to lift Federal price controls on domestic crude oil at this time.

One and a half months ago, President Carter unveiled his plan to decontrol oil and, at the same time, his legislative proposal to institute a windfall profits tax on profits earned as a result of decontrol.

The country's energy production and supply problems are grave and getting worse. In an effort to alleviate some of these problems, the President has provided an incentive to the oil companies to increase domestic production to keep supply in line with our growing demand.

The Carter plan will, as he promises, result in some increased domestic production, although the exact amount is unclear.

It will moderately enhance national conservation efforts.

It will minimally increase the amount of resources devoted to the research, development, and marketing of alternative energy sources.

As good as these effects may be, I have concluded that the President's proposals to decontrol oil prices, at this time and in this form, are unacceptable.

They are unacceptable because, despite his efforts and best intentions, they will increase the already obscene profits of our Nation's oil companies.

They are unacceptable because their costs will be borne, almost exclusively, by consumers who can least afford to pay the price, at this time of runaway inflation.

And they are unacceptable to me because in New England and in Vermont in particular, the hardship that results from increased energy costs is especially severe.

Finally, decontrol is unacceptable to me because there is not nearly enough emphasis on development of alternative energy sources.

I remain unconvinced of this administration's commitment to research into and development of alternative sources.

It is time that the skeptics of water, wind, solar, and methane power are overcome, for they have debunked innovative solutions to our energy problems while the big oil companies increased our dependence and laughed all the way to the bank with their monstrous profits.

Now that alternative energy resources are becoming economically competitive with the rising cost of traditional resources, we are becoming sadly aware that we do not have the technology to put these alternatives into place. They are not ready because we were not believers, we did not have foresight and now we must live with our own inaction.

Of course all of us share in the blame, and hindsight is always clearer than foresight. But I cannot help but remember the times I sat in Appropriations Subcommittee markups and felt frustrated as my colleagues voted down my proposals to devote funds for the development of solar power technology.

And I cannot help but admire my fellow Vermonters who have spontaneously reacted to the oil shortage by going to our forests. We Vermonters call it wood heat, but now that the bureaucrats have realized this is a valuable energy source—after years of ignoring our Vermont proof—it has become vogue and they call it "renewable resources."

For well over 100 years the Leahys in Vermont were keeping warm with these renewable resources long before we had any concept of the finite reality of energy resources.

In fact, approximately 70 percent or 80 percent of Vermonters use wood for part of their energy needs, and approximately 20 percent to 25 percent use wood for all heating needs.

During the February recess, when I was at my home in Vermont and awakened in the morning, I do not recall seeing the thermometer outside our house registering higher than 30 degrees below zero.

Mr. President, decontrol at this time in this manner will be too jolting to the American consumer.

I would like to be able to stand here today and speak with pride, and with a sense of satisfaction—a sense of satisfaction that I am surely protecting the interests of Vermont's and New England's citizens by supporting the Kennedy-Jackson legislation.

I cannot do so, however. I cannot do so because, though I am convinced that I am right in supporting this bill, I am deeply troubled by the broader implications of the situation we face today.

I cannot endorse the President's proposal, and yet at present, it is the only alternative to doing nothing.

At a time when the need for creative and insightful solutions to our energy problems are desperately needed, I cannot help but feel uneasy about doing nothing.

At a time when the American people are looking to their leaders for solutions, I cannot feel proud of rejecting the President's proposal—flawed as it may be.

Few would dare claim that the present situation is acceptable—few would be content with a policy of inaction.

At a time when inflation has stretched most people's pocketbooks to the limit, gas and oil prices continue to rise at a pace which is causing severe economic hardships for many Americans.

Despite these rapid price increases, as a nation of our efforts to conserve energy have gone nowhere. We are consuming more today than ever before. Demand continues to rise. We remain at the mercy of the unscrupulous and contrived supply manipulations which OPEC and the oil companies continue to subject us to. As a result, our country's economic and military security are in grave jeopardy.

Despite these price increases, research and development, and the sale of alternative energy sources—alternative sources which without question are vital to our very existence—continue to progress at a snail's pace.

To make this intolerable situation just a little worse, we must sit back, powerless to do anything but read about the record profits of our huge domestic oil companies.

The American consumer is getting gouged, and he is getting gouged with no end or improvement in sight.

We cannot afford, as a nation, to consume energy at present levels.

We cannot afford to be at the mercy of foreign pricing and production decisions.

We cannot afford the inflationary trade deficits we have suffered in recent years as a result of excessive energy imports.

We cannot afford to smother all incentive for the research, development, and commercial marketing of alternative energy sources.

We all recognize that traditional energy—petroleum products—will necessarily supply the bulk of our Nation's energy needs for some time to come. However, this fact does not, and must not minimize the importance of alternative energy research and development.

When we speak of alternative energy we are speaking of an energy supplement in the short run. But we cannot be misled into thinking alternative energy will always be a supplement.

In years ahead, and not too far ahead, these alternative sources will and must meet an increasing share of our energy needs.

By holding the line right now against necessary and realistic price increases in oil, we may be protecting ourselves from uncomfortable high energy bills in the short run.

But in the long run, such a policy has grave implications. We are, by following such a course, blocking and delaying the vital development of alternative sources of energy.

If the price of petroleum is unrealistically low, it is sheer folly to expect more than token investments in alternative sources.

For the past 2 months I have fought to preserve a valuable resource for Vermont—Amtrak's Montrealer. Our Nation's mass transit system is just one potential victim of our ill conceived and miscalculated energy pricing policies.

But it is not enough to recognize that prices must rise—it is not enough because today's political and economic climates preclude a smooth and equitable transition from low to high priced energy.

The troubling policy question—indeed the major energy dilemma of our time—is how to let prices rise without penalizing consumers at the expense of the wealthy and ever richer oil companies.

I cannot support decontrol today—because it is not accompanied by a stiff, meaningful windfall profits tax. But neither can I be complacent about doing nothing at all to alleviate this country's energy problems.

Under existing law, decontrol will eventually come, but in preparation for decontrol, we must investigate and interrogate the oil companies until we know what role antitrust can and must play in easing the transition to higher priced energy.

Right now, the major oil companies own, operate, and manipulate the equipment and processes that drill for oil, pump it out of the ground, refine it, transport it to the gas station, and finally pump it into your car or your home.

These same oil companies own other companies that are not directly associated with the production and processing of oil. For instance, Mobil Oil Corp. owns Montgomery Ward. Although they say they need the extra profits for oil exploration, they have spent a half-billion dollars to buy Montgomery Ward; and I have yet to see an oil derrick in one of their catalog stores.

But that may be a harmless example. More serious is to oil companies' ownership of other energy sources, such as coal, or solar energy manufacturing companies or geothermal processes, or uranium mines. Once they control a broad base of energy sources, they can hold the consumers at their mercy.

The oil companies, in defending their ownership of uranium or coal mines, assert that the price of coal or uranium has little to do with the price of oil. One product is not generally substituted for another. They also state that they do not control the lion's share of either coal or uranium. If they did, it would clearly be in violation of our antitrust laws.

What is most objectionable about these ownership patterns, however, is that the oil companies are cornering the market of every available energy source and of most of the developing technologies. Their fingers are in every energy pie and it appears that they are growing more fingers.

I am now investigating various proposals to break up these huge oil conglomerates, so they cannot have their way with our energy production, marketing and pricing.

Mr. President, I have stated that I cannot be complacent about our Nation's energy problems. I cannot stand back and speak against the administration's proposal without approaching these problems positively.

We in Congress cannot expect our energy problems to solve themselves. We cannot expect the American public to accept the fact of higher prices for tighter supplies unless we the Congress accept some of the responsibility for the situation—and the solution. We must move more forcibly toward a solution and today it is mandatory conservation efforts.

I have cosponsored a series of mandatory conservation bills to be introduced by Senator METZENBAUM. The bills are a positive first step toward addressing and solving our energy problems. One of these bills would require stricter enforcement of the 55-miles-per-hour speed limit and stiffer penalties for States that fail to do so. Two bills would restore measures passed by the Senate but which the House failed to accept—requiring the Secretary of the Department of Energy to set minimum energy efficiency standards for industrial electric motors. The other would set minimum mileage standards for new cars and would prohibit the sale of cars, after 1981, that failed to meet these standards.

Finally, two other bills would direct homeowners to take advantage of home conservation measures—requiring homeowners to refit their oil or gas furnaces with certified and available energy saving devices and also requiring them to take advantage of their utility's home energy audit program before their house is sold.

Together these five measures would generate a savings of up to 1 million barrels of oil per day. These bills will not require radical changes in our lifestyle for the purchase of expensive and untested devices. These measures reflect basic commonsense. They also reflect our acceptance of a problem and the first step toward its resolution.

By postponing decontrol, by channeling more money into our alternative energy sources, by requiring even basic conservation and by aggressive antitrust enforcement on the part of all Americans, we can face the rising prices of oil with increased domestic production and with alternative sources that adequately supplement our oil demand.

Finally, Mr. President, today is the 24th of May. In just 1 week, controls will be lifted if Congress fails to act.

Since today is also the beginning of the Memorial Day recess, it is assured that Congress will fail to act.

Nobody has looked forward more to the Memorial Day recess than I. I have been looking forward to being at my farm in Vermont and spending some time there. But I hope we could go to a vote on the question of decontrol. I, for one, would be delighted to see that recess canceled if we could got to a vote on that matter.

By failing to act, by going through with this recess despite the June 1 deadline, Congress is failing the American people. I, for one, believe Congress should remain in session to try to address this issue that is of crucial concern to Vermonters and all Americans.

Mr. ROBERT C. BYRD. Mr. President, does that complete the orders for recognition of Senators?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business, that Senators may speak up to 5 minutes each therein, and the period not extend beyond 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 640

Mr. WEICKER. Mr. President, I ask unanimous consent that Bob Wicklund, of my staff, and Al Stayman, of my staff, be accorded the privilege of the floor during consideration of S. 640.

The PRESIDING OFFICER. Without objection, it is so ordered .

Mr. WEICKER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOREN). Without objection, it is so ordered.

BUDGET ACT WAIVER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 160, which is a budget waiver to Calendar No. 148.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—this item is cleared for consideration on our calendar, and we have no objection.

The resolution (S. Res. 160) waiving the provisions of section 402(a) of the Congressional Budget Act of 1974 with resepct to S. 905, was considered and agreed to, as follows:

Resolved, That the provisions of section 402(a) of the Congressional Budget Act of 1974 are waived with respect to S. 905, a bill to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, and for other purposes. Such waiver is necessary because of the unexpected magnitude of work encountered by the Temporary Commission on Financial Oversight of the District of Columbia (established by the Act of September 4, 1976 (90 Stat. 1205)) in correcting, up-dating and reconciling existing accounts and records of the District of Columbia. Such Commission, in order not to interrupt ongoing development of a financial management system for the District of Columbia, will require a supplemental appropriation for the fiscal year ending September 30, 1979, in order that the system can be made operational and an independent audit of the financial records of the District of Columbia government can be achieved for fiscal year 1980.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TEMPORARY COMMISSION ON FINANCIAL OVERSIGHT OF THE DISTRICT OF COLUMBIA AUTHORIZATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 148.

There being no objection, the Senate proceeded to consider the bill S. 905 to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, which had been reported from the Committee on Governmental Affairs with an amendment to strike all after the enacting clause and insert the following:

That section 5(a) of the Act entitled "An Act to provide for an independent audit of the financial condition of the government of the District of Columbia", approved September 4, 1976, is amended by inserting immediately before the last sentence thereof the following: "In addition to the amount authorized by the preceding sentence and for the purposes set forth therein, there are authorized to be appropriated, for the fiscal year ending September 30, 1979, the sum of $9,000,000, and for the fiscal year ending September 30, 1980, the sum of $13,000,000, one-half of which sums shall be from funds in the Treasury not otherwise appropriated and one-half from funds in the Treasury to the credit of the District of Columbia.".

SEC. 2. (a) The first section of the Act entitled "An Act to provide for an independent audit of the financial condition of the government of the District of Columbia", approved September 4, 1976 (D.C. Code, sec. 47–101 note), is amended by inserting "(a)" before "there is hereby".

(b) Subsections (h), (i), and (j) of section 2 of such Act are amended by striking out "Commission" each place it appears therein and inserting in lieu thereof "commission".

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 96–139), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF LEGISLATION

The purpose of the legislation is to amend Public Law 94–399 by authorizing additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia so that it can complete its statutory responsibility for (1) establishing an efficient financial management system and (2) completing three successive annual audits of the city's financial condition.

HISTORY OF LEGISLATION

Replacing the obsolete and disorganized records with a well-planned data processing system will enable the District to rely more on its resources and revenues and less on those of the Federal treasury. Annual audits will make it possible for the District to seek funds for capital improvements through the issuance of bonds rather than through loans from the U.S. Treasury. The District will be able to achieve greater fiscal autonomy and more complete realization of home rule over local affairs. At the time the Temporary Commission was established in 1976, Arthur Anderson & Co. identified a number of "critical" deficiencies that stood in the way of the audit. No one at that time, 3 years ago, could measure the full dimensions of the problem. This came from the Temporary Commission's day-to-day confrontation with unreliable and incomplete District financial data. The Commission, so far, has concentrated on systems that are prerequisites to the carrying out of the audits in 1980, 1981, and 1982. According to the GAO, "excellent progress" has been made. But it warns "much remains to be done." Work is underway on the design and implementation of a large central financial system covering uniformly the basic processes of budgeting, accounting, payroll, purchasing and grants management. Also underway is work on seven "feeder" systems (cash management, supply management, D.C. General Hospital billing and collections, water-sewer billing, welfare eligibility and payments, traffic ticket billing and collection and other health facilities billing. All of these are considered to be key to the conduct of the audit, so the Commission is making every effort to complete their design and to have them in operation by the beginning of 1980. So far, $15 million of the original authorization of $16 million has been appropriated, and, without an increased authorization, the steady progress toward audit will come to a halt. The Commission estimates $4.7 beyond the original authorization of $16 million will be needed to complete these projects that already are underway and are indispensable to a full audit.

Beyond these systems, the GAO has identified others that are urgently in need of improvement and integral to a centralized system if it is to work "efficiently and effectively." These include improvements in the collection of taxes, license fees, public housing rentals, waste collection fees, D.C. University tuition and other important financial programs. GAO estimates the cost of these needed improvements at $8 million.

Finally, $9.3 million is needed for "effective implementation of the new systems." This includes helping the District to do such things as correcting data in existing records for entry into the new systems, developing operating manuals and in supplementing District personnel until a sufficient number of qualified persons can be recruited and trained and in monitoring the systems during the first months of their operation.

The increase of $22 million over the original authorization of $16 million for a total of $38 million will give the District the basic tools any modern city needs to collect its revenues, pay its obligations and plan its budgets.

So far, the Federal and District governments have contributed on a 50–50 basis to appropriations. But the committee believes the share in the appropriations from the increased authorization should be changed to two-thirds from the Federal Treasury and one-third from the District. The $16 million originally authorized has been committed to the design of an integrated system that will produce independent audits in each of the next 3 fiscal years. While some of the funds from the increased authorization would go to completing these tasks, the majority of the authorization would go to the development of additional "feeder" systems GAO says are essential to effective financial management and to updating and correcting old records and other implementing costs that derive directly from the decades of auditing deficiencies prior to home rule.

Throughout its 3 years, the Temporary Commission has worked in partnership with the District. In a letter to the Subcommittee on Governmental Efficiency and the District of Columbia, Mayor Marion Barry emphasized he is "fully committed to the great effort that will be required during the spring and summer to get the new system in place, clean up existing accounts and train District personnel for the scheduled October 31 startup."

The District, while striving for greater financial autonomy over its affairs, still must be responsive to a national concern for a capital city that serves all Americans. An effective financial management system and clean annual audits will assure accountability in the management of one of the world's great cities and that the moneys going to the local government from District revenues and from Federal sources are being properly administered.

TEMPORARY COMMISSION ON FINANCIAL OVERSIGHT OF THE DISTRICT OF COLUMBIA—ADDITIONAL AUTHORIZATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 206.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 3879) to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, and for other purposes.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all after the enacting clause be stricken and that in lieu thereof, the text of S. 905, as amended, be inserted.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on the engrossment of the amendment and third reading of the bill.

The bill (H.R. 3879) was ordered to be read a third time, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to indefinitely postpone further consideration of S. 905.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I call up S. 640, a bill to authorize appropriations for the fiscal year 1980, for the programs of the Maritime Administration which is an agency of the Department of Commerce.

Mr. BAKER. Mr. President, will the Senator yield to me before the clerk reports the bill?

Mr. INOUYE. I am glad to yield.

Mr. BAKER. The distinguished Senator from Virginia (Mr. WARNER) is the manager of the bill on our side. He is on his way to the floor at this moment. I concur in the request of the distinguished majority manager to call up the matter and proceed with it at this time, but I hope he will agree with me that before any important action is taken, he will await the arrival of the Senator from Virginia.

Mr. INOUYE. By all means.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Before the matter it taken up, the Chair would inquire if there is any further morning business. If not, morning business is concluded.

MARITIME AUTHORIZATIONS ACT, 1980

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of S. 640, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 640) to authorize appropriations for the fiscal year 1980 for certain maritime programs of the Department of Commerce, and for other purposes.

Mr. INOUYE. Mr. President, section 209 of the Merchant Marine Act of 1936, provides that after December 31, 1967, there are authorized to be appropriated for certain maritime activities of the Department of Commerce only such sums as the Congress may specifically authorize by law, S. 640 authorizes appropriations for those activities listed in section 209.

The authorizations by activity are: $101,000,000 for ship construction-differential subsidies; $256,208,000 for operating-differential subsidies; $16,360,000 for research and development; $34,616,000 for maritime education and training expenses; and $35,598,000 for Maritime Administration operating expenses.

Added to that amount is $73,506,000 in carryover and deferral funds so that the program level for the Maritime Administration for fiscal year 1980 totals $517,288,000.

The primary objective of the Maritime Administration and its programs therefore is to assure a strong U.S. merchant marine by promoting the U.S.-flag merchant marine and private shipbuilding industry in our country in times of peace and to insure the defense readiness of both in the event of war or other national emergency.

Recently, Secretary of the Navy, W. Graham Claytor, Jr., in testimony before the House Armed Services Committee summed up the state of our merchant marine and its capability to serve as the Nation's fourth arm of defense. Secretary Claytor said:

> Maritime superiority is not a matter of naval strength alone. Much too often overlooked or neglected is the merchant marine's vital role in our national security. The U.S. merchant marine is, by any measure, stagnating, and the commercial shipbuilding outlook is highly pessimistic. This is not a satisfactory state of affairs * * * There is absolutely no doubt that continued erosion of our merchant fleet, and its supporting shipbuilding industry and labor force, is going to weaken our national defense. We must find the means to keep our maritime industry alive and well.

I should also mention the assessment of our efforts to implement our national maritime policy which appeared in the June 16, 1978, edition of the British publication Marine Week.

> The U.S., as the world's largest trading nation, not only lacks a merchant fleet commensurate with [its] true requirements but will shortly lack the means to achieve it.

Implicit in the recommendation that Congress authorize the programs provided by S. 640, is the recommendation that Congress reaffirm its larger commitment to our national maritime policy as declared in the Merchant Marine Act of 1936, as amended. The programs authorized in S. 640, are only some of the specific programs intended to implement that policy, and ultimately they depend for their success on other Federal policies and programs which supplement and complement them. The larger commitment therefore requires that Congress make every effort to assure that to the maximum extent possible the administration and implementation of all Federal programs bearing on our efforts to promote the U.S. merchant marine are in harmony toward that end.

In concrete terms this means assurance that all agencies having programs within the scope of the cargo preference laws are moving cargo in compliance with those laws.

It means assurance that the regulatory provisions of the Shipping Act of 1916, are in fact applied equally where foreign flags are concerned. Otherwise U.S. flags cannot compete effectively against their foreign-flag counterparts in our trades, and our policy objective to carry "a substantial portion of the water-borne export and import foreign commerce of the United States" is thwarted.

It means a realization that we have less control over the flow of our ocean commerce, than many nations without "formal" government regulation of their trades; and a willingness to act on that realization in furtherance of our policy objectives based upon the awareness that our trading partners have long since forsaken free trade in favor of carefully planned deployment of their merchant fleets, designed to carry out national maritime policies that are the product of close coordination and integration of their national interests and commercial needs.

Finally, it means assurance that all Federal agencies having responsibilities bearing on the objectives of our maritime policy give adequate consideration to this policy consistent with other public policy principles when proposing, administering, and implementing their policies and programs.

Our national maritime policy is as necessary and valid today as it was when enacted. Enactment of S. 640, is the minimum necessary to support that policy.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, in 1936 the U.S. Congress enacted the Merchant Marine Act which declared that in order for the United States to develop its foreign and domestic commerce and to provide for national defense it was necessary for the United States to have a merchant marine which would be, among other things:

First, sufficient to carry its domestic water-borne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States and to provide shipping service essential for maintaining the flow of such domestic and foreign water-borne commerce at all times; second, capable of serving as a naval and military auxiliary in time of war or national emergency; third, owned and operated under the U.S. flag by citizens of the United States insofar as may be practicable; and fourth, composed of the best equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel.

The Maritime Administration was created by the U.S. Congress to institute policies and programs which would carry out the broad mandate set forth in the Merchant Marine Act of 1939.

S. 640, the Maritime Administration authorization bill contains those funds which the Senate Commerce Committee felt was absolutely necessary for only some of the specific programs under the Maritime Administration auspices which are intended to implement the national maritime policy as set forth in the Merchant Marine Act of 1936.

In the hearing held on S. 640 by the Merchant Marine and Tourism Subcommittee of the Senate Commerce Committee the current conditions of the Nation's shipping and shipbuilding industries were examined.

A study prepared last year for the Maritime Administration entitled "Economic Impact of the U.S. Merchant Marine and Shipbuilding Industries," the study found that the U.S. maritime industry accounted for among other things: 480,000 American jobs; $16.6 billion in sales in the economy; and $4.8 billion in personal income; $1.6 billion in Federal, State, and local tax revenues.

One would think that these figures denote a vigorous and healthy industry.

In fact, just the opposite is the truth. The picture painted for the subcommittee in this hearing of the U.S. maritime industry's current condition was a bleak one.

At the time of the hearing there were 26 major shipyards in the United States, 19 of which were currently building ships. It was predicated during the hearing that by 1984 no more than eight or nine shipyards will hold major shipbuilding contracts. This cutback in operating shipbuilding yards would create a decline in the shipyards of some 66,000 jobs before 1985, of which 47,000 jobs would reflect skilled production workers, many of whom come from minority groups in areas of chronic unemployment. Additionally, 200,000 workers in supporting industries would be similarly affected.

What was predicated is fast becoming reality.

Early this month Seatrain Shipbuilding Corp. which operated the Brooklyn, N.Y. Navy Yard shipbuilding facility announced that it was shutting its facility down and laying off 1,300 of its approximately 1,450 workers, many of which come from the economically depressed Bedford-Stuyvesant area.

Seatrain announced as its reasons for closure large financial losses in its operation and the fact that the lack of sufficient subsidy programs and a cohesive maritime policy in the United States made the yard uncompetitive in world terms.

In comparison with the dire predictions of drastic cutbacks in U.S. shipbuilding capabilities due to reduced Federal Government shipbuilding programs, Marine Subcommittee heard testimony that most major foreign shipbuilding nations help ailing shipbuilding industries by developing new merchant subsidies, exclusive direct governmental funding, restructuring the industries, and helping to secure export orders. Clearly the governments of these foreign countries have recognized the critical importance of merchant marines to their economies and defense and are rushing to their aid with increased government assistance.

The construction-differential subsidy, which is funded at an authorized level of $105 million for fiscal year 1980 in S. 640, is an attempt to correct this inequity in costs between foreign and U.S. shipyards. It is extended to any qualified U.S.-flag vessel engaged in U.S. foreign trade constructed in a U.S. shipyard, and the subsidy is generally based on the difference between United States and foreign shipbuilding prices.

In 1970 there were in existence 19 U.S.-flag liner companies. Today there are only 10. Within the past year two U.S.-flag liner companies, Pacific Far East Line, Inc. and States Steamship Co. have filed for bankruptcy and have ceased to exist.

The hearing pointed out that various dubious shipping practices employed by government-owned foreign carriers such as overtonnaging, rate-cutting and rebating have been major reasons for the decline in U.S.-flag liner companies. These practices have prevented the U.S.-flag liner companies from being able to cost compete with the foreign carriers.

The operating-differential subsidy contained in S. 640 helps to alleviate somewhat this problem of an inequitable competitive position by paying a subsidy to U.S. companies to enable them to operate the excess of U.S. ship operating costs over comparable foreign ship operating costs.

Criticism has arisen in Congress and elsewhere that these subsidy programs have unfairly benefited the maritime industry to the detriment of other industries.

The economic impact study found that each dollar of sales by our merchant marine produces a total output of $1.80 in sales throughout the economy. Also, each dollar of sales by the shipyard industry produces a total output of $2.10 in the economy. The study disclosed that up to one-half of the subsidy outlays are returned to the U.S. Treasury in the form of tax accruals.

One of the study's conclusions is that economic benefits to the Nation of the maritime industry far outweigh the average annual $550 million in Federal ship construction and operation subsidy outlays of recent years.

In 1978 the United States, the world's largest trader, had only 4 percent of its trade valued at $196 billion carried by U.S.-flag vessels.

By comparison the major foreign shipping countries had anywhere from 30 to 50 percent of their total trade carried on their own national flag vessels.

The U.S. oceangoing merchant marine active vessels as of March 1, 1979, totaled 554 ships down from the December 31, 1960, total 957 active vessels.

This reduction of our Nation's merchant marine fleet with no significant additions in the foreseeable future comes at a time when the United States is currently negotiating a trade agreement with the People's Republic of China. This agreement with a corresponding shipping agreement will have a tremendous impact on this Nation's economy and maritime industry.

China in anticipation of expanding its foreign trade has gone on a crash program to build up its maritime industry. It has been an aggressive buyer of vessel and new ocengoing ships in recent years spending about $1 billion on 228 ships in the last 3 years. The Chinese fleet now totals 680 oceangoing vessels and carried last year 70 percent of its exports.

China is also building some ships in its own yards and has begun ambitious plans with foreign technical assistance to modernize its ports, including the installation of computerized containerization terminals at five seaports.

If the U.S. merchant marine is to take advantage of the trade agreement with the People's Republic of China and be able to effectively compete with them, actions must be taken by Congress to alleviate the industry's plight. Passage of S. 640 would be one such action.

A Maritime Administration report released last March stated that U.S.-flag ships on the Great Lakes are facing a growing shortage of deck and engine officers which has reached a critical situation. Currently there is a 4-percent shortage of desk officers and 10-percent shortage of engine officers.

But the report projects that by 1978, U.S.-flag ships will be faced with at least a 25-percent shortage of deck officers and 39-percent shortage of engine officers.

Business Week in its April 16 issue points out that the shortage of officers to pilot the Great Lakes fleet of 132 merchant ships poses a special threat to production in the steel industry. The industry relies on the vessels to deliver about 60 percent of its most vital raw material—iron ore. Without the iron ore, the industry would have to forego steel production.

In response to questions posed by the subcommittee during the S. 640 hearing, the Maritime Administration indicating that they were instituting several actions toward alleviating this problem.

The funding contained in S. 640 for maritime education and training expenses will go toward alleviating this shortage by providing for maritime training of officers at the U.S. Merchant Marine Academy and for assistance to six State marine schools.

Last but not least, Mr. President, the U.S. merchant marine must be "capable of serving as a naval and military auxiliary in time of war or national emergency."

Studies have been done and testimony has been heard by the Merchant Marine Subcommittee and other committees in Congress which call into question the merchant marine's ability to act as a naval and military auxiliary in times of crisis.

With its fleet declining, with its shipyards closing down, with its liner companies disappearing and with its officer ranks reaching a critical shortage, it appears that the merchant marine would be hard pressed to meet its mandated obligation if a crisis were to set upon this Nation today.

Secretary of the Navy W. Graham Claytor, Jr., in recent testimony before the House Armed Services Committee conveyed many of my feelings on the Nation's merchant marine when he stated:

> Maritime superiority is not a matter of naval strength alone. Much too often overlooked or neglected is the merchant marine's vital role in our national security.
>
> . . . There is absolutely no doubt that continued erosion of our merchant fleet, and its supporting shipbuilding industry and labor force, is going to weaken our national defense. We must find the means to keep our maritime industry alive and well.

Mr. President, S. 640 is one of those means necessary to keep the Nation's industry alive and well. It will help to alleviate some of the industry's problems until such time as Congress can look at new major legislative initiative which will deal with root causes of the industry's troubles. I urge that the Senate pass this proposal.

Mr. President, it is my considered opinion that unless the Congress of the United States begins to give greater support to the U.S. merchant marine, in a space of no less than a dozen years, our country will no longer have a merchant marine.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. WEICKER. Mr. President, I ask unanimous consent that Allen Stayman, Robert Wicklund, Frank Kinney, Peter Goldfarb, Steven Moore, and Stanley Twardy have floor privileges during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 202 AND AMENDMENT NO. 203

(Purpose: To provide for assistance to fisheries facilities)

Mr. WEICKER. Mr. President, I call up my amendments numbered 202 and 203, and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for himself and Mr. COHEN, proposes amendments en bloc numbered 202 and 203.

Mr. WEICKER. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 202

On page 3, after line 11, add the following:

SEC. 5. Section 1104(a) of the Merchant Marine Act, 1936 is amended by——

(1) redesignating paragraph (4) as (5);

(2) inserting after subparagraph (3) the following:

"(4) financing or refinancing fisheries facilities;" and

(3) inserting after paragraph (5) (as redesignated by this section) the following:

"For the purpose of this paragraph (4) the term 'fisheries facilities' means new and used landing, receiving, processing, storage and distribution facilities together with all equipment, including where appropriate.".

AMENDMENT NO. 203

SEC. 4. (a) Subsection (a) of section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1177) is amended to read as follows:

"(a) AGREEMENT RULES.—Any citizen of the United States owning or leasing one or more eligible vessels (as defined in subsection (k) (1)), or one or more fisheries facilities (as defined in subsection (k) (9)), may enter an agreement with the Secretary of Commerce under, and as provided in, this section to establish a capital construction fund (hereinafter in this section referred to as the 'fund') with respect to any or all of such vessels or fisheries facilities. Any agreement entered into under this section shall be for the purpose of providing—

"(1) replacement vessels, additional vessels, or reconstructed vessels, built in the United States and documented under the laws of the United States for operation in the United States, foreign, Great Lakes, or noncontiguous domestic trade or in the fisheries of the United States, or

"(2) replacement, additional, or reconstructed fisheries facilities in the United States, and shall provide for the deposit in the fund of the amounts agreed upon as necessary or appropriate to provide for qualified withdrawals under subsection (f). The deposits in the fund, and all withdrawals from the fund, whether qualified or nonqualified, shall be subject to such conditions and requirements as the Secretary of Commerce may by regulations prescribe or are set forth in such agreement; except that the Secretary of Commerce may not require any person to deposit in the fund for any taxable year more than 50 percent of that portion of such person's taxable income for such year (computed in the manner provided in subsection (b) (1) (A)) which is attributable to the operation of the agreement vessels or fisheries facilities or from the sale or marketing of fish or fish products (as defined in paragraphs (11) and (12) of subsection (k))."

(b) CEILING ON DEPOSITS.—Subsection (b) of section 607 of such Act is amended—

(1) in subparagraph (A) of paragraph (1) by inserting "or which is attributable to the operation of the agreement fisheries facilities or from the sale or marketing of fish or fish products" before the comma at the end thereof;

(2) in subparagraph (B) of paragraph (1) by inserting "or fisheries facilities" after "vessels"; and

(3) in subparagraph (C) of paragraph (1) and in paragraph (2) by inserting "or fisheries facility" after "vessel" each place it appears.

(c) QUALIFIED WITHDRAWALS FROM THE FUND.—Subsection (f) of section 607 of such Act is amended—

(1) in subparagraph (A) of paragraph (1) by inserting "or a fisheries facility," after "vessel"; and

(2) in subparagraph (C) by inserting ", a fisheries facility," after "reconstruction of a qualified vessel".

(d) TAX TREATMENT OF QUALIFIED WITHDRAWALS.—Subsection (g) of section 607 of such Act is amended—

(1) in paragraphs (2) and (3) by inserting "fisheries facility," after "vessel," each place it appears; and

(2) in paragraph (4) by inserting "fisheries facilities," after "vessels,".

(e) DEFINITIONS.—Subsection (k) of section 607 of such Act is amended by adding at the end thereof the following new paragraphs:

"(9) The term 'fisheries facilities' means new or used landing, receiving, processing, storage, and distribution facilities, together with all necessary equipment, including land where appropriate.

"(10) The term 'agreement facility' means any fisheries facility which is subject to an agreement entered into under this section.

"(11) The term 'fish' means any species of living aquatic resources excluding aquatic mammals and birds.

"(12) The term 'fish products' means any product which is made wholly or in part from any fish or portion thereof except products which contain fish only in small proportions and which are exempted from definition as a fishery product by the Secretary.".

Mr. WEICKER. Mr. President, the amendments before us are designed to add shoreside facilities to section 1104 and section 607 of the Merchant Marine Act of 1936.

Section 1104 provides for obligation loan guarantees for purchasing commercial vessels including fishing boats. Section 607 is the capital construcion fund, which provides for a Federal income tax deferral mechanism to stimulate capital accumulation for replacement vessels, additional vessels for among others, the fishing fleet.

These amendments are designed to help the U.S. fishing industry build and grow to meet the future needs of our Nation. There is no question in my mind, and I think in the minds of many, that today the oceans represent the greatest natural resource of this country. It seems absolutely essential that as we exploit the oceans, both in the sense of food and in the sense of energy, that we do it right; that we do not do it in such a fashion as to take care of our needs or the needs of this particular generation at the expense of the future of our children.

It is particularly appropriate then that Congress continue to monitor the financial health of the fishing industry. For, while we have witnessed a growing concentration of economic power within certain businesses, commercial fisheries have remained dominated by small and independent operations. Over 80 percent of the fishing crafts in this country are individually owned and operated, 84 percent of the vessels are under 5 tons, as compared to the 250-ton foreign vessels that once raked our seabeds.

With the enactment of the 200-mile limit law, the domestic industry has a tremendous opportunity to reach its full economic potential. Foreign catches have been dramatically reduced. For instance, the 1977 foreign catch, 1.7 million tons, was about 1 million tons less than the 1976 foreign catch and approximately half that of the peak year, 1974.

Even so, consumption of 70 percent of the seafood in this country is provided by imports. The trade deficit in fisheries alone will be about $2.5 billion this year. It is one of the largest deficits attributed to a single industry in the United States. This annual national trade deficit is a disgrace; it is both demoralizing and dangerous to the future of our country and must be attacked immediately.

The 200-mile law will go a long way to help the domestic fishing industry to overcome some of these problems. It gives our fishermen first choice over the rich grounds of the U.S. Continental Shelf.

Indeed, there has been a resurgence of activity and interest in the industry. In New England, alone, 35 vessels were constructed in 1977. Recent studies project that, with the enforcement of the 200-mile limit, domestic fishing industry catches will double in 5 to 7 years.

Despite this favorable outlook, private lending institutions are still reluctant to invest. The risks and uncertainties associated with the industry will continue to dampen investments by the private sector.

In December 1977 I held regional hearings in Groton, Conn., on the economic and small business conditions in the fishing industry. One witness Clinton Wynn, vice president of the Rhode Island Hospital Trust National Bank, stated:

> Although we envisioned increased investments in the fishing industry from the private sector, we think that these funds may not be adequate enough for the immediate and future needs of the industry.

In order to improve the productive capacity of our Nation's commercial fisheries, it is essential that we develop the industry in a manner that will increase operational efficiency, boost the rate of return on investment, encourage the harvesting of underutilized species, and insure the perpetuality of the species. A strong fishing industry will mean jobs at home and a more favorable balance-of-payments situation.

It is clear, therefore, that the Government has an important role to play in insuring the orderly development of commercial fisheries in the United States. Today several Federal agencies, including the National Marine Fisheries Service, Department of Agriculture, and the Small Business Administration provide some form of financial assistance to the fishing industry. However, these have not proven to be adequate to help the industry grow.

Few funds are available for instance, to shoreside facilities, including processing plants, dockage, storage areas, and so forth. These all being key to the growth of the industry, most small fishing ports have inadequate facilities to support fishing.

By adding fishery facilities both the loan obligation guarantee and capital construction fund sections of the Merchant Marine Act, Congress can give the fishing industry a much needed boost. Fishery facilities as defined in my amendments mean "new and used landing, receiving, processing, storage, and distribution facilities," for fisheries.

I find the general lack of interest in Congress to properly address the financial problems of the fishing industry appalling. I have introduced numerous bills dating back to the 94th Congress designed to meet the needs of the domestic fishing industry. No action has been taken on any of these bills nor have hearings been held to address the problems of the industry. Presently, S. 543, the Commercial Fisheries Development Act, is sitting in the Commerce, Science, and Transportation Committee.

I have been told that we should wait for the administration's new report to be made public this week. The so-called "Combs" report deals with foreign markets for underutilized species and will say that financial aid is not needed for our domestic fisheries.

This flies in the face of a comprehensive multiyear study under Senate Resolution 11—The Eastland survey and the hearings I held in New England last year.

We spend too much time and money—the Combs report will cost about one-half billion dollars—studying issues to death. We know the fishing industry is not in great shape. I have talked to numerous fishermen and dockside operators directly, not the large multimillion dollar operators, but the small mom and pop businessmen. Believe me, these people need assistance. Perhaps certain segments are in excellent condition but overall the industry needs help.

Last month the Appropriations Subcommittee on States, Justice, Commerce and the Judiciary held hearings on the Department of Commerce's fiscal year 1980 budget. I asked about the financial assistance to fishermen and the results of the Combs report. The answer I received is that financial assistance is not needed.

I also asked what Commerce is doing to help the fishermen. Out of a long list of achievements, two stood out:

1. Maturities under the Fishing Vessel Obligation Guarantee Program (FVOG) were extended from 15 to 20 years (and may soon be extended to 25 years for larger and more expensive vessels). Supported legislation to extend FVOG financing from 75 percent of project cost to present the rate of 87½ percent of project cost. Secured reallocation of FVOG guarantee authority from $75 million to $250 million. Usage of FVOG program has doubled, and

2. The Fishing Vessel Capital Construction Fund, a tax deferral program for commercial fishermen, increased from 1,100 agreements in 1977 to 1,500 in 1979.

As you can see, even though the Combs reports says one thing—no financial assistance needed—the Department of Commerce has considerably beefed up its financial program during the past year.

Mr. President, I ask support of my colleagues to take the initiative to help an industry that is becoming more and more important to this Nation by supporting my amendments.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I congratulate my colleague, the distinguished Senator from Connecticut. As a ranking minority member on the Merchant Marine Subcommittee of the Commerce Committee, I wish to assure him that

I join in the substance of what he advocates, that I personally, together with my distinguished colleague, the majority member of the subcommittee, will see that it receives careful consideration.

Virginia being a coastal State takes great pride in its fishing industry, and I know there are many in my State who join the Senator from Connecticut in his thoughts. I share Senator WEICKER's desire to strengthen our domestic fishing industry. The great menhaden fishery and the productive Chesapeake Bay blue crab and clam fisheries all have a major role in Virginia water and port activities and contribute greatly to Virginia's economic climate.

I wish to give the distinguished Senator the assurance that this matter will be carefully considered in the conference. I am a strong supporter of the Nation's domestic fishing industry and have voted this year to continue its development in voting to restore the Saltonstall-Kennedy reserve fund and advocate the full use of these funds. I am hopeful that ultimately the Senate and the Congress as a whole will come forth with legislation covering the points expressed by Senator WEICKER and which take care of the concerns he has raised.

Mr. WEICKER. I thank my distinguished colleague. I know of his great interest in the fishing industry, an industry as important to his State as it is to mine. I greatly appreciate his support on this amendment.

Mr. President, I ask unanimous consent that the distinguished Senator from Maine, Mr. COHEN, be added as a cosponsor to these amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Do Senators yield back their time?

Mr. WARNER. On the amendment I yield back my time.

Mr. WEICKER. Before I yield back, Mr. President, might I also express my appreciation to the distinguished Senator from Hawaii who has been one of my oldest and most valued friends in this body? We have worked together on many matters over the years. I can assure my colleagues that there is no one more interested than he in the stability and in the growth possibilities of the fishing industry of the United States. I thank him very much for his support.

The PRESIDING OFFICER. Do all Senators yield back their time?

Mr. WEICKER. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. Is there any objection to the amendments?

Mr. INOUYE. Mr. President, the amendments which Senator WEICKER is offering will significantly alter two very important programs which are intended to promote our very beleaguered merchant fleet.

Specifically, they are amendments to the authorization bill relating to Maritime Administration programs, and would expand the scope of the Ship Financing Guarantee and Capital Construction Fund authorities to permit benefits to be extended to shoreside processing, distribution and related installations associated with the fishing industry. At present benefits under those programs extend to various categories and classes of vessels, as specified in the pertinent statutory provisions.

The philosophy underlying the enactment of the ship financing guarantee program and the Captial Construction Fund has been one of supporting and promoting the maritime industry by assisting and encouraging the construction of vessels. This objective aids prospective vessel owners and the shipyards in the United States where the vessels are required to be built.

By making these benefits available to shoreside facilities associated with the fishing industry, the proposed amendments would represent a departure from the philosophy thus far adopted by Congress in making the benefits available in connection with construction of vessels in domestic shipyards. The amendments consequently raise certain questions regarding the essential course that these programs should follow.

There are, moreover, existing Federal benefit programs available to business depending upon their size, their geographical location or other factors. Questions therefore arise regarding the overlapping of benefits and coordination of legislative action.

The ship financing guarantee program has a monetary obligation ceiling established by Congress. Under present law, that limit is $10 billion on guaranteed loans outstanding. At fiscal 1980 year-end, the program's total commitments and guarantees will reach an estimated $7.2 billion. Thus, under the law an additional $2.8 billion on construction loans and guarantees is available.

The administration is proposing an additional limitation on this program in the form of an annual limitation on the aggregate amount of new loan guarantee commitments, however. This limitation, which would limit new commitments to $1 billion in 1980, has been included in the administration's proposed 1980 appropriations bill. If the administration's proposal is adopted the $2.8 billion ceiling would be further reduced so that only $1 billion will be available in 1980.

An extension of the title XI program to make its benefits available to subjects previously not included, as Senator WEICKER's amendments would do, would mean that the $1 billion ceiling amount would be spread over an increased number of potential recipients. This result should be given further consideration.

By expanding the coverage of the capital construction fund program to include shoreside facilities for the fishing industry, the proposed amendments would affect benefits related to Federal income taxation. These tax-related benefits are administered jointly by the Department of Commerce and the Department of the Treasury. Because of this tax-related impact the capital construction fund proposal should be coordinated with the Senate Finance Committee.

I wish to make it clear that I am not taking a position on the merits of the amendments. Simply, I believe the issues should be explored through the hearing process.

Mr. President, as I indicated to my distinguished friend, the Senator from Connecticut, I shall be very happy to take this matter to conference.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. INOUYE. Mr. President, I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered on passage. Who yields time? Are there further amendments?

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the vote on final passage of S. 640 occur at 12:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, paragraph 3 of rule XII is waived.

Mr. INOUYE. Mr. President, I ask unanimous consent that the quorum call I am about to request not be charged against the remaining time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 192

(Purpose: To provide that a State of the United States shall be considered a citizen for purposes of the Merchant Marine Act of 1920 thus lowering the cost of State loans to fishermen)

Mr. STEVENS. Mr. President, I extend my apologies to the Chair and to the managers of the bill for the delay. I appreciate the consideration of the managers of the bill.

Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 192.

Mr. STEVENS. Mr. President, I ask

unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end add the following:

Section 30 of the Merchant Marine Act of 1920 (46 U.S.C. 922 (a)(5), is amended by inserting after the words "United States" the words "or a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States".

Mr. STEVENS. Mr. President, in 1972, the Alaska State Legislature established a commercial fishing revolving loan fund.

The purpose of this act was to promote the development of a predominantly resident fishery and continued maintenance of commercial fishing gear and vessels throughout the State by means of long-term interest loans.

The maximum loan amount under this act is currently $150,000 per applicant, available to individual commercial fishermen who have been State residents for a continuous period of 5 years and have engaged in commercial fishing for 3 of the last 5 years. The loan may not run longer than 15 years nor bear interest exceeding 7 percent. The loans may not exceed 75 percent of the appraised value of the collateral used to secure the loan. A first lien in favor of the State is required.

When a documented vessel is offered as security for a loan, this means the State must perfect a first preferred ships mortgage as outlined in the Merchant Shipping Act of 1920. In order to perfect a first preferred ships mortgage, the holder of the mortgage must be a citizen of the United States as defined in the Merchant Shipping Act of 1920. The State of Alaska is not a citizen of the United States as that term is used in that act (46 U.S.C. 922(a)(5)).

In order to implement this loan program, the State was forced to use a trust deed-bond issue procedure. Although this procedure has enabled the State to implement the loan program, it is extremely cumbersome and costly. Trustee costs last year came to over $60,000 and will exceed $100,000 in 1979. The individual fishermen who receive loans are forced to pay this added expense in the form of a service fee of one-half of 1 percent on the outstanding balance of their loan to the trustee.

The sole purpose of this amendment is to allow the States to qualify as a first mortgagor for purpose of the Merchant Shipping Act. This would eliminate the unnecessary one-half of 1 percent per annum trustee charge which fishermen in my State must pay. The fishermen involved have urged me to request the Senate to support an amendment to the Shipping Act for this purpose.

I ask my good friends, the Senator from Hawaii and the Senator from Virginia, to accept this amendment in order to try to work out this matter for the State. It is a small matter and affects a few fishermen, but it is expensive for them because my State is not deemed a citizen of the United States, although it does have the funds available to assist these commercial fishermen through a revolving fisheries loan fund.

I urge the Senate to support this amendment.

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this matter with the distinguished Senator from Alaska.

Although the subcommittee has not had an opportunity to hold appropriate hearings on this measure, I have instructed the staff to send this amendment immediately to the Maritime Administration for their comments. They will have sufficient time to study this matter before we enter into a conference with the House.

Therefore, I am pleased to accept this amendment and to take it to conference.

Mr. STEVENS. I thank the Senator from Hawaii.

Mr. WARNER. Mr. President, I wish to give similar assurance to the distinguished Senator from Alaska.

I think that all too often in our legislation, we tend to forget that there are others equally concerned about these matters in all 50 States. I want to assure the Senator that the Senator from Virginia will do everything in his power to see that his amendment receives full and fair consideration by the Merchant Marine Subcommittee.

We will take the appropriate action in the subcommittee.

Mr. STEVENS. I thank the managers of the bill.

I stand ready to assist in the review by the committee staff which has been suggested.

Mr. INOUYE. Mr. President, I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (UP No. 192) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, is there any further time remaining? If there is, I yield back the remainder of the time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on the engrossment and third reading of the bill.

The bill (S. 640) was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will proceed to the rollcall vote on S. 640, as amended.

The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Montana (Mr. Baucus), the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from Louisiana (Mr. Johnston), the Senator from Louisiana (Mr. Long), and the Senator from Connecticut (Mr. Ribicoff) are necessarily absent.

I further announce that the Senator from Idaho (Mr. Church) is absent on official business.

I also announce that the Senator from New Hampshire (Mr. Durkin) is absent because of illness in the family.

Mr. STEVENS. I announce that the Senator from Utah (Mr. Garn), the Senator from Nevada (Mr. Laxalt), the Senator from Idaho (Mr. McClure), the Senator from Oregon (Mr. Packwood), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The PRESIDING OFFICER. Are there any Senators in the Chamber who have not voted?

The result was announced—yeas 85, nays 2, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—85

Armstrong
Baker
Bellmon
Bentsen
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chafee
Chiles
Cochran
Cohen
Cranston
Culver
Danforth
DeConcini
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Glenn
Goldwater
Gravel
Hart
Hatch
Hatfield
Hayakawa
Heflin
Heinz
Helms
Hollings
Huddleston
Inouye
Jackson
Javits
Jepsen
Kassebaum
Kennedy
Leahy
Levin
Lugar
Magnuson
Mathias
Matsunaga
McGovern
Melcher
Metzenbaum
Morgan
Moynihan
Muskie
Nelson
Nunn
Pell
Percy
Pressler
Pryor
Randolph
Riegle
Roth
Sarbanes
Sasser
Schmitt
Schweiker
Simpson
Stafford
Stennis
Stevens
Stevenson
Stewart
Stone
Talmadge
Thurmond
Tower
Tsongas
Wallop
Warner
Weicker
Williams
Zorinsky

NAYS—2

Humphrey
Proxmire

NOT VOTING—13

Baucus
Bayh
Biden
Church
Durkin
Garn
Johnston
Laxalt
Long
McClure
Packwood
Ribicoff
Young

So the bill (S. 640), as amended, was passed, as follows:

S. 640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Maritime Appropriation Authorization Act for Fiscal Year 1980".

Sec. 2. Funds are authorized to be appropriated without fiscal year limitation as the appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1980, as follows:

(1) For acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction,

reconstruction, or reconditioning of ships, not to exceed $101,000,000;

(2) For payment of obligations incurred for operating differential subsidy, not to exceed $256,208,000;

(3) For expenses necessary for research and development activities, not to exceed $16,360,000;

(4) For maritime education and training expenses, not to exceed $25,874,000, including not to exceed $17,132,000 for maritime training at the Merchant Marine Academy at Kings Point, New York, not to exceed $6,785,000 for financial assistance to State marine schools, and not to exceed $1,957,000 for supplementary training courses authorized under section 216(c) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1126(c)); and

(5) For operating expenses, not to exceed $35,598,000, including not to exceed $6,377,000 for reserve fleet expenses, and not to exceed $29,221,000 for other operating expenses.

Sec. 3. There are authorized to be appropriated for the fiscal year 1980, in addition to the amounts authorized by section 2 of this Act, such additional supplemental amounts for the activities for which appropriations are authorized under section 2 of this Act, as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law, and for increased costs for public utilities, food service, and other expenses of the Merchant Marine Academy at Kings Point, New York.

Sec. 4. Section 30 of the Merchant Marine Act of 1920 (46 U.S.C. 922(a)(5), is amended by inserting after the words "United States" the words "or a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States."

Sec. 5. (a) Subsection (a) of section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1177) is amended to read as follows:

"(a) Agreement Rules.—Any citizen of the United States owning or leasing one or more eligible vessels (as defined in subsection (k)(1)), or one or more fisheries facilities (as defined in subsection (k)(9)), may enter into an agreement with the Secretary of Commerce under, and as provided in, this section to establish a capital construction fund (hereinafter in this section referred to as the 'fund') with respect to any or all of such vessels or fisheries facilities. Any agreement entered into under this section shall be for the purpose of providing—

"(1) replacement vessels, additional vessels, or reconstructed vessels, built in the United States and documented under the laws of the United States for operation in the United States, foreign, Great Lakes, or noncontiguous domestic trade or in the fisheries of the United States, or

"(2) replacement, additional, or reconstructed fisheries facilities in the United States and shall provide for the deposit in the fund of the amounts agreed upon as necessary or appropriate to provide for qualified withdrawals under subsection (f). The deposits in the fund and all withdrawals from the fund whether qualified or nonqualified shall be subject to such conditions and requirements as the Secretary of Commerce may by regulations prescribe or are set forth in such agreement; except that the Secretary of Commerce may not require any person to deposit in the fund for any taxable year more than 50 percent of that portion of such person's taxable income for such year (computed in the manner provided in subsection (b)(1)(A)) which is attributable to the operation of the agreement vessels or fisheries facilities or from the sale or marketing of fish or fish products (as defined in paragraphs (11) and (12) of subsection (k))."

(b) Ceiling on Deposits.—Subsection (b) of section 607 of such Act is amended—

(1) in subparagraph (A) of paragraph (1) by inserting "or which is attributable to the operation of the agreement fisheries facilities or from the sale or marketing of fish or fish products" before the comma at the end thereof;

(2) in subparagraph (B) of paragraph (1) by inserting "or fisheries facilities" after "vessels"; and

(3) in subparagraph (C) of paragraph (1) and in paragraph (2) by inserting "or fisheries facility" after "vessel" each place it appears.

(c) Qualified Withdrawals From the Fund.—Subsection (f) of section 607 of such Act is amended—

(1) in subparagraph (A) of paragraph (1) by inserting "or a fisheries facility," after "vessel"; and

(2) in subparagraph (C) by inserting ", a fisheries facility," after "reconstruction of a qualified vessel".

(d) Tax Treatment of Qualified Withdrawals.—Subsection (g) of section 607 of such Act is amended—

(1) in paragraphs (2) and (3) by inserting "fisheries facility," after "vessel," each place it appears; and

(2) in paragraph (4) by inserting "fisheries facilities," after "vessels,".

(e) Definitions.—Subsection (k) of section 607 of such Act is amended by adding at the end thereof the following new paragraphs:

"(9) The term 'fisheries facilities' means new or used landing, receiving, processing, storage, and distribution facilities, together with all necessary equipment, including land where appropriate.

"(10) The term 'agreement facility' means any fisheries facility which is subject to an agreement entered into under this section.

"(11) The term 'fish' means any species of living aquatic resources excluding aquatic mammals and birds.

"(12) The term 'fish products' means any product which is made wholly or in part from any fish or portion thereof, except products which contain fish only in small proportions and which are exempted from definition as a fishery product by the Secretary.".

Sec. 6. Section 1104(a) of the Merchant Marine Act, 1936 is amended by—

(1) redesignating paragraph (4) as (5);

(2) inserting after subparagraph (3) the following:

"(4) financing or refinancing fisheries facilities,"

and

(3) inserting after pragraph (5) (as redesignated by this section) the following:

"For the purpose of this paragraph (4) the term 'fisheries facilities' means new and used landing, receiving. processing, storage and distribution facilities together with all equipment, including land where appropriate.".

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will please come to order.

FREDERICK LAW OLMSTED NATIONAL HISTORIC SITE

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 495, which the clerk will state.

The second assistant legislative clerk read as follows:

A bill (S. 495) to authorize the establishment of the Frederick Law Olmsted National Historic Site in the State of Massachusetts, and for other purposes.

The Senate proceeded to consider the bill (S. 495) which had been reported from the Committee on Energy and Natural Resources with amendments as follows.

On page 2, line 4, after the comma, insert "there";

On page 2, line 6, after "Site" insert "(hereinafter referred to as the 'Site')";

On page 2, line 4, after the comma, insert "99–101";

On page 2, line 12, strike "together with such adjacent lands and interests therein as the Secretary deems necessary, for establishment of the Frederick Law Olmsted National Historic Site" and insert "as depicted on the map entitled "FRLA-80,001" dated March 1979. Said map shall be on file and available for public inspection in the office of the Director, National Park Service, Washington, District of Columbia";

On page 3, line 1, strike "property, including personal property comprising the archival collection, acquired for the purposes of this Act" and insert "Site";

On page 3, beginning with line 7, insert the following:

(b) The Secretary is authorized to enter into a cooperative agreement with an appropriate entity for the management of the archival collection acquired for the purposes of this Act.

(c) Within three years of the date of enactment of this Act, the Secretary shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and National Resources of the United States Senate, a general management plan for the site pursuant to the provisions of section 12(b) of the Act of August 18, 1970 (84 Stat. 825), as amended. Within six months of the date of enactment of this Act, the Secretary shall submit a written report to the same committees relating the state of progress of his acquisition and provisions for management and permanent protection of the archival collection. He shall submit a similar report within one year of the date of enactment of this Act to the same committees indicating the final management and protection arrangements he has concluded for such collection.

On page 4, beginning with line 1, strike through and including line 3, and insert in lieu thereof the following:

Sec. 3. (a) Effective October 1, 1979, there are authorized to be appropriated from the Land and Water Conservation Fund such sums as may be necessary for the acquisition of lands and interests therein.

(b) There is hereby authorized to be appropriated, effective October 1, 1979, an amount not to exceed $514,000 for the acquisition of the archival collection; an amount not to exceed $200,000 for development; and an amount not to exceed $1,230,000 for the preservation of the archival collection.

Sec. 4. The National Parks and Recreation Act of 1978, approved November 10, 1978 (92 Stat. 3467), is amended as follows:

(a) Section 101(8), re: DeSoto National Memorial, is amended by changing the phrase "changing '$3,108,000' to '$5,108,000'." to read "by changing '$175,000' to '$292,000'."

(b) Section 102(20), re: Pecos National Monument, is amended by changing "$2,375,000" to "$2,575,000".

(c) Section 301, re: revision of boundaries, is amended by changing the words "but not exceed" in the first sentence to "but not to exceed".

(d) Section 301(8), re: Great Sand Dunes National Monument, is amended by (a) changing "one thousand one hundred and nine acres" to "one thousand nine hundred acres" and by changing "$166,000" to "$265,000"; and (b) by adding the following at the end thereof: "The Secretary shall designate the lands described by this paragraph for management in accordance with the adjacent lands within the monument by publication of a notice in the Federal Register.".

(e) Section 302 is amended at the end thereof by changing "section 301" to "title III of this Act".

(f) Section 309(b), re: Fort Union Trading Post National Historic Site, is amended by changing "this Act" in the proviso to "the National Parks and Recreation Act of 1978".

(g) Section 315(a), re: Cuyahoga Valley National Recreation Area, is amended by changing "90,001–A" to "655–90,001–A".

(h) Section 501(a), re: Guam National Seashore, is amended in clause (1) by changing "Anac" to "Anae".

(i) Section 505(f)(1), re: Koloko-Honokohau National Historic Park, is amended by striking "Kaloko-Honokohau" the first time it appears in the subsection.

(j) Section 507(f), re: Santa Monica Mountains National Recreation Area, is amended by changing "January 1, 1976" to "January 1, 1978".

(k) Section 508(d), re: Ebey's Landing National Historical Reserve, is amended by changing "with donated funds" in the first sentence to "with donated or appropriated funds".

(l) Section 511(b), re: Maggie L. Walker National Historic Site, is amended by changing "at 113 East Leigh Street" to "at 110 A East Leigh Street".

(m) Section 551, re: the National Trails System Act, is amended by—

(1) in paragraph (13), change "(20)" to "(23)";

(2) in paragraph (18), insert quotation marks at the beginning and end of the second sentence; and

(3) in paragraph (21), insert quotation marks at the beginning and end of the second sentence.

(n) Section 601(a), re: Yellowstone National Park, is amended by changing "State of Wyoming" to "States of Wyoming and Montana".

(o) Section 612, re: Albert Einstein Memorial, is amended by changing "access" in the second sentence to "purposes of such memorial".

(p) Section 704, re: Upper Delaware River, is amended (a) in subsection (a) by changing "705(c)" to "704(c)"; and (b) in subsection (f)(1) by inserting the following sentence at the end thereof: "The Advisory Council shall terminate ten years after the date on which it is established.".

(q) Title IX, re: Jean Lafitte National Historical Park, is amended—

(1) in section 902(a) by changing "eight thousand acres" in the first sentence to "eight thousand six hundred acres";

(2) in section 904 by changing "section 7" in the first sentence to "section 907";

(3) in section 907(a) by striking the word "and" at the end of the clause numbered (6), changing the period at the end of the clause numbered (7) to "; and", and adding at the end thereof the following:

"(8) two members appointed by the Secretary from recommendations submitted by the Police Jury of Saint Bernard Parish."; and

(4) in section 907(e) by inserting the following sentence at the end thereof: "The Commission shall terminate ten years from the date of approval of this Act.".

SEC. 5. Notwithstanding any other provision of law, the Secretary of Interior shall not charge any entrance or admission fee in excess of the amounts which were in effect as of January 1, 1979, or charge said fees at any unit of the National Park System where such fees were not in effect as of such date.

SEC. 6. The Wild and Scenic Rivers Act of 1968 (82 Stat. 906), as amended (16 U.S.C. 1271), is further amended as follows:

(a) In section 5(b), in paragraph numbered (3), change "(72)" to "(75)";

(b) In section 5(b), in paragraph numbered (4), change "(74)" to "(75)".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to preserve and interpret for the benefit, inspiration, and education of present and future generations the home and office of Frederick Law Olmsted, the great American landscape architect and designer, there is hereby estabilshed as the Frederick Law Olmsted National Historic Site (hereinafter referred to as the "Site").

(b) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange, the property comprising the former home and office of Frederick Law Olmsted at 99–101 Warren Street, Brookline, Massachusetts, as depicted on the map entitled "FRLA–80,001" dated March 1979. Said map shall be on file and available for public inspection in the office of the Director, National Park Service, Washington, District of Columbia. The Secretary may also acquire for the purposes of the site all or any portion of the documents, equipment, drawings, and other materials comprising the Olmsted archival collection.

(c) It is the express intent of the Congress that the Secretary should substantially complete the acquisition program authorized by this Act within two years after the date of its enactment.

SEC. 2. (a) The Secretary shall administer the Site in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended.

(b) The Secretary is authorized to enter into a cooperative agreement with an appropriate entity for the management of the archival collection acquired for the purposes of this Act.

(c) Within three years of the date of enactment of this Act, the Secretary shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and National Resources of the United States Senate, a general management plan for the site pursuant to the provisions of section 12(b) of the Act of August 18, 1970 (84 Stat. 825), as amended. Within six months of the date of enactment of this Act, the Secretary shall submit a written report to the same committees relating to the state of progress of his acquisition and provisions for management and permanent protection of the archival collection. He shall submit a similar report within one year of the date of enactment of this Act to the same committees indicating the final management and protection arrangements he has concluded for such collection.

SEC. 3. (a) Effective October 1, 1979, there are authorized to be appropriated from the Land and Water Conservation Fund such sums as may be necessary for the acquisition of lands and interests therein.

(b) There is hereby authorized to be appropriated, effective October 1, 1979, an amount not to exceed $514,000 for the acquisition of the archival collection; an amount not to exceed $200,000 for development; and an amount not to exceed $1,230 for the preservation of the archival collection.

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(d) Section 301(8), re: Great Sand Dunes National Monument, is amended by (a) changing "one thousand one hundred and nine acres" to "one thousand nine hundred acres" and by changing "$166,000" to "$265,000"; and (b) by adding the following at the end thereof: "The Secretary shall designate the lands described by this paragraph for management in accordance with the adjacent lands within the monument by publication of a notice in the Federal Register.".

(e) Section 302 is amended at the end thereof by changing "section 301" to "title III of this Act".

(f) Section 309(b), re: Fort Union Trading Post National Historic Site, is amended by changing "this Act" in the proviso to "the National Parks and Recreation Act of 1978".

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(q) Title IX, re: Jean Lafitte National Historical Park, is amended—

(1) in section 902(a) by changing "eight thousand acres" in the first sentence to "eight thousand six hundred acres";

(2) in section 904 by changing "section 7" in the first sentence to "section 907";

(3) in section 907(a) by striking the word "and" at the end of the clause numbered (6), changing the period at the end of the

clause numbered (7) to "; and", and adding at the end thereof the following:

"(8) two members appointed by the Secretary from recommendations submitted by the Police Jury of Saint Bernard Parish."; and

(4) in section 907(e) by inserting the following sentence at the end thereof: "The Commission shall terminate ten years from the date of approval of this Act."'.

SEC. 5. Notwithstanding any other provision of law, the Secretary of the Interior shall not change any entrance or admission fee in excess of the amounts which were in effect as of January 1, 1979, or charge said fees at any unit of the National Park System where such fees were not in effect as of such date.

SEC. 6. The Wild and Scenic Rivers Act of 1968 (82 Stat. 906), as amended (16 U.S.C. 1271), is further amended as follows:

(a) In section 5(b), in paragraph numbered (3), change "(72)" to "(75)";

(b) In section 5(b), in paragraph numbered (4), change "(74)" to "(75)".

Mr. BUMPERS. Mr. President, I ask unanimous consent that Tom Williams, Steve Hickok, Tony Bevinetto, Carol Garnett, Cindy Calfee, Rose Bates, Mike Harvey, and Dan Dreyfus, all of the Committee on Energy, be accorded the privilege of the floor during debate and vote on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as so amended be treated as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, S. 495, as ordered reported from the Energy and Natural Resources Committee, would designate the home and office of Frederick Law Olmsted, located in Brookline, Mass., as a national historic site. The legislation authorizes the Secretary of the Interior to acquire the Olmsted home and office as well as the extensive archival collection which is stored there. As reported, the legislation also makes several technical and clarifying amendments to last year's omnibus bill—the National Parks and Recreation Act of 1978. Finally, the legislation includes a provision which places a moratorium on entrance fees collected at units of the national park system.

Mr. President, Frederick Law Olmsted was one of the Nation's most gifted individuals. Known worldwide as the "father" of landscape architecture, Mr. Olmsted played a leading role in strengthening America's appreciation of nature through his desire to bring the floral and pastoral scene to the American city via his urban parks. Although perhaps best remembered for his design of Central Park in New York City, other works include: Prospect Park, Brooklyn; Fairmount Park, Philadelphia; Belle Island Park, Detroit; and Mount Royal Park, Montreal. In addition, from 1874 to 1895, he worked on the grounds surrounding this very building.

The archival collection, presently stored in the Olmsted office at Brookline, consists of approximately 150,000 drawings and 63,000 prints and photography dating back to 1860. The most valuable aspect of the collection is that it is used as reference by States, municipalities, and institutions for rehabilitating their existing landscapes. In addition, the collection has scholarly value for those individuals desiring to have a better understanding of the landscape architecture and urban park planning professions. This graphic legacy is one of the most important sources of information in the history of the environmental field, it is park design, conservation, and town planning.

Mr. President, I urge my colleagues to join with me in commemorating the contribution of Mr. Olmsted through the designation of this national historic site.

Mr. HATFIELD. Mr. President, I rise in support of S. 495, which would establish the Frederick Law Olmsted National Historic Site. I understand that the National Park Service and the owner have reached agreement on this unique collection of plans, drawings, and records that detail the development of our Nation's and cities' park development.

The acquisition of these plans was critical to answer the question of national historic significance.

I also support the technical amendments to the 1978 National Parks and Recreation Act. They are truly technical in nature with the one exception of the moratorium on entrance fees. The Parks and Recreation Renewable Resources Subcommittee held full hearings on this fee issue, and I think the moratorium is fully justified.

Mr. KENNEDY. Mr. President, I want to thank the committee for their early consideration of this legislation. For the last 6 years, I have been involved in the effort to establish the Frederick Law Olmsted National Historic Site in Brookline, Mass. It is heartening to know that we are now close to that goal.

When I first introduced this legislation in 1973, we were celebrating the 150th anniversary of Olmsted's birth. During that year, we saw a renewed interest in the extraordinary achievements of the "father of landscape architecture" and a renewed enthusiasm for preserving the record of his work for all future generations of Americans. In 1976, Congress mandated that the Department of Interior prepare a feasibility study of the Olmsted home and office as a unit of the national park system. This study was completed last February, and its conclusions fully support Federal action to preserve and protect the Olmsted estate and archival collection. In fact, the study concludes that unless we act now to protect the site and collection, the record of Olmsted's work may be lost forever.

Indeed, this would be a loss for all Americans. For Frederick Law Olmsted, more than anyone else, was responsible for bringing public green space into our urban centers. His work is appreciated every day by millions of Americans, and the lasting impact of his achievements is truly remarkable. It is difficult for us to imagine New York City without its Central Park or to think of Boston without the emerald necklace sweeping along the Charles River through the Fenway, across Jamaica Pond to Franklin Park. Every day, each one of us here in Congress has an opportunity to walk through the Capitol grounds which Olmsted designed and created. And while we most often take this simple beauty for granted, all of us at different moments are struck by the quiet, peaceful charm and grace of these grounds.

It is apparent in all of these achievements that Olmsted understood the link between cultivating nature and civilizing man. He was, in fact, an artist. He invented the "art" of landscaping in the United States. It was said that, "He paints with lakes and wooded slopes, with lawns and banks and forest-covered hills."

His art dots the landscape of this Nation. Before his death in 1903, Olmsted had created 17 major urban parks, planned entire cities like Riverside, Ill., and designed scores of college campuses from coast to coast. His work contributed to the founding of the national park system. He was instrumental in preserving Niagara Falls, and the conservation of Yosemite Park is largely the result of his dedication as the Chairman of the first Yosemite Park Commission in 1865.

Olmsted's greatest contribution was to our cities. So many of his contemporaries simply assumed that urban residents would have to travel far to enjoy the natural beauty that contributes so much to our quality of life. But Olmsted's genius sparked new concepts in urban planning. Architect, conservationist, engineer, sociologist, he had a wide grasp of social issues and a different vision of life in America's cities. He knew the human need for interaction with nature, and he sensed that a city could only grow and mature if it balanced beauty and development, peace and activity, tranquility and commercial bustle.

Olmsted predicted that "the further progress of civilization depends mainly upon the influences by which men's minds and characters will be affected while living in large towns." This vision has prevailed. Because of it, urban planning now encourages beautiful landscape as well as buildings. Cities like Boston, New York, Chicago, Milwaukee, Detroit, Buffalo, and Louisville have all benefited by the implementation of Olmsted's plans. And just last year, Congress enacted a major urban parks bill, assuring that Olmsted's vision will continue to prevail.

The Frederick Law Olmsted home and office in Brookline has been designated a national historic landmark in recognition of Olmsted's outstanding contribution to the history of this Nation. Through the years, however, it has become clear that assistance from the Department of Interior is necessary if the site is to be preserved.

This legislation authorizes the Secretary of the Interior to undertake the preservation and maintenance of Olmsted's home which also served as his office. The bill will assure that thousands of drawings, prints, photographs, and documents will be protected from damage, destruction, or loss. The Secretary would be authorized to enter into cooperative agreements with universities and organizations to make certain that these materials are made available for study.

Mr. President, we have the opportunity not only to protect and preserve the heritage of Olmsted's work by preserving his home and papers, but also to renew the commitment of Olmsted to a better quality of life for urban residents. Olmsted envisioned a "sense of enlarged freedom" for those who would enjoy the parklands set among the concrete and pavement of our cities. Enactment of this bill will help to preserve this vision.

Mr. President, I want to express my appreciation again to the members of the committee for taking this action and recommending this legislation to the Senate.

I thank the Chair.

Mr. TSONGAS. Mr. President, I rise in support of S. 495 which would authorize the establishment of the Frederick Law Olmsted National Historic Site in Brookline, Mass.

This bill not only honors Frederick Law Olmsted, a true giant of architecture and planning, and preserves his home, office, and archives as an historical treasure, but it assures the continuation of an invaluable resource to the academic and professional community as well as the general public.

Olmsted gave urban America many of its most beautiful locations. It is beyond calculation how much this has meant for the quality of life in many of America's cities. It is difficult for me to imagine life in Boston or New York or Philadelphia without the beautiful green spaces created by Olmsted. His influence has strengthened the character of many of America's greatest cities and added immeasurably to the lives of all Americans.

Olmsted's contributions to our Nation include the plan for Central Park in New York City, Prospect Park in Brooklyn, Franklin Park and the so-called "emerald necklace" of parks in Boston, the Stanford University grounds, the Niagara Falls plan, Fairmount Park in Philadelphia, Belle Island Park in Detroit, the National Zoo and the grounds surrounding the Capitol itself here in Washington, D.C.

The home itself was built in 1810 and was designated as a national historic landmark in 1963. In addition to the preservation and maintenance of the home and office, this bill provides for the necessary protection of thousands of photographs, drawings, documents, lithographs, plans and maps, many of which are invaluable.

Olmsted is commonly referred to as the "Father of landscape architecture." His pioneering insight remains an inspiration today. He has given us a way to connect the lives of those who live and work in America's great cities to the natural beauty of our Nation.

Mr. President, I urge the Senate to adopt S. 495.

● Mr. CHAFEE. Mr. President, as an original sponsor of this bill, I appreciate the opportunity to urge my colleagues to approve S. 495, a bill to designate the Frederick Law Olmstead House in Brookline, Mass., a national historic site.

Olmstead's contribution to the field of landscape architecture and urban planning is immeasurable. He was the champion of bringing trees and greenery to our urban centers. Among his works are Central Park in New York City, the Emerald Necklace in Boston, Fairmount Park in Philadelphia, Belle Island Park in Detroit, and the Capitol Grounds, here in Washington.

While recognizing the importance of bringing scenic beauty to the cities, Olmstead helped design some of our most beautiful national parks, in order for all Americans to better appreciate our land. The landscaped portions of Yosemite and Yellowstone National Parks, as well as Niagara Falls, are his creations.

The bill before us today seeks to establish the home and office of Frederick Law Olmstead as a national historic site. The legislation authorizes the Secretary of the Interior to acquire the home and office, along with the furnishings equipment and the archival collection of Mr. Olmstead.

This acquisition will insure that Mr. Olmstead's work will be preserved for years to come. Especially important is the value of this material to State, county, and municipal planners who seek to rehabilitate their landscapes. Students will continue to have access to the collection which is an important source of information about the history of environmental design.

Mr. President, inner-city parks and beautiful landscaped areas play a tremendous role in making our cities enjoyable places to live.

I urge my colleagues to approve S. 495, which will help keep the work of one of the foremost men in the field of landscape design, Frederick Law Olmstead, preserved for our enjoyment and for generations to come.●

UP AMENDMENT NO. 193

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes unprinted amendment numbered 193.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, after line 20, insert the following new section:

SEC. 7. It is the sense of the Senate that the Senate disapproves of the final recommendations designating the basic route system for the National Railroad Passenger Corporation.

Mr. HATFIELD. I yield to Senator WEICKER for a perfecting amendment.

UP AMENDMENT NO. 194

Mr. WEICKER. Mr. President, I send an amendment to the desk as a substitute for the amendment of the Senator from Oregon (Mr. HATFIELD).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 194.

Mr. WEICKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. DANFORTH. I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk continued to read as follows:

On page 8, after line 20, insert the following new section in lieu of the language proposed to be added by the Senator from Oregon:

SEC. 7. It is the sense of the Senate that the Senate disapproves of the final recommendations designating the basic route system for the National Railroad Passenger Corporation, submitted to the Congress by the Secretary of Transportation on January 31, 1979, pursuant to section 4(e) of the Amtrak Improvement Act of 1978.

UP AMENDMENT NO. 194, AS MODIFIED

Mr. WEICKER. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. The modification will be stated by the clerk.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes a modification to UP No. 194:

The modified amendment is as follows:

On page 8, after line 20 insert the following new section in lieu of the language proposed to be added by the Senator from Oregon:

SEC. 7. It is the sense of the Senate that the Senate disapproves of the final recommendations designating the basic route system for the National Railroad Passenger Corporation, submitted to the Congress by the Secretary of Transportation on January 31, 1979, pursuant to section 4(e) of the Amtrak Improvement Act of 1978. This section shall take effect when agreed to by the Senate.

Mr. INOUYE. Mr. President, I ask unanimous consent that the following members of the Commerce Committee staff be granted privilege of the floor: Aubrey Sarvis, Ed Hall, Tim Lynch, Alyce Curtin, and Bill Johnson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I ask unanimous consent that Kermit Almstedt, of my staff, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 1:03 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the presiding officer (Mr. MORGAN).

UP AMENDMENT NO. 195

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN) proposes an unprinted amendment numbered 195.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, after line 20, add the following new section 7:

"SEC. 7. Section 3 of the Act of December 2, 1969 (83 Stat. 279), is amended by changing '180,000' to '680,000' ".

The PRESIDING OFFICER. The Chair informs the Senator from Texas that his amendment is not in order at this time because another amendment is pending.

Mr. BENTSEN. Mr. President, I ask unanimous consent that I may be permitted to proceed out of order with my amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I have discussed this amendment with the distinguished manager of the bill and it has been discussed with the distinguished managers for the minority.

Mr. President, this amendment is necessary to permit the National Park Service to repair severe erosion damage done to the banks of the Pedernales River at the Lyndon B. Johnson National Historic Site. This was caused by a major flood in August of 1978. This flood caused the loss of a number of lives and major damage to property located in the Pedernales River Valley. At the home of former President Lyndon Baines Johnson, which is now a national historic site, the flood washed away 30 to 50 feet of riverbank for a distance of some 1,600 feet along the river. Several lovely old trees were lost, and lesser damage was done to other stretches of the river.

The National Park Service estimates that it will cost $500,000 to do the necessary stabilization work to prevent further erosion from occurring. However, funds cannot be spent for this because the authorization ceiling has almost been reached. For this reason, I am offering this amendment to increase the authorization ceiling by $500,000 so that the necessary work can be done.

This matter came to my attention too late to be included in the House bill or in the committee deliberations in the Senate, and I thank my distinguished colleague, the Senator from Arkansas who so ably chairs this subcommittee, for his consideration on this issue.

Mr. President, I have stood there on the banks of that river, at that site, with Lyndon Johnson and I know how much it meant to him and to Mrs. Johnson. The fact that they donated this to the country as a historic site, I think, makes it terribly important that we be able to preserve it and that we protect it from that kind of erosion.

I can recall, several years ago, at a similar time, when I flew with Lyndon Johnson to the Pedernales and Lyndon Johnson went in in a Piper Cub. They hit one of the trees, and tore a big hole in the wing. On that visit, he had to bring Lady Bird Johnson out of there on a tractor in order to cross the high waters of the Pedernales. So I have seen the things that can happen on the Pedernales in that area. Unchecked by repair work, the scars of this erosion will spread through the beautiful bottomlands, uprooting the majestic pecan and live oak trees which now grace the area.

Some 200,000 people annually visit this National Historic Site to experience first-hand the cultural heritage that this distinguished American so loved. Failure to act to preserve this would be an act of gross negligence on our part, and I urge adoption of this amendment.

Mr. BUMPERS. Mr. President, the committee has no objection to the amendment. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. I thank the distinguished manager of the bill.

Mr. BUMPERS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. Is the Weicker amendment the pending business?

The PRESIDING OFFICER. The pending business is the Weicker amendment.

UP AMENDMENT NO. 194, AS MODIFIED

Mr. LONG. Mr. President, I am opposed to the motion of the junior Senator from Connecticut because in my judgment, this action will not be in the best interest of rail passenger service or our Nation's overall transportation and energy goals.

For the past 3 months, the Senate Commerce Committee has been carefully evaluating the merits of the Department of Transportation's route plan recommendations. On May 1, the Commerce Committee voted not to report any resolution of disapproval of the Secretary's plan.

I believe, as does the Commerce Committee, that the Secretary's route plan will provide the blueprint for improving rail passenger service. The Department has made a diligent attempt to develop a route plan for Amtrak that makes economic sense. It is a system that will maintain service to over 90 percent of present ridership. It is a system that will eliminate over 40 percent of Amtrak's most costly and unproductive route miles. It is a system that will save the Federal Government over $1.3 billion over the next 5 years—over $125 million in fiscal year 1980 alone. It is a system that will increase load factors by increasing the number of passengers who are on any given train at any given moment. More importantly, it is a system that brings Amtrak operations more into line with the realities of the marketplace.

I would like to point out to my colleagues that, at the present time, Amtrak is carrying less than three-tenths of 1 percent of all intercity travelers. Yet, for the 19 million passengers that Amtrak carried in fiscal year 1978, the Federal Government spent over $600 million. Since Amtrak's beginning in 1971, the Federal Government has spent over $3 billion in direct grants and another $900 million in guaranteed loans. The present Amtrak system is projected to need over $1 billion in operating subsidies alone by 1982.

Mr. President, when one thinks in terms of what these routes being discarded have to offer the public, it is well to keep in mind that there is less than 1 person in a hundred, who will ever ride on one of these trains being discontinued under this proposal. Yet, those people will have to pay, in due course, a billion dollars a year for something that 99 out of 100 of them would not use. In most cases, it would be cheaper to the taxpayers to give those people an airline ticket and send them by air, rather than subsidize a trip to go by rail, which they are not doing. But the people who really receive the injustice are the people who do not ride at all.

I know when I first came to Washington, I came on the Crescent Limited. That is a very nostalgic thing for me, the old Crescent Limited. It was a good train. It is one of the better trains of those that now are being discontinued. But, Mr. President, it would be an injustice on the part of this Senator to make the taxpayers pay for the Crescent Limited for my benefit; because, while I would like to see it continued, it is losing $3 every time it takes in $1.

Really, it could serve a purpose to keep a few of those trains around for nostalgic purposes—as we have done on our rivers. I am proud that I played a part in continuing the activities of the *Delta Queen*. That beautiful old ship paddles up from New Orleans to Louisville; then it paddles from Louisville back down to New Orleans. Those who feel like paying for it pay, and it is strictly a reminder of yesteryear. You get the feeling that you might have been a Mississippi River gambler. In fact, some people, I am told, dress up in costume and take imitation Derringer pistols up their sleeves, just as if they were a Mississippi gambler. But they pay a premium price to use the *Delta Queen*, which makes money. It is not an imposition on the backs of taxpayers.

To have someone do the same with nostalgic trains at the expense of the taxpayer is unfair, it is unjust. If someone wants to keep a few around so the taxpayer can see what it used to be like in papa's time or grandma's time, we have plenty of them left, even ones that are being continued.

They will be losing money. But we thought we ought to have some mercy on the taxpayer, and about $500 million a year is about as much as we ought to stick it to him—for something he is not using. That is basically what this plan amounts to.

The tracks between here and New York and between New York and Boston and between New York and Chicago will be continued. The trains will move at a more rapid clip. We are putting hundreds of millions of dollars into that, because it seems to us that, in that area, it has the best chance of rendering an economical service—something that will justify our subsidy.

But how can we justify putting the taxpayers' money into something that will only benefit about one person out of a thousand, and it is costing the rest of us about two-thirds of the cost to keep something that attracts that little interest?

This has been cited, Mr. President, by the taxpayer organizations as perhaps the prime example of Federal waste and extravagance, to continue something that the public is not willing to buy at this market price.

And what has been Amtrak's performance record? In 1978 Amtrak carried fewer passengers than it did in 1977. Amtrak trains run slower now than they did when Amtrak took over. It has proved it can lose more money while carrying less passengers and covering less miles. Amtrak's revenues have risen 205 percent since 1971, but expenses have risen 290 percent.

While many point out that Amtrak has increased ridership, numerous reports have shown that these increases have occurred as a result of more trains at greater frequency—losing more money. In other words, Amtrak is getting less—not more—efficient. Even more telling is the fact that Amtrak is now only recovering approximately 35 percent of its total expenses through revenues.

This means that the Federal Government is paying for two-thirds the cost of an Amtrak ticket. On some routes, the subsidy per passenger is over $100. Studies have shown that we could buy these people first-class airline tickets, buy them a meal, and still save the Federal Government money.

Mr. BENTSEN. Throw in a train set along with it.

Mr. LONG. Yes.

On some of these routes, I have no doubt we could provide the passengers with a free set of dishes, like the banks did a while back to put money in the bank, and make money compared to what it is losing to continue some of these big money losers which Amtrak is operating.

Our Nation's most energy efficient mode is the intercity bus. In terms of energy efficiency, the bus gets 129 passenger miles/gallon while an Amtrak train only achieves 44.4 passenger miles/gallon. It is interesting to note that an Amtrak train is only slightly higher than the private automobile in energy efficiency, and it is only one-third as efficient as the bus.

Under the best case argument, Amtrak is potentially one of our most energy efficient modes of transportation, but Amtrak would have to significantly increase its ridership to achieve this performance level. The average Amtrak train in fiscal year 1978 carried 128 passengers. Amtrak would have to average over 138 passengers to compete with an average automobile and over 400 passengers to compete with the bus industry. Furthermore, in the event of a national energy emergency, the simple fact is that Amtrak does not have the equipment or manpower to handle significantly higher ridership levels. Even if Amtrak were able to triple its present ridership, it would still carry less than 1 percent of intercity passengers.

Mr. President, I strongly oppose those individuals who label this route reduction as the first step toward destroying Amtrak and eliminating rail passenger service. On the contrary, we run a much greater risk of losing all rail passenger service in this country if we allow our available resources to be spread too thinly over a route structure that Amtrak cannot possibly manage. The president of Amtrak, Alan Boyd, testified before the Surface Transportation Subcommittee that Amtrak must have a smaller system if it is going to have any hope of providing the public with adequate service.

Mr. President, in a letter signed by both Amtrak President Alan Boyd and Department of Transportation Secretary Brock Adams to the Commerce Committee, both of those individuals stated that Amtrak must have a smaller system if it is to provide adequate and efficient service.

I believe we do much greater harm to the cause of rail passenger service by demanding higher and higher subsidies for a system that is simply not doing the job. I believe that an efficiently run, well-managed rail passenger system can play a vital role in meeting our Nation's transportation goals. I can support such a system—I cannot support an unreasonable waste of taxpayers' money on a system that in 8 years has not demonstrated in the marketplace that there is an adequate demand for its services.

In closing, Mr. President, I want to reiterate my strong belief that the recommended route plan offers the only viable alternative to restoring rail passenger service in the United States. I urge my colleagues to oppose this amendment.

I would think, Mr. President, that what the Secretary of Transportation is recommending to us is about as useful a compromise, between those who would like to continue service and those who are concerned for the taxpayers who are being overtaxed and overburdened, as reasonably can be worked out.

It may be that in due course we might consider some measures that might improve the efficiency of the operation. For example, it occurs to me that perhaps after some of these routes have been discontinued, there might be some enterprising people who might be willing to say they would be willing to operate it with a smaller crew, operate it on a more efficient basis, and make us a proposition that would justify continuing one of these routes being discontinued by reducing the loss below what it need be.

For example, as I recall, between here and Atlanta on the train I mentioned, the Crescent, I think that crew is changed about five times.

If enterprising people are willing to operate perhaps a four-man, rather than a five-man crew, and change the crew, rather than five times, perhaps two times, a total of three crews between here and New Orleans, for example, and operate it with a small crew, it might be a more attractive proposition.

But we are stuck with the old labor rules which, under present circumstances, as long as we are going to pour more money into it, would be continued. Based on the facts of life, about the only way we can give the public any effective protection is to say that those routes, or the very big money losers, would have to be discontinued.

If the public wants to use some of these trains, we will try to continue them. But where they are not using them and are not disposed to put much into them, logically, most of them ought to be discontinued.

Therefore, Mr. President, while I would like to see some of these routes discontinued, I think we do the taxpayer, the American people and the transportation system a service not to try to continue routes that are heavy money losers.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I ask unanimous consent that the following staff members have the privilege of the floor during the pendency of S. 495: Cindy Calfee, Carol Garnett, Peter Goldfarb, Frank Kinney, Stan Twardy, Tom Dougherty, and Steven Beck.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I support a disapproval of the plan relative to Amtrak which has been submitted by the Secretary of Transportation, Brock Adams.

First, let me state this: During the course of this debate, all figures that are referred to by those opposed to my motion or those in favor of the proposition of the Secretary of Transportation are out of date. They were compiled before this country got into its present energy bind.

Indeed, one only has to talk to Amtrak itself to find out what has happened to its ridership within the last month. Many of the trains that were running at 5 percent to 10 percent of capacity are now running at 95 percent of capacity.

It would be nice to say or nice to believe that the situation we are confronted with today is a temporary one. Indeed, I think most people view it as a repetition of the 1973–74 Arab oil embargo, that in weeks or months somebody is going to turn the spigot back on and we will go back to life as normal—life as normal so far as our consumption of gasoline and oil is concerned, life as normal so far as our production is concerned, life as normal so far as our travel habits and our lifestyle are concerned.

However, I predict to my colleagues that we are not in a repetition of 1973-74. We are in the first year of what is going to be a 20-year crunch on this Nation in terms of change of lifestyle, shortages of supply, in terms of rationing, conservation. It is the first year of a 20-year crunch. Nothing will come over the hill to rescue us this time. Nobody is going to turn the spigot back on. It is not going to be turned on. Production is going to be cut in Saudi Arabia and the other Mideast states, so the Mideast is not going to come to the rescue of the United States in this energy crisis.

If not the Mideast, then who? Do we have the capability of additional production which will meet that shortfall between supply and demand? The answer is that we do not, and we have not had it for many years, in terms of oil.

Let us turn to the next question: What about the supply of alternate sources of energy? There is no question that the exotics—whether solar energy or geothermal or the fuel cell or the liquefaction or gasification of coal—can not provide a supply sufficient to make up that shortfall until after the year 2000.

Now we turn to the other possibility, that of conservation. I think the Congress of the United States has indicated pretty much how it is going to handle that, at least for the time being. Whatever conservation there is going to be in this country, it does not look like it will be legislated; it looks like it will be forced on us. So conservation, at least up to this moment, is not the answer.

The fact is that the American people are going to be kicked out of their automobiles, like it or not. The American people are going to be kicked out of their automobiles whether or not the Senate and the House legislate that. The facts of today and of reality will kick them out of their automobiles.

Therefore, the question is, what are the alternate forms of transportation? I think all of us in this Chamber are well aware as to how wedded this Nation is to the automobile. But I think it certainly is incumbent upon the leadership of this Nation to point out the very real and present danger of that alliance and to offer some remedies.

I see in the Chamber my good friend the Senator from Texas, who has joined the distinguished Senator from Louisiana in deprecating rail transportation.

I have stood on the floor of the Senate for 5 years, as a New England Senator, advocating decontrol, in the hope of getting additional supplies, standing with the distinguished Senator from Texas, at my own political peril, considering the part of the country from which I come. I realized we needed additional supplies. Now that theory seems to me very much in danger, whereby we possibly could not have the capital necessary to acquire those supplies. For five years I have stood on the floor of the Senate advocating mandatory conservation, which is not popular anywhere—New England or any other part of the country—and for 5 years it has been denied.

Two years ago, the 6-day week for the automobiile was rejected by this body by a vote of 83 to 7. That was not a new plan as offered in the House of Representatives the other week. That was a 2-year-old plan—at least 2 years old. I have been talking about it for 4 years, but it sits in the RECORD as having been offered and rejected 2 years ago.

When we came to mandatory conservation this year, we accepted the standards for cooling and heating and rejected outdoor advertising. We rejected the President's plan.

So, obviously, nothing is going to be done in the sense of demand. We have done nothing on the matter of supply, nothing in the sense of demand. Even if we go ahead and develop the exotics, there is no one in this Chamber who will tell you that they can contribute to the supply in an adequate enough way to void the crunch we are in, and it is going to become increasingly worse. What an irony it is that, knowing the facts of being divorced from the automobile, we do nothing to stave off that eventuality, and nothing to go ahead and substitute for it. That is what is at issue here today.

The Amtrak figures as to ridership are inaccurate within 1 month—totally inaccurate. Many of the trains that ran 5 percent and 10 percent full are packed right now.

My colleagues can correct me if I am wrong, but in the last month, Amtrak has been training 60 extra personnel just to take reservations over the telephone.

Is that the sign of something that is receiving less use? I think not.

Mr. President, what I am suggesting here today, in disapproval of the plan of the Secretary of Transportation is that circumstances have changed so radically that this whole matter of what our rail policies should be and what our rail system should be should undergo immediate review.

Now let me get to the business of what a passenger rail system in this country should consist of.

If people will go back and look at the RECORD, to the time I used to stand on the floor with my good friend the Senator from Indiana (Mr. HARTKE) and we used to argue for Amtrak, they will find that the RECORD is very consistent.

No. 1, I remember our late departed colleague, Senator Allen, used to give Senator Hartke and myself a hard time on the subject of Amtrak, and we made it crystal clear at that time that we did not expect that Amtrak would ever make any money. So I do not deal from a proposition that it has not made money; therefore, it is no good. It has not and it will not be profitable.

Let me cite the figures as to how other nations subsidize their rail passenger service. Japan, $4.1 billion a year—this is subsidization of their rail system, which is one of the finest in the world—Italy, $1.5 billion; Germany, $1.5 billion; France, $0.9 billion; England, $0.7 billion.

Every single major economic power in this world has a decent passenger rail system and they pay for it, and it is not a moneymaker. In those countries, the ability to move by rail is as integral to the quality of life as education, housing, health care, or whatever.

I, as one of the creators and proponents of Amtrak and a decent rail system in this country, have never advocated there would be a profitmaking operation.

When I hear the distinguished Senator from Louisiana state that some of these lines might be taken over in the future by enterprising individuals, may I point out to everyone here that the reason why Amtrak was created and ConRail was created was private enterprise, at least in this particular instance, could not do the job. The only choice was between total abandonment and the U.S. Government coming along and picking it up, and that was it.

So, I do not think every 8 years I am willing to go ahead and try again the system that after almost 70 years produced nothing.

Let us talk about transportation and where we have allocated our money in this country and maybe just a recitation of the 1980 budget might give Senators an idea as to why we have no rail system.

Highways in 1980 are scheduled to receive $8.5 billion; aviation $3.03 billion; mass transit $3.5 billion; then rail at $1.6 billion, or 9 percent of the Federal transportation dollar.

(Mr. HEFLIN assumed the chair.)

Mr. WEICKER. But the situation since the end of World War II is far worse than that and gives us the background as to why we do not have a rail system in the United States, because since the end of World War II the United States has spent, up until the last several years, 98 cents out of every transportation dollar on highways, 1 cent on airports, a half-cent on waterways, and half-cent on rail. Indeed, if we have the greatest highway system in the world that is because we pay for it and if we have the worst rail system, again we are getting what we pay for, which is nothing. In absolute dollar figures, and they are round figures, since the end of World War II we spent every year between $6 billion and $7 billion—now going up to $8 billion—$6 billion and $7 billion a year on highways since the end of World War II.

For the past 9 years, the distinguished Senator from Massachusetts, Senator KENNEDY, and myself tried to go ahead and see these dollars more equitably distributed and tried to go ahead and break the Highway Trust Fund, not from the point of view of not having money there for highways, but giving to States the option as to whether or not to use the money for highways or rail systems and whatever, and we have been denied by this body. So, if anyone wants to resolve the transportation problem in his State and wants to have it 90 percent funded by the Federal Government that State has to build a highway.

That is why we are in the difficulties we are today because all we have been doing is building highways and building cars, and the energy source is no longer available to us—oil. So much for our investment in highways and automobiles.

How else are we going to move? Reference is made by the distinguished Senator from Louisiana, "I will give everybody an airplane ticket." Is the airplane the mode of travel for all Americans in the future? It seems to me there we are talking about a relative few. I use it and certainly most of my colleagues do. But numbers wise that is not the American public. The only mode of transportation next to the automobile and the bus that can move people in large numbers is the train. It is the most energy-efficient. It goes ahead and accentuates conservation not only of oil but also of the land.

In the comparison between an airplane and train, a twin-engine jet, such as the DC-9 or 737, gets 30 to 47 seat miles per gallon; a subcompact car gets 120; an express bus gets 282, and a modern Amtrak locomotive gets up to 360. These are the comparisons that we should take as we move into this new era of a lack of energy.

The job of Senators and of the executive branch of Government is not to react to a crisis but to anticipate it. Is there anyone in this Chamber or outside who doubts the fact that we are in that crisis today and that nothing we do is going to get us out of it for 20 years?

Great disappointment was expressed at the time the initial energy plan came down from the administration for whatever it was offered. Nothing was done vis-a-vis a commitment to rail transportation.

Mr. President, let me give you a clear-cut example of the ramifications economically of the predicament we find ourselves in relative to the lack of oil. In a State such as some of our New England States, if automobile travel is restricted, and it will be, there is no other mode of transportation except the railroad. That is it. No, not every community has an airport. No, not every community is on a waterway. No, not every community has available to it the facilities to handle massive amounts of automobiles or buses. Rail is the only way. And if you do away with the rail systems in those communities, you do away with business, and I mean not just tourism but every aspect of business. And then watch the crunch start. I would wish the question answered by some of my good colleagues who confront this every day. If car travel is restricted and there is no rail system, how do you get into Vermont? How do you get into Maine? How do you get into New Hampshire? What happens? The airports are not there to cover those States.

As I said, the car is gradually, to a degree, going to be done away with. How do you get in there? Well, you do not. And then what happens to the economy of those areas?

Let me just say in conclusion, that I think a terrible mistake has been made by the United States of America in not making a full commitment to the building of a first-class rail system.

I am not impressed with the $3 billion figure cited by the Senator; I am not at all impressed. That is one-half of what we are spending per year on highways, one-half.

It is not a question of $3 billion. Since the end of World War II this country has spent an average of $6 billion annually, which is on the low side, $6 billion per year on highways. We are talking about roughly 35 years of such expenditures, so we are talking about a total of $210 billion on highways; $210 billion on highways, which we had to build, I might add, from scratch. And somebody is complaining about $600 million or, $3 billion, or whatever the figure the distinguished Senators want to use?

I am not impressed, not impressed at all. If anyone thinks you can go ahead and abandon these routes and then, when the emergency situation becomes clear, come back and reuse them, he is wrong. One cannot reuse them. It is like anything else. You keep the trains in operating order, or otherwise the costs are prohibitive to get them back into shape.

Is not anybody frightened over the statement made by the distinguished Senator from Louisiana, which is a repetition of the statement made by the Secretary of Transportation, that in an emergency—this is the statement—that in an emergency Amtrak does not have the equipment to meet the Nation's passenger needs? Are you not a little bit frightened about that statement "In an emergency Amtrak does not have the equipment?" What kind of an argument is that in support of abandoning the rail systems of this Nation? Such a statement would get me on the stick to the point that I would make sure that I acted to make sure that we did have the necessary equipment.

I will read the cited paragraph from the letter of the Secretary of Transportation. This is a letter from the Secretary of Transportation to me, dated March 22 of this year:

> We should all bear another point in mind when we think about the role of passenger trains in meeting a possible energy crisis. Amtrak currently carries less than three-tenths of 1 percent of the intercity travelers in this country, and it does so with a fleet of locomotives and passenger cars that would take several more years to augment. In the event of an energy emergency Amtrak could play no significant role in meeting the Nation's passenger transportation needs.

Those are the words of the Secretary of Transportation. Yet, in light of this statement we want to cut out further routes on Amtrak?

Might I add this letter was dated March 22, and notice how it says "in an emergency." Is there anybody who believes we are not in an emergency? Maybe not the U.S. Senate or House, in light of the way they handle energy. But, believe me, the reality of the world around us is such that we are in an emergency. Yet, we are now saying that Amtrak cannot handle it, so we are going to go and cut Amtrak back further.

What kind of insanity is that?

Sure, Amtrak is not going to go ahead and become a competitive force in transportation with the niggling amounts which have been parceled out by this body in the past several years. It is not a competitive form of travel as long as everything is all right and we have all the gasoline we want. Then it has to compete, you see, with the total length of the run, let us say between getting to the airport and taking a plane ride and getting away from the next airport, which is, let us say, a 2 hours' run between Washington and New York, this is fine, as long as you have all the gasoline you want.

But, my friends, as you well know, those airplane schedules are being cut back, and you can no longer use your car as much as you would like to in the sense of getting to where it is you want to go. Thus we have to make Amtrak competitive in good times. But today it has a more basic duty to perform, a duty of energy conservation, of getting people from point A to point B. In other words, the major portion of people's travel is what we are talking about, thus permitting them to use whatever gasoline they do have at either end. But we should be concerned with covering the large segment of travel by rail.

No, Amtrak has not been competitive with the airplane or the superhighways or faster automobiles, and because it has not been is one reason why we are in the predicament we are in today.

But now it is no longer a matter of our judgment. Circumstances have overtaken us. They have overtaken the statistics cited by the opponents of this measure. They have overtaken all of us, and the choices among the routes of energy conservation we are going to follow become narrower and narrower as each day slips by.

Five years ago, I presented my mandatory conservation plans on the floor of the U.S. Senate. When we tried at that time to get capital for additional oil production, whatever that cost was is minimal compared to the price that is going to have to be paid in the year 1979. People would have hardly felt it at that time. Now they are feeling it, and there is no cavalry to come to the rescue on this issue. We in the Senate are the only ones who have it within our control to avoid, or to surmount, this crisis. It is not going to be Mexico, and it is not going to be Iran turning the spigot back on; it is not going to be something in the way of a magic fuel source dropping from the heavens. It has to be us. It is by conservation, by changing our lifestyles, by planning alternate sources of energy that we are going to meet the crisis.

One element of an energy plan must be to develop a rounded transportation system in this country. Senator KENNEDY and I used to stand here and argue that very logical point. Now it can be argued from the position of necessity, since logic has had no effect on those in this Chamber. Maybe the reality of the crisis will have an effect.

I hope in any event that this body will have the opportunity to voice its opinions on this matter.

This has been, I gather, hotly debated and reviewed within the Commerce Committee itself and has been a matter of very close decision within that committee.

It seems to me best in instances such

as that that the full body should have the opportunity to exercise its will, and I hope this afternoon that such will be the case, that we have an up-or-down vote on this amendment to indicate what the directions of the United States of America are going to be. Yes, to indicate whether we are going to take some positive steps in getting ourselves out of the energy crisis.

It is not something we are going to leave to chance, it is not something we are going to leave to history. Rather, it must be by timely action taken by this generation.

Mr. CANNON. Mr. President, I have listened with a great deal of interest to the Senator's discussion here. I think it is somewhat like the talk that salesmen use, it is puffers' talk.

After an extensive period of analysis and evaluation, the Commerce Committee on May 1 voted not to report any resolution of disapproval of the Department's route restructuring plan for Amtrak. We did not do that just out of the air. We did that after we had studied it. We went into the problem of the rails, of the buses, of the automobiles, and so on, as is our responsibility.

Based on that, we came to the conclusion that a resolution of disapproval should not be reported.

The committee believes that the new route plan offers the only reasonable solution to the dilemma facing the Federal Government with respect to Amtrak, and that is how to maintain an essential national rail passenger system and yet minimize the burden on the American taxpayer of supporting that system, and I emphasize an essential national rail passenger system.

The Senator made much of the fact that traffic from here to New York on the Northeast corridor would be in very bad shape. We are not cutting out trackage or trains between here and New York. The Northeast corridor is the one part of the country that really benefits from Amtrak and has some possibility of becoming a viable system.

Now, while this new plan may not be a perfect system by all standards of measurement, it does provide a realistic and fair alternative to the prospect of either ever-increasing subsidies for an unmanageable system, or complete termination of all rail passenger service in the United States.

Just yesterday afternoon the committee had to be called together in an emergency meeting, to consider the case of the Milwaukee Railroad, which is in bankruptcy and was going before the court. The court has tentatively ordered the trustee to discontinue or embargo 7,000 miles of trackage, simply because the railroad is in such bad shape.

Mr. President, in evaluating the Department's route recommendations and the subsequent authorizing legislation in this case, the committee placed a great deal of emphasis on Amtrak's poor financial performance over the past 8 years in attempting to operate a system that was much too large for the resources available to it.

That is the key to this thing. Amtrak does not have the resources. It was proved very definitely during the 1973–74 period that they did not have the resources, and they do not have the resources today, to operate a system of that magnitude.

During the committee's consideration of the Amtrak Improvement Act of 1978, last year, it became clear that steps had to be taken to reverse Amtrak's escalating deficit through a reduction in the route system.

I might say that we directed the Secretary to come up with a revised system that would give him some opportunity, some prospect, of having a viable system to be operated by Amtrak.

The prospect of a billion dollar a year subsidy to operate a 27,000-mile system that was transporting less than three-tenths of 1 percent of all intercity travelers dramatically emphasized the need to reduce Amtrak's costs and increase its revenues through the adoption of a smaller route system. In a report prepared for Congress entitled, "Amtrak's Subsidy Needs Cannot Be Reduced Without Reducing Service," the General Accounting Office gave a grim description of the problem facing the Federal Government:

> Although Amtrak can eventually improve its operating efficiency, it cannot substantially reduce its operating cost without reducing the size of its system.

That is precisely what Congress is attempting to do with the new system. This point was further emphasized by Amtrak President Alan Boyd in testimony at the Surface Transportation Subcommittee on March 5, 1979. Mr. Boyd stated:

> We, Amtrak, have to have a smaller system if we are going to have any hope of providing the public with adequate service.

So it is quite obvious that if they do not have a smaller system, they are not going to be able to provide the public with adequate service. Thus the Senator is really talking against himself in saying "We want the service" when Amtrak says it cannot provide it unless it has a reduced system.

It was clear last year and it is clear now that the only road to improved rail passenger service in the United States is a smaller, more manageable system that will encourage intercity passengers to abandon their cars and to seek public transportation. The new route plan for Amtrak will increase Amtrak's operating efficiency while maintaining service to over 90 percent of Amtrak's present riders. Operating efficiency will be increased by elimination of 43 percent of Amtrak's costly route miles, and by increasing load factors by over 22 percent.

The new route plan will increase the number of passenger miles per train miles, a measure of the number of passengers on any given train at any given moment, from 141 on the present system to 173 on the new system. In terms of cost saving, the new plan will save the Federal Government over $125 million in fiscal 1979, and provide an overall saving of $1.3 billion over the next 5 years. Most important, the new route plan maintains a national rail passenger service grid that provides service to every region of the country.

A number of questions have been raised over the impact that the route restructuring will have on energy consumption, particularly in the light of dwindling energy supplies and higher gasoline prices. It is important to know that the new route system will result in an improvement in energy efficiency on a passenger-mile basis, reducing Btu's per passenger mile from 3,601 to 3,381. Even with this improvement, the new Amtrak system will remain less energy efficient than the private automobile and the bus.

There is a great deal of confusion surrounding the energy efficiency of a passenger train in comparison to other modes. Comparative statistics can be based on either an actual performance or a best case performance standard. Mr. President, I would like to recite from a table that shows the actual results achieved by Amtrak and competing modes.

With similar load factors, the intercity bus achieves 129 passenger miles per gallon, while Amtrak achieves only 44 passenger miles per gallon. In the air, the passenger miles per gallon is 26.7. Under the best case argument, Amtrak is potentially one of our most energy efficient modes of transportation. But Amtrak would have to significantly increase its ridership to achieve this performance level.

The average Amtrak train, in fiscal year 1978, carried 128 passengers. Amtrak would have to average over 138 passengers to compete with an average automobile, and over 400 passengers to compete with the bus industry.

Furthermore, in the event of a national energy emergency, the simple fact is that Amtrak does not have the equipment or the manpower to handle significantly higher ridership levels. Even if Amtrak were able to triple its present ridership, it would still carry less than 1 percent of intercity passengers.

A recent CBO report found "that outside the Northeast corridor, the Nation would save energy if no rail service were operated." And furthermore, outside the corridor, Amtrak is less energy efficient than the average automobile.

Again I point out that we are not proposing to discontinue service inside the corridor.

The long-term issue for Amtrak and energy consumption should be the development of an efficiently run passenger train operation that will attract higher ridership through improved service. The new Amtrak route service will go a long way toward helping Amtrak management to operate such a system to meet the Nation's long-term transportation and energy goals.

I might add, Mr. President, that under section 403 of the Amtrak Act, we have a provision where a State, if it wants to come in and feels a particular segment within that State is important, and share the costs, it may do so. We have a provision in the act under which a State, or local subdivision or Government agency can share the cost to help continue that particular train if it is proving to be cost efficient. It is on a 50-50 match, under that section 403 provision.

Mr. WEICKER. Mr. President, will the

distinguished Senator yield for a question?

Mr. CANNON. I yield.

Mr. WEICKER. I have very little more to say than I have said, and I think the distinguished chairman is expressing the opposite point of view very eloquently. Is it the intention of the distinguished chairman to allow this matter to come to a vote, either on its merits or by virtue of a tabling motion, this afternoon?

Mr. CANNON. I may say to my colleague that I understand that a lot of our colleagues have already left to catch trains and I hardly think it would be fair to them to have this issue come up for a vote this afternoon.

Mr. MELCHER. Did the chairman say catch trains?

Mr. CANNON. Yes, catch trains.

Mr. MELCHER. While Amtrak is still in existence I am glad that is possible.

Mr. CANNON. Amtrak is still in existence. It is still operating. I would be very interested to see how high the ridership goes in the next few days. But so that my colleagues can catch the trains that they want to catch this afternoon, I rather imagine that we would probably not have a vote.

Mr. WEICKER. I will do it on my own time, but I think I should point out that if there is no vote this afternoon by the Senate, then the DOT reduction plan goes into effect. That is it, pure and simple. So it is not a question of the issue being decided on its merits. Indeed, if I am not mistaken, the distinguished chairman of the Commerce Committee can state it, but the committee ended up with a 9-to-8 vote not to report this to the floor. Even with that close decision we are being denied an opportunity to express ourselves this afternoon in which event, the point of view carried by the distinguished chairman will prevail just by virtue of the parliamentary situation.

I would hope, and I would ask again even if it means only a tabling motion, that we are here to do our job and we should have an opportunity to vote on this measure. It is only Thursday. I do not know anything in the holiday schedule that says we ought to be off the job today. I hope we should at least have the opportunity, and I am perfectly prepared to stop my arguments now, to have a vote up or down or have a tabling motion on this. I again appeal to the distinguished chairman to at least allow that to happen.

Mr. CANNON. I would say to my colleague there is serious doubt as to whether an amendment, if it were adopted in this form, would have the effect of blocking the route plan because it requires a resolution of disapproval. This is not a resolution. It is an amendment attached to a bill. It would require action by the other body. Therefore, according to our legal counsel it would not have the desired effect that the Senator hopes for in any event.

Mr. WEICKER. I do not debate that point with my distinguished colleague. There is a question as to whether or not this would suffice in terms of supplanting a resolution. But at least it will put the Senate on record as to how they feel about this matter. It is all the more reason, it seems to me, for allowing it to go to a vote.

Mr. CANNON. I would say to my colleague that I have already, on inquiry from some of our colleagues, assured them that if they left to catch their planes this afternoon I would attempt to see that there was no vote before the Senate adjourned this evening.

I may say in response to the Senator's earlier comment, Amtrak's authorization, which the committee has approved, was reported by a vote of 13 to 0. In that authorization bill we tried to provide a number of things which would be helpful for the Amtrak system. We provided some additional funds in there, for example, so that trains that were fairly close to the break-even or efficiency point could be continued under certain circumstances.

One of the trains for which a very good case was made, and which the Senator is concerned with, is the so-called Montrealer.

Furthermore, we provided additional money in the authorization under section 403 so that there would be additional matching funds in the event that States decided that they had a particular segment of a train that they wanted to have Amtrak continue on a 50–50 matching basis. They say there are several of those trains operating today which are operating very well.

While the ultimate decision for the selection of new train service rests with the Amtrak Board of Directors, the committee in its report, stated that it encourages the board to give particular attention to those trains that will be discontinued under the new route plan but which have shown substantial improvement in financial performance over the first portion of the fiscal year 1979. This goes to the point that the Senator made, that some of the statistics on these trains are old.

It is a fact that some of them are for the entire year 1978. But we said that where a train had shown substantial improvement for the first portion of fiscal year 1979, then that was an eligible candidate for consideration by the board for continuation.

For example, the committee received a great deal of information both oral and written on the performance of the Montrealer that I referred to earlier and that the Senator was concerned about in a speech he made the other day.

In proposing an additional $5 million for new service, the committee in its report language said the committee encourages the board to evaluate trains such as the Montrealer for possible continuation of service.

We also provided money in there for capital improvements so that the tracks and the rolling stock could be improved and could be brought up to a better condition for the operation of these trains.

The Commerce Committee has supported the belief that the Secretary's route plan would provide the blueprint for improving rail passenger service. The Department has made a careful and a diligent attempt to develop a route plan for Amtrak that makes economic sense. It is a system, as I said, that will maintain service to over 90 percent of its present ridership, and it is a system that will eliminate over 40 percent of Amtrak's most costly and unproductive route miles. It is a system that will save the Federal Government over $1.3 billion over the next 5 years, and over $125 million in fiscal year 1980 alone.

It is a system that will increase load factors by increasing the number of passengers who are on any given train at any given moment, and more importantly it is a system that brings Amtrak's operations into line with the realities of the marketplace.

I think it has already been pointed out by the Senator from Louisiana, but in the event that it has not been I will state it, that at the present time Amtrak is carrying less than three-tenths of 1 percent of all intercity travel. Yet for the 19 million passengers that Amtrak carried in fiscal year 1978, the Federal Government spent over $600 million. Since Amtrak's beginning in 1971, the Federal Government has spent over $3 billion in direct grants and another $900 million in guaranteed loans. The present Amtrak system is projected to need over $1 billion in operating subsidies alone by 1982. That is in operations alone, $1 billion.

I would like to review the history behind the Department's proposed route plan. During the fall of 1977, Amtrak's Board of Directors approved several train discontinuances that the board, through its route and service criteria, had established were no longer required by the public convenience and necessity. Amtrak management was exercising its responsibilities in conformity with the law and in conformity with sound business practices. What was the congressional response to this action? Congress told Amtrak to continue to operate its entire route system—including those trains that were scheduled for discontinuance—until the end of the fiscal year. Furthermore Congress instructed Amtrak to refrain from making any further frequency reductions until the Department of Transportation completed a zero-based evaluation of Amtrak's route structure. I would like to point out to my colleagues that these instructions were not contained in any legislation—rather the instructions were included in the conference report of a supplemental appropriations bill, a bill that contained an $18 million supplemental appropriation for Amtrak.

In order to formalize this review process and add additional criteria for consideration, Congress passed, and the President signed into law, Public Law 95–421, the Amtrak Improvement Act of 1973. This legislation provided a timetable for a comprehensive review of Amtrak's route plan by the administration, various Federal and State agencies, private organizations, affected communities and individuals, and private citizens. The first step in the process was the development by the Department of Transportation and submittal to Congress by May 1, 1978, of a preliminary route plan. In developing the preliminary plan, the Department was instructed to consider: First, current and future market and population requirements; second, any unique characteristics and advantages of rail service; third, the role that rail passenger service can play in meeting the Nation's energy and transportation needs; fourth, the relationship between costs and benefits of rail service; and fifth, the adequacy of other transportation modes and the transportation needs of areas lacking adequate transportation alternatives.

Mr. WEICKER. Will the Senator yield for a question?

Mr. CANNON. Yes, I am delighted to yield.

Mr. WEICKER. How does the Senator from Nevada equate those criteria with the statement of the Secretary of Transportation:

> Unfortunately, the final steps in preparing our Amtrak route structure recommendations coincided with the submittal to the President of my recommendations for FY 1980 funding levels for all of the programs for which I am responsible.

I do not see anything in the letter from the Secretary of Transportation that even resembles the criteria the distinguished chairman is talking about. What I see in front of me here is that, because of the funding levels required by the President, we have to squeeze the system into those parameters. I do not catch that as being one of the criteria required in that act.

Mr. CANNON. The Secretary testified that they considered all of the criteria that were imposed on them in coming up with the recommended route structure. I do not interpret his statement that the Senator quoted to mean what the Senator interpreted it to mean.

The preliminary route plan was the subject of extensive public hearings conducted by the Rail Services Planning Office during the summer of 1978. RSPO held 52 hearings in 51 cities across the United States and received comments from over 2,100 individuals and organizations. At the end of the hearing process, RSPO issued a report evaluating the Department's preliminary route plan. The next step in the process was development of a final route plan based upon the Department's analysis as well as the recommendations of the Rail Services Planning Office. On February 1, 1979, the Department submitted to Congress its final route plan for Amtrak.

Mr. President, in the meantime, what has been Amtrak's performance record? In 1978, Amtrak carried fewer passengers than it did in 1977. Amtrak trains run slower now than they did when Amtrak took over. Amtrak's revenues have risen 205 percent since 1971, but expenses have risen 290 percent.

While many point out that Amtrak has increased ridership, numerous reports have shown that these increases have occurred as a result of more trains at greater frequency. In other words, Amtrak is getting less, not more, efficient.

Even more telling is the fact that Amtrak is now only recovering approximately 35 percent of its total expenses through revenues.

Mr. President, we were critical of Amtrak in that they did not increase the fares so that they could get more out of the fare box and thus reduce the subsidy. But there is a point at which increasing fares will lower your gross revenue. That has to be in careful balance in working out any proper formula.

This subsidy situation means that the Federal Government is paying for two-thirds of the cost of an Amtrak ticket. Senator LONG pointed out a little earlier that, on the run from New York to Miami, $124, I believe, is the amount of the subsidy on Amtrak. So the taxpayer is paying $124 for that individual who wants to go on Amtrak from New York to Miami. He is paying for his ticket, but in addition, the Federal Government is paying $124 to get him down there.

On a number of routes, the subsidy per passenger is over $100. As Senator LONG pointed out earlier, studies have shown that we could buy a number of these people first-class airline tickets, buy them a meal, and still save the Government money.

As I stated earlier, one of our Nation's most energy-efficient modes is the intercity bus. In terms of energy efficiency, the bus gets 129 passenger miles per gallon, while an Amtrak train only achieves 44.4. It is interesting to note that an Amtrak train is only four-tenths of a percent higher than the private automobile in energy efficiency.

Under the best-case argument, as I said, Amtrak potentially is one of our most energy-efficient modes, but they would have to significantly increase their ridership to achieve that performance level.

The average train, in fiscal year 1978, carried 128 passengers. As I said earlier, they would have to average 138 to be in the marketplace from an efficiency standpoint.

Mr. President, we put a president and a board of directors in to operate Amtrak and try to get it on a businesslike and efficient basis. The president of the corporation, Mr. Alan Boyd, testified at great length before our committee. The main thrust of his testimony was that Amtrak must have a smaller system if it is going to have any hope of providing the public with adequate service.

I believe we do much greater harm to the cause of rail passenger service by demanding higher and higher subsidies for a system that is simply not doing the job. I believe that an efficiently run, well-managed rail passenger system can play a vital role in meeting our Nation's transportation goal. I can support that type of assistance. I cannot support an unreasonable waste of taxpayers' money on a system that, in 8 years, has not demonstrated in the marketplace that there is an adequate demand for its services.

Mr. President, both the airline and the intercity bus industries, and ultimately, airline and bus passengers, benefit from a range of Federal programs. A series of taxes, licenses, and fees are imposed on these modes and their users as a means of recovering a portion of the cost of these programs. Net of these user charges; the commercial airline industry received approximately $270 million in Federal assistance in fiscal year 1978, while the intercity bus industry received approximately $8 million. In fiscal year 1978, a total of $536 million in Federal funds was appropriated to offset Amtrak's operating deficit.

In fiscal year 1978, the level of Federal assistance to all air transportation totaled approximtely $2.8 billion. This assistance includes, among other things, the operation and maintenance, the air traffic control system, airport construction and development grants, FAA administration and local service subsidies. It does not include investment tax credits on the order of $40 million, since they are generally available to all businesses and are available to Amtrak indirectly through leveraged leasing. The FAA estimates that approximately 50 percent of the cost of that Federal assistance, or approximately $1.4 billion, is attributable to commercial airline operations. CAB payments to local service air carriers totaled $74.2 million. Offsetting payments by the commercial airlines into the aviation trust fund came to approximately $1.27 billion in fiscal year 1978, yielding $207 million in net Federal assistance.

This translates into approximately $0.77 per passenger and $0.0009 per passenger mile. These data are summarized in the backup material for table I.

In fiscal year 1978 the level of Federal assistance to highways from which the intercity bus industry derived benefits totaled approximately $7.436 billion. This includes, among other things, construction of Federal-aid highways, motor carrier safety programs, construction of off-system road and FHWA administration of these programs. As with the airline analysis, it does not include investment tax credits. A DOT staff study in 1975 concluded that the intercity bus industry's payments into the highway trust fund approximately balanced the industry's program cost responsibilities. For fiscal year 1978 that cost responsibility is estimated to be approximately $22 million. The Energy Tax Act of 1978 (Public Law 95–618) removed or made refundable all user taxes on the intercity bus industry, except the weight tax. The removal of the Federal excise tax on new buses was made retroactive to April 20, 1977; hence approximately $8 million must be deducted from the industry's payments into the trust fund.

This $8 million represents the net Federal subsidy to the industry. This translates into approximately $0.02 per passenger and $0.0003 per passenger mile. Considering the full effects of the Energy Tax Act of 1978 (other provisions did not take effect until December 1978), the net Federal assistance to the industry in fiscal year 1978 would have been approximately $22 million, which translates into $0.07 per passenger and $0.001 per passenger mile.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. I did not know the distinguished Senator from Nevada relinquished the floor.

Mr. CANNON. I have not.

Was the Senator directing an inquiry to me?

Mr. DANFORTH. Yes.

The PRESIDING OFFICER. Does the Senator from Missouri wish to ask the Senator from Nevada a question?

Mr. DANFORTH. I was hoping to get the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Has the Senator from Nevada yielded the floor?

Mr. CANNON. No.

I would be glad to yield for a question, if the Senator has a question.

Mr. DANFORTH. Let me ask the Senator from Nevada if I am not correct in the figures that I have here and the facts that I have been told.

It is my understanding that the first full year of operation of Amtrak was in 1972, in 1972 the total subsidy that was given to Amtrak was $153,470,000, and that at the time that the bill was passed we were told that these subsidies were not to cover year after year.

That is my understanding. Is that correct?

Mr. CANNON. Yes. The Senator is correct.

We were hopeful, of course, they would improve and we are moving toward that here.

We authorized capital investments to increase track and new equipment so they can improve train speeds.

As the Senator recalls, in the Northeast corridor, where we are driving toward very high speed, we even went to the extent of having them go to Europe to buy a machine that would come in and relay the track, that would put new rails and new ties down, because we did not have any of that type equipment in this country, and it needed massive investment of capital to upgrade its capabilities.

Mr. DANFORTH. But the point was not to create this bottomless pit in which year after year we were to throw progressively more money.

Is that not correct?

Mr. CANNON. The Senator is correct.

We did not see that as a proverbial rathole to keep pouring down taxpayers' dollars.

Mr. WEICKER. Will the Senator yield for me to answer that question?

Mr. CANNON. Certainly. I am glad to.

Mr. WEICKER. I say to the distinguished Senator from Missouri, since I was the one that stood on the floor of this Chamber clearly setting forth what it is we were about in the business of Amtrak, I would very much disagree with the answer that was supplied or the innuendo in the question.

It was never portrayed to this body this would be a moneymaking operation.

It was never portrayed to this body that there would be anything but increased sums required to build a first-class rail system.

So, when it is talked about pouring money down a rathole, I would suggest that rebuilding a first-class national rail system from scratch is going to require money. That is the way it was put before this body 8 years ago, 7 years ago, 6 years ago, 5 years ago, and even now.

Now, if a new policy has come to pass, as put forth by the Senate Commerce Committee, that Amtrak is to be a money making operation, let us understand that is their policy. That is not the way it was presented to the U.S. Senate.

Mr. CANNON. As long as I yielded for the purpose of the Senator, I would like to answer him a little further and say the Senator is not correct.

Amtrak was created as a for-profit corporation when we created it right here in the Congress, as a for-profit corporation, not as a corporation to go in and excessively lose the taxpayers' money and continue to have it excessively subsidized.

Mr. DANFORTH. Certainly, it would seem to me there could never have been an understanding on the part of the Congress of the United States that we were into exactly the same route systems in perpetuity, that somehow we were obligated to keep the same track going, the same trains going, year after year after year, regardless of whether anybody rode the trains at all.

Mr. WEICKER. The Senator is absolutely correct on that point.

Mr. DANFORTH. Clearly, there was to be an ongoing effort to monitor Amtrak and, if there were routes that were perpetually losers, that did not have the kind of constituency needed to sustain them, or to come close to sustaining them, then there would be the option to phase them out and to funnel those resources that are available to Amtrak into those routes which are relatively viable.

Is that not correct?

Mr. CANNON. Well, we have continually recognized that fact.

As a matter of fact, even in the rail deregulation bill that we are now considering in the committee, the Senator will recall there was a provision for abandoning routes.

Obviously, we do not expect to continue an uneconomical system forever, and we have provisions for abandonment.

Now, a number of the routes that are being eliminated from this system are routes that were added to the system originally as experimental routes.

There were two long-haul routes I can think of right off the bat that were put in there simply as experimental routes, and they did not pan out. They are routes that would be eliminated in this mileage restructuring.

Getting back to the Senator's earlier question to me, did we expect we would continually operate at a loss, I say that in the Northeast corridor project, so far, the authorization of the Northeast corridor project is almost $2 billion. It is $1.75 billion up to the present time.

Mr. DANFORTH. I might say to the distinguished chairman of the Commerce Committee that along with other Members of the Senate and other citizens of this country, I have a very warm spot in my heart for the railroads.

I can remember in my youth, we used to go on family vacations. My whole family would pile on the train. We would take a 2-day train trip out to Wyoming.

I can remember the old green curtains in the pullman car. My brother and I fighting over who was going to sleep in the upper. That used to be the great plum, to sleep in an upper berth.

Mr. WEICKER. Mr. President, will the Senator yield for a question?

Mr. DANFORTH. I yield.

Mr. WEICKER. Does the Senator remember the old 30-cent gasoline?

Mr. DANFORTH. I certainly do.

As a matter of fact, a GAO study produced in November of last year, a report by the Comptroller General of the United States, entitled "Should Amtrak's Highly Unprofitable Routes Be Discontinued?" addressed the energy question. On page 7 of this report, under the heading "Low Ridership Means Inefficient Energy Use," the Comptroller General said as follows:

> While testifying before the Subcommittee on Transportation, House Committee on Appropriations, in March 1976, Amtrak's former president stated that a little-used passenger train is terribly fuel inefficient. Our analysis indicated that the trains on the 11 courses reviewed consumed more energy in fiscal year 1977 than would have been consumed if every passenger had used an automobile.

Those 11 routes are substantially the same—not identical, but substantially the same—as the routes being discontinued.

I have heard the argument made that in a time of fuel crisis, we should keep Amtrak going in the current route system.

As a matter of fact, the Kansas City Star, a great newspaper in my home State, has made this a major issue in its crusade to keep the Amtrak system going as is—that in a time of fuel crisis, we have to keep the system going.

However, the Comptroller General of the United States, in his report, includes the statement that on the routes that were studied, 11 routes reviewed, more energy would be consumed by keeping these trains going than would be consumed if every passenger had used an automobile.

I underscore the word "every"—not just the head of the family, not just adults, but energy would be saved if on these routes every man, every woman, and every child riding the train would be given an automobile and asked to drive to his or her destination.

Mr. WEICKER. What is the date of the study?

Mr. DANFORTH. November of 1978.

Mr. WEICKER. And based on what year so far as the statistics are concerned?

Mr. DANFORTH. Well, these statistics are for 1977, I believe.

Mr. WEICKER. I suggest to the Senator from Missouri that a great deal has changed in the last 2 years, both in the equipment used by Amtrak, which is more fuel efficient, and in the statistics we now have as to the ridership on all the lines of Amtrak.

To come in here and ask us to make a decision, on May 24, 1979, based on 1977 data seems to me to be somewhat far off the mark.

Mr. CANNON. I say to the Senator that the date of the report is May 11, 1978; so the report is just a year old.

It is rather interesting that the Comptroller General said in that report:

> Although Amtrak can eventually improve its operating efficiency, it cannot substantially reduce its operating costs without reducing the size of its system.

They list areas that should be given attention in order to become more efficient, but they point out that the efficiencies available would not substantially reduce Amtrak's subsidy needs.

Mr. WEICKER. I say to the distinguished chairman that, using his date of 1978, I think we both would agree that the world has changed greatly with respect to energy in just that 1 year. Since 1977, which is the base year of the data, gasoline prices have doubled.

If the U.S. Senate acts on information that is 2 years old and 1 year old, you could carry that to the ridiculous. I do not plan to do it. It is terribly important that we act on the basis of today's facts—1979.

Today's newspaper, the Washington Post, says:

> Last week a record number of callers tried to reach Amtrak. Of 2 million calls, 1.5 million could not be answered because of busy signals. Advance reservations are now 50 percent higher than this time last year.

That is just since 1978.

Mr. CANNON. Fifty percent of two is only one. That means if you were taking two passengers before, you increase by one. The testimony and the facts show that if you increase the ridership by 50 percent, you still would not make it an efficient operation.

The thing they are trying to do in this system is really to have a good system in place where the passengers will use it, and we are all for that, but not to keep an inefficient system operating where you have a very low passenger usage. The people simply will not use it.

Mr. DANFORTH. Granted, these are 1976 figures. However, in a study made in 1976 by the Department of Transportation, there was an analysis of the Btu's used per passenger mile on various forms of intercity transportation. This is general intercity transportation, not simply these routes. So this would include intercity transportation, not just in these extremely underutilized routes, but throughout the entire Amtrak system as of that time.

As of that time, the Btu's used per passenger mile for bus transportation were 1,075; for automobile transportation, 2,837; for rail transportation, 3,123.

So at that time, 3 years ago, the Btu's per passenger mile for rail transportation were approximately three times the Btu's per passenger mile for bus.

Perhaps in 3 years there has been some colossal change in Btu consumption. I am not talking about the cost of Btu. The fact that the cost goes up makes the situation even worse. When the cost of energy goes up, the meaning is that the significance of the Btu differential is even greater than when the cost of energy is relatively low. However, at that time, 3 years ago, it was three times more efficient to travel by bus than to travel by rail.

The Senator from Connecticut apparently assumes that Amtrak riders would all shift to automobiles if Amtrak were not utilized, but Amtrak itself concludes that that is not so; that if Amtrak were not available, 38.3 percent of the riders of Amtrak would shift to automobiles and others would shift to other kinds of transportation; 22.5 percent would shift to bus transportation.

So I believe that the energy question has been terribly overdone by the advocates of keeping the current route structure alive.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. DANFORTH. I yield.

Mr. CANNON. I have the floor, and I will be glad to yield.

Mr. MELCHER. Will the President yield so that I may address a question to the Senator from Missouri?

Mr. CANNON. Mr. President, I ask unanimous consent that I may yield without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. I thank the chairman.

I ask the Senator from Missouri whether there has been any projection of Btu's used per passenger mile based on modern equipment. I understand that the equipment is a great deal lighter, that it has other advantages in terms of starting quickly and stopping quickly, probably partially due to its lightness, and that it is much more efficient. Has any projection been done, using that type of equipment, in relation to the statement the Senator just made about Btu's consumed per passenger mile?

Mr. DANFORTH. I have to say that I do not know of any. It is possible that there have been. I am just not aware of it.

I say to the Senator from Montana that I was talking earlier with Senator WEICKER about my childhood and riding these trains on family vacations. Where we rode to was Billings, Mont. We got off at Billings, usually ate lunch at the Great Northern Hotel. I have fond memories of my past riding the railroad and its connection with the Senator's great State.

But as far as the energy crisis, let me just say this to the Senator from Montana: I am delighted people are paying attention to energy for once. We do have a national crisis in energy, and I think that it is time that the attention of the American people is riveted on it. I am told that 54 percent of the people of our country believe that the so-called oil shortage is a hoax. It is not a hoax. It is a serious problem. I take seriously the question that the Senator from Montana has put to me and the point that Senator WEICKER has put to me.

But the fact of the matter is that it is unrealistic to pick out some tiny fragment which might be remotely related to energy and to say, "Hey, here is the solution to the energy problem."

Maybe if we had unlimited investments of funds, the types of trains, the types of cars, and the types of tracks, or whatever could be radically changed. Conceivably, if we had unlimited expenses and if there were major breakthroughs in the technology, the imbalance that existed in 1976 between Btu's used by bus transportation and by rail transportation could be altered. I am not sure. But it would certainly take a tremendous investment and it would take a tremendous reversal of Btu consumption from a 3 to 1 deficit. We would have to change it. And for what? For a tiny fraction of inner city passengers. The entire Amtrak system today, the entire Amtrak system, all of it, carries three one-thousandths of inner city passengers. For every 1,000 passengers, people traveling from one city to another, only 3 of them travel by Amtrak.

Now, we are dealing here with a discontinuance of routes serving 9 percent of Amtrak passengers. So what is at issue in this whole debate is 9 percent of three one-thousandths of inner-city transportation.

I have to ask how is that number of people somehow going to turn the energy problem around? Assuming some technological breakthrough in the mode of train transportation and huge capital investments to implement this guess about changing around the mode of train transportation to me is really an unreasonable and very long-odds type of approach for an expenditure of an additional $200 million, or so.

Mr. CANNON. Mr. President, I ask unanimous consent that I be permitted to yield to the Senator from Montana to respond to the Senator from Missouri without losing my right to the floor.

Mr. MELCHER. Mr. President, the question of whether or not the technology is available for better cars and better engines for railroad passenger service, is not some kind of a breakthrough that we are waiting around to discover. We do not have to wait around to discover that breakthrough. All we have to do is start patterning our railroad passenger cars and the locomotives and the entire hookup of them and the utilization of them as the Europeans have done for several generations, using light cars, using light locomotives, using easy-on/easy-off access, and run the trains on schedule.

That has several advantages. First of all, when you have the lighter equipment and the more efficient equipment, it costs less to operate per passenger mile.

Second, when it is easy-on/easy-off and run efficiently on time, you have more passengers. They kind of go together.

So, the breakthrough that the Senator from Missouri spoke about which would be possible, he admitted, is not really something that is off in the future. The breakthrough is here. It has been here for at least 25 years in Europe, and I think that is what Amtrak will eventually come to in the United States. I am led to believe that there is some lighter equipment on part of these Amtrak runs. I have never seen any out in Billings. I wish I did. And I think when we do start to seeing it in Montana and the Western States we will see a more ready and willing passenger usage for Amtrak.

The routes that have been described as being eliminated as being such a tiny fraction of the passenger miles that are traveled by people throughout this country are true enough a very small fraction of the total passenger miles of the American people.

Now, the great abundance, the great bulk, of the passenger miles of the American traveling public is, of course, by auto and by airplane. But for those routes that are being knocked off of the Amtrak system, for those people who live there along those routes, I can guarantee you it is very important to them.

Part of the reduction in Amtrak service that is being contemplated does involve my State of Montana, and I can assure you that it is extremely important to a lot of people in Montana. It is important to people like students who want to travel from the University of Montana or Montana State University to and from their homes; it is important to the elderly who have become accustomed to using public transportation, whether it is bus or Amtrak, for lack of having the opportunity to use automobiles, and for a serious lack of airplane travel in my State from one community to the other, and particularly from the eastern end of the State to about the midway point of the State; and particularly important to the elderly who cannot afford to pay for an airplane ticket to go from Billings to Helena or on that commuter route from Miles City to Billings or from Sidney or Glendive to Billings. Those are very expensive tickets, and they cannot afford them, so they do look for bus or Amtrak.

I will grant you the bus is also available in most parts of Montana—not all, but most parts. But Amtrak itself can be a paying proposition in Montana. How? Lighter equipment, more efficient equipment, and a scheduling that makes some sense. Often you find that the connections on Amtrak routes seem to be designed to discourage ridership. That is silly. If we had the same connection difficulties with major airlines, we would be before the CAB and anybody else who could in trying to arrange some other schedule.

Mr. WEICKER. Mr. President, will the Senator yield for a question?

Mr. MELCHER. Yes.

Mr. WEICKER. There is the point that at the outset of Amtrak they said it was not going to work, so "we are not going to give you enough money." If they do not give you enough money to build efficient equipment, and it does not work, and people do not use it, they say, "I told you so. We are not going to give you any more money." It is a catch-22 situation.

If this had been adequately funded from the beginning both as to equipment and route structure, yes, it would be competitive and people would ride. Now the excuse is being given that because Congress was niggardly on this point people are not riding; therefore, we should not give it any money.

If I might respond to my distinguished colleague, my good friend from Missouri, this Senator never stood up and said this is the resolution of our energy problem.

The difficulty, Senator, is we are offered a conservation package and we reject it. We are offered decontrol, and now we are going to reject it, it seems. We are offered an alternate mode of transportation, and we are going to reject it.

Now, Senator, tell me what is going to resolve the energy crisis? I submit it is going to be a little bit of all things that are going to come to pass, decontrol, alternate sources of energy, conservation, new ways to move about. All of these things put together will give us an energy package.

I do not pretend that Amtrak is the resolution of the energy crisis. Everything that has come to the U.S. Senate and to the House has been rejected, and the United States has, of course, no energy policy.

Mr. DANFORTH. Mr. President, I wonder if I could put this to the Senator from Connecticut? I could not agree more with his last comment. The Senator is absolutely right. This country has an energy shortage, and I am telling you there is a collapse of leadership in the United States of America right now. There is a collapse of leadership in the White House and there is a collapse of leadership in the Congress of the United States.

We should be talking about energy not trains; we should be talking about energy when we wake up in the morning and when we go to bed at night. We should be directing the attention of the people of this country to the energy problem day after day after day until we recognize the facts, recognize the truth, and begin to do something about it.

My point to you in this particular debate is that the energy question is a red herring. The energy question is a red herring because the facts that we have available are that these are energy-losing routes, not energy-saving routes, and when you are losing energy, you move on and do something else.

What I would like to ask the Senator from Connecticut is a very simple question. You want to continue the existing rate structure and you complain that the problem with the existing system is that we have not put enough money into it, that we should be spending even more to modernize it, to do whatever is necessary. So if we do not cut back the route structure and we do even more, sock even more money into it, what I would like to know is how much does the Senator from Connecticut suggest we should be pumping into Amtrak? More than $1 billion a year, I take it?

Mr. WEICKER. I will be glad to respond to my distinguished friend from Missouri. Let us spend the same amount on rails as we have spent on highways, $6 billion a year, and then you are going to have a first-class rail system, just like you have got a first-class highway system.

Tell me something, since the Senator from Montana is here, to make a point, the Senator does not have all that much air service into Montana, certainly into all of the smaller towns, and if a person cannot get into their automobile because they do not have gasoline, just tell me how they are going to move about, how you are going to get into Montana and how you are going to get about?

I am not speaking for the Northeast corridor, in which I live, which is part of my constituency. We have probably the best percentage ridership in this whole affair. That is not the point. That will go ahead and sustain itself, and that is being improved in the capital sense as we have the improvement project going on.

I am talking for a national rail system. How, if there is no gasoline, and with smaller towns than they have in Montana, not being the object of the airline's affection, will you please tell me how, people are going to move about in Montana in a situation of crisis as is now coming upon this country?

Mr. MELCHER. The fact is we do have difficulty moving around in my State. We move in cars, we move in pickups, we move in buses, and we move in airplanes when we can. But for many people, especially in the eastern part of the State, the airline service is not very good. It is commuter service, and it is very expensive.

The intercity travel on the major carriers from Billings to Bozeman or Billings to Helena or Billings to Great Falls is fairly expensive, and there are quite a few people who cannot afford to travel that way, so we need every form of travel, every mode of travel, that we can have in our State.

Now, it is all right to say that that is only for a small percentage of the total passenger miles in the entire country. But I am reminded by a fact that in the markets that Amtrak serves, it carries 14 percent of the intercity passengers, and those markets it serves, which are not an insignificant number, but even more important than that is that if we continually reduce the amount of mass transit in this country—and for us in Montana we do not talk much about mass transit within a city—some of our cities have it but it is not significant—but when we talk about transit throughout the State, if we reduce one form of it, eliminate it from virtually half of the State, we are shutting off a lot of the opportunity for people who cannot afford to or due to weather conditions cannot go any other way.

I would like to also point out that we want passenger usage to go up. This question of making reservations seems to be archaic in Amtrak. I find it rather difficult in my home town of Forsyth—we used to call it the North Coast Limited, and I believe we call it the North Coast Hiawatha—when I want to take that train to go from there to Billings or to Missoula, I find it rather strange to have to call the 800 number and find out I am talking to somebody in Los Angeles.

I think it is obvious that the farther removed you are from where the action is, maybe the less you know about it. Unfortunately, with Amtrak as it is operated right now, I think, and at least in my experience in Montana, the reservation system is a mess. It really does not make any sense, and it is quite discouraging. I think often prospective passengers are told there is no use trying to go out on the train, that no reservations are available; but if you go down, you always get on. I wish that would become known in my State, that you do not have to have someone on that 800 number out in Los Angeles tell you no reservation is available; just go down and get on. I am sure there would be more ridership in my State and the West if Amtrak straightened out their reservation system.

There is one further point I want to make in regard to how we make Amtrak more efficient and more profitable, and that is with regard to the delivery of packages.

Mr. CANNON. Of what?

Mr. MELCHER. Of packages. I dare say the Greyhound Bus system would be having some trouble right now in meeting all their costs, which are going up, too, if it were not that they were carrying quite a little freight—I think I am using the right term. It is packages; it is freight. And they carry quite a bit of it, and it is a good service. I do not believe Amtrak is zeroed in on that, and I wish they would be. I wish they would have some mail contracts. I wish they would emphasize the availability of light freight service, and let it help bear the cost of operating the Amtrak trains. Together with these other points I have made in regard to a lighter train more efficiently run, better scheduling, better reservations, and better connections, I think that we could be looking forward to a very bright day for Amtrak in the future.

I would like to see that day come, and I would like to see that have an opportunity to be able to happen. Therefore, I am in support of the resolution of disapproval and I wish we could act upon it today.

I thank the chairman for yielding to me.

Mr. CANNON. Mr. President, I would just say that all of us would like to see Amtrak operating more efficiently. They have told us they cannot operate their present mileage and make it efficient.

I would like to see them, at a reduced mileage, find out that we can go back to the trains. But the record shows so far that people just simply will not use the trains; they will go to other modes. As the Senator from Connecticut pointed out, with the current gas shortage maybe they will go back. I hope they will.

I do point out to the Senator that the tracks will still be there. They will be used by the freight trains, where freight service has not been discontinued. We helped the Senator from Montana retain one of his freight trains yesterday while we hold Senate hearings.

We hope those Amtrak trains will be continued, and that Amtrak can manage the system so that they are able to upgrade the capital account and entice people to ride on those trains. Those individuals can pay for riding on them, rather than what they are doing now, where, for example, from Chicago to Washington, Amtrak's fare is $63.72 the Federal subsidy is $109.70 and the air fare cost only $84. There is quite an anomaly there.

The United States has more mileage than European systems that are more efficient. I hope a smaller system will help make Amtrak more efficient than at present.

Mr. President, I ask unanimous consent that I be permitted to yield to the Senator from Alaska without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I thank the Senator.

Mr. President, I have an amendment at the desk. Is it in order to offer the amendment at this time?

The PRESIDING OFFICER. No amendment is in order unless the Senator gets unanimous consent.

Mr. STEVENS. Mr. President, I ask unanimous consent that it be in order that I may offer an amendment dealing with one particular portion of this bill pertaining to Mount McKinley National Park.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 196

(Purpose: To prohibit transportation fees in Mt. McKinley Park, Alaska)

Mr. STEVENS. Mr. President, I have the amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposed unprinted amendment numbered 196.

On page 8, line 13, in section 5, change the period at the end of the section to a comma and insert the following thereafter: "nor shall the Secretary charge after the date of enactment of this section, user fees for transportation services and facilities in Mt. McKinley Park, Alaska."

Mr. STEVENS. Mr. President, this amendment would prohibit the National Park Service from charging user fees for transportation services and facilities in Mt. McKinley National Park in Alaska. Presently, under Park Service regulation, it is not possible for a visitor to take a car along the gravel road through the park beyond the Savage River ranger station. Visitors, except for those with a reserved campground space, are required to board a shuttle bus provided by the Park Service. During hearings by the Energy and Appropriations Committees, the Park Service informed the Senate that it intended to charge a $5 user fee for riding the bus.

Mr. President, under the circumstances, this fee is highly inappropriate. The only way that a visitor can see the park is on that bus, and the Park Service intends to charge each visitor five dollars to see a park which he maintains as a taxpayer. My amendment would prohibit any user fees for transportation in Mt. McKinley National Park. The existing system of visitation does not justify the charging of such an excessive fee, and I do not believe that the Park Service should be allowed to charge for that bus ride.

I would like to point out to my colleagues that I certainly have no objection to the Park Service proposing some sort of transportation-related user fee as part of the general management planning process. There are a number of items which need to be addressed relating to the status of the park road and its use. If the Park Service has some ideas, the Senate could review them. But until such time as these proposals are agreed to, I do not believe the Park Service should be able to charge fees for visiting the park on the only transportation that the Park Service allows in the park.

I have discussed this matter with the distinguished subcommittee chairman, Mr. BUMPERS, the occupant of the Chair, and with my colleague from Oregon, Senator HATFIELD, and I am pleased to say that they concur in this approach. I will move the adoption of the amendment following the statement by the Senator from Oregon.

Mr. HATFIELD. Mr. President, I affirm the comments of the Senator from Alaska (Mr. STEVENS) in which he states that we have had a chance to look this over. On behalf of Senator BUMPERS, occupying the Chair at this time, the majority manager of the bill and myself, as minority manager, we accept this amendment and state our appreciation to the Senator from Alaska for his strengthening the bill in the sense of this one particular park which is of great interest to the entire country.

So we are ready to accept the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that the clerk be directed to place this amendment in the proper place in the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I move the adoption of the amendment.

The amendment was agreed to.

Mr. STEVENS. I thank the Chair.

● Mr. SASSER. Mr. President, I wish to express my support for the amendment of the Senator from Connecticut (Mr. WEICKER) to prevent the Department of Transportation's proposed drastic cuts in the Amtrak program.

For the past several weeks, I have heard the arguments of the DOT in favor of these cuts, but I believe that given the magnitude of our energy, pollution, and transportation problems, it would be unwise at this time to implement these cutbacks.

These cuts come at a very inopportune time, Mr. President. On April 3, Amtrak released figures indicating that ridership over the whole system rose by 8.6 percent between January 1977 and January 1978. On train after train that DOT plans to discontinue, increases in ridership were evident: From Seattle to Salt Lake City, 16.1 percent; from Chicago to Laredo, 40 percent; from Washington to Cincinnati, 33 percent. The trend is evident, and yet these proposals are made when ridership will continue to go up as the cost and availability of gasoline makes private automobile travel less reasonable.

Train travel is perhaps one of the most energy-efficient modes of transportation the United States has ever known. The passenger train gets up to 490 passenger miles per gallon, overshadowing its closest competitor by over 400 passenger miles.

Mr. President, attempts to cut the budget should not center on Amtrak. Improved mass transportation has been a high national priority for a number of years. We cannot expect Amtrak always to run in the black, but we can expect a return on our investment through reduced fuel consumption, cleaner air, and safer transportation.

There can be no doubt that in the past Amtrak was poorly run, underfinanced, inefficient, and therefore underused. Yet there can also be little doubt as to what the financial condition of Amtrak would be if it were a well-managed, well-financed, well-promoted, convenient, and dependable rail service.

Mr. President, I lend my full support to Senator WEICKER's amendment, and hope that our country can begin to promote efficient passenger rail service—not destroy it.●

● Mr. PELL. Mr. President, I oppose the effort today to disapprove the President's Amtrak route plan. I am a strong advocate of rail passenger service, which in my region of the country has proven itself as a viable alternative to congested highways and air lanes.

I have always believed, however, that the future of rail passenger service lies in the heavily populated corridors where short distance trains can offer fast and reliable service. Our efforts should be to upgrade equipment and tracks in these population corridors so that improved service will attract new riders and cut down deficits. The hard facts are that the taxpayers simply will not tolerate the chronic and mounting deficits which the long distance trains scheduled for elimination account for. To continue long distance trains which have a tiny fraction of passengers in relation to the miles covered can only reduce public support for rail passenger service. At a time when we all recognize the need to reduce wasteful Federal spending, it seems to me that the administration's route plan for Amtrak is realistic and deserving of support. Of course I would prefer that no trains be taken off, but I realize that difficult choices must be made if the Congress is serious about reducing the Federal deficit.

The administration's plan retains a truly national rail passenger network and displaces a very small percentage of riders currently utilizing train service. The effect of the pending amendment would be to disapprove the entire route structure proposed by the Department of Transportation. It seems to me that Senators who feel strongly that a case can be made for continuing a particular train should make that case to the committees considering authorizing legislation for Amtrak, rather than using this procedure.

I recognize the strong views of many of my colleagues that we should not be eliminating trains at a time when the gasoline shortage compels us to seek out alternative modes of transportation. At the same time I believe a very convincing case has been made that most of the trains slated for elimination are not a viable answer to the energy problem. The cost of continuing these trains can no longer be justified and the administration's route restructuring is prudent and necessary.●

● Mr. SCHMITT. Mr. President, I believe in two principles relative to the railroads: first, passenger rail transportation is an essential component of a national rail transportation network for the use of the American public; second, modern technology and modern management techniques can provide this Nation with an economical high-quality passenger rail system.

The question is how to provide for an expansion and improvement of passenger rail service, not how to terminate such services for all except the favored few. As the sponsor of the resolution of disapproval, I am sorry DOT has made this confrontation necessary.

At a time when the use of our Nation's energy resources has become a matter of critical national importance, it has been proposed that our potentially most energy-efficient form of passenger transportation be cut by some 43 percent. Because it can be electrified, rail is the only form of transportation that can be run without petroleum. But DOT has openly admitted that the possibility of an energy crisis was in no way factored into the proposal before the Congress.

Proponents of the Amtrak cuts point out that they would reduce existing ridership by 9 percent. What they do not point out is that the savings generated amounts to only 8 percent of Amtrak's budget in fiscal year 1980. This is the same false economy used to justify other reductions in the Federal services to rural areas of the country.

This proposal also ignores what the route reductions do to potential ridership. The Amtrak system is in the process of being upgraded significantly with the purchase of new cars and the improvement of track. Ridership is expected to grow. These cuts drastically limit the capacity for future growth of Amtrak ridership, and, in fact, will in the long run reduce it. This move lays the foundation for future route reductions and opens the possibility for outright elimination of Amtrak in every area of the country save a heavily subsidized Northeast corridor.

It is interesting to note that in preparing the cost projections for the Amtrak system, DOT has completely overlooked the massive infusions of taxpayer dollars into the Northeast corridor. If these funds were attributed to the corridor rather than to Amtrak as a whole, then these lines would clearly be the most inefficient lines in the system. The $1.75 billion Northeast corridor project was to be completed in 1981. Now the administration tells us they will increase funding by 37 percent to $2.4 billion. So while the rest of the Nation loses access to passenger train service to save money, the Northeast corridor receives a $655 million increase in funding, another example of dubious economics.

It is unfortunate that DOT has failed to take into account these and other factors in their development of a proposed "optional" passenger rail network. It is apparent, however, that the route terminations in the final proposal announced on January 31, 1979, are significantly different than those originally envisioned by DOT. The first Amtrak proposal announced in May 1978, was a far more moderate approach which would have maintained a reasonable level of passenger train service in America.

What happened to change DOT's perception of an "optional" system between May and January? The answer was provided by Charles Swinburn, deputy director of the Federal Railroad Administration, who stated recently that negotiations with the Office of Management and Budget resulted in a "compromise" that would allow for an Amtrak authorization of $552 million in fiscal year 1980. DOT then developed a new "optional" system within this ceiling. This arbitrary budgetary reorganization is hardly what the Congress had in mind when we directed DOT to prepare a recommendation, and this action raises questions as to who formulates national transportation policy: Congress or OMB?

Finally, I do not question the possible need for some restructuring of Amtrak routes. But we must recognize that only 31 percent of Amtrak's costs are related to passenger transportation. As the ICC noted in its report on Amtrak of March 15, 1978, "Surprisingly, the cost to Amtrak of actual passenger transportation (including train crews, station agents, and onboard personnel) represents only 31.4 percent of Amtrak expenses, or $266.3 million of $847.9 million * * *. We are concerned that the share of expenses attributable to transportation is so low * * * even reductions in service over unprofitable routes would have a minimal impact on Amtrak's operating deficit, as the burden caused by transportation expenses is minimal."

The proposed route restructuring is premature and should have been preceded by a significant Amtrak effort to reduce its non-transportation related costs. I know of no one who would argue that if we deregulated rail transportation and if we started all over with the investments in plant and equipment already made and created in a modern investor-owned corporation to run the passenger rail system, we would see a profit making, low cost, technically advanced, energy-efficient industry. I, for one, believe we should do this even if it means a high initial cost of compensation for those rail employees that would no longer be necessary to run this modern system. We even have at least one model for the transition from Federal management to investor-owned management in COMSAT, the Communications Satellite Corp. Hopefully, witnesses on March 12 will be able to provide insight into this possibility of a passenger rail corporation and other real solutions to the problem addressed so inadequately by DOT.

It is not enough for the subcommittee simply to veto the DOT proposal and allow the status quo to continue. Instead, I would recommend that the subcommittee work over the coming months to develop a rational, well thought-out plan to reorganize Amtrak's management system which would reduce its existing operating expenses and increase revenues from greater passenger use. In 1977 Amtrak presented a plan to this subcommittee which would have expanded the Amtrak network beyond a level Congress then thought reasonable. Now DOT has recommended major surgery on Amtrak that will jeopardize the continued existence of passenger rail. Both of these approaches should be rejected as extreme. Since DOT has failed to make any sense whatsoever, this subcommittee must give firm direction to DOT to find the proper balance.

To eliminate Amtrak routes all over the country before examining the alternatives is like amputating a patient's limb before a thorough diagnosis has been performed. The result may be needlessly crippling.

We must remember that, once abandoned, passenger rail routes are not easily reestablished, and the rail bed deteriorates rapidly and cannot be quickly restored. We must remember that, at present, some 84 percent of the American public lives within 50 miles of Amtrak services, but under the DOT proposal, this would decline to 65 percent. We can hardly call it a national rail network if it fails to serve over a third of the people, desperately in need of efficient, low-cost mass transportation.

The proposal by DOT is irresponsible—it is poor management—it ignores the reordering of national transportation priorities that are necessary to respond to the energy crisis, and it should be rejected outright by this subcommittee and the Congress.

During the Commerce, Science, and Transportation Committee's consideration of the Amtrak route restructure, many of our colleagues presented most enlightening testimony in support of our present system and future expansion, I ask that these statements along with statements from State officials be inserted in the Record. I should like my colleagues to specifically note testimony by Mr. Randall Cookus, an Amtrak employee from Little Rock, Ark., which shows the ridership potential Amtrak has across the Nation using innovative marketing ideas.

The material follows:

The Continuing Public Mandate To Improve Intercity Rail Passenger Travel—Final Report

(By Louis Harris & Associates, Inc.)

I. EXECUTIVE SUMMARY

Amtrak in perspective.—About one year after Amtrak's first day of operation, Louis Harris and Associates conducted a national survey on public attitudes toward intercity rail passenger service—its then-present condition, its potential, and the possible role of government in rebuilding passenger rail service. The 1972 study found:

A clear and decisive public mandate to revitalize inter-city passenger train travel, with a majority, 53 percent to 30 percent, believing that the federal government had a responsibility to improve long distance trains and an even larger majority—66 percent to 12 percent—feeling it was worth federal subsidies to continue to make inter-city train travel available.

An extensive list of complaints and grievances about a rail travel system in seeming disrepair, with 62 percent of Americans agreeing that "train travel is just not what it used to be."

An uncertain outlook for inter-city rail passenger demand, with 48 percent of the public expecting to travel less by train in the next few years than they do now, with only 15 percent expecting to travel more by train.

Less than 1 in 3 Americans—31 percent—were familiar with Amtrak, and, those persons split almost evenly in rating Amtrak's performance at that early stage, 40 percent positive to 42 percent negative.

This less than enthusiastic evaluation of Amtrak's first year was coupled with the belief held by almost 2 out of 3 Americans—65 percent—that Amtrak "will be able to really improve the quality of passenger service between cities," while only 21 percent felt it "really wouldn't have much effect one way or another."

Amtrak today.—In February 1978, Amtrak again invited Louis Harris and Associates to conduct a national survey of public attitudes toward inter-city rail passenger travel and a public evaluation of the job Amtrak has done in attempting to revitalize the rail passenger system. The survey reveals that many Americans remain critical of the quality and availability of rail passenger travel and that cars and airplanes remain the preferred mode of transportation on trips 100 miles or more one way:

A majority of Americans, 56 percent to 20 percent, still believe train service "is just not what it used to be," down slightly from 1972.

When asked which means of travel would be their first choice if they were taking a trip of 100 miles or more one way in the next few weeks, 56 percent of likely travelers choose cars, 28 percent airplanes, 8 percent buses and 6 percent trains. Only 9 percent of likely travelers living in selected train corridors say they would choose a passenger train as their first choice.

However, in several vital areas, Amtrak's prospects and public support look much more favorable today than they did six years ago.

Almost twice as many people—57 percent—are familiar with Amtrak today than in 1972, when only 31 percent indicated familiarity with Amtrak.

Amtrak's performance rating has jumped from 40 percent positive, 42 percent negative in 1972 to 55 percent positive, 38 percent negative in 1978 among those familiar with Amtrak.

Amtrak's rating among persons living along five specially sampled train corridors is significantly higher than in the nation as a whole. More than 3 out of 5 persons familiar with Amtrak—62 percent—in these train corridors give Amtrak a positive rating. In the highly traveled Washington to Boston corridor, a pilot corridor, Amtrak's job performance rating is an even more positive 67 percent to 29 percent negative.

One-third of Americans—33 percent—now expect to be traveling more by train in the next few years, while 23 percent expect to be doing less train travel. By contrast, in 1972 almost half of Americans—48 percent—expected to be traveling less by train in the next few years, and only 15 percent expected to travel more.

Americans are generally optimistic that passenger train travel is turning the corner and will get better in the next few years.

A majority of Americans—55 percent—believe train travel will get better in the next few years, while only 15 percent expect it to get worse. Moreover, of those Americans who are familiar with Amtrak, a majority—51 percent—say Amtrak has improved the quality of rail passenger service, while only 29 percent say Amtrak has not had much effect.

The 1978 survey continues to find a clear and decisive mandate to upgrade rail passenger travel and mass transportation generally while finding less support for highway construction. This continued mandate is caused in part by concern over possible future energy shortages.

An overwhelming majority of Americans—63 percent—say "providing comfortable trains that can cut travel time in half" is "very important," up from 56 percent in 1972. A majority of Americans—53 percent—want the federal government to spend more money to accomplish this goal.

An almost as large majority of Americans—60 percent—want improvements in the quality and availability of rail passenger travel for trips 100 miles or more one way—up from 54 percent in 1972. More than half—51 percent—want the federal government to spend more money toward this end.

The public's highest transportation priorities are improving auto safety, mentioned as very important by 83 percent, and providing modern mass transportation for commuters between central cities and suburbs, mentioned as very important by 69 percent. Improvement in inter-city train service follows next.

The public's enthusiasm about building new highways and express-ways has diminished from 1972. Half of Americans today—50 percent—say new highways are very important, compared to 63 percent in 1972. More importantly, only 34 percent want the government to spend more money than is now being spent for highway construction, while 39 percent say the government should spend about the same, and 12 percent say the government should spend less.

A major reason for increasing support for mass transportation is the nation's energy crunch. Americans, by 52 percent to 36 percent, believe the nation will face a real energy crisis in the next few years. Those who expect an energy shortage are more likely to support mass transportation and less likely to support highway construction than those who feel the energy problem is overstated. Only 54 percent of the public correctly choose trains (36 percent) or buses (18 percent) as the most energy-efficient forms of travel, while 19 percent say airplanes, and 12 percent say cars. Obviously, an intensive energy education program should be a national priority.

Statement of Hon. Patrick J. Leahy, U.S. Senator From Vermont

Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you on what I consider one of the most crucial issues before the Congress today, Congress' deliberations on this year's Amtrak's authorization bill and our decision to accept or reject DOT's proposed basic route structure for Amtrak will determine what role rail passenger service will play in meeting this country's inter city transportation needs not only for next year, but for the next decade and indeed the next generation.

I believe that rail passenger service will prove to be one of the key components of this country's transportation system in the near future. It can be the efficient, economical and dependable service which will attract and retain users. It is the most energy efficient mode of transportation available. The daily changes of our present makes it impossible to adequately predict the future, but from what we do know and what we can assume, rail passenger service can be a winner. It isn't now and it is not my intention to pretend otherwise. Amtrak has not accomplished all that was hoped for when it was created in

1971. But then, a sincere commitment to rail passenger service has also not been supported either in the agencies or in Congress.

I do not want to defend wanton Federal spending or unnecessary $100 million programs. However, we cannot abrogate our responsibilities while we examine our expenditures. We cannot be so shortsighted as to fail to realize that the short-term solution of a lower Federal subsidy this year, might well be saddling our children's generation with much more serious, and expensive, transportation problems in the future.

The Amtrak subsidy must also be considered against the Federal subsidies other transportation modes receive. For example, we do not know how expensive an airplane ticket would be if it included the cost of FAA air controllers, the cost of operating the airports themselves, and the other Federal largess which is absolutely crucial to the air industry's survival, but is never listed as a budget line subsidy item. I understand that a report on these costs for all transportation modes is being prepared and should be available in about 1 month. I for one, will be most interested in reading that report and urge all my colleagues to do the same.

Last year the Congress instructed DOT to recommend "an optimal intercity railroad passenger system * * *". A procedure was developed for a preliminary report, public hearings and then a final recommendation. Nowhere in these congressional deliberations was DOT told that the Congress wanted the system to meet a specific cost requirement. No dollars were discussed, no minimums, no maximums. The instruction was clear—DOT was to design the optimal system.

Somewhere along the way things got confused.

Instead of responding to this congressional instruction, DOT in cahoots with the Office of Management and Budget, arbitrarily selected a figure, $552 million in operating subsidy, and designed a national rail passenger system within that figure. This is not only unresponsive to the congressional request, it raises serious political and legal questions as well.

Congress, not the executive, is responsible for creating national policy. Elected officials, not anonymous bureaucrats or political appointees, were entrusted with this task, because we have a direct responsibility to the people of this nation, our constituents. This is a basic constitutional requirement. It is not to be ignored, bypassed, or forgotten.

However, this DOT plan represents an executive power play designed to usurp the constitutional delegation and separation of power. Make no mistake, when DOT and OMB decided how much they would spend on an Amtrak system, they were declaring national policy. In addition, once they decided which trains will run and which will not, not only have they decided how much we the Congress will spend on Amtrak next year, they are attempting to dictate a national transportation policy which will have a direct impact on our lives and the lives of our children well into the next century.

By reducing Amtrak by 43 percent, by allowing over 10,000 miles of usable track to quickly deteriorate to a stage where future use becomes economically prohibitive, by raiding Amtrak's capital account for nearly $100 million to cover labor protection costs, and by making false and empty promises to have new lines ready to replace the existing lines they have decided to terminate, DOT is attempting one of the biggest political fast shuffles I have witnessed in years.

The transportation needs of our country, although not a politically exciting project, is crucial to shaping the future. Although we know it works sort-of-sometimes, rail passenger service has never been truly tested. Every other developed country has made a commitment in time, money, and priority which puts our efforts to shame. It is clear that DOT's proposal, if it is accepted by the Congress, will eliminate rail passenger service as a major component in meeting our present and future transportation needs. That is a big decision. And I believe it is one too big for DOT to make through administrative fiat.

When Congress instructed DOT to recommend the optimal railroad passenger system, we asked that the route structure be based upon current and future market and population requirements. In addition, the Secretary of DOT was told to consider—

First, any unique characteristic and advantages of rail service as compared to other modes of transportation;

Second, the role that rail passenger service can play in helping meet the nation's transportation needs while furthering national energy conservation efforts;

Third, the relationship of benefits of given services to the cost of providing such services, computing the costs in loss or profit per passenger mile rather than total loss or profit per route;

Fourth, the transportation needs of areas lacking adequate alternative forms of transportation; and

Fifth, frequent alternatives and the impact of such alternatives on ridership, revenues, and expenses of rail passenger service.

I have read the DOT preliminary report. I have read the contradictory final report. I do not believe the agency has fulfilled the congressional mandate.

The Department of Transportation is foisting this proposal on our country at a time when the call for cutting the budget is popular and easy. Cutting the budget is politically expedient, but not always sensible. DOT is taking advantage of this money-conscious mood and using it as a smokescreen to cripple our national passenger rail system.

By now we are also acutely aware of our responsibility to cut the budget, because our constituents demand lower taxes and inflation is fueled by government spending. Passenger rail systems are an easy target, but will we save money in the long run if we show a quick reduction in costs now?

I would like to elaborate on three points of economy with regard to the transportation study of Amtrak.

If 43 percent of the lines are abandoned as proposed by the agency, those tracks will deteriorate rapidly and become irreparable.

The Department of Transportation recommends that a number of new lines be added, and estimates of contract costs paid to private railroads for this run as high as $100 million, and yet DOT has allocated only $10 million.

Labor contracts for existing lines set for nonrenewal contain labor protection clauses which will cost an estimated $69 million out of Amtrak capital expenditures next year alone and may total nearly $100 million within 4 years.

Besides the folly in false economics and poor policy, I have to admit to a personal gripe with the Transportation Department. The DOT proposed Amtrak route structure calls for the termination of the only passenger rail system to northern and central New England. That train, the Montrealer, is Vermont's only passenger rail line.

While I have obvious parochial interests in keeping my State's only train I believe the story of the Montrealer and how it was treated in the DOT study highlights general problems with the study in addition to less than equitable treatment for those people who rely on the Montrealer.

Secretary Adams has stated publicly that the Montrealer and the Southern Cresant were the last two trains left out of the recommended system. In fact, in the Department's preliminary report last May, the Montrealer was recommended for continuation. Subsequent to that May Report and in conformance with congressional instructions, the Rail Service Planning Office of the ICC held public hearings on the proposed route system. Again, pursuant to Congressional intent, affected areas were allowed to be heard. There were no public hearings in Vermont. Neither I nor any other federal or state official was notified or consulted. No attempt was made to either mitigate the train's expenses or determine its impact and popularity in the region.

We had no idea that the Montrealer was in jeopardy until a few days before the Secretary announced his plan at a press conference and submitted it to the Congress thus triggering the approval period and freezing the plan from any modifications. The Montrealer was one of if not the last train left out of the system because it's a darn good train. In fact, based on many of the technical criteria DOT used to rate trains, the Montrealer is superior to many of the trains DOT recommended for continuation.

If the train was such a good performer I began to wonder why DOT wanted to scrap it.

My investigations turned up a startling fact—DOT used a methodology for evaluating the Montrealer which was both inappropriate and inaccurate.

What DOT has proposed in the final plan is the elimination of the Montrealer service north of Springfield, Massachusetts. What they evaluated in their study was the costs and benefits of eliminating the entire route.

Based on this faulty methodology, DOT could not possibly have had any conception of the cost impacts of their proposed action.

Lacking this essential information, my staff conducted extensive research, and their findings produced revealing results which I will only mention briefly here.

The fact is that in fiscal year 1978, the incremental direct operating costs of the Montrealer north of Springfield were equal to or less than the incremental revenues. That is, comparing direct out of pocket costs with revenues, the train may have operated at a surplus north of Springfield.

Furthermore, by continuing past Springfield, the loss per passenger mile of the entire route was more than cut in half. If the train had actually stopped in Springfield, as DOT now proposes, the loss per passenger mile for the route would have soared from 15 cents, to an outrageous 34 cents per passenger mile.

I could go on and on with similar statistics. But the point is that DOT made no attempt to break out the costs and revenues north and south of Springfield, and as a result, they proposed the elimination of service along the most profitable Montrealer's route. I would like to submit the Montrealer performance charts for the record.

Revenue alone was up 27 percent north of Springfield in 1978, and it was up another 21 percent already in the first months of fiscal year 1979. The fact is that ridership north of Springfield is growing faster than on any route in the entire Amtrak system.

In the face of overwhelming evidence that the Montrealer is thriving north of Springfield, I was and am outraged by DOT's proposal to abandon this service. What is more, the excellent cost performance I briefly summarized was achieved despite the excessive costs of operating the train in Canada, and without accounting for the positive impact of continued ridership and revenue gains.

To add insult to injury, DOT recommended terminating the Montrealer without benefit of public hearings or an opportunity for the trains supporters to present evidence on its need and use. DOT also failed to make any effort to analyze the Montrealer's expenses to determine if the train's performance could be improved. This is especially significant when you consider, for example, the inflated Montreal terminal, Canadian customs and immigration, and Canadian National contracts.

All are obviously bad deals which might have been renegotiated.

The analysis and effort I would have expected DOT to give the Montrealer is not out of line with some of the efforts DOT made to justify some of the trains recommended in the system. DOT has kept trains by projecting and assuming improved performance based on line consolidations and improving service with Amfleet and Superliner cars.

In effect, they have weighed assumption and conjecture against the Montrealer's demonstrated performance, and have ruled in favor of conjecture.

This entire situation has disturbed me and my fellow Vermonters. I met with Secretary Adams last week and after that meeting I remained disturbed. My staff met with DOT personnel to go over the Montrealer figures for over three hours last Friday and after that meeting I still remain disturbed. The Montrealer got a bad deal from DOT. New England and Vermont got a bad deal. I remain disturbed.

It is too late, of course, for DOT to correct its error. At my meeting with Secretary Adams last week one DOT official suggested that since no hearings or notice was provided for the Montrealer and if DOT's figures turned out to be wrong, the Department might apologize. Well I for one don't want DOT's apology—I want the Montrealer.

Therefore I urge this committee to include specific authorization provisions which will expand the proposed Amtrak route structure to include proven winners such as the Montrealer. I know this committee wishes to avoid the potential "christmas tree" problem of adding specific trains to the system because of political pleas or pressure. I share your concern, but I believe there is a way to improve on DOT's recommended structure and not open a Pandora's Box. Add trains based on their performance records. Authorize the funds to be available on a priority basis and insure that it is a substantive standard of performance which determines which trains will be added.

Please do not allow DOT's truncate system to close down viable railroad lines this year when all the evidence points to our need for them in the future.

I would also like to share with the committee a letter which was sent to DOT this morning. This letter, signed by 10 of the 12 New England Senators, calls upon DOT to supply the figures and detailed justification which went into their decision to propose terminating the Montrealer.

Vermonters fought hard to get the Montrealer running in 1972. We fought hard in 1975 when an effort was initiated to cut the line. We have shown the train is a winner. We have shown it has the support and the use necessary to justify its expenses.

DOT ignored exerything favorable to the Montrealer. They denied our right to a public hearing. They juggled their own criteria to add trains less profitable than the Montrealer and then they presented their "deal" in a manner which they believe locks in their position. Well, I'm only a single Senator, but I intend to fight this one right down to the last bell.

Statement of Hon. Robert T. Stafford, U.S. Senator From Vermont

Senator Stafford. Thank you, Mr. Chairman and distinguished members of the subcommittee, for giving me this opportunity to join with Senator Leahy to testify in support of the pending resolution to reject the drastic reductions in rail passenger service proposed by the Department of Transportation.

My colleague from Vermont, Senator Leahy, has ably made the statistical and economic case for retention of Amtrak's Montrealer passenger train service into and through Vermont.

I want to associate myself fully, and I might say enthusiastically and emphatically, with Senator Leahy's testimony in this record.

It is ironic, I think, that Transportation Secretary Brock Adams has proposed to top off 43 percent of the energy efficient rail passenger service operated by Amtrak at about the same time that Energy Secretary James Schlesinger is warning the Nation we may have to restrict the sale of gasoline because of events in foreign oil producing nations which are liable to make us petroleum short in this country.

So, as I understand it, at the root of Secretary Adams' proposal is an effort to save taxpayers $280 million a year over the next 5 years in Federal subsidies to Amtrak.

Now, $1.4 billion in saving over a 5-year period is a lot of money, especially to somebody from Vermont, but that figure surely pales in comparison, Mr. Chairman and members of the committee, with Federal subsidies to highway transportation, to say nothing of the cost of high-priced and, possibly, scarce gasoline used inefficiently in private automobile travel.

Apparently, we have quickly forgotten the lessons we learned during the oil embargo of 1973 and 1974. I can only hope that the events that have brought us together here today will serve to give us another chance, while we still have time, to learn those lessons anew.

Clearly, it is time to recognize we should not scrap our railroads, but, rather, that we should be doing all we can do to improve them and to encourage more Americans to ride them.

It is my view Congress made the right decision in 1970 when it created the National Railroad Passenger Corporation, known as Amtrak. Our only error had been that we haven't done enough to increase ridership and to reduce our Nation's energy consumption.

My old friend Brock Adams is a wise and good man and an able Secretary, but he is dead wrong, Mr. Chairman, in this instance. I don't know what prompted him to approve the report that would do so much violence to our national rail network.

It seems to this Senator that the Secretary is marching to the beat of a different drum than that when we served together in the House of Representatives.

Amtrak critics tell us that Americans simply won't ride trains, and that trains are transportation dinosaurs whose time has come and gone. I don't believe that, Mr. Chairman.

I believe that we can, indeed that we must, develop a rail passenger network that will be an important part of a balanced national transportation system. Almost everyone else in the world had been able to do that.

I know that trains that run with only a few passengers are not energy efficient. The answer is not to shut down the trains, but to improve their service to attract more Americans to ride them.

Actually, more Americans have been riding the trains recently. Traffic was up 7.5 percent in December of this year over December of 1977. That increase suggests that rail passenger service can attract more patrons if we direct our national will to that end.

Surely it would be in our national interest for the Federal Government to adopt policies and to make investments that, over the long haul, would encourage a shift from private automobile travel to travel by trains for trips between cities.

For, surely, if the time ever comes when events and forces beyond our control require that we have a working rail system, it will cost us, Mr. Chairman and members of the committee, a lot more than $280 million a year to replace a rail network that we have allowed to dissolve into rust.

Statement of Hon. John Melcher, U.S. Senator from Montana

Senator Melcher. That is right. My colleague, Senator Baucus, is in Montana and doing some of God's work in protecting some military installations out there.

I am happy to be here to testify on some more of God's work. I appreciate this opportunity to appear before this subcommittee upon which I had, until recently, the good fortune to serve.

Through my testimony this morning, I hope to provide some of my feelings which I would have otherwise provided as a committee member. I know this subcommittee has a full agenda. Therefore, I will be as brief as possible.

On February 27, 1979, the Senate Committee on Energy and Natural Resources, of which I am now a member, began a series of hearings on the current oil supply situation. These hearings were prompted by the recent curtailment of oil production in Iran. While the impact of the Iranian developments has thus far been cushioned by production increases of other countries and a drawdown of petroleum stocks in the United States, the Iranian curtailment nevertheless clearly illustrates the vulnerability of our Nation's passenger transportation system.

The simple fact is that our Nation is not energy independent. Because of our dependence on foreign oil sources and our inability or unwillingness to guarantee these sources, a major portion of this Nation's passenger transportation system could come to a rather abrupt halt Obviously, those who cannot obtain or afford the fuel will need to seek out an alternative transportation mode, one of which would be Amtrak. This was certainly the case during the last oil embargo, when the Amtrak system had more customers that it served.

By this, I do not mean to say that I subscribe to the belief that Amtrak be continued simply as a backup transportation mode. To the contrary, I believe that Amtrak not only can, but will become an ever-increasingly viable and competitive passenger transportation mode.

Just what can and should be done to assure this viability?

One, instead of cutting out service totally to certain points, I think it would be advisable to keep much of the present route structure as is and revamp the Amtrak schedule.

For example, in Montana, under the Secretary's final report, the restructured system will continue the operation of the Empire Builder. The Secretary's option seems to have been to choose between the retention of either the North Coast Hiawatha or the Empire Builder.

The Empire Builder's retention vis-a-vis the North Coast Hiawatha was premised on the lack of alternative forms of transportation for persons served by the Empire Builder.

Additionally, the degree of isolation caused by weather amplified the Empire Builder's case. Both routes, however, serve as feeders to either Glacier National or Yellowstone Park. The Empire Builder was chosen despite the fact that the Hiawatha services the more highly populated portion of Montana and consequently generates more passengers.

I do not feel that the decision that was made should have been an either/or proposition between the State's two routes. By alternative scheduling of Amtrak trains on both routes, service could be sustained on each route and a larger system consequently preserved. By preserving the larger route structure, continued loyalty and reliance can be maintained by a greater number of people on Amtrak. If a sufficient number of these people have the discretion as to their arrival and departure, increased capacity utilization will surely result.

If a larger system can be maintained, such a system will more easily absorb or expand to serve a rapid increase in ridership caused by another gasoline shortage.

Two, I think most agree that Amtrak's own ticket pricing system needs to be reviewed and any problems corrected.

Three, strong congressional oversight is needed to insure that Amtrak provides an acceptable level of service as to encourage utilization of its services rather than generating the complaints now synonymous in congressional circles with the word Amtrak.

Four, market dynamics of the immediate fuel price increases that the country is to endure will encourage people to utilize mass transportation systems. While I have no chart to substantiate it, I nevertheless doubt whether anyone would dispute the fact that, of the rate of increases of future costs for operating the different modes of transportation, those for rail will surely be the lowest. Consequently, at some point in the future, the Amtrak system will simply have to be economically competitive.

Finally, we all have heard the arguments, pro and con, regarding the different subsidies provided the various transportation modes. I daresay with assurance, that the amount of subsidy provided Amtrak over its rather brief existence cannot compare to those funds provided its competitors. With perspective of a longer timeframe, it is easy to see that, compared to the other modes, Amtrak is still in its infancy.

The up-front money we are providing today is no different than the injections provided in the past to other modes. Therefore, I feel the committee should operate with its eye on the historical perspective.

I close, Mr. Chairman, with a request. I hope the committee will require of DOT and DOE an energy impact analysis as to the amount of gasoline expected to be needed to transport those who could no longer be afforded Amtrak service and would seek service elsewhere.

Second, it is my understanding from the briefing the DOT held for Senate staff, that the Amtrak structure in the final report does not embody the optimal Amtrak structure. I realize that the Secretary could hardly forward to Congress a final report which does not comply with the administration's budgetary limitations.

Nevertheless, I would think that it would be critical for the members of the committee to have the opportunity of analyzing the optimal route structure which might otherwise have been brought forward.

Finally, Mr. Chairman, I hope the subcommittee will send to the full committee the resolution of disapproval introduced by Senator Schmitt that I have cosponsored and that the full Senate be given the opportunity to work its will on this most important national policy decision.

Statement of J. R. Snyder, Chairman, Legislative Committee, Railway Labor Executives' Association, and National Legislative Director, United Transportation Union; Accompanied by W. G. Mahoney, Counsel

Mr. Snyder. Thank you, Mr. Chairman and members of the committee.

It's indeed a pleasure to be here, on the bottom of the totem pole here.

Senator Long. There are a lot more waiting behind you. Don't worry about that. You are right about the middle. Right behind the administration's witnesses.

Mr. Snyder. Thank you very much.

I would like, with your permission, to read my entire statement in the record.

Mr. Chairman and members of the subcommittee, on behalf of the Railway Labor Executives' Association, its members and the employees of the Nation's railroads whom they represent, I wish to express our appreciation of the opportunity to present to you their views on a subject which we are convinced is most vital to this Nation's future welfare, not only in terms of our future transportation needs but also in terms of energy conservation.

My name is J. R. Snyder. I am chairman of the legislative committee of the Railway Labor Executives' Association and the national legislative director of the United Transportation Union. My office is located in the Railway Labor Building, 400 First Street, NW., Washington, D.C. Accompanying me is Mr. William G. Mahoney, counsel to the Railway Labor Executives' Association.

The Railway Labor Executives' Association is an unincorporated association with which are affiliated the chief executive officers of all of the standard national and international railway labor unions in the United States.

When Amtrak was created, the Congress was fully aware that a massive Federal financial effort would have to be undertaken to preserve rail passenger transportation in this country. This new creature of the Congress literally had to resurrect the corpse of rail passenger service. Everyone concerned with the enactment of the Rail Passenger Service Act of 1970 knew that resurrection could not be accomplished cheaply, easily, or quickly. Amtrak had to take over equipment that was virtually worthless and operate it over rights-of-way which, for the most part, were completely inadequate.

In order to evaluate properly the final report to Congress on the Amtrak route system and the recommendations made in that report, it must be precisely determined what we expect of the rail passenger service in the future.

We must look at the transportation in this country, what it will be like 25 to 30 years from now.

It seems to us that this country can't afford to dismiss the existence of Amtrak routes simply because at the present time there are adequate alternative means of transportation or because certain routes have not yet been developed, as much as we believe they should.

The future of transportation in the country would be governed by the availability and cost of fuel, considerations which were appropriate measures of the need for the rail passenger service in the past simply will not be appropriate in the future.

Nobody can deny it would be in our national interest, indeed, whenever action of the OPEC countries demonstrated it would be vital to our national interest to have a nationwide rail system that would be fully utilized by the traveling public, nor can it be ordered that such a system would not be fully patronized if it were made attractive to the public.

The day is approaching when gas will become so expensive and perhaps so scarce that intercity rail service would be preferred to travel by private auto.

Billions of tax dollars are being spent on mass transit.

This money will not be recovered except in terms of preservation of the quality of life which we believe to be necessary.

Such expenditures will be required for rail service for the same reason.

We can't afford to destroy half our existing lines, because the service we destroyed over a period of some 20 years hasn't been satisfactory.

The position taken by DOT in its final report can be viewed as of value only if rail passenger service is looked upon as unnecessary, old fashioned methods of intercity transportation.

We have seriously and constantly—the energy crisis we face destroys that position. We are convinced the time is near when the citizens of the country will take the trains because the automobile will be too expensive or unavailable to them. The accuracy of this conclusion is confirmed by events which occurred during the so-called Arab oil crisis of 1973, when the Amtrak could not obtain enough passenger cars to service the upsurge in patronage it experienced.

The future of rail passenger service in this country was doomed with the enactment of the Transportation Act of 1958 which permitted discontinuance of the passenger trains on notice.

Hundreds of trains were permitted to deteriorate and were discontinued.

ICC found some trains which passengers stubbornly remained faithful to were deliberately downgraded.

Upon the inauguration of Amtrak, hundreds more trains were discontinued, though some members operated at a profit. Those that remained presented a sorry sight in terms of equipment and scheduling.

By the time Amtrak began operation, the traveling public for 13 years had been urged in every way to use other forms of transportation.

That education was effective.

It would remain effective until rail passenger operation—and to a great extent, quantity are reestablished in this country or until the public is simply forced back to the rails by the scarcity and cost of gas.

An acceptable level of operation is being reestablished between Washington and Boston with favorable results.

We believe it can and, indeed, must be reestablished elsewhere with regard to a change in the public attitude toward passenger trains.

There is encouraging evidence in the statistics recently released by Amtrak.

These show ridership increasing on Amtrak through the country.

Comparing fiscal year 1978 with fiscal year 1979, ridership increased over 6 percent.

The Northeast corridor increased ridership by only 1.9. Short-distance travel increased by 13.4, long distance by 8.7. Among the long-distance routes which increased initially were the New York-Florida 28.7, the Chicago to New Orleans 16 percent, Chicago to Los Angeles 15.3, Chicago to San Francisco 11.9, and Chicago to Laredo 16.5.

The progress made on the three latter routes will be destroyed if the Department's recommendations are put into effect.

The market for rail service is not to be found among those who fly, but in those who drive.

Clearly, this should be of paramount interest for Amtrak to cut deeply into that market.

It will never do so, if the final recommendation of DOT becomes effective. The Department's recommendations would not only condemn our rail passenger system to unexpandable straitjacket existence which would insure its ultimate extinction, but would also prove unworkable.

For example, the final report doesn't indicate whether the non-Amtrak railroads will agree to operate Amtrak trains over the modified routes, and we understand some railroads will refuse to operate Amtrak trains over the proposed new routes.

In the above trains, primarily in most of the—there is a triweekly service, which would be a further deterioration of service which could result in just the Northeast corridor passenger service for years to come.

Looking at Amtrak as a corporation that should fail to make a profit, we doom rail passenger service at the outset. By cutting its route mileage by 43 percent, we present Amtrak from becoming a truly national system and begin a process that can only lead to initial reduction in route mileage and eventually the cessation of all operations, except perhaps those in the Northeast corridor.

The loss of the national rail passenger service will eventually cost this country a great deal more than money.

At the very best it will result in much faster deterioration of the fossil fuel and at worst it could result in citizens being unable to travel for pleasure or in some cases for need.

What is gained by this reduction is paltry even by the figures presented by the Department.

While reducing Amtrak by 43 percent, we save about 20 percent in Government funding, when the additional cost of track changes and employee protection is figured in: 3,400 Amtrak employees, about 17 percent of the total work force, and 2,400 employees of other railroads will be laid off.

Hundreds of others will be displaced to lower paying jobs, forced to move their homes, or both, as a result of the process begun by the 5,800 job abolishments.

According to the Department's estimate, these adverse effects will cost the Government $69 million in fiscal 1980 and a total of $97 million in fiscal year 1980 through 1984 under the employee protection system designed by the Secretary of Labor under the Rail Passenger Act of 1970.

This latter cost could be much higher if the 5,800 employees who are laid off are paid the equivalent of their wages for only 3 years. The cost could run as high as $300 million, and the figure does not include displacement allowances to employees bumped to lower paying jobs or moving expenses nor does it include the additional 3 years protection which would be due non-Amtrak employees, because of their longer service that could come to another $150 million.

That it will cost only 32 percent of the potential as indicated by the Department of Transportation seems to be optimistic.

It is the position of rail labor first that the final report recommendation designating the basic route system for Amtrak should be disapproved by both Houses in the Congress.

To that end we support the adoption of Senate Resolution 62 introduced on February 7, 1979 by Senator Leahy.

Second, that Congress formally recognizes the mission of Amtrak to be a public service mission and enact legislation which will reflect that.

In this regard we recommend your favorable consideration of legislation such as the proposed bill entitled Amtrak Cost Allocation Act of 1979, which we understand will be introduced in the Senate in the near future.

In the meantime sufficient funding should be authorized to permit Amtrak to maintain its present system.

We submit this makes good sense.

It would cost no more than what is recommended for authorization by the Department proposal.

The Department seeks a 3-year operating expense subsidy fund of $567 million for the fiscal year ending 1980; $621.5 million for the fiscal year ending 1981; and $628 million for the fiscal year ending September 30 1982.

We do support the 3-year authorization. We do think it's needed.

In a separate Northeast corridor proposal, it recommended an increase in funds of $654 million fom the $1.6 billion to $2.254 billion, and we support that.

I understand this to be in the bill sent to the Hill.

Because of the lead time required by the proposed corridor projects, $100 million of the proposed increase can't be utilized in the time allowed.

We urge that the Congress apply that $100 million to the Amtrak authorization for fiscal year 1980 and require the Amtrak Board and its management to operate on those funds through the fiscal year 1982 by paring the system if necessary to keep within the authorizations requested by the Department.

This had the advantage of providing Amtrak management time to plan and work toward a system designed by itself on the basis of business judgment rather than of a system imposed on it from the outside.

It would also cost no more than the Department recommends be spent on Amtrak in the Northeast corridor over the next 3 years.

In addition, it would prevent the drastic or immediate cuts in the system recommended by the Department.

In closing I would again emphasize our conviction that Amtrak is needed to provide a vital future public service.

This country can't afford to accept the Department's recommendation to dismember it, nor can we accept as either logical or rational—in the face of eventual fuel shortages—an administration transportation budget which increases financial aid to less fuel efficient modes of transportation by 6 percent, $12.79 billion, while reducing aid to our most fuel efficient, and in the long run, our most vital transportation system by a 27-percent cut of $1.67 billion.

I have attached two exhibits to my statement which show the large population of metropolitan city areas which will lose all Amtrak service if the trains which the Secretary marked for discontinuance are removed.

Also, the amount of Fedeal money which will have been wasted in the building of of new Amtrak stations and rebuilding stations on these routes as shown in exhibit 2.

Mr. Chairman, I would like to express our appreciation for the opportunity to present our views on this most important subject, and we would be delighted to receive any question on the exhibit from you.

On exhibit 1 it shows 205 cities and towns on the lines to be proposed eliminated under the DOT plan that would have no rail service whatsoever. We show a population of 14,301,000. This does not include the Crescent. As you know and I know, it operates in about 10 States there.

Thank you, Mr. Chairman.

[The exhibits follow:]

EXHIBIT 1

TOTAL POPULATION AND RIDERSHIP

	Number stations losing all services	City population	1977 ridership
Inter-American	18	2,722,000	173,073
Pacific International	7	525,000	70,525
Southwest Limited	18	496,000	216,562
Lakeshore Limited	1	128,000	12,327
Pioneer	13	230,000	68,566
San Joaquin	8	345,800	133,341
North Coast Hiawatha	21	352,000	113,468
Cardinal	19	874,000	170,027
Hilltopper	11	214,000	65,608
Shenandoan	9	125,000	42,277
San Francisco Zephyr	13	664,000	90,370
Montrealer	10	1,285,000	112,308
Lone Star	23	2,314,000	221,443
Broadway Limited	6	513,000	35,881
National Limited	9	904,000	66,235
Floridian	19	2,592,000	226,648
Total (without Crescent).	205	14,301,800	1,818,659

EXHIBIT 2

MONEY AMTRAK HAS SPENT FOR STATION IMPROVEMENTS ON ROUTES BEING ELIMINATED

Inter-American	$1,108,000
Pacific International	94,300
Southwest Limited	106,900
Pioneer	306,000
San Joaquin	229,000
North Coast Hiawatha	98,800
Cardinal	986,125
Hilltopper	1,001,825
Shenandoah	323,200
San Francisco Zephyr	138,200
Montrealer	142,500
Lone Star	320,300
Broadway Limited	334,000
National Limited	156,000
Floridian	397,350
Total	5,742,000

STATEMENT OF ROSS CAPON, EXECUTIVE DIRECTOR NATIONAL ASSOCIATION OF RAILROAD PASSENGERS

Mr. Chairman. I am Ross Capon, executive director of the National Association of Railroad Passengers, a non-profit, consumer-oriented organization, supported entirely by membership dues and contributions. We receive no financial support from the government, the railroad companies, Amtrak, or the railroad labor unions.

We appreciate very much the opportunity to participate in this hearing. Our Association believes that the U.S. needs an expanded and coordinated network of intercity rail and bus services to improve the energy efficiency and safety performance of our total transportation system and to assist in maximizing reliance on urban public transit systems.

The American public has shown its support for expanded rail services by: (a) riding the trains in growing numbers where good service is provided (Los Angeles-San Diego ridership up 142 percent from 1973 to fiscal year 1978 though service frequency only rose 87½ percent) and even in many cases where inferior service is provided; (b) during the energy crisis of Nov. 1973–Apr. 1974, riding trains of any quality to the tune of a 46 percent increase in passenger miles "systemwide over the same period one year earlier" (DOT Environmental Impact Assessment, p. 2-13); (c) overwhelmingly supporting maintenance/improvement of the services in public hearings conducted by ICC's Rail Services Planning Office across the nation last summer (over 2,300 witnesses, average 20–1 pro-service; letters to RSPO averaged 90–1 the same way); and (d) registering as pro-service in opinion polls conducted by Peter Hart Associates for DOT (53 percent want to continue present service; 20 percent would end most service) and by Louis Harris for Amtrak (82 percent wants the government to maintain or increase its spending—50 percent wants that spending to increase—on improving the quality and availability of rail travel "for trips 100 miles or more one-way").

Similarly, state governments have reflected the same interest by offering to pay their 50 percent share of the cost of several prospective services for which Amtrak has no money.

We are very appreciative of the support which this committee and particularly Senator Long has shown for developing an intercity bus terminal at Washington Union Station. We believe such a facility, directly adjacent to Amtrak, commuter rail, Metrorail, and Metrobus services would stimulate a major increase in utilization of all public transit. The great advantage of the automobile is its flexibility; to the extent we remove barriers to convenient transfers among different public transport modes we help the public transportation network come closer to matching the auto's flexibility.

Such an intermodal facility would demonstrate how rail and bus—the two most energy-efficient modes of travel—can help each other. In fact, we believe the best way to revive bus ridership is to establish intermodal rail-bus terminals in as many cities as possible, following the examples of New Orleans and Harrisburg. This would benefit bus services not only by providing attractive rail connections, but also by helping to overcome the negative image of the "bus station". Michigan DOT recently established an intermodal terminal in the Kalamazoo railroad station and found a significant increase in all-bus trips.

Why not an all-bus network? Because modern trains are much more effective in attracting people from their automobiles. Even when the image problem of buses is overcome, their speed potential and on-board space remain serious barriers to market acceptance and dictate that the market attracted will be predominantly for much shorter trips than rail could handle. Despite construction of the Interstate highway network and deterioration of rail service, revenue passenger miles handled by U.S. intercity buses dropped 16.8 percent from 1950 to 1970. In both intercity and local service, the substitution of buses in place of rail services has always resulted in a decrease in public transport use and an increase in automobile use. On the other hand, we believe—and Amtrak's limited experience with rail-bus coordination suggests—there are many people who would use a bus as part of a rail-bus journey who would not consider the bus by itself.

NEEDED GOOD SERVICE

I frequently hear the statement that it is virtually impossible to entice people from their automobiles. Secretary Adams said, "I can't force people to get out of their automobiles and into trains". (Railway Age, Feb. 12) This statement seems to overlook the fact that most people respond logically to the incentives they are given. It is not surprising that mediocre train service with an inadequate and declining advertising budget, continued highway construction, and cheap gasoline would produce no dramatic shift of riders to Amtrak. (By mediocre service I refer primarily to 30-year old cars with unreliable heating and air-conditioning operated on trains that consistently run late on padded schedules.)

What is important is the extent to which the public has responded to the service Amtrak has provided. I've already noted on page 1 the positive response to the good Los Angeles-San Diego service and, during the last energy crisis, to the entire system. Some recent ridership increases on lines DOT would kill are:

Ridership increases compared with 1 year earlier

[Percent]

	1978	
	December	October–December
New York-Florida	38.4	28.7
Washington-Cincinnati	36.1	12.3
Chicago-Florida	22.4	12.9
Chicago-Los Angeles	20.5	15.3
Chicago-Laredo	[1] 17.9	16.5
New York-Kansas City	13.4	3.9
Seattle-Salt Lake City	13.3	11.8
Washington-Montreal	14.0	8.5
Seattle-Portland	68.8	27.1

[1] Revenues increased 50 percent.

For the entire system, ridership increased as follows:

[Percent]

	1978	
	October–December	December
Long-distance trains	11.5	9.7
Short-distance (non-NEC)	17.1	13.4
Northeast corridor	1.9	1.9

During fiscal year 1978, it is significant to note that the only major long-distance route equipped for the entire year with new equipment, Chicago-New Orleans, experienced a 3.6 percent ridership increase over fiscal year 1977 despite bad on-time performance (27.4 percent in May; 53.3 percent in September). Overall, Amtrak ridership in fiscal year 1978 was down 1.5 percent reflecting smaller capacity on many long-distance trains, less frequent operation on the Chicago-Seattle routes, a 5-day strike in late September, a 19 percent decline in Amtrak's advertising budget, and sharply reduced air fares.

Some efforts by individuals to promote Amtrak's services have met with amazing success. The improved performance of the Chicago-Laredo route is partly the result of work by Randy Cookus, a Little Rock ticket agent, who spent $600 and a lot of energy and produced a $30,000 revenue increase.

In a recent controversy over a proposed road widening project near my home, I was impressed with the determination of the state and city highway departments to press hard for the maximum size project even after overwhelming public opposition became apparent; only the responsiveness of the city council to the public's views sent the road builders back to the drawing boards to come up with a smaller project.

But the message in all this is clear; citizens of the U.S. must fight hard to contain highway spending, yet they must also fight hard to retain their trains. Our system reflects a tremendous anti-rail bias—a natural result of the fact that massive government aid to non-rail modes has left the railroad industry as the smallest of the three major modes.

We appreciate the fact that Amtrak service has generally been maintained because the Congress—like my city council—is more responsive to the public's wishes than is the Administration. We also appreciate your frustration at the size of Amtrak's operating deficit. However, we urge you not to support DOT's plan to dismember Amtrak because we believe the problems plaguing almost every route now operated are correctable, and that corrections should be made rather than the service discontinued.

Generally speaking, Amtrak's revenues are lower and costs are higher because capital investment has been too little too late. Capital investment through fiscal year 1979 will total $1.3 billion. Of this amount, $206 million is for superliners cars for the Western long-distance trains. These cars are just now being delivered and are not yet in service, except for a handful of coaches being tested on short-distance runs. Yet these cars should lead to dramatic ridership increases on the runs DOT would kill. Reliable climate control will in itself mean a vast improvement over present service quality, including the virtual elimination of one major cause of train delay—attempts to correct malfunctioning steam heat en route. Overall, it cost Amtrak $1.25 million in fiscal year 1978 to reaccommodate passengers due to missed connections and cancelled trains. The $239 million maintenance cost (this is all operating money) was inflated by the large number of old cars and by inadequate maintenance facilities. Amtrak is now spending $40 million to improve its maintenance capabilities in Chicago, which should both cut costs and improve all-weather reliability. Amtrak has belatedly inaugurated a program to convert old single-level cars used on Eastern long-distance routes to electric heating/air-conditioning; the reliability of the handful of sleeping cars already so converted has been impressive. Some trains need minor modifications to their routes, particularly the north-south Texas trains.

The specific correctable problems which have inflated operating deficits are discussed on a route-by-route basis in the appendix.

We ask your patience in continuing support of most of the present system because we believe ridership to date shows people will use good service, and investment to date is laying the foundation for the provision of good service on a system-wide basis. The possibility that gas stations will be closed on weekends further brightens Amtrak's short-term ridership prospects. The continuing trend towards smaller automobiles likewise will increase demand for good intercity public transportation—a demand increase which would largely be met by energy-wasteful airplanes if trains are not available.

DOT PLAN LAYS FOUNDATION FOR KILLING AMTRAK

We believe the DOT plan would lay the groundwork for Amtrak's demise because the surviving trains would lose so many connections and the frequency of service would decline on 2,985 miles (19 percent of the DOT system's mileage) and remain unsatisfactory on 3,892 miles (less than daily). Although the Secretary says his system would be used "more intensively" most major terminals will have less service, 43 percent of the route miles will have either less service or continued less-than-daily service, and the key New York-Florida route would suffer a drastic decline in capacity. According to the Environmental Impact Assessment, "It is estimated that some 28 percent of the passenger-miles which would be accommodated in the base case (on the NY-Florida route) would be diverted to other modes due to capacity restrictions on the two remaining frequencies." (p. 2–144)

The key to Amtrak's plight is the relationship between its low earning capacity (one daily round-trip or less on most route segments) and high fixed costs (stations in most major cities; many costs at Washington headquarters which would not very with service levels). The costs of many stations are borne by a single pair of trains. The DOT plan would extend this problem to the New York-Florida route where every station south of Petersburg, VA (except for Savannah) would have 100 percent of costs charged against a single train instead of shared among two or three daily round-trips as at present. Thus prospects for the "Palmetto" (NY-Charleston-Savannah) and "Silver Star" (NY-Raleigh-Florida) turning in a good financial performance are not good.

Given adequate cars, Amtrak could introduce major service improvements for a small increase in funding; conversely, as you have seen with the DOT plan, a small decrease in funding produces an inordinately large cut in service. The DOT plan would drastically decrease earning capacity while only moderately reducing fixed costs.

Surviving trains would no longer be connected to many markets. Such cities as Dallas/Ft. Worth, Atlanta, and Cincinnati/Columbus/Dayton would have no service. The situation facing Amtrak is even more acute on this point than is that facing Greyhound and Trailways, who have "stated that a substantial cut in service would precipitate a further decline by destroying their route network. They contend that the maintenance of an integrated nationwide route structure is essential to preserve their existing level of traffic." (The Intercity Bus Industry, ICC Bureau of Economics, May, 1978, page 90)

The preliminary DOE report of last May stated that the largest option DOT studied—Scenario E, about the size of the present system but with several adjustments including less West Virginia service but the addition of Cleveland-Pittsburgh and Los Angeles-Las Vegas-Salt Lake City—would have the lowest deficit per passenger mile of the five options considered; Scenario A, isolated corridors, produced the highest such deficit. (p. 5–13)

There is a conflict between the short-term goal of minimizing the total cost of the system and that of improving its productivity. We urge you to take the longer term view.

ENERGY CONSUMPTION

Working estimates for the different modes are:

Passenger miles per gallon	
Air	16.2
Automobile	43.1
Bus	121
Rail	125

NOTE.—From DOT, "Summary of Opportunities To Conserve Transport Energy", August 1975. (1977 data reported to ICC).

I have used the same rail figure as used by Prof. Richard A. Rice of Carnegie-Mellon University in "Toward More Transportation with Less Energy" (Technology Review, February, 1974), an article which proposed drastic increases in the use of intercity buses, trains and auto-train services to permit holding the line in petroleum usage while tripling intercity traval from 1975 to 2000. Most Amtrak critics, of course, quote, energy usage of today's Amtrak with all of its handicaps noted, above, but these figures—which compare antiquated rail equipment and systems with modern systems in the other modes—should not be used as the basis for developing policy for the future. To give some perspective to May rail figures above, Harbridge House, Inc., in its 1977 report for this committee, stated "intercity rail passenger service should be able to produce between 270 and 360 seat-miles per gallon." (Intercity Domestic Transportation System for Passengers and Freight, p. 387). At a reasonable load factor of 55 percent, this would produce a range of 148.5 to 198 passenger miles per gallon. (Amtrak had reached a load factor of 54.9 percent in 1974; service problems have since depressed it somewhat.) The HH figure is for all-coach service, so 125 is a reasonable compromise if some first-class accommodations are assumed. DOT's May report found that Amtrak was already achieving about 100 PM/gallon on its San Diego service by 1977, and that the Los Angeles-Seattle train with old equipment over a hilly profile got about 70 PM/gallon.

The National Taxpayers Union, in its Feb. 2 letter to Senators, claims DOT projects 1,800 BTU/passenger mile for automobiles in 1990 (at "a load factor of 0.45") and that this is more efficient than rail. On the other hand, a report published by DOT shows diesel-hauled trains on the New York-Albany route at 911 to 1,100 BTU/passenger miles (50 percent load factor). ("Energy Intensity of Intercity Passenger Rail" by Ram K. Mittal, December 1977, pages 6–3 and 6–4).

As noted on page 6, we believe energy conservation policies will significantly increase the demand for public transport, and it seems unwise to us to be cutting back on rail service because most of the new demand for intercity service—created short-run by weekend gasoline station closing and long-run by more efficient, but smaller and less comfortable automobiles—would go to air, defeating energy conservational goals—in the absence of a good rail network.

If the effects of the different modes on urban transit and urban development could be incorporated into the energy consumption figures at the bottom of page 7, the already-large advantage of the bus and train would dramatically increase.

Buses and trains generally serve (or should serve) city centers near urban transit hubs. By contrast, airports can generally be reached by mass transit from only one or two directions. Thus a much higher percentage of air passengers and airport-area employees must reach the airport by car now and in the future. One expects, for example, the most of those who work at the industries planned along the Dulles highway will commute by automobile. This reliance on the automobile not only deprives the mass transit system of riders and revenues but encourages more sprawling development which itself is energy intensive as to provision of heating and utilities. These negative effects of the automobile would remain even if Secretary Adams' laudable goal of a 50-mpg fleet in service by 2000 is achieved—and the $100 billion pricetag on that goal casts much doubt on its likehood of being realized.

SAFETY AND ALL-WEATHER DEPENDABILITY

The Environmental Impact Assessment shows, at page 2–28, that the train is 19.4 times safer than automobiles and taxis and 32.3 safer when auto-related fatalities (including non-passengers) are included. This spread presumably grows when highways are made dangerous by inclement weather. On certain routes, highways are impassable for several days at a time. While DOT includes the "Empire Builder" partly for this reason, it is equally true for points along the routes of the "Southwest Ltd.", "Pioneer", and "North Coast Hiawatha".

CONCLUSION

Ridership has responded to improved service to date and will continue to do so. Maintenance and improvement of Amtrak service is particularly vital in the context of energy conservation, and the "carrot" of improved Amtrak service is more strongly supported by the public than the "stick" of reduced gasoline availability, though both may be necessary.

ROUTE-BY-ROUTE DISCUSSION

San Joaquin (Oakland-Bakersfield): Caltrans would like to subsidize the extension of this run into Los Angeles which would drastically increase ridership, but Southern Pacific is obstructing new services.

North Coast Hiawatha (Chicago-Bismarck-Billings-Seattle): This route has constantly been hampered by unreliable performance and frequent schedule changes. If continued, it would likely be helped by rerouting through Helena, the capital of Montana.

Lone Star (Chicago-Oklahoma-Dallas/Houston): NARP has long called for realigning Texas north-south services so they would run straight south from Dallas, the biggest market, rather than Ft. Worth. The full train should run Ft. Worth-Dallas-Waco-Houston and its performance would be improved by (a) picking up Waco, and providing direct Dallas-Houston service; (b) eliminating the costs of switching in Ft. Worth and running a separate Ft. Worth-Dallas section; (c) providing a shorter route between Temple and Houston (using MKT Sealy-Houston).

Inter-American (Chicago-St. Louis-Little Rock-Dallas-Ft. Worth-Austin-San Antonio-Laredo): As with the Lone Star, this train should head directly south from Dallas to improve running times between key cities. It has enjoyed dramatic ridership increases recently (November up 36.4%). Station problems in San Antonio.

Floridian (Chicago-Louisville-Nashville-Jacksonville-Miami/St. Petersburg): NARP and others have fought a long hard campaign to get this train rerouted through Atlanta and Indianapolis. It also has heavy ridership within Florida, especially between Waldo (for the university at Gainesville) and Miami.

New York-Florida: The DOT report recommends cutting back from three daily trains to one, plus continuing the daylight NY-Savannah "Palmetto". This is Amtrak's most successful long-distance route and would suffer a dramatic decrease in capacity, as well as the following specific service eliminations: Charleston-Fayetteville (eastern) route in Carolinas would lose service to points south of Savannah; all service would be discontinued to the Waldo (western) line in northern Florida serving U. of Fla.; assuming Amtrak uses the heaviest travel pattern (Champion/Meteor schedules), cities served at convenient hours now by the Silver Star only would lose convenient service (Raleigh area; Richmond northbound; Jacksonville southbound). We find it hard to believe DOT's claim 81 percent of existing passengers would be served, unless one assumes people don't care what time of day they ride, and many extra sections would be operated. DOT implies, however, that very high peak fares would discourage peak ridership. (See note on page 11.)

Southern Crescent: Secretary Adams says this train suffers from low ridership, yet SR's statistics presented to the ICC showed 1976 and 1977 ridership figures both up from year-before, and this train has uniquely been excluded from Amtrak's promotional campaigns. SR has not advertised the route since 1976, but Amtrak has just started a promotional effort timed with its Feb. 1 takeover of the train: advertising; new fares; consolidating stations with other Amtrak trains in Birmingham and Charlottesville; and eliminating SR's restrictions on riding between certain points. ICC did not grant permission to discontinue until after SR reached agreement with Amtrak to continue the service. Ridership has grown steadily: 156,574 in 1975; 157,493 in 1976; 165,729 in 1977; and 168,000 in 1978 (revenue passengers).

National Limited (NY/Washington-Pittsburgh - Columbus - Dayton - Indianapolis - St. Louis-Kansas City): GAO's study did not take into account cost reductions and service improvements realized late in 1978 when this train was converted to new Amfleet equipment. This is the only train Amtrak runs to Indianapolis near the Beech Grove shops, which Amtrak would continue as its major car overhaul facility under the DOT plan. Cars can be cycled in and out as "deadhead" equipment on the "National"; Amtrak would have to pay about $200,000/year to operate a special weekly move between Chicago and Indianapolis, in addition to having cars out of service longer than necessary.

Mt. Rainier (Seattle-Portland) and Pacific International (Seattle-Vancouver): These trains should run as one, producing a much more convenient schedule north of Seattle, and providing more ridership south of Seattle. A further improvement would result if the train was extended south to Eugene, OR, which the state may subsidize in the future. Vancouver is ideal route for testing of the LRC train.

Montrealer (Washington-NY-Montreal): Heavily patronized in Vermont; not strictly an international service. Used extensively by Canadians traveling to the U.S., which helps our trade balance. An opportunity exists to negotiate a reduction of costs billed by Canadian National Transport 2000 (Canada), our Canadian counterpart, is protesting this proposal of discontinuance.

Pioneer (Seattle-Salt Lake City): This train connects with the "San Francisco Zephyr" at Ogden for service east to Denver and Chicago. The "Zephyr" has been plagued with exceptionally bad equipment and reliability and the provision of superliners on the run will greatly help the "Pioneer" which itself provides vital allweather service to isolated points in Eastern Oregon.

Cardinal (Washington-Charleston, WV-Cincinnati-Chicago): Provides vital service to isolated points in West Virginia, particularly around Prince and Beckley. Has been hurt by bad Indiana track conditions forcing bypass of Indianapolis, and by bad station location in Cincinnati.

Southwest Limited (Chicago-Kansas City-Albuquerque-Los Angeles): Vital allweather service to southeastern Colorado (where it is the No. 1 subject of letters to the Representative) and northern New Mexico and Arizona including Flagstaff. One of the fastest and most consistently reliable long-distance trains. Efforts to increase non-automobile visits to Grand Canyon would be hurt by discontinuance of this train.

Note on New York-Florida: DOT estimates 28 percent of "base case" passenger miles on this route would be diverted to other modes. However, this assumed use of higher-density

Amfleet cars. If Amtrak President Alan Boyd sticks by his judgment—with which we agree—that such cars are not appropriate (NY Times, Feb. 23), the percent lost to rail would be even higher.

TOWARD MORE TRANSPORTATION WITH LESS ENERGY

(By Richard A. Rice, Professor of Transportation, Carnegie-Mellon University)

During the years from 1965 to 1970, this country was using almost 200 billion gallons of petroleum (five billion barrels) a year; at this rate, without the constraints we are now beginning to experience, usage could reach 400 billion gallons before 2000 A.D. In 1968, half this petroleum, or 100 billion gallons, was used for transportation, with about 60 percent burned in private motor vehicles. The 200 million private vehicles forecast for 2000 A.D. would need upward to 130 to 150 billion gallons alone; this is as much as the entire world usage as recently as 1950.

We now begin to sense that such projections, made easily enough a year or two ago, may in fact be impossible to fulfill. Does this country have either the energy prospects, the materials or the funds to build and support such a fleet? Is there, then, an alternate mobility system to the automotive habit we now enjoy? Can we seriously consider planning goals and even legislative efforts to stimulate more efficient systems and reduce petroleum consumption rates?

In a previous article in this journal ("System Energy and Future Transportation," January 1972), the author has reported in detail on the present productivity of transport energy use by various modes and attempted to discern directions that may be indicated by such an analysis. This paper, building on that study, explores various alternatives for achieving a very specific goal: doubling transport output in 25 years while holding oil consumption devoted to transport under the present 100 billion gallons per year. We propose shifting intercity and urban traffic to modified systems with better energy efficiency, and then show that, if the right choices are made, personal vehicle ownership and auto travel could continue to increase, as could air travel; thus per capita transportation could be maintained or increased; and door-to-door travel convenience could be maintained or improved within the hypothesized constraint.

This part is not designed to advocate any particular policy or any specific system design to accomplish the goal. The modal variants herein are only a few of many that have been or might be proposed. They are presented only as examples of possible energy savers. The same numbers and results could possibly be achieved with other modal variaants.

Several assumptions are involved in this approach. The first, for the sake both of simplicity and challenge, is that the American family will continue to place a high priority on personal mobility and to prefer private vehicles when it comes to modal choice. We will accordingly arbitrarily assume that public transport will handle only 40 percent of the urban movement and 30 percent of what we call intercity travel. Thus we will assume that about two-thirds of the projected year-2000 overland passenger travel must move in door-to-door private vehicles.

This latter assumption imposes the condition that only 750 billion passenger miles of intercity passenger travel demand can be be considered susceptible to commercial carriers. The balance—1,750 billion passenger miles—would have to be accomplished with 875 billion private-vehicle miles if the traditional two passengers per automobile are assumed. The figure for automobile traffic is only double the 1970 motoring volume, but the figure for commercial carriers is five times the 1970 figure of about 150 billion miles.

I. LOW-ENERGY INTERCITY PASSENGER TRANSPORT

The earlier paper showed that some 30 billion gallons of petroleum propelled 800 billion passenger miles per year of intercity travel in the 1965–70 period; the gross efficiency was about 26 passenger miles per gallon (P.M./g.). Automobiles provided 700 billion passenger miles at about this 26 P.M./g. average; buses, trains, and aircraft, supplying about 100 billion passenger miles, achieved about the same average, consuming 40 billion gallons of fuel. The low propulsion efficiency of air transports, usually in the 20-to-22 P.M./g. range, offset the higher yields of rail and buses.

Holding the line in petroleum usage while tripling intercity travel by the year 2000 can be achieved only if we can increase the productivity of intercity transport from the average of 26 to about 75 P.M./g. in the next 25 years. At the latter figure we could have nearly 2,500 billion passenger miles annually of intercity travel with a total petroleum use of 33.3 billion gal./year, quite comparable to 1970 intercity passenger fuel requirements.

To achieve such high propulsion yields in intercity transport in the year 2000 we can project only about 750 billion intercity passenger miles by private automobiles—and projecting even this much auto transport requires a motor vehicle far more efficient than today's. (We might note that at 15 m.p.g., 750 billion private vehicle miles would require a prohibitive 50 billion gallons just for the intercity portion of automobile driving.) The year-2000 goal is for 60 P.M./g. in private vehicles. This implies a very small auto (1.2 tons) achieving 30 m.p.g. with an average load of two people, a slightly larger compact auto of 1.5 tons carrying an average of 2.2 passengers on 25 m.p.g. or a two-ton automobiles achieving 20 m.p.g. and carrying not less than three passengers.

If private vehicles are to be utilized in more than 750 billion miles of intercity travel in our year-2000 model, they will have to be piggy-backed on car carriers such as flatcar trains or highway movers. A 2000-h.p. locomotive using 130 gal./hr. of fuel at 70 m.p.h. could, in theory, pull a 700-ton train; this would accommodate 100 autos with 200 passengers—a load weighing 180 tons. Technically each car is thus traveling 50 m.p.g. It is this option, related to very small urban vehicles transported by rail in intercity service, that marks the great departure from present practice in the plan for the year 2000 here proposed.

Air transportation is a continuing option. A present four-engine 707 (130 seats) using 4 gal./mi. or a DC–10 (220 seats) using 6 gal./mi. yields at 60 percent occupancy about 20 to 25 P.M./g. But if flying speeds are held to 500 m.p.h. an air-bus similar to a DC–10 with 250 seats can be designed to use only 5 gal./mi.; at 60 percent load (150 passengers) this yields 30 P.M./g., and this appears to be the maximum passenger efficiency we can predict with the best-planned fan-jet engines. In the final plan we propose 150 billion passenger-miles annually of such intercity air service in the year 2000.

	Loaded weight (tons)	Block speed (mph)	Maximum theoretical number of seats	Maximum passenger-miles per gallon
Automobile (1970 model)	1.5	50	8	40
Luxury intercity bus	13.5	45	70	146
10-coach train	700	80	220	150
High-speed train	700	100	240	97
Pullman overnight train	870	90	100	33
Autotrain (coach service)	690	70	[1] 200	104
Overnight autotrain	1,420	80	[2] 200	34
T.A.C.V. hovertrain	60	200	120	23
727 jet	100	300	376	23
DC–10 airbus	200	400	750	30

[1] 160 urban miniautos for which special railroad cars are provided.

[2] 100 urban miniautos for which special railroad cars are provided.

This table compares the size, speed, and efficiency of several forms of intercity transportation which the author discusses. In order to increase available transportation by the year 2000 without increasing the amount of fuel devoted to it, the author proposes growing reliance on buses, trains, and autotrains; such new, high-technology vehicles as hovertains are not promising in the time frame and under the fuel constraints which he sets.

Intercity buses today achieve 6 to 7 m.p.g. with loads of 20 to 25 passengers; they are unsurpassed in efficiency—measured in passenger-miles per gallon—in the U.S., and perhaps among all general carriers in the world. That this service must be expanded in the future appears almost certain. A somewhat more roomy bus 40 to 50 ft. long carrying 40 to 50 seats and attaining 4 to 5 m.p.g. is possible; at 60 per cent load this vehicle would deliver 125 P.M./g., and 250 billion passenger-miles of such service is included in the year 2000 model. At 125 P.M./g., this would involve only 2 billion gal. of petroleum—one-third of the amount recently used by domestic airlines to move but 100 billion passenger-miles.

In order to attract a patronage this large, the present passenger bus (8 ft. wide 40 ft. long) may have to be made a little roomier. Instead of crowding additional seating to gain the much higher energy yields that would be possible, we propose holding to 125 P.M./g. with a 45-to-50-ft.-long vehicle 9 ft. wide with a load of 25 to 30 passengers. The larger size of this vehicle—essentially 9×50×11 feet, representing 100 $ft.^3$ per seat—is generous by today's bus standards.

Today's long-haul passenger trains often carry too many sleepers and lounge cars and too few seats, only 33 per cent of which were regularly filled in the period between 1950 and 1970. A modern 2,400-h.p. locomotive (125 tons, using 2.0 gal./mi.) can pull a train of 525 tons at 70 to 90 m.p.h. This could take the form of a trailing load of six 65-ton modern bilevel cars, the coaches of which can be designed to provide 100 to 120 seats with spacing equal to airlines. With 60 per cent of its seats occupied (a load of 300 passengers), such a train of five 100-seat coaches and one baggage-express car yields 150 P.M./g. If the train runs at 125 to 150 m.p.h., a 4,000-h.p. locomotive (2.5 g.p.m.) is required and the system yields 120 P.M./g. By the year 2000 we need a fleet of 20,000 such rail coaches.

Assembling all this data, one can propose a model for intercity travel in the last decade of this century which gives 2,500 billion passenger-miles annually with a consumption of 33.3 billion gal. of petroleum:

	Passenger-miles (billions)	Passenger-miles/gallons	Fuel consumption (billions of gallons)
Intercity autos	900	60	15.0
Intercity autos piggy-back	850	100	8.5
Overland air service	150	30	5.0
Intercity buses	250	125	2.0
Passenger trains	350	125	2.8
Total per year	2,500	75	33.3

The automobile travel and air service implied by this table would be a trifle Spartan by today's standards but are technically achievable; they represent about a 45 per cent productivity increase for air and a 90 per cent increase for autos.

The rail and bus modes are already capable of delivering over 100 P.M./g. and in the styles projected above could actually provide service superior to that often offered today.

THE DISECONOMIES OF HIGH-TECHNOLOGY ALTERNATIVES

Are there significant alternatives for intercity transportation under the requirements we have postulated? Can other private vehicle concepts yield 50 to 70 P.M./g.? Are there other surface systems in the 100-P.M./g. range that might be better (or faster) than buses and trains? And finally, is there any alternative to airbus service in crowded 500-m.p.h. jumbo jets that would yield 30 P.M./g.? The questions obviously require evaluation of such alternatives to the traditional modes as helicopters, short- or vertical-take-off-and-landing (V.T.O.L. or S.T.O.L.) aircraft, high-speed air-cushion vehicles on tracked systems (T.A.C.V.), magnetically levitated craft with linear electric motors, even automated intercity electronic guideways using perhaps electric power and magnetic guidance.

Initial research efforts in these areas have been concentrated more on technology and on component "demonstrations" than on long-range economics or general utility. But reports on these studies are beginning to yield information from which extrapolations can be made as to probable power requirements, general performance, and system-operating expense. The resulting conclusion is that most of the proposed innovative fast corridor systems have energy and propulsion ratios that are inferior even to today's automobile and represent no improvement over present fixed-wing aircraft yields at much higher speeds. In fact, none can apparently yield even 50 per cent of the 75 P.M./g. which seems imperative for such systems in the year 2000. S.T.O.L. can deliver at best only around 30 P.M./g., and T.A.C.V. systems would apparently average around 24 to 30 P.M./g. for top speeds in the 200- to 250-m.p.h. range.

Aside from reasonable fares, speed, and comfortable service, fuel economy quite probably will be the critical specification for any viable passenger system in the years 1990 to 2000. One expects that buses, trains, and other tracked systems will be held to the 100 P.M./g. goal. To offset and lower 50 to 60 P.M./g. which seems to be the ceiling on automobile and aircraft performance. Systems such as S.T.O.L. to T.A.C.V. and their derivatives are clearly inadequate by a factor of three, and the prospects for evolutionary improvement to bring this deficiency from 30 to 90 P.M./g. look dim.

VERY HIGH-SPEED RAIL-BASED SYSTEMS

When the exotic contenders for short- and medium-haul special passenger service shall have been researched and found wanting, then such interest as has been focused on V.T.O.L., S.T.O.L. and T.A.C.V. might well stabilize on high-speed trains, now called "H.S.T." in British transport circles.

Between 1964 and 1971 there were completed in Japan and Europe some 1,000 units of high-speed railway equipment capable of operating safely and economically at speeds of 110 to 130 m.p.h. As early as 1954 the French operated two test trains with conventional electric locomotives pulling three cars at speeds over 200 m.p.h. Recently, the French and British have begun testing self-propelled turbine trains for 150-m.p.h. service.

The experience amassed in Japan and Europe now amounts to some 80 billion passenger miles in over 250 million train miles—about three million hours of service, most of it at speeds over 100 m.p.h. The safety and on-time performance records of these are accomplishments largely unnoticed in the United States.

By 1975, when over 5 million hours of operational experience will have been accumulated, newer high-speed rail lines will be under construction in Japan, France, Germany, and Russia. Speeds on these newer lines are to be in the 150-m.p.h. range; a surface trip of 300 to 400 miles will then occupy less than three hours center-to-center. Nor is 150 m.p.h. in 1975 to 1980 to be considered the limit: plans are well under way for 200-m.p.h. passenger trains in the decade of the 1980's, and there appears to be no technological or economic barrier to this concept.

Today's high-speed trains in the 125 to 150-m.p.h. bracket seem to operate with an energy-yield of about 100 P.M./g. Double-deck car bodies might slightly increase this overall efficiency, but significant increases in net concept-effectiveness may have to come from the elimination of extra cars in some trains for restaurant service, baggage, and mail; the substitution of better restaurant and baggage facilities within each pair of revenue coaches is a possible example. A final pressure in this direction is toward the "unit passenger train" utilizing more compact propulsion systems to virtually eliminate half the weight and most of the volume of the separate locomotive unit.

Tokaido trains are examples of paired cars (170 seats) of this type, using about 1700 h.p. to move 130 tons at 125 m.p.h. The Washington-New York "Metroliners" are essentially single 83-ton 61-passenger cars using 100 h.p. for 110-m.p.h. operation. The "Metroliners" are astonishingly heavy in relation to capacity; their propulsion components consume almost twice the weight and space per horsepower of comparable European and Japanese units. But there are precedents for improvement: the seven original articulated four-car stretched "Zephyr" unit-trains of the Burlington Lines, placed in service in 1963, cruised easily at 100 to 110 m.p.h. with a 660-h.p. diesel. The weight was 150 tons loaded, and various models carried 112 to 144 seats plus dinette and baggage areas. (It is interesting to speculate on the design implications of the Metroliner; it appears that at 100 m.p.h. two Metroliner cars with 122 seats and no mail-parcel rooms use energy equivalent to about 1.8 g.p.m. or 18 k.w.h./mi. A more recent unit train design, the three-car double-deck 200-ton concept for U.S.A. intercity service in the 1990s carrying 360 seats, including restaurant and baggage facilities, and cruising at 130 m.p.h. with 1,800 h.p., or 156 m.p.h. with 2,400 h.p. would deliver 170 m.p.g. with a 180-passenger load. At 90 m.p.h. using 800 h.p. it would deliver 270 p.m./g.

CAN TRUNKLINE RAILROADS MEET THE CHALLENGE?

Our model proposes that 48 per cent of intercity private vehicle movement be by autotrains, using 8.5 billion gal. of energy. This exceeds the 5.5 billion gal. of energy proposed for freight trains and the 2.8 billion gal. for passenger trains in the year 2000. Total railway energy use per year could thus rise to 16.8 billion gal. of petroleum (168 billion k.w.h. if electrified), of which half would be for autotrains; the latter, however, would replace a usage of over 20 billion gal. if these same autos motored independently.

Considering both piggyback and conventional passenger-carrying trains, the railroads by the year 2000 might be responsible for 1,200 billion passenger miles of travel. This compares with just under 14 billion in 1968 or about 35 billion in 1950. Since much of this increased year–2000 rail movement would take place over the 100,000–mile basic trunkline network of the trunkline network of the U.S., it is necessary to ask if this much higher concentration of service is within the reasonable expectations of railroad technology. Responding to that question, we have analyzed maximum average train tonnages and movements for freight, passenger, and piggyback service. Our finding is that if all the year–2000 rail traffic had to be concentrated on only 100,000 route-miles, something on the order of one train averaging the size of today's would be required every 30 minutes each way. This frequency would be reduced if each train carried more traffic.

The density is quite high for a railway in America—though it is about average for many European and Russian railways. But this may be somewhat overestimated, since more than 100,000 miles of the present 200,000 mile network could probably be used, especially for freight and regular passenger trains, and the load carried on each schedule could probably be increased.

AUTOBAN: AN ENTICING VISION OF THE FUTURE

How convenient and acceptable would be a private-vehicle mobility pattern based on perhaps about 95 million small vehicles adapted for urban use and usable in intercity service only on car-carrier trains? The requisite service densities along the 100,000 mile route model system clearly indicate enough volume to warrant very frequent daytime autotrain service. The average wait would thus be very short even if schedules were not consulted; average speeds would be higher than driving on any trip over 80 miles.

Personal amenities—heating and cooling vehicles en route and food and sanitary service—would be as easy to adapt to as was the Interstate Highway System with its very limited interchange pattern.

Overland autotrain service should be markedly free from the usual driving delays and breakdowns, and the safety factor might well be five times better than on current highways. Given proper roadbeds and equipment, noise levels and riding comfort should be better than those in the same auto under its own power at 70 m.p.h.

II. REDUCING URBAN PASSENGER TRANSPORT ENERGY

How shall we reduce the energy expended for transport urban areas? Today all motor vehicles of any design are permitted access at any time of day, and clearly the stringent restrictions already being discussed will have to be implemented. For example, consolidated freight and goods deliveries, with the exclusion of through motor-freight vehicles, can probably reduce truck-related urban petroleum use.

The energy expended for urban passenger movement can, in theory, be reduced by rail rapid transit where densities justify it. In practice, however, like nuclear power plants for our electricity, most cities must wait until new rapid transit facilities are complete. When one considers the cost of such facilities, it is difficult to contemplate more than 2,000 route-mile of new electric rail urban transit being added in the next 25 years, the estimated cost of $40 to $50 billion is equal to the cost of our 40,000-mile Interstate System, and most of the former would be invested in 20 to 30 cities.

Thus, on a national scale, rapid transit and suburban trains can be projected to carry only some 70 billion passenger miles by the year 2000 A.D.—only five to six times more than at present. The balance of urban travel—at least 800 billion passenger miles—will have to move in buses and in gasoline- or electric-powered automobiles.

THE ULTIMATE URBAN VEHICLES

To meet the transport goal specified in the opening paragraph of this article, we postulate a totally new class of automobiles.

We are accustomed to thinking of three general sizes of automobiles—4000-lb. six-passenger; 3000-lb. five-passenger, and 2000-lb. three-to-four-passenger. We think of these as yielding perhaps 15, 20, and 30 m.p.g., respectively, under the best circumstances.

The design constants for the three sizes of personal autos are based on assumptions by no means as rigid as many motor car builders and buyers assume. Accepting today's assumptions, we remain essentially locked into our present three sizes of automobiles with their eight-to-ten year life. If we attempt instead the twelve new planning compromises which are listed in the adjacent table, then the design of a strictly urban-oriented, 1500-

lb. low-powered vehicle with 15 to 20 h.p. becomes possible. Even at low efficiencies typical of all automobiles, such a vehicle should only use 1 to 1.5 gal./hr. in normal suburban driving at 25 to 40 m.p.h.—actually achieving 30 m.p.g. in urban use and 40 m.p.g. in level country driving. This would be 2.5 times better than many domestic cars and over 50 percent better than most European autos near cities. Further improvement in this size of vehicle could be achieved by lowering rolling resistance with tire pressures double present levels to 50 to 60 lbs. Ultimately, it is possible to conceive a vehicle—almost a bicycle in some respects—with a true power requirement of only 6 h.p. at the transmission, delivering 5 h.p. at the wheels is required for level 30 m.p.h. cruise.

Somewhere on the way to this ultimate vehicle, between today's 2-percent efficient automobile engine using one gal./hr. to move a soft-tire, scaled-down 1,500-lb. auto at 30 m.p.h. and tomorrow's possibly 30-percent efficient engine requiring only ⅓ gallon to move a similar or smaller vehicle per hour on hard tires, may lie the achievable urban auto. Thus we are looking ultimately at vehicles using 30 to 100 m.p.g., and in the interim—to the year 2000—at 1,500-lb. urban autos crusing at 40 m.p.h. with perhaps 10 h.p. using 0.8 gallon per hour for cruising at 50 mi/gal.

The sacrifice in this concept is mainly large tires, heavy suspension, bulging panels, and super-acceleration. Other weaknesses of such a vehicle from today's viewpoint would be a fragile suspension requiring elegantly smooth and level urban streets; very poor snow-negotiating or soft-ground capability, inability to negotiate very rough country roads a lightweight body structure compared to most of today's automobiles, and a somewhat diminished cornering ability. Yet the result should be a reasonable level-terrain, personal transportation vehicle; and with the choices of yesterday vanishing, the urban dweller's future alternatives may well be an automobile something like the above, an electric bus, or bicycling or walking.

If 50 percent of urban transportation can be accomplished by such small personal vehicles and the balance through a relatively modest expansion of public transport, urban passenger transport energy might well be cut by over one third—and petroleum use for urban transport by over 50 percent. This would be done while continuing to expand urban passenger mobility.

ENERGY-INTENSIVE URBAN INNOVATIONS

The concepts of people-movers within the central areas of the larger cities, and of airport corridors in many of these same cities, have sparked a number of proposals for automated and uniquely suspended transit systems. Most of these share two characteristics—an electrically based propulsion system and a separate-level guideway.

Except for the linear moving sidewalks, most of these systems are modern, sophisticated versions of the urban monorail proposals that flourished in the 1925-to-1955 era. Most of today's proposals are no longer hanging or suspended modes; the trend is to propose tires (captive aircushions) or "pads" (pumped air cushions) for basic support. Proposed speeds range from 6 to 15 m.p.h. for the smaller central circulator systems and up to 150 m.p.h. for the airport corridor pad-supported systems.

But the scale of urban transit use is such that, even with what might be considered "extensive" installation of such modes in some urban areas by 1995, the overall energy problem as being evaluated in this perspective will not be significantly affected. And there is a second basic issue here: most of these ideas are surprisingly energy-intensive on a passenger-mile basis. For both reasons, the overall impact on urban energy needs by the year 2000 is not likely to be significant.

Automobile characteristics implicit in present assumptions:

Top cruise speed over 60 m.p.h.;

Fast acceleration;

"Uncrushable" superstructure;

Minimum visual size for "good styling": 6 × 15 ft., with apparent space for four passengers minimum;

Graceful fenders and bonnet;

Permanently mounted engine (no instant engine repairs);

Soft tire pressures and suspensions;

Interchangable parts among builders discouraged;

Do-it-yourself repairs not encouraged;

Follow-on parts utility in future models discouraged; limited usefulness for used parts; and

Discard utility strictly for scrap materials except for selected items.

"Almost certain" compromises to meet future constraints:

Top speed of 45 m.p.h. in moderate terrain;

Reach 37 m.p.h. in 30 sec.;

Waterproof, rigid structure;

Size not exceeding 5 × 12 ft. adequate for three people (or two adults and two children) for short trips;

Utilitarian covers for wheels and motor;

Slide-in-slide-out exchangeable engine for flexible options;

Harder tires and less springing possible on better urban streets;

Standardization of many parts;

Do-it-yourself maintenance facilitated;

New chassis buyer will include many parts from older autos where safe; and

Many parts—window panels, seats, wheels, electrical units, etc.—usable in other vehicles or for other purposes.

If the automobile is deeply engrained in American life, so are a set of assumptions and constraints deeply engrained in most Americans' view of the automobile. The need to make more efficient use of energy in transport will force change, thinks the author; indeed, a dramatic change in automobile transport efficiency is an essential part of his plan for increasing U.S. mobility which reduces energy consumption by the year 2000. The list above omits one significant recent design assumption: the U.S. has elected to reduce automotive pollution by using a percentage-of-exhaust principle. The alternative, a fixed limit of total emission per vehicle per year, would have the effect of encouraging lighter, more economical automobiles.

III. FREIGHT SERVICE: MORE WORK ON THE RAILROAD

Motor carriers today move about half of the non-fuel, non-bulk, manufactured and general products in the U.S.; the other half of this group moves by rail, special captive units, or air freight. Heavy tractor trailers (10 to 15 tons of cargo) get about 4 m.p.g. at 55 m.p.h.; they are therefore delivering 40 to 60 net ton-miles per gallon (T.M./g.). Today's freight trains may deliver up to 250 T.M./g.

Intercity motor trucks are now estimated to consume about 8-billion gallons of fuel per year, and this figure would reach almost 12 billion gallons by 1990 without restriction. But under severe restraint, up to 50 percent of truck-trailers could be moved piggyback by rail flatcar-trains; and the balance of motor-truck traffic could be managed at somewhat better energy ratios in more efficient equipment and operations. Under this minimum truck-haul strategy, the intercity motor-carrier operators would handle some 500 to 600 billion ton-miles of traffic. But only 300 billion ton-miles of this would be permitted on motorways, and this amount would have to move at efficiencies of 75 T.M./g. requiring only 4 billion gallons of fuel per year. The balance of the motor carrier freight would be managed by rail carrier trains where presumably the energy-efficiency can be increased about 200 T.M./g.

IV. SUMMARY: DOUBLING MOBILITY ON TODAY'S FUEL

The problem explored in this paper is that of adequately serving America's expanding transport needs in the face of an energy squeeze. Surely a change in the present patterns of fuel availability would bring about quantitative and qualitative changes in our transportation system, which is today based largely on energy from petroleum. But when all the yields of the various alternatives are compared, it does not after all appear inevitable that curtailment in total energy use means restrictions in travel.

Alternate transportation systems are already available with potential energy yields far higher than those of today. Even without extensive system electrification—which would make coal and nuclear fission available as primary transport energy sources—petroleum consumption per unit of traffic moved could be cut in half. Almost twice as much traffic could be moved with the same or less total petroleum. If some electrification is additionally undertaken, and electric power substituted for on-board fuel, total transport petroleum use—but not total transport energy—could be further reduced.

Even if we are held to technology basically similar to that of today 6,400 billion passenger- and ton-miles of transport could be performed after 1990 using only about 78 billion gallons of petroleum (or equivalent in electricity), as compared with about 91 billion gallons used to propel only 3,725 billion unit-miles in the 1965-to-1970 period. If we tried to move the 1990 traffic of 6,400 billion unit-miles at today's transport efficiencies we would require 159 billion gallons to do the job; this is almost 80 percent more transport petroleum energy than used today, and would surely have more environmental impact despite some improvement planned for auto emissions.

While this proposal requires some shifting to public carriers in the intercity field, auto ownership could still increase to 200 million units. Private-vehicle intercity travel in door-to-door trips could double from 900 billion passenger miles to 1,750 billion passenger miles if performed in compact intercity autos achieving up to 28 m.p.g. at 50 m.p.h. and in even smaller urban vehicles on autotrain carriers. Some 750 billion passenger miles, or 30 percent of the intercity total, would move by fast buses air-bus planes, or passenger trains.

In the urban field, where we now move 32 billion passenger miles per year by transit bus, taxicab, commuter trains, and rapid transit lines, some 150 billion passenger miles would have to be thus accommodated by the 1990-to-2000 period. The present 620 billion passenger miles in urban autos at only 1.3 persons per car might be increased to 750 billion passenger miles with compact urban autos traveling up to 30 m.p.g. at 20 to 30 m.p.h.

These adjustments of private vehicle usage imply a fleet of perhaps 150 to 200 million vehicles, of which about 95 million would be compact travel units (suitable for car-carrier trains in intercity service) and perhaps 75 million small, "regular" petroleum autos. On top of this 170-million vehicle fleet, one would postulate 30 million motorcycles, travel trailers, and recreational vehicles of special design whose energy use is included in a miscellaneous use category.

MAINTAINING PERSONAL MOBILITY AT TWICE THE EFFICIENCY

To the general question: "Could the United States continue to expand its overall transportation output and mobility in the face of a severe constraint on petroleum usage?", one can reply with qualifications in the affirmative. One can even go further that this and state that apparently the United States could almost double its collective mobility volume over the next 25 years and use less oil and energy per year than at present.

Originally it was postulated that we would try to avoid requiring over 30 percent of intercity journeys to be moved by commercial carrier, or over 40 percent of urban journeys by public transport. In the model evolved, 70 percent of the cross-country travel is moved door-to-door in private vehicles, including piggyback vehicles, and more than half of urban trips remain in private vehicles. The numbers of private vehicles of all types that might be permitted for our 300 million population in the year 2000 is surprisingly large—about 2.5 vehicles per household, or 200 million units.

The method in evolving the model was to move always in the direction of energy efficiency while holding to the most compatible adaptions of today's existing transport modes, and while retaining private-vehicle mobility to the greatest degree feasible. In consequence, the results do not depend on the successful introduction of virtually all-new modal systems and networks; such new modes as V.T.O.L., S.T.O.L., or T.A.C.V. are not required or utilized. One modal variant is anticipated: a small urban auto; and one transmodal hybrid is expanded: the piggyback principle for a car-carrier passenger autotrain.

Finally, it is not proposed that this energy-conserving transport model is the only one possible for achieving substantially higher efficiencies, and it is not even set forth at this point as the best that might be achieved. Other modal variations and tradeoffs are undoubtedly possible which could also yield significantly lower energy needs, and especially lower petroleum use.

Lastly, while a reduction in oil consumption for transportation is clearly desirable, it is still not yet proved by the magnitude, if any, overall energy usage must be reduced in the transport field. The doubling of transport energy efficiency was arbitrarily selected as a 25-year goal. The conclusion, on these assumptions, is that neither the expansion of total national mobility nor the wider ownership and operation of private vehicles need to be sacrificed in order to significantly reduce transport energy consumption and petroleum use in the United States by the year 2000. Transport alternatives quite similar to today's service patterns might in fact yield twice the transport output per unit of energy consumed.

	Typical year, 1966–70 period			Typical year, 1900–2000 period				
	Total annual passenger- or ton-miles (billions)	Passenger- or ton-miles per gallon (N.P.E.)*	Total fuel consumption (billions of gallons)	Total annual passenger- or ton-miles (billions)	Number of units in service (thousands)	Passenger- or ton-miles per gallon (N.P.E.)[1]	Total fuel consumption (billions of gallons)	Investment in fleet (billions of dollars)
Intercity passenger transport:								
Trains:								
Coaches and Pullmans	13			350	25			$6.25
Power units		65	0.2		5	125	2.8	2.00
Buses	25	83	.3	250	45	125	2.0	4.50
Aircraft:								
Short-haul	30	15	2.0	30	.6	30	1.0	5.40
Long-haul	60	20	3.0	120	.55	30	4.0	11.00
Autotrains:								
Vehicle carriers				850	500	100		30.00
Power units					12.5	100	8.5	6.25
Intercity freight transport:								
Railroad freight cars	700			1,350	1,400			9.00
Railroad piggy-back cars	50	170 †	.3	240	150	200	1.2	6.00
Trailers for piggy-back use	(50)			(240)	280			4.20
Tractor-drawn trailers	400			300	360			5.40
Freight locomotives		200	3.5		30	240	5.5	9.00
Highway tractor units		50	8.0		270	75	4.0	5.40
Automobile transportation:								
Highway automobiles:								
Intercity use	900	35	26.0	900	45,000	60	15.0	180.00
Local use	620	18	35.0	450	35,000	27	16.3	140.00
Urban automobiles:								
Autotrain use				(850)	70,000	100		210.00
Local use				300	30,000	50	6.0	90.00
Urban passenger transport:								
Rail rapid transit	7	60	.1	60	40	70	0.8	10.00
Rail commuter service	5	50	.1	10	3	70	0.2	0.75
Diesel urban buses	20	40	.5	80	80	50	1.6	3.00
Electric urban buses				250	100	100	2.5	10.00
Miscellaneous:								
Local and urban trucking	200	20	10.0	200		40	5.0	
Inland waterways	290	40	1.2	400		267	1.5	
Oil pipelines	400	267	1.5	500		333	1.5	
Air freight and private flying	14	10	1.4	25		12	2.0	
Subtotals:								
Automobiles (including autotrains)	1,520	25	61.0	2,500		55	45.8	656.25
All other passenger carriers	160	26	6.2	1,150		77	14.9	52.90
Intercity truck and railroad freight	1,150	98	11.8	1,890		177	10.7	39.00
Miscellaneous	904	64	14.1	1,125		112	10.0	
Grand total	3,734	40	93.1	6,665	NA	82	81.4	NA

The passengers or ton-miles per gallon measure net propulsion efficiency (N.P.E.); this is the same as ton-miles or passenger- miles per 130,000 B.t.u. or per 10 kw.h. supplied at the third rail or power wire of an electrical system.

† The figures for rail piggy-back-freight are for the contents of the trailers only; the weight of trailers is not included.

Note: In 1970 the U.S. used about 90 billion gallons of oil to provide 1,100 billion passenger-miles and 2,050 billion ton-miles of transportation. This table shows how the author would provide under what he calls a "semi-austerity" transport energy budget nearly twice the total of passenger- and ton-miles of transport by 1995 with no increase in petroleum consumption. The plan calls for considerable increase by 1995 in the traffic carried by intercity passenger buses and trains, urban buses, and railway piggy-backing of road trailers. Two new developments are projected: a sizeable fleet of urban passenger automobiles and a fleet of intercity passenger-carrier auto-trains to give these urban automobiles intercity capability.

In terms of yearly production of transport vehicles, the author sees no overall change by 1995; the numbers of highway tractors hauling freight will be reduced, and so will the demand for new jet aircraft; but the annual gross manufactured value of transport units for the projected, energy-efficient fleet may be higher than that today. A slowing in the general growth of private vehicle ownership and operation does not appear imminent, writes Professor Rice. (The investments shown above for rail commuter and rapid transit cars do not include the cost of new subways or stations; indeed, no fixed-facility costs are included in any of the fleets. Military and agricultural consumption are not included.)

STATEMENT OF DANA ANDERSON, CITY ATTORNEY OF PENDLETON, OREG.

Mr. ANDERSON. Thank you, Mr. Chairman, for allowing me the privilege of testifying before this committee and thank you, Senator Packwood, for affording me this appearance.

I am an attorney from Pendleton, Oreg., but not appearing here today in my professional capacity. I do not represent any special interest group other than the cities and community groups of Oregon, especially eastern Oregon, who are concerned about transportation and rail passenger service.

I carry with me today over 13,000 signatures on petitions from more than 100 communities in Oregon. The signatures on these petitions, collected in less than 2½ weeks, are from Oregonians who have but one message: We, too, want to cut Government waste and inefficiency, but not a vital Government service such as that provided by the Amtrak system and more particularly by its Pioneer route from Salt Lake City to Seattle. With your permission, Mr. Chairman, I should like to offer these petitions, in bulk, for the official record of this hearing.

Senator LONG. Agreed. I don't want to print all those petitions. We will keep those in the committee record so Senator Packwood can have them all.

Senator PACKWOOD. I agree with you, Mr. Chairman.

Mr. ANDERSON. Thank you, Mr. Chairman. The Pioneer route is in a unique position among those routes proposed for elimination. In 1977, Rail Travel News, a publication of rail passenger proponents, named the Pioneer its "Train of the Year." In 1978, the American Association of Railway Passengers similarly tabbed the Pioneer as its "Train of the Year." More importantly, the Pioneer has shown an increase in ridership of 12 percent since its inception in June of 1977.

This is solid progress for a new Amtrak run which many had given little chance for success. In fact, the Pioneer was the fourth least costly of all the Amtrak routes in terms of dollar loss per passenger mile in fiscal year 1977, and ridership continues to increase.

The Pioneer run's popularity is not surprising in light of the general benefits of rail travel, those being safety, comfort, fuel efficiency, and the necessity of people along the Pioneer route in the Western United States to move from rural areas to urban centers which may be located 400 to 500 miles away. And in severe winter weather, rail travel is often the only means of travel as freeways become iced or closed and airlines are no longer able to serve communities plagued with snow or fog.

Even with the successes shown by the new Pioneer route, we could do better if ridership were not artificially lowered through poor scheduling connections which prohibit 1-day service from rural Oregon to its urban centers in Salem and Eugene; from lack of sleeping accommodations during the first year of service, an essential feature for overnight rail travel; from inadequate dining facilities normally available for overnight trips where now only a snack bar is provided; for failure to provide a domed observation car, which would be of much use in enjoying the scenery of our Western States; from the lack of checked baggage service, which places a severe burden upon the handicapped and elderly; from failure to advertise this route regionally; until recently, failure to provide a through tariff between Portland and Chicago, as exists for similar service from Seattle to Chicago; at this very moment the failure of the Amtrak reservation system computer to inform callers that through service is even provided to Chicago, thereby discouraging ridership on the Pioneer in favor of alternate routes.

Having only initiated the Pioneer route 21 months ago, and noting its success since that time despite the disadvantages just mentioned, I suggest it is too early for a final analysis of the route. Ridership continues to increase while losses continue to decrease. I therefore ask that this committee separate from the package proposed for elimination any line which has not had a chance to operate over a 2-year period, and which shows some signs of growth.

The Rail Services Planning Office of the Interstate Commerce Commission notes in their evaluation report of the Secretary of Transportation's preliminary recommendations on Amtrak's route structure, at page 30:

"Although DOT's route recommendations appear to be drawn from the uniform application of objective criteria, the resulting route selections are not consistent. Some of Amtrak's better routes (in terms of both DOT's criterion of passenger miles per trainmile or the Act's measure of loss per passenger mile), are recommended for discontinuance, while other routes with poorer performances are recommended for retention."

Such is the case with the Pioneer line, and I understand that the figure of 100 passengers per rail mile has been selected by DOT although somewhat arbitrarily, as the cutoff point for an economically feasible route. This criteria may unfairly discriminate against most of the Western U.S. trains by not taking into account whether the equipment used is old or new, or whether the trains travel over sound track beds or beds of poor quality. While it may take 100 passengers per train mile to economically operate an older East Coast line, in fact it may take only 75 or less passengers to feasibly operate a train such as the Pioneer which has more efficient equipment and runs over better roadbeds.

Further, in planning for a drastically reduced Amtrak system, the DOT is ignoring the testimony of thousands of concerned citizens who attended 51 Interstate Commerce Commission hearings held throughout the Nation last summer. A recent Harris survey reveals that 82 percent of the public wants the Government to maintain or increase its spending to improve the quality and availability of rail travel for trips of 300 miles or more. In that particular study a ranking of nine proposed transportation improvements showed intercity rail passenger service ranking third behind automobile safety and commuter mass transit. New highways, new airports and faster airplanes were at the bottom of the list.

If the Federal Government truly desires to encourage energy conservation and to lure Americans from their private automobiles, then it must maintain a national rail passenger service. The public's perception of the seriousness of our energy shortage will be greatly affected by your decision to eliminate or retain rail passenger service, not on the basis that it is making money, but on the basis that it provides a safe and efficient form of travel. To underline this point, surveys taken aboard the Pioneer and other western routes indicate that less than 12 percent of those train passengers would switch to bus service if train travel is eliminated—they will simply use their private automobile when the trip is necessary and air travel is either unavailable or too expensive.

Most mass transit systems are not money-making entities, as for example the Tri-Met system in Metropolitan Portland, which produces less than 25 percent of its operating costs from passenger fares. Additionally, current cost and ridership figures for the Amtrak do not estimate rail passenger service in the light of expected heavy increases in gasoline prices and the possibility of gas rationing. What happens to DOT's ridership and loss figures if the price of gasoline rises only 10 percent? Let's not forget that during the 1973–74 Arabian oil embargo ridership on the western Amtrak system increased some 50 percent. Our dependence on foreign oil is no less serious in 1979, and in my view this is absolutely the wrong time to cut back over 43 percent of the only viable intercity travel service available for the majority of Americans.

As an alternative, I suggest that this committee propose a 10-percent increase in Amtrak fares, which surveys indicate will not decrease ridership, and require State governments through which the service operates to provide 10 percent of its operating costs as they provided for interstate highway construction. Additionally, I suggest a further moratorium of 2 years on any elimination of Amtrak routes in order that we may assess the impact of gasoline prices and availability.

Senator PACKWOOD. I have just a few questions. Do you think if it were proposed to the Oregon Legislature that they pick up half of the cost of the Pioneer based upon the argument you put forth?

Mr. ANDERSON. I think there would be some problem with half the cost. I have not had any communication with the legislature or any of their committees, but I am confident that a 10 percent assumption of the operating costs on the basis of either they will or will not have a service would be something they would politically have to be in a position to support.

STATEMENT OF ANDRIANA GIANTURCO, DIRECTOR, CALIFORNIA DEPARTMENT OF TRANSPORTATION

Ms. GIANTURCO. Mr. Chairman, and members of the subcommittee, I want to thank you for allowing me to testify.

I would like to point out that, like the previous speaker, I do not in any way represent a narrow special interest group. I am the head of the California Department of Transportation responsible for all modes of transportation in that State, specifically highways, which just happened to be mentioned, and aeronautics.

My testimony today is presented in strong opposition to the DOT proposal to cut back the Amtrak system both from the perspective of likely adverse impacts of this cutback nationwide and from the perspective of what the system means to the western part of the country, in particular California.

It is our position, based on the energy situation, the broad context of Federal support to modes of transportation other than rail, including specifically highways and airways and airports and marketing cost and other factors relating to Amtrak, that passenger rail service should be expanded and not cut back as DOT proposes.

In addition, we believe that a more equitable regional balance should be achieved within the Amtrak system to make passenger rail service truly national in scope and not just an incidental feature in all but the Northeast corridor.

I'd like to begin by quoting directly from the instructions you originally gave the Secretary of Transportation, which I notice several of the previous speakers have also quoted, and you have probably been hearing it for months. What you told him to do was to come up with a proposal which would provide an optimal intercity railroad passenger system based on current and future market and population requirements. Providing additional guidance and reflecting concerns that many of us have with the thrust of the Congress and DOT approach to Amtrak, you further instructed DOT to assess a number of factors, including specifically the furtherance of national energy conservation efforts and the impact and frequency of fare structure alternatives on the ridership and revenues and expenses of rail passenger service.

In our opinion, the DOT's recommendations and the analysis upon which these recommendations are based have not met the directive you have set forth. It takes a heap of imagination to agree that the system as proposed the DOT would be optimal and that DOT analysis which leads up to their proposal is, in our view, seriously flawed.

The logic used by DOT in thinking through what we ought to support in the way of passenger rail service in this country appears to be parallel to this:

First, take the current route system as the basis; don't worry too much about what might be causing problems with various routes in this base or in the system as a whole, but just use current passenger miles per train mile as the indicator of whether any particular route should be continued.

Second, lop off those routes with low passenger miles per train miles—with a minor adjustment here or there to take account of tourism or weather conditions or the like.

Third, calculate what would be saved by this surgery—and it's pretty major surgery as it turns out because you lose 43 percent of the route miles—and finally, as a postscript, suggest that Amtrak use its management flexibility to keep the amputated system alive by adjusting frequency of service first and all the other things that probably had a great deal to do with how many passengers you had, what your costs were, and why the original route mileage wasn't working as well as it could have in the first place.

It seems to us that a good doctor starts out by diagnosing what ails his patient. He doesn't just amputate the patient's limbs on the theory that the patient will as a result suffer less proportionately and spend less for food and clothing. We don't think that route surgery is going to do much for the ailments Amtrak has and while we are debating whether or not to cut the patient is weakening because its problems aren't being treated.

In our view, some of Amtrak's problems are as follows: First, featherbedding. Labor costs are a very large share of total Amtrak costs. While only two members are required to operate and collect tickets on most European trains, five or six crew members are required to do the same job on most Amtrak trains.

I believe you asked, Senator, is it easier to shut down the service than it is to do something about featherbedding. Congress in the early 1960's helped curb freight train featherbedding and a simple bill would probably do the same for passenger trains most likely with much less of a lasting effect on railroad employment than we're going to get by eliminating 11,800 route miles.

We also feel that the potential for added income through increased mail and express services have been underplayed and that increasing such service on Amtrak trains could significantly narrow the gap between costs and revenues of the system. In 1964, combined railroad mail revenues equalled $329 million against passenger revenues of $507 million. Today, less than 5 percent of revenues come from mail compared to 36 percent in the mid-1960's. But basically, what happened was that the Federal Government removed hundreds of millions of dollars of mail from passenger trains and put it mostly on trucks and freight trains, where in many cases, it moves more slowly, taking 1 or 2 additional days to be delivered. Bulk mail or first class mail traveling less than 500 miles are now truck cargo, but it doesn't have to be that way. A provision such as was deleted from last year's Amtrak bill to put $50 million of mail revenue back on the passenger trains and the potential is much higher than that. This action is one which Congress could take itself, saving many of the threatened routes and saving money at the same time.

Another major cause in our view for Amtrak's current problems has to do with service levels which affect ridership and therefore revenues. One important reason that the current service hasn't been satisfactory is that Amtrak lacks enough authority to force the railroads to provide good service. For instance, Amtrak is powerless to enforce laws about on-time performance and passenger train priority. To make things worse, in a number of instances, Amtrak can't even use the track it needs. One consequence of this is that the San Joaquin, Lone Star and Floridian do not pass through Los Angeles, Dallas, nor Atlanta, respectively. The DOT's proposal is to cut these trains out of the system. We think a more productive solution would be for Congress to give Amtrak more clout to run trains where they are needed. At least Congress should restore the power of States to mandate passenger service to railroads within their jurisdiction.

We are currently in California engaged in arbitration with Southern Pacific to run a train along the coastal route. It will probably take a year minimum to get through just to try to run on tracks which are already there where there is one train already.

Yet another thing which ought to be built into the development of an optimal system is frequency of service. We in the West have some working experience with infrequent train service since many of our routes, as well as many routes in the South, were cut back in 1971 to one train a day or less. This underutilizes station personnel, terminals and other facilities and besides it makes train service unattractive to much of the traveling public, escalating costs for remaining riders. On most routes running one train a day just doesn't provide enough travel options. Running three trains a week, as is done with the Sunset Limited from Los Angeles to New Orleans, pretty much leaves patronage to diehard train lovers.

We agree with the DOT that fares on Amtrak trains should be studied and that their structure needs a lot of change. We are disturbed on the other hand by the conclusion DOT seemed to have reached in the admitted absence in their report of any good data to support such a conclusion that, generally speaking, fares should be raised, surcharges imposed, and discounts reduced. We would suggest the opposite thrust, look for more discount opportunities and other ways to stimulate ridership; don't cut back peak demand but try to raise off-peak demand; don't penalize current users to the extent the traffic will bear.

On the overall issue of ridership and, more broadly the role to be played by passenger rail service in this country's future transportation system, it is our opinion that the DOT has seriously underplayed energy as an issue. Energy appears to have been considered in only one context, where existing railroads have been compared one to another in terms of passenger-miles-per-train-mile.

Because of the way the DOT has framed the energy issue, the Department reaches the extremely odd conclusion that less train service, which means very simply more auto and plane use, is going to help our energy conservation efforts. During the 1974 energy crunch, Amtrak ridership jumped 18 percent. When next time petroleum use is limited by Sunday closing of gas stations or rationing or steep prices, the demand for Amtrak service is going to increase. We in California think it's going to soar, except this time the trains will be gone.

I'd like to say just a few words about what we consider to be an anti-West bias in the report and then conclude my remarks.

We are all in favor of a high level of rail service in the Northeast corridor; we support improvements to that corridor and we look positively on the marketing efforts used by Amtrak to stimulate ridership in the corridor. We also think, however, that what's good for the Northeast corridor is equally good for the West. We have in the coastal zone of California alone one-half the population of the Northeast corridor. Trains currently running within California or with the terminal point in California generated 953 million passenger miles in 1977, only 108 million passenger miles less than in the Northeast corridor. Yet we are scheduled if the DOT recommendations go through to get no track or facility improvements compared to $2.5 billion upgrading in the Northeast and, further, to have two of our routes combined, one cut entirely, and nothing added.

To conclude, as we have previously testified, we favor an expanded Amtrak system along the lines of scenario E in the DOT's preliminary report. Scenario E is a truly national system and its cost per passenger-mile is only about two-thirds that of the U.S. DOT's latest recommended system. We believe that the $693 million in operating subsidy required to support the scenario E system in 1980 is small compared to the estimated $23 billion a year in taxpayers' funds being spent on highways—that's both Federal, State, and local—or the over $2 billion being provided annually to subsidize American airports and airways.

We urge the rejection of the DOT's proposal to cut Amtrak. The $166 million annually in so-called savings which the 11,800 mile cutback will supposedly generate will build only 4 miles of 8-lane urban freeway at today's cost. For the 1980's we think we need to have some real alternatives in transportation.

Thank you.

STATEMENT OF RANDALL COOKUS, TICKET AGENT, AMTRAK, LITTLE ROCK, ARK.

Mr. COOKUS. Mr. Chairman, my name is Randall Cookus. I am the Secretary of the Arkansas Association of Railroad Passengers and currently employed with the National Railroad Passenger Corporation—Amtrak—as a ticket agent in Little Rock, Ark. The following testimony should not be construed as an official statement of Amtrak or by an employee of Amtrak, but only that of an officer of the Arkansas Association of Railroad Passengers.

My testimony will discuss a basic and logical approach to marketing Amtrak as developed by the Arkansas Association of Railroad Passengers. This comprehensive program, which was successfully demonstrated at Little Rock, Ark., Texarkana, USA and Longview, Tex., is unique in that it did not cost Amtrak 1 cent, and yet has produced thousands of dollars in revenue for Amtrak. Arkansas ARP seriously believes that if a marketing program based on our local approach instead of the current "Hub and Feeder Market" philosophy now in effect, Amtrak revenues could increase by millions of dollars.

In order to fully appreciate the significance of our local marketing efforts, I would like to point out some of the obstacles we have had to overcome on the Inter-American and are still trying to correct.

Mr. MULVEY. Some of them.

Senator SCHMITT. You talk about small towns.

Mr. MULVEY. I live now in Boston, Mass., but in the past I have lived in small towns.

Senator SCHMITT. But you implied that the small town may be characterized by one that is without a major medical center or a symphony orchestra. I think many of the towns—in fact my guess is that most of them that are significantly impacted by the Amtrak cutback, would have major medical centers for their States. They would have at least a large airport, if not an international one. Albuquerque happens to have an international airport.

Mr. MULVEY. I would not include Albuquerque in that list.

Senator SCHMITT. It also has a symphony orchestra.

Mr. MULVEY. Those towns which would lose all public transportation if Amtrak operations are eliminated. There are several towns in Montana where the only public transportation available is Amtrak.

Senator SCHMITT. But the significant towns in terms of the potential Amtrak ridership which would make the existing system subsidy less are towns like Albuquerque, fairly sizable towns along those routes, are they not?

Mr. MULVEY. Well, the towns that I was referring to in terms of my statement were towns smaller than Albuquerque.

Senator SCHMITT. I understand what you're referring to but I'm just trying to make sure we realize when we talk about rural service we're talking about service into major metropolitan centers that themselves serve a rural constituency.

Mr. MULVEY. This is correct, but if you survey Albuquerque travelers, and ask them where they want to go, when they get on at Albuquerque; if they are traveling short or long distances; we might find that it would be better to run trains from Albuquerque to Santa Fe, or Denver or to other relatively approximate cities rather than rely on a train traveling between Chicago and Los Angeles to meet their needs.

Senator SCHMITT. I'm not going to argue that we can't design a better route structure but I would argue with some of your assumptions that there's nothing of value in the present route structure that couldn't be improved and certainly brought to compensate much more than it does for the present deficit, particularly for the kind of savings we're talking about here.

Mr. MULVEY. Only if these resources devoted to rail have no cost, if the resources were free and you insinuated that when you said, "I'll give you $100 million." So if I'm supposed to treat the resources as if they are free, I say continue the present Amtrak route system and then add or delete routes as warranted by the evidence.

The 5-year history of the Inter-American reads much like the Perils of Pauline, except in this case the train itself has been the victim.

This train until recently had been plagued with so many problems that many of us believed there would never be a train through this area worthy of patronizing. Some of the problems had unfortunately become a way of life. Poor on-time performance has been and is still a major problem despite an incentive contract which was signed between the Missouri Pacific Railroad and Amtrak in January 1978. Running time was in the 50- to 65-mile-per-hour range, with an overall average speed of 43 miles per hour for the entire route. This slow speed, imposed by the Missouri Pacific, was not only ridiculous but totally unjustified because of their excellent right-of-way. Only after a threatened lawsuit by Amtrak in May 1978 was the speed limit increased to 75 miles per hour—still not up to the 79 miles per hour standard used when the Missouri Pacific ran their own passenger trains.

Station facilities are inadequate or nonexistent along this route.

The routing at the outset was circuitous and still needs refinement south of Dallas, Tex. Despite a congressional mandate which established that this train make a through international connection into Mexico, this has, to date, never been accomplished.

Equipment failures on this route had become commonplace—no air conditioning in the summer and frozen steampipes in the winter. Ridership and revenues reached an alltime low as a result. Finally, after 3½ years of equipment failures, the Inter-American was outfitted with new Amfleet cars in August 1977. Although this equipment was not designed to be used on this type of long distance train—1,449 miles—it was welcomed, nonetheless. Sleeper service was initiated a year later in June 1978, after Amtrak failed to convince the Interstate Commerce Commission that it was not needed. Sleepers were provided only three times per week despite daily train service during this period.

Advertising of the Inter-American varied from dismal to nonexistent. In fact, the last newspaper advertisement of the Inter-American in Little Rock ran in November 1976. This consisted of two quarter page ads which ran in both Little Rock papers on the same day.

Many of the above problems could not be corrected by the Arkansas Association but could be brought to the attention of the concerned party and hopefully lead to corrective action. However, one area which we felt we could be productive in helping out the Inter-American was through a comprehensive local marketing effort.

Although many of the problems with the Inter-American still exist, several significant events did take place and they provided the catalyst for this effort—new Amfleet equipment with rebuilt sleepers, a revamped schedule—two hours faster—with more convenient arrival and departure times and the May 1978 announcement by Secretary of Transportation Brock Adams to reduce the Amtrak system which included the elimination of the Inter-American.

It became rather obvious that Amtrak's marketing department was no longer going to promote the Inter-American so the Arkansas Association decided they would.

At first we approached the marketing of this train in much the same manner as a political candidate would in seeking office on a very limited advertising budget. We would create noteworthy news items and seek media coverage from radio and television. This was very effective in that we were telling our story to the reporter in a rather positive manner and it was a very inexpensive way to get good press coverage for Amtrak.

We also had a very distinct advantage which the political candidate and Amtrak do not have in that Arkansas ARP is a nonprofit organization. We could utilize a lot of free public service time. We basically utilized radio for these public service spots and tried not to sell Amtrak in a commercial manner but present an overall positive view of rail passenger transportation in general.

Newspaper advertising was utilized because of its low cost. In all, about $600 was spent at Little Rock, Texarkana, and Longview, Tex. This was financed through membership donations in the $5 to $10 range. Small, yet informative ads were run in order to extend our advertising frequency and dollars. The results of this program were published in the nationally distributed Rail Travel News, a copy of which is attached.

The officers of Arkansas ARP decided to go "hog-wild" in increasing Amtrak ridership and revenues by running football specials to out-of-State University of Arkansas football games. Thus, Hogtrain, Inc. was born.

September, October, and the first few weeks of November are historically slow periods for all public carriers. This is also football season, so why not run football specials to make this a more productive, profitable period? So we did.

With an initial capital investment of $1,600 for 200 game tickets, Hogtrain president William H. Eldridge, with help in planning from Dr. William A. Pollard and me. Hogtrain got off the ground. The total package for the first Hogtrain which included game ticket, rail fare, transfers, hotel, and two meals, was $97.50. The entire 200 reservations were sold out 3 weeks after first announcing this through the media, and without spending a penny for advertising.

The second Hogtrain was not as successful in terms of numbers as the first, but just as effective. Hogtrain, Inc., through this venture, increased revenues at Little Rock by about $13,000 for these two specials, not to mention roughly $2,500 to the food and beverage operation on these trains. Hogtrain introduced or reintroduced almost 300 people to the comforts of rail travel on board the Inter-American.

From the earnings of Hogtrain, the officers of the corporation decided to purchase an automatic telephone answering device and loan it to the Little Rock Amtrak office to help compensate for the unusual hours the office is staffed. This device, which cost about the same as two round trip tickets, Little Rock to Chicago, is responsible for at least doubling the revenues and ridership at this station since its installation in late October.

As a direct result of the phenomenal success we have achieved and at the insistence of Amtrak's vice chairman of the board, Mr. Charles Luna, I was asked to appear before Amtrak's vice presidents of operations, marketing, and public affairs to discuss our local approach to marketing Amtrak on February 21. Although a formal commitment was received from these gentlemen to set up a pilot test program, we believe the testing period has already been conducted and at no expense to Amtrak. Now is the time to initiate this program systemwide and not in just a few test markets as they have suggested.

The Inter-American is a classic example of one of Amtrak's worst—made better—trains, and with a little promotion has achieved one of the highest ridership increases in the system—16.5 percent for the first quarter of fiscal year 1979.

The Arkansas Association of Railroad Passengers categorically rejects the statement issued by Secretary of Transportation Brock Adams, "that better equipped trains that run on schedule would not improve Amtrak ridership and therefore reduce the system's subsidy," when, in fact, as we have demonstrated, better equipped trains, which may not necessarily run on schedule but are made known to the public through local marketing techniques, do attract ridership and will decrease the system's dependence of taxpayers subsidy.

I have submitted with this a copy of the report which I presented to the three vice presidents. At your earliest convenience I suggest either you or some of your aids look through this and see some of the marketing techniques which we have done. As I mentioned earlier, the only costs we have incurred in this was $600 collected through the membership donations in the $5 to $10 membership range and the investment in the game tickets.

The Arkansas Association of Railroad Passengers thanks you for giving me the opportunity to express our views.●

SOLID WASTE DISPOSAL ACT AMENDMENTS OF 1979

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 1156, Calendar Order No. 184, a bill to amend and reauthorize the Solid Waste Disposal Act, is called up and made the pending business, there be a time limitation agreement thereon as follows: 1 hour on the bill, to be equally divided between and controlled by Mr. RANDOLPH and Mr. STAFFORD, with 20 minutes on any amendment in the first degree and 10 minutes on any amendment in the second degree, appeal, debatable motion, or point of order if such is submitted to the Senate; and that the agreement be in the usual form.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I reserve only to tell the majority leader that that arrangement is satisfactory on this side and we have no objection to it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, with the understanding that there will be no action on that measure today, and with the request that no time be charged on the measure, I move that the Senate proceed now to the consideration of Calendar Order No. 184, S. 1156.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1156) to amend and reauthorize the Solid Waste Disposal Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The text of the agreement follows:

Ordered, That when the Senate resumes consideration on Monday, June 4, 1979, of the pending business, S. 1156 (Order No. 184), a bill to amend and reauthorize the Solid Waste Disposal Act, debate on any amendment in the first degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and debate on any amendment in the second degree, debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from West Virginia (Mr. Randolph) and the Senator from Vermont (Mr. Stafford): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the Senate proceeds to the consideration of Calendar Order No. 185, S. 1157, the Department of Justice authorization bill, there be a time limitation of 2 hours on the bill, to be equally divided between and controlled by Mr. KENNEDY and Mr. THURMOND, with 30 minutes on any amendment in the first degree and 20 minutes on any amendment in the second degree, and 10 minutes on any debatable motion, appeal, or point of order, if such is submitted to the Senate, with the exception of 1 hour on an amendment by Mr. HOLLINGS dealing with the FBI; and that the agreement otherwise be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That following the disposition of S. 1156, the Senate proceed to the consideration of S. 1157 (Order No. 185), a bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1980, and for other purposes, with debate on any amendment in the first degree (except an amendment to be offered by the Senator from South Carolina (Mr. Hollings), relative to the FBI, on which there shall be 1 hour) to be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, with debate on any amendment in the second degree to be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and with debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate to be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Massachusetts (Mr. Kennedy) and the Senator from South Carolina (Mr. Thurmond): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Mr. ROBERT C. BYRD. I ask unanimous consent that when the Senate proceeds to the consideration of Calendar No. 161 (S. 1143, the authorization for the Endangered Species Act), there be a time limitation of 1 hour on the bill, equally divided between Mr. CULVER and Mr. BAKER: That time on amendments be limited to 30 minutes, equally divided: That time on amendments in the second degree be limited to 20 minutes: That time on debatable motions and appeals be limited to 15 minutes and that the agreement be in the usual form with respect to control of the time and germaneness.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of S. 1143 (Order No. 161), a bill to extend the authorization for appropriations for the Endangered Species Act of 1973, and for other purposes, debate on any amendment in the first degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, debate on any amendment in the second degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 15 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Iowa (Mr. Culver) and the Senator from Tennessee (Mr. Baker): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

FILING OF COMMITTEE REPORTS DURING THE RECESS OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until Monday, June 4, 1979, committees may be authorized to file committee reports on Tuesday, May 29 and Thursday, May 31, until 3 p.m. each day.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR FILING CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs have until 12 midnight tonight to file a conference report on S. 7, Veterans Health Care.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT, 1980

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 2729.

The PRESIDING OFFICER (Mr. SARBANES) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 2729) to authorize appropriations for activities of the National Science Foundation, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KENNEDY, Mr. WILLIAMS, Mr. PELL, Mr. NELSON, Mr. CRANSTON, Mr. SCHWEIKER, Mr. JAVITS, and Mr. HATCH conferees on the part of the Senate.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, that Senators may speak up to 5 minutes each during that period, and that it not extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 600, SMALL AND INDEPENDENT BUSINESS PROTECTION ACT

Mr. THURMOND. Mr. President, the Senate Judiciary Committee's Subcommittee on Antitrust, Monopoly and Business Rights has been holding public hearings on S. 600, the Small and Independent Business Protection Act, "to preserve the diversity and independence of American business" by requiring that "no person shall merge or consolidate with any other person engaged in commerce, or acquire, directly or indirectly, such amount of the stock or other share capital of such other person as to enable such person to control such other person," as more fully stated in S. 600 which is attached as one of the exhibits to my remarks.

For the information of the Senators, the Congressmen, and others interested in the issue, I ask unanimous consent that the following material be placed in the RECORD without further comment:

First. Opening statement by Senator THURMOND on S. 600, April 25, 1979, hearing by the subcommittee.

Second. Copy of S. 600.

Third. Remarks by Federal Trade Commissioner Philip Elman, before the American Bar Association National Institute, New York City, October 23, 1969.

Fourth. Article, "A Ban on Big-Company Mergers?" Senators EDWARD M. KENNEDY and ORRIN G. HATCH, U.S. News & World Report, Inc., March 26, 1979.

Fifth. Article, "Why Fix What Ain't Broke?", by United Technologies, May 1979.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STROM THURMOND

Mr. Chairman: As we continue our hearings on S. 600, it would be significant if we would consider also what warnings the past has given us on the subject of mergers of all types. There has been brought to my attention by my staff a speech made before the American Bar Association, National Institute, on October 23, 1969 by a distinguished scholar, lawyer, and a former Solicitor of the Department of Justice and later, Federal Trade Commissioner, the Honorable Philip Elman, on the Subject—Conglomerate Mergers: The Need for Investigation of the Obscure.

Mr. Elman in part said: "We are in the midst of a great debate on conglomerate mergers . . . businessmen, economists, lawyers, and government officials are all having their say on this important issue. Out of the contribution each can make to this discussion will emerge, one hopes, a sound public policy towards conglomerate mergers. But development of such a policy requires that we probe beneath the surface of this debate into the core of the underlying facts of the problem. To borrow a phrase from Mr. Justice Holmes, it seems to me that at this time we need 'investigation of the obscure' more than further 'education in the obvious' . . . what is 'obscure', however, and in need of further investigation, are the actual competitive consequences of these merger-induced structural changes. We do not yet have the facts necessary to answer the most difficult, but basic, questions regarding the effects of the current merger movement on industrial behavior and performance, and on the structure of particular markets in which conglomerate firms operate. We need additional light . . . of a clear and direct relation between an increase in conglomerate mergers and a decrease in competition. . ."

Mr. Chairman, I ask unanimous consent that the entire article be placed in the RECORD at this point as a part of my opening statement so that we will not lose its emphasis. Further, Mr. Chairman, this Subcommittee should follow-up on Mr. Elman's paper to see if in the past ten years since the conglomerate merger issue of 1969, there have been appropriate answers to the issues Mr. Elman has stated in his paper, and appropriate answers to the questions raised in the numerous hearings held by a number of Congressional Committees of the Senate and the House of Representatives and the various Agencies of the Federal Government. Such answers should be helpful to this Committee and other Committees and Agencies, so that a public policy in this area can be intelligently made with knowledge of facts enabling one to answer with assurance a fundamental question: Has the conglomerate merger movement, to a measurable significant degree, in fact brought about a substantial lessening of competition, or tended to create a monopoly in any specific markets or industries?

S. 600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small and Independent Business Protection Act of 1979".

SEC. 2. Notwithstanding any other provision of law, no person shall merge or consolidate with any other person engaged in commerce, or acquire, directly or indirectly, such amount of the stock or other share capital of such other person as to enable such person to control such other person, or acquire, directly or indirectly, a majority of the assets of such other person, if—

(a) each person has assets or sales exceeding $2,000,000,000;

(b) each person has assets or sales exceeding $350,000,000; or

(c) one person has assets or sales exceeding $350,000,000 and the other person has 20 per centum or more of the sales during the calendar year immediately preceding the acquisition in any significant market.

SEC. 3. (a) Except as provided in subsection (b), it shall be an affirmative defense to an offense under sections 2(b) and 2(c) that—

(1) the transaction will have the preponderant effect of substantially enhancing competition;

(2) the transaction will result in substantial efficiencies; or

(3) within one year before or after the consummation of the transaction, the parties thereto shall have divested one or more viable business units, the assets and revenues of which are equal to or greater than the assets and revenues of the smaller party to the transaction.

(b) Such affirmative defense shall not be available if one of the parties to the transaction has within one year previous to the transaction been a party to a prior transaction coming within the provisions of section 2(b) or 2(c).

SEC. 4. (a) Authority to enforce compliance with section 2 is vested in the Attorney General of the United States and the Federal Trade Commission.

(b) The Attorney General and the Federal Trade Commission shall adopt procedures by which parties to a transaction within the terms of sections 2(b) and 2(c) can ascertain the determination of the Attorney General or the Federal Trade Commission as to whether or not the transaction is within the terms of any of the affirmative defenses set forth in section 3. If the Attorney General or Commission, pursuant to such procedures, advises a party that a transaction is within the terms of any of the affirmative defenses set forth in section 3, the Attorney General and the Federal Trade Commission shall be barred by such advice in the absence of proof that the determination was based in whole or substantial part on an intentional misstatement by the party requesting such advice.

SEC. 5. Injunctive relief for private parties may be granted under the same terms and conditions as prescribed by section 16 of the Clayton Act.

DEFINITIONS

SEC. 6. (a) As used herein, "efficiencies" shall include economies of scale in manufacturing, marketing, distribution, and research and development.

(b) As used herein, "significant market" means any line of commerce in any section of the country which has annual sales of more than $100,000,000.

SEC. 7. (a) The provisions of this Act are in addition to and not in lieu of other provisions of the antitrust laws and nothing in this Act shall be deemed to authorize or make lawful anything heretofore prohibited or made illegal by other antitrust laws.

(b) This Act shall apply to all mergers or consolidations occurring after March 11, 1979.

CONGLOMERATE MERGERS: THE NEED FOR "INVESTIGATION OF THE OBSCURE"

We are in the midst of a great debate on conglomerate mergers. While some have warned that the current merger movement poses grave dangers to the structure and vitality of competitive markets, others have defended conglomerate activity as a method of increasing the efficiency and dynamism of corporate enterprise, thereby adding to competitive vigor. Businessmen, economists, lawyers, and government officials are all having their say on this important issue. Out of the contribution each can make to this discussion will emerge, one hopes, a sound public policy towards conglomerate mergers. But development of such a policy requires that we probe beneath the surface of this debate into the core of the underlying facts of the problem. To borrow a phrase from Mr. Justice Holmes, it seems to me that at this time we need "investigation of the obscure" more than further "education in the obvious".

What is "obvious"—and disquieting—is the impact of the current merger movement on the structure of the economy. The number and size of conglomerate mergers have substantially increased in recent years; the percentage of industrial assets owned by the largest 200 firms has increased significantly in the last two decades, from about 42% to about 61%; and mergers have contributed substantially to this increase in aggregate concentration.

What is "obscure", however, and in need of further investigation, are the actual competitive consequences of these merger-induced structural changes. We do not yet have the facts necessary to answer the most difficult, but basic, questions regarding the effects of the current merger movement on industrial behavior and performance, and on the structure of particular markets in which conglomerate firms operate. We need additional light on the existence and extent, as a matter of demonstrable fact, of a clear and direct relation between an increase in conglomerate mergers and a decrease in competition. Public policy in this area cannot intelligently be made without knowledge of the facts enabling one to answer with assurance a fundamental question: Has the conglomerate merger movement, to a measurably significant degree, in fact brought about a substantial lessening of competition, or tended to create a monopoly, in any specific markets or industries?

Apart from the evidence adduced in the relatively few litigated cases, no one—I emphasize no one—has yet shown, on the basis of comprehensive industry studies, what the actual effects on competition have been in the past when firms were acquired by conglomerate corporations. There is a complete dearth of empirical case studies thoroughly examining and analyzing in detail, on an industry-wide basis, the changes, if any, in market structure and competitive performance of acquired firms before and after such a merger. It is time to close this gap in our knowledge and understanding of conglomerate mergers—a gap which has existed far too long.

The problem of acquiring the needed knowledge is not one of a lack of available information. It is not as if conglomerate or multi-product firms were a brand new and unfamiliar phenomenon. Enterprises that produce diverse goods for multiple markets have existed for centuries; and conglomerate firms, though not always labeled such, have always been with us. There are many well-known companies which became large and successful by expanding into new unrelated product markets via the acquisition route.

DuPont, for example, can trace its ancestry back to 1802 as a manufacturer of explosives. In the period 1915–45 alone, it expanded its operations by acquiring manufacturers of celluloids, paints, varnishes, artificial leather, ammonia, alcohol, chemicals, pigments, safety glass, sporting arms, cutlery, and medical equipment. General Foods, as early as 1925, adopted a policy of product diversification by acquisition. Minnesota Mining and Manufacturing started the century principally as a manufacturer of abrasives. Beginning in 1929, in the next three decades it diversified, mainly by merger, into lines of commerce as disparate as adhesives and highway signs, saturated paper and rubber, silica sand and electric products, ready-mix concrete and gaskets, and into geographic markets extending from California to Germany. And Textron long made it a practice to acquire so-called leading firms that dominated their industry.

These are only a few examples of many which could be cited among the top 500 industrial companies alone. There have been at least hundreds of substantial conglomerate mergers which could be made the basis of empirical case studies analyzing, on an industry-wide basis, the actual changes in market structure and market behavior of the acquiring and acquired firms, and their competitors, suppliers, and customers, before and after the merger. And yet, in the extensive literature dealing with conglomerate mergers, while we find much in the way of plausible theories and hypotheses, there is practically nothing in the way of detailed case histories showing what actually happens to competition in specific industries, and how the structure and performance of markets is affected, as a result of conglomerate mergers.

I hasten to emphasize that I do not mean to disparage the significance of the evidence showing that the structure of the economy is being altered by the merger movement. I do not dismiss "increased aggregate concentration" as a hobgoblin. The "obvious"—that is, the current rise in conglomerate mergers and its impact upon aggregate concentration—has created concerns and fears which are so serious that they should be confirmed or dispelled as soon as possible—by investigation of the facts.

Nor do I for a moment suggest that antitrust enforcement should pay more attention to performance than to structural criteria. As a general proposition, I agree with those who point out that the demand for full investigation in every antitrust case of the actual economic consequences of the challenged conduct or transaction is, for all practical purposes, a demand for nonenforcement of the antitrust laws. My plea is, rather, that we draw on the lessons of experience in developing the economic expertise which is so essential in formulating a sound public policy on conglomerate mergers. Once we have learned what experience can teach us about the actual effects of conglomerate mergers upon competition, we will be in a much better position to formulate a sound conglomerate merger policy and to limit—not expand—the necessary areas of factual inquiry for determining the legality of particular mergers.

In his article on the Federal Trade Commission and mergers (64 Columbia L. Rev. 500, 508), Edwin M. Zimmerman stated:

"If, as seems probable, further enforcement of Section 7 [in particular cases] will proceed on inferences provided by economic theory in lieu of exhaustive analysis of relevant economic data, *the validity of theory is critical*. The availability of scholars who perform the empirical investigations which try to test and adjust a theory in a specific industrial setting is limited. Ideally, the Commission could employ its investigatory power to help fill the gap * * *." [Emphasis added.]

I completely agree. The need today in enforcing the merger law is clearly not that reliance on theory and structural evidence be abandoned or restricted; it is, rather, that such reliance be neither mechanical nor uncritical.

By and large, theory has served us well in the merger field, especially in regard to horizontal mergers. But when it comes to conglomerates, the theory is in dispute and the theoreticians are in disarray. Here the need is not so much for empirical investigations to verify generally accepted theory; it is, rather, to provide a basis for determining which of various conflicting theories is valid. We suffer from an inadequacy of basic knowledge on whether, and how, the structure as well as performance of markets is affected by conglomerate mergers. To remedy this deficiency, the Federal Trade Commission may yet be able to make an important contribution. As I have said many times, the most valuable service which the Commission could render would be to exercise creatively its investigative fact-gathering powers as an essential predicate for developing and applying wise antitrust policies.

Because the performance of this task was the central reason for creating the Commission, Congress endowed it with a broad panoply of investigatory powers. Twenty years ago, in the *Morton Salt* case (338 U.S. 632), which I had the privilege of arguing, the Supreme Court held that the Federal Trade Commission "has a power of inquisition, if one chooses to call it that, which is not derived from the judicial function. It is more analogous to the Grand Jury, which does not depend on a case or controversy for power to get evidence but can investigate merely on suspicion that the law is being violated, or even just because it wants assurance that it is not. * * * [L]aw-enforcing agencies have a legitimate right to satisfy themselves that corporate behavior is consistent with the law and the public interest."

Since Section 7 is clearly applicable to mergers not falling within conventional horizontal and vertical categories, the Commission and the courts have understandably turned for guidance to economic theory. As Mr. Zimmerman points out, "there is a risk that broadly formulated economic concepts intended for analytical purposes may be endowed with an operative significance neither sought nor intended by the economists." Encouraged by indications that the Commission was proposing to use its investigatory powers more ambitiously to investigate, on an industry-by-industry basis, the impact of mergers on competition, he emphasized the as yet unrealized opportunity for the Commission to use these powers to help develop substantive merger rules and policies: "If, in fact, effective enforcement requires clearly formulated doctrine based upon selected elements of market structure, perhaps some effort to document empirically the theoretical hunches that might support such doctrine is feasible. Possibly this asks too much of any agency, let alone one that appears committed to the inference. But it is not clear that anyone is in a better position [than the Federal Trade Commission] to move to the problem quickly. * * * [T]here is a dispassionate, information-gathering function to perform, consonant with the original concept of the Commission, for which no other institution is equipped." (64 Columbia L. Rev. at 508, 522–23.)

It is precisely the exercise of this "dispassionate, information-gathering function" which is now needed to illuminate the obscure and to provide the facts we must have to resolve the great debate about conglomerate mergers. The need for industry studies showing the actual competitive impact of such mergers in affected markets—the changes in structure and behavior that are brought about—is especially clear when we consider the wide range of arguments on either side of the debate.

On the one side, those who are apprehensive about the conglomerate merger movement contend that it has not only increased aggregate concentration but significantly altered the broad structure of American industry; that conglomerate power brings with it increased opportunities for reciprocity, cross-subsidization, and predatory pricing. They argue that reciprocal buying and selling is dangerously anticompetitive in that it distorts the normal operation of competitive markets by decreasing the importance of price, quality, and service as factors entering into business decision-making. And they assert that conglomerate mergers significantly raise barriers to entry of internal expansion and are therefore likely to lead to defensive conglomeration by merger, thus further increasing aggregate concentration to the point where the entire economy may become oligopolistic in structure and performance.

On the other side, defenders of the current merger movement not only seek to rebut these contentions but offer affirmative, procompetitive justifications for corporate conglomeration, by acquisition or otherwise. They say that, while market structure may be an important factor in determining market performance, short of monopoly it does not unequivocally define the character of that performance. They contend that reciprocal buying and selling may operate to reduce costs and increase efficiency; that where this is the case, the practice ought not to be discouraged because it may benefit competition; and that where this is not the case, the anticompetitive effects of the practice are curable without proscribing conglomerate mergers *per se*. Moreover, they assert that the dangers of reciprocity may be greatly exaggerated because where the practice does not increase corporate efficiency by reducing selling costs or otherwise, corporate managers intent on maximizing profits will not follow it. With respect to cross-subsidization and the potential for predatory pricing, the defenders of conglomerate enterprises express deep skepticism about the actual use of such practices to any significant degree.

On the affirmative side, the argument is made that conglomerate acquisitions may do much to increase competition, particularly where entry by internal expansion is impractical in light of market capacity and other factors; that companies acquired by conglomerates are often "sleeping giants" long accustomed to "going along and getting along" and contributing little to the vigor of competition. A new view of price and inventory policy, delivery schedules, service, and research and development—backed by the financial and managerial muscle possessed by a conglomerate—may provide a healthy and needed stimulus to competition in weakly competitive markets. Furthermore, they argue that conglomerate enterprises are able to make the most effective use of economies of scale—including genuine savings realized by freer access to capital markets; that both the imperatives and benefits of technology support the development of diversified corporate enterprises; and that improvements in management techniques, backed by the increased capabilities of computers, permit effective use of management skills across traditional industry lines.

This debate is not going to be resolved by repeating the same arguments, or by amplifying them, or by criticizing them with the most penetrating logic, or even by making speeches about what needs to be done. If it is going to be resolved, it must be by seeking to learn whether the theories and hypotheses are validated by the facts. The Holmesian dictum that the life of the law is experience, not logic, is surely no less relevant to the development of antitrust and merger policy. Indeed, there is no field of the law where it is more crucial that substantive doctrine be based on actual experience and business realities, not abstract theory or logic. An economy whose outstanding characteristic is its enormous vitality and seemingly inexhaustible capacity for change and growth can ill afford a mechanical antitrust jurisprudence.

Unfortunately, an antitrust rule, like other rules of law, tends to rigidify and is not easily changed even when it outlives the policy considerations which gave it birth. This makes it all the more important that formulation of sound public policy on conglomerate mergers be based upon the teachings of experience and not the corollaries of received theory or dogma.

The maxim that those who do not learn the lessons of history are condemned to repeat its mistakes is no less applicable here. Empirical industry studies may provide a factual foundation for criteria enabling one to distinguish between those kinds of conglomerate acquisitions which can achieve efficiencies, reduce costs, promote competition, and benefit the consuming public, and those which do not. Mechanical application of too simplistic or dogmatic or conglomerate merger policy, not reflecting knowledge of that experience, would be antithetical to the basic goals of antitrust. A mistaken or imprudent policy towards conglomerate mergers has implications for the whole scheme of antitrust enforcement. A decision to allocate substantially more enforcement resources to conglomerate mergers is not necessarily in the public interest if it means that fewer resources are devoted to other areas of antitrust where the dangers to competition may be as great or greater.

Conglomerate power exists now, as it has in the past, independent of substantial merger activity. Will a ban on mergers meet the real competitive problems associated with such power? How effective a remedy for the adverse effects of conglomerate power will be found in a proscription, for example, against "leading firm" acquisitions? How would such a remedy help small business if smaller firms should then become the most likely candidates for acquisition and thus disappear by being absorbed into large conglomerates? Is the essential problem that concerns us "conglomerate mergers", or is it "oligopolistic non-competitive markets and industries"? If it is the latter, a vigorous enforcement program which succeeds in halting even those conglomerate mergers whose actual effect may be to increase competition in a concentrated or oligopolistic industry, would seem to be misdirected and futile.

I regret that today I can only ask these questions, without providing the answers. I recognize that, with or without the industry studies which I believe necessary, public policy on conglomerate mergers has been and is continuing to be developed. There can be no moratorium on making enforcement decisions, one way or the other, dealing with particular mergers as they occur. The only point I wish to make is that the enforcement policy will be wiser, and more responsive to the felt needs of our times, if we promptly undertake empirical industry investigations as a basis for formulating and testing the validity of the economic criteria upon which reliance must be placed.

It is here that the Federal Trade Commission could perform a most useful service, assisting both the Congress and other enforcement agencies. Dr. John M. Blair has correctly observed that the Committees of Congress expect the Commission to give first attention to the most serious areas of concentration. I concur in his view that the Commission "might well consider how it can mobilize its resources to have the greatest strategic effect on what is happening in the more concentrated industries and what is being done by the largest corporations with substantial monopoly power. To the extent that it succeeds in planning for competition, any need for planning the economy will disappear."*

In sum, the Commission has both the mandate and the means to illuminate those obscure areas of our present knowledge which need to be explored if a sound public policy toward conglomerate mergers is to be developed and wisely applied, and if the national policy favoring competition as the regulator of our economy is indeed to be advanced.

A BAN ON BIG-COMPANY MERGERS?

Q. Senator Kennedy, why do you favor banning mergers by large companies?

A. There are several good reasons for doing it, in my view. Such mergers concentrate economic power in fewer and fewer hands. They reduce diversity of economic decision making and thereby hinder innovation. The power they create threatens democracy and tends to reduce competition. And the substitution of absentee conglomerate ownership for independent businesses disrupts a business's relationship with its workers, customers and community.

Q. How do mergers hurt competition?

A. They hurt competition in three basic ways:

Where diversification comes by merger rather than internal growth, the number of new competitive enterprises is reduced. When control of companies is concentrated in fewer and fewer hands, the opportunities and incentives for companies to cooperate rather than compete increase. Also, some mergers increase barriers for competitors wanting to enter the market or entrench an already dominant firm's position in a market.

Q. Just how rapidly is economic power being concentrated in fewer and fewer companies?

A. In 1975, there were 14 mergers in which the purchase price was 100 million dollars or more; in 1977, there were 41 mergers of that size; in 1978, 80 mergers of that size or larger. In 1975, the 500 largest manufacturing companies owned 83 percent of all manufacturing and mining assets. By 1977, that percentage had increased to 89 percent.

Q. What size merger should be banned?

A. The bill I am sponsoring would affect about 1 or 2 percent of mergers now taking place. The bill affects mergers between two companies, both of which are very large. Companies with annual assets or revenues exceeding 2 billion dollars—essentially the top 100 manufacturing corporations—would not be able to merge with each other. Firms with at least 350 million dollars in revenues or assets—another 500 firms or so—could not acquire another firm of that size unless they divested themselves of assets equal to the assets of the company acquired or proved that the merger would increase efficiency or competition.

My bill would not restrict mergers involving small and medium-sized companies. Such mergers are most likely to improve management, increase availability of capital, improve efficiency and promote liquidity.

Q. Are you saying that bigness is bad in itself?

A. No. I want to make it clear that I'm not opposed to bigness per se. As a matter of fact, I think companies that have grown large from internal growth based on innovation, creativity, managerial expertise, efficiency and productivity are to be applauded. But I do object to growth through acquisition that is unrelated to productivity, efficiency, business management or service to the consumer.

Q. Don't mergers often lead to better management and greater efficiency—in short, lower prices for consumers?

A. There may be some instances in which mergers do provide better efficiency, increased productivity and better service to consumers—and such mergers are allowed under our bill's exceptions. But in most instances it appears that large mergers do not have that result.

In fact, that's not even why many mergers are undertaken. Many mergers are made for tax reasons, or simply to grow for growth's sake, or sometimes because executive compensation is linked to revenue or profit growth.

This can cause many problems, especially for the employes of the acquired company whose owners no longer have a direct stake in their livelihood or in the community where the firm is located. It can lead to profitable firms being closed down for tax reasons and the workers thrown out of work. This has happened in my own state and elsewhere.

Q. Don't some mergers give companies access to capital and technology that they wouldn't otherwise have?

A. Some do, and they would still be permitted under my proposal. If a company can prove that a merger will increase productivity, improve service and lead to better prices for consumers, then it ought to be able to move ahead.

Q. Aren't the present antitrust laws adequate to attack mergers that would reduce competition?

A. I think the Justice Department and the Federal Trade Commission can use them to a stronger degree than they have. But even with more-aggressive action, the present law cannot adequately address the problem of conglomerate mergers. For example, the courts have generally interpreted the existing antitrust laws as forbidding mergers that would reduce competition in a particular market, but not mergers that increase overall economic concentration.

Q. Wouldn't new restrictions on mergers only add to the regulatory burden already imposed on business, and thus help drive up prices?

A. On the contrary, they would ward off that threat of greater regulation. Economic concentration historically has led to demands for regulation. Reducing economic concentration is a necessary step in keeping our system of unregulated private enterprise as a viable alternative to extensive government regulation and control of very large businesses. And as we have seen in the airline industry, federal regulations often tend to reduce competition and drive up prices.

Q. How big an expansion of the federal bureaucracy would be needed to enforce the merger ban you propose?

A. The Justice Department's antitrust division has about 425 lawyers on its payroll and a budget of 38 million dollars. Since there are relatively few mergers affected by the bill, there would not be a need for greatly increased resources.

The bill which does not ban all mergers but rather prohibits those that are not justified, could be enforced by existing personnel with a reordering of the antitrust division's priorities.

Q. Senator Hatch, why do you oppose banning mergers by big companies?

A. We built a big country. Should we have stopped at the Mississippi? We don't ban families when they reach a certain size. Why ban a company just because it grows?

Bigness is not the issue here; quality is. I am much more concerned about whether or not a company—large or small—is providing consumers with a good product or service at a reasonable price.

The point is not big or small; it's good or bad. If a business—or a labor union or governmental bureacracy, for that matter—is doing a bad job, it must be corrected, regardless of its size.

J. C. Penney built a big and good business. McDonald's is a big and good business. On the other hand, many of us know some smaller businesses that are not serving people as they should.

To repeat: Good or bad is the issue, not big or small.

Q. Don't mergers often reduce competition?

A. Mergers that substantially reduce competition or lead to monopolization should—and will—be blocked under current antitrust laws.

Actually, in industries where a few large firms dominate the market, acquisitions by big companies can pump new life into smaller and less efficient businesses to make them serious competitors, thereby protecting jobs and usually creating new ones.

Business should not bear the burden of proving a merger is good. Why should businesses have to spend billions of dollars annually to justify their existence to an almighty federal government, which already has the legal means at its disposal to correct abuses through existing antitrust laws? These costs will just be passed on to consumers, who will be the ultimate losers.

Planning for Competition, 64 Columbia L. Rev. 524, 542.

The government should have the obligation to prove that a particular merger is a threat to competition.

Q. Isn't there a danger that big mergers will concentrate economic power in fewer and fewer companies?

A. Properly enforced, our present antitrust laws are more than adequate to prevent unreasonable concentration.

Q. Aren't small businesses often hurt by mergers?

A. Only in isolated situations. You can point to some small businesses that have been acquired because of the power of larger businesses. Nevertheless, our free-market system permits mergers which do not substantially lessen competition or tend to create monopolies.

With present-day government regulations and tax policies, it is very difficult for small firms to get investment capital. A merger is one way a small company with great research-and-development potential can get capital to expand and develop and become a successful competitor. Mergers are not the danger to small business; big government is!

Q. Aren't many mergers economically unsound, stemming only from a desire for unlimited growth?

A. No. Many U.S. companies have grown in order to compete effectively in the world marketplace. American firms have been losing business abroad because they have to compete with government-subsidized cartels.

Only strong, diverse, efficient American companies of competitive size can compete in world markets and combat government-subsidized foreign competitors domestically.

Q. Don't mergers sometimes create inefficiency?

A. No. Mergers don't create inefficiency; poor management does. In fact, mergers can help increase a firm's efficiency and stability. The threat of acquisition provides a necessary check upon management. Sometimes, a new boss is just the thing to get people back on the ball.

Q. When companies use their excess cash to buy other companies instead of spending it to increase output and jobs, aren't they hurting the economy?

A. I don't see anything wrong with firms spending their money for acquisitions. Given today's high costs and low profit levels, there's often no rational basis for firms to invest in new plants and equipment, when they can acquire already-existing plants and equipment while stabilizing jobs.

Q. For tax purposes, some firms buy a small concern and then close it down. Is that fair?

A. If there is a problem, I suspect that it is in the tax laws, not the merger laws. Maybe it is the tax laws that should be changed.

However, most of us realize that if the small company is capable of making profits, the big company will keep it going or spin it off in some productive way.

Q. Don't employes frequently lose their jobs as a result of mergers?

A. On the contrary, acquisitions may often be the only way to save a dying company and jobs. And by making more alternative employment opportunities available within the company, mergers can help stabilize employment.

Also, large firms typically give their employes better fringe benefits than smaller, underfinanced concerns.

Q. Are our present antitrust laws adequate to block some of today's large mergers that reduce competition?

A. The present laws have all the teeth necessary to block anticompetitive mergers. They just haven't been enforced adequately. The Justice Department and the Federal Trade Commission have more than enough lawyers, but there is some jurisdictional overlap between the two agencies which results in inefficiency.

We need to utilize law enforcement more effectively than we have in the past, in order to protect the interests of the consumers and taxpayers of America.

Why Fix What Ain't Broke?

The aim of federal antitrust laws has always been to preserve and foster business competition. Where company mergers or acquisitions threaten to lessen competition or create monopoly in the marketplace, statutes are on the books to block them.

Now, though, a new tune is being tootled by some trust-busters in Washington. If legislation they're proposing is passed by Congress, no longer would competitive considerations alone govern in antitrust matters. Some mergers would be prohibited on grounds of size and size alone.

In the view of these trust-busting zealots, bigness in business is bad, in and of itself, and should be barred beyond certain levels when it comes about through merger or acquisition.

No matter that a company has achieved its size through innovativeness and acceptance in the competitive arena. Or that it has grown because it delivers quality products that meet people's needs at a competitive price.

No matter that a given merger would benefit both the acquiring and acquired companies and their shareholders, employees, customers, suppliers, and communities. Or that many an ailing company and its employees' jobs have been saved because it was acquired by another company with the skills and resources to make it healthy.

There's sharp irony about a bloated central government striking out against bigness in business even as it becomes bigger and more powerful itself by assuming increased control over the freedom of the people and institutions it governs.

Another irony about the proposed legislation grows out of the hard realities and new rules of today's international business scene.

Markets nowadays transcend national boundaries. America sells abroad. Foreign producers sell here. Industrialized nations the world over vie vigorously for trade with one another.

The better to compete globally, foreign governments are spurring their businesses to consolidate, combine resources, and form consortiums. As a result, competition from overseas has never been fiercer.

More and more, U.S. companies are up against overseas competitors that are controlled, supported, and subsidized by their governments. Because of their government ties, some companies in Europe and Asia don't have to concern themselves, as American private enterprises do, with earning a profit, raising capital, or going bankrupt if they don't perform.

Instead of cooking up ways to shackle American business, our government should be trying to help it become more competitive in world trade. Rather than stifle corporate growth through unwarranted and artificial barriers, the U.S. government should be stimulating its companies to achieve the strength, diversity, and efficiency needed to book business abroad and provide jobs here at home.

Protecting competition is one thing. Penalizing business growth attained legitimately through the competitive market mechanisms, including acquisitions, is quite another.

There's a saying: "If it ain't broke, don't fix it." Existing antitrust statutes are doing the job. They don't need fixing. Properly enforced, they provide ample safeguards against competitive abuses.

The new tune of the anti-bigness trust-busters is way off key.

TESTIMONY OF PROF. RAYMOND B. MARCIN ON SENATE JOINT RESOLUTION 28

Mr. THURMOND. Mr. President, as I have mentioned before, there were several distinguished and learned people who could not testify during our recent hearings on Senate Joint Resolution 28 due to extreme time constraints. One of these scholars was Prof. Raymond B. Marcin of the Columbus School of Law at the Catholic University of America. He, like many of his colleagues in the field, is of the opinion that the direct election of the President is unwise and incompatible with our Federal system of government.

Professor Marcin was prepared to testify before the Subcommittee on the Constitution but was asked to submit written testimony due to the high number of scheduled witnesses. Unfortunately, his written testimony arrived too late to be included in the official record of hearings. So that my colleagues will have an opportunity, nevertheless, to read his very well prepared testimony, I ask unanimous consent that it be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks by Raymond B. Marcin

Two years ago, in an article in the Valparaiso University Law Review, the senior senator from Indiana acknowledged that "[p]erhaps the most frequent argument made by opponents of [proposals for] direct election [of the president] is that the electoral college is an important component in preserving the power of the states in our federal system." If the threat to our system of federalism has been the most frequently argued proposition, then it seems more than likely that it has been the most frequently heard argument before this committee. And so it requires some boldness for me to speak today once again about our federal system in the context of proposals for electoral-college reform. My thesis is that the states, as states, as governments, have an interest in the presidential electoral process. That interest is related to the interest that the citizens of the states have in the process, but though related, it is also distinct from that interest of the citizens. And that state government interest is such that a too precipitous and too pervasive change would be unwise. The interest of the states as states should not be ignored.

The conventional wisdom among some is that that thesis—that the states as states have an interest in the election of the chief executive of the federal government—is antiquated. It is true that for the past one hundred and ninety years we have been on a long trek leading unmistakeably to a stronger. more influential federal government and, at least in relation to that federal government, weaker, less influential state governments. The position that the states occupy in the federal equation is certainly not what it was before the interpretations of Chief Justice Marshall in the nineteenth century and the broadened interpretations of the fourteenth amendment in the twentieth century. Some may, simplistically, hail the day when state governments will be nothing more than minor-league farm teams for those who aspire to serve in the big-league federal government, where the only important activity is going on. To those, the interest of the states as states in the election of the president is an absurd anachronism.

There is a wisdom among others that the

long trek toward federal strength and state weakness is an undesirable development—indeed to some, a betrayal of the founding Jeffersonian ideal for the federal-state relationship. To those, any change in the electoral college which does not strengthen the role of the states to compensate for what has happened is unacceptable. And one might expect those advocates to oppose any electoral-college reform whatsoever.

I venture to suggest that most of us find ourselves somewhere in the middle, and thus saddled with the discomfort of inconsistency. We are realists. Whatever the "might-have-beens" may be, today we must sink or swim together as a national union. But realism, unless accompanied by a cautious idealism, is a rudderless, reactionary raft. We are a national union which favors the closeness of the government to the governed. And for that reason, if for no other, state governments will remain, should remain, important, operational units in that union, and have an independent interest in the governance of that union. Recent and not-so-recent United States Supreme Court decisions demonstrate that there is a bottom line to the story of that long trek to a lessening of state power vis-a-vis the federal government. We saw a backtracking on that trek in 1938 when the Supreme Court declared that it is the job of the states and not the federal government to declare general common law. The *Erie* v. *Tompkins* decision thus wiped out a century of accumulated "federal" common law. More recently in the *National League of Cities* v. *Usery* case the Supreme Court resurrected, of all things, the tenth amendment—which had long since, until then, been epitaphed as a mere "truism"—to declare that the federal government cannot in normal circumstances regulate essential state functions.

My point is that the states are now, more than at any time since before *Marbury* v. *Madison*, functioning separate sovereigns in the federal union, sovereigns to which the federal government must, under section 4 of article IV of the Constitution, guarantee a republican form of government. And today, when government, and life itself, is so complex and when, consequently, the tendency is all in the direction of stripped down simplification, there is grave and unknown danger in scrapping the voices the states now have in the presidential electoral system. Indeed simplification of a process involving constitutional federal-state allocations of power requires grave justification, especially and the more so if it results in a substantive lessening of the balanced power of either.

Perhaps the two most substantive powers that the states, as states, possess under the present electoral-college system are the extra two votes that each state presently possesses regardless of its population size and the control each state now has over whether its electoral votes will be apportioned or will be given en masse to the victor.

The two extra votes were and are a leveling influence. One may debate the extent to which the two extra votes per state regardless of population size tend to increase the power of small states in saying who the president shall be. That extent is admittedly slight. But it is also admittedly actual. Arguments that the advantage given the small states by the two-vote feature is so slight as to make it nonexistent, or that whatever advantage there once was has long since been negated by the prevalent use of the unit rule by the larger states cannot destroy the existence of of those two votes. Beleaguered, denounced, and told time and time again that they mean nothing—those two votes exist! They are! And whether they do the job they were intended to do as well as they were intended to do it, they nonetheless do some of that job, and if there is any debate over those two votes, should it not be in the context of whether the job they were intended to do is worth doing, and if so what measures can be taken to assure that that job is done better? Would it indeed be a horror if, in the classic close-election case, the slight extra voting power of Alaska or Wyoming should mean something. Given the fact that we've had these so-called "close-calls" more than occasionally in our history, especially in the recent generations, would not this slight extra state voice in the presidential election operate as a caution to the major parties that they cannot afford to ignore in their platforms the grave, but not so politically impactful problems faced by the governments of the less populous states?

It is often argued that the slight voice states possess by virtue of the two-extra-vote feature of the present system is negated by the unitary vote option. But is the negating effect, which is unarguably present in the existing system, removed by the demise of the two-extra-vote feature? It seems a strange logic to argue that, because a feature which is intended to give the so-called minor states more voice in the presidential election is not as effective as it could be, the feature should be scrapped. And so, what of the unit option? Should it be scrapped? The answer to that question may be more philosophic than pragmatic. How highly do we prize the ideal of governance close to the people? At the moment the people of each state have control over the governmental decision. The proposal is to wrest that option from them. If that option, that governmental decision power is wrested from the people of each state, then let it be in good cause. The negation of the unit option coupled with the preservation of the two-extra-vote-per-state feature will restore the full measure of small-state voice the founders intended. The scrapping of both will merely serve the interests of those doctrinaire purists who view the states as serving no important function in our body politic.

INTERVIEW WITH SENATOR RANDOLPH—"ENERGY CRISIS"

Mr. BUMPERS. Mr. President, for most people the energy crisis appeared full blown in 1973. It was no surprise to Senator JENNINGS RANDOLPH, for he started sounding warnings in the 1950's that the United States was in danger of depleting its domestic energy supplies. He accurately foresaw the consequences of excessive reliance on foreign fuel sources. He sponsored legislation establishing the National Fuels and Energy Policy Study in 1971. He thus was prepared by concern and long experience to respond with proposals to alleviate the energy crisis. Had his advice been heeded, many of today's energy problems might have been avoided.

Senator RANDOLPH was interviewed by the U.S. News & World Report in 1974, in which he urged immediate action, in a variety of ways, if we were to survive as a nation. Four years later Congress is still grappling with the kinds of solutions Senator RANDOLPH was proposing then.

Mr. President, I ask unanimous consent that their interview demonstrating remarkable vision on the part of Senator RANDOLPH be printed in the RECORD at this point.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

ENERGY CRISIS: "IF WE DELAY, WE COURT DISASTER"

What should Congress do about the oil and gasoline shortage? How fast can the Senate and House act on new laws to deal with the crisis? What if they fail to act? Is rationing a better answer than high prices?

A close-up of the fuel outlook as seen on Capitol Hill is given in this exclusive interview with Senator Jennings Randolph, chairman of the Senate Public Works Committee.

Q. Senator Randolph, when will Congress pass the Energy Emergency Act—the bill that failed passage just before the December recess?

A. I would think we could move this through the Senate by February 1. We have to act before the House does. I can't speak for that body, but I know that the people of the United States are going to press for action, and I hope that the House will have acted by, I'd say, the middle of February.

Q. Are you convinced that Congress will move that fast?

A. I hope we can. I'd like to see this legislation on the President's desk no later than the latter part of February.

In other words, if there was ever a 30-day period when Congress ought to prove it can act, it's from the 21st of January to the 21st of February in 1974. There is an urgency now that really didn't exist a few weeks ago.

Q. Much of the opposition to the Energy Emergency Act has centered on the issue of windfall profits for oil companies. Will that again be a stumbling block?

A. It's certain that we will be faced with a really tough situation in connection with the interpretation of excessive profits.

Q. Can you enumerate key provisions needed to help the Government deal with the energy crisis?

A. We're going to have to move ahead in terms of conservation plans and rationing plans and coal conversion, and extension of clean-air standards as to power plants and the automobile.

Q. How do you feel about the oil-depletion allowance?

A. I've supported depletion allowance through the years that I have been in Congress. We should take another look at it, in view of possibly a new approach that might stimulate new energy supplies.

Another consideration: The statistics on oil and gas reserves are much at variance. Oil supplies—we don't know what they are, really. Production figures differ. Distribution problems are complex. There's confusion.

Congress will have an incredibly difficult task as we sort the wheat from the chaff in a search for what I call credibility and the true facts and the reasoned solutions.

Q. Is gasoline rationing going to be necessary?

A. Yes, it's necessary, and I have felt so for many, many months. The delay in gasoline rationing has possibly been the key reason for the increased prices that we now experience and the short supplies that we have today. I believe rationing would have lessened the critical problems that we've been facing in the last few weeks and months.

Someone might say, "Well, if the situation gets better, you're left with rationing on your hands." But the allotments can be raised if the situaiton improves. The *modus operandi* is not too difficult. I look on it as necessary.

We are moving toward rationing and higher prices. If we wait too long for rationing, what have we done? We've given the consumers the worst of two worlds. The middle-income and the lower-income people are hardest hit because of the present skyrocketing prices. So I'm a believer in rationing, and I believe in it strongly. I cosponsored such legislation last March.

Q. Do you think the plan worked out by energy chief William Simon, with the ration based on licensed drivers and the sale of coupons in a "white market," would work?

A. Yes. It is a workable system.

Q. What is your reply to those who say that higher prices will cut gasoline consumption?

A. There is a hazard in relying wholly on that approach to reduce energy consumption. People generally don't object to reasonable and even necessary higher prices. But the delay in rationing is bringing on even higher prices.

Q. What about the idea of putting a special tax on gasoline to reduce demand?

A. I don't like that. It doesn't appeal to me.

Q. If a rationing system were imposed, would you scrap it as soon as the Arabs turned their oil spigot back on?

A. No, I wouldn't do that. We should have rationing, and work with it, and modify it as conditions change.

I went through it back in the '40s. I understand rationing and its problems, but it's the fairest way.

Q. You don't shrink from the idea that fuel rationing might have to be in force for an indefinite period—

A. It need not be for an indefinite period, because I hope we'll work our way out of this difficulty.

Q. Senator, how did the country stumble into this energy mess?

A. I have been warning for years that we had no fuels-and-energy policy. For example, I testified before the Senate Interior Committee in 1961 and said: "Every year that passes in which we become more and more dependent on foreign oil to buttress our national economy and security perhaps is one year nearer disaster. . . . We are gambling with our country's future."

Q. Who is to blame?

A. I blame in part the Administrations, both Democratic and Republican. I blame in part the Congress, and both parties there. I blame in part the producers of petroleum. I blame in part, of course, the failure of the American people themselves to come to grips with these problems, because they assumed that we're just going to have an easy time of it. That which we acquire too easily, we tend to value too lightly.

Now, let me be more specific:

In 1970—early in that year—I introduced legislation that would have established a national fuels-and-energy commission. That commission was to be composed of representatives of the executive and legislative branches of Government, and the public. I appealed to the Administration. I pointed out how necessary it was to have this partnership begin at once the formulation of an energy policy, not only by the legislative or executive, but across the board with the public. I had a letter from President Nixon in response to my appeal. And he turned me down.

Q. What were his reasons?

A. He said that the Domestic Council would come to grips with this problem, but he did express concern.

Q. Do you feel that in both the Administration and Congress there is now the necessary determination to come to grips with the problem?

A. Yes, and we must work together.

HOW TO GET MORE COAL QUICKLY

Q. Senator, you represent an extremely important coal mining State. Can the production of coal in West Virginia be increased substantially as one way of overcoming the energy shortage?

A. Yes, that can be done in West Virginia and elsewhere.

Q. How?

A. Well, I went to Pittsburgh recently during the United Mine Workers convention there, and I urged on President Arnold Miller and the district presidents the necessity to stop wildcat strikes that are causing a lesser production of coal than we should have had.

The National Coal Association has identified a short-term production-surge capacity of 20 to 25 million tons per year that could be placed in production within the first quarter of 1974, and a long-term capability, with adequate economic and environmental control assurances, of 25 million to 30 million tons annually.

Q. That's on top of about 590 million tons actually produced in 1973—

A. That's correct. I've been visiting coal companies, urging increased production—for instance, the Sewell Coal Company, where now there are 580 men at work.

They realize the opportunity for coal to be of valuable assistance in eliminating or at least partially coping with the energy crisis, and they want to make a contribution toward that end. I find when talking with the men in the hills that they'd like to do something positive.

The coal is there. That coal can be mined. I don't want to use the word "patriotic"—to wave a flag—but I think the miners and operators feel that element of obligation.

Q. Will increased coal production come from underground mines or strip mines?

A. We must have deep mines and surface mines.

Today, about 50 percent of our coal is surface-mined. But as we continue surface mining, it must be in environmentally acceptable ways.

We ought to be cognizant of the fact that it takes some surface mining by certain coal companies before they can mine the deep coal at any profit—they've got to blend these coals to lower the sulphur content.

The coal-mining industry has been making a profit of about 2 to 4 percent.

Q. Is that sufficient?

A. It isn't sufficient for this capital-intensive industry. They have to have more profit, and that's why I mentioned this mix of surface mining and deep mining. They can go together—in West Virginia, certainly, and in Kentucky, Tennessee, Ohio and many other places.

Q. Coal gasification and liquefaction would be a big part of our future self-sufficiency in energy. How long will it take to bring those processes to the point where they are technologically and economically feasible?

A. I feel they are here. We have the basic technology. Frankly, to a degree we had it 30 years ago—back in the '40s.

We can become self-sufficient if we commit ourselves—if we make an all-out frontal effort to do this job. We must commit the American people and all our resources—the Government and industry. If we all work together, it could be done in seven to eight years.

We've got to do this, of course, in acceptable environmental ways.

Q. How much coal can be mined?

A. Between 1.8 billion and 2 billion tons a year by 1985—and today we're only mining about 600 million tons. So it's going to call for an unprecedented effort. All segments of the coal industry will have to join in.

With the technology we have now, there are some 150 billion tons of recoverable coal out of an estimated 3.2 trillion tons. So it's there.

It's a staggering challenge. I recognize that, but we've met and solved problems of this magnitude before.

Q. If you triple coal production, would you have to triple the amount of strip mining—surface mining?

A. We have to have an increase in surface mining. That is the reason we need surface-mining legislation.

Q. Would that be in West Virginia and Kentucky, or would it be all over the country?

A. It would be in many States.

Q. If 3 times as much coal is produced as is now being done, would most of it be turned into oil? Gas?

A. It would be turned into synthetic gas and oil.

Q. What would be the feeling in West Virginia about this very large increase in coal production over a short period of time?

A. The State has, at times, produced very high tonnages beyond what it is now producing. West Virginians can do the job.

There's mechanization now, so it doesn't actually take as many miners as it once did. I've seen a cutting machine slice into a hill, and 60 men have gone home from their old-time jobs. The mechanization is there, but it requires a new expertise.

Many people say, "Where are you going to get the miners?" Certainly, this is a problem. We have several colleges now—Pikeville College in Kentucky is one I have visited—which have special courses from which men graduate not as pick-and-shovel miners but with an ability to supervise men in the mining of coal by modern methods.

Q. How could you triple the amount of surface mining in West Virginia without destroying the State's great natural beauty?

A. I'm for preserving the State's natural beauty. We don't have to destroy the land to do the job. On every type of project in which I have had a part, I've advocated that it be environmentally acceptable.

When we think of absorbing future energy growths through the use of synthetic natural gas and synthetic petroleum products from coal, we must recognize that coal mining is a sophisticated technology.

I've said, and I'll repeat. This task has to be done consistent with sound environmental policies—I add, occupational health and safety, too. I worked for that legislation in the Labor and Public Welfare Committee.

The goal is an energy self-sufficiency—and this means higher prices. We have to realize that the environment and the energy roads are not roads that clash. Rather, they can run together. I know there are some difficult hurdles and problems to be solved, but in this country we have the capability and initiative to help us over these troubled times. We must practice self-discipline and the elimination of waste and the conservation of energy.

Q. Turning to another source of energy, natural gas: There has been a great deal of debate about taking regulation off natural gas in interstate commerce. Do you favor that?

A. I think we ought to deregulate natural gas, the new supplies but under federal supervision. I feel that that's important.

Q. Do you think that will get into the Energy Emergency Act?

A. No, I don't believe that is appropriate. But I think it's going to be accomplished rather quickly. All these matters have to be dealt with this year. If we delay, we court the disaster that I spoke about in 1961.

NUCLEAR POWER: "A DISAPPOINTMENT"

Q. What about nuclear power?

A. There has been a tremendous taxpayer investment in nuclear electric power, and yet it has been a disappointment in part. But we mustn't scrap it. It's one of those energy problems that we must solve with minimum risk to the public and the environment.

Q. If the Arabs should lift the oil boycott and restore full production, do you think that people might forget the feeling of urgency they now have?

A. Yes, I suppose that would be a natural result, but it would be shortsighted.

Q. What is the long-range answer, Senator?

A. A vastly expanded program of research and development—and that is one of the Senate-passed bills, providing 20 billion dollars over a 10-year period. It's very, very necessary to achieve energy self-sufficiency. It should have happened long ago.

We must have a national fuels-and-energy policy. We've never actually tried to formulate one in this country. Now we must have it.

And I want to come back to one subject that is very important—the profit situation.

Q. Excess profits?

A. I feel very strongly that excess profits, windfall profits, must be spent to develop new energy sources. The money must be committed back into oil-and-gas exploration and research and development. We've got to use the money for developing new supplies of energy and for the facilities to deliver energy.

We should consider taxing excessive profits wherever they occur—not only petroleum or energy companies, but across the board and throughout industry.

THE MILWAUKEE ROAD

Mr. MAGNUSON. Mr. President, I am very pleased the Senate last night passed Senate Joint Resolution 81, which will require continuation of rail service by the Chicago-Milwaukee-St. Paul and Pacific Railroad for a period of 60 days. This is a matter of vital interest to my State, and will affect hundreds of Milwaukee Road employees and their families as well as a large number of shippers who rely on this railroad for transportation in Washington State.

The Milwaukee Road is now in bankruptcy. The assets of the railroad are in the hands of a trustee appointed by the U.S. district court in Chicago. The trustee recently petitioned the Federal court to allow an embargo on almost 75 percent of the Milwaukee Road's current trackage. Such an embargo would amount to a de facto abandonment of the Milwaukee Road's western lines without going through the abandonment procedures of the Interstate Commerce Commission.

On Monday of this week, Senator LONG and I held oversight hearings on the present status of the Milwaukee Road. Testimony presented at that hearing convinces me that to allow an embargo on the Milwaukee Road lines west at this time would make it necessary for the Interstate Commerce Commission to order directed service by other railroads at a considerably higher cost to the Federal Government than would be the case under the provisions of this resolution. I recognize that this resolution is not a long-range answer to the problems facing the Milwaukee Road. However, I do believe that an additional 60 days to study the future of the Milwaukee Road lines west is essential. In recent weeks there has been a growing feeling among Milwaukee Road customers, employees, and other interested parties that the railroad might be successfully reorganized in the West to provide meaningful competition among the railroads in that part of the country. I understand that the Department of Transportation and the Interstate Commerce Commission are currently studying a proposal aimed at accomplishing that objective. I encourage the DOT and the ICC to finish their analysis of these proposals as soon as possible to determine the feasibility of the plan.

As I indicated to the Department of Transportation's witness at our hearings last Monday, I believe that any funds advanced by the Federal Government to the Milwaukee Road over this 60-day period should be used to maintain the entire Milwaukee Road system, and not just the core proposal that the trustee has submitted to the bankruptcy court.

In addition, I believe the Department of Justice should carefully study the possible anticompetitive effect of allowing the Milwaukee Road lines west to be reorganized out of existence, leaving only two major shippers to serve the Pacific Northwest. I find it ironic that at a time when the administration has submitted legislation calling for far-reaching deregulation of the Nation's rail freight service, the Federal Court is being asked to embargo, and thereby abandon, over 75 percent of an existing railroad. An abandonment of railroad trackage on this scale is unprecedented, and must be studied very carefully.

During the next 60 days, I look forward to studying the response by railroad employees and shippers to determine whether a significant financial commitment to this railroad can be made. If the studies now being conducted convince me that a reorganized Milwaukee Road can operate successfully in the Western States, I will certainly work with those parties to explore the possibility of Federal loan guarantees to the new owners of this railroad to allow the Milwaukee Road lines west to become a viable part of the Western railroad system.

Mr. President, I sincerely hope that the House of Representatives moves quickly on this matter and that the Milwaukee Road trustee and the Federal bankruptcy judge take notice of this action.

JUDGE BAZELON

Mr. JAVITS. Mr. President, I take this opportunity to mark a milestone in the career of an old and dear friend, one of the finest Federal jurists of our lifetime, David L. Bazelon, a judge in the U.S. Court of Appeals for the District of Columbia.

Judge Bazelon has served, magnificently, on the District of Columbia Court of Appeals for more than a quarter century, the last 16 years as its chief judge. Now, he has decided, in his own words to "step back a bit" and assume the status of a senior judge. I wish him well in this pursuit and I look forward to his continued help in reweaving and strengthening of the rules and scholarship of the law to which he has already contributed so very much.

His remarkable judicial career has been characterized by tough insightful questioning which got to the heart of the matter before him. Kind and gentle as a lamb personally, Judge Bazelon has been awesome on the bench with his sharp and trenchant inquiries. Laws, rules, and procedures out of tune with the times have traditionally stood little chance of survival under his close scrutiny.

The New York Times phrased it this way in a comment on his career:

> Serving on one of the most urban of the federal appellate courts, Judge Bazelon has a reputation of being among the most powerful and effective questioners of the status quo ever to serve on the bench.

Judge Bazelon has now sought senior status. But it is fitting and high praise indeed that few who know him expect a change in his vigor or in his approach to his admitted labor of love. As the Washington Post said only a few days ago, his retirement will merely free him "to probe even more deeply into those dusty corners of the law where too many unexamined problems still lurk."

Judge Bazelon is a man of rare vision, courage, and judgment. I know we will hear a great deal more from him as time passes and that he will go on rocking the boat as he has, so constructively and with such great wisdom, for so many years. The horizons of the law and social justice are the wider and brighter for his efforts.

He is one of the most inspiring and magnificent judges, also a great leader in judicial learning and jurisprudence.

Mr. President, I ask unanimous consent that the tribute in the Washington Post from which I have quoted be printed in the RECORD in its entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUDGE BAZELON STEPS BACK

For more than a quarter of a century, Judge David L. Bazelon has been the *enfant terrible* of American law. He has asked the indiscreet questions and challenged the conventional wisdom. He has forced his colleagues on the bench and at the bar to think about the things they had always done routinely. By doing so, he has exerted enormous influence on the shape of the law not only in this city, where he has served as a federal circuit judge for 30 years, but throughout the nation as well.

None of this is likely to change now that Judge Bazelon has decided, in his own words, "to step back a bit from a 30-year labor of love" and retire as a regular member of the U.S. Court of Appeals. His new status as a senior judge seems likely to free him to probe even more deeply into those dusty corners of the law where too many unexamined problems still lurk.

Judge Bazelon is best known, here and elsewhere, for having opened up, with his opinion in the *Durham* case, a long and still inconclusive debate on the relationship between mental illness and crime. Some of his critics claim that debate has been useless, that the *Durham* rule has been repudiated by his own court, and that the law has not been substantially changed. They have missed the point. Judge Bazelon wanted to make lawyers and psychiatrists and others think about what they were doing to criminals who were or might be mentally ill. They have thought—at least, some of them have—and the awareness of the problem, even if there is no consensus on the solution, is far greater than when the *Durham* case was decided.

The list of other areas of the law in which Judge Bazelon has opened doors and pointed out problems is too long to recite. There were, for example, police interrogation and investigative arrests, sentences equating a fine of $1 with one day in jail, and the failure of juvenile courts to live up to their promise of helping, not punishing, young people.

For years, the phrase "lookit" was a vital part of Judge Bazelon's private conversation. It was a contraction of "look at it," and it was uttered, forcefully and compellingly, when he was trying to persuade someone to examine an issue or a problem or a bit of conventional wisdom that had been too hastily accepted. More than any other phrase, it seems to sum up what his career has been all about. Look at it; examine it; is it right?

This community has been fortunate to have had a judge who was prepared to give that scrutiny to whatever came to his attention. Judge Bazelon has rocked the boat, violently and perhaps even unnecessarily at times, and he will no doubt keep on rocking it. But the law is better now because of what he has done.

NATIONAL CHAMPIONS FROM VIRGINIA: THE ANNANDALE ATOMS

Mr. WARNER. Mr. President, my State of Virginia has earned countless distinctions over the years in every field of endeavor: In science and the arts, statecraft and religion, commerce and industry, education and athletics.

The greatness of my State, like the greatness of our Nation, is rooted in the greatness of our people. The nurture and perpetuation of that greatness is due in no small part to the excellence of our system of elementary and secondary education.

Thus it is especially gratifying when an outstanding achievement by any of our schools gains national recognition and brings reflected credit to us all.

Within the next few days, parents, teachers, students, and friends of Virginia's Annandale High School will gather for their Annual Spring Sports Award Dinner—and they, along with all Virginians, will have special cause for celebration.

For they will be saluting the No. 1 high school football team in the country—the national champion Annandale Atoms.

Annandale's gridiron prowess exemplifies the high standards, both athletic and scholastic, which are fostered in schools throughout our State by the Virginia High School League. Composed of Virginia's 285 public high schools, the league involves some 115,000 students in its many sponsored scholastic and athletic activities.

Scholastically, the league sponsors evaluations and workshops in dramatics, forensics, debate, creative writing, and publications.

In the growing field of girls' athletics, students of member schools participate in basketball, gymnastics, track and field, golf, tennis, indoor track, field hockey, softball, volleyball, cross-country, swimming, and soccer.

High school boys, under league sponsorship, currently participate in 12 sports—football, basketball, track and field, baseball, wrestling, cross-country, golf, tennis, indoor track, gymnastics, soccer, and swimming—with competition and championships on the district, regional, and State levels.

It would almost seem that League Chairman T. Page Johnson and his fine staff could have written the script for the thrilling finale of the Virginia AAA 1978 State football championship and the subsequent national recognition. With just over 1 minute left in the game and losing 13 to 7, Annandale scored and converted against previously unbeaten Highland Springs High School of Richmond, Va., to win, 14 to 13.

This victory not only gave Annandale the State championship but the national No. 1 ranking as well. Highland Springs, an outstanding team in its own right, finished its season with a 13–1 record and placed 15th in the national rankings.

Virginia is proud of both these splendid teams, and of their outstanding coaches—Bob Hardage of the Atoms and Al Rinaldi of the Springers. We are doubly proud to be the only State in the Nation to place 2 teams among the top 15. In addition, George Washington High School of Danville, Va., was ranked 38th, and James Madison High School of Vienna, Va., placed 83d; they too, deserve congratulations.

Mr. President, the General Assembly of the Commonwealth of Virginia, by joint resolution, has honored Annandale High School for its remarkable achievement. I ask unanimous consent that a copy of the resolution be printed in the RECORD, along with a listing of the Nation's top 20 high school football teams and a press account of the selection of the Annandale Atoms as national champions.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOUSE JOINT RESOLUTION NO. 250

Whereas, the 1978 Annandale High School Atoms football team has brought great credit to itself and the Commonwealth of Virginia by being ranked the number one high school football team in the nation by the National Sports News Service of Minneapolis, Minnesota; and

Whereas, it is appropriate for the General Assembly of Virginia to commend the achievements of Virginians which reflect favorably upon the Commonwealth; and

Whereas, the Annandale Atoms football team is also the current Potomac District, Northern Regional, and Virginia State high school football champions; and

Whereas, these fine young men, under the guidance of athletic director Rachel Peters, head football coach Robert Hardage, coaches Cordell Gill, Robert Herb, Charlie Martin, Everett Cloud, Marshall Windsor, Charlie Walton, and Ronn Klingensmith, and principal James Finch, have brought credit upon themselves and distinction to the Old Dominion; now, therefore, be it

Resolved by the House of Delegates, the Senate concurring, That this body hereby honors the Annandale Atoms football team, its coaches, and school administration for this outstanding achievement; and, be it

Resolved further, That a suitably prepared copy of this resolution be transmitted to the Annandale Atoms football team in token of the commendation of this body and the people of Virginia.

1978 NATIONAL RATINGS FOR HIGH SCHOOL FOOTBALL—RATINGS BY THE NATIONAL SPORTS NEWS SERVICE, MINNEAPOLIS, MINN.

1. The national high school football champion: Annandale, Virginia 14–0.
2. Houston, Texas—Stratford High 15–0.
3. Chicago, Ill.—St. Rita High 13–0.
4. Merritt Island, Florida 14–0.
5. Carmel, Indiana 13–0.
6. Edina, Minnesota—West High 12–1.
7. Penn Hills, Pa. 12–1.
8. Fountain Valley, Calif. 12–1.
9. Cincinnati, Ohio—Princeton High 12–0.
10. Jefferson City, Missouri 11–1.
11. Gallatin, Tennessee 14–0.
12. New Orleans, La.—St. Augustine High 14–1.
13. East Rochester, New York 10–0.
14. Tulsa, Oklahoma—McLain High 11–2.
15. Richmond, Va.—Highland Springs High 13–1.
16. Plano, Texas.
17. Valdosta, Georgia 14–0–1.
18. Fort Wayne, Ind.—Dwenger High 12–1.
19. Pensacola, Florida—Pine Forest High 11–4.
20. Cincinnati, Ohio—Moeller High 11–1.

[From the Northern Virginia Globe, Jan. 18, 1979]

ANNANDALE NAMED NATION'S TOP FOOTBALL TEAM

(By Kevin Dunleavy)

There are no more worlds left for Annandale High School's storied and soon to be legendary, football team to conquer.

The final battle was fought early this month, and, although it was waged quietly on paper, it has to rank among the Atoms' most satisfying successes.

The National Sports News Service out of Minneapolis, Minn. has judged the undefeated Virginia State Champion Atoms the Number One high school team in the country in their annual rankings.

Of all the teams in the United States that held their index finger high when their seasons were completed, Annandale can hold theirs the highest, above even the gloried champions from areas of the country where football ranks right up with God and country, places like Ohio, Eastern Texas, Western Pennsylvania and Southern Florida.

"It's nice to know we're recognized around the nation as a good team," said Coach Bob Hardage. "It's quite an honor. Of course, the big thing is still the satisfaction of winning the State title because that was done on the field."

Being named national champions says a lot for the reputation of Annandale and also demonstrates the high regards held by those supposedly in the know about Virginia high school football.

There were several other undefeated State championship schools in the National Sports News Service rankings, Stratford High of Houston, Chicago's St. Rita High, Merritt Island High of Florida, Carmel High of Indiana, and Gallatin High of Tennessee all were unbeaten State titleists, yet Annandale got the nod.

Highland Springs of Richmond, the Atoms' State championship victim, was ranked 15th in the nation and George Washington High of Danville, which fell to Annandale in the state semis, was ranked 38th. Northern Region finalist James Madison placed 83rd.

"We really didn't expect to be ranked Number One," said Annandale's Phil Denfeld. "We had kinda joked about it during the season what it would be like to be the national champion, but we really didn't think it was possible."

"Looking back, I think we worked hard enough and deserved it," continued the All-Met split end. "It's hard to say that we were better than any other team in the United States, but it's really an honor."

The mythical national championship of high school football was achieved through plain and simple hard work, intense dedication and a fiery will and spirit.

Surely larger, faster and stronger teams were assembled this season, but none possessed the Atoms' commitment to perfection.

Coming off a 7-3 season and a third place finish in the Potomac District, seen as disastrous by the spoiled Annandale community, everything came together this season. The talent was there, and it was utilized to its fullest.

"We knew we could be very good before the season started," linebacker Ron Renzi said. "But we felt we had to keep progressing if we were going to go all the way."

The key was the defense Assistant coaches Charley Martin and Everett Cloud had much to do with the unit's success. The defense functioned smoothly all season and was noted for its gang tackling and ability to come up with the big plays in crucial situations.

Determined goal-line stands against Fort Hunt, Madison and George Washington of Danville, turned the tide in the Atoms' first three playoff games, giving the club the emotional spark it always seemed to need at some point in all of its games.

With six starters back, including two All-Met performers, from a defensive unit that was outstanding even in a 7-3 season, the potential for greatness was secured.

Add to that a pair of aggressive transfers, 220-pound tackle Scott Wiggins and 200-pound linebacker Mike Oglesby, plus 6-3 cornerback Ted Thornton, who moved from a starting offensive backfield position, and it is easy to see how much talent there was for Cloud and Martin to work with.

But Cloud's and Martin's magic was most evident in the unit's two least experienced players—end Greg DiRenzo and tackle Bruce Hedetniemi.

Neither played much a year ago, but this season both were consistently outstanding. Hedetniemi, a junior, made the All-Region team, and DiRenzo, a reserve defensive back the previous season, was selected to the All-State team.

The veteran leaders were All-Met safety Mike Gullette, who intercepted six passes and recovered three fumbles in Annandale's first three post season games, and lean, mean linebacker Ron Renzi, who was named the Northern Region's Most Valuable Player.

Middle guard Scot Thomasson, a starter since his sophomore season, would have also been All-Region had he not been shifted from tackle prior to the season. The strong 6–0, 210-pound toughie was a rock in the middle for Annandale all year long.

End Bob Slahetka, with his knack for being near the football, was another All-Region choice. The active 6-0, 180-pound senior gave Annandale the best defensive end duo in recent memory.

The other starters were All-District safety Jimmy Reed, one of the club's headiest players, and 6-4 cornerback Paul Frongello, who blocked four punts and two field goal tries this year to go along with his six interceptions.

On offense, the Atoms had a long way to go. In their three losses the previous season, all they could muster was one touchdown. But, thanks to a sophomore quarterback and offensive line coach Bob Herb, Annandale became a well-balanced, precisely drilled offensive machine.

Tenth grader Mark Cox stepped in and handled the reigns cooly, running and passing without hardly getting his uniform dirty. He threw for 10 TDs in his first three games and finished with 19 aerial scores. He rushed for 10 more six-pointers.

The biggest area of improvement was along the line. Herb came from Falls Church High School with a considerable reputation as a blocking coach. His work this season only enhanced that rep.

Herb had no returning starters to build around, yet he still developed three All-Region linemen—center Reuben Weaver, tackle Steve Redhage and tight end Tom Tatum—stressing weight training quickness off the ball, and week-to-week improvement.

The transfer of last year's freshman sensation Tommy Mason left Annandale without a speedy backfield threat who could take it the distance. Pluggers Greg Clarke and Jimmy Hatch, neither with much speed, showed toughness and good running sense in addition to getting excellent blocking.

This team was made up of an extraordinary character, which can be traced directly to Coach Hardage. Neither a master of the Xs and Os nor a brilliant tactician, Hardage is a great coach because of the desire he instills in his troops. He is a highly-respected master motivator who accepts nothing less than a maximum effort.

"All the papers try to say what makes Mr. Hardage such a great coach," said Gullette at last week's Annandale Rotary Club banquet honoring the Atoms for being selected Number One in the nation. "They say how prepared he is, but, in simple terms, he's a guy you really want to play for."

All year long, Annandale constantly strived for improvement. Even when they were winning by scores like 35–0, the Atoms remained cautious, knowing that any letdown would eventually hurt them in the long run.

The Atoms' mental fitness is what made them a great football team when many other clubs would have been satisfied with just being good.

It was certainly the difference in the State championship final against bigger, stronger and faster Highland Springs.

Annandale, dependent all year upon a harassing defense that made most of the team's breaks, was unable to force any turnovers and their patented goal-line defense even failed them the one time it was tested.

Highland Springs controlled the line of scrimmage, outgaining Annandale better than 2-to-1. If Wendell Morris' 77-yard first half touchdown run could be written off as a fluke, there was no way Annandale could live with the Springers' opening drive of the second half.

The visitors simply rammed the ball down the previously indomitable Atom defense's throat, parading 68 yards, all on the ground, using straight ahead running and blocking. It was an awesome display of power, leaving Annandale behind 13–0, apparently shattered.

But, from there, emotion and desire carried Annandale. Faced with adversity for one of the few times in the season, the frenzied Atoms seemingly went beyond their capabilities. The offense, limited to 28 first half yards, came alive as the line shot out of its three-point stance like six Houston McTears.

Suddenly, Annandale, long known for its low-key approach, was playing and winning solely on emotion.

Two Paul Frongello kick blocks, two Bruce Hedetniemi sacks, two touchdown passes and a daring fourth down rollout by 15-year-old Mark Cox, and Phil Denfeld's touchdown lunge, and two successful conversions paved the way for the season's biggest win, 14–13, the win that made Annandale Number One in the State and later the country.

It was a victory that proved Annandale was capable of doing whatever it took to win. Their character was tested and they met the challenge head-on in magnificent style, proving to the State and the country that they were without a doubt "Number One."

RECRUITMENT OF WOMEN FOR ARMY TO BE ON EQUAL BASIS WITH MEN

Mr. PROXMIRE. Mr. President, for some time now I have been pressing the Defense Department to offer the 51 percent of our population that is female the same opportunities that are offered men. Therefore, I was particularly pleased to learn that the U.S. Army has finally agreed, as of October 1 of this year, that the recruitment standards for women will be exactly the same as those for men. Previously, the Army had required both higher educational standards as well as higher scores on qualification tests for women wishing to enlist in the All-Volunteer Army. The U.S. military is the biggest single employer in this country. How ironic that it has practiced gross sex discrimination.

Mr. President, the Army's equalized recruitment standards correct both a civil rights and an efficiency problem. The old discriminatory rules not only denied to the women of this country the equal opportunity to serve in the defense of their Nation, but also denied them equal access to the education and employment opportunities that our country makes available to those who are veterans of military service. Equally important, increased participation of women in the military will improve the strength and efficiency of the defense capabilities of our country by giving the Army access to the best available candidates from a pool consisting of the entire population. Furthermore, the Defense Department has recognized that women recruits are better motivated and more cost effective, have lower absentee rates, and lower support costs than men.

Mr. President, women are still not going to receive equal treatment in the military when they have been allowed to enlist on an equal basis. There are still many job categories in all branches of the service which are not open to them and where they could perform the required tasks with the required efficiency and skill. But the latest change is another clear sign that the Defense Department and the military services are continuing to progress toward full utilization of the potential of every sector of our society in the defense of our country.

Mr. President, I ask unanimous consent that my correspondence with Secretary Alexander be printed in the Record.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

April 3, 1979.

Hon. Clifford Alexander,
Secretary of the Army,
The Pentagon, Washington, D.C.

Dear Mr. Secretary: Recent press reports indicate that the Army is failing to enlist enough women to meet its recruiting goals. The first half of FY 1979 saw only 73 percent of the goal for women being fulfilled.

If this is the case, would you entertain the idea of supporting an amendment which would eliminate the high school diploma requirement for women and place them on the same recruiting basis as for men?

If this restriction is abolished, could you please determine the likely effect on recruitment of women and whether or not this would help make up the shortfall for this year or next.

I would also appreciate your views on what should be done to solve the recruitment problem. Is a higher reenlistment percentage the answer or is there a need for new incentives?

Sincerely,

William Proxmire, U.S.S.

May 21, 1979.

Hon. William Proxmire,
U.S. Senate,
Washington, D.C.

Dear Senator Proxmire: This replies to your 3 April letter to Secretary Alexander regarding the recruiting of women for the active Army.

Because of the Secretary's commitment to achieving equal opportunity for women in the Army, he has decided—much as you suggest in your letter—that effective 1 October 1979, the enlistment eligibility criteria for women will be the same as that currently in effect for men. This will achieve equality and will help the Army recruit sufficient numbers of women.

The effect of the Secretary's decision is that women who are not high school graduates can apply for enlistment if they score 31 or more on the Selection Test. Women high school graduates scoring 16 or higher also will be eligible for selection. Our recruiting management system will provide for the enlistment of the best of those meeting our eligibility criteria, measured largely in terms of the likelihood that the individual will complete her term of enlistment. The entry of both men and women will be controlled by military occupational specialty in accordance with the Army's needs. In addition, the Military Applicant Profile, a screening instrument to determine an individuals suitability for the Army, is being developed to attrition.

The Army's difficulties in recruiting women are only part of the overall recruiting problems we are experiencing. In fact, we have fallen short of our recruiting goals for both men and women in each of the last two quarters. Apparently, increasing numbers of young men and women are viewing the military service as an unacceptable alternative to other employment. Accordingly, we have implemented several new programs to alleviate this problem. Some of these programs are: the two-year combat arms enlistment option; the 24-month overseas tour for bachelor four-year enlistees; the junior enlisted overseas travel entitlement; an increased enlistment bonus for armor soldiers; and increased resources for Reserve enlistment and reenlistment bonuses.

These programs need to be in effect for some time before we can assess adequately their impact on our current difficulties. You may be assured that we will work closely with Congress to determine the most effective and equitable way to recruit for the Army.

Sincerely,

Robert L. Nelson,
Assistant Secretary of the Army
(Manpower and Reserve Affairs).

TRAGEDY IN EQUITORIAL GUINEA UNDERLINES THE NEED FOR SENATE RATIFICATION OF THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, an article by the Associated Press recently came to my attention concerning the heart-breaking course of events that have occurred in the small African country of Equitorial Guinea. The Associated Press reported that an estimated 145,000 refugees, close to half the country's original population, has fled the country. Trustworthy sources estimated the number to have been killed to be in the tens of thousands. At least seven of the Macias regime's former government ministers were known to have been executed. Torture of political prisoners was reported to have been widespread.

Mr. President, these are incredible accounts. One-half of the entire population had already fled the country. The other half faced death or imprisonment. It is hard to imagine a living situation that could be more unbearable.

Mr. President, we cannot turn our faces from such gross violations of human rights such as have occurred in Equitorial Guinea. At the very minimum, the State Department must be called upon to make a strong condemnation of any country that behaves with such a callous regard to human life. Indeed, we are obligated to use all our diplomatic power to put a halt to such inhumane behavior.

But it is not only through domestic means that we can make our voice heard. For the past 30 years, we have had the opportunity to join the majority of the world community in condemning a crime that violates the most fundamental of all human rights, a crime which the Macias regime appears to have been guilty of—genocide. The Genocide Convention is the only international treaty that deals with the prevention and punishment of this most hideous of crimes. Yet, to our country's shame and embarrassment, we have been unwilling to ratify this treaty.

Mr. President, it is no coincidence that Equitorial Guinea has not ratified the Genocide Convention. By our laxity on this issue, we are implicity alining ourselves with the likes of Equitorial Guinea, Uganda, and Cambodia—countries who have not ratified the convention—instead of the 83 nations, including all of our major allies, who have ratified the treaty. It is, indeed, a contradiction to protest gross violations of human rights while refusing to ratify a treaty that protects the most basic right of all: the right to live.

Mr. President, we must put an end to this contradiction. We must let the world know exactly where we stand on this issue. We must take concrete action to once and for all abolish this terrible crime. We must ratify the Genocide Convention.

Mr. President, I ask unanimous consent that an article by the Associated Press be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Thousands Reported Killed in Isolated Equatorial Guinea

(By Michael Goldsmith)

Douala, Cameroon.—Thousands of persons are reported to have been executed or to have vanished without a trace in the little more than nine years since Equatorial Guinea gained independence from Spain. Almost half the population has fled, and those remaining live in an atmosphere of terror.

Diplomats and refugees here in neighboring Cameroon and in Gabon paint grim picture of life in the isolated land, situated at the great bend in Africa's west coast just north of the Equator. They say dissent is punished by death and the most frequent method of execution is by soldiers beating their victims.

The country of 10,800 square miles—barely larger than the state of Maryland—has been ruled since the end of the Spanish colonial administration in October 1968 by a former civil servant, Macias Nguena Biyogo, who shuns the limelight and apparently lives in dread of assassination.

Most reporters, especially Western correspondents, are barred from the country, so first-hand confirmation of conditions there is practically impossible. But refugees, diplomats, foreign businessmen and technicians tell of the harsh oppression.

They claim Macias, a member of the majority Fang tribe, is backed by a ruthless militia drawn from his own tribal district and by hundreds of Cubans, Russians and Chinese. He has imposed an ostensibly Marxist regime and expelled all American diplomats.

"The largest foreign colony is composed of Cubans. We estimate there are at least 500 of them in the country, including Macias' bodyguard . . . As far as we know, they have not taken part in any actual killings, but in a way they are the backbone of the regime," a diplomatic source said.

An estimated 145,000 refugees, almost half the country's original population, have fled to Cameroon and Gabon or to Nigeria or Spain. There are not exact figures available on the number of people killed, but trustworthy sources agree they must be counted in the tens of thousands.

The sources say an atmosphere of terror pervades the island of Fernando Poo, once a relaxed pastel-hued settlement of fishermen and vacationers, and the mainland enclave of Rio Muni—the two parts of Equatorial Guinea. They say the economy is shattered and cocoa exports, the country's mainstay, have fallen from 40,000 tons a year at Independence to 6,000 tons.

The World Council of Churches, Amnesty International and the London-based Anti-Slavery Society have condemned the reported systematic killings, torture and forced labor, and have denounced the Macias regime as "among the most brutal and unpredictable in the world."

At least seven of Macias' former government ministers are known to have been executed.

Another minister claims to have escaped by walking for two days through the tropical forest while militiamen combed the country for him with a death warrant signed by Macias.

He is former Health Minister Pedro Ekong Andeme, 37, who now lives in relaxed "protective custody" in the Cameroon capital of Yaounde and is trying, despite the displeasure of the Cameroon authorities, to rally his thousands of fellow refugees into a "liberation movement" to sweep away the Macias regime.

Ekong met me at a secret rendezvous in Yaounde, out of sight of the Cameroon policemen permanently posted around his living quarters. He said he spent four years in the prison in Malabo, the capital, for having spoken out.

From 1971 to 1975, Ekong said, he was kept naked in a cell seven feet long and two feet wide, with only the concrete floor to sleep on.

"Each Saturday morning, every political prisoner including myself received 150 strokes with a metal rod," he said.

Ekong said he kept a careful count of the prisoners clubbed to death in the courtyard of the prison at Malabo. "Their screams stopped when their backs were broken," he said. For each death, he made a mark on his cell wall. There were 157 over four years, he said.

Others were luckier: they were taken outside and executed in public by firing squad. Almost all those executed were political prisoners, Ekong said. Countless others were killed "spontaneously" by militiamen.

Malabo is on Fernando Poo, now renamed Macias Nguema Biyogo Island, where some 25 percent of the population lives. Ekong, whose story could not be confirmed indedependently, said most of the murders occurred in mainland Rio Muni.

A Cameroon diplomat who recently ended a two-year assignment in Malabo said Macias seemed intent on wiping out all local political leaders, high government officials, professional men, businessmen and intellectuals who do not belong to his immediate tribal group.

Practically all those who might have directed an opposition group are dead or in exile, he said, while the mass of the largely illiterate population accepts the regime in a spirit of "hopeless resignation."

The only Western ambassador still resident in Equatorial Guinea, France's Jacques Fournier, trying to protect the dwindling French commercial interests in the country.

A former member of Fournier's diplomatic staff said the general atmosphere "is that of a concentration camp."

"A high wall surrounds the government compound in the center of Malabo, cutting clear across the main square," he said. "Only trusted members of the regime are allowed through the wall. Inside the compound, the Roman Catholic cathedral is closed and boarded up. . . .

"The shops are almost empty . . . Clothing is rationed. The infrastructure is breaking down through neglect or lack of spares. One recent electricity breakdown lasted three weeks."

Fustachio Mba, 28, said he fled Equitorial Guinea after being ordered to take part in random executions. He said two of his brothers were among those later killed.

Spain broke relations with its former colony last March after Macias publicly insulted King Juan Carlos in a speech. The last U.S. ambassador, Herbert J. Spiro, was expelled a year earlier, after being accused of being "a criminal spy for international imperlialism."

A handful of Roman Catholic priests and missionaries continues a precarious existence in Equitorial Guinea, subject to constant government suspicion and harassment. One of them, on a "rest and recuperation" visit to Cameroon, said "we tend to regard ourselves as voluntary hostages."

THE DANGERS AND EFFECTS OF LOW-LEVFL RADIATION ON THE CITIZENS OF UTAH—THE ST. GEORGE REPORT

Mr. HATCH. Mr. President, on June 11, the Senate Health and Scientific Research Subcommittee will hold a hearing on the menacing dangers posed by low-level radiation. Not only is the matter timely, but it is a problem to which all of us serving on the subcommittee including our chairman, Ted Kennedy, and our ranking member, Dick Schweiker, have spent and will continue to devote a great deal of time and energy. We are talking here about a national problem, but one which is particularly acute to the citizens of Nevada, Arizona, and my State of Utah.

Earlier this year, I requested that onsite hearings be held in Utah on the problem. On April 19, in Salt Lake City, the Senate Health Subcommittee participated in a joint hearing with our respective colleagues from the House, the testimony of which will shortly be released. Just prior to this formal Salt Lake City joint hearing, I conducted a town meeting in St. George, Utah, the actual site of the atomic testing in question. I am today releasing the full testimony delivered by some 33 Utahans who spoke at my April 17 meeting. Utahans who still bear the psychological and unspeakable physiological scars nearly two decades after the event. This event, this cause of so much moral and emotional injury to so many citizens, is the result, it has now been determined, of radioactive fallout of atomic bomb testing conducted in Utah in the mid-1950's.

This is not to say that there is now available or in practice a means of absolutely determining the so-called "causal relationship," that is, the cause which links radioactive fallout from the kind of testing in question to the many cases of leukemia, thyroid, and other fatal forms of cancer. It was a divided and still quarreling panel of scientists and radiological experts which submitted a final report on the dangers of low-level radiation at a press conference at the National Academy of Sciences (NAS) 2 weeks ago—that is, May 2. These scientists in conjunction with members of the Committee on the Biological Effects of Ionizing Radiation (BEIR) have struggled for nearly 2 years to come up with some simple risk estimates which the Environmental Protection Agency could use in order to set public health standards. After all this effort, the many years, energies and resources devoted to this study, one finds that their conclusions are less than definitive. The final report of this distinguished scientific gathering concludes that the risks of low-level radiation are very small, but that they are potentially greater than has been stated before.

In the case of the St. George, Utah, cases, the problem involves trying to determine this radiation link some two decades after the incidences of radioactive exposure. Despite this scientific problem, however, there is beyond any reasonable doubt a definite correlation between the cases of leukemia and thyroid cancer suffered by the people of southern Utah, Nevada, and northern Arizona, with the low-level radiation fallout which came in the wake of the St. George, Utah, tests conducted by the Air Force during the period 1952 to 1956. The tragic stories related by the 33 witnesses in the St. George report make this all too clear.

While it is important that we employ whatever means science has made available to us to analyze and determine the nature and limits of this radiation, it does not take a panel or an assembly of experts to conclude that the unusually high number of deaths, genetic defects and cancer-related ills are attributable to the radioactive fallout to which all of these people were exposed. Scientists are handicapped in their study approach in such cases, because scientists must extrapolate data on risk estimates likely to the radioactive fallout to which all of time. In the case of the St. George victims, however, we are dealing with a very different type of problem. We are dealing with people who received low doses of radiation over a very long period of time, and several witnesses in the St. George report articulately explain this so-called "high duration phenomenon."

These and other problems will be examined at length during the upcoming June hearings. In the wake of these, I intend to pursue all legislative avenues required to assure that the victims cited in the St. George report receive just compensation. The Federal Government cannot make up for the pain, the injustice and the death toll which came as a result of the fallout in question. But the Federal Government ought to be held into account. What we can do, we should do to assure the people of Utah, Nevada, Arizona, and citizens everywhere that we live in a society that is not uncaring, in a country that is just and in a community where we are never made to feel alone.

The people of St. George have a story which must be told, and I ask unanimous consent that the entire transcript of my St. George, Utah, town meeting, the St. George report, be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Senator Hatch. I want to sincerely thank you, our fellow Utahans, for showing up here this evening and sitting down and discussing what we consider to be monumental problems here in Utah. This is one reason we are in this town meeting here this evening. I think it is just a good idea for senators to get out of Washington and get back to the local people. So that's why I like to hold town meetings and this is the first one that I have held here in St. George.

Let me just say this to you. I think it is pretty important for us to discuss the matters that have come before us this evening that have been of major concern for people all over Utah but specifically in this particular area.

This evening we do have with us Kimball Young from Senator Garn's staff. I have a number of staff members from Washington and Utah on our staff. Frank Madsen, the administrative assistant on our staff in Washington, our top man in charge of our staff. I have Ron Doksai of the Labor and Human Resources Staff who serves on the House Subcommittee, and I have Garland Dennett who is the head of our Constituents service here in Utah.

Let me just say this: During the course of our get-together, I solicit your suggestions; also, your problems and chief environmental and other legislative concerns. Prime among these, of course, is a health problem affecting the large part of our state, and most especially St. George. It is a health problem directly affecting many of the citizens and families living within our state, as well as Arizona and Nevada. It is a problem, the solution to which we will more effectively and quickly find by seeking increased national attention as well as the fuller resources of the Federal Government. For more than any other reason, this is why I am here. A crime has been committed within our state and many of you or your loved ones have been or are now the innocent victims of mistakes made by government officials over a decade ago. But if this were a trial, we would be hard pressed to find a ready defendant. There is no "smoking gun," no one perpetrator or even one group of outlaws upon which to place the blame. And of course, this is not our primary purpose for meeting tonight. Our primary purpose is to make sure that it does not happen again and to make certain that those who suffer and are now suffering receive just compensation. What we can do we must and will do.

In January, 1978, a U.S. Congressional Subcommittee first heard testimony from nuclear expert Dr. Martin Sperling. It was then that the ugly fact was first confirmed low-level radiation resulting from a 1957 and 1958 Atomic Energy Commission test series was spread over most of our state, through especially the southwestern portion.

Our children received 50 to 150 units of radiation, or enough to cause intensive damage to the thyroid glands. Large concentrations of fallout product, Iodine 131 were then first believed to cause cancer. Since then we have learned that over the space of two decades, our State of Utah suffered nearly twice the national average of acute leukemia and cancer cases in one county, and significantly higher than average cases in all our counties as against the general American population.

Despite earlier denials by White House officials and agency personnel during the years in question, objective studies and scientific reports suggesting a link between the earlier Atomic Weapons' testing and the increase in cancer rate proliferated.

The National Communicable Disease Center in Atlanta, Georgia, Dr. John Crowell of our state's Department of Health and a study published in The New England Journal of Medicine by Dr. Joseph Lyon of the University of Utah's School of Medicine are only three of the most prominent and more recent indications proving that many of us had been suspecting and what many of you had already known.

I would like to read to you part of a letter which I received from a former student teacher in Orderville, Utah, Miss Nancy Stratford. Now working as a senate intern in my office in Washington last fall, Nancy's own recognition of the problem while teaching in our community summarizes it for all of us. She writes:

"I was terribly affected by the numbers of families hit with medical problems possibly resulting from the nuclear fallout. Almost every family had had at least one member die from cancer, leukemia, or other debilitating disease. My landlady had lost her husband only the year before through leukemia due to his exposure to the land through farming, and many other farmers were also affected. So tragic was the fact that most of the victims were relatively young. In the high school, our principal had lost his wife through cancer and my home economics teacher serving as my supervisor lost her husband through leukemia. There were only 130 students in our school and many of them lost their parents to it. For such a small population, there seemed to be so many lost to the killer disease. So many good, honest, decent people, many of whom I knew, all gone now."

Because of citizens like Nancy Stratford of my staff and other active Utahans deeply affected by the continuing tragedy, more pressure is being brought to bear on the Federal Government and upon those who are in the best position to see that it does not happen again. At the same time, we must not deny that it has. This is why I first approached the U.S. Senate Health Subcommittee on which I serve asking its chairman, Senator Kennedy, to hold full legislative hearings on this specific problem in order to determine how the Federal Government can attempt to make amends.

While gratified that my efforts for these on-site hearings succeeded, hearings which will be held this Thursday in Salt Lake City, Utah, I felt they should have begun where the problem is greatest, here in St. George. Therefore, I intend to take everything which is said here today and submit it to the formal record of the U.S. Senate Hearings held later this week. Armed with this testimony, including what we will hear from many of you this evening, I intend to seek special legislation to award compensation to those residents exposed to the radiation. It will not bring back those who have been lost. It will not heal those who are scarred or psychologically maimed for the rest of their days. It will, at least in a very visible way, remind all of us that we live in a society that is not uncaring, in a country that is just and in a community where we are never made to feel alone.

I think that it is appropriate that we begin this special town meeting here in St. George, Utah, that we listen to what you folks have to say. As you can understand, Senator Kennedy is one of the busiest people in America. We are fortunate to be able to get him out here for one day on Thursday and we are going to spend a great deal of time listening to scientific testimony on this, testimony which is critical in determining the claims and in achieving the compensation owed to many of you.

Senator Richard Schweiker, the ranking minority member on the Health Subcommittee will also be here. Senator Garn will be in Salt Lake, and, as you know, Senator Garn will be here later this week in St. George to express his concerns.

Since we have a representative from Senator Garn's office here, Kimball Young, we'd like to hear a few words from him at this time and then we will proceed to take whatever testimony you folks would care to give. We will listen to you and see what we can do here this evening and in the future. We will now turn to Kimball Young at this time.

Mr. YOUNG. Thank you, Senator Hatch.

Residents of St. George, it is a privilege for me to represent Senator Jake Garn this evening. The Senator has had a meeting planned for some time for this coming Friday. So if you will excuse him tonight, he'd appreciate it. But he will be here during the day and also in the evening on Friday to talk with all of you who wish to speak with him personally.

There has been a great deal of public and governmental concern focused on the Three Mile Island on the East Coast regarding a potential nuclear disaster, great governmental concern especially. But Senator Garn said earlier this week that probably the major nuclear disaster, first major nuclear disaster that has affected this country occurred some 20-plus years ago downwind from the nuclear tests occurring in Nevada, downwind meaning the St. George area in particular and other areas of Southern Utah.

Senator HATCH. Thank you, Kimball. We are very happy to have Mr. Young with us this evening. As you know, Jake and I worked together in Washington and I think we can work together very well on these problems from which you folks have suffered from, and as well as the people within the State of Utah and other intermountain areas have suffered from. They have even found some of this fallout and radiation as far east as Massachusetts. So you know what an interesting situation this has been and what a terrible calamity it has been, especially for us here.

I might mention to you that when they conducted the atmospheric testing during those crucial years, there was not much consideration given to the long-term medical and health problems that could result from that atmospheric testing. There appears to be a great "cover up" of the true facts and a great deal of suppression of reports and of materials that really must be known. One of our top scientists in Utah has not had an opportunity even to get his computerized data computerized which would help to show the problems involved out here because of a lack of $18,000. I think it is a pretty pathetic thing that the Federal Government has not taken care of this problem. We intend to see that that's taken care of as we sit out here during this week.

We have some ten to 20-plus witnesses here this evening. We don't want to foreclose anybody from speaking his or her mind here this evening. We have set up these witnesses on a time basis. We would like you to be as succinct as you can. We'd like you to go right to the heart of the matter and to give us the very best that you can to help us to understand the problems here in this Southern Utah area and Nevada, Arizona, et cetera. We would like to, at the end if we have time, to open it up for anybody else who has any desire to express themselves.

The local leadership here has made it possible that we call on a list of people who have agreed to testify and to permit them to testify in a sequential order. We should finish this testimony sometime around nine or 9:30 p.m. and at that point we will be happy to hear from anybody else who desires to chat with us. I think this has to be important to you because it is important to hear what your fellow citizens in this area have to say about it. I think the hearings in Salt Lake are immensely important because the Health Subcommittee, in my opinion, is the most important health forum subcomittee in the country, if not the world and our chairman is very active in trying to resolve health problems all over the country and so is everybody else on that subcommittee. It is a privilege to serve on it. So we hope we can get to the bottom of these issues and resolve these problems in a manner that will be satisfactory to our citizens here in Utah and, of course, in surrounding states who have also been victimized or adversely affected.

Now, I hope all of these witnesses are here or at least the early witnesses are here. We will first begin by listening to Mrs. Pat Walter from St. George, Utah. Is Pat here? Pat, if you will come to this mike and present your testimony. We have a Court Reporter who will take down everything that is said and hopefully we can enter these statements this evening into the Health Subcommittee reports and perhaps even in the Congressional Record.

So at this time we will listen to Pat Walter from St. George, Utah.

Mrs. WALTER. Thank you very much, Senator. I didn't know this was going to be quite so formal or I might not have been so willing to be here.

Senator HATCH. You don't have to worry about formality. We are happy that you, as a citizen, would take time to come and testify.

Mrs. WALTER. I have not lost a child or husband or a mother or anyone to cancer and I haven't lost myself, but I am the victim in my family. There is many of the people here that know that once you have cancer, your life is unalterably changed. It's never the same, ever, no matter if you recover, if you are well, if you are happy. Your life is changed and it's a change that always is kind of in the back of your mind. It is never quite gone.

The way I feel about the government and their responsibility in this, I was trying to think of an analogy and the only thing I could think of was when I was a little girl, I used to stand on the mantlepiece above the fireplace and I'd jump down in my daddy's arms. He always caught me. I jumped full of faith. I always knew my daddy would catch me. I kind of feel like the government let me fall. They just didn't catch me when I jumped and I jumped with a lot of faith. I have prepared a statement I think would probably be better if I read.

Senator HATCH. That will be fine.

Mrs. WALTER. It tells just a little bit of my family background and my concerns.

From 1951 until 1965, my husband and I lived in Las Vegas, Navada except for two years when he was in the Navy. We visited our family in St. George, Utah, probably on the average of once a month and took vacations there whenever possible. We were aware of the atom bomb tests going on during that time and often got up early to watch them. It was quite an event. I don't ever recall feeling any concern about danger to us, to our family and I don't ever recall any warning that was given to us that we were in a dangerous situation.

My five children were born during 1953 to 1961. All of them except for one was born in Las Vegas. The one who was not is presently deceased and he was killed in an automobile accident. In 1965 we moved to Southern Utah and we have lived here ever since. During the time that my husband was in the Navy, he was involved with the hydrogen bomb test at Eniwetok atoll. I was living in Hawaii as a Navy wife with my infant son and I was also pregnant with my second son. When my husband returned to Hawaii, he was ill. He had been on a Navy carrier and hospital ships. At that time he had radiation burns on his legs and he still bears the scars from that and he had problems with his ears, I don't think caused from any radiation, but from some other cause.

At present he is in good health and hasn't seemed to have had any bad effects except that he is hard of hearing which may or may not have anything to do with that. Up until May, 1973 at which time I was 41 years old, I had never had surgery of any kind, even my tonsils out. I have always been very healthy. My family is healthy. My grandmother died at 85 and she died in a hospital and that's the first time she had been in the hospital. My mother is living. My father died last spring of a stroke. My husband's parents are both living. All of my family are long lived and quite healthy. The only time I had ever been to the hospital was for a twist in my bowel and to have my children and all my births were normal and uncomplicated.

On Thanksgiving Day, I discovered a lump in my neck. I went to my own doctor. He checked me over and observed me for several months and sent me up to Salt Lake to a surgeon who performed an operation and found a malignant thyroid tumor. He removed the tumor and my thyroid gland totally and some other small glands. After surgery it took a while for all thyroid activity to cease which is a very uncomfortable situation and then I was placed on replacement medication which I have to take now for the rest of my life, because you can't live without your thyroid activity. I also had injections of radioactive isotopes and was given a scan test quite a few times always at the LDS Hospital in Salt Lake. Over a period of 14 months I went up there and was treated.

After about 14 months, they said I was cured and I was happy and I went home and I was only 25 pounds heavier than when I started out. But I was very happy to be well. A little later on, some more lumps appeared in my neck. This gave me great cause for concern and my doctor, also. I was sent back to Salt Lake to the same surgeon, had another operation and very thankfully this time it was benign cysts. There was no more malignancy found. So it was just another operation.

I haven't suffered more than a lot of people, but I feel like I have suffered less than I need to or than I needed to. Because of my background, because of my life-style, I have a statistically low risk of cancer. I accept that risks are a part of life. Potentially lethal risks are all around us. Most of the increases in those risks we take by our own choice. I may choose not to take those risks, not to smoke, not to be overweight, to exercise, to live well, eat food foods and there has been much legislation passed that has helped me from making dangerous decisions with regard to my health and safety. If the choices are made to reduce my risks and my lifestyle reduce my risk of injuries or disease, I feel that I have a right to enjoy the benefits of those choices. I feel that it is totally wrong for those benefits to be taken away from me. I was raised to have respect for the law and to trust the government and to believe that it would never knowingly cause me harm. I am sad to say my belief has been shattered by the events of recent months.

I submit that the United States Government and the Atomic Energy Commission did knowingly and without my knowledge and consent expose me, my family and many others to many times the radiation levels considered safe and did so without regard to our health and safety.

Further, the United States Government tried to suppress reports concerning unusually high incidents of cancer and leukemia in the Southern Utah area and only now, as evidence becomes overwhelming, are efforts being made to seek out the victims. I feel it is highly possible that my cancer was caused by excessive exposure to radiation and my life has been changed because of it. I feel that my rights as a citizen have been violated and that the United States Government should be held accountable. A diligent search should be made for potential cancer victims and careful medical supervision should be undertaken at government expense to insure early detection and treatment and the relief of the burden of the medical expenses of the victims and of their families.

I am a happy and optimistic person and I feel blessed to have survived. But I pray that the American people and our government won't let something like this happen again. I think there are safer, cleaner, better alternative sources to energy than nuclear power plants and I hope that no one needs to assume lethal risks except by their own choice.

That's my testimony.

Senator Hatch. Thank you, Pat. Would you be kind enough to give us your statement, your written statement? We'd like to have that.

Ms. Walter. Thank you very much.

Senator Hatch. Thank you very much.

Our next citizen who would like to testify is Ilene Prosstgaard. I think I am pronouncing that right. Is it Prosstgaard?

Ms. Prosstgaard. That's pretty close.

Senator Hatch. Ilene, we are really happy to have you here and we will be interested in what you have to say.

Ms. Prosstgaard. I reside here in St. George and I was very happy to be here and I speak on behalf of my family and my father that is not lucky enough to be here.

He died of cancer on January 18, 1978, at the age of 48. Cancer was detected in him in October of 1977. He was operated on in November of 1977. He suffered severely for three months and died in January of '78. Up until that point, he was a very, very healthy human being. He enjoyed water skiing and a lot of active sports and suddenly he had a few aches and pains and cancer was detected three months later. He was gone after suffering very, very much.

In 1976 I became very ill. The doctor sent me to Las Vegas to a hospital down there and when the test results came back, it showed I had acute hyperthyroidism which is an overactive thyroid. The doctor projected at that time that I'd be on medication for maybe a year or year and a half. It is now 1979 and I am still on the medication on a daily basis. But, however, I am very thankful to modern medicine that taking a pill can make me as healthy as I am now and that I can live a normal life like I have been able to up to this point. But I have been on medication now for such a long time my body has adverse effects and is causing side effects from it which may cause me to use a different type of medication that will be maybe facing hospitalization or radioactive iodine treatments.

It is hard to lose a loved one and there are many people in this building right now that have watched people suffer. When these cancer victims die, they just don't get sick one day and die the next. They suffer a lot and it's hard to watch them suffer. The worst part of the whole thing is the painfulness that they go through and the painfulness you feel for them and not too much you can do about it.

When I was in high school, I graduated in 1970 from Dixie High School here and all of us in high school were in a thyroid testing program. At that point, there were no adverse effects. My thyroid was normal at that point. It wasn't so much until 1976, six years later that anything ever came of it, that I found out that there was a problem there.

I don't have any solutions to the problem. I just wanted to give you the facts and give you this exactly what's happened in our family so that maybe something can be done and prevented in the future. I wish that someone had some answers. I think that the government has had something to do with it. There is too much of the cancer concentrated in this area to be a coincidence, that this many people died in an area. They have already done studies on it and I hope that something will be done so that my children can live past the age of 48 and so that I can, too.

Thank you.

Senator Hatch. One question. Do you know what kind of a cancer your father died of?

Ms. Prosstgaard. Adenocarcinoma, a glandular cancer.

Senator Hatch. You have had the thyroid condition since 1976?

Ms. Prosstgaard. Uh-huh. That's when it was detected. I wasn't what you'd call really healthy up until that point, but it was at the point I became very ill they detected it and ran tests on it.

Senator Hatch. Were other classmates of yours, did they they have thyroid problems?

Ms. Prosstgaard. I had classmates that detected abnormal thyroids in high school. They were sent to Salt Lake. Some people had their thyroids removed. They have got the scar there to show it. Others were just hospitalized for some kind of treatment. But at that time I didn't have any and at this time there are a few classmates of mine that have this problem.

Senator Hatch. Thank you so much for being with us this evening. We appreciate it.

Our next citizen will be Elaine Prisbey so if Elaine would come forward, we'd love to hear from you, Elaine.

Ms. Prisbey. We lost a son in 1975. He was born November 30 of 1947 and he died November 13, 1975. He lived his entire life at 431 South Main, St. George, Utah except for the three years service with the U.S. Army between 1970 and 1973.

Chad was a preschool child when the atom bomb testing began in Nevada in 1952 and was exposed to the next ten years of open air testing in Nevada. In 1955 the Atomic Energy Commission handed out a small 37-page bulletin on Atomic Test Effects in the Nevada Test Site region to the school. It was like on the top here. It was just like this. This is just—we have the booklet at home.

According to the booklet, there was no danger from radiation unless you were a short distance from the Test Site. School children were given tests for radiation problems, but only a one shot test, not a long-range program. If these same children were tested 20 to 25 years later, they would have come up with a better answer to A-Bomb test effects. We were never concerned about fallout dust as there were no warnings to the potential danger except in the mid-50's when the St. George valley was covered with fallout dust. On this particular day—my boy always played out in the soil and played with his little army trucks and men and so he was close to the soil all the time. We only had the one child for seven years and when we had gone for lunch, I had seen all this dust and I thought—I was thinking should I hang up my clothes or not and I thought well, I'll wait until after dinner and then maybe it will blow over. He had almost fallen asleep because he had been up early and when we went in to listen to the noon news which my husband always listened to, they were saying they were washing these cars off and I asked my husband do you think this is serious after all this time, you know, and he said well, I don't think so because the school children are out in their gym clothes, you know, out on the playgrounds playing. It must not be that serious. But then a little later they announced that they were doing this. It said on this particular day, the noon news on the radio warned people to stay indoors and later on the radio they announced that cars coming in on U.S. 91 from the south were being stopped at a roadblock by the Atomic Energy officials and being washed to eliminate contamination of the A-Bomb dust.

My son, Chad, served in the U.S. Army in Georgia and Germany from 1970 to 1973 and while at Fort McPherson, Georgia, he was operated on for a small growth in the roof of his mouth. He visited us on leave several times and mentioned he had a little back problem. I noticed he had a small cough winter and summer but he did not smoke, drink or anything.

After his army discharge he worked for the city as a police dispatcher. While working here, he joined the jogging club and believed in being in good physical condition.

In May and June of 1975, he complained of headaches and nosebleeds and visited his doctor several times. Also at Camp Williams with the Utah National Guard he went on sick call with headaches and backaches.

About the first of July he came in one evening and said he felt terrible as he was losing the feeling in his fingertips feeling like sandpaper. He was unable to lift small objects with ease. He said he just couldn't work in his present condition so his doctor after a quick checkup sent him on to Salt Lake to see a neurologist. After three days of tests, everything seemed to be okay, but the doctor suggested that he go to a blood specialist which was Dr. Cecial at the Holy Cross Hospital. He received many more tests. He left for Salt Lake on the 7th of August by himself and returned home with a friend because they were afraid for him to drive by himself on August 17—our 34th wedding anniversary—with us knowing that he had multiple myloma bone cancer. He never returned to work and his condition worsened from day to day, using a cane and then he had to use a walker. Then when we were at home, we would have to take him, me in front and his father behind to take him to the bathroom. He didn't like for me to have to lift him up. I'd have to get under his arms to lift him up because my husband would be working during the day. Then I'd have to call a neighbor to help us get him back to bed. But that only lasted for three or four days before he had to go to the hospital.

He never returned to work and his condition worsened from day to day. He came down with virus pneumonia and this is why he had to go into the hospital for nine days. They sent him to the Holy Cross in Salt Lake and I was always with him. He was in 16 days in intensive care having undergone lung biopsy. They told me he could live two and a half months or as long as two and a half years. I went through agony seeing what we thought was a healthy 160 pound young man dwindle down to 89 pounds two weeks before our prayers were answered for the Lord to take him. He died November 13th, 1975, just a short 18 days before his 28th birthday.

After his death, I asked the question, "Why should this young man die of cancer, a healthy boy with both sides of families with no cancer history, grandparents on both sides living to ages of 80 and 90 years of age?" Then I wondered if he had been exposed in the Army, But that was ruled out as he served in the M.P.'s. My mind then turned to the radiation exposure we went through in the 1950's and in my discussion with other local people, I found an alarming number of people with the same problem in our area. In fact, down in our neighborhood two other young people had died from cancer.

My sister—my husband is the one that wrote this—my sister, Virginia Evan Woodbury, a farmer's wife working outside a lot living in the Washington fields came down with cancer in January of 1978 but seems to have gotten it in time by having an operation. She just goes up now for check ups.

I would like to say our son received the best care we knew how to give him from the Dixie Memorial Hospital in St. George and the University Medical Center of Utah and the Holy Cross Hospital in Salt Lake City. My concern at the present is how are my five other children at home born between 1954 to 1958 affected by radiation exposure? Are we to go through this same agony in five to ten years from now?

Senator HATCH. That's a very interesting statement. Is it possible for us to have that statement? If you can hand them up to us after you finish—thank you.

We appreciate you coming here and testifying here this evening.

Our next citizen will be Irene Allen from Hurricane, Utah and if Irene is here, could we have you come forward? I am sorry this has to be so formal. It doesn't have to be, but the way they have set this up, I would almost rather have it be informal. But maybe from listening to the testimony we have heard this evening I don't know any other way than to be a little formal. It is a pathetic state of events and I think it is a pretty sorry situation.

So why don't you go ahead, Irene, and we will listen to what you have to say.

Ms. ALLEN. I am from Hurricane, Utah, and I have lost two husbands now with cancer since 1956.

In 1951, my husband, Vernett Hinton was custodian of the Hurricane High School. At this time the fallout, the bombs were being set off over the Test Site and the Atomic Energy had come around in a small panel truck and placed a badge on him as custodian where he was in and out of about three buildings. He would come every two or three days and check the badge for the fallout.

At this time I'd like to say that we had 14 children in the high school that contracted thyroid trouble and they took eight of them into Salt Lake and six of them had thyroid operations. The students can verify for you by their scars that they have. In '51 my husband took my two oldest boys which weren't very old at the time and let them get on top of the high school building, and they can bear testimony to you concerning this. They would look over into the west and watch the blasts go off and really was glad, you know, at the time to be able to see these things.

After a while, my husband started getting ill and he became ill in a weakened condition, just started going downhill, losing weight. So they sent him into Salt Lake to see Dr. Cartwright and Winthrop and they diagnosed it as leukemia, which he was developing. At this time he'd have to go in every two weeks for treatment and the times were hard. We had five small children. The oldest ones were in high school where he was working and it put quite a hardship on me. So instead of driving, we put him on the bus and he would go in one day and come back the next, go in and get his treatment at the Medical Center.

I'd like to say that this was really hard days for us then. I had five children and in November of '55 he was admitted into Salt Lake in the hospital and he remained there until January 21 when he passed away with leukemia. He was given blood every day. I can't remember now exactly how many pints of blood he had received all the time.

Senator HATCH. Would you give us his full name?

Ms. ALLEN. M. Vernett Hinton, H-i-n-t-o-n. So in January 21, '56, he passed away. This made it hard for me so I had to begin work. I started working for the county, Washington County School District as a secretary of the high school in November and I'm still employed there. Five years later, I remarried—I met a man named Walter Allen and he was working at Eureka, Nevada as a heavy equipment operator. In '71 he began getting ill and we thought it was his heart which. I guess some of the trouble was. But a year ago this last February he got quite ill so the doctor sent him into Salt Lake to Dr. Larry Stevens at the LDS Hospital and they operated on him and he was clear full of cancer. His pancreas was nearly gone. So they bypassed his pancreas and every week he had a chemo treatment and I was up there with him from February until March hospitalized at the LDS Hospital with him. We brought him home and he just kept losing weight and wasn't able to work and I had to keep working.

On October 10 he passed away. I have really had quite a hard life, I feel, but I'm not exactly blaming the government, I want you to know, Senator Hatch. But I thought if my testimony could help in any way so this wouldn't happen again to any of the generations coming up before us, and I really am happy to be here this day to bear testimony to this.

Senator HATCH. Thank you, Mrs. Allen. We are pleased that so many of you have decided to come in and help us try and understand this a little bit better and tell us some of the calamities and problems that have occurred. We appreciate you. We are sorry you have had so much tragedy in your life.

Ms. ALLEN. Thank you.

Senator HATCH. Thank you.

Our next citizen will be Mr. Darrell Nisson from Washington, Utah. So if Darrell is here.

Mr. NISSON. Part of me is here. Not too much.

Senator HATCH. We are happy to have whatever we can of you here. We appreciate it. We appreciate your desire to chat with us this evening and help us to try and understand these problems.

Mr. NISSON. Well, I am going to throw a little different light on this subject besides what has been discussed since I have been here.

I have been sort of a rugged individual that's been out in the hills a lot and done a lot of prospecting and before these tests were ever instigated out here, Joey Peterson over here at Buick, runs this Buick agency, he had the first geiger gun I had ever seen. He knew I knew quite a bit about geology. They discovered uranium in the Chinle Formation and then in the Morrison Formation. That's up higher. They found it out there. But we checked all this stuff pretty thoroughly and right after that I got a geiger counter and I located 25 claims on Chinle Formation which packs a little natural uranium. But it had a litle count in it about between 10 and 15 on the first scale on the geiger counter. But it wasn't commercial ore. There was quite a few mining companies in here prospecting and when these blasts started to come in here these little claims that I had over there was nothing to compare with the fallout that come in here from those blasts.

Now you could go around on the north side of canyons where the moss grew on the rocks and go up here under the trees where the pine needles held the moisture and right above where I had these claims on the Chinle Formation, I used to have a turkey ranch there and I quit raising turkeys in 1950. On the north side of these turkey troughs where the manure stayed damp, that really would stay there a long while, way higher than the natural uranium in the Chinle Formation. But it would gradually disappear. Now Paul Lamoreaux, he was another prospector, he had a piece in the Tribune here. I haven't got it with me tonight, but he prospected the Utah Mountains out here to get a load on this Apex Copper Mine out here and he did a lot of prospecting out in that area. He had an article in there—he was down along the highway one day and they were stopping traffic, the government guys and he had a geiger counter and he said—he commented then the sheep was running around out there in that hills had more uranium in their wool than there was natural uranium around. I remember that being in the article.

I quarried rock up here. It seems like all them prevailing winds come right down over Washington and I think most of our fallout come in here in '52, '53, '54 and '55. And then it began to slack off. But this country was all located up there. I told those guys, I said all you are locating is fallout. They claimed they had shipping ore up there and they located it all as soon as they got some equipment in there. That was in the Morrison Formation. Well, it was just fallout. They dug into it a little bit and that's all there was there.

And up there east of Harmony we checked that with the geiger counter, that area back before the tests started. And after these clouds come over and settled in here for a period of time, there was a hot spot up there.

Two guys noticed a government plane flying around with instruments that kept circling this one area. So they went in there and located that and they sold it out for I think $160,000, $170,000 and built a mill over here to Washington and processed that stuff and eventually found out that that's all that was fallout.

Q. What made you think that was a government plane that flew around?

Mr. Nisson. I really don't know, but these guys kept watching it. One of them is Frank Cox and the other one was a Crosby boy. They are the ones that got the money out of the claim. They had a mill over here to Washington right over here by the graveyard.

But I had a boy die with leukemia. The fact is, as far as I can remember up to the time of this radiation that come in here, I only knew of one leukemia death in Washington of only about 450 people maintained that population until I–15 road come in here and things started booming a bit. But since that time there have been six cases of leukemia and two cases of blood diseases similar to cancer. One of them developed into cancer and the other guy died. He never had cobalt treatments or he'd have probably died of leukemia. I don't know the exact results of his outcome. There is six cases of leukemia and two other blood related cancerous conditions in that period from '51 up until—well, about a year and a half ago is when the last one died. But they were all living there all their lives.

But my boy, he used to go up there and help me quite a bit in the summertime and that was really a hot place up there.

Senator Hatch. This is up in Pine Valley?

Mr. Nisson. North Washington about eight miles right at the foot of Pine Valley at the head of Cottonwood and Spring Hollow Canyon. Seems like a lot of those clouds were right around the point of that hill. A little while before Easter in the spring of '57—no, '59, he got the Asiatic flu and there was quite a bit over there and he developed an awful case. He couldn't get rid of it. He had really been a healthy kid, intelligent, bright kid. He just kept having this hacking cough and give him all kinds of antibiotics and I remember Eastertime he really looked rough. His eyes looked funny and he was starting to get these hemorrhages on his body. I tried to get a blood test taken by Dr. Reichmann down here for quite a while and he kept delaying it. So I finally demanded it. He died of acute—I haven't got the death certificate with me, but he said he has only got a couple or three months to live. So we brought him home, gave him a lot of blood transfusions and I finally took him home, let him die at home. He didn't die in a hospital, he died in my arms when he died. But he turned 13 on June 17. He died July 6th. His name is Sheldon Nisson.

But the government was concerned about this stuff coming in here. My brother was mayor of Washington. He and a guy by the name of Roy Bailey were taken down to witness those tests and I think they went down to Las Vegas five times and the atmospheric conditions weren't right. It had to be so those clouds came this way or they wouldn't have set them off. So I think you have got to talk to him to get the correct information. I think they went down there six times before they let them go up and witness one. But they were very careful to always have that coming this way when they let them go.

Senator Hatch. That's what we seem to find out here.

Mr. Nisson. I don't have much more to say. All I know is we were just guinea pigs. We were expendable. We got in that mess over in Korea and afraid we were going to get in an atomic war over there so there was a crash program and I guess the government felt it was necessary. But they sure didn't have a regard for us citizens around this area.

That's about all I have to say.

Senator Garn. Thank you, Mr. Nisson. We are very happy to have your statement this evening, although not happy with the circumstances.

Our next citizen will be Bill Heaton from St. George.

Mr. Heaton. Although I don't have any direct personal family or association with anyone who has died of leukemia, I have had an interest in this situation since 1950. I was Civil Defense Director of Kane County at that time and throughout all of the years that are being discussed in this matter.

Like many Southern Utah counties, we had a knowledge of the amounts of fallout. Most counties had organizations and trained people through government agencies who could monitor fallout and many of those counties kept records. Now, Kane County is important because of the fact that probably the highest concentration of people who have died with cancer-related diseases came from Freedonia nearby and most of them were employed by Kiabab Lumber Company and they were timber cutters or worked in timber on the southwestern slopes of the Kiabab Mountains.

The gentleman who did our radioactive fallout measuring for us during this period of time—and we did it with quite a bit of information and the government had given civil defense information related to what to do, build shelters in case of an atomic blast, and they had also given us instruments in most of the counties which had a capability of measuring amounts of fallout. What we never had was any criteria as to what sort of dosages could be considered just as a general guideline to be above a safe level. To my knowledge, we haven't had that yet after all these years and all the information that's been let out and discussed by the press now.

Senator Hatch. You are right about that. I don't think that anybody really truly knows.

Mr. Heaton. It is maybe a coincidence that the man who did our monitoring for us was very interested in the program. His name was Gene "Hackie". He worked for the Soil Conservation Service and was out in the area a lot. He, like the gentleman who worked in the timber, was one who was later taken in the late 60's with leukemia. But he had a great knowledge and a great interest in this thing and it concerned him greatly.

The concern many of us have that at that time the government had the knowledge necessary to release the criteria which could have solved a lot of the problems we have had since and I do not question any one of these stories these people have told you. Through a number of years, I have heard similar stories over and over and over again from this area, from Kane County, for all of the areas. But I have in my own mind developed a feeling that the right kind of criteria could have helped even up until now and that is some specifications so that people knew what they were dealing with. We never did really know the scientific aspects of it, although I am sure now they knew then.

Furthermore, since that time because of my interest developed through those years in Kane County, I have followed this quite closely. About two years ago I noted a monitoring aircraft over Enterprise. It concerned me because it made a low pass. It was not mapping. I'm acquainted enough with aircraft procedures. I realized that it was a steady pattern close in the community. So I watched it. I took photographs of it, although it was with a normal lens. I wished I would have had a telephoto.

Senator Hatch. Do you have those photographs?

Mr. Heaton. I have them, yes, from different areas.

Senator Garn. Would you care to submit those so that—

Mr. Heaton. I can make copies of them, yes.

Senator Hatch. Would you be kind enough to do that?

Mr. Heaton. At that time I asked the people in Enterprise, two of the city councilmen if they had any idea what was happening and why this was happening. Since that time I have observed the same type of aircraft over other communities in Southern Utah and I attempted through all the means I had to try to identify, if possible, and the closest I have come is an indication that there are three or four monitoring aircraft which have been based in Las Vegas. One is Lockheed Constellation. I am not sure of which destination it would be. I think anybody could study the photograph and could tell pretty much what equipment it was carrying. Since I wasn't able to go any further, we published a picture in the local paper of this aircraft circling and asked the question, "Are the people really being told what is happening even now?"

Now, since that time, Senator, because of this concern, I have visited Washington. I spent an extra day in a sort of busy schedule to go to your office and I talked to Mr. Jackson there and advised him I felt that this thing was coming to a head in Southern Utah and that if there was any way possible that the studies could begin so that some criteria to give people guidelines could be developed, it would be a very helpful thing in this process. Now I am more convinced than ever that such a thing is still possible. In Time Magazine a week before last I am going to read you a short quote and I am talking about, of course, the Three Rivers Incident which is not related in a way, but in another way it relates. Now this statement says, "Many witnesses like Douglas Crossel, head of the Environmental Protection Agency were more reassuring on the question of the danger of human health and NRC data showed that the largest dose of radiation anyone received in the immediate area is 80 millirems." By comparison, an average American absorbs 200 millirems each year.

Now, later on there is another statement that indicates to me that there is enough available to come up with some rough criteria and I cannot understand why, after all the efforts the press has made to cover this and all the talk there has been about it that the public never has known in all that time a fairly simple specification There is no question in my mind as an individual, although I can't scientifically prove it, that the amount of exposure, the amount of time they were outside and this I believe because of the number of people who are outdoors people who could well have been exposed, including cattlemen who watched a number of blasts and other people such as Mr. "Hackie" who did have an understanding of it and a desire to see something done about it.

But I believe we are at the time when before everybody makes claims without knowledge and before the sorrow is anymore widespread over the situation that it is, that somebody in government should make the effort to develop this criteria for the public so we would know for goodness sake where we are going.

Thank you.

Senator Hatch. You are one of the reasons we are here this evening and I might mention I was a member of the Health Subcommittee that sat in on those hearings that were held in the Senate Office Building in the big caucus room there when these various witnesses from the Environmental Protection Agency, HEW and NRC testified and I agree with you.

Now, for you folks who are here this evening who may not have heard our opening statements, that is one of the benefits that I hope will come from the hearings that are being held this week and I am just delighted that Senator Kennedy has thought enough of you to bring the very important Health Subcommittee to Utah to hold hearings. Not only will Senator Kennedy be here this Thursday, but Senator Richard Schweiker of Pennsylvania who was directly concerned with the Three-Mile Island incident, he will also be here as a ranking majority member on that subcommittee. I will be the third member of that subcommittee. Senator Garn will be here, Dan Marriott, I believe we will have good representation. But that is the beginning, literally of congressional investigation into this area.

Now, fortunately we have some very, very good data and some very——

Mr. HEATON. It's been available all the time.

Senator HATCH. But we have a lot that maybe we can enlighten these men and senators on. We are hoping that this meeting here will help us to get into some of the questions that we have and maybe provide some answers well into the future and give us some of the long-term approaches to this problem that really should have been looked into back in the early 50's before these atmospheric tests began.

But we appreciate your chat with us this evening and your testimony. We thing you have done your community a great service.

Mr. HEATON. It is way past due and it would be good to get on with it before there is much more sorrow and unhappiness in the people who were involved.

Senator HATCH. We appreciate, of course, your viewpoint very much and the viewpoint of everybody else here.

We would now like to ask Erma Thomas from, I believe St. George to come and be our next citizen to chat with us about this. Is Erma here?

Erma, we welcome you and are happy to have your viewpoint here this evening and we appreciate your making the effort as do all of these folks who are testifying this evening and making your effort to chat with us this evening.

Ms. THOMAS. I haven't prepared a lengthy statement. This has been a long-time concern of mine. Of course, I have information back from the booklet of 1955 that the Atomic Energy Commission sent out to the natives in St. George. But I became quite incensed about a year ago to the point where I wrote a little article for the County News and I would just like to read that to you.

"What it's like to live in America's most A-Bomb area. These were the headlines of an article in the U.S. News and World Report in 1957 and the nuclear tests still go on. Do you ever wonder at the excessive number of people suffering and dying from various forms of cancer and leukemia in St. George 20 years later. We here in St. George and surrounding vicinities have been subjected to years of radioactive fallout from the series of atomic bomb explosions in Nevada since the early 1950's. The fallout from the explosions always announced as nominal or insignificant."

Senator HATCH: Erma, would you step a little closer to the mike? As I understand it, you are the head of the Committee of Survivors that has been——

Ms. THOMAS. I am busy.

Senator HATCH. That's been formulated down here; is that correct?

Ms. THOMAS. I guess. I don't know. Anyway, I really got exasperated over a newscast that I heard that brought this on that got me excited. Many scientists cautioned that test blasts could not continue indefinitely without creating a hazard. These men were usually silenced or suppressed in their efforts to disclose the true facts. The government knew about radiation poison and the high instance of cancer and leukemia since 1945, Japan. But they deemed us expendable and kept setting the blasts off near us here in Southern Utah 12 years later. Many forms of the sickness take 20 or more years to show up in the people exposed.

A publication of the AEC in 1955 states that some of you have been inconvenienced by our test operations. At times some of you have been exposed to potential risk from blasts or fallout. It does different things to people.

Irreparable damage had been done. We are now paying dearly and the government chooses to ignore the fact. Now, since that time I have counted the number of cancer victims just within a block radius of my home and I have counted 29 victims, eight of them have died. I also noticed serious and debilitating illnesses occurring in my family. I raised seven children during the fallout period and among those there have been weird blood counts, muscle damage stillbirths, miscarriages, hysterectomies, exploratory operations, excruciating pain in stomach and leg of undetermined cause by four doctors and a psychiatrist so I am speaking both from the people in this area and also from my family.

One of my neighbors, Jerry Bradshaw asked me to read this paper for him. He is within a block of my home, also.

"This is information on Jeffrey W. Bradshaw, born November 13th, 1953 Cedar City, Utah. Moved to St. George, Utah in July 1959. Current address is 45 North 300 East, St. George, Utah, 84770. Telephone numbers are as follows: Home, 801-673-9807. Employment, family business of Bradshaw Ford-Mercury, 801-673-4831.

"Jeffrey has Hodgkins Disease, cancer of the lymph glands in the second stage. Present doctors are as follows: Dr. Clark Staheli, St. George, Utah, family physician; Dr. Henry Plank, Radiation Department, LDS Hospital, Salt Lake City, Utah; Dr. Charles Smart, Cancer Specialist; Dr. Jose H. Vidal, M.D. eye care, Las Vegas, Nevada; Dr. Webster, Green Eye Clinic, San Francisco, California; Dr. Jan Stout, physician, Salt Lake City, Utah; Dr. Richard Tripp, Rehabilitation, St. George, Utah; University Cancer Rehabilitation, to counsel and help cancer patients; George Mooney Clinic, Cancer Rehabilitation Program, a new program in this part of the country in Salt Lake City, Utah; Dr. Richard Whitehead, dentist, dental work due to radiation damage.

"January 16, 1973 diagnosed Hodgkins Disease. At that time he was attending Northern Arizona State College. He had a full scholarship to pitch baseball. In his senior year at Dixie High School, he was captain of the basketball team, quarterback on the football team, and pitcher on the baseball team. He had been an all-around athlete since a small boy in Little League Baseball where he was pitcher. He had a future in baseball probably beyond college ball. His life has been disrupted to the point where he is having a difficult time getting back into society. He has lost his self-confidence, he is self-conscious, remorseful because he feels guilty because of getting hooked on Percodan as a result of his illness and this has complicated his problem.

"He has lost his hair twice and also had an eye sewn shut twice. He has a place on his head where his hair will never grow back and is too deep for a hair transplant. His eye becomes red which makes him feel inferior, plus the seriousness of the loss of the other eye. This has been a heartbreaker for the entire family, plus very expensive; i.e. motels, travel, doctors, and medication. This eye is so sensitive that it is much like caring for a baby. Due to this cancer, he has lost the use of 30 percent of his lungs, the top section of his liver and 75 percent of his eye as well as paralysis on the right side of his face and head. This is the only case in the State of Utah where Hodgkins Disease has gone to the head and there is only one case in the medical text books told to us at Stanford University in California by a world renowned radiologist, Dr. Bagshaw. The treatment is as bad as the disease, plus the emotional problems caused, the drug problems, et cetera.

"Treatment received as follows: Spleenectomy, lymphs removed in the top area of the body, January, 1973.

"October, 1973 and later, January, six weeks radiation, October another six weeks radiation when the tumor went to the base of the brain, ten months chemotherapy, two different kinds leaving him with stomach problems and hepatitis chronic, ten months of mustard gas, eye sewn shut on two different occasions.

"Please, if there is any help anywhere to help in facing this problem in regaining his self-worth, please let us know.

"He himself obtained professional help and kicked the Percodan (Pain killer) habit at the LDS Hospital and University Hospital, Salt Lake City, Utah. Also, help was obtained through Dr. Clark Staheli, St. George, Utah, Dr. Sheldon Prestwich, Cedar City, Utah, Dr. Robert Tripp, St. George, Utah and Dr. Jan Stout, Salt Lake City, Utah.

"Jeffrey was always a doer and a hard worker and is at present trying very hard to get back to work. He has started college time and time again but each time has been forced to drop out because of the treatments and the illness itself. He is now working as much as he is able to do at the family business, Bradshaw Ford-Mercury. He is also trying to adjust physically and mentally in order to live a normal and productive life.

"Again, if there is any help that you know of, please let us know as this is a very difficult adjustment after such a long period of time of illness during the prime of his life and because of the extensive treatments. This is our concern of the illness today."

Jeffrey is here, I believe. Jeff, would you stand up?

I might also add that our daughter was also in this government testing program for many years but we took her out of the program when we discovered that she was being used only for statistical purposes. No one ever told us anything, but we knew that she was suspect because they came back to her repeatedly for tests. We took her out of the program and put her in a doctor's care where she has been for the last seven years, I guess. That same year they took seven different classmates, as this other girl, Ilene told you to Salt Lake and operated on them for high thyroid diseases or thyroid problems at the University of Utah.

Senator HATCH. Thank you. We appreciate you coming in.

Ms. THOMAS. Also Jeff's Mother has had cancer, too. She has had a breast removed.

Senator HATCH. Okay, thank you.

Norma Porter will be our next Utahan to testify here. Norma has asked if we would not have any filming or any radio with her testimony. So I'd like you to honor that, if you would.

Ms. PORTER. I was born and raised in St. George so I have considered this my home in the last few years. I am living in Cedar City at the present time.

Senator HATCH. We are happy to have you here with us and we appreciate you taking the time.

Ms. PORTER. I remember when the atomic blasts were shot off and I remember the geiger counters and how excited people became over that and people going to the top of the summit to see the blasts. I guess they had a better view from there. I remember the times it seemed hazy in St. George and this was due to the fallout. Of course everyone seemed aware of that, but we didn't realize the danger at that time nor did I realize the danger.

I was working in the public in our business alongside my husband so we were around a great deal of people coming from the Las Vegas area as well as people going that way. In 1959 my health began failing and I used to weigh around 135 pounds and I went down to less than 100 pounds before I had surgery. I first found difficulty in breathing. I went to a heart specialist and they first thought it was my heart and I lost control of my arm and my leg. Just poor circulation, of course, because one of my lungs had collapsed and by then had filled full of fluid.

In July of 1960 I had surgery and the doctor removed a malignant tumor the size of a small loaf of bread from my right chest cavity. This had attached to the right lung and had gone from there up into the neck area and they opened the area into the neck here and decided that if they removed the tumors from there it would take my voice. So they did remove the tumor from my chest and part of the lower lobe of the right lung. Then radiation treatments followed immediately. I had two months of radiation treatments and my blood was like water. The doctor said he had never seen anyone survive with blood like mine because it was so low.

I was hospitalized five different hospitals over a period of two years. Two years later I was alive and that's about all they could say, weighing about 90 pounds. My children at that time were ages two, five, eight and twelve. I returned to my family where I was to be isolated for many more months. They were constantly watching my blood because it would drop so low they would have to hospitalize me again and give me blood transfusions to keep me alive.

A year later, I just seemed to be getting to feel a little better and back doing some of my work and the growth started again. My blood, I had trouble with my blood again. This time they gave me nitrogen mustard treatments.

Well, I am alive, but I think it is the Lord that has kept me alive to raise my family. I don't have the health that I would like to have. I come from a family who is long lived. My father died at age 90. My mother is still alive at 85. I think if I live to be over another ten more years, that would put me about—let's see. I am 57. Ten years I think I will be fortunate to live that long because of my health condition. I don't think there is anything—there is nothing, no amount of money, really that can compensate for health. I know that my activities are very limited. The doctor has told me I can't work anymore but I'm alive and I am grateful to be alive.

I hope that something can be done so that this same thing won't happen to others.

Senator Hatch. Norma, thank you for coming and chatting with us and it takes a lot of courage for you to come and chat with us. But it is important to us and it is important for your neighbors and community members to have people like you to be willing to come out.

Thank you very much.

We would now like to call on Ruby Matheson. What we will do is hear Ruby and then we will take a five-minute break immediately after that and hopefully we can get started right away again.

Ms. Matheson. I am Ruby Matheson from Parowan. My husband was Joseph Matheson and in 1976 he died of leukemia. It seemed that for quite a few years in the 60's he wasn't really very well. But in April of 1970 he became really ill and they tested him for a number of things and found that he had this lymphosarcoma and sent us in to Salt Lake. There they discovered that he had leukemia and for six years we were in and out of the hospital with him. He took chemotherapy treatments and it seemed that there was nothing that would cure this. At times he would feel really well and quite perky and then he would drop back in.

In March of 1976 I took him in to the Iron County Hospital and he was there for three weeks before he died. It was a dreadful death. Anyone that has never witnessed anyone that has had cancer can understand what it means to see someone die by inches and fight for every breath they took until their last breath came. At the last he had fought so hard he took all the skin off of the back of his hands. They were just bleeding. This happened just a few minutes before he died.

He worked at Iron County mines in Cedar and he also was a farmer and worked with livestock. He spent lots of time in the outdoors.

My father also died in 1976 and he died of over-radiation. That was on his death certificate.

Senator Hatch. Was he from this area, your father?

Ms. Matheson. Yes, he was from Parowan. We were all from Parowan. My sister, Beatrice Mickelsen and her husband both died from cancer. My sister had cancer of the kidneys and also she had brain cancer. Due to the treatment, she lost all her hair. My brother-in-law died of thyroid cancer and this certainly has been a heartbreaking experience for all of us.

Senator Hatch. Do you feel all of these deaths occurred during this period of time beginning with the atmospheric testing in Nevada and during the 50's and 60's?

Ms. Matheson. I really feel yes.

Senator Hatch. You feel they are all as a result of the testing?

Ms. Matheson. Yes, I do.

Senator Hatch. We sure appreciate you coming. We appreciate all of you because it is difficult to do. I think it is very important that we get this kind of information down and I think this is the first time that anybody has taken this kind of testimony other than scientific statistical measurements. So we are happy to do that.

Why don't we take a break and allow the Reporter to limber up her fingers and relax and then we will begin again. Let's just take a five minute break and then our next witness will be Glenna Orton.

(Thereupon a short recess was taken after which the following proceedings were had:)

Senator Hatch. I think we had better get along here. If we could call the special meeting to order.

We would like now to call on Glenna Orton from Parowan, Utah and ask her to give her testimony here this evening.

We have a long list of witnesses here and we are finding that perhaps if we could get you to shorten your testimony to about five minutes at the most we would appreciate it. We hate stop anybody, but we'd also like everybody who wants an opportunity to testify to testify.

I might mention that everything you are saying is being taken down and hopefully we will be able to add these hearings to the Health Subcommittee Hearing record and we will be able to make good use of the testimony that is given here this evening.

I might also mention we have KDXU and KSUB-FM broadcasting this hearing live. So they are very interested in this area and I think all over the country, to be honest with you, in what you have to say here this evening.

Your testimony is important. Sure the scientific work has to be done, but this is a preliminary groundwork to let people know that there has been a lot of suffering, a lot of difficulties and a lot of pain and a lot of family dislocations and disruptions as a result of the atmospheric testing that occurred back in the 50's and 60's.

So we will now turn to Glenna Orton from Parowan. We will be happy to listen to you at this time.

Ms. Orton. Well, I appreciate this opportunity to say a few words about this cancer situation here tonight and we appreciate your interest in our problem.

Senator Hatch. Thank you.

Ms. Orton. I am the mother of six children and a foster daughter all who were born during the 50's and at that time we watched the clouds as they rose over the west hills. We listened for the rumble and saw flashes and our children were even given school assignments at times to watch these for the scientific interest that the school was showing in these. But no warnings of danger were really given to us. They told us it wouldn't hurt us. So we were quite naive and we believed what we were told and there was one test when they did tell us to wash our cars. At that time my father said, "How do I wash my fields and my barn and my livestock?" Of course, he went ahead and took care of his business as usual.

At that time there was several requests went out to people. Our highway patrolman from Paragonah asked that they come and check because he had a geiger counter and the count was so high and people were very concerned. But these went unheeded.

I lost both my father and mother in six years. My mother in 1962, my father in 1968. My father had bone cancer in his face and my mother died of cancer in her stomach. Since that time, my brother also has had cancer in his back. My family have been farmers and livestockmen in the Parowan area all of our lives. We have been very healthy people. It is known that LDS people have lower cancer rates and we are predominately LDS in Parowan.

About this time, about 2,000 people live in our north Iron County community. But I think that I can safely say that close between 30 and 40 percent of our livestockmen and outdoor people here suffered some type of cancer since this time. Before that, we did not know of all of this cancer that we had. My father and four other people had four adjoining farms in the valley. Two brothers worked together. But all five of these men have had some type of cancer. Two of their wives, my brother and two of their hired men died from cancer.

In my father's street in Parowan—I don't know how familiar you are with our town, but we are a small community. There is three blocks east of main Street with probably four houses per block. Eighteen people in my father's street have had cancer and four of these were leukemia victims.

I really feel that the radiation was not only from the air with this radiation as this one cloud hung over us for more than a day, this big pink cloud, it even left a residue on cars when we were asked to wash them, but I feel it got into the food chain because I think it was to the vegetation and our animals ate this vegetation. We raised our own feed, we ate our own meat. We raised gardens. The fruit that we canned which we did a great deal of at that time was shipped in from our Dixie country down here. They were having the same problem that we had. I don't think there is hardly a family in Parowan who has not been touched with cancer. Our friends and our neighbors everywhere have suffered. People have been very supportive one of another. At first, of course, we didn't realize what was causing it. We thought it was coincidence to start with. But as the cases began to increase at such a rapid rate, we became concerned. I have been with the American Cancer Society for 18 years since I lost my mother and we started a little survey of the people who had cancer in Parowan. At that time it was part of our fund-raising project and, of course, we have increased that a great deal. At the time the Stuart Udall lawyers came to Parowan, they asked if we had lived there at that time, who had moved away and we find that nearly ten percent of our people have had some kind of cancer. Of course, we did a lot of crying about it but no one listened until Mr. Udall came, someone who is known and was an important name came to our town.

It is interesting on our survey to note that the people who have moved in to Parowan now—the Brianhead Ski Area was not there in the 50's when these tests came, but the new people who have moved in to our communities and in to our area are not on our cancer list. So we feel that these people don't have any higher rate probably than the national average would be.

We trusted the government when they told us that it was safe and so we didn't take precautions that we might have otherwise done had they told us the methods to protect ourselves. I think the great amount of money that the government spends to tell us that cigarettes would kill us and not to use saccharin and there is substances in our bacon that kill us, but they deliberately set these tests off. I think they knew what it would do to us.

Senator Hatch. Other than the patrolmen that asked your father to wash the dust off this vehicle, was that the only instance in which you were warned there might be something wrong here or there was any potential danger?

Ms. Orton. This is the only time that I knew of. If there was more times, I didn't—I was not aware of it. One time they did tell us to wash our vehicles.

Senator Hatch. Any of you folks heard of any instances where you were warned of any potential danger here in this whole period of time other than to wash your cars?

A Citizen. The level was higher in milk, but not too high.

Senator Hatch. You remember the level was high in the milk?

The Citizen. Yes.

Senator Hatch. But not too high they said? Was that a general radio announcement or how was that——

The Citizen. Yes.

Senator Hatch. It was on a general radio announcement?

The Citizen. Yes.

Another Citizen. I remember them telling us to bring our children inside because the level was high and they shouldn't be outside playing.

Senator Hatch. Do you remember them telling you to bring your children inside because the level was high?

The Citizen. Yes.

Senator Hatch. When did that occur?

The Citizen. Well, it came on the radio. It was the same day they were washing cars.

Senator Hatch. Was that the same on the milk warning?

Another Citizen. I don't recall.

Senator Hatch. But the milk you are saying you don't know when that occurred?

The Citizen. I don't know whether it was the same time to wash the cars or not.

Senator Hatch. Do you know approximately the year?

The Citizen. Well, it was probably around 1960.

Senator Hatch. You think about 1960? Okay.

Mr. Bill Heaton. One thing, Senator, in the beginning we discussed the fact that the blasts were aimed this way. Technically they weren't. They were aimed more to the northwest where there is very little population. In those days, weather reporting was done mostly from the coast and prevailing wind patterns in that area are usually southwesterly winds coming up through.

Senator Hatch. We recall there was very little knowledge about atmospheric trends and that they didn't really know what was going on and that they had no way of really tracking the clouds. The whole approach was so inferior, and frankly so unscientific that you know they didn't even hardly give any consideration or advance precautions. These are some of the things that bother me.

Mr. Heaton. What I need to tell you is the fact that we can't say they were aimed. They were not aimed. But because of this thing you have mentioned, a lot of times wind shifts moved it particularly the east and this is the northwesterly winds that bring storms they understand now with the jet stream. But a number of times, local civil defense units were warned that the wind patterns had changed, that the fallout had shifted, it was headed in this direction and would we please monitor and make reports. But I do not recall at the time we were told to warn the local people. I don't recall one time we were advised.

Now, we didn't have too good of radio coverage in those years. We weren't told to make reports. But I don't recall of one time we were told to warn anybody to take cover or to move.

Senator Hatch. All the checking that we went on, nobody was warned to take cover or——

Mr. Heaton. In Kane County, and I am sure we talked about it with the Iron County Director who was still alive, the Washington County Director who is dead, but in the outlying areas, they were given no warning. If they happened to have available capability, they may have been warned, but we were never locally told our people should take cover.

Senator Hatch. Okay, Glenna, let's finish your statement.

Ms. Orton. Well, of course I think we all know that the milk is one of the first things to be contaminated from any type of contamination. It seems like milk is one of the first things that we worry about. We had a hired man who worked for us who they stopped and washed his car at the St. George checking stations that later died of leukemia. We had a local truck driver whose truck was washed several times on his way to Eugene who also died of cancer.

I certainly fear for the lives of my children and my grandchildren when they tell us there will be birth defects and all this type of thing. It is a very serious and frightening experience. Of course, there is no way this type of thing could repay me for the years and the hours that I watched my parents die, as I say, inch by inch. Because that's literally the way they go. It is so painful. I feel some of this was certainly unnecessary and I do feel that the government should accept the responsibility which is theirs for the injustices which have been done to the people in this area. I think that the reports which have been withheld should be made public and I really commend Governor Matheson for his support and our local senators and all for taking the stand they have on this. Governor Matheson when he came to Parowan was appalled as he read our list and saw how many of his own family—of course his parents came from Parowan and he has been very interested in our area. But a great number of his own aunts and uncles are on those lists.

I am just really tired of being told that there is not enough people in Southern Utah to matter and they can't make an accurate survey down here because I think they can make a more accurate survey in Parowan probably than anyplace on earth because we haven't had the change in population. We know who lived there and we know where they went. So we have contacted—we made a telephone survey of the telephone numbers in our book to find out how many of these people have had cancer in their families and where they have gone. We would be happy to supply you with this list.

Senator Hatch. We would like to have the list. We would like to have any information you can give us.

Ms. Orton. We would be really happy to. This little article that was written by Gordon Elliott Whitehouse, the Desert News' Washington correspondent in this he states, "In Pennsylvania, officials were asked to evacuate children and pregnant women downwind from the reactor when the level of radioactivity approached five millirems per hour. In our area, the Public Health Service data in 1953 theory showed that five shots dropped fallout in areas with readings as far as 1,000 millirems per hour." I thought this was an interesting article which I would be glad to furnish you with any information we could from our area.

Senator Hatch. We appreciate your testimony here.

Emma Speirs will be our next witness and we are happy to have Emma here and we will be very interested to hear what you have to say.

Ms. Speirs. My father was George Thomas Thompson. He lived on the end of one block and Erma Thomas lived on the other end. So she would know him very well. He died with cancer of the bone. He died at his own home. I was there by his bedside the day before he passed away and he said, "Daughter, Father's legs are so tired just lying still. Would you mind to bend my knee?" And I did. Then when the doctor came, I told him and he said, "Oh, don't touch him. His leg could have just broken into pieces." He died the following day. If I had known about this gathering tonight, I would have had my sister here, Afton who lives in Las Vegas and her husband Frank Earl Cox also died with cancer. He was mentioned by Brother Nisson when he spoke and maybe he has some information about him that we would like to tell.

I guess that's about all I can say. I could have had my—Frank's son is here going to college if I had known about this.

Senator Hatch. We are happy to have you here, Emma, and we appreciate your coming and appreciate hearing from you and having your testimony here this evening.

We will now call on Evan Cooper from St. George.

We are running about an hour behind, so if you can keep your testimony shorter, we would appreciate it. But, on the other hand, we would like you to have the opportunity to say what is on your mind and what is important here.

Mr. Cooper. Senator Hatch, I am Evan Cooper. As I look over the audience here and see many of the people that I have been neighbors to and friends to throughout the years, Darrell over here was my neighbor. I watched his little boy die, you might say by inches and a number of other small children in Washington. That's where I was living at the time.

We were a farming family at the time these problems were being here in Nevada. Darrell mentioned the fact that the clouds seemed to hang to the north. It also followed the Virgin River. My wife and kids would be out in the garden. We used to grow vegetables commercially and along about ten or eleven o'clock, you'd see the clouds coming up covering the valley and you could set a geiger counter down anywhere on the ground and it would go wild. You could take your shovel or even your foot and turn over the foot and set it back down and it would react. This was a radius I know of 20 miles to the south because at that time everyone was going wild processing. They hoped to find their riches in uranium.

We had one daughter that was born in 1950 and she was one of the children under observation here in the Woodward School. However, there was nothing serious came from her thyroid condition. Many of the other children did have thyroid conditions. One boy, her cousin had part of his thyroid removed and later on his spleen was removed. We thought we were very fortunate in being passed by with cancer until last summer when my wife began to lose weight. She has been a very vigorous woman. I think she came from the same country you came from. Her grandparents lived to be so old they had to shoot them both.

Senator HATCH. Let's not mention that.

Mr. COOPER. Of course, I grew up over in Washington. In the early days people had to shoot an old woman to start the cemetery. It isn't a genetic problem with us.

But, nevertheless, my wife has been a very vigorous lady. She is 58 years old and last summer she began to lose weight and after she had lost—we are good eaters. There is no reason. We have been living the same kind of life. She lost 17 pounds just really rapidly. Of course, we began to get suspicious and went in to the doctor and after some extensive lab work they discovered she had cancer of the sacrum. It was very much out of control. I just had to take her home because she couldn't stay any longer. They were only able to remove 80 percent of it and the sad part about cancer is it isn't like any other diseases. It kills you by inches. When the doctor comes out and tells you your loved one has six months to a year, possible and with good success on chemo-therapy, two years, it is quite a blow. Then you begin to make a dividing line. You know there is an end coming because you don't expect a cure. You will hope, but you really don't expect it.

And the chemo-therapy that she has been on, several mentioned nitrogen and mustard which is cytotoxin or "alteran pills" the doctors give in chemo-therapy treatment and they literally, I feel, kill them by inches. She has gone from a healthy, vigorous woman down to you might say an old lady. She suffered tremendously with the chemo-therapy and I feel that the chemo-therapy is in its infancy. It is an experiment to this day. She has since last September been on five different treatments all in avail. The cancer is scattering instead of suppressing.

But I feel myself, my own opinion, that we were guinea pigs. Maybe not intentionally, but it turned out to be that way. I think that it is sad that we shut the barn door after the horse got out.

Thank you.

Senator HATCH. Thank you so much, Mr. Cooper.

We will now call on Ernie May. We are happy to have you with us, Mr. May. We will be interested to hear testimony from you.

Mr. MAY. I will read mine so it won't take quite so long.

Senator HATCH. If we can have these statements, afterwards, it will help our Court Reporter.

Mr. MAY. This letter is in response to the invitation printed in the Washington County News for people to respond and give knowledge of facts and information relating to fallout of radiation in Southern Utah and vicinity.

I am Ernest J. May of 368 South Main Street, St George, Utah I have lived in St. George for 46 years and was here through all the atomic bomb testing that the U.S. Government did at Las Vegas Mercury Test Site through the 50's and 60's. I lost my wife, Colleen Simmons May just 49 years of age at death through lymph gland cancer of the neck. She had never been sick from anything prior to this.

The day they told everyone to stay inside the house, she didn't hear anything about the bomb and she was outside in the backyard hanging clothes. The year was about 1953 or 1954. It happened that day I had gone south of St. George, 85 miles to haul railroad ties. Myself and a man by the name of Albert Carpenter from St. George had left St. George that particular morning early so as to get a load of railroad ties and get home before nightfall. As we got down towards Glendale, Nevada on the Mormon Mesa that early morning, there was a great orange ball of light up in the whole sky right in front of our eyes. We continued traveling after this bomb explosion on down a few more miles and got to Glendale, Nevada where the railroad tracks run just to the west and went to work loading the ties. A few hours later, a grey mist or dust cloud came over and was dropping the debris from the bomb explosion. A little later I said to the man I was with that we better go over to the Muddy River which was just a half a mile away and strip our clothes off and get the itchy sting feeling washed away from our skins.

There was no warning along the route of any danger or threat to our health. I have glandular aches and pains and don't know if I have cancer or not. I would like the government to set up an examining place I could be checked.

I lost my wife at 49 years of age through radiation of the neck glands and know that it was a result of the bomb testing that caused her death. She went to the LDS Hospital cancer clinic and Dr. Plenk, a cancer specialist said to her after she had the tests for cancer on a special machine, "Mrs. May, your body for your age is the cleanest we have ever tested," because where usually the machine would detect a number of diseased portions of the body, it didn't detect anything until it got to one spot in her neck gland that had picked up radiation from the fallout when she was outside the day they told all to stay inside as there would be fallout.

The U.S. Government knew the dangers of shooting those bombs as far back as Hiroshima when they bombed it in World War II. They checked those people and found cancer and have data that proves that they know of the hazards to health and yet they still went ahead with full knowledge that there would be health consequences and used the people of Southern Utah for guinea pigs. I feel 100 percent that they killed my wife as a result of the tests of those bombs.

They told at my wife's funeral that she was in the Relief Society of the Mormon Church for 12 years and never missed a meeting in those 12 years. She was never sick to go to the hospital in her whole life until this radiation settled in her neck. She suffered the torments of hell for six months and passed away March 13, 1978. Please do all you can to rectify this wrong. Sincerely, Ernest James May, 368 South Main, St. George, Utah.

Senator HATCH. Thank you so much, Mr. May. We appreciate your statement and coming to chat with us this evening.

Our next witness will be Cal Cottom and we'd like to hear from Cal at this time if we can.

After Cal will be Irene McEven.

Mr. COTTOM. Senator Hatch, I appreciate the opportunity to express myself here.

During the early atomic tests, we ran a decontamination center for the AEC. We had a service station downtown and we were a participant in the documentary that was produced in the 50's. In '55 we moved away and were gone 12 years. When we came back in '68, I was quite surprised to see the number of people who were affected by cancerous conditions and had problems. I think Mr. Heaton aptly expressed my concern, what is the future and we do need to have some criteria.

I would have to take issue with him on several occasions. During those tests, we were on standby. Anytime that an atomic bomb was exploded, we had two members of the AEC team would come into the station and they would check incoming cars into town and there were several occasions where they advised people not to hang clothes on the line, washing. They didn't want them to have it out in the air. There was one occasion where they became very upset because of the fallout and we closed down and he asked me to start phoning, get people in off the streets, get them out of the yards, get them into their homes. There was an effort on their part.

Now, I really truthfully don't believe that the people knew there was a problem. And again, I would say Mr. Heaton expressed my concern, what is the future? We need some type of criteria, some guidelines.

I do thank you.

Senator HATCH. Thank you, Cal. We appreciate your testimony.

Irene McEven will be our next witness. Irene, we are happy to welcome you here. We appreciate all the efforts that have been put forth to try to help us understand the pain, anguish, suffering and difficulties that have occurred to you folks here in Southern Utah. Of course, I think the testimony has been very helpful to me. It will be very helpful to the Health Subcommittee.

Irene, let's listen to you now. You are from Panguitch, Utah?

Ms. McEVEN. That's right.

I volunteered to be a chairman to gather these names—volunteered to gather these names because I was a school teacher during the testing that went on. I was an English teacher. I read Hiroshima to my students and in that book it explained to us that for 250 miles from the site of the bomb when it was dropped you were in the danger area. So the students and I figured out how near we were to the testing that was going on. We decided that we were on the fringes, maybe we would be fine. But I went to the office and told the principal I objected to taking the girls out in the field because I was also a P.E. teacher, had two classes. He couldn't see any reason why I shouldn't. He died from cancer. He was always on the field with all of us. The coach has died, the one I talked with, with cancer. The coach who is coaching there now has cancer and I have a list here of the names of students I taught who have died with cancer.

My husband was a businessman who worked on the streets, Main Street in Panguitch and we compiled the names of those people with whom he worked who have passed away with cancer. And I then, as I worked on it, I began talking with people who were in other lines of work and I was surprised to learn that anyone who had sheep up by Panguitch Lake had a cancer problem. I remembered that the people across the street were cattle people, they had sheep. And so I talked with them and they had three people in the family across the street die from cancer. They now have another member left who has cancer. I looked at the block on which I lived and much to my surprise we had two people in back of us, one had died from cancer and the other one is in the hospital tonight with cancer. I remembered then that my father had been treated for cancer and I had cancer and my husband had cancer and as I talked with people who had the sheep at the lake, they pointed out that men who hauled wood and herded sheep had cancer. They gave me a list of those names, also.

Now, I thought this was well worth coming over here to tell you that this has happened in Panguitch. We are a very small community, but last year we lost the wife of our doctor and it has moved into families where the women didn't leave the house. They were not outside. Women that are in clubs that I belong to we are losing them, they are dying now at this date.

And I remember the book said that they didn't know how this was going to turn out. One example they gave there that really interested us is that one woman was so badly burned that she crawled over against the wall and she lay there. There were other people in the room who were able to move about and so they kept taking care of the people who had been bombed and were hurt more seriously than they were. Well, the woman who recovered was the woman who rolled over against the wall and didn't move. The other people who took care of those that had been injured were the ones who died.

Now, I can't say anything about the book, but it was the book that caused me to think. And when this came up and I began looking at the people who were near and dear to me that had been lost, I could see that there could be a connection. As a teacher, I can't say—I can't come out—I'd have to, you know, research it out. But there could be a connection because this is what has happened to us in Panguitch.

Thank you kindly for letting me come.

Senator HATCH. Thank you so much. If we could have those papers that you have put together, we'd certainly like to have them. We would like to have a list of all the names we can. We certainly appreciate that and the effort you put forth.

Elmer Pickett will be our next witness. He is from St. George.

Mr. Pickett, we are happy to have you with us this evening.

Mr. PICKETT. We are very pleased along with the others and would like to express our appreciation for you taking the time to come here and listen to our problems and what we are involved with in this area.

Personally, my own family we have nine cancer vicitms beginning with my wife who died of the disease and leukemia combined, my niece, five years old from leukemia and from cancer, a sister, a sister-in-law, a mother-in-law, an uncle, a grandmother and two great uncles.

Senator HATCH. Are they all in this area?

Mr. PICKETT. Every one.

Senator HATCH. All within the last number of years?

Mr. PICKETT. All since the fallout. I cannot find anywhere in our family records anywhere back as far as we can go of any cancer-related deaths of any nature anywhere in our family lines. We have been a very healthy family down here. The majority of our family on both sides back through have lived to very ripe old ages.

I have an uncle who is past 100 now that didn't live in this area, lives on the coast and has done, never was into this area. He has outlived some of his brothers and sisters who are in this area. But, as I mentioned, I cannot find anywhere in our family records of any cancer. So to me, the conclusion has to be that there was some great cause right here in this locality to bring this about in this period of time. It has all happened since the fallout. To me, the fallout is the only thing that has happened in this area of a nature that could cause such a disaster.

Senator HATCH. Could you give us the names of those members of your family who have died as a result of cancer and you believe as a result of the fallout that occurred?

Mr. PICKETT. The names?

Senator HATCH. Yes.

Mr. PICKETT. My wife's name is Viola. She died in 1960 from a combination of lymphosarcoma which is Hodgkins disease and leukemia.

My niece, Mylene Bird, my sister's girl, five years old, died in 1961 from leukemia. My sister, Iness lived in Mesquite, Nevada back and forth and through this territory all the time died in 1963 from cancer. My grandmother died in 1967 from cancer, two great uncles, one has already been mentioned here tonight, George Thompson and Joe Thompson both died in 1959 from cancer. Erma Wilson, sister-in-law died in 1978 from cancer and my mother-in-law in 1955 from cancer.

Senator HATCH. Thank you so much. We are glad to have that information.

Mr. PICKETT. I want to mention one other thing that I feel is pertinent. My family, my father and my grandfather were pioneer morticians in this area and I practiced that profession for a short time myself. In going back through the records and talking with my father before he passed away, we do not recall of a single leukemia case in a great number of years. We recall one Hodgkins disease case and possibly a half a dozen cancer cases in this territory that we served and we feel that that is something of note. It is my feeling and it is strictly my opinion that we are only seeing the tip of the iceberg as far as cancer is concerned in this area. It has just started. The Hodgkins disease and leukemia patients have probably pretty well run out. But the other thing is going on and I feel that it is something that should be checked into very closely. And along with the others, I would certainly urge that we have some sort of method of really letting people here get good checkups.

Senator HATCH. Thank you, Mr. Pickett. We will now call on Mr. Bill Jones. We are happy to have you with us, Bill.

Mr. JONES. I'd like to address not the first problem that we are speaking of now and that is at the Test Site and the problem with the radiation, but the second problem and that is of a suit filed and whatnot against the government.

I think people don't understand that we are the government and, in fact, if the suit goes against the government, it will come out of the taxpayer's and not the individuals that were in charge or through ignorance or whatnot caused the problem.

Now, it seems to me that if they went ahead and made the wrong decision, they should have to pay for it. I'm not saying like as if it was murder. It could be any charge just as if I went to rob a gas station with a gun and the next thing you know a guy jumps me and so he gets shot. I think there was no intent for me to hurt anyone, but just to steal, then the law of reparation should come into effect, assuming there was, you know, there can be a reparation for this.

But I feel very strongly that we should deal with the problem. It seems to me there is one and that we should go ahead and do it through the proper courses and find out who was in charge and find out what needs to be done about this instead of trying to take a suit against the government, in effect, which will get us nowhere at all, in effect. You know, it is exactly the same problem with all the other things that are going on now are just actually creating greater tax burdens for the people. I think we ought to take a good look at that and really realize just where we are going.

Senator HATCH. Bill, we are happy to have your testimony. Of course, this is preliminary to trying to find out what is the best approach to take and whether or not there is any high probability that the fallout from the atmospheric testing really is as a result of the awful experiences that we have heard described here this evening and we will hear in the future.

So we appreciate your concern as well.

Mr. JONES. Thank you.

Senator HATCH. Thank you.

Our next witness will be Mr. Ron Rencher from Pine Valley and after Ron will be Robert Corlett. So if we could have the next witness come up to a seat clcse to the mike so that we can expedite our testimony so we can listen to everybody this evening, we'd appreciate it.

Mr. RENCHER. In 1971, I became personally acquainted with Roy H. Marks of Las Vegas. He is a retired lieutenant colonel of the Air Force. He was chief of or is chief of the flight operations at the Test Site in Nevada. Prior to his retirement—in fact, right at the outset of the Nevada Test era which is still going on, to my protest, so to speak, he was their flight operations from the outset. Just prior to his retirement, he created a job in the AEC where he maintained his position of chief of flight operations. Mr. Marks came up to our ranch in Pine Valley Mountain in 1971 and visited with his family. It was in the summertime and we were outside. Completely out of context he looked to the west and he said, "You know, you have got a perfect oowndraft here."

Now here is a man who tracks—his responsibility is to monitor the aircraft to track those clouds and he tells me that we have got a perfect downdraft there. That's disgusting. I want to know right now—I want to have that soil tested and I want to know which of those isotopes are still there and to what degree the toxicity is going to remain and I want to know—well, there is no way of telling what future generations, what kind of birth defects are going to come out from genetic mutations and so forth.

I think there is a great deal of question here. I think the whole American value system is on trial here. What is more important? We have got to make some judgments. These people talk about setting down criteria. We can't have any meaningful criteria until we decide what is more important, health and happiness or material gain. What is more important? We have got to make some very important value judgments. If we are going to even survive another century in this world, we have got to make some very important decisions.

Now there are any number of illnesses which are induced by these previous statements, bacon, the nitrates in bacon, pesticides, asbestos, et cetera, et cetera, et cetera. You sit on the Health Subcommittee. I don't envy you because you have got your hands full. This country does have a great deal of problems when it comes to health because private industry just is not responsible to the American people when it comes to health. I think their first responsibility is their profits. They are not concerned about the people's illnesses induced by their attitudes and so forth.

The incident at Three-Mile Island they tell us that nobody really was contaminated. But are they going to have a hearing like this there in 20 years or 25 years? What about West Valley in New York, what about Hanover, Washington where radiation has escaped from dumps? You can not get rid of radiation. I think the only good nuclear policy is no nuclear policy until we have a solution for detoxifying that highly toxic high level radiation and low level radiation, liquid and solid.

We have got a prbolem on our hands and we have got to solve it or we are going to be much worse off than what this little incident is in St. George which isn't little to these people who have lost their loved ones. I personally in my family have not suffered to date. That is not to say that we are not going to suffer in the future because of lack of responsibility somewhere.

That's all I have to say about radiation.

Senator HATCH. We are happy that you took the time to give us your point of view. Thank you for coming.

Robert Corlett will be our next citizen. Kay Millett from Cedar City will be our next citizen.

Mr. Corlett, we are happy to have you.

Mr. CORLETT. Thank you, Senator. I appreciate to have this opportunity to be here.

I have recently moved to St. George some six months ago. I was not here during the fallout period. However, I do have an above average knowledge of nuclear fallout and atomic bombs, et cetera. These knowledges I gained in a career period of working with the Navy Department as an engineer for ten years. I worked the nuclear power program building and maintaining on submarines, nuclear submarines.

My suggestion has to do with the Nevada

Test Site. The way I read the media today, our government in Washington, including yourself, sir, now launching, you might say, a campaign to minimize further spread of radiation. I see that even our president will be investigating the incident at Three-Mile Island. This is very encouraging. I wholeheartedly agree. I am one who feels strongly that any threat of radiation is undesirable.

In light of this, it seems entirely prudent to me at this time that we secure further bomb testing in Nevada underground or otherwise. It is frequently reported or has been reported, at least, that a number of these bombs vent and when that occurs, of course, they are then subject to the whims of the wind, you might, say, further increasing radiation. Therefore, I would like to see a stop—if our Defense Department or others feel that it is still necessary to carry on atomic bomb testing, I feel this should be done outside of the continental limits of the United States in an area that will be much safer than our Nevada Test Site.

I thank you.

Senator HATCH. We appreciate having your testimony. It is as an engineer and you have been helpful here this evening.

We are going to have Kay Millett speak to us now and Karl Bradshaw will follow. Both Kay and Karl are from Cedar City.

Kay, you were the one who raised the warning of the radiation to milk awhile back?

Ms. MILLETT. Yes.

I am happy to have this opportunity. During the time of this testing, we were being schooled on what to do in case of a nuclear attack and what to do in case of a fallout. But we weren't warned that we were already being subjected to this by our own country. This was a scare that we were receiving from other countries. I feel like the Atomic Energy Commission knew what was going to happen but they weren't worried about it because they thought maybe they wouldn't be responsible in later years.

I had a little girl three years old who was an innocent little child playing outside—it is hard for me to talk about it.

Senator HATCH. We understand.

Ms. MILLETT. I don't think a million dollars could ever replace a loved one. I don't think we should even talk about money in this case. I think that the people who were responsible in the Atomic Energy Commission who held jobs that paid my money for them to do this should be brought to trial and tried and prosecuted as murderers. That's just the way I feel about it. And until that's done, I don't think that any amount of money can ever repay anybody. I feel like that's the feelings of most people who have lost loved ones. They aren't interested in the money.

Senator HATCH. You lost your little daughter?

Ms. MILLETT. Yes. We had her for a year. We took her to Salt Lake for treatments because the doctor in Cedar City wouldn't even—they didn't know much about leukemia because it is a rare disease, they said, and we found out that it wasn't a rare disease. When we got to Salt Lake, there was lots of little children and lots of grown-ups that had leukemia from this area. She was one of the victims.

I really truly feel these people that are responsible should have this be brought to trial, those who are still living. Because I really think they are murderers in my opinion. All the time I was growing up in Parowan I never heard of one single case of leukemia or in Cedar City. In fact, I never heard of it at all until just right before our little girl died two or three others died and all of a sudden everybody was being touched by the same thing, this rare disease, so-called.

I really do believe that all these deaths from cancer and leukemia have to go back to this radiation because I, in my history, people just weren't getting cancer and leukemia like they have been since this testing. Whether we admit it or not, I am sure that's the main cause of our cancer. I don't think red food dye and all these things that we are bringing out is getting to the point. I really think that it's the radiation.

It is obvious. We ate it, we walked in it, we breathed it, we washed our clothes in it, hung our clothes out—very few people had driers in those times and even the little children ate the snow. You know how little kids love snow. They went out and they would eat the snow. They didn't know it was going to kill them later on.

I am like this gentleman just said. I would like to see an end to it to nuclear testing in this country. I think it has done too much damage as it is and they don't know what the future generations are going to have to suffer from because of it. I have one little grandchild who I love dearly and I fear for her and I fear for her family.

That's all I have to say.

Senator HATCH. We thank you very much, Mrs. Millett and appreciate your efforts in coming here. We have to compliment you.

Karl Bradshaw from Cedar City will be our next citizen and immediately following Karl will be Peter Ryan from Pine Valley.

Karl, we are happy to have you.

Mr. BRADSHAW. June 29, 1977, I lost my dear wife and it was to leukemia. She took sick just two weeks before and we didn't know what was the matter. The doctors in Cedar City suggested that that's what she had and we had Dr. Riley in Salt Lake, who is a specialist in blood diseases. I know the doctor when he told me in Cedar City just about had to pick me up off the ground. I couldn't believe what I heard. My wife is a strong lady. Her health was good and it was almost disastrous to the whole family. In fact, it was.

When she passed away, we had two daughters and one boy and our boy was born in 1957 with a birth defect who was minus one hand. In spite of that, he is a good, strong, healthy boy right now. He plays—you can't believe how he goes along with that. I have just recently remarried and I hope she don't mind, but she is expecting a baby. I hope this won't go through to that child.

I think, personally, that this could be radiated from the radiation from the nuclear fallout of my first wife's death. The reason I say that, Senator, is because one of the hardest decisions I had to make was to let them do an autopsy on my wife. Two weeks later when I was in Salt Lake, the doctor confirmed with me on the autopsy report. He says, "Mr. Bradshaw, your wife died of that same leukemia that killed the people in Hiroshima." So there is no doubt in my mind, Senator.

Thank you.

Senator HATCH. Thank you. We appreciate you coming in, Mr. Bradshaw, and testifying here this evening.

Our next witness is Peter Ryan from Pine Valley. We are happy to have you with us, also.

Mr. RYAN. Good evening, Senator. Our responsibilities are to the future generations that will come after us. Are we going to leave them the poisons of this nuclear testing, above ground as well as this below ground testing? Also, the nuclear power plants that have leaked and the Hanover, Washington plant which has also leaked into the water, the Columbia River? I am married to a woman who was born here in St. George the year the atomic testing started. We know that future generations can be affected even if the present people who were exposed to this radiation weren't affected. We have got to right now start planning for the future. We have got to make sure this doesn't happen again. We have got to take some steps.

Senator HATCH. We are happy to have you with us this evening and have your testimony. Glad you took the time to come.

Mr. RYAN. I am glad you are here to hear these people. They have much more things to say.

Senator HATCH. I agree with you, thank you.

Marlo Stones from Cedar City will be our next witness and after Marlo will be Betty Stones from Cedar City. So if I could have Marlo and Betty come up—Marlo is going to speak for Betty. We appreciate that.

Mr. STONES. My name is Marlo Stones of Cedar City. There was a time of the testing I lived in Paragonah and I used to drive to work each morning to Cedar City. Many times I witnessed the cloud that has been talked about. I often asked why they picked this particular area and the only reason I have got was because of the population. And to me—I lost my only son through carcinogenic carcinoma—regardless of the population, there is no father that thought any more of a son than I did of him.

In 1968, they detected a tumor in his leg which was an osteogenic carcinoma. We ended up with him in Salt Lake. At that time, a week later they had to amputate his leg. It is tough to tell a young man at 15 years old that they are going to have to take his leg off. This went on and we made some 28 trips back for chemo-therapy and then it spread to his lungs. One evening I took him to the bathroom and went to help him back and as he got up, his other leg broke. It had another tumor.

Like I say, there is no money in the world that would compensate for what he went through to me. My main concern is that we don't let this happen anymore. Anything I could do to stop it so other people don't have to go through what we have gone through and what he has gone through and what all the people here this evening have gone through would be my only concern, Senator.

Senator HATCH. We sure appreciate you, Mr. Stones, you and your good wife coming and chatting with us about these problems. These have been a series of stories of tragedy here this evening. To me it is unbelievable. I am just sorry we haven't held the hearings before now. But I think that it has taken time to reach this point where people are willing to talk about it, where scientists are extremely concerned, where the government itself is more open about it and maybe we can get to the bottom of some of these problems.

We appreciate your coming here. Sorry about the loss all of you folks have suffered.

Mr. STONES. Thank you.

Senator HATCH. Thank you.

The next witness will be Pat Heidenriech of Cedar City. Again, we appreciate these last number of witnesses keeping their testimony down to five minutes or less so that we can hear as many people as we can this evening. So Pat, if you could follow suit, we'd appreciate it.

* * * * *

Senator HATCH. Our next witness will be Iva Harrison from St. George and following Iva will be Mildred Peterson from Enterprise and we are glad to have you here this evening and will be most interested in what you have to say.

Ms. HARRISON. Senator Hatch, I understood this was going to be a little private interview. I didn't want to do a case history publicly, but I am a cancer victim and I have lived in the New Castle—I am not a public speaker. I am a little nervous.

Senator HATCH. You are doing just fine. We appreciate having you here.

Ms. Harrison. I lived in New Castle and Radio KSUB used to announce when the blasts were going to go off in Nevada. Sometimes we got up to watch. It was exciting to us to see it light up and then the cloud. Then oftentimes it was just off to the southwest. We'd watch the cloud come and sometimes when it would come, it would come so near our place we could have gone out and stood in it. I know one person who did just that. That's how ignorant we were.

I was very ill for about seven years. It came on slowly. I just didn't feel well. I gardened and I was out a lot before and I found out that I have cancer. Fortunately it's been five years and I think I am cured.

Senator Hatch. What kind of cancer?

Ms. Harrison. I had uterine cancer with complications. I am not so concerned about the money. My insurance failed me and it was very expensive and the surgery was in Salt Lake and the radiation was in Salt Lake. It was one of the determining factors of selling our ranch and moving here. Little did I know that this was going to be the place that we'd get the ball rolling.

We were, I felt, very near to this. My neighbors, very, very many of them had cancer and I feel that this was really a thing that we should have been informed about.

Senator Hatch. Thank you. We appreciate having your testimony and your courage coming in and telling us about your problems.

Mildred Peterson from Enterprise, Utah will be our next citizen.

Mildred, we are happy to have you here.

Ms. Peterson. Thank you. In the interest of time, I will really deal with what I feel is our personal tragedy.

In 1962, we had a daughter whose name is Vivian. My name is Mildred Peterson, of course. She lived until she was eleven years old. May 6th of '73 she died. She had osteogenic carcinoma.

In January she fell and bumped her leg and we took her to the doctor. My husband was in the hospital at the time in Salt Lake and I had come home just for a quick trip, went back and she had fallen and bumped her leg. We took her to the doctor. I didn't know whether you wanted testimony and visual testimony. We did take some pictures.

Senator Hatch. We are very happy to have them.

Ms. Peterson. I don't know why we did, but we did. But, anyway, it kept growing, the tumor did. At the time I was very ignorant, too. I didn't know that it was a tumor, but it kept growing and growing. Dr. Staheli said why don't you take her to Salt Lake? It is something that we just don't know what to do about. So we did. I still, in my ignorance, I didn't think of tumor being cancer until we got up there and we were walking down the sidewalk and there was in great big letters on the side of the building Cancer Clinic. We talked to the doctor and there was a possibility of amputation, but with the few tests he took, no way he would touch that leg. He would not do anything because it seems to be the type of thing that grows rapidly and it would only keep it going faster. So he told us to go to the Primary Childrens' Hospital. We took her up there and they tested her some more and they wouldn't even do some of the tests that they would have done because, in what they had determined, it was growing at a rapid rate. So from the 19th, I believe, of January when she first fell to the 17th of March when we were in the hospital with her and the doctor said she is terminally ill, there isn't anything that we can do about it other than chemotherapy and it is your choice. What do you want to do?

Without conferring with each other, my husband and I wanted to go home because he told us of the side effects that would happen and we didn't want to put her through that. It isn't that we didn't want to keep her with us, but when a learned doctor tells you that your child is terminal, we didn't feel—he said within six weeks, possibly. So the 17th of March when we found out this, we said we are going home, we will take her home.

We are LDS as I am sure many people here are and all we could think of was getting her home to have a blessing by the priesthood. From the 17th of March until the 6th of May, we took care of her. I was with her constantly, night and day. From sitting here tonight listening to all of these testimonies of people, we knew that we were not alone in tragedy and in sorrow and taking care of a loved one and watching her die slowly, day by day, night by night.

But I, too, feel this is something that really needs to be taken care of so that future generations will not go through these sorts of things. She was very, very blessed, we believe. It could have been much worse with her. The doctor told us that she would have to go into shots for the pain and this type of thing which she did not. She did have to have a lot of pain pills and it looked like she was going into it. It worked out so that it didn't.

I could say just quickly, too, that my father-in-law died of leukemia. He died the year before Vivian did in 1972. I believe it was—he was a roadworker, so he was out all the time, every day, eight hours a day and more.

Senator Hatch. What was his name?

Ms. Peterson. Lemo Peterson. He definitely had a lot of opportunities to be exposed if that was the thing that happened.

But, again, I do want to say that I appreciate the time of being able to be here and someone calling us from the Color Country Spectrum to get us to come. We have sort of sat on the sidelines wondering whether we should get into it. We appreciate it. I hope that my testimony along with many others will take care of future generations.

Senator Hatch. We appreciate you coming and I think that it is very good of you to come and submit yourself to what really is an ordeal. Let me just say this to you. Thank you so much for the photographs. If you can give us your address, we will mail these back to you, Mrs. Peterson.

Ms. Peterson. Box 197, Enterprise, Mildred Peterson. The zip is 84723.

Senator Hatch. Thank you so much. Let me just say this. We worked very hard to get the Health Committee out here which will be here this Thursday in Salt Lake mainly listening to scientific testimony, but probably listening to six victims of these problems. I chatted with leaders of the Color Country Spectrum and we tried to get the hearings down here. But because of the distance and the difficulty of having these senators come out, and the problems of getting in and out of St. George, we were unable to do that. So we had to hold these in Salt Lake. I was happy to have them anywhere we could because it is the preliminary step and maybe the resolution of some of these problems.

I want you to know that when I chatted with some of your leaders of the Color Country Spectrum, they said, "Aren't you going to do anything for your people in this area?" I said sure, we've got to come down and hold a special town meeting and get this matter on record. So that's what we are trying to do. I give them a lot of credit because of their concern for you and their concern to have you have an opportunity to be heard. I just felt that they deserve a lot of credit and when you see newspaper people that really take their own people in their own area to heart, I think that is something to consider.

Now, we have some cattlemen here who want to testify, but they have agreed to wait until the end.

Our next witness will be Mona Barton. After Mona we are going to listen to Florence Crabtree of Cedar City.

Where are you from, Mona?

Ms. Barton. I am from here.

Senator Hatch. Okay. We are happy to have you here.

Ms. Barton. My husband is a mail carrier here and he was out delivering mail when we got the warning. But he was also interviewed in the paper the other day when we were in Bountiful. Our daughter has this article that was printed only they put his name Burton instead of Barton. But Garth has had a cancer taken off of his hand. He has skin cancer and they said this was a kind of cancer that goes—I can't remember if it is the heart or the brain—and kills. He hasn't had any trouble since and this was a number of years ago.

My father, Melvin Cox died of cancer. They couldn't find it for a long time. They just knew because of his coloring that he had it. But they never found it until it had literally filled his kidney and gone into his lungs and he died in 1969, I think.

My father-in-law, Leo Barton here a few years ago was having a lot of pain and they decided it was a hernia and they operated on him and there was no sign, he had never any cancer. Three months later he had healed, they opened him up and he was completely filled with cancer. And his wife, Carma had been ill for years and her trouble—well, first we noticed—she had gone pine hunting out in the Enterprise area and she had run into a twig in the lower part of her ear and it would heal up for a while and then it would get just terrible looking and this went on for years. Finally—they weren't much to go to doctors, but eventually she got more problems. She had a big growth on her thigh and she had such terrible stomach pains she said it was like balloons blown up rubbing together and she was in constant pain. They were trying to find out what was wrong with her so when they got her in the hospital, they cut off half of her ear and took this growth out.

My sister-in-law, Norman's wife and my husband's sister has pernicious anemia. She has thyroid problems she wondered about. Also, my grandmother Hoyt from Orderville would come down every winter. She died of cancer just about a year and a half before my father. Another thing I wondered about someone had mentioned it to me one day about birth defects. One of our daughters—we have eight daughters and one son—had two children, her two older children were completely blind by the time they were four years old with cataracts. They were checked for diabetes. I don't know of anyone young or old in our family that has cataracts. Of course, maybe there is someone we don't know of. But, you know, I just wondered if anything like this could be. And three of my brother's children have hearing defects. I just wanted this on record.

Senator Hatch. I am glad you brought it on the records. Thank you so much, Mrs. Barton.

If we could listen to Florence Crabtree now and then our next witness will be Frankie Bentley from Parowan.

Ms. Crabtree. I am like the other lady, I didn't know it was going to be out in the open like this and I am quite frightened. But I am Florence Crabtree from Cedar City and my husband died from leukemia. He was a salesman and travelled all over Enterprise and St. George and Cedar and Kanab and places like that.

Senator Hatch. When did he die?

Ms. Crabtree. He died in January of 1966. He had never had a sick day. He had never had a day off from work or anything, not even with a cold and all of a sudden he just felt like he was just so tired all the time. Finally he went to the doctor and they gave him a transfusion and he had—in the two years that he lived, he had 99 pints of blood. We would go to Cedar and he'd get his blood and then they finally sent us to Salt Lake up to Dr. Cartwright in the University Hospital and we'd go up there once a month at first and then finally it got down, I think we were going about every two weeks. The medication they gave him, it just made boils and pimples all over his body. It was just like Job. And I used to pick them. It seemed like it would give him relief if I would, you know, pick them. And it was terrible when you get left with three children still at home. We have seven.

So that's all.

Senator Hatch. Well, thank you so much for telling us about this. You will be surprised, I think these are going to make a lot of difference.

Ms. Crabtree. I hope so. Like I say, he was a salesman, but when you have got seven children, it really takes money to take care of them. I am telling you about all we had went through, hospital and doctor bills.

Senator Hatch. We certainly feel sorry for all of you. It's just been a pathetic state of events, I tell you.

Thank you for coming. We appreciate your time.

Is Frankie Bentley here?

Ms. Bentley. I will be really brief. My mother died with cancer in 1974 and it was a real tragic experience as has been stated by other people. I became very interested with the Cancer Society at that time and I'm just concerned that our government lied to us, that they didn't think that we were intelligent enough to have taken the precautions.

In 1960 we had four young teenagers die with leukemia, first ever in the Parowan area. This past year we have had four young people in their 30's have thyroid surgery, cancerous thyroids. We have had many, many people who lost livestock as they will attest to. We have just a personal suffering of a small community for we are all involved with each other's lives. We feel like we should have something done so that this won't happen. The damage is done with us and it will be for a long time. We'd like to say that the money doesn't seem to be the important thing with the people over in the Parowan area. However, we did receive a letter from a serviceman in the Marshall Islands and he sent a copy of a newspaper that was printed there that said that they realized that there were radiation effects and they were paying the people. A delegation from the United States went over there and said they were sorry, we are going to make restitution. But all the time they said to us no problem, no problem.

We feel like we surely would like to see something happen that this wouldn't happen again.

Senator Hatch. Okay, thank you, Frankie. We appreciate you coming and having your testimony as well.

Our next witness will be Jeanie Snow and following Jeanie will be Doran Fox. Following Mr. Fox will be Blaine Johnson.

Ms. Snow. Our family moved to St. George in the early 40's in which we came to live a normal life. We went through the atomic testing with the assurance that all was well. We were very patriotic people and we knew that we were supposed to do the things that they told us to and we thought all was well.

As I remember, the biggest concern that we had at the time was the cracking of our walls and the rattling of our dishes if they were going to break after the tests.

As time went on, my parents owned a business in Hurricane which they traveled back and forth two or three times or more each day. This was during the tests. Of course, there was no air conditioning in the cars at that time and my mother died of a long, painful cancer on January in 1963. This was a stomach cancer but eventually spread throughout her body. Of course, there is no way of knowing if this was caused by this so-called safe test that we were having. I am sure that there is no way that you can answer this, either. But this was a very traumatic experience in our lives, being the first death in our family.

Time went on and my father remarried and moved to Texas. In August, 1967 Daddy died of a very painful death in Abilene, Texas, of leukemia. My brother is a medical doctor and he felt strongly that this should be recorded as it wouldn't be traced from Texas back to Utah as being a leukemia death in Utah.

So this is one thing that we wanted to do was to make sure that this was on the record that he had died.

Senator Hatch. Would you give us his name?

Ms. Snow. Virgil Goates, G-o-a-t-e-s. My mother's name was Viola Gardner Goates. I personally remember the pink dust in the air at the time and I huddled all of my little ones around me. But what could you do when you can't see, you can't feel, you can't taste, you can't hear. You don't know that this is damaging to you at the time which none of us at the time really knew what it was doing to us. I feel because we were probably a sparsely populated area, that we were maybe not intentionally used, but I feel like that maybe we were.

Senator Hatch. Thank you so much.

Doran Fox?

Mr. Fox. Senator, I'm a recipient three times of this cancer. My wife is now suffering the agony of cancer. We lost a little boy in 1954, four and a half years old with cancer. We had another one die in 1951. He was born dead. They said it was a blood disease. It was ironic we had a child in 1949 and this son is well and seems to have no problems. We were living at Las Vegas at that time. We moved to Provo to treat the one child out of Primary Children's Hospital.

Senator Hatch. Where were you living when these other two children were born?

Mr. Fox. In Las Vegas in Vegas Heights.

Senator Hatch. The one that died?

Mr. Fox. Yes. Of course, my wife just now has it but then we had another child born to us in 1959 while we were living in Provo which we had six altogether. We have the first and we have the last who is still alive but the four at the time we lived in Las Vegas are not with us. Then my wife has had breast cancer now and she seems to be doing all right.

I would like to go on record for someone to search the records. In the Las Vegas area that at the time of our son, the phone company gave us a phone because we could bring our child home if we had phone service. They ran a phone out to our house and they listed in the paper—this would be approximately February, March, 1956—other young children with leukemia. Las Vegas at that time wasn't over 40,000.

But I feel, Senator, that we gave a business away in Las Vegas to move to Provo which is what you do to try to hang onto the life of anyone. But I served in World War II and I saw a good many men die from Okinawa and I saw these men give up their lives for their country gracefully and I have watched three of my family and there is no one has been called on to give more than these people because of the experiment out there on the flats. I do feel—I know one person stated that it is our tax money. But, at the same time, we put our life on the line when we fight in military service and I feel for the unhappiness that these people have served, that they went far beyond what we did in the military because there we had a chance to go out and at least we knew what we were doing. But my wife should not be subjected to it and my two sons of which I can't have back.

Now, I want you to know that I appreciate the type of man that you are and the men that are following this. I think that this is what we have to have is someone to hear our pleas and recognize that in situations like mine, she is a child of nine children and I am a child of eight. I was left here and even though we lived in Las Vegas, we bought all of our—this being my home—our garden stuff and then every weekend practically we were up. But out of her family and as far back as they go there is no cancer. And mine as far back as I can go there is no cancer. I think it is quite ironic that her and I being the two children that lived in and around the Las Vegas area and in this area come up here that we were the only ones that have any record of cancer.

I appreciate you for what you are doing and thank you.

Senator Hatch. Thank you, Mr. Fox. We appreciate you coming in and taking the time.

Blaine Johnson?

Mr. Johnson. My wife was asked to be a member of the Survivors' Committee which you have heard of before and in that assignment in the Cedar City area she was asked to gather and collect the various names of people who had been victims of one form of cancer or another, especially leukemia. So she has a list here of 100 names gathered just casually, not systematically, but casually on the basis of what poeple we know and with whom we are acquainted.

Senator Hatch. Could we have that list?

Mr. Johnson. Yes, we can get that list to you. It is in a rough draft, but you are welcome to it. I just wanted to make a comment on two things. There seem to be two pockets of serious concentration of leukemia, especially, or cancer that had to do with the lower abdominal cavity or the thyroid within the radius—one was within the radius of 200 yards of our house. Eleven cases of cancer, nine of them terminal, 200 yards of our house within a ten-year period.

Now, this was reported to the doctor. Our daughter was one of them who died of leukemia in 1965. Her name was Sybil Johnson. I talked to Dr. "Wintrobe" who at the time was in charge of her case and asked him if that was just a little bit more than coincidence that there were that many cases of leukemia and cancer within that neighborhood, six cases of leukemia within a 100 yards of our home. John Crabtree—Mrs. Crabtree just testified—died just shortly after our daughter did. So I asked him if this wasn't a little more than coincidence. As far as he could tell, it was coincidence and that's the only satisfaction I could get.

On another occasion, I talked to Dr. Cartwright pointing out the same facts and he, of course, ignored it in much the same manner. On 1050 West in Cedar City there is and very high concentration. Why this is, of course, we know not except for the fact that it does exist, it is there. So this is just merely what I wanted to report tonight. We have our own personal loss in this matter, in 1965 our own daughter.

As I said, these other cases have all been included. They are around that date within, say a nine to ten year period.

Thank you very much. I appreciate your efforts in our behalf.

Senator Hatch. Thank you, Mr. Johnson. I appreciate having you with us this evening.

Now we are going to the final few witnesses that we have here this evening. If any of you would like to testify after these witnesses,, if you would contact our people over there at that desk we'd be happy to give you that opportunity.

If we could take a five-minute break; I'm sorry we have sure given our Court Reporter a very rough time.

(Thereupon a short recess was taken after which the following proceedings were had:)

Senator Hatch. We will have a few extra witnesses who have asked to testify. We want to get everybody who has something to say about this to testify because this is a most interesting evening. It's been, I think, some of the best information we have had on this matter. It's been a chance for you folks to speak out and to be heard. To be honest with you, I think it's been long overdue and I personally apologize to you that I haven't gotten down here before now.

I know Senator Garn is extremely concerned and he'll be here Friday and we will work together with the other members of our congressional delegation to see what can be done. I think these hearings on Thursday are immensely important and I think it is very significant that the chairman of the House Subcommittee of the Labor and Human Resources Committee, Senator Kennedy, will be here. He is also chairman of the Judiciary Committee and if we conclude there is a high probability that these problems have been caused by the atmospheric testing and the fallout problems that occurred through the 50's and 60's, both of those committees will play a very, very important role in the ultimate resolution of these difficulties.

I am happy to sit on both of those committees and you will be interested to know that the Judiciary Committee is chaired by Senator Kennedy and the Labor and Human Resources Committee upon which all three of us sit probably put more legislation on the floor of the Senate than any other committees in the whole Congress. I don't think that is necessarily good, but the fact is that they are very important committees.

To have Senator Kennedy come and show some interest in Utah, I think this is a great credit to all of you. Senator Schweiker who is extremely knowledgeable in these areas who has just undergone a serious problem on the Three-Mile Island incident in Pennsylvania will be here, also, expressing his concern.

I personally apologize we haven't been able to get to the bottom of this before now, we haven't been here before now. I am glad we are here. I am glad we have heard this testimony. It has been tremendously depressing to me, as I am sure it has been to you that have had to live with these problems all of your lives or at least since these tests have taken place. It's been a tremendously impressionable meeting to me and a memorable one that I am never going to forget.

Let's hope we can continue on from here and come up with the solutions that have to be arrived at.

I didn't mean to interrupt your testimony, but I just felt maybe we had better say some of these things so you realize we have been profoundly impressed by the testimony we have heard this evening. I'd say impressed and depressed, to be honest with you.

* * * * *

Senator HATCH. Our next witness will be Elroy Hancock and following Mr. Hancock will be Rose Rickman and finally Sheldon Johnson.

Mr. HANCOCK. I want to come in here on behalf of my mother and my stepfather who both passed away of cancer. I helped move them up here from California in 1950 and they they stayed around here until, I believe it was '52. We moved back to California and my stepfather passed away in July, 1957 of cancer. Then in 1960 my mother moved to Las Vegas where she stayed there until 1963 and then she came up here. She had been around this area for quite a few years. I think in 1964 she married Fred Chapler. My first stepfather was Andrew Neale. He is the one that passed away of cancer.

She has never been sick. The one time I ever known her to be sick was back in 1953 she had a gallbladder back-up. She lived up in Veyo at that time. She has been down to Veyo, Washington and St. George for many years. She told me she felt tired all the time. I told her, "I will come take you to the doctor." We got her to the doctor and he called me in and he says that we got to get her in the hospital today or tomorrow. You will have to excuse me if I get a little emotional. It was just recently.

So they told me her blood count was 17. She lost ten pints of blood. So we put her in the hospital and he give her seven pints of blood that night and they kept her there for three or four days. Then she went home for a few days and then she went back in and kept taking tests. She was an outpatient. They kept taking tests. Finally they determined after about three weeks of checking that she had leukemia. So they told her she'd have to be transfusions, that she'd have to go to Salt Lake. I told her, "Mom, it would be better if you went to California where they have a lot better facilities and everything," because she needed transfusions once a month. That's what she started out with.

So we moved her to Sacramento, California and she entered the University of Davis Medical Center down there. But she was an outpatient. Well, they found out she had acute leukemia and so they give her transfusions—started out once a month and eventually it got down to twice a month and then once a week.

A little over a month ago, they called us and told us that she was dying, she was bleeding to death. She had been bleeding for 12 hours at that time when we got word. So we rushed up to Sacramento, stayed with her for two days. She rallied. They told us that this type of leukemia was so rare in an older person—she was 78 when she got it—that they just never heard of anything being so rare for a person like that.

Well, she rallied and went home where she stayed a month before she passed away. She begged us not to keep giving her blood, but didn't do any good. She had no blood platelets at all. She couldn't keep blood in her system. They give her a transfusion of blood platelets and it only lasts about six hours. So we promised her and the doctors, too that they would just let her go, not to try and keep pouring the medicine into her.

Well, she passed away on March 21, 1979. She only lived eight months from the time she got it. In the meantime, before that I had lost two uncles, both lived in Las Vegas all their lives—most of their life I should say. They never did say what it was, but the other one was blood disease. That's what they said.

In the meantime, the second stepfather, he had part of his ear cut off from cancer. He has passed away now, too. But I don't know whether he died of cancer or not. I have no idea.

But my wife felt this should get on the record. She was a healthy woman, never sick except just that one time back in 1952. She was an outside person, always working outside she could outwork any of us and all of a sudden she is gone like that in eight months.

That's all I have to say.

Senator HATCH. Thank you so much. We appreciate it, Mr. Hancock.

Rose Rickman?

Ms. RICKMAN. I am a widow. I have two girls. My two girls—my oldest girl will be 19 on the second of August. Since she was seven years old, she has not had a totally well day. We lived in Las Vegas. I worked for the Atomic Energy Commission out at Mercury during the time when they started their first mushrooms. I was under total contamination for three full days. The badge that I wore was way past the danger point. I still worked in the cafeteria there. At that time I worked in the dining room feeding the help. At that time we had the Army post across from the camp. I know of four different Army men that died of cancer since then.

I have one girl that has a thyroid condition and that is the younger one which is 17. My Sheila that will be 19 in August is going to be in Primary Childrens' Hospital on the 7th—I'm sorry, on the 15th of June for examinations to further see what her condition is at this time.

That is all I have to say. I think that something should be done to protect these people from this sort of thing because when I was there at Mercury, the Government did not care whether they were contaminated or not.

Senator HATCH. Thank you, Mrs. Rickman. We are glad to have your testimony.

Our final witness will be Sheldon Johnson from St. George.

Mr. JOHNSON. I make no accusations of anyone or accuse anyone, but I would like to have on the record our experiences of my wife and I the last 25 or 6 years.

We are the parents of five children, five sons, and four of them were born here in St. George. Our second son, Layne was born here in 1954. Layne was born a Mongoloid, a retarded boy, and this, of course, could happen to any parents, we understand, except that my wife was 24 years old at the time and she had been subjected to all radiation that has been here and we thought nothing of it.

Since our son required special education and special care, we have got involved in special education very deeply here. It was very amazing to us that the children of Layne's age there were enough of them in the community to form a full classroom unit. Our community at that time was 4,500 people.

Since that time, our community has increased to about 15,000 or so, 16,000. At this time there isn't enough retarded children to make a classroom unit. Only one or two children are born every year at this time.

During Layne's birthtime there was a full classroom unit of about 12 students at that time. I thought that's a peculiar relationship to that time. I don't know what that means, but it does imply some things.

Myself, we have lived here all this time. My family have died of cancer, also. I don't know what this means, my mother and my father. I have been subject since 1956 to skin cancer. I have been continually treated since that date.

I think it would deserve looking into to find out if there is a relationship. I appreciate your time, Senator.

Senator HATCH. We want to thank all of you for coming. I'd like to extend the invitation to Mr. Kimball Young of Senator Garn's staff to make any comments he'd care to make and then I'd like to make a few closing comments, and then we will end our meeting.

Kimball?

Mr. YOUNG. Well, again, I just appreciate the opportunity of representing Senator Garn here this evening. The Senator will be in the community on Friday and I will have the opportunity of reporting back to him on what I have heard this evening. I am sure he will have the opportunity on Friday of meeting with several individuals and also having the opportunity of seeing the record here tonight. So he is very concerned and wants to get to the bottom of this situation as does Senator Hatch.

So I appreciate the opportunity of participating with you this evening.

Senator HATCH. Thank you, Kimball. We are very happy that Kimball Young could be with us this evening, and very grateful that we have many people like Jake Garn in the United States Senate. He is a great senator and he shares our interest in what is happening down here.

We have listened to 48 witnesses this evening. I don't know very many hearings that we have held that have had so many witnesses. I want to compliment everybody here for the quality of their testimony. I think you have kept your remarks as short as possible under the circumstances and yet have covered the serious problems that have existed, especially with regard to the fallout situation.

I think the cattlemen have been succinct in what they have had to say. I am just very impressed with all of you.

One thing that I have learned from this, is the horrible tragedy which as occurred. It is more than circumstantial in nature.

Again, I apologize that we haven't held hearings before now. But I think it is better late than never. I want to compliment Senator Kennedy and Senator Schweiker for being willing to come out here to Utah. I am hopeful that the hearings on Thursday will do more to clarify the situation, and will do more to open up further investigation into the problems, that will do more to help us to arrive at definitive conclusions and solutions to the problems that have affected many of the people in this area. I think we all have to keep an open mind on it. We will have to see what the scientific experts have to say, although it does appear to me that there is an awful lot of evidence that we have heard this evening that this is extraordinary and that this area has had extraordinary difficulties.

We are very grateful that you have stuck with us this evening, and so many of you have come. I think it is an honor to your community, an honor to each other and certainly an honor to us as representatives of the Federal Government.

We will carry your message back to Washington. We will pursue all legislative avenues to find long-term, lasting solutions.

I'd just like to say in closing that this has been a great learning experience for me. I haven't had all the answers. I try to work word and I have tried to do what is right for you. I just wish that I had a greater capacity, more strength and more energy to be able to do more for you. But I wi'l say this, that I don't think there are two harder working senators in the Senate. I just wish we could be better, I just wish we could do more because the people out here, it seems to me, have the right approach to the problems that really affect America.

Yes, I have been discouraged with some of the things that go on in Washington, but I have also been highly encouraged. As I have traveled through Utah and around this country, I have found an awful lot of good people who believe exactly the way you do, and who want to do more to save this country. I think we can do it. I have seen more evidence that we can do it in the last couple of months than in many years previous.

I hope we can help you solve some of these problems that have been explained here this evening. I want you to know that we love you as fellow citizens in Utah, and as Americans. Please let us know when we are not doing the things you would like us to do. Don't be afraid to criticize us and occasionally if you think we are doing something that is right, we'd like to hear from you. We don't get nearly as many of those kinds of letters as we do the other kind. But that isn't important. We are very happy we have been able to hold these hearings and grateful to you for coming, grateful for the testimony that's been given here. It's been a very inspirational evening, from the standpoint of trying to find out what has caused these tragedies.

We hope that this is the beginning to the solutions that will benefit all of you and certainly people throughout our country.

We will now end these hearings. We are very pleased that so many of you came out.

(Thereupon Exhibits 1 through 12 were subsequently marked for identification and are attached to the original transcript of this hearing.)

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain nominations which were reported earlier today by the Armed Services Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consider and confirm the nominees en bloc.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, my reservation is to advise the majority leader that we have been supplied with the list of the nominations.

We have examined the nominations and they are fully cleared on this side. We have no objection to proceeding to the consideration and confirmation of these nominees at this time.

The PRESIDING OFFICER. The nominations will be stated.

U.S. NAVY

The legislative clerk read the nomination of Vice Adm. James D. Watkins, to be admiral.

Mr. WARNER. Mr. President, I am honored to report that the Senate Armed Services Committee this morning, on a motion made by myself, considered the appointment of Vice Admiral James D. Watkins, U.S. Navy, to be admiral, and to serve in the position of Vice Chief of Naval Operations.

I informed the Senate Armed Services Committee this morning that I have known this officer for many years. I served with him when I held the positions of Under Secretary and Secretary of the Navy in the years 1969 through 1974. I unqualifiedly recommended to the committee that his nomination be confirmed. The committee voted unanimously for that confirmation.

U.S. ARMY

The legislative clerk read the nomination of Lt. Gen. Kenneth McLennan, to be general.

Mr. WARNER. I would also like to speak on behalf of Gen. Kenneth McLennan, who the Senate Armed Services Committee on motion recommended be confirmed to the rank of general.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The legislative clerk proceeded to read sundry nominations placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are printed at the conclusion of today's Senate proceedings.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider en bloc the votes by which the nominations were considered and confirmed en bloc.

Mr. BAKER. Mr. President, I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

RIGHTS OF INSTITUTIONALIZED PERSONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 10 be placed directly on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard to the unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 10 be read twice.

Mr. THURMOND. Mr. President, I object.

The PRESIDING OFFICER. The objection is heard to the unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, has it been read the first time automatically?

The PRESIDING OFFICER. It will now be read the first time.

The legislative clerk read as follows:

A bill (H.R. 10) to authorize actions for redress in cases involving deprivations of rights of institutionalized persons secured or protected by the Constitution or laws of the United States;

Mr. THURMOND. Mr. President, I am really concerned with the tactics being utilized by the Senator from Indiana. He is attempting to totally avert the committee process established by the Senate to consider legislative measures. Furthermore, he is doing this without any good reason or cause.

Presently, S. 10, a comparable bill to H.R. 10, is being considered by the Subcommittee on the Constitution of the Judiciary Committee. Senator HATCH, the destinguished Senator from Utah, is the ranking member of that subcommittee. There have been 4 days of hearings on this measure with the views of both sides being presented. No attempt has been made by those in opposition to S. 10 to stall its consideration or delay it in any way. Indeed, Senator BAYH as chairman, has not even scheduled a subcommittee mark-up since the hearings ended over a month ago. Therefore, neither the subcommittee nor the full committee has had an opportunity to vote on S. 10.

I find it hard to understand, Mr. President, why the Senator wants to avoid committee consideration of H.R. 10. Does he not have faith in his own subcommittee? Can he cite any delaying tactics by anyone on the committee against this bill? The answer is "No."

The Senate has a committee process that has worked well for almost two centuries. What is the use of continuing this process if procedures like this one are going to be utilized, which is an affront to the whole process? As ranking minority member of the Senate Judiciary Committee and as a member of the Subcommittee on the Constitution, I am appalled at this action. I hope that other members of the committee, and indeed of the Senate, will also be opposed to such a move, which is entirely opposite from the working process of the Senate.

Mr. President, I want to say further that if tactics of this kind are going to be followed in this body, there is no use to have committees, there is no use to have subcommittees. Here is a bill that allows the Attorney General of the United States to go down and investigate the mental institutions, the penal institutions, and other institutions in the States of this Nation. It is a very far-reaching bill. It injects the Federal Government into a new field of activity.

The Federal Government is in too many fields of activity now. The people back in my State are saying, "Get the Federal Government off my back." They are sick and tired of what is going on in Washington. They are sick and tired of what the Congress does and what the executive branch does. This bill now goes farther along that line.

Mr. President, if this bill can be put on this calendar without the subcommittee discussing it and voting on it, without the full committee discussing it and voting on it, then the rules of this body should be changed.

I shall be glad to hear from the majority leader on this point, because this is a vital matter that affects not just this body, it affects the people of every State of this Nation, because I do not think they want the Attorney General to have any such power.

I think this body, the Senate, is entitled to hear the report of the subcommittee and the full Judiciary Committee before this body acts on such a bill. By putting this bill on the calendar now, this body is going to be denied the benefit of the recommendation of the subcommittee and the full Judiciary Committee.

Mr. EXON and Mr. HATCH addressed the Chair.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from South Carolina referred to the majority leader. I was asked to proceed as I did, and the distinguished Senator from South Carolina and I discussed this before I proceeded. As I pointed out, the procedure is in the rules whereby measures can be placed on the calendar without their having to go to the committees.

It is not a precedent. It has been done before, done a good many times. It has been done in many instances in which I felt the measure should go to the committee, but I was helpless to do anything about it, because the rule is there. If we want to change the rule, that is up to the Senate.

I can certainly understand the feeling of the distinguished Senator from South Carolina. I do not find any fault with his strong feelings as expressed, but, nevertheless, the proper procedure, if we are offended by this procedure, is to get the rules changed. That is not very easy to do.

I have sent for the distinguished Senator from Indiana (Mr. Bayh) to speak in his own right, inasmuch as his name was mentioned by the distinguished Senator from South Carolina. I understand he is on his way to the floor.

Mr. HATCH. Will the Senator yield on that point?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. I happen to be a cosponsor of this legislation and I feel very strongly about it. It was, in some people's eyes, an uncharacteristic thing for me to be a cosponsor of this legislation, but they do not know me very well. I believe there are injustices in our society that need to be corrected. In some ways, this type of legislation may be the only way to correct certain injustices.

We have carefully worked on this legislation. I still think there needs to be some amendment to it to have it be responsible and nonoppressive to the States, which is the major concern of my distinguished colleague from South Carolina.

I agree with the distinguished majority leader. The approach is within the rules. This is a way of bringing matters to the floor. It is a unique and an exceptional way of bringing matters to the floor.

I have to agree that as a cosponsor of this bill I am in a real dilemma because I believe there are some grave injustices perpetrated upon civil rights of individuals in our society, sometimes perpetuated because of a strong claim for States' rights, and the only way some of those injustices can be remedied is with the encouragement of the Justice Department through legislation like this.

However, I have to admit that we are dealing here with the Constitutional Subcommittee of the Judiciary Committee. To me, there is no more important subcommittee for the future and well-being of this country than the Constitutional Subcommittee of the Judiciary Committee.

I think we have enough votes to pass this out of that subcommittee and enough to pass it out of the full committee.

It bothers me that this type of a procedure has to be taken at this time.

I do respect the distinguished majority leader. I realize that he is just acting for Senator Bayh, who I also respect.

But I would suggest we not utilize this procedure because I think that it is not proper, under the circumstances.

I do not think this is so unique or so exceptional a case that it is going to be locked into the Constitutional Subcommittee.

I am so upset about the use of this procedure to bring constitutional amendments and serious constitutional issues to the floor to bypass actual work in the committee that I have to sincerely tell the distinguished majority leader and my dear friend from Indiana, with whom I am cosponsoring this legislation, that I may, very seriously, as much as I believe the perfection of this legislation may lead to better justice for civil rights of certain citizens in our society who otherwise are not being taken care of at this time, I may very well withdraw my coendorsement.

I have indicated that to the distinguished Senator from Indiana and, apparently, my feelings in this matter are not that important.

I believe that they are. I believe that normally my friend from Indiana would take them into consideration, and I do not know why this particular maneuver here today.

I will say that I would like to encourage him to withdraw because of the strong protest of my dear friend, the Senator from South Carolina.

But I am going to think it over. If we proceed with this type approach to bypass the subcommittee and its hearings and its discussion and work on this type of bill before I think it is corrected in final form, I have just talked to the senior staff member of Senator Bayh, just a couple of days ago, that there need to be some changes and, in particular, as a result of an in-office conversation with the distinguished Senator from Nebraska who desires to speak on this matter, who I think makes some pretty——

The PRESIDING OFFICER. The Senator's time in morning business has expired.

Mr. ROBERT C. BYRD. Mr. President, may I be recognized for 5 minutes?

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. ROBERT C. BYRD. I will yield to the Senator. May I just say one thing, then I will yield the rest of my time to the Senator?

Mr. HATCH. Fine.

Mr. ROBERT C. BYRD. As I said, I recognize the strong feelings of those who are opposed to proceeding in this way. I recognize the merit of their arguments from their standpoint. I have on occasion resorted to the use of this rule myself. On several occasions I have been sorry that this rule has been used. But it is there, and it is rule 14, and until it is changed Senators will continue to use it from time to time. I hope they will not use it very often, may I say.

But there is for every move that can be made in the Senate, a countermove that can be made, and once the bill is called up, of course, the alternative that those who are opposed to this procedure have is simply to move to commit the bill.

That may not be so simple, but if one can get 51 votes, it can be done.

Mr. HATCH. That is right.

Mr. ROBERT C. BYRD. But there is that countermove.

But the Senator from Indiana is here now, so he can speak for himself.

I thank the Senator for letting me interrupt him. I yield him the remainder of my time.

Mr. HATCH. I certainly thank my colleague from West Virginia, the distinguished majority leader.

Let me just say that I am concerned about this procedure being used. I feel deeply about the ultimate goal of this bill.

I still think there needs to be some work done on it, particularly after discussing this matter with my friend from Nebraska.

My experience has been that the distinguished Senator from Indiana (Mr. BAYH) has been very amenable to reasonable suggestions in this matter.

But I do feel, like the distinguished Senator from South Carolina (Mr. THURMOND), that this is not the way to approach matters of serious constitutional import.

I think that the Senate as a whole has got to start thinking about this, whether or not we should utilize this type of procedure, especially in this case where I think we have the votes to report it out of the committee with my vote, without it I do not think they do. That does not mean the rule cannot be utilized.

I understand it is on the books. But I think it is an offensive rule in matters of grave constitutional import, especially where we can get it out of committee, and, especially, premature to the time that perhaps we have allowed sufficient discussion and consideration, not only in committee, but with other colleagues who may come with us on this bill if we can satisfy their concerns and their constitutional complaints.

So I would urge my dear friend from Indiana to go very slowly in using this bill. I do have to say this, as strongly as I feel about this, and I have taken flak all over this country because I have stood very strongly for this bill, as strongly as I feel about it, if we have to resort to using this individualized and exceptional technique when it otherwise is not needed, and I sometimes think even if it is needed, because we do not have the votes in committee or subcommittee, I have got to give much more consideration as to whether I will go down the line.

I admit the bill might very well pass with or without my help, or it may not pass with or without my help, but I know this, I would like to have it done in a way that is not offensive to any of my fellow members of the committee, or on the subcommittee, or any of my fellow Members of the Senate and colleagues in the Senate.

On this point, I am happy to yield to the distinguished Senator from Nebraska such remaining time as I have. I think Senator BAYH has some time.

Mr. EXON. I thank the Senator from Utah.

Mr. President, I certainly do not wish to interfere with the statement which my friend from Indiana undoubtedly will be making.

It might be in order, Mr. President, if it is the wish of the Senator from Indiana, that he speak to this matter now, because I am not sure what he has in mind.

Mr. President, before I go any further, I just want to say that I want the opportunity to speak on this matter very briefly, in objection to the process that is being carried forth at the request of the majority leader, as I understand it, under the rules, at the request of the Senator from Indiana.

However, I am not sure exactly what everyone has in mind at this time; and if the Senator from Indiana does not object, I think it might be more appropriate for the Senate to hear from him at this time, with the understanding that I would like to reply at an appropriate time.

Does the Senator from Indiana have any objection to that procedure?

Mr. BAYH. The Senator from Indiana has no objection to being an Exon sandwich and hearing his remarks on both sides. I will be glad to listen. I have great respect for my friend from Nebraska. We usually are on the same side of an issue. This time, we may have differing views. I will leave it to him as to how he would prefer to pursue this.

Mr. President, I ask unanimous consent that two members of the committee staff, Louise Milone and Kevin Faley, may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, being a junior Member of this body, I have been somewhat puzzled, from the first time I entered this Chamber, by the complicated rules under which this body operates. I suspect that is because of the fact that probably somewhere along the line, lawyers drew the rules under which this body operates.

Anyone who knows my background and history knows that not always do I agree with members of the legal profession as to how they make up the rules and regulations under which the rest of us have to live. But we still are a land of law and order, and I respect the judiciary and especially the court system.

The majority leader, when he made mention of this a few moments ago, indicated that that was in the rules and that this measure could come over here, now that it has been passed by the House, under the House bill, H.R. 10, which is similar, as I understand it, to S. 10, which I opposed, which I opposed when it came before the Judiciary Committee of the Senate, and which I will oppose if it ever comes before this body, if it is reported by the Judiciary Committee.

I want to tell the Senate once again that it is one of the worst invasions of State's rights that I have ever seen.

You have to be a Governor to fully understand how the Federal Government continues to invade States' rights.

This is a wonderfully sounding bill. It is for the mentally retarded, and who can be against the mentally retarded? I certainly am not. As Governor of the State of Nebraska, I was a leader in the improvement of the rights and the facilities for our mentally retarded citizens, both in our high-grade institutions and in the community-based programs.

However, we had great difficulty with the Justice Department in the last 3 or 4 years because eager beavers in the Justice Department, with unlimited funds, want to continue to invade and cause great expense to the States. That is one of the reasons why, for the most part, the attorney general of the State of Nebraska and the Attorney General of the United States oppose the measure that is being suggested.

What it comes down to, very simply, is a blank check, if you will, for the Attorney General to invade every State, on whatever basis he or his subordinates think is necessary, whenever we have anything to do with mentally retarded or mentally ill people.

It is a well-sounding bill. I know it is tough, when you have a well-sounding bill that is introduced either in the House of Representatives or in the Senate, not to see it go sailing on through, but I do not think it is a good bill either for the mentally retarded citizens or others similarly afflicted.

Mr. President, if this rule allows this measure to come over from the House of Representatives and bypass the committees of the U.S. Senate, where many have worked long hours on this, and if this process is allowed to continue, what it means, in effect, is that 99 Members of the Senate could object to this kind of procedure, and still it would go full steam ahead.

I suggest very seriously to my distinguished majority leader that this is one of those rules in the U.S. Senate—and there may be many more—that should be changed if we are going to shortcut the legitimate process. Simply because it is a rule does not mean that it is a good rule.

The majority leader knows that I have stood with him every time there has been a vote in this body, since I have been here, in attempting to streamline and to make more fair and more efficient the deliberations of this body.

Therefore, I hope that after we hear from my friend the Senator from Indiana, who knows much more about the rules of this body than I, we can come to some agreement today, despite the action of the House of Representatives—and I suggest that not many of the people who voted for this bill fully understood its implications—that S. 10 completes its process, if that is the will of the Judiciary Committee. It has not even passed the subcommittee yet. I suggest that the bill be forwarded, if that is the will of the Judiciary Committee and its subcommittee, to the floor of this body and that it be debated fully at that time.

What I am saying is that I hope there is enough understanding in this body of how important this bill is, that we not shortcut the process, and that we allow the Senate to work its will.

Mr. BAYH. Mr. President, I ask unanimous consent, pursuant to the rules of the Senate, that the Senator from Indiana be permitted to have sufficient time to discuss this matter with the Senator from Nebraska, if there be no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, the subject of this bill deals with the protection of the rights of American citizens who are institutionalized in various institutions in which can be defined as public institutions.

It is, by its very nature, the kind of issue where in some conceivable circumstances you would have officials of the Federal Government pursuing one course of action, and officials of a State government pursuing another.

That worried the Senator from Indiana. As the initial sponsor of this bill here 3 years ago, and I believe we have gone a long way to try to protect States' rights so that the Federal Government will not get involved in suits until the States have an opportunity to clean up their own shop.

Refusing to do that or failing to do that, then it seems to me if we are cognizant that State citizens are also U.S. citizens; those of us in this body have an obligation to see their constitutional rights are protected.

I thought it might be helpful, inasmuch as there had been some rather strong feelings expressed here on the floor, just to take a moment or two, not to belabor the Senate, but just to let my colleagues know where we are.

This particular measure has been supported by almost all of the major national organizations, and many State organizations and church bodies, that deal with the problems of the disabled, the elderly, children in trouble, those organizations that have studied the problems of the institutionalized.

This is not just a piece of fly-by-night legislation. Just to let my colleagues know the procedural history, we held extensive hearings on this measure during the last session of Congress, and we got it out of our subcommittee with the help of our distinguished colleague from Utah (Mr. HATCH), and we appreciated his contribution to this process. He has been of inestimable value and help, and I think he has been of help because he sincerely is concerned about situations in which some of the most horrible occurrences have taken place.

I want to say to my good friend, longtime friend, while he was Governor, and I know what kind of Governor he was, and I know he is sensitive to the problems of the mentally retarded, and I know he would be as concerned about some of the terrible conditions which exist, and which I will not bother to describe, but we are talking about children being handcuffed to beds days at a time, day after day; kept in straitjackets. We are talking about people being scalded and dying by being turned over to other inmates in custodial care. We are really talking about indescribably brutal treatment directed at American citizens who happen to be institutionalized, many of whom just do not have the mental capacity to function normally.

I just know that my friend from Nebraska has fought against that kind of thing, and I do not want him or any of my other colleagues here to be associated with that kind of activity, because that is what we are after really.

The question is how do you go about attaining what we are striving for? These kinds of situations now exist. It was the kind of situation that confronted my good friend and colleague from Nebraska. The law permits the Federal Government to get involved without any notice, without any protection, with, at least according to my friend from Nebraska, significant discourtesy in his case, and not sufficient understanding of the efforts the State was trying to make. That happens now.

What I hope we can work out is the kind of procedure where, instead of limiting the Federal Government's action to joining in cases that have been brought by clients and their families, which frequently is very difficult for those people to do what we would give the Justice Department and the Federal Government the right to intervene in the most serious cases and also to initiate cases in the most serious circumtance on its own.

(Mr. MATSUNAGA assumed the chair.)

But the Federal Government cannot do this until there has been at least a 30-day notice to the Governor, and on pages 2 and 3 and over on page 4 I thought we had written in a lot of protections, which would give the States the right to clean up their own shop before suit could be brought.

But the history of this legislation is that this measure was passed out from the subcommittee. It sat before the Judiciary Committee for 6 months primarily because our distinguished colleague from South Carolina, who now protests this action, refused to let it come up.

He has every right to do that. He is using his right as a member of the Judiciary Committee and as a Member of the Senate.

But it seems to me that, given that situation, he is hardly in an equitable position to criticize this procedure when some of us are simply determined we are not going to let him do that to us again.

I hope this is a new day and that obstructionist tactics will not be tried in the Judiciary Committee or in the Subcommittee on the Constitution.

In an effort to try to head off the situation we are in right now, when I heard this measure was going to pass yesterday, I asked my staff to check with the hierarchy in the House to see if there was not some way we could find a procedure to delay bringing that measure over here after it had passed, and our subcommittee could then go ahead and have its markup, and we could iron this out, vote something out to the full committee and out on the floor. That is what I still hope will happen. That is what I plan to do if I have the opportunity to do it.

This is just an insurance policy which permits us, in the event of one or two members of the Judiciary Committee exercising their rights, as they have in the past, to prohibit us from considering it, to have an opportunity for the measure to be discussed on the floor of the Senate.

It was passed by the House without amendment by 342 to 62. I must say I know at least some of those Members are as conversant with the measure as many of us here in the Senate.

The measure, as I said, last year was delayed for 6 months, and then when it came out, one of our colleagues, who is very strongly opposed to this, and who has every right to be, exercised his rights, and I will not name him because he is not here, he exercised his rights and threatened to filibuster.

Because of the crowded schedule in the last couple of months of the 95th Congress, we had the spectacle of one Member of the U.S. Senate refusing to let this matter come up because he threatened he would mount a filibuster. He was doing exactly what he had a right to do. But just as those individuals have their rights to do that kind of thing, it seems to me that some of the rest of us not only have the right but we have the responsibility if our jurisdiction is to try to protect American citizens who are not being treated properly, it seems to me we have not only the right but the responsibiity to exercise those rights to keep individuals who use contrary rights from stopping consideration of this legislation.

Well, we started out again this year. We went back and held other hearings. We had every reason to believe that by now this matter would be out of the committee and would be on the floor of the Senate through the normal process.

Unfortunately—and I apologize to the Senate for this—because of certain personal obligations that I had it was not possible for me to spend as much time doing subcommittee and full committee and floor work as would normally be the case. I regret the fact that because of that the Senate is belabored by this dispute at this time.

If we had moved through the normal process, as I had planned, this measure would be out of the committee and would be before us. I am beginning to get back into harness and we are beginning to discuss this measure, and I anticipate that we will vote it out, and then we will have this measure on the floor for us to decide upon, and we will not have to resort to placing it on the calendar this way. That is about where we are right now.

I will say to my friend from Nebraska that, perhaps, there is a way to resolve this, and that is on the next calendar day—if he has no objection—I would be prepared to offer a unanimous consent request which would delay this matter from going to the calendar for at least 30 days so that we will have a chance for the Judiciary Committee to work its will. As I say, I was hoping we could delay this until the committee could act. I do not know whether he would find that acceptable or not.

Mr. BAKER. Mr. President, will the Senator yield to me?

Mr. BAYH. Glad to yield.

Mr. BAKER. Mr. President, I do not mean to intrude in this conversation, nor interfere with the colloquy on the other side, but, having listened to that part of the suggestion, I would volunteer to my friend from Indiana that I would not be able to agree to such a unanimous consent request.

Mr. BAYH. I was not proposing it at this time, I say to my distinguished friend the minority leader, because I think it is inappropriate to propose it at this time, but on the next legislative day there has to be, as I understand it, another objection before the measure goes on the calendar.

Mr. BAKER. Right. I just want the Senator from Indiana to know, however, that if he has any unanimous consent request to make with respect to this measure at this time, I would not be in a position to agree to it.

Mr. BAYH. I thank the Senator. The Senator from Indiana does not have any request to propound, and would not do so without checking with the majority leader, who is trying to be his normal, courteous self in seeking to be helpful to the Senator from Indiana. We were hoping we could get this worked out, as I said earlier, so we could let the committee work its will. But I hope we can work out our major differences. We may not be able to work out all of them.

I also would hope that those who may disagree with the Senator from Indiana on the merits of this matter would at least understand the position he is in, when he is charged with certain responsibilities, and I do not really see how you let one or two other people exercise their rights and prohibit us from at least having a chance to vote on this.

I wanted to air our differences and hoped we could iron them out. The Senator from Nebraska may not agree to what we do, but certainly he is a fair man and he can fight like a tiger on the other side of the issue if he is not satisfied; and I would expect him to do that. He might be able to win.

What we are ultimately after is not to do any back-dooring, but to get the matter out on the floor, have it debated, voted on up or down, and disposed of in the usual legislative process.

Mr. EXON. Mr. President, I thank my distinguished colleague from the State of Indiana, and I appreciate very much the position that he has found himself in for a long, long time.

It is impossible for me to say here on the floor of the Senate at a quarter after 5, before we adjourn for a week's recess, whether or not we can work out anything on this matter. I was here on the floor of the Senate not because of H.R. 10 or S. 10; I was here because I thought I might have to vote or make a talk on the Amtrak legislation, and by coincidence, I happened to be here when the distinguished majority leader brought up the bill from the House, and I was alerted to it.

I say again that I am trying to learn, with great difficulty, some of the inner workings between the House of Representatives and the Senate, and the rules. I would say to my friend from Indiana that it seems to me that if anything can be worked out, then the only way to work it out would be in the markup of the bill as it goes through the subcommittee of the Committee on the Judiciary, and that committee itself.

I would suspect, although I certainly do not want to speak for anyone else, or even state what I might do on this bill as it presently stands, that if the route is taken that may be taken by bringing this measure on the floor of the Senate from the House of Representatives, we could run into a great deal of difficulty and a great deal of delay in the Senate. Therefore, as a man who always tries to work things out, I certainly would be willing to see what we could get together on, to cure some of the shortcomings that I think still exist in the bill.

However, from conversation with my friend from Indiana and other members of the Judiciary Committee, and other Senators who are interested in this bill, I do know that he has given and tried to give some legitimate compromises over the last 2 or 3 years. I would say to him that I will never be per se against this bill 100 percent, regardless of what happens. I think the art of compromise should always be tried, especially in a distinguished body like the U.S. Senate.

Therefore, before I could make any agreement I would want to talk to the others with whom I have been working on this measure. I would suggest that that might be difficult by the next day that the Senate would consider a measure that has come over from the House of Representatives, but at the same time I will say that I will try.

I thank the Chair.

Mr. BAYH. Mr. President, I appreciate the comments of the Senator from Nebraska. Again, I regret the circumstances, part of them being quick action on the part of the House and part of them being personal considerations confronting the Senator from Indiana, which put us in a situation like this. I would hope we could resolve it, and I say to the Senator from Nebraska that the only reason I would resort to something like this, though I confess to him I have done it once or twice before, is only when there has been one Member of the Senate who has exercised his right not to let the whole Senate have a chance to discuss something that I have felt was of extreme importance.

Regardless of how we come down on the merits of this legislation, I know my friend from Nebraska is as concerned as I that we not have helpless institutionalized people subjected to brutal institutional treatment. The question is how we get at it. We may ultimately try to travel different routes, but I know he is as concerned about the consequences as I.

I just plain am not in a position, either by inclination or by feeling the responsibility I have as the chairman of the subcommittee that deals with these institutional matters, to sit still and let one other person who may look at it differently keep the whole Senate from having a chance to vote on it.

That is the issue here. As I say, I appreciate the courtesy—the normal, natural courtesy—of our leader. He carries a lot of hot spears for other people, and I guess those are some of the burdens of leadership that are not always evident to people who look at it as a title of honor. It is a title of honor, but it is also a title of "oner"—it is an onerous responsibility at times. I appreciate his doing this, and, as I say, it is my intenton, if you will, to go ahead and get this bill on the calendar through the committee process, not even to approach the leader about it, but to see if we cannot get this thing moving through the subcommittee as we would have already had it not been for these other circumstances, and then to get it up before the full Judiciary Committee, let the Judiciary Committee work its will, and then get it out here to the floor of the Senate through the normal course.

That is what I hope we can do, and I appreciate the courtesy of all who have listened patiently to this colloquy this evening.

Mr. EXON. Mr. President, my good friend from Indiana has mentioned on two or three occasions that he is as sure as I that no one wants anyone taken advantage of in the United States of America, wherever they reside and whatever their condition is, physically or mentally. We do agree 100 percent on that. Our difference in approach on this matter is as to how we are going to resolve those situations.

I am fearful about giving a blank check to the Justice Department. That is a Federal bureaucracy, and if we have learned one thing, it is that a Federal bureaucracy is not always right, nor is it always wrong. We have had an experience in the State of Nebraska where the Justice Department has come in and intervened in an action, and went so far, Mr. President, as to stop, if you please, air-conditioning of a facility for the mentally retarded in Nebraska.

I would think and hope that the Senator from Indiana would agree that it is not very good for the mentally retarded when the Justice Department prevents the air-conditioning of a building, and that did happen in the State of Nebraska.

The point here is, and I think the basis of our controversy is, how much and how far are we going to allow the hired lawyers of the Justice Department to go in lawsuits?

I am certainly not saying that we do not want to have civil rights actions, that we do not want to have the rights which presently exist—and I am not for repealing them—of individual actions in the courts under the Civil Rights Act to protect anyone who is being abused.

The question really comes on H.R. 10 and S. 10 as to whether or not it is necessary to go so far to give the additional protection, if you will, through the umbrella, through the force, through the unlimited expenditures, so to speak, of the Justice Department, the main law-enforcement arm of the U.S. Government, how much we want them involved.

I certainly want it understood that those in the U.S. Senate like myself, who are very concerned about this matter, are not for eliminating any kind of court action or proper remedies which presently exist.

I hope that point is made clear. I have no further comments at this time, Mr. President.

EXTENSION OF TIME FOR TRANSACTION OF MORNING BUSINESS

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana make the request that the time for morning business be extended, under the same condition?

Mr. BAYH. Mr. President, I make such a request, for 15 minutes, in the name of the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana is recognized.

SUPPLIES OF CRUDE OIL AND PETROLEM PRODUCTS

Mr. MELCHER. Mr. President, I was pleased to join Senator DOMENICI, Senator LAXALT, and Senator JOHNSTON in a letter to the Secretary of Energy, requesting the Department of Energy to commission an independent audit and to report to Congress, on the basis of that audit, the physical inventories of crude oil and petroleum products in the United States.

We requested this report to be completed and provided as quickly as possible, by a reputable independent auditing firm, because there is a great deal of doubt with respect to the supply of crude oil that we think should be available—where it is being refined and where the product is. There is evidence that there are some imbalances. We would like to know exactly how great those imbalances are.

The audit should show the level of crude oil and petroleum products stocks at the primary level during the period immediately preceding the Iranian revolution.

The audit should note the changes in crude oil supplies and petroleum products stocks at the primary level that resulted from the reordering of world markets for crude oil following the Iranian revolution and should continue to the present time.

We would like to ascertain, through the audit, the utilization of refinery capacity in the United States both before and after the Iranian revolution and its relationship to changes in crude oil and petroleum products stocks.

Finally, we think the audit should show where there is any evidence of hoarding or other manipulation of the middle distillate markets that could be contributing to the current severe shortages of diesel fuel or other distillate in certain regions of the country.

Mr. President, I hope the Secretary of Energy can complete this procedure through this independent audit and report to Congress rather quickly.

But I have today by telephone attempted to ascertain from the four major refineries in Montana just what we can anticipate at present in the amount of, first of all, diesel fuel that is available per day. They are having a great deal of difficulty in Montana and I know in other States there are similar circumstances of diesel fuel shortages both for farmers, who are busy in their fields right now planting their crops, getting their cultivation done and spring work, and also truckers who are finding it more increasingly difficult to find sufficient diesel fuel supplies.

I am also aware that some contractors are out of diesel fuel for their trucks and are either having to cut back on the construction jobs they are now on or make some other arrangements for other work on that particular construction job where little diesel fuel is required. I am also well aware that some mining companies in our State and our neighbor State of Wyoming are having some difficulty making sure that there are enough adequate supplies of diesel fuel for their mining operations.

In checking with the four major refineries in Montana today, I can report this as the answer I got.

Exxon in Billings is running at 48,700 barrels of crude oil per day. They are refining that much and out of that much crude oil they are producing 9,400 barrels of diesel fuel per day. They are running the refinery at capacity, and the amount of diesel production they are getting out of that much refined crude oil per day is at capacity.

In turn, they are only delivering 90 percent of their contracted amounts throughout their distributors. Since they are running at capacity it leads one to wonder just exactly why they are at 90-percent allocation to their distributors as compared to last year. The answer we got from Exxon officials in Billings was that as one of many Exxon refineries in the country and part of Exxon's operation in this country they have to make up some of the shortages that have accumulated or have cropped up in refined products since they shut down. I believe it was through a fire of the Exxon refinery at Rahway, N.J.

In checking with Conoco at Billings I found that they are running at about 50,000 barrels per day, and that is also their maximum, and out of that they are producing 8,500 barrels of diesel fuel per day.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MELCHER. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, Conoco notes that this is 20 percent more production of diesel fuel per day than they were producing last year. However, they also note there must be an increase of diesel fuel demand this year because their tankage is virtually empty at present. They are allocating to their distributors based on 75 percent of the 1975 base.

I asked them why, and they pointed out to us that a refinery fire in Denver was causing them to have to send more refined products south rather than utilizing them in a more normal pattern in Montana.

CENEX, the third of the refineries in the Billings area, has a capacity of about 40,000 barrels of crude oil per day, and they are running at that capacity. They are producing about 10,000 barrels of diesel fuel per day out of that amount, and they are supplying their distributors 81-percent fraction for diesel and 82-percent fraction for gasoline for mining, as compared to last year. And they anticipate that in June, both of these fractions will be dropped to about 75 percent. And we asked them why. Again they tell us that due to some shortages of crude oil in other refineries in the Midwest, they found it necessary to reduce their allocations per distributor.

Finally, the smaller of the four major refineries in Montana is Phillips at Great Falls. We are learning that they are running about 1,000 barrels of diesel fuel per day and they are operating that plant at about capacity, which is around 6,000 barrels of crude oil refined each day.

The sum and substance of what we found out in this inventory we have run by telephone today in Montana is that refineries are operating at capacity and they are producing about the same amounts of diesel fuel or in some instances greater than a year ago, but they are also having to make up supply, in the case of CENEX, Exxon, and Conoco, for some shortages that have occurred through refinery shutdowns or lack of full utilization of refineries in other areas.

I hope that the situation will straighten out in the very near future for both the agricultural interests and the trucking interests in the State and that we will not have these spot shortages that are occurring right now.

I appreciate the courtesy of my colleagues for not objecting to the additional time I have taken.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVAL

A message from the President of the United States reported that on May 23, 1979, he approved and signed the following joint resolution:

S.J. Res. 80. A joint resolution to confer certain powers on the Presidential Commission appointed to investigate the Three Mile Island nuclear powerplant accident.

MESSAGES FROM THE HOUSE

At 12:49 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendment of the Senate to House Concurrent Resolution 107, setting forth the congressional budget for the U.S. Government for the fiscal year 1980 and revising the congressional budget for the U.S. Government for the fiscal year 1979.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 10. An act to authorize actions for redress in cases involving deprivations of rights of institutionalized persons secured or protected by the Constitution or laws of the United States;

H.R. 39. An act to provide for the designation and conservation of certain public lands in the State of Alaska, including the designation of units of the National Park, National Wildlife Refuge, National Forest, National Wild and Scenic Rivers, and National Wilderness Preservation Systems, and for other purposes;

H.R. 3404. An act to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes; and

H.R. 3914. An act to amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region.

The message further announced that, pursuant to section 1502(c), Public Law 95-561, the Speaker has appointed Mr. RANGEL and Mrs. SMITH of Nebraska as members of the National Commission on the International Year of the Child on the part of the House.

The message also announced that, pursuant to the provisions of section 3(a), Public Law 86-380, the Speaker has appointed Mr. FOUNTAIN, Mr. RANGEL, and Mr. BROWN of Ohio as members of the Advisory Commission on Intergovernmental Relations on the part of the House.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

S. 631. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne.

The enrolled bill was subsequently signed by the President pro tempore (Mr. MAGNUSON).

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 39. An act to provide for the designation and conservation of certain public lands in the State of Alaska, including the designation of units of the National Park, National Wildlife Refuge, National Forest, National Wild and Scenic Rivers, and National Wilderness Preservation Systems, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3914. An act to amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region; to the Committee on Governmental Affairs.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 24, 1979, he presented to the President of the United States the following enrolled bill:

S. 631. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to John Wayne.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as follows:

EC-1483. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1977, as amended, to improve food stamp eligibility and benefit determinations and intensified fraud detection and recovery procedures; and to remove specific dollar limitations on appropriations while continuing to limit expenditures to available funds; and for other purposes; referred to the Committee on Agriculture, Nutrition, and Forestry.

EC-1484. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a report of the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement for the quarter January 1, 1979 through March 31, 1979; referred to the Committee on Appropriations.

EC-1485. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report stating that the Department of the Navy proposes to transfer the obsolete submarine EX-BOWFIN (ex-SS287) to the Pacific Fleet Submarine Memorial Association, Inc., Honolulu, Hawaii; referred to the Committee on Armed Services.

EC-1486. A communication from the Under Secretary of the Army, transmitting, pursuant to law, a report stating that the Department of the Army was undertaking the emergency disposal of 30 lethal chemical agent land mines at Dugway Proving Ground, Utah; referred to the Committee on Armed Services.

EC-1487. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by the Export-Import Bank during April 1979 to Communist countries; referred to the Committee on Banking, Housing, and Urban Affairs.

EC-1488. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, a report stating that the Commission is unable to render a final decision in Docket No. 37063, Increased Rates on Coal, L&N Railroad, October 31, 1978, within the initially-specified 7-month period; referred to the Committee on Commerce, Science, and Transportation.

EC-1489. A communication from the Secretary of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report on the final valuation of properties of certain carriers subject to the Interstate Commerce Act; referred to the Committee on Commerce, Science, and Transportation.

EC-1490. A communication from the Secretary of Transportation, transmitting, pursuant to law, the first semiannual report of the Inspetcor General, Department of Transportation, covering the period October 1, 1978 to March 31, 1979; referred to the Committee on Commerce, Science, and Transportation.

EC-1491. A communication from the Assistant Attorney General of the United States (Antitrust Division), transmitting, pursuant to law, the report on the Voluntary Agreement and Plan of Action to Implement the International Energy Program; referred to the Committee on Energy and Natural Resources.

EC-1492. A communication from the Secretary of the Interior, transmitting, pursuant to law, the study of the Mormon Trail as a potential component of the National Trails System; referred to the Committee on Energy and Natural Resources.

EC-1493. A communication from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a request for approval to execute a supplemental contract with the Midvale Irrigation District for work on the Riverton Unit, Pick-Sloan Missouri Basin Program, Wyoming; referred to the Committee on Energy and Natural Resources.

EC-1494. A communication from the Chairman of the Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, the annual report of the Corporation for calendar year 1978; referred to the Committee on Energy and Natural Resources.

EC-1495. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a final environmental impact statement on the project at Freeport Harbor, Texas; referred to the Committee on Environment and Public Works.

EC-1496. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus which proposes a succeeding lease for space presently occupied in the Webb Building, 4040 Fairfax Drive Arlington, Virginia; referred to the Committee on Environment and Public Works.

EC-1497. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for acquisition of space by lease in Atlanta, Georgia, for the Veterans Administration; referred to the Committee on Environment and Public Works.

EC-1498. A communication from the Chairman of the Advisory Council on Social Security, Department of Health, Education, and Welfare, transmitting, for the information of the Senate, notice that recommendations for trimming the costs of certain retirement and survivors benefits, announced by the President in his State of the Union Address, will be included in the final report of the Council due on September 30, 1979, or earlier if congressional action seems imminent; referred to the Committee on Finance.

EC-1499. A communication from the Chairman, the Development Coordination Committee, transmitting, pursuant to law, the annual report for the committee for 1978; to the Committee on Foreign Relations.

EC-1500. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report relating to new systems of records; to the Committee on Governmental Affairs.

EC-1501. A communication from the Secretary of Energy, transmitting a draft of proposed legislation to provide for the transfer of certain additional energy functions to the Department of Energy, and for other purposes; to the Committee on Governmental Affairs.

EC-1502. A communication from the Chairman of the Board, United States Naval Sea Cadet Corps, transmitting, pursuant to law, the annual audit report for the Corps for the fiscal year which ended 31 March 1979; to the Committee on the Judiciary.

EC-1503. A communication from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to make attempted illegal entry into the United States a crime and to make remaining in the United States after illegal entry a crime; to the Committee on the Judiciary.

EC-1504. A communication from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, revision in the 1979-80 Family Contribution Schedules, Basic Educational Opportunity Grant Program; to the Committee on Labor and Human Resources.

EC-1505. A communication from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final amendment for Part 185, Emergency School Aid Act—Rule for Fiscal

Year 1979 State Educational Agencies Grants—ESAA; to the Committee on Labor and Human Resources.

EC-1506. A communication from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, interim final resolutions for Education Appeal Board; to the Committee on Labor and Human Resources.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions and memorials, which were referred as indicated:

POM-256. A joint resolution adopted by the Legislature of the State of Montana; to the Committee on the Judiciary:

"JOINT RESOLUTION

"Whereas, on December 8, 1950, the states of Montana, Wyoming, and North Dakota, being moved by consideration of interstate comity and desiring to remove present and future controversies between the states respecting waters in the Yellowstone River Basin and designed further to provide an equitable division and apportionment of the waters of the Yellowstone River Basin and recognizing the great importance of water for irrigation in the signatory states, did enter into the Yellowstone River Compact, Section 85-20-101, et seq., MCA, which Yellowstone River Compact was therefater federally approved by the Congress of the United States; and

"Whereas, the Yellowstone River Compact has governed water use in the Compact states of Montana, Wyoming, and North Dakota and has promoted cooperation between the states, has encouraged water conservation and development between the states, and has averted costly and time-consuming litigation between the states; and

"Whereas, recent actions by various legislatures of the Compact states permitting diversions of Yellowstone River Basin water in methods inconsistent with the Yellowstone River Compact have been introduced and are now under consideration and may be approved by such legislatures; and

"Whereas, these actions threaten the harmonious cooperation between the states, threaten the purposes of the Yellowstone River Compact, and threaten to involve the states in prolonged and expensive litigation before the United States Supreme Court or in other courts of competent jurisdiction involving the application of the Yellowstone River Compact, its provisions, and the legality of the proposed diversions; and

"Whereas, such consequences can only result in actions adverse to the water users within the Compact states and adverse to the interests of the Compact states and to the continued cooperative relationship between the states.

"Now, therefore, be it resolved by the Senate and the House of Representatives of the State of Montana:

"That the Legislature urges and requests the signatory states of the Yellowstone River Compact to abide by the provisions of the Yellowstone River Compact and to limit water diversions to those authorized in manner and amount by the Compact and to permit water diversions only consistent with the provisions of such Compact.

"Be it further resolved, that copies of this resolution be sent to the Governor of Wyoming and to the President of the Senate and Speaker of the House of the Wyoming Legislature, to the Governor of North Dakota and the President of the Senate and Speaker of the House of the North Dakota Legislature, and be further brought to the attention of appropriate members of the Montana Congressional Delegation and the appropriate congressional and executive branch leaders."

POM-257. A resolution adopted by the Legislature of the State of Massachusetts; to the Committee on Energy and Natural Resources:

"RESOLUTION

"Whereas, There is a great threat to the last great deposits of the glacial age; and

"Whereas, It is of the best interests of the citizens of the Commonwealth and the rest of the country to preserve whatever deposits from the glacial age are still present; therefore be it

"Resolved, That the Congress pass legislation preserving the disappearing drumlin, and preserving the said remaining glacial deposits; and be it further

"Resolved, That copies of these resolutions be sent by the Clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from this Commonwealth."

POM-258. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on the Judiciary:

"RESOLUTION NO. 8

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the territory of Guam has been represented in the United States Congress by a non-voting member of the House of Representatives; and

"Whereas, the District of Columbia, the Virgin Islands of the United States and the Commonwealth of Puerto Rico are represented by a non-voting member and a non-voting Resident Commissioner respectively; and

"Whereas, each of the several states of the United States is represented by at least one voting member to the House of Representatives; and

"Whereas, Article I, Section 2 of the United States Constitution effectively provides that only states of the United States shall have voting representatives in Congress; and

"Whereas, pursuant to Article V of the United States Constitution, the Congress could propose an amendment to the Constitution allowing for voting rights in the House of Representatives for the off-shore territories; now, therefore, be it

"*Resolved*, that the Fifteenth Guam Legislature respectfully requests the United States Congress to propose a Constitutional amendment which would allow the off-shore territories of the United States voting representation in the House of Representatives; and be it further

"*Resolved*, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Speaker, House of Representatives; to the Vice President of the United States; to the President Pro Tempore of the Senate; to Representative A. B. Won Pat and to the Governor of Guam."

POM-259. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on the Judiciary:

"RESOLUTION NO. 9

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the Twelfth and Twenty-Third Amendments to the United States Constitution effectively limit the right to vote for President of the United States to citizens of the United States living in the several states and the District of Columbia; and

"Whereas, pursuant to Article V of the United States Constitution the Congress can, when two-thirds of its members deem it necessary, propose amendments to the Constitution of the United States; and

"Whereas, only by means of a Constitutional amendment could the citizens of the United States residing in the several territories be permitted to vote in the United States Presidential elections; and

"Whereas, citizens residing in the territories ought to be accorded the same elective franchise as citizens residing in other parts of the United States; and

"Whereas, a Constitutional amendment allowing said citizens residing in territories to vote in United States Presidential elections would remove a manifest inequity from the great American political system; now, therefore, be it

"*Resolved*, that the Fifteenth Guam Legislature respectfully requests the United States Congress to propose an amendment to the United States Constitution which would permit the United States citizen who is a resident of one of the territories to vote in Presidential elections; and be it further

"*Resolved*, that the Speaker certify to and the Legislative Secretary attest to the adoption hereof and that copies of the same be therefore transmitted to the Speaker, House of Representatives; to the Vice President of the United States; to the President Pro Tempore of the Senate; to each state and territorial legislature; to the American Civil Liberties Union; to the National Legislative Conference; to the American Bar Association; to the Federal Bar Association; to Representative Antonio B. Won Pat; and to the Governor of Guam."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROBERT C. BYRD (for Mr. MUSKIE), from the Committee on the Budget, without amendment:

S. Res. 160. A resolution waiving the provisions of section 402(a) of the Congressional Budget Act of 1974 with respect to S. 905.

By Mr. RANDOLPH, from the Committee on Environment and Public Works, without amendment:

S. Res. 171. An original resolution authorizing supplemental expenditures by the Committee on Environment and Public Works for inquiries and investigations. (Rept. No. 96-194). Referred to the Committee on Rules and Administration.

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry, without amendment.

S. Res. 172. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 670. Referred to the Committee on the Budget.

S. Res. 173. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 892. Referred to the Committee on the Budget.

By Mr. MUSKIE, from the Committee on the Budget, without amendment:

S. Res. 172. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 670.

S. Res. 173. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 892.

VETERANS' HEALTH CARE AMENDMENTS OF 1979—CONFERENCE REPORT

Mr. CRANSTON, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 6) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisitions of certain medical facilities, and to expand certain benefits for disabled veterans, and for other purposes (Rept. No. 96-195).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CANNON, from the Committee on Commerce, Science, and Transportation:

Patricia A. Goldman, of the District of Columbia, to be a Member of the National Transportation Safety Board.

(The above nomination from the Committee on Commerce, Science, and Transportation was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WARNER, from the Committee on Armed Services:

Vice Adm. James D. Watkins, U.S. Navy, as vice chief of naval operations and also for promotion to the grade of admiral.

Lt. Gen. Kenneth McLennan, U.S. Marine Corps, to the grade of general.

Mr. WARNER. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Vice Adm. James D. Watkins, U.S. Navy, for appointment as vice chief of naval operations and also for promotion to the grade of admiral; also, the promotion of Lt. Gen. Kenneth McLennan, U.S. Marine Corps, to the grade of general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

Mr. TOWER. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the following nominations: In the Army. Lt. Gens. Jeffrey Greenwood Smith (age 57), George Gordon Cantlay (age 58), and Eivind Herbert Johansen (age 52), to be placed in the retired list in the grade of lieutenant general and Maj. Gen. Harold Frank Hardin, Jr., to be lieutenant general and Brig. Gen. William Roger Berkman, to be major general, USAR and AUS as chief, Army Reserve; in the Navy, Rear Admirals "M" Staser Holcomb and John H. Nicholson for appointment to the grade of vice admiral, and Vice Adm. Frank D. McMullen, Jr. (age 54), for appointment to that grade on the retired list; Lt. Gens. Lawrence F. Snowden (age 58), and Thomas H. Miller, Jr. (age 55) for appointment on the retired list in that grade and Col. Roland F. Cinciarelli, U.S. Marine Corps Reserve, for permanent appointment to the grade of brigadier general; in the Air Force, Gen. William G. Moore, Jr. (age 58), for appointment to the grade of general on the retired list; Lt. Gens. Raymond B. Furlong (age 52), and Abner B. Martin (age 51), for appointment to that grade on the retired list; and, Maj. Gen. Stanley Milward Umstead, Jr., and Maj. Gen. William Henry Ginn, Jr., to be lieutenant general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

Mr. TOWER. In addition, Mr. President, there are 926 cadets of the 1979 graduating class of the U.S. Military Academy for appointment in the Regular Army in the grade of second lieutenant (list beginning with Aaron Blaine Fidler); in the Navy there are 1,784 temporary commanders for permanent promotion to that grade (list beginning with James Robert Abbey) and in the Naval Reserve there are 1,098 lieutenant commanders for temporary promotion to the grade of commander (list beginning with Peter G. Ackermann) and 124 temporary commanders for permanent promotion to that grade (list beginning with Paul Frederick Abrahams) and 811 for appointment in the grade of commander and below (list beginning with Frederick A. Aalbue) and, in the Air Force there are 672 officers for promotion to the grade of colonel and below (list beginning with Richard F. Abel) and in the Air Force and Air Force Reserve there are 75 appointments/promotions to the grade of colonel and below (list beginning with Floyd P. McGinnis) and in the Reserve of the Air Force there are 35 officers for promotion to the grade of colonel (list beginning with Rex D. Broome). Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record on April 25, April 30, and May 14, 1979, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOMENICI (for himself and Mr. Moynihan):

S. 1241. A bill to authorize the National Water Resources Policy and Development Act of 1979, to direct the Water Resources Council to act as the coordinating body for a program of water resources assistance to the States; to the Committee on Environment and Public Works.

By Mr. JEPSEN:

S. 1242. A bill to provide for automatic adjustment of deduction to individual retirement accounts, and so forth, and for other purposes; to the Committee on Finance.

By Mr. HATFIELD (for himself and Mr. Packwood):

S. 1243. A bill to authorize construction of certain public works on the Siuslaw River and Bar, Oregon, and for other purposes; to the Committee on Environment and Public Works.

S. 1244. A bill to authorize construction for the project for flood control, recreation, and fish wildlife enhancement in the Rivergate-North Portland area, Oregon; to the Committee on Environment and Public Works.

By Mr. HATFIELD (for himself, Mr. Packwood, Mr. Magnuson, and Mr. Melcher):

S. 1245. A bill to authorize the construction of a project for navigation at the Bonneville lock and dam, Oregon and Washington; to the Committee on Environment and Public Works.

By Mr. KENNEDY (for himself, Mr. Metzenbaum, Mr. Bayh, Mr. Bumpers, Mr. Cranston, Mr. DeConcini, Mr. Eagleton, Mr. Hart, Mr. Leahy, Mr. Levin, Mr. McGovern, Mr. Morgan, and Mr. Riegle):

S. 1246. A bill to amend the Clayton Act to protect against the growth of monopoly power of major petroleum companies, and for other purposes; to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 1247. A bill to amend the Internal Revenue Code of 1954 to reduce the tax effect known as the marriage penalty by permitting the deduction, without regard to whether deductions are itemized, of 10 percent of the earned income of the spouse whose earned income is lower than that of the other spouse; to the Committee on Finance.

By Mr. STEVENSON:

S. 1248. A bill to provide coordination by the President of Federal, State, and local programs for combating terrorism, to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require counterterrorism provisions in State plans, to amend title 18, United States Code, with respect to the interception of wire or oral communications, and for other purposes; to the Committee on the Judiciary.

By Mr. MORGAN (for himself, Mr. Nunn, Mr. Hatfield, and Mr. Danforth):

S. 1249. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide coverage under the Federal old-age, survivors, and disability insurance system for Members of Congress and employees of the legislative branch; to the Committee on Finance.

By Mr. STEVENSON (for himself, Mr. Cannon, Mr. Hollings, Mr. Inouye, Mr. Ford, Mr. Riegle, Mr. Moynihan, and Mr. Schmitt):

S. 1250. A bill to promote U.S. technological innovation for the achievement of national economic, environmental, and social goals, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HEINZ:

S. 1251. A bill to waive the statute of limitations with regard to the claim of Eazor Express, Inc., of Pittsburgh, Pa., against the United States; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 1252. A bill to improve the reporting on productivity data in the Federal Government, and for other purposes; to the Committee on Labor and Human Resources.

S. 1253. A bill to provide a program within the Comprehensive Employment and Training Act to retrain workers about to be laid off due to productivity improvement programs, and for other purposes; to the Committee on Labor and Human Resources.

S. 1254. A bill to amend the Internal Revenue Code of 1954 to provide that research and experimental expenditures in connection with a patent may be amortized for any period of not less than 60 months; to the Committee on Finance.

S. 1255. A bill to amend the Internal Revenue Code of 1954 to provide that net operating losses incurred by a corporation during its first 3 taxable years may be carried over to the next 10 taxable years; to the Committee on Finance.

S. 1256. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax for certain research and experimental expenditures; to the Committee on Finance.

S. 1257. A bill to amend the Internal Revenue Code of 1954 to provide incentives for research and development by providing an increased investment credit or the allowance of rapid amortization, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN:

S. 1258. A bill to correct an anomaly in the rate of duty applicable to articles of apparel in which feathers or downs are used as filling and to extend until June 30, 1984, the duty provisions applicable to crude feathers and downs; to the Committee on Finance.

S. 1259. A bill to amend section 103(f) of the Agricultural Act of 1949 (loan rates for upland cotton) and to provide for prevented planting disaster payments in crop year 1979 when other, nonconserving crops are planted; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAXALT:

S. 1260. A bill for the relief of Angelica C. Estela; to the Committee on the Judiciary.

S. 1261. A bill for the relief of Rosita A. Genio; to the Committee on the Judiciary.

S. 1262. A bill for the relief of Irma A. Gunda; to the Committee on the Judiciary.

S. 1263. A bill for the relief of Evelyn Nunez; to the Committee on the Judiciary.

S. 1264. A bill for the relief of Elena Padua; to the Committee on the Judiciary.

S. 1265. A bill for the relief of Lily T. Paragas; to the Committee on the Judiciary.

S. 1266. A bill for the relief of Estrellita Tapang; to the Committee on the Judiciary.

By Mr. MUSKIE (for himself and Mr. Cohen):

S.J. Res. 83. A joint resolution to authorize the Camp Fire Girls of Cundys Harbor, Maine, to erect a memorial on Maine Avenue in the District of Columbia; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself and Mr. Moynihan):

S. 1241. A bill to authorize the National Water Resources Policy and Development Act of 1979, to direct the Water Resources Council to act as the coordinating body for a program of water resources assistance to the States; to the Committee on Environment and Public Works.

(The remarks of Mr. Domenici when he introduced the bill appear earlier in today's proceedings.)

By Mr. JEPSEN:

S. 1242. A bill to provide for automatic adjustment of deduction to individual retirement accounts, and so forth, and for other purposes; to the Committee on Finance.

(The remarks of Mr. Jepsen when he introduced the bill appear earlier in today's proceedings.)

By Mr. HATFIELD (for himself and Mr. Packwood):

S. 1243. A bill to authorize construction of certain public works on the Siuslaw River and Bar, Oregon, and for other purposes; to the Committee on Environment and Public Works.

S. 1244. A bill to authorize construction for the project for flood control, recreation, and fish wildlife enhancement in the Rivergate-North Portland area, Oregon; to the Committee on Environment and Public Works.

By Mr. HATFIELD (for himself, Mr. Packwood, Mr. Magnuson, and Mr. Melcher):

S. 1245. A bill to authorize the construction of a project for navigation at the Bonneville lock and dam, Oregon and Washington; to the Committee on Environment and Public Works.

OREGON PUBLIC WORKS CONSTRUCTION PROJECTS

● Mr. HATFIELD. Mr. President, today I am introducing legislation to authorize for construction three Corps of Engineers projects in Oregon—the extension of both the north and south jetties at the Siuslaw River and Bar, the Rivergate flood control project in Portland, and the new lock at the Bonneville Dam. My colleague, Bob Packwood, joins me as a cosponsor of all three bills. He and I will press for the inclusion of these projects in S. 703, this year's omnibus water resource development legislation introduced on March 21 and now pending before the Environment and Public Works Subcommittee on Water Resources.

The chairman of that Subcommittee, Senator Gravel, decided to exclude from the original version of S. 703 any project that did not have an approved report of the Chief of Engineers. For that reason, and that reason only, these projects have not been included in S. 703. All three are sound, economic projects that enjoy strong local support, and all three should be authorized for construction this year. Further delay will only lead to higher prices for the taxpayer and continuation of problems the projects will solve.

SIUSLAW

The jetty extension project at the Siuslaw River and Bar is very similar to another project—the Chetco River—which is already in the omnibus bill. Both projects involve simply dumping more rock at the end of the present structure in order to extend it further out into the ocean and thus maintain the channel at the depth required for commercial navigation.

This is a simple undertaking which would prove to be of great benefit to the economy of this Oregon coastal area, but the project has languished in the bureaucracy of the Corps of Engineers for nearly 8 years because of internal squabbling.

Mr. President, the study resolution for the Siuslaw project was passed in June 1971; 5 years later, the north pacific division engineer approved the feasibility report and forwarded it to Washington headquarters for further processing through channels. In March 1977, the Board of Engineers for Rivers and Harbors endorsed the report recommending it be used as a basis for phase I investigations. More than a year elapsed before the Chief of Engineers signed his report in April 1978 and forwarded it to the Secretary of the Army.

After all this time, the Secretary returned the report to the Chief last October, stating that some particular problems he had with the feasibility report had to be resolved before a phase I study could begin. There the matter now rests. After 8 years of study on a simple jetty project, we still have nothing but recommendation.

To my mind, Mr. President, this is absurd. There can be no complex design problems with placing more rock at the end of existing jetties. Any minor problems that may exist can be resolved in the advanced engineering and design that will precede construction.

The need for this project is clear. The Corps of Engineers has testified in hearings of the Senate Appropriations Subcommittee on Energy and Water Development that the channel at Siuslaw cannot be maintained at the authorized depth under present conditions, even with substantial dredging by a corps hopper dredge. According to the corps testimony, in fiscal year 1978, 523,500 cubic yards of material were dredged at a cost of $484,000. In fiscal year 1979, 531,000 cubic yards of matrial were dredged at a cost of $550,000. For fiscal year 1980, the corps is requesting $800,000 in anticipation of a dredging requirement of 1,050,000 cubic yards of material. But even if the corps can dredge that amount, they cannot maintain the channel at the authorized depth. I say "if" because last year the corps did not complete its dredging of a much smaller amount of material until it was too late for the dredging to be effective in the summer high use period.

That means, Mr. President, that the Port of Siuslaw could not realize its full economic potential. And that in turn means that the corps will reduce its estimates of the economic benefits that will result from the extension of the jetties. So the port gets caught in a vicious circle. The present jetties alone cannot keep the channel open, so the corps has to dredge large amounts of material. But even that cannot keep the channel properly maintained, so commercial traffic goes elsewhere. As the commerce declines, it becomes increasingly difficult to justify maintenance dredging. Eventually, the port will die.

This need not happen. The Corps has testified that extension of the jetties will eliminate the shoaling that is a hazard to navigation and drives away commercial traffic, and will greatly reduce if not eliminate the need for expensive annual maintenance dredging. To maintain the channel at its authorized depth would cost an estimated $2 million a year. In 10 years, that amount would pay for the jetty extension.

So, Mr. President, I will be working very hard to secure passage of legislation this year to authorize construction of the Siuslaw project, and I hope my colleagues on the Environment and Public Works Committee will help me in that effort.

RIVERGATE

The second project for which I am introducing legislation today is the Rivergate flood control project in North Portland, Oreg. This project enjoys broad and strong local support, and is a matter of high priority to the Congressman from the district, Bob Duncan. In fact, Representative Duncan authored and secured passage of a bill last year to deauthorize an old navigation project in the same area, thus clearing the way for the flood control project which this bill would authorize.

The major portion of the Rivergate area is protected by existing levees, which were originally constructed by local interests and have been improved by the Corps of Engineers as part of the Columbia River flood control system. Levee failures occurred during the 1948 flood, completely destroying the city of Vanport, a Federally owned housing project with 18,000 residents, in two hours.

The plan for the Rivergate flood control project, as recommended in the April 23, 1976 report of the North Pacific Division Engineer, entails construction of new levees for previously unprotected areas, reinforcement of existing levees, provision of new and additional pumping capacity, and general recreation and fish and wildlife enhancement. With several hiking, bicycle and horse riding trails and ample provision for greenways and open space, the project has a sizeable recreation component. In fact, the cost of the project attributable to recreation exceeds a policy established by former Assistant Secretary of the Army Verpey in 1976, and that has delayed approval of this otherwise outstanding project.

The policy requires advance approval when recreation development by the Corps of Engineers would result in an increase of more than 10 percent in the Federal cost of a local flood control project. That approval is now being sought—the Chief of Engineers has requested a waiver of the policy and it is pending before the Secretary of the Army.

Mr. President, I see no need for further delay on this project, and while I am confident the waiver will be forthcoming, I believe we should move ahead to authorize construction. It is an outstanding example of a project consonant with President Carter's policy emphasis on projects that are urban-oriented and environmentally sound. In his National Urban Policy statement of April 3, 1978, the President urged a program:

> . . . improve the urban physical environment and the cultural and aesthetic aspects of urban life by providing additional assistance for parks and recreation facilities.

Furthermore, the President declared in his June 6, 1978, water policy that:

> Sensibility to environmental protection must be an important aspect of all water-related planning and management decisions.

Rivergate meets both these criteria, and should be promptly approved and constructed.

BONNEVILLE LOCK

Finally, Mr. President, I am introducing legislation to authorize construction of a new lock at Bonneville Dam. Senator MAGNUSON and Senator MELCHER join Senator PACKWOOD in cosponsoring this bill with me.

The lock at Bonneville Dam was constructed in 1938, the first in a system presently composed of eight lock and dam structures allowing navigation for a distance of 465 miles above the mouth of the Columbia. All of the locks, except Bonneville, are 86 feet wide and 675 long with a minimum depth of 15 feet over the sill. Bonneville Lock is 75 feet wide and 500 feet long with a 24.2 depth over the sill. The lock size at Bonneville requires longer transit times than at the larger upstream locks. Unlike the seven upstream locks, Bonneville Lock cannot pass the larger, multiple-barge tows in a single lockage. As a consequence, operators experience delays and suffer extra costs in breaking up tows for passage through the lock. These delays often require following tows to queue up waiting for their turn in lock transit.

In addition, the upstream and downstream approach conditions to the lock are hazardous. There are strong water currents from the powerhouse in the upstream approach and traffic must be careful not to be pulled off course. On the downstream approach, operators must maintain high speed for steerage way and then reduce speed rapidly in the confined entrance channel.

As commerce on the waterway increases, transit time and delays will increase. Traffic passing through Bonneville lock in 1977 exceeded 6 million tons, an increase of almost 100 percent since 1970. The predominant commodity is downbound grain, which accounted for about 58 percent of the 1977 commerce. Other major commodities include petroleum, wood products, fertilizer, and rafted logs. Downbound sand and gravel are expected to be a significant component of future traffic.

The capacity of the existing lock is estimated at 13 million tons per year. Traffic is projected to reach that level by 1990, and increase further to 23 million tons by 2040. The capacity of the seven upstream locks is estimated to exceed 30 million tons.

Mr. President, projects this size take a long time to build even under optimum conditions. If we authorize the project this year, it will be 10 years before it is completed, and that puts us right up against year 1990, when the present lock's capacity will be exceeded. We cannot afford to wait, and I hope this project will be authorized this year.

That concludes my remarks, Mr. President, except to say that cost-sharing for these three projects, as authorized in my legislation, is in accordance with present law.●

By Mr. KENNEDY (for himself, Mr. METZENBAUM, Mr. BAYH, Mr. BUMPERS, Mr. CRANSTON, Mr. DECONCINI, Mr. EAGLETON, Mr. HART, Mr. LEAHY, Mr. LEVIN, Mr. MCGOVERN, Mr. MORGAN, and Mr. RIEGLE):

S. 1246. A bill to amend the Clayton Act to protect against the growth of monopoly power of major petroleum companies, and for other purposes; to the Committee on the Judiciary.

ENERGY ANTIMONOPOLY ACT OF 1979

Mr. KENNEDY. Mr. President, in the months following the October War of 1973, the major oil companies appeared to face an uncertain future. The governments of the OPEC nations threatened nationalization of their most valuable assets. Consuming nations imposed strict price controls and allocation schemes. Even divestiture seemed possible. Now, 6 years later, these same corporations have emerged from their crisis in an unparalleled position of strength. The reason is not hard to understand: they alone, among the institutions of the consuming nations, have profited from the OPEC price increases. Each increase has raised the value of their energy reserves over the world. Worldwide, the value of oil, gas, coal, and uranium reserves have tracked the OPEC price increases upward. The effect has been to create private wealth in unparalleled proportions.

Were the top 16 oil companies to go on a buying spree with their cash flow, they could radically alter the structure of American industry. Starting at the bottom of Fortune's list of the top 100 corporations, these 16 oil companies could acquire a controlling 50 percent interest in 48 corporations before they ran out of cash. Or, if 25 percent of outstanding shares is considered control, the top eight oil companies could do it by themselves. Among the 48 companies that could be acquired are RCA, Boeing, Firestone, Sperry Rand, Republic Steel, General Dynamics, Litton, Bendix, CBS, PepsiCo, Gulf and Western and Rockwell International.

Other measures are also relevant. The major oil companies, out of 1 years cash flow, could buy 100 percent of the shareholders equity of the entire American Steel industry—every single share of the whole industry.

I ask unanimous consent to have printed in the RECORD a table showing the cash flows of the major oil companies.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SELECTED FINANCIAL DATA, 16 MAJOR OIL COMPANIES

[In millions of dollars]

Company	Cash flow, 1978	Year end retained earnings	
		1972	1978
Exxon	5,291	9,632	17,840
Mobil	2,098	3,766	7,244
Texaco	2,102	4,935	7,180
Socal	1,770	3,361	6,338
Gulf	1,847	3,929	6,612
Standard Oil (Indiana)	2,217	3,799	5,322
Arco	1,932	1,969	4,024
Shell (United States)	1,641	2,117	4,767
8 largest	18,898	33,508	59,327
Conoco	1,013	1,029	2,083
Sun	712	420	1,451
Phillips	1,121	1,212	2,932
Union	930	1,102	2,655
Sohio	1,040	376	1,185
Cities Service	615	1,230	1,686
Marathon	501	606	1,448
Getty	930	1,378	2,305
2d 8	6,860	7,353	15,748
16 majors	25,758	40,861	75,748

Source: Company annual reports.

Mr. KENNEDY. Last September, Mr. President, Business Week compared the cash holdings of firms within 35 major industries. The list included such industries as steel, automobiles, chemicals, aerospace, and utilities. Of a total of $77.8 billion, the fuel industry controlled an incredible $16 billion—more than double any other industry. And the eight largest oil companies accounted for 72 percent of that $16 billion. I ask unanimous consent that this table be printed in the RECORD.

*Cash holdings as of the first quarter of selected industries**

($ in millions)

Fuels	[a] $16,082.6
Aerospace	3,125.8
Airlines	1,818.1
Appliances	349.2
Automotive	[b] 7,845.5
Beverages	710.9
Building materials	869.0
Chemicals	2,512.4
Conglomerates	2,424.2
Containers	331.8
Drugs	3,490.6
Electrical	[c] 5,098.7
Food processing	2,548.7
Food and lodging	411.1
General machinery	675.7
Instruments	1,727.3
Leisure industry	647.3
Metals and mining	577.4
Miscellaneous manufacturing	1,415.5
Office equipment	[d] 6,816.6
Oil service	[d] 1,865.5
Paper	997.7
Personal care	1,554.2
Publishing	507.9
Radio and TV broadcasting	411.9
Railroads	1,316.7
Real estate and housing	57.1
Service industries	2,077.4
Special machinery	742.8
Steel	[e] 1,962.4
Textiles and apparel	705.8
Tire and rubber	503.5
Tobacco	559.3
Trucking	229.1
Utilities	4,840.9
Total 35 industries	77,833.3

[a] Atlantic Richfield, Exxon, Gulf, Mobil, Shell Oil, Standard Oil (Indiana), Standard Oil Co. of California, and Texaco account for $11.5 billion equalling 72% of the industry total.

[b] General Motors and Ford account for $6,932.3 equalling 88% of the industry total.

[c] GE accounts for $2,334.5 equalling 46% of the industry total.

[d] IBM accounts for $4,916.0 equalling 72% of the industry total.

[e] U.S. Steel and Bethlehem Steel account for $1,227.1 equalling 65% of the industry total.

*As reported by Business Week, September 1978.

Mr. President, by any measure—cash flow, cash holdings, revenues, assets—the major oil companies represent an immense accumulation of wealth. And, these companies are about to get richer. The President has proposed the removal of crude oil price controls. Even assuming that Congress will pass the windfall profits tax proposed by the President—and in exactly the same form as he proposed it—the petroleum industry will realize almost $22 billion by 1985. But if Congress fails to enact a workable tax, a distinct possibility—they will get at least $57 billion, according to the administration's figures.

It must be understood that this staggering amount of cash will chiefly benefit not small struggling oil producers, but the already cash rich major companies.

If recent experience is any guide, we can expect two immediate results from crude oil decontrol. First, the major oil companies can be expected to continue their acquisitions of competitors in the oil, coal, and uranium businesses. Of course, their actions in coal and uranium may be constrained by the fact that they have already acquired most of the leading independent companies in both industries. Oil companies own, in whole or part, three of the top four coal producers. And 14 of the top 20 holders of coal reserves are oil companies. Oil companies have even greater control over uranium supplies. Three of the top four producers are under oil company ownership, and oil companies account for over half of uranium capacity.

The timid response of the antitrust authorities to such coal and uranium acquisitions has tempted the oil companies into even bolder acquisitions. Now they seek to escape notice in acquiring even their competitors in the oil industry itself. Two of the largest and most successful independent oil producers have been the targets of major companies. Gulf has successfully taken over Kewanee. And several major companies, with Mobil in the lead, made attempts to take over General Crude, a large multinational oil company in its own right.

The second result produced by this new revenue will be to accelerate the growth of oil-based conglomerates. The major oil companies continue to expand rapidly into other industries. Since 1973, oil companies have acquired firms with over $4 billion in assets in the mining and manufacturing sectors of the economy alone. And this does not include Mobil's more recent acquisition of Marcor's $2 billion in assets.

Last year, at my request, the Federal Trade Commission compiled a list of acquisitions by oil companies of nonenergy companies. This rather lengthy compilation covers only the period 1972–77, so it misses several recent acquisitions, such as Sun's attempt on Becton-Dickinson, a major supplier of health care equipment. It also unsuccessfully attempted takeover bids, such as Mobil's effort to pick up Bodcaw Corp., a privately held producer of forest products. Mr. President, I ask unanimous consent to place the FTC report in the RECORD at the end of my statement.

In recent testimony before the Antitrust Subcommittee, Dr. Betty Bock, an economist with the conference board, testified that:

> [I]f one were to remove the 61 corporations classified in the petroleum coal and chemical groups from the 200 largest in assets in 1977 and measure the remaining change in aggregate concentration in assets between 1972 and 1977, one would find that the combined share of the total assets of all manufacturing corporations attributable to the remaining 139 corporations as a set declined. . . .

What this means is that the large oil and chemical companies alone accounted for the increase in assets held by the top 200 corporations.

The power of the major oil companies to further consolidate huge elements of American business and industry is truly awesome. If Exxon wanted to follow Mobil into the department store business, it could. Out of accumulated cash alone, it could acquire J. C. Penney—and still have enough left over to buy DuPont, Goodyear, and Anheuser-Busch.

The threat of acquisitions on this scale is no phantom of fantasy. In a recent SEC proceeding, it was disclosed that Sun Oil has a billion-dollar acquisition program already under way. Sun actually prepared a "shopping list" of firms. The industries it targeted included trucking, warehousing, forest products, packaging, food processing, publishing and health care. And of course, it also included coal and uranium mining. As integrated oil companies go, Sun is of relatively modest size. The larger firms, like Exxon, could put together acquisition programs of awesome proportions.

In short, even without the benefits of further price decontrol, the major oil companies have the ability to substantially restructure large sections of American industry. And it is wholly realistic to expect them to do so.

Let me discuss in some detail what is wrong with the mergers this bill seeks to prohibit, beginning with the acquisitions by oil companies outside the energy industries.

These are conglomerate mergers. They serve no purpose other than to bring completely unrelated activities together under one management. These mergers add nothing to the economy. They add nothing to the production of energy. They add nothing to our producing capability in any other industry. They create no new assets. They create no new jobs. What they do create is bureaucracy—corporate bureaucracy. When a department store is merged with an oil company, both get an extra layer of bureaucracy. There is no persuasive evidence that department stores need extra layers of managers who are also busy running oil companies. Nor is there any reason to believe that oil companies do better when they are under management that also runs department stores.

These mergers are simply vehicles for senseless corporate aggrandizement. The growth of corporate bureaucracy for its own sake is as indefensible as the growth of Government bureaucracy.

When corporations become the domain of bureaucrats, the consequences are very serious. The one great virtue of businessmen is that they know how to take risks. Too often the great defect of bureaucrats is that they do not know how to face risk. Businesses run by bureaucrats become immobile, reluctant to change, fearful of innovation and unresponsive to the needs of the public and the demands of the market. It is no surprise that a number of studies indicate that smaller firms are more successful innovators than giant corporations. Superior resources, large budgets, more equipment, and more personnel seem unable to match the more stimulating environment of smaller organizations.

Of course we hear the argument that if the threat of takeover is reduced, business efficiency will suffer. According to this theory, takeovers are essential as cures for firms whose management has grown lazy or inefficient. Of course, that only works once and only for smaller companies. In the improbable event that Mobil acquired a badly managed firm, it would no doubt make improvements. But when Mobil grows fat and lazy who will acquire it? And how many huge conglomerates are in the business of acquiring failing companies? If there is inefficiency in the corporate world, we must do better than rely on major oil companies to cure it.

It is important to understand that these arguments apply not just to oil company acquisitions of hotels, circuses, department stores and copper companies. They also apply to acquisitions of coal and uranium companies. There are some who would keep the option open for oil companies to acquire other energy companies. They accept the contention that these acquisitions somehow add to our Nation's ability to produce energy. Why, they ask, should oil companies be prevented from investing in other energy resources? The answer is that such acquisitions do nothing to increase energy resources. An oil company that buys a coal company does not add a single extra lump of coal by doing so.

We should examine in some detail the oil industry's own argument for these horizontal mergers. First, we hear that oil companies improve the management of the companies they acquire. This is an interesting argument since, as a general proposition, oil companies do not change the management of the companies they acquire. This is hardly surprising, since, oil companies do not acquire weak, badly managed companies. In fact, a strong case can be made that oil companies have, as a matter of policy, been more interested in the management of the firms they acquire than the mere physical resources. In other words, they takeover companies that do not need taking over.

The second reason given by oil companies for their acquisitions of other energy companies is that they bring greater research and development capabilities to the development of other fuels. In particular they talk about hydrocarbon technology, the application of petroleum technology to coal liquification and gasification. There is probably a great deal of truth in these claims. Oil companies do have considerable R and D capabilities. But the relevance of this to their ownership of coal companies is questionable. Oil company expertise concerns the use of coal once it is out of the ground. Turning coal into a gas or liquid does not require the ownership of a coal mining company, so long as there is a competitive coal industry from which coal can be purchased.

Finally, oil companies argue that their superior capital resources are necessary for the development of alternative energy resources. Needless to say there is a massive and conspicious inconsistency between this argument and the oil industry's plea for a price decontrol. On one hand they argue that they alone possess the capital resources necessary to develop coal and uranium.

Oil company acquisitions of other energy companies are worse than the general run of conglomerate mergers. They put the oil company management in the position of allocating capital between competing or at least potentially competing, fuels. Not only does the usual effect of large bureaucracy come to bear on the development of new technology, but the development can be controlled by people with conflicting interests. It is not clear, for example, that oil company executives will pursue the development of coal uses with the same enthusiams as coal executives. If we do in fact expouse the virtues of capitalism, would we not be better off if the coal executives had to make their case in the capital markets instead of the annual budget meetings of oil companies.

Conglomerate mergers are not just matters of economics. The growth of industrial concentration has profound effects upon our political institutions. The late Senator Hart put it quite succinctly:

> When a major corporation from a state wants to discuss something with its political representative you can be sure it will be heard. When the same corporation operates in 30 states it will be heard 30 times.

This concern is particularly relevant to oil companies. The Deputy Secretary of Energy, John F. O'Leary, told the Antitrust Subcommittee that political considerations alone justified requiring oil companies to divest their coal, uranium, and other energy resources. In a 1975 hearing he testified:

> First, the oil industry maintains a formidable level of political activity. It understandably uses its economic and political strength to advance its own interests and those interests do not always coincide with those of the public at large. The acquisition wave extended this potential for massive political operations to the coal industry.
>
> Second, and closely related, the oil industry has an extremely long tradition of seeking the development particularly at the raw material end of business, of institutions that essentially eliminate price competition.

Mr. O'Leary then recounted the history of legislation, from the NRA to the mandatory oil import control programs, by which the major companies were able to restrict output and maintain high domestic prices. He concluded:

> That the industry used its political strength to achieve by statute, a result that other industries could only have approximated by collusive action.

No one familiar with energy policy over the past few years would dispute the current relevance of Mr. O'Leary's observations. They quite adequately explain the odd incongruity between the oil industry's cozy relationship with its regulators at DOE, and its tub-thumping free enterprise rhetoric.

A concern over the inconsistency between unaccountable corporate power and democratic values is growing in this country. There is a sense that it is not just the Government which has grown too large and unresponsive, but that our economic institutions have gotten out of scale and out of proportion.

The executives of our great corporations scoff at such feelings. They see this as nothing more than naive nostalgia for a simpler life style no longer possible in today's complex modern world. But they are wrong. The need for scale and proportion in human institutions has always been recognized by thoughtful people. Aristotle had no difficulty understanding why democracy sprang from the small and hopelessly inefficient Greek city-state and not from the wealthy and powerful Persian Empire. The public is not clamoring for mom-and-pop stores served by horse-drawn delivery carts. What they fear is an unnecessary giantism in our institutions. The largest of our oil companies have already grown larger than many nations. Long ago they began to fit Edmund Burke's memorable description of the East India Company: "a state in the disguise of a merchant."

No one is suggesting that oil companies should not grow. But its public policy must encourage their growth, it should do so in a way that is useful to our economy and society. They should be encouraged to grow internally through the creation of new assets which add to our productive capacity. And if they are incapable of growing this way, then they should return their profits to their shareholders so they can be returned to the capital markets.

Since his campaign for the Presidency, President Carter has been a forceful critic of horizontal integration by the major oil companies. And I know he continues to share the concern of most Americans for the expansion of oil companies into competing energy industries. In his April 5 speech, the President recognized the dangers inherent in the conglomerate growth of oil companies and said:

> I will demand that they use new income to develop energy for America, and not to buy department stores and hotels, as some have done in the past.

We will work with the President to protect our free enterprise system from dominance by giant energy conglomerates. Oil companies have served our Nation well—in times of war and peace—by finding and producing the oil to heat our homes, fuel our cars and run our industries. That is precisely what they should continue to do in the future.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following the FTC material.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Energy Antimonopoly Act of 1979"

SEC. 2. The Clayton Act (U.S.C. 12 et seq.) is amended by inserting immediately after section 7A the following new section:

"SEC. 7B (a) Notwithstanding any other provision of law, no major producer, or subsidiary thereof, shall merge or consolidate with any person engaged in commerce, or acquire directly or indirectly, such amount of stock or other share capital of such other person as to enable such producer to control such other person, or acquire, directly or indirectly, a majority of the assets of such other person, if such person has assets exceding $100,000,000.

"(b) For purposes of this section the terms—

"(1) 'major producer' means any person which, during the calendar year 1976, alone or with subsidiaries produced within the United States either a total of 35 million barrels of crude oil, condensate and natural gas liquids, or whose interest in crude oil, condensate and natural gas liquid production totaled 35 million barrels;

"(2) 'subsidiary' means a person controlled by, controlling, or under or subject to common control with respect to any major producer."

(c) The effective date of this Act shall be April 10, 1979.

FEDERAL TRADE COMMISSION,
Washington, D.C. March 22, 1978.
Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Your letter of March 2, 1978, to Chairman Pertschuk requested access to any data the Federal Trade Commission has developed relating to the expansion of oil companies into non-energy areas.

The Bureau of Economics has compiled information on acquisitions into both energy and non-energy areas by the twenty largest American oil companies since 1972. We are happy to assist the Subcommittee by providing you with that data, which was collected from publicly available sources.

Sincerely,

MICHAEL N. SOHN,
General Counsel.

Acquiring company	Amount acquired 1 whole; 2 sub.; 3 div.	Year of acquisition	Assets	Year of assets	SIC No.	1 stock; 2 cash; 3 both (C. & S.)	Industry acquired
Exxon Corp.: Compania Minera Disputada de Las Conder, S.A. (Chile).[1]	1	[2] 1977			1021	2	State-owned copper mines.
Texaco Inc.:							
Polycarbona Chemie (West Germany)[1]	1	1972			28	2	Makes phtlatic anhydride, maleic anhydride and plasticizers.
Jefferson Chemicals (England)[1]	1	[2] 1974			28	2	Speciality production of chemicals used for veterinary medicines.
Jefferson Chemicals (Canada)[1]	1	[2] 1974			51	2	Markets chemicals.
Tricentrol Ltd./Oil Gas (Trinidael)[1]	3	[2] 1975			13		Oil and gas retail merchandising enterprise.
Mobil Oil Corp.:							
Leslie Properties	2	[2] 1973					
Marcor Inc	1	1974	2,847.5	1974	5311		Merchandising and packaging other substances.
Irvine Co	1	[2] 1976	520.0	1976	6552	1	Land developer and agriculture.
Pastucol (Italy)	1	1972			26		Manufacturers of plastic grocery bags and polyethylene film products.
Mount Olive & Staunton Coal Co	1	1977			1213	2	Mines coal.
Gulf Oil Corp.:							
Schiavons Inc	1	1973				1	
Kewanee Brands	1	1977	389.0	1976	2819		Manufacturers of industrial chemicals and pigments (dyes).
Chevron Oil AG (Switzerland)[1]	2	[2] 1977					
Propane Co. Ltd. (Canada)[1]	1	[2] 1976			51		
Trinity Gas Co. Ltd. (Canada)[1]	1	[2] 1976			51		
Petroleum Marketing Corp	2	[2] 1977					Petroleum.
Standard Oil (Indiana):							
P.T. Pacific Nikkel Indonesia	1	[2] 1977					A consortium develops high-grade nickel laterite deposits.
Analaz Devices, Inc	1	1977	28.6	1976	3662	2	Manufacturers of operational amplifiers, digital anologs, etc.
Cetus Corp	1	1977					
Shell Oil Co.: Witco Chemical Corp./Polybutylene Business.	3	1977				2	Manufacture and wholesale wide ranges of chemical and petroproducts.
Atlantic Richfield:							
Parsons Cos	1	1973	1 1	1973	5172	1	Distributes gas & distillery fuels.
Sinclair-Koppers	1	1974			2821	1	Manufacturers of plastic materials, cyclid crude dyes (organic pigment).
Benson-Goss Fuels, Inc	1	[2] 1976	.8	1976	5983	2	Fuels.
Polyropylene	3				5161	2	Chemicals and allied products.
Anaconda Co	1	1977	2,050.9	1976	1021	3	Nonferrous metal mining and processing, manufacturers of metals.
George Y. Brubaker, Inc	1	[2] 1977	.9	1977	5983	1	Sale of fuel oil and heating equipment.
I/C Engineering Corp	1	1977			3662		Uses time division multiplex techniques in the process control industry.
Solar Technology International, Inc	1	1977			3674		Develops and processes photovoltaic cells.
William C. Pullen, Inc	1	[2] 1977	.7	1976	5993	1	Sells fuel oil and heating equipment.
Nielsons, Inc	1	1977	20.1	1977	1611		Heavy and highway construction.
Enbrook Oil & Gas Co. Inc	1	1977					Fuel.
The Observer (U.K.) (England)[1]	1	1976			27	2	British newspaper.
Continental Cables & Conduits (Canada)[1]	1	[2] 1977			36		Makes liquid tight and flexible aluminum electrical conduits.
Continental Oil:							
Ancon Chemical Corp	1	1972			2818		Chemical corporation.
Oasis Petroleum	1	1973			1311		Petroleum.
Tenneco Inc.:							
L. D. Properties Inc	2	1977			0173	2	Almond orchards.
Philadelphia Life Ins. Co	1	[2] 1977	644.8	1976		1	Insurance concern.
Monroe Auto Equipment Co	1	1977	190.3	1976	3714	1	Designs and manufactures and distributes hydraulic shock absorbers.
La-Terre Co	1	1974			6552	2	Closely held company engaged in oil and gas exploration and development.
Palmetto Corp	1	1972	193	1971	6513		Operators of apartment buildings.
Holiday Inns Inc./Foam	3	1976				2	
Lorneterm Lgn Ltd. (Canada)	2	1977					Operates liquid natural gas terminal.
Starla-Werken A.B. (Sweden)[1]	1	1975			37	2	
Wilhelm Weller GMBH (West Germany)[1]	1	[2] 1972			35		Supplies medium size vibratory compaction equipment in Germany.
ETS R. Bellanger S.A. (France)[1]	1	[2] 1976			37	2	Manufacturers of automotive exhaust systems.
Harmo Industries, Ltd. (United Kingdom)[1]	1	[2] 1975			37	1	Replacement parts (auto mufflers, tail pipes, filters and accessories.)
Phillips Petroleum:							
Cardinal Petroleum	1	1974	13.9	1973	1311	2	Petroleum.
Phillips Imperial Chemicals Ltd. (Division Australia)[1].	3	[2] 1973			28		Synthetic rubber and carbon black business.
Occidental Petroleum:							
Adtek, Inc	2	1975					
Barlo of New England, Inc	1	1973			5033		Coated fabrics business (urethane footwear).
Squamish Chemicals Ltd. (Canada)[1]	1	[2] 1975					
Zoecon Corp	1	1977	20.7	1976	7391		Research development for animals and plant pests.
Sun Company, Inc.:							
Bray Oil Co	1	[2]1972			2992		Fuel.
Calvert Exploration	1	1974	11.5	1974	1311	1	Petroleum exploration.
H.P. International	1	1975			5086	1	Professional equipment and supplies.
Process Systems	1	[2] 1973	1.7	1972	3573	1	Manufacturers digital control valves.
Beamco Co	1	1974	2.2	1973	3533	1	Oil field machinery and equipment.

Acquiring company	Amount acquired 1 whole; 2 sub.; 3 div.	Year of acquisition	Assets	Year of assets	SIC No.	1 stock; 2 cash; 3 both (C. & S.)	Industry acquired
Residex Corp	1	1974	18.7	1973	1623		Community development construction and industrial services.
Applied Financial Systems, Inc	1	1977				2	Provides data processing for bank and trusts.
Kat Products, Inc	1	1977			5085	2	Wholesale fasteners industrial supplies, automotive equipment.
Unibrazze Corp	1	[2] 1977	13.6	1977	3362	1	Manufacturers and distributors of welding brazing alloys and welding supplies.
Stop-N-Go Foods, Inc	1	1976	10.3	1976	5411	1	Holding company—convenience food operations and self-service gas station.
Walter Norris Corp	1	1976	3.8	1975	5084	1	Industrial machinery and equipment.
Audio Magnetics Corp	1	1976			3679	2	Electronic components.
Union Oil of California: Molycorp, Inc	1	1977	163.6	1976	1061		Mining—rare earth mining, ferroalloy processing chemicals.
Ashland Oil Inc.:							
Anchor Construction	1	1974	2.3	1974	1611	1	Construction business.
Empire State Oil	2	1972	38.9	1971	1311	2	Petroleum.
Franklin Stone Co	1	1972	.5	1972	3295		Mineral products.
Harrison Inc	1	1972	2.8	1972	1611		Highway construction grading and paving.
Lehigh Valley Chemical Co	1	1975	2.6	1974	2899		Sale of industrial chemicals and solvents and electrical chemicals.
Levingston Shipbuilding Co	1	1975	27.2	1975	3731	1	Builders of offshore drilling rigs.
Macs Super Gloss	1	1972	1.5	1972	2842	1	Cleaning, polishing preparations.
McClinton Bros. Co	1	[2] 1974	4.3	1974	1422	1	Engaged in manufacturers and sales of asphatic and lime stone products.
North Western Arkansas Asphalt Co	1	1974	.1	1974		1	Asphalt company.
Reno Construction	1	1972	8.2	1972	1611	1	Heavy highway and street construction and produces construction sand and gravel.
Seaboard Construction	1	1973			1611	1	Construction and paving of streets, sidewalks, and sewer construction.
Star Construction	1	1972	.4	1972	1621	1	Construction business.
AB & H Processing, Inc	1	1976	(3)	1976		1	
Addington Bros. Mining Inc	1	1976	16.7	1975	1211	1	Mining coal.
Coastal Chenical Co	1	[2] 1976	2.6	1975	2899		Markets various household and industrial chemical products.
Commonwealth Equipment Inc	1	1976	3.2	1976		1	
General Oils Inc	1	[2] 1976	8.1	1976	5983		Retailing fuel oil and wholesale of warm air heating and air conditioning equipment.
Highland Tractor Service Supplies	1	1976	1.3	1976		1	
Hodges & Co	1	[2] 1976	1.7	1976	1629	1	General contractor of heavy construction and manufacturers of crushed limestone and asphalt mix.
Kentucky Highland River Coal	1	1976	1.3	1976		1	Mining, transports, processes and markets coal in eastern Kentucky.
Twin Bridges Transport (Canada)[1]	1	1973	.1	1973		3	Company hires truckers and operates vehicles.
Twin Bridges Gravel (Canada)[1]	1	1973	2.0	1973	29	3	Does gravel crushing and supplying gravel to airports.
Blue Crown Petroleums[1]	2	1973			13		Petroleum.
Frank O'Sullivan Petrol (Canada)[1]	1	1973				1	Do.
Dibblee Construction (Canada)[1]	1	1973					Construction business.
Deschenes Structures (Canada)[1]	1	1973					
Clover Braland Co., Ltd. (Canada)[1]	1	1973	.5	1973	65	3	Company acquires and holds land containing gravel.
Carlyle Holdings, Ltd. (Canada)[1]	1	1973				1	
Otilub S.A. Industrial (Brazil)[1]	1	1974			28		
Marathon Oil: Pan Ocean Oil Corp	1	1976	13.74	1975	1311	1	Exploration and development of crude petro natural gas and minerals.
Getty Oil: Petrotomics Co	2	[2] 1975					

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[1] Foreign acquired company.
[2] Pending (not completed).
[3] Less than $100,000 in assets.

Note: Leadered columns denote no information.

Largest oil companies

Rank in 1976 in fortune 500

Exxon	1
Texaco	4
Mobil	5
Standard Oil of California	6
Gulf Oil	7
Standard Oil (Indiana)	12
Shell Oil	13
Atlantic Richfield	15
Continental Oil	17
Tenneco	20
Phillips Petroleum	24
Occidental Petroleum	26
Sun	29
Union Oil of California	30
Ashland Oil	43
Cities Service	45
Amerada Hess	48
Marathon Oil	55
Getty Oil	67
Standard Oil (Ohio)	73

● Mr. METZENBAUM. Mr. President, the bill I am introducing today along with Senators KENNEDY, BAYH, DECONCINI, MCGOVERN, EAGLETON, LEVIN, LEAHY, RIEGLE, MORGAN, BUMPERS, HART, and CRANSTON, would prohibit the top 16 oil companies from acquiring any other company with $100 million or more in assets.

This legislation is intended to bring a halt to the burgeoning level of acquisition activity by the major oil companies. It is intended to require oil companies to use the vast resources at their command to break this Nation's dangerous dependence on foreign oil.

The fact is that the major oil companies are cash rich and profit heavy. Last year, the industry earned $12.7 billion in profits. This year, first quarter profits have been even more staggering. As a whole, petroleum industry profits increased 56.9 percent over last year, some 20 percentage points better than the average manufacturing company. And individual oil companies' profit figures are even more staggering: Sohio up 302.6 percent, Continental up 343 percent, Mobil up 81 percent, Texaco up 80 percent, and Gulf up 60 percent.

I would like unanimous consent at this time to put into the RECORD two charts which appeared in U.S. News & World Report of May 7, 1979, showing the first quarter upswing in industry profits as well as individual companies' profits.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE UPSWING, COMPANY BY COMPANY

[Dollar amounts in millions]

	Net income		
	1st quarter, 1978	1st quarter, 1979	Percent increase
Exxon	$695.0	$955.0	37.4
Mobil	241.0	437.0	81.3
Standard (Indiana)	273.5	349.1	27.6
Standard of California	243.0	347.0	42.8
Texaco	169.7	307.0	80.9
Gulf	155.0	249.0	60.
Shell	193.1	223.9	16.6
Phillips	170.8	177.0	3.0
Standard (Ohio)	41.6	167.5	302.6
Continental	36.5	161.8	343.6
Getty	76.4	108.2	41.3

TALLY IN MAJOR INDUSTRIES

[From earnings reports of representative corporations]

	1st quarter, 1978	1st quarter, 1979	Percent change
Aircraft, missiles	$191, 303, 000	$267, 584, 000	Up 39.9.
Airlines	14, 454, 000	−252, 000	
Banks	1, 114, 800, 000	1, 541, 000, 000	Up 38.2.
Building materials	427, 727, 000	631, 408, 000	Up 47.6.
Chemicals	861, 654, 000	1, 184, 105, 000	Up 37.4.
Coal mining	−22, 012, 000	46, 804, 000	
Computers, office equipment	869, 253, 000	1, 040, 384, 000	Up 19.7.
Drugs	565, 552, 000	685, 626, 000	Up 21.2.
Electric utilities	1, 188, 672, 000	1, 388, 031, 000	Up 16.8.
Electrical equipment	426, 421, 000	523, 620, 000	Up 22.8.
Food, beverages	295, 000, 000	524, 665, 000	Up 10.1.
Gas utilities	501, 267, 000	546, 750, 000	Up 9.1.
Motor vehicles, equipment	1, 409, 766, 000	1, 972, 556, 000	Up 39.9.
Nonelectrical machinery	224, 346, 000	270, 147, 000	Up 20.4.
Nonferrous metals	112, 388, 000	507, 695, 000	Up 351.7.
Oil equipment, services	159, 870, 000	201, 195, 000	Up 25.8.
Paper	198, 702, 000	397, 528, 000	Up 100.1.
Personal care	299, 347, 000	345, 436, 000	Up 15.4.
Printing, publishing	131, 506, 000	156, 438, 000	Up 19.0.
Railroads	124, 856, 000	361, 912, 000	Up 189.9.
Restaurants, lodging	66, 188, 000	83, 793, 000	Up 26.6.
Retail food stores	82, 758, 000	90, 050, 000	Up 8.8.
Steel	6, 903, 000	302, 522, 000	Up 4,282.5.
Telephones	1, 427, 217, 000	1, 541, 097, 000	Up 8.0.
TV, radio broadcasting	145, 059, 000	145, 669, 000	Up 0.4.
Textiles, apparel	110, 051, 000	120, 104, 000	Up 9.1.
Tobacco	235, 079, 000	319, 176, 000	Up 35.8.
Trucking	33, 589, 000	44, 434, 000	Up 32.3.

Source: USN&WR Economic Unit.

Mr. METZENBAUM. The major oil companies are embarrassingly cash rich. A recent Business Week survey, which compared the cash holdings of the 35 major industries, including steel, automobiles, and chemicals, revealed that the fuel companies had cash holdings of $16 billion—more than twice as much as any other industry. In fact, the top eight oil companies alone had cash holdings of $11.5 billion.

Last year, Charles Maxwell, a prominent investment analyst, referred to oil companies as "great cash flow machines" which would "float into the early 1980's on a sea of cash." During 1978, the top 16 oil companies had a combined cash flow of $25.8 billion.

I would like unanimous consent at this time to put into the RECORD a chart showing the 1978 cash flow of the top 16 oil companies.

SELECTED FINANCIAL DATA—16 MAJOR OIL COMPANIES

[In millions of dollars]

Company	Cash flow, 1978	Yearend retained earnings	
		1972	1978
Exxon	5. 291	9. 632	17. 840
Mobil	2. 098	3. 766	7. 244
Texaco	2. 102	4. 935	7. 180
Socal	1. 770	3. 361	6. 338
Gulf	1. 847	3. 929	6. 612
Standard Oil of Indiana	2. 217	3. 799	5. 322
Arco	1. 932	1. 969	4. 024
Shell (United States)	1. 641	2. 117	4. 767
8 largest	18. 898	33. 508	59. 327
Conoco	1. 013	1. 029	2. 083
Sun	712	420	1. 451
Phillips	1. 121	1. 212	2. 932
Union	930	1. 102	2. 655
Sohio	1. 040	376	1. 185
Cities Service	615	1. 230	1. 686
Marathon	501	606	1. 448
Getty	930	1. 378	2. 305
2d 8	6. 860	7. 353	15. 748
16 majors	25. 758	40. 861	75. 748

Source: Prepared by Antitrust Subcommittee staff from company annual reports.

And these figures reflect oil company profits and cash positions before the massive injection of funds that would be generated by decontrol. Decontrol will transfer at least $22 billion a year from the pockets of consumers to the treasuries of the oil companies.

It is safe to say that the American oil industry is not in danger of going bankrupt. While it is difficult for most businesses to even imagine billion dollar cash flows, these statistics demonstrate that despite price controls, they are regular occurrences for oil companies. In fact, Charles Maxwell's study states that if all companies listed in the American Stock Exchange were ranked from largest to smallest, Exxon's cash flow alone could swallow up the bottom half every 45 days.

You do not have to be a Wall Street analyst to realize that the oil industry, without decontrol, is embarrassingly profitable and perfectly able to accumulate enough cash to finance the exploration of oil.

Unfortunately, since 1976, a disturbing trend has developed. Rather than using their vast financial resources to accelerate the search for oil and gas, oil companies have begun to purchase the assets of other companies—some of them as unrelated to the production of oil as department stores, insurance companies, and medical supply companies.

In the last 3 years, from 1976 to 1978, the top 20 oil companies have made or proposed 106 acquisitions, for a total consideration of at least $8.4 billion.

In the first 4 months of 1979 another 20 acquisitions were made or proposed by these companies for a total consideration of at least $2.6 billion. That is at least $11 billion either paid or offered to be paid by oil companies since 1976 for the purchase of other independent companies. Two days ago, Exxon, the Nation's largest company, announced its interest in a billion dollar deal to acquire Reliance Electric Co., the 262d largest industrial company in the United States.

But acquisition activity by the oil companies goes far beyond Exxon.

Between 1974 and 1976. Mobil acquired Marcor, a holding company for Montgomery Ward and Container Corporation for $1.8 billion; Mount Olive and Staunton Coal Co. in 1977 for $47.5 million; W. F. Hall Printing Co. in 1979 for $50.5 million; and General Crude in 1979 for $800 million. in 1979, Mobil offered to purchase Bodcaw for $550 million, and in 1977, bid $336.6 million for Irvine properties.

ARCO acquired Anaconda in 1977 for $784 million.

Tenneco acquired Philadelphia Life Insurance Co. in 1978 for $170 million; Monroe Auto Equipment in 1977 for $190 million; and Palmetto Corp. in 1972 for $193 million.

Sun acquired a 34 percent interest in Becton, Dickinson in 1978 for $293 million.

Gulf acquired Kewanee Coal Co. in 1977 for $389 million and in 1974, even tried to acquire the Ringling Brothers Circus.

In addition to pursuing acquisitions that have little or nothing to do with energy, the oil companies have also actively sought control of coal, of uranium, and of other alternative energy resources.

Oil companies own three of the top four coal producers.

Oil companies own four of the top five domestic firms with uranium milling capacity.

Continental Oil has acquired Consolidated Coal, the Nation's second largest coal company.

Socal has acquired 20 percent of Amax Coal, the third largest coal company.

Occidental has acquired Island Creek Coal, the fourth largest coal company.

Gulf Oil has acquired Pittsburgh & Midway Coal and Kewanee.

Shell Oil owns R & F coal.

Union Oil has acquired Silver Bell Industries.

Sohio has acquired Old Ben Coal Co.

Increasingly, this Nation faces the prospect of major energy conglomerates whose primary interest is not the production of the most energy at the cheapest price, but rather the maximazation of the overall value of all their energy resources.

Oil company acquisition of other energy companies does not reduce our dependence on OPEC. It simply transfers the control of existing productive capacity from independent companies to massive corporations already heavily involved in the production of other, competing energy resources. If these acquisitions are permitted to continue, oil companies will soon be, if they are not already, in a position to control the price and the pace of development of virtually all forms of energy.

Mr. President, I ask unanimous consent that a list of acquisitions either made or proposed by the top 30 oil companies over the past several years be put into the RECORD.

INDIVIDUAL COMPANIES

[Dollar amounts in millions]

Year: Acquired company	Assets	Consideration paid
ASHLAND		
Pre-1973:		
A.B. & H. Processing, Inc. (1972)		
Reno Construction (1972)	$8.2	
Empire State Oil (1972)	38.9	
Franklin Stone Co. (1972)	.5	
Harrison, Inc. (1972)	2.8	
Macs Super Gloss (1972)	1.5	
Star Construction (1972)	.4	
1973:		
Seaboard Construction Co		
Blue Crown Petroleum		
Frank O'Sullivan Petrol (Canada)		
Twin Bridges Transport	.1	
Twin Bridges Gravel (Canada)	2.0	
Dibblee Construction (Canada)		
Clover Braland Co., Ltd. (Canada)	.5	
Carlyle Holding Ltd. (Canada)		
1974:		
Anchor Construction (proposed)	2.3	
McClinton Bros. Co. (proposed)	4.3	
N.W. Arkansas Asphalt Co	.1	
Otilub S.A. Industrial (Brazil)		
1975:		
Levingston Shipbuilding Co	27.2	
Lehigh Valley Chemical	2.6	
1976:		
Hodges & Co. (proposed)	1.7	$1.0
Addington Bros. Mining	16.7	
Coastal Chemical Co. (proposed)	2.6	
Commonwealth Equipment	3.2	
General Oils, Inc. (proposed)	8.1	9.8
A. B. H. Processing, Inc		
Highland Tractor Service		
Kentucky Highland River Coal	1.3	9.3
1977:		
Fil Nutter Coal Operation		12.0
Nielson's, Inc	20.1	17.5
Chemical Supply Co		
1978:		
Maxwell Bridge Co	2.6	2.6
Ted Wilkerson, Inc	5.7	5.7
Allied Chemical, Ohio		
1979: Tosco Corp. (49 percent interest of Los Angeles Co.)		
ATLANTIC-RICHFIELD		
Pre-1973: Sinclair Oil (1969)		
1973: Parsons Cos	1.1	
1974: Sinclair-Koppers		
1976:		
Benson-Gross Fuels (proposed)	.8	
Four Corners Pipeline		
The Observer—United Kingdom		
1977:		
Anaconda Co	2,050.9	784.0
George & Brubaker, Inc. (proposed)	.9	
I/C Engineering Corp		
Diamond Shamrock—Texas facility		150.0
Solar Technology International, Inc		
Continental Cables—Canada (proposed)		
Wm. C. Pullen, Inc. (proposed)	.7	
Nielsons, Inc	20.1	
Enbrook Oil & Gas		
1978:		
Northrup, Inc. (solar research) minority interest		
R. W. Miller—Australia (proposed)		32.2
Sand M. Fox P.T.Y. from Universal Tankship—Coal Company (proposed)		20.0
CONTINENTAL		
Pre-1973:		
Ancon Chemical Corp. (1972)		
Klaus Salm A.G. (1971)		
Vinyl Maid, Inc. (1969)		
Stauffer Chemical (1968) (50 percent)		
1973: Oasis Petroleum, Inc		
1975: Sulpetro of Canada		98.3
1976: Off shore Indonesian contract (8.7 percent interest in 16,300,000 acres)		15.5
EXXON		
1978:		
Compania Minera Disputa de las Condes S.A		107.35
Yeelirrie (proposed)		
Hail Creek Mountain coal project		
Elmsworth properties (proposed)		
1979:		
U.S.I. Europe N.V. Subsidiary of National Distillers (proposed)		44.0
Joint venture with Thompson-Brant group of France (solar energy)		
Hecla Mining Co		.5
GETTY		
1977: Mission Corp. (last 10 percent) and Skelly Oil Co		356.6
1978:		
Saskuran Exploration (proposed)		.1
35 percent of Thor-Anglo-Bomarc Wheeler		
1979:		
Ashland Exploration (proposed)		267.0
Entertainment & Sports Programing Network, Inc. (85 percent)		
GULF		
Pre-1973:		
Sequoia Refining Corp. (1971)	8.0	
Hutchinson-Hayes International (1971)		
1973:		
Schiavons, Inc		
Hochtemperatur-Reaktorbau		
1974:		
Ringling Bros, Barnum & Bailey (proposed)		
CNA (proposed)		
1975:		
McArthur Chemical Co		
Rockwell International		
1976:		
Propane Co., Ltd. (proposed)		
Trinity Gas Co. (proposed)		
Oklahoma Nitrogen (25 percent)		
Asia Polymer Corp. (35 percent)		
1977:		
Kewanee	389.0	454.6
Chevron Oil (Switz) (proposed)		
Petroleum Market Corp. (proposed)		
1978:		
Silver King Mines, Inc. (Ward Mining Properties)		10.5
Union Carbide Polystyrene Plant, Ohio		
Richardson Co		
1979:		
General Atomic Co. (Joint venture)		60.0
Taita Chemical Co., Ltd. (30 percent)		
MARATHON		
Pre-1973:		
Wabash Pipelines		
Consolidated Stations, Inc		
P–M Gas/Washington Co		
1973: Fudgas, Inc		
1974:		
Kister, W. L., Inc		
Toneni Oil Co		
Holdel Fuel Oil Co		
1975: Bonded Oil Co		3.9
1976:		
Pan Ocean Oil Corp	139.5	
Energy Corp. of Louisiana, Ltd	223.9	403.0
1977: Frontier Resources, Inc		
MOBIL		
Pre-1973: Pastucol Aral Italiana (1971)		
1973: Leslie Properties (proposed)		
1974: Grace, W. R. (portion)	4.1	
1976:		
Marcor	2,847.5	1,800.0
Irvine Co. (proposed)	520.0	336.6
1977: Mt. Olive & Stauton Coal		47.5
1978:		
Gulf Oil Properties (Reston)		
W. F. Hall Printing Co	152.0	50.5
1979:		
Almart—J. B. Hunter Division of Allied Stores Corp. (proposed)		
Bodcaw Co. (proposed)		550.0
General Crude Oil (International Paper subsidiary)		800.0
OCCIDENTAL PETROLEUM		
Pre-1973:		
Zaremba Co., 1971		
Vahlsing, 1970		
Vahlco, 1970		
Hooker Chemical Corp., 1968		
Maust Coal & Coke Corp., 1969		
Island Creek Coal Co., 1968		
1973:		
Permian Corp		
Barlo of New England, Inc		
1975:		
Adtek, Inc		
Squamish Chemicals, Ltd, (Canada—Proposed)		
1977: Zoecon Corp	20.7	
1978:		
Ring Around Products		22.0
Husky Oil, Ltd, (Canada—Proposed)		487.2
Mead Corp. (proposed)		900.0
Virginia Pocahontas Coal Co		
PHILLIPS		
Pre-1973: Anton Oil Corp. (1968)		
1973:		
Beardmore Oil, Inc	2.2	
Phillips Imperial Chemical, Ltd. (Australia) (proposed, nonpetro)		
1974: Cardinal Petroleum	13.9	
1978: Houston Oil & Minerals (proposed) (50 percent interest in 4 Baltimore Canyon blocks)		4.1
SHELL		
Pre-1973: Butler Aviation International, Inc. (1971)		
1974:		
Gateway West Argyill, Ltd. (50 percent)		
National Oil Co		
1977:		
Witco Chemical Corp		
Seaway Coal Co		65.0
STANDARD OIL OF CALIFORNIA		
Pre-1973: Vectra Corp		
1975: Amax Inc. (20 percent)	1,780.4	333.4
1977: Alaska Interstate Co		
1978:		
Cetus Corp. (24 percent)		
"Amax Inc." (not energy) (proposed)		13.0
1979: American Nuclear Corp. (proposed)		
STANDARD OIL OF INDIANA		
Pre-1973: Midwest Oil Corp. (1972—95 percent)		54.1
1974: United Aircraft Corp		
1975: Studeb-Worth/Pasco	71.6	
1977:		
P. T. Pacific Nikkel (proposed)		
Analog Devices, Inc	28.6	
Cetus Corp		
1978:		
Blue Diamond Coal Co. (proposed 1978)		150.0
Kennecott Copper (proposed 1978)		1,000.0
1979: Cyprus Mines Corp. (proposed)	692.0	460.0
STANDARD OIL OF OHIO		
Pre-1973:		
B.P. Co., Ltd.—1970		
Old Ben Coal Corp.—1968		
Y Corp. (Texas)—1968		
1977: Petroleum Marketing/66 stations (proposed)		
1978: BP Alaska, Inc		
1979: Dahlgren Moores P. Coal		54.0
SUN		
Pre-1973:		
Brady Oil Co. (proposed 1972)		
Peach Valley Gas Co. (1971)		
Royalty Service Corp. (1971)		
Southern Minerals Corp. (1970)		
Waboo, Inc. (1969)		
Sunray DX Oil Co. (1968)		
1973:		
American Gas Corp		
Anchor Production		3.8
Bryan Oil Co		
Chilton Butane Gas		
Forth Network Co		
Plastics Development		
Process Systems (proposed)	1.7	
1974:		
Calvert Exploration	11.5	
Beamco Co	2.2	
Residex Corp	18.7	
Marion Corp		
Forest Oil Corp. (U.S.A.)		
1975:		
Forest Oil Corp. (Canada)		
H. P. International		
St. John's Trucking (46.6 percent)		19.8
1976:		
Stop-N-Go Foods, Inc	10.3	
Audio Magnetics		3.0
Walter Norris Corp	3.8	
1977:		
Applied Financial Systems		2.5
Unibrazze Corp. (proposed)	13.6	
Kar Products Inc. (proposed)	13.9	
1978:		
Becton Dickinson & Co	543.2	293.0
Atlas Screw & Specialty		3.6
Weiland Computer Group		
Milne Truck Lines, Inc		58.5
Standard Oil of Indiana (Gregoire Lake—12.5 percent)		
J. N. Fauver, Inc	11.0	
Houston Oil & Minerals (proposed)		4.1

Year: Acquired company	Assets	Consideration paid
1979:		
Metridata Computing, Inc		3.0
Fast Fare, Inc	12.0	
York Transportation Co., Inc		.5
TENNECO		
Pre-1973:		
David Brown Tractors, Ltd. (1972)		1.9
Palmetto Corp. (1972)	193.0	
Wilhelm Weller G.M.B.H.—West Germany (1972) (proposed)		
California Almonds, Inc. (1970)		
Heggblade-Marguleus (1970)		
Tennessee River Pulp & Paper Co. (1970)		
Qualitron Aero (1969)		
South East Aniline Co., Inc. (1969)		
Eastern Corrugated Container Corp. (1968)		
Davis Manufacturing Co. (1968)		
Newport News Shipbuilding & Drydock Co. (1968)		
Drott Manufacturing Co. (1968)		
1973:		
Fritz Lange (West Germany)		
Construcciones Agrometalicas Levante S.A		
1974:		
La Terre Co		218.0
Albright & Wilson, Ltd. (increased 40 percent ownership to 50 percent)		40.0
A. B. Starlawer Ken (Sweden)		
Republic of Texas (55 percent interest)		
1975: Harmo Industries (United Kingdom—proposed)		
1976:		
Union Carbide Corp.—New Jersey (vinyl)		
Holiday Inn, Inc. (foam)		
ETS R. Bellanger S.A. (France—proposed)		
1977:		
Midwestern Gas Trans.—16 percent remainder purchased)		
Poclain, S.A. (France)		
Lorneterm Lng. (Canada)		
Petro-Tex Chemical	0	35.0
Monroe Auto Equipment	190.3	
L. D. Properties, Inc		
Vic Organic (Singapore—proposed)		
1978:		
Hershey Ford Co		
Albright & Wilson, Ltd. (proposed)		215.0
Shenandoah Oil (proposed)		68.1
Philadelphia Life Insurance	644.8	170.6
Lydex		
1979:		
Ashland Exploration		340.0
Monsanto Flavor/Essence, Inc		
TEXACO		
Pre-1973:		
Polycarbona Chemie-(West Germany) 1972		
Anaheim Hills—1971		
Refineria Panama S.A. 1971		
1973:		
Reynolds Metal Co		
Stauffer Chemical Co		
1974: Jefferson Chemicals (England and Canada)		
1975: Tricentrol Ltd./Oil Gas (Trinidad)		
1977: 35 percent of 2 blocks for exploration in the North Sea		
UNION OIL OF CALIFORNIA		
Pre-1973: American Mineral Spirits Co (1969)		
1974: Flintkote Co		
1977: Molycorp, Inc	163.6	$240.0
1978:		
Silver Bell Industries & Mancos		24.0
A.E. Staley Manufacturing Co		
1979: International Mining Corp		41.3

ANNUAL TOTALS

[Dollar amounts in millions]

Oil companies	Number of companies acquired	Energy companies	Total assets	Total (consideration paid)
1973				
Exxon	0			
Mobil	1			
Texaco	2	1		
Standard of California	0			
Gulf	2	1		
Standard Oil of Indiana	0			
Atlantic Richfield	1	1	$1.1	0
Shell	0			
Continental	1	1		
Tenneco	2	0		
Sun	7	3	5.5	
Phillips	2	2	2.2	0
Occidental Petroleum	1	0	0	0
Union of California	0			
Standard of Ohio	0			
Ashland	8	2	2.6	0
Amerada/Hess				
Cities Service				
Marathon	1			
Getty	0			
Total	28	11	11.4	0
1974				
Exxon	0			
Mobil	1		4.1	
Texaco	1			
Standard of California	0			
Gulf	2			
Standard Oil of Indiana	1			
Atlantic Richfield	1			
Shell	2	1		
Continental	0			
Tenneco	3	1		$248.0
Sun	5	4	32.4	0
Phillips	1	1	13.9	0
Occidental Petroleum	0			
Union of California	1	0	0	0
Standard of Ohio	0			
Ashland	4	0	6.7	
Amerada/Hess				
Cities Service				
Marathon	3	2	0	0
Getty	0			
Total	25	7	57.1	248.0
1975				
Exxon	0			
Mobil	0			
Texaco	1	1		
Standard of California	1	0	1,780.4	333.4
Gulf	2	0		
Standard Oil of Indiana	1	0	71.6	0
Atlantic Richfield	0			
Shell	0			
Continental	1	1	0	98.3
Tenneco	2	0		
Sun	3	1	0	19.8
Phillips	0			
Occidental Petroleum	2	0		
Union of California	0			
Standard of Ohio	0			
Ashland	2	1	29.8	
Amerada/Hess				
Cities Service				
Marathon	1	1	0	$3.9
Getty	0	1		
Total	16	6	$1,881.8	455.5
1976				
Exxon	0			
Mobil	2	0	3,367.5	2,136.6
Texaco	0			
Standard of California	0			
Gulf	4	2		
Standard Oil of Indiana	0			
Atlantic Richfield	3	2	.8	
Shell	0			
Continental	1	1	0	15.3
Tenneco	3	0		
Sun	3	0	11.1	3.0
Phillips	0			
Occidental Petroleum	0			
Union of California	0			
Standard of Ohio	0			
Ashland	8	3	33.6	20.1
Amerada/Hess				
Cities Service				
Marathon	2	2	363.4	403.0
Getty	0			
Total	26	10	3,776.4	2,578.0
1977				
Exxon	0			
Mobil	1	1		47.5
Texaco	1	1		
Standard of California	1	0		
Gulf	3	3	389.0	454.6
Standard Oil of Indiana	3	0	28.6	
Atlantic Richfield	9	5	2,072.6	934.0
Shell	2	1	0	65.0
Continental	0			
Tenneco	8	2	190.3	35.0
Sun	3	0	27.5	2.5
Phillips	0			
Occidental Petroleum	1	0	20.7	0
Union of California	1	0	163.6	240.0
Standard of Ohio	1	1		
Ashland	3	1	20.1	29.5
Amerada/Hess				
Cities Service				
Marathon	1	1		
Getty	2	2	0	356.6
Total	40	18	2,910.4	2,164.7
1978				
Exxon	4	3		107.5
Mobil	2	1	152.0	50.5
Texaco	0			
Standard of California	2			13.0
Gulf	3	0		10.5
Standard Oil of Indiana	2	1		1,150.0
Atlantic Richfield	3	2		
Shell	0			
Continental	0			
Tenneco	4	1	644.8	453.7

ANNUAL TOTALS

[Dollar amounts in millions]

Oil companies	Number of companies acquired	Energy companies	Total assets	Total (consideration paid)
Sun	7	2	$554.2	$359.2
Phillips	1	1	0	4.2
Occidental Petroleum	4	2	0	1,409.1
Union of California	3	1	0	24.0
Standard of Ohio	1	1		
Ashland	3	0		8.3
Amerada/Hess				
Cities Service				
Marathon				
Getty	1	1		.1
Total	40	16	1,359.3	3,642.3
1979				
Exxon	3	1		44.5
Mobil	3	1		1,350.0
Texaco	0	0		
Standard of California	1	1		
Gulf	2	1		$60.0
Standard Oil of Indiana	1	1	$692.0	460.0
Atlantic Richfield	0			
Shell	0			
Continental	0			
Tenneco	2	1		340.0
Sun	3	0	12.0	3.5
Phillips	0			
Occidental Petroleum	0			
Union of California	1	0	0	41.3
Standard of Onio	1	1		54.0
Ashland	1	1		
Amerada/Hess				
Cities Service				
Marathon	0			
Getty	2	1		267.0
Total	20	9	704.0	2,620.3

ANNUAL TOTALS

[Dollar amounts in millions]

Oil companies	Number of companies acquired	Energy companies	Total assets	Total (consideration) paid
1973				
Kerr McGee	1	0	$0.1	
American Petrofina	1	1		$100.0
Murphy Oil	2	1		
Diamond Shamrock	0			
Clark Oil & Refinery	0			
Commonwealth Oil & Refinery	0			
Tesoro Petroleum	1	0		6.3
Coastal States Gas	1	1		376.2
Koch Refining	0			
Crown Central Petroleum	1	1		
Total	7	4	.1	482.5
1974				
Kerr McGee	2	2		80.0
American Petrofina	0			
Murphy Oil	1	0		
Diamond Shamrock	0			
Clark Oil & Refinery	0			
Commonwealth Oil & Refinery	0			
Tesoro Petroleum	2	1		.7
Coastal States Gas	0			
Koch Refining	0			
Crown Central Petroleum	0			
Total	5	3		80.7
1975				
Kerr McGee	0			
American Petrofina	0			
Murphy Oil	0			
Diamond Shamrock	1	0		
Clark Oil & Refinery	0			
Commonwealth Oil & Refinery	0			
Tesoro Petroleum	4	3	6.6	3.7
Coastal States Gas	0			
Koch Refining	0			
Crown Central Petroleum	0			
Total	5	3	6.6	3.7
1976				
Kerr McGee	2	2	$77.0	
American Petrofina	1	0		
Murphy Oil	0			
Diamond Shamrock	2	0		$3.0
Clark Oil & Refinery	0			
Commonwealth Oil & Refinery	0			
Tesoro Petroleum	2	1		
Coastal States Gas	0			
Koch Refining	0			
Crown Central Petroleum	0			
Total	7	3	77.0	3.0
1977				
Kerr McGee	0			
American Petrofina	2	0		5.0
Murphy Oil	0			
Diamond Shamrock	6	0		44.6
Clark Oil and Refinery	0			
Commonwealth Oil & Refinery	0			
Tesoro Petroleum	0			
Coastal States Gas	1	1		
Koch Refining	0			
Crown Central Petroleum	0			
Total	9	1	0	49.6
1978				
Kerr McGee	0			
American Petrofina	0			
Murphy	0			
Diamond Shamrock	4	1	104.8	360.8
Clark Oil & Refinery	0			
Commonwealth Oil & Refinery	0			
Tesoro Petroleum	0			
Coastal States Gas	2	2		43.0
Koch Refining	0			
Crown Central Petroleum	0			
Total	6	3	104.8	403.8

Mr. METZENBAUM. Mr. President, I also ask unanimous consent to have printed in the RECORD at this time an article appearing in Business Week in April of last year which documents the oil company acquisition trend.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NEW DIVERSIFICATION OIL GAME

Reared on the smell of oil and money, U.S. oilmen have shown little interest in pursuing more staid or less profitable businesses. Some have moved into alternative fuel resources—coal and uranium—as new supplies of oil and gas have become more elusive and more costly to develop. But with few exceptions, oilmen have stayed true to their own self-image as specialists in fuel extraction, processing, and marketing.

That image is beginning to shatter, though. The big cracks, of course, were Mobil Corp.'s acquisition of Marcor Inc., the giant retailer and papermaker, in 1976 and Atlantic Richfield Co.'s acquisition of Anaconda Co., the copper producer, in 1977. But in addition, major oil companies within the past year alone have moved into such businesses as medical equipment, electronic subsystems, computer software, fasteners, advanced batteries, word-processing equipment, and almond growing.

The trend has attracted the attention of the industry's critics in Congress. "The potential for mergers and acquisitions is staggering," Senator Edward M. Kennedy (D-Mass.) said last week; his Senate antitrust subcommittee will start hearings next month on economic concentration. "Exxon, for example, could tomorrow buy J. C. Penney, Du Pont, Goodyear, and Anheuser-Busch using only its accumulated cash and liquid assets," Kennedy said.

To date, with the exception of the industry's major vertical moves into petrochemicals, diversification for most U.S. oil companies still amounts to no more than a teacup in a barrel. But it is clear that the oil and gas industry is reaching a critical turning point. Within the next few years, oil company executives will be forced to make decisions that could result in vastly different corporate entities by the end of the century. For most companies, though, the shape of the future is still very much in doubt. "We're coming to a crossroads," says John F. Bookout, the homespun president of Shell Oil Co., "but it's still pretty hazy."

DOOMED TO SLOW GROWTH

Shell is still in the early stages of considering diversification beyond oil and chemicals. And many industry executives take a position much like that of J. Dennis Bonney, planning vice-president for Standard Oil Co. of California, who says, "We don't feel the need for a crash program." But Ashland Oil Co. has been making acquisitions since 1972. And Sun Co., embroiled in litigation over its recent purchase of 34 percent of Becton, Dickinson & Co., a maker of medical equipment, is outspoken in its urge to spread its bets. Says President Theodore A. Burtis: "The handwriting is on the wall."

The overriding fact is that oil companies are exploiting a dwindling natural resource. How long the inevitable exhaustion can be put off is a matter of fierce debate, both within the industry and among government policymakers. But at some point the oil companies will certainly be doomed to a business that will grow sluggishly, at best.

Growth is already slowing down drastically. Between now and 1990, oil and gas demand will grow at just over 1 percent a year, and even demand for energy itself will grow only at about 2.5 percent a year. Price increases will take up some of the slack, but in their traditional business, oil companies are confronted with a slow-growth future.

Oilmen have two tremendous advantages over many other industries—from buggy-whip manufacturers to anthracite coal diggers—who have seen their day come and go. One is the vast reserves of oil and gas still in the ground—some 30 billion bbl. of oil and 90 trillion cu. ft. of gas in the U.S. And few other major industries have been so consistently profitable. Recently, thanks to the quadrupling of world oil prices since 1973, the industry's return on invested capital has jumped 30 percent. Last year the 15 largest oil companies earned $10.7 billion after taxes, for a 14 percent average return on invested capital.

Indeed, for the moment, the U.S. oil business has never looked better, and the industry has stepped up its borrowing to invest heavily in domestic oil and gas exploration. Since 1972 the debt of the 15 majors has more than doubled, from $17 billion to about $36 billion, and it now amounts to a record 26 percent of capitalization. "We're spending all the money we can get our hands on," says John E. Swearingen, chairman of Standard Oil Co. (Indiana). "We're not prospect-limited, we're money-limited."

But opportunities for investments in oil and gas could begin to shrivel in the next 10 to 15 years, especially if the industry is denied access to areas offshore and in places like the overthrust belt of the Rockies. New supplies will become increasingly costly to develop. And while world prices could increase, there is no guarantee that this will happen, or even if it does, whether oilmen will be able to realize those prices at home. "The threat of control is always there," says Norton Belknap, planning vice-president for Exxon Corp.

Already, the industry's borrowing is slowing down. If opportunities to reinvest in conventional oil and gas do not open up, the industry will find itself with an enormous cash flow from oil and gas. In addition, there is already an immense cash flow from depreciation on the industry's roughly $400 billion worth of plant worldwide. All told, the industry's cash flow last year amounted to more than $30 billion.

BILLIONS IN CASH TO INVEST

The prospect of big pools of incoming cash presents industry strategists with a compelling need to find outlets for that cash—either within energy or, if need be, outside energy. For no company is the need greater than for Exxon, by far the richest of the oil companies. Its long-term debt grew from about $3 billion in 1973 to about $4 billion last year, but its cash grew from $3.1 billion to $5.2 billion in the same time. And the company plans no new debt to finance an ambitious $27 billion capital investment program over the next five years.

So flush is Exxon that it is "buying the pot at all the lease sales," complains one industry executive. Referring to lease sales ranging from the Baltimore Canyon two years ago, where Exxon bid $367 million, to the recent South Atlantic sales, where it was the high bidder at some $34.5 million, he adds: "I don't think they see anything more down there than we do. They're just trying to keep themselves busy."

Exxon is not alone. Indiana Standard has $1.4 billion in cash and Standard of California has $1.3 billion. But not all the majors are so fortunate. Standard Oil Co. (Ohio) saddled itself with $4.5 billion in long-term debt—73% of its total capitalization—to finance its investment in the North Slope of Alaska. According to Paul D. Phillips, senior vice-president for finance, it will take Sohio five years to pay down that debt to normal industry levels.

The prospect that many oil companies will have an abundance of cash does not make investment decisions a snap. For one thing, U.S. oilmen, on the whole, are a different breed than most businessmen. Although the ex-roughnecks who once ran many companies have been replaced by finance specialists, lawyers, chemical engineers, and geologists, most of today's oilmen still retain the same willingness to take large risks in search of enormous payoffs. Explorers of the earth's crust, they take no special delight in the abstractions of the conglomerateur. Most of them would prefer to devote as much of their companies' resources as is prudent to pumping oil rather than to strange new areas of business. "I'm not one who believes the sky is going to fall on oil and gas in the next 10 years," says Swearingen of Indiana Standard.

Swearingen's company, with $1 billion in earnings last year, has been more aggressive than most in its U.S. exploration. This year it is boosting its exploration and production budget a quarter, to $1.6 billion. Thanks to its large expenditures, Indiana Standard has been able to keep its U.S. reserves essentially even. In contrast, U.S. reserves and production for the industry as a whole both have fallen by 10 percent since 1973.

Part of the problem is that U.S. oil companies are, for the most part, spending their money reworking old areas with limited amounts of oil. The richness of Prudhoe Bay, which was discovered in 1967, has not yet been matched, and oil companies have been disappointed in a number of promising new areas. For example, Exxon, Mobil, and Champlin together spent nearly $1 billion drilling the Destin Anticline off the Florida coast in 1974, and five companies spent about $150 million drilling in the Gulf of Alaska last year. Most drilling in both places has now been suspended. And many geologists believe that the Baltimore Canyon off New Jersey where drilling is starting could be another bust.

FRUSTRATIONS OF THE BUSINESS

But the uncertainties of government policy, on top of geologic unknowns, make it difficult to determine the rate at which companies should continue to invest in their original, still profitable business. At the outset of the Carter Administration, oilmen hoped for an end to price controls. If prices for oil and natural gas were allowed to rise to the world level, they argued, the incentives for exploration and the improved economics of production would result in an enormous increase in U.S. petroleum supplies. Gasoline prices will soon be freed, and a program of step-by-step rises in the ceiling prices for natural gas now seems likely to emerge from Congress. But the rate at which the price of U.S. crude will be allowed to rise and the amount of the increase that will flow to the companies instead of to the U.S. Treasury, are still uncertain.

Such pricing uncertainties are not the only frustrations of the oil business today. Many oilmen are bitter over what they consider the inequities of the complex entitlements program—a program that may continue if Congress turns down a simpler substitute, the crude-oil equalization tax. And they feel increasingly hobbled by the legal obstacles, erected by environmentalists, that have made it difficult for them to open new production frontiers on the outer continental shelf—the subject of a bill now before Congress—and in such areas as Alaska and the Rockies.

In the past, a throttling of domestic opportunities, for whatever reason, simply pushed oil company spending abroad. But the political risks abroad are closing this outlet. Such nations as Brazil and Venezuela have nationalized U.S. holdings, Saudi Arabia has acquired control of Aramco, and all governments are demanding, and getting, a bigger share of the price of a barrel of oil, trimming once-lucrative profits on foreign crude.

In determining what to do with all their excess cash, few oilmen seem to have given thought to one obvious alternative: refunding it to the stockholders in the form of dividends. The issue of whether the managers or the owners should make diversification decisions has been raised most recently by T. Roland Berner, chairman of Curtiss-Wright Corp., who has announced his company's intention of acquiring Kennecott Copper Corp. so it can undo the copper company's recent acquisition of Carborundum Co. and, in effect, return much of the proceeds to Kennecott stockholders (including Curtiss-Wright). Many growth-oriented stockholders, of course, may not want extra dividends, which are taxable. But more pertinent to management's penchant for maintaining control of extra cash, critics charge, is its own desire for growth of opportunity. "Management will not stand by and watch the dissipation of assets that are working on its behalf," notes Paul W. MacAvoy, a professor of economics at Yale University and an industry consultant.

FADED HOPES

Even before all of the problems with oil and gas had fully emerged, some oil companies had begun to turn their attention to other energy resources—coal and uranium. In the days when nuclear energy was touted as a cheaper, cleaner successor to oil for electric utilities, uranium seemed a natural diversification—not least because it called upon an oil company's expertise in geological exploration. Since the 1960s, oil companies have invested a total of $2.4 billion in uranium exploration, mining, and processing.

However, nuclear power has gained ground only slowly. Gulf Oil Corp. still plans to spend some $800 million to develop the country's deepest uranium mine in New Mexico. But other companies have dropped plans for the nuclear business—in some cases as it became clear that private enterprise was not to be encouraged. Exxon, for example, had hoped to build a $4.5 billion facility for enriching nuclear fuel, but now, says Addison H. Kermath, senior vice-president, "it looks as if the government wants to control that itself."

At the same time, oil companies began to buy coal reserves. One major attraction of coal over the long term was the possibility that it could be economically liquefied or gasified, and thus converted into a fuel that would fit well with the industry's immense network of pipelines. Since 1970 oil company ownership of U.S. coal reserves has increased 25 percent. Most aggressive has been Exxon, which all told has acquired 8.4 billion tons. And for a brief while a year ago, when the Carter Administration announced its near-term goals for coal production, the payoff for such investments seemed in sight.

But any optimism faded quickly. Already it had become clear that the strip-mining of Western coal was going to be more costly than expected because of a new law requiring reclamation of mined land. Then it became doubtful if the nation's railroads could haul the output of coal that was being projected. The economics of Western coal took another blow when the Environmental Protection Agency decreed that plants burning it must use stack scrubbers to reduce sulfur content compared to that of Eastern coal. Finally, the long strike by the United Mine Workers proved that the union had little control of its members, and the settlement promised nothing in the way of increased productivity from underground mines.

For all of these reasons, says Indiana

Standard's Swearingen, "coal is a dog's breakfast." Not surprisingly, conversion to coal by utilities and industrial plants has been slow.

CONVERTING COAL

As a result, oilmen think that the Administration goal of nearly doubling coal production, to 1.2 billion tons, by 1985 is wildly optimistic, and they are trimming back the ambitious expansion plans made just a couple of years ago. Gulf, for example, had hoped to nearly quadruple its annual coal production by 1985, to 30 million tons; now it expects to reach 12 million tons at best.

Not the least of the reasons for the industry's disenchantment with coal is the continuing uncertainty over the economics of liquefaction and gasification. "The beauty of oil," says Thornton F. Bradshaw, president of Atlantic Richfield, "is that if an exploration program isn't economic, you can cut it off and move to a new location. If you build a liquefaction plant that isn't economic, you own it."

The consensus now is that liquefaction and gasification plants could produce hydrocarbons at a cost of $25 to $30 per bbl. of crude-oil equivalent, measured in today's dollars. Most industry and government experts expect that the world price of crude, now about $12 per bbl., will double by 1985. If that happens, the synthetic oil or gas could—at best—be nearly competitive. But the future world price for natural crude will be affected greatly by the Saudis' decisions on how much oil to produce and by how much oil will be produced from new sources beyond the control of the Organization of Petroleum Exporting Countries, such as the North Sea, Mexico, Africa, and the Eastern Hemisphere.

With such uncertain prospects, it seems unlikely that any company will build a liquefaction or gasification plant unless it has government support. Among the suggestions that industry sources put forth are a price floor, government-guaranteed bonds, and grants that could be converted to loans if a project proved financially successful.

But while the industry is willing to see the government fund research and development, and even the construction of early plants, it has no wish to see Washington stay in the business. "Once the technology is known and the time is there on the economics," says Mobil Vice-Chairman Herman J. Schmidt, "we think the American enterprise system, including the financing, should be called upon."

Many find that scenario naive. "Along with government particiaption goes regulation," notes Richard J. Gonzales, a former Exxon executive and now an industry consultant in Houston. Adds another oilman: "It's like asking the fox to finance the hen house." On the other hand, Atlantic Richfield's Bradshaw believes that if it is to grow in energy, "the oil industry will have to forge a partnership with government."

Prospects also seem bleak for exploiting another hydrocarbon resource, shale oil. Shale oil theoretically can be converted to the industry's familiar products much more readily than solid coal. When the federal government opened oil-shale lands for bids in 1974, oilmen responded enthusiastically. They bought rights to 20,480 acres. And Gulf and Indiana Standard, for example, eagerly joined in a project to produce 75,000 bbl. of shale oil a day by 1980.

The oilmen's hopes were quickly dashed. Study showed that processing shale would require prodigious amounts of water, scarce in Western shale lands, and would produce immense amounts of spent rock—an environmental eyesore. Even assuming that these problems could be overcome, it appeared that the cost of shale oil would be prohibitive. One discouraging realization was that the very increases in world oil prices that prospective shale developers were counting on would also have an inflationary impact on shale-plant costs—"a ratchet effect," notes Shell economist Sheldon M. Lambert.

As a result, Gulf and Indiana Standard have postponed their project; they now hope to bring a plant onstream by 1985. Shell, another major investor, dropped out entirely. The only major effort remaining is that of Occidental Petroleum Corp., which is spending $20 million to build a pilot plant to test its in-situ process. In this, the oil is heated and thinned underground, then pumped to the surface, eliminating much of the mining, and Occidental Chairman Armand Hammer claims that the method will produce oil at a cost of only $14 per bbl. That figure is violently disputed by most of his competitors, who claim that it does not reflect the cost of processing the oil to make it suitable as a refinery feedstock.

If there is any bright spot in the oil industry's move into new energy resources, it is the apparent lack of strong congressional sentiment for horizontal divestiture. Oilmen say the threat of legislation has already cooled some prospective acquisitions. But Sun's Burtis says: "The idea . . . just doesn't have the heat behind it that it once did."

Still, all of the other obstacles to profitable energy diversification have forced oilmen to start thinking seriously about moves into non-energy fields. "We think there will be a rational resolution of these [energy] problems in every case," says Exxon's Belknap. But his giant company is hedging its bets by bootstrapping itself into growing new markets, such as word processing, through its Exxon Enterprises Inc. subsidiary (page 78). Similarly, Shell's Bookout says: "Whenever we considered diversification in the past, we concluded that there was no better business than oil and gas. Now we're studying a whole spectrum of things."

DIVERSIFICATION—OR DIVERSION?

But effective diversification for the oil majors is no simple matter. For a lesson in the pitfalls, they need look no further than Gulf, which stumbled badly on the way to several big unconsummated mergers and made a number of small acquisitions that soured. Now Gulf is concentrating its expansion effort almost entirely on the energy business, last year spending $1.2 billion on exploration and development in the U.S.

Moreover, the oil majors are so big that few takeover prospects could have a significant impact on their earnings. While the Justice Dept. has shown no concern over oil company diversification to date, there is considerable doubt that it would idly watch the consummation of more deals of the size that brought Mobil and Marcor together. And huge Exxon so far has carefully avoided any domestic acquisitions whatever. Complicating the decision-making is the fear of tying up too much cash too soon—while there is still the chance of finding a major new oil or gas field to be exploited.

"The real task is to decide what is diversification and what is diversion," says Indiana Standard's Swearingen. "We'd be nuts to go into the manufacture of ladies' dresses. It's profitable and a big business, but one we know nothing about."

What many oil companies do know something about are other minerals, thanks to their geologists, and chemicals—the downstream products that are made from hydrocarbon feedstocks. Atlantic Richfield made a major foray into the minerals business when it bought Anaconda, a deal that has paid off despite the vagaries of the copper business because of the low acquisition price. But the minerals business is subject to some of the same problems that plague oil—particularly political instability abroad, environmental problems at home, and cutthroat pricing. Right now, there is a glut in some metals, notably copper, zinc, and nickel. Cities Service Co.'s earnings last year were down 3 percent because of a $41 million loss in the company's mineral operations, most of it from two Arizona copper mines. "We're competing with a number of noneconomic producers—countries that have concerns, such as employment, other than earning a decent rate of return," says Philip W. Wood, a vice-president of Cities Service.

As for chemicals, further oil company involvement seems inevitable. Exxon, already a big producer, plans to move further downstream by means of an acquisition that could mark its first such test of the antitrust climate. And Standard of California is "actively studying [more moves in] the chemicals business," according to Vice-President Bonney.

UPSTREAM AND DOWN, IT'S TOUGH

However, the oil companies can be expected to move with caution. The chemicals business is currently suffering one of its periodic bouts of overcapacity, and demand for chemicals is expected to grow only about 8 percent a year for the next 10 or 15 years. Upstream, in basic petrochemicals such as ethylene and propylene, the oil companies will face competition from governments, such as those of Iran, Saudi Arabia, and Mexico, that want to add value to their oil. And the downstream competition is tough, from both the giants, such as DuPont, Dow, and Monsanto, and from smaller chemical companies.

The oil companies found that out in the 1960s when they tried to move downstream in petrochemicals. For example, Phillips Petroleum Co., widely regarded as one of the savviest oil companies in the chemical business, took a bath in synthetic fibers, finally writing down its assets by $12 million in 1976.

On the other hand, the oil companies probably can put their extensive research organizations to work finding profitable niches in the chemical business. Standard of Indiana, for example, is making a foray into food proteins with an additive for meats, bakery products, and flavorings that is derived from ethyl alcohol. "It fits our desire to have a viable business outside of oil and gas, but which is still based on petroleum and on expertise we already have," says Swearingen.

A LACK OF BOLDNESS

The real challenge to oilmen comes when they begin to reach out for areas of business totally unfamiliar to them. Mobil took more than five years to choose Marcor and acquire it, and one reason, says Mobil's Schmidt, was that company executives "felt it was imperative that the company acquire strong management, experienced in their business." After acquiring Marcor, Mobil split it into its two original components, Montgomery Ward & Co. and Container Corp. of America, and the results have been mixed: Ward's is humming along, but Container Corp. has been beset by a soft paperboard market.

More significantly, Mobil bought Marcor knowing, Schmidt says, that its purchase would reduce the company's return. Indeed, since the deal was made, Mobil's return on common equity has dropped to 12.9 percent from 17.5 percent. According to Schmidt, though, the overriding goals were to increase Mobil's U.S.-based earnings—they were 62 percent of the total in 1976, compared with 32 percent in 1973—and to balance an increasingly risky energy business. "It would have been lovely to acquire an IBM," says Schmidt, "but this will do very well."

Like Mobil, other oil companies have recently picked up some basic businesses, albeit much smaller ones. Sun, one of the most aggressive diversifiers, in 1976 alone bought a grocery chain, an industrial distributor, and a trucking outfit. Ashland, since 1974, has gone into such things as asphalt, offshore-rig building, heavy construction, and shipbuilding. And Tenneco Inc., which has always been more diversified than its colleagues, this year picked up a life insurance company.

But some oilmen, accustomed to assuming high risks, view this kind of diversification as overly conservative. Of Mobil's Marcor deal, one says: "They were far ahead with the idea, but maybe they were too timid. Why not diversify into drugs, instruments, office equipment, electronics, or computers—all of which have higher rates of return?"

That, in fact, is where Exxon appears to be headed with its plunge into the word-processing business. But so far, few oil companies have shown any inclination to go quite so far afield into high-risk businesses. And it is still possible that what now appears to be the beginning of a trend to non-energy diversification will turn out to be only a brief, passing gambit in the history of the U.S. oil industry. The Carter Administration is on the verge of unveiling so-called Phase Two of its energy program, a phase that will emphasize new incentives for producing synthetic fuels (page 104). If Congress approves an effective program, nonenergy diversification is likely to take a back seat in oil-company boardrooms as oilmen put their cash back into their basic business with new enthusiasm. Under the right conditions, says Shell's Bookout, "energy should be a good business almost forever."

Mr. METZENBAUM. Mr. President, something must be done to put a halt to the diversion of resources from oil and gas exploration and production. None of the investments listed above will ever produce a single extra barrel of oil. And I do not think the American people are convinced that companies with billions to throw around to buy department stores, cardboard companies, life insurance companies, real estate, and even almond orchards and circuses need more billions to pay for oil and gas exploration.

The major oil companies have not acted in the best interests of this country. The time has come for the Congress to give the oil companies a message. And that message should be this—"you cannot have it both ways * * * if you say that you need more of the hard earned money of this country's consumers to explore, then you had better use that money to look for oil."

Mr. President, I believe this bill will go far toward meeting the President's concern that oil companies use their "revenues to develop energy for America. and not to buy department stores and hotels as some have done in the past."●

● Mr. HART. Mr. President, I am pleased to join Senators KENNEDY and METZENBAUM as a cosponsor of this legislation which will prohibit the top 16 oil companies from acquiring any other company with more than $100 million in assets. This legislation will serve two purposes: First, it will put a brake on the ever-increasing economic concentration that has characterized the oil industry and other segments of our economy in recent years. More important, it will encourage oil companies to put profits back into oil exploration, research, and development—rather than into conglomerate mergers.

The oil industry over the last 3 to 4 years has been marked by a disturbing, even frightening, trend towards acquisition of competitors in the energy business, as well as non-energy related firms. Between 1976 and 1978, the top 20 oil companies have made or proposed 106 acquisitions, for a total consideration of $8.4 billion. Another 21 acquisitions have been made or proposed in the first 4 months of 1979. The acquired companies range from department stores to printing companies to life insurance firms, as well as coal and uranium concerns.

The oil companies should be using their vast resources to find and produce more oil, rather than to buy real estate firms, industrial concerns, and even circuses, as well as energy-related competitors. If Congress is going to allow the price of oil to be decontrolled—and I think it should —we should also be sure that higher prices will result in greater exploration and production.

How can the American people believe we are serious about reducing our dependence on foreign oil as long as the oil companies continue to pour profits into other investments instead of new energy production? They can not have it both ways—if profits are going up, they should be used to find more oil. It is that simple.

I hope Congress will act quickly on this important legislation. This bill is consistent with measures I have advocated for the past 4 years now, beginning with my support for oil company restructuring in the 94th Congress. We are at an important crossroads where we must decide what kind of economy we want. We can have a concentrated, regulated one or a revitalized free enterprise economy. I think the choice is clear.

This bill will be an important step in protecting our competitive free enterprise system and making the oil companies more responsive to the national need for more oil exploration and production.●

By Mr. GRAVEL:

S. 1247. A bill to amend the Internal Revenue Code of 1954 to reduce the tax effect known as the marriage penalty by permitting the deduction, without regard to whether deductions are itemized, of 10 percent of the earned income of the spouse whose earned income is lower than that of the other spouse; to the Committee on Finance.

TAX DEDUCTION TO REDUCE "MARRIAGE PENALTY"

● Mr. GRAVEL. Mr. President, in formulating income tax policy, Congress has been guided by several principles which are meant to make our tax system a just one. The most important of these are undoubtedly that taxation should be progressive and that individuals with like incomes should pay similar tax.

Another important principle has been that marriage should neither be penalized nor rewarded by our tax law.

The neutrality of tax law toward marriage has not been easy to effect—and in fact today, due to a number of adjustments in the law, there exists a tax penalty against marriage in those instances where both husband and wife earn an income.

Mr. President, today I am introducing legislation which is intended to correct this "marriage penalty," and do so without imposing any new penalty on unmarried persons or single-earner families. Basically, I propose to exempt from taxation a portion of the lower earner's income, up to a stated maximum exemption.

I think it would be helpful, first of all, if I reviewed the history of taxes with regard to married and unmarried persons.

At the inception of the Internal Revenue Code, all earners regardless of family status were treated the same for tax purposes. However, in some States, community property laws enabled married couples to be "more equal" than others by splitting their income and filing individual returns, thereby reducing their tax liability significantly. To stem a burgeoning State movement to convert their laws to community property rules and to eliminate a rising tide of IRS litigation on family income issue, Congress in 1948 changed the tax code to extend income splitting to all married couples.

By the mid-1960's many members of the growing single population became convinced that income splitting was a "tax shelter" for one-earner couples, resulting in an unfairly high tax burden on singles. Agreeing that the tax differential between singles and couples was unreasonable. Congress in 1969 created new lower tax rates for single persons. However, in achieving this balance, another problem was created.

As the law stands, two single persons each earning $10,000 pay $1,177 each in taxes, a total of $2,354. If they decide to marry, their total tax bill will increase $391. The increased tax due to wedlock is the present "marriage penalty."

COMPARISON OF TAX LIABILITY FOR 2-EARNER MARRIED COUPLES AND 2 SINGLE PERSONS AT VARIOUS INCOME LEVELS

Income	Married couple, no dependents (joint return)	2 single persons	Excess tax of joint over 2 singles
$5,000			
$7,500	$294	$126	$168
$10,000	702	500	202
$12,500	1, 152	934	218
$15,000	1, 635	1, 384	251
$17,500	2, 160	1, 859	301
$20,000	2, 745	2, 354	391
$25,000	4, 057	3, 446	611
$30,000	5, 593	4, 690	693
$40,000	9, 366	7, 674	1, 692
$50,000	13, 798	11, 124	2, 674
$100,000	[1] 38, 678	[1] 34, 284	4, 394

[1] Reflects the 50-percent maximum tax.

Source: Joint Committee on Internal Revenue Taxation.

There are two causes of the marriage penalty. First, when individuals marry they lose part of the advantage of their two single standard deductions (zero bracket amount ZEBRA) since the zero bracket amount for married couples is $3,400 rather than double the single deduction of $2,300.

In addition, the first dollar of the second income is subject to tax rates beginning at the marginal tax rate of the first income. The loss of the single standard deduction particularly affects low income families, while the higher marginal tax rate primarily causes the marriage penalty for families with incomes over $30,000.

Another quirk of the marriage penalty is its dependence on the income split within the family. The penalty is more severe when husband and wife earn similar salaries.

"MARRIAGE TAX PENALTY" AT SELECTED LEVELS AND EARNINGS SPLITS BETWEEN HUSBAND AND WIFE BEFORE MARRIAGE

[Assumes the Zebra]

Total family income	Share of family income from lesser-earning spouse (percent)					
	0	10	20	30	40	50
$5,000		−199	−910	−43	0	0
$7,000		−232	−113	5	118	183
$10,000		−240	−49	141	194	204
$15,000		−353	33	176	256	277
$20,000		−451	32	263	423	463
$25,000		−592	10	381	610	701
$30,000		−682	50	599	920	1,019
$40,000		−887	274	1,163	1,662	1,852
$50,000		−1,086	674	1,930	2,640	2,870
$100,000		−3,045	910	3,575	5,164	5,700

Note: The table shows the tax increase when 2 single persons with the indicated earnings division marry each other. Minus means a negative penalty; i.e., a bonus tax decrease from marriage.

Source: Joint Committee on Internal Revenue Taxation.

While women are gaining in their battle for salary parity with men, the marriage penalty is surely an obstacle to their full participation in the labor force. Any popular magazine that discusses working women will caution women to investigate the effect of working on family economics. Typically, the marriage penalty is mentioned in the same breath as loss of free child care and household services.

This Federal tax policy, which provides a disincentive for women to enter the labor force, is contrary to Federal policies which encourage general employment and equitable treatment of men and women in the labor force. Surely this is outdated, unenlightened tax policy that should be removed from the statutes.

There are several possible approaches to the elimination of the marriage penalty. I think the most effective solution in terms of significantly reducing the penalty without providing inequitable tax relief is a tax deduction on the lesser earner's income. The bill I am introducing today would allow a deduction of 10 percent of the first $20,000 of the lesser earner's salary. Following is a table showing the effect of such a deduction on different income levels.

TAX REDUCTION FOR A 2-EARNER JOINT RETURN FROM A DEDUCTION OF 10 PERCENT OF LESSER EARNING, UP TO $20,000

[Assumes no itemized deductions] [1]

Income	Present law joint tax	Tax under alternative	Tax reduction	Percentage reduction in the "marriage tax penalty"
$5,000				
$7,500	294	189	105	63
$10,000	702	534	168	83
$12,500	1,152	972	180	83
$15,000	1,635	1,425	210	84
$17,500	2,160	1,950	210	70
$20,000	2,745	2,505	240	61
$25,000	4,057	3,707	350	57
$30,000	5,593	5,113	480	49
$40,000	9,366	8,506	860	51
$50,000	13,798	12,818	980	37
$100,000	[2] 38,678	[2] 37,678	1,000	23

[1] This table does not reflect the increasing use of itemized deductions in the higher income brackets.

[2] Reflects the 50-percent maximum tax.

Source: Joint Committee on Internal Revenue Taxation.

The deduction would be available to couples who do not itemize as well as those who do. In the case of couples who itemize, the deduction would not affect their eligibility for other deductions or credits.

The Treasury Department estimated that the cost of the proposal, based on a $10,000 ceiling and deduction limit of $1,000, would be $2.9 billion. I have raised the income limitation in my proposal to $20,000 in order to assist middle-income families affected by the marriage penalty. The Department of Treasury unofficially estimates that this would raise the cost 30 percent, or $3.5 billion.

This proposal would alter tax policy by acknowledging that one- and two-earner families should be treated differently. We are one of the few nations with a tax system that does not make this differentiation.

In addition, this proposal does not alter the relative tax burden of the other two tax units, single persons and one-earner families.

Mr. President, while there may be creditable arguments to change other aspects of the code as it affects one or more of the tax units, I would urge that reduction of the marriage penalty be a priority of this Congress. There is overwhelming agreement about its inequity and adverse effect on social and economic policy.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALLOWANCE OF DEDUCTION.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 221 as 222 and by inserting after section 220 the following new section:

"SEC. 221. DEDUCTION TO REDUCE THE MARRIAGE PENALTY.

"(a) DEDUCTION ALLOWED.—In the case of a married individual who files a joint return for the taxable year with his spouse, there is allowed as a deduction in computing taxable income an amount equal to 10 percent of—

"(1) the earned income of the spouse whose earned income for the taxable year is less than the earned income of the other spouse for the taxable year, or

"(2) if the earned income of each spouse for the taxable year is the same, the earned income of one spouse for the taxable year.

"(b) LIMITATION.—The amount of the deduction allowed by subsection (a) for the taxable year shall not exceed $2,000.

"(c) DETERMINATION OF MARITAL STATUS.—For purposes of this section, the determination of whether an individual is married shall be made in accordance with the provisions of section 143(a).

"(d) EARNED INCOME.—For purposes of subsection (a), the term 'earned income' means—

"(1) earned income (as defined in section 911(b)), plus

"(2) the amount of net earnings from self-employment for the taxable year (within the meaning of section 1402(a)).".

(b) DEDUCTION WITHOUT REGARD TO ITEMIZED DEDUCTIONS.—Section 63 of such Code (relating to definition of taxable income) is amended—

(1) by striking out "and" at the end of subparagraph (A) of subsection (b)(1),

(2) by inserting after subparagraph (B) of subsection (b)(1) the following new subparagraph:

"(C) the deduction to reduce the marriage penalty provided by section 221,",

(3) by striking out "and" at the end of paragraph (1) of subsection (f),

(4) by striking out the period at the end of paragraph (2) of subsection (f), and inserting in lieu thereof a comma and the word "and", and

(5) by adding at the end of subsection (f) the following new paragraph:

"(3) the deduction to reduce the marriage penalty provided by section 221.".

(c) CONFORMING AMENDMENT RELATING TO WITHHOLDING.—Subsection (m) of section 3402 of such Code (relating to withholding allowances based on itemized deductions) is amended—

(1) by striking out subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(A) the sum of—

"(i) his estimated itemized deductions, and

"(ii) the deduction allowed by section 221, over", and

(2) by striking out "section 151" in paragraph (2)(A) and inserting in lieu thereof "sections 151 and 221".

(d) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following new items:

"SEC. 221. Deduction to reduce the marriage penalty.

"SEC. 222. Cross references.".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1978.●

By Mr. STEVENSON:

S. 1248. A bill to provide coordination by the President of Federal, State, and local programs for combating terrorism, to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require counterterrorism provisions in State plans, to amend title 18, United States Code, with respect to the interception of wire or oral communications, and for other purposes; to the Committee on the Judiciary.

COMPREHENSIVE COUNTERTERRORISM ACT OF 1979

● Mr. STEVENSON. Mr. President, I am today introducing legislation to counter terrorism.

The United States has been fortunate to escape the terrorism which has struck large parts of the world. Yet, it would be irresponsible for us to assume that "it can't happen here."

A year-long study by the staff of the Select Committee on Intelligence has convinced me that we are not adequately prepared for the kind of terrorism we may face in the future. It could come from a sophisticated international terrorist group or from a frustrated political or social protest movement within the United States. And it is possible that terrorist groups, finding that more common tactics, such as airplane hijacking, no longer have their former shock value, will turn to more spectacular acts of mass disruption or destruction. Is the Federal Government adequately organized to anticipate these events, to make contingency plans for dealing with them and then to implement those plans if necessary?

I am afraid that the answer to this question is "no," primarily because the Government counterterrorism capabilities are widely spread out among the various agencies involved. Depending on whether a terrorist incident takes place on the ground in the United States, in the air, or abroad, the "lead" Federal agency is the FBI, the FAA, or the Department of State. Expertise in such matters as explosives or nuclear materials resides in still other agencies. Policy coordination is the realm of a large interagency committee (led by an eight-member executive committee) while, in the case of a crisis, control would pass to the National Security Council, whose members and staff are otherwise not concerned with terrorism. Given this complex organizational structure in Washington, it is not surprising that State and local officials find it difficult to know where they could obtain help if a terrorist incident in their jurisdiction were to surpass their capabilities.

The comprehensive counterterrorism bill, which I am introducing today, seeks to rectify this situation by centralizing the responsibility and authority for counterterrorism. The aim of the bill is to give the President wide powers, and to allow him as much freedom as possible to organize the counterterrorism capabilities of the Government. This power can be delegated to the Attorney General, who would become the chief counterterrorism officer of the United States. In either case, the responsibility for planning how to cope with terrorism would be clearly delineated and fixed in one place.

The bill also addresses the problem of assuring that all levels of government—State and local as well as Federal—work together effectively to counter terrorism. It does this by giving the President the authority to work with the other levels of government in contingency planning and in managing an actual incident. The cooperation of the other levels of government is obtained via the funding mechanism of the Law Enforcement Assistance Administration, although, within each State, the Governor is left firmly in control of counterterrorism capabilities.

These problems are dealt with in the first title of the bill. The second title allows for the use of electronic surveillance against domestic terrorist groups under the same criteria as the Congress enacted last year (the Foreign Intelligence Surveillance Act of 1978) for the surveillance of international terrorist groups. Under these criteria, an individual or group may be subject to surveillance if there is probable cause to believe that they are engaged in terrorist activities or activities that are in preparation for terrorist activities. Terrorism is increasingly becoming an international phenomenon as terrorist groups have formed various connections across national borders. But what has emerged is not a "terrorist international," in which a terrorist group in one country typically acts on behalf of a foreign group or power; rather, it is an "international terrorist scene," in the words of Brian Jenkins, the RAND Corp. expert on terrorism, in which groups from different countries offer each other training, financial, and operational support, and safe havens. Thus, a domestic terrorist group receiving wide foreign support might still not come under the criteria of the Foreign Intelligence Surveillance Act as a group engaged in terrorism "for or on behalf of a foreign power."

As the law now stands, electronic surveillance of domestic terrorist groups, or their members, can be carried out only in accordance with the standards of title III of the Omnibus Crime Control and Safe Streets Act of 1968. These standards were drafted with the requirements of ordinary law enforcement in mind, and do not fully meet the needs of counterterrorism. They were designed to allow wiretaps to obtain the evidence necessary to prosecute a specific crime that has been or was about to be committed; in counterterrorism, it is often necessary to try to prevent future terrorist acts by groups which are building up the capability to perpetrate them, but which may not yet have a specific terrorist act in mind. The looser standard of the proposed law will allow the use of electronic surveillance against individuals or groups who knowingly engage in terrorist activities or in activities in preparation for terrorism, even when it is not possible to link the individual or group to a specific act of terrorism. At the same time, it contains sufficient safeguards to insure against abuse.

I would welcome the support of my colleagues in addressing this long-neglected problem before a terrorist incident exposes our lack of preparedness.●

By Mr. MORGAN (for himself, Mr. NUNN, Mr. HATFIELD, and Mr. DANFORTH):

S. 1249. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide coverage under the Federal Old-Age, Survivors, and Disability Insurance System for Members of Congress and employees of the legislative branch; to the Committee on Finance.

● Mr. MORGAN. Mr. President, today I am introducing a bill on behalf of myself, Mr. NUNN, Mr. HAYFIELD, and Mr. DANFORTH, the purpose of which is to bring the legislative branch into the social security system. It requires that there be mandatory coverage under social security for all Members of Congress and their employees.

This bill should be a first step toward a general social security reform. It will show the people that we value social security, that we feel social security to be important enough that we ourselves are prepared to take part. And it will remove a glaring blot from our record. The social security program, while important, is costly. Taxes are rising constantly as a result of the tax bill we passed 1½ years ago, and the people do not understand why we have chosen to exempt ourselves. And for that matter, neither do I.

Many of you might ask why this is necessary—after all, we have an excellent pension plan. But the possession of other sources of retirement income has never been a criterion for determining coverage under social security. Many people in the private sector have excellent retirement programs, and yet they must participate in social security.

If we do not have the necessary appreciation of the social security system to take part ourselves, how can we expect others to? In any case, it is not right for the Government to require the private sector to do things it is not prepared to do itself. How do we tell the people that they must take part in a program while those who set its policies and those who administer it do not?

But there is more to it than this. The social security tax is a payroll tax which the Government has decided it and its employees will not pay. We are, in effect, giving the public sector a 12-percent tax credit, soon to be more, not available to the private sector, and so encouraging the expansion of the public sector at the expense of the private sector. I do not believe any of us want to do that.

If social security were a straight supplementary retirement program with benefits based solely on one's contribution, then there would be some justification for us not to participate. But it is not.

Millions of people have paid more into the social security system than they can ever hope to recover. This is because the Congress has wisely decided that the purpose of social security is not only to provide a supplementary pension, but also to provide some basic security to the elderly and disabled. As a result, many of the benefits available bear little or no relation to contributions. Medicare is equally available to all the elderly and some of the disabled covered by social security, regardless of contributions. The extra benefits for dependent spouses are not based on contributions. Lower wage earners, when retired, receive a higher percentage of their income than their wealthier brothers. And I could go on. In fact, social security bears a closer resemblance to an insurance program than to a retirement plan.

An insurance program cannot survive if it arbitrarily excludes large groups of people who will recover less than they pay in. I do not believe that social security will survive unless all wage earners take part, but it is especially important that those of us who have created the program join it.

Finally, bringing ourselves into the social security system will help restore public confidence in it, and we might take better care of it. Recently, and unfortunately I do not have it before me, I read of an opinion poll which showed that the vast majority of high school students in this country do not think they will ever receive any social security benefits.

Mr. President, the Social Security Act may be the most important law ever passed by the Congress of the United States. It has provided security to millions and millions of elderly and disabled persons and their dependents. There are presently about 30 million people receiving social security benefits, and I would guess that many of these people depend on their monthly payment to maintain a minimally adequate standard of living.

I think that the Congress' determination to keep the social security system working is clear, and that no matter how serious the problems may look today, we will work out a reasonable solution. And yet, a majority of young people do not think they will ever receive any social security benefits. If this opinion poll is accurate, one can draw no other conclusion but that our own children have very little confidence in our political system and the Government of the United States.

Mr. President, I find this quite alarming. But, when one looks at the most recent report by the board of trustees for the social security system, I can understand how these young people have reached this conclusion. I am not going to go into this report in any detail, but one of their conclusions must be noted, and I quote:

> Under the pessimistic assumptions, the Old Age and Survivors Insurance trust fund would begin to experience cash-flow difficulties early in 1983.

This is less that 4 years away. And, when I looked up what their pessimistic assumptions were, I was even more concerned. Under their pessimistic assumptions, we would have an economic recession in the last half of this year and the first half of next year. Thereafter, there would be significant economic growth, better than 4 percent in real terms annually, as well as progress in reducing inflation.

The board's intermediate assumptions, the one which the Congress generally relies upon when it takes action, are that by 1983, we will have inflation down to 4.5 percent annually, unemployment down to 5 percent, and a steadily expanding economy. I hope this is correct, but can we rely on it?

During consideration of the social security tax bill in 1977, I said it was a stopgap bill and that the Congress would be back dealing with the same problems within 5 years. Unfortunately, it is beginning to look like I was right. But, the 1977 bill was sold to the public as a long-term solution to the social security system's financial troubles. When the word begins to filter out to the public that additional tax increases or benefit reductions are necessary, I suspect that we are not going to like the reaction.

Mr. President, major reforms need to be made in the social security system. Hard decisions will be necessary. But no step is more urgently needed than to bring ourselves into the system.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) (1) section 210(a) (6) (A) of the Social Security Act is amended by adding at the end thereof the following: "except that the provisions of this subparagraph shall not apply with respect to service performed as a Member of Congress (as defined in section 2106 of title 5, United States Code) or in the legislative branch;".

(2) Section 210(a) (6) (C) of such Act is amended—

(A) by amending clause (i) to read as follows:

"(i) as the President of the United States;"; and

(B) by repealing clause (ii) thereof.

(b) (1) Section 3121(b) (6) (A) of the Internal Revenue Code of 1954 (relating to definition of employment) is amended by adding at the end thereof the following: "except that the provisions of this subparagraph shall not apply with respect to service performed as a Member of Congress (as defined in section 2106 of title 5, United States Code) or in the legislative branch;".

(2) Section 3121(b) (6) (C) of such Code is amended—

(A) by amending clause (i) to read as follows:

"(i) as the President of the United States;"; and

(B) by repealing clause (ii) thereof.

(c) The amendments made by this section shall be effective with respect to service performed in months starting with the first calendar month that begins more than 24 months after the date of the enactment of this Act.

Sec. 2. The Director of the Office of Personnel Management, in consultation with the Secretary of Health, Education, and Welfare, shall undertake a study of the problems involved and alternatives available in reconciling coverage for Members of Congress and employees of the legislative branch under the Civil Service Retirement System and under the Federal Old-Age, Survivors, and Disability Insurance System under title II of the Social Security Act. The Director shall report the results of such study to the Congress not later than one year after the date of the enactment of this Act, and shall include recommendations for legislative action to carry out such a reconciliation.●

By Mr. STEVENSON (for himself, Mr. Cannon, Mr. Hollings, Mr. Inouye, Mr. Ford, Mr. Riegle, Mr. Moynihan, and Mr. Schmitt):

S. 1250. A bill to promote U.S. technological innovation for the achievement of national economic, environmental, and social goals, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL TECHNOLOGY INNOVATION ACT OF 1979

● Mr. STEVENSON. Mr. President, last year the U.S. merchandise trade deficit reached $28.5 billion. The dollar declined. Productivity gains ground to a virtual halt. By no coincidence the Nation continued to suffer from inflation and unemployment.

Today there is scarcely an industrial sector which does not face vigorous competition from abroad. In three decades the Japanese and the Europeans have recovered from World War II to challenge our dominance even in those industries where we had no peers—electronics, communications, and aviation. Japan is taking steps to surpass us in integrated circuits and computers, the highest of high technologies. The French, Germans, and Japanese are making rapid strides in satellite communication systems, while the United States has yet to show the imagination to exploit fully the Space Shuttle it will launch next year. Now the industrialized nations face a wave of competition from developing countries combining low labor and resource costs with high technology and priorities that rank social benefits behind development and exports.

Some of our officials take comfort in the fact that our output per man hour remains the highest in the world, and our productivity gains in manufacturing exceed those in mining, construction and retailing. That is cold comfort. In the early 1960's, the U.S. ranked among the world's leaders in manufacturing productivity growth with an average of 4 percent per year. But in the following decade, our growth rate dropped 45 percent, and we ended up in last place among the 11 major industrialized countries—trailing even Britain.

According to some comparisons of productivity, Japan surpassed the United States as early as 1973; and there is evidence that West Germany and others have done the same. We have ignored the warning that our competitors are moving ahead rapidly with advanced computer-aided manufacturing and design technologies, one of the keys to future productivity growth. With export as well as domestic markets in mind, the Japanese are developing a highly automated manufacturing "cell" for a variety of applications, while our modest technical advances are highly concentrated in defense- and space-related industries.

In this century, the development of new products, services, and industrial processes based on advances in knowledge has contributed more than anything else to the Nation's productivity and trade performance. America's development and economic prosperity was fueled by cheap labor and money, abundant fuel and raw materials, as well as our much touted Yankee ingenuity. The country exploited its assets to achieve a predominance that was unchallenged and, for a time, seemingly unchallengeable. All that is changed. Cheap labor, fuels, materials, and money are gone and foreign competition is growing. Technology and industrial innovation thus become even more critical to our continued social and economic prosperity.

What do we find in the area of technological innovation?

High risk ventures that lead to new markets and new industries have been discouraged. Industry is shifting investment from fundamental research and innovation to minor product and process development. Business executives are planning for the next year's profit and loss statement and neglecting the next decade's.

Small, high technology companies have introduced a disproportionate share of new products and manufacturing techniques. A decade ago hundreds of venture companies each year entered the stock market with new issues. In 1977 there were but 46. At the same time, as private sector support for innovation has declined, Federal Government expenditures for R. & D. have dropped more than 16 percent over the last decade.

These trends do not signal our loss of technological leadership across the board. But they are a warning. If innovation is not encouraged, the economy will stagnate, inflation will continue, and improved employment opportunities will not be forthcoming.

This is still a rich and resourceful country, but its spirit of advevnture and invention may be drying up. Nations fail when that happens. If the United States is to prosper, restore its authority in the world and rise to high endeavors, it must maintain a preeminent capacity to push ahead the frontiers of knowledge and apply the results wisely. It has the intellectual capacity to advance science and technology. It has the financial resources for productive investment. It has the entrepreneurial and marketing skills for aggressive trading. But the will may be sapped by the orthodoxies of economics and politics, inadequate financial incentives, excessive regulation, adversarial relationships, and all the pressures to cope with the immediate at the expense of posterity.

The White House has initiated a domestic policy review of industrial innovation. The Secretary of Commerce and her Assistant Secretary for Science and Technology have convened a score of task forces to study innovation and influences ranging from tax and regulatory policy to patent administration and information services. They will send recommendations to the President shortly. While we will be very interested in the administration recommendations, we cannot depend on this review alone to provide answers.

Two years ago the Committee on Commerce, Science, and Transportation and the Subcommittee on Science, Technology, and Space began a review of American industrial technology. The review continues. Our findings are tentative.

We cannot quantify or describe in any rigorous way the state of U.S. industrial technology and innovation, but evidence of these disturbing trends and the perceptions of many of our industrial and government experts suggest that the matter is too significant to ignore. One must consider a number of measures and approaches. No single measure will do the job. Moreover, in accepting the need to take measures to stimulate industrial technology and innovation, one cannot be certain that particular measures will be appropriate to all technologies or industrial sectors, or achieve exactly the intended stimulus to innovation. The important matter is that we begin, that we move from paper studies to a determined effort to revive technological innovation in the United States.

Today I am introducing for myself and Senators CANNON, HOLLINGS, INOUYE, FORD, RIEGLE, MOYNIHAN, and SCHMITT S. 1250, the National Technology Innovation Act. It is a first step. It is not intended as a comprehensive legislative remedy, rather as a modest, initial effort. Additional efforts are necessary; some have been proposed, others are in need of drafting. These additional efforts fall in such areas as trade, patent, tax, regulatory, Federal procurement and antitrust policies.

The National Technology Innovation Act is a sound beginning and complements other measures to stimulate technological innovation. It would help in two essential ways. First, it would improve the ability of universities and industry to collaborate in generating new technological ideas that could reach the market; and second, it would improve the U.S. Government's capability to identify specific sectoral problems and opportunities to advance socially and economically important technologies.

To insure prompt consideration of this bill, I am scheduling hearings before the Subcommittee on Science, Technology, and Space for June 21 and 27, 1979. Hearings on the administration proposals in the area of industrial innovation will be scheduled as soon as they become available. Through these and other efforts, the Congress, in cooperation with the administration, the private sector, labor and the affected public, can once again have confidence that the United States will maintain unquestioned leadership in industrial technology and innovation.

Mr. President, I ask that the text of the National Technology Innovation Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1250

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Technology Innovation Act of 1979".

SEC. 2. FINDINGS.

The Congress finds and declares that:

(1) Technology and industrial innovation are central to the economic, environmental, and social well-being of citizens of the United States.

(2) Technology and industrial innovation offer an improved standard of living, increased public and private sector productivity, creation of new industries and employment opportunities, improved public services and enhanced competitiveness of United States products in world markets.

(3) Many new discoveries and advances in science occur in universities and Government laboratories, while the application of this new knowledge to commercial and useful public purposes depends largely upon actions by business and labor.

(4) Industrial innovation in the United States may be lagging when compared to historical patterns and other industrialized nations.

(5) Increased industrial innovation would reduce trade deficits, stabilize the dollar, increase productivity gains, increase employment and stabilize prices.

(6) Government antitrust, economic, trade, patent, procurement, regulatory, research and development, and tax policies have significant impacts upon industrial innovation and development of technology, but there is insufficient knowledge of their effects in particular sectors of the economy.

(7) No national policy exists to enhance technological innovation for commercial and public purposes.

SEC. 3. PURPOSE.

It is the purpose of the Congress in this Act to enhance technological innovation for the improvement of the economic, environmental and social well-being of the United States.

SEC. 4. DEFINITIONS.

As used in this Act, unless the context otherwise requires, the term—

(1) "Office" means the Office of Industrial Technology established under section 5 of this Act.

(2) "Secretary" means the Secretary of Commerce.

(3) "Director" means the Director of the Office of Industrial Technology, appointed pursuant to section 5 of this Act.

(4) "Centers" means the Centers for Industrial Technology established under section 6 of this Act.

(5) "Nonprofit institution" means an organization owned and operated exclusively for scientific or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(6) "Panel" means the Industrial Technology Review Panel established pursuant to section 9.

SEC. 5. COMMERCE AND TECHNOLOGY INNOVATION.

(a) IN GENERAL.—The Secretary shall establish and maintain an Office of Industrial Technology in accordance with the provisions, findings, and purposes of this Act.

(b) DIRECTORS.—The President shall appoint, by and with the advice and consent of the Senate, a Director of the Office, who shall be compensated at the rate provided for level V of the Executive Schedule in section 5316 of title V, United States Code.

(c) DUTIES.—In addition to any other duty prsecribed by law or assigned by the Secretary, the Director, on a continuing basis, shall—

(1) determine the relationships of technological developments and international technology transfers to the output, employment, productivity, and world trade performance of United States and foreign industrial sectors;

(2) determine the influence of economic, labor and other conditions, industrial structure and management, and government policies on technological developments in particular industrial sectors worldwide;

(3) identify technological needs, problems, and opportunities within and across industrial sectors that if addressed could make a significant contribution to the economy of the United States;

(4) assess whether the capital, technical and other resources being allocated to domestic industrial sectors which are likely to generate new technologies are adequate to meet private and social demands for goods and services and to promote productivity and economic growth;

(5) propose and support policy studies and experiments, in cooperation with other Federal agencies, to determine the effectiveness of these measures;

(6) recommend through the Secretary to the President and Congress government measures with the potential of advancing United States technological innovation and exploiting innovations of foreign origin; and

(7) assist in the preparation of the report required under section (d) and publish the results of policy studies and experiments.

(d) REPORT.—The Secretary shall prepare and submit to the President and Congress, within 3 years after the date of enactment of this Act, a report on the progress, findings, and conclusions of activities conducted pursuant to sections 5 and 6 of this Act and recommendations for possible modifications thereof.

SEC. 6. CENTERS FOR INDUSTRIAL TECHNOLOGY

(a) ESTABLISHMENT.—The Director shall provide assistance for the establishment of Centers for Industrial Technology. Such Centers shall be affiliated with any university, nonprofit institution, or group thereof that applies for and is awarded a grant or enters into a cooperative agreement under this section. The objective of the Centers is to enhance technological innovation through—

(1) the participation of individuals from industry and universities in cooperative technology innovation activities;

(2) the development of the generic research base important for technological ad-

vance and innovative activity in which individual firms have little incentive to invest, but which may have significant economic importance, such as manufacturing technology;

(3) the conduct of research that contributes to the scientific basis of health, safety, and environmental regulations for the purposes of improving regulatory actions and minimizing costs of duplicative research;

(4) the education and training of individuals in technology innovation;

(5) the improvement of mechanisms in the dissemination of scientific, engineering, and technical information from universities to industry;

(6) the utilization of the capability and expertise, where appropriate, that exists in Federal laboratories; and

(7) the development of continuing financial support from industry and universities through, among other means, fees, licenses, and royalties.

(b) Activities.—The activities of the Centers shall include, but need not be limited to—

(1) research supportive of technology and industrial innovation including cooperative industry-university basic and applied research;

(2) assistance in the evaluation and development of technological ideas supportive of industrial innovation and new business ventures;

(3) technological assistance and advisory services to industry; and

(4) curriculum development and instruction in invention, entrepreneurship, and industrial innovation.

Each Center need not undertake all of the activities under this subsection.

(c) Requirements.—Prior to establishing a Center, the Director shall find that—

(1) consideration has been given to the potential contribution to productivity, employment, and economic competitiveness of the United States of the activities proposed under the Center;

(2) a high likelihood exists of continuing participation, advice, financial support, and other contributions from the private sector;

(3) the host university or nonprofit institution has a plan for the management and evaluation of the activities proposed within the particular Center, including consideration of means to place the Center, to the maximum extent feasible, on a self-sustaining basis; and

(4) suitable consideration has been given to the university's or nonprofit institution's capabilities and geographical location.

(d) Planning Grants.—The Director is authorized to make available nonrenewable planning grants to universities or nonprofit institutions for the purpose of developing a plan required under subsection (c)(3).

(e) Research and Development Utilization.—To promote technology innovation and commercialization of research and development efforts, each Center has the option of acquiring title to any invention conceived or made under the auspices of the Center that was supported at least in part by Federal funds: *Provided*, That—

(1) said option shall be exercised at the time of disclosure of invention or within such time thereafter as may be provided in the grant or cooperative agreement;

(2) the Center intends to promote the commercialization of the invention and file a United States patent application;

(3) licensing be on a nonexclusive basis except where commercialization or industrial support for the project is not likely to be achieved without an exclusive license;

(4) exclusive licenses shall require reasonable and continuous effort by the licensee to advance the invention to the market and be limited to the time necessary to allow for recoupment of investment by the licensee;

(5) royalties be used for educational or research activities of the Center;

(6) the Center make periodic reports to the Director, and the Director may treat information contained in such reports as privileged and confidential technical, commercial, and financial information and not subject to disclosures under the Freedom of Information Act; and

(7) any Federal department or agency shall have the royalty-free right to practice, or have practiced on its behalf, the invention for governmental purposes.

The Secretary shall obtain title to any invention for which this option is not exercised.

Sec. 7. Grants and Cooperative Agreements.

(a) In General.—The Director may make grants and enter into cooperative agreements according to the provisions of this section in order to assist any activity established under section 6 of this Act. The total amount of any such grant or cooperative agreement may not exceed 75 percent of the total cost of the program or project involved.

(b) Eligibility and Procedure.—Any person or institution may apply to the Director for a grant or cooperative agreement available under this section. Application shall be made in such form and manner, and with such content and other submissions, as the Director shall prescribe. The Director shall act upon each such application within 6 months after the date on which all required information is received.

(c) Terms and Conditions.—

(1) Any grant made, or cooperative agreement entered into, under this section shall be subject to the limitations and provisions set forth in paragraphs (2) and (3) of this subsection, and to such other terms, conditions, and requirements as the Director deems necessary or appropriate.

(2) No payment under any grant or cooperative agreement under this section may be applied to the purchase or rental of any land, or the purchase, rental, construction, preservation, or repair of any building.

(3) Any person who receives or utilizes any proceeds of any grant made or cooperative agreement entered into under this section shall keep such records as the Director shall by regulation prescribe as being necessary and appropriate to facilitate effective audit and evaluation, including records which fully disclose the amount and disposition by such recipient of such proceeds, the total cost of the program or project in connection with which such proceeds were used, and the amount, if any, of such costs which was provided through other sources. Such records shall be maintained for at least 3 years after the completion of such a program or project. The Secretary, Director, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access, for the purpose of audit and evaluation, to any books, documents, papers, and records of receipts which, in the opinion of the Secretary, Director, or the Comptroller General, may be related or pertinent to such grants and contracts.

Sec. 8. Administrative Arrangements.

(a) Coordination.—The Director shall, on a continuing basis, seek the advice and cooperation of departments and agencies whose missions contribute to or are affected by the programs established under this Act, including the development of an agenda for research and policy experimentation. These departments and agencies shall include but not be limited to the Departments of Defense, Energy, Health, Education, and Welfare, Housing and Urban Development, the Environmental Protection Agency, National Aeronautics and Space Administration, National Science Foundation, Small Business Administration, Council of Economic Advisers, Council on Environmental Quality, and Office of Science and Technology Policy.

(b) Authorization.—The Secretary is authorized to receive moneys from other departments or agencies to support activities of the Centers established under section 6 and for the support of policy research and experiments. A major portion of the policy research and experiments shall be conducted under grants and contracts.

Sec. 9 Industrial Technology Review Panel.

(a) Establishment.—There shall be established an independent committee to be known as the Industrial Technology Review Panel.

(b) Duties.—The Panel shall take such steps as may be necessary to review annually the activities of the Office and advise the Secretary and the Director with respect to—

(1) the formulation and conduct of activities under section 5 of this title;

(2) the designation and operation of Centers and their programs under section 6 of this Act;

(3) the preparation of the report required under section 5(d); and

(4) such other matters as the Secretary or Director refers to the Panel for review and advice.

The Director shall make available to the Panel such information, personnel, and administrative services and assistance as it may reasonably require to carry out its duties.

(c) Membership, Terms, and Powers.—

(1) The Panel shall consist of 15 voting members who shall be appointed by the Secretary. The Director shall serve as a nonvoting member of the Panel. The members of the Panel shall be individuals who, by reason of knowledge, experience, or training are especially qualified in one or more of the disciplines and fields dealing with technology, labor, and industrial innovation or who are affected by technological innovation. The majority of the members of the Panel shall be individuals from industry and business.

(2) The term of office of a voting member of the Panel shall be 3 years, except that of the original appointees, 5 shall be appointed for a term of 1 year, 5 shall be appointed for a term of 2 years, and 5 shall be appointed for a term of 3 years.

(3) Any individual appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall be appointed only for the remainder of such term. No individual may be appointed as a voting member after serving more than 2 full terms as such a member.

(4) The Panel shall select a voting member to serve as the Chairperson and another voting member to serve as the Vice Chairperson. The Vice Chairperson shall perform the functions of the Chairperson in the absence or incapacity of the Chairperson.

(5) Voting members of the Panel shall receive compensation at a daily rate for GS–18 of the General Schedule under section 5332 of title V, United States Code, when actually engaged in the performance of duties for such Panel, and be reimbursed for actual and reasonable expenses incurred in the performance of such duties.

Sec. 10. Authorization of Appropriations

(a) There is authorized to be appropriated to the Secretary for purposes of carrying out section 6, not to exceed $40,000,000 for the fiscal year ending September 30, 1980, $50,000,000 for the fiscal year ending September 30, 1981, and $60,000,000 for each of the fiscal years ending September 30, 1982, 1983, and 1984.

(b) In addition to authorizations of appropriations under subsection (a), there is authorized to be appropriated for purposes of carrying out the provisions of this Act, not to exceed $10,000,000 for each of the fiscal years ending September 30, 1980, 1981, 1982, 1983, and 1984.

(c) Such sums as may be appropriated under subsections (a) and (b) shall remain available until expended.●

By Mr. BENTSEN:

S. 1252. A bill to improve the reporting on productivity data in the Federal Government, and for other purposes; to the Committee on Labor and Human Resources.

S. 1253. A bill to provide a program within the Comprehensive Employment and Training Act to retrain workers about to be laid off due to productivity improvement programs, and for other purposes; to the Committee on Labor and Human Resources.

S. 1254. A bill to amend the Internal Revenue Code of 1954 to provide that research and experimental expenditures in connection with a patent may be amortized for any period of not less than 60 months; to the Committee on Finance.

S. 1255. A bill to amend the Internal Revenue Code of 1954 to provide that net operating losses incurred by a corporation during its first 3 taxable years may be carried over to the next 10 taxable years; to the Committee on Finance.

S. 1256. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax for certain research and experimental expenditures; to the Committee on Finance.

S. 1257. A bill to amend the Internal Revenue Code of 1954 to provide incentives for research and development by providing an increased investment credit or the allowance of rapid amortization, and for other purposes; to the Committee on Finance.

STIMULATE PRODUCTIVITY

● Mr. BENTSEN. Mr. President, we are now reminded daily that inflation is attacking the vital heart of our Nation. We see it in housing prices soaring to heights even real estate agents can scarcely believe. We see it in soaring prices for food, clothing, electricity—literally everything.

Economists are the generals in our war against inflation. They tell us not to worry; that a recession—a mild recession they say—is on the way and will soon end our inflation miseries. That, Mr. President, is scarcely comforting.

A recession means higher unemployment. But we have learned from long and sad experience that inflation goes on and on, even in a recession. It may slow down; but stagflation—a stagnating but inflationary economy, is a fact of life now. So, what our economic generals are really saying is that we are going to soon face the worst of all worlds—soaring prices and soaring unemployment lines. I wonder if economists would be so unconcerned if they had to explain the stagflation situation to a roomful of irate housewives or unemployed carpenters.

I sometimes wish we could make these same economists the footsoldiers in our war against inflation—let them do the trench fighting against inflation instead of housewives facing bloated food bills and carpenters or factory workers facing shrinking paychecks.

They should be forced into the front line because they are not coming clean about inflation and how to cure it. If we judged their performance by their candor and good judgment on how best to deal with inflation, they would be demoted to private—or even discharged.

They are fighting the wrong war. We are told over and over that the only cure for inflation is recession.

I do not buy that. It is akin to cutting the head off when a haircut will do. You fight inflation by producing more goods and services cheaper, Mr. President, not by lengthening unemployment and bread lines.

That is not a glamorous solution—or a sexy one as my press coordinator would say. People want to hear about the grand solutions, not the obscure, difficult ones unfamiliar to the press and consumers.

But the economists' front page solution of a planned recession to slow inflation does not work, and it is dangerous as well. Stagflation pits everyone against everyone else. It means a shrinking economic pie—a recessionary, declining pool of goods and services.

Everyone tries to get a bigger piece or keep their old slice by demanding higher prices and wages. And that just means more inflation because everyone cannot maintain their accustomed living standard. In a recession, there is less to go around. Those who can afford more, including most economists and Government employees survive. They just outbid the less-affluent and maintain their old living standards. They continue to prance around in their inflation-proof finery while everyone else slogs along through the mud, struggling to keep their heads above water.

We cannot afford to fight inflation, Mr. President, by pulling up the drawbridge with a recession and dooming tens of millions of Americans to the risks of unemployment, of inflation, of shrinking paychecks because of the effects of inflation. That is not the answer—it is a prescription for social turmoil, for friction between the haves and have-nots.

There is another solution to inflation—one our former enemies in Japan and Germany have used with great skill over the past 25 years. Like us, they face inflation. Yet they found a way to fight it without creating recessions. They did it through productivity growth—by insuring that year in and year out, more goods and services were produced at cheaper prices. Instead of producing more unemployment and bigger welfare rolls to fight inflation, they just increased the supply of goods and services. Output, not employment, went up. Production lines, not bread lines, grew longer.

That is how they hold prices down. And the results have been breathtaking. In 1950, it took over seven Japanese to produce what one American produced. By 1977, it took less than two Japanese to match one American. In 1950, it took three German workers to match the production of one American worker. Now, it is down to 1.3 Germans. It took four Italian workers to match one American in 1950, now it is down to two Italians.

I can go on and on, Mr. President, to show how our postwar productivity performance has lagged. This country was once the envy of the world for our ability to find new and cheaper ways to make things. Today, however, we are near the end of the parade of industrial nations when it comes to increasing the amount of goods and services produced in an hour of work. Our rate of productivity growth averaged almost 3 percent a year for the two decades following World War II. But since 1965, it has been declining steadily, with especially rapid drops since 1972. Last year, productivity grew only three-tenths of 1 percent and in the first quarter of this year, it actually declined at an annual rate of 4.5 percent.

Our growth in productivity since World War II lags behind every big major trading partner. The Joint Economic Committee's 1979 annual report examined international productivity rates and found that productivity in Japan grew four times faster than in the United States from 1950 to 1977. In France, Italy, and Germany, it grew 2½ times faster. And over the last 10 years, the generally ineffiecient British economy has scored productivity gains two or three times above our own.

Mr. President, I ask unanimous consent for two tables comparing international productivity rates to be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—RELATIVE PRODUCTIVITY, AVERAGE ANNUAL PERCENT CHANGE IN PRODUCTIVITY RELATIVE TO GROSS DOMESTIC PRODUCT

	Relative productivity, 1977 [1]	Average annual percent change in productivity [2]			
		1950–67	1967–72	1972–77	1950–77
Japan	62.2	7.4	9.2	3.5	7.0
West Germany	79.1	5.0	4.8	3.5	4.7
Italy	54.3	5.3	5.0	1.0	4.4
France	84.7	4.7	4.5	3.1	4.3
Canada	91.6	2.5	2.8	0.8	2.3
United Kingdom	55.1	2.2	3.0	1.2	2.2
United States	100.0	2.4	1.1	0.6	1.8

[1] Measured by real gross domestic product per employed civilian, using international price weights, relative to the United States.

[2] Measured by growth in real domestic product per employed civilian, using own country's price weights.

Source: Joint Economic Committee, Annual Report, 1979, table IV-3.

TABLE II.—INTERNATIONAL PRODUCTIVITY COMPARISONS

[Real gross domestic product per employed civilian][1]

Year	Canada	France	Italy	United Kingdom	Japan	West Germany	United States
1950	49.8	24.3	15.7	29.6	8.9	20.6	61.5
	(81.1)	(39.5)	(25.5)	(48.1)	(14.4)	(33.5)	(100.0)
1955	60.0	30.0	20.1	33.0	12.2	28.3	71.5
	(83.6)	(41.5)	(28.1)	(46.1)	(17.0)	(39.6)	(100.0)
1960	65.3	38.1	24.5	37.0	16.6	35.9	76.0
	(85.9)	(50.1)	(32.2)	(48.7)	(21.9)	(47.2)	(100.0)
1965	75.0	48.4	33.8	40.5	25.1	44.6	88.2
	(85.0)	(54.9)	(37.5)	(45.9)	(28.5)	(50.6)	(100.0)
1970	81.4	59.7	44.9	46.4	40.0	55.8	92.6
	(87.9)	(64.5)	(48.5)	(50.1)	(43.2)	(60.3)	(100.0)
1975	87.6	70.4	49.7	50.7	50.7	64.6	96.1
	(91.2)	(73.3)	(51.7)	(52.8)	(52.8)	(67.2)	(100.0)
1977	90.8	76.5	50.6	52.5	55.1	71.2	100.0

[1] Measured using own country price weights.

Source: Department of Labor (Bureau of Labor Statistics).

Mr. BENTSEN. Mr. President, our working men and women still outproduce foreign workers. But the gap is closing so quickly that if present trends continue, German and French workers will be outproducing us within 6 years. Japanese and Canadian workers will follow soon thereafter.

We have fallen asleep. We have let our trading competitors creep dangerously close to us and we have paid the price for that slackness in inflation, in a soaring trade deficit and in a declining dollar internationally.

What can we do to reverse our dismal productivity picture?

Over the past several months, the Joint Economic Committee has taken an intensive look at the whole problem of productivity growth and the causes for its decline. The committee either heard testimony from, or interviewed nearly all of the recognized thinkers on the topic in academic circles, in industry, and the Government. We will shortly hold 2 days of hearings on Government productivity and on foreign efforts to spur productivity. There is general recognition of the factors behind our declining productivity which include:

The decline in our rate of capital formation;

The decline in our rate of innovation; and

The stifling effects of Government redtape and regulations.

In addition, any comprehensive listing would include demographic shifts in the work force, changes in average labor experience and skill levels, the disruptive effects of our boom and bust economic pattern, increases in energy costs, and a decline in the work ethic.

I want to briefly review the three major factors:

CAPITAL FORMATION

Good indexes of the rate of capital formation are the number and value of new primary stock offerings registered with the Securities and Exchange Commission each year, and the rate of personal savings as a percent of disposable income. The number of first issues of public stock by a company plunged to 60 in 1978 from 633 issues per year 6 years earlier. In effect, public financing of new businesses has all but dried up since the early 1970's. Magnifying this phenomena is the fact that we have one of the lowest personal savings rates in the free world. The 5-year (1973–77) average savings rate was only 6.7 percent of disposable income in the United States, compared with 14.1 percent in Great Britain, 15.2 percent in West Germany, 17.3 percent in France, and a whopping 24.9 percent in Japan.

During the depression years, John Maynard Keynes reoriented economics with his work on the problems of chronic underconsumption. More savings meant less current spending; excessive savings prevented the economy from pulling itself out of an economic slump; and increased savings would lead to reduced consumption and more unemployment, thereby slowing business activity and reducing national income in an ever-downward spiral. Since then, economists and U.S. policymakers have ignored savings. It has been viewed as a nuisance that threatened full employment.

They were wrong, Mr. President, and we are paying the price for it now. Because the Congress has not encouraged savings over the years, the Nation faces the bleak prospects of continued high inflation, a declining dollar, lackluster long-term growth, and lagging productivity brought about by anemic capital accumulation and investment.

INNOVATION

The second major cause of our decline in productivity growth is the decline in our rate of innovation, in research and development.

Total research and development spending in the United States has declined from over 3 percent of our gross national product in the early 1960's to a little more than 2 percent last year. The nondefense component of these figures has declined as well, from about 1.9 percent of GNP in 1967 to approximately 1.6 percent recently. The decline in innovation is illustrated also by our patent balance—the percentage of U.S. patents granted to foreigners. According to the Patent Office, that figure has grown from about 20 perecnt of all U.S. patents being granted in 1967 to 40 percent in 1976.

The core of my package of productivity bills being introduced today is three bills to provide tax incentives for research and development. They are directed specifically at small firms who have proven themselves to be research-oriented and who are most likely to have their planning processes affected by such incentives. The Federal Government cannot force firms to conduct research But it can certainly see that funds are available to those firms who, year in and year out, devote proportionately large shares of their limited resources to R. & D.

GOVERNMENT REDTAPE

The third major factor affecting productivity is the debilitating impact of Government regulations. Last year, I initiated a broad-scale effort to eliminate outdated, cumbersome regulations. I continued that effort this session by introducing four major bills and cosponsoring several others. That effort is well under way and I will not address it further now other than to note that Government regulation has been clearly identified as a force which deflects business capital, research and development funds, talent, and market opportunities from more productive efforts. I think the efforts under way by Senators RIBICOFF and PERCY and the Government Affairs Committee are very timely in seeking to strike a more rational balance on the conflicting demands of social needs and the really urgent need by the private sector to invest their retained earnings in research and in more modern plant and equipment.

RECOMMENDATIONS

Some of the causes of our lagging productivity cannot be readily affected by public policy. But the three major causitive factors I have just mentioned are, I believe, amenable to solution with public policy initiatives. My package of six bills being introduced today are a first step to realizing these solutions. I intend to offer other legislation at a later date as I launch—with the help of my colleagues—a major offensive on our lagging productivity.

Mr. President, let there be no doubt that a major Federal assault on lagging productivity will yield major benefits to all. We have to find ways to give American workers better training, more effective tools, and more efficient ways of using them so that they can turn out more goods with less time and effort. This is the way we have raised our living standard in the past. Higher productivity made it possible for companies to pay higher wages and for the average person to enjoy the fruits of a productive and growing economy. Today, average American workers enjoy luxuries that a mere 60 years ago—less than an average lifetime—were either unknown or available only to the very wealthy: automobiles, televisions and all sorts of household gadgets.

To increase productivity, private industry will have to spend more heavily for research, build more efficient factories, and install a large amount of cost-cutting equipment. This is not easy. While corporations are generally earning more dollars of profits than ever before, those dollars simply do not go as far as they used to, and in large part are needed to pay for equipment that was bought some time ago with much more valuable dollars. In this respect, business efforts to raise productivity face the same inflationary bind consumers do in trying to make ends meet.

But the effort is worthwhile. It can mean a real end to the dizzy rise in prices besetting us all. And it will mean a higher standard of living for us and our children in the future. Let me illustrate. Since 1950, Germany has averaged a productivity growth rate of 4.7 percent annually, versus 1.8 percent here. Had we simply been able to attain productivity growth rates comparable to those in Germany, our GNP in 1977 would have been $2.2 trillion higher than it was. With 80 million households in this country, Mr. President, that amounts to some $26,000 per family. In effect, we would have doubled every American family's income in real dollars.

The difference between 1.8 percent and 4.7 percent seems small. But over time, it has an amazing impact on our standard of living.

Mr. President, let me now briefly discuss each of the six bills I am introducing today.

The first bill addresses the need for much greater information on productivity within the Federal Government. Another focuses on the need to retrain labor locked into unproductive occupations. The remaining four bills call for revisions in the Tax Code to stimulate R. & D. or to eliminate barriers to research and innovation.

THE FEDERAL GOVERNMENT PRODUCTIVITY DATA ACT

In response to a 1970 request from the Joint Economic Committee, the Bureau of Labor Statistics (BLS) developed a program of productivity measurement covering nearly two-thirds of the civilian employees of the Federal Government. Currently, more than 300 Federal organizations, producing more than 1,900 products and services are covered. There are two serious deficiencies in this program:

First. Participation by Federal agencies is now voluntary. My bill would make such participation mandatory. Congress and our taxpayers have the right to know how well Goverment employees are doing at their job—how productive they are. Agency heads should not continue to enjoy a veto on the public's right to know this critical information.

Second. Data is not now published on an agency-by-agency basis. This severely limits the value of the program in analyzing agency effectiveness. BLS groups the 1,900 products and services into 28 activities, and publishes the results only on an aggregated basis. Even congressional requests to BLS for specific agency productivty data are referred back to the originating agency. My bill would require that the Bureau of Labor Statistics publish agency-specific data. Very little additional data collection would be necessary. The BLS would simply publish data which it already receives.

In addition to correcting these deficiencies, my bill also requires that the Bureau of Labor Statistics conduct periodic studies comparing productivity in activities performed by both the private and public sectors. There should be many cases in which Government can learn valuable lessons from the private sector. The General Accounting Office has made a beginning in this area with recent studies covering debt collection, hydroelectric power, legal services, and day care centers. BLS should follow up and expand on GAO's good work.

Finally, my bill requires the BLS to evaluate the feasibility and cost of collecting and processing the additional data necessary to develop measures for multiple-factor productivity. Currently, all Bureau data refer just to labor productivity—output per unit of labor input. This leaves us with a sizable information gap because labor comprises only some 70 percent of inputs in our economy. Consequently, it would be very helpful to obtain separate measures on capital productivity, energy productivity, and materials productivity, and to then combine these inputs to develop a multiple-factor productivity measure. However, the collection of that data may impose significant redtape on the private sector. My bill therefore calls on BLS to only estimate the direct costs of such a program which would be incurred by the private sector due to the added private sector reporting burden. If these costs are sufficiently low enough, then the Congress at a later date could mandate that multiple-factor productivity measures be developed.

Mr. President, I ask unanimous consent that the "Federal Government Productivity Data Act" be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1252

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Government Productivity Data Act."

SEC. 2. (a) The Secretary of Labor through the Bureau of Labor Statistics is authorized and directed—

(1) to collect and analyze data on the productivity of civilian employees of Federal agencies.

(2) to conduct comparison studies where feasible of the productivity of employees in the public sector and employees in the private sectur, for work common to both sections; and

(3) to evaluate the feasibility of collecting additional data on capital productivity, materials productivity, and energy-use productivity in the private sector.

(b) The Secretary shall prepare and report annually to the Congress on the activities described in subsection (a) of this section, together with recommendations, based upon the studies and evaluations conducted under subsection (a) for improvements in the carrying out of government functions.

(c) For the purpose of this section "agency" has the same meaning given to it under section 551 (1) of title 5, United States Code.

SEC. 3. There are authorized to be appropriated $2,000,000 for each fiscal year to carry out the provisions of this Act.

THE LABOR PRODUCTIVITY AND TRAINING ACT

Mr. BENTSEN. Mr. President, one major barrier to the introduction of machinery and programs to raise labor productivity is the fear of ensuing unemployment. It is a genuine concern that both labor and management have only fitfully addressed successfully.

The most effective solution is to retrain the affected men and women before they become unemployed due to productivity improvement programs. This is precisely what is done in Japan—with industry, labor, and government representatives working collectively to identify skills and industries slated to become obsolete by new technology. The Federal Government here long ago accepted the responsibility to upgrade labor skills. But that responsibility has been focused just at specific groups such as veterans or the handicapped or through CETA at the young and unskilled. Only last year, for the first time, were CETA prime sponsors granted the discretion to retrain laid-off workers.

My bill will formalize that program by requiring that 5 percent—$100 million in fiscal year 1980—of CETA training funds be directed at labor unemployed due to productivity improvement programs. It calls upon CETA prime sponsors to stress both on-the-job retraining and the sharing of retraining costs between employers and the Labor Department. If employers pick up half of such retraining costs, up to 80,000 men and women can be retrained annually under my bill.

The bill also requires the Secretary of Labor to survey all Federal labor training programs and submit recommendations to Congress for revisions to promote increased labor productivity and to retrain workers before they become unemployed due to productivity programs.

Mr. President, I ask unanimous consent that the Labor Productivity and Training Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S 1253

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Labor Productivity and Training Act."

SEC. 2. (a) Section 203(b) of the Comprehensive Employment and Training Act is amended by inserting before the period a comma and the following: "of which not more than 5 per centum of each prime sponsor's allocation under section 202 may be used for programs and activities under section 222 of such part."

(b) Part C of such Act is amended by adding at the end thereof the following new section:

"PRODUCTIVITY IMPROVEMENT RETRAINING

"SEC. 222. (a) Pursuant to regulations of the Secretary, prime sponsors may provide financial assistance to employees, or to private employers for the cost of training and retraining employees, who will be laid off due to productivity improvement programs initiated by such employers. Each prime sponsor shall give special consideration to training and retraining programs which contain cost-sharing arangements with the private employers and to programs that emphasize on-the-job training programs.

"(b) Pursuant to regulations to the Secretary, prime sponsors shall establish criteria for determining when impending layoff of an employee is due to a productivity improvement program of the employer.

"(c) The provisions of subsections (b) and (c) of section 221 shall apply to arrangements entered into under the provisions of this section."

SEC. 3. (a) The Secretary of Labor shall conduct a survey of all federally assisted labor training programs and prepare and submit a report to the Congress containing his recommendations for revising such programs to (1) promote increased labor productivity and (2) promote joint efforts by the Federal Government and by private and State and local public employers to retrain workers pending layoff due to labor productivity improvement.

(b) The report required by this section shall be prepared and submitted not later than 12 months after the date of enactment of this Act.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

THE PATENT DEPRECIATION ACT

Mr. BENTSEN. Mr. President, through a quirk in the Tax Code, some firms are being penalized when awarded a patent.

The Tax Code now allows firms the option of depreciating R. & D. expenditures over a period as short as 60 months. This is designed to allow businesses to treat research expenditures as an investment in future earnings and to pump up reported earnings and stock prices, thereby increasing their ability to attract venture capital, This is a critical benefit for small, techology oriented firms whose size and profitability are insufficient to finance growth entirely through internally generated funds. But it is a benefit that is significantly reduced when the firm receives a patent as a result of that R. & D. work. IRS regulations require that the unrecovered or undepreciated portion of the investment must be depreciated from that point over the 17-year life of the patent. The net effect of this regulation is to notably stretch out and reduce cash flow for the firm before the research investment begins to pay off; it requires that those invested dollars be recovered out in the inflationary future when they are worth a fraction of their original value.

My act will remove the requirement that patents be depreciated over 17 years. It provides for continued rapid depreciation over as little as 5 years of R. & D. expenses related to patentable innovations for firms capitalizing such expenses. The Joint Committee on Taxation has estimated revenue losses to be less than $5 million annually under the act.

Mr. President, I ask unanimous consent that the Patent Depreciation Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Patent Depreciation Act."

SEC. 2. (a) subparagraph (c) of section 174 (b) of the Internal Revenue Code of 1954 (relating to amortization of certain research and experimental expenditures) is amended to read as follows:

"(C) (i) chargeable to capital account but not chargeable to property of a character which is subject to the allowance under section 167 (relating to allowance for depreciation, etc.), or section 611 (relating to allowance for depletion), or "(ii) notwithstanding the provisions of clause (i), chargeable to capital account but chargeable to property which is a patent."

(b) The amendment made by subsection (a) shall apply to patents issued after December 31, 1979.

RESEARCH AND DEVELOPMENT

Mr. BENTSEN. Mr. President, the following three acts, the New Firm Incentive Act of 1979, the Research Promotion Act of 1979, and the Research Tax Incentive Act of 1979 are designed to promote productivity through increased research and innovation. As I noted earlier, Mr. President, the marked decline in U.S. productivity since World War II is in good measure a reflection of our relatively poor research record. For example, in 1960, the United States devoted fully 2.7 percent of its GNP to R. & D. That proportion has fallen steadily through 1977 when it stood at 2.1 percent. And half of that was for defense-related activities which contribute relatively little directly to civilian productivity growth.

An examination of nondefense R. & D. internationally stresses the weak research performance of the United States. In 1967, 1.85 percent of our GNP was devoted to such R. & D.—the highest proportion of all our trading partners. Yet, from 1970 on, we fell behind both Japan and Germany. And both the United Kingdom and France will shortly surpass us as well. This poor—and worsening—R. & D. experience shows up in U.S. patent statistics as well. The number of patents being awarded to U.S. citizens has fallen steadily since 1971 and reached the lowest level in 11 years during 1976.

The lesson is clear: Our national R. & D. effort is lagging. And, our dismal productivity record shows it. It is time to reverse those dangerous trends. And, the following three bills I am introducing will help to do that.

NEW FIRM INCENTIVE ACT OF 1979

This act is designed to eliminate another quirk in the Tax Code which penalizes new firms.

Several experts in the field of public finance have argued that adequate allowances for loss offsets are particularly important in cushioning the impacts on taxation on investment incentives. For this reason, in 1979, Congress liberalized tax offset provisions by increasing the total number of years to 10 years from 7 years over which corporate losses may be carried backward and forward. The loss carryback was extended from 2 to 3 years and loss carryforward from 5 to 7 years.

This change was welcomed and necessary. But it inadvertently did not include a corresponding allowance for new firms which are generally unprofitable in the first years of their existence. According to the Commerce Department's Domestic Policy Review Task Force on Innovation, a number of new technology-oriented firms suffer operating losses in these years which exceed projected cumulative earnings for the succeeding 7-year period. Consequently, they are disposed to reduce R. & D. and other growth-related outlays, thereby raising taxable income to capture the maximum shelter obtaining from those early years.

My act is designed to remove that disincentive to research and to place new firms on a comparable footing with existing firms. It provides new firms with a total 10-year period in which to carryforward and offset losses incurred in each of their first 3 years.

The Joint Committee on Taxation estimates that revenue losses will be zero for the first 7 years as a result of this act, and between $5 and $15 million annually thereafter.

Mr. President, I ask unanimous consent that the New Firm Incentive Act of 1979 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "New Firm Incentive Act of 1979".

SEC. 2. (a) (1) Paragraph (1) of section 172 (b) of the Internal Revenue Code of 1954 (relating to net operating loss carrybacks and carryovers) is amended—

(A) by redesignating subparagraph (H) the second place it appears as subparagraph (I), and

(B) by inserting after subparagraph (I), as so redesignated, the following new subparagraph:

"(J) In the case of a qualified corporation (as defined in subsection (j)) which has a net operating loss for any of the first 3 taxable years beginning on or after the date on which such corporation is chartered, such loss shall not be a net operating loss carryback to any taxable year preceding the year of such loss, but shall be a net operating loss carryover to each of the 10 taxable years following the year of such loss.".

(2) Subparagraph (B) of section 172(b) (1) of such Code is amended by striking out "and (F)" and inserting ", (F), (I), and (J)".

(b) Section 172 of such Code is amended by redesignating subsection (j) as (k) and by inserting after subsection (i) the following new subsection:

"(j) QUALIFIED CORPORATION.—For purposes of subparagraph (J) of subsection (b) (1), the term 'qualified corporation' means any corporation chartered after December 31, 1979, which—

"(1) elects to have the provisions of such subparagraph apply for any taxable year described in such subparagraph, and

"(2) is not a component member of a controlled group of corporations (within the meaning of section 1563(a)). An election under paragraph (1) shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for that taxable year.".

THE RESEARCH PROMOTION ACT

Mr. BENTSEN. Mr. President, as I noted earlier, Mr. President, research and development investments are essential to the growth of productivity. Perhaps the most striking factor in the sharply higher productivity growth rates in Japan and West Germany, for example, are their relatively higher levels of nondefense R. & D. spending. Relative to GNP, expenditures in the United States for R. & D. fell by approximately one-quarter between 1964 and 1977. Yet, this ratio increased by about one-half in Japan and West Germany over the same period. As a result, these two countries are spending a greater share of their

GNP for R. & D. than the United States. We must reverse that trend.

At the industry level, evidence suggests that smaller firms play a disproportionately large role in conceiving new innovations. Due to their size, these same firms often lack the financial resources to capitalize on their insights. Efforts to increase the cash flow of such firms should yield relatively significant productivity, export and employment gains. And, one unprecedented, but I believe, effective way to increase cash flows is to provide innovative firms with tax offset credits for R. & D. expenditures on labor, materials, and so on, that are currently expensed.

This act provides such an incentive for innovation by enabling small, research-oriented firms to supply a 10-percent tax credit to current R. & D. expenditures. However, this new added stimulus to innovate is not open-ended. It is limited to firms with less than $250 million in sales that devote an amount more than 2.5 percent of such sales revenue to research. The credit then will be limited in size to 10 percent of their R. & D. expenses in excess of 2.5 percent of sales. As a consequence of this limited application, the Joint Committee on Taxation estimates that a revenue loss of $40 million in 1980 and $45 million in 1981 will occur with the act. Nevertheless, I believe this act will be a potent force in stimulating innovation and the increased productivity which flows from expanded R. & D. outlays.

Mr. President, I ask unanimous consent that the Research Promotion Act of 1979 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Research Promotion Act of 1979".

SEC. 2. (a) Subpart A of part IV of subchapter A of Chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting before section 45 the following new section:

"SEC. 44D. CREDIT FOR RESEARCH AND EXPERIMENTAL EXPENDITURES.

"(a) IN GENERAL.—

"(1) FIRST-IN-FIRST-OUT RULE.—The amount of the credit allowed against the tax imposed by this chapter for the taxable year shall be an amount equal to the sum of—

"(A) the research and experimental credit carryovers carried to such taxable year,

"(B) the amount of the credit determined under paragraph (2) for such taxable year, plus

"(C) the research and experimental credit carrybacks carried to such taxable year.

"(2) AMOUNT OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 10 percent of the qualified research and experimental expenditures paid or incurred by the taxpayer during the taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—The term 'qualified research and experimental expenditures' means the excess of the research and experimental expenditures of the taxpayer for the taxable year over 2.5 percent of the gross receipts of such taxpayer for the taxable year.

"(2) RESEARCH AND EXPERIMENTAL EXPENDITURES.—The term 'research and experimental expenditures' means research or experimental expenditures (other than any allowance for depreciation or depletion with respect to any property) with respect to which a deduction is allowable under section 174.

"(c) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for any taxable year shall not exceed the amount of the tax imposed by this chapter reduced by the sum of the credits allowable under a section of this part having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43.

"(2) $250,000,000 GROSS RECEIPTS.—No credit shall be allowed under subsection (a) if the gross receipts of the taxpayer exceed $250,000,000 for the preceding taxable year.

"(d) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under this section for any taxable year exceeds the limitation provided by subsection (c)(1) for such taxable year (hereinafter in this subsection referred to as the 'unused credit year'), such excess shall be—

"(A) a research and experimental credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) a research and experimental credit carryover to each of the 7 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by this section for such years. If any portion of such excess is a carryback to a taxable year beginning before January 1, 1980, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other 9 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (c)(1) for such taxable year exceeds the sum of—

"(A) the credit allowable under this section for such taxable year, and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and which are attributable to taxable years preceding the unused credit year.

"(e) CONTROLLED GROUPS.—In the case of a controlled group, the determination of the amount of qualified research and experimental expenditures under subsection (b)(1) and the amount of the gross receipts under subsections (b)(1) and (c)(2) shall be made by aggregating the expenditures and gross receipts for all component members of such group as if the group constituted 1 taxpayer. The credit allowable under subsection (a) shall be apportioned among the component members of such group in such manner as the Secretary shall by regulations prescribe. For purposes of this paragraph, the term 'controlled group' has the meaning assigned to such term by section 1563(a).".

(b) The table of sections for such subpart is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44D. Credit for research and experimental expenditures.".

(c) Section 6096(b) of such Code (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44C" and inserting in lieu thereof ", 44C and 44D".

(d)(1) Subsection (c) of section 381 of such Code (relating to carryovers in certain corporate acquisitions) is amended by adding at the end thereof the following new paragraph:

"(27) CREDIT UNDER SECTION 44D FOR RESEARCH AND EXPERIMENTATION.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 44D, and under such regulations as may be prescribed by the Secretary) the items required to be taken into account for purposes of section 44D in respect of the distributor or transferor corporation.".

(2)(A) Section 383 of such Code (relating to special limitations on unused investment credits, work incentive program credits, foreign taxes, and capital losses), as in effect for taxable years beginning after June 30, 1980, is amended by inserting "to any unused research and experimental credit of the corporation under section 44D(d)," before "to any unused investment credit".

(B) The heading of such section 383 is amended to read as follows:

"SEC. 383. SPECIAL LIMITATIONS ON CERTAIN UNUSED CREDITS.".

(3)(A) Section 383 of such Code (as in effect on the day before the date of the enactment of the Tax Reform Act of 1976) is amended by inserting "to any research and experimental credit of the corporation which could otherwise be carried forward under section 44D," before "to any unused investment credit".

(B) The heading of such section 383 (as so in effect) is amended to read as follows:

"SEC. 383. SPECIAL LIMITATIONS ON CERTAIN UNUSED CREDITS.".

(4) The table of sections for part V of subchapter C of chapter 1 of such Code is amended by striking out the item relating to section 383 and inserting in lieu thereof the following:

"Sec. 383. Special limitations on certain unused credits.".

(e)(1) Section 6511(d)(4)(C) of such Code (relating to limitations on credit or refunds) is amended by inserting "research and experimental credit carryback," before "and new employee".

(2) Section 6411 of such Code (relating to quick refunds in respect of tentative carryback adjustments) is amended—

(A) by striking out "or unused new employee credit" each place it appears in such section and inserting in lieu thereof "unused new employee credit, or unused research and experimental credit,

(B) by inserting after "section 172(b)," in the first sentence of subsection (a) "by a research and experimental credit carryback provided in section 44D(d),",

(C) by striking out "or a new employee credit carryback from" in the second sentence of subsection (a) and inserting in lieu thereof ", a new employee credit carryback from, or a research and experimental credit carryback from", and

(D) by striking out "work incentive program carryback)" in the second sentence of subsection (a) and inserting in lieu thereof "work incentive program carryback, or, in the case of a research and experimental credit carryback, to an investment credit carryback, a work incentive program carryback, or a new employee credit carryback)".

(3) Section 6501(m) of such Code (relating to tentative carryback adjustment assessment period) is amended by striking out "or a new employee credit carryback" and

inserting in lieu thereof "a new employee credit carryback, or a research and experimental credit carryback".

(4) Paragraph (3) of section 55(c) of such Code (relating to credits against alternative minimum tax for taxpayers other than corporations) is amended by redesignating subparagraph (D) as (E) and inserting after subparagraph (C) the following new subparagraph:

"(D) Research and experimental credit.—For purposes of determining under section 44D(d) the amount of any research and experimental credit carryback or carryover to any other taxable year, the amount of the limitation under section 44D(d)(2) for the current taxable year shall be deemed to be—

"(i) the amount of the credit allowable under section 44D for the current taxable year without regard to this subparagraph, reduced by

"(ii) the amount equal to the lesser of (I) the amount of the credit allowable under section 44D for the current taxable year without regard to this subparagraph, or (II) the net tax imposed by this section for the current taxable year reduced by the sum of the amounts of reduction described in clause (ii) of subparagraphs (A), (B), and (C).".

Sec. 2. The amendments made by this Act shall apply to taxable years beginning after December 31, 1979.

RESEARCH TAX INCENTIVE ACT OF 1979

Mr. BENTSEN. Mr. President, by providing tax incentives for investment in R. & D. structure and equipment, this act is a companion to the previous act designed to stimulate R. & D. expenditures. Each will promote increased productivity by making R. & D. a relatively more attractive use of business capital.

Energy conservation equipment and related pollution abatement equipment investments are eligible for a 10-percent additional—20-percent total—tax credit. R. & D. investments should be stimulated in a similar fashion. However, some firms may not have sufficient profits in a specific tax year to fully utilize such a credit. Therefore, in order to provide taxpayers with the maximum intended tax stimulation, an accelerated 5-year straight line amortization of R. & D. investments as an option in lieu of the credit should be available.

For research equipment then, the Research Tax Incentive Act provides eligible taxpayers the option of applying either a 20-percent tax credit—with normal-life depreciation—or a 5-year straight line amortization—with the present 10-percent credit—to such investments.

For investments in research structures, on the other hand, the act creates the option of applying either a 10-percent tax credit—with normal-life depreciation—or a 5-year straight line amortization to such investments, which are not now generally eligible for tax credits. A recapture provision is provided for the eventuality that eligible firms should subsequently change the use-designation of the investment to something other than research.

This stimulus is not open ended. It is directed only at those firms who are both most likely to be innovative and are most likely to have their planning processes affected by these tax incentives. Eligibility is limited to firms with less than $250 million in annual sales and who spend an amount more than 2.5 percent of their sales revenues on research and development.

The Joint Committee on Taxation is currently estimating the projected revenue loss from these proposed Tax Code changes. They will be substantially less in any case than for the previous bill, the "Research Promotion Act of 1979."

Mr. President, I ask unanimous consent that the "Research Tax Incentive Act of 1979" be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Short Title.

This Act may be cited as the "Research Tax Incentive Act of 1979".

Sec. 2. Investment Credit for Research and Experimental Property.

(a) 10 Percent Additional Investment Credit.—

(1) In general.—Paragraph (2) of section 46(a) of the Internal Revenue Code of 1954 (relating to amount of credit for current taxable year) is amended—

(A) by striking out "and" at the end of subparagraph (A)(ii),

(B) by striking out the period at the end of subparagraph (A)(iii) and inserting ", and",

(C) by inserting at the end of subparagraph (A) the following new clause:

"(iv) in the case of qualified research and experimental property, the research and experimental percentage.", and

(D) by adding at the end thereof the following new subparagraph:

"(F) Research and experimental percentage.—For purposes of this paragraph, the research and experimental percentage is 10 percent with respect to the period beginning after December 31, 1979.".

(2) Definition of qualified research and experimental property.—Section 48 of such Code (relating to definitions and special rules) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) Qualified Research and Experimental Property.—

"(1) In general.—For purposes of this subpart, the term 'qualified research and experimental property' means section 38 property (determined without regard to this subsection and paragraph (11) of subsection (a))—

"(A) which is to be used in research and experimentation (within the meaning of section 174), and

"(B) with respect to which the taxpayer has not made an election under section 193.

"(2) Exclusion of certain taxpayers.—

"(A) In general.—For purposes of paragraph (1), no property of the taxpayer shall be considered qualified research and experimental property for the taxable year if for the preceding taxable year—

"(i) the gross receipts of the taxpayer were in excess of $250,000,000, or

"(ii) the research and experimental expenditures of the taxpayer did not exceed 2.5 percent of the gross receipts for such taxable year.

"(B) Research and experimental expenditures.—For purposes of this paragraph, the term 'research and experimental expenditures' means research and experimental expenditures (other than any allowance for depreciation or depletion with respect to any property) with respect to which a deduction is allowable under section 174.

"(C) Controlled groups.—In the case of a controlled group, the determination of the amount of research and experimental expenditures and the amount of the gross receipts under subparagraph (A) shall be made by aggregating the expenditures and gross receipts for all component members of such group as if the group constituted 1 taxpayer. The credit allowable under section 38 which is attributable to the research and experimental percentage shall be apportioned among the component members of such group in such manner as the Secretary shall by regulations prescribe. For purposes of this paragraph, the term 'controlled group' has the meaning assigned to such term by section 1563(a).".

(b) Investment Credit for Certain Buildings.—Subsection (a) of section 48 of the Internal Revenue Code of 1954 (relating to definition of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(11) Buildings and structural components used in research and experimentation.—

"(A) In general.—Notwithstanding the words (other than a building and its structural components)' in subparagraph (B) of paragraph (1), a building and its structural components shall be treated as section 38 property to the extent of so much of the qualified investment (as determined under subsections (c) and (d) of section 46) in such building or its structural components as is, or in the case of qualified progress expenditures, may reasonably be expected to be, attributable to expenditures paid or incurred with respect to so much of such building and its structural components as constitutes qualified research and experimental property.

"(B) Definition of qualified research and experimental property.—For purposes of this paragraph, the term 'qualified research and experimental property' means property—

"(1) with respect to which depreciation (or amortization in lieu of depreciation) is allowable, which has a useful life of 3 years or more, and with respect to which the taxpayer has not made an election under section 193, and

"(ii) which, or that portion thereof which, is used in connection with research and experimentation (within the meaning of section 174).

No property of the taxpayer shall be considered qualified research and experimental property if the provisions of section 48(q)(2) apply, or if applicable, would apply, to the taxpayer for the taxable year.".

(c) Recapture of Credit if Use Changes.—

(1) In general.—Section 47(a) of such Code (relating to certain dispositions, etc. of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(8) Special rules for qualified research and experimental property.—If during any taxable year any qualified research and experimental property (within the meaning of section 48(a)(11)(B) or (q)) is disposed of, or otherwise ceases to be qualified research and experimental property with respect to the taxpayer, before the close of the useful life which was taken into account in computing the credit under section 38, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from treating such property as property which is not qualified research and experimental property. If the application of this paragraph to any property is followed by the application of paragraph (1) to such property, proper adjustment shall be made in applying paragraph (1).".

(2) Technical amendment.—Paragraph (5) of section 47(a) of such code is amended

by striking out "or (4)" and inserting ", (4), or (8)".

(d) Effective Dates.—The amendments made by this section shall apply with respect to—

(1) property to which section 46(d) of the Internal Revenue Code of 1954 does not apply, the construction, reconstruction, or erection of which is begun or completed by the taxpayer after December 31, 1979, but only to the extent of the basis thereof attributable to construction, reconstruction, or erection during such period,

(2) property to which section 46 (d) of such code does not apply, acquired by the taxpayer after such date, and

(3) property to which section 46 (d) of such Code applies, but only to the extent of the qualified investment (as determined under subsections (c) and (d) of section 46 of such Code) attributable to qualified progress expenditures made after such date.

Sec. 3. Amortization of Research and Experimental Property.

(a) In General.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"Sec. 193. Amortization of Expenditures for Research and Experimental Property.

"(a) Allowance of Deduction.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the amortizable basis of any qualified research and experimental property (as defined in subsection (d)), based on a period of not less than 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the amortizable basis at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such amortizable basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any month shall be in lieu of the depreciation deduction with respect to such basis for such month provided by section 167. The period shall begin, as to any qualified research and experimental property at the election of the taxpayer, with the month following the month in which the basis is acquired, or with the succeeding taxable year.

"(b) Election of Amortization.—The election of the taxpayer to take the amortization deduction and to begin the period with the month following the month in which the basis is acquired, or with the taxable year succeeding the taxable year in which such basis is acquired, shall be made by filing with the Secretary, in such manner, in such form, and within such time as the Secretary may by regulations prescribe, a statement of such election.

"(c) Termination of Amortization Deduction.—

"(1) In general.—A taxpayer who has elected under subsection (b) to take the amortization deduction provided in subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such qualified research and experimental property.

"(2) Constructive termination.—If, at any time during the period during which an election under subsection (b) is in effect, the property ceases to be used as qualified research and experimental property, the taxpayer shall be deemed to have made an election under paragraph (1) to discontinue the use of the amortization deduction provided by this section with respect to such property for the month following the month in which such cessation occurs.

"(d) Definitions.—For purposes of this section—

"(1) Qualified research and experimental property.—The term 'qualified research and experimental property' means qualified research and experimental property (within the meaning of section 48(a)(11)(B) or (q), except that no property of the taxpayer shall be considered qualified research and experimental property if the provisions of section 48(q) apply, or if applicable, would apply, for the taxable year.

"(2) Amortizable basis.—The term 'amortizable basis' means the portion of the basis attributable to the acquisition, construction, reconstruction, erection, or rehabilitation of qualified research and experimental property after December 31, 1979.

"(e) Depreciation Deduction.—The depreciation deduction provided by section 167 shall, notwithstanding the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not the amortizable basis.

"(f) Life Tenant and Remainderman.—In the case of property held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.".

(b) Conforming Amendments—

(1) Section 1245 (a) of such Code (relating to gain from dispositions of certain depreciable property) is amended—

(A) by striking out "or 191" and inserting in lieu thereof "191, or 192", and

(B) by inserting "193," after "190," each place it appears.

(2) Section 642(f) of such Code (relating to amortization deductions of estates and trusts) is amended by striking out "and 191" and inserting in lieu thereof "191, and 193".

(3) Section 1082(a)(2)(B) of such Code (relating to basis for determining gain or loss) is amended by striking out "or 191" and inserting in lieu thereof "191, or 193".

(4) Section 1250(b)(3) of such Code (relating to depreciation adjustments) is amended by striking out "or 190" and inserting in lieu thereof "190, or 193".

(5) The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting at the end thereof the following new item:

"Sec. 193. Amortization of expenditures for qualified research and experimental property.".

(c) Effective Date.—The amendments made by this section shall apply with respect to additions to capital account made after December 31, 1979.●

By Mr. MUSKIE (for himself and Mr. Cohen):

S.J. Res. 83. A joint resolution to authorize the Camp Fire Girls of Cundys Harbor, Me., to erect a Memorial on Maine Avenue in the District of Columbia; to the Committee on Rules and Administration.

● Mr. MUSKIE. Mr. President, I am today introducing with Senator Cohen a joint resolution to authorize the erection of a statue of a Maine lobsterman on Maine Avenue.

In 1937, the Maine State Legislature authorized the Maine Development Commission to coordinate the State's participation in the 1939 New York World's Fair. The Commissioners sought a work which would symbolize the spirit of the Pine Tree State—the sea, the fierce independence of its residents, and its contribution to the national economy.

Portland sculptor Victor Kahill was commissioned to do the work. He chose H. Elroy Johnson as his model, portraying him as kneeling while putting a plug in the claw of a newly caught lobster. After its completion, the statue was the centerpiece of the Maine section in the Hall of the States at the World's Fair from 1939 to 1940.

Maine now has three bronze castings of this statue. One stands in the entryway of the building housing the State library, museum and archives in Augusta. Another is on Casco Square in Portland. And the most recent copy is located near the shore at Harpswell, not far from the model's home on Bailey Island.

Mr. President, this statue is indeed a tribute to all Maine fishermen who have devoted their lives to the sea. I hope my colleagues will support this bill permitting the erection of a copy of the "Maine Lobsterman" here in the Nation's Capital.

The present impetus for erection of this statue in the Nation's Capital must be credited to the Camp Fire Girls of Cundys Harbor, under the leadership of Ruth Heiser. I thank her for bringing this project to my attention and ask unanimous consent that a narrative history of the statue drafted for the 1979 Harpswellian, an annual publication of the Camp Fire Girls at Cundys Harbor, be printed in the Record at this point.

There being no objection, the narrative history was ordered to be printed in the Record, as follows:

Harpswell's Sculpture

Harpswell has but one public statue: a larger than life-size bronze statue of a fisherman pegging a lobster. It is located at Land's End, the southern tip of Bailey Island, where the artist's model, H. Elroy Johnson, spent his entire life, earning his living as a fisherman in nearby Casco Bay.

HISTORY OF THE SCULPTURE

In April 1937, the Maine State Legislature designated the Maine Development Commission the agency to be totally responsible for the state's participation in the 1939 New York World's Fair and authorized an amount of $50,000 to be set aside for participation in this international exhibition.

The individuals responsible for planning Maine's exhibit at this fair were determined that it would epitomize the spirit of Maine—the sea, the fierce independence of its residents, its contribution to the nation's economy. Victor B. Kahill, a Portland sculptor, was commissioned to create a work reflecting these characteristics and Nathan W. Thompson, a Portland lawyer, with a modest blessing of Governor Lewis O. Barrows, set out to raise $10,000 by public subscription to case this creation in bronze.

The sculptor decided a lobsterman at work would be an ideal subject and selected H. Elroy Johnson, a Bailey Island lobsterman, as his model. After some preliminary work he decided to make a statue of a kneeling man putting a plug in the claw of a newly-caught lobster. Although only $1500 was raised for casting, it did not foil the project. The sculptor reinforced his hard plaster model, 8½ feet high on a 41" x 30" base, in every way he could and then covered it with bronze paint.

When the statue was unveiled, some lobstermen expressed disappointment about the model's attire (they would have liked him to be wearing a sou'wester) and position (they insisted lobstermen typically stand rather than kneel when plugging the claw of a lobster), but after careful inspection, everyone agreed the lobster was being held in the proper position for pegging. Other critical comments were concerned with the fact that Bruin, the model's dog, was not incorporated in the statue as representative of all dogs who go lobstering with their master. Perhaps the state, too, regretted this; at any rate, as part of the unveiling ceremony Bruin, who was said to be unerring in distinguishing "shorts" from "counters" was issued a bona fide lobster license by the Commissioner of Sea and Shore Fisheries.

The overwhelming number of comments, however, reflected a feeling that the statute was a true tribute to the hardy strain of Mainers who have contributed so much to the economy of the state and the enjoyment of lobster-eaters. Shortly thereafter, the statue was sent off to the fair, where it became the centerpiece in the Maine section in the Hall of the States. There it was admired by the thousands who visited the exhibition during the two years of the fair (1939–1940).

After the fair closed, the statue was returned to Portland, where it was exhibited first in the Columbia Hotel and later in the City Hall until it was badly damaged by vandals. The state then removed it and following partial restoration, put it on display in its Sea and Shore Fisheries Museum in Boothbay, and after a time retired it to a warehouse of the state marine laboratory in Boothbay Harbor. While here it was safe from vandals, but dampness, rodents and other unfavorable surroundings accelerated deterioration.

In 1962, U.S. Representative Stanley R. Tupper (Boothbay) sponsored a resolution to have a bronze casting of this statue placed in a suitable location in Washington, D.C. The resolution was passed with the stipulation that the cost would be borne by the State of Maine. The state government, however, did not see fit to appropriate money for this purpose.

In 1967, the late State Senator Rodney E. Ross (Bath) attempted to have a casting of the statute located in the nation's capital. He proposed it be placed on the then newly-located Maine Avenue, formerly Water Street, and the major highway along the Potomac River, a location to which the state owes much to the persistence of its late Senator Owen Brewster, who insisted that the street bearing our state's name should be near the water. Although the project was approved by the National Planning Commission and the Washington Commission of Fine Arts and passed by both houses of the State of Maine Legislature, it again had to be abandoned because the necessary funds were not appropriated.

Another surge of interest in this figure occurred in 1973, following the death of the statue model. In March 1974, State Senator Ross made another attempt to get a permanent display of the statue. He introduced a bill that was passed by the 106th Legislature, which authorized the state to accept the statue, the city council of the city of Portland to secure a bronze replica of it, and the State Museum Bureau to procure a bronze replica for public display within the capital area, in Augusta. An appropriation of $8,000 was allocated to the State Museum Bureau to secure its copy.

Norman T. Therrien, a sculptor who lives in Boothbay Harbor, was commissioned to prepare a copy for both the city of Portland and the State Museum Bureau. When the plaster cast was brought to the studio, it was in a very deteriorated condition. The head was cracked, one hand was broken off and several fingers were missing from the other hand; squirrels had managed to set up housekeeping in several parts of the body. Therefore, much repair was necessary before the casting process could be started.

Casting is an intricate process requiring brawn, tolerance to heat and great patience as well as artistic expertise. In order to facilitate the work and reduce the monetary loss in the event of a defect in equipment or workmanship, it is customary to cut a large model into several parts. This work was cut into 17 pieces. The "lost wax" process, a technique widely used by the ancient Greeks and Chinese, was selected for this work since it generally produces objects of greater artistic quality than other casting procedures.

In this technique, the final layer of the model is made of wax and the whole is coated with a heavy outer mold of strong, heat-resistant material which is prepared with vents for the escape of gases and attached by rods to a solid form inside the mold. The form is then placed inside a kiln heated to 1,200° F. for 16 hours in order to melt the wax away and burn out all gases. Then molten silicon bronze (about 2,000° F.) is poured into the form. When the part is cooled, the form is broken away, exposing the bronze casting. The 17 parts of the statue were then joined together by heliarc (electric arc) welding with silicon bronze rods between the adjacent parts. The joined surfaces were then ground off and polished until the point of juncture was no longer noticeable.

On May 15, 1975, Governor James Longley and many other notables were present at the unveiling of the state's copy of this statue. Today, this 800-pound casting stands alone in the entryway of the building housing the state library, museum and archives.

The city council of Portland placed its copy of the statue in Casco Square. Although within a couple of blocks of the water and in a location bearing the name of the bay where the model fished throughout his life, the expanse of concrete about it, the constant tread of many feet nearby, the whir of passing vehicles, the presence of a plastic telephone booth a short distance away and still other surroundings associated with busy urban life, create an atmosphere very different from that in which lobstermen are accustomed to pegging lobsters.

In February 1976, the state legislature authorized the town of Harpswell to procure a bronze replica of this statue.

Mrs. William Rich of Bailey Island assumed the leadership role, both in obtaining permission to make the copy, and in raising money through public donation for the project. Mr. and Mrs. E. S. Hutchins, who operate the Land's End Gift Ship, gave the land on which to erect the statue. It was installed at the tip of Bailey Island atop a a knoll over-looking Casco Bay, where the model, H. Elroy Johnson, early in life learned to fish.

After the 1978 storm which destroyed this gift shop and several attacks on the statute by vandals, Mr and Mrs. Hutchins decided to move it to a less prominent location near the shore and keep it well-lighted during the night. The Harpswell Garden Club has assumed responsibility for landscaping the area around it. A plaque mounted on the base of the statue reads: A memorial to all Maine fishermen who have devoted their lives to the sea. Another plaque summarizing the history of the statue is planned for the nearby roadside.

A QUESTION

Can the residents of Maine still place a bronze of this sculpture on Maine Avenue in our nation's capital?

In 1962, the U.S. Congress passed a resolution supporting the placement of a copy in a suitable location and in 1967, the National Planning Commission and the Washington Commission of Fine Arts approved a plan to have a copy placed on Maine Avenue. In this same year, both houses of the Maine Legislature gave approval to this project but no monies were appropriated to carry it out. Therefore, money seems to be the only stumbling block in the realization of this project.

In this International Year of the Child, would it be too much for students in Maine's educational institutions to allocate a part of one month's spending for this project and for adult residents to demonstrate faith in our upcoming generation by providing the balance of the money needed through an appropriation of the State legislature and public contributions?

ABOUT THE SCULPTOR WHO CREATED THE STATUE: VICTOR B. KAHILL

This man, a Lebanese by birth, came to Portland, Maine, in 1909 at the age of 14 to be with an older brother, a recognized portrait painter. This youth thought he, too, wanted to become an artist and within a few years had demonstrated considerable ability. His painting of a president of the Maine Livestock Breeders Association earned him the accolade of "Young Portland artist has promising future." Shortly thereafter, he was employed in the Lynn plant of General Electric, a position that enabled him to pursue his interest in science and electricity as well as continue his study of art in nearby Boston. He studied and later taught at the art school attached to the Boston Museum of Fine Arts and the Fine Arts Academy in Philadelphia.

When the United States entered World War I, this artist, although technically an "enemy alien," volunteered for military service and served in France. After the war ended, he remained in France to pursue his art career. During this period, he also became an enthusiast of photography and flying. He was the only Mainer on hand to greet Lindbergh when he landed in Paris following his historic solo flight across the Atlantic Ocean in 1927. When he returned to Portland, he managed not only to continue his career in art and photography but also to become president of a flying club and arrange the first aviation meet to be held in Maine. His first commission from the State of Maine was a bas-relief of the head of the first Mainer killed in World War I; this work currently is displayed in the Hall of Flags in the state capital. His second state commission was for the Maine Lobsterman, which he later gave to the City of Portland.

Not too long afterward, war again interrupted his art career. As soon as our nation entered World War II, he volunteered for service in the United States Army. Most of the time he served in France and North Africa, where he was particularly useful as an expediter and interpreter—he spoke French, Italian, English and five Arabic languages.

After Casablanca he went to Nancy, France, where he opened a nightclub that made him the G.I.'s Billy Rose. In 1947, he left the army and with his family returned to his favorite city: Casablanca. There he operated one of the most luxurious and famous nightclubs along the African coast. He returned to the United States in 1965 and died in California in August of the same year at the age of 70.

ABOUT THE MODEL: H. ELROY "SNOODY" JOHNSON

Unfortunately, the specific reasons the sculptor had for selecting this man as the model for his Maine sculpture are lost to history, but he had a number of characteristics which must have been at least partially responsible. He was tall, muscular and of slender but rugged build. His weather-beaten face reflected his years on the water. He was well-known throughout the state as a spokesman for lobstermen's interests. He was well-liked for his unassuming but independent, self-reliant manner as well as his tongue-in-cheek humor. He was a full-time fisherman, the product of several generations of men who made their living from the sea and the father of a son who continues this way of life. People who knew him claim that while he didn't think much of being a model, he faithfully followed the instructions of the sculptor and offered assistance whenever possible. For example, he brought the sculptor a lobster shell for incorporation into the figure, thereby saving hours of tedious work. His one expressed disappointment about the statue was that his dog, Bruin, his constant companion and "the smartest dog in the world" wasn't incorporated in the work. From the time this dog was a pup, until his death, he missed only five days in accompanying his master in all kinds of weather to haul traps or go fishing.

In September 1973, at the age of 79, Elroy Johnson died on Bailey Island, where he had spent his entire life, earning his living as a fisherman since the age of 14.

ABOUT THE SCULPTOR WHO CAST THE STATUE: NORMAN T. THERRIEN

This sculptor was reared in Connecticut. After completing a five-year art program at the University of Hartford, he held a two-year graduate fellowship at the Rinehart School of Sculpture in Baltimore. Later he taught at the Maryland Institute of Art.

In 1963, at the age of 28 years, he and his family came to Maine seeking the "good life" and an opportunity to pursue a career in sculpture. His first position was as a welder and brazer in a Boothbay Harbor shipyard, during which time he built a foundry and a $2000 kiln, and set up a studio in space leased from his employer. From 1965 through 1971, he taught at the Portland School of Act. Since then he has worked by preference as a metal sculptor and by necessity from time to time as a metal fitter in a local shipyard.

He feels there were two overriding considerations which resulted in his getting all three casting commissions for this statue: 1) he was the only sculptor in Maine with the equipment and the expertise required to produce a cast of this size and scale; and 2) he was willing to do it for approximately one-fourth the amount any out-of-state sculptor would have asked. He and his three full-time helpers spent approximately six months doing the first casting and about three months doing each of the other two. He says he enjoyed the work very much, even though his margin of profit has no more than 5 percent. He has been disappointed but not surprised that he has to date received no other commissions for large castings.

Mr. Therrien's work, which has been exhibited in many shows, both here in Maine and elsewhere, has received much favorable comment and many awards. His latest recognition was at the 1979 Farnsworth Show of Maine artists in Rockland, where his entry won first place.●

ADDITIONAL COSPONSORS

S. 593

At the request of Mr. WILLIAMS, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 593, the Elderly and Handicapped Housing Act of 1979.

S. 928

At the request of Mr. STONE, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 928, to amend the Food Stamp Act of 1977 to eliminate certain restrictions on excess shelter expense deductions with respect to households that are comprised exclusively of members who are 60 years of age or over or who are recipients of benefits under title XVI of the Social Security Act and to allow a deduction for certain medical expenses in the computation of the income for these families.

S. 936

At the request of Mr. JACKSON, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 936, a bill to extend the authority under the Emergency Petroleum Allocation Act of 1973.

S. 1098

At the request of Mr. THURMOND, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1098, to provide an extension to exclude from gross income certain amounts received under educational programs.

S. 1099

At the request of Mr. THURMOND, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1099, to provide for increases in the monthly stipends paid to participants in the Armed Forces health professions scholarship programs.

S. 1100

At the request of Mr. THURMOND, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1100, the Uniformed Services Health Professionals Special Pay Act of 1979.

S. 1180

At the request of Mr. LEAHY, the Senator from Iowa (Mr. CULVER) was added as a cosponsor of S. 1180, a bill to place reasonable limits on the use of tax-exempt mortgage revenue bonds for financing single-family housing.

S. 1198

At the request of Mr. JACKSON, the Senator from California (Mr. HAYAKAWA) was added as a cosponsor of S. 1198, a bill to provide for issuance of all permits necessary for construction of the Long Beach-Midland project, as proposed by the Standard Oil Co. of Ohio, to limit judicial review of the challenges to issuance of those permits, and for other purposes.

SENATE RESOLUTION 99

At the request of Mr. WALLOP, his name was added as a cosponsor of Senate Resolution 99, relating to the sense of the Senate that the Federal Republic of Germany extend its statute of limitations applicable to war crimes.

SENATE RESOLUTION 171—ORIGINAL RESOLUTION REPORTED AUTHORIZING SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. RANDOLPH, from the Committee on Environment and Public Works, reported the following original resolution, which was referred to the Committee on Rules and Administration:

S. RES. 171

Resolved, That section 2 of Senate Resolution 43, Ninety-sixth Congress, agreed to March 7 (legislative day, February 22), 1979, is amended by striking out the amounts "$1,386,200" and "$17,000" and inserting in lieu thereof "$1,787,000 and "$167,000", respectively.

SENATE RESOLUTION 172—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 172

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of that Act are waived with respect to the consideration of S. 670, a bill to amend the Rural Development Act of 1972. Such waiver is necessary because S. 670 authorizes the enactment of new budget authority that would first become available in fiscal year 1980, and the bill was reported one day after the May 15 deadline under the Congressional Budget Act.

S. 670 was intended to be reported on May 15 in compliance with the deadline for reporting new authorizing legislation. S. 670 and the Committee report thereon were in fact made available to the Committee on the Budget on May 15. However, the actual filing of the report occurred on May 16.

SENATE RESOLUTION 173—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 173

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of that Act are waived with respect to the consideration of S. 892, a bill to extend the authorization of appropriations for carrying out rural development research, small farm research, and small farm extension programs. Such waiver is necessary because S. 892 authorizes the enactment of new budget authority that would first become available in fiscal year 1980, and the bill was reported one day after the May 15 deadline under the Congressional Budget Act.

S. 892 was intended to be reported on May 15 in compliance with the deadline for reporting new authorizing legislation. S. 892 and the Committee report thereon were in fact made available to the Committee on the Budget on May 15. However, the actual filing of the report occurred on May 16.

SENATE CONCURRENT RESOLUTION 28—SUBMISSION OF A CONCURRENT RESOLUTION THAT THE PRESIDENT SHOULD APPOINT A NATIONAL ENERGY COUNCIL

Mr. DOLE submitted the following concurrent resolution, which was referred to the Committee on Energy and Natural Resources:

S. CON. RES. 28

Whereas the United States appears to be faced with a national energy problem; and

Whereas the American people have not been adequately informed of the nature and extent of our energy shortage; and

Whereas the lack of reliable information concerning the gasoline shortage and the lack of direction in the development of alternative sources of energy add to the confusion and distrust of energy policy; and

Whereas the United States needs a national energy policy worthy of the support of the American people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress that the President immediately establish and appoint a National Energy Council, headed by the Vice President, and composed of fifteen members of the general public to (1) study and consider the energy shortage and its demongraphic impact and the credibility of energy data and forecasts, (2) present a written report to the President and to the Congress recommending measures to enhance the credibility of data, and (3) compile and publish a national energy audit, which would be generally available to the public as a current assessment of present and future national energy policy.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the President.

NATIONAL ENERGY COUNCIL

● Mr. DOLE. Mr. President, the American public needs reassurance that they are being told the truth about the current energy situation. The crux of the problem is the question of credibility. No one believes what the Government is telling them, no one believes what the oil companies are telling them and the Senator from Kansas can not blame them for feeling apprehensive, frustrated, and confused.

Before the American people will go along with a national energy policy they must feel that they are being dealt with openly and honestly. Quite frankly, Mr. President, we are today a nation divided. We are divided because we are being confronted with a problem on which there is no agreement: No agreement in the public sector and certainly none in the private sector. President Carter almost 3 years ago declared his moral equivalent to war against the energy problem, but yet today we are faced with a hell-fire crisis. Even members of the President's own party in Congress are fighting every step of the way to block his proposal to decontrol oil. Just yesterday, the Democratic caucus in the other body voted 153 to 82 against a motion to table a no-decontrol resolution put before the caucus, and the President himself has stated that if a bill were to be passed including such a provision he would not veto it.

Mr. President, is it no wonder the American public is confused? The current situation cries for relief. Some form of objective analysis is urgently needed to lay these suspicions aside and get on with the task of solving the energy problem.

Mr. President, before we in Government as the policymakers and decisionmakers can begin to deal with the short-term symptoms of the shortage and the more complex long-run approach to solving our crisis by exploring alternative energy sources we must have the full trust and confidence of the American public. Without that confidence, our task is insurmountable. Hard decisions must be made. However, these decisions will be meaningless unless the Government has the full support of all our citizens.

ESTABLISHING THE COUNCIL

Mr. President, for that reason I am today submitting a concurrent resolution stating the sense of the Congress that the President establish a National Energy Council. This National Energy Council would be charged with the dual responsibilities of restoring credibility to energy data and forecasting and secondly, publishing an annual national energy audit which would inform the Nation as to where we are, where we are going and what we as a nation have accomplished in achieving energy independence.

Mr. President, this Council would be chaired by the Vice President and be comprised of 15 members selected from outside Government. The President should call on the most able leaders from the private sector whom the public holds in high esteem, to join in the important task of restoring credibility, and forming a consensus on our energy situation. The membership of the Council must reflect a cross-section of views and philosophies drawing on leaders from consumer groups, environmental groups, academic and research groups, labor organizations, and the energy industry.

Mr. President, the Senator from Kansas feels that the most troublesome aspect of our current energy situation is the glaring lack of public confidence. We need consensus, we need agreement and we as a nation can wait no longer for if we do the situation will surely get worse. Without strong consensus and agreements as to the aspects of a national energy policy, we cannot make a united attack on energy issues. To assure our energy needs are met, we must move quickly to dispel the existing doubts and answer the questions concerning our energy problems.

Mr. President, I urge the Congress to act responsibly and in a timely manner and adopt the concurrent resolution calling on the President to form a National Energy Council.●

AMENDMENTS SUBMITTED FOR PRINTING

RAIL PASSENGER SERVICE ACT AUTHORIZATIONS—S. 712

AMENDMENT NO. 210

(Ordered to be printed and to lie on the table.)

Mr. SASSER submitted an amendment intended to be proposed by him to S. 712, a bill to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for 3 additional years, and for other purposes.

● Mr. SASSER. Mr. President, today I am submitting an amendment to S. 712, a bill to amend the Rail Passenger Service Act to extend the authorization for appropriations for Amtrak. My amendment will provide for a reduced fare program for the elderly and handicapped, to increase the mobility of these persons within our society and reduce Amtrak's dependence on Government subsidies.

EMPTY LIVES AND EMPTY SEATS

Mr. President, we find far too often that our modern transportation systems exclude certain individuals by creating barriers to ridership. The elderly and the handicapped are the principal victims of these unintentioned, but ever-present, obstacles. Many of these persons are no longer able to drive automobiles and do not have the financial resources to fly or take the train at regular fares. The result can only be a sense of emptiness in the lives of people who have a great deal to contribute to our society.

We know that there are far too many empty seats on each passenger train operated by Amtrak. There are, of course, some exceptions, particularly in the Northeast corridor. Most important, however, is the fact that these seats can be filled at reduced rates by the elderly and handicapped who need this transportation. Airline deregulation provides us with an excellent example of the benefits to be derived from reduced fares.

Amtrak is therefore an ideal vehicle for meeting some of the transportation needs of the elderly and handicapped. Since at least 1973, the United States has had as a national goal the elimination of all barriers to the participation of the elderly and handicapped in society. And since Amtrak is subsidized by the dollars of taxpaying Americans, we should insure that Amtrak operates in a manner which reflects our national priorities.

DOLLAR AND ENERGY SAVINGS

My amendment, Mr. President, is expected to pay for itself, offering greater access to transportation for those most in need at no cost to the taxpayer. In order to insure that increased ridership will cover the cost of the reduced fares, my amendment requires Amtrak to report to Congress within 1 year on the economic effects of a special fare structure. If the reduced fare is determined too costly to maintain, Congress should decide whether further support is warranted.

The outlook for the future supplies of gasoline in this country are, to say the least, not encouraging. By promoting train travel by the elderly and handicapped, we can realize a not insignificant reduction in gasoline consumption. And with every reduction in fuel use, we move closer to the ultimate energy independence of the United States.

AMTRAK FAILS TO ESTABLISH ITS OWN REDUCED FARE SYSTEM

Some of my colleagues may be aware that Amtrak was scheduled to announce a reduced fare structure for elderly passengers on May 15. Unfortunately, this announcement was not made. I am now told it will not be made. The reason lies, apparently, on Amtrak's belief that it will be unable to meet the obligations imposed on it by S. 712.

Under the provisions of S. 712, Amtrak is required to maintain a 50-to-50 ratio of revenue to expenses on each Amtrak route by fiscal year 1981. Consequently, it is unwilling to provide a reduced fare program, even for a 1-year trial period. The indications are, however, that Amtrak is moving toward a 50-to-50 revenue-to-expense ratio even without a statutory provision requiring it. For example, Amtrak released figures on April 3 which indicate ridership in the system as a whole increased 8.6 percent between January 1977 and January 1978. Mr. President, I submit that ridership would rise even more if the elderly and handicapped were permitted to take advantage of a fare structure that would make train travel more reasonable than it is now.

TRANSPORTATION MUST BE ACCESSIBLE BY ALL

Mr. President, all Americans have the right to unimpeded access to transportation systems. That access is not currently available. It is time the Government again take steps to assist the elderly and handicapped in integrating themselves into society. On previous occasions, Congress has not hesitated to do so—witness the landmarks of the Rehabilitation Act of 1973 and the Older Americans Act—but our efforts must not stop there.

It is the responsibility of the Federal Government to insure that the taxpayers' dollars are being spent wisely and efficiently. Part of our responsibility lies in directing assistance to those most in need and those most capable of returning the benefits with positive contributions to the Nation.

Therefore, Mr. President, it is the responsibility of the Government to lift the barriers blocking the full participation of the elderly and handicapped in the mainstream of society. Further, it is our obligation, as human beings, to eliminate the social and economic barriers to that participation. A reduced fare structure for the elderly and handicapped will permit the socialization of a greater number of elderly and handicapped individuals.

I ask unanimous consent that the text of the Elderly and Handicapped Rail Transportation Amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 210

On page 23, after line 8, insert the following:

REDUCED FARE PROGRAM

Sec. 16. Section 305 (c) of the Rail Passenger Service Act (45 U.S.C. 545 (c)) is amended—

(1) by inserting "(1)" immediately after "(c)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) (A) Within ninety days after the date of enactment of this paragraph, the Corporation shall establish a reduced fare program for elderly and handicapped individuals. Such program shall establish a fare for elderly and handicapped individuals for rail passenger service provided by the corporation which is not in excess of 75 per centum of the regular fare for such service.

"(B) For purposes of this paragraph—

"(i) the term 'elderly individual' means a person who has attained the age of sixty-five years; and

"(ii) the term 'handicapped individual' means any person who has a physical or mental impairment which substantially limits one or more of such person's major life activities, has record of such an impairment, or is regarded as having such an impairment, but the term handicapped individual does not include any person who is an alcoholic or drug abuser.".

STUDY REQUIRED

Sec. 17. Within one year after the date of enactment of this section, the National Railroad Passenger Corporation shall prepare and transmit a report to the Congress concerning the effect of the amendments made by this section 16. The report shall include an analysis of the social and economic impacts of providing a reduced fare program for elderly and handicapped individuals.●

FEDERAL RESERVE ACT AMENDMENTS—S. 960

AMENDMENT NO. 211

(Ordered to be printed and referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. BELLMON submitted an amendment intended to be proposed by him to S. 960, a bill to provide for the payment of interest on reserves held in Federal Reserve Banks.

● Mr. BELLMON. Mr. President, today I am submitting an amendment in the nature of a substitute to my bill, S. 960, which would amend the Federal Reserve Act in order to provide for the payment of interest on reserves of $7 million or less held pursuant to the Federal Reserve Act by member banks in the Federal Reserve System.

In light of the continuing decline in membership to the Federal Reserve System, it is my hope that prompt action will follow. An effective way of stopping the exodus from the Federal Reserve System is a matter of highest national priority.●

FEDERAL TRADE COMMISSION AUTHORIZATIONS—S. 1020

AMENDMENT NO. 212

(Ordered to be printed and to lie on the table.)

Mr. Schmitt (for himself, Mr. Nunn, Mr. Tower, Mr. Morgan, Mr. Lugar, Mr. Zorinsky, Mr. Stevens, Mr. DeConcini, Mr. Helms, Mr. Levin, Mr. Boren, and Mr. Warner) submitted an amendment intended to be proposed by them to S. 1020, a bill to authorize appropriations for the Federal Trade Commission.

CONGRESSIONAL REVIEW OF COMMISSION RULES

● Mr. SCHMITT. Mr. President, on behalf of Mr. Nunn, Mr. Tower, Mr. Morgan, Mr. Zorinsky, Mr. Stevens, Mr. DeConcini, Mr. Levin, Mr. Lugar, Mr. Boren, Mr. Warner and Mr. Helms and myself, I am submitting an amendment to S. 1020, a bill to authorize appropriations for the Federal Trade Commission.

This amendment will provide an opportunity for the Congress to review and possibly disapprove of proposed and existing FTC rules. The amendment contains a 3-year sunset provision that will cause the legislative veto provision to expire at the end of the authorization period. In this 3-year period, the Congress will gain experience with the use of the legislative veto as it applies to FTC rules so that a determination can be made whether to make this provision a permanent feature of the FTC act.

The provisions of this amendment have been taken almost verbatim from S. 104, the Regulatory Reduction and Congressional Control Act, which I have introduced along with 20 cosponsors. This bill is similar to the primary legislative veto legislation in the House, H.R. 1776, introduced by Representative Levitas, which now has over 180 cosponsors.

It should be noted that the legislative veto is not a new invention, there are over 295 provisions of existing law passed since 1932, which provide for legislative review, approval or disapproval of Executive action.

In addition, many State legislatures have developed legislative veto procedures that apply to agency rulemaking procedures. These States have had considerable success with this procedure and have found that it is rarely necessary to use the authority to disapprove a proposed rule. Just the existence of the veto has improved the quality of regulation and has made the agencies more responsive to the legislature.

The broad legislative mandate given to the Federal Trade Commission by Congress makes the passage of legislative veto legislation essential. The FTC act merely provides that "unfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce, are hereby declared unlawful." Considering that rules of the Commission may apply to any act or practice "affecting commerce," and that the only statutory restraint is that it be unfair, the apparent power of the Commission with respect to commercial law is virtually as broad as the Congress itself. In fact, the Federal Trade Commission may be the second most powerful legislature in the country. The FTC claims the power to declare any commercial act, practice or commission to be "unfair," regardless of State law, and thereby to amend all State statutes and reverse all State cases which may be inconsistent with its declaration. All 50 State legislatures and State supreme courts can agree that a particular act is fair and lawful, but the five-man appointed FTC can overrule them all.

Under the broad statutory language which governs the Federal Trade Commission, the FTC can regulate virtually every aspect of America's commercial life. The FTC's rules are not merely narrow interpretations of tightly drawn statutes; instead, they are broad policy pronouncements which Congress has an obligation to study and review. Congress has delegated to an administrative agency the authority to write rules and regulations having the effect of law. It is only appropriate, consequently, that we hold back for ourselves the power to oversee and possibly disapprove those rules when the agency strays too far afield.

The Federal Trade Commission was created in 1914 primarily as a clearinghouse for information but has since become one of the most powerful regulatory agencies in the Federal Government. Its broad mandate has been used to cover almost every aspect of business and commerce. Since its formation, the FTC has not only extended its area of authority, but has extended its budget and size:

The budget for fiscal year 1979 is $66 million;

The FTC budget is up 371 percent since 1967 when it was only $14 million; and

The FTC staff numbers 1,700, with over 600 lawyers and nearly 80 economists.

As of the first of this year, work in progress by the FTC included: 40 public investigations, 120 private investigations, 30 active litigations, and 15 proposed trade regulation rules.

Following is a list of some of the industries or trade practices the FTC is investigating with an eye toward increased regulation:

Mobile Homes.
Funeral Homes.
Protein Supplements.
Eyeglass II (distributorships).
Used Cars.
Credit Practices.
Nutrition Advertising.
Health Spas.
Over the Counter Drugs.
Hearing Aids.
Over the Counter Antacids.
Warranties—Refunds.
Thermal Insulation.
Flammable Plastics.
Children's Television Advertising.
Games of Chance in Food Retailing and Gasoline Industries.
Standards and Certification.
Octane Posting.
Appliance Labeling.
Consumer Claims and Defenses.
Care Labeling (Textiles).

THE FTC AS NATIONAL NANNY

On February 28, 1978, the Federal Trade Commission voted to begin a rulemaking proceeding concerning television advertising to children. Based on a report by its staff, the FTC instituted rulemaking proceedings (TRR) designed to accomplish the following:

A ban on all televised advertising where the audience includes a significant proportion of children who are too young, as determined by the FTC, to understand the selling purpose of advertising.

A ban on televised advertising of products which pose the most serious dental health risks, as determined by the FTC, where a significant proportion of the audience is likely to be under 12 years of age; and

A requirement that television advertising to children under 12 years of age for certain other foods containing sugar be balanced by "counter-advertising" containing nutritional and/or health disclosures, with such advertising to be funded by the food advertisers, but prepared by FTC selected public interest groups.

The Washington Post immediately editorialized against these proposals, calling them "a preposterous intervention that would turn the agency into a great national nanny."

In so doing, the Post raised a fundamental question concerning the role of Government in controlling our lives, freedom of speech, and freedom of choice. I ask unanimous consent that the Post editorial be printed in the RECORD at the conclusion of my remarks.

Mr. President, this FTC "investigation" is costing the taxpayers of this country over half a million dollars. At a recent congressional hearing, FTC Chairman Michael Pertshuk testified that: $316,000 has been spent in little over a year; in fiscal year 1980, the FTC wants Congress to give it another $277,000 for proceedings.

In its various capacities as investigator; prosecutor; judge and rulemaker, the FTC has evolved into a quasi-judicial and quasi-legislative agency. It has used its powers to pursue everything from oil company divestitures to breakfast cereals and children's advertising. It has conducted investigations which resulted in absolutely nothing but millions of dollars in expenses to the companies involved. In short, Mr. President, if the Congress is going to hand this type of power to unelected bureaucrats, it is only reasonable that Congress retain the power to override agency regulations and rulings.

At present, the Congress has little control over the far-flung activities of this agency short of passing new legislation. Because of the time and uncertainty involved in action on a bill which addresses a specific agency action, this approach is not an effective means of dealing with the many and diverse regulatory activities of the FTC. What is needed is a systematic procedure for the Congress to express its will with regard to specific regulatory initiatives.

The legislative veto fulfills this need. It is important to point out that an appropriately designed legislative veto applied to the FTC would not require the Congress to review every rule promulgated by that agency. This would be both impractical and undesirable. The legislative veto simply provides an improved and efficient opportunity for congressional review and, when it is deemed necessary, possible disapproval of a proposed or existing rule.

This is one of the most effective systems that we can develop to insure that the people of this Nation, through their elected representatives, can regain control over the lawmaking process. The fundamental question that this amendment seeks to answer is this: Who writes the laws in America, is it the unelected bureaucrats or the representatives of the people? At present, regulations are streaming from the bureaucracy at a rate which dwarfs the lawmaking process in the Congress. By a ratio of 18 to 1, rules and regulations outnumber statutes passed into law by the Congress. Increasingly, the law of the land is not that which is debated in the Senate or the House of Representatives, but that which is promulgated in the Federal Register. The people of this Nation are calling on us for relief from the burden of excessive regulation. The legislative veto is not a panacea but it provides the Congress with a tool that can be put to good use on behalf of the public.

Many Members of this body have expressed their desire for strong action to bring the bureaucracy and the regulatory process under greater congressional control. This amendment provides an opportunity for us to demonstrate that our commitment is real, and not only a subject for speeches and promises to our constituents.

Opponents of the legislative veto will attempt to confuse this issue with all types of explanations and excuses, but this is what it comes down to: Are the Members of the U.S. Senate who proclaim a desire to reform the regulatory apparatus of the Federal Government willing to take the responsibility for solving the problem—or shall we continue to drift in the rising tide of rules and regulations which is engulfing the American public.

CONSTITUTIONALITY

Several objections have been raised to providing Congress with the use of this power. The most frequent is the claim that the legislative veto is unconstitutional. It is clear, however, that if it were unconstitutional, we would surely know it by now; since 1932, Congress has enacted over 295 provisions of law with legislative review or veto powers. On those occasions where the veto has been challenged in court, it has not been ruled unconstitutional.

In *Atkins* v. *United States*, 556 F. 2d 1028 (Ct. Cl. 1977), 140 Federal judges challenged the constitutionality of the congressional veto provision contained in the Federal Salary Act, 2 U.S.C. 351 et seq. Under that provision, all or part of the Presidential recommendations to Congress regarding executive legislative and judicial branch rates of pay become effective automatically within a specified time unless neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations.

The Senate exercised its prerogative under section 359(1)(B) and passed a disapproving resolution. The judges argued that one-House veto was unconstitutional because it violated: first, article I, section 1, which vests the legislative authority of the United States in Congress as a body and not in one House alone; second, article I, section 7, which reserves to the President the power to veto every order, resolution, or vote to which the concurrence of both Houses is necessary; and third, the principle of separation of powers and article II, section, 1, which vests all executive power in the President.

The Court of Claims rejected each of these contentions. The principle of bicameralism is not violated, it ruled, because rejecting Presidential recommendation to increase or decrease salaries is a form of legislative activity which does not require the affirmative concurrence of both Houses since the effect of such action is not to make law but rather to preserve the status quo. Similarly, there is not usurpation of the Presidential veto power since the Chief

Executive had his opportunity to veto the creation of the mechanism in the first instance; and, in any event, the concurrence of both Houses is not constitutionally necessary where only Presidential recommendations are involved.

Finally, the court held that the doctrine of separation of powers was not being infringed. It noted that the Constitution nowhere dictates a strict compartmentalization of powers between branches. What the Constitution seeks to avoid is the accumulation of too much of all powers in one branch. It further noted that paysetting is basically a legislative function. In this instance, the function has been conditionally delegated to the executive. Such delegation does not irrevocably commit authority to the executive because in exercising the function the executive merely acts as an agent of the Congress. The legislature retains the right of supervision or oversight. The particular legislative veto in question does not seek to enforce any law or appoint any agents to enforce the law and thus does not call upon the legislature to administer the laws. It is, therefore, a device used in aid of legislation on a matter historically within the legislative power. The court concluded on a practical note, emphasizing that the legislative veto is an appropriate response to the changing circumstances of modern government:

> We end this part III of the opinion by reiterating that the one-House veto present in the Salary Act is a device authorized by article I, section 1, coupled with the necessary and proper clause, and that it contravenes neither the broad principle of the separation of powers nor any specific provision of the Constitution. In particular, we note that the necessary and proper clause, which has sanctioned the massive delegation; of legislative functions over the past century, provides a firm grounding for this legislative veto. Congress plainly felt the need for this veto device in stead of relying solely on the power to override presidential recommendations by a full-fledged statute. In McCulloch's phrases, Congress exercised "its best judgment" in the selection of this measure and sought to "accommodate its legislation to circumstances." In the world of reality, the mechanism, as we have underscored, was a fair substitute for full bicameral concurrence, did not materially invade the Executive's own sphere, and took due account of the limited presidential participation. It was a permissible accommodation of competing interests, reflecting both on appropriate check by Congress upon the Executive and some check by the Executive upon the action which could be taken by one House alone. To borrow the Supreme Court's language, some 50 years ago, in upholding congressional delegation, this particular one-House veto seems to us to pass the test of "common sense and the inherent necessities of the governmental coordination." *Hampton & Co.* v. *United States,* supra, 276 U.S. at 406.

The recent Supreme Court decision in *Buckley* v. *Valeo,* 424 U.S. 1 (1976), provided an opportunity for the Court to address the legislative veto.

While the full Court did not decide the case on the basis of the legislative veto, Justice White in his separate opinion expressed the attitude in dicta that it is constitutional:

> I am also of the view that the otherwise valid regulatory power of a properly created independent agency is not rendered constitutionally infirm, as violative of the President's veto power, by a statutory provision subjecting agency regulations to disapproval by either House of Congress. For a bill to become law, it must pass both Houses and be signed by the President or be passed over his veto. Also, "Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary . . ." is likewise subject to the veto power (U.S. Constitution, Art. I, § 7, cl. 3). Under § 438(c) the FEC's regulations are subject to disapproval but for a regulation to become effective, neither House need approve it, pass it, or take any action at all with respect to it. The regulation becomes effective by non-action. This no more invades the President's power than does a regulation not required to be laid before Congress. Congressional influence over the substantive content of agency regulation may be enhanced, but I would not view the power of either House to disapprove as equivalent to legislation or to an order, resolution or vote requiring the concurrence of both Houses. *Buckley,* 284, 285.

If the actions of the FTC are to become consistent with congressional intent, if its regulatory activities are to become subject to the will of the people as expressed through their elected representatives, then Congress must act to provide for congressional review and possible disapproval of proposed and existing FTC rules.

In the 95th Congress, the House of Representatives passed an FTC authorization bill providing for a mechanism for the diapproval of proposed FTC rules. The Senate did not act on a similar provision. The Conferees twice returned a conference report to the House which did not contain a legislative veto. On both occasions, it was rejected. This action shows the depth of the commitment in the House to restraining the regulatory bureaucracy. The result was that there was no FTC authorization bill in the 95th Congress.

In the current Congress, the House Committee on Interstate and Foreign Commerce has included a legislative veto provision in the FTC authorization bill. The House will almost certainly send a bill to conference with the Senate with this provision intact.

I urge my colleagues to join me and the cosponsors of this amendment in a bipartisan effort to curb the regulatory abuses of the FTC. The House of Representatives has heard the call of the American people on this issue and we can only hope the Senate will do the same.

I ask unanimous consent that the text of the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 212

On page 2, immediately after line 5, add the following:

CONGRESSIONAL REVIEW OF COMMISSION RULES

SEC. 2. (a) Section 18(a)(1) of the Federal Trade Commission Act is amended by striking out "The" and inserting "Except as provided in subsection (i), the".

(b) The first sentence of section 18(a)(1)(A) of such Act is amended by inserting immediately after "Commission," the following: "or, until October 1, 1982, not later than 60 days after a rule becomes effective in accordance with subsection (i),".

(c) Section 18 of such Act is amended by adding at the end thereof the following:

"(i)(1)(A) The Commission shall transmit a copy of any rule promulgated by the Commission to the Secretary of the Senate and the Clerk of the House of Representatives on the date on which the rule is promulgated. Except as provided in subparagraph (B), a rule of the Commission shall not become effective if within 60 calendar days of continuous session of the Congress after the date of transmittal of the rule to the Congress, one House agrees to a resolution of disapproval and at the end of 30 additional such calendar days after the date of transmittal of the resolution of disapproval to the other House of Congress, such other House has not passed a resolution disapproving such resolution.

"(B) Notwithstanding subparagraph (A), if at the end of sixty calendar days of continuous session of the Congress after the date of transmittal of the rule to the Congress, neither House has agreed to a resolution of disapproval of such rule, and the committee to which a resolution of disapproval concerning such rule has not been referred has not reported or has not been discharged from further consideration of such a resolution, such rule shall be effective at the end of such 60-day period or such later date as may be prescribed by such rule.

"(C) Congressional inaction on, or rejection of, a resolution of disapproval under this pargaraph shall not be deemed an expression of approval of the rule with which the resolution is concerned.

"(D) For purposes of this subsection, the term 'resolution of disapproval' means a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: 'That the disapproves the rule promulgated by the Federal Trade Commission dealing with the matter of , which rule was transmitted to the Congress on .', the first blank being filled with the name of the resolving House, the second blank being filled with the title of the rule and such further description as may be necessary to identify it, and the third blank being filled with the date of transmittal of the rule to the Congress.

"(2)(A) Any appropriate committee of the Congress may review any rule promulgated by the Commission, and may report a resolution for reconsideration of any such rule. If either House of Congress adopts a resolution for reconsideration of any such rule, and at the end of 30 calendar days of continuous session of Congress after the date of transmittal of such resolution to the other House such other House has not passed a resolution disapproving such resolution for reconsideration, the rule shall be reconsidered as specified in subparagraph (B).

"(B) Two hundred and ten days after the passage by either House of the Congress of a resolution for reconsideration of a rule, the rule shall lapse unless repromulgated by the Commission. Unless excepted by section 553(a) of title 5, United States Code, the Commission shall, not less than 60 days prior to repromulgating such a rule, give notice of a proceeding to consider its repromulgation. The notice and proceeding shall comply with subsections (b) and (c) of section 553 of title 5, United States Code, except that the provisions of section 553(b)(3) of such title shall not be available to the Commission and the Commission shall hold a hearing for oral presentations. Rules repromulgated pursuant to this paragraph within 180 days of the passage of the resolution for reconsideration shall take effect as provided in paragraph (1), and during the period for congressional review provided in that paragraph the reconsidered rule may remain in effect.

"(C) A resolution of disapproval supersedes a resolution for reconsideration of the same rule or part thereof.

"(D) For purposes of this subsection, the term 'resolution for reconsideration' means a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: 'That the   directs the Federal Trade Commission to reconsider the rule dealing with the matter of   which is found at   .', the first blank being filled with the name of the resolving House, the second blank being filled with the title of the rule and such further description which may be necessary to identify it, and the third blank being filled with the citation to the rule in the records of the Commission.

"(3) For the purposes of this subsection—

"(A) continuity of session is broken only by an adjournment sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of calendar days of continuous session.

"(4)(A) The provisions of this paragraph are enacted by the Congress—

"(i) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but are applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraphs (1) and (2); and they supersede other rules only to the extent that they are inconsistent therewith; and

"(ii) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(B)(i) Resolutions of disapproval, resolutions for reconsideration of a rule, and resolutions disapproving a resolution of disapproval or reconsideration in the other House shall, upon introduction, be immediately referred by the presiding officer of the Senate or of the House of Representatives to the appropriate committee of the Senate or the House of Representatives.

"(ii) If the committee to which a resolution has been referred does not report a resolution within 45 calendar days of continuous session of Congress after the date of transmittal of the rule to which such resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(iii) Such motion to discharge must be supported by one-fifth of the Members of the House of Congress involved, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a resolution of disapproval or for reconsideration has been reported with respect to the same rule); and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to the motion is not in order.

"(C) (i) Except as provided in clauses (ii) and (iii), consideration of a resolution of disapproval or for reconsideration shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(ii) When the committee has reported or has been discharged from further consideration of a resolution with respect to a rule, it shall be in order at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order.

"(iii) Debate on the resolution shall be limited to not more than two hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not in order. An amendment to, or motion to recommit the resolution is not in order.

"(5) If a resolution of Congress disapproves a rule which was being promulgated subject to a statutory time limit for rulemaking, the adoption of the resolution shall not relieve the Commission of its responsibility for adopting a rule, but any statutory time limit shall apply to such renewed rulemaking only from the date on which the resolution was adopted.

"(6) The provisions of this subsection do do not apply to—

"(A) a rule of agency organization, practice, and procedure;

"(B) a rule relating to agency management of personnel; or

"(7) For purposes of this subsection, the term "rule" has the same meaning as in section 551(4) of title 5, United States Code.

"(8) The Commission is not required to transmit a copy of any rule promulgated by the Commission to the Secretary of the Senate and the Clerk of the House of Representatives under this subsection after October 1, 1982.".

EXHIBIT 1

THE FTC AS NATIONAL NANNY

The Federal Trade Commission has now agreed to consider imposing major restrictions on television advertisements aimed at young children. The primary goal of the proposal is to reduce the amount of sugar children eat. Few people, least of all thoughtful parents, will disapprove of that goal. But the means the FCC is considering are something else. It is a preposterous intervention that would turn the agency into a great national nanny.

The proposal has three parts (or "options," as the staff naturally describes them). A complete ban on advertising on programs aimed at children under 8 years of age; a ban on all ads on programs aimed at children under 12 for those sugar-coated products most likely to cause tooth decay; and a requirement that if ads for other heavily sugared products appear on programs aimed at children under 12, such ads be balanced by separate dental and nutritional ads.

Now, it is true that children watch many hours of television and see thousands of advertisements that cause them to demand that their parents buy certain products, mostly candy and cereals with huge amounts of sugar in them. And parents often yield to those demands, with the result that children eat more sugar than is good for them—from which the FTC's staff concluded that government must do something about the ads to protect the children.

But what are the children to be protected from? The candy and sugar-coated cereals that lead to tooth decay? Or the inability or refusal of their parents to say no? The food products will still be there, sitting on the shelves of the local supermarkets after all, no matter what happens to the commercials. So the proposal, in reality, is designed to protect children from the weaknesses of their parents—and the parents from the wailing insistence of their children. That, traditionally, is one of the roles of a governess—if you can afford one. It is not a proper role of government. The government has enough problems with television's emphasis on violence and sex and its shortages of local programing, without getting into this business, too.

The government can try to warn children (and parents) about the dangers of eating too much sugar. It has been doing so for generations and it might as well keep trying. If a case can be made, warning labels can be required and limitations on the amount of sugar added to foodstuffs can be imposed. Television stations can be encouraged—perhaps even required—to carry dental health ads during children's programs.

But a flat ban on commercials involving, as it would have to, certain judgments a government shouldn't be encouraged to make or enforce, would make parents less responsible, not more.●

● Mr. TOWER. Mr. President, I am pleased to join the distinguished Senator from New Mexico (Mr. SCHMITT) in submitting an amendment to S. 1020, the Federal Trade Commission Authorizations, to provide for congressional review of each rule proposed by the Federal Trade Commission.

The amendment would require the Federal Trade Commission to send a copy of each of its proposed substantive rules and regulations to both Houses of Congress for review and possible disapproval. The procedure does not require Congress to take formal action on any proposed rule unless it decides to disapprove the rule.

There is a need for the legislative veto because the present oversight mechanism of agency rules has been inadequate.

Neither judicial review nor current congressional oversight procedures have been successful in stemming the tide of regulation. From 1955 to 1970, the number of pages appearing annually in the Federal Register, where new regulations are published, increased at an annual rate of 5 percent. From 1970 to 1975, the growth soared to nearly 25 percent per annum. Federal expenditures on regulations have been increasing at about 20 percent each year. The legislative veto will provide the most efficient means for the people of this country through their elected representatives to stem this flood of regulation.

Experience with the legislative veto under the Reorganization Acts and the Federal Election Campaign Act demonstrates its substantial contribution to the effectiveness of legislative oversight. During the period from 1932 to 1978, Congress has enacted more than 200 laws requiring advance submission of agency proposals or regulations to Congress for review. There is no evidence that these veto provisions have placed a burden upon Congress.

There should be no substantial question regarding the constitutionality of this proposal. Since the courts have consistently upheld the right of Congress to delegate rulemaking authority to the executive branch agencies, it is consistent for Congress to condition that authority with a legislative review process. Agency rulemaking is more a legislative than an executive function, so Congress should be able to retain this control over what is essentially a policy-making activity.

Nor is Congress usurping the power of the judiciary to interpret the laws. This form of regulatory review is actually the final step in the legislative process, and should be distinguished from an after-the-fact judicial determination.

The dicta of Justice White in *Buckley* v. *Valeo* (424 U.S. 1, 284) (1976) should put to rest the argument that the legislative veto violates the presentment clause of the Constitution. He stated in pertinent part:

> The regulation becomes effective by non-action. This no more invades that President's powers than does a regulation not required to be laid before Congress. Congressional

influence over the substantive content of agency regulation may be enhanced, but I would not view the power of either House to disapprove as equivalent to legislation or to an order, resolution or vote requiring the concurrence of both Houses.

Mr. President, there is a particular need for close congressional oversight of the Federal Trade Commission's activities. That agency's rules are not merely narrow interpretations of a tightly drawn statute, but instead they are broad policy pronouncements which Congress has an obligation to study and review. Our proposal is designed to provide the American citizens through their elected representatives greater control over this independent bureaucracy. I urge this body to give full support to this amendment.●

FREDERICK LAW OLMSTED NATIONAL HISTORIC SITE—S. 495

AMENDMENT NO. 213

(Ordered to be printed.)

Mr. HATFIELD proposed an amendment to S. 495, a bill to authorize the establishment of the Frederick Law Olmsted National Historic Site in the State of Massachusetts, and for other purposes.

AMENDMENT NO. 214

(Ordered to be printed.)

Mr. WEICKER proposed an amendment in the nature of a substitute to amendment No. 213 proposed to S. 495, supra.

INTERNATIONAL DEVELOPMENT ASSISTANCE ACT—S. 588

AMENDMENT NO. 215

(Ordered to be printed and to lie on the table.)

Mr. STONE submitted an amendment intended to be proposed by him to S. 588, a bill to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal years 1980 and 1981, to make certain changes in the authorities of that act, to authorize the establishment of an Institute for Technological Cooperation, and for other purposes.

● Mr. STONE. Mr. President, on behalf of the Committee on Agriculture, Nutrition, and Forestry, I am today submitting amendments to the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480).

These amendments, which have been approved by the Committee on Agriculture, Nutrition, and Forestry, would make a number of changes in the food for peace program.

They will be offered for consideration by the Senate as an amendment to S. 588, the International Development Assistance Act of 1979.

In recent years, the Committee on Agriculture, Nutrition, and Forestry has worked out a procedure with the Foreign Relations Committee whereby our committee acts on legislation dealing with the food for peace program, and such legislative changes are then considered on the floor as an amendment to the foreign assistance legislation. This procedure has been developed because the House Committee on Foreign Affairs, which has jurisdiction over foreign assistance and most elements of the food for peace program, takes up both legislative subjects in one bill.

SHORT EXPLANATION

The amendment would—

First, make avoiding disruption of local markets an objective of Public Law 480 programs and provide for greater input by the indigenous population of recipient countries in feeding programs;

Second, provide that, to the maximum extent possible, a relatively constant supply of commodities be provided under Public Law 480;

Third, authorize using commodities themselves in carrying out food for development programs; and

Fourth, provide that food assistance can be provided during domestic short supply situations for developmental, as well as humanitarian purposes.

SUMMARY OF MAJOR PROVISIONS

These amendments, as approved by the Committee on Agriculture, Nutrition, and Forestry would:

First, require that the Secretary of Agriculture give consideration to the development and expansion of markets for U.S. agricultural commodities and local food stuffs by increasing the effective demand for agricultural commodities by supporting measures to stimulate development in the recipient countries. The Secretary would be directed to assure that credit sales under Public Law 480 "the act" would not interfere with food production and marketing in the purchasing country.

Second, encourage the President to assure that commodities donated under title II, both in normal times and in emergency situations, will not displace or interfere with local food production and marketing in the recipient country.

Third, urge that agencies that distribute title II food commodities shall, to the extent feasible, be encouraged to work with indigenous institutions and workers in assessing nutritional needs; designing and carrying out projects; supervising food distribution; and evaluating project effectiveness.

Fourth, broaden the use of currencies generated under title II sales in famine or extraordinary relief situations to include alleviating the causes of the need for the assistance in accordance with the purposes specified in section 103 of the Foreign Assistance Act of 1961.

Fifth, require that consideration be given to using the expertise of American agriculture, in partnership with indigenous individuals and organizations, in developing and carrying out food for development projects.

Sixth, authorize the use of the commodities themselves in carrying out food development programs. The dollar sales value of agricultural commodities used by the recipient countries under title III would be applied against the repayment obligation of that country. Reporting requirements would be revised to show how these commodities were used and where these commodities were not fully disbursed.

Seventh, provide that food assistance can be provided during domestic short supply situations for developmental, as well as humanitarian purposes. In periods of domestic short supply, priority will be given to urgent humanitarian concerns over developmental purposes.

Eighth, provide that assistance under the act shall be directed toward humanitarian and developmental objectives, as well as the development and expansion of agricultural markets for the United States and the recipient country. To the maximum extent possible, commodities provided are to be used to improve the economic and nutritional status of the poor, or any proceeds from the sale of agricultural commodities will be used to promote policies and programs that benefit the poor.

Ninth, provide that country assessments shall be carried out whenever necessary to determine types, timing, quantities, and conditions under which commodities should be provided; the relationship between food and other development assistance; and the country's potential as a new or expanded market for U.S. and recipient country agricultural commodities.

Tenth, provide that, to the maximum extent possible, there shall be a relatively constant supply of commodities provided under the Agricultural Trade Development and Assistance Act of 1954.

Eleventh, provide that efforts by developing countries to enhance their national food security deserve encouragement by the United States, and measures to increase food security are identified.

BACKGROUND AND NEED

The Agricultural Trade Development and Assistance Act of 1954, known as food for peace or Public Law 480, was initiated primarily as a device for disposing of U.S. agricultural surpluses and developing new markets for agricultural commodities. These goals are still part of the program; however, using U.S. agricultural commodities to encourage economic development and combat hunger and malnutrition have come to the forefront as program objectives in recent years.

Under title I of the program, commodities are financed under concessional credit terms of up to 40 years and at low rates of interest. Title I commodities become part of the recipient country's food supply and are sold internally by the recipient country with the local currencies generated providing additional resources, which the United States increasingly has encouraged the recipient country to use for development activities. The title I program provides maximum flexibility in terms of responding to food production shortfalls on the part of the recipient country.

The title II program provides for the donation of commodities that are distributed primarily through U.S. private voluntary agencies and the world food program. Under title II, commodities are provided for maternal and child health programs, food for work projects, the world food program and emergency and extraordinary relief requirements.

The title III program operates in much the same way as title I. However, in contrast to title I, poor countries can participate in multiyear commodity commitments and gain loan forgiveness under title III if mutually agreed upon activities can be developed. This title is to represent additional assistance beyond that being provided under titles I and II of the act. This is a relatively new authority, and thus far only a few title III agreements have been concluded.

In recent years, the Public Law 480 program has been directed more toward humanitarian and developmental goals with the legislation reflecting those concerns. The legislation also has placed major emphasis on increasing local food production in the face of rising need and limited resources on the part of developing countries.

This amendment would make legislative refinements in Public Law 480 to deal with growing concerns over how our food assistance is provided and its impact on local agricultural production. Commodity shipments are to be carefully timed and need assessed, to the extent possible, to avoid disrupting local markets and depressing prices paid to farmers in the recipient country.

The conviction has been growing in recent years that the Public Law 480 program must become more sensitive to the agricultural development needs of the recipient countries. If the countries are to develop and become part of the world economy, their agricultural economy must be encouraged, thereby generating much of the energy for the development process. As these countries develop and their economies grow, they will become more significant purchasers of U.S. agricultural commodities.

Another major concern regarding the program in recent years has been the need to assure the continuity of supply during periods of short supply. This will enable the needy countries to draw up their development plans with some certainty that the food commodities will be available on a steady basis. The amendment attempts to provide assurance that U.S. food aid will not be provided indiscriminately or dumped during times when the United States has surplus commodities or suspended during periods of tight supplies.

At present, under title III food for development projects, only the local currencies generated from the sale of U.S. commodities can be utilized for debt forgiveness. The amendment would allow the direct use of the commodities themselves, which would provide greater flexibility and allow activities such as food for work projects.

A further initiative to increase the effectiveness of the title III program would be to use private American agricultural organizations, cooperatives, marketing, and other private enterprises with practical agricultural experience in developing and carrying out food for development programs with recipient governments and corresponding indigenous organizations.

To improve the effectiveness of the title II donation program, wider use could be made of indigenous organizations and individuals in designing and carrying out projects under this title.

COMMITTEE CONSIDERATION

The Foreign Agricultural Policy Subcommittee held a hearing on May 8, 1979, to review S. 962, S. 1053 and the food for peace section of S. 1.

The subcommittee received testimony from Dr. Kelly Harrison and Fred Welz of the Department of Agriculture and Kay Bitterman and Robert Chase of the Agency for International Development. Others testifying included Larry Minear, representative for Development Policy, Church World Service and Lutheran World Relief; Mark Schomer of Bread for the World; J. Stephen Gabbert, executive vice president of the Rice Millers Federation; and Mr. Gregory Sali, S.A. International, Inc.

The administration witnesses were supportive of many of the provisions of the three bills, as were the witnesses representing humanitarian groups. The private sector witnesses were less supportive of new legislation in general and were more interested in promoting agricultural trade for U.S. agricultural commodities.

The main issues or concerns raised with regard to the three bills related to: First, giving the Department of Agriculture the lead role in carrying out title III projects (S. 1053); second, giving priority consideration to the use of the private agricultural sector in title III activities (S. 1053); third, providing a total minimum tonnage of 7 million tons for the program (S. 1); and a perceived down-playing of market development and its relation to economic development (S. 962); and the provision for detailed studies of titles I and II (S. 1053).

On May 17, 1979, the Senators who had authored the original three bills introduced a new bill, S. 1174. S. 1174 was developed as a compromise bill to combine the best features of the three bills and also resolve the issues raised during the May 8, 1979, hearing.

The full committee met on May 23, 1979, and used S. 1174 as the basis for its consideration. With the exception of several technical amendments, S. 1174 was agreed upon by the committee as an amendment to S. 588.

Senator **Helms** offered the following brief statement in support of the legislation:

Public Law 480 Amendments

The Food for Peace programs have helped produce some of our best cash-paying customers for agricultural commodities. In the early years of Public Law 480, recipient countries included 17 European nations and Japan. By 1969, all of these countries were importing U.S. farm products on commercial terms. Today Japan—with its $4.4 billion worth of U.S. agricultural imports—is the top single-country customer for U.S. farm commodities. Clearly, our attentiveness to the market development objectives of the Public Law 480 programs has reaped great returns for the American farmer. There is no reason why we cannot continue to help the U.S. agricultural sector while we help others to help themselves through Public Law 480 programs. But to do so requires that we evaluate the current trend of emphasizing humanitarian and developmental objectives at the expense of U.S. market development. We must undertake such an evaluation with an eye toward preserving the balance among the multiple objectives of Public Law 480 so that our farmers may continue to receive their well-deserved reward for producing the agricultural largesse from which the rest of the world benefits. The compromise language of S. 1174 strives for such a balance. I hope that my colleagues will accept its provisions without any modifications that would relegate market development to a secondary position of importance.

Senator **Stone** pointed out that several provisions in S. 1053 had been deleted from S. 1174. He requested that the language accompanying the proposed amendment to S. 588 include the following statement:

Statement

I. TITLE III FOOD FOR DEVELOPMENT PROJECTS

S. 1053 would have given USDA the lead role in developing and carrying out title III projects, but this was strongly opposed by the Administration. It is the determination of this Committee that USDA be involved at the earliest stages in developing and carrying out title III activities.

II. FOOD AID STUDY

S. 1053 called for a study of titles I and II, but USDA pointed out that it already is required to develop various reports. To avoid asking for a new report, the Committee requests that information on Public Law 480's (1) nutritional impact; (2) usefulness in encouraging economic development; (3) role in developing markets for U.S. agricultural commodities; and (4) impact on recipient country markets be included in presently required reports.

The committee accepted the two requests without objection.

CONCLUSION

Mr. President, the amendment I am introducing today on behalf of the Committee on Agriculture, Nutrition, and Forestry will make needed changes in the food for peace program.

I urge all of my colleagues to support this amendment.

Mr. President, I ask unanimous consent that the text of the amendment and a section-by-section analysis be printed in the Record.

There being no objection, the amendment and analysis were ordered to be printed in the Record, as follows:

Amendment No. 215

On page 50, between lines 3 and 4 insert a new title as follows:

TITLE III—FOOD FOR PEACE

INCREASING DEMAND FOR FOOD AND ENCOURAGING LOCAL FOOD PRODUCTION

Sec. 301. Section 103(f) of the Agricultural Trade Development Act of 1954 is amended to read as follows:

"(f) give consideration to the development and expansion of markets for United States agricultural commodities and local foodstuffs by increasing the effective demand for agricultural commodities through the support of measures to stimulate equitable economic growth in recipient countries, with appropriate emphasis on develing more adequate storage, handling, and food distribution facilities;".

Sec. 302. Section 103(n) of the Agricultural Trade Development Act of 1954 is amended by inserting "(1)" after "not" and inserting before the semicolon at the end thereof the following: ", or (2) interfere with local food production and marketing in the purchasing country".

Sec. 303. Section 107(b) of the Agricultural Trade Development and Assistance Act of 1954 is amended by inserting "the agricultural commodities of the recipient country and" immediately after "usual marketings of".

SEC. 304. Section 202(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof a new sentence as follows: "The President shall take reasonable precaution to assure that the distribution of commodities furnished under this title, both in normal times and in emergency situations, will not displace or interfere with local food production and marketing in the recipient country.".

ROLE OF INDIGENOUS INSTITUTIONS AND WORKERS

SEC. 305. Section 202(b)(2) of the Agricultural Trade and Development and Assistance Act of 1954 is amended to read as follows:

"(2) In order to assure that food commodities made available under this title are used effectively and in the areas of greatest need, entities through which such commodities are distributed shall be encouraged to work with indigenous institutions and employ indigenous workers, to the extent feasible, to (A) assess nutritional and other needs of beneficiary groups, (B) help these groups design and carry out mutually acceptable projects, (C) recommend ways of making food assistance available that are most appropriate for each local setting, (D) supervise food distribution, and (E) regularly evaluate the effectiveness of each project.".

ALLEVIATING THE CAUSES OF THE NEED FOR TITLE II ASSISTANCE

SEC. 306. Section 206 of the Agricultural Trade Development and Assistance Act of 1954 is amended by amending clause (3) to read as follows: "(3) such agreement provides that the currencies will be used for (A) alleviating the causes of the need for the assistance in accordance with the purposes and policies specified in section 103 of the Foreign Assistance Act of 1961, or (B) programs and projects to increase the effectiveness of food distribution and increase the availability of food commodities provided under this title to the neediest individuals in recipient countries.".

INCENTIVES FOR ENTERING INTO FOOD FOR DEVELOPMENT PROGRAMS

SEC. 307. Section 301(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by—

(1) inserting in the first sentence ", or the dollar sales value of the commodities themselves," immediately after "the local sale of such commodities"; and

(2) inserting in the second sentence ", or the use of the commodities themselves," immediately after "participating country".

PARTICIPATION OF AMERICAN AGRICULTURE IN FOOD FOR DEVELOPMENT PROGRAMS

SEC. 308. Section 302(c) of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof a new paragraph (4) as follows:

"(4) In developing and carrying out Food for Development Programs under this title, consideration shall be given to using the capability and expertise of American agriculture, in partnership with indigenous individuals and organizations, in furthering economic development and increased food production.".

REPORTS AND RECORDS UNDER TITLE III

SEC. 309. Section 303(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out in the second sentence "for each year such funds are to be disbursed".

SEC. 310. Section 305 of the Agricultural Trade Development and Assistance Act of 1954 is amended by—

(1) adding at the end of subsection (a) a new sentence as follows: "Disbursements of funds from the special account in an amount equivalent to the dollar value of the credit furnished by the Commodity Credit Corporation under section 304(a) of this Act shall be deemed to be payment of all installments of principal and interest payable thereon for the commodities purchased by the participating country for purposes of this title."; and

(2) adding at the end thereof a new subsection (c) as follows:

"(c) When agricultural commodities made available under this title are used by the participating country in development projects in accordance with the applicable Food for Development Program, the dollar sales value of such commodities shall be applied, in accordance with subsections (a) and (b) of this section, against the repayment obligations of that country under this Act, with the value of the commodities so used being deemed to be disbursements made at the time of such use.".

SEC. 311. Section 306 of the Agricultural Trade Development and Assistance Act of 1954 is amended by inserting in the first sentence "a detailed description of how the commodities were used or" immediately before "a specific".

SEC. 312. Section 307 of the Agricultural Trade Development and Assistance Act of 1954 is amended by amending subsection (a) to read as follows:

"(a) Each year the President shall review all agreements providing for the use of (A) the proceeds from the sale of agricultural commodities or (B) the value of agricultural commodities under this title for which such funds or commodities were not fully disbursed during the preceding year. The results of such review shall be included in the annual report to Congress required under section 408(a) of this Act.".

AVAILABILITY OF COMMODITIES FOR DEVELOPMENTAL PURPOSES

SEC. 313. Section 401(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by (1) inserting "or developmental" immediately after "humanitarian" in the second sentence, and (2) adding at the end thereof a new sentence as follows: "In periods of short supply, as determined by the Secretary, urgent humanitarian concerns will be given priority over developmental purposes.".

DETERMINATION OF COMMODITY NEEDS AND PROGRAM BENEFICIARIES IN EACH COUNTRY

SEC. 314. Section 404 of the Agricultural Trade Development and Assistance Act of 1954 is amended to read as follows:

"SEC. 404. (a) The programs of assistance conducted under this Act, and the types and quantities of agricultural commodities to be made available, shall be directed toward the attainment of humanitarian and development objectives as well as the development and expansion of United States and recipient country agricultural commodity markets. To the maximum extent possible, either the commodities themselves shall be used to improve the economic and nutritional status of the poor through effective and sustainable programs, or any proceeds generated from the sales of agricultural commodities shall be used to promote policies and programs that benefit the poor.

"(b) Country assessments shall be carried out whenever necessary in order to determine the types and quantities of agricultural commodities needed; the conditions under which commodities should be provided and distributed; the relationship between United States food assistance and other development resources; the development plans of that country; the most suitable timing for commodity deliveries; the rate at which food assistance levels can be effectively used to meet nutritional and development needs; and the country's potential as a new or expanded market for both United States agricultural commodities and recipient country foodstuffs.".

CONTINUITY OF SUPPLY

SEC. 315 Title IV of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof a new section 413 as follows:

"SEC. 413. In order to best meet the humanitarian and developmental purposes of this Act, to the maximum extent possible there shall be a relatively constant supply of commodities provided under this Act.".

USING FOOD AID AND RELATED RESOURCES TO ENCOURAGE FOOD SECURITY

SEC. 316. Section 103 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof a new subsection (f) as follows:

"(f) Congress finds that the efforts of developing countries to enhance their national food security deserves encouragement as a matter of United States development assistance policy. Measures complementary to assistance for expanding food production in developing countries are needed to help assure that food becomes increasingly available on a regular basis to the poor in such countries. Therefore, United States bilateral assistance under the Agriculture Trade Development and Assistance Act of 1954 and this Act, and United States participation in multilateral institutions, shall emphasize policies and programs that assist developing countries to increase their national food security by improving their food policies and management and strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing postharvest food losses, and improving food distribution.".

On page 50, beginning with line 4, strike out all down through line 7 and insert in li[illegible]ereof the following:

TITLE IV—EFFECTIVE DATE

SEC. 401. The provisions of this Act and the amendments made by such provisions shall take effect on October 1, 1979.

SECTION-BY-SECTION ANALYSIS OF AMENDMENT NO. 212

This amendment would add a new title III to S. 588 making changes in the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480).

Sections 301 through 304—Increasing Demand for Food and Encouraging Local Food Production.

Section 301 amends section 103(f) of the Agricultural Trade Development and Assistance Act of 1954 ("the Act") to require the President, in exercising his authorities under the Act, to give consideration to the development and expansion of markets for United States agricultural commodities and local foodstuffs, by increasing the effective demand for agricultural commodities through the support of measures to stimulate equitable economic growth in recipient countries, with appropriate emphasis on developing more adequate storage, handling, and food distribution facilities.

Section 302 amends section 103(n) of the Act to require the President, in exercising his authorities under the Act, to take maximum precautions to assure that sales for dollars on credit terms shall not displace or interfere with local food production and marketing in the purchasing country.

Section 303 amends section 107(b) of the Act to require the Secretary of Agriculture to take reasonable precautions to protect the normal commodity marketing process of the recipient country.

Section 304 amends section 202(a) of the Act to require the President to take reasonable precaution to assure that commodities distributed under title II, in both normal times and in emergency situations, will not displace or interfere with local food production and marketing in the recipient country.

Section 305—Role of Indigenous Institutions and Workers.

Section 305 amends section 202(b)(2) of the Act to provide that in order to assure both the effective use of title II commodities and their application to the areas of greatest need within the recipient country, the agencies that distribute title II commodities will be encouraged to work with indigenous institutions and employ indigenous workers, to the extent feasible to (A) assess nutritional and other needs of beneficiary groups, (B) help these groups design and carry out mutually acceptable projects, (C) recommend ways of making food assistance available that are most appropriate for each local setting, (D) supervise food distribution, and (E) regularly evaluate the effectiveness of each project.

Section 306—Alleviating the Causes of the Need for Title II Assistance.

Section 306 amends section 206 of the Act to provide that no title II assistance will be provided under an agreement permitting generation of foreign currency proceeds unless the agreement provides that the currencies will be used for (1) alleviating the causes of the need for the assistance in accordance with the purposes and policies of section 103 of the Foreign Assistance Act, or (2) programs and projects to increase the effectiveness of food distribution and increase the availability of title II food commodities to the neediest individuals in recipient countries.

Section 307—Incentives for Entering into Food for Development Programs.

Sections 307 (1) and (2) amend section 301(a) of the Act to authorize the President to apply the dollar value of commodities provided under title III, as well as the funds accruing from the local sales of such commodities, against the repayment obligation of governments receiving concessional financing under the Act. Commodities themselves could be used in title III projects in addition to local currencies generated by the sale of the commodities.

Section 308—Participation of American Agriculture in Food for Development Programs.

Section 308 adds a new paragraph (4) to section 302(c) of the Act to require that, in developing and carrying out Food for Development projects, consideration be given to using the capability and expertise of American agriculture, in partnership with indigenous individuals and organizations, in furthering economic development and increased food production.

Sections 309 through 311—Reports and Records under Title III.

Section 309 amends section 303(a) of the Act to make a technical change in the language of the composition of a Food for Development program.

Section 310(1) amends section 305(a) of the Act to provide that disbursements equivalent to the value of the credit furnished by the Commodity Credit Corporation shall be deemed to be payment of all installments of interest and principal payable for commodities purchased under this title.

Section 310(2) adds a new subsection (c) to section 305 of the Act to provide that when agricultural commodities made available under title III are used by the participating country in development projects in accordance with the applicable Food for Development program, the dollar sales value of such commodities shall be applied, in accordance with subsections (a) and (b) of section 305, against the repayment obligations of that country under the Act, with the value of the commodities so used being deemed to be disbursement made at the time of such use.

Section 311 amends section 306 of the Act by requiring participating countries to include in the report required under that section a detailed description of how the commodities under title III were used.

Section 312 amends section 307 of the Act to require that the annual report under that section include information on the value of title III agreement commodities not fully disbursed during the preceding year.

Section 313—Availability of Commodities for Developmental Purposes.

Section 313 amends section 401(a) of the Act to allow the Secretary to continue commodity shipments during periods of short supply for developmental as well as humanitarian purposes. Urgent humanitarian concerns would be afforded first priority over developmental purposes in short supply circumstances.

Section 314—Determination of Commodity Needs and Program Beneficiaries in Each Country.

Section 314 amends section 404 of the Act to specify market development and developmental objectives, as well as humanitarian objectives, as policy directions under the Act.

Section 314 also amends section 404 of the Act to add a new subsection (b) directing that assessments be made of recipient country commodity needs in order to encourage economic development and review the potential for expanded U.S. agricultural exports.

Section 315—Continuity of Supply.

Section 315 adds a new section 413 to the Act.

New section 413 requires, to the maximum extent possible, that a relatively constant supply of commodities be provided under the Act to recipient countries.

Section 316—Using Food Aid and Related Resources to Encourage Food Security.

Section 316 amends section 103 of the Foreign Assistance Act to encourage the use of United States food aid and development assistance to promote national food security measures in developing countries.●

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

● Mr. PRYOR. Mr. President, I wish to announce that the Governmental Affairs Committee will hold hearings on S. 596, a bill to reform the procedure for establishing congressional districts, on June 20 and June 21 at 10 a.m. in room 3302 of the Dirksen Senate Office Building.

Anyone wishing additional information about the hearings should contact the committee office at 224-4751.●

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT OF THE FINANCE COMMITTEE

● Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Tax Management will hold a hearing on tax incentives for exports.

The hearing will be held on June 18, 1979, in room 2221, Dirksen Senate Office Building. The hearing will begin at 9:30 a.m.

The following Senate bills of general application will be examined:

S. 231, introduced by Senator Bentsen, to expand the Asset Depreciation Range (ADR) variance from 20 percent to 30 percent and to provide a simplified table for faster depreciation for small business.

S. 700, introduced by Senator Danforth, to provide a 10 percent investment tax credit for research and development expenditures.

S. 1003, introduced by Senators Bentsen and Danforth, to amend the existing bad debt and research and development provisions and to provide an annual realization for foreign currency losses.

S. 1065, introduced by Senator Danforth for himself and Senators Javits and Moynihan, to provide a credit for corporations or contributions for basic research.

S. 935, introduced by Senator Chafee to allow depreciation over a period of not less than 5 years for business machinery and equipment eligible for the investment tax credit, and depreciation of pollution control equipment over 2 years with the full investment credit.

Revenue estimates will be available at the time of the hearings.

Witnesses who desire to testify at the hearing should submit a written request to Michael Stern, staff director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510, by no later than the close of business on June 7, 1979.

The subcommittee would be pleased to receive written testimony from those persons or organizations who wish to submit statements for the record. Statements submitted for inclusion in the Record should be typewritten, not more than 25 double-spaced pages in length and mailed with 5 copies by July 6, 1979, to Michael Stern, staff director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT OF THE FINANCE COMMITTEE

● Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Debt Management of the Senate Committee on Finance will hold a hearing on June 22, 1979 on certain proposals for structural simplification of the Internal Revenue Code.

The hearing will begin at 9:30 a.m. in room 2221 of the Dirksen Senate Office Building.

A systematic review of the tax code is being conducted at a staff level, which is expected to generate a series of specific recommendations to simplify and improve the present law. The present hearing is intended both to advance discussion as to the general direction and form of structural simplification and to consider certain initial specific bills and proposals. It is anticipated that a series of additional hearings will be held as further recommendations are developed.

In addition to general comments concerning structural simplification, testimony will be sought on:

Installment sales.—Senators Long and Dole have introduced S. 1063, a bill which will simplify the rules of section 453, dealing with installment sales. The proposal is of general application.

In addition to testimony on the specific provisions of the bill, testimony as to the broader questions of the tax treatment of deferred payment sales, contingent payments, and the distinction between open and closed transactions will also be considered relevant to the hearing.

Generallv, the revenue effect of S. 1062 and S. 1063 is expected to be negligible. However, due to the litigious nature of the issue relating to installment sales to related parties, the revenue effect of that provision is indeterminant.

Stock attribution.—The American Bar Associatiion House of Delegates has recommended a proposal for consolidating and simplifying the Code provisions on the attribution of stock ownership. The proposal is of general application.

Witnesses who desire to testify at the hearing should submit a written request to Michael Stern, staff director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510, by no later than the close of business on June 4, 1979.

The subcommittee would be pleased to receive written testimony from those persons or organizations who wish to submit statements for the record. Statements submitted for inclusion in the record should be typewritten, not more than 25 double-spaced pages in length and mailed with 5 copies by July 6, 1979, to Michael Stern, staff director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT OF THE FINANCE COMMITTEE

● Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Debt Management of the Senate Committee on Finance will hold a hearing on taxation of foreign investors on June 25, 1979.

The hearing will be held in room 2221, Dirksen Senate Office Building, beginning at 9:30 a.m.

Under present law, foreign investors are generally not taxable on capital gains when they sell U.S. property. Internal Revenue Code and existing treaty provisions bear upon this result. In the Revenue Act of 1978, Congress requested a Treasury Department study and recommendations on this subject. The report, "Taxation of Foreign Investment in U.S. Real Estate," was recently submitted to Congress.

The following Senate bills, of general application, have been introduced on taxing foreign investment in the U.S.:

S. 208, introduced by Senator MALCOLM WALLOP on behalf of himself and 36 cosponsors, which would tax foreign investors on gains from the sale of U.S. farmland and other rural land. The Treasury Department estimates a revenue gain of $22M in calendar year 1979 if S. 208 were enacted.

S. 192, introduced by Senator DALE BUMPERS, which would tax nonresident alien individuals and foreign corporations on all U.S. source capital gains. The Treasury Department estimates a revenue gain of $276M in calendar year 1979 if S. 192 were enacted.

Witnesses who desire to testify at the hearings should submit a written request to Michael Stern, Staff Director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510, by no later than the close of business on June 14, 1979.

The subcommittee would be pleased to receive written testimony from those persons or organizations who wish to submit statements for the RECORD Statements submitted for inclusion in the RECORD should be typewritten, not more than 25 double-spaced pages in length and mailed with five (5) copies by July 14, 1979, to Michael Stern, Staff Director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

● Mr. PELL. Mr. President, the Subcommittee on Education, Arts, and Humanities of the Committee on Labor and Human Resources has scheduled hearings on the reauthorization of the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

The hearings on the reauthorization of the National Endowment for the Arts will be held on June 26, 1979, at 10 a.m. in room 1114 in the Dirksen Senate Office Building, with subsequent hearings on the National Endowment for the Humanities on June 27, 1979, in room 1318 in the Dirksen Senate Office Building, and on the Instittue of Museum Services on June 28, 1979, in room 4232 in the Dirksen Senate Office Buildnig.

Any persons wishing to submit written statements to the hearing record should send them to Alexander Crary, room 4230, Dirksen Senate Office Building, Washington, D.C. 20510. (area 202-224-7666).●

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. WILLIAMS. Mr. President, I wish to announce that the Subcommittee on Housing and Urban Affairs, which I chair on the Banking, Housing, and Urban Affairs Committee has scheduled an oversight hearing on housing issues relating to tax exempt mortgage revenue bonds on Tuesday, June 12, 1979 at 9 a.m. in room 5302 Dirksen Senate Office Building, Washington, D.C.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. WILLIAMS. Mr. President, I wish to announce that hearings on termination insurance for multiemployer plans under the Employee Retirement Income Security Act of 1974 will be conducted by the Committee on Labor and Human Resources on Tuesday, June 26, 1979 and Wednesday, June 27, 1979, beginning at 9 a.m. each day, in the committee's hearing room, 4232 Dirksen Senate Office Building.

The focus of the hearings will be S. 1076, legislation which I introduced, with Senators LONG and JAVITS as cosponsors, at the request of the administration on May 3. However, to be sure that the committee has the benefit of a full range of views on the issues addressed by that bill, witnesses and persons submitting written views for the RECORD need not confine themselves to the approach taken by S. 1076 to resolving the problems that have arisen respecting multiemployer plan termination insurance.

For further information, interested persons should contact Steven Sacher, special counsel to the committee, 202-224-1097.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ARMS CONTROL, OCEANS, INTERNATIONAL OPERATIONS AND ENVIRONMENT

Mr. INOUYE. Mr. President, I ask unanimous consent that the Subcommittee on Arms Control, Oceans, International Operations and Environment of the Committee on Foreign Relations be authorized to meet during the session of the Senate today to hold a hearing on arms control and the implications of current national defense programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

AMERICAN INNOVATION

● Mr. SCHMITT. Mr. President, each year the National Aeronautics and Space Administration's Langley Research Center recognizes the contributions of its inventors who have received U.S. patents during the preceding year for their work in aeronautics and space. This year's awards ceremony was held on May 17, 1979. I want to congratulate these Langley Inventors of 1978 and pay tribute to their accomplishments.

I ask that a list of these inventors and their inventions be printed in the RECORD together with the remarks of NASA's deputy general counsel, Mr. Gerald J. Mossinghoff, who in honoring the Langley Inventors of 1978, outlines the impact of America's great inventors on this Nation's history.

In this context, Mr. President, I would call the attention of my colleagues to S. 1215, the Science and Technology Research and Development Utilization Policy Act, a bill which would hasten the utilization of inventions resulting from Federal programs by establishing a uniform patent policy for the Federal Government. Their cosponsorship of this measure would be welcomed.

The information follows:

LANGLEY PATENTEES, 1978

Nozzle extraction process and hendlemeter for measuring handle, Vernon L. Alley, Jr.; Austin D. McHatton.

Magnetic suspension and pointing system, Dr. Willard W. Anderson, Nelson J. Groom.

Collapsible corrugated horn antenna, Donald E. Barthlome.

Process for preparing thermoplastic aromatic polyimides, Dr. Vernon L. Bell.

Totally confined explosive welding, Laurence J. Bement.

Device for measuring the contour of a surface, Ernest E. Burcher, Dr. Stephen J. Katzberg.

Supersonic transport, Dr. Paul L. Coe, Jr.

Smokestack-mounted airfoil, Dr. Robert C. Costen.

Magnetometer with a miniature transducer and automatic scanning, William J. Debnam, Jr.; Dr. Carl L. Fales, Jr.; Dr. Roger A. Breckenridge.

Septic system liquid level control apparatus, Bruce Flagge.

Remote water monitoring system, David C. Grana, David P. Haynes.

Electrically scanned pressure sensor module in situ calibration capability, Chris Gross.

Molded composite pryogen igniter for rocket motors, Wilbur C. Heier, Melvin H. Lucy.

Pseudo continuous wave instrument, Dr. Joseph S. Heyman.

Volumetric direct nuclear pumped laser, Dr. Frank Hohl, Michael D. Williams, Dr. Nelson W. Jalufka.

Device for measuring the contour of a surface, William L. Kelly, IV.

Non-destructive method for applying and removing instrumentation on helicopter rotor blades, Walt C. Long, Milton L. Williams (Ret.).

Two dimensional wedge/translating shroud nozzle, Donald L. Maiden.

Fluid velocity measuring device, David F. Thomas, Jr. (Ret.)

Contrast enhancement and small detail blending of photographic images, Leonard M. Weinstein.

Fluid velocity measuring device, Leon A. Williams, Jr.

Independent power generator, Richard N. Young (at Ames).

Versatile LDV burst simulator, Otto Youngbluth.

IN HONOR OF LANGLEY INVENTORS OF 1978

(By Gerald J. Mossinghoff)

Each of Langley's Inventors of 1978—recipients of a United States patent during the past year—deserves special recognition; through their creativity, they have enriched NASA and our Nation. Each has provided a new tool, a new technique, to solve a problem or seize an opportunity; in words of the Constitution, each has promoted "the progress of science and the useful arts." They join a large, but yet uniquely and individually distinguished assemblage: those who have been awarded a United States patent for their work in science and technology.

The history of the United States has been written in many ways and from many vantage points. But it is no more accurately reported than in the vast collection of United States patents.

The English philosopher and social critic Thomas Carlyle observed that man is "the feeblest of bipeds" and yet with his tools he has power beyond imagination. "Without tools," Carlyle concluded, "man is nothing; with tools, he is all." In many ways those observations characterized the United States in the eighteenth century. It was the feeblest of nations, but it had the tools—on the capacity to create those tools—and with that technology it became the worlds greatest nation. And the United States patent system played a critically important role in that development.

One of the first acts of the First Congress in the spring of 1790 was to create a Federal patent system under a specific constitutional grant of power to the new Federal Government. Although patents had been granted previously for inventions under Anglo-American law, this was the first time in history that an institution was established to provide for the systematic examination and issuance of patents.

The first U.S. patent was granted on July 31, 1790, to a Mr. Samuel Hopkins. It was personally signed by Attorney General Edmund Randolph, by Secretary of State Thomas Jefferson and by President George Washington. Thereafter, Mr. Jefferson, a prolific and noted inventor in his own right, was active in the examination of inventions submitted for patents.

The patent system was almost twenty-five years old—older than NASA now is—when the British burned Washington. One of the most colorful Commissions of Patents in history, Dr. William Thornton, is credited with having rescued the U.S. Patent Office—now the National Portrait Gallery at 9th and F Streets in Downtown Washington—from the torch of a young British lieutenant. Dr. Thornton was able to convince the lieutenant, given the importance of the records and models in the Patent Office to the young nation, that what the officer was about to do was analogous to the sacking of Rome by the barbarians. And the officer concluded that Thornton was right.

(As an aside, Dr. Thornton is the architect who submitted the winning design of the Capitol, and he is the architect of the Octagon House in Washington, which served as a temporary White House after the war of 1812 and which now houses the American Institute of Architects. An original Gilbert Stewart painting of Dr. Thornton now hangs in the office of the present Commissioner of Patents in the Crystal City complex; it is carefully positioned so that Dr. Thornton can oversee his Octagon House and the Old Patent Office which he saved.)

Those interested in technology and its role in society often point to Thomas Edison as the inventor having the single greatest impact. Without question modern society would not have advanced as it did without the "genius of Menlo Park" and his astounding ability to invent things. His incandescent lamp prompted him to develop a complete electrical distribution system for light and power including generators, motors, light sockets, safety fuses, storage batteries, and underground cables. His early work in transmitters and receivers, his breakthrough in microphones, leading to his invention of the phonograph, and his pioneering work in motion picture projectors led directly to our modern communications and entertainment industry. A valuable addition to any library of United States history would be the more than 1300 patents granted to Edison.

But as profound as Edison's contributions were, one could advance a position that nothing influenced the social and economic framework of this nation during its early years as dramatically as did Eli Whitney's cotton gin. A relatively simple mechanical device—as the best inventions are once the inventor discloses them—the cotton gin turned what had been unprofitable slave labor into what was then viewed as an indispensable part of production. As a result of the cotton gin a strong and growing movement to end the cruel institution of chattel slavery was met head on with the reality of unheard of fortunes. Southern slave population increased from about 700,000 when Whitney invented the cotton gin in 1792 to more than 4,000,000 just before the Civil War. And because cotton culture, as it was then practiced, exhausts the soil, the profits available from King Cotton spurred planters to move westward taking their institutions with them into the fertile acres of Alabama, Mississippi, Tennessee and Texas.

Only within the last few decades have we experienced a break from social and political attitudes traceable directly to the Civil War. And one could well wonder whether that war would have occurred at all if Eli Whitney had not gone to the South to build his famous machine.

At the end of the Civil War, when the United States patent system was celebrating its diamond anniversary, technology opened the way for westward expansion. Cyrus McCormack's patented reaper went into production in 1850. A number of inventive men including George Westinghouse, whose son invented the air-brake, combined the McCormack reaper with improved versions of Andrew Meikle's thresher to produce the combine. Mechanized farming had come into being, opening the Great Plain States to settlement and use.

Equally significant in their own way were Samuel Morse's telegraph, Otis Cooper's "Tom Thumb" steam locomotive, Joseph Glidden's barbed wire, George Westinghouse's railroad air-brake, George Pullman's "sleeping car", and hundreds of other inventions and improvements in transportation, communications and industrial technology. The list would not be complete without mentioning the "revolving-breach pistol" patented by Samuel Colt in 1836.

As the United States moved into the maturing years of its industrial revolution, at the end of the 19th century, inventors were hailed as legitimate national heroes. There was great national pride that Orville Wright had made the world's first controlled, sustained flight in a power-driven airplane in December of 1903, but there was no great surprise that an American had done so. Indeed, based on my reading of that era in history, there would have been dismay if we had not been first.

As technology became more complex, the great industries that were based on inventions began to support organized research and development. The dominance of the individual inventor acting alone gave way to corporate and institutional efforts. Individual creativity and drive became no less important; they merely operated in a different environment. And where corporate resources were not applied, the Government foresaw a need to become involved.

In the race to arm themselves in 1912 and 1913, the European powers became the world's leaders in aeronautics, leaving the United States aeronautical establishment in a comparatively primitive and unorganized state. The reaction was the establishment on March 3, 1915, of an independent Advisory Committee for Aeronautics, later to become the National Advisory Committee for Aeronautics (NACA), the predecessor of NASA. One of the strengths of the new NACA was its ability to foresee the type of advanced research laboratories that would be needed to support inventive people, to permit engineers and scientists—whether from industry, universities or the Government—to solve problems in aeronautics, to advance the state of their art. NACA was also able to forge a lasting spirit of cooperation between industry and university scientists and engineers and its own research staff.

The Government-industry-university team that NASA relies upon to carry out its programs in aeronautics and space is a direct outgrowth of the pattern set early in this century by NACA. And while the resources available to that team—with its sophisticated and expensive research facilities and equipment—contrast sharply with the workshops and garrets of our earlier inventors, the individual creativity and dedication of today's inventors are the same; and their impact—your impact—will be equally significant.

All of us at NASA are especially proud of Barbara Askins, a NASA scientist at the Marshall Space Flight Center, who was named 1978 Inventor of the Year by the Association for the Advancement of Invention and Innovation. Her breakthrough in enhancing faint images on photographic plates, invented to support the Large Space Telescope program, will permit reduced X-ray exposure times during medical diagnosis. It can also be used to restore old family photo albums.

It often works that way. Technology appreciated for one use when it is developed often impacts society in ways impossible to predict in advance.

Communications, and especially television, have totally altered our political system. Television has changed Presidential politics more profoundly than any political scientist could possibly have predicted thirty years ago.

Birth control technology has done more to advance women's rights than a host of laws and regulations.

The computer has affected our rights of privacy in ways that cannot be undone by any number of privacy acts, however complex and comprehensive.

And no one now can anticipate the impact that microelectronics will have on the way we live and work.

But as advanced as this nation is, there is cause for concern that we are losing our technological edge. The proportion of the gross national product devoted to research and development is declining in the United States while increasing, for example, in Japan and Germany. According to an analysis published last fall in *Mechanical Engineering*, the United States is now last among eleven industrialied nations in the annual rate of worker productivity increase. Our rate of increase of productivity is cited as 3.4% as compared, for example, with 5.8% for West Germany, 7.1% for Sweden and 10.5% for Japan. There are, of course, a number of factors that contribute to increases in productivity—capital investment, labor quality, economies of scale and resources allocation, among others—but economists generally agree that the single largest contributor is technology.

The extent of the foreign technological challenge to the United States is reflected in the growth of the share of United States patents granted to foreign inventors. In 1961, only about 17% of U.S. patents were issued to foreign inventors; by the end of 1977, the foreign share had increased to about 37%. And the highest percentages of foreign patentees are in the most active and advanced "subclasses" or categories of technology.

Although economists find it difficult to quantify the impact of R & D on the national economy, they are able to tie R & D expenditures of the United States, including Federal R & D expenditures, directly to the international trade position of the United States in specific items.

Dr. Klaus Heiss, President of Econ, Incorporated, presented such an analysis to a joint hearing last year of the Senate Subcommittees on International Finance and on Science, Technology and Space. His data supported the conclusion "that R & D-intensive industries are typically the most export-intensive and world trade-oriented sectors of U.S. industry; [whereas] non-R & D-intensive industries make very little contribution to the competitive position of the United States in world trade." As you might expect, the "aircraft" category leads all others in contributing to the plus side of our balance of trade.

Widespread and deepening concern that the United States is falling behind in technology prompted President Carter last year to order a major domestic policy review of ways to spur industrial innovation. This review—which included inputs from industrial, labor and "public interest" advisory groups—examined a number of areas directly related to industrial innovation: the impact of Federal procurement policies; the influence of direct Federal support for R & D on private actions; the positive or negative impacts of environmental, health and safety regulations; the constraints on potential innovation which might result from Government antitrust actions; Governmental economic and trade policies; policies on the handling of technical data; and finally, the role of the United States patent system in providing effective incentives to stimulate inventions and foster their use.

Presidential decisions based on the domestic review policy recommendations are expected shortly. Those decisions are certain to focus public attention on the contribution of science and technology to our national well-being. And if they are to achieve their desired results, those decisions must involve ways to stimulate inventors such as you to invest that extra time and energy necessary to bring what starts as a novel idea or spark into the reality of a new and useful invention to enrich our society.

Let me say again that I am honored to be here to honor you. You are vitally important to NASA's programs in aeronautics and space. And those programs, in turn, are and will continue to be indispensable to our overall national capability in science and technology.

Thank you.●

AMERICAN STRENGTH IN A CHANGING WORLD

● Mr. KENNEDY. Mr. President, the fundamental strengths of the United States in today's pluralistic world have often been overlooked or underestimated. I have long felt that this Nation remains strong, and that our economic, political, military strengths can be used effectively and creatively both to protect our own national interests and to work for a better future in the international community. In recent speeches, which did not receive the notice that they deserved, both Secretary of State Vance and national security adviser Brzezinski analyzed these strengths and their important contribution to our foreign policy objectives.

In his speech before the American Association of Community and Junior Colleges, Secretary Vance not only points to our national strength, but to our national maturity as a basis for a continuing, effective national role in international affairs. He refutes convincingly the charges of those who continue to decry an alleged "decline of the West." Secretary Vance stresses, and I agree, that we are a stronger nation for realizing that we are not omnipotent, but that we can apply our power constructively in an increasingly pluralistic environment.

Speaking before the American Society of Newspaper Editors, Dr. Brzezinski describes how we can use our power to "impart positive direction to change by creating * * * a stable and increasingly cooperative framework." He feels, and I agree, that the United States should come to a clear perception of the sources of this power, and how best to properly apply it to enhance our national security and international cooperation in this era of global change.

Mr. President, I ask unanimous consent that these two impressive and thoughtful speeches be printed in their entirety in the RECORD.

The material follows:

MEETING THE CHALLENGES OF A CHANGING WORLD

(By Secretary Vance)

From the first days of our nation, Americans have held a staunch optimism about the future. We have been a self-confident people, certain about our ability to shape our destiny.

And we are a people who have not only adapted well to change, we have thrived on it.

We are now living in a period of history marked by deep and rapid change. Tonight, I want to talk about change, and how America can use its extraordinary strength to meet the challenges of a changing world.

America's optimism has been jarred in recent years—by a bitter war; by domestic divisions that tested our democratic institutions and left many of our people skeptical about government; by the sudden awareness that our economic life at home can be shaped by actions abroad; and by the realization that there are events which affect us but which we can only partly influence.

There is much that we can and have learned from these experiences. But fear of the future is not one of them.

Let me share with you frankly my concern that the distorted proposition being advanced by some that America is in a period of decline in the world is not only wrong as a matter of fact but dangerous as a basis for policy.

For we would imperil our future if we lost confidence in ourselves and in our strength and retreated from energetic leadership in the world.

And we would imperil our future, as well, if we reacted in frustration and used our power to resist change in the world, or employed our military power when it would do more harm than good.

The realization that we are not omnipotent should not make us fear we have lost our power or the will to use it. If we appreciate the extraordinary strengths we have . . . if we understand the nature of the changes taking place in the world . . . and if we act effectively to use our different kinds of power to shape different kinds of change, we have every reason to be confident about our future.

We must begin with a clear understanding of our own strengths as a nation.

America's military strength today is formidable. I know of no responsible military official who would exchange our strategic position for that of any other nation.

We have friendly neighbors on our borders.

We have strong and reliable security relationships. Together, these allies more than double our overall military strength.

We have easy access to the sea, which enables us to have diversified strategic forces and the ready capacity to project our power.

Our economy, and those of our allies, are more than three times as productive as those of the Soviets and their allies.

The industrial democracies continue to lead the way in technological innovation, and in harnessing that technology to serve mankind.

And the way of life of our people and what we stand for as a nation continue to have magnetic appeal around the world.

Because we and our allies are the engines of creative change in almost every field . . . because of the vitality of our political institutions and the strength of our military forces, we have a capacity for leadership—and an ability to thrive in a world of change—that is unsurpassed.

The issue is not whether we are strong.

We are.

The challenge is to use these unquestioned strengths appropriately and effectively to advance our interests in a world undergoing different kinds of change.

What are these changes, and how can we use our strength effectively?

The first element of change is the evolution from an earlier period of American strategic supremacy to an era of stable strategic equivalence.

We should harbor no illusion that we could return to the earlier era. Neither side will permit the other to hold an exploitable strategic advantage. Each side has the financial and technical resources to keep pace with the other. With the stakes so high, we know that both of us will do whatever is necessary to keep from falling behind. That is why essential equivalence has become the only realistic strategy in today's nuclear world.

This rough balance can also serve the cause of stability—even if some find it unsettling compared with our earlier supremacy. It is this essential equivalence in strategic arms which allows us to move ahead on arms limitation. For if one side were far ahead it would feel no special urgency about arms control—and the side that was behind would refuse to negotiate from a position of weakness. Only when both sides perceive a balance, as is now the case, can we hope for real arms control progress.

Our response to this broad change in the security environment has several elements.

We will assure that essential equivalence in nuclear arms is maintained. We will not be overtaken by the momentum of Soviet military programs.

We have undertaken a far-reaching modernization of our strategic forces. We are improving each leg of our strategic triad—with cruise missiles for our B–52 bombers; with a new Trident I missile for existing submarines and the development of a new Trident submarine and Trident II missile; and with development funding for the M–X missile. And we are examining, in a timely fashion, the options for offsetting the probable future threat to the land-based portion of our missile force.

At the same time, we are equally determined to enhance our security by applying mutual limits to nuclear arms. We are at the threshold of a SALT II Treaty. It is a critical step in the process of bringing strategic weapons under sensible control. As its terms become known and debated, I am confident that the Senate will agree that it will enhance our national security and that of our allies. Its rejection would lead to an intensification of the nuclear arms race. The risk of nuclear war would increase. The costs to our taxpayers would rise sharply. It would heighten tensions with the Soviets, trouble our allies, and deal a crippling blow to future arms control prospects.

The American people, and our allies, understand the importance of decreasing tensions with the Soviet Union, and seeking common ground where our interests may converge.

While we address strategic issues, we must also be especially sensitive to the importance of maintaining a balance of conventional forces. At the NATO Summit last summer, we and our allies committed ourselves to real increases of 3 percent in defense expenditures, and to modernize and upgrade NATO forces. Last year's repeal of the arms embargo against Turkey was an important step to help bolster NATO's southern flank. In Europe and elsewhere, we are committed to maintain strong conventional forces.

And no one snould doubt that we will use those forces if our vital interests or those of our allies are threatened.

In these ways, we will maintain, and strengthen, our security in an age of essential equivalence—by meeting the new problems it presents and by seizing the new arms control opportunities it affords.

A second change is the reality that the risks posed by regional conflicts have grown.

Many of these conflicts are long-standing. They have roots deep in history, in geography, in religious and ethnic differences.

But as more nations acquire more sophisticated arms, regional conflicts become more dangerous. They pose a constant threat of wider confrontation. As a result, the United States must be more active in working to help settle these disputes peacefully.

The fact is that no nation is more intensively engaged in the continuing effort to dampen the flames of conflict around the world than the United States.

No other nation could have played the role that the United States has played in helping Israel and Egypt achieve an historic peace treaty. And we will continue to remain actively involved in the effort to achieve a comprehensive peace—a peace in which Israel, the neighboring Arab states, and the Palestinian people can live with security and with dignity.

In southern Africa . . . in the Eastern Mediterranean . . . in Southeast Asia . . . and elsewhere in the world, we are using the influence we have . . . for peace. Progress does not come easily or quickly. There will be setbacks, for the path to peace is often more difficult than the road to war. But with persistence and steadiness, we can help provide the parties to conflict with an alternative to violence—if they choose to take it.

In some cases, these efforts will involve working with other interested nations as a catalyst for bringing the parties together. In other situations, we will support international and regional institutions that provide a framework for easing tensions. When we believe it will contribute to regional stability, we will assist nations threatened by external force to strengthen their ability to defend themselves.

In all cases, we will oppose attempts by others to transform local disputes into international tests of will. Every nation has a responsibility to recognize that there is greater safety in healing, rather than fueling, local conflicts.

A third kind of change we must address is change within nations.

As a result of mass communications, better education, urbanization and growing expectations for a better life, there is a new tide in many Third World nations, as more and more people demand a fuller share in their government and their economy. These demands can place extraordinary pressures on economic, social and political institutions.

This ferment can at times cause the kind of turmoil that adversely affects our interests, at least in the short-run. But rather than reacting in opposition to such change, or assuming that it necessarily works against us, let us look at two central questions:

Is this kind of change generally in the interest of our nation?

And what are the best instruments through which we can help others meet popular aspirations in an orderly and peaceful fashion?

The answer to the first question, in my judgment, is that the growing demand of individuals around the world for the fulfillment of their political, social and economic rights is generally in our interest. These aspirations are producing new or strengthened democratic institutions in many nations throughout the world. And America can flourish best in a world where freedom flourishes.

Should we not gain confidence form this expansion of democracy—which is taking place not because we force it, but because of its inherent appeal?

And what is that inherent appeal? Surely it lies in the enhanced opportunity that democracy provides for the realization of fundamental human rights—the rights to political and religous expression, to political participation, and to economic justice.

These values are remarkably attuned to the demands of change. The change which confronts many nations—particularly the less developed nations—challenges cultures, ways of living and communicating, notions of individual and national autonomy. The great strength of democratic processes is their flexibility and resilience. They allow accommodation and compromise. By giving all groups a voice in the decisions which affect their lives, democratic societies are far better able to shape a peaceful and stable balance between tradition and progress.

Internal change in other countries will sometimes be turbulent and difficult. At times, it may run in repressive directions. But we must not let our concerns about the cross-currents blind us to the tide running in favor of freedom.

In seeking to help others meet the legitimate demands of their peoples, what are the best instruments at hand?

Let me state first that the use of military force is not, and should not be, a desirable American policy response to the internal politics of other nations. We believe we have the right to shape our destiny; we must respect that right in others.

We must clearly understand the distinction between our readiness to act forcefully when the vital interests of our nation, our allies and our friends are threatened, and our recognition that our military forces cannot provide a satisfactory answer to the purely internal problems of other nations.

In helping other nations cope with such internal change, our challenge is to help them develop their own institutions, strengthen their own economies and foster the ties between government and people.

To do so, we must continue to provide them with increasing levels of development assistance. We must maintain human rights policies which work in practical ways to advance freedom. And we must accept the fact that other societies will manage change, and build new institutions, in patterns that may be different from our own.

Third World nations will fiercely defend their independence. They will reject efforts by outsiders to impose their institutions. We should welcome this spirit. For our national interest is not in their becoming like us. It is that they be free of domination by others.

This strategy of affirmative involvement and support for the independence and the diversity of developing nations serves us well. It capitalizes on the West's inherent strengths. And it improves our ties to developing countries in a context which does not force them to make an explicit choice between East and West.

The test of our will in dealing with domestic change abroad will come, not in how we use our military might, but in whether we are willing to put our resources behind our words—and to make them work effectively.

A fourth kind of change that we are seeing is in the international system itself. Building on our experience as a pluralistic nation, we must learn to deal effectively with an increasingly pluralistic world.

Since the early 1960's, we have seen the emergence of dozens of new nations, each with its distinctive identity, each fiercely intent on fulfilling its national aspirations.

We have seen the development of new powers in the world, nations which play an increasingly important role in international economic and political life.

And we have come to recognize that many of the challenges we face are genuinely global in scope. Halting the spread of nuclear weapons, managing the world's resources sensibly and fairly, preserving an environment that can sustain us—these problems do not derive from any single nation, nor can any single nation—working alone—resolve them.

A world where many must participate in designing the future rather than a few, where progress often requires cooperative effort, demands more—not less—American leadership. It requires us to exercise that leadership creatively—to inspire others to work with us toward goals we share but cannot achieve separately.

It calls for a new kind of diplomacy.

We must practice, wherever possible, an inclusive form of diplomacy, working together with others to achieve common goals. Such multilateral efforts are time-consuming and complex. But they can often be more productive than working alone.

The core around which these broader efforts must be built is a strong and solid relationship with our traditional allies. We have worked hard in this Administration to strengthen that partnership, and we have done so.

Working together with our allies we are able, on an increasing number of issues, to engage others in collective efforts to resolve some of the more intractable problems we face. Let me cite just one example—our effort to find a more proliferation-resistant nuclear fuel cycle. At our initiative, forty-four nations have come together to search for ways—both technical and institutional—to enable nations to pursue peaceful nuclear energy without adding to the danger of nuclear weapons proliferation. There is no "American" answer to the threat of nuclear weapons proliferation; there is only an international answer, and we are working with others to find it.

We are strengthening our ties with those developing nations which exert increasing economic and political influence. We have worked to bring these—and other developing nations—more fully and fairly into the decision-making of international institutions which affect their life and ours. For enduring solutions to problems we face in common can be found only if all who have a stake also have a role, and recognize their responsibilities as well as their rights in the world community.

To work effectively in a changing international system we must be prepared to work with nations whose ideologies are different than our own. By establishing full diplomatic relations with the People's Republic of China, for example, we are now in a better position to deal directly and forthrightly with a government that represents one-fourth of the world's people.

We have embarked on a deliberate effort to enhance the role of the United Nations and regional institutions such as Organization of American States, the Association of Southeast Asian Nations, and the Organization of African Unity. These institutions often can provide the most effective setting for resolving international disputes and for broadening the realm of international cooperation.

To secure the cooperation of other nations we must deal with them on a basis of mutual respect and independence. Our achievement of a new Panama Canal Treaty, which secures our use of the Canal for coming generations, has demonstrated that fair dealing with other nations, whatever their size, can serve our interests as well as theirs. Our relations throughout this Hemisphere have benefitted as a result.

Let me turn finally to the change we are seeing in the international economy—the growing stake every nation has in economic decisions made beyond its borders.

America's strength rests on the vitality of America's economy. Our economy continues to provide expanding opportunity for our people and continues to fuel growth around the world. We must also recognize the other side of this coin—the health of other economies around the world increasingly affects the health of our economy.

Our exports provide Americans with jobs—in fact, one out of every eight jobs in the manufacturing sector—and income for our firms and farmers. Every third acre of our farmland produces for export.

Imports from abroad provide us with essential raw materials; they afford our consumers greater choice; and they dampen our inflation.

This growing economic interdependence requires that our government work with others to help create international conditions in which all nations can thrive. We cannot seek to build our own economic future at the expense of others . . . nor will we allow others to compete unfairly. For a new era of economic nationalism could have tragic consequences, just as it did during the protectionist warfare of the 1930's.

We are deeply involved in working with other nations to meet the challenges of a changing world economic order.

We have been successful in strengthening economic cooperation among the industrial nations. We have instituted regular economic summits to coordinate our economic policies so that they reinforce rather than undermine one another. And there has been far closer collaboration among our monetary authorities in restoring order to foreign exchange markets.

We have initialed an important new multilateral trade agreement that will establish fair trading rules for the next decade. It will have a direct and positive impact on our economy.

We have agreed with the other industrialized members of the International Energy Agency to cut back our collective demand for oil by two million barrels a day. To fulfill this commitment—and to reduce our own costly and dangerous dependence on oil imports—the President has initiated a sensible program for achieving greater domestic conservation and production. For we must begin to deal urgently with a markedly changed global energy environment.

We recognize that a well-managed foreign assistance program contributes to the economic performance of the developing countries. Their growth has become an increasingly important factor in the health of our own economy. Aiding that development is not only an investment in the future of others; it is an investment in our own future as well.

* * * * *

In the foreign policy choices we are now making, we are determining the path we will follow in a new era.

In unsettled times, each of us has a responsibility to be clear about how we would deal with the world, as we find it.

Most Americans now recognize that we alone cannot dictate events. This recognition is not a sign of America's decline. It is a sign of growing American maturity in a complex world.

We are stronger today because we recognize the realities of our times. This recognition, together with an equally clear understanding that we remain the most powerful of nations, should make every American as staunchly optimistic about our nation's future as we have always been.

There can be no going back to a time when we thought there could be American solutions to every problem. We must go forward into a new era of mature American leadership—based on strength, not belligerence; on steadiness, not impulse; on confidence, not fear.

We have every reason to be confident. For two hundred years, we have prospered by welcoming change, and working with it—not by resisting it. We have understood, at home and abroad, that stability is not the status quo. It comes through human progress.

We will continue in this American tradition.

The Wider Meaning of National Security

(By Dr. Zbigniew Brzezinski)

I am glad to be here with you, and to share some thoughts about a fundamental concern: the relationship of American national security to global change. The Secretary of State is addressing himself much more fully to this general theme in an important address tonight.

Since this Administration has been in office now for a little more than two years, it is an appropriate moment to assess what we have accomplished in the area of foreign affairs and national security. How have we responded to the challenge of change? What are the problems we ought to be thinking about—not only in the next two years, but the next two decades?

On the whole, the basic foreign policy and national security concerns of this country do not change from administration to administration. But the constancy of our goals must not blind us to the need for flexibility and imagination in addressing new problems.

Social and political change today is both more intensive and more extensive than at any point in history. It defies easy definition. But for your purposes today, the changes sweeping our world can be reduced to two basic essentials:

The world is experiencing a global political awakening without precedent in history.

At the same time, the world is undergoing a significant redistribution of economic and political power.

The political awakening is the result of many forces. The most important of these are the cumulative impacts of literacy and modern communications. These forces—to which your efforts have made such an important contribution—are introducing millions of people to new ideas and are forcing a revolutionary awareness of novel expectations. In the mushrooming cities of the Third World, congested and rootless populations are more susceptible than ever to political mobilization. Nationalism is increasingly imbued with ideological content, intensifying the desire to assert both national and social goals.

Cumulatively, traditional global relationships are undergoing profound changes in a context of extraordinary diversity. The role of the United States in that context is paramount, but no longer predominant.

It follows that our central goal must be to impart positive direction to change by creating for it a stable and increasingly cooperative framework. Only thus can the United States enhance its historical relevance to the changing world. Any attempt to create artificial obstacles to change for the sake of the status quo will merely foster U.S. isolation and irrelevance.

Indeed, only a few year ago the widespread view abroad was that the United States was at best indifferent to global change and at worst hostile to it. Much of the Third World was antagonistic to us, while our friends feared that we were seeking a condominium arrangement with the Soviet Union in order to preserve, for as long as possible, the status quo.

It was in response to this cumulative challenge that the new Administration set its goals.

First, we sought to enhance American historical confidence by infusing a higher degree of moral commitment into our policy. Our dedication to human rights is a tangible expression of this commitment. It represents a return to the political and moral wellsprings of our uniqueness and purpose as a nation.

Second, while strengthening our traditional alliances, we have sought wider cooperation and involvement with the newly influential powers.

Third, we have sought to promote strategic stability with the Soviet Union in the context of a more comprehensve and reciprocal detente.

And fourth, we have sought to use American leverage to obtain accelerated and peaceful settlements of regional crises, and we have worked to sensitize world governments and publics to a number of new and neglected global problems, notably proliferation and arms transfers.

It is in the context of these four broad objectives that I would like briefly to review our record and point to six tangible accomplishments which have important consequences. They are:

1. The Panama Canal Treaty.
2. The Egyptian-Israeli Peace Treaty.
3. Normalization of relations between the United States and the People's Republic of China.
4. The International Nuclear Fuel Cycle Evaluation.
5. The Common Fund.
6. NATO's Long-Term Defense Plan.

I venture to say that any Administration would be proud to claim these six accomplishments even after four years. We have reached them in two, and they represent significant structural achievements. They are enduring accomplishments. Perhaps even more important, they demonstrate our ability to manage global change effectively.

1. The Panama Canal Treaty makes possible a more mature relationship with Latin America. It moves us away from relations of

inequality—with their inevitable baggage of dependence and resentment—and towards a new stability and potential for growth based on individual national needs and aspirations.

2. The Egyptian-Israel peace treaty is a catalyst for wider change, and we will be moving toward a more comprehensive settlement.

3. Normalization with China is a milestone not only for our policy in the Far East but also for our overall strategic global position. For the first time since World War II, the U.S. has simultaneously good relations with Japan, China, Indonesia, and India; and our relations with China continue to expand.

4. The International Nuclear Fuel Cycle Evaluation (INFCE) represents a major international effort to seek alternative means for the peaceful harnessing of nuclear energy without the danger that this effort will provide weapons of war. Though much remains to be done, on balance we think substantial progress has been made in the last two years. We have also, for the first time, established comprehensive and consistent criteria to govern U.S. nuclear exports.

5. The Common Fund framework for international commodity prices was agreed upon this March, after two years of negotiations between developed and developing countries. The Common Fund will strengthen the international agreements that smooth out fluctuations in commodity prices. Such fluctuations, unless controlled, can fuel inflation here and hamper the development of nations that are dependent upon the exports of a few raw materials. These negotiations are a good example of the way in which industrialized and developing countries can reach agreement on constructive reforms in the international economy.

6. NATO's Long-Term Defense Plan provides, for the first time, a long-term common allied effort to modernize and improve our forces to meet the Soviet strategic and conventional threat in Europe.

Each of these six accomplishments involves a structural change. None is meant to be a short-term spectacular. All have been obtained at considerable effort. This tells you something about President Carter's approach to world affairs. That approach, in short, is to steer change in positive directions and to identify America with such change.

In addition, we expect soon to have two other tangible and very important accomplishments to our credit—MTN and SALT. The Multilateral Trade Agreement concluded in April will mean more jobs and lower prices at home. It will mean more jobs because it opens up export opportunities for our farmers, workers and businessmen. It means lower prices because it enhances international trade and competition. In all these ways it serves our interests and those of other major trading nations.

SALT II will provide for greater stability, symmetry and predictability in the complicated U.S.-Soviet strategic relationship.

SALT II is not a panacea. It will not end the arms race. It will not end the competition between the United States and the Soviet Union—a competition that will continue as long as Soviet and American values are so fundamentally opposed.

But SALT II is a crucial part of a long, mutual effort to impose a framework of rationality to Soviet-American competition, and to lessen the dangers posed by weapons of mass destruction.

A world in which superpowers are armed with thousands of nuclear weapons can never be a world without risk. But a framework of carefully negotiated arms control agreements, based on mutual self-interest, can reduce that risk and also facilitate growing cooperation between the superpowers.

I said earlier, and as the Secretary of State is saying much more fully tonight, our basic objective is to steer change in positive directions—in directions that are congenial to our ideals of freedom and diversity. A fundamental of that policy is to protect and defend our vital interests and those of our friends.

This requires us not only to respond to immediate problems but also to be concerned with longer-term dynamics. Of necessity, the world is becoming an increasingly cooperative and pluralistic community. Preserving the peace in such a community involves shaping global cooperation in a manner which respects diversity and variety—and is thus much in keeping with our own national values. The world of the eighties and nineties cannot be organized on the basis of a pax americana. It is even less likely to be organized on the basis of a pax sovietica—because despite its military power, the Soviet Union has neither the economic resources nor the political appeal to dominate the world. The only alternative to global community is a world dominated by chaos and fragmentation.

This is why we have to be concerned about the arc of crisis that stretches across southern Asia to southern Africa. Within the area are countries whose internal difficulties make them vulnerable to external exploitation. We must not make the mistake of assuming that change and turbulence, by themselves, are evidence of external mischief. On the contrary, they are usually products of the particular historical dynamic of a particular country. But we must not make the equally serious mistake of ignoring the possibility of exploitation by outside forces that could create negative consequences for international stability.

In thinking about the future, we have to be mindful of the fact that mankind, politically awakened as never before, is also facing a massive explosion in population growth. Between 1900 and 1950 the world's population grew by 880 million, to a total of 2.5 billion. Between 1950 and the year 2000, by conservative estimates, the world's population will have grown by an additional 3.5 billion, up to a total of about 6 billion. Never at any time in world history have we lived through anything similar to the intensity of this change.

This is creating enormous strains on the social fabric of some countries—and these strains become unmanageable when they are exploited by outside forces.

The duty this imposes upon us is to engage other like-minded states in wider patterns of regional and international security and development, so that a framework is created that cushions change and provides regional stability. In different ways the progress of Europe toward unity, of the ASEAN countries toward more cooperation, of Latin America in solving its own problems provide models for the eventual solution of the problems that today beset so many countries and regions.

And that in turn means that the U.S. in its own policy can no longer confine itself to a primary preoccupation with East-West problems or even with North-South problems. Nor can we pursue a Eurocentric or even a primarily trilateral policy. This President has committed our country to broader global engagement. We have sought to widen the scope of our primary relationships to encompass countries in Latin America, Africa and Asia. Our purpose is to create a framework that is genuinely global, within which the individual needs of nations and peoples can be more fully satisfied.

This renovation of the world system has as its ultimate objective the creation of a global community based on sovereign nation states which conduct their relations on the basis of a mutually agreed principles of equity. We seek a world community built not on the domination of a single sector, a single culture or a single ideology, but a community which draws on global diversity as the basis for strength in a pluralistic and increasingly just global order. And nothing can be more compatible with our values—and nothing can enhance our national security more than the shaping of such a pluralistic world order.●

SALT II AND THE QUEST FOR PEACE

● Mr. GARN. Mr. President, a recent article by Mr. Michael Novak, "Illusions and the Quest for Peace," provides excellent insights into the weaknesses of this administration's approach to SALT II. President Carter heralds the SALT II agreement and proclaims "Peace in our time." However, as Mr. Novak clearly points out, "He (the President) does not seem to understand that world opinion follows the tides of power, not the rhetoric of peace."

Administration spokesmen are attempting to sell SALT II on the basis of scare stories; some stories even predict uncontrolled nuclear arms races and nuclear superpower confrontations. I strenuously object to such overstatements and to the administration's view that our position in world affairs be characterized as a "new maturity," if that maturity is merely a flimsy cover for a dignified national decline. We have the capacity to counter the Soviet advance toward nuclear superiority. What we need is the leadership and national will to take those actions which are necessary.

It is weakness that invites attack, and SALT II will lead this Nation further down the road to military inferiority vis-a-vis our principal adversary, the Soviet Union. We would do well to ponder Mr. Novak's concluding observation:

> It is just 41 years since Chamberlain met Hitler in the quest for what he thought was peace. Peaceful sounding treaties do not ensure peace.

Mr. President, I ask that Mr. Novak's fine article be printed in the RECORD.

The article follows:

ILLUSIONS AND THE QUEST FOR PEACE

Recent evidence shows that Jimmy Carter still does not control the lust in his heart for effusive exaggeration.

On his first foreign trip as president, he bestowed lavish praise on the shah of Iran far in excess of what American national interest required. Now he is showing his lust for a SALT treaty with the Soviets, saying, with Moscow, that the opponents of the treaty will be called "warmongers" and enemies of world peace, and of world opinion.

He does not seem to understand that world opinion follows the tides of power, not the rhetoric of peace.

Sen. John Glenn of Ohio, who has raised the problem of the verification of Soviet behavior, has performed a useful service for the president. Sen. Glenn has tried to make verification the focus of debate. But that is not the real center of debate.

Sen. Glenn says that the reason verification is important is that we cannot trust the Soviets. But if we cannot trust the Soviets, any treaty with them is partly an illusion.

Words on paper may mean something to us. Words on paper do not morally obligate the Soviets, whose moral imperatives come from elsewhere. Their moral code requires only that the power of the Soviet Union must advance.

The central problem of SALT is not whether we can verify Soviet actions or trust Soviet intentions. The central problem is whether we can trust President Carter and his present Department of State to deal with the Soviets.

Three questions arise about President Carter's vision of the Soviets.

First, of recent American presidents, is he not the least intellectually prepared and the least experienced in foreign affairs, especially in dealing with an untrustworthy power like the Sovets?

Secondly, as a novice at negotiations, has the president again and again shown too much eagerness to sign? He has predicted for many months that the treaty would be ready to sign "in another week or two." He may have lusted for the treaty more than the Soviets did.

Thirdly, granting that Mr. Carter is a moralist on the issue of nuclear weapons, are moralists the most trustworthy agents in hardheaded bargaining? Moralists tend to cherish their own moral purity and the moral approbation of others more than ugly considerations of power and interest.

Some people are afraid of SALT because they distrust the Soviets, others because of distrust of this particular president and his Department of State. The rejection of SALT II by the Senate, if it happens, may well reflect both.

It has been clear in their recent speeches that Secretary Vance and Dr. Brzezinski believe that the role of American power in the world, under their direction, is to decline in dominance and pre-eminence, in recognition of "other centers" of power in a "pluralistic" and "interdependent" world. They do not notice that Soviet power is steadily filling the vacuum left by U.S. decline. The USSR is not practicing the sort of decline Secretary Vance prescribes for the United States. Soviet power is rising on land, sea and air. It is now a factor in every region of the world.

Many nations in this world no longer feel they have to consult the United States before making basic decisions about their own future. These same nations, however, are beginning to consult the USSR on basic decisions. Soviet power is not following the Vance policy for U.S. power.

The presence of Soviet subs and a spy station at the former U.S. base at Cam Ranh Bay in Vietnam is a convenient example. There are long lists of such examples. Some of our allies—even West Germany—are growing less trustful of U.S. power, and seeking better relations with the USSR. Wouldn't you?

Naturally, Secretary Vance does not say that U.S. policy is one of cowardice, decline and self-chosen inferiority. Naturally, he descrbes it as a "new maturity." It is always necessary to put a refined face on decline.

Mr. Vance is an exceedingly decent, honorable and well-meaning man. I have worked with him in the past and have the highest respect for him. But his public statements on the power position of the United States, the USSR and the rest of the world seem to me to be profoundly mistaken.

Disagreements about reality—and illusion—are at the very heart of foreign policy, and also at the heart of SALT.

When Mr. Vance argues—as he has—that the Soviets fear war because they remember the 30 million deaths they suffered in World War II, he forgets that by official policy these same Soviet officials have killed and imprisoned 30 million more citizens in their own internal Gulag since that time. The individual human being has little doctrinal weight in their moral universe.

President Carter's words about peace in our time through SALT sound more and more like Prime Minister Chamberlain at Munich. I hope Mr. Carter takes an umbrella to Vienna when he meets Brezhnev.

It is just 41 years since Chamberlain met Hitler in the quest for what he thought was peace. Peaceful-sounding treaties do not ensure peace.●

OWNING YOUR OWN FUTURE IN SOUTH DAKOTA

● Mr. McGOVERN. Mr. President, in a recent issue of Opportunity II magazine, published by the Community Services Administration, there appeared an article describing the activities of one of the outstanding community action programs in the country. This particular CAP is located in northeast South Dakota and is run by some very dedicated and talented individuals, many of whom are friends of mine. The article mentions one of my former teachers, Bob Pearson, who has been one of the most loyal of those who believe in economic development programs.

The article clearly points out that human care and nurturing are a very important part of economic development; money is a critical element, but success comes only when it is mixed with cooperation and persistence. I hope my colleagues in the Senate will take time to read this excellent article written by a member of the South Dakota State Economic Opportunity Office, Harold Storsve.

Mr. President, I ask that the article "Owning Your Own Future in South Dakota" be printed in the RECORD.

The article follows:

OWNING YOUR OWN FUTURE IN SOUTH DAKOTA

(By Harold Storsve)

Northeast South Dakota is a rolling, rural land with numerous lakes, amiable people, small villages, picturesque farms, and—poverty.

As in so many rural areas, farms in northeast South Dakota are doubling in size and increasing in mechanization. In the process, low-equity farmers are being squeezed off the land, farm-based jobs are disappearing, and towns are dying.

For many, these changes in the economy of the area have meant long-term, systemic unemployment that is no longer even documented by Department of Labor statistics. For others, it has mean underemployment due to low wages and the seasonality of the few farm-related jobs that are left.

But for the young, with hopes for the future, it means being forced to leave the places where they grew up. Youthful residents of the area have departed in droves. In the decade 1950 to 1960, 27,000 of them left. That's more people than live in the biggest town in the District. And, though its waning, outmigration continues at the present time.

Not all young folks have abandoned the inhospitable economy of their home area, though. Take Bob Hull, for instance. Born and raised in the impoverished conditions that have prevailed in the area. Hull managed to work his way through college during the late Sixties. After graduation, he came back home to Sisseton in the hopes of teaching and coaching at his old high school. When that didn't work out, he accepted a job directing the local community action agency's Head Start Program. That was eight years ago. Today Hull has five years of experience under his belt as the executive director of the community action agency itself.

CATALYST FOR OPPORTUNITY

As a CAP director, Hull has not forgotten where he came from nor why he is still living in Sisseton. He knows that for young and old alike, opportunity is limited in northeast South Dakota. For that reason, he has committed himself to making his agency an opportunity creating catalyst.

While many community action agencies are taking on more and more service delivery functions, Northeast South Dakota Community Action Program (NESDCAP) is shedding them. Hull thinks these programs, though frequently necessary, should be spun off to other organizations, leaving NESDCAP free to move to the frontier of the antipoverty effort.

"My position has been to get out from under these service delivery programs," he explains as he sprawls his lanky country boy frame across his chair and desk.

"As a CAP, it is part of our mission to innovate in nontraditional ways to solve the problems of poverty," Hull continues. And to him that means finding ways to provide job and business ownership opportunity to those who need them most. In answer to his critics, who sometimes accuse him of intervening in the private sector in unfair ways, he states flatly, "The goal is not to compete with private enterprise but to enhance it." Some examples:

As you turn off U.S. Highway 12 heading south toward downtown Waubay—a dying town of 700 people—you may think you happened upon a truckers convention at the Hi-Way Cafe. Vehicles are jammed every which way. But it's not anything special. Just a typical day at Paula Jens' place.

Inside Ms. Jens greets you with a bright smile, offers you a cup of coffee, maybe stops to talk a bit. She seems high on something. And she is. She's high on unexpected opportunity.

Young—perhaps in her middle twenties—Ms. Jens used to be on ADC (Aid For Dependent Children) and she used to be an employee of the Hi-Way Cafe. Now she owns it.

Moreover, business is good, good enough for her to provide part-time employment for eight other women—farmers' wives, school girls, her own widowed mother. Ms. Jens herself works 14 to 16 hours a day and seems to thrive on it. But when the even busier summer season arrives she plans to hire full-time help to give herself a break.

SEW, SEW, SEW

In an old, nondescript building on a back street in Sisseton, Beatrice Crooks sits amidst yards of cloth intently sewing. The room is well-lighted, warm, large. Twenty-four other women are doing the same thing.

Mrs. Crooks commutes to this $3.15 per hour job from Peever, a town of about 200 people fifteen miles south of Sisseton. Her husband is a retired carpenter, so her paycheck at the Dakotah bedspread factory is an important source of income.

But when I talked with Mrs. Crooks, we didn't get around to talking about how her job allows her to earn a living with her sewing skills and still remain in her rural hometown. Which is true. Instead we talked of marketing strategies, company shares, director-level decisionmaking. You see, Mrs. Crooks and 300 other workers don't just work at Dakotah Enterprises—a business whose net sales reached nearly five million dollars in 1978. They own it.

BACK TO FARM

Richard Kroll, a big, rugged, friendly man, is one of those young residents of northeast South Dakota forced to leave in order to make a living. In the Sixties he was working in the construction industry in Washington state. But then Boeing closed down, and, as he puts it, "You couldn't buy a job."

Kroll his wife and children drifted around the country trying to find work. He was in Texas a few years back when he got word that his father-in-law wanted him to farm four quarters of his land near Pierpont. Arriving on the land with nothing but some carpentry tools, a car and a pick-up truck, Kroll soon learned that land is not all there is to farming, especially when you don't own it. The local banks and Farmers Home Administration (FmHA) wouldn't talk to him. No equity. Nothing to build on.

Yet, today, Richard Kroll proudly shows off his herd of 70 milk cows and 65 pigs. On milk production alone, he estimates an annual gross income of $60,000. Needless to say, FmHA is now working with him, helping him to expand his operation. They are even talking about a possible Farm Ownership Loan through the new Small Farm Program which has earmarked 25 percent of certain FmHA funds for limited-resources farmers.

As Kroll puts it, and you can see that he's pleased as punch about it, "You might say, we're in the process of buying the home quarter."

WEATHERIZATION'S WAY

Although money was tight, the construction industry in and around Aberdeen, the largest town in the District, was booming a couple of years back. As Wendell Heintzman describes it, "Anybody with a pickup went into the building business."

Heintzman, himself, tried it too, even though he knew he was underfinanced. Everything went pretty well until he got caught in an accounts receivable crunch. "A small operator can't handle an accounts receivable problem in the construction industry," Heintzman says. "Just two accounts can amount to $100,000."

Unable to find a banker to finance his cash flow needs, Heintzman got out of the business. Last summer he took a job as a crew supervisor in the NESDCAP home weatherization program. He still harbored entrepreneurial aspirations, but he could not find a banker to deal with him.

Today, however, Heintzman is the majority owner of a weatherization business, fifty percent of which was bank financed. Moreover, at least fifty percent of his employees are low-income and almost half of his business is owned by a low-income controlled nonprofit organization.

Reflecting on his rapidly changing fortunes, Heintzman said, "Now I've got headaches again, but I'm seeing more results (than when I was in the construction business)."

INNOVATION INC.: NESDCAP

Each of these unusual cases has something in common. In a large measure the ownership and employment opportunities came about because NESDCAP took its mission to mobilize resources and "innovate in nontraditional ways" seriously. For Bob Hull, some of these cases were NESDCAP precedents which serve as models for his own efforts. Others were direct consequences of initiatives he and other members of his staff have undertaken with limited resources and a lot of elbow grease.

Faced with huge amounts of weatherization funds and a limited availability of CETA slots to provide the labor for that program, Hull faced a unique problem in the antipoverty world—too much money. But, undismayed, he turned the problem into an opportunity. With the assistance of the State Economic Opportunity Office, he persuaded Community Services Administration in Denver to permit him to conduct a research and demonstration project that would create a non-Title VII Community Development Corporation (CDC) to package a weatherization business start-up. This business would provide permanent, long-term employment opportunities to low-income people, and at least initially, would weatherize low-income people's homes. Later on it would move out into the private sector to generate its income. This is the business that Heintzman operates. And the CDC is the nonprofit low-income organization that owns almost half of the business.

Once the CDC—called the Northeast South Dakota Energy Conservation Corporation (NESDECC)—was in place, it began to mobilize resources. With one full-time staff person and an acting half-time director, NESDECC negotiated an FmHA 90 percent loan guarantee on a $15,000 bank loan for the weatherization business. It also identified and invested $7,200 of unregulated funds, an investment expected—at minimum—to triple itself before Heintzman buys it out. Any profit will be reinvested in new ventures.

Not content with just fulfilling the conditions of its research and demonstration (R and D) authorization. NESDECC also sought and received a $30,000 local initiative grant from the Denver Regional Office to set up a small loan guarantee program. This program will guarantee 25 percent of small business loans up to a maximum of $10,000. It is this program that guaranteed Paula Jens' $5,000 loan from the State Bank of Waubay and thereby enabled her to purchase the Hi-Way Cafe from her former employer.

But the story behind Richard Kroll's remarkable success on his Pierpont dairy farm goes back to earlier community action days. Although Hull was not CAP director then, he was nearby, observing CAP from his post as Head Start Director. And he says he was impressed and inspired by what he saw.

In the late Sixties the Office of Economic Opportunity (OEO), CSA's predecessor agency, provided NESDCAP with a grant to conduct a farm demonstration project. Several ex-farmers who had done well on limited resources were recruited from the area. They provided direct, intensive technical assistance to 30 low-income farmers. But progress toward farm self-sufficiency was possible only up to a point. Then equity problems intervened and prevented access to the financing needed for expansion. To solve these problems, NESDCAP scraped together $6,000 from the sale of pigs in its Emergency Food and Medical Program hog project. This money provided Certificates of Deposit (CDs) for 25 percent guarantees to any bank that would make small livestock loans to low-income farmers.

The mechanism for providing these guarantees was a Livestock Co-op which was established in 1971. Each farmer who received a loan guarantee was required to purchase a $25 share in the Co-op. Today the Co-op has around 200 members. Also, thanks to some scrappy resource mobilization, it has acquired loan money from the State Department of Agriculture—money which has allowed it to expand its guarantee services. According to Gary Vaines, past president, the Co-op has 76 CDs worth $311,000 which have been pledged to 30 different banks. One of these CDs gave Richard Kroll his start. Roman Kettler, one of the area farmers assigned by NESDCAP to the Co-op, helped Kroll parlay that start into a self-sustaining operation in three short years. Kroll himself says of the Co-op and Kettler, "I wouldn't be sittin' where I am now if it hadn't been for them."

It was Kettler who during a visit to the State Bank of Waubay on Co-op business, saw the applicability of NESDECC's small business loan guarantee program to Paula Jens' needs. He told Hubert Mogen, the banker, about the program, and started the process which led to Ms. Jens purchase of the Hi-Way Cafe.

A KIND OF MIRACLE

At about the same time as the emergence of the Livestock Co-op, another cooperative effort was begun. This effort impressed and inspired the young Head Start director, too. To Hull, it demonstrated the kind of miracle that can be pulled off with very little money, but a great deal of personal commitment on the part of a lot of people.

In the late Sixties NESDCAP competed for an OEO research and demonstration grant to do economic development in a three-county area. When they got the grant, Bob Pearson, a former state legislator and former high school speech teacher of the like of Senator George McGovern, was hired to coordinate the program.

Pearson had been President of the Webster Local Development Corporation, and in the process of turning that little town into the petunia capital of the world, had ignited economic development activities that make Webster an exemplary rural community even today. Employing his Webster experience, Pearson set out to find ways to attract outside industry into these three impoverished counties. But he soon realized that that effort was doomed to failure. Not only were industries uninterested, but the communities themselves resisted this approach.

SHIFTING ECONOMIC GEARS

Shifting gears, and concentrating on indigenous business possibilities. Pearson teamed up with a VISTA volunteer by the name of George Whyte. Whyte had been out in the farm community of Lily killing gophers and wanted a change of pace. Both he and Pearson recognized the prevalence of quilting skills among the women of the District and decided to attempt to organize a cottage industry which would provide supplemental income to the low-income farm families of the area.

On next to nothing but a burning desire to accomplish something worthwhile, Pearson and Whyte helped around 400 women in establishing a cottage industry initially called TRACT Enterprises, and more recently renamed Dakotah Enterprises, the industry was originally organized as a non-profit co-op. Later, to obtain Small Business Administration (SBA) financing, it reorganized into a worker-owned for-profit corporation. This business markets bedspreads and accessories through such diverse outlets as Saks Fifth Avenue and J. C. Penney. Its 1979 net sales are projected at $8 million, $3 million over the respectable $5 million net sales for 1978.

But those kind of sales didn't occur overnight. In the early stages, women like Beatrice Crooks had to bring their own sewing machines to work everyday. At one point they had to work in someone's basement because they didn't have enough income to pay the rent on their workshop. Workers volunteered to work without pay when times were tough. Pearson talked the director of the CAP into turning the NESDCAP conference room into a packing and shipping facility.

TRACT TAKES OFF

Kept alive by donated labor, lenient credit by suppliers, small grants from churches, OEO, and individuals, the business finally got a break in the fall of 1971. As a result of marketing efforts by Pearson and Whyte, a New York-based marketer got acquainted with the product, and, with a number of modifications, agreed to market it. Since that time Dakotah has established six factory sites through the three county area, four of which are in new SBA and FmHA-financed buildings. About 300 residents of the area are employed, and both workers and community-minded citizens serve on the board of directors. Each director is entitled to one vote, no matter how many shares he or she owns. However, only workers can own shares, and no worker can own more than five percent of the available shares.

Hull's recent activities in the area of economic development appear to be an effort to integrate and consolidate the results of his agency's long years of experience at creating opportunity with little, or no resources, of which the Livestock Co-op and Dakotah are notable examples. He has therefore enticed Bob Pearson out of retirement and appointed him acting director of NESDECC. He listens carefully to the advice of Roman Kettler who is still on staff part-time. He has hired Les Skurdal to work as a business packager for NESDECC. Skurdal is a young man who left the Midwest for the

West Coast, and then returned. In the interim he picked up business skills which have contributed greatly to the success of the weatherization business start-up.

But even though Hull, in ad hoc fashion, is putting the skills and experience of these various people together, he says that the ". . . demands (on NESDECC) almost exceed our ability to respond to them . . ."

"All the ingredients for significant and comprehensive economic development are here," he claims. What appears to be wanting is a basic grant to support putting those ingredients together in a focused and well planned way.

A grant search is on, but no real leads have been uncovered. But if past performance is any indication, money or no money, NESDCAP is going to keep its opportunity creating efforts alive. The need is too real, and so are the accomplishments to date. Neither can be ignored.●

URANIUM MINES LEAVING INDIANS A LEGACY OF DEATH

● **Mr. DOMENICI.** Mr. President, the attached article which appeared in the May 20 edition of the New York Times brings home in dramatic form a problem which has concerned me for quite some time—the failure of the Federal Government to use already-available medical data to upgrade safety standards and enforcement procedures in uranium mines during the 1950's and 1960's. The data on Indian uranium miners who are now contracting and dying from lung cancer as the direct result of overexposure to alpha radiation particles during these two decades is conclusive and alarming, and illustrates the need for prompt implementation of a compensation program to provide benefits to these Indian miners and their survivors. I know that my colleagues in the uranium mining States, particularly those in the West and Southwest, share my alarm over this problem of mounting magnitude which has been needlessly exacerbated by Federal inaction.

During the last Congress I introduced legislation, S. 3199, that would have established a system for attempting to remedy part of the problem. I will soon introduce a substantially revised measure that I believe is an improvement over S. 3199. Many of those who are now suffering from lung cancer and other pulmonary diseases as a result of working in uranium mines were never warned of potential dangers from the mines. The work was done at an accelerated pace because the Federal Government, the sole purchaser of uranium at the time, was anxious to have sufficient uranium for weapons production. Federal responsibility seems clear and certain.

I ask that the article in the New York Times, "Uranium Mines Leaving Indians a Legacy of Death," written by Molly Ivins, be printed in the RECORD.

The article follows:

[From the New York Times, May 20, 1979]

URANIUM MINES LEAVING INDIANS A LEGACY OF DEATH

(By Molly Ivins)

RED ROCK, ARIZ.—The Great Galleon Rock, after which Shiprock, N.M., is named, floats against the sky just a few miles from here, like a fantastic cathedral, a dream of grace and hope.

Here, the miners are dying. Statistics of uranium exposure doomed eight to die of lung cancer. They are already gone, all in two and a half years starting in 1970. Now the survivors are getting pulmonary fibrosis. It is not cancer, but it kills: 17 have died, 45 or 50 more have the disease.

They wheeze, like people with emphysema. You can hear the damaged bellows of their lungs with every breath. They are being killed, say Government and private doctors, by microscopic radioactive particles called "radon daughter." They were all uranium miners, all living in or near this tiny town on the sprawling Navajo reservation. Their illness and their deaths are symptomatic of a problem that extends beyond this corner of Arizona.

For decades, the Government has been studying about 3,500 men who had been uranium miners in New Mexico, Arizona, Colorado and Utah since the early 1950's. There was no nuclear power industry then, in the early days; the United States Government was the only buyer—it needed the uranium to make atomic weapons.

Dr. Joseph Wagoner, special assistant for occupational carcinogenesis at the Occupational Safety and Health Administration, has been studying uranium mining since 1960 and he is angry.

Dr. Wagoner's last formal count, in 1974, showed 144 cancer deaths among the 3,500 miners. Statistically, 29.8 such deaths would be expected, leaving 114 instances of what doctors call "excess deaths." Dr. Wagoner's estimate of the toll through 1978 is about 200 deaths, 160 in excess, "making 160 people that needlessly died due to lung cancer because we did not accept the published data that was already there for our use" in the '50s.

"Thirty years from now we'll have the hidden legacy of the whole thing," he went on. "What we refused to do 30 years ago, we are paying for today. What we refuse to do today, we will pay for in 30 years."

"The data clearly indicates the inadequacy of current standards" on radiation exposure in the mines, he said.

"In scientific circles I don't think anyone doubts that diseases are being caused by the exposure to radon daughter during mining," said Dr. Victor Archer of the United States Public Health Service in Salt Lake City, who is project officer on the National Institute of Occupational Safety and Health's study of early uranium miners. Although he said the health situation had improved since 1972, Dr. Archer said he believed the mines were not yet entirely safe.

Of that early group of 3,500 uranium miners, 700 to 800 were Navajo Indians. About 250 of the Navajos worked from 1952 to 1963 in the Kerr-McGee Corporation's uranium mines in the hills just above Red Rock and near Cove, Ariz.

For epidemiologists, Red Rock is a good place for studying the cancer and fibrosis because the area has a "zero base rate," which means that Navajos, by and large, do not get lung cancer.

"I know eight lung cancer deaths doesn't sound like many," Dr. LaVerne Husen said. "Compared to the people killed in auto accidents, it's no great thing. But if you realize they are all coming from a small town, the percentage is great."

In the immediate area of Red Rock, which boasts a trading post, a school and one stop sign, the population is perhaps 50. There are many more people scattered up in the hills, back in the arroyos, in places without roads.

SPITTING UP BLOOD

From January 1970 to June 1972 eight former uranium miners saw LaVerne Husen, then a newly arrived young doctor. They were arriving 15 years after their first exposure to radon daughter. Two of them were over 60, the others were 45, 43, 42, 39, 33 and 31 years of age. They all died within a year of diagnosis. Two others had died in 1965.

Dr. Husen's cheerful face took on an odd expression. "It got so I didn't need to wait for the tests," she said. "They would come in—the wife and the six kids were always there too—and they would say they had been spitting up blood. I would ask and they would answer that they had been in the mines. Then I didn't need to wait to make the diagnosis, really, I already knew." Those were the cancer cases.

The fibrosis cases take longer. "It is a process that occurs when exposed radon gas attaches itself to dust particles which are breathed into the lung," said Dr. Husen. "The randon eventually breaks down into lead and implants itself into the lung wall. It remains radioactive, which is what causes the cancer, but first scar tissue forms around the particles and the scar tissue builds up and causes the fibrosis."

Radioactive radon gas and its offspring, radon daughter, are found in uranium mines because the gas is derived from radium, a natural decay product of uranium.

MONTHLY MINE INSPECTIONS

A spokesman for Kerr-McGee said: "We are not aware of the sources of the allegation that Navajo Indians who worked in those mines have died of lung cancer resulting from radiation exposure. We doubt that any evidence to support this allegation exists anywhere. Several efforts have been made to locate early uranium miners and trace their life histories in reference to the effects of radiation exposure. But none of these have been completely successful, since miners change jobs frequently."

"From the point of view of scientific validity, there is no question" about the cause of the deaths, Dr. Wagoner said.

Because the Kerr-McGee mines were on the Indian reservation, which stretches into Arizona, New Mexico and Utah, state officials had no authority to regulate permissible radiation levels in the mines. But the mines were subject to Federal regulations, and once a month the mine inspectors came. Many people contend that Kerr-McGee cleaned up the mines only when the inspectors came. One thing everyone here who worked in the mines agrees on is that there was dust, always much dust, so much dust that they coughed and spit up black, and when they went home they had headaches.

Edith Kennedy is a pleasant, talkative, white woman who runs the Red Rock Trading Post and has been there since 1939. "At the time, there was no other employment around here," she said. "No one was getting any welfare then or any kind of Government money and in the mines they made a lot of money and they needed it and they chose to work there and everybody wanted to work in the mines.

"Why, in those days, we would re-open the store when the miners got off work, so they would have a place to cash their paychecks and do their shopping. I don't think anyone knew about the dangers in those days; they didn't know it could harm people. They said it was definitely safe. Everybody made a lot of money and was happy to have work.

"They didn't know then about any danger, did they, Despah?" she said, turning to a friend. "Despah, you don't think they knew there was any danger then, do you?"

ENFORCEMENT EFFORT SINCE '72

Despah Nez is an old woman, a leader of the Red Rock community. She speaks English well, which is unusual for a Navajo of her generation. She replied impassively: "They don't keep the mines ventilated. When the inspector would come, then they would clean it up, but that was the only time they would do it."

Since the late 1960's, the concentration of uranium mining has shifted from the Red

Rock and Cove vicinity to northwestern New Mexico, primarily near the town of Grants. The majority of miners now are white.

As to whether these miners are still being exposed to dangerous levels of radon daughter, Dr. Archer said, "Since 1972, we have had the Mine Safety and Health Administration making efforts to enforce the regulations, and they are making a pretty good job of it. Since '72, as a general rule, the exposures are quite low. I wouldn't call them safe, but the risk of cancer is a lot lower. Some of the companies may manage to fool the mine inspectors from time to time, but it's a lot better now."

"The companies have occasionally tried to say that if there is no smoking among miners, there is no danger of lung cancer, but that is just wrong," said Dr. Wagoner. "What we are seeing now is that nonsmokers have a 10-year delay in the onset of the cancer, but the rates are the same. In 1978, the Government started notifying all shipyard workers and others who had been exposed to asbestos, but nothing like that has been done for the miners. Is it because they are Westerners with little power in their Congressional representation, because they are Indians so no one needs to care?"

LYMPHATIC CANCER CITED

"There is more to come," he said. "There is already a statistically significant excess of lymphatic cancer" among the miners. Dr. Wagoner's studies lead him to believe that this form of cancer is linked to uranium tailings. "The companies are showing a total disregard for the problem of waste disposal," he said.

Efforts to get help for all the ailing miners have so far been ineffective. They do not qualify for Workmen's Compensation because compensation claims must be filed within a year of the injury: Cancer and pulmonary fibrosis do not show up within a year.

Senator Pete V. Domenici, Republican of New Mexico, introduced a Uranium Miners Compensation Act in Congress last year that called for an extension of the allowable filing period, but it never got out of committee. His staff members say he plans to introduce the bill again this year.

Said Dr. Husen, "Compared to black lung disease the amount of money they are talking about is minuscule."

Harry Tome is Red Rock's representative on the Navajo Tribal Council. He has been trying for nine years now to get some financial help for the families of the miners who have died and for those who are still dying.

"No one ever told us of the danger in it." Mr. Tome said. "We were not educated." There is no word in Navajo for radiation and even now a team of the tribe's best translators is working on a way to explain the concept to the Indians.

"It was the only employment that was ever brought to our part of the reservation," said Mr. Tome, "and when we had that thing, it was like a booming town. People came here from all over the reservation and camped; it was like a gold rush and there was quite a lot of income. Then the mines closed. They went away. Now the people are dying." ●

JOE McCAFFREY

● **Mr. HOLLINGS.** Mr. President, Washington is a city of flux. Politicians come and go. Names and events are forgotten overnight. One man, an institution unto himself, has remained constant over the years—my good friend Joe McCaffrey.

Mention the name Joe McCaffrey and you get an immediate response. Solid, a good newsman, tough, fair, a pro. He knows the ropes and well he should after 35 years of covering Congress. He has worked in every facet of journalism, distinguishing himself as a reporter in both the print and electronic media.

If you want to know what really takes place on the Hill, you merely have to tune in "Today in Congress" each evening for a precise and factual capsule of the day's events. No interjection of personal views colors Joe McCaffrey's reporting. He professionally draws the line by saving his keen insights for his commentaries, never mixing the hard facts on his congressional news show with behind-the-scenes observations. But when Joe lets loose, he is the undisputed master of the one-liners.

In all my years of dealing with Joe McCaffrey, I have found him thorough and true to his word. He asks the tough questions but he respects and honors your answers. He cares about his profession and his longstanding service in professional journalism organizations attests to that. He has twice served as president of the Radio-Television Correspondents Association and as chairman of the executive committee of the Radio-Television Galleries of Congress.

I join my colleagues today in honoring Joe McCaffrey for 35 years of outstanding service. He is a credit to his profession and brings to his large listening audience a lucid and honest appraisal of the workings of Government. For this, we all owe him our appreciation and thanks. I look forward to many more years of his outstanding coverage.●

SALT II AND NATO

● **Mr. GARN.** Mr. President, we have heard a great deal recently about how strongly our European allies support the new SALT agreement. In fact Secretary Brown has recently implied that the NATO ministerial communique issued after the 2-day meeting of the NATO Defense Planning Committee represented a strong endorsement of SALT II. A close examination of the language of the communique, however, clearly shows that the NATO ministers are reserving judgment on SALT II. They "welcome the agreement in principle," and believe that the security of NATO would be enhanced by an "equitable limitation" of nuclear weapons. However, rather than prematurely endorse a treaty they have not examined in detail, the NATO ministers look forward "to the opportunity to study in depth the official SALT II text once the treaty is signed."

I would argue that it is important to look beyond such official statements to find out just what questions concerning SALT II are still worrying Europe's leaders, particularly its military leaders. It is instructive to note that now that he is approaching retirement, Gen. Alexander Haig, the Supreme Allied Commander Europe (SACEUR), has begun to hint publicly about his reservations concerning SALT II.

General Haig's reservations have been echoed by a European colleague, retired British Air Vice Marshal S. W. B. Menaul. who has recently completed a paper for the Institute for the Study of Conflict on this very issue. His study is extremely useful in not only highlighting NATO's current strategic weaknesses, but also in detailing European leaders' fears that the SALT II agreement could well compound NATO's weaknesses.

London's Foreign Affairs Research Institute has done a great service by taking the major points from Air Marshal Menaul's study and putting them into a form short enough for everyone to read. I strongly recommend it to my colleagues, and I ask that this valuable abridgement of Marshal Menaul's paper be printed in the RECORD.

The information follows:

THE DANGERS TO EUROPEAN SECURITY IN SALT II

West Europeans are becoming profoundly concerned that the American-Soviet Strategic Arms Limitations Talks (SALT II) may result in a treaty which adversely affects the security of the European half of NATO. Weapons systems excluded from the talks because they are not considered strategic weapons to the superpowers are completely strategic as far as Europe is concerned. Air Vice Marshal S.W.B. Menaul, a former Chief of Staff of Bomber Command and member of the Governing Council of this Institute has written a very authoritative study[1] explaining this Eurostrategic weakness.

UNPRECEDENTED SOVIET BUILDUP

The author notes that in the previous SALT treaty the Americans were hopelessly outwitted. He writes:

"The net result of SALT I and the Vladivostok accords was an unprecedented buildup in Soviet strategic nuclear capability, while the entire United States ICBM and SLBM forces remained frozen at the 1968 level."

The European anxiety is simply that in order to achieve the political benefits of a successful SALT treaty, unilateral concessions may be made by the Americans which will put the survival of Europe in freedom at risk.

The Air Vice Marshal points out that:

"Constant reference by the Carter Administration to the degree of unanimity reached between the superpowers on the many issues confronting them in the SALT II discussions and the deliberate propaganda campaign conducted within the United States for the past six months, indicates an attempt by the Administration to persuade the Senate and American people (and the United States' allies) to accept what is patently an unpalatable package. Yet the claim that any agreement, whatever its defects, must be in the interests of detent and a lessening of tension is not sustainable."

Of the SALT II conditions the author notes:

"There are to be limits on development and testing of new ICBMs and SLBMs, and a protocol agreement would ban ground- and submarine-launched cruise missiles with a range greater than 600 km (320 st miles). Thus, cruise missiles deployed by NATO in Europe would be precluded from reaching Soviet territory. Moreover, non-circumvention provisions might inhibit the transfer of crucial advanced military technology to America's allies."

COHESION OF ALLIANCE AT RISK

When considering the existing conditions of SALT II, the author reminds us that:

"It is not possible to detect how many MIRV warheads are installed in a particular missile, nor could it be guaranteed that the Backfire bomber would not be used against targets in the United States. The range of cruise missiles cannot be ascertained with certainty and the Soviet SS–20 missile which is currently targeted on Europe, could be converted to intercontinental range by the addition of a third stage to the booster. Backfire bombers not deployed by the Soviet Long-Range Air Force against the United States will be deployed against targets in Europe, further strengthening the missile and manned bomber strategic nuclear forces targeted on European hard and soft targets.

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[1] "SALT II The Eurostrategic Imbalance," by Stewart Menaul. Institute for the Study of Conflict, 12/12A Golden Sq., London W1R 3AF. £2 or $4.50.

"Whatever agreements finally emerge from SALT II, with its associated protocols, it is important that the terms of the treaty should be carefully scrutinised by Europeans, who must insist that any future strategic arms limitation talks should involve greater European participation. Weapons systems which have not so far been included in SALT negotiations are presenting ever greater threats to European security and thus to the cohesion of the alliance. So far, SALT discussions have included only weapons systems that can reach the United States (or the Soviet Union)—a situation that Dean Rusk described as 'a dam across half a river'. . .

"Having gained a measure of superiority over the United States in strategic nuclear capability, it was inevitable that the U.S.S.R. should attempt to achieve a similar advantage in what has become known as Eurostrategic nuclear capability (as distinct from theatre nuclear forces), in which nuclear delivery systems based in the Soviet Union pose a strategic nuclear threat to European hard and soft targets. This is precisely what Moscow has now achieved, while NATO watches with growing apprehension, but little sign that positive action will be taken to redress the imbalance: indeed, the ban on cruise missiles with a range exceeding 600 km and the inhibition on the transfer of cruise missile technology apparently agreed in SALT II places further obstacles in the way of doing so. Nor has any pressure been exerted on the Soviet Union in any discussions, official or unofficial, to reduce the strategic nuclear threat to Europe, which has steadily increased over the years.

"Meantime, attempts to achieve a balance in theatre conventional forces have been deadlocked in the ongoing Mutual Balanced Force Reduction (MBFR) negotiations in Vienna. Now that the United States and China have resumed diplomatic relations, the prospects for persuading the Soviet Union to reduce its nuclear and conventional threats to Europe are unlikely to be enhanced.

"POLITICAL COERCION

"One of the most important aspects of the development of new strategic nuclear weapons targeted on Europe is the virtual obliteration of any dividing line between strategic and theatre (or tactical) nuclear forces so far as Europe is concerned, if indeed such a distinction ever existed. A disturbing character of some Soviet medium-range strategic weapons systems is that they could be used to deliver nuclear, conventional, chemical or biological warheads, thereby enhancing not only Soviet capability to wage war, but also their capacity to indulge in political coercion or blackmail . . .

"The situation has changed dramatically since the SALT I agreement of 1972. Not only has the United States fallen behind the Soviet Union in strategic nuclear capability, but even with a crash programme it is doubtful whether it could catch up within a decade. Meanwhile, the threat to the Minuteman silo-based force is as great as ever. The United States second strike capability has lost much of its credibility, while in Europe the strategic and theatre (or tactical) nuclear balance, which could influence the outcome of a confrontation, has shifted demonstrably in favour of the Soviet Union and its Warsaw Pact allies.

"In January 1978 the Soviets had about 700 I/MRBMs, 430 medium bombers and at least 20 submarine-launched ballistic missiles, all targeted on high priority European targets. The introduction by the U.S.S.R. of the SS–20 mobile MIRVed ballistic missile and Backfire bomber has greatly increased their Eurostrategic capability since the SS–20 carries three MIRV warheads. It has been estimated that by 1985 there will be about 275 SS–20 missiles and 250 Backfire bombers deployed against European targets in addition to the 700 I/MRBMs, 430 medium bombers, 20 submarine-launched missiles and other nuclear capable systems. This represents a massive nuclear capability in Eurostrategic delivery systems in addition to the theatre nuclear superiority already enjoyed by the Soviet Union and the Warsaw Pact—a threat to which NATO has not so far responded.

"At their October 1978 meeting the NATO Nuclear Planning Group noted the increasing nuclear capability of the Soviet Union, especially in the European theatre and endorsed proposals for strengthening and modernising the alliance's theatre nuclear forces. But nearly all NATO's theatre nuclear weapons systems are short-range, except for the United States F–111 aircraft and the nuclear ballistic missile-firing submarines allotted to SACEUR.

"IMBALANCE AGAINST NATO GROWS

"There are no other delivery systems in NATO with performances comparable to the TU–16, TU–22 Soviet medium-range bombers, the SS–20 missiles, or the I/MRBMs. NATO could produce about 150 British and French IRBMs and SBLMs, 200 nuclear capable aircraft (including carrier-borne aircraft) and a few United States Polaris/Poseidon submarines assigned to SACEUR. Of these, the French force is under national control and not available to SACEUR.

"None of these systems comes within the scope of current or projected SALT negotiations between the superpowers, and NATO has made no effort to adjust the imbalance in Eurostrategic nuclear delivery systems that exists today and will continue to grow during the next decade unless limitations are agreed with the Soviet Union. . . .

"Senator Henry Jackson warned the North Atlantic Assembly, meeting in Lisbon in November 1978, that the emergence of the SALT II treaty would severely limit NATO options to cope with the huge Soviet military build-up. 'Arms control agreements that permit the Soviet Union to continue their military build-up while constraining the United States and its allies from taking compensatory action', the Senator said, 'will only deepen the instability and insecurity that these negotiations are intended to moderate'. But bearing in mind that nearly all the nuclear capability available for Western deterrence and defence is provided by the United States, what compensatory action could Europe take to reduce the present asymmetry?"

After considering the future development of the British, and larger French, strategic nuclear forces which are completely separated and relatively small, the author stresses that:

"The imbalance in Eurostrategic nuclear capability between NATO and the Warsaw Pact (or more precisely the Soviet Union) has increased and will continue to increase as the Soviets deploy more SS–20 missiles and Backfire bombers. United States nuclear capability in Europe has been virtually frozen, while France and Britain make only a modest contribution to the overall forces available. Europeans may complain that the United States has been over-generous in concessions made to the Soviet Union, but much of the responsibility for this unsatisfactory state of affairs rests firmly with the Europeans themselves. They have taken no action to condemn, much less offset, the Soviet build-up. . . .

MISSILE FLIGHT TIME IS 5 MINUTES

"The continued build-up in Soviet Eurostrategic nuclear capability, coupled with their greatly superior theatre nuclear, conventional and chemical forces in the European theatre, has created a situation long dreamed of by the Warsaw Pact, in which they can seriously contemplate the prospect of subjugating Western Europe with theatre nuclear, conventional and chemical weapons (or conventional and chemical weapons alone) without the risk of escalation to a strategic nuclear exchange between the Soviet Union and the United States or even a Eurostrategic exchange between Europe and the Soviet Union.

"Even now every European city, airfield, port, assembly area, military headquarters, communications centre, rail and road transport system is targeted by Soviet nuclear missiles or manned aircraft. Missile time of flight is about five minutes from Soviet bases.

"The Soviet leaders do not regard existing NATO Eurostrategic nuclear forces as a serious threat to important targets in the Soviet Union. If a SALT II treaty is permitted to impose limitations on the range of cruise missiles and on the transfer of technology to America's allies, the United States and European members of NATO will find it much more difficult to redress the present imbalance in Eurostrategic nuclear systems.

THE NEED FOR THE NEUTRON BOMB

"It is sometimes forgotten that the theatre (or tactical) nuclear balance in Europe is a separate issue from the Eurostrategic nuclear forces. The overall balance in theatre (or tactical) nuclear capability between NATO and the Warsaw Pact is roughly equal in warheads in their respective nuclear stockpiles, but in delivery systems the Warsaw Pact has a considerable advantage, and the balance is shifting perceptibly in their favour year by year. To redress this trend, the NATO theatre nuclear stockpile must be modernised and reorganised to include enhanced radiation warheads (the so-called 'neutron bomb') for delivery by missiles and manned aircraft. The Pershing II mobile ballistic missile, with improved range and terminally guided warhead, and cruise missiles capable of operating against a wide variety of targets, on and beyond the battlefield, should be introduced into NATO forces as a matter of urgency.

"The correction of the imbalance in Eurostrategic nuclear forces will be more difficult and time consuming and will involve the deployment of nuclear delivery systems capable of attacking Soviet hard targets and a wide variety of hard and soft targets throughout the whole Warsaw Pact area.

"There should be no question of the United States maintaining its offer to remove nuclear warheads from Europe in exchange for a reduction in Soviet conventional forces deployed in satellite countries, as happened in December 1975 in a desperate effort by the United States to achieve some progress in the permanently stalled MBFR negotiations in Vienna. NATO Eurostrategic nuclear capability is required to offset Soviet nuclear systems targeted on Europe, not those targeted on the United States.

"The development of a mobile, intermediate-range ballistic missile now under consideration by the United States and its NATO allies, based on a project known as 'Longbow', should be approved as a matter of urgency and not subjected to the delays and procrastinations that have characterised the development of the enhanced radiation warhead and the cruise missile. In addition, the possibility of extending the range of the Pershing II ballistic missile from the present 460 miles to 1,000 miles should be given serious consideration. A force of 250 long-range Pershing II missiles and 250 new IRBMs in addition to cruise missiles would do much to correct the dangerous imbalance in Eurostrategic nuclear delivery systems that exists today. It would also go some way towards restoring NATO capability to what it was in the early 1960s, before the United States removed the Thor and Jupiter IRBMs from Britain, Italy and Turkey. . . .

EUROPEAN STRATEGIC NUCLEAR FORCE BUILD-UP NEEDED

"Cruise missiles may be launched from ground bases, surface ships, submarines or manned aircraft; they may be short, medium or long-range and armed with conventional or nuclear warheads. They could be deployed in strategic nuclear, theatre nuclear, Eurostrategic nuclear or conventional roles Range limitations imposed on cruise missiles to comply with the requirements of SALT II should not be accepted by Europeans, since such limitations would prevent NATO members, other than the United States, from developing the new and potentially highly effective weapons systems for deployment in roles other than close support or short-range interdiction, i.e. to pose a threat to such military targets in the Soviet Union as headquarters, communications, airfields and concentration areas. . . .

"Restrictions on submarine launched cruise missiles (SLCM) could prevent Britain from developing SLCMs as replacement systems for the Polaris A3 missiles if it otherwise wished to do so. France, on the other hand, would not be affected, since it appears to favour development of a mobile missiles system as part of the strategic nuclear forces during the next decade. Cruise missiles deployed in Europe in addition to existing systems and the introduction of long-range Pershing IIs and new IRBMs could, within an acceptance time scale, redress the balance in Eurostrategic nuclear delivery systems. They could also strengthen NATO's nuclear and conventional defensive posture, thereby enhancing the deterrent triad.

"European nations have the technology to produce cruise missiles from their own resources, and studies are already being undertaken in Britain and France, but development would be speeded up with American assistance, which would in any case be required, at least in the initial stages, in preparing stored data for the terrain contour matching guidance system (TERCOM). Thus, any limitations on the transfer of the relevant technology imposed by a SALT II agreement would place these European powers at a serious disadvantage.

The author concludes:

"The NATO alliance must now accept the reality of the world situation and give urgent and serious consideration to building up its Eurostrategic nuclear forces. Europeans must also demand a more effective voice in any future nuclear arms control negotiations between the United States and the Soviet Union, the results of which could have a profound effect on the cohesion of the NATO alliance and on the future security of Western Europe." ●

LLOYD HACKLER

● Mr. GRAVEL. Mr. President, throughout the history of our Republic, American Presidents have been fortunate to be able to rely upon seasoned Washington veterans for sound advice. Over the years Presidents have turned to kitchen cabinets, close friends, or one of the proverbial Washington experts for guidance. Repeatedly, Presidents have acknowledged that such Washington veterans have played a major role in assisting beleaguered administrations. Their cool heads and solid advice have also prevented major errors when others with experience would have panicked.

During the 10 years that it has been my privilege to serve in the Senate, I have learned from experience—good and bad—the value of seeking the judgment of certain people before embarking on any major undertakings. One such person who I find myself turning to with increasing frequency as the years go by is Lloyd Hackler, currently serving as president of the American Retail Federation. It is not a coincidence that I seek Lloyd's advice more as time goes on. Rather, it is because I have come to appreciate just how valuable his judgment and counsel are to someone like myself. Nor am I alone in seeking out Lloyd's advice. Both in the Congress and at the White House, Lloyd Hackler is well-known and highly respected for his substantive and political skills. Clearly, Lloyd has become one of the key nongovernmental figures in Washington.

On May 10, 1979, President Carter had occasion to deliver an address to the members of the American Retail Federation at a breakfast meeting held at the Department of State dining room. In his remarks, President Carter paid tribute to one of his closest outside advisers—the same Lloyd Hackler. The President stated:

> It is important for me to be with the American Retail Federation. I doubt that any person in Washington has helped me more, outside government employees and full-time workers, than has Lloyd Hackler. And I want to thank you personally, Lloyd, for this superb advice and—
>
> There have been several difficult issues that I have had to face since I have been President, and I have never hesitated to call Lloyd on how to deal with an important economic question, an important question involving foreign affairs. And he has been willing to come into the White House, sometimes late at night, quietly, to counsel with me, in a group of two or three or four, about how we ought to address these major problems for the benefit of our country.
>
> I would like to ask you, through Lloyd, if there are specific government regulations or reports that you consider to be necessary and ill-advised, to document them specifically, do a little work on your own, or let Lloyd do it—he will cooperate in a minute—see if the report or regulation is required by law or if it is an administrative decision and then let Lloyd bring that information to me.

It is not often that a President of the United States says something that nice about someone. It is particularly unusual for this President to have such kind words for a Washington "insider." But like so many of us, President Carter has come to learn how helpful and essential it is to be able to turn to someone as solid as Lloyd Hackler.

Mr. President, I would not want this opportunity to pass by without notice. Rather, I prefer to use it as a way of thanking Lloyd for all the help he has given me in the past and for all the assistance I expect from him in the years to come.●

WILLIAM M. DuCHESSI

● Mr. MOYNIHAN. Mr. President, I wish to join the many Members of this body and those of the American labor movement in mourning and honoring William M. DuChessi, a man who rose from the carpet mills of Amsterdam, N.Y., to give warm, courageous, and diligent leadership to his own union and to the political and legislative efforts of the AFL–CIO. Bill DuChessi became a genial force in everything he undertook—and was loved as much by the rank-and-file members of his union as by the dignitaries he teased and warmed with his hearty good nature.

But Bill DuChessi was also a man to be taken seriously. He helped to build the foundation for the Textile Workers Union, which now is merged into the great Amalgamated Clothing and Textile Workers Union of the AFL–CIO, which he served in the office of executive vice president. He worked closely with his inseparable friend, Al Barkan, to build the operating committee of the AFL–CIO's committee on political education into what is unquestionably the most effective political organization in the Nation. He served on the general board of the industrial union department of the AFL–CIO, and on the boards and committees of more good causes than most of us could remember. He was a tireless worker for labor's legislative causes. And I owe him a great debt for his work on my campaign committees.

The loss of Bill DuChessi in the prime of his career is a deep loss to all of us, but most of all to his family. I extend to them my deepest sympathy.●

SALT II

● Mr. HOLLINGS. Mr. President, this morning's Wall Street Journal carried a column on SALT II that enhances the quality of our national debate on this important matter. It is written by Seymour Weiss, who many of my colleagues will recall as past Director of the Bureau of Politico-Military Affairs in the Department of State.

Mr. Weiss cogently demolishes the idea that if the Senate fails to ratify SALT II, the Soviets and others will view the United States as "warmongers." The seriousness of this debate compels us to look more realistically at the Soviet Union's international behavior and at its military expenditures, and we need also to improve our understanding of Soviet aims and Soviet strategic thinking. Reducing the debate to labels and slogans is, given the nature of the Soviet threat, very dangerous business indeed.

Mr. Weiss' piece helps us put into realistic perspective the international realities which exist while this debate rages.

I recommend this column to my colleagues, and for that reason I ask that it be printed in today's edition of the RECORD.

The article follows:

"WARMONGER" FEAR ISN'T A REASON TO BUY SALT

(By Seymour Weiss)

Whatever may be viewed as the inadequacy of the Nixon-Ford-Kissinger approach to SALT I, that approach did not lack a political context. According to Mr. Kissinger SALT was the cornerstone of detente, a process intended to develop a web of interlocking relationships between the United States and U.S.S.R. with the ultimate purpose of constraining aggressive Soviet policies. In practice the process proved so deficient that President Ford abandoned detente.

When Candidate Carter became President Carter it was presumed that he would provide a new political framework within which SALT could be assessed. But the administration has never advanced what Dr. Kissinger used to refer to as a "conceptual framework" within which to fit such specific policy initiatives as SALT.

We are told it should be "viewed on its own merits," that "it is no favor to the U.S.S.R." that "it must not be linked to Soviet behavior outside of SALT," that while less than perfect from a military point of view, militarily it is better than no SALT, and so on. But the political logic supporting SALT has never been articulated.

While failing to define the positive political context within which the American public should consider SALT, recently President Carter has suggested its negative consequences. He has warned that failure of the Senate to give its consent to SALT will result in a virtual severance of relationships with the U.S.S.R. The United States, the President asserts, will be viewed as a warmonger, a distressing prospect to be sure.

But why? Why should a failure by the Senate to accept the terms of the treaty, even if those terms are contrary to U.S. interests, lead to such a serious political consequence? Since the President does not tell us, we are perhaps justified in speculating.

One explanation which would justify a severe Soviet reaction is the belief on its part that the U.S. is actively threatening Soviet national survival. So believing, the U.S.S.R. might well consider SALT as both a necessary gesture of goodwill and a constraint on U.S. military programs.

How does this perspective accord with the facts? Does President Carter believe the United States is an aggressive power, threatening the U.S.S.R.? Does he believe that U.S. military programs, compared to those of the U.S.S.R., ought to be constrained? More to the point, does he believe the U.S.S.R. is justified in so viewing the United States?

Consider the history of the past three decades: President Roosevelt's aspirations for free elections in Eastern Europe were brusquely cast aside by Stalin; the Soviets actively supported North Korea's attack on South Korea; the Kremlin blockaded Berlin and then built its infamous wall; the Soviets emplaced offensive missiles in Cuba, (Foreign Minister Gromyko, who has negotiated SALT II, flatly denied to President Kennedy that the Soviets had any intention of doing such a thing), bringing on a dangerous confrontation between the superpowers; and in 1968, the Soviets marched their troops into Czechoslovakia to forcibly extinguish the flicker of political independence there.

The list, of course, could go on. The Soviet role in Vietnam, in the Mideast, in Africa and in Portugal gives no indication that anything has changed. But what of the military programs of the two sides? Would the Soviets be justified in viewing U.S. military programs of recent years as a growing threat to their security?

According to administration sources it is not the U.S. but the U.S.S.R. that has been launched for more than the last decade on a massive military buildup. The Soviets outspend us by 45 percent annually, and the rate of their expenditures is growing. U.S. military expenditures have declined to the point where we spend less than 5 percent of our gross national product on defense, a smaller proportion than at any time since before the Korean war.

Perhaps the President had in mind explanations other than our past behavior, which would justify a negative Soviet reaction. Perhaps the Soviets believe they have conceded so much to the United States in SALT II that a failure on our part to agree to the Treaty would be *prima facie* evidence of our bad faith. But the administration tells us the agreement is less than we would have liked it to be. No—such an explanation is too far-fetched to credit.

One further explanation intrudes itself, namely, that the Soviets believe SALT II to be so favorable to them that they have in effect threatened the United States with dire consequences to force U.S. acceptance.

Some analysts do believe the Treaty grossly favors the U.S.S.R.; if so, the intense Soviet desire that the Senate sign on the dotted line is understandable. What is more difficult to understand is why the President would offer implicit support to Soviet threats. Never once has he said the Soviets would be unjustified in "severing relations" if we did not agree to SALT. Why? Rather he has said that the United States would be considered a warmonger, which led Sen. Baker to respond that "We must not ratify a bad treaty because the Russians will be mad if we don't."

Totalitarian states throughout history have attempted, sometimes successfully, to force democracies to accept inequitable agreements. Hitler forced Chamberlain to do so at Munich. The results then were disastrous. Surely if the Senate reached the conclusion that the SALT II Treaty as written was inequitable and prejudicial to U.S. interests, President Carter would not wish the Senate to consent to the Treaty. To do so under such circumstances would be, as Sen. Baker has implied, to appease the Soviets. Surely this is not the political context within which the administration wishes the value of SALT to be judged. But what, then, is the context.●

HEALTH BENEFITS FOR DIVORCED MILITARY SPOUSES

● Mr. McGOVERN. Mr. President, last month, I introduced legislation, S. 921, designed to allow health benefits for divorced spouses of military personnel to continue, when the marriage ends after 20 years. This same bill has been submitted to the House. I explained at the time of its introduction the need for this because of the extreme hardship now placed on those spouses (almost always wives) who, in mid or later life, must find the financial resources to provide health insurance coverage. But this is only a small part of the total problem.

In an article in the May 23 Washington Post, columnist Judy Mann skillfully presents a wider picture of the injustice and suffering carried by many of these divorced wives.

Mr. President, I ask that Judy Mann's article be printed in the Record.

The article follows:

DIVORCED FROM GI MATE AND HIS HEALTH POLICY

(By Judy Mann)

One woman has had seven operations for cancer, another lost a kidney and needs dialysis, another had breast cancer, and another had a heart attack in the middle of her divorce trial. In their 40s 50s and 60s, these women can't get insured themselves. They are too old or too ill—or they are too poor—to pay the premiums.

These are women who spent their career years married to military officers, women whose medical needs once were completely covered by military health benefits. Now they are divorced, ineligible for military health care, and for some of them their brightest prospect for decent medical care is to get on welfare.

Bills now are pending in Congress that would extend military health benefits to divorced spouses who were married at least 20 years to people on active duty 20 years. The House bill has the unlikely cosponsorship of John Burton, a liberal Democrat from California, and G. William Whitehurst, a conservative Republican from the Norfolk-Virginia Beach District who is on the Armed Services Committee. George McGovern introduced the same bill in the Senate last month.

"The medical benefits are of paramount importance," says Gwen Spears, Whitehurst's staff assistant for military liaison affairs. "Without them, some of these women are virtually uninsurable because of previous health problems that manifested themselves during their husbands' careers, that were treated at military facilities. I'm talking about things like cancer, heart disease, kidney disease. Once they're divorced, they're no longer entitled to any benefits and they find that to get any insurance, the companies have riders attached that eliminate the problem they've previously had as something for which the companies will not be responsible.

"As a result of the problem, we've heard from many ladies throughout the country saying they're not getting the medical care that they desperately need, such as follow-up care for surgery. Many have gone on welfare or have had to go to welfare hospitals. If the husband remarries, his new wife becomes automatically entitled to health care benefits even if he's retired, while she's given usually nothing to that 20-year career."

In a letter soliciting support—which he and Burton have gotten from about 40 colleagues—Whitehurst wrote: "Having moved frequently during the service member's career, the spouse had scant opportunity to develop her own economic independence, and after divorce is frequently left with no means of obtaining health insurance at a reasonable cost. If the spouse also had a history of medical problems, it is virtually impossible for her to obtain insurance from a private carrier. We feel strongly this places the spouse in a position of being totally abandoned after having contributed to our national defense through years of marriage to a career member of the armed forces."

"If she wasn't willing to put up with the hardships of a Navy or Army career, of the overseas travel, many of these men would be forced to get out," says Spears. "She's contributed to the national defense by [caring for] the family so the husband doesn't have to take emergency leave or turn in his papers. If you don't have that kind of support from families, you're not going to have a very viable fighting force."

These are women who traveled extensively on behalf of their husbands' careers and who could not settle down and build careers of their own so that they could be insured through their own employment. "We were typical Army," said one ex-wife. "We made quite a few moves and quite a few changes. You never put roots down anywhere long enough."

"Our purpose is to cover the person who has had the full 20 years," says Spears. "We're not talking about the woman who was 35 and married her husband and five years later he retires. That wife did not have a military career."

Opposition to the extension of health benefits surfaced during hearings on a similar bill last year from people opposed to more federal spending and people who feel the courts should determine what former spouses receive, says Spears, "but a court could not order continued health care in a military hospital."

Opposition also came from the Department of Defense, which estimated roughly that it would cost $45 million a year to provide medical care for 150,000 divorced spouses. "It is the view of the Department of Defense," wrote its general counsel, "that extension of medical care benefits to former spouses is neither a valid nor earned entitlement from service to the department and that such an extension would be a precedent unsatisfactory to the American taxpayer."

Sponsors of the bill question the $45 million figures as being high. But even if it is correct, considers how it compares to other defense department expenditures: one F14 Navy fighter costs $25 million; one Nimitz class aircraft carrier, $$2 billion; one army battlefield tank, $1.4 million, and the MX ICBM missile system President Carter currently is considering costs between $20 billion and $40 billion or 200 missiles and their launching systems. These expenditures are justified by Congress on the grounds of national security.

Women who would be covered by the Burton-Whitehurst and McGovern bills entered into marriage 20 years ago or more and the deal they cut was that they would take care of the children and the home while their husbands protected our national security. In those days, marriage was for keeps and the women expected to share the accomplishments of their husbands' career and to join him in retirement. These wives had, after all, devoted their working lives towards making his career possible.

In the last 10 years, more and more of these women have found their husbands are reneging. Women who mortgaged their working lives to help their husbands' careers are being abandoned. That generation of women had no way of foreseeing what would happen; never before has America divorced on such a scale. But their daughters now know what can happen and their daughters may be far less willing to abandon their own careers and to volunteer their working lives for the national security interests if they are going to end up on welfare and Medicaid.

Extending health benefits to divorced spouses won't solve all of the financial problems in military divorces, but it would help. And it would signal the military spouse that Congress values her role and considers long-term spousal support to the military employe a genuine asset to our national security.

This is not some phantom airplane we're talking about that is supposed to protect us against a perceived threat, one that might never get off the ground, that will be obsolete before it is built. This is legislation and money to satisfy a documented human need, a need that both conservative and liberal members of Congress believe is clearly linked to the well-being of military personnel. We hear a lot of talk from the Hill at budget time in which they justify enormous military expenditures on the grounds of national security.

Here is one such expenditure that can legitimately be defended on those grounds. Here, for once, is an occasion in which members of Congress actually ought to put our money where their mouths are.●

THE AMTRAK CUTBACK

● Mr. SASSER. Mr. President, Congress has until midnight tonight to express disapproval of the Department of Transportation's proposal to cut 43 percent of its routes. Unfortunately, the Senate has not had the opportunity to discuss this important plan.

I have said previously that I think the DOT proposal is a serious mistake. As the shortage of gasoline has become more and more serious, the demand for passenger train service has become greater and greater. It was noted in this morning's Washington Post that a record number of callers tried to reach Amtrak last week and 1.5 million calls could not be answered because telephones were busy. Advance reservations are 50 percent higher than at this time last year. We may make provisions to have the phones at Amtrak answered, but on October 1 callers are going to find out that they do not have much choice about where they want to go. One-third of the 100 largest cities will have no passenger train service at all.

While Congress has not, thus far, taken any action on this misguided plan, officials in the States of California and Texas are taking their case to Federal courts. Their actions are outlined in an article in this morning's Washington Post. I ask that the article be printed in the RECORD.

The article follows:

TEXAS, CALIFORNIA MOVE TO BLOCK AMTRAK CUTBACK

(By William H. Jones)

Two states have gone to federal court in an attempt to block the Carter administration's plan for slashing Amtrak's national rail passenger network.

Unless either house of Congress acts by midnight to veto the administration proposal—a development that congressional leaders said yesterday was all but impossible—Amtrak is due to eliminate service over 43 percent of its routes as of Oct. 1.

But Texas Attorney General Mark White and California's Department of Transportation have filed lawsuits seeking to halt the rail system restructuring.

At the same time, Amtrak's business is continuing to balloon to record proportions, as travelers worried about the availability of gasoline for their cars are overloading the passenger system's telephone reservation networks.

Last week, a record number of callers tried to reach Amtrak; of 2 million calls placed, 1.5 million could not be answered because of busy signals. Advance reservations now are 50 percent higher than at this time last year.

After studying these figures, as well as passenger ridership data for a number of trains now scheduled to be halted at the end of September, a growing number of representatives and senators also have begun to have second doubts about the Carter proposal.

Congressional staff members said yesterday that a major effort is being prepared to dump the Carter proposal later on the Senate and House floors—simply by introduction of amendments to Amtrak authorization bills, requiring that all current trains be continued until the impact on passenger ridership of the current energy crisis can be assessed.

An aide to Rep. Albert Gore (D-Tenn.) conceded yesterday that keeping all trains appears to be a "long shot," but several Capitol Hill staff members said they anticipate broad support for keeping many trains now slated for abandonment.

Texas Attorney General White argued, in a suit filed in U.S. District Court in Laredo, that some routes are to be dropped without providing adequate public comment. He also charged that the "history of Amtrak service in Texas is plagued with charges of inadequate and inefficient service . . . specifically Texas service has long been marred by inferior equipment, late trains, ridiculously low speeds, lack of facilities, circuitous routes, and most importantly, lack of cooperation by Amtrak executives and personnel."

U.S. DOT officials declined to comment on the suits until they are reviewed and an Amtrak spokesman expressed surprise that his firm was named in the suits, since DOT prepared the cutback plan.

Both the Texas and California suits charge that the U.S. Department of Transportation failed to provide an environmental impact statement in drawing up the Amtrak cutbacks—the same type of statements that government requires of corporations. DOT filed only a "negative declaration," contending the absence of any environmental impact.

But Susan Brown, a spokeswoman for the California DOT (Caltrans) said yesterday the federal DOT did not address such issues as increased energy consumption for auto travel, diversion of business, air pollution, employment losses, adverse impact on small business or any other environmental-related issue.

In addition, Caltrans charged in its suit that the Carter plan violates the Clean Air Act and the National Historic Preservation Act (22 railroad stations involved in the plan are historic buildings). Nor did the federal government comply with a congressional mandate to study the absence of alternative transportation in some communities affected, according to the suit, filed in U.S. District Court, in Sacramento.

Finally, the California suit alleges that a Constitutional issue is involved—the "right to travel," which would be eliminated for some people.●

NOMINATION OF LUTHER H. HODGES, JR.

● Mr. HOLLINGS. Mr. President, I am pleased to endorse and support the President's nomination of Luther H. Hodges, Jr., of North Carolina to be Undersecretary of Commerce. As the committee is well aware, Mr. Hodges has had an outstanding background in banking which led to his election as chairman of the board of the largest bank in his State, the North Carolina National Bank of Charlotte, N.C.

Since his bid for the U.S. Senate in 1978, he has been teaching at the Graduate School of Business Administration at Duke University and Mr. Hodges is a member of the Board of Governors of the University of North Carolina, as well as a trustee of the Johnson C. Smith University. He serves as the director of several North Carolina firms including Burlington Industries of Greensboro, N.C. I am confident that his association with a major textile company will bring a greater witness by the Department of Commerce to the critical needs of our domestic textile industry in the face of an ever rising flood of textile imports.

Mr. Hodges has also distinguished himself in various civic and community activities. He has published two books and authored numerous papers, many of which testify to his concern for the economics of the new South.

I had a close relationship with Mr. Hodges' esteemed father when we both served as Governors of our respective States. During those times Governor Hodges and I worked to bring the industries to North and South Carolina that are the basis of the new South that our nominee has written so often about. As Secretary of Commerce under President

Kennedy, Luther Hodges, Sr. renewed the Department of Commerce. I treasure my association with Luther Hodges, Sr., and know with confidence that Luther, Jr. will serve the Department of Commerce with equal distinction.●

REPRESSION OF SCIENTISTS IN ARGENTINA

● Mr. KENNEDY. Mr. President, Wednesday the Senate refused to permit any flexibility in allowing military aid and supplies to Argentina and Chile, two of the worst human rights violators in the world today. I joined with Senators McGOVERN and JAVITS in resisting efforts by the senior Senator from North Carolina (Mr. HELMS) to make it possible for the President to approve security assistance to these and other human rights violators, which have previously been denied such support by the Congress.

The Federation of American Scientists has just written me to express its concern about continuing repression of large sectors of the Argentine scientific community. Prof. Jerome D. Frank, FAS chairman, has shared with me the concern of his organization and of the American Association for the Advancement of Science (AAAS) for the "extraordinarily Orwellian conditions" prevailing in Argentina, including the fact that "fully 40 percent of the Argentine physical society members have either disappeared or gone into exile," and "the psychologists and psychiatrists have also suffered especially badly."

Consistent with its strong support of a responsible and humane foreign policy, the federation has clearly stated its "opposition to permitting security assistance to Argentina until human rights conditions there improve." I commend the FAS for its strong and clear concern about the appalling human rights conditions in Argentina, and I request that its letter be printed in the RECORD.

The letter follows:

FEDERATION OF AMERICAN SCIENTISTS,
Washington, D.C., May 22, 1979.

Senator EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: We write to join you in your opposition to permitting security assistance to Argentina until human rights conditions there improve. We are particularly concerned about the conditions of the scientific community in Argentina where wide-scale abductions and kidnappings by clandestine military groups have raised incredible havoc. We believe that fully 40 percent of the Argentine Physical Society members have either disappeared or gone into exile. Of five physics research centers, only one or two seem to be functioning. The psychologists and psychiatrists have also suffered especially badly. For example, the President of the Argentine Federation of Psychologists, Beatrice Perosio, abducted from a child care center, has been missing since 1978. It is believed by Amnesty International that 15,000 persons have disappeared over the last 2½ years.

As recent reports by John Oakes of the New York Times have confirmed, the momentum of the repression has picked up even as the left-wing terrorists disappeared. And this momentum has been particularly devastating to intellectuals of all persuasions. Many of the scientists are of the Jewish faith, and many are liberals. It appears that both will suffer especially as simple political ideology—rather than revolutionary action—becomes the test for repression.

It is obvious that a superduper McCarthyite atmosphere prevails in Argentina in which many authorities themselves, and all decent people, are privately dismayed at their inability to control terror that is feeding on itself and constantly searching for more victims to justify itself.

In this connection, the United States would strengthen the hand of those who wish to resist, in and out of government, by linking our security assistance to human rights conditions.

I cannot tell you, Senator Kennedy, how disturbed the scientific community is about these actions in Argentina. The American Association for the Advancement of Science (AAAS) recently sent its then Chairman, former Congressman Emilio Q. Daddario, to Argentina to try to use its good office. The National Academy of Sciences has sent a delegation. And at a recent meeting of the Committee on Scientific Freedom and Responsibility of the AAAS, serious discussion was had of a complete scientific boycott of Argentina—and unprecedented action which, some felt, would at least draw attention to the extraordinarily Orwellian conditions prevailing there.

In this context, I know I speak for many scientists in commending you for resisting these ill-timed amendments.

Sincerely,

JEROME D. FRANK,
Chairman.●

POSTAL REORGANIZATION ACT

● Mr. RANDOLPH. Mr. President, a little more than 2½ years ago Congress amended the Postal Reorganization Act in a manner very important to rural Americans. For the first time, an orderly procedure was set forth in law to allow members of a community to participate in the decision to close or consolidate any small post office.

Under section 404(b) of the Postal Reorganization Act as amended by Public Law 94-421, the Postal Service must give the residents of a community a chance to be heard; it must consider their comments and then render a decision in writing. In addition, the community has the right to appeal that decision to the Postal Rate Commission.

The Congress passed this legislation because we shared the legitimate concern of rural residents; they were being shortchanged on postal closings. The General Accounting Office, in a study requested by the Postal Service a few years ago, reported that 12,000 post offices—nearly all located in small communities—should be shut down. If it were simply a matter of delivering mail on a reasonable schedule, at so many cents per letter, then the GAO's findings would have been acceptable. But they ignored the economic and social value to these communities of having a post office. The Congress felt those values were worth preserving or that communities should have a reasonable opportunity of preserving them. Thus, section 404(b) was added to the Postal Act.

Recently, I received a copy of a decision by the Postal Rate Commission on nine of these appeals. Public Law 94-421, was enacted in the early Fall of 1976, and it is only in the last several months that cases have been received at the Postal Rate Commission on appeal. Thus, based on this timing, it would seem that the Postal Service is giving proposed closings careful consideration before taking action on them.

I have reviewed the Postal Rate Commission's decision. I am convinced that when the Senate added the Randolph amendment to the bill that became Public Law 94-421, we did the right thing. The Postal Rate Commission determined that all nine of the cases before it should be returned to the Postal Service for further analysis and findings. Now, I do not say that every time the Postal Service wants to close a small office it is necessarily wrong. The Service reviews each case and sends an official to investigate the peoples' complaints and summarizes the findings in the determination to close the post office. That is an improvement over previous procedures when there was no mechanism to allow citizens of the community to have their say and no agency to which they could appeal.

In the recent cases, however, the Postal Rate Commission found that the Postal Service had failed to fully take into account the effects of an office closing on the community, other than those directly connected with delivering the mail. The Commission went on to quote from the debate in this chamber and concluded correctly that our intent was to have the Postal Service consider the effects on the town or community—not just on whether the mail would be delivered on time or how much money would be saved by closing an office. The Postal Rate Commission interpreted the Senate debate as establishing that: The Randolph amendment would help protect those (social) benefits by assuring an open and in part, formally judicialized, procedure for the community to assert its views.

In view of this legislative history, it seems to us incontestable that the Service was intended to consider effects not connected with the rendering of postal services.

The Commission quoted the able Senator from South Carolina (Mr. HOLLINGS), who stressed the importance of a community post office, when he said:

The central gathering point is our little post office. That jells them together into a community. I think that is valuable to America.

Mr. President, I am confident that the Postal Service will carefully consider the Commission's decisions and work with the Commission to insure that studies and findings on closings and consolidations are based on the intent of Congress. I know the Service is working toward this objective. More serious thought has been put into these decisions on the closing of post offices than was ever the case before we wrote the safeguards into the Postal Act. I commend the Postal Rate Commission for understanding what the 94th Congress intended in Public Law 94-421 and I urge the Postal Service to continue in a cooperative spirit to insure that this legislative mandate is carried out.●

NEED FOR IMPROVED PROCEDURES TO COLLECT DELINQUENT DEBTS OWED THE UNITED STATES

● Mr. SASSER. Mr. President, on March 20, 1979, the Legislative Branch Appropriations Subcommittee—which I chair—conducted a hearing on improving Government debt collection operations. The principal witness was Elmer B. Staats, Comptroller General of the United States.

$140 BILLION IN FEDERAL ACCOUNTS AND LOANS RECEIVABLE

During his testimony, Mr. Staats called attention to the magnitude of the inventory of debts owed to the U.S. Government. As of September 30, 1978, the debt to the Government amounted to a staggering $140 billion.

This huge sum of $140 billion in Federal accounts and loans receivable is growing at an alarming rate. It has increased by $22 billion during fiscal year 1978 alone.

Behind these figures are even more disturbing facts.

First, in preparing for our March 20 inquiry we had to rely on fiscal year 1977 data because of lack of up-to-date information. The Treasury Department could not give us more current data—despite the fact that the books were closed on the Government's 1978 fiscal year last September 30—almost 6 months ago. The fact that fiscal year 1978 data was not available for 6 months into the subsequent fiscal year should tell us something about the sloppiness involved in the way the Government conducts its debt collection operations.

$3.5 BILLION IN BAD DEBTS WRITTEN OFF

Second, the Federal Government has estimated $3.5 billion worth of losses due to bad debts as of fiscal year 1978. This is an increase in bad debts of $500 million from the previous year. This figure for bad debts is up 60 percent in 2 years.

The net effect here is that the honest, hard-working taxpayers are going to eventually be required to pay $3.5 billion more in taxes than they would otherwise be required to pay.

OMB REACTION TO $3.5 BILLION IN BAD DEBTS

Mr. President, do you know how officials from the President's Office of Management and Budget replied when I raised this at a February 7 Budget Committee hearing—and asked what OMB had done to tighten up managerial practices in this area? They said they would to write a letter to agency heads to highlight the problem and urge corrective action.

Needless to say, I was not impressed by that response.

However, to the credit of Mr. James T. McIntyre, the OMB Director, and his aides, the administration on May 7, 1979, began a more vigorous approach entitled "financial priorities program."

I submit for the Record a memorandum for heads of executive departments and agencies from Director McIntyre.

The memorandum follows:

Financial Priorities Program

A series of recent disclosures has revealed major weaknesses in agency systems of financial management and control.

We have already written to you about several financial issues: fund control, audit follow-up, unspent grant funds, outlay estimates, overtime abuse, and debt collection. We believe good progress is being made on a number of these issues, but we are not satisfied that sufficient priority is being given to the overall improvement of financial systems.

Therefore, we have now begun a comprehensive program to resolve the major financial issues facing the Government today. The program will focus initially on the priority issues listed in the attachment. The issues were selected in consultation with the Comptroller General, and other issues may be added as we go along. The program will be fully integrated with our regular budget review process. We have also begun work with the Office of Personnel Management to assure that these issues are given appropriate consideration in revised evaluation systems under the Civil Service Reform Act.

Over the next several months, we will be working with you and the General Accounting Office to review agency performance in each of the priority areas. We plan to meet with the heads of selected departments and agencies to discuss individual issues in detail. We also plan to put together intensive efforts to reach solutions to longstanding problems and to reduce the substantial sums outstanding and overdue to the Federal Government. In our initial meetings, we will focus on overall improvement goals, examples of unusually good progress, and any special problems. Our staff will communicate with yours to establish dates and times.

James T. McIntyre, Jr.,
Director.

Financial Priorities

Accounting systems: a commitment to get General Accounting Office approval of all systems.

Internal control: upgrade control systems to reduce the risk of fraud, abuse, waste, and inefficiency.

Cash management: build upon the work of the President's Cash Management Project.

Audit follow-up: resolve findings promptly and properly, and hold down backlog.

Outlay estimating: improve accuracy and timeliness.

Debt collection: proper accounting, and prompt aggressive collection action.

Overtime: accurate accounting, and tighter control.

Grant financing: increase use of letters-of-credit and electronic funds transfers, and recover unspent funds.

Grant accountability: full implementation of cost principles (Circular A–21, 74–4, etc.) and standard administrative requirements (A–102, A–110, etc.).

$1 BILLION IN EDUCATIONAL LOANS IN DEFAULT

Third, the Office of Education has $4 billion in accounts and loans receivable, of which $1 billion worth are in default—and the default rate is increasing.

SOME EXAMPLES OF POTENTIAL ABUSE

Fourth, I cite some specific examples where the Federal Government has not made an adequate effort to collect its debts. Some of these examples were revealed at a recent HUD Appropriations Subcommittee hearing, of which I am a member, and which is chaired by our friend and colleague, Senator Proxmire.

Consider this: the Veterans' Administration had written off certain educational assistance debt cases as uncollectable. Then, Mr. Staats' GAO auditors came in and took the cases to a commercial credit bureau. They found that most of these people were sufficiently affluent to have paid their just debts. Here is what they found:

Fifty-eight percent of the individuals had good credit ratings outside the Government.

Some examples of people with good credit ratings outside the Government but whose debts were written off by the Veterans' Administration as uncollectable included:

One person who had an automobile loan of over $10,000;

Another who had a $170,000 home mortgage—nevertheless the VA had determined his $638 debt was uncollectable and wrote it off, and

Other persons who had sufficient credit to secure mortgages on vacation sites or second homes also had VA debts written off as uncollectable.

Mr. President, the GAO auditors found that about 90 percent of these people that were having their debts written off had the ability to pay—nevertheless, the usual practice they followed was to simply ignore the three VA letters demanding payment and the VA would simply write the debt off as uncollectable. I am advised that some other persons apparently payed their debts down to the $600 limit for referral to the GAO or Department of Justice for collection. They then simply stopped making payments. They apparently felt secure that they would not be prosecuted based on campus newspaper publicity that the Government was reluctant to prosecute for an amount under $600.

SOCIAL SECURITY ADMINISTRATION EXPERIENCE

I recognize that VA does not have a monopoly on poor collection practices. In fact, these inadequate collection efforts are do doubt duplicated by many Government agencies. I might add, parenthetically, that I know, personally, that the Administrator of the Veterans' Administration, the very able Mr. Max Cleland, is making a valiant effort to get on top of the situation at the VA. For instance, the Social Security Administration wrote off a $1,496 debt because the individual pleaded that repayment would create a hardship.

However, GAO auditors found that this individual owned a 160-acre farm valued at $1,200 per acre, had cattle and machinery valued at $48,000, and had equity of over $100,000 in the farm property based on present values. This is just one more example of poor debt collection management practices in the Federal establishment.

Mr. President, I think some of these prosperous and affluent individuals who could well afford to pay their just debts are making a monkey out of the American taxpayer.

EXPERIENCE WITH OIL AND GAS ROYALTY COLLECTIONS

Mr. President, the U.S. Geological Survey collects about $1.2 billion in royalties due annually from the oil and gas industry. However, the Comptroller General has reported that Geological Survey's financial management system is inadequate, and—as a result—many of the royalties due are not being collected in full—and other royalties are not being collected on time.

DELAYS IN RECEIPT OF ROYALTIES FROM OIL AND GAS INDUSTRY

Mr. President, I think it is a disgrace that there were delays in receipt of about $359 million in oil and gas royalty payments during 1977. To the extent the delay involved additional borrowing by the Department of the Treasury, it shifted a significant interest burden in the hundreds of thousands of dollars from the prosperous oil and gas industry to the hard pressed American taxpayer.

But there is more.

During a GAO audit of the Geological Survey, an additional $2.6 million in royalties were collected—simply by following up GAO's suggestions and errors identified in the financial records.

In addition, a Department of the Interior audit report in June 1977 identified royalty losses over $12 million.

Mr. President, not all of this breakdown in the royalty collection system is the fault of the Geological Survey. Nor does the fault rest entirely with the oil and gas industry—however, the GAO has reported that the royalties due the Government were often understated because company reports were not received and charges were not properly entered in the accounts.

Mr. President, what we are finding out is that the Federal Government is doing a simply awful job of collecting its debts.

The taxpayer is paying higher taxes. Individuals and the large oil and gas companies are taking advantage of the inefficiencies in the debt collection process. The result is the shift of an enormous additional burden onto the American taxpayer.

There is no doubt the executive branch can and must do more on improving Government debt collection operations.

COLLECTING INTEREST ON OVERDUE AMOUNTS

Mr. President, the Comptroller General, Mr. Elmer Staats, appeared before our subcommittee on March 20, 1979, to discuss what could be done to remedy the situation. During the discussion he indicated it would be possible for the Federal Government to charge interest on overdue debts to the Government. Approximately $200 million a year, every year, is being lost because many Federal agencies are not charging interest on overdue accounts.

COLLECTING DELINQUENT DEBTS BY KEEPING FEDERAL TAX REFUNDS AS OFFSETS

Mr. President, during our discussions with Mr. Staats, I became particularly intrigued with a suggestion relating to the Internal Revenue Service. In his testimony, Mr. Staats indicated it would be possible—and it is already legal—for the IRS to implement a debt collection system. The IRS could match refunds with delinquent debts so that the debtor's refund would be retained by the Government to cover the debts owed to the Government.

Mr. Staats had testified that GAO had conducted a feasibility study on just such a procedure. This study showed that about one-third of a sample debt could have been recovered by retaining refunds.

If these figures should stand up in practice, the IRS would be able to collect approximately $1 billion of the $3 billion in overdue amounts in the four programs I mentioned earlier—the two student loan programs at the Office of Education, the Veterans' Administration and the Social Security Administration.

Said another way, unless IRS acts on the GAO recommendation, the U.S. Government stands to lose $1 billion that could have been recovered—and the national debt and the Federal deficit will be $1 billion higher than it need be.

It is interesting to note that one of the reasons the IRS gives for not pursuing the collections effort is that—and I quote:

> IRS also felt it could encounter problems in obtaining congressional funding for this program.

I do not know which Members of Congress the Director of IRS contacted that led him to that conclusion—but it certainly was not this Senator.

I submit, Mr. President, that we ought to send the IRS a message.

We ought to send a message to these other Federal agencies who do not bother to collect interest on overdue accounts.

We in the Senate ought to send a message to all of the Federal agencies who are guilty of sloppiness in collecting debts owed to the Government.

The message ought to be that we want these agencies to get their houses in order.

Just debts owed to the Government ought to be collected on time or interest should be collected on the overdue amounts—and the IRS ought to withhold the refunds of those individuals and corporations who can pay their debts but choose to ignore them.

To this end, Mr. President, I will soon be introducing a Senate resolution. The resolution will express the sense of the Senate with respect to improving procedures to collect debts owed to the United States. However, I want to make it clear that I am not introducing the resolution at this time in order to allow 1 week for cosponsors to join me in this legislation.

Mr. President, I shall submit for the RECORD the text of the draft resolution so as to allow my colleagues to review this matter and join me as cosponsors in this legislation.

It is my intent, Mr. President, within a short time to seek unanimous consent to bring this resolution up for a vote. In the interim, those of my colleagues who wish to join as cosponsors should contact me or the subcommittee clerk, Mr. Terry Sauvain, at 224-7251.

The draft resolution follows:

RESOLUTION

Whereas, the Subcommittee on the Legislative Branch of the Committee on Appropriations held a hearing on March 20, 1979, on the subject of delinquent debts owed to the United States Government and means of improving their collection;

Whereas, at that hearing the Comptroller General of the United States reviewed efforts that have been made to improve collection of delinquent debts by the various agencies, particularly those debts under the administration of the Department of Health, Education, and Welfare and the Veterans' Administration; and

Whereas, the Comptroller General also made recommendations to improve further the collection of delinquent debts owed to the Government and to reduce the amount of delinquent debts that are written off as uncollectible: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the agencies of the Government should establish procedures to identify the causes of overpayments and delinquencies and the corrective actions needed, should establish better control over receivables, should actively utilize the services of credit bureaus, and should take more aggressive collection action;

(2) the Department of the Treasury should revise its fiscal requirements manual to require interest charges on delinquent accounts and to provide for more complete reporting of data on delinquent accounts;

(3) the Office of Management and Budget should place increased emphasis on accounting system approval and emphasize collection efforts as part of the budget process;

(4) the Internal Revenue Service should implement, on a test basis, a collection system to match refunds with delinquent debts so that debtors' refunds can be retained to cover the debts owed, and the Congress, through the appropriation process, should monitor such test and provide adequate funds to conduct it and, if such test is successful, provide adequate funds to implement such a collection system on a permanent basis; and

(5) the Congress, through the appropriation process, should monitor each agency's efforts to collect delinquent debts, including amounts written off as uncollectible, and should consider the extent to which requested new budget authority may be reduced both as the result of collection of such debts and as an incentive to promote increased collection of such debts.

SEC. 2. The Secretary of the Senate shall transmit copies of this resolution to the Secretary of the Treasury and the head of each other Department in the executive branch, the Administrator of Veterans' Affairs, and the Director of the Office of Management and Budget.●

PRESERVING THE INDEPENDENT NEWSPAPER

● Mr. MORGAN. Mr. President, at a hearing of the Senate Select Committee on Small Business, Mr. James F. Hurley III of Salisbury, N.C., presented a vivid picture of the plight of independent newspapers in America. I especially commend his testimony to my colleagues. I ask that his testimony be printed in the RECORD.

The testimony follows:

TESTIMONY BEFORE THE SENATE SELECT COMMITTEE ON SMALL BUSINESS—MAY 24, 1979

My name is James F. Hurley III. I am publisher of the Salisbury Post, which has a daily and Sunday circulation of almost 25,000 in Piedmont North Carolina. Although The Post is the only daily newspaper in our county, there are 15 other dailies within a 50 mile radius. We are not exactly what one would call a growth situation.

The Salisbury Post has been operated by a member of the Hurley family for three generations since 1912.

Why has the Post remained a family-owned newspaper?

What are our options?

What are the chances of its remaining a family operation?

Let me explain our options by telling you the story of two newspapers. One was retained in the family. The other was sold to a group.

(This story is not actual, but it is based on fact and illustrates the factors facing each independent newspaper.)

Newspaper A (we'll call it the Family Times) has a circulation of 25,000 and does a business of $3 million per year. Its advertising rate is $2 per inch and its subscription price is $4 per month. Each of these figures is very low for such a circulation, especially the advertising rate.

Out of its $3 million in revenues, Family Times earns 20 percent or $600,000 on its operations before taxes. Being a community newspaper, whose owners live and work in the town of publication, the Family Times' owners elect to put 10 percent of its pre-tax profits into a profit-sharing plan for its employees and five percent into such community endeavors as the United Way, the YMCA, the Little League, the two colleges located there and in other community-type activities.

Thus, the Family Times' revenue for tax purposes is approximately $500,000.

Of this amount, approximately 50 percent goes to pay state taxes and the federal corporate income taxes, leaving Family Times with an after tax profit of $250,000.

Internal Revenue Service, having checked Family Times books in the past, has "strongly recommended that the company pay out half of its earnings in dividends because it can't prove a need for retaining much more than the allowable $150,000 in earnings. Family Times, IRS says, is not using its retained earnings to buy other newspapers so it can't justify more than $1 million in retained earnings.

Thus, Family Times uses one half of its after tax profits to pay its owners as a dividend. This amounts to $125,000. Lets say the operators of Family Times have been thrifty and have saved and invested wisely outside the business and find themselves in the 60 percent tax bracket. Therefore, $75,000 of the dividends the owners receive also go to pay Federal Income Taxes, leaving them an after tax profit of $50,000.

There are five members of the family. Each, then, will receive $10,000 as his share of family Times profits. Meanwhile, the $125,000 not paid as dividends is set aside as retained earnings and is earmarked for replacing the company's press.

The press, purchased 10 years ago for $500,000, can be replaced but not for the $500,000 allowed as depreciation. The latest bid on a new press, virtually with the same capacity and same speed as the Family Times present press, is $2 million. Thus, owners of the Family Times must set aside all of its undistributed profits for 12 years merely to replace its current press.

Meanwhile, Newspaper B (which we shall call the Family News) is located 20 miles down the road. It also has a circulation of 25,000, an advertising rate of $3 per inch, and a subscription price of $4 per month and annual revenues of $3 million.

However, instead of five owners, the Family News has 20 owners, all descendants of the original owner. Ten still live in town, but 10 have scattered to various parts of the country.

Disgusted with their return of $2,500 in after tax dividends ($50,000 divided by 20), the out-of-town nieces, nephews and cousins demand more money. Family News has its annual stockholders meeting and faces three options:

1. It can operate as it always has operated, paying some dividends and investing the remainder in new equipment and in its employees and its community.

2. Tighten up by eliminating any investment in employee benefits (i.e. profit sharing) or the community or in saving its profits for re-investment and thus, pay out all after tax earnings in dividends. This pleases, at least temporarily, the cousins but management realizes it will take its toll in efficiency as each year goes by.

3. Sell the paper for $20 million to Group Communications, Inc.

After much heated debate, the stockholders decide on Option 2. Fewer benefits for employees. Little community involvement. No money set aside to replace equipment.

Soon Family News realizes it has made a disastrous choice. Employes, not having the advancement opportunities on a single paper they have on a group newspaper, demand more money and security for the same jobs. The community feels the newspaper no longer helps with worthwhile causes and thus the paper loses some key support. Most importantly, Family New's press begins breaking down more and more often. Its production equipment begins to be outmoded. Its profits begin to dip, and Family News must make a huge investment to remain profitable. Since money has not been set aside to replace this equipment, Aunt Susie in San Francisco must come up with an investment of $200,000 or go on a note of that amount as her share to keep the paper profitable. Other stockholders must provide an equal amount.

Thus, the Family News, whether it decides on Option 3 immediately or delays sale by taking Option 2, sooner or later will get around to Option 3, i.e. selling the paper to Group Communications, Inc.

Now let us ask ourselves several questions:

How can Group Communications, Inc., profit by paying $20 million for the Family News?

Group Communications, Inc., borrows $20 million to pay to stockholders of Family News. This costs Group Como $2 million per year in interest. Therefore it is tax deductible if Group Commo can make a before tax profit of $2 million in Family News, which we shall now call Group News.

Group Commo, Inc., noting that the advertising and circulation rates are extremely low, raises the advertising rate 50 percent to $3 an inch and the subscription rates by 50% to $6 per month. Thus, Group News has an income of $4.5 million versus the old Family News' income of $3 million. (Because of the increase, some customers quit initially but Group Commo finds some efficiencies, so the changes balance out.)

Since Group Commo, Inc., does not improve the paper materially, other than through its own expertise, expenses of Group News remain the same as that of the old Family News. As a result, Group News earns $600,000, plus all the increase in revenues brought in by the rate increases. Income becomes $2.1 million before taxes, not $600,000 Group Como, Inc., the parent company, will pay off the principal either out of its 50 other profitable newspapers, the profits over and above the $2 million interest, and/or with inflation that is bound to come in the years ahead. Taxes, because of interest expense, are zero.

Meanwhile, what happened to the 20 owners?

Each received his share of $1 million from the sale. Let's say capital gains cost 25 percent or $250,000 for each of the stockholders. Thus, each stockholder receives $750,000 after tax. He invests the money into tax-free bonds at 6 percent interest.

Aunt Sally's income is now $45,000 after tax each year instead of $2,500.

Why shouldn't she sell?

Group Communications, Inc., taking advantages of legislation which saves the company money, operates Group News very efficiently. It may even make improvements because corporate headquarters can supply an expert in news, advertising, classified, circulation, tax laws, OSHA, EEOC, wage and hour, marketing, and business methods.

There is no obvious change in Group News, except that it costs a bit more. Not so obvious, however, is the fact that the new publisher of Group News has to clear a donation to the local college with New York. It's not in his budget. Chances are the local fund drive will be over by the time the approval is granted, if it indeed is granted.

James Henry Jones, a loyal, dedicated employe who becomes a little hard of hearing, also notices a change. He can't quite do the job like he once did so the new publisher finds cause (and indeed has cause) to retire James Henry Jones early or terminate him.

Thus, the bottom line becomes more important for Group News than for the old Family News when it comes to community and to old time employes. Group News loses a little heart. Its cold eye on the counting room begins to overpower its warm eye of service.

Even worse, 20 years from now, there are no Family Times' or Family News' or even Group Communications, Inc., which has merged into World Group Communications, Inc., and of which there are only five in the entire nation. Groups become powerful Chains, and they are operated no longer by the efficient but responsible managers of the previous groups. They are power hungry as well as profit conscious. Collaboration with only five people can control the content of every newspaper in the country.

And that, my friends, would be dangerous.

How, then, can we keep some family newspapers? Or, perhaps as important, family farms? Or village stores?

Let's look at a few reasons why newspapers are sold and what, if anything, can be done to reverse the obvious trend to group ownership?

(At this point, perhaps we ought to remind ourselves that we are bucking a trend that probably cannot be reversed. After all, how many group papers can you name which have reverted to individual ownership? Once an independent paper is sold to a group, it almost never reverts.

Here are some factors which can't really be changed:

1. Nepotism—No small, independent newspaper can remain that way if a majority of owners is trying to live off the paper without producing. None of us can, but many of us do expect, to live well off previous generations. A family newspaper deserves to go broke or be sold to a group if its owners are parasites instead of producers.

2. Management—Not every generation will have a member who is capable or willing to operate a small, independent community newspaper. The pressures are great. The publisher, and particularly the editor, are only a touch-tone from the ire of 25,000 subscribers or 100,000 readers. In a family paper, moreover, the family must pay its managers more than they earn in a group operation because the chances for advancement are limited.

3. Equipment—Whether it is Aunt Sally or the Publisher, the small independent newspaper must reinvest almost all of its profits to remain efficient. Poor equipment and the need to reinvest is probably the third major reason independent papers are sold.

4. Vulnerability—The single paper is highly vulnerable to the catastrophe of a fire, of a law suit, or a severe business recession. Whereas a group can pool its resources, a single newspaper can be wiped out in an overnight fire.

Things that can be done?

1. Evaluations—Perhaps nothing forces the sale of independent newspapers (those which really don't want to sell like the Family Times) quicker than estate taxes. I have no doubt that the Salisbury Post would bring $15 million or perhaps even $20 million if it were sold today. However, as operators of the Post, I can guarantee you that there is no way we can earn this type money as a family newspaper. My father is 82 years old. He is in the hospital today with a blood

clot in the leg. In the past 10 years, he has had three strokes, a prostate operation, three broken ribs, a punctured lung, gall bladder operation, broken shoulder and several cancers, but he is still active. He has had 60 years experience in this business, and he knows as much as any publisher alive about managing a small newspaper. But the point is that even he, with all this knowledge and experience and ability, couldn't run the Salisbury Post well enough to pay taxes on what must be paid if the paper were valued for estate purposes for what it could be sold for to a group.

Thus, if the family newspaper is to be preserved, giving the nation the diversity it needs in communications, the newspaper, like the family farm on the interstate highway, must be evaluated for estate purposes in line with its operating profits—not at the price a group would pay. Could the family farm be preserved if the son had to pay estate taxes on what he could get if he sold his land for a huge shopping complex?

2. Retained Earnings—In order to maintain equipment and to protect against disaster, the small newspaper should not be forced to pay doubly taxed dividends at the expense of retained earnings. It is my understanding that there is no question that a small business can retain $150,000 in earnings. How is it then that a giant conglomerate can set aside millions of dollars to gobble up smaller companies. They can do it, as I understand it, because they are "using the money in the business," i.e. buying out smaller companies. I say that just because a small newspaper does not try to buy out another small newspaper is no reason that large amounts of money set aside are not being "used in the business." The Salisbury Post has elected not to borrow $20 million (if we could) to buy a comparable newspaper. We would have to risk more than we are worth to take this first step. Yet since the step is taken and a company owns 10 newspapers, it is much easier to buy that 11th one and spread the risk than it would have been to buy the second one.

Expertise—An independent newspaper publisher, if he is trying to publish an informative and interesting and fair newspaper, simply does not have the time to become an expert in taxes, estate planning, wage and hour, OSHA, EEOC, marketing, news, bookkeeping, advertising, accounting and the law. My first six months as publisher was spent primarily on trying to satisfy seven levels of government that something we had decided five years earlier was legal. When we invested in computers to replace linotype machines, we put in writing that every employe on our payroll was guaranteed (1) a job and (2) at no reduction in pay. When we added personnel in the computer operation, they did not earn what the linotype operators earned; yet the wage and hour man said we had to pay all the same. We felt that the linotype operators should not be terminated nor reduced in pay although they no longer performed jobs as skilled as they once did. We won our case, but it took weeks of my time. Incidentally, the newspaper 15 miles away did the same thing (and what I would consider the humane thing) and no questions were asked of them.

As another illustration in expertise or red tape or legislation, if a publisher (owner) dies and owns a majority of stock, he will probably lose his paper because it will be valued at what a group would pay. This oversight, since he was not expert in estate planning, probably would cost his family the paper even though they hoped to keep it independent.

4. Legislation—Small newspaper operators have little knowledge of tax shelters or financial planning. Perhaps a handful do but at the expense of another part of the operation. I have heard of companies with legitimate shelters and can't blame them for using them.

In conclusion, let me say that there is probably nothing that can be done to stop the trend toward group newspapers. I would hope, however, that the trend may be slowed. We do not want special favors. And in fact, we the owners do not need special favors.

With the technological improvements that have been made in the newspaper industry in the past 10 years, any newspaper owner who isn't making a good living today shouldn't be in business. Any business.

Moreover, it is very comforting to me as owner of a family newspaper to realize that just outside my door are 20 groups that would love for me to goof up or give up and let them pay me five to 10 times what the Salisbury Post is worth as a family business just to sell to them.

Thus, please don't feel sorry for independent newspaper owners.

As senators, however, you have a deeper obligation to our country. You must try to encourage the Jim Hurleys and the Wayne Patricks and the Dave Whichards to keep on plugging—not to make more money, but to offer this nation different opinions and different ideas and diverse forums. To spread the power of the press.

None of us is going to flat out stop the trend toward group ownership. Once a family paper is sold, it becomes part of a group forever. Hopefully, though, we may find a way to permit the Hurleys and the Patricks and the Whichards to keep the paper independent if we and our families are willing to pay the price.

It will be no big deal when the Salisbury Post is sold—and I have no doubt it will some day be sold—to a newspaper group.

I have absolutely nothing against Jim Knight or Alvah Chapman or Paul Miller or Stewart Bryan. They are great people, good friends and outstanding publishers. Each is much smarter, much more experienced and perhaps much more dedicated to putting out a fine product than I am.

Yet we don't know who will follow the Bryans and the Knights and the Millers.

Already the Knights are merging with the Ridders and the Millers (Gannett) are buying out the Speidels.

What happens when there is only one group left:

Will its president have a warm eye as well as a cold eye?

Will he have the compassion of a Stewart Bryan? The warmth of a Paul Miller? The sales ability of Jim Knight? Or the writing talent of John Knight?

Or will he be a vulture, vulnerable to his almost unlimited power, susceptible to greed and accountable only to a friendly board of directors?

The concept is bad. The possibilities are frightening.

Therefore, what?

Somehow you and I must find a way to preserve the Salisbury Posts of this world as independent newspapers—not so that the Jim Hurleys can make more money or wield more power—but so that our country will have hundreds of diverse voices, conflicting opinions and independent forums.●

SALT II AND NATIONAL SECURITY

● Mr. KENNEDY. Mr. President, the United States and the Soviet Union have concluded a new treaty to limit strategic offensive arms. There is currently no more urgent task than Senate consideration of the SALT II Treaty.

In his first major speech since becoming Director of the Arms Control and Disarmament Agency, George M. Seignious makes a persuasive case for ratification of SALT II. This speech presents a thoughtful, lucid and comprehensive case for SALT in terms of our national security—a critical test in our forthcoming decision as to whether to ratify the new treaty.

I ask that Mr. Seignious' speech be printed in the RECORD.

The speech follows:

SALT II AND NATIONAL SECURITY

As you all know, we are hopeful that President Carter and President Brezhnev will be meeting soon to sign a new SALT agreement. The occasion is momentous. The leaders of two nations, which have the capacity to destroy each other and in so doing poison much of this planet, are sitting down to sign an agreement that will limit the nuclear arsenals they have within their power.

This is no small accomplishment.

With SALT II before them, the Senate and the American people must decide whether to accept it or reject it—a decision that will profoundly affect our national security.

National security is at the heart of the entire SALT process. That is why at every stage in SALT policy-making and SALT negotiations—including our SALT delegation in Geneva—all of the relevant national security agencies of government are involved—the Department of Defense, the Joint Chiefs of Staff, the Central Intelligence Agency, the Department of State and the Arms Control and Disarmament Agency. All of these agencies must and do bring their separate perspectives to bear on an issue as important as SALT—for we are, after all, talking about limiting those nuclear weapons which could destroy both our countries—and limiting them in such a way as to preserve our unquestioned deterrent force and make nuclear war less likely.

That is national security.

This agreement has been many years in coming. The fact that resolving the final issues has taken such a long time is testimony to the complexity and difficulty of the negotiations and the great care which the Administration has devoted to them.

The debate over SALT II promises to be national in scope and commanding in importance. In fact, it's already taking place—on three levels: the terms of the agreement itself, our overall defense posture, and the total fabric of our foreign policy, particularly U.S.-Soviet relations. Today, I will discuss each in turn.

THE SALT II AGREEMENT

SALT II, very simply, consists of three parts—a Treaty through 1985, a Protocol which lasts through 1981, and a Statement of Principles for subsequent negotiations, SALT III:

To begin, the Treaty achieves what has always been one of our principal goals in SALT—equal overall aggregates of strategic nuclear forces with freedom to mix the forces within the aggregates. SALT II, thus, will formalize the important negotiating achievement of President Ford and Secretary Kissinger at Vladivostok. As opposed to an unrestrained arms race for an unachievable strategic superiority, these limits will set equal ceilings from which our two nations can make further rdeuctions.

Under SALT II, both nations will be limited to a total of 2,250 launchers of land-based intercontinental ballistic missiles (ICBMs), submarine-launched ballistic missiles (SLBMs) and heavy bombers. Without SALT II, the Soviets could have as many as 3,000 launchers by 1985 merely by continuing their current programs.

Under SALT II, the Soviets will have to reduce about 270 launchers; no existing operational U.S. forces will have to be reduced to reach the 2,250 limit. Without SALT II, the Soviets could retain these 270 systems or replace them with still more modern weapons.

Under SALT II, both sides will be limited in the number of launchers of MIRVed ballistic missiles they are allowed to deploy. Limits on MIRVs—multiple warheads on a single missile which can be directed to separate targets—are important, because the use of MIRVs rapidly increases the ability of each side to strike a greater number of targets on the other side. Without SALT II, the number of warheads poised in each nation's hands would be far greater.

Under SALT II, the Soviets will be held to a maximum of 820 launches of MIRVed intercontinental ballistic missiles, their most threatening weapons. Without SALT II, we estimate the Soviets would have over a hundred more than that by 1985.

SALT II will also take steps to limit the qualitative race in weapons technology. I believe that we are at a time in history when we have an opportunity to arrest the high-speed technological advances that are being made in weapons systems. We are at a window in time that gives us a chance to put a lid on weapons developments. If we don't find a way to control them now, science may well outstrip our ability to devise policies and methods to set rational limits.

I'll make no claims that SALT II stops this aspect of the arms race dead in its tracks. But it does take some very important first steps:

Under SALT II, there will be a ban on the flight-testing or deployment of new types of ICBMs, with an exception of one new type of light ICBM for each side. Constraints written into this provision will limit Soviet ICBM improvements in such characteristics as throw-weight and launch-weight. Without SALT II, these limits won't exist.

Under SALT II, there will be a ban on rapid-reload ICBM systems and on storing excess missiles near launch site. Without SALT II, these limits won't exist.

Under SALT II, there will be a ban on certain new types of strategic offensive systems—such as ballistic missiles on surface ships—which are technologically feasible but which have not yet been developed or deployed. Without SALT II, these limits won't exist.

Under SALT II, there will be ceilings on the launch-weight and throw-weight of strategic ballistic missiles; without SALT II, these limits won't exist.

Under SALT II, there will be a ban on increasing the number of warheads on existing types of ICBMs, and there will be a limit of 10 warheads on the one permitted new type of ICBM. This will restrict significantly the Soviet advantages of larger ICBM throw-weight. For example, the Soviet SS–18 heavy ICBM could pack 30 or more warheads rather than the 10 SALT will permit. With over 300 SS–18's by the 1980's that means as many as 6,000 fewer warheads on just one type of Soviet missile. Without SALT II, these warhead limits won't exist. They're important for another reason. One of the possible basing modes for the proposed MX missile is the so-called multiple protective structure—or MPs—system in which ICBMs in canister launchers are moved between hardened aim-points. In the absence of SALT warhead limits, this system might not be feasible, as the Soviets could just add more warheads over time to their forces as we added aim-points.

I've mentioned numerical limits and qualitative limits. Vertification provisions are another major feature of the SALT II Treaty.

No aspect of SALT is more important.

Let me assure you right from the beginning: I won't support, the President won't sign, and the Senate and the American people won't accept an agreement that is not adequately verifiable. It is as simple as that. Necessary alternatives will be employed to make up for monitoring systems that are lost or need replacement, such as the stations that were in Iran.

SALT II has been designed to be adequately verifiable. We never put a SALT proposal on the negotiating table without first considering our ability to verify that proposal. And we never accept a Soviet proposal without giving it the same consideration.

When one considers the verifiability of SALT II, it's important to remember several things about strategic systems:

Many are very large, complex systems. For example, it takes many months to construct an ICBM silo launcher and years to assemble and deploy a nuclear submarine. They can't be constructed overnight. This gives us time to monitor activities.

New systems have to be tested to have operational confidence. As a former military man, I can tell you that no commander is going to place five extra warheads on a missile and have confidence in that system without testing it extensively. We can observe these Soviet tests.

Systems need personnel to run them and extensive logistical and security support. Some critics charge that the Soviet could stockpile extra missiles and then one night change the strategic balance. Let me say that it is one thing to produce a missile in a factory; it's quite another to have the trained personnel, the logistics, and the launchers themselves—without our being able to spot them. Activities such as these compound the task of keeping deployments hidden and they increase the chance that we will spot them.

We don't rely on trust; we don't take the Soviets at their word. We verify Soviet compliance with the provisions of the agreement by using our diverse, powerful, and sophisticated intelligence capabilities. These include photoreconnaissance satellites which survey the Soviet Union on a regular basis. Our various intelligence-collection techniques complement each other. We do not depend on just one source for the data we need. Taken together, these capabilities provide us with a substantial amount of detailed, accurate, up-to-date information on those Soviet forces and activities limited by SALT.

We know, for example. where Soviet nuclear submarines are manufactured, when they are being built, how many missile tubes they have, when they go on sea trials.

We know, for example, how many ICBM missile launchers the Soviets have, where they are deployed, and the characteristics of the missiles they launch.

We know, for example, when and where a new missile is flight-tested; we can count the number of Soviet reentry vehicles as they reenter the atmosphere.

We can determine not only how many systems they have, but what they can do.

I know of no way the Soviets could cheat on a scale which could affect the strategic balance without being caught by our intelligence. We intend to monitor carefully Soviet activity and will respond quickly to any indication of Soviet evasion. As in most strategic intelligence, we have greater confidence in monitoring some systems than others—but the bottom line is that we can safeguard the strategic balance against Soviet cheating.

I said earlier that SALT II has been designed with verification in mind. Some specific examples will show you what I mean:

As in SALT I, the U.S.-Soviet Standing Consultative Commission will be maintained to address questions about matters relating to implementation of the Treaty. This Commission worked well during SALT I; I am confident it will continue to work well under SALT II.

As in SALT I, interference with national technical means of verification is banned.

As in SALT I, deliberate concealment that impedes verification of compliance is banned. This ban includes the deliberate denial of that missile telemetry information which is needed for adequate verification of the provisions of SALT II. Without this provision, the Soviets would be free to use any and all methods of concealment, making our overall monitring task far more difficult.

Precise definitions and counting rules have been incorporated to solve such problems as determining which missiles are MIRVed and which are not. One counting rule, for example, stipulates that any missile of a type ever tested with MIRVs must be counted as a MIRVed missile, whether it actually carries MIRVs or just one warhead. There is a similar counting rule for MIRVed missile launchers.

Other counting rules have been adopted for cruise missiles and bombers.

For the first time in the history of strategic arms negotiations, the Soviets will provide figures on their own offensive forces as part of an agreed data base, figures which we will be able to verify independently; this is a break in a centuries-old tradition of Russian secrecy. It is important because it provides a clear, agreed baseline on which to judge treaty compliance and from which future reductions can be made.

To preclude difficulties that would have arisen in distinguishing between the Soviet SS–16 and the SS–20 mobile missiles (which share a number of similar components), the production, testing, and deployment of the SS–16 ICBM and its unique components are banned for the entire Treaty period.

I would like to turn very quickly now to the Protocol and the Statement of Principles:

The PROTOCOL, basically, places temporary limits on certain weapon systems. It will last until the end of 1981.

It bans the deployment of mobile ICBM launchers and the flight-testing of ICBMs from such launchers.

It bans deployment (but not testing) of long-range cruise missiles on ground- and sea-based launchers.

The Protocol does not:

Constrain development of our new MX missile, even in a mobile mode, since neither flight-testing nor deployment of this missile could begin in any case during the Protocol period;

It does not constrain development or testing of ground- and sea-based cruise missiles which will not be ready for deployment until after 1981 anyway.

When the Protocol expires, it expires. We will then be free to do as we want on these programs. We can go ahead; we can drop them; or we can negotiate continued limitations, in conjunction with limitations on comparable Soviet systems.

The third part of SALT II, the Statement of Principles, lays out a road map for the next round of SALT. Some of the agreed goals for SALT III that it contains are:

Further reduction in the number of strategic offensive arms;

Further qualitative limitations; and

Resolution of the issues addressed in the Protocol.

This Statement of Principles helps to emphasize an important point. SALT is a step-by-step process with each step building upon its predecessor.

That, in brief, is SALT II. You may laugh when I say "in brief" after a twenty-minute exposition. But it's true. The joint draft text of SALT II with its agreed statements and common understandings is actually over sixty pages long. I've gone into quite a few of the specific details today because I wanted to convey to you a sense of the complexity and the seriousness of this agreement, for it is a serious business. We are talking about national security in the nuclear age.

THE U.S. DEFENSE POSTURE

The debate shaping up isn't just about SALT and its details. It has been broadened to include our overall defense posture, indeed all of U.S.-Soviet relations.

There are voices raised who would tell us that America is weak, that the Soviets have strategic nuclear superiority, or are using SALT to gain it. You have heard these critics say that the Soviets have more ICBMs, that they have bigger ICBMs, that they have more nuclear submarines.

More of this, more of that, more of another thing, they tell us, totals up to Soviet strategic nuclear superiority. Yet these same critics do not point out that the United States has more warheads, greater SLBM throw-weight, more—and more capable—heavy bombers, and a major lead in cruise missile technology. These critics pick and choose their numbers and statistics quite selectively, and then make a giant leap to an unwarranted conclusion.

If you look at the United States and the Soviet Union today and add up all of the factors—launchers, warheads, bombers, MIRVs, submarine on-station rates, accuracy, throwweight, reliability, invulnerability, and so forth—the conclusion is inescapable, and it is the one reached by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff—the strategic nuclear forces of the two countries are essentially equivalent.

Essentially equivalent—not identical.

The two forces were not mirror images of each other before SALT began, nor will SALT II make them such, and we should be grateful it does not. Two examples will suffice:

Would we want to be like the Soviets and have 70 percent of our strategic power carried on progressively more vulnerable land-based missiles? Or would we want to keep our balanced Triad of land-based missiles, submarine-launched missiles, and heavy bombers?

Would we want to have a force of nuclear submarines like the Soviets'—easier to locate, carrying far fewer MIRVed missiles with less than 15 percent of this force at sea at any one time? Or do we want our larger and quieter, but fewer, Polaris and Poseidon boats, about 60 percent of which are at sea on a day-to-day basis?

Some say that we're standing still. Let me dispel that illusion:

During the period of the SALT I Interim Agreement, we deployed an average of almost three new warheads a day on our strategic forces—a total of over 5,000 warheads in five years.

We are improving the accuracy and yield of our Minuteman III missiles.

We are fitting some of our existing Poseidon submarines with the longer-range Trident I missile.

We have just launched the first of our fleet of new, highly capable Trident submarines.

We are now developing our air-launched cruise missiles that will result by 1985 in the addition of thousands of these highly accurate missiles to our bomber force.

Total pendng for U.S. strategic forces through FY–1984 will increase from 20 to 40 percent on an average annual basis.

These facts do not represent an American that is standing still on defense. But, in truth, they also do not represent a composite analysis of the entire defense program, because conventional, tactical, and theater programs are beyond the scope of SALT.

It is important to emphasize, therefore, that SALT is not a substitute for common sense in defense or a substitute for national will to carry out this common sense. The programs we undertake to keep our deterrent strong will be determined by the American people and their elected representatives. SALT does not foreclose our choice.

There is no doubt that the Soviet strategic force is formidable. There is no doubt that it is the only military arsenal in the world that is our rival. There is no doubt that the Soviets have continued to modernize their forces under SALT I—as have we.

But there is also no doubt—in my mind—that the Chairman of the Joint Chiefs of Staff, General David Jones, is absolutely correct when he says, "I would not swap our present military capability with that of the Soviet Union."

I reject those who say that the Soviets are superior in their strategic nuclear forces, for they are wrong.

I reject the advice of those who say that we should scrap SALT and go all-out to regain the nuclear superiority we once had, for they would have us exhaust our resources in an attempt to reach a brass ring which is no longer there.

And I reject, with all the passion I can muster, with over thirty years in the military service of my counrty, those who would lightly contemplate the prospect of a nuclear war. I heed the warning of President Eisenhower, coming to us from a time when nuclear weapons were far, far fewer in number: "In a nuclear war, there can be no victors; only losers."

There can be no meaningful strategic nuclear superiority in a world in which our two countries have a total of some 14,000 strategic nuclear warheads—even though two-thirds of those are ours. When the smallest of those 14,000 warheads is several times more powerful than the primitive atomic bomb which leveled Hiroshima, neither nation has a lead. And when both of us can absorb a first strike and still retaliate and devastate the other, neither one of us is at an advantage.

There can be no meaningful superiority because neither superpower will settle for inferiority. We both have the economic, technological, and military resources—and the political will—to match the other. Neither side can win the arms race, because neither side will concede it.

Essential equivalence exists today, and it will exist in the future—either through SALT or through an expensive and deadly uncontrolled arms race. The choice is ours.

I believe we can maintain a modern, flexible, effective deterrent force—and the Soviets an equivalent one—at lower, less expensive, less dangerous levels through SALT—although at this stage of the SALT process we as a nation will have to modernize some elements of our Triad.

U.S.-SOVIET RELATIONS AND OUR ROLE IN THE WORLD

I want now to step away from the details of SALT, from the numbers of warheads and missiles, and speak for a moment about a broader subject—our role in the world. I want to do this, because our foreign policy has become the third level in the SALT debate. For many, SALT is linked to every world problem and some would decorate SALT, like a Christmas tree, with burdens it neither merits nor can endure.

What kind of nation are we, or, more importantly, how do we perceive ourselves? We all need to ask ourselves this question as we consider SALT. Events in recent months have demonstrated that change, uncertainty, and even danger still stalk the world. But, as we and the Soviet Union face these events, we should not belittle our strengths as we examine our will.

We are a superpower in every sense; we are far ahead of the Soviet Union in technology; we have awesome economic and agricultural strength. By contrast, the Soviet Union is a superpower only in military force.

We have strong and capable and loyal Allies; in time of war, we know that NATO guns would be aimed East. By contrast, the Soviet allies in Eastern Europe are allies only by virtue of the watchful presence of 31 Soviet divisions.

And our society gains strength from many voices; by contrast, the Soviet system is fundamentally challenged by and fundamentally fearful of even those who ask for basic human freedoms we are privileged to enjoy.

We can look out today upon a troubled globe with confidence in ourselves and in our country. And we can act abroad as befits a mature and confident nation.

With such numbers of nuclear weapons in both our hands as to make much of the world a smoking cinder, managing the U.S.-Soviet nuclear relationship is our most imoprtant role, our foremost responsibility.

SALT is the keystone, and without it we will have failed in this responsibility.

As we seek to maximize the areas of cooperation in U.S.-Soviet relations, so must we minimize, direct, and control the areas of competition that are the inevitable fact of life between two nations of such different philosophies of government and behavior.

We cannot quarantine SALT entirely from Soviet actions in other spheres. Some Soviet actions, if taken, could signal a challenge so fundamental that we could ignore it only at our peril.

But to burden SALT with every aspect of that challenge would mean that we could settle nothing with the Soviets unless we settled everything. The nuclear threat to everyone's security is so overriding that we cannot wait until that day.

The Soviet challenge today is a challenge to be met on many fronts. To use SALT to meet every aspect of that challenge is not only inappropriate; it means that we lack the imagination and the will to use the many other, more effective resources at our disposal.

Let's not fool ourselves by pretending denial of SALT will bring the Cubans home from Africa, reverse the pro-Soviet orientation of Afghanistan, or change the domestic policies of the Soviet government.

Let's not pretend that SALT is a reward for Soviet good behavior or a favor to the Russians.

Even if every Soviet advisor and Cuban soldier had returned home from Africa, I would not have recommended that we change one single negotiating position at SALT.

For those who would discard SALT because of Soviet activities elsewhere, I ask: What would they offer in return? What Soviet challenge could they meet in the nations of Africa and Asia by rejecting SALT? Would our security be better served if Soviet actions abroad took place in an atmosphere of unrestrained, unverifiable, and dangerous strategic arms competition?

This SALT II Treaty serves our security. And three Administrations, two Republican and one Democratic, have negotiated this Treaty with that security first and foremost in mind, nothing more, nothing less. It is, therefore, in our national interest and should stand apart from all but the most provocative challenge.

We have a second major role in the world—partner in the NATO Alliance. Today this Alliance is stronger and more unified than in many years. Its members are carrying out an ambitious long-term defense plan and devoting more of their resources to the common defense.

The Alliance, basically, looks to the United States to accomplish two tasks:

To maintain a strong deterrent and a strong defense, and

To lead in managing the East-West relationship to avoid a war that would devastate the nations of Europe as well as our own.

SALT contributes to both.

You have heard some Americans worry out loud that SALT II handcuffs our cooperation with NATO or sells out our Allies' interests. That just is not true:

We have consulted extensively with our Allies.

We have taken into account Allied security concerns in our negotiating positions.

SALT II places no restrictions on the nuclear forces of France and the United Kingdom.

SALT II doesn't limit any of America's many nuclear weapons systems located in Europe.

SALT II does not ban the transfer of cruise missiles and other sophisticated technology.

And, as I said before, the Protocol limits on ground- and sea-launched cruise missiles will expire before we are ready to deploy them. We will have time to plan carefully—in concert with our European Allies—how best to modernize our theater nuclear forces in NATO.

If there are any doubts that our Allies support SALT II, I think that Chancellor Helmut Schmidt of West Germany dispelled them recently in a speech in Hamburg. The SALT II package, he said, ". . . as a whole, to my view, to the view of my government, to the view of the French government or the British government or any other Western European government, is of enormous importance for the continuity of West-East relations and for peace . . . just think of a situation where this agreement collapses. Think of the consequences not only in Europe but also in other theaters in order to understand the global importance of that undertaking, whatever you may think about this or that or the third detail of it."

Our third major role is to set an example to other nations, for in this interdependent world, the insecurity of one could threaten the security of all.

SALT serves our interest in this role in two ways:

It demonstrates that rivals can control their competition, and

It is the linchpin of many other arms control undertakings, such as the comprehensive nuclear test ban negotiations, the antisatellite talks, and our extensive efforts to discourage the further spread of nuclear weapons.

SALT won't guarantee success in these arms control efforts. But without SALT, they will wither. In speaking of the important efforts to equalize NATO and Warsaw Pact forces—the MBFR negotiations—Chancellor Schmidt said it very clearly: "I do not believe that MBFR can be successful if SALT II fails."

The most serious casualty would be nuclear non-proliferation. A world of 10 or 15 or 25 nuclear powers would be a nightmare world for our military planners as well as for our citizens. It would be a world in which the spectre of war rests but fitfully.

It is on this sober note that I conclude my remarks.

We are poised today on a threshold. As a nation, we have a choice . . . to accept or reject SALT II.

To those who would reject, I ask the foldowing questions:

How do they propose to stop the Soviet buildup? In an arms race we can increase our systems, but so can the Soviets.

Would we know more about Soviet strategic systems, would we be able to plan more rationally our own strategic forces, without SALT II, with its specific limitations and its verification provisions?

Would we be better able to halt the spread of nuclear weapons around the globe if both our nations were engaged in a massive arms buildup?

Would we be better able to meet the Soviet challenge to NATO, or in Africa and Asia, without SALT II—while spending even larger sums on nuclear, rather than conventional forces?

Would we lower the risks of nuclear war by rejecting SALT II?

It all comes down to one question: Will the United States be better off with this Treaty or without it?

There is no more important question before us all today.

The answer could determine the future of this generation and the legacy we leave for generations yet to come.●

ADDRESS ON CONFEDERATE MEMORIAL DAY

● Mr. NUNN. Mr. President, retired Navy Adm. Hugh H. Howell, Jr. has recently brought to my attention an excellent speech delivered on Confederate Memorial Day in Atlanta by Dr. Judson C. Ward, the executive vice president and dean of faculties at Emory University.

Dr. Ward's incisive comments on the importance of remembering those who died in the service of the Confederacy are worthy of review by each of us. I submit Dr. Ward's speech for printing in the RECORD.

The speech follows:

WHOM SHOULD WE REMEMBER?

Nations, as well as families, have always sought to honor the dead, especially their heroes. Pyramids, mausoleums, tombs, arches, statues and carvings have put in physical form these tangible reminders of the departed. Such tokens provide a kind of immortality for those who loved or whose deeds were considered worthy of honor. Appreciation of those who have gone before is a mark of sensitivity among the noblest of peoples whether of high or low degree.

It is, therefore, altogether fitting and proper that on some day reverent honor be paid to the heroes in grey who gave their lives in a bloody war which was the most crucial event in American history. It provided the test of our nationhood. It was the great watershed in our national experience. Events before it are ante-bellum; those since, post-bellum.

Little does it matter in 1979, that the chosen day of April 26, was the date in 1865 of the surrender of Confederate General Joseph E. Johnston to his fellow American William T. Sherman in North Carolina. The important fact is that some day was chosen, and that it is in the spring, when flowers are in bloom to decorate the graves of the dead.

Likewise, it is important that some loving hands honor the vanquished. The victors had marched home in 1865 in mighty triumph. They had earned a hard fought victory and were soon immortalized as instruments of freedom and saviours of the union. They returned to a grateful people who in the name of the nation, built monuments to their victory, honored them, buried their dead in magnificently kept cemeteries, and put their veterans upon generous pensions. In contrast, the Confederate veterans returned to a devastated land living under the cloud of an economic and social readjustment unparalleled in America, if not in the world. There were few public funds to care for the widows of the deceased, to bury the dead in dignity, or to pension the veterans. Why then should loving and appreciative hearts not have sought a way to show their reverence and love and appreciation? Could a noble people do less?

It may be argued that those who fought and died in the Lost Cause should be forgotten. After all they were in the wrong. Some will contend that they were fighting for slavery and disunion. In the Providence of the Almighty, victory on the battlefield was given to the men in Blue and not in Grey. The Union was preserved and slavery was abolished. But I ask you in all candor whether that blue-eyed boy who fell in the wheat field at Gettysburg faced enemy guns because he believed in slavery? Of course, the political leaders brought about secession on constitutional arguments. Whether slavery would have been long continued in an independent Confederacy is a moot question which can never be decided. But I find it difficult to believe that the common soldiers who wore the grey were evil men with wicked purposes. They fought for their homes in self defense and out of a sense of honor.

Like most soldiers in every army, they served out of necessity and in their naivete they saw their cause as primarily defending their land from invasion and their homes from devastation. What honorable man could fail to fight for these principles?

Even if one disagrees with this conception, I must remind you that these dead were also Americans. The tragedy is that no matter by what name it is called, the war was a Brothers War. On both sides there were acts of heroism, bravery, and chivalry. On both sides there were frightened boys away from home for the first time who in response to duty rose to heights of soldierly gallantry worthy of the tradition of America's fighting men in all her wars. On both sides the flower of manhood was enlisted and on both sides the nation lost potential poets, painters, inventors, preachers, teachers, and statesmen cut down or maimed in the prime of life. There were more battle casualties than in all the other wars in our history—360,000 Union soldiers, 258,000 Confederates. Hardly a home in the South was spared a visit by the Angel of Death.

Why then, on an April day should not there be some remembrance of these men who struggled and died in a losing cause but who gave their all for what they thought was right—who died in the line of duty. What should a nation remember her dead for?

I know not what you think the purpose of this Memorial Day is. For me it is not a service for discrediting Blacks who are now free and our fellow citizens. It is not a day for reviving old prejudices or glorifying slavery or disunion which are now dead issues. It is not a day for stirring up sectional strife. It is certainly not a day to apologize for or be embarrassed about or to scoff or sneer at.

Taken at its best it is a day when a group of Americans likely to be forgotten or overlooked by a victorious Nation are honored for having done their duty manfully as they saw it. By their sacrifice they helped to settle the question of whether this nation should be one or two and whether it should be slave or free. One might wish that these fundamental issues might have been settled peacefully and rationally by brothers of good will. As Fate would have it, they were settled by the arbitrament of the sword, on the battlefield, with the blood of the finest flower of young manhood both North and South.

These Confederate dead are a part of our American history, a part of our national heritage. They should be an inspiring part of our American tradition of answering the call to duty bravely and honorably. As Lincoln said about the Boys in Blue who died at Gettysburg, the Boys in Grey also gave their last full measure of devotion. May from their example we take increased devotion to the highest ideals of our nation: that government of the people, by the people, and for the people may be strengthened around the world. May remembrance of them inspire us all to be better Americans.●

THE CAPITAL FORMATION PROBLEM CONFRONTING SMALL BUSINESS

Mr. WEICKER. Mr. President, on Tuesday the Select Committee on Small

Business held another hearing on the capital formation problem confronting our Nation's smaller businesses. Testimony given at hearings held last year provided a valuable record and served as an impetus for the passage of legislation in the 95th Congress designed to stimulate investment in the equity markets.

All businesses, large and small, will benefit from the reduction of the maximum tax on capital gains from 49 to 28 percent. The new graduated corporate income tax rate, which eliminates the sudden jump in tax brackets from 22 to 48 percent at the $50,000 income level will increase the incentive to finance a corporation's capital needs through internal operations.

The increase on the limit under which Regulation A offerings may be made will enable small businesses to raise a greater amount of capital by taking advantage of the reduced costs associated with these offerings. Additionally, I am encouraged by the actions initiated by SEC Commissioner Harold M. Williams. The creation of an Office of Small Business Policy within the SEC's Division of Corporation Finance will allow the SEC to focus on the needs of small businesses in the development of rules and regulations designed to assist capital formation. Furthermore, by amending rules 144 and 146, and adopting a new registration form, S-18, the SEC has taken significant steps to ease the regulatory burden on small businesses, thereby encouraging the accumulation of capital while fulfilling the SEC's statutory mandate to protect investors.

Although these measures will help small businesses, Congress cannot rest on its laurels. As documented in the report of the National Association of Securities Dealers (NASD) which was released at Tuesday's hearing, the ability of small business to obtain equity financing remains a serious problem that threatens the very foundation of our free enterprise system.

William R. Hambrecht, chairman of the NASD committee studying this problem, stated that—

> In 1978, despite the change in the capital gains rate and the new SEC initiatives for easier access to public markets, there were still only 58 initial public offerings versus 1298 offerings in 1969. The 58 first time offerings in 1978 raised $214 million, while $3.5 billion were raised by the 1969 offerings.

The NASD report identified as "the first major problem * * * the continued institutionalization of equity markets." The study quantified the extent of this problem, which has resulted in enormous amounts of money gravitating into the hands of the institutional investor, which money "by policy or practice * * * is generally not available to the small emerging growth company."

Mr. President, I have been joined by seven of my colleagues in introducing S. 655, the Small Business Investment Incentive Act. This bill, which provides for a credit for investment in stock of small and medium sized corporations, will encourage the participation of individual investors in the capital markets and thereby help to solve the critical problem of providing equity capital for small businesses. After reviewing the NASD report, I am further convinced of the necessity of this legislation.

J. Coleman Budd, the executive vice president of the Robinson-Humphrey Co., Inc., in Atlanta, Ga., commented on the institutionalization of the Nation's securities markets:

> Of the nearly $1 trillion worth of outstanding securities, over 31 percent, or $311 billion, was owned and/or controlled by institutional investors as of December 13, 1977. . . . In 1976, institutions accounted for 57 percent of all shares traded on the New York Stock Exchange as well as 70 percent of the dollar value of all shares traded thereon. In 1961, they accounted for 33 percent of the Exchange's trading volume and 38.7 percent of its overall dollar volume.
>
> Based on its survey of institutional investors and the statistical evidence compiled therefrom, the [NASD] Committee found that less than 40 percent of these institutional investors invest in companies with a market capitalization of less than $50 million.

The chairman of Blunt, Ellis & Loewi Inc. in Milwaukee, Ernest F. Rice, Jr., testified about the exodus of the individual investor from the marketplace:

> Participation in the marketplace by individual investors is important to the well-being of small business. Small issuers are dependent upon individual investors for equity investment and for needed depth and liquidity in the markets for their securities. The fact is that one out of five individual investors have left the marketplace since 1970. This has resulted in a decrease of over 5.6 million shareholders between 1970 and 1975. In addition, during this time, the shareholders who remained in the market have shifted a significant portion of their investment funds from equities to higher yielding fixed income investments. Individual households have been net sellers of approximately $25 billion in equity securities over the past six years.

Mr. President, I urge my colleagues to reexamine S. 655 in light of these comments. By providing a stimulus for investment in smaller businesses, this legislation will make available a new source of equity capital. The unhealthy debt-to-equity ratio of these businesses will be remedied. There would be significant gains in employment and economic growth caused by the strengthening of the capital structure of our country's smaller businesses. Furthermore, S. 655 would result in the broadening of the base of stock ownership for the American economy caused by the increased participation of individuals in our free enterprise system.

In its report, the NASD committee made numerous recommendations for improving the opportunities available for equity financing by small business. These recommendations to Congress include the following:

> 1. Permit the establishment of special tax deferred reserves similar to those in existence for the banking and insurance industries for broker-dealers engaged in market making as a means of providing improved depth and liquidity to the markets in securities of small and developing companies;
>
> 2. Further reduce the rate of tax imposed on capital gains to provide for an 80 percent exclusion from taxable income for gains realized from the sale or exchange of investments in businesses which had no more than $5 million of equity capital at the time such investments were made;
>
> 3. Increase the incentive for investing in small business by allowing the capital gains tax liability from investments in small businesses to be deferred if such gains are reinvested within some prescribed period in other new small business investments;
>
> 4. Further reduce the income tax rates and expand the income tax brackets applicable to small corporations to enable them to retain a greater proportion of their earnings to finance expansion and capital improvements;
>
> 5. Encourage investment in Subchapter S corporations by increasing the allowable number of shareholders from 15 to 35, by removing the limitation on the types of shareholders who may invest in such companies and by eliminating the restriction on the availability of Subchapter S treatment for issuers having more than one class of stock outstanding;
>
> 6. Remove the limitation on the benefits which can be provided under retirement plans of Subchapter S corporations and which are not applicable to any other type of corporation;
>
> 7. Provide that employees of small businesses shall realize no income at the time stock options are granted or exercised, that the gain on securities acquired through the exercise of a stock option be the excess of the selling price of the securities over their value at the time of grant and, that such gain be recognized as a long term capital gain if the combined holding period for the option and the stock is not less than three years;
>
> 8. Permit three year accelerated depreciation for purchases of machinery and equipment having a useful life of 36 months or more, up to a maximum of $10,000 per year;
>
> 9. Establish an investment tax credit for employer contributions to an employee stock option plan (ESOP) in an amount not greater than two percent of the compensation of participating employees; and
>
> 10. Amend ERISA to redefine the so-called "prudent man rule" to make clear that the securities of smaller issuers are not excluded from the universe of securities eligible for purchase by funds subject to ERISA. The NASD Committee recommends that this be done by including in the legislation a specific provision to permit the investment of ERISA subject funds, up to a maxmum of 5 percent of assets under management, in securities of smaller companies, to be defined as any company with a market capitalization not in excess of $50 million.

Mr. President, the capital formation problem confronting our Nation's smaller businesses is serious. The problem, and these proposals to ameliorate it, deserve the careful scrutiny of Congress. This Senator will continue to give his careful attention to this issue, and I strongly urge my colleagues to do the same.●

VIETNAM VETERANS WEEK

● Mr. CULVER. Mr. President, during the week of May 28 through June 3, we will be honoring the veterans of the Vietnam war. This recognition is long overdue. It has been over 10 years since the Tet offensive and 6 years since the withdrawal of American ground troops from Vietnam.

Vietnam was a war that divided this country like no other. Many Americans have had difficulty in learning how to separate their strong feelings about the war from the soldiers who fought in it. On the one side were those who did not understand why the unchallenged military might of the United States could not prevail in Vietnam, and on the other were those who could not understand why the United States was fighting in a land no one knew, for a cause they did not understand.

Contrary to the popular conception, two-thirds of the men and women who served in our armed services during the Vietnam era were volunteers. As soldiers, they were tested in ways American soldiers had not been tested before by a war that lacked a defined front, flank, or rear, and by an enemy that was formless and difficult to identify.

Returning to the United States, these veterans desperately needed the support of their countrymen in order to reconcile their own doubts and frustrations about the war and to provide them with a feeling of reward for their service. They found no brass bands, no ticker-tape parades. Rather, they found a nation politically divided that met them with embarrassment or ignored them altogether.

Roughly 8.5 million people were in the armed services during the Vietnam-era, 2.8 million of whom actually were in the theater. The vast majority have successfully adjusted to civilian life, but many continue to be plagued by problems of readjustment in their social, economic, and personal lives.

Now is the time to recognize that all the veterans of this period will be able to go much further with the help of a supportive nation. We should take notice of the individual service men and women of the Vietnam conflict. Whether one agreed with the Vietnam war or not, these people should be commended for their service and sacrifices.●

THE FEDERAL GOVERNMENT RESPONSE TO HOMEOWNERSHIP

● Mr. HEINZ. Mr. President, our Nation is presently experiencing a period of high inflation, marked by housing costs which are rising at a rate even faster than inflation.

This inflation has caused three major adverse impacts on Americans who need and want to buy a home. First, because home ownership is seen as a hedge against this unrestrained inflation, housing costs are soaring, appreciating at more than 25 percent a year in some parts of the country. Second, interest rates have reached the highest levels in years. Finally, the administration and Congress, in an effort to reduce the deficit, and, thereby, restrain inflation, have made severe reductions in housing subsidy programs.

The net result, Mr. President, is that we have an expanding number of middle-income persons, as well as low-income persons, for whom owning a home is no longer within reach. The Federal National Mortgage Association has estimated that there will be an annual requirement of 2.48 million households for shelter over the next 5 years. These families will be in every economic stratum. Yet, estimates as to production vary from 1.2 to 1.7 million units. In other words, unless the Federal Government is willing to take some action, next year alone, we will be excluding some 700,000 to 1,200,000 families from housing—and that is in addition to those who are already effectively excluded.

What disturbs me, and causes consternation, is that as the number of families who are excluded from housing increases, more and more Americans are prevented from the financial security of their own home. More are forced to rely upon the Federal Government in one form or another. Rising incomes are not keeping pace with the combination of high mortgage rates and extraordinary housing costs.

For that reason, Mr. President, I am deeply concerned at the bill introduced in the House and supported by the administration, H.R. 3712, a bill to eliminate tax exemptions of single family housing and for some multifamily rental housing as administered by State housing finance agencies.

I am concerned both as a member of the Senate Finance Committee and as a member of the Senate Banking, Housing and Urban Affairs Committee. As a Member of this body, I am concerned that the affordability gap between median family income and new and existing housing costs are accelerating in every part of this country. No longer are we talking about one economic group being excluded from homeowning opportunities; rather, we are talking about the new home cost being more than four times the median family income in Atlanta, Washington, Chicago, Denver, Detroit, New York and five times as much in metropolitan areas such as Dallas, Los Angeles, and San Francisco.

As a member of the Finance Committee, I believe we should consider the role of our tax policy with regard to the exemptions granted. A tax exemption, just as a subsidy, incurs a budget deficit. Therefore, it is our responsibility to make sure that such exemptions are in the public interest, are consistent with public policy, and serve to meet a human need not otherwise served by Government.

To that end, I believe we should carefully examine the shifts that have taken place in the use of housing bonds, particularly as a greater and greater proportion have gone into single family mortgages. In the absence of any Federal restrictions, what are the potential impacts on the tax-exempt bond market and on other sectors of the private and public sector who have traditionally relied on tax-exempt bonds? What are the costs to the taxpayer? Who are the beneficiaries?

There is some preliminary evidence which indicates that families with relatively high incomes have benefitted from this program, purchasing homes in well to do areas with purchase prices in excess of $100,000. Moreover, it is important to consider that tax exempt bond expenditures are currently higher on an annual basis than the $4.2 billion tax expenditure for social security payment to retired persons and the $1.2 billion tax expenditure for unemployment insurance combined. Moreover, preliminary statistics from some cities where these bonds have been used indicate that the average income of the families assisted is higher than the average income of the families receiving mortgages through conventional lenders. This would indicate a potential displacement of a portion of the conventional market.

For those reasons, I do not believe we can afford to act in haste. We must carefully review the questions raised as they impact tax policy, and as they impact on the taxpayers of this nation.

At the same time, I firmly believe that any action on tax exempt mortgage revenue bonds must be considered from the very different perspective of the Banking, Housing and Urban Affairs Committee. For Mr. President, the issue we must address is the Federal Government response to the growing lack of home ownership opportunities, and its response to efforts by State finance agencies and municipalities to stimulate middle class entry into central city housing markets, to stimulate first-time home ownership, to increase home ownership rates and rehabilitation investment in trageted neighborhoods, and to encourage lower income home ownership opportunities in suburban areas.

Traditional lenders have a valid concern about any Federal subsidies into a competitive private market. Families who have worked for years only to see their hard earned dollars eroded by inflation, rising housing costs, and high interest rates, have a valid interest. Urban areas which are working on efforts coordinated with Federal programs to revitalize neighborhoods and who have come to rely on this commitment from the Federal Government have an understandable interest.

More than any other area of concern to me will be for us to determine if these State housing finance agencies and municipal authorities are meeting, through the use of these bonds, housing and rehabilitation needs of the elderly or families who would otherwise effectively be excluded from any home ownership or neighborhood rehabilitation opportunities.

I ask that my colleagues carefully consider the issues raised. While there might be a temptation to take the easy route and simply take no action or completely remove the tax exempt status, I believe the more responsible route is to balance the merits of our role from each vantage point possible and on the basis of the best information available. To act before a full review would, in my view, be inequitable and precipitate.●

THE PORTSMOUTH STUDY

● Mr. HUMPHREY. Mr. President, I wish to express my appreciation to Health, Education, and Welfare Secretary Joseph Califano for responding favorably to my April 6 letter for a speedup in the Portsmouth Naval Shipyard radiation study.

I am elated at his timely response and in knowing the importance that the Secretary attaches to the Portsmouth low-radiation study.

Last April 4, Mr. Califano appeared before the Senate Labor and Human Resources Health and Scientific Research Subcommittee, of which I am a member. We were looking into the health effects of low-level radiation on the population in the Three Mile Island nuclear accident which occurred near Harrisburg, Pa. At that time, I asked him whether the Portsmouth study could be speeded up. I followed that up with my April 6 letter.

In his letter to me, which I received yesterday, Secretary Califano said that the study could be completed 6 months earlier than the original August 1981 date.

Because of the concern that the experience at Three Mile Island raised and the importance that this study on the workers at the Portsmouth Naval Shipyard can serve in the subcommittee's investigation, I ask that Secretary Califano's letter to me be printed in the RECORD.

The letter follows:

MAY 18, 1979.

Hon. GORDON J. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: Thank you for your recent letter about the Department's study on the effects of low-level radiation on workers at the Portsmouth Naval Shipyard.

After testifying before the Senate Subcommittee on Health and Scientific Research, I asked the Director of the Center for Disease Control (CDC) to report to me on how that study might be completed before the currently scheduled date of August 1981. He informed me that one of the most time-consuming tasks in the study is obtaining records on each of the 27,000 civilian employees who have worked at the shipyard since 1954 to determine whether they are living or dead and, if dead, to learn the cause of death. The primary sources of this information for the Portsmouth study are the Social Security Administration (SSA), the Internal Revenue Service (IRS), and the Federal Personnel Records Center (FPRC).

CDC's National Institute for Occupational Safety and Health (NIOSH), which is conducting the study, has already transmitted the names of 20,000 Portsmouth Naval Shipyard workers to SSA to determine whether the person has died, and, if so, to secure information on place and time of death. This process normally takes SSA from six months to a year to complete. In the interest of speeding up the study, I have directed the Commissioner of Social Security to complete this record search by the end of June.

In addition, we are encouraging the heads of IRS and the FPRC to take whatever steps are necessary to respond rapidly to requests from NIOSH for data. Obtaining these data more quickly could speed up the study by about 6 months. I have also asked CDC/NIOSH to intensify efforts to expedite the data editing and analysis portions of the study.

Since this study is an important part of our overall assessment of the health effects of low-level radiation, I will continue to monitor this study closely.

Sincerely,

JOSEPH A. CALIFANO, JR.●

TENTH ANNIVERSARY OF FLINT FOLLOW-THROUGH PROGRAM

● Mr. RIEGLE. Mr. President, it is with great pride and pleasure that I bring to the attention of my distinguished colleagues a significant milestone for the city of Flint, Mich. On June 6, 1979, we mark the 10th anniversary of the Flint Follow-Through Project, the only nationally validated project of this type in the State of Michigan.

Established in 1969, the project concentrates on the attainment of the national educational norm for low-achieving youth by the completion of their third-grade training.

In its brief history, the project has been successful in improving the self-image of youngsters, increasing parent education and involvement, and providing improved dental and health care for students. These types of efforts are to be highly commended as they are extremely representative of the new thrusts in education today.

After its national validation in 1977, the project received Federal funding to establish a Resource Center, so that the innovative techniques and information developed by this instructional model could be shared with other school districts throughout the United States. Currently, Flint Follow Through has adoptions in Michigan, Kentucky, West Virginia, and Alaska. These adoptions clearly indicate the unselfish dedication of this group, not only locally, but anywhere that needs exist.

On behalf of the city of Flint, it is my privilege to congratulate the original parents who conceived the program, the succeeding parents who sustained the project, and the diligent past and present staff members for their combined contributions of time, effort and energies to this vital cause.

Let this anniversary mark only the beginning of the new era of education in our country, so that all children may have the opportunities necessary to experience learning to their fullest capacities.●

VIETNAM VETERANS WEEK

● Mr. CRANSTON. Mr. President, next week, the week of May 28 to June 3, has been proclaimed Vietnam Veterans Week by President Carter, pursuant to a joint resolution passed by the Congress during the 95th Congress and signed by the President as Public Law 95–513. In the proclamation, which was signed March 20, 1979, the President urged his "fellow citizens and fellow veterans, and their groups and organizations, to honor the patriotism of these veterans, and to recognize their civilian contributions to their communities in America today." I applaud this sentiment and urge my fellow Senators to join in wholehearted support of this week.

As we approach Vietnam Veterans Week, it is important to focus on those it honors—the nearly 9 million men and women who served in the military during the Vietnam era, including the 2.6 million who actually served in the Vietnam theater. The Vietnam war was a long and divisive war, in fact, the most divisive war this country has been involved in other than the Civil War. There was significant opposition to our country's involvement in Vietnam and, even for those who did not oppose our efforts, many unresolved questions about why we were in Vietnam and the ways in which we were fighting the war as we did.

This confusion and dissension about the war unfortunately tended to spill over onto society's view of those who fought it and many in society came to confuse their feelings about the war with their feelings about the warriors.

Other special problems plagued those who fought in the conflict. They most frequently went and returned from the war without the company of comrades in arms, thereby losing the kind of mutual support that veterans of other wars had received from their unit-mates; and the very short period of time between the battlefield and arriving home left those who served in the war with little time for an opportunity to readjust to life outside of the war zone.

All of these circumstances created serious difficulties for veterans returning from Vietnam that were not presented to veterans from earlier wars. In addition, veterans returning from Vietnam, particularly toward the end of the war, returned to an economy that was in a recession, and which was marked by significant unemployment.

To their credit, the vast majority of Vietnam-era veterans, in the face of these many difficulties, readjusted to civilian life and reintegrated themselves into society. In making this transition, many of these veterans relied on assistance from the Federal Government, most particularly from the Veterans' Administration; and I believe that, despite some problems at the beginning of the era, the Government has generally acted with fairness and compassion in its response to Vietnam-era veterans. The Committee on Veterans' Affairs, which I am privileged to chair, has been very concerned about the welfare of these veterans and has acted, in a variety of areas, to improve the services and benefits provided to them. In the area of medical care, for instance, the VA hospital system was unprepared until long after the war began to wind down for either the numbers or types of casualties that occurred in Vietnam; today, I believe the VA health care system, by virtue of the substantial expansion and improvement provided for by the Congress, is able to provide the health care needed by those who were wounded in the war—the VA's top priority.

The GI bill has also undergone significant improvement in the years since the war began, highlighted by substantial increases in the amount an eligible veteran could receive while pursuing his or her education—from $100 per month for a single veteran going to school full-time in 1966, to a rate of $311 per month for such a veteran today. In addition, special new programs—such as outreach, predischarge education, tutorial, work-study, and loans—have been designed by the Senate committee to help Vietnam-era veterans. Likewise, the committee has developed legislation over the years that has resulted in a doubling in the rate of compensation paid to a veteran with a service-connected disability, a benefit currently paid to over 500,000 Vietnam-era veterans.

In addition, Mr. President, there have been numerous other legislative actions over the years since the Vietnam era began that generally strengthened other VA benefits which, in turn, resulted, in gains for Vietnam-era veterans, such as the VA pension reform bill enacted in the last Congress which should provide greater pension benefits to many of the approximately 13,000 needy Vietnam-era veterans who receive VA pension by virture of being totally and permanently disabled by a nonservice-connected disability.

In addition, Mr. President, changes in the VA home loan guaranty program have improved that program's effectiveness for Vietnam-era veterans by increasing the amount of loan guaranty available so as to offset the increases in the cost of housing and by making the program more useful for mobile home and condominium purchases.

Mr. President, although most Vietnam-era veterans have made a successful transition from their service to their post-service lives, there are certain lingering problems for some—far too many—Vietnam-era veterans. Vietnam Veterans Week is an appropriate time to congratulate those who have made it and to focus our attention on these problems and renew our commitment to efforts attempting to resolve them. Perhaps the first such problem, and the one that has the potential of having an impact on most if not all veterans of the Vietnam era, is the continued confusion in our society of feelings about the Vietnam war with feelings about those who fought that war or served in the military during the era. It is not necessary to dredge up all of the arguments about the war in order to understand that, whatever the merits of the conflict, those who served in the military during the war were basically no different from those who served America in earlier conflicts. Although many veterans may have misgivings about their service, particularly after the fact, it is clear that they answered their country's call to service. It is also, sadly, true that the veterans of the Vietnam era will never receive the same societal support or recognition that has been accorded to veterans of earlier wars, but it is likewise clear that there is no reason for continuing confusion between the war and the veterans of the war. I would hope that the mere fact that Vietnam Veterans Week being proclaimed, together with the activities carried out during the week, will help to erase this confusion.

Among the lingering problems that are less widespread in their impact but far more detrimental to the particular veterans involved, are the continuing inabilities of some veterans to readjust successfully to civilian life following their service and the continuing difficulties of some veterans, particularly disabled and minority-group veterans, in finding employment. In the area of readjustment difficulties, there is substantial evidence that there are some veterans, particularly among those who actually saw combat action in Vietnam, who are continuing to experience readjustment problems as a result of their military service. Because many of these problems do not rise to the level of a definable service-connected psychiatric illness, which could be treated in all cases by the VA under current law, but are nevertheless appropriate for outpatient counseling and, if needed, followup mental health care, we have been working for 8 years to enact a new readjustment counseling program. In each of the past four Congresses, the Senate passed legislation I authored to give the VA authority to provide such readjustment counseling. However, on each occasion, the legislation died in the House of Representatives. This Congress, however, both the Senate and the House have passed measures containing such authority and Senate and House conferees have agreed upon the legislation. I am delighted to tell my colleagues that I am today filing the conference report on the legislation finally agreed to by the House to provide this new authority. Thus, I am looking forward to this bill becoming law very soon after the end of Vietnam Veterans Week.

In the area of continuing unemployment problems, it is apparent, based on the unemployment figures for the first quarter of this year, that, despite a variety of legislative actions I have initiated over the recent years intended to increase employment opportunities for Vietnam-era veterans, there continue to be problems in the area of veterans' employment. Those first-quarter figures show a higher rate of unemployment for every age category of veterans from 25 to 39 than for nonveterans. Particularly alarming are the rates for minority group veterans where, for instance, in the age category 25 to 29, the rate of unemployment was 15.2 percent last quarter. Likewise, although there are no official statistics collected on disabled veterans, a significant percentage of such veterans are unable to find work, and some estimates for the unemployment rate for catastrophically-disabled veterans are that that rate is over 50 percent.

In an attempt to determine what the difficulties are with implementing existing employment programs and what further action may be appropriate to resolve these problems, the Committee on Veteran's Affairs held a comprehensive hearing yesterday, May 23, and heard testimony from a variety of sources, including the Department of Labor, the Office of Personnel Management, and individuals active in veterans' employment programs in the field. Once the testimony and material submitted to the committee are fully reviewed and analyzed, I would anticipate further committee action.

In closing, I want to reiterate my view that Vietnam Veterans Week is an appropriate opportunity for us, as a nation, to pause and honor those who served in the military during the Vietnam era. Millions of our fellow citizens responded when called to service and served with honor. Those who actually served in the Vietnam theater, especially those who were in combat, responded well and bravely and were the equal of those who served the Nation in earlier wars.

These veterans fully deserve our recognition and I would urge my fellow Senators to participate in their States next week in Vietnam Veterans Week activities.●

ELECTIONS IN ITALY ON JUNE 3

● Mr. PELL. Mr. President, on June 3, the Italian people will go to the polls in a critical election where much more will be at stake than the formation of a new government. Rather, this election—as seen against the backdrop of that country's recent history—could prove to be a watershed in the political future of that nation and its relationship with the West.

In recent years, Italy had been grappling with monumental social and economic problems of such magnitude that the very fiber of Italian society and her democratic form of government has been strained to the breaking point. It is a tribute to the Italian people that they have surmounted these dislocations in the manner they have. But the enormity of the problems facing Italy cannot be minimized and it is clear that today the country stands at a crossroads—the elections of June 3 could spell the difference between a hopeful tomorrow and a fateful turn which could ultimately destroy the pillars of its democratic system. Certainly, this is not in the interest of the West, nor, can I believe, that it is the conscious will of the overwhelming majority of the Italian people.

Since the end of World War II, there has been a gradual but inexorable gain by the Italian Communist Party in national elections. This phenomenon has been accompanied by the steady decline in the strength of more traditional political forces in the country. The Socialist Party, for example, long ago yielded second place to the Communist Party and, unlike Socialist-oriented parties elsewhere in Europe, has declined to almost total insignificance—below 10 percent. The dominant Christian Democrat Party has fared better, but its position in relation to the Communist Party has also suffered. Thus, in the last few years Italy has been confronted with the real possibility of Communist participation at the national level of government. This prospect remains very much with us.

Although some political observers contend that the Christian Democrats are rebounding and the Communist strength has crested, we Americans cannot be indifferent or apathetic to the forces at work in the current Italian political situation. The United States has important interests in Italy: that country is a key member of NATO and occupies a vitally strategic position in the Mediterranean. Without a friendly Italy, supply lines to Israel and Greece and Turkey would be difficult to maintain. And, Italy is the home base of our 6th Fleet. Perhaps, as important, we have strong cultural ties with Italy. Many Americans, including a significant portion of the citizens of my State, Rhode Island, trace their family heritage to Italy. They share with other Americans the strong desire that Italy remain firmly allied with the West and a close, fellow member of the Western family of democracies.

As we approach the June 3 elections, I believe it is appropriate once again to emphasize that the United States ought not and will not interfere in any way in the electoral choices to be made in Italy. The election is strictly an Italian matter. Nevertheless, the nature of the Italian Government which emerges from these elections will have a direct bearing on the depth and effectiveness of the relationship the United States will have with Italy in the coming years. It should be quite obvious that any outcome which resulted in Communist participation would materially affect the close ties which have characterized United States-Italian relations in the past.

Personally, I am confident the Italian people will choose a path which insures a Government with which we can continue a close and cordial relationship. We should, as a nation, recommit ourselves in this light to work closely with such a Government to assist Italy in every practicable manner to reassert her economic and social vitality and integrity. Working together, we can do much to sustain a truly democratic family of nations and to bring prosperity and social justice to the citizens of all the nations which share our ideals.●

PLIGHT OF GROVE CITY COLLEGE IN WESTERN PENNSYLVANIA

● **Mr. HUMPHREY.** Mr. President, approximately a month ago, during the debate over the institution of a separate Department of Education, I brought to the Senate's attention the plight of Grove City College in western Pennsylvania.

Grove City College is challenging the U.S. Department of Health, Education, and Welfare in a complaint filed in the U.S. District Court in Pittsburgh.

Grove City is an independent, Presbyterian, 4-year college of liberal arts and sciences with about 2,200 students, low tuition and no indebtedness.

It wishes to maintain its integrity as an independent institution, and has steadfastly refused both to accept Government funding and to sign assurance of compliance forms concerning title IX demanded by HEW.

The school does not have any quarrel with the intent of title IX regulations. As a matter of Christian belief, it has treated males and females equitably long before HEW was created.

This has been verified by HEW's administrative law judge who has stated:

> There was not the slightest hint of any failure to comply with title IX save the refusal to submit an executed assurance of compliance with title IX.

Mr. President, the college just does not see any justification for Federal interference.

It receives no Federal funds. Some of its students do, but their funds are received directly. The college's role is limited to certifying their attendance at school.

My amendment to the eduction bill was withdrawn on the basis of germaneness. It would have stated simply that where an institution of higher learning receives no Federal funds, as in the case of Grove City, but whose students may receive tuition assistance, such assistance is not to be construed as Federal aid for the purpose of enforcement of any Federal law, including laws governing discrimination.

However, I propose to reintroduce the amendment to another bill having a direct bearing on the general subject of the preservation of academic freedom in the United States.

Mr. President, George F. Will, the distinguished syndicated columnist, has written an illuminating account of Grove City College's trials in this morning's Washington Post, and I commend it to the attention of all Members for the insight it provides on this matter of critical importance to the freedom and integrity of America's colleges and universities. I ask that article by George Will be printed in the RECORD.

The article is as follows:

HEW's GRIP ON GROVE CITY

(By George F. Will)

Grove City College's troubles began, as many American's troubles do, with a letter from the Department of Health, Education and Welfare. It began "Dear Recipient" and ordered the college to sign forms confirming compliance with Title IX regulations against sex discrimination.

Such confirmation is required of institutions receiving federal aid. But Grove City insists that it neither seeks nor receives any aid, and it assumed the letter was a simple mistake. Alas, HEW's mistakes rarely have the virtue of simplicity.

The college president says: "I was told in strong terms that they would 'bring us into compliance one way or another.'" And he began receiving "insistent, harassing and threatening" calls from HEW.

The college, a small institution in western Pennsylvania, considers itself independent and is determined to remain so. HEW claims the college has forfeited its claim to independence. When HEW acted, about 140 Grove City students were receiving federal tuition grants. HEW argues that such aid to students who choose to use it at Grove City constitutes aid to the college.

The college argues that this is a petty justification for extending HEW's jurisdiction to an institution that has made substantial sacrifices—in terms of direct aid it has not sought—to remain outside such federal jurisdiction. The college says tuition grants establish a relationship only between the government and the student, and the college's only role is in certifying to the government that the student has matriculated.

HEW replies that tuition grants enlarge the number of young people who can consider attending college, so Grove City "benefits by having its pool of potential students increased." HEW's position has a certain chilly logic. And it calls to mind G. K. Chesterton's theory that a madman is not someone who has lost his reason, but rather someone who has lost everything but his reason.

The college has no quarrel with Title IX: "As a matter of Christian belief, it has treated males and females equitably since long before HEW was created." The administrative law judge who ruled that he is powerless to overturn HEW's claim of jurisdiction also emphasized that "There was not the slightest hint of any failure to comply with Title IX, save the refusal to submit an executed assurance of compliance. . . . This refusal is obviously a matter of conscience and belief." Indeed it is: The college believes, reasonably, that signing the form would acknowledge HEW's jurisdiction, and that no good can come of that.

The judge held that HEW has "total and unbridled discretion" in requiring compliance forms. The college is challenging this in court, although Congress, the ultimate source of such discretion, should have the sense to slip a bridle on HEW's imperial bureaucracy.

This latest example of HEW's territorial imperative comes as the dust is still settling in Washington from the splendid Jefferson Lectures delivered by Edward Shils of the University of Chicago. Shils argued that government has come to regard universities as instruments of public policy, and the universities have been eager to be used as such.

After 1945, academic ideology favored a society in which government is "ubliquitously active and omnipotent," and government took responsibility for ensuring the supply of the educated manpower needed for a "knowledge-based economy." The economists who argued the need for such manpower, and the scientists who were elevated in social standing by their argument, were academics. The logic of their argument was that academics had an enormous claim on society's resources.

In the 1960s, government's goal became the promotion of equality. Rather than recognize that universities are meritocracies, and inherently unsuited to be instruments for that policy, government set about subverting the essence of universities—the rule of merit. It diluted intellectual criteria with sexual and racial criteria in the admission of students and selection of faculty.

Many academics did not resist the saddles and bridles of regulations that came with government aid and enabled government to treat universities as broken horses. Grove City is suffering, in part, the consequences of this "treason of the clerks," the selling-out of fragile, subtle values. But surely HEW has enough tame horses to ride, and can leave alone the spirited, endangered species represented by Grove City.●

H.R. 3404, TREASURY DRAW AUTHORITY EXTENSION

● **Mr. PROXMIRE.** Mr. President, H.R. 3404 amends the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes.

This bill passed the House on May 23. It extends for 2 years the so-called Treasury draw authority, which permits the Treasury to borrow up to $5 billion from the Federal Reserve banks almost instantaneously under emergency situations. This authority was first provided in 1942, and it has been extended 22 times since then. Although the authority is rarely used, it is necessary to have it available as a backstop to the Treasury's cash and debt operations, for times when the Treasury finds that it cannot prepare and market a new security quickly enough to meet an unexpected short-term cash need.

H.R. 3404 contains an amendment to the basic authority which is to address concerns about the monetary policy impact of the Treasury's use of the draw authority. It is argued that the approach in present law complicates the Federal Reserve's effort to control money supply growth, because it authorizes the Treasury to sell securities directly to the Federal Reserve, which in effect creates new money. Under the amendment contained in H.R. 3404, Treasury would be authorized to borrow existing Treasury securities in the Federal Reserve's portfolio and sell them in the public market—an equally effective means of raising cash quickly, but one which does not create new money. H.R. 3404 requires the Treasury to rely on this new authority as much as possible, but it also permits the use of the old direct-purchase authority under certain conditions, as deemed necessary.

Mr. President, H.R. 3404 would extend

the Treasury draw authority for 2 years with the amendment described above. Nothing else in the law is changed. Frankly, I would prefer to see a longer extension; I do not see why we have to keep renewing this authority year after year. However, I understand that the House will not accept an extension of more than 2 years. In the interests of expediting this matter, in view of the fact that the authority has already expired, I urge that the Senate simply accept the House-passed bill.

Mr. President, I ask that H.R. 3404 be approved.●

WHAT IS RIGHT AT THE FEC

● Mr. PELL. Mr. President, in recent months the Federal Election Commission has been criticized for the way it has carried out its responsibilities under the Federal Election Campaign Act. Commission witnesses before the Committee on Rules and Administration have drawn fire on various matters, particularly the delay in completing the remaining audits of the 1976 Presidential candidates.

But, I believe the Commission should be credited for the many aspects of its operation that it carries out skillfully and conscientiously, but often without fanfare. In Monday's Washington Post former FEC Chairman Joan Aikens wrote an article detailing "What is Right at the FEC" and I request that it be printed in the RECORD at the conclusion of my remarks.

As Mrs. Aikens rightly points out, a significant amount of the Commission's time and resources have been devoted to preparing testimony and responses to inquiries on legislative matters at the request of the congressional oversight committees, including the Committee on Rules and Administration. For example, the Commission prepared a detailed justification for its fiscal year 1980 budget authorization request, expeditiously supplied the answers to questions raised following hearings on that request, responded fully to questions about the costs and impact of the Senate public financing bill, at the same time as the Commission was responding to similar questions from three other congressional committee, and presenting testimony in conjunction with hearings on H.R. 1.

Mr. President, I commend the Commission for the many things it does right. I, for one, have been critical in the past and will continue to be so when I believe criticism is warranted. But I believe the Commission has a good grasp of the problems facing it and that it has learned from past mistakes. I look forward to working closely with Commissioners and staff in the coming months toward improving substantially the administration of our Federal election laws.

The article mentioned previously follows:

WHAT IS RIGHT AT THE FEC

The May 11 edition of The Washington Post carried an editorial entitled, "Plenty Is Wrong at the FEC."

I should like to take this opportunity to report on "What Is Right at the Federal Election Commission."

The FEC has been in operation just four years. We have experienced two election cycles and a disruptive constitutional challenge in 1976 that resulted in an extensive rewrite of the Federal Election Campaign Act and that suspended many of the powers of the commission during the critical months when the 1976 presidential primary campaigns were getting under way.

Even in the face of these problems, the FEC successfully administered a new and complicated statute that provided for the public financing of presidential elections for the first time and the monitoring of all financial activity of campaigns for federal office. During this time, we have successfully received, reviewed, computerized in whole or in part and placed on the public record more than 150,000 individual reports from over 10,000 candidates and committees. We have responded to 357 Advisory Opinion Requests; completed and released 154 audits—including 12 of the presidential candidates from 1976 who received federal matching funds; and completed some 1,054 compliance matters including a major violation of law by a presidential primary candidate.

In 1978, a complete Report on Financial Activity of all candidates for federal office and all political action committees was made available by the FEC to the public prior to the election, and this report was updated quarterly for the public's knowledge. This information on over $386 million of financial activity has been made available for the first time ever.

The FEC has developed an information service for candidates, their campaign workers and all others interested in participating in federal elections, earning the commission the reputation as one of the most helpful and accessible agencies in the federal government among those who must comply with the law and among newspeople as well.

As the result of our stewardship of the law, we have returned to the U.S. Treasury some $2,968,500 from repayments, civil penalties and fees for materials.

Far from being in "disarray" prior to the 1980 elections, as stated in The Post editorial, the FEC is largely on schedule. This is true even though senior staff and commissioners have devoted significant time and resources in recent months to the preparation of testimony and the response to inquiries for the benefit of congressional committees that are at this time considering the extension of public financing to House and Senate campaigns, and other legislation that substantially affects the commission.

In preparing for 1980, we have developed a systems manual for use by all presidential candidates who may receive matching funds. Our Audit and Reports Analysis divisions have met already with registered presidential campaigns to provide them help and guidance in setting up their record-keeping and reporting systems. The commission has prescribed amended Primary Matching Fund Regulations and is reviewing other regulations governing the public funding of conventions, presidential general-election public financing, convention delegate selection and presidential debates. We are revising our informational brochures which explain the Federal Election Campaign Act; are planning regional seminars for candidates, their campaign staffs and election administrators; and are reviewing the operations of all divisions. Finally, the FEC is closely watching the progress of two bills to extend public financing to congressional races, and the commission is preparing contingency plans for the passage of such legislation.

In administering the provisions of the new and very complex FECA, the staff is carrying out its duties in a competent and commendable fashion. We are, commissioners and staff, dedicated to making the law work, and we accept—in fact, welcome—any constructive criticism that may contribute to the success of our mission. We ask only that our critics look at both sides of the picture, judging us on our accomplishments as well as what are perceived to be our failures.●

NEW HAMPSHIRE PASSES RESOLUTION CALLING FOR CONSTITUTIONAL CONVENTION TO BALANCE FEDERAL BUDGET

● Mr. HUMPHREY. Mr. President, my home State of New Hampshire recently became the 30th State in the Union to pass a resolution calling for a Constitutional Convention to balance the Federal budget.

The State of New Hampshire has always been known for its austere and fiscally sound government. This is a result of a law that requires that the State budget of New Hampshire be kept in balance. As a result, New Hampshire now enjoys a budget surplus.

Such a resolution stems from the refusal of our Federal lawmakers to confront the critical question of a balanced budget.

The Senate, for example, recently turned down a proposal that would have balanced the Federal budget in fiscal year 1981. Because Congress has not seen fit to take seriously this call by the American people for a balanced Federal budget, perhaps a resolution such as that passed recently by my State of New Hampshire will get that message through.

It is apparent to me that if Congress does not act soon, the States will take the matter entirely out of its hands.

I firmly believe that if the Federal Government is to have the same sound fiscal posture as New Hampshire, this country must adopt the policy of a balanced budget.

By eliminating the huge Federal deficits that contribute to inflation, a constitutional amendment to balance the budget will return this Nation to the prosperity it once knew.

Mr. President, Mr. William Gardner, secretary of state of the State of New Hampshire, was kind enough to send me a copy of the New Hampshire State Legislature's document calling for the Constitutional Convention. I am happy that the New Hampshire State Legislature has passed this resolution, and I would like to share it with my colleagues. Mr. President, I ask that this document calling for a Constitutional Convention be printed in the RECORD.

The document is as follows:

HOUSE CONCURRENT RESOLUTION 8

Whereas, with each passing year this Nation becomes more deeply in debt as its expenditures grossly and repeatedly exceed available revenues, so that the public debt now exceeds hundreds of billions of dollars; and

Whereas, the annual Federal budget continually demonstrates an unwillingness or inability of both the legislation and executive branches of the Federal government to curtail spending to conform to available revenues; and

Whereas, unified budgets do not reflect actual spending because of the exclusion of special outlays which are not included in the budget nor subject to the legal public debt limit; and

Whereas, knowledgeable planning, fiscal

prudence, and plain good sense require that the budget reflect all Federal spending and be in balance; and

Whereas, the State of New Hampshire has long been known for its sensible, prudent approach to governmental spending; and

Whereas, the New Hampshire example of fiscal responsibility is a model for all to follow; and

Whereas, we believe that fiscal irresponsibility at the Federal level, with the inflation which results from this policy, is the greatest threat which faces our Nation, we firmly believe that constitutional restraint is necessary to bring the fiscal discipline needed to restore financial responsibility; and

Whereas, under Article V of the Constitution of the United States, amendments to the Federal Constitution may be proposed by the Congress whenever two-thirds of both Houses deem it necessary, or on the application of the legislatures of two-thirds of the several states the Congress shall call a constitutional convention for the purpose of proposing amendments which shall be valid to all intents and purposes when ratified by three-fourths of the several states. We believe such action vital; now, therefore, be it

Resolved by the legislature of the state of New Hampshire, that this body proposes to the Congress of the United States that procedures be instituted in the Congress to propose and submit to the several states an amendment to the Constitution of the United States requiring that the federal budget be balanced in the absence of a national emergency; and be it further

Resolved, that, alternatively, this body respectfully petitions the Congress of the United States to call a convention for the specific and exclusive purpose of proposing an amendment to the Constitution of the United States to require a balanced federal budget and to make certain exceptions with respect thereto; and be it further

Resolved, that this application by this body constitutes a continuing application in accordance with Article V of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar application pursuant to Article V, but if Congress proposes an amendment to the Constitution identical in subject matter to that contained in this House Concurrent, then this petition for a Constitutional Convention shall no longer be of any force or effect; and be it further

Resolved, that this application and request be deemed null and void, rescinded, and of no effect in the event that such convention not be limited to such specific and exclusive purpose; and be it further

Resolved, that this Body also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution; or requiring the Congress to call a constitutional convention for proposing such an amendment to the Federal Constitution; and be it further

Resolved, that copies of this resolution be sent to the Secretary of State and presiding officers of both houses of the legislatures of each of the several states in the Union, the Speaker and the Clerk of the United States House of Representatives, the President and the Secretary of the United States Senate, and to each member of the New Hampshire named Congressional delegation.●

EQUITABLE LIMITS ON MORTGAGE REVENUE BONDS

● Mr. CULVER. Mr. President, I am today cosponsoring S. 1180 to place reasonable limits on the use of tax-exempt mortgage revenue bonds for financing single-family housing. This legislation would protect the ability of States and qualified housing authorities to issue tax-exempt bonds to finance low-interest home mortgages for low- and moderate-income families.

For some time, bonds like these have been a useful device for assisting low- and moderate-income families surmount the growing financial barriers to the purchase of a home. My own State of Iowa has a program of this type and it has proven a popular and useful one.

In recent months, however, the use of such bonds has proliferated. More and more, they are targeted not at the average family but at the wealthy one. Legitimate concerns are being expressed that allowing such a trend to continue would be an expensive drain on Federal revenues and damage our battle to keep the Federal deficit to a minimum. A Treasury Department study estimates more than $10 billion will be added to the deficit by 1984 unless corrective action is taken. At the same time, this trend raises the spectre that American taxpayers at all levels will have to compensate for tax breaks encouraging the well-to-do to purchase costly and luxurious residences.

The prominent publicity given to abuses of mortgage revenue bonds has prompted legislative proposals to do away with them completely. In my judgment, this would be throwing the baby out with the bath water. Owning a family home has long been a centerpiece of the American dream. Today young couples of moderate means often find realizing that dream impossible—even if both hold full-time jobs.

I believe it is possible—and it is wise policy—to design limits on mortgage revenue bonds for family housing which prevent the abuses of the recent past and still provide assistance to deserving families in buying their own homes.

S. 1180 seeks to do that by restricting the tax-exempt status of mortgage bonds of this nature to issues which finance home loans for families with incomes less than 120 percent of their State's median income. In addition, there would be a purchase price limit for a house set at 360 percent of State median income. In Iowa, those limits would allow families earning less than $22,000 to purchase homes costing as much as $66,000 under mortgage revenue bond programs authorized by qualified housing authorities.

Mr. President, the limits set by this bill reflect a sincere attempt to secure a balance between the desirable goals of helping deserving families on the one hand and keeping revenue costs to a minimum on the other. It may be that careful study will persuade us to redraw the limits. I hope that the Senate Finance Committee will devote prompt attention to the question. I think it important that steps be taken soon to correct current abuses without dismantling these bond programs completely.●

REGULATORY IMPACT STATEMENT ON SENATE JOINT RESOLUTION 63 AND SENATE JOINT RESOLUTION 68

● Mr. DOLE. Mr. President, on May 16, 1979, the Committee on the Judiciary reported favorably Senate Joint Resolution 63 and Senate Joint Resolution 68. Senate Joint Resolution 63 would designate the year of 1979 as Food for Peace Year. Senate Joint Resolution 68 would authorize and request the President to proclaim the week of June 17 through 23 as Product Safety Week.

Mr. President, through an oversight a regulatory impact statement has not been filed with respect to Senate Joint Resolution 63 and Senate Joint Resolution 68, as required by rule 29.5 of the Standing Rules of the Senate.

Mr. President, in accordance with rule 29.5 of the Standing Rules of the Senate, the committee does not consider that enactment of Senate Joint Resolution 63 and 68 would have any regulatory impact.

Mr. President, I request that this statement be printed in an appropriate place in the permanent RECORD.●

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR THE SECRETARY TO TAKE CERTAIN ACTIONS DURING THE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate recesses over until Monday, June 4, 1979, the Secretary of the Senate be authorized to receive messages from the other body and from the President of the United States, and that they may be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR CERTAIN ACTIONS DURING RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until 11 a.m., Monday, June 4, 1979, the Vice President of the United States, the President of the Senate pro tempore, and the Acting President pro tempore be authorized to sign all duly enrolled bills during that period.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ACTION ON S. 330

Mr. ROBERT C. BYRD. Mr. President, at the request of the Senator from California (Mr. CRANSTON), I ask unanimous consent that, notwithstanding the order of February 1, 1979, relating to the referral of S. 330, the Committee on the Judiciary have 30 days in which to act or be discharged from consideration of S. 330, from the date on which the report of the Committee on Veterans' Affairs on S. 330 is available.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL RESERVE AUTHORITY

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House on H.R. 3404. This has been cleared.

Mr. STEVENS. The majority leader is correct, Mr. President.

The PRESIDING OFFICER laid before the Senate H.R. 3404, an act to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second time, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR THE CONSIDERATION OF S. 1157 ON MONDAY, JUNE 4, 1979

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of Calendar Order No. 184, S. 1156, the Solid Waste Disposal Act, on Monday, June 4, the Senate then proceed to the consideration of Calendar Order No. 185, S. 1157, a bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1980 and for other purposes, on which there is a time agreement.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, we do not have any objection to that. We previously indicated to the majority leader that we were willing to accept a time limitation, and indeed there is a time limitation in effect. I think it is unlikely that S. 1156 will consume the entire day, and this would be an acceptable procedure.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11 a.m. on Monday, June 4, 1979.

After the 10 minutes for each of the leaders under the standing order, the Senate will resume consideration of Calendar Order No. 184, S. 1156, the solid waste disposal bill, on which there is a time agreement. Rollcall votes are expected to occur thereon.

Upon the disposition of that measure, the Senate will proceed to the consideration of Calendar Order No. 185, S. 1157, the Department of Justice authorization bill, on which there is a time agreement. Rollcall votes will occur on amendments and/or motions in relation to that measure.

ROLLCALL VOTES NOT TO OCCUR PRIOR TO 2 P.M. ON JUNE 4, 1979

Mr. President, I ask unanimous consent with the approval of the distinguished acting minority leader (Mr. STEVENS) that no rollcall votes occur on Monday, June 4, 1979, prior to the hour of 2 p.m., with the exception of procedural motions.

Mr. STEVENS. That will be fine.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS BAKER, STEVENS, AND ROBERT C. BYRD ON MONDAY, JUNE 4, 1979

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders are recognized under the standing order on Monday, June 4, 1979, and prior to the resumption of the consideration of the solid waste disposal bill, Mr. BAKER, Mr. STEVENS, and I be recognized each for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M., MONDAY JUNE 4, 1979

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the provisions of House Concurrent Resolution 126, that the Senate stand in recess until the hour of 11 o'clock a.m., Monday, June 4, 1979.

The motion was agreed to; and at 5:27 p.m. recessed until 11 a.m., Monday, June 4, 1979.

NOMINATIONS

Executive nominations received by the Senate, May 24, 1979:

THE JUDICIARY

John V. Parker, of Louisiana, to be U.S. district judge for the middle district of Louisiana, vice a new position created by Public Law 95-486, approved October 20, 1978.

Scott O. Wright, of Missouri, to be U.S. district judge for the western district of Missouri, vice a new position created by Public Law 95-486, approved October 20, 1978.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24, 1979:

IN THE AIR FORCE

Lt. Gen. Abner B. Martin, U.S. Air Force, (age 51), for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

Gen. William G. Moore, Jr., U.S. Air Force, (age 58), for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

Lt. Gen. Raymond B. Furlong, U.S. Air Force, (age 52), for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Stanley Milward Umstead, Jr., [redacted]FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. William Henry Ginn, Jr., [redacted]FR, U.S. Air Force.

IN THE ARMY

The following-named Army Reserve officer for appointment as Chief, Army Reserve and appointment to major general in the Reserve of the Army and in the Army of the United States, under the provisions of title 10, United States Code, sections 3019, 3442 and 3447:

To be major general, USAR and AUS

Brig. Gen. William Roger Berkman, [redacted].

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section, 3962:

To be lieutenant general

Lt. Gen. Jeffrey Greenwood Smith, [redacted] (age 57), Army of the United States (major general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. George Gordon Cantlay, [redacted] (age 58), Army of the United States (major general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Eivind Herbert Johansen, [redacted] (age 52), Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Harold Frank Hardin, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

IN THE NAVY

The following-named officer, having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment while so serving as follows:

To be vice admiral

Rear Adm. "M" Staser Holcomb, U.S. Navy.

The following-named officer, having been designated for commands and other duties of great importance and responsibility in the grade of admiral within the contemplation of title 10, United States Code, section 5231, for appointment while so serving as follows:

To be admiral

Vice Adm. James D. Watkins, U.S. Navy.

The following-named officer, having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section

5231, for appointment while so serving as follows:

To be vice admiral

Rear Adm. John H. Nicholson, U.S. Navy.

Vice Adm. Frank D. McMullen, Jr., U.S. Navy, (age 54) for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

Vice Adm. James D. Watkins, U.S. Navy, for appointment as Viçe Chief of Naval Operations pursuant to title 10, United States Code, section 5085.

IN THE MARINE CORPS

The following-named colonel of the Marine Corps Reserve for permanent appointment to the grade of brigadier general under the provisions of title 10, United States Code, section 5902:

Roland F. Cinciarelli

Lt. Gen. Thomas H. Miller, Jr., U.S. Marine Corps, (age 55), for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

Lt. Gen. Lawrence F. Snowden, U.S. Marine Corps, (age 58), for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code section 5233.

The following-named officer under the provisions of title 10, United States Code, section 5202, to be assigned to a position of importance and responsibility designated by the President, in grade as follows:

To Be General

Lt. Gen. Kenneth McLennan, [redacted] U.S. Marine Corps.

IN THE AIR FORCE

Air Force nominations beginning Rex D. Broome, to be colonel, and ending George R. Phillips, to be colonel. (See Executive Journal proceedings of April 25, 1979, for complete list.)

Air Force nominations beginning Lloyd P. McGinnis, to be captain, and ending Arthur T. Myers, to be lieutenant colonel. (See Executive Journal proceedings of April 25, 1979, for complete list.)

Air Force nominations beginning Richard F. Abel, to be colonel, and ending James B. Summitt, to be lieutenant colonel. (See Executive Journal proceedings of April 30, 1979, for complete list.)

IN THE ARMY

Army nominations beginning Blaine Fidler Aaron, to be second lieutenant, and ending Mark J. Svestka, to be second lieutenant. (See Executive Journal proceedings of May 14, 1979, for complete list.)

IN THE NAVY

Navy nominations beginning Frederick A. Aalbue, to be ensign, and ending Brian S. Saunders, to be commander. (See Executive Journal proceedings of April 25, 1979, for complete list.)

Navy nominations beginning James Robert Abbey, to be commander, and ending Jacquelyn Sue Wills, to be commander. (See Executive Journal proceedings of May 14, 1979, for complete list.)

Navy nominations beginning Peter G. Ackermann, to be commander, and ending John J. Zych, to be commander. (See Executive Journal proceedings of May 14, 1979, for complete list.)

Navy nominations beginning Paul Frederick Abrahams, to be commander, and ending Ellen Ann Marie Monaghan, to be commander. (See Executive Journal proceedings of May 14, 1979, for complete list.)

EXTENSIONS OF REMARKS

THOSE WHO LIVE IN GLASS HOUSES

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. BROWN of California. Mr. Speaker, the present gasoline shortages in California have generated quite a bit of loose talk about who is to blame. As one who has frequently voted for measures that were perceived to be adverse to the energy demands of my constituents, which I believe need to be reduced, I am accustomed to addressing the need for conservation of energy. Most recently, regional politics has entered the debate, with many responsible individuals making irresponsible claims about the particular situation in California.

The following editorial from today's Los Angeles Times discusses this matter, and documents that the old moral "Those who live in glass houses shouldn't throw stones" is still wise advice today.

The editorial follows:

[From the Los Angeles Times, May 24, 1979]

BURSTING SOME GAS BUBBLES

The lines at the pumps are shrinking in California and growing in some other states, and the national smirk is fading. There is less preaching that the gasoline shortages here are a punishment for reckless driving, for approaching life as a never-ending grand prix.

But the record of the darker days of early May still contains some hasty judgments. There is the telegram from Oregon Gov. Victor Atiyeh to the White House complaining that giving California more gasoline would be a slap in the face for citizens with more moderate habits. There is Energy Secretary James R. Schlesinger's comment that the governor's outrage was a "sentiment well taken."

We have pointed out that the facts made these scoldings unfair. But the evidence was fragmentary, and it was always possible that we might be blending some injured regional pride into the statistics.

Now we have come across a document showing that pride has nothing to do with it. On every important count—miles traveled per family, gasoline consumed per car, miles traveled per car—the implications that California created its own gasoline shortage with a wanton lifestyle were wrong. We are pleased to enter the figures into the record, alongside the governor's telegram and the secretary's support of it.

The document was discovered by researchers at the Southern California Assn. of Governments while they were analyzing the gas shortage and its long-range consequences. It is a report on the potential for energy savings in transportation produced by the Oak Ridge National Laboratory, a federal think tank in Tennessee.

What makes the Oak Ridge report valuable for comparing mileage and gas consumption among states is that it uses per-capita, rather than state-by-state, statistics. Thus it is possible to tell how much gasoline each resident of a state uses, or how many miles he travels. Using any other analytical base would always make California look like a gas guzzler, because it has more people than any other state, and more cars than any other state.

The data are for 1976, but there is no indication that the changes in population or car ownership since then have been large enough to cause significant changes in the comparative statistics.

The Oak Ridge figures show that only in one category does California rank above the national average—per-capita automobile ownership. Even with 533 cars per 1,000 residents, however, California is only 4% above the national average, and there are 16 states where per-capita ownership is higher. The leader in this category is Connecticut, with 616 cars per 1,000 residents. Close behind is—you guessed it—Oregon, with 615.

Californians own more vans and pickups per capita than do people in other states, but again it is not the leader. Residents of 22 other states own more vans and pickups per capita—states such as Wyoming, Montana, Arkansas and, of course, Oregon.

Per household, Californians put fewer miles on their cars than the national average, fewer than any state in the Southeast, fewer than all but one state in the Midwest, fewer than Oregon, fewer than Virginia, where Schlesinger lives.

In California, each car was driven less than the national average for the year—9,758 miles, compared with 10,171. To be fair, the mileage per car in California was higher than in Oregon by 211 miles, but then there are more cars per capita in Oregon. Virginia put an average of 11,117 miles on each car, 1,359 more than California.

In the area that really counts—gasoline consumption—California is below the national per-capita average. True, Californians used only one gallon less than the national average, but then Oregonians used 52 gallons more. Virginians each burned up 30 gallons more than did Californians.

Nothing in the statistics will change the fact that there is less gasoline than there used to be. They do not diminish the need to conserve, to keep speeds down, to use cars less and buses and car pools more.

Nor do they explain why the governor and the secretary and others have such a flawed perception of California.

Still, they are nice to have. We can now inch our way to the gas pump with a clearer conscience.●

A. PHILIP RANDOLPH

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. MAZZOLI. Mr. Speaker, rarely in our history does one man exemplify the many outstanding qualities which were so evident in the character and work of A. Philip Randolph. His recent passing has saddened us all, and made even larger, if that is possible, the principles by which he lived.

A. Philip Randolph was a man of courage. He stood his ground against two Presidents to help gain jobs for black workers during World War II, and to end segregation in the armed services.

Mr. Randolph was a man of determination. Through two World Wars and for over 60 years, he fought the giants of industry to gain a measure of power for the working man.

His fight for civil and human rights took him through unions, such as the Brotherhood of Sleeping Car Porters, labor organizations like the AFL-CIO, and into various civil rights organizations.

Through all this, Mr. Randolph achieved his goals without resorting to violence, for A. Philip Randolph was also a man of peace. He was proud of his nonviolent stance whether it involved resistance to wars overseas or resistance to rebellion here in America.

A. Philip Randolph was a man of vision and foresight. He followed his beliefs over the years while other men and other issues came and passed. Mr. Randolph's beliefs were the timeless ones to which we often pay homage but seldom see in action.

I would like to express my sorrow, and that of my constituents on his passing. We have all been enlightened by his existence and his strength will be sorely missed as we prepare to enter the 1980's.

We have lost a beacon of humanitarianism. Let us pray that we can still follow his light.●

TRIBUTE TO MAJ. A. F. CLOSSON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. SKELTON. Mr. Speaker, soon, Missouri Highway Patrol Maj. A. F. "Slim" Closson will retire from active duty after 33 years' service to our State. "Slim" Closson has had a most distinguished career on the patrol, advancing through the ranks to the position of chief of staff services. He has demonstrated himself to be a strong but fair law enforcement officer, gaining the respect and admiration for his work from all professional law enforcement officers. I first knew him when I was prosecuting attorney of Lafayette County and he was my patrol zone sergeant. I knew him to be a fine leader of his men, and he earned the respect of all with whom he came in contact. He was proud of the Missouri Highway Patrol, and his pride was reflected in his work and in his dealings with others. His excellent performance of duty in Lafayette County destined him to higher rank. He has truly made an outstanding record on the patrol. My best wishes go to "Slim" Closson and his lovely wife Doris for their retirement years. The profession of law enforcement has truly been enhanced by Maj. A. F. "Slim" Closson.●

SELF HELP FOR NEIGHBORHOODS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Ms. MIKULSKI. Mr. Speaker, I first became active in politics through efforts to save my neighborhood in Baltimore from being destroyed by a thoughtlessly planned highway. Those of us who worked together in that effort became the nucleus for what is today one of the most successful neighborhood organizations in the Nation: SECO. Similar neighborhood organizations are functioning today throughout Baltimore and the Nation, enabling community residents to work together on issues that most concern them. I am proud to have been one of the early leaders of the neighborhood movement in this country.

In the May 16 issue of the Baltimore Sun, I came upon an article on neighborhood policy that I found thoughtful and provocative. It lists the ways in which neighborhoods are working to help themselves, and suggests that the proper role of the Federal Government is to assist such selfhelp efforts. I believe my colleagues will also find this cogent article, by Bruce Stokes, a researcher at the Worldwatch Institute, of great interest and value.

ARMS-LENGTH HELP FOR THE NEIGHBORHOODS

(By Bruce Stokes)

WASHINGTON.—The Carter administration is groping for a domestic policy to call its own. In the search, the President recently conferred with the National Commission on Neighborhoods to review its report on the status of American neighborhoods. It certainly has not been lost on the President that support for strong local communities is a politically attractive issue. But what the country does not need are massive new Washington-based programs to aid neighborhoods. So, as the President drafts a national neighborhood policy he should realize that the best way for the government to help neighborhoods would be to get out of the business of doing things for people and to get on with the job of helping people to help themselves.

Americans like to consider their neighborhoods as sanctuaries where they can still exercise some control over their lives. This illusion has been shaken over the last decade by the realization that government action or inaction—the building of a superhighway or the failure to stop red-lining on mortgage lending—can destroy local communities. For this reason, many neighborhood activists want the federal government to stay out of local affairs altogether. Yet it is doubtful that this can or should happen. Neighborhoods cannot build impenetrable borders and many of their problems—such as racism and poverty—will require some help from Washington if ever they are to be solved. But the relationship between Washington and the neighborhoods must be clearly defined so that the whale does not end up swallowing the minnow.

The best way for this relationship to work is for government support for neighborhoods to be channeled through individual and community self-help efforts. The old ethnic or religious rationale for many neighborhoods may have become less important, but it is rapidly being replaced by self-interested activities of local groups and city governments intent on revitalizing urban areas.

Neighborhood development organizations have sprung up in many parts of the country to rehabilitate housing and to sell it to its occupants. The Project for Pride in Living in the low-income Phillips area of Minneapolis first started as a self-help housing program in 1972 and now includes a tool-lending "library," a construction training and employment program for poor residents, and a counseling program for buying a house. In New York, the Interfaith Adopt-a-Building organization on the Lower East Side—a coalition of tenants, religious leaders, and community volunteers—is attempting to reverse the decades-long process of housing deterioration and abandonment. This group has already renovated more than 90 buildings, many through the "sweat equity" of their residents. These neighborhood groups provide homes for the poor at a fraction of the cost of public housing.

Rising food prices are probably the one budget item over which inner-city families feel they have the least control. This is changing in at least one city—Hartford, Connecticut—that has designed a comprehensive city food plan that includes community gardens, greenhouses, farmers markets, public canning facilities, food buying clubs and vocational education in horticulture. The school lunch program and a program to feed the elderly and pre-school children may soon buy some of their produce from city gardeners. Hartford feels public markets is a way to get people out of their apartments and into their neighborhoods to work together to meet some of their own needs. This is a flourishing community-building activity not heavily dependent on federal dollars.

While discussion continues about a national energy policy, several cities and neighborhoods have launched effective energy programs of their own. Davis, California, has changed building codes, bought more buses, built bicycle paths, planted shade trees for summer cooling, loosened restrictions on hanging clothes out to dry, and supported recycling to make its neighborhoods more self-reliant. Palo Alto, California, has designed a neighborhood-based mini-utility to cut costs and to bring public power under local control. A Hispanic and black community group on the Lower East Side of New York has built the city's first solar space heater on the southern wall of their local community center. They were helped by the Energy Task Force, a group of neighborhood-minded technicians which has also trained a dozen tenant association leaders to do energy audits of their apartments and to do maintenance work on their boilers to cut heating costs. A national solar energy and conservation strategy that encouraged such activities would do much for neighborhoods.

Neighborhoods cannot be self-sustaining without an economic base. Small businesses have always been the skeleton of strong neighborhoods and some cities are now engaged in imaginative programs to bring back the neighborhood tailor and the corner store. Baltimore has turned over 35 city-owned properties to the nation's first urban shopsteaders. Under the program, individuals can buy vacant, boarded up properties for $100. They qualify for low-interest loans for rehabilitation, and the only requirement is that they open for business within two years. More government loan money for such "bootstrap" economic development would be a cost-effective way to generate self-sustaining local economies.

In devising a national neighborhood policy, the Carter administration should first look at what is already going on in America's neighborhoods, to see if Washington can somehow assist in the process. In the past, the federal government, like an ardent suitor, has often overwhelmed the object of its affections. But the fact that the federal government has performed poorly in the past does not mean that it should do little or nothing now. Loan programs, job training and technical assistance made directly to neighborhood groups could make the South Side of Milwaukee, Chinatown in San Francisco or Fells Point in Baltimore better places to live.

Before this can happen, however, it will be necessary for the Carter administration to clarify some of the basic principles it sees underlying the relationship between the federal government and local communities.

The most important principle should be, in the words of the Neighborhood Commission, that a federal neighborhood policy "works in, for, through the neighborhoods, for the people who live there."

[Mr. Stokes is a researcher with Worldwatch Institute in Washington, and is preparing a book on self-help efforts around the world.] ●

COMMERCIAL BANKS UNDERWRITING AND DEALING IN MUNICIPAL REVENUE BONDS

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. RICHMOND. Mr. Speaker, I would like to bring to the attention of my colleagues some financial reform legislation that is of major importance. It would benefit State and local governments throughout the Nation. It would save money for consumers. It would not cost the Federal Government any money. I am referring to H.R. 1539, introduced by the gentlewoman from Maryland (Mrs. SPELLMAN) and cosponsored so far by 50 of our colleagues, including 7 of my fellow New Yorkers.

Basically, the bill would allow public authorities and State and local governments which sell revenue bonds to do so in the same competitive environment that they enjoy for general obligation bonds. Right now, commercial banks are not permitted to compete in the largest portion of the municipal bond market due to the wording of legislation drafted 46 years ago.

At that time revenue bonds were almost unknown. Today State and local governments are turning to them more and more. However, interest costs on these bonds are higher than they would be if this bill were passed. And, of course, these costs are passed on to consumers. The Senate has passed similar legislation twice before, but hearings have not been held by the House Subcommittee on Financial Institutions. There is a good possibility that hearings will at last be held in June.

For New York City and State there would be some very meaningful advantages in passage of H.R. 1539. We have a number of significant issuers of revenue bonds. Their debt outstanding totals $5 billion. They would benefit from increased competition and lower interest costs, and so would the consumers of their services. The list of issuers includes the New York State Power Authority, the Thruway Authority, the Port Authority, the Buffalo Sewer Authority, the Erie County Water Authority, and others. As the New York Times said in its recent editorial: "Allowing banks to sell Nassau County bonds while denying them the right to sell New York State Power Authority bonds makes no sense."

The Municipal Assistance Corporation bonds for New York City are backed by highly dependable sales tax revenues and, therefore, present a strong credit picture on their own. But they were carefully structured by adding the State's "moral obligation" to the basic revenue stream. This allowed commercial banks to legally participate in selling MAC bonds to the public. I hope there is no need for further MAC-type issues anywhere in the State, but the list of entities issuing revenue bonds could well grow in the future. And I am sure the State is not anxious to add unnecessarily to the $13 billion of "moral obligation" debt already outstanding.

As we all know, the public today is hostile to large Government outlays and large bond authorizations to be repaid through taxation. That is one big reason why the revenue bond market has mushroomed. Future economic development and capital infrastructure around our State could hinge on revenue bond financing.

This legislation has broad-based support: from the Municipal Finance Officers; from the League of Cities; from the National Governors' Association; and from a number of other organizations. The bank regulators—the Federal Reserve, the FDIC, and the Conference of State Bank Supervisors—have also endorsed the legislation.

Not surprisingly, the group attempting to stop the bill is the investment banks, which now have an exclusive right to underwrite the municipal revenue bonds that have recently become the major segment of State and local finance. Competition has significant benefits. If the evidence in the general obligation bond market is any indication, it is unlikely that the investment banks will be seriously harmed by competition. It is a very big market. Certainly in the presently competitive general-obligation portion of the market, commercial banks and investment banks of all sizes play important roles. There is no reason to believe that the same pattern of market shares will not develop in the revenue-bond portion of the market when it too is opened to more competition.

It does not appear that the investment banks need to be protected from competition. A trade publication recently published figures on the average return on capital for six large investment banking firms for the periods 1974 through 1978. One firm had a relatively low return of 9.3 percent. The others ranged from 18 percent a year to just over 31 percent.

Mr. Speaker, there is no question that when Congress enacted the Glass-Steagall Act almost a half century ago, it intended commercial banks to play a key role in municipal finance. Revenue bonds were virtually unknown at the time. In view of the economic arguments and benefits for New York State, I believe we must update the law to reflect the way our State and local governments actually finance their activities today. I urge my colleagues to join me in cosponsoring H.R. 1539. Their support will assure that hearings will be held on this legislation, so that the benefits to State and local governments in all parts of the nation can be documented. ●

ASBESTOS HEALTH HAZARDS AND COMPANY MORALITY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. MILLER of California. Mr. Speaker, over the course of the last 8 months, three subcommittees of the Education and Labor Committee have undertaken intensive investigations of the threats which asbestos health hazards pose to American workers, schoolchildren, and the public in general. As a member of these subcommittees and as one who has a very strong personal commitment to uncovering the truth about these matters, I have attempted to focus attention on the critical issue of when industry officers learned of these hazards, and when, and in what manner, the nature of those hazards was communicated to potentially affected people.

During the course of these investigations, I have periodically released copies of documents from industry's own internal records, as well as the sworn statements of former high-ranking company officials, which establish that the extent of the hazard was kept from the workers, their families, and the public in general for decades. Pleas by corporate medical officials to study the relationship between asbestos exposure and cancer went unheeded for years; workers were not told that their X-rays showed serious irregularities; a "hush-hush" policy, in the words of a former plant manager, was established to minimize unfavorable information about the effects of asbestos dust on employees.

Despite claims to the contrary, no significant evidence has yet been offered to counter the evidence taken from the companies' own records. Little wonder that public opinion strongly opposes having the Government bail out the asbestos companies by paying for the great bulk of a compensation program for asbestos workers, as outlined in legislation endorsed by the companies and drafted with their assistance. Even the prestigious business publication. Fortune Magazine, recently concluded that Government assumption of the financial responsibility would be unreasonable in the light of the mounting evidence of neglect and irresponsibility by asbestos manufacturers.

A recent article which appeared in both the San Francisco Chronicle and the Washington Star, by the noted political writer Richard Reeves, reviews some recent developments concerning asbestos hazards. I would like to share that article with my colleagues.

The article follows:

CORPORATE MORALITY

(By Richard Reeves)

The chairman of the board of Johns-Manville Corp., John McKinney, came to the capital last week to lecture the U.S. government on morality. He said that if government did not pay a share of the compensation costs to industrial cancer victims "then this government and its leaders will have shown themselves to be morally bankrupt."

I found that interesting because I start with the assumption that business has no morality. Occasionally, I admit, I am surprised. Every once in a while, a corporation—one of those inanimate economic objects that exist only in legal documents—will act the way a living, breathing human being might. Perhaps this was one of those cases, this sermon by McKinney, who sounded for the moment like a regular Ralph Nader.

I was not, however, surprised by McKinney. What he was doing, in fact, was arguing before a subcommittee of the House Education and Labor Committee that government—the taxpayers—should pay some compensation for the death and disease that has plagued Johns-Manville's asbestos workers for 40 years.

McKinney argued that the government shared the responsibility for the lung cancer and other diseases that were killing off asbestos workers because federal contracts specified use of asbestos and federal agencies recommended exposure ratings for the substance.

To make that argument he had to deny a lot of things and ignore a lot of evidence. But an outsider—or a congressman—cannot ignore the obvious: Johns-Manville misled the government and its own employees about the fact that some of those employees were being slowly and painfully killed by asbestos. The only question is whether the fatal silence was corporate policy or something the corporation just did some of the time.

The chairman said Johns-Manville did not know asbestos was murderous as early as 1934, even though testimony in documents indicate that it did. He disputed sworn depositions by former executives that it was company policy not to inform workers that cancer was developing in their bodies.

McKinney's case was based on a 1955 order from the corporate medical director, Dr. Kenneth Smith, specifying that workers should be informed if company examinations showed they were ill—and dying.

That is the same Dr. Smith who presided at a July 1957 meeting—two years later—of Johns-Manville executives and, according to transcripts of the meeting, said things like this about whether a 58-year-old employee should be brought in and told his lungs were being destroyed: "I see no reason to bring a man in like this, it is dangerous."

The danger was that the dying employee would file a claim against Johns-Manville. One of Dr. Smith's associates, Dr. D. T. DuBow agreed, talking about another employee: "Now take that woman, she is very nervous. If she is called in, she will get hysterical and I am sure you will have a claim on your hands."

"The damage has been done," Dr. DuBow said. Of a 52-year-old foreman, also dying, Dr. Smith said: "It won't make any difference." DuBow added, "If he hits 65, I will be surprised."

How could McKinney justify that—and justify that working conditions were not changed after the meeting? "I'm told with respect to certain individuals that after you diagnose that they have advanced fibrosis," he said, "the best thing they can to therapeutically is to continue working."

And, he might have added, die quietly without warning other workers or suing Johns-Manville.

I am one taxpayer and I do not want a penny of my money to go to bail out Johns-Manville. Maybe I'm just one of those folks who doesn't like to see the government interfere with the affairs of business. They say, though, that leaving Johns-Manville at the legal mercy of its employees and the families of the dead might bankrupt them, destroy a company with assets of $2.26 billion. I hope so: that money could be divided among the employees and families who gave their lives for corporate morality.●

SMALL BUSINESS RECEIVES MUCH NEEDED HOUSE SUPPORT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. BIAGGI. Mr. Speaker, as a cosponsor of H.R. 4011, a bill which provides authorization for the Small Business Administration and for a program of loan assistance to victims of natural disasters, I would like to express my strong support for its passage by the House on May 22, 1979. I firmly believe that this bill will help to provide our Nation's small business community with the assistance it needs and deserves.

Certainly, the need for such assistance is clearly indicated by some telling evidence. Some 40,000 small businesses are forced to close each year. Four out of five small companies do not survive their first year and only 20 percent of those small businesses started remain operational after 2 years. I am confident that H.R. 4011 will substantially help to improve this unfortunate situation.

I am especially enthusiastic about the positive effects this legislation will have on small businesses in New York City. Out of some 190,000 business firms in the city, 90 percent have 20 or fewer employees, and 98 percent have less than 100 employees.

This legislation is an omnibus bill, which includes three titles. Title I authorizes funding for all SBA programs through fiscal year 1982. Further, this title establishes the disaster loan interest rates. The new rates will be 3 percent for homeowners on amounts up to $55,000, and 5 percent for businesses on amounts up to $250,000. Larger loans can be obtained at cost-of-money rates (currently 7⅜ percent). Since the previous provision for low-interest loans expired on October 1, 1978, the current program will be retroactive to that date. Also, an exception to the $500,000 limit on disaster loans could be made if the applicant is a major employer and is no longer in substantial operation as a result of the disaster.

Finally, title I directs the SBA to compile a listing of small businesses so those firms can be easily informed of any available Federal assistance.

Title II of the bill establishes guidelines and authorizes fiscal year 1980 funding for the operation of SBA's small business development center program, which is designed to provide management and technical assistance to small businesses, who otherwise might not be able to afford such assistance.

Title III provides for a White House conference on small business, to be held not later than June 1980. President Carter has already indicated that such a conference will probably be held as early as January of that year.

The importance of our small business sector becomes increasingly clear when it is known that over the past 8 years, small businesses throughout the country accounted for just about 70 percent of all the new jobs that were created in this Nation. During this same period, larger businesses created only about 1 percent, with the various levels of government making up the difference. Forty-four percent of the entire civilian work force is employed by America's small business.

I am confident that the substantial benefits resulting from this bill in such areas as disaster loans, development programs, and White House involvement and support, will strengthen our small business community, enabling it to maintain a vital role in our Nation's economy.●

A HERO TO FIT THE IMAGE

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

○ Mr. BOLAND. Mr. Speaker, yesterday the House approved a measure authorizing a gold medal honoring the great actor, John Wayne. I take this opportunity to insert a piece written by Marvin Stone of U.S. News and World Report on the life of John Wayne. Mr. Stone expresses the feelings of many Americans concerning John Wayne.

A HERO TO FIT THE IMAGE

(By Marvin Stone)

John Wayne was again hospitalized, fighting a difficult battle, as he headed toward his 72nd birthday, May 26. In wishing him a happy birthday, our thoughts went back 25 years to our first meeting with the man on a movie set in Japan. We discovered then, as millions have since, that John Wayne is far more than a movie actor. He is the personification of courage and conviction in an age when both are in scant supply.

The reasons John Wayne is one of the most admired men in the United States are as important as the fact. He has become a symbol of the virtues and the strengths that Americans like to believe are typical of their country.

Courage? Wayne has shown that repeatedly. His left lung was removed in 1964. He had open-heart surgery in 1978. Last January surgeons removed his cancerous stomach. Now he is again determined to win against great odds.

"He has a tremendous will to live" says Bernard Strohm, administrator of the UCLA Hospital in Los Angeles where Wayne's stomach was removed.

Physically a strong man, John Wayne has clung to personal beliefs as rugged as his body, refusing to temper those beliefs to go with the prevailing winds.

At a time when the Vietnam War was widely unpopular, in 1968, Wayne backed the government's prosecution of that war by insisting on going through with the film "The Green Berets." Like most of Wayne's ventures, the film was successful, despite derision from some.

Although fiercely loyal to the Republican Party Wayne has shown his independence on candidates and issues. When his candidate, Ronald Reagan, failed to get the presidential nomination in 1976, Wayne worked hard for the party choice, Gerald Ford. In the fight over the Panama Canal treaties, Wayne did his own thinking and decided he generally favored them. That bucked the conservative position.

Wayne demonstrated his loyalty to old friends when he joined Republicans attending Richard Nixon's $250-per-person cocktail reception at San Clemente in August of 1978.

Katharine Hepburn, writing about Wayne in the *TV Guide* magazine in 1977, said this: "Politically he is a reactionary. He suffers from a point of view based entirely on his own experience. He was surrounded in his early years in the motion-picture business by people like himself. Self-made. Hard working. Independent. Of the style of man who blazed the trails across our country. Who reached out into the unknown. People who were willing to live or die entirely on their own independent judgment."

Pete Dailey, an advertising executive who has worked with Wayne says: "He is viewed as somebody who is a rock of unchanging values. He projects a basic sense of honesty and understanding, and strong Puritan values. His image grew as he grew older. People have been exposed to him over a long period of time."

Wayne began making movies in 1928, while a student at the University of Southern California. He churned out many Westerns before he made his first big hit in "Stagecoach" in 1939. He won an Academy Award for his portrayal of Rooster Cogburn in "True Grit" in 1969. His last full-length feature was "The Shootist," released in 1976, in which he played the part of an old gunfighter, dying of cancer.

During the last half century, Wayne has made some 200 films. Often he played roles that his ancestors had lived—as pioneers, Indian fighters, fur traders and covered-wagon travelers, helping to settle America over a period of many, many decades.

"People see John Wayne in the roles he played," says a longtime Hollywood observer. "In the main, he has personified the rugged American of the frontier, who made the country great." Folks today are looking for heroes, and there aren't many around. But in John Wayne, people—of all political shadings—have found one to fit the image.●

SMALL BUSINESS PERSON OF THE YEAR

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. WAMPLER. Mr. Speaker, it is with great pleasure that I congratulate Mr. Luther I. Dickens, an outstanding constituent, who has been chosen as Virginia's Small Business Person of the Year.

Mr. Dickens is president and controlling stockholder of RADVA Plastics Corp. of Radford, Va., and as such, has survived an energy crunch, a disastrous fire, and adverse economic conditions and still managed to expand his operations. He was one of the original organizers of RADVA in 1960 and acquired full control, formally organizing as a full-time business in 1965. Between 150 and 210 persons are employed by this business, and the company has shown a steady and consistent growth in total assets, net worth, sales, and profits.

A chemistry major with graduate work under a National Science Foundation fellowship forming his background, Luther Dickens has exhibited a sense of creativity and a level of managerial skills that have resulted in numerous awards from the Society of Plastics Industries.

Having overcome adverse circumstances to retain RADVA and expand its operations, Luther Dickens is an outstanding example of my firm belief that small businesses and the men behind them are the very backbone of our free enterprise system. Following the recognition which was given him during National Small Business Week, it is indeed my pleasure to honor Mr. Dickens as Virginia's Small Business Person of the Year.●

TEN WAYS TO CONTROL HANDGUN MISUSE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DRINAN. Mr. Speaker, realistic steps can and should be taken to control handgun misuse in this country. Ten ideas have been suggested by Robert Stuart in today's New York Times. Mr. Stuart, a member and former president of the Chicago Crime Commission, lists concrete proposals that Government, industry, and the American people can take to stop the appalling misuse of handguns that occurs every day. Automobile manufacturers keep records in case modification or recall is required, he notes, why we cannot apply equally sensible rules for handguns?

Handgun control is a real problem that demands a substantive response. I urge my colleagues to read the attached article and seriously consider these, and other proposals that have been introduced in the House, to control handgun misuse. The article follows:

CONTROLLING HANDGUNS

(By Robert Stuart)

CHICAGO.—Every year, 250,000 citizens face a handgun. For over 9,000, it is the last moment of their lives. This mayhem could be minimized if we applied businesslike procedures to the manufacture, sale and transfer of these concealable death weapons. Industry has learned to account for potentially dangerous products in the public interest, and in its own interests. For example, automobile manufacturers keep records of customers in case modification or recall is required. And the law requires legal transfer of automobile ownership. Why not equally sensible rules for handguns?

What can be done?

First, the public demand for handgun control should be converted into a action program. Pollsters have found that citizens want vigorous anticrime and handgun-control measures, including strict enforcement of existing laws and mandatory sentences for offenders carrying handguns. Handguns used by convicted felons, mentally deranged persons, drug users and mindless youth out for "kicks" have power of life and death over all innocent bystanders. These are handguns that are easily obtained and for which no one is responsible or accountable. This madness is unique to America. The "body count" averages 24 per day. Not accidents. But murders.

We cannot end the nightmare quickly. There are 50 million handguns in circulation, with 2.5 million more pouring into society yearly. But we can minimize the slaughter and begin to get the whole system of handgun trafficking under control. Here are 10 recommendations:

1. The authority for handgun regulation should be transferred from the Secretary of the Treasury to the Attorney General.

2. The handgun industry and handgun owners should be made more responsible and accountable. Practical rules properly enforced would serve the manufacturer, dealer and owner.

3. Punitive references should be erased from the handgun-control debate: Hunters must be permitted to use long guns without further restriction. All talk of confiscation should be stopped, simply because the notion is unworkable as a practical matter, and unacceptable to a free people. The thrust should be on the monitoring of handguns only. All authorized possession and use of handguns—including by pistol clubs—should be clarified and strengthened.

4. "Saturday Night Specials" should be banned. We should regulate illegal traffic, impose stiff penalties on those who misuse handguns, and insist on enforcement of present laws.

5. New Federal regulations should provide incentives to the states to maintain adequate records and controls. Pawnbrokers should be removed from traffic in handguns. Licensed dealers should be compensated for the additional administrative chores necessary to limit sales to authorized buyers.

6. We should deal intelligently with the long-standing problem of importation and classification of handguns. Banning the importation of "Saturday Night Specials" but not their parts is foolishness. It makes no difference to the victim of a "Saturday Night Special" if it is assembled abroad or here.

7. Victims of handgun crime should be compensated. Those who survive attack and families of the dead and maimed have frequently been ignored when they tried to speak out for justice and understanding.

8. Preventive action should be taken. In New York City, business leaders responded quickly to a recent appeal to equip the police force with bulletproof vests. But business ought to attack the problem at the front end: Remove the handgun, to the degree we can, at the fastest pace we can, from the irresponsible, unauthorized owner.

9. Industry initiatives should be encouraged. Handgun manufacturers are getting a bum rap for the misuse of their products. They should be among the first to demand better management and accountability down the line.

10. Government intervention should be minimized. Industry is capable of monitoring the system. The guidelines should be prepared in collaboration with the industry to make sure they can work. Manufacturers and importers should be permitted to record their own transactions and receive reports directly from their authorized dealers. These records would be accessible for auditing and for inspection by law-enforcement officials.

The Congress would respond to industry leadership, and voluntary action would begin to reduce slaughter by handgun.●

EFFECTS OF NUCLEAR WAR

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. SKELTON. Mr. Speaker, the recent publication by the Office of Technology Assessment of the report entitled, "The Effects of Nuclear War" is a most thought-provoking work. It discusses in detail the effect of nuclear weapons and points out how people may be protected should this unthinkable event occur. The work does point out that civil defense can, in fact, save human lives. The chapter on civil defense begins with these words:

> Effective civil defense measures have the potential to reduce drastically casualties and economic damage in the short term, and to speed a nation's economic recovery in the long term. Civil defense seeks to preserve lives, economic capacity, postattack viability, and preattack institutions, authority, and values.

I urge each Member to obtain a copy of this publication, as it points up the need for better American civil defense.●

SOME 3,249,655,000 MILES DRIVEN IN FEDERAL VEHICLES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. ANDERSON of California. Mr. Speaker, in 1977, 93 percent of the Federal vehicles were driven 3,249,655,000 miles. Incredibly the grand total miles driven by all Federal automobiles is not known by GSA, but can be estimated to be 3.5 billion miles.

What makes this astounding figure even worse, is that it represents a 21.2-percent increase over the past 5 years. In comparison, private passenger vehicle mileage during the same period rose 13.4 percent, significantly less. Mr. Speaker, this alarming trend must be reversed.

The gasoline crunch is now creeping across the country from my home State of California, which has been the worst hit to date. While part of the cause is the cutoff of oil supplies from Iran, which has just now caught up to the gasoline market, and the need for increased refinery capacity in the United States, a major factor has been the American public's habit of driving more and consuming more gasoline. Now it appears the Government's driving habits are far worse than the public's—which to date has received much criticism.

In driving this 3.2+ billion miles, Federal vehicles have consumed 338,480,514 gallons of fuel, equivalent to the gasoline content of 17,447,449 barrels of crude oil. In 1975, when we mandated Federal fuel mileage standards for Federal vehicles, we intended to reduce the Federal fleet's consumption of gasoline. Instead, they increased their wasteful use of our precious fuel resources by 8 percent in 1977.

Therefore, I have written H.R. 4027, the Federal Automobile Mileage Reduction Act of 1979, already cosponsored by 20 of our colleagues in a bipartisan effort. The President has asked all Americans to reduce their driving by 15 miles per week, or approximately 6 percent. Under provisions of this bill Federal agencies must reduce their annual drivin by 6 percent in 1980 below their 1978 mileage. A further 2-percent reduction is mandated in 1981, with 1-percent cutbacks required in both 1982 and 1983. Beginning in fiscal year 1984, agencies must continue to reduce their mileage by 1 percent annually for 10 years, but the President could exempt any Federal agency if this reduction would impair the fulfillment of their responsibilities.

H.R. 4027 also contains a provision directing the President to promote the use of gasohol in federally owned or operated vehicles. This could further reduce the agencies consumption of gasoline by as much as 10 percent.

New cars purchased by the Federal Government in 1985 will need 31 percent less gasoline due to mandated fuel mileage standards. But in order for this savings to be realized, we must cut back on our driving habits.

Therefore, I urge my colleagues to join with us and help the Federal Government be in the forefront setting a good example of fuel conservation. We cannot seriously expect the American people to car pool more, use mass transit, and generally cut their gas use if we allow this bad example of energy consumption to continue.

If you would like to join our effort and cosponsor this legislation please contact me or John Cullather in my office at 56676.●

CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS ACT

HON. LAMAR GUDGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. GUDGER. Mr. Speaker, yesterday in the debate on H.R. 10, I made reference to a "Dear Colleague" letter which I had produced and distributed to Members of the House the previous day. In this letter, I provided a comparison between the Civil Rights of Institutionalized Persons Act (H.R. 10), then under debate, and H.R. 9400, the House-passed bill of the 95th Congress, dealing with this same subject.

It has been suggested that the letter in question should be introduced into the RECORD under the unanimous consent rule allowing 5 legislative days for entry of Extensions of Remarks in the CONGRESSIONAL RECORD.

Accordingly, Mr. Speaker, I submit for insertion in the RECORD the text of the letter which was distributed to certain Members of the House of Representatives on May 22, 1979, the date preceding consideration and enactment of H.R. 10:

> You and I share a mutual concern that the federal government not encroach further into state affairs. Accordingly, in the 95th Congress, you may have voted with me against H.R. 9400 the bill to give the U.S. Attorney General standing to sue or intervene in civil actions to enforce the Constitutional and statutory rights of persons in state institutions such as the mentally ill, retarded children, and the inmates of correctional institutions.
>
> H.R. 9400 passed the House last year by a vote of 254 to 69, without my support, and H.R. 10 certainly appears to have the same support in this Congress as did H.R. 9400 in the previous Congress. Indeed, H.R. 10, this year's Civil Rights of Institutionalized Persons Act seems to encroach less on the rights of the states and to be even more deserving of support from those of us most concerned about states' rights.
>
> For example, H.R. 10, unlike H.R. 9400, does not give the Attorney General standing to sue private hospitals, private rest homes and nursing homes, or any other private institutions and facilities, which are not acting for or on the behalf of the state. H.R. 10 does not authorize action except where there is a clear "pattern or practice" of deprivation and H.R. 10 specifically requires that the Attorney General give at least 30 days' notice to the Governor, the Attorney General and the director of the challenged state institution, and that he afford adequate opportunity for consultation and correction before instituting any remedial civil action.
>
> Furthermore, the Attorney General is authorized to act on behalf of adult inmates of correctional institutions only to enforce Constitutional rights; and H.R. 10 provides a 90 day stay in any such action which may be brought by an inmate against a state, if the state has an approved inmate grievance procedure, to afford the correctional authorities time to resolve the problem before the suit may proceed.
>
> After careful study, I am persuaded that the Department of Justice has correctly estimated that if H.R. 10 is enacted in its present form, it is not likely that the Attorney General will institute more than five to six civil suits under this Act in any one year hereafter. Furthermore, I am persuaded that granting to the Attorney General this new authority, could bring about improved conditions in state operated institutions across the nation, could actually reduce the volume of litigation in this sensitive field, and could encourage the development of more uniform state standards for the care and treatment of institutionalized persons. Finally, I believe all this can be achieved under H.R. 10 without any state forfeiting its right to continue to provide appropriate institutionalized care and treatment designed by its own legislature to meet the special needs of its own people.
>
> I urge your support of H.R. 10 and hope you will join me in opposing any substantive amendments. The bill as drawn represents a careful balance between states' rights, federal obligations and the needs of institutionalized persons. Any substantive floor amendment could upset this delicate balance.●

OBSERVATIONS ON THE CANADIAN ELECTIONS AND CONGRATULATIONS TO PRIME-MINISTER-ELECT CLARK

HON. GERALD B. H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. SOLOMON. Mr. Speaker, it is undoubtedly a sad commentary on human nature and international diplomacy that many of the world's nations sharing mutual borders seem unable to live in peace with one another. We have only to open the current newspapers to note where border conflicts, if not outright hostilities, are occurring throughout the globe, disrupting and destroying the lives of the inhabitants of the areas in question, and blighting the prospects for world peace.

Let us consider, on the other hand, the most agreeable state of relations that our Nation has enjoyed for over a century with our northern neighbor, the Dominion of Canada. The signing of the

Webster-Ashburton Treaty in 1842 heralded the beginning of a relationship that other nations of the world, I believe, would do well to emulate. Our mutual border knows neither fortresses, vessels of war, nor artificial barricades. Law-abiding American and Canadian citizens pass to and from the land of the Stars and Stripes to the land of the Maple Leaf with only the briefest formality. Ours is indeed a relationship of friendship and mutual respect.

It is with great pleasure, then, that I call the attention of my esteemed colleagues to yesterday's national elections in Canada, and invite my colleagues to share with me in congratulating the Prime Minister-elect, Mr. Joseph Clark, of the Progressive Conservative Party, on his victory.

With respect to Canadian affairs, it is probably typical that most recent newspaper headlines have focused upon the volatile issue of provincial secession and sensationalistic stories about individual personalities loosely associated with the Canadian Government. But it should come as no surprise that prior to the election the U.S. News & World Report referred to polls indicating significant concern among the electorate over "pocketbook issues."

Yes, Mr. Speaker, pocketbook issues. Our good friend to the north has not been entirely immune to the economic dilemmas that have begun to affect all the so-called developed nations. And it would appear that the former Government of Canada, however well-intentional, succeeded in compounding Canada's economic woes with a program of increased government involvement in what had been a free market economy.

The results of such policies are not difficult to foretell. Inflation in Canada is at a rate of nearly 10 percent. This, despite a 3-year program of wage and price controls, a fact that should cause some of my esteemed colleagues in the House to pause and consider. Unemployment hovers around the 8 percent mark, prohibitive interest rates hinder business expansion and the building industry, and after 11 years of Liberal Party rule in Ottawa, the federal debt has become predictably unmanageable.

It is not an easy task, then, that Mr. Clark faces. As I have stated in the past, the tide of collectivism, once established, is not readily stemmed. However, I am hopeful that Mr. Clark and his Progressive Conservative Party colleagues are capable of making the decisions and taking the steps to lead Canada to a new era of economic prosperity and political well-being. We should wish him well, not only for the future of Canada, but for our own United States, and ultimately the entire free world.●

SHATTER THE SILENCE—VIGIL 1979

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. KEMP. Mr. Speaker, this is the 4th year in which Members of the House have participated in a vigil for the freedom of Soviet Jews who have been thwarted in their efforts to leave the Soviet Union. While I am elated that immigration figures have risen during the past months, I want to remind my colleagues that thousands of exit visa applications are continually and arbitrarily being denied by Soviet authorities, and that the unconscionable retention of these people against their will is a matter of policy in the Soviet Union.

Col. Wulf Vilensky first applied for an exit visa in 1975, so that he and his wife Sonya could join their children and grandchildren in Israel. Still denied permission to emigrate after 4 years of applying, Colonel Vilensky recently wrote:

> I do not complain; I am unaccustomed to complaining.

He is not militant; he has broken no law; he is a hero of the highest order in the Soviet Union for courageous duty during World War II. Yet still he and Sonya are refused permission to leave Soviet Lithuania.

Mr. Speaker, this is only one example of the thousands of families being kept apart for no reason. I urge my colleagues not to become complacent and not to accept such policy as a matter which we have no business considering in the formulation of our foreign policy. If we were to refuse to utilize every tool available to us to fight this reprehensible policy, we would be as guilty as the Soviet Government of violating the basic human rights of these people.

In behalf of Colonel and Mrs. Vilensky, whom I am proud to represent today and every day that they must remain in the Soviet Union, I wish to thank Congressman HOWARD for his efforts in coordinating this year's vigil. Nothing would be as heartening to me than knowing that next year's vigil can be canceled, and I hope my colleagues will join me in working diligently toward this end.●

LOS ANGELES UNIFIED SCHOOL DISTRICT VOLUNTEER, TUTORIAL, AND DOVES PROGRAM

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. CORMAN. Mr. Speaker, all too frequently we are remiss in paying special tribute to those individuals who voluntarily and selflessly give their time to help others. Today, I would like to take a moment to salute a unique group of volunteers who are dedicated to strengthening the relationship between young and old, and advancing educational opportunities. I speak of the over 41,000 men and women who comprise the Los Angeles Unified School District volunteer, tutorial, and DOVES program. These older citizens within the Los Angeles area contribute their time, skills, and talents to enrich the lives of boys and girls within the district. Their aim is to provide students and schools with added assistance to not only bridge the generation gap, but also to stimulate interest toward educational and vocational goals. The volunteers aid teachers in individual tutoring, music, arts and crafts instruction, library work, homemaking, and office skills.

Let us take a moment to gratefully acknowledge the wisdom and talents shared by these individuals who have a strong commitment to our children. They are determined that our children receive the best and broadest education possible.

In Los Angeles, the month of June will be dedicated to recognizing the outstanding work of the volunteers, tutorials, and DOVES. I join in this tribute and express my sincere gratitude for their concern for the young people of today. It is my strong hope that the volunteers will continue to provide the excellent teaching assistance for which they are well known, and also encourage other older adults to participate in the program. The continuation and expansion of the program will afford more young people to benefit and learn from the experiences and knowledge of older adults. I commend all of the volunteers for their dedication and willingness to help strengthen our children's future.●

A TRIBUTE TO REV. DANIEL W. HEINTZ, ST. MARY'S, ROME, N.Y.

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. MITCHELL of New York. Mr. Speaker, on Sunday, June 3, in Rome, N.Y., people of all faiths will join in a special tribute to Rev. Daniel W. Heintz in honor of his 25th anniversary of ordination to the priesthood.

I bring this to the attention of my colleagues, because Father Heintz is a very special person, not only in Rome, N.Y., but in this great country of ours which he is serving, in a wide range of important roles, so effectively.

Rome Mayor William A. Valentine has issued a proclamation declaring June 3, 1979, as Father Daniel Heintz Day, a day dedicated to special reflection of a life of service to God, country, and community.

A quarter century of service as a dedicated clergyman is quite an accomplishment in itself. That's only one dimension of Father Heintz.

He is a lieutenant colonel in the U.S. Army Reserve, the guiding spiritual light for his unit which stands ready to do that which is asked to protect and preserve the precious heritage that is ours in this citadel of freedom. Father Heintz was a true ecumenicist before that word and all that it represents was part of our everyday vocabulary. He is president of the Rome Ministerial Association and is acknowledged to be a leader in ecumenical religious developments in the Rome area.

Additionally, Father Heintz is a hospital chaplain and an activist in programs and projects to assist the elderly.

From my vantage point, I see Father Heintz as someone very special. We—all of us proud to be Americans—are the better for having someone of his caliber in our midst. The special silver anniversary tribute planned in his honor is richly deserved and it is with great pride that I bring this occasion to the attention of my colleagues.●

THE TIME HAS COME TO GET TOUGH WITH OPEC

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. MOTTL. Mr. Speaker, the time has come for the United States to join with other food-producing countries such as Canada, Australia, and Argentina and form a food cartel to fight the indiscriminate oil price hike by OPEC nations and make them pay more for our food.

Our Nation controls 60 percent of the world's food exports. Using our vast food resources to set world prices would go a long way toward reducing our balance-of-payments deficit.

I have introduced House Concurrent Resolution 120 urging the President to form a food cartel.

I would like to include in the RECORD a copy of a letter which I have sent to President Carter on the food cartel.

The letter follows:

WASHINGTON, D.C., *May 24, 1979.*

PRESIDENT JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I have introduced House Concurrent Resolution 120 which calls upon the Administration to form a food cartel with Canada, Australia, Argentina and other food-producing nations in an attempt to offset OPEC's indiscriminate increases in the price of oil by making OPEC nations pay more for our food.

Japan, which is enjoying one of the world's healthiest economies—thanks in no small part to American assistance—buys wheat from the United States at $3.50 a bushel and tacks on a $5.50 surcharge before selling it to its bakers for $9 a bushel. The Japanese government pockets the surcharge.

I could cite other instances where American food products help other nations at the expense of the American farmer and the American taxpayer.

I think the time has come to start using our vast food resources, technology, and heavy equipment as weapons in world trade.

As you know, the United States controls 60 percent of all the world's food exports. I am sure we can use this strength to reverse our cash flow.

Even if food could not be effectively used to negotiate more reasonable oil prices with the OPEC nations, it could improve our balance of payments deficit immeasurably.

The secret to the cartel's success is for all major, food-producing nations to band together and present a unified front on food prices.

Twelve other Members of Congress have joined me in cosponsoring H. Con. Res. 120 and I am sure others will add their names to the list.

I urge you, Mr. President, to consider the advantages of using our food resources as a "weapon" in the fight against inflation.

Sincerely,

RONALD M. MOTTL,
Member of Congress.●

GOP BLASTS CARTER DEFENSE POLICY

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. SHUSTER. Mr. Speaker, the Republican policy committee, which I have the honor to chair, has gone on record unanimously in support of H.R. 2575, the supplemental defense appropriation bill for fiscal 1979, while at the same time, urging a stronger national defense and pointing out serious deficiencies and weaknesses in the Carter administrations defense posture. For the benefit of my colleagues, I would like at this point, to insert into the record the full text of the Republican policy committee position statement.

NATIONAL DEFENSE

The Republican Policy Committee advocates a strong national defense policy, supports the passage of H.R. 2575, to authorize supplemental appropriations for the Department of Defense for fiscal 1979, and urges support for amendments on the Floor to further strengthen this defense supplemental.

H.R. 2575 authorizes $1,458,400,000 for weapons procurement of which $628 million is to purchase two naval vessels cancelled by Iran, and $406 million for research and development including full scale engineering development of the MX missile and a study of possible basing modes for the missile. The Policy Committee deplores the rejection of Republican efforts to increase funding for needed additions to the defense establishment.

The Republican Policy Committee believes that the national defense policy of the Carter Administration is dangerously inadequate and shortsighted. The first obligation of the federal government is to provide for its common defense, and today that ability is in serious doubt.

Government leaders and military observers around the world have expressed doubt about the reliability of the United States as an ally. They view our military forces becoming less capable of maintaining world peace as the Carter Administration pursues a national defense policy of cancellations, deferrals, and real budgetary reductions. Former and present U.S. military leaders have strongly denounced the national defense policies of the Carter Administration. In making its decisions, the Carter Administration has ignored, overruled, or misrepresented the expert judgment of this country's senior military officials on national security decisions of significant consequence and in the face of continued growth in Soviet military capabilities.

Numerous Carter Administration defense policy decisions have seriously undermined the credibility and military capability of the United States. Those decisions include the proposed withdrawal of U.S. forces from Korea; abrogating our Treaty with Taiwan; cancellation of the B–1 bomber; shutting down production of the Minuteman III missile; deferral of production and deployment of the neutron warhead; vetoing a nuclear powered carrier; cancellation of the Marines' light and medium attack fighter aircraft; and slowing development of the Air Force AMST transport. Other programs that have been postponed or stretched out include: the new MX missile and Tomahawk cruise missiles, the Trident submarine program, the SSN–688 attack submarine, and the F–15 fighter. Most important is the Carter Administration's failure to resolve the huge shortfalls and record low retention in military manpower.

The consequenc of the Carter Administration's performance has been to place this nation in a more perilous position than it has faced since 1941. On the other hand, the Soviet Union is engaged in a massive effort to achieve military superiority over the United States for the purpose of changing the political and military balance of power in the world.

For the United States, therefore, the warning signals are current and show that our national defense is too lightly armed to provide for our national security and success in the turbulent world which awaits us in the coming decade. Those warning signals show that in 1978 all four branches of the U.S. all-volunteer forces failed to meet their recruitment goals—setting the stage for a national debate on reviving some form of the draft or selective service. Less than a third of the U.S. military reserve units slated for combat within 30 days are at full strength with actual and projected shortages of doctors and pilots. Critical stockpiles of U.S. combat supplies needed by American forces in critical areas are dangerously low and our ability to supply or move in reserves is in doubt because the Navy fleet has shrunk to half of the ships on duty or in reserve in 1960. For example, a recent mobilization exercise conducted in the fall of 1978 revealed 100 "problem areas" including the lack of prepositioned supplies, and insufficient industrial base to produce war equipment and a serious shortage of aircraft and physicians to treat casualties in the field. Our past superiority in technology and general purpose weapons has disappeared because intensive Soviet technological gains bring them very close to dominating our military forces at all levels of conflict unless the Carter Administration moves quickly and decisively to reassert a balance of military capabilities.

By way of comparison, the Soviet defense efforts have surpassed those of the United States in every major area of consequence. In strategic forces, the Soviets well surpass the United States in every relevant index of military capability, unless the present trends are contained or reversed, as Soviet outlays in this category have exceeded those of the U.S. by almost 2½ times over the last decade. A comparison of U.S.-Soviet navy combat ships shows the Soviets with almost a 2 to 1 lead over the United States. Drastic cuts by the Carter Administration in U.S. naval force deployment will leave the U.S. with an active fleet of only 425 ships by the year 2000—a significant shortfall from the level of 600 combat ships believed necessary by the U.S. defense planners. In conventional ground forces, the Soviet Union is numerically superior to the U.S. in all major weapons systems, except utility helicopters, and with formidable offensive and defensive capabilities to operate in a chemical, biological, and nuclear environment, whereas U.S. and NATO forces have only a marginal capability to operate in this type of conflict even though Soviet military doctrine calls for the initiation of that kind of warfare. In the NATO theater, the Warsaw Pact forces have a preponderance in ground and air forces, with nearly a 3 to 1 edge in tanks and aircraft, just the ratio Soviet military leaders consider necessary for a successful assault.

The cut backs in weapons development and deployment programs by the Carter Administration threaten to seriously degrade present U.S. defense and deterrence capabilities. Over the past decade, the Soviet Union has sustained a high rate of growth in real defense spending and its military strength and capabilities have increased significantly. During the same period the U.S. defense effort has declined in real terms.

Since 1960, U.S. federal spending for social welfare has more than doubled as a percentage of gross national product while defense spending has been cut in half. U.S. defense expenditures have declined to 5.2% of GNP while Soviet defense expenditures have soared to 13–15% of GNP.

President Carter states that his fiscal 1980 defense budget request provides for 3% real growth in defense spending. The President does not say that the growth he projects is based on unrealistically low inflation rates. Use of actual inflation rates reveals that his defense budget provides for a "real decline" in defense spending. The plain truth is that use of "phony" inflation rates and "newly discovered" unspecified efficiencies critically hamper our military services in carrying out their responsibilities. These Administration rhetorical charades are intended to hide significant problems facing our military forces.

In the face of the Soviet challenge in defense spending and their pursuit for military superiority, the United States has engaged in a series of negotiations designed to lessen tensions and reduce the level of arms deployment. While the SALT II Treaty could be a valuable addition to world stability if it were negotiated on a basis of equivalent strategic capabilities, the growing imbalance in strategic forces in the present version of the treaty will lock the United States into a position of strategic inferiority. The weakness and indecisiveness of the Carter Administration's defense policies have removed any Soviet incentive to negotiate mutual and balanced arms reductions that would meaningfully contribute to U.S. national security and global stability.

The Republican Policy Committee believes that the defense policies of the Carter Administration do not serve the best interest of U.S. national security and world peace. These policies can be characterized as inconsistent, incoherent, often contradictory, and based on inadequately formulated and ill-conceived objectives. These policies have failed to establish the proper balance between U.S. weapons development and deployment and U.S. arms control efforts.

The Republican Policy Committee believes that wasteful defense expenditures can never be excused but the consequences of an inadequate national defense is unacceptable.

We believe that maintaining the balance of power in conventional and strategic forces is central to the preservation of stability and peace. To that end we believe it is necessary to maintain and preserve each element of the U.S. Triad of strategic forces as a survivable system.

We believe that only through a proper balance of U.S. weapons development and arms control efforts can meaningful arms control agreements be achieved that will stand the test of time. Therefore, we believe that the United States must continue with the modernization of its strategic forces, and any fuure arms control agreement must be balanced, equitable, verifiable, and protect both U.S. and allied interests.

We believe the Carter Administration national security policies are seriously deficient, and that the Carter policy of unilateral disarmament places the security of this nation in serious jeopardy.

The Republican Policy Committee has consistently supported a strong and responsible national defense policy. The Policy Committee challenges the Carter Administration and the Democrat-controlled Congress to do the same.●

RHODESIAN SANCTIONS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. EDWARDS of California. Mr. Speaker, I would like to bring to my colleagues attention the following article by Anthony Lewis from the New York Times of Thursday, May 24, 1979. I find this editorial particularly helpful in defining the broad context in which any decision on the lifting of sanctions against Zimbabwe Rhodesia must be made. We have made tremendous gains on the continent of Africa of late. This is largely due to a change in our foreign policy which has finally come to recognize Africa as meriting high priority. A decision to lift sanctions now would have disastrous consequences for our relations with those African nations which have come to respect us and welcome our presence in Africa.

Many people believe that our relations with these African nations are not vital in any sense. But this simply is not the case. A great deal of the precious gasoline we use for our automobiles comes from Nigeria. They have made it very clear that they would prefer we maintain the sanctions against Zimbabwe Rhodesia. A large amount of our cobalt and uranium is also imported from African nations.

Beyond economics, a decision to lift sanctions at this time could have additional consequences. A great deal of our support in the United Nations at this time is coming from the nations of Africa. They have assisted us greatly in the recent past on a few crucial issues, and we can look forward to their continued support in the future.

All this is only intended to point out that we cannot disregard the feelings of African nations when coming to a decision on the lifting of sanctions. Our efforts in the past have produced tremendous results in Africa economically and politically. The administration's foreign policy there is beginning to bear fruit. It would be terrible to see our past advances suddenly nullified because we lacked the foresight to recognize the disastrous consequences of lifting sanctions.

Into the Quagmire?

(By Anthony Lewis)

Boston.—In the next three weeks President Carter has to make one of his most difficult foreign-policy decisions: whether to end sanctions against Rhodesia. Why is it so hard? Why should he not simply follow the Senate's advice and welcome the new Salisbury Government about to be formed under a first black Prime Minister, Bishop Abel Muzorewa?

The concern is over practical consequences. American policy on Rhodesia has to change now, has to take account of Bishop Muzorewa's showing in the internal election. But too abrupt a change might do real damage to American interests.

The basic danger lies in identifying the United States with the white minority in southern Africa. The new Rhodesian Constitution leaves most effective power in the hands of the white 3 percent of the population—control of the army, for example, and the civil service and the courts. For that reason Bishop Muzorewa is widely regarded in Africa as a front for white Rhodesia and, more significantly, South Africa. The United States could expect a deeply hostile reaction if it embraced the Bishop.

But why should we care about angry words from Africa? Wouldn't they come mainly from radical governments that attack the United States anyway? Senator S. I. Hayakawa, a prime mover in the campaign to end sanctions, said the other day that the criticism was just "rhetoric," and he "wouldn't pay that much attention."

Of course African governments, like others, utter a good many empty words. But if they see the United States as joining the white redoubt in southern Africa, their reaction might matter.

The chairman of the House African Affairs subcommittee, Representative Stephen J. Solarz, recently wrote African leaders asking their views on American policy in Rhodesia. President Tolbert of Liberia cabled back that to end sanctions and recognize the Muzorewa Government would erode "the good will that the United States now enjoys among many African states." He foresaw specific damaging results, among them this:

"The action would adversely affect whatever support the United States may hope to garner among African states in respect of its initiatives in the Middle East."

Liberia is one of the least radical of African governments, historically closest to the United States, and it is worried about the consequences. The reaction would be equally strong from the most important country in black Africa, Nigeria. Its leaders have acted before now against Western firms that did business with Rhodesia.

Nigeria's oil is important to the West. So are its financial deposits, especially in Britain. A threat to withdraw those balances worried the British Government at an earlier stage of the Rhodesian tangle. And concern about economic consequences is one reason the new Conservative Government, though ideologically inclined to end sanctions, is moving so slowly.

There is another danger, potentially even more serious, that I believe is on the mind of the new British Foreign Secretary, Lord Carrington, as well as of American officials. That is the risk of being drawn into responsibility for survival of the Muzorewa Government: the risk of finding ourselves in a southern African quagmire.

If the United States were now to move all the way toward the Muzorewa Government, it would lose the influence it has had with the front-line black states nearby. It could not play a mediating role in an attempt to end what is a major guerrilla war: one that has cost 20,000 lives so far, the equivalent of 500,000 in the U.S.

The Soviets might well step up their arms shipments to the Patriotic Front guerrillas. Zambia, now helpless before Rhodesian attacks, might seek Soviet aid for the first time. If the war then turns against the Salisbury Government, the Carter Administration would be under heavy pressure from the right to do something—not to "let a free Government go under." Would we send military aid? Advisers?

In short, there is a danger of finding ourselves coupled with South Africa in an escalating, internationalized war. That would be a formula for isolating the United States in the world. It would be a disastrous historical mistake.

There is also an internal American reason for caution in embracing Salisbury. To an extent not yet generally understood, leading American blacks identify with the blacks of southern Africa—and suspect that white America is prepared to sell them out. The black Mayor of Atlanta, Maynard Jackson, has lately raised money for the Patriotic Front. Blacks know that Bishop Muzorewa's

> friends here include men who have been for white minority rule all along, such as Senator Jesse Helms.
>
> All these factors suggest that the United States should change its policy with deliberate speed—and not get out in front of Britain. What influence we have, including the possibility of lifting sanctions, should be used for the next few months to encourage peace talks and move the Salisbury Government toward real black political responsibility. And President Carter has an obligation to do what he has not done so far: explain the American interests that may be at stake in Rhodesia.●

SHATTER THE SILENCE, VIGIL 1979—LEV BLITSHTEIN

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. BARNES. Mr. Speaker, in an unprecedented move within the last 5 weeks, seven Soviet Jewish prisoners of conscience and three Soviet dissidents have been unexpectedly released by their government. Today, these 10 men are savoring freedom for the first time as they begin new lives in the United States and Israel. Thankful and overwhelmed with happiness, they ask only that we not forget the other imprisoned and exiled souls who were left behind.

Therefore, as I participate in the "Shatter the Silence Vigil" in the House of Representatives, I bring to my colleagues' attention the plight of Mr. Lev Blitshtein with the earnest hope that the Soviet Union will abide by the Helsinki accords and allow this 49-year-old man to be reunited with his family in the United States.

Since 1974, Mr. Blitshtein has repeatedly applied for an emigration visa and has been refused each time. A national authority in the fields of breeding and meat processing in his government's Ministry of Meat and Dairy Production, he has had no work since first applying to leave the Soviet Union.

His son Boris reports that the OVIR—the Soviet agency supervising emigration—said that the reason permission to emigrate was refused was that Lev Blitshtein knew "too much about the time for storage of canned meats."

Boris Blitshtein also writes that:

> My father . . . asked OVIR if my mother and I could apply separately from him; this was turned down. OVIR told us that since "it is not humane to separate families, my mother and father should divorce"

And so for this reason alone—to appease the OVIR—Lev and Bluma Blitshtein were divorced; Mrs. Blitshtein and her two children—Boris and Galina—were thus able to leave the Soviet Union more than 3½ years ago.

Deprived of their cherished husband and father, the Blitshtein family now lives in Flushing, N.Y., counting the moments when they can be together again.

Mr. Speaker, I know that my colleagues will join me in urging the Soviet officials to restore Mr. Blitshtein's basic human rights as guaranteed under the Soviet constitution and the Helsinki Accords, so that he may emigrate to the United States and be reunited with his family.●

A. PHILIP RANDOLPH, DISTINGUISHED SON OF JACKSONVILLE, FLA.

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. BENNETT. Mr. Speaker, the passing of A. Philip Randolph, distinguished in civil rights and labor movement reforms, has been regretfully observed in Jacksonville, Fla., where he grew up from infancy to young manhood. He did not grow up and settle down. Rather he grew up and grew out in a widening circle of leadership and self-improvement, directed always at the uplift of his fellow man. As the Congressman who represents Jacksonville, the home of his youth, I am pleased to include some comments from those who knew him there. In an article by Ron Littlepage in the Florida Times-Union the following was reported:

> Marsha Dean, president of the A. Philip Randolph Institute in Jacksonville, said Randolph's death Wednesday was a loss to all blacks.
>
> He was a giant of a man, Mrs. Dean said, a man who was above other men in terms of his character, in terms of the way he got things done, in terms of the way he represented you.
>
> His total life was dedicated to helping the dispossessed and the downtrodden.
>
> I've known him ever since I knew what a railroad was, she said. He did an awful lot in terms of making a middle-class life for blacks.
>
> In fact, Mrs. Dean said, he was the most significant factor in creating that middle class.
>
> And you know, as a porter said about him, you feel about him like you feel about Jesus Christ—the strength of Gibraltar. Wherever he led you, you wouldn't turn back because you had faith in him and you knew you would get there.

And in an article by Franklin Young in the same newspaper, it was reported:

> Some of those in Jacksonville who knew him said Randolph possessed a courage so quiet that young blacks failed to recognize the significant part of his character a half century ago.
>
> John Parrot, a retired sleeping-car porter now 75 and a close friend of Randolph, was one of those young blacks. He recalled there were times when he and his fellow workers grew angry and impatient at their working conditions.
>
> He used to tell us, Don't fight back. Report what has happened to our office and let us talk to them, Parrot said.
>
> There were times when he looked like he didn't have courage against the white people, but he did have that couarge. We just didn't realize what he was doing.
>
> He just wanted us to get in a position to be able to work up like everybody else.
>
> I never saw him mad. I imagine he felt like that sometimes because it could be rough on him. What he was trying to do I just couldn't believe would happen, but he did it. He was for all people. He didn't want anybody to lose their jobs, white or black.
>
> Mrs. I. E. Williams, 82, of 2827 Ribault Scenic Drive, was another close Jacksonville friend.
>
> He was a very strong force. He developed and dignified that position (porters), especially when a man only depended upon tips.
>
> He did everything for the development of white-black relations wherever he went. He was like a glow that inspired people, she said.

In the Jacksonville Journal an article by Lloyd Brown and Charles Patton contained the following comments:

> Andrew Burwell, who served as secretary for the Jacksonville chapter of the brotherhood for many years, recalled the early fight by Randolph to sign up porters in the South.
>
> Burwell had gone to work on the railroad in the early 1920s. "We didn't get nothing in the beginning," Burwell recalled. "You couldn't hardly exist."
>
> Despite low pay and bad working conditions, however, local porters were fearful of Randolph's early attempts to organize, he said.
>
> It was a struggle, Burwell remembered. We had a hard time organizing. We used to meet in back rooms and down in cellars. People here were kind of afraid of it. They were afraid to talk to him when he came down.
>
> I was a young man and didn't have much to lose so I listened to him. We used to go door to door and try to talk the men into joining.
>
> Eventually, he recalled, an election was held in Union Station and the porters voted to be represented by the brotherhood.
>
> He had all kinds of quality to make him a leader, Burwell said. He told the truth and people believed in him.
>
> Another Randolph has to be born, he added. I don't think he's born yet.
>
> Sam Jones first came to know Randolph when Jones signed on as a porter in 1935. Later, Jones was active in the local civil rights fight as chairman of the legal section of the local NAACP.
>
> Randolph helped Jones organize the Florida Railroad Voters League in 1948, which Jones said was the first black political organization in the South.
>
> Later, the two helped found a local chapter of the A. Philip Randolph Institute. He didn't want the organization to spend its time getting grants to benefit themselves, Jones said. He wanted them to work to benefit the poor.

Finally, I include the following editorial from the Jacksonville Journal:

> A. PHILIP RANDOLPH
>
> A. Philip Randolph led what he aptly called a "moral revolution" and lived to see that revolution become a way of life.
>
> He helped clothe the civil rights movement in his own powerful dignity. He helped steer in on a course of non-violence. He invested it with his unfailing determination, patience and organizing genius.
>
> Mr. Randolph was born in Crescent City in 1889, completed high school in Jacksonville and went to New York City afterwards.
>
> He organized the Brotherhood of Sleeping Car Porters, the first black union to be granted an international charter by the American Federation of Labor.
>
> He prevailed on President Roosevelt to establish the Fair Employment Practice Commission. He was instrumental in persuading President Truman to issue an executive order ending segregation in the armed forces.
>
> Mr. Randolph was the primary force behind the U.S. labor movements outlawing of discrimination along racial grounds in 1956.

He became a member of the executive council of the AFL–CIO.

He led the massive 1963 civil rights march on Washington, campaigned successfully for the civil rights act of 1964 and the voting rights act of 1965 and received from President Johnson the Medal of Freedom, the highest civilian honor a president can bestow.

America is closer to its own ideals because he passed this way.●

WILLIAM B. LLOYD'S NEW WORLD FORUM

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. MIKVA. Mr. Speaker, one of the most thoughtful and perceptive people regarding the emerging Third World countries is William B. Lloyd. Mr. Lloyd is a Chicagoan who is editor of the Toward Freedom newsletter. I believe that some of my colleagues are familiar with Mr. Lloyd's work but a column of his recently appeared in the New York Times that I would like to share with all of my colleagues. It is an insightful and persuasive piece about the need for a new, reciprocal international communications system, one that suggests the possibilities of improved cooperation and understanding among nations and the advancement of freedom of expression within nations, as well.

THE WORLD AS FORUM

(By William B. Lloyd)

CHICAGO.—In the years since their indedendence, the developing countries have noted what they consider to be excessive coverage by Western news agencies of violence and crises (such as the Nigerian civil war), and poor coverage of positive developments (such as the universal, free, compulsory educational system that Nigeria is now building). Increasingly, these countries seek to remedy this sort of imbalance by imposing restrictions on newsgathering in the hope of avoiding a poor world image.

Could a satellite world-broadcasting forum, made available throughout the globe, provide constructive facts from the developing nations and achieve a balance in a positive direction? Could this new approach to international communication thus forestall the drift toward censorship? The psychology of national pride indicates that it could.

The American people also could gain a greatly enriched appreciation for various cultures through such a world satellite broadcasting forum. Television generally depicts foreign countries through American eyes—in programs filmed by teams sent out from here. One may ask, isn't that the way it should be? Aren't our crews the best-equipped and best-trained in the world? This attitude has led America into a surprising degree of cultural isolation. The United States uses proportionately fewer foreign television programs than any country in the world except China.

Increasing world interdependence calls for a recognition of the importance of the principle of reciprocity. We need to bear in mind that 94 percent of humanity lives outside our borders and has its own ideas of the world's future. Should not our radio listeners and television viewers have the opportunity to hear about other cultures in programs originated by those countries?

Individual listeners' choices would be broadened. Since the programs would supplement rather than replace regular domestic programs. Guidelines barring disruptive or morally disturbing broadcasts, but without prior censorship, could be laid down.

This world forum could be initiated by the nations that believe in freedom of speech and are prepared to see it practiced on an international basis. In order to minimize divisiveness, all other nations should be invited each year to join.

Direct access to public opinion in the affluent West would be a powerful incentive for the developing nations to participate. Human curiosity—an important initiator of progress over the ages—would be another factor promoting wide membership.

Freedom in the modern world has little to do with anarchy. In many areas it has to be administered. Freedom of the press in particular areas of the original 13 States was important, but it took the creation of the United States Post Office, carrying papers to all the states, to establish freedom of the press on a continental basis.

Similarly, world freedom of discussion in the electronic media needs to be organized by the United Nations. In the face of full censorship in the socialist countries and increasing restrictions in the third world, an operative international system of free discussion is needed—one based on voluntary agreement and the power of example, buttressed by a strict observance of the principle of equality and reciprocity for all nations, large and small.

In fighting a forest fire it is often useful to set a back-fire. Faced with international suspicion, fear and mounting threat of provocative armaments, humanity can best fight for freedom with freedom!●

THE MAINE LOBSTERMAN

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. EMERY. Mr. Speaker, I am today honored to be introducing legislation in behalf of the Camp Fire Girls of Cundys Harbor, Maine, authorizing them to erect a monument commemorating the Pine Tree State on Maine Avenue in the District of Columbia. This monument shall be in the form of a statue, "The Maine Lobsterman."

The sculpture which found its origin under the skilled craftsmanship of one Victor B. Kahill, has already quite a history in the State of Maine. In April of 1937, the Maine State Legislature designated the Maine Development Commission to come up with a display for the 1939 New York World's Fair epitomizing the spirit and vigor of the Pine Tree State. Victor Kahill, then a Portland sculptor, was commissioned to create a work embodying these traits. He ultimately decided that a lobsterman at work would be the perfect subject. Mr. Kahill chose H. Elroy Johnson, a Bailey Island lobsterman as his model. After completion of the project, the statue was sent off to the fair where it was admired by thousands from 1939 to 1940. Thus, we have the beginnings of a landmark cherished by myself along with all the residents of my home State.

Since the 1939 New York World's Fair, three bronze castings of the original plaster sculpture have been created. A sculptor who lives in Boothbay Harbor, Maine, by the name of Norman T. Therrian was commissioned to prepare the copies.

Today, the three 800-pound replicas stand in the respective cities of Augusta and Portland and the town of Harpswell, near the seashore where the model H. Elroy Johnson early in his life first learned to fish for lobster.

Now the time has come when the great State of Maine wishes again to share this treasure of its recent past with the rest of the Nation. What better place than the Nation's Capital on that avenue paralleling the Potomac River which itself is named in honor of my home State. I believe that it would be most fitting at this time to allow the Camp Fire Girls of Cundys Harbor, Maine, to erect yet another copy of "The Maine Lobsterman." I strongly urge the passage of this legislation.●

VIET VET CALLS IT "LONG OVERDUE"

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. EDGAR. Mr. Speaker, the period during which American soldiers fought in Vietnam was a time when our Nation's soul was seared with doubt and the hearts of our citizens were divided as to our purpose. Therefore, it is with pride that I submit an article about Ron Stansbury, a Vietnam veteran from my district, which brings a touch of nobility to those traumatic times. The story by Linda Palmarozza reminds us that next week has been set aside to remember and honor Ron Stansburys everywhere.

The article follows:

[From the Philadelphia, (Pa.) Sun News, May 12, 1979]

VIET VET CALLS IT "LONG OVERDUE"

Just before the finale of the movie, "The Deer Hunter," I went into the ladies room, walked to the compartment furthest from the entrance, closed the door, covered my ears and started humming so I couldn't hear the last round of gun fire. The film which captured five academy awards is an explicit re-creation of three men's experiences in Vietnam.

Ron Stansbury, a Sun Petroleum Products Company financial clerk in Marcus Hook, saw the movie, too, and watched it to the end without blinking an eye. The irony is that Stansbury fought in Vietnam but he's managed, he feels, to block out most of the trauma.

"Some of the scenes in the movie were familiar but I couldn't relate to the specific situation because it didn't happen to me," he says. But there were other things that did.

"Frightened? Daily. The children got to me most. Some of them had half their faces blown away by napalm and there were stories about kids with live grenades tied to their backs who were told to run into American soldiers," he recalls.

On Dec. 20, 1966, the day he arrived in Vietnam, Stansbury saw a Korean soldier with Viet Cong ears strung to his belt. "I knew then what we were in for," he says. Stansbury served with the U.S. Air Force Air Rescue Squadron until December 26, 1967 and as the movie portrays, the Ron Stansbury flew helicopters through combat zones, under heavy artillery fire to pick up survivors, many of whom were not in one piece.

"Sure I got sick but I hardened to it pretty quickly," he says. That was the year the 19-year-old, born and raised and never out of Marcus Hook, grew up.

WILL IT STOP?

Is Vietnam ever going to stop haunting us? Do we really need movies like "The Deer Hunter" to make us weep again?

"I feel the movie is long overdue. We tend to put Vietnam behind us but we can't do that. It's left too many scars on the vets and civilians alike," says Stansbury. "It also shows us that war is definitely something to be avoided."

Vietnam devastated the battlefields and the homefront. Even today, four years since the official end of the war, veterans continue to question their involvement in a confrontation which did not clearly define the enemy or purpose and which brought them criticism rather than praise from the public that they were supposed to be protecting.

"This Nation's moral debt to Vietnam Era veterans still remains outstanding. They served their country during a painful time in a bitter war. They returned home to a country divided . . . (and) they never received the welcome we showered upon returning veterans of past wars."

That is part of a proclamation from President Carter who has declared May 28 through June 3, 1979, as Vietnam Veterans Week.

This week is designed to focus attention on the problems which are still facing Vietnam veterans. Unemployment is, perhaps, the most important of these. "The unemployment for many younger and minority veterans remains unacceptably high," says Dr. Dennis R. Wyant, deputy assistant secretary of labor for veterans employment.

Ron was fortunate. He joined Sun in 1968 shortly after completing military duty. "But it's hard for a lot of vets because we weren't taught a skill. We were handed a rifle and told to go out and kill," he says.

The psychological impact of the war is another poignant issue for anyone who was in Vietnam and in particular, for the men who returned disabled. As John Savage's Stevie, in "The Deer Hunter," so aptly played, it's hard for a man with no legs and one arm to pretend nothing has happened.

TAKE A WALK

"They're the real heroes as far as I am concerned," says Stansbury. "All you have to do is walk through any veterans hospital and see it." Most of them, he adds, "can handle their condition, it's the rejection they can't accept."

Vietnam Veterans Week is intended to bridge that gap. Business, government, media and the public are being asked to recognize the contributions of Vietnam era veterans, to emphasize the services available to them and to finally make them feel accepted into civilian life with the honor they deserve.

Vietnam Veterans Week and movies like "The Deer Hunter" may be uncomfortable experiences, granted. But often, growth for a person or a nation is painful.●

COST OF METRO

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. McKINNEY. Mr. Speaker, yesterday during the floor debate on H.R. 3914, a bill to increase the authorization for funding the District of Columbia share of Metro construction costs, I promised to provide for the Record the total cost of Metro to date and the projected cost for the completed 101 mile system. According to staff calculations, the total cost of Metro to date has been $3.5 billion. The total capital cost of the completed system is projected to be $6.9 billion.●

TAX-EXEMPT STATUS FOR FRATERNAL SOCIETIES

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. COTTER. Mr. Speaker, I have been in contact with the Knights of Columbus who are concerned that they may be adversely affected by an unforeseen interpretation of section 501(i) of the Internal Revenue Code. This section of the Code prohibits a tax-exempt status for organizations which discriminate on the basis of religion, but the technical problem this creates for the Knights was not intended when the law was enacted. Therefore, I am introducing legislation to correct this situation.

The Knights of Columbus are exempt from Federal income tax under section 501(c)(8) of the Internal Revenue Code. However, subordinate lodges of the Knights are unincorporated, therefore, those lodges desiring to hold title to real property must form an affiliated corporation. Some 2,000 of these affiliated corporations are exempt from the income tax under section 501(c)(7) of the Code as "social clubs."

As a member of the committee in 1976, it is my recollection that section 501(i) was aimed at organizations whose composition was not religiously centered, who had several religions represented among its members, but who refused membership to someone simply because they were a member of a particular religion. In order to be a member of the Knights of Columbus, and therefore a member of one of these affiliated corporations, an individual must be a practicing Catholic. This is not the type of discrimination section 501(i) was designed to prohibit.

It should be clearly understood that the Knights themselves will continue to be exempt from income tax under section 501(c)(8). It is only those affiliated corporations established to hold title to real property and which happen to have filed for an exemption under section 501(c)(7) which are in danger of losing tax-exempt status. The legislation I am introducing today will correct this situation by exempting auxiliaries of a fraternal beneficiary society from the provisions of section 501(i) under certain conditions. This merely returns these auxiliaries to the status they enjoyed prior to 1976.

I am including at this point a copy of my bill:

H.R. 4201

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (i) of section 501 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new sentence: "The preceding sentence to the extent it relates to discrimination on the basis of religion shall not apply to an auxiliary of a fraternal beneficiary society if such society is described in subsection (c)(8) and is exempt from tax under subsection (a) and if such society limits its membership to the members of a particular religion.".

(B) The amendment made by subsection (a) shall apply to taxable years beginning after October 20, 1976.●

SOVIET THREAT ON STRATEGIC METALS SEEN

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. BOB WILSON. Mr. Speaker, I call attention of my colleagues to the following article from the Washington Star of Monday, May 21, 1979:

Soviet Threat on Strategic Metals Seen

New York.—A strategic arms limitation treaty is nice to have, but the real Soviet threat to the United States is not military—it is their campaign to cut off U.S. supplies of strategic metals, a New Jersey industrialist says.

By shutting the United States off from sources of chromium, cobalt, manganese and tin, or even by running up the global prices of these metals, the communists can hurt the U.S. economy so badly that unemployment will rise rapidly and Americans will lose faith in their capacity to resist communist aggression, Dr. C. P. Covino, head of General Magnaplate Corp. of Linden, N.J., says.

Covino has spoken on this subject for several years. His company is doing something about it.

Magnaplate coats baser metals with layers of high-chrome or high-cobalt steel to help stretch the dwindling supplies of these strategic metals.

But Covino says Americans should not comfort themselves that either conservation methods or stockpiling the strategic metals will suffice.

Covino sees no indication that either the federal government or the responsible heads of industry in the United States are willing to face up to the seriousness of the critical strategic metals situation.

On the contrary, he said, Washington has aggravated the shortage of chromium by putting the racial and human rights issue in Rhodesia ahead of the legitimate national interests of the United States.

"People just refuse to face up to the fact that we live in a world where even a big power like the United States can be brought to its knees without chromium," Covino says. "It is a mistake to think that chrome is needed only to decorate automobiles and furniture or to make stainless steel. Every fine alloy steel known requires some chromium."

The main sources of chromium are Rhodesia and Russia. In recent years the price of chromium has shot up from $50–$60 a ton to more than $300.

Cobalt, he said, is the next most important strategic metal. It comes from Zaire in Africa, Russia and Turkey, and a little comes from Canada.

The main sources of supply are in those parts of Africa which the communists are busily endeavoring to take over. The price of cobalt has gone from $6 to $45 a pound in two years, Covino added.

Tin—produced in Malaysia, Bolivia and

Cornwall in England—and manganese, mainly from Russia, are other vital strategic metals.

"We sell the Russians our greatest strategic commodities—grain and foodstuffs—in enormous quantities, and don't exact guarantees on supplies of strategic metals in return", Covino complained.

He said he expects the raw materials shortage in strategic metals to spread to "shortages in everything," and that, he said, could create such vast unemployment in the United States that living standards will suffer and faith in free enterprise economics and government fade.

Covino criticized business leaders harshly for maintaining a "supermarket" mentality about raw materials.

"Like the government officials, industrial leaders seem unable to change their concept that raw material sources are unlimited and it's all just a matter of price and will continue to be so because it has been in the past," he said.

That's not true, Covino says. The struggle for control of strategic raw materials is a life-and-death matter and the winner will control the planet.●

IF OUR LAWS ARE SO GOOD, WHY DO WE NOT FOLLOW THEM?

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mrs. SCHROEDER. Mr. Speaker, talk of the "Perky Congress" is usually not a comment on its vim and vigor, but rather an observation that one of Congress perks is its exemption from business regulations. The following New York Times article explains how Congress carefully exempts itself from many of the laws which the private sector must obey.

Next Wednesday, May 30, I, along with some of my colleagues, will introduce the House Fair Employment Practices Act aimed at Congress' exemption from the provisions of title VII of the Civil Rights Act and the Equal Pay Act. This legislation will serve as a first step toward Congress putting its own house in order. As it now stands, employees have more protection against unfair employment practices in a slaughterhouse than they would have in the House of Representatives. The House Fair Employment Practices Act would provide the missing teeth needed to insure that congressional employees, now and in the future, are not discriminated against on the basis of race, sex, religion, national origin, or state of physical handicap:

THEY PASS THE LAWS AND ALSO EXEMPT THEMSELVES FROM MANY—CONGRESS CAREFULLY PRESERVES ITS PERKS

(By Steven Rattner)

WASHINGTON.—The executive branch of the Federal Government may labor under tough conflict-of-interest rules, and private companies may find mounting Social Security taxes a burden. But the United States Congress takes care of itself. The legislators have neither of those worries. In fact, they have exempted themselves from legislation in both areas, as well as many others.

Perhaps the most graphic illustration is conflict-of-interest. In the last few weeks, the White House has been fretting over rules coming into effect on July 1 that would limit jobs members of the executive branch could take after leaving the Government to those that do not involve matters with which they have been involved.

The Administration contends that such a regulation makes it difficult to attract top-notch people to Government posts—in fact, a number of people are leaving Federal service now, citing the July 1 deadline as the reason—and this week, the House is expected to take up an Administration proposal to relax the law. But Congress has placed no such restriction on its own members.

On Capitol Hill, meanwhile, the Senate voted March 8 to delay for four years a strict ceiling on the outside income its members could earn. The current limit, $25,000, was scheduled to drop to $8,625 Jan. 1. In addition, the limitation on Senate aides' outside income was to drop, from $25,000 a year to $1,500. According to Congressional Quarterly, 42 sitting senators earned more than $8,625 in 1977, the last year for which figures are available. Executive branch officials are allowed almost no outside income. "A double standard is not a new concept to the United States Congress," said Fred Wertheimer, senior vice president of Common Cause, the public affairs lobby. "The Senate action on outside income was a classic example of that. It was an outrage."

Two other changes affecting the personal finances of Congress are under consideration. In the House, which decided after brisk debate to keep its income limitation, a move is under way to raise the amount a representative or senator can deduct as business-related expenses. At present, the limit is $3,000 a year, the new ceiling would be $50 for each day of session, double or triple present levels. In the Senate, Robert Morgan, Democrat of North Carolina, is leading a fight to reduce the scope of the financial disclosures required of senators and their top aides.

On the very first day of this year's session, the House voted to weaken its disclosure requirements, on the ground that the changes would conform to the 1978 ethics legislation that applies to high Federal officials. But while the penalties for executive officials range up to $5,000 fines, the penalties for legislators would be far more modest, usually only censure.

Ethics by far from the only area in which executive and legislative practices diverge. Take the budget. In the last fiscal year, growth in Federal spending was held to 8 percent. Congress' own budget, however, rose by 11.1 percent. Then there's the matter of parking. As part of his most recent energy plan, President Carter announced that Federal employees who have enjoyed free or underpriced parking would gradually start paying commercial rates, beginning in the fall. On Capitol Hill, free parking slides on; rumblings have begun about imposing a fee, but few expect that legislators and their aides will pay commercial rates.

When it comes to personnel, Congress and the executive branch also have different ideas. The Civil Service laws, recently overhauled by Congress, prescribe detailed hiring, pay and job-security procedures for the executive branch. On Capitol Hill, such requirements are unknown. Legislators are mostly free to decide for themselves on hiring, firing and pay.

Congress has also exempted itself from the Civil Rights Act providing equal rights in hiring for minorities (the executive branch is covered by the law). Congress has tried to develop affirmative action programs, but few would control that affirmative action is given much priority in hiring. The same is true of the Equal Pay Act, designed to protect women's interests. The executive branch must conform to the Fair Labor Standards Act, which provides that employees working more than 40 hours in a week must be paid for the extra time at higher rates. Congress has no such requirements.

Congress has also left itself out of several procedural requirements it has imposed on the executive branch, most notably the Freedom of Information Act. Under that statute, the Government must turn over all requested documents unless it can offer and defend a good reason not to. On Capitol Hill, only official papers, filed through the clerk's offices, must be made public.

Even in the realm of management, Congress receives different treatment. The Occupational Safety and Health Act doesn't apply to Congress, nor do local building codes. Congressional officials maintain that the legislature goes out of its way to meet the standards anyway. For example, Congress is now spending $2.7 million to make its buildings and other facilities accessible to the handicapped, even though it legally doesn't have to.

But just two weeks ago a public interest law firm complained that Congress' power plant was violating local air pollution standards and said that it would take the Congress to court. Although Congressional officials maintain that the plant is in compliance, this time the Congress may be at greater jeopardy because legislators back in 1970 included all Federal facilities in the standards, as an example to private polluters.

To be sure, in some cases, the Congress has exempted not only itself but the executive branch from burdens imposed on individuals and private companies. The entire Federal Government, for example, is immune from the effects of rapidly rising Social Security taxes. Federal retirement plans, exempt from the Employee Retirement and Income Security Act, are generous—and Congressional retirement benefits are more generous than those for the executive branch.

Why all the special treatment? Convenience, in large part. And also, according to Elliott Carroll, assistant to the Architect of the Capitol, which does much of the administering, old English Common Law. "Those that make the laws," Mr. Carroll says, "do not make themselves subject to the administration of them by others." ●

ISRAELI DAY

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. HOLLENBECK. Mr. Speaker, on May 14, 1948, a courageous group of men and women met to sign a Declaration of Independence which proclaimed the creation of the sovereign state of Israel. In doing so, they took the first step toward a centuries old dream for an independent Jewish homeland, open to all and where people would be free to follow the teachings of their faith without the persecution they had endured for centuries. The rebirth of Israel was the fulfillment of a prophecy and the realization of a dream.

The week leading up to this 31st anniversary of Israel's independence produced a number of events that illustrated in microcosm the Jewish struggle for freedom, peace, and survival. Early in the week two little girls, their father, and a policeman were buried in Nahariya. All had fallen victim to the ravages of a Palestinian terrorist attack.

During this week at holocaust memorial services, President Carter recalled his visit to Yad Vashem, the Israeli memorial to the 6 million Jews killed by the Nazis. The President has my every support when he affirmed America's unshakable commitment that such an event will never recur on this Earth again.

More than on any of Israel's previous birthdays, there was reason for optimism. Less than a week after the President spoke, the freighter Ashdod became the first Israeli flag carrier to pass through the Suez Canal in 25 years. Our commitment to Israel and the new peace treaty with Egypt must not waver in light of these recent successes. There is still a great deal to be accomplished before a comprehensive peace involving all Arab communities is achieved.

The canal trip wasn't the only free passage Israelis were celebrating this week. There was still great relief and joy over the recent American exchange for Soviet dissidents. As a result of this exchange seven Soviet dissidents now have the opportunity to live free in their own homeland. Yet we must not forget those individuals who are still in Soviet prisons in large part because of their desire to emigrate to Israel.

Two years ago I symbolically adopted Mr. Yosef Mendelevich the Soviet prisoner of conscience incarcerated in the dreaded Chistopol prison. Mr. Mendelevich was arrested in June 1970 and convicted in the Leningrad trials of attempting to hijack an airplane. Because Mr. Mendelevich insists on carefully observing his orthodox religious traditions, his imprisonment has been made especially difficult.

While very impressive gains have been made in securing the release of our Jewish dissidents, we must continue our efforts for people like Mr. Mendelevich, until such a time that all who wish to emigrate from the Soviet Union to Israel have been freely permitted to do so.

It is in this spirit of achievement that Israel has dedicated itself over its 31 year history as a nation. In the years since its beginning Israel has developed into the nation that its founders envisioned—a strong prosperous state where the Jewish people control their own destiny. As we all know, Israel has also become the strong and faithful ally of the United States, a nation which has stood with America as the voice of democracy in the Middle East.

The 31st anniversary of the Independence of Israel marks an optimistic point in the history of this thriving nation. Over the past 31 years, Israel has developed at an astonishing pace. Agricultural, industrial, cultural, and educational achievements are worthy of great praise. All of this despite the four armed conflicts with Arab neighbors which required great sacrifice and caused heavy losses.

With the recent passage of an Egyptian-Israeli peace treaty, America has an even greater obligation to continue its support of Israel. The first step toward a comprehensive peace in the Middle East has been achieved. We must continue along these same lines with the hope that a future anniversary will also mark the achievement of just such a peace.●

ELECTRIC VEHICLES AND ENERGY

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. CORCORAN. Mr. Speaker, I am pleased to report that earlier this week, in response to my letter of April 30, I received a letter from the Architect of the Capitol regarding the Architect's use of electric vehicles. My letter to Architect White followed up my April 25 introduction of H.R. 3718, the Electric Vehicle Act of 1979. In my letter to the Architect, I urged that office to consider the use of EV's and that their findings be shared with other appropriate congressional operations such as the Government Printing Office.

I was happy to note that Architect White is investigating the use of EV's and that he plans to acquire two EV's for use by their security engineering department. I commend the Architect for his action and I hope that he will fully investigate the feasibility of utilizing more EV's in the future. As a member of the Commerce Subcommittee on Energy and Power, I am interested in taking whatever steps are necessary to reduce our dependence on foreign oil and that is why I am encouraging the production and sale of electric vehicles.

Two articles in the May 22 Washington Post emphasized the huge demand on gasoline placed by automobiles on our total petroleum supply. Both of these articles discuss the corporate average fuel economy (CAFE) standards which are addressed by my bill, H.R. 3718.

Mr. Speaker, for the benefit of my colleagues, I would like to place in the CONGRESSIONAL RECORD at this point the text of the letter from the Architect of the Capitol as well as the text of the two articles in the May 22 Washington Post:

WASHINGTON, D.C.,
May 14, 1979.

Hon. TOM CORCORAN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CORCORAN: In response to your letter of April 30, 1979, in which you call attention to proposed legislation (H.R. 3718) relating to the use of electric vehicles, I am pleased to report that we are in the process of acquiring two EVs to assist our Security Engineering Department personnel in the conduct of their activities from their station located at the Capitol Power Plant.

It appears that EVs will be the most suitable type of vehicle for this relatively short range. We will carefully monitor the use of these vehicles in case there are other activities of a similar nature where EVs may be applicable.

I shall, of course, be happy to discuss this matter further as you may deem desirable.

Cordially,

GEORGE M. WHITE,
FAIA Architect of the Capitol.

[From the Washington Post, May 22, 1979]

CARS OF THE FUTURE

(By C. Kenneth Orski)

Secretary of Transportation Brock Adams has been warning us that the existing fuel economy standards for new cars will not suffice in the long run. By the late 1980s the effect of raising the average fuel economy of new cars from the current 19 miles per gallong to 27.5 will have been largely realized, and petroleum demand will spurt once again. Beyond 1985, even a one-mile-per-gallon improvement in fuel economy per year for new cars may not be sufficient to offset the projected increases in automobile travel.

To confront the basic problem, Mr. Adams tells us, we must be prepared to do more: We must "reinvent," as it were, the car. The industry has to take a giant technological leap forward so that, by the end of the century, the fuel economy of all new cars produced in any one year would average 50 miles per gallon. To help us reach the 50-mpg goal by the year 2000, the secretary proposes to launch a massive government-funded program of basic automotive research. The price tag, according to Secretary Adams, may eventually reach the level of $100 million per year.

Is an Apollo-like crash program for the automobile really necessary?

According to many automotive experts, small, lightweight, highly efficient cars that would average 50 miles per gallon will soon be within our technological capability. The Volkswagen Rabbit diesel model already gets 42 miles to the gallon, while both the Ford Fiesta and the Japanese Honda are in the 35- to 40-mpg range. Improved automatic transmissions, lighter weight materials such as fiber-reinforced plastics, sophisticated small engines and better matching of the engine's power to the car's weight could place the goal of 50-mpg fuel economy within our grasp.

But such an achievement would come only at a price. A 50-mpg car would be significantly smaller and lighter than today's subcompacts—perhaps even smaller than the Honda Civic. The car might carry only two passengers in comfort and have little space left for luggage. It would have modest acceleration compared to today's automobiles. It might even have limited cruising range to save on the weight of its fuel payload. In short, the 50-mpg car of the future would be essentially a "city car"—a low-performance vehicle intended for commuting and for local, intra-metropolitan travel, which nevertheless typically accounts for up to 80 percent of auto travel in metropolitan areas.

But what of the other 20 percent? Men and women do not live by commuting alone. Of what use is a car that could not take a family on a 3,000-mile vacation trip to the Rockies; or pull a boat or trailer, or carry an extra load of camping gear? The beauty of the automobile is that it can serve a multiplicity of functions.

We may be past the point where we can afford the all-purpose automobile. We may be on the threshold of an era that will require sharper specialization of automobiles. Already now there is a family of differentiated vehicles: station wagons and limousines; vans and sports cars; recreational vehicles and pick-up trucks. We have devised personal vehicles to accommodate virtually every need, except our single largest need—an efficient and economical means of commuting to work.

A "city" car would not displace conventional automobiles. We would still need high-performance cars for driving on the open highway. But they would come to be viewed as "special-purpose" vehicles, as, say vans are viewed today. Those who could afford them would own them in addition to their everyday "city" car. For those without, there would be an alternative: a vastly improved system of renting and leasing automobiles.

Urban areas would fill up with small, super-efficient "city cars." The goal of 50-mpg average fuel economy would become a reality without the help of a billion-dollar Apollo program to "reinvent" the automobile.

From the very beginning of the automobile age, we have regarded the car as an article of personal possession to be used exclusively for the satisfaction of the owner's private mobility needs. While farmers have long ago learned to cooperatively own and use expensive farm machinery, the notion of sharing possession of automobiles somehow goes against the American grain. We tend to have too much emotional investment in our cars to treat them in a matter-of-fact way, like an ordinary chattel.

And yet there are tentative signs that our attitudes are changing. The practice of "time-sharing" vacation homes, boats and resort condominiums is spreading. Neighbors band together into informal cooperatives to acquire and own a whole range of equipment and facilities, from lawn mowers and power tools to swimming pools. Car rental agencies no longer cater exclusively to out-of-town visitors, but to local residents as well. All this suggests a growing public inclination to divorce the issue of automobile usage from automobile ownership. Only after we have fully conditioned ourselves to this dichotomy and institutionalized it throughout the economy will we have truly reinvented the automobile.

[From the Washington Post, May 22, 1979]

PAYING FOR OUR SHORTSIGHTEDNESS

(By Robert J. Samuelson)

Today's gasoline lines recall the television jingle that just coincidentally happens to be a commercial for Japanese cars: You asked for it, you got it. We are now paying for six years of shortsightedness.

So great is our capacity for self-deception that we may continue temporarily to think all this is a mammoth oil company hoax. Whatever the mistakes by oil companies and bureaucrats, the real causes lie in our naive view of the world and simplistic notions of our own self-interest.

Until recently, Americans conveniently assumed that Saudi Arabia's leaders would pump as much oil as the world needed until at least the mid-1980s. But why should they? The Saudis now have indicated that they will provide extra output only grudgingly—if at all.

Combined with the curtailment of Iranian production, the Saudi decision has left world oil supply and demand in precarious balance—or, more likely, with a 2 percent to 4 percent supply gap at last year's prices. Consequently, it's a seller's market; world oil prices already have risen 20 percent this year and may go higher. Scarce supplies and steep prices could slow economic growth significantly.

And the squeeze could persist for years.

To a large extent, the United States must bear responsibility for this mess. By last year, our oil demand (which is nearly 40 percent of the non-Communist total) had increased 8 percent since 1973. Most other major industrial countries were at or below 1973 levels. In turn, much of our higher demand stemmed from higher gasoline consumption and an almost slavish public—and congressional—devotion to low gasoline prices.

The real issue, of course, is not gasoline, but the automobile. It creates mobility, and mobility underpins our economic and social life. Lose it, and the country is in deep trouble. The irritation of gasoline waiting lines provides only a foretaste. When oil became a live political issue, what mattered most was preserving mobility.

Doing this involved the ho-hum job of pushing Americans towards more-fuel-efficient vehicles and more economical transportation patterns. Short of actual shortages—what we now risk—the most practical way to accomplish this was to make Americans pay the full price of their fuel plus, for a bit of extra insurance, as gasoline tax.

Congress, however, never fixed its attention on mobility, but only on the more conspicuous symbol of the pump. Rejecting every proposal to raise U.S. oil prices to world levels—and huffing at the mere hint of a gasoline tax—Congress temporarily succeeded in keeping gasoline price increases below the rate of inflation. In 1978, "real" gasoline prices were 8 percent lower than in 1974.

As for mobility, Congress contended itself with mandating auto manufacturers to improve fuel efficiency. This is a tried-and-true formula: Insulate the voter; put the burden on industry.

But it hasn't worked. One debating point that a lot of people in Washington make is that gasoline prices don't affect demand, but saying that is the same as saying people are stupid. Fuel prices influence the type of cars people buy and their travel habits. Dramatically, no; significantly, yes. Small differences for individuals create major differences in overall fuel demand.

The message from Washington was simple: Don't worry.

Most people didn't. Sales of subcompact cars, which recently have jumped sharply, slumped from 19.4 of the total in 1974 to 14.1 percent in 1976 and 16.1 percent in 1977. Sales of light trucks and vans—with relatively low mileage—experienced a boom, increasing from 2.6 million units in 1973 (a good year) to 3.8 million units last year.

At the same time, drivers started driving more. Between 1974 and 1977, the average amount of driving per car increased more than 4 percent. In 1974, driving per car had dropped 5 per cent. Although some of that reflected the impact of the oil embargo and the economic slowdown, the fact that driving didn't snap back immediately indicated the profound effect of price.

As for fuel-economy improvements, they have not—and will not—yield the expected benefits. The automakers so far have achieved the required standards, but in real life efficiency improvements don't match the test results.

The difference is significant. In 1977, the average new car actually got about 3.2 miles per gallon less than the official rating, according to the Energy Department. No one can explain the discrepancy fully, though theories abound: Test driving is artificial, people are doing more city (low-milage) than highway driving and companies are designing cars more for tests than for real life.

If the current gap persists until 1985—and some analysts think it will get worse—the mandated fuel economy of 27.5 miles per gallon would equal only about 22.

All this effects mobility. Enormous pressures exist to increase fuel demand. Between 1975 and 1985, for example, the number of licensed drivers is expected to rise from 130 million to 151 million. Though new cars will get better mileage, the improvement may not offset this natural increase. That's especially true if average driving increases. Last year's gasoline demand (7.42 million barrels a day) far exceeded forecasts and was 11 percent above 1973 levels.

Of course, no one's going anywhere without fuel. It sounds easy to order auto companies to make further efficiency improvements, but if that makes cars cost too much, consumers won't buy. Better to shift demand toward more efficient cars; the way to do that is to get price controls off oil and gasoline. By now, it ought to be clear that procrastination simply makes matters worse later and leads to yet higher foreign oil prices.

This message still hasn't gotten through to many of our most prominent politicians, including Sen. Edward M. Kennedy (D-Mass.) who denounces decontrol as an unfair burden on the poor. This is good speech making, but a false choice. Already, the tourism industry fears the consequences of gasoline scarcities; it's the job of maids, waiters and clerks that will be lost. Liberals and conservatives ought to be arguing over who will receive the higher oil revenues, not over whether prices go up.●

FAIR HOUSING FOR ALL

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DRINAN. Mr. Speaker, I commend to my colleagues the following editorial which recently appeared in America Magazine, the national Catholic weekly. Early this year Congressman DON EDWARDS and I introduced legislation, H.R. 2540, to strengthen title VIII, the Fair Housing Act of 1968. H.R. 2540 would provide the Federal muscle and effort for fighting housing discrimination which this editorial calls for and which is presently lacking in title VIII.

FAIR HOUSING FOR ALL

LeCorbusier once said that a house is a machine in which to live, and by that standard millions of American families are currently confined to mechanisms that are either old-fashioned or about to collapse. The poor, of course, are routinely the victims of overcrowding or of inadequate housing, but poverty is not the only handicap. A study made last year for the Department of Housing and Urban Development (H.U.D.) reported widespread discrimination against blacks in housing sales and rentals. It is commonly difficult for women to obtain mortgage loans for buying houses, and landlords controlling tens of thousands of apartment units in a city like New York have been charged with prejudice toward Puerto Ricans and other Hispanics.

Thirty years ago, the Housing Act of 1949 called for "the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family." To advance the attainment of that ideal, Title VIII of the Civil Rights Act of 1968 forbade builders and sellers, landlords, real estate brokers and mortgage lenders to discriminate on the basis of race, color, religion, sex or national origin. In a perfectly ordered world this law would have eliminated practices as blunt as a flat refusal to sell or rent and as subtle as the most covert forms of blockbusting or redlining or the steering of clients into a paricular neighborhood.

Some 50 Federal agencies, most notably H.U.D. and the Housing and Credit Section of the Department of Justice's Civil Rights Division, are supposed to enforce this Fair Housing Act, as Title VIII is called. In October 1977, the Carter Administration asked the U.S. Commission on Civil Rights to examine the performances of these agencies, and the commission's reply, a 235-page report called "The Federal Fair Housing Effort," was released on April 11.

No doubt, the study would never have been undertaken if the Federal executive agencies in question had been clearly, if not spectacularly, successful in erasing housing discrimination. It was to be expected, therefore, that the Civil Rights Commission would arrive at an overall conclusion that is largely critical. After reviewing the period from January 1975 through August 1978, the commission found that "while there have been some significant improvements in the Federal fair housing effort, for the most part this progress has been isolated and sporadic," and there is still "no comprehensive or coordinated Federal strategy to secure fair housing." There is need for more muscle, more effort and more money. The report recommends that Title VIII be strengthened, that the agencies become more active and that their budgets be fattened. It points out that the Government currently spends $300 million to enforce equal employment laws but only $17.4 million for fair housing programs.

It is no disparagement of those sensible recommendations to add that on this report's own showing, those Federal agencies have also moved the nation somewhat along the road to that goal of decent housing for all citizens. By doing so, they have proved that Government regulations are useful for nudging both individuals and corporations in the right direction. Nowadays, rules of this sort are attacked from various distinguished encampments. Business and industry complain that compliance with environmental and equal employment opportunity regulations cost them billions. Universities complain that affirmative action directives strain their resources. But without that Federal intervention, the pursuit of virtue might be set aside as too burdensome. The Civil Rights Commission notes that the private housing industry does not have much incentive to correct Title VIII violations as long as it knows that the Justice Department does not have enough money to chase down the violators. Of course, Americans are properly anxious to preserve the balance between regulation and freedom. But as far as housing is concerned, the injustice of discrimination is still a greater threat than bureaucratic tyranny.●

UNCONSTITUTIONAL TRENDS IN GOVERNMENT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. McDONALD. Mr. Speaker, Tuesday, May 22, the House of Representatives, by an overwhelming margin, voted favorably on H.R. 4011, Small Business Programs Authorizations. This legislation included disaster assistance and extends over the next 3 years. The price tag to the U.S. taxpayers for H.R. 4011 will be in excess of $5 billion dollars—no small sum.

On initial review, promotion of small business and relief from the effects of disaster certainly are worthy goals. The question is whose responsibility is such activities? Is such activity a legitimate function of our Federal Government? Any classical interpretation of the U.S. Constitution reveals H.R. 4011 as clearly unconstitutional.

Amendment X of the Constitution—amendment X of the Bill of Rights—states:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

There is no place in the law, that is, Constitution, that allows any citizen to be taxed to support small business, medium business, or large business. The same point applies to any Federal action in the area of disaster relief. It should be added that disaster relief by individual States, communities, churches, charities, or individuals would be absolutely legal. The Federal Government is prohibited by amendment X.

One may object to saying that the Supreme Court does not hold to such a strict interpretation. That is true today but only because the Federal courts today are guided by the principle of social law rather than constitutional law. The disastrous change in our courts took place by 1936; the byproduct of this change is the current malignant growth in our Federal Government. Today, as a result of the transition to social law interpretation by the Federal judiciary, the general attitude is that the Federal Government may do anything it wishes or deems is for the good of the people. Thus, under social law promotion of business and disaster relief are legitimate functions of the Federal Government. Needless to add, such a view of government would have horrified our Founding Fathers.

Some may wonder why we are in our current economic mess of skyscraper budgets, massive deficits, unprecedented national debts, mounting taxes, sustained levels of inflation, et cetera. The answer is simple: We have allowed the restraints by the Constitution upon Government to be destroyed.

This destruction of constitutional restraints has been the trend since its adoption in the 18th century. From the New Deal era to the present, the rate of this destruction has greatly accelerated.

In the 19th century, this debate raged in the Congress and was over the issue of disaster relief. Congressman Davey Crockett was forced to face the issue and uphold the Constitution.

In the volume, "The Life of Colonel David Crockett," compiled by Edward S. Ellis (Philadelphia: Porter & Coates, 1884), this story is reviewed and was recently reprinted in a special issue bulletin of the Foundation for Economic Education, Inc. This group, known as FEE, is located at Irvington-on-Hudson, N.Y.

For the benefit of my colleagues the article follows:

NOT YOURS TO GIVE

One day in the House of Representatives, a bill was taken up appropriating money for the benefit of a widow of a distinguished naval officer. Several beautiful speeches had been made in its support. The Speaker was just about to put the question when Crockett arose:

"Mr. Speaker—I have as much respect for the memory of the deceased, and as much sympathy for the sufferings of the living, if suffering there be, as any man in this House, but we must not permit our respect for the dead or our sympathy for a part of the living to lead us into an act of injustice to the balance of the living. I will not go into an argument to prove that Congress has no power to appropriate this money as an act of charity. Every member upon this floor knows it. We have the right, as individuals, to give away as much of our own money as we please in charity; but as members of Congress we have no right so to appropriate a dollar of the public money. Some eloquent appeals have been made to us upon the ground that it is a debt due the deceased. Mr. Speaker, the deceased lived long after the close of the war; he was in office to the day of his death, and I have never heard that the government was in arrears to him.

Every man in this House knows it is not debt. We cannot, without the grossest corruption, appropriate this money as the payment of a debt. We have not the semblance of authority to appropriate it as a charity. Mr. Speaker, I have said we have the right to give as much money of our own as we please. I am the poorest man on this floor. I cannot vote for the bill, but I will give one week's pay to the object, and if every member of Congress will do the same, it will amount to more than the bill asks."

He took his seat. Nobody replied. The bill was put upon its passage, and, instead of passing unanimously, as was generally supposed, and as, no doubt, it would, but for that speech, it received but few votes, and, of course, was lost.

Later, when asked by a friend why he had opposed the appropriation, Crockett gave this explanation:

"Several years ago I was one evening standing on the steps of the Capitol with some other members of Congress, when our attention was attracted by a great light over in Georgetown. It was evidently a large fire. We jumped into a hack and drove over as fast as we could. In spite of all that could be done, many houses were burned and many families made houseless, and, besides, some of them had lost all but the clothes they had on. The weather was very cold, and when I saw so many women and children suffering, I felt that something ought to be done for them. The next morning a bill was introduced appropriating $20,000 for their relief. We put aside all other business and rushed it through as soon as it could be done.

"The next summer, when it began to be time to think about the election, I concluded I would take a scout around among the boys of my district. I had no opposition there, but, as the election was some time off, I did not know what might turn up. When riding one day in a part of my district in which I was more of a stranger than any other, I saw a man in a field plowing and coming toward the road. I gauged my gait so that we should meet as he came to the fence. As he came up, I spoke to the man. He replied politely, but, as I thought rather coldly.

"I began: 'Well, friend I am one of those unfortunate beings called candidates, and—'

" 'Yes, I know you; you are Colonel Crockett. I have seen you once before, and voted for you the last time you were elected. I suppose you are out electioneering now, but you had better not waste your time or mine. I shall not vote for you again.'

"This was a sockdolager . . . I begged him to tell me what was the matter.

" 'Well, Colonel, it is hardly worth-while to waste time or words upon it. I do not see how it can be mended, but you gave a vote last winter which shows that either you have not capacity to understand the Constitution, or that you are wanting in the honesty and firmness to be guided by it. In either case you are not the man to represent me. But I beg your pardon for expressing it in that way. I did not intend to avail myself of the privilege of the constituent to speak plainly to a candidate for the purpose of insulting or wounding you. I intend by it only to say that your understanding of the Constitution is very different from mine; and I will say to you what, but for my rudeness, I should not have said, that I believe you to be honest. . . . But an understanding of the Constitution different from mine I cannot overlook, because the Constitution, to be worth anything, must be held sacred, and rigidly observed in all its provisions. The man who wields power and misinterprets it is the more dangerous the more honest he is.'

" 'I admit the truth of all you say, but there must be some mistake about it, for I do not remember that I gave any vote last winter upon any constitutional question.'

" 'No, Colonel, there's no mistake. Though I live here in the backwoods and seldom go from home, I take the papers from Washington and read very carefully all the proceedings of Congress. My papers say that last winter you voted for a bill to appropriate $20,000 to some sufferers by a fire in Georgetown. Is that true?'

" 'Well, my friend; I may as well own up. You have got me there. But certainly nobody will complain that a great and rich country like ours should give the insignificant sum of $20,000 to relieve its suffering women and children, particularly with a full and overflowing Treasury, and I am sure, if you had been there, you would have done just as I did.'

" 'It is not the amount, Colonel, that I complain of; it is the principle. In the first place, the government ought to have in the Treasury no more than enough for its legitimate purposes. But that has nothing to do with the question. The power of collecting and disbursing money at pleasure is the most dangerous power that can be intrusted to man, particularly under our system of collecting revenue by a tariff, which reaches every man in the country, no matter how poor he may be, and the poorer he is the more he pays in proportion to his means. What is worse, it presses upon him without his knowledge where the weight centers, for there is not a man in the United States who can ever guess how much he pays to the government. So you see, that while you are contributing to relieve one, you are drawing it from thousands who are even worse off than he. If you had the right to give anything, the amount was simply a matter of discretion with you, and you had as much right to give $20,000,000 as $20,000. If you have the right to give it to one, you have the right to give to all; and, as the Constitution neither defines charity nor stipulates the amount, you are at liberty to give to any and everything which you may believe, or profess to believe, is a charity, and to any amount you may think proper. You will very easily perceive what a wide door this would open for fraud and corruption and favoritism, on the one hand, and for robbing the people on the other. No, Colonel, Congress has no right to give charity. Individual members may give as much of their own money as they please, but they have no right to touch a dollar of the public money for that purpose. If twice as many houses had been burned in this country as in Georgetown, neither you nor any other member of Congress would have thought of appropriating a dollar for our relief. There are about two hundred and forty members of Congress. If they had shown their sympathy for the sufferers by contributing each one week's pay, it would have made over $13,000. There are plenty of wealthy men in and around Washington who could have given $20,000 without depriving themselves of even a luxury of life. The congressmen chose to keep their own money, which, if reports be true, some of them spend not very creditably; and the people about Washington, no doubt, applauded you for relieving them from the necessity of giving by giving what was not yours to give. The people have delegated to Congress, by the Constitution, the power to do certain things. To do these, it is authorized to collect and pay moneys, and for nothing else. Everything beyond this is usurpation, and a violation of the Constitution.

" 'So you see, Colonel, you have violated the Constitution in what I consider a vital point. It is a precedent fraught with danger to the country, for when Congress once begins to stretch its power beyond the limits of the Constitution, there is no limit to it, and no security for the people. I have no doubt you acted honestly, but that does not make it any better, except as far as you are personally concerned, and you see that I cannot vote for you.'

"I tell you I felt streaked. I saw if I should have opposition, and this man should go to talking, he would set others to talking, and in that district I was a gone fawn-skin. I could not answer him, and the fact is, I was so fully convinced that he was right, I did not want to. But I must satisfy him, and I said to him:

" 'Well, my friend, you hit the nail upon the head when you said I had not sense enough to understand the Constitution. I intended to be guided by it, and thought I had studied it fully. I have heard many speeches in Congress about the powers of Congress, but what you have said here at your ploy has got more hard, sound sense in it than all the fine speeches I ever heard. If I had ever taken the view of it that you have, I would have put my head into the fire before I would have given that vote; and if you will forgive me and vote for me again, if I ever vote for another unconstitutional law I wish I may be shot.'

"He laughingly replied: 'Yes, Colonel, you have sworn to that once before, but I will trust you again upon one condition. You say that you are convinced that your vote was wrong. Your acknowledgment of it will do more good than beating you for it. If, as you go around the district, you will tell people about this vote, and that you are satisfied it was wrong, I will not only vote for you, but will do what I can to keep down opposition, and, perhaps, I may exert some little influence in that way.'

" 'If I don't,' said I, 'I wish I may be shot; and to convince you that I am in earnest in what I say I will come back this way in a week or ten days, and if you will get up a gathering of the people, I will make a speech to them. Get up a barbecue, and I will pay for it.'

" 'No, Colonel, we are not rich people in this section, but we have plenty of provisions to contribute for a barbecue, and some to spare for those who have none. The push of crops will be over in a few days, and we can then afford a day for a barbecue. This is Thursday; I will see to getting it up on Saturday week. Come to my house on Friday, and we will go together, and I promise you a very respectable crowd to see and hear you.'

" 'Well, I will be here. But one thing more before I say good-by. I must know your name.'

" 'My name is Bunce.'

" 'Not Horatio Bunce?'

" 'Yes.'

" 'Well, Mr. Bunce, I never saw you before, though you say you have seen me, but I know you very well. I am glad I have met you, and very proud that I may hope to have you for my friend.'

"It was one of the luckiest hits of my life that I met him. He mingled but little with the public, but was widely known for his remarkable intelligence and incorruptible integrity, and for a heart brimful and running over with kindness and benevolence, which showed themselves not only in words but in acts. He was the oracle of the whole country around him, and his fame had extended far beyond the circle of his immediate acquaintance. Though I had never met him before, I had heard much of him, and but for this meeting it is very likely I should have had opposition, and had been beaten. One thing is very certain, no man could now stand up in that district under such a vote.

"At the appointed time I was at his house, having told our conversation to every crowd I had met, and to every man I stayed all night with, and I found that it gave the people an interest and a confidence in me stronger than I had ever seen manifested before.

"Though I was considerably fatigued when I reached his house, and, under ordinary circumstances, should have gone early to bed, I kept him up until midnight, talking about the principles and affairs of government, and got more real, true knowledge of them than I had got all my life before.

"I have known and seen much of him since, for I respect him—no, that is not the word—I reverence and love him more than any living man, and I go to see him two or three times every year; and I will tell you, sir, if every one who professes to be a Christian lived and acted and enjoyed it as he does, the religion of Christ would take the world by storm.

"But to return to my story. The next morning we went to the barbecue, and, to my surprise, found about a thousand men there. I met a good many whom I had not known before, and they and my friend introduced me around until I had got pretty well acquainted—at least, they all knew me.

"In due time notice was given that I would speak to them. They gathered up around a stand that had been erected. I opened my speech by saying:

" 'Fellow-citizens—I present myself before you today feeling like a new man. My eyes have lately been opened to truths which ignorance or prejudice, or both, had heretofore hidden from my view. I feel that I can today offer you the ability to render you more valuable service than I have ever been able to render before. I am here today more for the purpose of acknowledging my error than to seek your votes. That I should make this acknowledgment is due to myself as well as to you. Whether you will vote for me is a matter for your consideration only.'

"I went on to tell them about the fire and my vote for the appropriation and then told them why I was satisfied it was wrong. I closed by saying:

" 'And now, fellow-citizens, it remains only for me to tell you the most of the speech you have listened to with so much interest was simply a repetition of the arguments by which your neighbor, Mr. Bunce, convinced me of my error.

" 'It is the best speech I ever made in my life, but he is entitled to the credit for it. And now I hope he is satisfied with his convert and that he will get up here and tell you so.'

"He came upon the stand and said:

" 'Fellow-citizens—It affords me great pleasure to comply with the request of Colonel Crockett. I have always considered him a thoroughly honest man, and I am satisfied that he will faithfully perform all that he has promised you today.'

"He went down, and there went up from that crowd such a shout for Davy Crockett as his name never called forth before.

"I am not much given to tears, but I was taken with a choking then and felt some big drops rolling down my cheeks. And I tell you now that the remembrance of those few words spoken by such a man, and the honest, hearty shout they produced, is worth more to me than all the honors I have received and all the reputation I have ever made, or ever shall make, as a member of Congress.

"Now, sir," concluded Crockett, "you know why I made that speech yesterday.

"There is one thing now to which I will call your attention. You remember that I proposed to give a week's pay. There are in that House many very wealthy men—men who think nothing of spending a week's pay, or a dozen of them, for a dinner or a wine party when they have something to accomplish by it. Some of those same men made beautiful speeches upon the great debt of gratitude which the country owed the deceased—a debt which could not be paid by money—and the insignificance and worthlessness of money, particularly so insignificant a sum as $10,000, when weighed against the honor of the nation. Yet not one of them responded to my proposition. Money with them is nothing but trash when it is to come out of the people. But it is the one great thing for which most of them are striving, and many of them sacrifice honor, integrity, and justice to obtain it." ●

TURMOIL IN THE EASTERN MEDITERRANEAN

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DASCHLE. Mr. Speaker, the continued turmoil in the eastern Mediterranean keeps Greece, Turkey, and Cyprus before U.S. policymakers. It is unfortunate that decisions are often made without perspective and from crisis to crisis. The history, for example, of U.S. involvement in this area, especially in the post-World War II period, is an essential element in understanding today's events.

A distinguished journalist and political activist, Elias P. Demetracopoulos, recently described some of these past events involving his native country, Greece. Mr. Demetracopoulos was a key opponent of the now-fallen Athens junto, who fought as tirelessly and effectively—between 1967 to 1974—against the granting of U.S. aid to the Greek military dictatorship as he does now against Turkey because of the brutal invasion of Cyprus. There has been no clearer, more forceful, and revealing account to my knowledge of the events before, during, and after the tragic military dictatorship in Greece than Mr. Demetracopoulos' recent speech at the Athenaeum Club at the American University which I recommend strongly to my colleagues. The speech follows:

GREECE—12 YEARS AFTER THE COUP

It is very gratifying for me to address you concerning the subject which brought me to this country to live over ten years ago. I sought exile in the United States because 12 years ago, American-made tanks rolled through the streets of Athens and a military junta seized power in Greece.

The coupe of 1967 succeeded because of complacency, which is always the greatest threat to democracy. In my country, there were many people who, in the spring of 1967, thought that democracy would survive no matter what happened. There were similarly many people in both Greece and elsewhere who were prepared to compromise on democracy because of fear or indifference or for personal gain.

The prevailing climate in Greece and in the United States toward Greece at that time was a combination of this complacency and fear. The combination produced a nightmare for my country from which we are now only beginning to recover.

Because the history of Greece since the Second World War has been so closely tied to the United States, it should not be surprising that my country is affected greatly by what the United States does. It is a paradox that these relations are often one-sided; what Greece does is not generally thought to be of much importance to the United States.

What I would like to do this evening, therefore, is to trace Greek-U.S. relations over the past 35 years to see what lessons there are for both countries.

Let me begin with both a conclusion and a prediction: the conclusion is that Greek attitudes toward the United States are at the lowest level in modern history; the prediction is that these attitudes, although subject to the ebb and flow of specific events, will never return to the heights of the post-World War II period.

Greece, as you may recall, became known in World War II for its monumental resistance against the Italian and the German invasion forces. The end of the war, which brought peace and painful reconstruction to Western Europe and Communism to Eastern Europe, marked the beginning of a tragic civil war in my country. The Truman Doctrine, enacted because of that civil war, was the beginning of a remarkably close military and political cooperation between the United States and Greece.

This resulted in a predominant American role in Greek politics. The 1950s witnessed Greece's entry into the North Atlantic Treaty Organization under American sponsorship, the establishment of important American military bases in Greece and American expenditures of approximately $4 billion on a massive economic and military assistance programme for Greece.

By the 1960s, the relationship between Greece and the United States had stabilized. This was due to Greek economic prosperity, the superior military force of the United States (as expressed in NATO) and the mutual interests of the two countries in the Eastern Mediterranean.

The Greek commitment in 1961 to become a full member of the European Community was one manifestation of Greece's new ability to view its interests separate from those of the United States. For the first time, political leaders, other than the Communists, could question whether Greek dependence on Washington was necessarily in the best national interests of Greece.

An acute political crisis arose on July 15, 1965, when Prime Minister George Papandreou was forced to resign by King Constantine. After a prolonged political deterioration, a conservative government was named to hold new elections. The strength of the Democratic Left was now viewed by certain Greek leaders as a threat to the traditional economic and political system. The fear which animated ultra-conservative political leaders, including many of the king's supporters, was particularly strong among the Greek military whose loyalty to the royal family was still unquestioned.

The instinctive American reaction was to draw closer to conservative political forces. As the elections of May 1967 approached, predictions of another massive victory by the liberal Centre Union brought ultra-conservative forces, supported implicitly by the United States, to the brink of panic. The strong possibility of a coup by the King's military supporters dominated the political scene.

Instead, a group of senior field grade and intelligence officers staged a coup which they had planned many years earlier.

Was the United States involved in the coup? If by "involved" one means that the United States actively planned and executed the end of Greek democracy, I would have to say that, to the best of my knowledge, no conclusive documentary evidence exists yet.

If, however, the question implies a community of interest between Greek and American military and civilian leaders who saw the coup as a restoration of "stability" which guaranteed, among other things, U.S. base rights, the answer is, regrettably, "yes."

But the actual American role in the spring of 1967 is not the true measure of United States policy over the past 12 years. More significant, in Greek eyes, is the policy followed since those terrible days. For seven years, two American Administrations passively watched the strangulation of Greek democracy by U.S.-trained officers who imprisoned political leaders and editors, debased and degraded the armed forces, tortured courageous resisters and attacked defenseless students.

When European countries questioned American and NATO policy toward Greece during this period, the United States sought quiescence; when American Congressional critics wondered what had happened to the alliance of democrats, which NATO was intended to be, senior American officials testified that such concerns had to be balanced by military considerations.

The paradox for American policymakers is that the American bases for which so much was sacrificed during the dark years of the dictatorship are threatened today as the Greek Government reassesses its relationship with the United States.

The dictatorship ended not because of American support or encouragement for a return to democracy but because of the madness of the Greek dictators themselves who sought to install on Cyprus a version of their own junta. The violent Turkish reaction to this attempt caused both the Cypriot and Greek governments to fall.

There are lessons in the unhappy story for both countries. The Greek people today, I believe, are more realistic—some would say cynical—about alliances and allies. Although the tragic events on Cyprus are not fully absorbed yet, there is developing in Greece a sense of self-reliance which I judge to be healthy, considering past Greek dependence on outside powers.

I believe that Greece will place, for example, more trust in the proximity of the European Community, to which it is now fully committed for membership, and less faith in a superpower whose interests now seem more remote.

The United States has lessons to be learned from this tragic chapter in my country's history. As I said earlier, the relations between a powerful global power and a small Mediterranean country have an unequal reciprocal value; what happened in Greece is less important to Americans than America's role is to Greeks. But the lessons of Greece can be ignored by the United States only at the risk of repeating those errors elsewhere.

Let me summarize these lessons as I see them:

(1) In a world obsessed with military strength, there are some things more important than naval bases, landing fields and aircraft carriers. If we forget the purposes of military strengths, as American governments forgot the purpose of NATO—which was to safeguard the development of democracy—both democracy and the military alliance are badly damaged.

(2) Military assessments are no substitute for political judgment; to confuse the two does a disservice to both.

(3) The refusal to consider internal political development, including human rights, in an ally's country, is worse than shortsightedness; it is sheer stupidity.

(4) The ideals of American democracy are also the ideals of much of the world. That democratic tradition must animate American policy more clearly in the future than it has in the past decade. I say this as a person who has grown to appreciate this country during my forced exile here for most of that decade. But I can also see this country with a detachment few Americans have. America is a better country than its foreign policy would indicate.

(5) The physical isolation which has meant so much in American history still insulates its citizens from an active concern with the rest of the world. The Congress, which has so often in the years of the dictatorship been the only source of hope for Greece, has a most important role in translating popular concern for democratic government into an effective and courageous foreign policy.

When the Turks sensed weakness in the American position and an inability on the part of Greece to respond militarily, they enlarged their occupation area on Cyprus to cover nearly 40 percent of the island. Over 200,000 refugees were created. When an indignant American Congress attempted to stop U.S. military aid from being used for aggressive purposes by Turkey, the Secretary of State asked for time to persuade the Turks to withdraw. The Turks then solidified their occupation zone and their military leaders are clearly in control both in Ankara and in Cyprus. The American policy of seeking to protect its military bases has now produced a threat to those bases in both Greece and Turkey. Even more dangerous, American policy under Secretary Kissinger produced a situation where Greece and Turkey faced the real danger of a new war over the Aegean Sea.

The hopes which Jimmy Carter and Walter Mondale encouraged for new directions in U.S. policy in the Aegean have now been destroyed. Despite campaign pledges to proceed on different principles, the Carter Administration's policies do not differ from those of Ford and Kissinger. The result is a new cynicism in Greece over American willingness to persevere with its principles in difficult days.

To counter this damage to American interests will not be easy. The recent and renewed American bias toward Turkey must be rectified. It was Congress which ordered aid to Turkey suspended four years ago, because Turkey used U.S. arms illegally to invade and occupy Cyprus. President Carter persuaded a bare majority of the Congress to end the embargo and normalize relations with Turkey. The major argument that the Administration presented for ending the embargo is that such an action would persuade Turkey to reopen U.S. bases which were closed after the Congressional arms embargo. Once again the United States puts military bases above all else.

The repeal fight, incidentally, had many ironies. One concerns the Greek government.

During the final months of the Turkish arms embargo fight in Washington, the Greek government's representatives worked on the assumption that the embargo would be repealed. Consequently, they concentrated their efforts on gaining legislative language and the military aid to help the Karamanlis government minimize the impact of the repeal.

In the lobbying process, the Greek government neglected the long-term interests of Cyprus and perhaps contributed to the repeal victory of President Carter. These are the observations of many "insiders" on Capitol Hill representing both Houses of Congress and both political parties. The obvious elation of the State Department and other government officials who watched the Greek maneuvers confirmed these observations.

What effect the lobbying of the Greek government had on doubtful congressmen facing the embargo vote will never be known. The Senate had already voted for repeal by the wider margin of 57–42. But the vote in the House of Representatives was 208–205 in favour of ending the embargo imposed on Turkey for its Cyprus invasion. If only two votes had switched, the President's repeal—which directly violated his campaign promises—would have been defeated in the House. A House-Senate compromise under those conditions would probably have produced a genuine conditional repeal requiring specific actions by Turkey on Cyprus before unlimited arms were released.

As it turned out, the substantive agreement on repeal between the two houses of Congress insured that a vast new supply of U.S. weapons would flow again to Turkey even while its troops remain in occupation of Cyprus. The decision by Greece to anticipate and to accept that repeal and to concentrate on its own interests in the foreign aid bill is a sad chapter in the relations between Greece and Cyprus. The bitterness now marking relations between the two countries reflects directly the lack of confidence between President Kyprianou and Prime Minister Karamanlis.

The attitudes of the Greek government on the embargo repeal shocked many people in Washington. But if you remember the panic of that same government in March 1976 when Turkey and the United States signed a new base agreement, there should be no surprise now. In 1976, Athens insisted on equal treatment after the Turkish base agreement was announced. (Why any country would want treatment equal to a law violater, as Turkey was, is another irony and mystery.) This insistence was an extremely unfortunate policy direction for the Karamanlis government to take, but it did show the observant that the Athens governments had the Greek relation with Washington—not the aggression on Cyprus—as a primary interest.

American legislative experts confirm that there is absolutely no "conditionality" in the new legislation which ties arms to Turkey to any action toward solving the Cyprus problem. The only new material added by Congress when it repealed the embargo was "sense of Congress" provisions which have no legal effect, and a $35 million grant aid provision for Greece. The latter was added by the House International Relations Committee in a frank gesture to approve changes to pass the bill by appeasing Greece. It seemed to work. In Washington, the remark was often heard that Greece was to receive its 35 pieces of silver for accepting the repeal.

Of course, there were reasons from the purely Athenian viewpoint, for abandoning the embargo. First, the Greek government seemed to accept the Carter view that the embargo, no matter how well intentioned, simply did not work to influence the Turks. Second, the intensity of the Carter Administration effort to repeal the embargo meant that Greece would find increasingly hostile feelings emanating from the State Department, the Defense Department, the C.I.A., and the White House if Athens insisted on supporting the embargo. Third, the death of Archbishop Makarios in August 1977 meant the removal of a political force with which Karamanlis had always to reckon with. The Archbishop-President had influence in Greece no Prime Minister, not even the olympian Karamanlis, could ignore Makarios. President Kyprianou, no matter what his political skills, is not a Makarios, and he cannot realistically pose a political threat to the "New Democracy" forces even if there were a public split between Greece and Cyprus.

Fourth, the usefulness of the embargo for Greece had diminished. The embargo was very useful for Greece in its bilateral confrontation with Turkey in the 1975–77 period. The Greek army was both demoralized and badly equipped after the junta years. It needed time to rebuild. The embargo provided this respite. But by early 1978 it was much less likely that there would be a military confrontation with Turkey. Turkey was nearly prostrate from economic problems. The grant aid given Greece in the 1974–78 period by the United States added to the American sales of military items to Greece in this period, totalled over one-half billion dollars. This was more than Turkey received in the same period under the total and then partial embargoes.

For these reasons, the Karamanlis government decided at the highest level not to contest the Carter decision to abandon the embargo. Instead, the New Democracy government ordered its Washington embassy to protect Greek interests even while those of Cyprus were being abandoned.

One example will illustrate this strange behaviour by the Athens government:

A number of Senators and Congressmen got letters from Karamanlis after the House vote for repeal. Included were Senators McGovern and Church, both of whom voted for repeal. What did Karamanlis write? He told McGovern, who read his letter aloud to participants in the House-Senate conference committee, of his appreciation for the senator's efforts with the legislation. Yet McGovern had been a leader in the Carter fight for repeal! (As all of us know, Sen. McGovern has a distinguished record against the Greek junta and against the misuse of the U.S. intelligence community; his efforts, with which I disagreed, on the embargo repeal must be seen against this background of courageous concern.) Presumably, the letter to Church said the same but McGovern's was the only letter ever publicly revealed. McGovern's use of the letter at the conference was clearly intended to support his position, and that of the Senate, for full and unqualified repeal and to oppose even the modest, and ultimately meaningless, form of de facto repeal voted by the House under which the basic embargo language stayed technically in the aid legislation.

McGovern failed in this effort since the House conferees, especially Congressman Benjamin S. Rosenthal fought hard to keep the House language. But Karamanlis had again supplied repeal supporters with a useful weapon.

In the final hours of the House-Senate Conference, the Greek Embassy worked to get language referring to maintenance of the "present balance" between Greece and Turkey in the military aid bill. The ambassador told key House conferees just before the final conference session that the Administration wanted outright repeal of the embargo and was prepared to give the "balance" language in exchange. The conferees, with Rosenthal making a strong plea for Cyprus' interests, however, rejected the Administration position which was clearly that of the Greek Government also. The embargo language remained technically in the aid law.

Other steps by the Greek Government representatives were taken toward getting the $35 million in aid to Greece inserted in the Senate bill as it already had been put in the House version by a supporter of the embargo repeal. This effort failed in the Senate but the House-Senate conference ultimately gave Greece its "35 pieces of silver."

The concern shown by the Greek government for the conference report language shows its naiveté. After so may years in close association with the Congress, one would have thought that the Greek embassy here would have understood that "sense of Congress" language in a conference report is as worthless, as President Lyndon Johnson used to say, as a "bucket of warm spit."

The embargo is now over, Turkey is getting a massive resupply of arms, and, as we suspected, Cyprus is ignored in Washington. The conference policy language tried to skip lightly over the basic legislative action—repeal of the embargo—by moral posturing and by stern-sounding phrases.

But the new aid legislation contained in the conference report allows the President to sell arms to Turkey (or to have our allies transfer U.S. arms to Turkey) without any legislative limit. Strong-sounding moralisms will have no effect on these new arms shipments to Turkey which are already underway.

This posturing in the conference report about maintaining the military balance in the eastern Mediterranean, and similar platitudes, is doing real harm to Greece and Cyprus, I fear, since the Greek government so emphasized these phrases as a moral victory that Turkey will be able to use this Greek claim as an excuse for doing nothing at all on Cyprus.

The final irony in the aftermath of the embargo repeal is that not only is Turkey not making any moves toward a Cyprus settlement, but it continues to object to the restoration of Greece's full role in NATO. Prime Minister Karamanlis must find this especially bitter since he built his entire post 1974 November elections policy on restoring close relations with the United States and Europe, which means, of course, with NATO. He has sacrificed many principles toward that restoration only to find now that Turkey still apparently retains a veto on his policies while the Carter Administration seems to think it is doing Greece a favour to support its return to the NATO Military Alliance!

Greece not only lost the embargo fight but we alienated many of our congressional friends in the battle. I fear that our credibility for future fights is seriously tarnished.

Greece did get its $35 million in aid but I doubt whether history will be as generous to the Karamanlis government; I believe that the presently damaged relations between Athens and Washington are only a hint of the serious difficulties ahead for the two countries.

The final irony is that the Carter Administration, this week, prepared a request for supplementary aid for Turkey of $150 million. The two year total of U.S. aid to Turkey reaches $648 million; for Greece the total is $335 million. Thus Turkey gets almost double the aid of Greece from an Administration which promised to end the "tilt" towards Turkey. So much for the "balance" which Athens worked so hard to obtain in a congressional report on the repeal of the Turkish embargo!

The question to which Congress must now address itself is this: Does the Carter Administration understand that American interests lie in protecting democratic governments and not in promoting, at whatever costs, a system of military bases which proves, as is the case in the Mediterranean today, of little value? There is little evidence that the Carter Administration understands this lesson any better than its predecessor did.

Until there is a reassessment of true American interests, not only in the Mediterranean but elsewhere, I see little hope for controlling the damage to the interests of the United States.

This reassessment must include, in my view, the following minimum conditions:

(1) Military assistance to Turkey should be limited until Turkey withdraws its invasion force from Cyprus and allows refugees to return to their homes.

(2) Cyprus must receive a new guarantee of its independence and integrity from an appropriate international organ.

(3) The United States must end its policies of viewing smaller countries principally as strategic pieces of geography on which to locate military bases.

(4) The long-term interests of the United States are best assured when democratic development is openly encouraged and fully supported in a coordinated manner by every agency of the American government.

The events in Iran should have persuaded the Carter Administration and its congressional supporters, of the futility on relying on autocratic and unstable governments which are propped up with American arms. The lesson of Iran is the same as the lesson of junta Greece: The United States demeans its own democratic tradition by trying to buy security from weak and unrepresentative regimes. It also finds no security with such governments.

Iran and Greece were not the first examples of this faulty alliance. I hope, for the sake of this country, that they are the last examples of this misguided security policy.●

IN OPPOSITION TO DECONTROL OF OIL PRICES

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DODD. Mr. Speaker, today the Democratic Caucus considered an extension of controls on domestic crude oil prices. I supported that extension, because decontrol will do little to increase oil production at a cost of $18 billion to consumers.

To phase out oil price controls would be ill-advised and ill-timed while high inflation and an imminent recession continue to threaten our economic stability. Consumers are now standing in line for $1 a gallon gasoline in many parts of the country, and there is no guarantee that those lines will disappear after decontrol takes effect. Decontrolling oil prices will primarily affect the output of old oil and "stripper" wells, which will increase our output by 200,000 barrels a day by 1981, or only 2.4 percent of our current production.

In my region, the Northeast, we are 80 percent dependent on oil for fuel. Experts are predicting a shortage of home heating oil during the winter months this year with a gallon of distillate costing as much as 90 cents. The effect will be devastating to low-income, handicapped, and elderly people who often spend as much as 30 percent of their income on utilities. Decontrol could add at least another 3 or 4 cents a gallon to their fuel bills.

What will decontrol accomplish? Its proponents claim that allowing prices to rise to world market levels will provide additional incentives for exploration, research, and development, and production of fuel from old wells. Decontrol will speed up the production of old oil, but there is little evidence to indicate that the oil companies will use their new revenues to seek out new fields. Simple logic dictates that higher prices lead to higher profits. It would be naive to expect that, given the opportunity, our oil companies will act in the national interest. In the past, oil companies have diversified their holdings rather than invest their profits in new oil production, as in the case of Mobil Oil Co.'s purchase of the Montgomery Ward chain.

Most oil firms reported exorbitant profits in their first quarter reports, with Conoco and Sohio reporting over 300 percent profit increases and 10 major oil companies showing more than 40 percent increases. Despite these profit margins domestic production and reserves have decreased significantly over the last decade. With decontrol, the revenues of oil producers will increase by $68.9 billion through 1985, and there is no doubt in my mind that the result will be an even stronger domestic oil cartel operating without sufficient competition to keep energy prices at a reasonable level.

Our country is facing a petroleum crisis, and decontrol is not the solution to our problems. True, we must increase our production of fuel and reduce consumption overall, but higher prices do not insure that Americans will drive less or that our oil companies will spend their profits on expansion of production. For many people in our country, mass transit simply does not exist, and cars are the only means of transportation. Many individuals are already conserving as much as they can, and there comes a point when any further reductions in use could prove to be hazardous. The poor in our country may be forced to choose between eating or providing adequate heat for their homes this winter if oil prices rise as much as is expected.

There are steps that can be taken now to guarantee that Americans have an adequate supply of energy. There is a "glut" of unrefined Alaskan crude oil on the west coast. Refineries could be built that could handle the processing of heavy crude oil. Pipelines need to be constructed to carry fuel supplies to all parts of the country. We must invest a greater portion of our time and technological know-how to the development of alternative forms of energy. We have the ability to manufacture a small car with a 70–80 miles per gallon capacity, but we are still driving cars that average only 15–20 miles per gallon. Mileage standards should be increased to force Detroit to respond to our energy problems.

The Government must take the initiative in gathering accurate information about available fuel supplies and reserves, rather than relying upon the oil industry's figures. Also, we have it in our power to form a national import purchasing authority, so that the Federal Government could receive sealed bids for any oil being imported into the United States. In this way, competition could be introduced among oil producing nations, thereby lowering the price of imported fuel.

Last year, citizens reacted against their Government with a "taxpayers' revolt." A consumer uprising is not far behind if we ask Americans to accept higher energy prices without any assurances that adequate supplies will be the end result. It would hardly be equitable to allow a handful of oil companies to dictate energy policy for America, and I, for one, will not accede to their demands.●

HON. VICTOR T. BARRERA—JUDGE OF THE LOS ANGELES MUNICIPAL COURT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. ANDERSON of California. Mr. Speaker, on June 3, 1979, the friends and associates of Judge Victor Barrera will honor him for his recent appointment as judge of the Los Angeles Municipal Court. I wish to bring this news to the attention of my colleagues in the Congress and to describe this man's career. It illustrates a model example of citizenship, achievement, and great promise.

Judge Barrera earned certification as a criminal law specialist with three degrees from the University of Southern California; a bachelor of arts in English, a bachelor of laws and a master of laws. He was admitted to practice on January 5, 1965, whereupon he worked as an attorney with a personal injury defense firm and a private suburban law firm.

After this, in July of 1966, he joined the Legal Aid Foundation of Long Beach where he became the organization's directing attorney during the War on Poverty years. His service with the foundation earned him widespread recognition including acknowledgment as being in the top 5 percent ranking of lawyers in the National Legal Services. As a further example of his respected reputation, during his tenure with the foundation, his talents were tapped to participate in White House Cabinet level hearings on Mexican-American Affairs in El Paso, Tex.

Starting in June 1969, Judge Barrera was hired by the District Attorney's Office of Los Angeles County. Before his appointment as judge, he had risen within this operation to become deputy district attorney III in charge of the more difficult legal work required in prosecution of criminal cases by the district attorney. In addition to these duties, he handled heavy responsibilities in the areas of intergovernmental and community relations.

Throughout his life, this man has very admirably combined his involvement in civil affairs with his pursuits in the legal profession in a manner that has won the respect of all who know him. His efforts on behalf of the Mexican-American community are especially noteworthy. He has shown a constant dedication toward the improvement of community-police relations, making housing more easily available, developing employment opportunities, and in general, doing all he can, as he says, "to enhance the lot of Mexican-Americans, to impart a desire to achieve, and to develop a sense of civic and personal pride."

Mr. Speaker, the judgeship of Victor T. Barrera is just beginning. Knowing personally of the strong character of this individual, I predict the people of Los Angeles will find his court to be one of unwavering fairness and integrity. My wife, Lee, joins me in offering our best wishes to Victor, his wife, Sharon, and their son, Brooke Ashley. For all he has done for his community and his profession, this family deserves a future of happiness and continued success.●

TRIBUTE TO R. N. "BOB" WALLENBERG

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today in honor of R. N. "Bob" Wallenberg, who is being honored by the California Association of Life Underwriters at their annual convention on June 2, 1979.

Bob has been a member of the National Association of Life Underwriters, the California Association of Life Underwriters, the San Jose Association of Life Underwriters, Life Underwriters Political Action Committee, and the Joint Producers Council for many years. He is currently completing his term as president of the California Life Underwriters Association.

Through Bob's involvement in the insurance industry, he has been called on to testify at hearings on national health insurance, social security, and last month he was a participant in meetings on health care that I held in the 13th Congressional District. He is also in demand as a guest lecturer at many high schools and colleges in Santa Clara Valley.

Bob is not only active in his industry, but he has served his community as well. He is a member of the DeAnza Lions Club and has served as past president for the Hoover School Parent-Faculty Club.

Over the years, Bob has received numerous awards for his achievements, among them the National Quality Award, National Sales Achievement Award, Health Insurance Quality Award, and a certificate of merit from Toastmasters International.

Mr. Speaker, as Bob Wallenberg completes his term as president of the California Life Underwriters Association, I would like you and my colleagues in the House of Representatives to join me in thanking Bob for the leadership and guidance he has provided our community and to wish him success in all future endeavors.●

A TRIBUTE TO ESTONIAN INDEPENDENCE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Ms. MIKULSKI. Mr. Speaker, this year marks the 61st anniversary of the Declaration of Independence of Estonia. It was in 1918 that the heroic Estonian people declared their freedom from the Soviet Union's control. Several countries, including England and France, immediately recognized Estonia as an independent nation. However, Estonians suffered under both Russian and German attacks and invasions until 1920. After having defeated both these countries after a gallant struggle, a treaty was signed declaring Estonian independence.

In June 1920, Estonia adopted a democratic constitution. The Estonian Government worked to try to improve its citizen's lives. It took the major step of redistributing the land which had been held in the hands of the nobility and divided it among those who had fought for Estonian independence and those who had worked the land.

Estonia's freedom was tragically destined to face new trials. Russian troops entered Estonia in 1940, at which time a new government was established and the country was annexed as one of the republics of the Soviet Union. A year later, German troops invaded Estonia, causing its citizens much pain and suffering until 1944, when the Russians reentered the country, remaining there to the present.

Estonians have long suffered under the most severe of human conditions: Cruel oppression and the blatant denial of human rights. Therefore, I salute the exceptional courage and determination of Estonian Americans who work to keep the Estonian culture alive, something now repressed in their Soviet-occupied homeland. I encourage all Americans to pay tribute to Estonians today, in their steadfast struggle for human rights, freedom, and national independence.●

YOUTH PROGRAM APPLAUDED

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. BROYHILL. Mr. Speaker, too often we talk of the failures of Government, the failures of society, and the failures of young people. In a recent newsletter, I wrote on the successes of a program called 70001 Ltd. This innovative program is celebrating its 10th anniversary this year, and I am pleased to salute this nonprofit corporation which has compiled an outstanding record of service by helping high school dropouts to earn high school equivalency degrees while working at entry-level jobs in private business.

I would like to share my newsletter with you today.

> One of the founding tenets in America is that we are all equal. If only opportunity came packaged that way: equally.
>
> Unfortunately, it doesn't. By the time many young persons reach their teens, some school teachings may be forgotten but one lesson is abundantly clear: some seem to have it, some don't. The "it" referred to here? Motivation, opportunity . . . that frustrated young person might call it luck.
>
> Well, everybody deserves some help on the way up, and in the past our answer to helping the poor, the disadvantaged—and particularly the youth of these groups—was to funnel large sums of federal money their way. But instead of improving lives, we only glutted the government with a mammoth bureaucracy, and we wasted untold millions of dollars.
>
> It is against this background that I bring the attention of the 10th Congressional District to a rapidly-expanding youth program, which is funded partly with public dollars, and yet is cost-efficient, has a proven success rate, and is gradually attracting private support monies.
>
> The program, called 70001 Ltd., this year celebrates its tenth year of service. This program was originally sponsored nationally by DECA, the Distributive Education Clubs of America, a long-time successful vocational education program operating in many of our nation's high schools. I am proud to have been a Congressional Associate of the program for the past three years and an enthusiastic supporter since its beginning.

70001 is a national, non-profit corporation helping high school dropouts aged 16 to 22 to earn high school equivalency degrees while working at unsubsidized entry-level jobs in private business.

The typical 70001 enrollee is trained for such a position, and put to work. During off hours, he or she works toward the equivalency degree and participates in the 70001 Career Association, a youth group designed to develop job and social skills. A young person's stay in the program is usually three to 12 months. An enrollee successfully completes 70001 when he or she returns to full-time study, joins the armed forces, or is judged by the employer to be a valuable employee, possessing the aptitude and attitude to handle the job or move up.

That aptitude and attitude are provided by 70001, a rare program combining public and private monies, and pulling its own weight.

Currently operating in 46 rural, urban and suburban communities in 21 states, the program has given direction and put more than 5,000 young people to work. Youth earnings have reached $7 million annually, not to mention thousands more dollars returned in local, state and federal taxes.

The good news continues: While the 70001 corporation is under contract with the U.S. Department of Labor and often locally funded through CETA agencies, it costs about one-third of what most typical CETA programs cost, since the employers don't receive federal subsidies to hire 70001 participants. And efforts are well underway to attract more private support dollars for 70001.

This program's importance is obvious: it provides increased opportunity, and it provides a second chance. But in honoring 70001's ten years of success, I want to emphasize the broader lesson that programs like it can teach our nation.

At a time when it's fashionable to talk about streamlining executive agencies bloated with inefficiency, when long overdue federal budget-balancing finally seems a possibility; when voters have sent the unequivocal message to cut, reduce and simplify . . . all these objectives can be honored and a worthwhile program preserved.

70001 proves that common sense, efficient planning and cooperation between government and the private sector can merge to provide motivation to thousands of our young people who, temporarily derailed, have quit school.

The next time we let out a frustrated cry to cut government waste and tighten some federal belts—a cry which is definitely justified—let's remember also the lesson of 70001: as we do this necessary trimming, there is a sensible way we can channel aid to the disadvantaged or aid to our youth.

We can accomplish these worthwhile goals through the use of good business sense and by utilizing the private sector. Governing and legislating in this way, it *can* work.●

SOVIET COLONIALISM

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DERWINSKI. Mr. Speaker, I wish to insert the following article by Rev. Andrew M. Greeley, originally appearing in the New York Daily News and reprinted in the May 19 edition of the Armenian Weekly. I would like to reemphasize the point that was lightly touched on in the article, that the Soviet Union is the world's greatest colonial power. The Lithuanians and Armenians, noted in the article, are but two of the many nationalities held captive against their will in the U.S.S.R. The article follows:

If Armenians Were Africans, There Cause Would Be Heard

(By Andrew M. Greeley)

(The following, written by an "odar", recently appeared in the *New York Daily News*, the largest circulation daily newspaper in the U.S.A.:)

I would like to call your attention to three oppressed African peoples of whom most Americans are unaware—the Druk, the Snainemra and the Nainauh-Til. All three groups once controlled independent kingdoms with more than a thousand years of history behind them. Each was conquered by a foreign invader and reduced to colonial status. Each has been subjected to persecution by the colonial power. Each has tried to present its case to the United Nations and has been turned away by imperialist influence. Each has struggled to bring its case before the American people and has been ignored. Each has lost its political and religious freedom and is having its culture slowly ground into the dust.

The Druk had CIA help, but when it became expedient Henry Kissinger dumped them. Thousands of those who trusted the United States were killed as a result. The Snainemra have had their ancestral lands divided among several different nations and have been persecuted by all of them. The Nainauh-Til have repeatedly pleaded with Americans for help, but were recently described in a major national journal as content with their plight.

You say you've never heard of these peoples I've described? Probably not. I've pulled a sneaky trick; I've spelled the names of the peoples backwards. They're actually Kurds, Armenians and Lithuanians. And they're not black or African.

That changes everything, doesn't it?

Namibia and Zimbabwe are artificial nations, the results of boundaries put together by imperalist conquerors, Germans in the first place, British in the second. They are not homogeneous nations but congeries of rival tribes, one of which will certainly oppress the others when its gets a chance (as in Angola, Kenya and Uganda). Yet these phony nations have a right to United Nations membership while the plight of the Kurds, the Armenians and the Lithuanians goes unnoticed.

The current conscience of the world seems to care only when it is nonwhite peoples which are being oppressed. In the old days such an attitude would be called racist.

Cyrus Vance issues long position papers on the resolution of the Rhodesian crisis. When have you heard anything from Vance about the Lithuanians, a people with more than a thousand years of history? As for the Armenians. . . . well, the Turks are our allies, and besides, the Armenians are Christians and Christians don't have any right in the Middle East. No one is much concerned about the Palestinian-Syrian genocide against the Maronites. It's all part of the business of building a "secular" Lebanese state.

Obviously, we must be concerned about the rights of former colonial victims of Africa. But unless we are to be reverse racist we must be equally concerned about present victims of colonialism in the Middle East and in Eastern Europe—if the victims happen to have committed the cardinal crimes of being both white and (in the case of the Armenians and the Lithuanians) Christians.●

SOVIET RESTRICTIONS ON JEWS CONTINUE

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. AMBRO. Mr. Speaker, I stand before my colleagues today to take part in the "Shatter the Silence Vigil, 1979" experiencing a number of mixed emotions. On the one hand, I am proud to participate in the continuing struggle against Soviet oppression of those whose only crimes are being Jewish and wanting to emigrate to Israel to rejoin their families. On the other, I am disheartened that for the third year in a row I have to come before you to tell the story of yet another Soviet Jewish prisoner-of-conscience. It was my hope last year, that there would never again be a reason for this kind of vigil to be maintained. On the one hand, I must admit my pleasure—and to a certain extent, my gratitude to the Soviet authorities—at the release, last month, of my adopted prisoner-of-conscience, Anatoly Altman. Happily, he is now enjoying the long-overdue freedom of life in Israel. On the other hand, I must bring to your attention the case of another unjustly persecuted victim of the Soviet system, Mark Nashpitz. It is important for us to realize and remember that while we applaud the release of some prisoners, there are many more who remain incarcerated, and we must work for their freedom as well.

Mark Nashpitz, a dentist from Moscow, was born on March 27, 1948. When he was 8 years old, his father left the Soviet Union illegally and was branded a traitor. When he first applied for an exit visa in 1975, Mark was told that he would have to answer for his father's treachery. Shortly thereafter, he participated in a brief demonstration for exit visas with nine other Soviet Jews in front of the Lenin Library which was closed for the day. The protest ended within 30 seconds, when police and KGB officials placed the group under arrest. While most of the demonstrators were given 10- to 15-day sentences, Mark Nashpitz and one other demonstrator, Boris Tsitlionok were singled out and placed under investigation on "unspecified charges." He was tried on March 31, 1975, and sentenced to 5 years in exile in Siberia. His aunt was the only person permitted to attend the 1-day trial, while Western journalists and 40 activists were barred from entering the courthouse. Upon arriving at the building that morning, they found a notice on the courthouse door saying that the building was "closed for a day's cleaning."

The circumstances surrounding Nashpitz' arrest and trial are all the more curious when one considers that in December 1974 (4½ months after his mother was allowed to emigrate to Israel with the promise that her son would soon follow) Mark was told by KGB officials that his emigration to Israel would be "expedited" if he agreed to "penetrate the activist leadership circles and try to discredit them, disrupt demonstrations, and find out their means of gathering information on the emigration status of Jews living in the provinces." Should he refuse to do this, Nashpitz was threatened by the KGB with a trial on trumped up charges of "serving as a middleman for the transfer of Jewish capital to Israel and the illegal selling of diamonds." Nashpitz did not accede to their demands, and within 4 months he was imprisoned in Siberia.

Mr. Speaker, Dr. Nashpitz is due to be released from jail in June. Unfortunately, there is considerable reason to believe that the Soviet authorities are preparing yet another trap for him—that they will once again ask for his "cooperation" and failing to receive it will once again charge him with a spurious crime and incarcerate him. It is my intention to circulate a letter among my colleagues to be sent to Soviet President Brezhnev imploring that, upon his release from prison, after serving his sentence, Mark Nashpitz be allowed to emigrate to Israel to rejoin his family. This young man has already suffered far too much for his religious affiliation and for his father's deeds, and I can only hope that the Soviet leadership will heed our plea.

Finally, Mr. Speaker, I would just like to say a word about the recent release of five prisoners-of-conscience and the exchange of five others for two convicted Soviet spies. While I welcome the release of the prisoners, especially Anatoly Altman, the Soviets will have to show much greater effort in this area, including the release of all of the prisoners-of-conscience, Anatoly Shchransky among them, issuance of exit permits to the thousands of refusnik families, the family of Lev Elbert among them, and generally relax their treatment of all dissidents before I will be convinced that they are making significant concessions in this area. Once again, I express the hope that we will see movement in this direction so that I will not have to be here next year to make this plea.●

OIL DECONTROL

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. GARCIA. Mr. Speaker, unfortunately, my official responsibilities as chairman of the Census and Population Subcommittee prevent me from taking part in the Democratic Caucus debate and vote today, regarding oil decontrol. But, Mr. Speaker, I appreciate this opportunity to express my feelings on this issue since it is one of the most serious issues facing this Congress and the entire country. Had I been present, Mr. Speaker, I would have voted to retain existing oil prices because of the way in which decontrol would impact poor people in this country. Prices are climbing steadily, with no relief in sight for anyone. Poor and working people's daily welfare is directly dependent upon the prices set by the oil companies. Allowing prices to skyrocket will insure conservation for those who can afford it, and economic devastation for those who cannot.●

THE OIL SHORTAGE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. SHUMWAY. Mr. Speaker, as is the case throughout the country, my constituents are upset and confused about our current energy situation. As a citizen of central California and an energy consumer myself, I share their concern with the short supply and high price of gasoline, and I feel it is incumbent upon those of us in Congress to provide our constituents with the best information possible.

The most disturbing thing about the current situation is the unwillingness of most Americans to accept the fact that there really is a world-wide oil shortage. In fact, a recent poll showed that 77 percent of those questioned believe that the large oil companies are responsible for today's gasoline lines. I have received numerous pieces of correspondence to this effect, among which are many petitions which assert that our current problems are the result of "the greed of the large oil companies and the many politicians who defend them."

Mr. Speaker, the point I want to stress is that it does little good to blame one another. Disgruntled motorists, such as those I have referred to, blame the oil companies; the oil companies blame the Congress; Congress blames the Department of Energy and the OPEC nations.

In fact, we are all at fault, every last one of us. We refuse to recognize that petroleum is a finite resource; we insist on burning more and more of what is less and less available; we expect to pay less than $1 per gallon of gasoline when prices in the rest of the industrialized world average as much as $2.50 per gallon; we continue to drive "gas-guzzling" cars. Is it any wonder that we have gasoline shortages?

There are, however, steps which we in Congress can take to ease the situation. We can encourage domestic petroleum production and exploration—and in this regard I applaud the President's decision to decontrol crude oil prices. We can ease excessively strict environmental standards. We can provide incentive for fuel efficient automobiles. We can support legislation, as I have done, to encourage the production of synthetic fuels. Most importantly, we can all reduce our consumption of gasoline. Reducing consumption of 5 percent—1 mile out of 20—would bring our current supply of fuel into balance with demand.

What I am saying, Mr. Speaker, is that the message just has not gotten through—either to us or to our constituents. The price of oil on the world market has already risen 20 percent this year and is expected to go even higher. Iranian oil production has been curtailed significantly, and Saudi Arabia has proven reluctant to pick up the slack. At home, demand for gasoline has increased by about 10 percent nationally over last year and by as much as 15 percent in California.

It is time that we recognize these facts—instead of trying to blame someone, because if anyone is to blame, it is ourselves. Blaming one another for the current situation will not produce more oil. Increased Government regulation of the petroleum industry will not produce more oil.

The facts of the matter are simple: Oil is a limited resource which becomes increasingly expensive to obtain whether from overseas or domestically. We must recognize this, as well as the fact that there are no easy solutions. The alternative, should we continue to bury our heads in the sand, will be a real energy crisis.

At this time I would like to share with my colleagues a copy of the petition to which I have made reference:

> Mr. President and Members of the Congress: We, the people of America, have had enough. We do not feel we should have to pay our government excess taxes or oil companies excess profits on our own natural resources. Energy is something that we all need. To pay in excess is nothing more than legal blackmail. We feel that it is past the time you should provide the necessary leadership to stop the greatest legal blackmail the American public has had to face.
>
> Our goal is to help you stop inflation cold. This inflation has been brought about by the greed of the large oil companies and the many politicians who defend them. Therefore, we, the Consumers of America:
>
> 1. Demand to know why domestic crude was not developed with the billions of dollars in illegal excess profits the oil companies were allowed to keep by our government's Department of Energy.
>
> 2. Demand to know why, you, Mr. President and members of the Congress, haven't investigated the oil companies and Department of Energy long before this.
>
> 3. Demand that you provide the public with a once a month audit of the crude oil supply, both foreign and domestic available to this nation, to be accomplished by a commission of private auditing firms.
>
> 4. Demand that you do away with the pricing regulations of our service stations and allow free competition among the only group of businessmen in this nation still under price regulations.
>
> 5. Demand that the oil companies be required to stop the charade of a need for allocations and roll back prices to the 1976 levels immediately.
>
> 6. Demand that this situation never again be allowed to take place in this nation. Consumers, including our poor and old, have suffered far too much because of the greed and lack of responsibility of the monopolistic oil companies and their political supporters.
>
> Signed: ———
>
> Address: ———
>
> The Committee for Concerned Americans consists of all those who sign this petition.

TEXAS MOVES TO BLOCK AMTRAK CUTBACK

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. ECKHARDT. Mr. Speaker, as the summer travel season begins, and car travelers face real shortages at the gas pumps, they are going to America's rail passenger service in waves. Yet, the Department of Transportation is reducing service at the end of the summer by 43 percent. Texas is one State that is doing something about it. I recommend to my colleagues an article by William H. Jones, that was printed in the May 24 Washington Post. It is reprinted as follows:

TEXAS, CALIFORNIA MOVE TO BLOCK AMTRAK CUTBACK

(By William H. Jones)

Two states have gone to federal court in an attempt to block the Carter administration's plan for slashing Amtrak's national rail passenger network.

Unless either house of Congress acts by midnight to veto the administration proposal—a development that congressional leaders said yesterday was all but impossible—Amtrak is due to eliminate service over 43 percent of its routes as of Oct. 1.

But Texas Attorney General Mark White and California's Department of Transportation have filed lawsuits seeking to halt the rail system restructuring.

At the same time, Amtrak's business is continuing to balloon to record proportions, as travelers worried about the availability of gasoline for their cars are overloading the passenger system's telephone reservation networks.

Last week, a record number of callers tried to reach Amtrak; of 2 million calls placed, 1.5 million could not be answered because of busy signals. Advance reservations now are 50 percent higher than at this time last year.

After studying these figures, as well as passenger ridership data for a number of trains now scheduled to be halted at the end of September, a growing number of representatives and senators also have begun to have second doubts about the Carter proposal.

Congressional staff members said yesterday that a major effort is being prepared to dump the Carter proposal later on the Senate and House floors—simply by introduction of amendments to Amtrak authorization bills, requiring that all current trains be continued until the impact on passenger ridership of the current energy crisis can be assessed.

An aide to Rep. Albert Gore (D-Tenn.) conceded yesterday that keeping all trains appears to be a "long shot," but several Capitol Hill staff members said they anticipate broad support for keeping many trains now slated for abandonment.

Texas Attorney General White argued, in a suit filed in U.S. District Court in Laredo, that some routes are to be dropped without providing adequate public comment. He also charged that the "history of Amtrak service in Texas is plagued with charges of inadequate and inefficient service . . . specifically Texas service has long been marred by inferior equipment, late trains, ridiculously low speeds, lack of facilities, circuitous routes, and most importantly, lack of cooperation by Amtrak executives and personnel."

U.S. DOT officials declined to comment on the suits until they are reviewed and an Amtrak spokesman expressed surprise that his firm was named in the suits, since DOT prepared the cutback plan.

Both the Texas and California suits charge that the U.S. Department of Transportation failed to provide an environmental impact statement in drawing up the Amtrak cutbacks—the same type of statements that government requires of corporations. DOT filed only a "negative declaration," contending the absence of any environmental impact.

But Susan Brown, a spokeswoman for the California DOT (Caltrans) said yesterday the federal DOT did not address such issues as increased energy consumption for auto travel, diversion of business, air pollution, employment losses, adverse impact on small business or any other environmental-related issue.

In addition, Caltrans charged in its suit that the Carter plan violates the Clean Air Act and the National Historic Preservation Act (22 railroad stations involved in the plan are historic buildings). Nor did the federal government comply with a congressional mandate to study the absence of alternative transportation in some communities affected, according to the suit, filed in U.S. District Court, in Sacramento.

Finally, the California suit alleges that a Constitutional issue is involved—the "right to travel," which would be eliminated for some people." ●

NUCLEAR ENERGY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DERWINSKI. Mr. Speaker, in my judgment, the commonsense that exists at the grassroots level should be used by the executive branch departments in Washington in coming to an understanding of the energy problem. In view of the emotion generated by the use of nuclear energy, I commend the attention of the Members to an editorial appearing in the May 14 Southtown Economist Newspapers, serving suburban Cook County, Ill., which I insert at this point:

NUCLEAR ENERGY: CONCERN AGAINST NEED

The future of nuclear power plants in this nation has been the understandable focus of speculation since the tense days during which the eyes of the world were on Three Mile Island.

President Carter said it as well as it can be said at his recent news conference. Noting that some 13 percent of the country's electricity is produced in nuclear facilities, the president said there is "no way to abandon" the nuclear power option.

He will continue, he added, to press for less lengthy licensing procedures for new plant construction. "Red tape," he said, "does not contribute to safety."

But the president did not minimize the concern stirred by the potential for disaster after the malfunction at the plant in Pennsylvania.

He will appoint a commission to study the breakdown and the related plans for dealing with it on a community-wide or state-wide basis.

The safety record of the nuclear power industry, despite the anxiety at Three Mile Island, remains enviable. No human life has been lost in a nuclear related accident.

And it is possible to detect a benefit in the Pennsylvania incident and the comprehensive news coverage it received.

Nuclear plant operators and government regulatory agencies have been jarred from their complacency. There was no tragedy at Three Mile Island, but there might have been.

Federal officials, certainly, will re-examine safety procedures and their enforcement of these procedures. Technicians who man the switches and valves will be more alert to their heavy responsibility.

Anti-nuclear sentiment has again become mobilized as a result of the Pennsylvania breakdown, as evidenced by the huge rally in Washington a week ago Sunday.

But in a Texas referendum, voters refused to be stampeded into scuttling plans for construction of a reactor.

If the United States is to win relief from its dependency upon oil from abroad, all options must remain open. Nuclear energy, as the president insists, remains among those options.●

THE VIETNAM VETERAN

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. ROBERTS. Mr. Speaker, during the week of May 28-June 3 our Nation will be honoring Vietnam veterans. Much has been written about veterans who served in Vietnam; obviously many have had difficulties in readjusting to civilian life. On the other hand, it is well established that the vast majority who served during the Vietnam era have readjusted and are now contributing greatly to our Nation's welfare.

There follows an article which recently appeared in the Huntington, W. Va. Advertiser. I think it deserves the attention of every Member of the House.

THE VIETNAM VETERAN

(By Joe Cosco)

Some people might consider Gary Lange a very unusual man.

A Vietnam veteran, he has all the trappings of the good life—a college education, a good job, a good wife, three children (one adopted), two houses and an outgoing personality.

He's accomplished all that following his return from the battlefield on the other side of the world.

That's unusual, right? Especially in light of all that's been said and written about the Vietnam vets who didn't make it back to normalcy, the highly publicized ones who live in a vicious cycle of alcoholism, drug addiction, unemployment, discrimination, jail and psychic trauma.

But Lange doesn't consider himself at all unusual or the exception to the rule. In fact, he sees himself as just one of the great majority of Vietnam vets who have been able to put America's "unfortunate war" behind them.

And so when Lange read The Huntington Advertiser's recent series about troubled Vietnam vets, he became angry, so angry that he called the newspaper. One headline in the April 12 edition—"The Vietnam Veteran: They went away as heroes; they came home as criminals"—really set him off, he said.

"No one's ever called me that," he said.

While conceding that the war caused problems for many who served, especially the men in the jungles, Lange said the stereotyped view of the handicapped vet rings false for himself and others.

Lange, 333 Seventh Ave, W., said he understood the concern for troubled vets. "I'm not slamming the guys who are having problems," he said. "And I'm sure they had the right idea in writing those articles—they're trying to help the guys who need help.

"But the biggest majority of the guys don't have those problems," Lange said. "There's a hell of a lot more guys that it's worked to their advantage. I think it's had a direct bearing on my getting my job."

A G.I. Bill of Rights graduate of Central Michigan University, Lange is executive director of the Huntington area Boy Scouts.

"If we're supposed to be the criminals, the kid-killers, I would never have gotten this job," he said. "If that was the general consensus of opinion, the Boy Scouts wouldn't touch me with a 10-foot pole."

Lange said his service in Vietnam has put no stigma on him.

"I've never felt any discrimination, period," he said. "I've applied for several jobs and I've played up my service in Vietnam. I can't believe an interviewer would hold it against someone.

"No one has ever held anything against me because I was in Vietnam. It wasn't anything that slowed me down."

Although he questioned America's involvement in Vietnam, the 31-year-old Lange said he felt no sense of guilt or shame over his participation in the unpopular war.

"We probably shouldn't have been there and I know we didn't try to win, but I did feel a sense of pride and honor."

An enlisted man ("because then you didn't have a lot of choice"), Lange served as a cook and was discharged a sergeant. Still he said he saw his share of tragedy.

"I'm sure with the guys in the jungles, the war would have affected them differently," he said. "Morale was extremely low, for sure."

Lange's brother was one of those men in the jungles. An infantryman in the Marines with a Purple Heart, he is still in the service and, according to Lange, well-adjusted.

Halsey D. "Skip" Cory, an infantryman with the 101st Airborne, also was in the field. He is out now and the executive director of development for Phillips Investment, which owns the Racquetball and Health Club of West Pea Ridge.

"I have to share some of Gary's comments," he said in an interview. "I can't say coming back was very hard for me or for some of the people I have kept contact with. We just felt very fortunate to be back. The adjustment wasn't that tough because of the elation of being back.

"I had 90 guys in my command and I don't know of any who came back and had problems adjusting."

Cory said his Vietnam experience wasn't a source of discrimination either in college or in the job market.

"In college, I got very good counseling immediately," he said. "And I thought it was an asset on my resume. It was a plus rather than a negative."

Cory, 34, of 33 Oakwood Drive, is married and has one son.●

BUSINESS INCENTIVES ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. GILMAN. Mr. Speaker, the 13 million small businesses in the United States comprise 97 percent of the total number of American business firms. Thus, the state of this Nation's economy depends on the production levels and employment opportunities that exist within the small business community.

In numerous meetings with small businessmen in recent months, I have continually heard the charge that the existing array of restrictive tax structures and oppressive Government regulations seriously impede capital formation and needed expansion. Faced with such conditions, small business must fight an uphill battle in its efforts to create jobs, to increase production, to compete effectively in world markets, and ultimately to win the battle against inflation.

The legislation I am introducing today is born of the conviction that the Federal Government must act expeditiously to correct critically shortsighted tax formulas which, when paired with current business conditions, seriously exacerbate the difficulties facing small businessmen.

The major provisions of this "Business Incentives" bill are as follows:

First, reform current depreciation rules through a 3-year useful life straight line depreciation formula;

Second, provide investors with a capital gains rollover if holdings are reinvested in a small business with a 2-year period; and

Third, increase the size of a small securities offering that may be made under Securities and Exchange Commission regulation A from $2,000,000 to $3,000,000.

The first section of this bill permits a business to more expeditiously recover capital invested in machinery and equipment through a formula allowing depreciation deductions to be taken over a 3-year period on purchases of property not exceeding $100,000 in value. Small business firms electing this straight line depreciation would be able to dispense with a large array of depreciation regulations, reduce their tax-return paperwork, and write off machinery and equipment approximately three times faster than under present law.

While all businesses would be entitled to this accelerated depreciation allowance, its limitation to the first $100,000 of equipment purchased each year will make it especially attractive to smaller business firms.

The proposal directly addresses two key problems inherent in the present depreciation allowance formula which are severely impeding business efforts to secure capital: Costly compliance with a plethora of complex reporting requirements, and an inability to adequately reflect the impact of inflation on depreciation allowances.

Because depreciation is one of the most complicated areas of tax law, small businesses face the prospect of either retaining expensive accounting and legal services or of overpaying their taxes, unaware of the allowances to which they are entitled.

Moreover, a 3-year straight line depreciation allowance would enable firms to better absorb the adverse effects of inflation. An accelerated depreciation allowance would, in many instances, free small businesses from the prospect of having to wait a longer period of time to recover money worth increasingly less each year.

A second provision in the measure I am proposing would permit investors to defer tax on an otherwise taxable gain if the profit received in the transaction is reinvested within 2 years in a small business. While not a new concept, this so-called capital gains rollover is a sensible and fairly straightforward means to boost the attractiveness of small business as an investment.

Precedent for this provision may be found in those rules and regulations governing the reinvestment of the proceeds of the sale of personal residences.

The third section of this legislation provides for an increase from $2,000,000 to $3,000,000 in the amount of small business securities offerings which are exempt from certain Securities and Exchange Commission regulations.

As the Senate Committee on Banking, Housing, and Urban Affairs stated in an April 1978 report (95–753):

> Federal securities laws have always reflected the national policy of encouraging the growth and expansion of small business.

Raising the SEC regulation exemption ceiling has been a method by which Congress has traditionally endeavored to respond to small business' need to finance modernization and expansion and to the needs of newly organized ventures, which require considerable amounts of seed capital.

In times of increasingly tight money, small businesses often find that banks and private sources may not be willing or, indeed, able, to provide necessary risk capital, and turn to public offerings as a source of such capital. We must assist small businesses' efforts to seek public financing. The current $2,000,000 SEC regulation A ceiling, while designed to facilitate such financing, is set at an inadequate level to meet the needs of small business firms.

The following table indicates the meager proceeds now being gained by small businesses from new stock issues, and points up the need to raise the regulation A ceiling:

New stock issues by small business

Year	Number of Offerings	Total amount (millions)
1969	548	$1,457.7
1970	209	383.7
1971	224	551.5
1972	418	918.2
1973	69	137.5
1974	8	13.1
1975	4	16.2
1976	38	168.0
1977	29	109.9
1978	29	144.0

Source: pre-1976, U.S. Small Business Administration; 1976–1978. National Association of Small Business Investment Companies.

Congress must expeditiously and effectively respond to the dual threats of inflation and capital scarcity which are endangering the survival of so many of this Nation's small businesses.

I am hopeful that by adopting this legislative package, we can begin to relieve the adverse economic circumstances now faced by so many small businesses.

Accordingly, I urge my colleagues to support this legislation, and I request that the full text of this bill be inserted in the Record at this point:

H.R. —

A bill to amend the Internal Revenue Code of 1954 to provide for nonrecognition of gain on sales of certain business interests and for accelerated depreciation of certain property, and to amend certain securities laws to facilitate private offerings and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Short Title.

This Act may be cited as the "Business Incentives Act of 1979".

Sec. 2. Straight-line Depreciation for Certain Property Based on 3-Year Useful Life.

(a) In General.—Section 167 of the Internal Revenue Code of 1954 (relating to depreciation) is amended by redesignating subsection (r) as subsection (s) and by adding after subsection (q) the following new subsection:

"(r) Straight-Line Depreciation for Certain Property Based on 3-Year Useful Life.—

"(1) In general.—In the case of property—

"(A) with a useful life of 3 years or more, and

"(B) with respect to which the taxpayer elects to have his subscription apply,

the term 'reasonable allowance' as used in subsection (a) means an allowance computed under the straight-line method (within the meaning of subsection (b)(1)) based on a useful life of 3 years.

"(2) $100,000 basis limitation.—The taxpayer may not elect to have this subsection apply to property placed in service during the taxable year to the extent that the aggregate basis (as determined under subsection (g)) of such property exceeds $100,000.

"(3) Controlled groups.—

"(A) In general.—In the case of a controlled group of corporations—

"(i) all corporations which are component members of such group at any time during the calendar year shall be treated as one taxpayer for such year, and

"(ii) the dollar amount specified in paragraph (2) shall be apportioned, in such manner as the Secretary may prescribe by regulation, among such component members.

"(B) Definition of controlled group of corporations.—For purposes of subparagraph (A), the term 'controlled group of corporations' has the meaning given such term by subsection (a) of section 1563, except that for such purposes—

"(i) the phrase 'more than 50 percent' shall be substituted for the phrase 'at least 80 percent' in each place it appears in such subsection, and

"(ii) the determination of whether a corporation is a component member of a controlled group of corporations at any time during a calendar year shall be made on December 31 of such year.

"(C) Controlled groups containing persons other than corporations.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraphs (A) and (B) shall be applied to groups of persons under common control where one or more of such persons is not a corporation.

"(4) Election.—The election under paragraph (1) with respect to any property shall be made at such time, in such manner, and subject to such conditions as the Secretary may prescribe by regulations."

(b) Effective Date.—The amendment made by subsection (a) shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

Sec. 3. Nonrecognition of Gain on Certain Sales and Exchanges of Certain Business Interests.

(a) In General.—Part III of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to nontaxable exchanges) is amended by adding at the end thereof the following new section:

"Sec. 1041. Sales and Exchanges of Certain Business Interests.

"(a) Nonrecognition of gain.—

"(1) In general.—If an equity or proprietary interest in any trade or business is sold by the taxpayer and, within the 2-year period beginning on the date of such sale, replacement property is purchased by the taxpayer, gain (if any) from such sale shall, at the election of the taxpayer, be recognized only to the extent that the taxpayer's sale price of such interest exceeds the cost to the taxpayer of such replacement property.

"(2) Election.—The election under paragraph (1) shall be made by filing, not later than the last day prescribed by law (including extensions thereof) for filing the return of tax imposed by this chapter for the taxable year in which the sale occurs, with the Secretary a statement (in such manner as the Secretary may by regulations prescribe) of such election.

"(b) Definition of Replacement Property.—

"(1) In general.—For purposes of this section, the term 'replacement property' means any equity or proprietary interest in any trade or business which is a small business concern, as defined under the Small Business Act.

"(2) Time for determining status as a small business concern.—The determination of whether any equity or proprietary interest is an equity or proprietary interest in a small business concern shall be made at the time such interest is acquired by the taxpayer.

"(c) Exchange Treated as Sale.—For purposes of this section, an exchange by the taxpayer of an equity or proprietary interest in any trade or business for other property shall be treated as a sale of such interest, and the acquisition of replacement property on the exchange of property shall be treated as a purchase of such replacement property.

"(d) Limitation of Stock Sales.—In the case of any equity or proprietary interest which is evidenced by stock, subsection (a) shall apply to the sale of such stock only if such sale would, if such stock had been purchased by the issuing corporation in such sale, be treated as a redemption within the meaning of paragraph (1), (2), or (3) of section 302(b), including the application of section 302(c).

"(e) Reduction of Basis.—Where the purchase of replacement property results under subsection (a) in the nonrecognition of gain on the sale of any equity or proprietary interest, the basis of such replacement property shall be reduced by an amount equal to the amount of gain not so recognized on the sale of such interest. Where the purchase of more than one replacement property is taken into account in the nonrecognition under subsection (a) of gain on the sale of such an interest, the preceding sentence shall be applied to each replacement property in the order in which such property is purchased.

"(f) Statute of Limitations.—If the taxpayer during any taxable year sells any equity or proprietary interest at a gain, then—

"(1) the statutory period for the assessment of any deficiency attributable to any part of such gain shall not expire before the expiration of the three-year period beginning on the date the Secretary is notified by the taxpayer (in such manner as the Secretary may by regulations prescribe) of—

"(A) the taxpayer's cost of purchasing replacement property which the taxpayer claims results in nonrecognition of any part of such gain,

"(B) the taxpayer's intention not to purchase replacement property within the 2-year period described in subsection (a), or

"(C) the failure by the taxpayer to purchase replacement property within such period; and

"(2) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment."

(b) Technical Amendment.—Section 1223 of such Code (relating to holding period of property) is amended by redesignating paragraph (12) as paragraph (13) and by inserting after paragraph (11) the following new paragraph:

"(12) In determining the period for which the taxpayer has held replacement property the acquisition of which resulted under section 1041 in the nonrecognition of any part of the gain realized on the sale or exchange of an equity or proprietary interest, there shall be included the period for which such interest had been held as of the date of such sale or exchange."

(c) Conforming Amendment.—The table of sections for part III of subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

"Sec. 1041. Sales and exchanges of certain business interests."

(d) Effective Date.—The amendments made by this section shall apply to sales and exchanges after the date of the enactment of this Act, in taxable years ending after such date.

Sec. 4. Increase in Small Issue Exemption.

Section 3(b) of the Securities Act of 1933 (15 U.S.C. 77c(b)) is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,000,000".●

TECHNICAL CHANGE NEEDED FOR ESEA

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. GOODLING. Mr. Speaker, one of the problems this body frequently faces when it deals with complex and extensive legislation is the creation of unintended consequences. During the 95th Congress, the Education and Labor Committee conducted an extensive and thorough examination of the major Federal programs affecting elementary and secondary education. I am proud to be able to say that I was part of that process—a process in which our committee, under the leadership of our distinguished chairman, Mr. Perkins of Kentucky, produced one of the most comprehensive analyses of Federal education programs ever undertaken. This resulted in over 20 volumes of testimony which included input from every sector of the education community in our Nation.

However, even this meticulous undertaking was not foolproof. For example, it has come to my attention that an action taken during one of the conference committee sessions created a clearly unintended consequence. Thus, the Congress, in an attempt to insure meaningful parental involvement in the compensatory education program (ESEA title I), legislated a provision (section 125c) which requires that every Parent Advisory Council (PAC) member must be supplied "* * * a copy of the text of this title; a copy of any Federal regulations and guidelines issued under this title; and a copy of appropriate State regulations and guidelines issued under such title * * *."

In Pennsylvania, we have 504 advisory councils and there are approximately 5,000 council members, total. The Pennsylvania Department of Education has indicated that this provision will mean that $87,000 of their title I funds must be used to satisfy this part of the law.

If this is true for Pennsylvania, the cost in New York, for example, where, I am told, there are 4,500 advisory councils and approximately 14,000 PAC members, could easily total in excess of $225,000. Senator Sasser has indicated that his State of Tennessee will be forced to spend approximately $75,000 in title I funds to comply.

It was not the intention of Congress to take such sums from each State's entitlement in order to provide these copies. I have noted that Senator Sasser has recently introduced a bill, S. 1106, which would eliminate the requirement that school districts supply all members of title I PAC's with copies of the title I law and Federal and State regulations. I have introduced a companion bill, H.R. 4206, which would require that copies of the law and regulations be made available to PAC members on request. In addition, the bill would require that each PAC have one copy of the law and regulations on file. This surely would fulfill the intent of Congress (access to information by PAC members) without wasting title I funds.

Mr. Speaker, we cannot allow an unintended consequence, which has no significant potential benefit for youngsters or their parents, to divert funds from the title I program. The bill which I have introduced provides a remedy for this situation.●

MARIHUANA ON THE HIGHWAYS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DORNAN. Mr. Speaker, thousands upon thousands of people are killed and maimed each year on our Nation's highways. As you know, a disproportionate number of highway fatalities is attributable to alcohol. Now, in a national journal of great circulation the May edition of Reader's Digest, another source of highway death and mayhem is revealed: The use of marihuana while driving. Blowing pot is considered to be, by its advocates and the advocates of decriminalization, a milder and less dangerous addiction than drinking. But research conducted by the California Department of Justice, the first major study of its smoking on physical coordination and driving skills, as well as the mental capability of the motorist to appreciate the danger that he poses, is no less dangerous.

Mr. Speaker, I submit the essay, "Marihuana and Driving, The Sobering Truth" for the edification of my colleagues.

The article follows:

Marijuana and Driving: The Sobering Truth

(By Peggy Mann)

Recent studies blow the warning whistle on a little-publicized but nonetheless frightening new menace to motorists: the pot smoker driving "high" on the highways. Persuasive evidence is mounting that such drivers often have a distorted sense of space and time, altered peripheral and central vision, and impaired manipulative and coordination skills.

Surveys reported by the National Institute on Drug Abuse (NIDA) reveal that 60 to 80 percent of the marijuana users questioned sometimes drive while "intoxicated" on pot. Every day, increasing numbers of stoned drivers are endangering lives—as pot use escalates into what NIDA calls "a national epidemic among young people." (The latest countrywide survey shows that one out of every nine high-school seniors smokes pot daily, almost twice the 1975 figure.)

Our nation is both unaware of the marijuana highway crisis and unprepared for it. Many states have inexpensive and legally recognized tests for establishing alcoholic intoxication. However, we have no workable roadside test for marijuana intoxication. (NIDA is funding research on such a test, but it is probably three or four years away from being ready.)

In 39 states, possession of marijuana is still a crime, but enforcement is generally lax—and pot smokers know it. Of the 11 states that have decriminalized marijuana, only Alaska and Minnesota have thus far enacted a special increased penalty for possession of pot in a vehicle. In all 11 states, many pot-smoking drivers mistakenly believe that decriminalization implies governmental sanction to smoke marijuana—anywhere.

The politicization of pot has helped to obscure the picture. But when emotions and polemics are cleared away, both pro- and anti-decriminalization forces agree that it is dangerous to drive stoned. Even the National Organization for the Reform of Marijuana Laws (NORML), which supports removal of all legal penalties for possession of pot for personal use, "strongly discourages driving while under the influence of marijuana or any other drug, and recognizes the legitimate public interest in prohibiting such conduct."

The "legitimate public interest," however, is not being protected. Highway officials nationwide express profound concern. Richard L. Burton, former commissioner of Alaska's Department of Public Safety, is among the most apprehensive, saying, "The alcohol problem on the highways will soon be only half as serious as marijuana—and that's not because the alcohol problem is going to get any better!" And Lee Dogoloff, White House adviser on federal drug policy, states: "It is essential that Americans understand the very real hazards of driving while marijuana-intoxicated."

How much does marijuana contribute to traffic accidents and fatalities? Research findings have been remarkably consistent. In 1975, the Boston University Traffic Accident Research Team surveyed 267 drivers deemed "most responsible" for a fatal accident. Sixteen percent of the 267 drivers had been smoking marijuana prior to the fatal accident. Statistically, "marijuana smokers were over-represented in fatal highway accidents," the study concluded. Other traffic-fatality studies in Albuquerque, N.M., Baltimore, and in Oklahoma City yielded a similar incidence of marijuana involvement.

California's Department of Justice has made the first large-scale study directly relating marijuana to traffic arrests. The study, completed last year, covered 46 of the state's 58 counties and examined 1792 blood samples (randomly selected from 19,000 turned in by the California Highway Patrol) from drivers arrested for traffic accidents or for driving under the influence of drugs. The tests were made with an expensive radioimmunoassay laboratory technique that can analyze blood samples for molecules of THC (tetrahydrocanabinol), the chief mind-altering ingredient of marijuana. Sixteen percent of the 1792 arrested drivers had sufficient THC in their blood to constitute marijuana intoxication.

Victor Reeve, supervisor of the California study, pointed out: "This must be regarded as a very conservative figure because, of the drivers arrested, fewer than half agreed to give a blood sample. How many of the remaining drivers were under the influence of marijuana we will never know."

How does pot affect driving abilities? More than 50 studies have been made in the United States since 1970, when standardized grades of so-called "NIDA marijuana" were made available to researchers. Says Herbert Moskowitz, a University of California research psychologist who has probably done the most work on marijuana with simulated driving studies. "The preponderance of evidence indicates that marijuana impairs skills performance and perceptual processes, including vision, attention, and tracking behavior—all important components of driving performance."

Such impairments as tracking performance are significant after two street joints. Drivers may imagine they are doing a fine job of keeping the car in the correct lane, when in fact they are weaving.

In addition, marijuana can cause: impaired night-driving abilities, impaired short-term memory function, impaired concentration, impaired ocular motor control and impaired vigilance.

These results are generally obtained in driving-simulator tests—and most people drive better under simulated conditions than they drive normally.

However, one test was carried out in actual driving conditions by Dr. Harry Klonoff, professor of psychiatry at the University of British Columbia. He chose 64 psychologically stable subjects who had used marijuana before. One third were given a low dosage of one street joint, one third received a high dosage of two joints, the other third received placebos. With dual controls and an observer in each car, all 64 volunteers drove through a closed course with no other traffic. Low-dose subjects showed a 33-percent significant decline in driving skills, while high-dose subjects showed a 55-percent significant decline.

Thirty-eight drivers also covered a 16-mile route from the university campus to the traffic-heavy downtown area, and back again. These 38 were rated by the system used to examine drivers for licensing. Final figures for the road test showed that those on the low dose had a 42-percent decline in driving skills, while the high-dosage subjects had a 63-percent decline. Unusual driving behavior, Klonoff reported, included missing traffic lights or stop signs, poor handling of the vehicle in traffic, unawareness of pedestrians and stationary vehicles.

Of 11 behavioral components tested, the three of greatest vulnerability were judgment, caution and concentration—despite the fact that some of the subjects paid special attention to their driving to prove that pot had no impairing effects.

How long does marijuana continue to affect driving skills? Studies in 1972 showed a definite decrease in skills performance 5 to 6 hours after intake of a strong social dose of marijuana. Another worrisome factor, reported in 1976 by NIDA, is that a person may attempt to drive without realizing that his functioning is still impaired—even though he or she no longer feels "high."

A 1972 study of driving behavior in a safety-controlled area showed a "marked" decline in driving abilities was still present 5 to 6 hours after intake, a "definite" effect 8 to 10 hours after intake, and a lingering effect as long as 24 hours later. Another factor: Many chronic pot smokers reported that only a few puffs of "good pot" (with a high THC content) can result in a sudden intense high (if this happens on the highway it can be frightening and dangerous).

Do pot users recognize the danger of driving while stoned? Chronic pot smokers tend to view their driving impairments through rose-colored glasses. Among more than 1,000 people arrested for marijuana possession in Minnesota, 25 percent thought pot had no effect on their driving. More than 25 percent thought pot actually improved their coordination. Some enthusiasts prefer driving stoned, saying that it becomes less boring. "I get more into my driving" goes the refrain.

Dr. Joseph Davis, the medical examiner in Dade County, Fla., with Arnold W. Klein and Dr. Brian D. Blackbourne surveyed 571 local college and post-graduate students on pot and driving. In every driving category former and infrequent users sharply downgraded their ability to perform while stoned, while chronic pot smokers gave themselves quite good grades. Despite their cheery assessments, 53 percent of the chronic users had been stopped by police for driving under the influence of drugs; 22 percent had three or more violations, compared with 2.3 percent of non-users. Eight percent had had their license revoked, compared to one percent of the non-users.

The alcohol-drunk driver usually finds it hard to hide his condition, if stopped by the police. But the pot-high driver often believes he can "come down" and carry on a seemingly normal conversation with a police officer. This apparent ability to "hide their high" gives many pot smokers confidence that they can drive stoned.

One such self-assured driver, a 30-year-old medical sociologist—a heavy drug user and daily pot smoker for about five years before he swore off drugs—reported smoking a few joints at a friend's house. Then he borrowed his friend's car, certain that he could handle whatever might turn up on the road—including the police. "But," he recalls, "as I drove down one of the busiest streets in the city, the dream-like pleasure I usually felt when driving stoned suddenly burst into a total psychedelic experience. All I could see was a myriad of tiny dancing lights. I was so totally spaced out that I had no awareness of even being in a car, much less driving one."

When a traffic light turned red, he didn't notice it, and crashed into a small car. He got out, danced a little jig, walked away and wandered around the city for hours. "I knew something had happened. But I didn't know what."

Around 4 a.m. he remembered, and turned himself in to the police. He learned that he had wrecked his friend's car, and had totally demolished the small car in front of him—which had, in turn, crashed into the sedan in front of it. Remarkably, no one had been seriously injured.

What can be done—now? We need not wait helplessly until scientists come up with a roadside kit for testing THC levels, and states enact laws to deal with marijuana-intoxicated drivers. There are two avenues we can take right away.

First, state legislatures should immediately pass laws imposing a high fine and/or other stiff penalty for possession of marijuana in a vehicle—including taxis, buses, trucks, trains and planes.

Second, we must inaugurate educational programs by governmental agencies, insurance companies, foundations, private groups and, especially, high-school and private-driving instructors. (A friend of mine taking a driving course was offered a joint by an instructor, "to relax.") Coordination of effort will increase the impact of the message: it's dangerous to drive stoned.

Brochures should be distributed at toll booths, gas stations, garages. Car users are a captive audience, and "spot warnings" can be tailored to a range of radio programs. The American Automobile Association and National Safety Council could begin a nationwide information campaign.

Unless we move in these directions, warns NIDA's Robert Willette, who is responsible for developing THC test kits, more and more pot users will be driving high. "We can only hope that growing awareness of the problem," he says, "will prevent a national disaster."●

MERIDIAN SUFFERS UNDER AIRLINE DEREGULATION

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. MONTGOMERY. Mr. Speaker, as my colleagues know, I have been quite vocal in my assessment of the effects of the Airline Deregulation Act on medium size communities. My comments have been prompted by the unjustified end of service to my hometown of Meridian, Miss., by Delta Air Lines even though the community has lost essential service to and from the West. Unfortunately, the CAB has, in my opinion, ignored the intent of Congress and approved Delta Air Lines pulling out of Meridian even with the loss of this essential service.

But rather than just having my comments on the situation I would like to share with you a recent news commentary by George Shannon of WTOK-TV in Meridian on the air travel situation in Meridian. His comments are as follows:

This story might be entitled "Goodby Meridian, Hello Reno", or possibly, "De-regulation, What Has Thou Wrought?" The basic story is that at 3:32 this afternoon, Delta Airlines flew out of Meridian for the last time. This came after 48 years, 10 months and 14 days of service to Meridian. Delta, which originated as a crop-dusting service in 1925, became a passenger-carrying airline in June of 1929. One year later, on June 29, 1930, Delta began service to Meridian. The airline will celebrate it's 50th anniversary in June of this year, and Meridian has been an important link in this service for 49 of those 50 years. Until recently, it was a great friendship in many ways. The Meridian Chamber of Commerce, city officials, and our Washington Congressional delegation supported Delta to the fullest, and participated in the airline's efforts to expand service to the west coast and other areas. Meridian was proud of Delta's progress, feeling that it was almost a family affair. Then last year Congress voted airline de-regulation, and suddenly came Delta's announcement that Meridian was no longer a member of the family. Extensive efforts by city officials, the Chamber of Commerce, Senator John Stennis and Congressman Sonny Montgomery failed to change the situation. In denying the City of Meridian's petition to have Delta Service continued, the Civil Aeronautics Board stated that it was sympathetic to communities such as Meridian, and hoped that in the long run, this community and others like it would be able to attract new or improved service to assist in fully meeting passenger demand for air travel. The board continued, "although we are confident that the course we recommend is consistent with congressional intent, we cannot overlook the fact that the result of this action could have a negative impact on the Meridian economy, and will make air service less convenient for its citizens." It is interesting to note that while Meridian is losing its only air service to the west, Delta continues to expand its service to a particular spot in the west . . . Reno, Nevada. New service was begun last October, and additional flights have been proposed already. Delta has requested authority to bring non-stop flights to Reno from Dallas-Fort Worth, Texas and Albuquerque, New Mexico, plus the first single plane service from Houston to Reno.

Airline de-regulation was spearheaded in Congress by Senator Howard W. Cannon of Nevada, Chairman of the Senate Commerce, Science, and Transportation Committee.

While Meridian is the first to feel the result of de-regulation, there is no assurance that other cities in the State won't join Meridian in the near future, depending solely on the wishes of the airlines serving them. Certainly it would be unheard of for an entire State to be without airline service . . . but it could happen. We hope not.

At any rate, Delta employees worked their last shift in Meridian today. Families have been moved, tears have been shed, and Delta has flown out of Meridian for the last time, leaving Meridian without air service or connections to the west. It's like the old joke . . . if you want to go west by air . . . you just can't get there from here. With Meridian, it's no joke.

The merger of Southern Airways and North

Central Airlines makes the future look even brighter, according to Jack Bell, Southern station manager at Key Field. Final details of the merger are expected to be completed in the near future, after which the combined companies will operate as Republic Airlines. North Central, which operates primarily in the north central United States and parts of Canada presently owns 28 DC-9's and 25 Convair 580's. These will join the 30 DC-9's and 8 metroliners that currently make up the southern fleet. In addition, other planes are already on order. Officials state that plans are already being made concerning the future operation of Republic Airlines, and announcements are expected following the completion of the merger. In the meantime, Southern Airways continues to supply Meridian with its only passenger service. Of the five daily flights, two are DC-9's to Atlanta. In addition there are three metro-liner flights daily, two to Memphis and one to New Orleans. Southern will celebrate it's thirtieth birthday this year. The airline originated back in 1949 with a single DC-3 flight between Atlanta and Memphis.

Southern's service to Meridian started in April of 1960. According to Station Manager Bell, Southern has enjoyed the more than 19 years it has served Meridian, and he feels that the merger with North Central will provide even greater potential for the future of airline service in this area.●

CONSTRUCTION AND OPERATION OF METRO

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. McKINNEY. Mr. Speaker, yesterday the House overwhelmingly passed H.R. 3914, a bill to amend the National Capital Transportation Act of 1969 to increase the District's share of the cost of the Metro rail system and increase the authorization of the mayor to contract with the Transit Authority to make annual capital contributions. The District of Columbia's contribution, authorized under the National Capital Transportation Act of 1969, has been virtually exhausted. In order to permit the District to fulfill its share of the costs of Metro, the ceiling imposed by the act had to be lifted. I am pleased that the House recognized the need for the lifting of the ceiling and acted favorably on this bill.

Having favorably disposed of that matter, we must now address the issues contained in another bill, H.R. 3951, which relates to the construction and operation of Metro. I feel strongly that passage of H.R. 3951 is crucial to the future success of the area's Metro rail system. The question will be raised as to why the Washington metropolitan area should be singled out from other area transit systems for special Federal financial assistance. However, there are over two and a half decades of history which delve into and describe the special relationship which exists between the Metro system and the Federal Government.

The need for a mass transit system in our Nation's Capital was recognized as far back as the turn of the century. In 1935, the District's streetcar companies were merged into one system. In 1952, Congress again addressed the issue of the area's transportation needs with passage of the National Capital Planning Act. The actual planning of what is now Metro commenced in 1960, pursuant to the general consensus that it would be in the Federal interest to have a well-balanced, far-reaching mass transportation system in our Nation's Capital. President Johnson, upon submitting to Congress the National Capital Transportation Act of 1965, reiterated the Federal Government's unique interest and responsibility in solving the problem of mass transportation in the Washington area.

However, the primary financial program for a truly regional public transportation system was provided when Congress passed the National Capital Transportation Act of 1969. The special Federal interest was again acknowledged, and in his testimony in behalf of the bill, Phillip S. Hughes, Deputy Director of the U.S. Bureau of the Budget, stated:

> * * * This federal interest, unique to this area among all American cities, is the principal reason that historically the rapid transit needs of the National Capital region have been pursued through separate legislation rather than under the nation-wide Urban Mass Transportation Act.

The Washington metropolitan area transit system is unique. In no other city have stations been built strictly at the request of the Federal Government. In no other city are vast numbers of Government workers transported to and from their places of employment. In no other city are large numbers of visitors to our national monuments transported by public transit. The absence of an adequate transit system would certainly pose serious consequences to the overall functioning and productivity of our Federal Government.

Presently, we are faced with a grave energy shortage. Almost daily, we hear of long lines of American citizens in California and elsewhere in our Nation, waiting to buy gasoline. Now, even closer to home, the Washington area has begun to feel the pinch. Recently there were long lines at many of the area stations that were not closed as a consequence of having expended their monthly gasoline allocations. According to an article in the Washington Post, "Use of public transportation has jumped, and is quickly reaching the saturation point." Our constituents are turning to mass transportation and we must be able to provide it. Several weeks ago, it was noted that over 1.4 million calls were placed to Amtrak. During this same period last year only 366,000 calls were placed.

Legislation has been introduced in the House to curtail free parking for Federal Government employees, including Members of Congress and congressional staff. I think we can safely assume that many who now park in free spaces in Federal buildings will opt to use mass transit, if it is available to them, rather than pay a hefty monthly parking fee. This could cause a massive influx of workers onto the already crowded system.

We must complete the 101-mile transportation system, and we must do it as expeditiously as possible. Each year's delay in construction of the system will cost us dearly. In terms of human hardship and unnecessary expenditures, we cannot afford further delay. The Federal Government has a commitment to the Metro system and it is the responsibility of this Congress to keep its commitment. I urge my colleagues to join me in supporting H.R. 3951 when it comes to the floor for consideration later this session.●

THE PANAMA CANAL TREATY IMPLEMENTING LEGISLATION AND THE CONSTITUTION

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. DORNAN. Mr. Speaker, I have been reminded by a number of colleagues, especially in print, that the passage of the legislation to implement the Panama Canal Treaty of 1977 is clearly in the national interest. We are told that the passage of the legislation will insure the smooth operation of the canal, assure an avenue for American commerce and warm our relations with our Latin American neighbors. I think that all of these reasons ought to be debated fully, each on its own merits. And I am certain, given the intensity of feeling in this House on this issue, that these issues will be debated fully before we finally pass legislative judgment on the merits of the measures before us.

However, there is yet another reason which is offered by some of my colleagues for swift passage of the implementing legislation; it is that the proverbial "die" is cast, that the treaty is the "law of the land," and that it is the responsibility of this House to make the best of a less than desirable international agreement. I must take sharp issue with this view. The Congress has no moral or legal obligation to implement the Panama Canal Treaty of 1977. Only self-executing treaties can be considered integral to the "law of the land" under article VI, the supremacy clause of the Federal Constitution. The Panama Canal is not, of course, a self-executing treaty. As with other nonself-executing treaties, it will require congressional action in order to become part of the "law of the land." As Chief Justice John Marshall ruled in *Foster* against *Nielson* (1829): "The Legislature must execute the contract before it can become a rule for the court."

Mr. Speaker, a treaty must not contradict the Constitution. As Justice Black declared in *Reid* against *Covert* (1957):

> It would be manifestly contrary to the objectives of those who created the Constitution as well as those who were responsible for the Bill of Rights—let alone alien to our entire constitutional history and tradition—to construe Article VI as permitting the United States to exercise power under an international agreement without observing

constitutional prohibitions. In effect, such construction would permit amendment of that document in a manner not sanctioned by Article V.

Mr. Speaker, it is no secret that I have been strongly opposed to the Panama Canal Treaty of 1977. If one is firmly convinced that I am absolutely wrong in my assessment of the merits of that treaty, then this matter is of even greater importance to my fellow Members of the House of Representatives. I, therefore, beg your patience. After considering what I have to say, I hope that you will agree with me on the changed nature and gravity of our deliberations.

During the past several weeks, I have inserted into the CONGRESSIONAL RECORD testimony and appropriate commentary on neglected constitutional problems raised by certain provisions of the Panama Canal Treaty of 1977. (See my first insert in the CONGRESSIONAL RECORD, April 24, 1979, p. 8499.) The central focus of my discourse was article III, paragraph 3, of the Panama Canal Treaty which proclaims the Panama Canal Commission as, in the language of the treaty, a U.S. Government agency. I hasten to add that if the commission were anything else—a binational, multinational or international agency—then the constitutional problems simply would not exist.

An an opponent of the treaty, I do not consider the presence of these problems a boon or good fortune or a gift of the Fates. They further complicate an already complicated and divisive issue, and the injection of constitutional issues into legislative debate tends to sometimes generate ill-feeling. Nevertheless, we cannot break diplomatic relations with reality, or pretend that problems related to our sworn fidelity to the fundamental law of the land are, somehow or other, unimportant.

Mr. Speaker, I want to share with my colleagues the constitutional problems that I see with the legislation to implement the Panama Canal Treaty of 1977.

First. The Panama Canal Commission, ordained by the treaty to assume administrative responsibilities of the U.S. Panama Canal Company, is, like the Company, a U.S. Government agency. It is to be governed by a board of nine members, five Americans (five until 1990) and four Panamanians who must be appointed, again in the language of the treaty, in "a timely manner." This provision is clearly unconstitutional. First, it establishes Panamanian Government appointees as civil officers of the United States, invested equally with their American counterparts with the authority of the United States. Second, even if we were to agree that nonresident aliens could, by virtue of some exotic construction of the Constitution, serve on the governing board of a U.S. Government agency, the treaty requirement that the President appoint a specific person, named by the Panamanians, and that he must be appointed in "timely manner" places an unconstitutional limitation on the President's power to appoint civil officers of the United States under article II, section 2, clause 2 of the Federal Constitution.

Second. Article III, paragraph 3, of the Panama Canal Treaty of 1977 imposes an unconstitutional limitation on the President's absolute authority to remove civil officers. There is no precedent in our constitutional history for requiring, as the treaty does, the removal of a civil officer at the request of a foreign government. If it be objected that the civil officer in question is a Panamanian, then we are entitled to know what a Panamanian Government appointee is doing serving on, indeed governing, a U.S. Government agency. It is incredible that we are actually being asked to approve and implement such a provision.

Third. In the language of the treaty, all members of the board of the Panama Canal Commission are serving in the same civil capacity. Why, then, are they not all subject to Senate confirmation and impeachment and trial under conditions applicable to executive officers of the United States in accordance with article II, section 2, of the Federal Constitution? It declares that, ". . . all civil officers . . . shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors." If you are now wondering how a Panamanian national, naturally owing allegiance to his native land, could possibly be convicted of "treason" against the United States, even though he serves on the governing board of a U.S. Government agency, then you grasp the essential silliness of this entire provision. How could a Panamanian be asked to swear allegiance to the Constitution of the United States.

This particular portion of the treaty, and the potentially hilarious confusions concerning the legal status of the Panamanians, loses its Max Sennet-comic quality when you consider the significance of the conflicts that could erupt on a board governing the operation of one of the world's most critical waterways. That confusion was evident in the deliberations in our Merchant Marine and Fisheries Committee. H.R. 111 originally provided for Senate confirmation of the Panamanian members of the Commission. Then, before markup, it was stricken. Now the bill imposes ethical conduct standards on the Panamanian as well as the American members of the Commission. Why not? The Commission is what the treaty says it is. It is not a binational Commission. It is a U.S. Government Commission.

Fourth. Article III, paragraph 3, of the treaty clearly abridges the "privileges and immunities" clause of the 14th amendment and the due process clause by excluding all Americans living and yet to be born from access to office in a U.S. Government agency. In contravention of the Constitution, the treaty mandates foreign nationality as a necessary qualification to hold office under the United States.

Let us face it. The simple fact is that the administration, in conscientiously trying to negotiate what it deemed to be an equitable treaty, made a mistake. It overlooked important constitutional aspects of the agreement. Somehow or another, these issues escaped the long and harrowing Senate debate on the treaty. They were brought to the attention of the Panama Canal Subcommittee during hearings on H.R. 111 and H.R. 1716 by Dr. Charles Breecher, a former State Department official and prominent member of the American Society for International Law.

The significance of Dr. Breecher's March 7, 1979, testimony was reinforced by the fact that not one member of the Panama Canal Subcommittee attempted to challenge the constitutional arguments he presented. During the question and answer session, congressional and staff interest centered on the question as to whether it was possible to "square the circle"; that is, reconcile the implementation of the language of the treaty with the Constitution itself. A fair-minded observer of the discussion would have concluded that it was not—and it is not. Naturally, a treaty cannot amend the Constitution.

Unfortunately, these questions have not been fully debated. I will, therefore, offer a motion on the floor to recommit H.R. 111 to the Judiciary Committee for appropriate consideration. I ask you to support my efforts, so that we will at least have the opportunity to clear the air on these issues.

These are not issues to be decided by the U.S. Supreme Court. The Court has already decided them. Congress has the primary right and duty to reject any legislation that contradicts the Constitution. We are not required, under any circumstances, to ratify the mistakes of others.

Mr. Speaker, I am happy to say that other Members of the House share my concerns, even if they do not fully subscribe to my own convictions on the matter. On April 10, I asked the distinguished chairman of the House Judiciary Committee, Mr. RODINO, to consider the constitutional issues surrounding the proposed establishment of the Panama Canal Commission. While noting that certain procedural problems accompanied a referral of the matter at that time, it is significant that Chairman RODINO remarked: "I agree that the constitutional questions which you raise in your letter should not be ignored."

Mr. Speaker, I think it is significant that the distinguished chairman of the Merchant Marine and Fisheries Committee, Mr. JOHN MURPHY, and the distinguished chairman of the Panama Canal Subcommitte, Mr. CARROLL HUBBARD, cosigned the original letter I circulated on April 10, 1979. For the edification of my colleagues, I submit my original letter to Mr. RODINO, cosigned by fellow members of the Merchant Marine and Fisheries Committee, and Mr. RODINO's response:

CONGRESS OF THE UNITED STATES,
Washington, D.C., March 27, 1979.

Hon. PETER W. RODINO, JR.,
Chairman, House Committee on the Judiciary, Washington, D.C.

DEAR CHAIRMAN RODINO: On March 7, 1979, Dr. Charles Breecher, a former State Department officer and an esteemed and prominent member of the American Society of International Law, testified before the Merchant Marine and Fisheries Subcommittee on the Panama Canal. The subject of his testimony was the Constitutional status of the proposed establishment of the Panama Canal Commission, a United States Government agency charged with carrying out American responsibilities under the Treaty as specified by Article III, Paragraph 3, of the Panama Canal Treaty itself.

I think that it is fair to say, Mr. Chairman, that virtually all of the Members of the Panama Canal Subcommittee were greatly impressed with the substance of Dr. Breecher's testimony; for it reflected an unusual breadth and scope of Constitutional scholarship.

Mr. Chairman, the establishment of this Commission, as provided by the Panama Canal Treaty, is legally problematic. At the very least, it raises grave reservations over the Constitutionality of any Congressional action to implement the relevant provision of the Panama Canal Treaty. Given the solemn, primary legal and moral obligation of every Member of the Congress to adhere to his or her oath of office and to uphold and defend the Constitution of the United States, it is essential that any doubts about the Constitutionality of any legislation to implement the Panama Canal Treaty be finally put to rest.

The simple truth is, Mr. Chairman, that these doubts linger. The issues at hand go beyond the wisdom or the merits of the Panama Canal Treaty. It is quite beside the point whether the Treaty and the accompanying legislative implementation is good, or bad, wise or foolish, beneficial or injurious to the foreign policy interests of the United States and the legitimate interests of the international community. If the Treaty cannot be reconciled with the Constitution, then legislative deliberations are in vain.

Without exhausting the legal argumentation presented in Dr. Breecher's testimony, we would like to very briefly call to your attention the source of our misgivings. Article III, Paragraph 3, of the Panama Canal Treaty provides for the establishment of "a United States Government agency called the Panama Canal Commission, which shall be constituted by and in conformity with the Laws of the United States of America." It is further specified that the proposed Panama Canal Commission shall be governed by a board of nine members, five of whom shall be United States citizens and four of whom shall be citizens of the Republic of Panama.

All nine members are to exercise equal authority under the terms of the Treaty. The Treaty makes no distinctions whatsoever between the Americans and the Panamanians serving on this nine-member panel. The Panamanians are to be nominated by the Republic of Panama for their appointment by the United States. If Panama desires the removal of any one of its own nationals, the United States, as specified by the Treaty is to comply with that request.

If this provision of the Treaty is implemented, then the Congress of the United States will be undertaking an unprecedented step in establishing non-resident aliens as agents of the United States, invested with the authority of the United States since they will be acting in their capacity as members of the proposed United States Panama Canal Commission.

We think that you will agree that, at the very least, this proposal is unusual as well as unprecedented; for the non-resident aliens who will be granted this authority under International and our National Law are not, in any sense, mere employees of the United States, but officers of the United States, serving in extraordinarily high civil position. Given their authority, along wth that of ther American counterparts serving at the pleasure of the United States, they cannot be understood as anything other than "superior officers" of the United States.

But this is not all: the acceptance of such provision carries with it the burden of a whole series of troublesome Constitutional issues. Is the Treaty requirement that four members of the Panama Canal Commission be Panamanian nationals an unconstitutional limitation on the President's appointive power as understood in Article II of the Federal Constitution? Does the Treaty provision that Presidential removal of certain Members of the Board of the Panama Canal Commission be undertaken with the request of the Republic of Panama in any way abridge the President's long established Constitutional power to remove superior officers of the United States?

Are the non-resident aliens exercising the authority of the United States subject, not only to Senate confirmation but also to the process of impeachment as other Federal officers? Can the Congress of the United States legitimately implement legislation that mandates foreign nationality as a non-negotiable condition for service in a United States Government agency without thereby abridging the privileges and immunities of every American citizen, the traditional rights equally guaranteed under the 14th Amendment of the Federal Constitution?

These points cannot be dismissed as obscure legal technicalities. They go to the very heart of the Fundamental Law of the Land. The Panama Canal Commission is not an international commission; it is not a binational commission. If it were either, the Constitutional questions would dissipate like the morning mists. The Panama Canal Commission is specified by the Treaty as a United States Government Commission, and must, therefore be treated by the Congress in the same fashion as every other Federal agency.

So the questions remain.

Mr. Chairman, there are some who would take the position that the establishment of the Panama Canal Commission is, ipso facto, unconstitutional. Others may simply disagree, may point to extenuating circumstances or doubt the merits of the case presented by Dr. Breecher. But, in any case, the Constitutional issues raised by Dr. Breecher cannot legitimately be ignored. If his interpretation is incorrect, then Members of the Congress have the right to hear and fully explore the counter arguments. Indeed, they have the solemn obligation to hear those arguments.

For that reason, Mr. Chairman, we are respectfully asking you to invite Dr. Breecher to testify before the Judiciary Committee. The House Judiciary Committee has the facility to explore in considerable depth, with a wealth of Constitutional expertise and experience, the issues raised by the Panama Canal Treaty provision establishing the Panama Canal Commission.

Thanking you for your kind consideration of this matter.

Sincerely,

Robert K. Dornan, William Carney, Robbert Bauman, Carroll Hubbard, Don Young, David Treen, Edwin Forsythe, Thomas B. Evans, Paul N. McCloskey, Robert Davis, Gene Snyder, John Murphy.

Congress of the United States,
Washington, D.C. April 19, 1979.

Hon. Robert K. Dornan,
House of Representatives,
Washington, D.C.

Dear Bob: This is in response to your letter of April 10, 1979 relating to the Panama Canal Treaty Implementing Legislation, particularly the establishment of the Panama Canal Commission, as required under Article III of the Treaty.

The Commission, as you know, is established, and its duties and functions set out, in Title II of H.R. 1716, the Administration's proposed legislation. That bill was divided by Title and referred to the four relevant Committees. In acting on this legislation, the Judiciary Committee limited its consideration to those sections referred to it, i.e. section 2 and Titles IV and V. The Committee did not consider the sections contained in the other Titles of the bill referred to the other three standing Committees on the basis that to do so would have infringed on the jurisdiction of those Committees to which those Titles had been referred exclusively.

I agree that the constitutional questions which you raise in your letter should not be ignored. However, as you are aware, the deadline for the reporting of the various Titles, originally April 10 and subsequently extended to April 11, 1979, has passed. The Judiciary Committee met that deadline, reporting its sections with an amendment. Prior to your letter of April 10, 1979, the Committee received no indication from Members of any of the other standing Committees of a desire to have the Judiciary Committee consider the important issues which you raise in connection with Title II of the bill.

In fact on March 6, 1979 I forwarded to the Honorable Carroll Hubbard, Jr., Chairman of the Panama Canal Subcommittee, a letter from Mr. Charles H. Breecher, requesting to be heard on this matter. At that time, Chairman Hubbard expressed no desire to have this Committee consider the matter which was appropriately within his Subcommittee's jurisdiction.

For these reasons, I believe that it would be inappropriate for this Committee to reconsider this legislation at this time.

With kind regards,

Sincerely,

Peter W. Rodino, Jr.,
Chairman.●

ADDRESSES OFFERED AT THE CONGRESSIONAL HOLOCAUST COMMEMORATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. GILMAN. Mr. Speaker, on April 24, a moving ceremony took place in the Rotunda of the Capitol. President Carter and Vice President Mondale joined with Elie Wiesel in addressing the assembled Members of the House of Representatives and the Senate, the Diplomatic Corps and the public, memorializing the victims of the Nazi holocaust.

Since space was limited in the rotunda that day restricting attendance, some of my colleagues may not have had the opportunity to join in the ceremony and may have missed hearing the moving remarks of the President, the Vice President, and Mr. Wiesel. For that reason, I ask that the remarks be printed at this point in the Record:

Remarks of Vice President Walter F. Mondale at the Holocaust Commemoration Ceremony April 24, 1979

Mr. President, Mr. Speaker, Mr. Majority Leader, Members of Congress, Distinguished Guests, ladies and gentlemen:

I am profoundly honored to join you, and all Americans, as we commemorate both the tragedy of the holocaust, and the vibrant resilience of the human spirit.

Human nature casts a complex shadow on the history of civilization. The triumph of the human heart has its memorials—in our miracles of art, in the genius of our democracies, in the lesson of compassion at the soul of all religions.

But the history of humanity is also scarred by ignominy. Hatred, injustice, oppression, bloodshed: These, too, have their monuments that litter our nobler history like trash in a garden.

We meet today to recall both sides of

human history—triumph as well as tragedy. We meet both to renew our grief, and to recommit our courage . . . to sing Kaddish for the fallen, and to sanctify as well the work of the living.

The holocaust beggars the human imagination. To recall it is to think the unthinkable. To describe it is to say the unsayable. To be its heir is to inherit a nightmare.

But the horror we commemorate today must not blind us to the life whose roots lie in its ashes. For today we also affirm that genocide has no part in human history.

Today we declare that decency and dignity and life itself are inalienable, and must forever remain so. Today we bear witness not only to the unanswered cries of the eleven million, but also to the duty they confer on us: The duty to banish bloodshed from the annals of our children's future.

Today we bear witness. Elie Wiesel the distinguished chairman of President Carter's Holocaust Commission, put it this way in his moving novel, The Oath:

"We must tell, awaken, alert, and repeat over and over again without respite or pause, repeat to the very end those stories that have no end . . ."

We will repeat those stories without end. One of them is the tragedy of the holocaust. But another—and just as important—is the story of the human heart in its relentless service of high ideals.

REMARKS OF THE PRESIDENT AT THE NATIONAL CIVIC HOLOCAUST COMMEMORATION CEREMONY, APRIL 24, 1979

I am honored and also grave and solemn as I participate in this ceremony during Days of Remembrance for victims of the Holocaust.

Just five weeks ago, during my trip to Israel, I visited again Yad Vashem—the memorial to the six million. I walked slowly through the Hall of Names. And like literally millions before me, I grieved as I looked at book after book, row after row, each recording the name of a man or a woman, a little boy or a little girl, each one a victim of the Holocaust.

I vowed then—as people all over the world are doing this week—to reaffirm our unshakable commitment that such an event will never recur on this earth again.

A philosopher has written that language itself breaks down when one tries to speak about the Holocaust and its meaning. Our words pale before the frightening spectacle of human evil which was unleashed upon the world, and before the awesomeness of the suffering involved; the sheer weight of its numbers—11 million innocent victims exterminated—6 million of them Jews.

Although words do pale, yet we must speak. We must strive to understand. We must teach the lessons of the Holocaust. And most of all, we ourselves must remember.

We must learn not only about the vulnerability of life, but of the value of human life. We must remember the terrible price paid for bigotry and hatred and also the terrible price paid for indifference and for silence.

It is fitting also that we recall today the persecutions; the suffering and the destruction which has befallen so many other people in this century, in many nations, peoples whose representatives have joined us for this observance. For the central lesson of the Holocaust must be that, in the words of the poet. "Each man's death diminishes me".

To truly commemorate the victims of the Holocaust, we must harness the outrage of our memories to banish all human oppression from the world. We must recognize that when any fellow human being is stripped of humanity; when any person is turned into an object of repression; tortured or defiled or victimized by terrorism or prejudice or racism, then all human beings are victims, too.

The world's failure to recognize the moral truth 40 years ago permitted the Holocaust to proceed. Our generation—the generation of survivors—will never permit the lesson to be forgotten. Human rights and human dignity are indivisible. America must, and always will, speak out in the defense of human rights not only in our own country, but around the world.

That commitment imposes special responsibilities on us to uphold the highest possible standards of human justice and human rights here at home. I applaud the Congress in calling for this day of remembrance of the Holocaust. And I renew my call to the Senate to take a long overdue step this year by ratifying the International Treaty on the Prevention and Punishment of Genocide. Without concrete action, our words are hollow. Let us signify by deed as well as by word that the American people will never forget.

It is, perhaps, ironic that we meet today in a season of rebirth and renewal to recall a time of darkness and destruction that has no parallel in human history. And yet it is also fitting that we do so in this Rotunda, along with actual survivors of the Holocaust itself. For the Holocaust is also a story of renewal and a testament to the power of the human spirit to prevail.

People who saw their homes destroyed helped build a new homeland in the State of Israel. People like Elie Wiesel, the Chairman of my Holocaust Commission, who witnessed the collapse of all vision, created and shared with us a new vision. It is an incredible story of a people who refused to allow despair to triumph, who after having lost their children, brought new families into the world.

It is our collective task as well to learn from this process of renewal, the roots of hope—a hope not based on illusion or ignorance, but hope grounded in the rebirth of the human spirit and a reaffirmation of the sacredness of life.

With that hope, we will strive to build out of our memories of the Holocaust a world joined by a true fellowship of human understanding, a world of tolerance and diversity in which all people can live in dignity and in peace.

THE HOLOCAUST: BEGINNING OR END?

(By Elie Wiesel)

Mr. President, Mr. Vice President, Mr. Speaker, Leaders and Members of the House and the Senate, Distinguished Guests:

Allow me to tell you a story.

Once upon a time, faraway, somewhere in the Carpathian Mountains, there lived a small boy, a Jewish boy, whose dreams were filled with God, prayer and song.

Then one day, he and his family, and all the Jews of his town, were rounded up and exiled to a dark and evil kingdom. They arrived there at midnight. Then came the first separation, the first selection.

As the boy stood with his father, wondering whether his mother and sisters will come back, an inmate came to tell them the truth; this road led to the final destination of the Jewish people; the truth was there: in the fire, the ashes, the truth was in death. And the young boy refused to believe him; it had to be a lie, a nightmare perhaps, this could not be happening, not here, not now, not in the heart of civilized Europe, not in the middle of the twentieth century. Father, said the boy: if this were true, the world would not be silent. . . . Perhaps the world does not know, said the father. And father and son walked on, part of an eerie nocturnal procession, toward mysterious flames of darkness.

Thirty-five years later—almost to the day—the same Jewish boy stands before you with a deep sense of privilege, to remind our contemporaries that in those times of anguish and destruction, only one people—the Jewish people—were totally, inexplicably abandoned—only one people were simply, cynically handed over to their executioners.

And we, the few survivors, were left behind to bear witness and tell the tale.

But before doing so, allow me, on behalf of your Commission on the Holocaust and its Advisory Board, to thank you, Mr. President, for summoning our Nation—and all nations—to keep their memory alive.

We also wish to express our profound gratitude to all the distinguished guests and national leaders for being here today at this unprecedented assembly, responding to this call for remembrance. No other country, and its government, besides Israel, has issued or heeded such a call, but then Israel is a case apart. Israel's commitment to memory is as old as its history itself.

On my first night in the camp, which was the last for most of my friends, my family, my relatives, my teachers, I wrote:

"Never shall I forget that night, which has turned my life into one long night, seven times cursed and seven times sealed. Never shall I forget that smoke. Never shall I forget the little faces of the children whom I saw being thrown into the flames alive beneath a silent blue sky. Never shall I forget that sky."

Never shall I forget those flames which murdered my hopes forever.

Never shall I forget that nocturnal silence which deprived me, for all eternity, of the desire to live.

Never shall I forget those moments which murdered my soul and turned my dreams into dust, into smoke. . . . Never shall I forget these words even if I am condemned to live as long as God himself.

But Mr. President and friends—what does one do with such memories of fire—with so many fragments of despair? How does one live in a world which witnessed the murder of one million children and remained world?

Those of us who were there are haunted by those whose lives were turned into ashes, by those whose cemetery was the sky.

Terror-stricken families hiding in ghetto-cellars. Children running wtih priceless treasures: a potato or two, a crumb of bread. Endless lines of quiet men and women on their way to mass graves, reciting the Kaddish, the prayer for the dead, over themselves. Teachers and their pupils, mothers and their infants, rabbis and their followers, rich and poor, learned and illiterate, princes and beggars—all pushed inexorably toward death. Father, says a young boy, is it painful to die? Must I die? Think of something else, answers the father. Think of tomorrow.

Treblinka and Ponar, Auschwitz and Babi-Yar, Madjdanek and Blezec: What happened? Did creation go mad? Did God cover his face? Did the Creator turn against his creation? Did the God of Israel turn against the people of Israel? The question everyone asked upon arrival inside the gates was: What does it all mean? Was there a design, a secret pattern?

We didn't know, we still don't. How can anyone explain evil of such magnitude? How can anyone comprehend so much pain and anguish? One cannot conceive of Auschwitz with or without God. But what about man? Who can understand the calculated deprivation of the killers? The indifference of the onlookers? When Jews did have a possibility of leaving Europe, how many countries were there ready to accept them?

What was the Holocaust: an end or a beginning? Prefiguration or culmination? Was it the final convulsion of demonic forces in history? A paroxysm of centuries-old bigotry and hatred? Or, on the contrary, a momentous warning of things to come?

Turning-point or watershed, it produced a mutation on a cosmic scale, affecting all possible areas of human endeavor. After Auschwitz, the human condition is no longer the same. After Treblinka, nothing will ever be the same. The Event has altered man's perception and changed his relationship to God, to his fellow man and to himself. The unthinkable had become real. After Belsen, everything seems possible.

Admittedly, I belong to a traumatized generation, hence I speak of my people, the Jewish people. But when I, as a Jew, evoke the tragic destiny of Jewish victims, I honor the memory of all the victims. When one group is persecuted, mankind is affected. Still, for the sake of truth, we must remember that only the Jewish people's extermination was an end in itself. Jewish victims, stripped of their identity and of their death, were disowned by the whole world: they were condemned not for what they did or said, but for who they were: sons and daughters of a people whose suffering is the most ancient in recorded history.

Every occupied nation, every underground movement received help from London, Washington or Moscow. Not the Jews: they were the loneliest victims of the most inhuman of wars. A single air-drop, a single rescue mission would have proved to them, and to the enemy, that they were not forgotten. But, Mr. President and friends, the truth is that they were forgotten.

The evidence is before us: the world knew and kept silent. The documents that you, Mr. President, handed to the Chairman of your Commission on the Holocaust, testify to that effect. Actually, pictures of Auschwitz and Birkenau had reached the free world much earlier. Still, when the Hungarian Jews began arriving there feeding the flames with ten to twelve thousand persons a day, nothing was done to stop or delay the process. Not one bomb was dropped on the railway tracks to the death factories. Had there been a similar Joint Session of Congress then, things would have been different for many Jews . . . .

And yet, and yet when the nightmare lifted, there was no hate in the hearts of those who survived. Only sadness. And, paradoxically, hope, hope as well. For some reason they were convinced that out of grief and so much suffering a powerful message of compassion and justice would be heard and received. They were convinced that the Messiah would come and redeem the world. They were convinced that, after Auschwitz, people would no longer yield to fanaticism, nations would no longer wage war, and racism, antisemitism and class humiliation would be banned forever, shamed forever.

Little did we know that, in our lifetime, we would witness more wars, new racial hostilities, and an awakening of Nazism on all five continents. Little did we know that in our lifetime, books would appear in many languages offering so-called "proof" that the Holocaust never occurred, that our parents, our friends did not die there. Little did we know that Jewish children would again be murdered, in cold blood, by killers in Israel.

The survivors advocated hope, not despair. Their testimony contains neither rancor nor bitterness. They knew too well that hate is self-debasing and vengeance self-defeating. Instead of choosing nihilism and anarchy, they chose to opt for man. Instead of setting cities on fire, they enriched them. Many went to rebuild an ancient dream of Israel in Israel; they all chose to remain human in an inhuman society, to fight for human rights everywhere, against poverty everywhere and discrimination, for human kind, always.

For we have learned certain lessons. We have learned not to be neutral in times of crisis, for neutrality always helps the aggressor, never the victim. We have learned that silence is never the answer. We have learned that the opposite of love is not hatred, but indifference. What is memory if not a response to, and against, indifference?

So let us remember, let us remember for their take and ours: memory may perhaps be our only answer, our only hope to save the world from the ultimate punishment, a nuclear holocaust.

Let us remember, let us remember the heroes of Warsaw, the martyrs of Treblinka, the children of Auschwitz. They fought alone, they suffered alone, they lived alone, but they did not die alone, for something in all of us died with them.●

NOT YOURS TO GIVE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. PAUL. Mr. Speaker, Davy Crockett gave his life for freedom at the Alamo, and so we Texans have always considered him one of us, although he was in our State for only a few weeks.

Before coming to Texas, Davy Crockett served as a Member of Congress, and his record was an outstanding one. He cast one wrong vote, but after a distinguished constituent, Horatio Bunce, explained to him why it was unconstitutional, Colonel Crockett never again voted that way.

The vote in question—giving tax money to a group of Georgetown residents who lost their homes in a fire—seems acceptable enough today. After all, the major activity of the U.S. Congress is taking from one group to give to another.

But the great Davy Crockett—thanks to the wisdom of a constituent—came to see that this was neither moral nor constitutional.

The issue is honesty in government, and because Davy Crockett's words and actions are so relevant to today's politics, I would like to bring this excerpt from Edward Ellis's 1884 "Life of Colonel Davy Crockett" to my colleagues attention.

The excerpt follows:

NOT YOURS TO GIVE

One day in the House of Representatives, a bill was taken up appropriating money for the benefit of a widow of a distinguished naval officer. Several beautiful speeches had been made in its support. The Speaker was just about to put the question when Crockett arose:

"Mr. Speaker—I have as much respect for the memory of the deceased, and as much sympathy for the sufferings of the living, if suffering there be, as any man in this House, but we must not permit our respect for the dead or our sympathy for a part of the living to lead us into an act of injustice to the balance of the living. I will not go into an argument to prove that Congress has no power to appropriate this money as an act of charity. Every member upon this floor knows it. We have the right as individuals, to give away as much of our own money as we please in charity; but as members of Congress we have no right so to appropriate a dollar of the public money. Some eloquent appeals have been made to us upon the ground that it is a debt due the deceased. Mr. Speaker, the deceased lived long after the close of the war; he was in office to the day of his death, and I have never heard that the government was in arrears to him.

Every man in this House knows it is not a debt. We cannot, without the grossest corruption, appropriate this money as the payment of a debt. We have not the semblance of authority to appropriate it as a charity. Mr. Speaker, I have said we have the right to give as much money of our own as we please. I am the poorest man on this floor. I cannot vote for this bill, but I will give one week's pay to the object, and if every member of Congress will do the same, it will amount to more than the bill asks."

He took his seat. Nobody replied. The bill was put upon its passage, and, instead of passing unanimously, as was generally supposed, and as, no doubt, it would, but for that speech, it received but few votes, and, of course, was lost.

Later, when asked by a friend why he had opposed the appropriation, Crockett gave this explanation:

"Several years ago I was one evening standing on the steps of the Capitol with some other members of Congress, when our attention was attracted by a great light over in Georgetown. It was evidently a large fire. We jumped into a hack and drove over as fast as we could. In spite of all that could be done, many houses were burned and many families made houseless, and, besides, some of them had lost all but the clothes they had on. The weather was very cold, and when I saw so many women and children suffering, I felt that something ought to be done for them. The next morning a bill was introduced appropriating $20,000 for their relief. We put aside all other business and rushed it through as soon as it could be done.

"The next summer, when it began to be time to think about the election, I concluded I would take a scout around among the boys of my district. I had no opposition there, but, as the election was some time off, I did not know what might turn up. When riding one day in a part of my district in which I was more a stranger than any other, I saw a man in a field plowing and coming toward the road. I gauged my gait so that we should meet as he came to the fence. As he came up, I spoke to the man. He replied politely, but, as I thought, rather coldly.

"I began: 'Well, friend, I am one of those unfortunate beings called candidates, and—'

"'Yes, I know you; you are Colonel Crockett. I have seen you once before, and voted for you the last time you were elected. I suppose you are out electioneering now, but you had better not waste your time or mine. I shall not vote for you again.'

"This was a sockdolager . . . I begged him to tell me what was the matter.

"'Well, Colonel, it is hardly worth-while wasting time or words upon it. I do not see how it can be mended, but you gave a vote last winter which shows that either you have not capacity to understand the Consitution, or that you are wanting in the honesty and firmness to be guided by it. In either case you are not the man to represent me. But I beg your pardon for expressing it in that way. I did not intend to avail myself of the privilege of the constituent to speak plainly to a candidate for the purpose of insulting or wounding you. I intend by it only to say that your understanding of the Constitution is very different from mine; and I will say to you what, but for my rudeness, I should not have said, that I believe you to be honest. . . . But an understanding of the Constitution different from mine I cannot overlook, because the Constitution, to be worth anything, must be held sacred, and rigidly observed in all its provisions. The man who wields power and misinterprets it is the more dangerous the more honest he is.'

"'I admit the truth of all you say, but there must be some mistake about it, for I do not remember that I gave any vote last winter upon any constitutional question.'

"'No, Colonel, there's no mistake. Though I live here in the backwoods and seldom go from home, I take the papers from Washington and read very carefully all the proceedings of Congress. My papers say that last winter you voted for a bill to appropriate

$20,000 to some sufferers by a fire in Georgetown. Is that true?'

" 'Well, my friend; I may as well own up. You have got me there. But certainly nobody will complain that a great and rich country like ours should give the insignificant sum of $20,000 to relieve its suffering women and children, particularly with a full and overflowing Treasury, and I am sure, if you had been there, you would have done just as I did.'

" 'It is not the amount, Colonel, that I complain of; it is the principle. In the first place, the government ought to have in the Treasury no more than enough for its legitimate purposes. But that has nothing to do with the question. The power of collecting and disbursing money at pleasure is the most dangerous power that can be intrusted to man, particularly under our system of collecting revenue by a tariff, which reaches every man in the country, no matter how poor he may be, and the poorer he is the more he pays in proportion to his means. What is worse, it presses upon him without his knowledge where the weight centers, for there is not a man in the United States who can ever guess how much he pays to the government. So you see, that while you are contributing to relieve one, you are drawing it from thousands who are even worse off than he. If you had the right to give anything, the amount was simply a matter of discretion with you, and you had as much right to give $20,000,000 as $20,000. If you have the right to give to one, you have the right to give to all; and, as the Constitution neither defines charity nor stipulates the amount, you are at liberty to give to any and everything which you may believe, or profess to believe, is a charity, and to any amount you may think proper. You will very easily perceive what a wide door this would open for fraud and corruption and favoritism, on the one hand, and for robbing the people on the other. No, Colonel, Congress has no right to give charity. Individual members may give as much of their own money as they please, but they have no right to touch a dollar of the public money for that purpose. If twice as many houses had been burned in this country as in Georgetown, neither you nor any other member of Congress would have thought of appropriating a dollar for our relief. There are about two hundred and forty members of Congress.

If they had shown their sympathy for the sufferers by contributing each one week's pay, it would have made over $13,000. There are plenty of wealthy men in and around Washington who could have given $20,000 without depriving themselves of even a luxury of life. The congressmen chose to keep their own money, which, if reports be true, some of them spend not very creditably; and the people about Washington, no doubt, applauded you for relieving them from the necessity of giving by giving what was not yours to give. The people have delegated to Congress, by the Constitution, the power to do certain things. To do these, it is authorized to collect and pay moneys, and for nothing else. Everything beyond this is usurpation, and a violation of the Constitution.

" 'So you see, Colonel, you have violated the Constitution in what I consider a vital point. It is a precedent fraught with danger to the country, for when Congress once begins to stretch its power beyond the limits of the Constitution, there is no limit to it, and no security for the people. I have no doubt you acted honestly, but that does not make it any better, except as far as you are personally concerned, and you see that I cannot vote for you.'

"I tell you I felt streaked. I saw if I should have opposition, and this man should go to talking, he would set others to talking, and in that district I was a gone fawn-skin. I could not answer him, and the fact is, I was so fully convinced that he was right, I did not want to. But I must satisfy him, and I said to him:

" 'Well, my friend, you hit the nail upon the head when you said I had not sense enough to understand the Constitution. I intended to be guided by it, and I thought I had studied it fully. I have heard many speeches in Congress about the powers of Congress, but what you have said here at your plow has got more hard, sound sense in it than all the fine speeches I ever heard. If I had ever taken the view of it that you have, I would have put my head into the fire before I would have given that vote; and if you will forgive me and vote for me again, if I ever vote for another unconstitutional law I wish I may be shot.'

"He laughingly replied: 'Yes, Colonel, you have sworn to that once before, but I will trust you again upon one condition. You say that you are convinced that your vote was wrong. Your knowledge of it will do more good than beating you for it. If, as you go around the district, you will tell people about this vote, and that you are satisfied it was wrong, I will not only vote for you, but will do what I can to keep down óppo-sition, and, perhaps, I may exert some little influence in that way.'

" 'If I don't,' said I, 'I wish I may be shot; and to convince you that I am in earnest in what I say I will come back this way in a week or ten days, and if you will get up a gathering of the people, I will make a speech to them. Get up a barbecue, and I will pay for it.'

" 'No, Colonel, we are not rich people in this section, but we have plenty of provisions to contribute for a barbecue, and some to spare for those who have none. The push of crops will be over in a few days, and we can then afford a day for a barbecue. This is Thursday; I will see to getting it up on Saturday week. Come to my house on Friday, and we will go together, and I promise you a very respectable crowd to see and hear you.'

" 'Well, I will be here. But one thing more before I say good-by. I must know your name.'

" 'My name is Bunce.'

" 'Not Horatio Bunce?'

" 'Yes.'

" 'Well, Mr. Bunce, I never saw you before, though you say you have seen me, but I know you very well. I am glad I have met you, and very proud that I may hope to have you for my friend.'

"It was one of the luckiest hits of my life that I met him. He mingled but little with the public, but was widely known for his remarkable intelligence and incorruptible integrity, and for a heart brimful and running over with kindness and benevolence, which showed themselves not only in words but in acts. He was the oracle of the whole country around him, and his fame had extended far beyond the circle of his immediate acquaintance. Though I had never met him before, I had heard much of him, and but for this meeting it is very likely I should have had opposition, and had been beaten. One thing is very certain, no man could now stand up in that district under such a vote.

"At the appointed time I was at his house, having told our conversation to every crowd I had met, and to every man I stayed all night with, and I found that it gave the people an interest and a confidence in me stronger than I had ever seen manifested before.

"Though I was considerably fatigued when I reached his house, and, under ordinary circumstances, should have gone early to bed, I kept him up until midnight, talking about the principles and affairs of government, and got more real, true knowledge of them than I had got all my life before.

"I have known and seen much of him since, for I respect him—no, that is not the word—I reverence and love him more than any living man, and I go to see him two or three times every year; and I will tell you, sir, if every one who professes to be a Christian lived and acted and enjoyed it as he does, the religion of Christ would take the world by storm.

"But to return to my story. The next morning we went to the barbecue, and, to my surprise, found about a thousand men there. I met a good many whom I had not known before, and they and my friend introduced me around until I had got pretty well acquainted—at least, they all knew me.

"In due time notice was given that I would speak to them. They gathered up around a stand that had been erected. I opened my speech by saying:

" 'Fellow-citizens—I present myself before you today feeling like a new man. My eyes have lately been opened to truths which ignorance or prejudice, or both, had heretofore hidden from my view. I feel that I can today offer you the ability to render you more valuable service than I have ever been able to render before. I am here today more for the purpose of acknowledging my error than to seek your votes. That I should make this acknowledgment is due to myself as well as to you. Whether you will vote for me is a matter for your consideration only.'

"I went on to tell them about the fire and my vote for the appropriation and then told them why I was satisfied it was wrong. I closed by saying:

" 'And now, fellow-citizens, it remains only for me to tell you that the most of the speech you have listened to with so much interest was simply a repetition of the arguments by which your neighbor, Mr. Bunce, convinced me of my error.

" 'It is the best speech I ever made in my life, but he is entitled to the credit for it. And now I hope he is satisfied with his convert and that he will get up here and tell you so.'

"He came upon the stand and said:

" 'Fellow-citizens—It affords me great pleasure to comply with the request of Colonel Crockett. I have always considered him a thoroughly honest man, and I am satisfied that he will faithfully perform all that he has promised you today.'

"He went down, and there went up from that crowd such a shout for Davy Crockett as his name never called forth before.

"I am not much given to tears, but I was taken with a choking then and felt some big drops rolling down my cheeks. And I tell you now that the remembrance of those few words spoken by such a man, and the honest, hearty shout they produced, is worth more than all the honors I have received and all the reputation I have ever made, or ever shall make, as a member of Congress.

"Now, sir," concluded Crockett, "you know why I made that speech yesterday.

"There is one thing now to which I will call your attention. You remember that I proposed to give a week's pay. There are in this House many very wealthy men—men who think nothing of spending a week's pay, or a dozen of them, for a dinner or a wine party when they have something to accomplish by it. Some of those same men made beautiful speeches upon the great debt of gratitude which the country owed the deceased—a debt which could not be paid by money—and the insignificance and worthlessness of money, particularly so insignificant such as $10,000, when weighed against the honor of the nation. Yet not one of of them responded to my proposition. Money with them is nothing but trash when it is to come out of the people. But it is the one great thing for which most of them are striving, and many of them sacrifice honor, integrity, and justice to obtain it." ●

AIRBORNE CHRISTIAN SOLDIERS

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. CLAUSEN. Mr. Speaker, it was my privilege to participate in the dedication of new airport facilities at Andrews University in Berrien Springs, Mich., on the 6th of May. So that my colleagues will have an appreciation of the significance of the event I am inserting into the RECORD remarks I made at the dedication:

"AIRBORNE CHRISTIAN SOLDIERS"

It is a real privilege and pleasure to be able to be here today to share with so many old friends and acquaintances the sense of accomplishment which the formal dedication of these airport structures to J. L. Tucker and Bob Seamount actually represents.

I wish my wife could have been here. She, her mother and our family have been admirers of the J. L. Tucker family for years.

What an honor for me to be here for this dedication ceremony to these outstanding Americans.

However, a milestone like this, like so many others I witnessed my SDA friends achieve, comes as no great surprise because you've developed in my mind such a capacity for excellence I habitually expect great things from you. And, I must say, you have never disappointed me.

As a matter of fact, my first associations with Seventh Day Adventists came through aviation.

Following my service as a Naval aviator during World War II, I "launched" my business and political career in Crescent City, California. One of these endeavors was an "Air Ambulance Service" which placed me in direct contact with the medical community and, my first exposure to "Adventists."

To name a few, the Doctors Don Miller, Bert Vipond, Merle Peterson, Elmer Hart, Cal and Bill Olson would call and accompany me on "mercy missions"—flying patients to Portland, San Francisco Bay area or Los Angeles. We could write a book on these experiences alone. But one overriding impression made an indelible mark on my mind—these Doctors recognized their personal limitations and those of the local hospital facilities.

I learned to respect them for their outward display of concern and their willingness to transport patients to "specialists" where a larger staff and the latest in hospital equipment and services were available.

In subsequent years, I taught most of these doctors to fly and found myself exposed to, and became a part of, my first SDA missionary aviation experience. Liga International made up of physicians, surgeons, dentists, nurses, farmers, carpenters, etc. from California were establishing missionary "outposts" in Yecora, Montemorelos, Navajo and other areas of Mexico. This is but one example of what's happening all over the world. Through your outstanding and far reaching missionary volunteer program.

"Helping people help themselves" took on a real meaning as I saw these dedicated SDA's "put it all together."

These experiences and my involvement set in motion a new focus for my life. I was developing a whole new perspective. I saw a successful volunteer humanitarian program in a foreign country without government assistance.

It served as a monitoring influence for me to establish Aviation Education programs in the schools of America.

My first effort was a flight training program at Del Norte County High School, in California then with the "Angwin Flyers" providing the leadership—an aviation program was launched at Pacific Union College. It was during the formative meeting that I met my close friend and a future colleague in the Congress, Jerry L. Pettis.

From these other successful experiences, I prevailed upon Governor Ronald Reagan and superintendent of public instruction Wilson Riles of California to establish an aerospace aviation education task force to recommend and implement aviation programs in the schools of California. This report was a first in the Nation and is now being distributed by the Federal Aviation Administration to schools throughout the country.

From my own experiences I can unequivocally state that a person exposed to aviation will have—

A broader perspective; a larger sense of purpose and confidence; a more balanced outlook; and a greater potential for productivity; and achievement in the challenging times ahead.

Having developed a reputation for advocating education, it became readily apparent that Adventists were "gung ho" about aviation and I was asked by Elder Jim Aitken to get involved with the Adventist aviation effort.

During my early years in Congress, I was invited to meet with the General Conference Leadership in Takoma Park, Maryland to share my thoughts on aviation and its potential for the Adventist movement.

That was nearly 15 years ago. Look what has happened since.

Some of the real pioneers of Adventist Missionary Aviation I've known and worked with were Jim Aitken, Clyde Peters, Bob Seamont, Don Miller, Dick Hall, Bill Baxter, Bob Brown, Paul Freeman, Virgin Parrot, Carl Benson and Harold Connors.

Their great work and the support of many more people has led to the point where most of the SDA academies, colleges and universities have aviation programs.

As you can see, I am very enthusiastic and proud to be associated, in my small way, with these "Airborne Christian Soldiers" engaged in a Peace with Freedom Offensive Throughout the World."

Ever since I came to the Congress, I have been suggesting that the answer to the urban or metropolitan ills of America lies in the revitalization and diversification of rural America. And, have concentrated on the planning and development of a surface and air transportation system directed toward that objective.

Institutional decentralization and population dispersal are vital to improving and sustaining the quality of life.

Many of my SDA friends tell me that this parallels the thinking and teachings of Ellen G. White.

General aviation, airports, and an air transportation system linked to our highway network can provide the needed dimensions to promote population dispersal. In my committees of the Congress, we've developed legislation creating balanced transportation funding mechanisms to, hopefully, bring about a more balanced population pattern in America.

The airplane can be a powerful "tool" in influencing change among people—gaining acceptance of your great work.

In 1965, in a speech titled "slow flight in a peace offensive" I challenged our aeronautical engineers who had for years concentrated on designing airfoil for maximum speed to look into slow fight.

America and its great volunteer sector organizations should be mobilizing to a greater extent its non-military capabilities—

Transportation and communications; the agricultural production expertise; our economic, educational, medical, aviation and technological advancements.

To demonstrate to the world the true character and spirit of the American miracle.

Our international purpose will be judged by our domestic performance. You and your SDA missionary aviation by your deeds and commitment are truly showing the way.●

AGRICULTURE RESEARCH CENTER RECEIVES AWARDS AND BUDGET CUTS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. FINDLEY. Mr. Speaker, the presentation of two U.S. Department of Agriculture awards for superior service this week presents a case of supreme irony.

The irony is that the awards are going to research teams of the Northern Regional Research Center at Peoria, Ill., a USDA research agency singled out by the Carter administration for a budget cut of 20 percent.

That is like the fellow who kept saying "nice doggie" to a barking dog while he reached around to find a rock to throw at him.

The Northern Regional Research Center is the only one of USDA's four regional centers to be singled out for these awards. The awards are among those going to 78 employees of USDA and 19 departmental units.

The Peoria center's awards are richly deserved and I commend the recognition of the two research teams.

The team of Charles W. Blessin, James F. Cavins, Wilbur L. Deatherage, William J. Garcia, and George E. Inglett is getting an award for "research leading to the development of defatted corn germ flour, a new source of protein, minerals, and fiber for domestic and foreign food markets."

The team of Robert E. Wing, William M. Doane, Leo L. Navickis, Brian K. Jasberg, Warren E. Rayford, and Charles L. Swanson is being cited for "discovery and development of a corn starch product, insoluable starch xanthate, that abates pollution by removing toxic metals from industrial waste waters."

As Dr. William H. Tallent, Northern Center director, said in the center's news announcement:

> These two products represent the highest human benefits from one of our largest renewable resources, the U.S. corn crop.

The presentation of these two awards is richly deserved. Yet they are indeed ironical. The administration has proposed a cut of 20 percent in the Peoria Center's budget of $2.6 million. The cut would eliminate the entire Cereal Products Laboratory from which came the award-winning development of insoluble starch xanthate.

To add another irony, the budget cut, would also put an end to the research center's alcohol fuels research, which was funded in fiscal 1979 by Congress at $500,000. Yet since his proposing this cut, President Carter has announced a Johnny-come-lately move to encourage gasohol development.

I believe this Congress should provide its own award and restore the Peoria Research Center's budget cuts. This would allow the center to continue its research into alcohol fuels and industrial uses of farm products.●

GORDON McLENDON

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. COLLINS of Texas. Mr. Speaker, Gordon McLendon is one of the greatest creative geniuses that this country has ever known. The other day he sold the last of his radio stations and he reports he is ending his days in broadcasting.

This would be a setback for the excitement of radio. Gordon, who has been known as the Old Scotchman, has been a great innovator. Do you remember back in the 1940's when he built the Liberty Broadcasting Network of 458 radio stations? Every afternoon he would recreate a baseball game. I read Dick Hitt's description of Gordon announcing:

> In exquisite detail, how Country Slaughter of the Cardinals had just popped up a curve thrown by the crafty Warren Spahn to end the inning with the bases F.O.B.—Full of Birds. There was the off-key hollow sound of the bat—obviously a pop-up—followed by the intake of the crowd's breath, finally expelled in relieved cheers and applause.

From a make-shift basement, he re-created all of the baseball sound effects which included beer vendors and crowd jeers. From a teletype which came into a studio he read the play-by-play progress of the game. There was never a ball game as exciting as the way Gordon re-created them on the radio. But baseball brought a suit against McLendon and forced him to break LBS up.

He took his station in Dallas with its 1½ million people and he built his KLIF station up to where it had ratings as high as 52. There have never been promotions and gimmicks like his. He one time had a treasure hunt where half of Dallas was out digging up everybody's yard and running across every vacant field in town. To listen to the Old Scotchman, you get the feeling of the "good old boy." But I have known Gordon for a long, long time. And I will guarantee you that he is one of the smartest men that ever passed through the halls of Yale University.

He said he got his ideas about recreating baseball when he was out in the Pacific with the Navy in World War II. He said the game from the Armed Forces Network was the area excitement. But if any of you heard the Old Scotchman re-create a game on the Liberty Network, you would have said that baseball was at its best with him swinging the microphone. In fact, one of the big objections was that he made the games so much more exciting than they were while you were sitting out there in the bleachers. He has had so many honors in recognition as the Sportscaster of the Year and the Top Broadcaster in the Nation. Whether he concentrates on theaters, movies, or where his future ventures will take him, be sure and keep up with him. Gordon McLendon is an American legend.●

A CITY MUSEUM FOR THE DISTRICT OF COLUMBIA

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. McKINNEY. Mr. Speaker, on March 29, 1979, I introduced two resolutions (H. Res. 193; 194) relating to the need to establish a city museum of the District of Columbia. House Resolution 193 outlines the need and purposes of such a museum for the Nation's Capital. In these remarks, Mr. Speaker, I would like to discuss some of my reasons for my introduction of this resolution.

In that the District of Columbia is a planned city whose evolving development must be directed to meet certain Federal and local requirements, it would be in the joint interests of Federal and local officials to have access to a central institution dedicated to the compilation, preservation, and cataloging of the records pertinent to particular planning and development decisions. Therefore, Mr. Speaker, a city museum could provide information needed daily by those responsible for making the decisions that so profoundly affect the welfare of residents, visitors, and government officials as well as the economic and functional development and esthetic appearance of the Nation's Capital.

Many national capital cities have long recognized the value of a city museum and accessible archives to the planning and development process. Experience in other capitals shows that a city museum can stimulate improved building design, neighborhood conservation, and historic and architectural preservation. At least 25 of the great capital cities of the world have a city museum whose activities, by law and custom, are integrated into the local planning functions of both the national and city governments. Among these capitals are the cities of Amsterdam, Bogota, Brussels, Budapest, Copenhagen, London, Mexico City, Moscow, Rome, and Warsaw.

Since these city museums serve national and local interests, they are largely funded and operated by the national and local governments, jointly, and receive support services from universities and various private agencies. A similar arrangement should be explored for the establishment, funding, and operation of a city museum of the District of Columbia.

In recent months, Mr. Speaker, several buildings have been mentioned as possible exhibition centers for a city museum of the District of Columbia. They are the Old Rhodes City Tavern and Hotel at 15th and F Streets, NW.; the Old Masonic Hall at 9th and F Streets, NW.; and the Old City Hall on Judiciary Square, NW.

The Rhodes Tavern, planned and built between 1799 and 1801, while perhaps containing insufficient floor area for a major exhibition center, nonetheless, merits preservation and conversion to a public or commercial use appropriate to its history. It is a building with a rich Federal and local heritage, although the latter is lesser known. Recent research into contemporary press accounts reveals that Rhodes Tavern from 1800 to 1808 was the center of Washington's early local civic, political, and social activity.

For example, Washington's first neighborhood citizens group, the "F Street Inhabitants and Proprietors Association," met at Rhodes Tavern in 1801 to organize and discuss the financing of street improvements.

The Washington Theatre Co. met at Rhodes Tavern to plan the building of the new Capital's first theater, which opened in 1805.

The city tax collector and Board of Assessment Appeals had regular hours on the premises for the convenient conduct of the public's business.

The congressional voting representation movement was initiated at Rhodes Tavern, the site of numerous early citizens' meetings called to draft petitions to Congress, until, as was proclaimed at one meeting: "Equal rights have been secured for all the inhabitants of the District of Columbia."

Washington's early craft unions organized and met at Rhodes Tavern and the local militia officers met there regularly and drilled the militia on adjacent streets and grounds.

Recognition of the local historic significance of Rhodes Tavern and attendant preservation for use as a functioning tavern, part of a city museum, or some related civic or appropriate commercial purpose, would help refute the arguments of those citizens and legislators in the States who maintain that Washington has no significant historical roots apart from its Federal functions and that local aspirations for congressional voting representation are a recent development.

Rhodes Tavern can be a living monument to those who have come to Washington to stay and who have made Washington, from its earliest days, a community of neighborhoods constituting a citizenry that has never evaded the responsibilities of citizenship, while continuing to seek political equality with their fellow citizens in the States.

We can hope, Mr. Speaker, that the interested parties will continue to exercise cooperative leadership in their efforts to preserve Rhodes Tavern.

The Old Masonic Hall is another building mentioned as a possible exhibition center for a city museum of the District of Columbia. The building, erected in 1868, has a location, distinctive architectural design, and height and bulk which uniquely complement the Old Patent Office and other nearby buildings constructed between 1836 and 1890. The National Portrait Gallery and the National Collection of Fine Arts are both resident in the Old Pension Building.

The preservation of the Old Masonic Hall is the subject of another resolution (H. Res. 194) that I introduced on March 29, 1979. The building deserves a preliminary feasibility study by the Smithsonian Institution for potential use as a city museum.

The Old City Hall at Judiciary Square is another building mentioned as worthy of conversion to offices and exhibition facilities for a city museum of the District of Columbia. Built between 1820 and 1850, this magnificent structure's public ownership possibly makes its acquisition and conversion for use as a city museum the most immediately attainable.

Again, a preliminary feasibility study by the Smithsonian Institution would be useful and appropriate.

The use of the Old City Hall as a city museum would be very complementary to the developing plans for conversion of the Old Pension Building, at the other end of Judiciary Square, to a national museum of the building arts.

In addition, the Old City Hall and the Old Masonic Hall have downtown locations within walking distance of major archival sources for local historical research; primarily, the Smithsonian Institution, the National Archives, and the Washingtoniana Collection of the Martin Luther King Memorial Library. Nearby Metro subway stations would make a downtown city museum location mutually accessible to national capital area universities and private institutions.

Mr. Speaker, at this point I would like to associate my remarks with those of the Honorable Marion Barry, Mayor of the District of Columbia, who has issued the following statement:

> Marion Barry supports the concept of a city museum for Washington. Washington is not only the seat of government for the United States, but also a city/state with a history of its own. Each neighborhood, each ethnic group, each culture represented in its population is an integral part of that history. Washington needs a museum that looks at contemporary urban issues, and at the same time provides historical perspective.

Mayor Barry's support for a city museum has been paralleled by similar statements of the support and expressed interest of numerous members of the District of Columbia City Council, including Chairman Arrington Dixon, and Councilmembers Hilda Mason, John Wilson, and Betty Ann Kane.

Mr. Speaker, I would like to summarize and conclude my remarks by inserting the text of House Resolution 193, as follows:

H. Res. 193

A resolution relating to the need to establish a City Museum of the District of Columbia for compiling, researching, and documenting the history of the planning, development, institutions, events, and resident population of the Nation's Capital.

Whereas the planning and building of the Nation's Capital has engaged some of our greatest statesmen planners, architects, and artists;

Whereas many of the great capital cities of the world have a museum documenting their development and human history;

Whereas the District of Columbia is a unique, evolving governmental entity in the United States;

Whereas the District of Columbia since its establishment in 1800 as the seat of the Government of the United States has had a large Afro-American community whose individuals, families, institutions, and activities have remained largely unavailable for examination;

Whereas this Afro-American community has contributed significantly to all aspects of the planning, development, economic, educational, and cultural history of the Nation's Capital and the magnitude of these contributions was for many years unequaled in any other city of the United States where Afro-Americans, slave and free, lived in large numbers; and

Whereas a City Museum of the District of Columbia could provide information needed daily by those responsible for making the decisions that so profoundly affect the welfare of residents, visitors, and government officials as well as the economic and functional development and esthetic appearance of the Nation's Capital: Now, therefore, be it

Resolved, (1) That the House expresses its strong interest, concern, and support for the establishment of a Museum of the District of Columbia dealing exclusively with the history and culture of the people of the District of Columbia and with the planning and development of the seat of the Government of the United States, and that such a museum be community oriented with the primary goal of integrating education into all aspects of the museum and its activities.

(2) And that furthermore, the museum should have a dual purpose of illustrating the history of the Nation's Capital as a city as well as illuminating contemporary issues that face the city as an urban center of a large metropolitan area, as the seat of the Government of the United States, as a community, and as an evolving economic, social, and political entity.

(3) And to these ends the House encourages every effort be made by the Mayor and Council of the District of Columbia, the District of Columbia Public Schools, the University of the District of Columbia, the National Capital Planning Commission, the Commission of Fine Arts, the Columbia Historical Society, the Smithsonian Institution, the City Museum Project, and all interested local institutions, organizations, and citizens for the formulation and implementation of proposals to establish and operate a Museum of the District of Columbia.

(4) The Clerk of the House shall transmit copies of this resolution to the Mayor and Council of the District of Columbia, the Superintendent of Schools and the President of the Board of Education of the District of Columbia, the President and the Board of Trustees of the University of the District of Columbia, the Chairmen of the National Capital Planning Commission and the Commission of Fine Arts, the Board of Managers of the Columbia Historical Society, the Secretary of the Smithsonian Institution, the Board of Directors of the City Museum Project, the Capitol Historical Society, the President of the United States, and the Vice President of the United States.●

HOUSE OF REPRESENTATIVES—*Wednesday, May 30, 1979*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, whose power was sufficient to create the heavens and the Earth, and whose love surrounds our every step, we pray for strength that we may follow the paths of goodwill and peace.

Confirm our resolve to choose the harder right instead of the easier wrong, to make our decisions, aware the timeless truths that have been given us. Enable us to establish justice, to encourage freedom, to defend the weak and to reach out to those in need.

Bless those who serve this place that their sense of righteousness and their spirit of concern for others may enable them to take pride in their calling and be faithful in Your service. This prayer, together with the secret petitions of our own hearts, we place before You. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REPRESENTATIVE VANIK INTRODUCES JOINT RESOLUTION CALLING UPON JAPAN AND MAJOR WESTERN EUROPEAN COUNTRIES TO SHARE COSTS INVOLVED IN IMPLEMENTATION OF THE ISRAELI-EGYPTIAN PEACE TREATY

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VANIK. Mr. Speaker, on June 28 and 29, President Carter will be attending a summit meeting with the heads of state of the world's major free economic powers.

I have today introduced a joint resolution cosponsored by 38 Members of the House urging the President to include on the agenda a proposal for some effective kind of contribution by the major powers to the costs of the Middle East peace.

The peace agreement improves stability in the Mideast and insures protection for the oil lifeline on which the free world depends. The major European countries and Japan share all the benefits of this treaty and should be called upon to share the expenses and costs involved.

The American taxpayer should not

☐ This symbol represents the time of day during the House Proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

be compelled to carry the full burden of financing the peace effort. It is only fair to expect a contribution from Europe and Japan.

DEPARTMENT OF ENERGY PREVENTS PRAYER SERVICE AT ROCKY FLATS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, over Memorial Day a very curious thing happened to me. I attended a Memorial Day prayer service sponsored by various religious groups in Denver. It was to be held at Rocky Flats, a plant which manufactures trigger components for nuclear weapons. The Rocky Flats facility is run by the Department of Energy.

There have been prayer services at Rocky Flats on at least three other Sundays this spring, but there has been continuing confusion about the right of these religious groups to hold their prayer services on the Federal side of a painted boundary line, complete with restraining ropes and "no trespassing" signs. The service I attended occurred on State land adjacent to the highway. There was very little room and a lot of noise. Moreover, there was a group of security personnel on the Federal property side of the line and a number of security vehicles with their motors running and radios blaring the entire time. The security personnel were employees of Rockwell International who had been designated as special deputies by a U.S. marshal to enforce all provisions of the Atomic Energy Act. The special deputies informed the group that anyone stepping on or over the line would be arrested.

Among those participating in the prayer service were several nuns, a baby, a person on crutches with a broken leg, several elderly people, and so on. I knew it was illegal to pray in public schools, but is it illegal to have a voluntary prayer service on Federal property? Since the Rocky Flats complex is operated by Rockwell International under contract with the Department of Energy, these special deputies are indirectly being paid with Federal dollars. What an incredible waste of the taxpayers' money. How much more will the Department of Energy spend protecting Rocky Flats from those who choose to participate in nonviolent protest?

EMERGENCY FUEL ALLOCATION PROGRAM GRINDS TO A HALT

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, I take this time to speak because of the sheer frustration I have had in dealing with the bureaucracy at the Department of Energy. Specifically our frustration concerns the so-called emergency fuel allocation program.

This program was set up to process emergency allocation requests in 2 or 3 days. Instead it is taking 2 or 3 months. These emergency requests are backlogged somewhere between 5,000 and 50,000 cases.

Surely every Member of this body has a corner gasoline station owner, an oil jobber or a small trucker—and surely you have heard their complaints with DOE.

This emergency allocation program has ground to a halt. Neither the people nor the computers can handle the job. The summer intern law students who were going to relieve the pressure are slow in being hired because of bureaucratic inertia.

The tragedy is that it is the little fellow—the gas station operator, the local fuel delivery salesman—who is being hurt.

We can castigate big oil companies, but this fuel allocation backlog is one cause of our current oil shortage—and it can be laid directly at the doorstep of government—both Congress and the administration.

Perhaps if more of my colleagues will demand that this backlog be cleaned—we can make at least one small step of progress for consumers and small business people alike.

PERMISSION FOR SUBCOMMITTEE ON CRIME OF COMMITTEE ON THE JUDICIARY AND FOR SUBCOMMITTEE ON ENERGY AND POWER OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT TODAY DURING 5-MINUTE RULE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Crime of the Committee on the Judiciary and the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce, which are holding a joint hearing on the handling by the Department of Energy of the oil reseller fraud cases, be permitted to sit, for the purpose of receiving testimony only, during the 5-minute rule today.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, the gentleman can assure us there will be absolutely no markup of any bill? This is for hearing purposes only?

Mr. EDWARDS of California. If the gentleman will yield, Mr. Speaker, I assure the gentleman from California that they will be sitting only for the purpose of receiving testimony.

Mr. ROUSSELOT. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SOHIO REAFFIRMS DECISION TO ABANDON CRUDE OIL PIPELINE FROM CALIFORNIA TO TEXAS

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, last week the Standard Oil Co. of Ohio reaffirmed an earlier decision to abandon its long efforts to build a crude oil pipeline from California to Texas. The company reluctantly concluded that the last-minute flurry of legislative action to save the project could not undo the costs of 5 years of bureaucratic obstruction, foot-dragging, and harassment. Mr. Speaker, the Sohio experience dramatically demonstrates that our energy policy is inconsistent, incoherent, incomprehensible, and bound hand and foot in redtape. I fear this will continue until Congress establishes authority in some person or entity to draw together all the information necessary to make sound energy decisions and see that they are implemented. More than 2 months ago the Senate majority leader and I introduced a joint resolution directing the President to designate an individual or entity to be given responsibility and authority to expedite decisions regarding all aspects of energy. Yesterday's action by the President may reduce some inconveniences for motorists, but it does not address the bottom line of our problem, which is supply. Yesterday's action by the President will not resurrect that Sohio pipeline. And those are the kinds of things we need to be thinking about and doing if we are to overcome this shortage and not simply learn to live with it.

CONGRATULATIONS TO RICK MEARS

(Mr. THOMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS. Mr. Speaker, on Sunday, May 27, 1979, the richest car race in history was held at the Indianapolis Motor Speedway in Indianapolis, Ind.

I am proud to claim that this year's winner, Rick Mears is a constituent of California's 18th Congressional District and a resident of my own town of Bakersfield.

Rick Mears drove his Penske-Cosworth auto to victory on Sunday after earlier qualifying for the pole position with a qualifying speed of more than 193 miles an hour and taking the lead after 182 laps of this 200 lap classic.

Mr. Mears won the Indy in only his second appearance, at the age of 27. Last year he shared Rookie of the Year honors in this same race.

The Indianapolis 500, the first million dollar race in history, is probably the most famous car race in the world. To achieve victory, Rick Mears had to beat a field that included such former winners as Al Unser, Bobby Unser, A. J. Foyt, and Johnny Rutherford.

I join along with the other residents of California's 18th Congressional District in offering my sincere congratulations to Rick Mears and best wishes for his continued success in the future.

UNJUSTIFIED CRITICISM OF THE UNITED STATES BY U.N. AMBASSADOR YOUNG

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, after hearing Andrew Young's latest unjustified criticism of the United States, I am convinced the man has no place as our U.N. Ambassador and should resign.

In a comment on the execution of convicted murderer John Spenkelink Mr. Young said last Friday:

> I don't see any difference in the so-called due process in Florida, and the so-called due process of the Khomeini.

Lest anyone think this statement is too incredible for even Mr. Young to make I refer them to page 1 of the May 27 Atlanta Journal Constitution.

Doesn't Mr. Young realize that Mr. Spenkelink's case was heard four times in the Florida Supreme Court, three times in the court of appeals, and five times in the U.S. Supreme Court before his sentence was carried out 6 years after his trial?

Does he really fail to see the difference between that and the justice of the new Islamic government in Iran which arrests people for vague political crimes, holds their trials in secret and executes them the next day in front of a firing squad?

If Mr. Young is serious then he is not only blind to justice, he is blind to U.S. interests. By making these foolish statements he is allowing himself to be the unwitting tool of foreign governments which seek to discredit us internationally. Anyone looking for anti-U.S. propaganda has to look no further than our own U.N. Ambassador for ideas.

Mr. Speaker, this is intolerable. Mr. Young should resign at once.

COMMUNICATION FROM THE SERGEANT AT ARMS—SUBPENA DUCES TECUM IN CASE OF UNITED STATES OF AMERICA AGAINST DANIEL J. FLOOD

The SPEAKER laid before the House the following communication from the Sergeant at Arms of the House of Representatives:

WASHINGTON, D.C., *May 30, 1979.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the requirements of House Resolution 10, this is to notify you that I have been served with the enclosed subpoena duces tecum, together with the accompanying findings of materiality and relevancy issued by the court, concerning certain bank records.

Sincerely,
KENNETH R. HARDING,
Sergeant at Arms.

The SPEAKER. Pursuant to the provisions of House Resolution 10, the subpena and findings will be printed in the RECORD at this point.

The material referred to is as follows:

[U.S. District Court for the District of Columbia, Criminal Case No. 78-56, 78-543]

UNITED STATES OF AMERICA, PLAINTIFF, v. DANIEL J. FLOOD, DEFENDANT.

SUBPOENA DUCES TECUM

To: Custodian of Records, Office of the Sergeant-at-Arms, House of Representatives, United States Congress.

You are hereby commanded to bring with you on or before May 30, 1979, at 10:00 a.m.: All Sergeant-at-Arms account records pertaining to the purchase of American Express Travelers Checks, other forms of travelers checks or money orders by and for Representative Daniel J. Flood during the period June–September, 1973 and June–September, 1975. Records should include, but not be limited to the Account maintained by Representative Food, or any general account which would reflect the exchange of cash for travelers checks or money orders.

Compliance with the subpoena may be effected by delivery of the aforementioned documents to an agent of the Federal Bureau of Investigation.

Dated this 25th day of May, 1979.

OLIVER GASCH,
U.S. District Court Judge.

[U.S. District Court for the District of Columbia, Criminal Case Nos. 78-561, 78-543]

UNITED STATES OF AMERICA, PLAINTIFF, v. DANIEL J. FLOOD, DEFENDANT

ORDER

Upon motion of the United States Attorney for the District of Columbia for a subpoena *duces tecum* to the Custodian of Records, Sergeant-at-Arms, United States House of Representatives, the Court finds:

1. The defendant, Daniel J. Flood, was at all times material to the indictment a member of the United States House of Representatives. In that capacity he maintained a checking account in his name with the Sergeant-at-Arms of the United States House of Representatives.

2. It has recently come to the attention of the United States Attorney that certain transactions occurred between the office of Mr. Flood and the office of the Sergeant-at-Arms, with respect to the purchase of travelers checks and/or money orders, during a period at issue in the indictment, specifically, June through September, 1973 and June through September, 1975.

3. That this information is essential to the Government for the purposes of the pending criminal case. Further, the Court finds it is essential that the Government to ascertain whether records of such transactions exist, and the precise information reflected thereon.

Wherefore, based on the representations made to this Court and this Court's finding that the information sought is essential to the administration of justice, it is this twenty-fifth day of May, 1979,

Ordered that a subpoena duces tecum issue to the Custodian of Records, Sergeant-at-Arms, United States House of Representatives, for the production of account records as specified in the subpoena.

Date: May 25, 1979.

OLIVER GASCH,
U.S. District Judge.

ASSASSINATION OF FEDERAL DISTRICT COURT JUDGE, HON. JOHN WOOD

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. GONZALEZ. Mr. Speaker, I rise to report on the assassination of the Federal district judge in a western district in San Antonio, the Honorable John Wood, an avoidable and preventable death.

As we know, the record will show on one occasion on this particular privileged order of the day, 1-minute addresses, and on six different occasions in the special orders sector in an area I discussed as "King Crime," I predicted that these things would continue to happen after the attack and the attempted assassination of the assistant Federal district attorney, James Kerr, also in San Antonio.

I want to say I have sent a telegram to President Carter because since last October I have been trying to get some coordinated action on a matter of priority on the national level. I am afraid that we have failed. I feel terrible, because just last week I conveyed a message to Judge Wood asking him to please retain his protective custody by the U.S. Marshal. Unfortunately, he is dead. He was assassinated and it is part of the design that started with the attempt on the life of Assistant Federal Attorney James Kerr.

I herewith place the telegram to President Carter:

Hon. JIMMY CARTER,
President of the United States,
The White House,
Washington, D.C.

MR. PRESIDENT: I have just received word that U.S. District Judge John Wood has been shot and killed just outside the door of his residence. This monstrous crime comes only a few months after the yet unsolved attempt to murder Assistant U.S. Attorney James Kerr. These are crimes against justice. They are crimes against the very fabric of society. Such crimes require your personal concern. I request that you issue an immediate order that every available resource be mobilized to investigate these acts and bring to justice those persons who murdered Judge Wood and assaulted James Kerr. The crimes may not be related but their import is identical: They threaten the ability of the United States to prosecute criminal violators and adjudge cases brought before its courts. The rule of law itself is threatened. I request also that you personally issue a statement denouncing these vicious acts and pledging your administration to take any action necessary to insure that these crimes are not repeated in San Antonio or anywhere else.

Sincerely,
Congressman HENRY B. GONZALEZ.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *May 25, 1979.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on May 24, 1979, the Clerk has received this date the following messages from the Secretary of the Senate:

"That the Senate passed S. 199, An Act to amend the Shipping Act, 1916, to strengthen the provisions prohibiting rebating practices in the United States foreign trades;

"That the Senate passed S. 261, An Act to amend the Consolidated Farm and Rural Development Act to authorize loans for the construction and improvement of subterminal storage and transportation facilities for certain types of agricultural commodities, to provide for the development of State plans to improve such facilities within the States or a group of States acting together on a regional basis, and for other purposes;

"That the Senate passed S. 387, An Act to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States;

"That the Senate passed S. 640, An Act to authorize appropriations for the fiscal year 1980 for certain maritime programs of the Department of Commerce, and for other purposes;

"That the Senate passed S. 1160, An Act to authorize appropriations for the Federal Fire Prevention and Control Act of 1974, and for other purposes;

"That the Senate passed without amendment H.R. 3404, An Act to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes;

"That the Senate passed with an amendment H.R. 3879, An Act to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, and for other purposes;

"That the Senate passed with amendments H.R. 2676, An Act to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1980, and for other purposes;

"That the Senate insist upon its amendments to the bill H.R. 2729, An Act to authorize appropriations for activities of the National Science Foundation, and for other purposes, and agree to the Report of the Committee of Conference on the disagreeing votes of the two Houses thereon."

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

☐ 1210

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *May 29, 1979.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:50 p.m. on Tuesday, May 29, 1979, and said to contain a message from the President wherein he transmits the second annual report of the National Institute of Building Sciences.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

ANNUAL REPORT OF NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking, Finance and Urban Affairs:

To the Congress of the United States:

I herewith transmit the Annual Report of the National Institute of Building Sciences as required by section 809 of the Housing and Community Development Act of 1974.

JIMMY CARTER.

THE WHITE HOUSE, *May 29, 1979.*

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, D.C., May 24, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following prospectuses on May 24, 1979:

"ALTERATIONS

"U.S. Post Office-Courthouse, 300 N.E. First Avenue, Miami, Florida. Federal Service Center, 125 South Grand Avenue, Pasadena, California."

The original and one copy of the authorizing resolution are enclosed.

Sincerely,

HAROLD T. (BIZZ) JOHNSON,
Chairman.

CONFERENCE REPORT ON S. 7, VETERANS' HEALTH CARE AMENDMENTS OF 1979

Mr. SATTERFIELD. Mr. Speaker, I call up the conference report on the Senate bill (S. 7) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Pursuant to the provisions of clause 2, rule XXVIII, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of May 24, 1979.)

The SPEAKER. The gentleman from Virginia (Mr. SATTERFIELD), will be recognized for 30 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. SATTERFIELD).

GENERAL LEAVE

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks and that all Members may have 5 legislative days in which to extend their remarks on the conference report under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SATTERFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report before us today on S. 7, the Veterans' Health Care Amendments of 1979, is similar in fundamental respects to the bill H.R. 1608, which passed the House on May 21.

Mr. Speaker, I want to especially acknowledge the leadership of our chairman of the Committee on Veterans' Affairs, the gentleman from Texas, Mr. ROBERTS, and to distinguish ranking minority member of the full committee, the gentleman from Arkansas, Mr. HAMMERSCHMIDT, as well as all members of the committee for their outstanding efforts to bring about this very extensive legislation which would provide important medical benefits to veterans of this Nation, especially the Vietnam veterans which we are honoring this week.

I wish also to express my deep appreciation to my fellow members of our committee who also served as conferees, Mr. EDWARDS of California, Mr. MONTGOMERY, Mr. DASCHLE, Mrs. HECKLER, and Mr. WYLIE.

Members will recall the basic purpose of this legislation, which was approved by unanimous vote, is to provide improved health services to this country's veterans with special emphasis on the Vietnam-era veterans.

I am pleased to report that the major differences between the Senate and House bills were few and that reconciliation of those differences were successfully concluded by the conferees after careful and serious discussion. We believe that the resulting legislation is just as strong as the measure which the House passed and in some respects is better. Therefore, we once again urge passage.

The principal features of the conference report and the resolution of major differences with the Senate may be outlined briefly as follows.

Priority for outpatient examinations of veterans to determine eligibility for disability pension and service-connected health care services as provided in both the House and Senate bill will, under the conference report, be entitled to the third level preference along with nonservice care for veterans with service-connected disability ratings.

Dental services and appliances are defined under the conference report and outpatient dental care for prisoners of war for 6 months or more and for veterans with total service-connected disability is approved. The Senate bill also provided outpatient contract care to those veterans who served as POW's for more than 6 months and that provision was accepted by the conferees and is included in the conference version of the bill.

In lieu of a provision contained in the Senate bill which would have provided for the establishment of certain priorities in the provision of dental care, the conferees agreed to a provision which would limit dental services in the case of non-service-connected dental conditions by providing that such service could be delivered only to the extent that dental facilities are not needed to provide dental care or service for service-connected dental conditions; for conditions associated with and aggravating a service-connected disability; for veterans who are totally disabled. For veterans who were POW's for 6 months or more; for non-service-connected dental care which began while a veteran was hospitalized, and for dental conditions of Spanish-American and Indian War veterans.

The conference report would establish an exception for incidental dental care where the condition is associated with or is aggravating a disability for which the veteran was hospitalized or when compelling medical reasons or emergency dental conditions require it. The report makes it clear, however, that routine dental work is not to be considered a compelling medical reason or an emergency dental condition.

The Senate bill limited authorizations for outpatient dental care services which would be provided by contract to the sum expended for such care and services during fiscal year 1978, $45.2 million. In lieu of this measure would increase the number of veterans entitled to dental care. The conferees agreed to direct the Administrator of the Veteran's Administration to report to the VA committees of the House and Senate whenever such expenditures are expected to, or do in fact exceed $42.5 million in any given year. In that report the Administrator is required to place special emphasis upon strict adherence to the criteria applicable to authorizing and providing such contract dental services.

Both the House and Senate bills establish a new program for outpatient readjustment counseling and related mental health services for Vietnam-era veterans who request it within 2 years of discharge or within the 2 years following the effective date of this act, whichever is later.

The conference agreement adopts the House provision which includes the use of psychologists in determining the provision of mental health services to the veteran. It also includes authority to provide readjustment counseling services under contract to private facilities as provided in the Senate bill.

Both bills provide authority to the administrator to furnish mental health services through contract with private facilities to the same extent that he is authorized to provide similar services directly. However, different criteria was specified in the two bills.

The Senate bill provided for contract counseling where the VA facility is not capable of furnishing economic care because of geographic inaccessibility or of furnishing the care or service required. The House bill, on the other hand, provided the Administrator with discretionary authority to provide psychiatric, psychological, preventive health care and counseling services from private sources by contract, after employing specific criteria, namely that the services are not available or inadequate at VA facilities; that undue hardship would be imposed upon the veteran because of the remoteness of the VA facility; that the hours of availability of service at the facility are not compatible with the times which the veteran is available to receive such services; and where the provision of services outside a VA facility is found to be more beneficial to the veteran.

The House receded from its position with an amendment and understanding that when the administrator, acting upon the advice of a VA mental health professional, determines that the VA facility cannot effectively furnish counseling services to meet the needs of the particular veteran he should contract with a private facility to provide such service to that veteran, provided the Administrator has first approved the facility and program as to quality and effectiveness. It is the express view of the conferees that, in such case, a contract with a community mental health center would be appropriate.

This compromise reached by the conferees reflects their strong view that there are veterans who will be eligible for readjustment counseling and related mental health services under this program who might not be served effectively if such services are available only at a VA facility.

The conferees further accepted language contained in the House bill to authorize the administrator to enter into such contract services under this program only to the extent provided in appropriations act.

The community based drug and alcohol treatment program was not materially changed by the conferees other than to limit contract expenditures under this program to amounts specified in appropriations.

Members will recall that the pilot program for preventive health care contained in the House measure provided for a 6-year program with authorizations of $25 million per year. The Senate version authorized a 4-year program with expenditures limited to $3.5 million in 1980, $5 million in 1981, $7 million in 1982, and $9 million in 1983. The conferees compromised these differences by agreeing to a 5-year pilot program with authorization levels of $10 million in 1980, $12 million in 1981, $13 million in 1982, $14 million in 1983, and $15 million in 1984.

Title 3 of the House bill dealing with House and Senate committee approval for the construction, alteration, lease and acquisition of medical facilities was adopted by the conferees substantially in the form contained in H.R. 1608.

The conferees did, however, agree to certain minor changes. First, the provision contained in the House bill to require approval by both committees before the Administrator could accept a gift of more than $500,000 was eliminated. Second, the House provision requiring the approval of the VA committees of the House and Senate whenever the Administrator elected to reduce the size of space already approved by more than 10 percent was eliminated and certain other technical amendments were made to title III.

The only other changes of significance contained in the conference report provide first that the requirement for Senate confirmation of appointees to the office of Deputy Administrator which was contained in both bills, need not apply to the present Deputy Administrator.

Second, the Senate bill required the Administrator of the Veterans' Affairs to report to the Senate and House Veterans' Affairs Committees not later than October 1979, on the home modification needs of veterans who are totally blind from service-connected causes. The House agreed to that provision.

Finally, Mr. Speaker, I believe the conference report on this measure constitutes a strong bill which is eminently satisfactory from the standpoint of the House and I urge its overwhelming approval by the House.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to compliment the conferees of the Senate and House of Representatives for their statesmanlike approach toward reconciling the differences between H.R. 1608 and S. 7. The result of their intense labors is before us now as the "Veterans Health Care Amendments of 1979." In my opinion, the compromise is better legislation than either of the bills previously passed.

Both Representative Ray Roberts of Texas, chairman of the House Veterans' Affairs Committee, and Senator Alan Cranston of California, chairman of the Senate Veterans' Affairs Committee, have every right to take pride in this measure. I also compliment the subcommittee chairman Mr. Satterfield who has been an important guiding hand in this legislation, actually extending back into the 95th Congress.

The bill sets up a system of readjustment counseling and mental health care services for veterans of Vietnam who have had difficulties finding their way back into civilian life. The law will permit the most alienated of these individuals to get the help he needs and deserves.

Another far-reaching section of this bill may yield knowledge that will be helpful to our entire population. It sets up a pilot program for the treatment in community-based facilities of alcohol and drug dependence victims. This is a disease that cripples millions of our citizens and any light that may be shed on its treatment could save incalculable human suffering.

A particularly significant section of the bill gives the two Veterans' Affairs Committees the responsibility for approving the construction of VA hospitals. Since they are charged with the responsibility of providing veterans' medical benefits, the committees should be involved in deciding the location and type of medical facility where they are dispensed.

There are other beneficial provisions of this bill, Mr. Speaker. I have only touched on a few. This bill stands as proof (if it was needed) that the American people are willing to show (in a tangible way) their gratitude to those who wore the uniform of this country.

I therefore urge that the conference report be approved.

□ 1230

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Massachusetts (Mrs. Heckler).

Mrs. HECKLER. Mr. Speaker, I rise in strong support of the conference committee report on S. 7, the Veterans' Health Care Amendments of 1979.

As a member of the conference committee that produced this important compromise legislation, I must emphasize that the report before us today indicates the strong will of Congress that mental health treatment and counseling services must and shall be provided to those Vietnam veterans who need and qualify for such services.

The Veterans' Administration, which was a leader in this field following World War II, again is assigned the responsibility of developing mental health treatment and readjustment counseling programs that will assist the Vietnam veteran to adapt successfully to civilian life.

However, this legislative initiative also mandates that the VA shall contract with community based private facilities to provide such services if it serves the best interests of the individual veteran to do so.

The VA is thus provided with the flexibility that is necessary to assure that these programs can work. This flexibility means the veteran who is alienated from his military experience can obtain assistance at community based facilities.

The conference report is a better legislative measure than either House of the Congress has produced acting separately. This is because the report combines into one comprehensive legislative package the House's focus on mental health treatment with the Senate's emphasis on readjustment counseling for veterans with less serious, primarily motivational problems.

This report also breaks new ground with regard to the construction of veterans' medical facilities. It provides the Veterans' Committee of the Congress with authority over the approval of hospital construction projects that many other standing committees of the Congress already have—and have had for years. This is an important and welcome first and adds substantially to the significance of this report.

For these reasons, Mr. Speaker, I strongly support this report and urge my colleagues to vote for its immediate passage.

● Mr. ROBERTS. Mr. Speaker, I want to join my colleagues on the committee in supporting the conference agreement on S. 7, and I want to again compliment the very able and distinguished chairman of the Subcommittee on Medical Facilities and Benefits, Dave Satterfield, for his leadership in solving the differences between the House and Senate-passed bills. He did a masterful job and it is through his efforts and those of of Senator Alan Cranston that we now have a bill which the President is expected to sign once it clears both Houses of Congress.

Mr. Speaker, I want to especially thank the very able ranking minority member of our committee, the Honorable John Paul Hammerschmidt, for his splendid cooperation in helping to bring about this compromise agreement. The distinguished Senator from Wyoming, the Honorable Alan Simpson, played a major role in reaching agreement with the other body. A special thanks, Mr. Speaker, to the gentleman from California, Mr. Edwards, who has long advocated the establishment of a psychological readjustment counseling program for Vietnam veterans. He also played a major role in reaching agreement with the other body. I also want to thank the gentleman from Mississippi, Mr. Montgomery; the gentleman from South Dakota, Mr. Daschle; the gentlewoman from Massachusetts, Mrs. Heckler, and the gentleman from Ohio, Mr. Wylie, for their contributions in helping resolve our differences with the other body. All of our conferees, Mr. Speaker, did a wonderful job and I wish to personally thank each of them.

I am delighted we were able to reach agreement with the other body quickly so that the President can sign the bill and we can proceed to deal with some of the problems which confront our Nation's veterans. It is a fitting tribute to Vietnam veterans that the House pass this conference agreement during Vietnam Veterans Week, a week when we honor those who answered their Nation's call in Southeast Asia during a very difficult period.

I support the conference agreement, Mr. Speaker, and hope that it is adopted unanimously by the House.●

● Mr. GILMAN. Mr. Speaker, I rise in support of this important legislation benefiting our veterans. Today is a most fitting time for discussion of S. 7, the Veterans Health Care Amendments of 1979. It is appropriate that this measure be brought before our body during this, Vietnam Veterans Week of 1979.

This is a vital piece of legislation which will aid the many men and women who donned the uniforms of our Nation's armed services.

S. 7 would amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, including the readjustment counseling program; it would authorize the construction, alteration and acquisition of certain medical facilities; and would expand certain benefits for disabled veterans.

The main provisions of this measure include:

Establishing a new program to provide outpatient readjustment counseling and related mental health services for Vietnam-era veterans who request such counseling within 2 years from discharge or release or within 2 years after enactment, whichever is later. The conference agreement would authorize the administrator to contract with private facilities for the readjustment counseling as well as the related mental health services if the administrator, on the advice of a VA mental health professional, determines that the VA facility in question cannot effectively furnish counseling or services to meet the needs of that particular veteran.

Establishing a 5-year pilot program for the treatment and rehabilitation of veterans with alcohol and drug dependence or abuse disabilities. The administrator could contract for the treatment of veterans in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities.

Establishing a 5-year pilot program of preventive health care services for veterans with 50 percent or more service-connected disability ratings and for veterans receiving treatment involving a service-connected disability. The conference agreement would provide for maximum expenditures of $10 million in fiscal 1980; $12 million in fiscal 1981; $13 million in fiscal 1982; $14 million in fiscal 1983, and $15 million in fiscal 1984.

Requiring prior approval by House and Senate Veterans' Affairs Committees for the construction, alteration or acquisition of any VA medical facility costing more than $2 million (or for the leasing of any facility by the VA for more than $500,000 a year).

Mr. Speaker, our Nation has never fully recognized those who fought, suffered and died in Southeast Asia. We have yet to recognize the special problems of Vietnam veterans, and that is why it is imperative we approve S. 7. It is one small step by our Nation toward recognizing some of their special problems. We have not gone far enough in providing the Vietnam-era veterans with employment opportunities, proper health care, training and education benefits. But this measure does make significant strides toward helping those who served.

It is with the deepest humility and pride that I join with our President and my colleagues in the observance of May 28–June 3, as Vietnam Veterans Week.

This week our Nation is honoring the approximately 9 million Vietnam-era veterans currently living in the United States, and the more than 56,000 servicemen who died as a result of the conflict.

As our President stated, we still owe a great moral debt to our Vietnam-era veterans. Those 9 million who served our Nation did so during a painful and bitter time. They returned to an America divided over the war. They never did receive the welcome we showered upon returning veterans of past wars. As we pay tribute to those that served in that unpopular Southeastern Asia conflict, it is important that we not forget another segment who fought . . . those listed as missing in action. The tragedy of not knowing still haunts their families.

Mr. Speaker, since we are considering legislation benefiting our Vietnam veterans, at this point in the RECORD, I would like to insert the text of President Carter's proclamation of Vietnam Veterans Week:

VIETNAM VETERANS WEEK, 1979

(By the President of the United States of America)

A PROCLAMATION

We are a peace-seeking Nation and we are at peace, but we must not forget the lessons war has taught us, nor the brave men and women who have sacrificed so much for us in all our wars.

The decade now drawing to a close began in the midst of a war that was the longest and most expensive in our history, and most costly in human lives and suffering. Because it was a divisive and painful period for all Americans, we are tempted to want to put the Vietnam war out of our minds. But it is important that we remember—honestly, realistically, with humility.

It is important, too, that we remember those who answered their Nation's call in that war with the full measure of their valor and loyalty, that we pay full tribute at last to all Americans who served in our Armed Forces in Southeast Asia. Their courage and sacrifices in that tragic conflict were made doubly difficult by the Nation's lack of agreement as to what constituted the highest duty. Instead of glory, they were too often met with our embarrassment or ignored when they returned.

The honor of those who died there is not tarnished by our uncertainty at the moment of their sacrifice. To them we offer our respect and gratitude. To the loved ones they left behind, we offer our concern and understanding and our help to build new lives. To those who still bear the wounds, both physical and psychic, from all our wars, we acknowledge our continuing responsibility.

Of all the millions of Americans who served in Southeast Asia, the majority have successfully rejoined the mainstream of American life.

To them, and to all who served or suffered in that war, we give our solemn pledge to pursue all honorable means to establish a just and lasting peace in the world, that no future generation need suffer in this way again.

Now, therefore, I, Jimmy Carter, President of the United States of America, call upon all Americans to observe May 28 through June 3, 1979, the week of our traditional Memorial Day, as Vietnam Veterans Week. On this occasion, let us as a Nation express our sincere thanks for the service of all Vietnam era veterans.

I urge my fellow citizens and my fellow veterans, and their groups and organizations, to honor the patriotism of these veterans, and to recognize their civilian contributions to their communities in America today.

I call upon the state and local governments to join with me in proclaiming Vietnam Veterans Week, and to publicly recognize with appropriate ceremonies and activities yesterday's service and today's contributions of Vietnam era veterans.

In witness whereof, I have hereunto set my hand this twentieth day of March, in the year of our Lord nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and third.

JIMMY CARTER.●

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time.

Mr. SATTERFIELD. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 342, nays 0, not voting 92, as follows:

[Roll No. 174]

YEAS—342

Abdnor
Addabbo
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Applegate
Archer
Ashbrook
Ashley
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnard
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Boner
Bonior
Bouquard
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Buchanan
Burgener
Burlison
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Corcoran
Corman
Courter
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Diggs
Dingell
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Findley
Fish
Fisher
Fithian
Flippo
Foley
Ford, Mich.
Fountain
Frenzel
Frost
Fuqua
Gaydos
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Hansen
Harkin
Harris
Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kelly
Kemp
Kildee
Kindness
Kogovsek
Kostmayer
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lee
Lehman
Levitas
Lloyd
Loeffler
Long, La.
Long, Md.
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCloskey
McDade
McDonald
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marks
Marriott
Martin
Mathis
Matsui
Mattox
Mavroules
Mazzoli
Mica
Mikulski
Mikva
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Pease
Perkins
Peyser
Preyer
Price
Pursell
Quayle
Quillen
Rahall
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Robinson
Roe
Rose
Rosenthal
Rousselot
Roybal
Royer
Runnels
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Spellman
Spence
St Germain
Stack
Stanton
Stark
Steed
Stenholm
Stewart
Stockman
Stokes
Stratton
Studds
Swift
Symms
Synar
Taylor
Thomas
Thompson
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walker
Wampler
Waxman
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Winn
Wolpe
Wright
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—92

Akaka
Anderson, Ill.
Anthony
Boggs
Bolling
Bonker
Bowen
Breaux
Brown, Calif.
Brown, Ohio
Broyhill
Burton, John
Burton, Phillip
Clay
Conyers
Cotter
Coughlin
Crane, Philip
Dixon
Dodd
Duncan, Oreg.
Eckhardt
Edgar
Ferraro
Flood
Florio
Ford, Tenn.
Forsythe
Fowler
Garcia
Giaimo
Gradison
Harsha
Hinson
Holland
Hollenbeck
Holt
Hubbard
Hutto
Jenrette
Kazen
Leland
Lent
Lewis
Livingston
Lott
McCormack
McEwen
Marlenee
Michel
Miller, Calif.
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Murphy, Ill.
Murphy, N.Y.
O'Brien
Patterson
Paul
Pepper
Petri
Pickle
Pritchard
Railsback
Rangel
Roberts
Rodino
Rostenkowski
Roth
Rudd
Russo
Sebelius
Solomon
Staggers
Stangeland
Stump
Tauke
Traxler
Treen
Walgren
Watkins
Weaver
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wyatt
Wydler
Wylie
Young, Alaska

□ 1240

The Clerk announced the following pairs:

Mr. Murphy of Illinois with Mr. Mitchell of New York.

Mr. Staggers with Mrs. Holt.

Mr. Rostenkowski with Mr. Broyhill.

Mr. Kazen with Mr. Anderson of Illinois.

Mr. Mollohan with Mr. Harsha.

Mr. Rodino with Mr. Gradison.

Mr. Montgomery with Mr. Petri.

Mr. Roberts with Mr. Brown of Ohio.

Mr. Pepper with Mr. Wylie.

Mr. Giaimo with Mr. Tauke.

Mr. Flood with Mr. Bob Wilson.

Mr. Phillip Burton with Mr. Moore.

Mr. Akaka with Mr. O'Brien.

Mrs. Boggs with Mr. Paul.

Mr. Florio with Mr. McEwen.

Mr. Miller of California with Mr. Livingston.

Mr. Hubbard with Mr. Hollenbeck.

Mr. Jenrette with Mr. Forsythe.

Mr. Eckhardt with Mr. Philip M. Crane.

Mrs. Ferraro with Mr. Hinson.
Mr. Patterson with Mr. Coughlin.
Mr. Traxler with Mr. Lent.
Mr. Stump with Mr. Marlenee.
Mr. Russo with Mr. Lewis.
Mr. Rangel with Mr. Lott.
Mr. Wolff with Mr. Pritchard.
Mr. Watkins with Mr. Rudd.
Mr. Hutto with Mr. Sebelius.
Mr. McCormack with Mr. Roth.
Mr. Murphy of New York with Mr. Stangeland.
Mr. Fowler with Mr. Solomon.
Mr. Edgar with Mr. Treen.
Mr. Dixon with Mr. Young of Alaska.
Mr. Cotter with Mr. Wyatt.
Mr. Breaux with Mr. Wydler.
Mr. Brown of California with Mr. Pickle.
Mr. Ford of Tennessee with Mr. Clay.
Mr. John L. Burton with Mr. Leland.
Mr. Holland with Mr. Weaver.
Mr. Charles H. Wilson of California with Mr. Duncan of Oregon.
Mr. Dodd with Mr. Conyers.
Mr. Wilson of Texas with Mr. Bowen.
Mr. Bonker with Mr. Anthony.
Mr. Wirth with Mr. Railsback.
Mr. Garcia with Mr. Walgren.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH AND PRODUCTION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TOMORROW WHILE HOUSE IS IN SESSION

Mrs. BOUQUARD. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research and Production of the Committee on Science and Technology be permitted to sit tomorrow while the House is in session.

Mr. Speaker, the purpose of the subcommittee meeting tomorrow is to take testimony on uranium resources. There will be no markup. It is my understanding that the gentleman from New York (Mr. WYDLER), the ranking minority member of the subcommittee, concurs in this request.

The SPEAKER pro tempore (Mr. RATCHFORD). Is there objection to the request of the gentlewoman from Tennessee?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentlewoman assure us that this is for the purpose of hearing only?

Mrs. BOUQUARD. If the gentleman will yield, this is for hearing only, to take testimony on uranium resources. There will be no markup.

Mr. ROUSSELOT. This is only for today?

Mrs. BOUQUARD. This is for tomorrow.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

Mrs. BOUQUARD. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Tennessee?

There was no objection.

TRADE ADJUSTMENT ASSISTANCE PROGRAM IMPROVEMENTS

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 236 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 236

Resolution providing for the consideration of the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974, the first reading of the bill shall be dispensed with, and all points of order against said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. It shall be in order to consider the amendment recommended by the Committee on Ways and Means now printed on page 8, lines 13 through 23 of the bill, and all points of order against said amendment for failure to comply with the provisions of clause 5, rule XXI are hereby waived. No amendments to the bill or to the committee amendments shall be in order except pro forma amendments for the purpose of debate, the amendments recommended by the Committee on Ways and Means now printed in the bill, and other germane amendments relating only to chapters 2, 3, and 5 of title II of the Trade Act of 1974 (Public Law 93-618), the trade adjustment assistance provisions of said Act. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1250

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes for the minority to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 236 is the rule providing for the consideration of the bill H.R. 1543, which consists of improvements to the trade adjustment assistance program. The rule is a modified open rule with 1 hour of general debate that is, in reality, much more simple and more open than it sounds. It is closed in the sense that it limits amendments strictly to the trade adjustment assistance provisions—chapters 2, 3, and 5 of title II—of the Trade Act of 1974. But within those limits, committee amendments or any germane amendments are in order.

The rule further provides, in order to expedite consideration, that the bill will be read for amendment by titles instead of by sections. And finally, points of order against the bill under clause 5, rule XXI are waived in order to protect certain provisions that contain changes in the trade adjustment assistance entitlement programs and changes in the eligibility requirements for workers and firms that participate in the programs. The waiver is necessary since the changes would allow the use of outstanding funds for a new purpose. In addition, points of order under clause 5 of rule XXI are waived for the committee amendment printed in the bill on page 8, lines 13 through 23, because the amendment also makes changes in the eligibility requirements for the entitlement programs.

Mr. Speaker, this legislation makes a number of important and necessary changes in the trade adjustment assistance program. It is a very good program, but the subcommittee on trade, in its oversight investigations, has identified some pressing problems and inequities that need to be improved. This bill includes those amendments, that will make a good program even better. Workers and firms all across the country who have been adversely affected by imports stand to benefit from prompt passage of the legislation before us today.

Mr. Speaker, I am in strong support of this bill and I urge adoption of House Resolution 236 in order that the bill might be considered.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the able gentleman from Massachusetts (Mr. MOAKLEY) has described the provisions of the rule very correctly. It is a modified rule, and I will not go into detail on the provisions of the rule at this time.

Mr. Speaker, the Trade Adjustment Assistance Program Improvements Act does broaden the base, and some might refer to it as improvements. Others might refer to it as hampering of the provisions of the act and the benefits of the act itself. I know that the act does a tremendously good job.

In my district, color television imports have brought about havoc in some of the cities where plants are located. I know that the employees need adjustment pay, and I think it is a good program.

Mr. Speaker, I do not have any requests for time, but I urge the adoption of the rule and reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. VANIK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. Vanik).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1543, with Mr. Moakley in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Ohio (Mr. Vanik) will be recognized for 30 minutes and the gentleman from Michigan (Mr. Vander Jagt) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Ohio (Mr. Vanik).

Mr. VANIK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 1543, as amended by the Committee on Ways and Means, a bill to improve the operation of the trade adjustment assistance programs for workers and firms under chapters 2, 3, and 5 of the Trade Act of 1974.

The Subcommittee on Trade became aware of many legislative and administrative inadequacies and proposals for improvement in the trade adjustment assistance programs brought to its attention by labor unions, industry associations, individual workers and firms, and Members of Congress during its hearing on the program held in the spring of 1977 and again this year.

H.R. 1543, as amended, addresses the most common of these complaints. The main provisions extend adjustment assistance coverage to certain workers and firms which supply component parts or other articles or services essential to the production, transport, or storage of import-impacted articles, reduce the minimum employment eligibility requirement for workers to 40 of the 104 weeks immediately preceding layoff as an alternative to the present 26 of the 52 weeks, and make benefits available retroactively to workers who were not informed of the 1-year time limit under the new program for filing petitions following layoff.

The bill extends benefit periods an additional 26 weeks, up to a maximum of 104 weeks, to enable workers to complete training and until older workers age 60 or over reach social security age, increases job research and relocation allowances, and establishes demonstration projects in trade-impacted areas to test vouchers as an alternative method to encourage worker retraining.

H.R. 1543 expands substantially technical and financial assistance benefits to import-impacted firms. It provides technical assistance to help firms prepare their petitions and economic adjustment plans, raises the ceiling on the Government share of the cost of technical assistance from 75 to 90 percent, and establishes industrywide technical assistance. The bill lowers the interest rate on direct loans, raises the present ceiling on direct loans to firms from $1 million to $3 million and the limit on loan guarantees from $3 million to $5 million, and authorizes interest rate subsidies to reduce interest paid by borrowers on guaranteed loans to rates comparable with direct loans.

The Subcommittee on Trade and Committee on Ways and Means have thoroughly discussed these and other issues during the past 2 years. H.R. 1543 is similar to H.R. 11711 which the House passed last September. The Senate also passed a similar bill last year but agreement could not be reached between the two Houses in the last hour of the session on certain unrelated amendments. The subcommittee favorably reported H.R. 1543 by voice vote to the full committee on February 27. On March 15, the Committee on Ways and Means ordered H.R. 1543 favorably reported by voice vote with two substantive amendments.

The bill reflects the committee's concern that the adjustment assistance program provide an effective response to the economic dislocations that increased imports can bring to certain segments of our society and a more viable alternative to increased import restrictions. The committee considers improvements in trade adjustment assistance to be even more essential this year as the Congress considers legislation to implement the agreements reached in the multilateral trade negotiations providing for further liberalization of international trade. The bill strikes a balance of addressing some of the most serious criticisms of the program, while recognizing that the more basic problems of adjustment could not be solved within reasonable budgetary limits. The first concurrent budget resolution recently passed by the House includes $197 million to cover the full estimated cost in fiscal year 1980 of H.R. 1543 as amended.

Mr. Chairman, I urge the Members of the House to join me in voting for H.R. 1543 as amended.

□ 1300

Mr. VANDER JAGT. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in support of H.R. 1543, and I commend the distinguished chairman of the Trade Subcommittee for the workmanlike and constructive way in which he has fashioned this legislation.

Fifteen years ago, the Congress committed the Nation to a program of trade adjustment assistance. The Nation was committed to liberalizing trade, a step in which every worker and every U.S. industry has a vital stake. It was recognized, however, that the country could not liberalize world trade without incurring some domestic injury in specific cases. So, 15 years ago the trade adjustment assistance program was developed to try to provide assistance to those industries and those workers who were adversely impacted by the Federal program of liberalized trade.

Over the past 15 years, we have had experience with this program. Based on that experience we have developed some improvements and refinements. These necessary adjustments have been developed over a 2-year period under the leadership of the chairman of the Trade Subcommittee, and after extensive hearings. This bill was reported out last year by the Ways and Means Committee, passed the House overwhelmingly only to die in the Senate in the rush toward adjournment.

Essentially the same bill was reported out by the Trade Subcommittee this year. Unfortunately, when the Ways and Means Committee took up the bill two amendments were added which expanded the coverage and, I believe, enormously added to the cost. One is an amendment to make people eligible who have a rather tenuous connection to the labor force; another is an amendment that expands the supplying industries coverage and sets up a ripple effect, and it is very difficult to tell how far those ripples will reach.

So, I would urge my colleagues to reject those two changes and then get on with the necessary business of passing this desperately needed legislation. As the chairman has pointed out, as we come to the culmination of MTN, this legislation is more necessary than ever. It does represent some great refinements and improvements in the program. I do not think we need, however, the excessive, costly, and controversial extra baggage contained in these two additional amendments. I believe we do a disservice to the U.S. industry and workers if we add that excessive package on and, of course, reduce the chances of the administration accepting this program which is so necessary to the workers and industries that are affected.

Mr. VANIK. Mr. Chairman, I yield such time as he may consume to my distinguished colleague from Oklahoma (Mr. Jones), who is a member of the Subcommittee on Trade and also a member of the Committee on the Budget.

Mr. JONES of Oklahoma. Mr. Chairman, I thank the chairman of the Subcommittee on Trade for yielding to me.

Mr. Chairman, I rise to provide a budgetary perspective on the bill, H.R. 1543, the Trade Adjustment Assistance Program Improvements Act.

Mr. Chairman, I include in the Record at this time a statement by the chairman of the Committee on the Budget, the gentleman from Connecticut (Mr. Giaimo):

STATEMENT OF HON. ROBERT N. GIAIMO OF CONNECTICUT, CHAIRMAN OF THE HOUSE BUDGET COMMITTEE, ON H.R. 1543, TRADE ADJUSTMENT ASSISTANCE IMPROVEMENTS

Mr. Chairman, I rise to provide a budgetary perspective on the bill H.R. 1543, Trade Adjustment Assistance Program Improvements.

The major budget impact on this bill would be in the Income Security function. Upon the recommendation of the Committee on Ways and Means, the Budget Committee included the $177 million in budget authority and outlays which the Congressional Budget Office estimates the worker provisions of this bill to cost. The House allocation of the conference agreement on the Budget Resolution allocated $177 million in new entitlement authority to the Committee on Ways and Means for this legislation. This amount is included within the overall total of $798 million in new entitlement authority allocated to that Committee.

ACTION MEMORANDUM

MAY 29, 1979.

To Chairman GIAIMO.
From Bruce Meredith.
Subject H.R. 1543, Trade Adjustment Assistance Improvements, Scheduled for May 30, 1979.

BACKGROUND

The House allocation of the First Budget Resolution conference agreement assumes the cost of this bill, which is a high priority item to both Mr. Ullman and Mr. Vanik.

The Worker Trade Adjustment program is financed with general funds and provides more liberal benefits than the regular Unemployment Compensation Benefits program provides. Regular benefits are supplemented with Trade Adjustment benefits to guarantee beneficiaries the lesser of the average manufacturing wage (currently $261 a week) or 70 percent of previous gross wages. Eligible workers can obtain 52 weeks of benefits. If they are over age 55, or in training, 26 additional weeks of benefits are available.

H.R. 1543 would make the following changes:

Fiscal year 1980 budget authority/outlay impact

[In millions of dollars]

Extend eligibility to workers in firms supplying components or services to plants impacted by increased imports. The Department of Labor is currently studying the cost of this provision, and the results of the study will not be available for weeks. The preliminary estimate is	100
Provide retroactive benefits to workers who were denied assistance because they were unaware of the one-year filing deadline under the Trade Act of 1974. This provision has a one-time cost	50
Allow workers to qualify for benefits if they were employed for 26 of the 52 weeks prior to their lay-off, as under current law, or 40 weeks in the preceding 104 week period	17
Other provisions	10
Total	177

Mr. Frenzel is expected to introduce an amendment which would strike an amendment to the bill offered by Mr. Downey during markup in the Ways and Means Committee. The Downey amendment removed the requirement in the original bill that to be eligible for Trade Adjustment Assistance, firms supplying component parts or essential articles or services to import-impacted firms must do 25 percent or more of their business with an import-impacted firm. Deletion of the Downey amendment would reduce the cost of the bill by $46 million. Mr. Frenzel introduced the same amendment during markup of the Budget Resolution. If the amendment were adopted by the House, the cost of the bill would be $131 million.

Principal Analyst, Jim Rotherham, phone 55792.

Mr. VANDER JAGT. Mr. Chairman, I yield 7 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I believe in trade adjustment assistance, and I believe that the bill this House passed last year, while it was perhaps a little more expensive than was necessary to cure the problem, was a responsible bill; and I am extremely sorry that the Senate was not able to pass that bill at the end of the last session because then we would not have to be going through the trouble we go through today.

I am personally in a difficult position today because I do support much of the change that occurs in H.R. 1543 to improve trade adjustment assistance. When the bill was introduced early this year I became a cosponsor because, even though there was the problem of an amendment which I will talk about later, I felt that overall it was a reasonably balanced bill and deserving of support. However, when the bill reached the Ways and Means Committee out of the Trade Subcommittee it was subjected to an amendment called the Downey amendment, after the gentleman from New York. In my judgment, that made the bill irresponsible and a bad legislative act for this body.

□ 1310

That amendment would have eliminated the requirement that the supplying firm must provide at least 25 percent of its total production to a trade-impacted firm in order for its workers to be eligible to apply for and receive trade adjustment assistance benefits. As the bill came from the subcommittee, and as the House passed it last year, supplying firms were made eligible, but under that bill the trade test would be that they would have to sell at least 25 percent of their total production to a trade-impacted firm.

The Downey amendment removes that test and now merely says that there should be some important relationship. This gives the Department of Labor, and courts who may look at it, some kind of a standard which I do not think anyone understands, nor can anyone predict the cost as well. Indeed, when the amendment was reviewed by the committee and analyzed by the Congressional Budget Office, it was recognized that there would be or could be considerable additional cost because nobody knows exactly how many supplying firms could or might qualify under the Downey language.

My opposition to it is based, first, on that cost, part of which I think is unknown, but even on the cost that was presented to us by the Congressional Budget Committee, that Downey amendment increases the cost of extending coverage to supplying firms by about $50 million to $100 million. The Downey amendment itself carries a price tag of almost $50 million, according to the CBO. According to me, it is going to be a good deal higher, Mr. Chairman. That provison comprises over 50 percent of the total cost of this bill, in my judgment, not a wise priority for expenditures for trade adjustment assistance, and especially at a time when all of us have worked so hard in working with the budget, trying to hold our expenses to a reasonable amount, we are suddenly offering an extension of these benefits to people whose unemployment may or may not be trade-related in an important way.

Another thing that is wrong with this is the distorting effect it has on trade adjustment assistance programs as a whole. These programs were designed to offset the adverse effects of a free trade policy on American workers and firms. I think everybody in this body approves of that kind of policy. However, the Downey amendment would expand the coverage so greatly and would demand that the program now encompasses so many workers, with only a slight relationship to import-impacted employment, that it seems to make a farce out of trade adjustment assistance. In effect we are creating a second tier interim compensation program with very little justification from the perspective of trade-related unemployment, and obviously those trade adjustment assistance programs were designed to address specifically trade adjustment unemployment.

The administration strongly opposes the Downey amendment. As some of us know, I am not the strongest backer of this administration. However, it has tried to be responsible in this particular area in holding down costs that are not necessary to meet the problems of the day. I do not know if the administration would be willing to veto this bill. I have no idea. But I do know the bill is not acceptable, even without the Downey amendment. With the Downey amendment it is terribly unacceptable to the administration.

Mr. Chairman, as I stated earlier, I am a longtime supporter of adjustment assistance programs. I have tried to be helpful in formulating needed changes over the years. The process of reform has gone on as long as I have been on the Committee on Ways and Means, and I think in general this bill before us is a responsible bill. However, I could vote for last year's bill even though it contains things I do not like. I cannot vote for this year's bill, nor do I think any Member of this body should vote for this year's bill while in includes the Downey amendment. If the Downey amendment remains within the bill, the purposes of the bill are thwarted and subverted, and its costs become outrageously high and unpredictable. I, therefore, Mr. Chairman, will oppose H.R. 1543 and suggest that it may have great difficulty in wending its way through the total legislative process.

I urge my colleagues to join me in opposing the Downey amendment, and if it is not defeated, I urge them to vote against final passage.

Mr. Chairman, I yield back the remainder of my time.

Mr. VANIK. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I want to thank my subcommittee chairman for the fine work that he and the committee have done on this bill. This is a civilized, sound, sensible solution to a tough economic problem. The problems of trade are high in emotional content. Some people will lose their jobs and be forced to find other jobs because of national policy, a policy that is made here by this Congress and by whatever government happens to be in power at the time. We have to find sensible ways of solving the problem. In the past we have thrown up trade barriers to try to protect those jobs, and we have done that with disastrous economic impact upon our own country and upon other countries throughout the world.

Over the years since 1962 we have experimented with trade adjustment assistance. The program when it was first instituted in 1962 was so strictly written that very few people were able to take advantage of the entitlements that the Government intended for them and that the Congress intended for them. Since that time we have gradually liberalized these tests that people must meet before they can receive assistance.

Some people will say that we have gone too far now. I doubt that we have. I think that the tests that are laid down in this bill are civilized, sound, and sensible, and I hope that we can adopt them. I hope that we will sustain the committee position and the committee amendments.

Mr. Chairman, at this point I yield back the remainder of my time.

Mr. VANDER JAGT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I want to add my support to H.R. 1543, the trade adjustment assistance amendments, and hope that the House of Representatives will act expeditiously to pass this bill. Last year both the House and Senate passed bills similar to H.R. 1543, but the bills died during the closing hours of the last Congress.

It was more than 2 years ago that I and others first introduced legislation which would have extended the eligibility for workers laid off for an additional year. At that time we were responding to many complaints received concerning the administration of the trade adjustment program. These complaints centered around two areas: that those eligible were not made aware of the program by the Department of Labor and the fact that many employees with long years of experience were laid off prior to the 1-year time period for certification of damage by imports.

Therefore many of the older workers with increased family responsibilities and ties to the community were not afforded the benefits of younger workers.

Section 223 of the trade adjustment amendments bill provides for a retroactive extension of the impact period from 1 year to 18 months and will help substantially in addressing this inequity.

Adjustment assistance is not a long-term solution to our trade problems, however, it does provide equitable temporary relief.

It is even more imperative that we act in view of the possible termination of the import quotas on specialty steel.

I and many others have urged the President to extend the import quotas, however if these quotas are not extended it is estimated by the International Trade Commission that there will be a 50 percent increase in imports of specialty steel. This will have an impact on American jobs.

I am also concerned that the multilateral trade agreeement may have a negative impact on employment in some domestic industries.

As a member of the steel caucus, I, along with other Members of Congress, have been seeking a more permanent solution to the problem of imports. One of the interim solutions is a better trade adjustment program which will alleviate some of the pressure for hastily conceived protectionist legislation.

Mr. Chairman, I yield back the remainder of my time.

☐ 1320

Mr. VANIK. Mr. Chairman, I yield such time as he may desire to our distinguished colleague from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise in support of H.R. 1543, a bill to improve the operation of the adjustment assistance program for workers and firms under the Trade Act of 1974.

I would like to commend the Committee on Ways and Means for its recognition of the need to revise certain provisions of the Trade Act. The committee has drafted a sound and much-desired piece of legislation which deserves prompt enactment into law.

I was one of those who was greatly disappointed when similar legislation fell by the wayside during the adjournment rush in the final days of the 95th Congress. Not only does the legislation before us include all the welcome and needed changes that were contained in last year's measure, it also incorporates a retroactive extension of assistance to those workers displaced between October 1974, and October 1977, who were precluded from receiving assistance solely because they were laid off more than one year prior to the filing of an application for assistance.

I first became aware of the need to improve delivery of adjustment assistance under the Trade Act through the events subsequent to the closing of a large electronics plant in my district. In late September of 1977, the Zenith Corp. announced a nationwide production cutback which was precipitated by the importation of electronic products from Japan at less than fair market value. The decision resulted in the displacement of 5,600 Zenith employees across the country. In Sioux City, Iowa, 800 jobs were eliminated, 500 of which were held by individuals who were the sole supporters of their families.

Unfortunately, announcement of the production curtailment and widespread layoffs was to be only the first in a series of disillusioning setbacks for these displaced workers. Having lost their jobs to unfair foreign competition, aided in part by the failure of past administrations to enforce existing fair trade laws effectively, the Zenith employees turned to the Federal Government for assistance under the Trade Act of 1974. However, these workers soon found their hopes for timely and direct aid dashed by the poor dissemination of information, lack of coordination among program officials, and general problems with implementation which became characteristic of the existing trade adjustment program. Eventually dozens of these workers learned that they would receive no program benefits simply because they had been displaced more than 1 year prior to the filing of a request for assistance.

Due in part to the complexity of the program, the suddenness of the final layoff announcement, and the number of workers affected, information pertaining to the scope of benefits and procedural steps provided under the Trade Act was not found to be readily available. To remedy this deficiency, the Director of the Trade Adjustment Assistance Office within the Department of Labor came to Sioux City, at my urging, to personally brief the former Zenith employees on the details of the program. Though then aware of available assistance, many workers encountered additional problems in obtaining a correct computation of their individual benefits and specific information relating to their own opportunities for retraining or relocation. This situation was further aggravated by an acute lack of coordination between Federal, State, and local officials in implementing the program and designating local administrating authorities.

In view of the shortcomings of the trade adjustment assistance program which I have observed firsthand, it is with a great deal of enthusiasm that I support the legislation presented before the House today. Notable among the changes in this bill are provisions streamlining eligibility certification procedures, making more equitable the formula used in determining individual worker eligibility, and extending to firms producing key components or providing essential services for trade-impacted firms coverage under the Trade Act. Also, I am pleased to note that the legislation calls for improved dissemination of program information to workers and firms adversely impacted by foreign competition, and it is my hope that this provision will foster improved coordination among Federal and local officials. Finally, I am most encouraged by the section granting retroactive eligibility to workers who were unfairly and arbitrarily denied benefits in the past.

Mr. Chairman, I think that enactment of this legislation will go a long way toward providing much needed assistance to workers displaced by foreign competition, and I urge its approval here today. However, I feel that it is important to recognize that this legislation provides only cosmetic relief for a problem whose root cause in many cases lies in the ineffective enforcement of existing fair trade laws. Many American firms and their employees have been adversely and unfairly affected by the lack of proper enforcement of U.S. fair trade laws, and I urge that the Congress also address this more general problem in a timely and responsible manner.

Mr. VANIK. Mr. Chairman, I yield such time as he might desire to our distinguished colleague from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. Mr. Chairman, I thank the subcommittee chairman for his consideration.

Mr. Chairman, H.R. 1543 provides in section 101 the opportunity for certain trade-impacted workers to qualify for TAA eligibility and retroactive payment.

Such workers would be allowed an additional 6 months' impact period—totaling 18 months—back from date of layoff instead of the current 12-month period in which their impact-related unemployment will be recognized under section 223(b)(1) of the Trade Act of 1974. Because of deficiencies in information regarding changes from the earlier 1962 TAA program, this limited group of workers were denied TAA benefits because they did not file their claims within the 12-month time frame. The Trade Expansion Act of 1962 (TEA) did not have any such time frame limitation of 1 year. It was open ended. Many separated and laid-off workers were not made aware of such statutory change and since, administratively, the investigations by DOL of trade impact were delayed for periods of up to 1 year by the crush of the number of petitions claiming trade impact, these poor workers could not relate their layoffs directly to the increase of imported products like or directly competitive to those they produced.

H.R. 1543 thus would limit on a one-shot basis such retroactivity of benefits to those workers separated from their jobs between October 3, 1974, the date the new provisions of the Trade Act of 1974 took effect, and November 1, 1977.

Many of these TAA denied workers were in fact laid off or lost jobs prior to and for longer periods of time than their fellow workers in the same certified unit, yet were denied TAA benefits because they fell through the 1-year technicality provision.

These workers suffered severe economic injury as a result of our liberal national trade policy and should be equitably treated. H.R. 1543 makes this possible.

It is estimated that about 11,000 workers were in units that were certified for trade adjustment assistance, but were denied TAA eligibility by the 1-year rule; and about 15,000 workers were unaware of the TAA program, who may be made eligible by the extended retroactivity period provided in this bill.

Mr. VANIK. Mr. Chairman, I yield such time as he may desire to our distinguished colleague from New York (Mr. DOWNEY.)

Mr. DOWNEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, certainly one of the more instructive things we heard today was from our friend, the gentleman from Oklahoma (Mr. JONES), of the Committee on the Budget, indicating that this bill as currently written falls within the budget targets and estimate and is not a budget buster.

I would like to recognize my chairman for the work that he has done and also the gentleman from Minnesota (Mr. FRENZEL) for the work that he has done. Certainly both of these gentlemen have an acute interest in seeing the Trade Adjustment Assistance Act pass and I am sorry my friend from Minnesota feels that my amendment somehow extends coverage that will cause him not to support the bill.

During the debate on the amendment I will go into some detail on what my amendment does. Suffice it to say at this point it is important that Members understand that my amendment extends the same trade adjustment assistance to the same people who will be unemployed that we currently do for end-product workers. It is a very, very simple amendment despite the fact that it is couched in somewhat complicated language.

I would hope that the Members will be listening during the period of debate so they can hear for themselves that this is not going to cost a great deal of money, it is not going to hopelessly extend this bill to people who had not fallen within its coverage before.

I think this bill merits support and I would hope the committee amendments, as written, are adopted.

Mr. VANIK. Mr. Chairman, I yield myself such time as I may consume.

I have been a strong supporter of the Downey amendment. We are reaching a new phenomenon in America in which component parts and the impact of the import of component parts has become more and more a factor.

I am very troubled about the American automobile industry which was rather reluctant to move into the age of conservation by producing a wide variety of gasoline efficient automobiles and, as a result of that reluctance, we are suffering a tremendous import competition from abroad, from the east and from the west. These automobiles are attracting tremendous attention on the part of the American people, particularly during the current gasoline and oil crisis.

I want to point out that more and more the domestic automobile industry is relying on component parts that are coming from all over the world. Even some of the automobiles that are touted as being made in America have extensive parts that come from abroad. Transmissions that come from West Germany, parts that come from England and Spain and parts that come from Japan and from all over the world.

Mr. Chairman, we are dealing with a problem of trade imbalance, trade impacted realities here that have affected a new area of component parts, particularly affecting the American automobile industry. This is going to have an impact on our workers and we must gear up for it.

Mr. Chairman, I certainly hope that the resources of this bill will not be required but I think it is the only safety valve the American worker and the American industrialist has in connection with trade distractions that may occur, and that are currently occurring on the world scene. I hope that the Members of the Committee will support the Committee on Ways and Means in their enthusiastic support of the Downey amendment, which I think is a very essential part of the Trade Adjustment Assistance Act and I hope it will be supported.

I yield back the balance of my time.

● Mr. LaFALCE. Mr. Chairman, I rise in strong support of H.R. 1543, which broadens trade adjustment assistance programs for workers and firms dislocated and adversely affected by import competition.

A simliar bill, H.R. 11711, was passed by both the House and the Senate last fall, but differences on nonrelated amendments were not resolved prior to adjournment. I am pleased that the House is considering this bill at an early date, and I urge the Senate to do likewise.

H.R. 1543 will help correct many of the deficiencies and inequities in the trade adjustment assistance programs, as originally enacted in the Trade Expansion Act of 1962 and expanded by the Trade Act of 1974. A substantial number of workers and firms were unintentionally covered under the provisions of the Trade Act of 1974, although they were adversely and seriously affected by a flood of inexpensive imports.

Title I will significantly broaden the adjustment assistance program for individual workers. One of its provisions is the retroactive extension of the 1-year rule to 18 months for eligibility petitions for assistance filed prior to November 1, 1977. Many qualified workers missed this deadline date in the early months of the program, usually because they were unaware of the existence of the program. Thousands of workers in almost every State of the Union will at long last receive that assistance which was inequitably denied them.

Title I also corrects another important inadequacy in the Trade Act of 1974. That act did not contain provisions for assistance for workers who were secondarily affected by imports, which has left many workers without assistance which they truly deserved. These workers are employed by firms which supply parts or services essential to the production, transport or storage of import-impacted products. In reality, the sole difference between their status and that of employees for primarily impacted companies resides in the name of their employer and not in the nature of their economic circumstances.

Title I contains, in addition, innovative programs for relocation and retraining of workers and provisions to substantially accelerate the certification process and benefit delivery for qualified workers. These improvements are long overdue and should be swiftly enacted.

Title II would increase Federal assistance to firms adversely affected by import competition at relatively little cost to the Federal Government. That assistance will help firms remain in operation in some cases, which would help contribute to fewer lay-offs of employees by employers. The level of possible assistance is oriented toward small and medium size businesses which can be particularly vulnerable to import competition.

I want to urge all of my colleagues to support H.R. 1543 which will help U.S. industry compete in the very competitive climate of international trade in this new post-multilateral-trade negotiation era and will provide assistance to deserving workers who need that assistance.●

● Mr. COUGHLIN. Mr. Speaker, I rise in support of H.R. 1543, the proposed trade adjustment assistance program improvements, and sincerely urge my colleagues' favorable action on these long-overdue reforms.

H.R. 1543 addresses several serious shortcomings of the present trade adjustment assistance program. First, it rightfully extends benefit coverage to workers and firms which provide essential services or material to import impacted industries. The need for this extended eligibility was dramatically demonstrated in Pennsylvania's 13th Congressional District, which I represent, when the Alan Wood Steel Co. shut down in 1977 due to imports. Although employees of the plant and its subsidiary were certified eligible for assistance, workers of two trucking firms that were restricted by State and Federal regulation to haul only Alan Wood Steel products were ruled ineligible for aid. Clearly, however, their loss of livelihood was caused by imports no less than that suffered by the Alan Wood workers. There is no question that thousands of other American workers lost their jobs under similar circumstances; yet the present programs of trade assistance can offer no help. H.R. 1543 would correct this deficiency.

Second, the legislation before us would curtail needless administrative delays by allowing certification prior to an actual impact by import competition. While benefits would not be released until imports' effects were actually determined, the time-consuming certification process could take place on the basis of an anticipated sales or production drop. Thus, at the time of actual impact, the much-needed assistance could be provided at once—when it is needed the most.

Third, by extending the worker benefit period by 26 weeks, H.R. 1543 brings our trade adjustment assistance programs into the economic reality of 1979. To be a middle-aged jobseeker in the Northeast United States with highly specialized, yet unmarketable, skills is a tragedy of enormous proportions. For most TRA beneficiaries, moreover, retraining provides, at best, only a slim chance of obtaining new work quickly. The process of reentering the work force is painfully slow for many trade assistance recipients through no fault of their own. H.R. 1543 would ameliorate this condition by providing beneficiaries the time and means needed for retraining and job placement.

It is especially import that we enact meaningful trade adjustment assistance program improvements this year. For the economic pressures of imports we have experienced over this decade will come into even sharper focus as we consider the results of the multilateral trade negotiations. While some alteration to H.R. 1543 may be appropriate, it is imperative that our program of trade adjustment assistance be improved to reflect and to address current conditions. I am convinced the legislation before us succeeds in this respect and respectfully enlist my colleagues' support for its passage.●

● Mr. ALEXANDER. Mr. Chairman, I rise in strong support of this legislation to broaden and improve the trade adjustment assistance program for workers and firms adversely impacted by competition from imports.

Mr. Chairman, import competition threatens the very existence of a number of domestic industries. In my State, the shoe industry has been one of those hardest hit by rising imports. Shoe factories are located in medium to small cities and are one of the key elements of those areas' economies. Trade adjustment assistance has proven useful as a tool so as not to wreak havoc with the economy and to insure the maintenance of the industry until such time as the industry can become more competitive.

The trade adjustment assistance program is jointly administered by the Department of Labor, which provides assistance to workers, and the Department of Commerce—through the Economic Development Administration—which provides assistance to industries, firms, and communities.

The legislation before us today makes a number of improvements in the administration of this program. Title I extends worker coverage to employees of eligible firms that supply parts or services essential to the production of import-impacted products, to workers working 40 out of the last 104 weeks in import-impacted firms; and extends benefits by an additional 26 weeks for workers over age 60 until age 62. The bill also provides retroactive eligibility for workers who were unaware of the 1-year time limit for filing petitions after being laid off.

The bill broadens adjustment assistance for firms by extending eligibility to firms that contribute at least 25 percent of parts or services for import-impacted end products. In addition, the Federal Government share of technical assistance to firms is increased from 75 to 90 percent. The bill allows loans at more favorable interest rates and increases the ceiling on direct loans from $1 million to $3 million and on guaranteed loans from $3 million to $5 million.

Mr. Chairman, the trade adjustment assistance program is a reasonable tradeoff for increased trade. Inasmuch as the pending multilateral trade agreement may cause some dislocations, passage of H.R. 1543 is essential to protect the domestic industries and workers who may be impacted by imports. I urge its passage without amendment.●

Mr. VANDER JAGT. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, no amendments are in order except pro forma amendments for the purpose of debate, and amendments recommended by the Committee on Ways and Means now printed in the bill, and other germane amendments relating only to chapters 2, 3, and 5 of title II of the Trade Act of 1974 (Public Law 93-618), the trade adjustment assistance provisions of said act.

The Clerk will read the bill by titles.

The Clerk read as follows:

H.R. 1543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—IMPROVEMENTS IN ADJUSTMENT ASSISTANCE FOR WORKERS

SEC. 101. SPECIAL TREATMENT OF CERTAIN CERTIFICATIONS AND PETITIONS.

(a)(1) This subsection applies—

(A) to any petition for a certification of eligibility to apply for adjustment assistance under chapter 2 of title II of the Trade Act of 1974—

(i) if such petition was filed with the Secretary of Labor (hereinafter in this section referred to as the "Secretary") before November 1, 1977; and

(ii) if the Secretary, on the basis of section 223(b)(1) of the Trade Act of 1974—

(I) denied issuance of such a certification,

(II) refused to accept the petition,

(III) caused the petition to be withdrawn, or

(IV) terminated an investigation undertaken with respect to the petition; and

(B) to any worker covered by a certification issued under section 223 of the Trade Act of 1974 on the basis of a petition filed before November 1, 1977, if such worker was not eligible for adjustment assistance under such chapter 2 by reason of subsection (b)(1) of such section.

(2) The Secretary shall promptly reconsider any petition referred to in paragraph (1)(A) and the eligibility for adjustment assistance of any worker referred to in paragraph (1)(B). In undertaking such reconsideration, the provisions of chapter 2 of title II of the Trade Act of 1974 shall apply, except that—

(A) for purposes of section 223(b)(1) of such Act, an 18-month period shall be applied rather than a one-year period; and

(B) for purposes of section 231(1)(B) of such Act, the date of the determination, if an affirmative determination is made incident to reconsideration, under section 223 shall be the 60th day after the date on which the petition concerned was initially filed with the Secretary, or, in the case of any petition to which paragraph (1)(A)(ii)(I) applies, the date of the initial determination by the Secretary denying certification.

(b)(1) Any group of workers separated from employment after October 3, 1974, and before November 1, 1977, may file, or have filed on their behalf (including a filing on their behalf by the Secretary), a petition for a certification of eligibility to apply for adjustment assistance under chapter 2 of title II of the Trade Act of 1974 if a petition for such a certification for such group was not filed with the Secretary after April 2, 1975, and before November 1, 1977. The Secretary may not consider any petition filed under this subsection unless the petition is filed before the close of the 6-month period beginning on the effective date of this Act.

(2) The provisions of such chapter 2 shall apply with respect to any petition filed under this subsection; except that—

(A) for purposes of section 223(b)(1) of the Trade Act of 1974, an 18-month period shall be applied rather than a one-year period,

(B) the date of the petition shall be April 3, 1975, or such other date deemed appropriate by the Secretary on the basis of the information obtained during the investigation, and

(C) for purposes of section 231(1)(B) of such Act, the date of the determination, if an affirmative determination is made, under section 223 with respect to the petition shall be the 60th day after the date of the petition established under subparagraph (B).

(c) In carrying out subsections (a) and (b), the Secretary may not pay, or recompute the amount of, any program benefit under chapter 2 of title II of the Trade Act of 1974 for the same week of unemployment for which any worker received, or is eligible to receive, such a benefit pursuant to such chapter under other than the authority of this section.

(d) The Secretary shall provide full information to workers regarding the provisions of this section and shall provide whatever assistance is necessary to enable workers concerned to prepare petitions or applications for benefits.

Sec. 102. Filing of Worker Petitions by Secretary of Labor.

Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)) is amended to read as follows:

"(a) A petition for a certification of eligibility to apply for adjustment assistance under this chapter—

"(1) may be filed with the Secretary of Labor (hereinafter in this chapter referred to as the 'Secretary') by any group of workers or by their certified or recognized union or other duly authorized representative; or

"(2) may be filed by the Secretary on behalf of any group of workers.

Upon the filing of a petition under paragraph (1) or (2), the Secretary shall promptly publish notice in the Federal Register that the filing has been made and that the Secretary has initiated an investigation.".

Sec. 103. Group Eligibility Requirements for Adjustment Assistance.

(a) Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(1) by inserting "(a)" immediately before "The Secretary";

(2) by amending paragraph (2) to read as follows:

"(2) that sales or production, or both, of such firm or subdivision have decreased absolutely, or threaten to decrease absolutely, and";

(3) by inserting ", or threat thereof" immediately before the period at the end of paragraph (3);

(4) by striking out the last sentence thereof; and

(5) by adding at the end thereof the following new subsections:

"(b)(1) The Secretary shall certify a group of workers as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that not less than 25 percent of the total sales, or not less than 25 percent of the total production, of such workers' firm or subdivision is accounted for by the provision to import impacted firms of—

"(i) any article (including, but not limited to, any component part) which is essential to the production of any import impacted article,

"(ii) any service which is essential to the production, storage, or transportation of any import impacted article, or

"(iii) any article and any service described in clauses (i) and (ii);

"(B) that a significant number or proportion of the workers in such workers' firm or subdivision have become totally or partially separated, or are threatened to become totally or partially separated;

"(C) that the sales or production, or both, of such workers' firm or subdivision have decreased absolutely, or threaten to decrease absolutely; and

"(D) that the absolute decrease, or the threat thereof, in the sales or production, or both, by import-impacted firms of import-impacted articles, with respect to which such workers' firm or subdivision provides articles or services referred to in subparagraph (A), contributed importantly to the total or partial separation, or threat thereof, referred to in subparagraph (B) and to the decline in sales and production, or the threat thereof, referred to in subparagraph (C).

"(2) For purposes of this subsection—

"(A) the term 'import-impacted article' means any article produced by an import-impacted firm, if such article is one with respect to which a determination under subsection (a)(3) or section 251(e)(3) was made incident to the certification of the group of workers or firm concerned.

"(B) The term 'import-impacted firm' means—

"(i) any form or appropriate subdivision thereof the workers of which have been certified pursuant to subsection (a), or

(ii) any firm which has been certified pursuant to section 251(c).

"(c) For purposes of this section, the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

(b) The amendments made by subsection (a) shall apply with respect to petitions filed under section 221(a) of the Trade Act of 1974 on or after the effective date of this Act.

Sec. 104. Determinations by Secretary of Labor.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) by redesignating subsection (d) as subsection (f); and

(2) by adding immediately after subsection (c) the following new subsections:

"(d) In any case in which the Secretary of Commerce notifies the Secretary that a petition has been filed under section 251 by any firm or its representative, if a petition has been filed under section 221 regarding any group of workers of such firm, the Secretary, notwithstanding any other provision of law, shall promptly provide to the Secretary of Commerce any data and other information obtained by the Secretary in taking action on the petition which would be useful to the Secretary of Commerce in making a determination under section 251 with respect to the firm.

"(e) If any certification issued under subsection (a) is based upon a determination made pursuant to section 222(a)(2) or (b)(1)(C) that the production or sales, or both, of the firm or subdivision concerned threaten to decrease absolutely, no adjustment assistance under this chapter shall be provided to any worker covered by such certification until after the date on which the Secretary determines pursuant to such section that the production, or sales, or both, of such firm or subdivision have decreased absolutely.".

Sec. 105. Provision of Information on Benefits to Workers.

(a) Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended—

(1) by striking out "; action where there is affirmative finding" in the section heading thereto; and

(2) by striking out subsection (c) thereof.

(b) Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271–2274) is amended by adding at the end thereof the following new section:

"Sec. 225. Benefit Information to Workers.

"The Secretary shall provide full information to workers about the benefit allowances, training, and other employment services available under this chapter, and under other Federal programs, which may facilitate the adjustment of such workers to import competition. The Secretary shall provide whatever assistance is necessary to enable groups of workers to prepare petitions or applications for program benefits. The Secretary shall make every effort to insure that cooperating State agencies fully comply with the agreements entered into under section 239(a) and shall periodically review such compliance.".

(c) The table of contents of the Trade Act of 1974 is amended by striking out

"Sec. 224. Study by Secretary of Labor when International Trade Commission begins investigation; action where there is affirmative finding."

and inserting in lieu thereof the following:

"Sec. 224. Study by Secretary of Labor when International Trade Commission begins investigation.

"Sec. 225. Benefit information to workers.".

Sec. 106. Qualifying Employment Requirements

Section 231(2) of the Trade Act of 1974 (19 U.S.C. 2291(2)) is amended to read as follows:

"(2) Such worker had—

"(A) in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of $30 or more a week; or

"(B) in the 104 weeks immediately preceding such total or partial separation, at least 40 weeks of employment at wages of $30 or more;

in one or more firms or appropriate subdivisions thereof with respect to each of which a certification has been made under section 223 and which is in effect on the date of separation; or, if data with respect to weeks of employment with a firm are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary.".

Sec. 107. Time Limitations on Readjustment Allowances.

Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended—

(1) by striking out "26 additional weeks" in paragraph (1) and inserting in lieu thereof "52 additional weeks";

(2) by amending paragraph (2) to read as follows:

"(2) such payments shall be made for not more than 26 additional weeks to an adversely affected worker who is not receiving payments under paragraph (1) and has attained age 60 on or before the date of total or partial separation, except that if payment is made for the 26th additional week and such worker has not attained age 62 before the close of such week, such payments shall be made for not more than the number of weeks occurring during the period beginning with the week after such 26th additional week and ending with, but including, the week in which the worker attains age 62."; and

(3) by amending the last sentence thereof by striking out "78 weeks" and inserting in lieu thereof "104 weeks".

Sec. 108. Experimental Training Projects.

(a) Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295–2296) is amended by adding at the end thereof the following new section:

"Sec. 236A. Experimental Training Projects.

"(a) The Secretary shall establish a program of experimental, developmental, demonstration, or pilot projects, through grants to, or contracts with, public agencies or private nonprofit organizations, or through contracts with other private organizations, for the purpose of improving techniques, and demonstrating the effectiveness, of specialized methods in meeting the employment and training problems of workers displaced by import competition. One such specialized method shall be the provision of certificates or vouchers to workers entitling employers and institutions to payment for on-the-job training, institutional training, or services provided by them to workers.

"(b) The Secretary shall carry out program projects under this section only within political subdivisions of States with respect to which the Secretary finds that—

"(1) a significant number or proportion of the workers within the political subdivision have become totally or partially separated, or are threatened to become totally or partially separated; and

"(2) increases in imports of articles like or directly competitive with articles produced by firms and subdivisions thereof located within the political subdivision have contributed importantly to the total or partial separations, or threats thereof, referred to in paragraph (1).

For purposes of paragraph (2), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(c) Participation by any worker in a program project established under subsection (a) shall be on a voluntary basis; except that a worker may not be selected by the Secretary for participation unless the worker is, at the time of his application for participation—

"(1) covered by a certification issued under section 223 relating to employment or former employment within the political subdivision in which the project will be undertaken; or

"(2) if not so covered, is—

"(A) included within a group of workers for which a petition has been filed under section 221 and on which a determination under section 223 is pending, and

"(B) totally or partially separated from employment within such political subdivision.

The Secretary shall select workers for participation in a program project on such basis as the Secretary deems appropriate to carry out the purposes of this section, but such selections shall be made in a manner so as to insure that each project undertaken includes workers who represent diverse skill levels and occupations within the political subdivision concerned.

"(d) Grants made, and contracts entered into, by the Secretary under this section shall be subject to such terms and conditions as the Secretary deems necessary and appropriate to protect the interests of the United States. The authority of the Secretary to enter into contracts under this section shall be effective for any fiscal year only to such extent, and in such amounts, as are provided in appropriation Acts.

"(e) Section 239(c) shall apply in the case of any individual in training under a project undertaken pursuant to this section with respect to entitlement to unemployment insurance otherwise payable to such individual. The agreement under section 239 with any State shall be modified to effect the purposes of this section, if the State deems such a modification to be necessary.

"(f) Not later than March 1, 1982, the Secretary shall submit to Congress a report setting forth a description and evaluation of the projects implemented under the program established under subsection (a), together with such recommendations as the Secretary may have for implementing on a permanent basis those methods used in the program which have proven most effective.

"(g) For purposes of carrying out this section, there are authorized to be appropriated to the Department of Labor not to exceed $1,500,000 for each of fiscal years 1980 and 1981.".

(b) The table of contents of the Trade Act of 1974 is amended by inserting after

"236. Training."

the following:

"236A. Experimental training projects.".

(c) Section 245(b)(1) of the Trade Act of 1974 (19 U.S.C. 2317) is amended by inserting "other than section 236A" immediately before the period.

SEC. 109. INCREASED JOB SEARCH ALLOWANCES.

Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended as follows:

(1) Subsection (a) thereof is amended—

(A) by striking out "who has been totally separated";

(B) by striking out "80 percent of the cost of his necessary" and inserting in lieu thereof "100 percent of the cost of his reasonable and necessary"; and

(C) by striking out "$500" and inserting in lieu thereof "$600".

(2) Subsection (b) thereof is amended—

(A) by amending paragraph (1) to read as follows:

"(1) to assist an adversely affected worker who has been totally separated in securing a job within the United States;"; and

(B) by amending paragraph (3) to read as follows:

"(3) where the worker has filed an application for such allowance with the Secretary before—

"(A) the later of—

"(i) the 365th day after the date of the certification under which the worker is eligible, or

"(ii) the 365th day after the date of the worker's last total separation;

"(B) if such worker is 60 or older on the date of his last total separation, the later of—

"(i) the 547th day after such date; or

"(ii) the 547th day after the date of the certification under which the worker is eligible; or

"(C) the 182d day after the concluding date of any training received by the worker, if the worker was referred to such training by the Secretary.".

SEC. 110. INCREASED RELOCATION ALLOWANCES.

Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) by amending subsection (a)—

(A) by striking out "who has been totally separated"; and

(B) by striking out the period and inserting in lieu thereof the following:

", if such worker was, or is, entitled to trade readjustment allowances under such certification and files such application before—

"(1) the later of—

"(A) the 425th day after the date of the certification, or

"(B) the 425th day after the date of the worker's last total separation;

"(2) if such worker is age 60 or older on the date of his last total separation, the later of—

"(A) the 547th day after such date, or

"(B) the 547th day after the date of the certification; or

"(3) the 182d day after the concluding date of any training received by such worker, if the worker was referred to such training by the Secretary.";

(2) by amending subsection (c) to read as follows:

"(c) A relocation allowance shall not be granted to such worker unless his relocation occurs within 182 days before or after the filing of the application therefor or (in the case of worker who has been referred to training by the Secretary) within 182 days after the conclusion of such training."; and

(3) by amending subsection (d)—

(A) by striking out "80 percent" in paragraph (1) and inserting in lieu thereof "100 percent", and

(B) by striking out "$500" in paragraph (2) and inserting in lieu thereof "$600".

SEC. 111. DEFINITIONS.

Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) The term 'adversely affected worker' means an individual who—

"(A) because of lack of work in adversely affected employment, has been totally or partially separated from such employment;

"(B) has been totally separated from other employment with a firm, in which adversely affected employment exists, within 190 days after being transferred from work in adversely affected employment in the firm because of lack of work; or

"(C) has been totally separated from other employment in a firm in which adversely affected employment exists as the result of—

"(i) the transfer of an individual from such adversely affected employment because of lack of work, or

"(ii) the reemployment of an individual who was totally separated from such adversely affected employment, if the reemployment occurs within the 190-day period beginning on the date of such separation.";

(2) by redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively, and by redesignating paragraphs (6) through (14) as paragraphs (8) through (16), respectively;

(3) by inserting immediately after paragraph (2) the following new paragraph:

"(3) The term 'appropriate subdivision' means—

"(A) any establishment or, where appropriate, any group of establishments operating as an integrated production unit or engaging in an integrated process, which is within any multiestablishment firm; or

"(B) any distinct part or section of any establishment which is within any firm, whether or not such firm is a multiestablishment firm."; and

(4) by inserting immediately after paragraph (6) (as redesignated by paragraph (1) of this section) the following new paragraph:

"(7)(A) The term 'firm' includes any of the following entities (regardless whether any such entity is under a trustee in bankruptcy or receivership under court decree):

"(i) Individual proprietorship.

"(ii) Partnership.

"(iii) Joint venture.

"(iv) Association.

"(v) Corporation (including any development corporation).

"(vi) Business trust.

"(vii) Cooperative.

"(B) Any firm, together with any—

"(i) predecessor in interest,

"(ii) successor in interest, or

"(iii) other affiliated firm (if both such firms are controlled or substantially beneficially owned by substantially the same persons),

may be considered to be a single firm for the purposes of this chapter.".

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, when does the Chair intend to take up the committee amendments?

Mr. VANIK. Right now.

Mr. FRENZEL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio.

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, strike out lines 5 and 6.

Mr. FRENZEL. Mr. Chairman, I would like to know what the amendment was.

The CHAIRMAN. The committee amendments are listed in the committee report for the Members to see. They are printed, beginning on page 1 of the committee report.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRENZEL. Mr. Chairman, do we not read amendments around here any more? Do we read amendments in this body any more?

The CHAIRMAN. The Chair will inform the gentleman that the Clerk did read the amendment.

Mr. FRENZEL. Mr. Chairman, is it possible the Clerk might reread the amendment?

The CHAIRMAN. (The Clerk reread the amendment.)

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 7, strike out "(2)" and insert "(1)".

The committee amendment was agreed to.

☐ 1330

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 11, after the semicolon insert "and".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, strike out line 12 and all that follows thereafter down through line 12 on page 8 and insert in lieu thereof the following:

(2) by amending paragraph 3 to read as follows:

"(3) that increases of imports of articles like or directly competitive with articles—

"(A) which are produced by such workers' firm or appropriate subdivision thereof, or

"(B) to which such workers' firm or appropriate subdivision thereof provides essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production, or threat thereof.".

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, the amendment which just has been read by the Clerk on page 8 is the amendment of the gentleman from New York (Mr. DOWNEY), which was discussed earlier during the scheduled debate.

In my judgment, it is an overly expensive, unnecessary part of trade adjustment assessment. This Downey amendment will cost the taxpayers of the United States about $50 million, according to the estimate of the Congressional Budget Office; however, that office and the Department of Labor and the committee admit that it is very difficult to determine what the actual cost of this amendment will be, since no one knows how many supplying firms will qualify under the Downey amendment, since the criteria of the Downey amendment is vague at best. The criteria is that if contributed importantly to such total or partial separation or threat thereof. That criteria is not very clear, at least for cost-estimating purposes.

Mr. Chairman, under the current law, there is no ability on the part of the employees of supplying firms to claim trade adjustment assistance. The subcommittee on trade wisely looked into this situation and wisely agreed that supplying firms ought to be able to qualify; but it established two benchmarks for qualification. One was that they had to be supplying a firm that was certified to be trade impacted, whose employment was certified to be trade impacted, and it had to be an important trade-related unemployment which could be measured by the fact that the supplying firm ship 25 percent of its product to the trade-impacted, primary firm.

Now, that was a pretty good start. That would cost the taxpayers $50 million; but at least it had some guidelines and we would have some pretty good assurance that people out of work under that kind of criteria would be genuinely trade-impacted unemployed and would qualify; however, the Downey amendment removes the 25 percent. It removes the certification of the primary firms and leaves just about anybody to be qualified for trade adjustment assistance.

Now, what we have done, we are creating a second tier of unemployment compensation paid for by Uncle Sam, by the general taxpayers of this country, out of our general revenues, which are $800 billion in arrears, more or less, and we are going to distribute that to people and firms who think their employment is impacted by trade, but for whom there is a very fuzzy, at best, test as to whether their unemployment is actually trade impacted.

As I said earlier today, Mr. Chairman, the administration strongly opposes the Downey amendment. I think it is bad trade policy. I think it is bad fiscal policy. I would urge this House to reject the Downey amendment.

Mr. VANIK. Mr. Chairman, I rise in support of the committee amendment and in opposition to the position of the gentleman from Minnesota (Mr. FRENZEL).

Considerable concern was expressed in testimony before the subcommittee that H.R. 1543 as introduced would not achieve its intent of extending coverage to workers in firms supplying essential parts or services who are laid off because of the impact of increased imports on the finished article.

The bill as introduced requires prior certification of the workers or firm producing the end product and that the supplying firm provide at least 25 percent of its production of the part or service to the firm or subdivision producing the finished article. These restrictions could deny benefits to workers otherwise eligible, simply because parts producers often supply many different firms and end products. A sufficient number of these end products may not be covered by prior certifications to meet the 25 percent test for the supplying workers to qualify for adjustment assistance even though they lost their jobs because of increased imports.

The committee amendment would apply the same certification criteria that increased imports contribute importantly to layoffs and declines in sales in the firm producing the end product directly to the firm providing the parts or services. The committee report provides guidelines for administration of the amendment. There would have to be a direct and significant supplier relationship with the firm producing the end product and directly identifiable employment in the supplier firm dependent on continued production of the import-impacted end product. Measurable declines in sales or production of the part or service would have to be related to declines in sales or production of the end product. If the plant employment level is so large relative to employment declines that might be associated with the adverse impact of import competition and workers directly affected by that competition cannot be identified, then the workers could not be certified.

These guidelines are designed to prevent abuse of the provision. In combination with removal of the arbitrary restrictions in the bill as introduced, the amendment will insure greater equity in extending coverage of adjustment assistance to workers laid off because of increased imports.

I urge my colleagues to support the committee amendment.

Mr. DOWNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the committee amendment.

My good friend and colleague from Minnesota has been a driving force behind this bill to improve our trade adjustment assistance programs. Without his work, we might not be considering this bill today.

However, I believe his opposition to the "parts workers" amendment adopted by the full Ways and Means Committee is based on several faulty assumptions.

Before examining these, I would like to briefly explain the committee amendment.

Today, workers qualify for adjustment assistance benefits only if the company they work for makes an end product that is judged to be "import impacted."

Workers who produce a major part for that end product can receive adjustment assistance only if they are employed in a division of the end product firm.

For example, Ford Motor Co. may obtain identical bumpers from both in-house production and an independent parts company for a car model which is selling poorly because of imports. The Ford workers who produce bumpers for that model car receive adjustment assistance; the employees of the independent company cannot.

This situation, which is not uncommon in the automotive, television, clothing and electrical equipment industries to name a few, was addressed last year by the House. We passed trade adjustment assistance legislation with a provision extending coverage to workers in independent parts firms.

That provision, which also was reported this year by the Trade Subcommittee, extended coverage to workers at independent parts firms if 25 percent of the firm's total production went into an import-impacted end-product and workers at the end-product firm previously had been certified for adjustment assistance.

On its face, this provision seemed reasonable. However, upon closer inspection, it established arbitrary criteria for the certification of workers at independent parts firms.

Under the 25 percent output tests, for example, a parts plant could lay off 20 percent of its work force (including hundreds of workers) entirely because imports have hurt end product sales. Yet, its workers could be denied eligibility because only 20 percent of its production had gone into end-products affected by imports. By contrast, when only 5 percent or 50 workers have been laid off from an end-product firm, these workers can receive benefits when sufficient import connection is shown.

The original parts workers provision also required prior certification of workers at the end-product firm. Thus, insufficient numbers of end-product workers seeking adjustment assistance or the failure of these workers to file timely petitions would result in the inability of parts workers to obtain adjustment assistance. In these situations, a parts plant could close down entirely due to increased imports, yet the laid off workers could not receive adjustment assistance.

The committee amendment, which I offered, simply substitutes the test currently used to certify end-product workers—that imports have "contributed importantly" to their unemployment—for these two rather arbitrary criteria.

What is the "contributed importantly" test? In a nutshell, it allows the certification of workers if, in the judgment of the Labor Department, increased imports represent at least 20 percent of the cause of unemployment at a particular location.

Opponents of the committee amendment argue that it eliminates the basic requirement that there be a causal link between imports and unemployment.

In the minority views to the committee report, the original 25 percent output test is referred to as a "25 percent causal link." The 25 percent output test is not a measure of causation. The proper criterian, the one the full committee adopted, is the effect of increased imports on a particular firm's unemployment figures, not the percentage of the firm's sales to end-product buyers.

The minority report also states that the committee amendment would allow parts workers certification for a correlation "as low as 1 percent" between increased imports and unemployment. This is simply incorrect. It is based on a misreading of the amendment and overlooks the well-established criteria for the "contributed importantly" test.

In terms of cost, the estimates cited by opponents of the committee amendment are highly suspect. They cite an off-the-cuff estimate by the Labor Department that the amendment will cost $100 million in 1980, approximately $46 million more than the $54 million estimated for the original parts workers provision. This official "guess-timate," sanctioned by CBO, is listed as such in the committee report.

My calculations, using the methodology supposedly employed by the Labor Department and CBO, indicate that the cost of the amendment will be somewhere between $14 and $19 million more than the original parts workers provision. This would mean a total cost of approximately $70 million.

The higher estimate seems to stem from faulty assumptions about the scope of the committee amendment. The amendment applies only to "first tier" parts workers. To use my previous example, the parts workers producing the bumpers for Ford would be covered; those workers who produced the rivets and metal for the bumpers would not be covered. This was the intent of the original parts workers provision, and it is not altered one bit by the committee amendment.

One final point is in order about the suspect nature of the high cost estimates associated with this amendment. Yesterday, my office asked CBO to contact the Department of Labor about the cost estimate for all the worker adjustment assistance provisions in the bill. We were informed that the estimate was based on a Labor Department assumption of 105,000 new adjustment assistance claims in 1980. When asked how the 105,000 figure was arrived at, the Labor Department answered, and I quote, "its just a hypothetical * * * just a number we threw out." That answer speaks for itself.

Three final points.

The committee amendment is a workable amendment. The Labor Department so testified before us.

The committee amendment is not a special interest amendment. Independent parts firms in many industries often are less fortunate than end-product firms. Their workers frequently are poorly paid, particularly vulnerable to import competition and, I might add, unrepresented by organized labor.

The committee amendment is a vital amendment. It makes the extension of adjustment assistance coverage to parts workers more than a hollow improvement. It is an important part of a bill which is a necessary complement to the upcoming legislation implementing the MTN agreements.

The administration may think that its opposition to this amendment, as well as other provisions in the worker adjustment program, is pennywise. Clearly, it is pound foolish.

We must strengthen our commitment to provide equitable treatment to all workers who become unemployed as a result of our policies to encourage foreign trade. I therefore urge support for the committee's position on this amendment and the entire bill.

Mr. VANDER JAGT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the committee amendment.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the gentleman from New York (Mr. Downey), I think, may have left the erroneous impression that if his amendment is defeated, parts workers will not be included. That is not true. If his amendment is defeated, the suppliers will be included in the bill.

The gentleman also gave the impression that some workers might not be covered. Any worker who is unemployed in the United States, providing that worker meets the minimum standards—and nearly all our workers do—is covered by unemployment compensation within the individual States. The difference is that if one qualifies for trade adjudgment assistance, that worker will get slightly higher unemployment compensation than if the worker qualifies under the normal State plan.

So we are not talking about whether there is a safety net there at all; we are talking about how high the net is.

The normal difference or the average difference, I am told, between trade adjustment assistance, which is about 70 percent of salary, and unemployment compensation, averaging more or less 62 percent of salary, is about 8 percent. So we are not leaving those people without coverage.

The gentleman also inquired as to how the cost of the amendment could be doubled or the program could be doubled, and the reason is that not only has he brought in more firms but he has changed the basic test. He has changed it not only for supplying firms, he has changed it for primary firms as well. We go from a very fixed test at 25 percent that everybody understands to a test that now says, "contributes importantly."

That change causes the CBO to estimate $50 million of unnecessary expense and causes the Department of Labor to estimate $100 million of unnecessary expense.

So we are not talking about whether or not we have compensation. We have that. We are not talking about whether or not we cover the supplying firms. We cover supplying firms. What we are talking about is the test that we apply, and we are talking about who gets a little higher degree of compensation than others.

Mr. Chairman, in my judgment, the test is insufficient. To have the higher degree of compensation is unwarranted, and the Downey amendment should be defeated.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, I would just like to engage my friend, the gentleman from Minnesota (Mr. FRENZEL), in a colloquy on this point.

Would the gentleman agree with me that the "contributing importantly" test with respect to end product workers has been a successful test?

Mr. FRENZEL. Mr. Chairman, if the gentleman from Michigan (Mr. VANDER JAGT) will yield, it is my understanding that that test has been a 25-percent test during the period of the Trade Adjustment Assistance Act.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, that is not essential to my question. My question was whether or not the "contributes importantly" test provides for certain parameters, and, to repeat my question, has it been successful?

Mr. FRENZEL. Mr. Chairman, my answer is the same. It can be applied to the difficult case of an integrated company, that is where the 25-percent test is used, and that is why it works.

Mr. DOWNEY. Mr. Chairman, is the gentleman also aware of this? The "contributes importantly" requirement is more than a 25 percent "output" test. It, in fact, considers the number of workers unemployed.

For instance, if we have an end product firm that only contributes, let us say, 5 percent of its work force that has been impacted by the import but 250 or 300 workers are put out of work, under the end product "contribute importantly" test they qualify. Under the gentleman's test, those 250 or 300 workers would not qualify.

What I would like to know from the gentleman is this: How does he make a distinction between those tests that apply to end product workers and those that apply to parts workers?

Mr. FRENZEL. Mr. Chairman, if the gentleman from Michigan (Mr. VANDER JAGT) will yield further, the distinction I make is based on what I think is an appropriate criteria, and that is the 25 percent test. Some will get more under that test that maybe should not, and some will be cut out under that test that maybe should not. That is true of any test.

But what we have is an understandable, acceptable test that has been proved. It has been tested itself by experience. What the gentleman from New York (Mr. DOWNEY) has given us is simply some words. I do not know how to interpret those words, and I do not know if the Labor Department knows how to interpret them.

Mr. BRODHEAD. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the committee amendment.

□ 1350

Mr. Chairman, I would like, if I could, to go back to the fundamentals here. We are talking about a program of assistance to American workers who are displaced as a result of our liberal trade policy. This has been a program which has been a successful program and a needed program and a worthwhile program. But in that program there is a separate test for people who are involved in the parts business, in supplying industries. They have to meet a 25-percent-impact test that people in other industries do not have to meet, and this works substantial hardships on a large number of American workers. It is a substantial inequity in the legislation. I commend the gentleman from New York for offering the amendment which corrects that inequity.

It seems to me that we have to recognize that there are some industries, the automobile industry, for example, in which people in my district are involved and with which I am somewhat familiar, which is basically an assembly industry. It does not manufacture a whole product but it assembles a product. Some of the parts that go into that final product are manufactured by automobile companies themselves. Many of them, the majority of them come in from outside. If there is import competition—and there is very substantial import competition in the automobile area—and if the policy of our Nation is that we are going to allow that to continue through our trade policies, then we have to protect the American workers involved.

I think it is important that we protect not just Ford Motor Co. and General Motors, but that we protect the people who work for the thousands and thousands of suppliers all across the country. You are talking about people all around the country who are making nuts and bolts or some kind of product that goes into these cars. They are just as much impacted by our trade policy and they are just as much out of work as anybody else when this has an impact on the industry.

I think the gentleman has offered a very simple, clear, uncomplicated amendment. The Budget Committee supported it. It is going into the budget. It is a sensible, a proper and a reasonable amendment, and I am happy to rise in support of it.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. BRODHEAD. I yield to the gentleman from New York.

Mr. DOWNEY. I thank the gentleman for yielding.

Mr. Chairman, I think it is also important to understand that this does not just apply to organized workers, that the vast majority of the people who would benefit under the provisions of this bill are not organized workers. There are, as the gentleman suggested, throughout this country poorly-paid workers, for the most part unorganized, who are in desperate need of some protection.

Mr. BRODHEAD. Mr. Chairman, I think that is an important point, because by and large the workers in the district I represent are in organized labor unions, who work for the big automobile companies, and they are fully protected. But their brother workers and sister workers around the country are not protected. This takes care of that inequity.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. BRODHEAD. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has made an extremely important point in suggesting that we need a higher test, we need a higher level of concern by Government, because workers who are displaced by unfair trade—an inequity which this bill is aimed at correcting—are displaced by a conscious act, a deliberate act of Government in the international trade field. What has been said earlier about allowing unemployment compensation to make up the difference is quibbling, in my judgment. It is quibbling that disregards the lifestyle and the livelihood of people whose jobs are literally taken away, deprived by a conscious act of Government dealing in international trade, which action results in them being unemployed. So we should require a higher level of response by Government to help those in need.

Mr. Chairman, I have been an enthusiastic cosponsor of this legislation since early in the session, and I urge its adoption as reported by the Committee on Ways and Means.

Every program can be improved—including the good ones, and the trade adjustment assistance program is a very good program. Within the restrictive guidelines of the Trade Act of 1974, it has successfully met the challenge of helping American workers laid off because of unfair competition from foreign imports. With this legislation, including the Downey amendment, we can make it a much better program.

Since April 1975, over 400,000 workers have been certified for assistance under the trade adjustment program and have received some $650 million in benefits. 120,000 of these workers have been steelworkers, including almost 2,000 iron ore miners in my own district.

The Department of Labor has also certified several hundred northeastern Minnesota textile industry employees.

The Ways and Means Committee has done an excellent job with this legislation—reviewing the entire trade adjustment assistance program and shaping this legislation to make it more effective. The trade adjustment assistance program is a matter of simple equity: If workers lose their jobs because of the Nation's trade policies, then the Nation has an obligation to ease the resulting financial burden, which falls most heavily and most inequitably on working men and women.

Most Americans accept the importance of removing artificial barriers to international trade, and the benefits U.S. industry has enjoyed from being better able to sell our products abroad. The other side of that coin, however, is the unfair competition in our domestic market from goods produced by foreign firms subsidized or in other ways protected by their governments, and the tragic, often prolonged, sometimes permanent, unemployment suffered by American workers as a result.

Most Americans also accept the responsibility of our Government to cushion the blow of unemployment by providing financial help to workers laid off because of actions in the international trade which are in the national interest, but which have worked to the disadvantage of individuals in the work force. The trade adjustment program is as much in the national interest as are the trade agreements themselves.

I am particularly pleased with several of the provisions in the bill: Extension of benefits for older workers and to workers who have worked 40 of the 104 weeks prior to layoff and the establishment of more flexible criteria for certification of workers in supplying firms.

I know from personal experience in my district that the present requirement that a worker must have 26 weeks of eligible employment in the 52-week period prior to layoff is inadequate. The 1-year period is too narrow for determining "attachment to labor force" and has discriminated against older workers. Paid sick leave and vacation, on which the employee pays taxes and social security, and involuntary layoffs effectively count against the worker.

In the year prior to the final layoff, many workers have faced a number of short-term layoffs as the impact of imports begins to grow.

In permitting a worker to qualify on the basis of 40 weeks of eligible employment in the previous 2 years, H.R. 1543 offers a fair alternative to the current standard.

The provision extending benefits to workers over 60 years of age recognizes the special problems facing the older worker. The committee has acted reasonably to offer special assistance to workers who, laid off as the result of imports, face special difficulties in their layoff. The older worker, nearing retirement age, has a much more difficult time finding a new job than a much younger worker.

The legislation is designed to improve the existing program—the extension of benefits to 104 weeks for the older worker is one such essential improvement.

We owe the committee, the Subcommittee on Trade and its most able chairman, Mr. VANIK, a tremendous debt of gratitude for bringing this legislation to the floor early in this Congress. They have crafted legislation which is fiscally responsible and which will enable the Department of Labor to better fulfill the purposes for which Congress established the program.

I want to commend the Department's Office of Trade Adjustment Assistance. I have found it to be one of the more hardworking agencies in Washington. OTAA has a genuine commitment to assisting American workers laid off as the result of foreign competition, and to correcting the inequities which result from unfair foreign competition.

I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BRODHEAD) has expired.

(On request of Mr. OBERSTAR and by unanimous consent, Mr. BRODHEAD was allowed to proceed for 2 additional minutes.)

Mr. OBERSTAR. If the gentleman will yield further, we have had experience with the Trade Adjustment Assistance Act in my own congressional district affecting thousands of steelworkers and iron ore miners. They are not involved directly in the making of steel. But without the iron ore, without the taconite pellets, we are not going to have any steel. They are just as impacted by unfair foreign trade as are workers in basic steel, and so are workers in nuts and bolts manufacturing firms. In my district there are plants producing hardboard, which is used in making moldings on the inside of automobiles. People who are in that manufacturing process are laid off just as is the automobile worker, or the steelworker in basic steel when foreign competition is excessive or unfair. We have to exemplify here in this legislation a higher level of concern and understanding for the worker who is thrown out of a job. And if we cannot exhibit that concern and pass legislation of this kind, we do not deserve to be the most prosperous and progressive Nation on earth.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. BRODHEAD. I yield to the gentleman from New York.

Mr. DOWNEY. I thank the gentleman for yielding.

Mr. Chairman, I am afraid the example of the gentleman from Minnesota of the output test is somewhat wanting. I would pose to my friend, the gentleman from Minnesota, this hypothetical: Under the 25-percent-output test, as it is written, it is possible for a parts plant to lay off 20 percent of its work force, hundreds of workers, and not have one of those workers covered under the output test, the test that the gentleman from Minnesota is arguing for.

Under the certification for end-product workers, the one test that is in the bill, if, for instance, you had 5 percent of the several hundred workers put out of work, that would be the test, if you could identify the workers, if they have been impacted by imports. That is the test for end-product workers today. It is a careful understanding that we have to identify the workers and find that they have been import impacted. That is the same test that we want to use for the parts workers.

Mr. GAYDOS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Downey amendment.

Mr. Chairman, I would like to make several points to my colleagues. I think they are important and I think they are valuable.

First, when one talks about 8 percent, the difference between the 70-percent allowable under the trade adjustment assistance, and the 62 percent that a person, a displaced worker, would receive under regular unemployment compensation, then the difference of 8 percent is important. I do not think it should be given a secondary consideration. I ask, specifically: Who would give 8 percent of their own salary, particularly when one is laid off, under dire circumstances. If he has a right to it in equity, he should receive that 8 percent.

Believe me, I do not know what considerations others have, but 8 percent of employees wages, is very important to him.

So I think that is one point that should be made, and I think it should be made often and made clear.

Let me talk about the technical point involving the GATT arrangements we have, the international multinational trade negotiations that have been occurring for the last 5 years since we passed the 1974 act. That agreement—if anyone knows anything about it—of necessity is going to result in some worker displacement. And until that pact produces an orderly pattern of international trade there are going to be an awful lot of employees in this situation. I think any practical person making an analysis of that trade pact has to reach that conclusion. It is important to make a distinction between whether a man qualifies for trade adjustment or whether he qualifies in his respective State for unemployment compensation. It is important because we must monitor the flow and the effect of that international trade agreement. We have to know how many people are thrown out of work as a result of this trade pact. We have to know the economic effects of that treaty, otherwise we are not going to be able to analyze it properly, we are not going to be able to make our arguments at the proper time and we are not going to be able to make that international treaty work. We are not going to make the arguments plausible when we meet again on our international trade policy. So it is important to make that distinction clear. It is important to know who is unemployed because of trade adjustments and who is unemployed due to other factors in our society.

Let me just conclude by saying this. We had over 100,000 steelworkers a year who were declared eligible impacted under the Department of Labor and who have received benefits under the old Trade Act. That is 100,000. Who is to say, with certainty, that that might be 200,000 or 150,000? This Downey amendment is a very reasonable one. All it attempts to do is to do justice and make equity among the workers. Who has the right in this legislative body to ignore the fact of people laid off in a particular plant receiving the adjustment and one not receiving it? That is unfair. Commonsense tells us that this is unjust and unfair to the worker.

☐ 1400

Let me finally conclude by saying that every time you make even an additional 8 percent, or give the argument of the 8-percent reimbursement available, that money is not going down the drain. That

8 percent is going to be utilized by the individual, by the family and most of all going to be utilized by the community, because a community benefits from a working population, as distinguished from one that is unemployed.

The corporate businesses as such do have provisions under the Trade Act. I think that this is only a fair attempt to make a reasonable liberalization of the existing elements in the act that I think are unfair and improper.

I ask my colleagues, in all justice, to do equity to support the very reasonable Downey amendment.

Mr. MOFFETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and my colleagues, I share the desire to move to a vote on this matter, but I want to make a couple of points.

I think the gentleman from Ohio has certainly compiled a great record in terms of sensitivity for workers. I do support this amendment and the efforts of the gentleman and the gentleman from New York and others, but I think it is important to put in perspective what trade adjustment assistance really means.

It really is an after-the-fact, band-aid approach that in the larger picture does not provide all that much protection to our workers. It is an illusion really of protection. It is an illusion of a kind of real assistance.

I am supporting this amendment however, because I think this is the least we ought to be able to do. I am disappointed, if I am not mistaken, that the administration is not supporting many of the important provisions, particularly in view of the fact that the administration is about to offer a trade bill.

Now, I think it is important to point out, and I see the gentleman from Massachusetts here, and, of course, the other gentleman from Massachusetts in the chair, that our region has so many old manufacturing establishments that are being so hard hit by imports. We are going to want to be in support of a trade bill, but from what this gentleman has seen occur, it is going to be very, very difficult to support a trade bill if in fact it means we are saying goodby to the jobs of the people carrying their lunch pails into our plants. What I do not want us to be saying through this legislation is that now we can feel free to adopt trade policies which will cost us jobs because trade adjustment assistance will be better and more available to our workers.

I think we ought to take note just for a half minute of the plight of many of these workers. They used to work for family-owned businesses. There was a great pride in their work. The owner of the family business would go through and know everyone's names.

Now they work for conglomerates that maybe not only many States away, but continents away. A piece of paper can be shuffled and they can be out of work overnight.

They do not feel they have control over their fate. To the extent that our businesses in the Northeast are unable to compete in a fair fight, that is one thing; but where they cannot compete—and I say this to the gentleman from Ohio, with all due respect—where they find they cannot compete in bearing fasteners, which the gentleman has taken an interest in, hand tools, and so forth, because of unfair kinds of advantages, that is another matter.

So to put this in perspective, I think the gentleman from Pennsylvania hit on it by talking about the larger picture of trade agreements. This is an after-the-fact, band-aid kind of approach that provides very little protection.

I think we ought to beef it up to the extent we can. But we should not have any illusions about what it is doing for the worker.

The larger issue, though, is how these trade policies are going to affect the region that many of us represent. And then, what happens with the trade bill.

But I do urge support. This is the least we can do to broaden assistance to workers, and then go on to a larger consideration of how the trade bill affects the workers in areas such as those that the gentleman from Pennsylvania and I represent.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Does the gentleman agree with me it is absolutely imperative that we receive, put together, and maintain accurate figures as to who loses a job, who is displaced, in order that our trade bill be determined to be workable and, to be supportable also in the future as far as our future policies are concerned on international trade?

Mr. MOFFETT. I could not agree more with the gentleman from Pennsylvania. And I would add that the first thing we need to do is try and prevent the loss of those jobs. The gentleman has been very concerned about that, just as I have. We must work to prevent the enactment of trade policies which in fact give an impression that we have free trade, but what we really have is unfair trade. That is where I am addressing my remarks.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I would be happy to yield to the gentleman from California.

Mr. THOMAS. The amendment, as I understand it, changes a flat percentage, 25 percent, to a phrase, "contributed importantly." Everyone who has been discussing the amendment on the favorable side indicates that it expands it.

Is there any indication that the Labor Department might, in fact, define "contributed importantly" as a figure higher than 25 percent?

Mr. MOFFETT. Is the gentleman asking me a question or making a point?

Mr. THOMAS. I am asking the gentleman a question.

Mr. MOFFETT. I would be happy to defer to the distinguished subcommittee chairman on that point. I yield to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. It is on the basis of past practice and legislative history. We consider the language to be one that would increase eligibility.

Mr. THOMAS. Does the gentleman have any idea what percentage it might increase?

Mr. VANIK. No, we do not have any idea of the percentage. I want to point out in this area—and we have talked about the bilateral trade agreement—we really do not know what the impact is going to be. It would be my hope that it would not be serious.

But what this legislation provides is a protective device for impact that may occur. We really are not capable of arriving at an accurate, positive determination.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. FRENZEL) there were—ayes 29, noes 21.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 9, line 23, strike out "222(a) (2) or (b) (1) (C)" and insert "222(2)".

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: On page 11 of H.R. 1543 (Union Calendar No. 22), strike section 106 and substitute the following:

"SEC. 106. Qualifying Employment Requirements.

Section 231(2) of the Trade Act of 1974 (19 U.S.C. 2291(2)) is amended to read as follows:

(2) Such worker had, in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of $30 or more a week in one or more firms or appropriate subdivisions thereof with respect to each of which a certification has been made under section 223 and which is in effect on the date of separation; or, if data with respect to weeks of employment with a firm are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary."

On page 12, strike lines 7 and 8; and lines 22 and 23.

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Mr. Chairman, this amendment is similar to one which was offered by me and our former colleague, Mr. Steiger, last year. It appeared in last year's bill. Its estimated cost is $17 million to the taxpayers.

What the section that I seek to remove does is to change the current test, which says that to qualify for a trade adjustment assistance an employee has to be working at least 26 weeks out of the previous 52 weeks. That is, an employee must have worked half the time during the past year to qualify. That is a common, market-attachment test used in many States under their own programs.

Now, the bill before us provides that a worker need only have been employed for 40 weeks out of the past 104. That is 20 weeks in each of the past 2 years before the period of trade-related unemployment.

What that does is add $17 million for people who do not have very much market attachment.

It seems to me that there is no need for us to pay this extra expense unless we simply want to pass out the taxpayers' money.

□ 1410

As a matter of historic record, somewhere between 50 and 80 percent of trade adjustment compensation goes to people who are back on the payroll before they even begin receiving this compensation. So, we are not talking about long-time unemployment. Therefore, there are not very many of these people who do not work at least half of the previous year prior to their unemployment.

What we are doing is stretching the time period to pick up employees who may not even be regular employees. We are going back and picking up under the committee language, under the language of the bill, some people who did not have a very strong attachment, who may have been part-time workers, or who may have left the job 3 months ago, 6 months ago. But under this particular language they are going to qualify. Now, it is very nice if we want to pay that kind of money to those kinds of people who are unemployed, but I do not think it helps either our trade program to contribute money in this way, and is a low priority method to pass-out the taxpayers' money.

Mr. Chairman, I would urge the adoption of the amendment. I submit to the body that this is a good way to save $17 million that will accomplish little good in our society.

Mr. VANIK. Mr. Chairman, I rise in opposition to the amendment offered by my good friend from Minnesota (Mr. FRENZEL).

Mr. Chairman, H.R. 1543 as introduced would allow workers to qualify for trade assistance benefits if they have at least 40 weeks of employment in the 104 weeks immediately preceding their layoff as an alternative to the present 26 out of 52 weeks employment requirement. The committee approved this provision; it was proposed by our distinguished colleague from Florida (Mr. GIBBONS) because of many cases that were brought to its attention by workers who were unable to meet the 26-week requirement in the year preceding their layoffs because their firm instituted shorter intermittent work periods rather than any permanent layoffs of all employees as it becomes impacted by imports. These workers have usually been in the labor force many, many years. The more junior employees with less seniority are being laid off first rather than receiving shorter work schedules.

The provision will result in greater equity in the coverage of eligible workers. At the same time, it will preserve the intent of the existing law that workers demonstrate a substantial attachment to the labor force to qualify for the benefits.

A major number of farmworkers, Mr. Chairman, should also be able to become eligible, particularly, for instance, with 40 weeks' major employment with more than one import-impacted firm.

I urge that the Committee reject the Frenzel amendment to remove the provision that was very, very carefully considered by the Ways and Means Committee and made a part of this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken, and on a division (demanded by Mr. FRENZEL) there were—ayes 11; noes 14.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I?

If not, the Clerk will read title II.

The Clerk read as follows:

TITLE II—IMPROVEMENTS IN ADJUSTMENT ASSISTANCE TO FIRMS

SEC. 201. ELIGIBILITY REQUIREMENTS OF FIRMS FOR ADJUSTMENT ASSISTANCE.

(a) Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(1) by amending subsection (c)—

(A) by amending paragraph (2) to read as follows:

"(2) that sales or production, or both, of such firm have decreased absolutely, or threaten to decrease absolutely,",

(B) by inserting ", or the threat thereof" immediately before the period at the end of paragraph (3), and

(C) by striking out the last sentence thereof; and

(2) by striking out subsection (d) and inserting in lieu thereof the following:

"(d)(1) The Secretary shall certify a firm as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that not less than 25 percent of the total sales of such firm is accounted for by the provision to import-impacted firms of—

"(i) any article (including, but not limited to, any component part) which is essential to the production of any import-impacted article,

"(ii) any service which is essential to the production, storage, or transportation of any import-impacted article, or

"(iii) any article and any service described in clauses (i) and (ii);

"(B) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated;

"(C) that the sale or production, or both, of such firm have decreased absolutely, or threaten to decrease absolutely; and

"(D) that the absolute decrease, or the threat thereof, in the sales or production, or both, by import-impacted firms of import-impacted articles, with respect to which such firm provides articles or services referred to in subparagraph (A), contributed importantly to the total or partial separation, or threat thereof, referred to in subparagraph (B) and to the decline in sales and production, or the threat thereof, referred to in subparagraph (C).

"(2) For purposes of this subsection—

"(A) The term 'import-impacted article' means any article produced by an import-impacted firm, if such article is one with respect to which a determination under section 222(a)(3) or subsection (c)(3) was made incident to the certification of the group of workers or firm concerned.

"(B) The term 'import-impacted firm' means—

"(i) any firm or appropriate subdivision thereof the workers of which have been certified pursuant to section 222(a), or

"(ii) any firm which has been certified pursuant to subsection (c).

"(e) For purposes of subsections (c) and (d) the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(f) A determination shall be made by the Secretary as soon as possible after the date on which any petition is filed under this section, but in any event not later than 60 days after that date.

"(g) In any case in which the Secretary of Labor notifies the Secretary that a petition has been filed under section 221 by any group of workers, their certified or recognized union, or other duly authorized representative, if a petition has been filed under subsection (a) regarding any firm in which such group of workers is, or was, employed, the Secretary, notwithstanding any other provision of law, shall promptly provide to the Secretary of Labor any data and other information obtained by the Secretary in taking action on the petition which would be useful to the Secretary of Labor in making a determination under section 223 with respect to the workers.

"(h) If any certification issued under this section is based upon a determination made pursuant to subsection (c)(2) or (d)(1)(C) that the production or sales, or both, of the firm concerned threaten to decrease absolutely, no technical assistance (other than assistance provided for in section 253(a)(1) or financial assistance under this chapter shall be provided to the firm covered by such certification until after the date on which the Secretary determines pursuant to such subsection that the production, or sales, or both, of such firm have decreased absolutely.".

(b) The amendments made by subsection (a) shall apply with respect to petitions filed under section 251(a) of the Trade Act of 1974 on or after the effective date of this Act.

SEC. 202. TECHNICAL ASSISTANCE.

(a) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342(c)) is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(b) Section 253 of such Act (49 U.S.C. 2343) is amended—

(1) by amending subsection (b)—

(A) by striking out "(b) The" and inserting in lieu thereof "(b)(1) Except as provided in paragraph (2), the "; and

(B) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall provide technical assistance, on such terms and conditions as the Secretary determines to be appropriate, to any firm certified under section 251 for the purpose of assisting such firm in preparing a proposal for its economic adjustment, unless the Secretary determines, after consultation with the firm, that it is able to prepare such a proposal without such assistance. If technical assistance provided to a firm under this paragraph is furnished, pursuant to subsection (c), through any private individual, firm, or institution, the Secretary shall bear, subject to the 90-percent limitation in such subsection (c), that portion of the cost of such assistance which, in the judgment of the Secretary. the firm is unable to pay.".

(2) by striking out "75 percent" in subsection (c) and inserting in lieu thereof "90 percent".

SEC. 203. FINANCIAL ASSISTANCE.

(a) Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) With respect to any loan guaranteed under this section, the Secretary may, without regard to section 3679(a) of the Revised Statutes of the United States (31 U.S.C. 665(a)), contract to pay annually, for not more than 10 years, to or on behalf of the borrower an amount sufficient to reduce by up to 4 percentage points the interest paid by such borrower on such guaranteed loan. No payment under this subsection shall result in the interest rate paid by a borrower on any guaranteed loan being less than the rate of interest for a direct loan made under this section. The authority of the Secretary to enter into contracts under this section shall be effective for any fiscal year only to such extent, and in such amounts, as are provided in appropriation Acts.".

(b) The amendment made by subsection (a) shall apply with respect to loans guaranteed under section 254 of the Trade Act of 1974 on or after the effective date of this Act.

SEC. 204. CONDITIONS FOR FINANCIAL ASSISTANCE.

(a) Section 255 of the Trade Act of 1974 (19 U.S.C. 2345) is amended—

(1) by amending subsection (b) by striking out "(1)", and by striking out ", plus" and all that follows thereafter and inserting in lieu thereof a period; and

(2) by amending subsection (h)—

(A) by amending paragraph (1) to read as follows:

"(h)(1) The outstanding aggregate liability of the United States at any time with respect to loans guaranteed under this chapter on behalf of any one firm shall not exceed $5,000,000."; and

(B) by striking out "$1,000,000" in paragraph (2) and inserting in lieu thereof "$3,000,000".

(b)(1) The amendments made by subsection (a)(1) shall apply with respect to direct loans made under section 255 of the Trade Act of 1974 on or after the effective date of this Act.

(2) With respect to any direct loan made under such section 255 before such effective date, at the request of the borrower the Secretary of Commerce shall take such action as may be appropriate to adjust the rate of interest on such loan consistent with the amendment made by subsection (a)(1) effective with respect to—

(A) the outstanding balance of the loan existing on October 31, 1977, if the loan was entered into before that date; or

(B) the total amount of the loan if the loan was entered into on or after October 31, 1977.

SEC. 205. PROVISIONS OF INFORMATION ON BENEFITS TO FIRMS.

(a) Section 264 of the Trade Act of 1974 (19 U.S.C. 2354) is amended—

(1) by striking out "; ACTION WHERE THERE IS AFFIRMATIVE FINDING" in the section heading thereto; and

(2) by striking out subsection (c) thereof.

(b) Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341-2354) is amended by adding at the end thereof the following new section:

SEC. 265. BENEFIT INFORMATION TO FIRMS.

"The Secretary shall provide full information to firms about the technical and financial assistance available under this chapter, and under other Federal programs, which may facilitate the adjustment of such firms to import competition. The Secretary shall provide whatever assistance is necessary to enable firms to prepare petitions for certifications of eligibility.".

(c) The table of contents of the Trade Act of 1974 is amended by striking out

"Sec. 264. Study by Secretary of Commerce when International Trade Commission begins investigation; action where there is affirmative finding."

and inserting in lieu thereof the following:

"Sec. 264. Study by Secretary of Commerce when International Trade Commission begins investigation; action where there is investigation.

"Sec. 265. Benefit information to firms.".

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 24, line 10, strike out "222(a)(3)" and insert "222(3)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 28, strike out lines 4, 5, and 6 and insert the following:

(1) by amending the second sentence of subsection (b) to read as follows:

"The rate of interest on direct loans made under this chapter shall be whichever of the following rates is lower:

"(1) A rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity that are comparable to the average maturing periods to maturity that are comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 percent.

"(2) A rate calculated by the Secretary of the Treasury to be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 percent, plus one-quarter of 1 percent per annum."; and

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask that the amendment be considered as read in this case because this happens to be another Downey amendment, and it happens to be one that the committee unanimously supports, and I do also. I just wanted the gentleman from New York to know that I approve of most of his work, and I am sorry that we could not agree on the previous amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 30, in the matter appearing after line 22 strike out "; action where there is" and insert a period.

The committee amendment was agreed to.

The CHAIRMAN. Are there any other amendments to title II?

If not, the Clerk will read title III.

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. ADJUSTMENT ASSISTANCE COORDINATION.

Section 281 of the Trade Act of 1974 (19 U.S.C. 2392) is amended to read as follows:

"SEC. 281. ADJUSTMENT ASSISTANCE COORDINATION.

"(a) There is established an Adjustment Assistance Coordinating Committee to consist of a Deputy Special Representative for Trade Negotiations as Chairman and the officials charged with adjustment assistance responsibilities of the Department of Labor, the Department of Commerce, and the Small Business Administration. It shall be the function of the Adjustment Assistance Coordinating Committee to coordinate the development and review of all policies, studies, and programs of the various agencies involved pertaining to the adjustment assistance of workers, firms, and communities to import competition for the purpose of insuring prompt, efficient, and effective delivery of adjustment assistance available under this title.

"(b) There is established the Commerce-Labor Adjustment Action Committee (hereinafter referred to in this subsection as the 'Committee') the members of which shall be officials charged with economic adjustment responsibilities in the Department of Commerce, the Department of Labor, and any other appropriate Federal agency. The chairmanship of the Committee shall rotate among members representing the Department of Commerce and the Department of Labor. In addition to any other function deemed appropriate by the Secretary of Commerce and the Secretary of Labor, the Committee shall facilitate the coordination between such departments in providing to trade-impacted workers, firms, and communities timely and effective assistance under this title (including, but not limited to, the implementation of sections 225 and 265) and under other appropriate programs administered by such departments. The Committee shall report quarterly on its activities to the Adjustment Assistance Coordinating Committee.".

SEC. 302. GRANT PROGRAMS AND STUDIES.

(a) Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391-2271) is amended—

(1) by redesignating section 284 as section 287; and

(2) by inserting immediately after section 283 the following new sections:

"SEC. 284. GRANTS TO LABOR ORGANIZATIONS.

"(a) The Secretary of Labor may make grants to unions, employee associations, or other appropriate organizations for the purpose of enabling such organizations to carry out research on, and the development and evaluation of, issues relating to the design of an effective program of trade adjustment assistance for workers in industries in which significant numbers of the workers have been, or will likely be, certified as eligible for adjustment assistance. Such issues shall include, but not be limited to, the impact of new technologies on workers, the design of new workplace procedures to improve efficiency, the creation of new jobs to replace those eliminated by foreign imports, and worker training and skill development. Any grant made under this section shall be subject to such terms and conditions as the Secretary deems necessary and appropriate. The Secretary of Labor may not expend more than $2,000,000 in any one year for grants under this section.

"(b) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"Sec. 285. Grants to Industry Organizations.

"(a) The Secretary of Commerce may make grants, on such terms and conditions as the Secretary of Commerce deems appropriate, for the establishment of industrywide programs for research on, and the development and application of, technology and organizational techniques designed to improve economic efficiency. Eligible recipients may be associations or representative bodies of industries in which a substantial number of firms have been certified as eligible to apply for adjustment assistance under section 251. The Secretary of Commerce may not expend more than $2,000,000 in any one year for grants under this section.

"(b) There are authorized to be appropriated such sums as may be necessary and appropriate to carry out the purposes of this section.

"Sec. 286. Industry Studies by Secretary of Commerce.

"The Secretary of Commerce may conduct studies of those industries actually or potentially threatened by import competition. The purpose of such studies shall include—

"(1) the identification of basic industrywide characteristics contributing to the competitive weakness of domestic firms;

"(2) the analysis of all other considerations affecting the international competitiveness of industries; and

"(3) the formulation of options for assisting trade-impacted industries and member firms, including industrywide initiatives.".

(b) The table of contents of the Trade Act of 1974 is amended—

(1) by striking out

"Sec. 281. Coordination."

and inserting in lieu thereof

"Sec. 281. Adjustment assistance coordination."; and

(2) by striking out

"Sec. 284. Effective date."

and inserting in lieu thereof

"Sec. 284. Grants to labor organizations.

"Sec. 285. Technical assistance grants.

"Sec. 286. Industry studies by Secretary of Commerce.

"Sec. 287. Effective date.".

Sec. 303. Effective Dates.

(a) Except as provided in subsection (b), this Act shall take effect on October 1, 1979 or on the date of the enactment of this Act if the date of the enactment is after October 1, 1979.

(b) The amendments made by sections 106, 107(2), 109, 110, and 111(1) shall take effect on the 60th day after the effective date of this Act and shall apply with respect to workers separated from employment on or after such 60th day.

(c) The amendments made by section 107 (1) and (3) shall take effect on the effective date of this act and shall apply:

(1) with respect to workers separated from employment on or after such effective date, and

(2) with respect to workers receiving trade readjustment allowances on the effective date to assist them in completing an approved training program as provided by section 233 (a) (1) of the Trade Act of 1974.

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 32, line 14, strike out "2391–2271)" and insert "2391–2394 and 2271)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 35, line 13, strike out "apply:" and insert "apply—".

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill? If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Moakley, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974, pursuant to House Resolution 236, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FRENZEL. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Frenzel moves to recommit the bill, H.R. 1543, to the Committee on Ways and Means.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VANIK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 1543, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

□ 1420

SPECIAL INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 287 and ask for its immediate consideration.

The Clerk read the resolutions, as follows:

H. Res. 287

Resolution providing for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes, the first reading of the bill shall be dispensed with, and all points of order against section 3 of the bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 4035, the House shall proceed, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, to the consideration of the bill S. 1007, and it shall be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 4035 as passed by the House.

The SPEAKER. The gentleman from Connecticut (Mr. Dodd) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. Quillen) for the purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 287 provides for the consideration of H.R. 4035, the Special International Security Assistance Act of 1979. This resolution provides for an open rule with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs.

In addition, this resolution provides for three waivers of points of order. First, it contains a waiver of points of order that might be brought against the consideration of H.R. 4035 for the bill's violation of section 402(a) of the Congressional Budget Act. Section 402(a) of the Budget Act bars the consideration of any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on or before May 15 preceding the beginning of such fiscal year. Sections, 3, 4 and 5 of the bill would authorize the enactment of additional new budget authority for fiscal year 1979. Since the bill was not reported by May 15, 1978, it would be subject to points of order under section 402(a) of the Budget Act. The Budget Committee has agreed that this waiver should be provided.

Second, the resolution waives points of order against section 3 of the bill for failure to comply with the provisions of clause 5 of rule XXI of the Rules of the House, which prohibits making appropriations in an authorization bill.

Third, the resolution waives points of order that might be brought against the consideration of S. 1007 for the bill's violation of section 402(a) of the Budget Act. Like H.R. 4035, S. 1007 violates section 402(a) of the Budget Act, because it authorizes funds for the current fiscal year. The Budget Committee concurred in the granting of this waiver also.

Finally, the resolution provides that after the passage of H.R. 4035, the House shall take up consideration of S. 1007, and it shall be in order to move to strike out all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions contained in H.R. 4035 as passed by the House.

H.R. 4035 authorizes $1.47 billion to support the recently signed Israeli-Egyptian peace treaty. This authorization will support a total of $4.8 billion in economic and military aid for Israel and Egypt; $1.1 billion will be in the form of grants and loans and $370 million will finance foreign military sales totaling $3.7 billion. It is important to note that this economic and military assistance for Israel and Egypt is in addition to the previous fiscal year 1979 authorizations for the two countries.

I firmly support this legislation because it strongly establishes a program of incentives for peace in the Middle East. The United States, in this legislation, is in effect recognizing the courageous steps towards a true and lasting peace in the region taken by Israel and Egypt. I have always believed that the United States should give strong incentives to nations in the Middle East which have taken positive measures towards real peace, and I have also believed that we should do far more in the way of providing disincentives to those nations in the region which have opposed the peace process. Throughout the long and complex negotiations, Israel and Egypt have proved again and again that they are willing to make the necessary concessions and take the political risks in order to achieve peace between their two nations. The recent return of El Arish to Egyptian sovereignty highlights the tremendous gains which both sides have made. We all realize that future negotiations between Israel and Egypt will not be easy, but both nations fully deserve the economic and military aid which is proposed in this legislation.

Mr. Speaker, as you know, there has been some public opposition to providing further aid to Israel and Egypt. Some Americans believe that the price tag is simply too high. I can understand the concern of many people who see themselves as taxpayers faced with a bill for $1.47 billion and who cannot see any direct benefit to the United States from this expenditure. I have briefly discussed why I believe this assistance is necessary to provide incentives for peace in the Middle East and hence why it benefits U.S. foreign policy. However, to those who see this assistance as primarily a pocketbook issue, I would still maintain that this assistance is a bargain for the United States. We would do well to remember the cost the United States has paid for war in the Middle East and compare that cost to the more noble cost of furthering peace. After the 1973 Middle East War, the United States appropriated $2.2 billion just to replace Israeli battlefield equipment losses. In addition, the immediate cost to the U.S. economy as a result of the 1973–74 Arab oil embargo was estimated at $15 billion. The cost of war in the Middle East has been very high for the United States, but more importantly the cost to thousands of young Israeli and Arab men and women, and their families, has been immeasurably high.

As a major architect of the Israeli-Egyptian Peace Treaty, the United States has a moral responsibility and duty to further this peace through providing economic and military assistance to the only two nations in the Middle East courageous enough to take this major step toward peace.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Connecticut (Mr. DODD) has not only explained the provisions of the rule, but has gone into the bill in depth. Normally, Mr. Speaker, I oppose any foreign aid measure, but I know how important it is in the Middle East to bring about peace and, therefore, I support this rule. I am going to take a good look at the bill when it is discussed on the floor of the House, but I am committed to the peace effort. I had the privilege of being in the Middle East in November of 1977 and met with President Sadat and Prime Minister Begin. How forcefully those two individuals tried to bring about peace at that time was very evident. The peace efforts throughout the years have been great, and now that they are finally realized, I think this Nation has a great obligation to see that they are funded.

Mr. Speaker, I have no requests for time and I reserve the balance of my time.

Mr. DODD. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HAMILTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. HAMILTON).

The motion was agreed to.

The SPEAKER. The Chair designates the gentleman from California (Mr. BEILENSON) as Chairman of the Committee of the Whole and requests the gentleman from Connecticut (Mr. DODD) to assume the chair temporarily.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4035, with Mr. DODD (Chairman pro tempore) in the chair.

☐ 1430

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Indiana (Mr. HAMILTON) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. FINDLEY) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Indiana (Mr. HAMILTON).

Mr. HAMILTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4035, the Special International Security Assistance Act of 1979.

H.R. 4035 provides for important economic and military aid programs which represent a vital aspect of the process of implementation of the Egyptian-Israeli Treaty of Peace signed by the Governments of Egypt and Israel on March 26, 1979 at the White House.

The Subcommittee on Europe and the Middle East and the Subcommittee on International Security and Scientific Affairs of the Committee on Foreign Affairs held three lengthy hearings on this bill. This legislation which was announced in March would authorize a supplemental fiscal year 1979 appropriations of $1.47 billion to support the total proposed program of $4.8 billion in economic and military aid for Egypt and Israel.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. HAMILTON. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

The gentleman mentions $1.4 billion. Actually, it is my understanding that the actual outlays would be just a little over $1 billion; is that not correct?

Mr. HAMILTON. Yes, it is correct. I will get to that in just a few minutes.

Mr. GILMAN. That would be over a 3-year period?

Mr. HAMILTON. That is correct.

Mr. GILMAN. I urge my colleagues to support this measure which certainly would be less costly than the cost of total war in that area which we have been confronted with for the past decade.

Mr. Chairman, I rise in support of H.R. 4035, the Special International Security Assistance Act of 1979.

With the signing of the treaty of peace between Egypt and Israel on March 26, 1979, both Egypt and Israel reaffirmed their adherence to the "framework for peace in the Middle East agreed at Camp David" on September 17, 1978. Both nations declared that this treaty "is an important step in the search for a comprehensive peace in the area" and invited "the other Arab parties to this dispute to join the peace process." A few weeks later, at a site near the battlegrounds of the past, Israel and Egypt exchanged the instruments of peace, thereby bringing to an end an era of war and bloodshed.

The Middle East treaties are a major step on the road to the resolution of those issues which have brought conflict to the Middle East for the last 30 years. While they are but a beginning to the process rather than an end, they represent an important achievement toward peace which is in both the economic and security interest of the United States. An interest that includes not only our longstanding and continued commitment to Israel, but also because of the importance of the Middle East to the security of future U.S. oil supplies.

For our part, the Congress has been asked to pass special implementing legislation to enable those parties to the treaties to carry out its provisions. H.R. 4035 would authorize a supplemental fiscal year 1979 appropriation of $1.47 billion for Egypt and Israel. Our past support of our Middle East policy in times of war have cost the United States many billions of dollars. The October 1973 Arab-Israel war alone cost the United States more than $7 billion in assistance to Israel. The current treaty package, aimed at promoting peace, amounts to only a fraction of those costs.

While the total value of our assistance under this legislation has been projected to be some $4.8 billion, it is estimated that this legislation will result in actual outlays over a 3-year period of $1.091 billion.

Looking at the bottom line, after the repayment of these loans, the cost to our Nation will be just a little over $1 billion, or essentially about $365 million per year for the next 3 years.

Secretary of State Vance, in recent testimony before our Committee on Foreign Affairs, said "it is essential to keep in mind the far greater potential cost of failing to make progress toward peace in the Middle East. Four Wars in that region have cost the U.S. taxpayer several tens of billions of dollars in direct costs alone. The cost of peace is modest when compared with the cost of further war."

With regard to Egypt, the political survival of President Sadat may well depend on the extent of the support he receives from the United States. His bold leadership, as a friend of the United States with a personal and national commitment to peace, deserves our support.

While the cost of peace is high, the cost of war is higher. The United States must continue in its efforts to help bring about a peaceful settlement of the conflict in the Middle East. Passage of H.R. 4035 is a step in that direction. As a cosponsor of this most important legislation, I urge the support of my colleagues.

Mr. HAMILTON. Mr. Chairman, I thank the gentleman from New York.

Mr. Chairman, the committee is aware of the claim made by many that the price for progress toward peace in the Middle East is too high. Although the committee acknowledges that levels of regular and supplemental assistance being provided in the Middle East are high, the committee contends that the costs to the United States of another conflict in the Middle East would be far higher.

In short, peace is expensive, but war is more expensive.

Secretary of State Vance estimated during our hearings that the cost to the United States of four Middle East wars over the last three decades has been somewhere between $55 billion and $70 billion and those figures do not include the human costs of conflict or the risk of United States-Soviet confrontation in the area when conflict erupts.

But the committee also sees positive reasons for supporting this assistance to Irael and Egypt:

First, H.R. 4035 is an essential element in assuring the success of the Egyptian-Israeli peace, in helping implement the peace treaty and in maintaining the momentum of recent successes in the upcoming negotiations involving the Israeli occupied territories of the West Bank and Gaza without this bill the peace process will be jeopardized;

Second, H.R. 4035 is a onetime, special request to help Israel and Egypt deal with real economic and military needs emanating from new security requirements in the post-treaty environment. Israel has to adjust significantly its defense lines, relocate forces and develop new early warning capabilities. Egypt's military is in dire need of new equipment because its supply relationship with the Societ Union is ending and it is turning to the West for meeting its legitimate defense requirements;

Third, both Egypt and Israel face immediate economic problems as they enter the post-treaty era. The financial cost to Israel of withdrawal from the Sinai will be substantial. For its part, the Egyptian Government has an urgent and critical need to demonstrate to its people the economic benefits of peace. AID is working to accelerate implementation of our AID current economic programs; the proposed additional assistance will provide funds to move quickly to meet these new requirements.

Mr. Chairman, these commitments help encourage both Egypt and Israel to take risks to further the peace process and enter the unknown post-treaty environment with greater confidence. The unknown in an area as volatile as the Middle East carries its own risks. In order for both governments to lead their people through these uncharted waters, they must be confident that they can deal effectively with threats to their continued security. Without favorable action on this legislation, the parties' confidence in the peace process will be shattered, implementation of the peace treaty seriously impaired, and momentum in the upcoming peace talks dissipated.

Moreover, if the United States is to play a mediating role in the negotiations, it must be reasonably responsive to the security requirements of Israel and Egypt.

Mr. Chairman, as was mentioned, this bill would authorize a supplemental fiscal year 1979 appropriation of $1.47 billion which would support a total program of $4.8 billion in economic and military aid for Egypt and Israel. Of that total program, $1.1 billion will be in the form of loans and grants, while $370 million will finance foreign military sales (FMS) totaling $3.7 billion. Under section 24 of the Arms Export Control Act, only 10 percent of the face value of the sales need to be set aside as a guarantee against default.

The actual distribution of funds authorized to be appropriated in this bill breaks down as follows:

A sum of $800 million is authorized to be furnished as a grant for certain defense articles and services necessary for the construction of two air bases in Israel at Ovda and Matred in the Negev Desert to replace bases in the Sinai to be evacuated by Israel under terms of the treaty;

A sum of $220 million in FMS guaranties is authorized to be appropriated to finance $2.2 billion in sales of defense articles and services to Israel, including the costs of ground and naval forces relocation and better early warning capability;

A sum of $300 million is authorized for economic support fund (ESF) loans and grants for Egypt that will provide essential commodities for the Egyptians and may also provide limited education support to enable Egypt to develop needed expanded middle-level management and techenical expertise; and

A sum of $150 million in FMS guaranties to finance total military sales of $1.5 billion to Egypt to help Egypt meet its legitimate self-defense and force modernization requirements through the purchase of additional aircraft and air defense equipment and armored personnel carriers.

Mr. Chairman, this bill also:

Requires that Israel contribute all costs of the construction of the air bases in excess of the $800 million authorized for this purpose in this legislation;

Authorizes the President to transfer

to Egypt the U.S. Sinai Field Mission facilities and related property which were valued at around $10 million in 1976;

Requires an annual report to the Congress on the economic conditions in the countries which may affect their already large foreign debt burdens and their ability to repay loans authorized in this bill;

Stipulates that the authorities in the legislation do not signify approval by the Congress of any agreement, understanding, or commitment made by the executive branch other than the treaty of peace and known related agreements, this language being similar to language in legislation passed in 1975 pursuant to the Sinai II accords;

And finally, expresses the sense of Congress that other countries should provide financial assistance to help support the Middle East peace process.

Mr. Chairman, these are the principal features of H.R. 4035. Because of the tight timetable set forth under the peace treaty between Egypt and Israel and the time required to build air bases, it is necessary to move as quickly as possible with this legislation.

I urge my colleagues to support H.R. 4035.

Mr. FINDLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. Broomfield).

Mr. BROOMFIELD. Mr. Chairman, I rise in support of the Special International Security Assistance Act in the belief that it is critical to the Middle East peace process. It facilitates the peace treaty between Egypt and Israel and will help promote further progress toward a full and comprehensive peace in the Middle East. This legislation authorizes funds for two air bases in Israel to replace those Israel must evacuate in the Sinai, it authorizes foreign military sales credits for Egypt and Israel to help those two nations assure their legitimate security needs, and it authorizes assistance for Egypt to enable that nation to meet some of its pressing economic problems.

Like other members of the committee, I am extremely conscious of the costs involved for the United States in this supplemental aid package for Egypt and Israel. However, the program level of $4.8 billion is not the only relevant figure or cost indicator. As is pointed out in the committee report, much of the aid is in the form of loans rather than grants and, thus, necessitates an actual budget outlay of $1.47 billion. In addition, the committee was assured by the Department of State that most of the funds involved will be expended on U.S. goods and services.

It is also important to examine the expense involved in this peace package in relation to the costs of the alternatives. Secretary of State Vance noted before the Foreign Affairs Committee that four wars in the last 30 years in the Middle East have directly costs the U.S. taxpayers tens of billions of dollars. This is in addition to the price we have paid in inflation, unemployment, and other adverse economic developments stemming from conflict in the Middle East. The potential costs and dangers of renewed Middle East hostilities are, therefore, much vaster than those involved in this bill.

And, if this aid appears considerable, the rewards are far greater. We have now, in fact, witnessed the first steps of the implementation of the treaty between Egypt and Israel. As Israel returned El-Arish to Egypt and as Israeli ships steamed through the Suez Canal for the first time, the treaty became reality for the people of Egypt and Israel. And the strong popular support in both countries for peace and its hopeful prospects was evident. We can rejoice with those who feel their well-being enhanced by the reconciliation of Egypt and Israel. And we can feel proud that by means of this legislation we will help a longtime friend, Israel, to come closer to attaining the recognition, acceptance, and security for which she has so long striven and fought.

However, the struggle for peace and security in the Middle East is not yet over. This region is far from tension free. We will yet witness moments of great difficulty in the coming negotiations between Egypt and Israel. Relations between these two countries as between most neighbors, will be rocky at times. Those opposed to this treaty in the Arab world and elsewhere will maintain old hostilities and will generate new risks. We must proceed, therefore, in the recognition that the process toward full peace in the Middle East will be long and difficult though not, we hope, without ultimate rewards.

☐ 1440

Mr. FINDLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the Special International Security Assistance Act of 1979.

A considerable portion of the debate and discussion today will focus on the costs of this peace treaty to the United States. Some will argue that the costs of renewed war would be much greater than this $4.8 billion aid package. Others, perhaps reflecting the views of many concerned constitutents, will express reservations about the ever-increasing levels of U.S. military and economic assistance to the Middle East.

But it would be unfortunate should we, in our concern with figures, overlook the most significant U.S. contribution to the Mideast peace process: U.S. leadership.

Bringing the Egyptian-Israeli treaty to fruition has required an active and involved United States. In the future, this U.S. role will only deepen. We will continue to be closely involved in the negotiations over the West Bank and in other mediation efforts. Also, the memoranda and understandings that do not require congressional approval which the United States has signed in connection with the Egyptian-Israeli treaty vastly increase U.S. responsibilities in the Middle East. I would urge all of you who have not yet done so to examine carefully the letters President Carter and Secretary of Defense Brown have written to their counterparts in Egypt and Israel. The pledges they contain go far beyond previous understandings and arrangements the United States had with either country.

United States involvement and leadership in the Middle East peace effort must not become a static one. The grants and loans in this bill will, in fact, be a gesture with little meaning without continued and forceful U.S. leadership to obtain a full peace in the Middle East. It is this leadership much more than any sum of money which will continue to represent the more significant American contribution to the peace process between Israel and its neighbors.

An important sign of this leadership will be U.S. efforts to bring an end to the current spiral of violence in the Middle East. As the Congress considered this legislation to facilitate the Egyptian-Israeli Peace Treaty, the level of violence in the Middle East was rapidly escalating. The lives lost—Israeli, Palestinian, and Lebanese—have been a grim reminder of the fragility of peace in the Middle East. They harshly recall the fact that the treaty betwen Egypt and Israel is only a partial peace that includes but two of many parties. And the issues this treaty encompasses leave untouched many thorny problems that still desperately require solutions. These problems will continue to exacerbate tensions, threaten conflict, and cost lives in the Middle East until a comprehensive peace resolves them all.

The attacks of Palestinians against Israelis and of Israelis against Palestinians have been equally senseless. Both sides are enflaming tensions in a way that too often ends tragically for all parties in the Middle East. And this violence is intruding upon a critical juncture in this region when the peace process will either continue to move forward or stagnate with the important results to date perhaps unraveling. And we will move forward only by talking, not by shooting.

It will be up to the United States to initiate the much needed dialog in the Middle East to replace the current violence. This dialog must include Israel and the Palestinians and those who represent them—the PLO.

Indeed, only by bringing the Palestinians into the peace process will we preclude their efforts to put an end to it. The more quickly we realize this, the sooner we can move to full peace in the Middle East. And this alone will assure the well-being and security of Israel.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the committee, the gentleman from Wisconsin (Mr. Zablocki).

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the bill H.R. 4035, the Special International Security Assistance Act of 1979.

I would like to take this opportunity to commend the distinguished chairman of the Subcommittee on Europe and the Middle East Lee Hamilton and the distinguished ranking minority member of the subcommittee Paul Findley for their management of this important legislation.

The $1.47 billion authorized to be appropriated by this legislation is an essential element of the Middle East peace process—a process which has been greatly facilitated by the Treaty of Peace concluded between Egypt and Israel.

The funds authorized in this bill will provide both Egypt and Israel the much needed boost both countries require in order to cope with the immense economic and military demands the crucial post-treaty period will bring.

In the case of Israel, the bill authorizes the appropriation of $1.20 billion in loans and grants whose purpose will be to assist Israel in replacing vital bases given up in the Sinai and in relocating forces and developing new early warning capabilities to replace those given up under the terms of the treaty.

For Egypt, the bill provides $300 million in economic assistance and $150 million in foreign military sales credits. The economic assistance, which is in addition to such assistance provided in the regular foreign economic assistance bill for fiscal year 1979, will help the Egyptian Government, in cooperation with the U.S. Agency for International Development, develop programs designed to demonstrate to the Egyptian people the economic rewards of peace. On the other hand, the foreign military sales credits will help Egypt to meet legitimate self-defense requirements and provide the confidence that government needs in order to go forward in the peace process.

The fruits of that process have already begun to appear as demonstrated this past weekend in the town of El Arish in the Sinai where Preme Minister Begin and President Sadat officially opened their countries' borders for the first time since the Middle East conflict began.

The legislation before us today will help to keep the momentum for peace moving beyond El Arish to the delicate but vital negotiations over the future of the West Bank and Gaza and, ultimately, to a broader peace settlement involving the other parties to the conflict.

As the gentleman from Indiana noted, the funding authorized in this legislation is substantial, but the cost of another war in the Middle East would be much higher and it would, once again, bring the threat of superpower involvement in the area—a risk whose cost would be incalculable.

Mr. Chairman, the Committee on Foreign Affairs and its Subcommittees on International Security and Scientific Affairs, and on Europe and the Middle East have given the President's request for the assistance authorized in this legislation a most careful and thorough examination. As a result of our deliberations, we concluded that the bill, as reported, will help to establish the necessary climate for an eventual comprehensive peace settlement in the Middle East.

I urge the adoption of the bill.

Mr. FINDLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Kansan (Mr. WINN).

Mr. WINN. Mr. Chairman, I rise in support of H.R. 4035.

Mr. QUAYLE. Mr. Chairman, will the gentleman yield?

Mr. WINN. I would be glad to yield to the gentleman from Indiana.

Mr. QUAYLE. Mr. Chairman, I am happy to join in support of this legislation, in expressing every hope for a new era of peace and stability in the Middle East. I hope that this cost will be borne by other nations as well.

This is, indeed, an historic occasion, marking the success of many years of efforts to bring about a peace settlement in the Middle East. While the peace treaty between Egypt and Israel is only the first step toward peace in that region of the world, it is a vitally important step and one which brings hope of a comprehensive peace between Israel and all of her Arab neighbors.

For many years, the United States has borne the major financial burden of the war in the Middle East. While the authorization called for in this legislation may seem large, it will prove to be far smaller than the cost of an indefinite continuation of violence and hostilities in the Middle East.

Peace in the Middle East is of signal importance to all Western countries, not only to the United States. The cost of that peace should not rest solely on the shoulders of American taxpayers. We must make clear to the President our resolve that other nations share in the costs of a peace through which we all will benefit. It is important that other Western countries become involved in this peace initiative and share the tremendous economic burdens which face Egypt and Israel as they rebuild their countries for peace after years of violence and war.

Both Egypt and Israel have serious economic and security problems which will have to be met in order to spread their peace initiative throughout the Middle East. This legislation will help them meet some of their most urgent security needs, and merits our support. I am pleased to join with my colleagues in support of this legislation and in expressing every hope for a new era of peace and stability in the Middle East.

Mr. WINN. Mr. Chairman, the Egypt-Israeli treaty represents a significant stride toward peace in the Middle East. It ends the state of war between these two neighbors and puts in its stead a web of agreements and understandings that will enhance the well-being and security of each nation. Full peace in the Middle East may only come gradually but this peace between Egypt and Israel is a solid foundation for future efforts.

H.R. 4035 will facilitate the treaty between Egypt and Israel. The funds it authorizes are meant to ease what will be some very difficult steps for each nation. In fact, the sums we are considering today—though very large, indeed—will no where near cover the expenses incurred by Israel in withdrawing from the Sinai and reconstructing new lines of defense. Egypt, as well, in provoking the wrath of the Arab states who oppose this treaty, is encountering the high cost of peace. The economic and military assistance this bill provides will only in part supplant the shortfalls in aid from Saudi Arabia and other Arab nations. This U.S. aid to Egypt is also designed to meet very real and pressing Egyptian development and defense requirements. The $1.1 billion in FMS credits for Egypt will not expand that nation's defense forces, but will only maintain them at near present levels of readiness. Much of Egypt's present military equipment is deteriorating as spare parts are no longer available from the Soviet Union.

In authorizing this legislation, therefore, Congress is underlining the constructive role the United States is playing in the Middle East:

We are facilitating peace between two nations that very much want peace and that have made great sacrifices to achieve it.

We are signaling to this administration as we have to previous administrations that we will support their efforts to mediate differences in regions around the globe.

It is also important to indicate that we are encouraging the peace process to go forward. Now is not the time for this administration to rest on its laurels. Indeed, I sense that the mood of the Congress and of the American public regarding progress toward peace is expectant. And, although the Egyptian-Israeli treaty is a great event, it has also generated tensions that could increase the potential for conflict in the Middle East.

In closing, I would note that this constructive U.S. role contrasts sharply with the very negative role the Soviet Union plays in the Middle East. Far from encouraging the peace process, Moscow has criticized it sharply. It has encouraged Arab nations to take steps to undermine it. And it is now threatening to veto the continuation of the United Nations Emergency Force mandate when it comes to a vote in the Security Council in August. Since UNEF is to monitor the transfer of the Sinai from Israel to Egypt according to the terms of the treaty, such Soviet opposition is damaging, indeed. I hope that Members will reflect upon this negative Soviet role as we ponder our own positive role today.

☐ 1450

Mr. HAMILTON. Mr. Chairman, I yield 6 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to my friend, the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, I thank the gentleman for yielding.

I strongly support the legislation, and I wish to compliment the committee and particularly the gentleman from Indiana (Mr. HAMILTON) for his usually fine work.

Mr. Chairman, I rise in strong support of this legislation. For too long, the world and the people of the Middle East have been hungering for peace. It is vital to the cause of peace and to our friendship with Israel and Egypt to pass this legislation.

In the proposition 13 atmosphere that is clearly affecting the willingness of

Congress to spend money, it is especially important to recognize what are wise and prudent investments, investments of taxpayers' dollars that will be repaid many times over. This is just such an investment. Oh yes, we have all received mail in opposition to this measure. People are justifiably angry about wasteful Government spending. But this is not wasteful spending. This legislation is a reflection of the fact that this country is not shirking its responsibility in the world and in the Middle East.

As a Lebanese-American, I am especially concerned about the future of Lebanon. It is my belief that any concrete step toward peace in the region is a step for the survival of Lebanon as well. This measure providing assistance for the purposes of carrying out provisions of the peace treaty is just such a concrete step and I strongly urge my colleagues to support it.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to my good friend, the gentleman from New York.

Mr. WOLFF. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this legislation, and I commend the gentleman from Indiana (Mr. HAMILTON) for his outstanding leadership.

Mr. Chairman, passage of H.R. 4035, the Special International Security Assistance Act is essential for the continuing peace process in the Middle East. American support will enable Egypt and Israel to continue their delicate negotiations despite the risks and threats that they face. Our support will help maintain political stability and security while the two nations continue their negotiations toward a lasting peace.

Both countries have taken on tremendous risks in negotiating for peace. We must be responsive to the defense requirements of Egypt and Israel as they negotiate in the face of terrorism, violent criticism from their neighbors, economic boycotts, and the constant threat of war. Both countries must know that their national security is protected as they continue this difficult process.

Our economic support shows our true commitment toward peace in the Middle East. To refuse to support, or to inadequately support, this effort toward peace could lead to the collapse of the negotiations. To those who object to the cost, I say the price of peace is a bargain compared to what the costs to our country would be from another Middle Eastern war that could engulf the entire world. The October war cost the United States over $7 billion in economic and military aid. That is less than the amount authorized by this bill, and more than three-quarters of the special aid authorized is in the form of loans which must be repaid.

I would like to remind my colleagues of the tremendous national interest we have in furthering peace in the Middle East. Another cost to our country from the October war alone was $15 billion in increased oil costs. The OPEC cartel has engaged in economic warfare against us, and would not hestitate to impose another oil embargo if there were another war. This region is extremely volatile and has been subject to the intrusion of the geopolitics of aggressive nations, such as the Soviet Union. This volatile nature and its strategic importance as the major source of the world's oil makes the Middle East a tripwire for confrontation, the area of the world most likely to spawn world war III. Our national interest in seeking peace, parallels that of the whole world.

We need peace in the Middle East as much as the nations in the Middle East need us to continue to be a viable economic power. The slow economic death of the industrialized West that could be caused by oil economic warfare would make their oil useless and OPEC the precursor of the new Dark Ages. The role of the United States in the world financial and economic system is too important to destroy and expect that system to survive.

The Egyptian-Israeli Peace Treaty is the first step in a comprehensive peace in the region. The delicate nature of these talks cannot be understated. The road ahead is a difficult one fraught with danger. Our unwaivering support will continue to be necessary. This authorizing legislation shows the depth of our commitment to peace, and adds substance to our mediator role. I urge my colleagues to support this legislation and allow the United States to make its contribution toward world peace.

Mr. SOLARZ. Mr. Chairman, I want, first of all, to congratulate the chairman of the subcommittee, the distinguished gentleman from Indiana (Mr. HAMILTON) and the ranking minority member of the subcommittee, the distinguished gentleman from Illinois (Mr. FINDLEY), for their great leadership in bringing this bill to the floor.

I have not always agreed with both of these gentlemen on each and every aspect of the problem in the Middle East, but I think they have acted not only in the highest traditions of American statesmanship but in the best interests of our country by making it possible to bring this bill before the House for a vote today.

I think the peace treaty between Israel and Egypt, which was signed on the lawn of the White House 2 months ago, represents the most hopeful and encouraging development in the search for peace between Israel and its Arab neighbors in the last 30 years. There is no guarantee that the peace treaty between Israel and Egypt will mean that there will never be another war in the Middle East, but the treaty between Israel and Egypt has significantly diminished the possibility that there will be another war in the Middle East.

The stage has now been set for the negotiations concerning the West Bank and Gaza which will hopefully lead to the establishment of a self-governing council on those territories and which, over the course of the next 5 years, may very well lead to the kind of comprehensive peace involving Israel and each of its Arab neighbors which all of us seek.

I think, more than anything else, what this peace treaty has demonstrated is that it is possible to achieve much more in the search for peace in the Middle East in the context of conciliation than in the context of confrontation. As time goes by and the rest of the Arabs see Israel actually withdrawing from Sinai, and the people of Israel actually see a real peace developing betwen themselves and Egypt, both the Israelis and the Arabs can gain confidence in the possibility of the kind of comprehensive peace which is a prerequisite of a just and lasting settlement of the conflict between Israel and its Arab neighbors.

The ability of Israel and Egypt to carry out this peace treaty, however, is very much contingent on the passage of this legislation. Let there be no doubt about the fact that if this treaty is not implemented, if this treaty should collapse, the prospects for a comprehensive peace will go down the diplomatic drain. The cost to Israel in implementing this treaty and in withdrawing its airbases and defense line from Sinai to Negev is enormous. Israel has a foreign debt in excess of $12 billion, and without the resources which this legislation will make available, there is literally no way in which it will be able to rebuild its airbases and relocate its defense line in the Negev in the next 3 years, by which time it is obligated to withdraw from the Sinai.

In a similar sense, the ability of Egypt to continue on the course which President Sadat has set is very much contingent on the extent to which the Egyptian people can begin to experience any of the tangible benefits of peace. The additional economic aid contained in this legislation is absolutely essential if we are going to give Egypt the possibility of making the kind of social and economic progress which, from the point of view of the Egyptian people, is a political precondition for the continuation of the peace process.

So I would say that while this treaty does not provide any guarantee that Utopia will necessarily be ushered in tomorrow in the Middle East, it does create the conditions for the kind of progress to which all of us are so very much committed.

I think perhaps the best summary of the situation can be found in the words of Winston Churchill who, after the Battle of El Alamein in World War II, when General Montgomery finally succeeded in turning back General Rommel in the sands of the Libyan desert, said in a speech to the British people in words that are amazingly applicable to the situation today:

> This is not the end, it is not even the beginning of the end, but it may perhaps, be the end of the beginning.

Mr. Chairman, through the adoption of this legislation today, we will be making it possible for this process to go forward and for agreements to ultimately be enacted, not only between Israel and Egypt, but between Israel and Jordan, between Israel and Syria, between Israel and Lebanon, and ultimately, I say to my good friend, the gentleman from Illinois (Mr. FINDLEY), between Israel and the Palestinians as well.

Mr. FINDLEY. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I am pleased to rise in support of this bill. It can only reaffirm our interests in and commitment to peace in the Middle East.

The United States should be proud of the part it has played so far in helping facilitate Egyptian/Israeli negotiations. This bill is a clear signal from Congress that—in this case at least—the President has our strong backing. We are united.

A lot of work remains to be done, but this at least starts us in the right direction.

When people first learned of the peace agreement, I think they were pleased, but cautious, about the total U.S. cost. That is not surprising, in light of our huge foreign aid bill. However, I think this package is both inexpensive, and good policy for the United States.

I think it is inexpensive because—in spite of the $5 billion figure that is always quoted—the actual appropriation is only $1.47 billion over a 3-year period, 1 billion of which is in a grant form. That is for both Egypt and Israel. The remainder is a loan that both countries have pledged to repay. And, in light of the fact that we have already invested between $55 and $70 million in the four Middle East wars, I think it a low price-tag for peace.

It is a good policy for the United States, because it continues our involvement for peace in a crucial part of the world. We are helping to bring peace to people who have only known hostility and war during their lifetimes.

This bill is good for the Middle East, for the United States, and the rest of the world.

Mr. Chairman, I urge support of the bill.

□ 1500

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding. I wish to associate myself with the remarks of my colleague from California (Mr. LAGOMARSINO), a member of the committee. I think the gentleman is correct in bringing out so forcefully that the ultimate cost of this legislation, of roughly $1.09 billion, is so far less than what the costs were during prior military engagements. The costs were anywhere from $40 to $50 billion for some four wars that have erupted in that area. This legislation is really a major contribution on our part at a much lower cost to try to establish an ongoing agreement of peace that has been started. It is very different from many of the other foreign aid programs we have had before us. Would the gentleman say that is correct?

Mr. LAGOMARSINO. That is correct. I thank the gentleman for his contribution.

Mr. ROUSSELOT. Assuming the full appropriation of the amounts authorized in H.R. 4035, the committee estimates that the total gross cost of the enactment of this bill will be $1.47 billion. A 5-year cost projection is detailed in the Congressional Budget Office (CBO) cost estimate below. The committee agrees with the CBO estimate.

If fully appropriated, the amounts authorized in H.R. 4035 will result in actual outlays over a 3-year period totaling $1.091 billion which is only 0.2 percent of total Government outlays estimated for fiscal year 1980. Thus, the inflationary impact of the bill would be negligible.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I will say to my colleagues that this is very difficult for me. I came to this Congress as a peace candidate in 1971. At that time I was fully aware of the futility and the insanity of war. Some years ago I spoke on this floor and indicated that I might have to leave the Congress at some time in the near future, because I am moving closer and closer to becoming a pacifist. I make these remarks only to indicate how intensely I feel about peace. I just do not feel that man is a warlike animal. In addition to that, I have always supported foreign aid programs in this House. It has not always been popular in my district, but I believe that this Nation is great enough and has a position in history where it ought to support the poor nations of the world.

Mr. Chairman, I share these two ideas with my colleagues, because I face a real dilemma. I am as ecstatic as anyone else in this House about the possibility of lasting peace in Middle East. Yet I have to ask some questions, and I would appreciate it if some members of the committee or some Members of the House would answer these questions for me.

How can I go to the youth in my district, who have now been cut out of summer jobs by both the President's budget and the budget passed by this House, and say that I am going to support this and yet at the same time we cannot tend the money that the youth need for summer jobs?

I have to go back to my district and confront a whole series of people who have flooded my office with letters based upon the cuts in programs that will take place, because of the budget that this House and the other body passed.

I admire the effort toward peace. I think our President has been magnificent in moving us to this juncture. I admire the two principals involved in this, Mr. Begin and Mr. Sadat. Yet I have to come down to grips with what I have to live with every day, when people ask me, "Why is it that the President took out this program that is needed? Why is it that the Congress took out this program that is needed? Why is it not inflationary to do this and indeed it is inflationary to try to help out some of our domestic programs?"

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I will yield to the gentleman, because I desperately need some answers.

Mr. FINDLEY. Mr. Chairman, first of all I want to indicate my admiration for the gentleman from Maryland (Mr. MITCHELL) in speaking out, in conscience, on this dilemma. My constituents have voiced some of the same questions the gentleman has voiced here today. This is not a popular piece of legislation back in my home district. And to add to the depths of the dilemma, there is no assurance that this legislation, that this treaty, is actually going to advance the peace process. We are taking a gamble. It is a big risk. We do not know how it is going to come out.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

Mr. MITCHELL of Maryland. My time has expired, but I ask the gentleman to see me afterwards and give me some answers to the other part of my question.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. I thank the gentleman for yielding.

Mr. Chairman, I need answers to the other part of my question. I can sell the peace idea. I think that is salable.

Mr. FINDLEY. If the gentleman will permit me, this need is intensified, because the existence of this treaty has actually created new tensions in the Middle East. I think we have to support the treaty. But we are far from the goal of peace. I think we have no practical choice but to support this piece of legislation, even though it is most difficult to explain back home.

Mr. MITCHELL of Maryland. It is not the legislation. It is the fact that I have to answer the question of the 15-year-old kid who says, "What happened to my summer youth job this year?" I have to say that the President cut it and the Congress cuts some of these projects in their budget, because the cost was inflationary. And the kid will ask, "What is the difference between that billion dollars being inflationary and the cost of the summer youth program being inflationary?"

Mr. FINDLEY. I guess the gentleman will have to direct his question to the White House.

Mr. MITCHELL of Maryland. And to the Congress. We did the same thing here.

Mr. FINDLEY. The gentleman has raised some important questions here. As the gentleman knows, the Federal level is the only level that can provide legislation of this sort. Summer jobs can be provided at the local, the county and the State levels if those levels of government see fit to budget the funds.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, it cannot be emphasized too strongly that a major reason, if not the major reason, for the heavy cost to the United States in the Middle East is the policy of the Soviet Union. While we are busy trying to construct some kind of peaceful solution in the Middle East, the Soviet Union is at work destabilizing the area. The radical Arab States, all of whom vilify President Sadat, attack the peace treaty which Egypt, Israel and the United States so painstakingly put together, and support the escalating terrorism of the Palestine Liberation Organization, all recipients of Soviet tanks, Mig's and rockets in substantial amounts.

Iraq, Syria, and Libya, for example, have all been heavily equipped with the T–62, the Soviet modern battle tank. They also have the Mig–23 jet aircraft, roughly equivalent to the U.S. F–18, a modern first-line plane. These three rejectionist Arab countries also have received Soviet medium-range tactical missiles, roughly comparable to our Pershing or Lance and capable of carrying a nuclear warhead. The SA–7 hand-held, heat-seeking, ground-to-air missile has been provided by the U.S.S.R. to PLO terrorists for use against civil airliners.

The epitome of sinister Soviet policy is its support for the Libyan dictator, Mu'ammar Qadhafi, whose latest contribution to African chaos was his intervention in Uganda on behalf of Idi Amin. The Soviet Union has supplied Libya with 2,000 tanks, more than its army of 30,000 men can possibly use. The Libyan desert has apparently become a tank park for Soviet armor.

From its support of Palestinian terrorists to its heavy supply of sophisticated tanks and jets to the Arab rejectionist States, the Soviet Union is promoting a dangerous, destabilization program. The administration in its foreign policy, including SALT II, deliberately overlooks the role the Soviets are playing in the Middle East and elsewhere. There are two areas where the U.S.S.R. could help rather than hinder efforts for peace in the Middle East: Renewal of the United Nations peacekeeping force in Lebanon and the positioning of a new U.N. peacekeeping force in the Sinai desert as part of the Israeli-Egyptian accords. The Soviets, threatening to veto, seek to renew the Geneva Conference on the Middle East, reintroduce themselves into the settlement process, and sabotage it. The Russians have a vested interest in forment and disarray.

The United States on the other hand has legitimately earned the trust of the moderate Arab States. We must maintain the momentum achieved thus far in the Middle East peace process; this special security assistance act is a logical step in the ongoing efforts to reach a permanent peace in the Middle East. Although, I fully appreciate the concern of the Members with the cost of the program, I believe this to be a worthwhile and practical investment in peace—a bargain compared to the costs of another war.

Mr. HAMILTON. Mr. Chairman, I have no further requests for time.

Mr. FINDLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. MARKS).

□ 1510

Mr. MARKS. Mr. Chairman, the borders of Israel and Egypt are open, and Israeli ships are now sailing through the Suez Canal.

I think that that is a great tribute to the President of the United States. I think, since it has not been mentioned so far, that we ought to make it a matter of record that without the President of the United States to have come forward aggressively and determinatively to see to it that the peace treaties were entered into, we would not have the opportunity today to add to peace in this world by providing a relatively small amount of dollars for peace.

So, for the record, may I suggest that the great peacemaker in all of this was the President of the United States.

This Congress part in peace is yet a great one, because we have the opportunity of providing some dollars to see to it that that treaty is implemented.

I think what my colleague from Maryland asked a moment ago, I think about that, because it concerned me; one, because I think he is the most outstanding colleague that I have in this Congress. I know he is concerned.

If I may be so presumptuous to suggest from this side of the aisle, what one can say to those young men, 15, 16, 17, who do not have jobs, what one can answer to people who suggest that programs, necessary, vital social programs, may not have enough money, I think the answer has to be that there is perhaps no absolute answer. We cannot relate necessarily the two, but we can assure that young man of 15 or 16, or those people who desperately need additional money for social programs that perhaps at least they will not have to fight or their children may not have to fight in the Middle East as a result of what we are doing today. Without any guarantees, at least it is a step forward toward peace, which I believe is the reason that the President himself made such an aggressive move to bring about the treaty.

I am not sure that answer is satisfactory, but I think it is a fair one.

May I suggest to my colleague from Illinois, who, in his opening remarks, suggested something about fairness or, to quote him, "Equally senseless actions taken by the Israelis and the PLO or the Palestinians," I think, may I say to my colleague, whom I respect tremendously, that I do not think it is equally senseless.

I do not think that the Israeli retaliation, if I may say so, to terror, by the PLO, is senseless.

I think it is a normal reaction for people who can no longer take the awfulness of having their men and women and children destroyed by terrorists who have no thought of human concern.

Lastly, may I suggest that, since we are on the road to peace, as a result of what is being done here today, that we can at least, on one occasion, walk out of here today and think we have done a pretty good job.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. MARKS. I yield to the gentleman from Illinois.

Mr. FINDLEY. One of the problems in a rational discussion of the Middle Eastern crisis is the definition of terms.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. MARKS was allowed to proceed for 1 additional minute.)

Mr. FINDLEY. To the Palestinians who have sustained day after day of air strikes, some of these air strikes inflicting losses of life to innocent civilians, an action that is termed reprisal from the Israeli side, can well be viewed as terrorism from the Palestinian side.

So maybe we need a new vocabulary in order to elevate the discussion of the Middle East problem to a rational level.

Mr. MARKS. If the gentleman would permit me, I can understand what the gentleman is saying. But the gentleman, I am sure, understands that the Israeli mother and father, the Israeli Government, has had committed against it almost daily acts of terrorism; that is not a definition we need argue over. That is something that we can, I think, all agree upon.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. MARKS) has again expired.

(By unanimous consent, Mr. MARKS was allowed to proceed for 1 additional minute.)

Mr. MARKS. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Illinois.

Mr. MARKS. When the Israel, have this happening to them day after day after day, then one can turn the cheek just so many times. So what they are doing, and I would say with a great deal of restraint under the circumstances, is to retaliate when it is necessary to retaliate to wipe out the PLO bases and the PLO aggressiveness.

May I suggest if it were happening to us in Illinois or in Pennsylvania, that we would do the same thing.

I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, the package of assistance incorporated into H.R. 4035, the Special International Security Assistance Act of 1979, is an essential element in the struggle for peace in the Middle East. I have argued for years that the security of Israel, the most stable and democratic government in the Middle East, is vital to American interests. However, this assistance package will not only help keep Israel secure, it will promote economic health and cooperation throughout the region, benefiting Jew, Muslim, and Christian alike.

At the present time, woefully few nations are involved in this peace effort, with the principal participants being Israel, Egypt, and the United States. The aid found in H.R. 4035 will help provide Israel and Egypt with security as they implement provisions of the peace treaty which the world has awaited for so many years.

Today we debate the price of peace. Some may argue that our Federal deficit or the rate of inflation are reasons to reduce or oppose the level of assistance in H.R. 4035. Indeed, the United States is committing itself to a 4-year $4.8 billion package of loans and grants. However, Secretary of State Vance has estimated that the cost to the United States of the four Middle East wars was between $55 billion and $70 billion. When we consider the destruction and suffering of the past, and the importance of this peace treaty to U.S. security interests, our economic commitment is a very wise investment.

I, therefore, urge my colleagues to support this measure. It will show the firm by its commitments, and that we will assist both Israel and Egypt in meeting their economic needs and security requirements as they pursue efforts to ecure a comprehensive and lasting peace in the Middle East. While the price of peace is great, it is insignificant when compared to the price of war.

Mr. FINDLEY. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Chairman, I rise simply to praise the leadership of the President of the United States, the leadership of the chairman of our committee, the gentleman from Wisconsin (Mr. ZABLOCKI), and the chairman of our subcommittee, the gentleman from Indiana (Mr. HAMILTON).

This legislation will give me the opportunity to cast the vote about which I will be most proud as a new Member of the House of Representatives. It is, as has been said by many of the previous speakers, a small price that the United States can pay to bring about the beginnings of peace in the Middle East.

It is unfortunate that many Americans have been confused by the extent of President Carter's commitment to Egypt and Israel in support of the peace treaty. Although the pledge represents a total value of $4.8 billion in economic and military assistance, the actual cost to the United States is less than $1.5 billion over the next 4 years. This amount supports and guarantees the loans and credit financing which will be repaid to the United States.

It is important to note, in this respect, that the State of Israel has never defaulted on repayment of loans with full interest.

We are not "buying" peace, Mr. Chairman. But we are investing in peace by helping those who have the courage to take the first steps. That is a worthy commitment from any nation, and I am proud that this Nation has offered it. And I hope to have the opportunity in the future to vote again for each of the additional steps toward a just and lasting peace in the Middle East. I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I have no illusions about the outcome of this particular bill, but I would like to address the allegation that the U.S. national interests are served by this bill and by the others which provide aid to Israel and Egypt.

As a matter of fact, our policy toward Israel is not in our self-interest, but actually operates to our national detriment.

The allegation we must support this bill because it is cheaper, because peace is cheaper, is faulty, and we all know it. We do not have to be involved in all those wars over there. We do not have to provide that money except we chose to do that. Our allegiance to the so-called special relationship has cost us billions of dollars. It has earned us the enmity of the Arab States and is leading us to an involvement that will ultimately and inevitably lead to our sending troops to the area.

Israel has already offered us a naval base, and we will be sending troops as part of a multinational peacekeeping force, if the U.N. does not renew its presence. More and more frequently we hear our national leaders speak of the possibility of war in the Middle East.

□ 1520

We cannot justify it, and I do not see how we can say that the purposes of peace are being served when we are here providing $4.5 billion of arms to both recipients as a reward for making peace. We are paying ransom to them to stop fighting each other. It seems to me that peace should be an incentive to them—not our arms.

Mr. FINDLEY. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, I would like to speak in favor of this bill. I do not see how we can say that what happens in an area of the world which supplies some 60 percent of all the energy needs of Japan and Europe and the United States is a matter of indifference, or that we can contemplate with calm the question of upheavals and troubles in that part of the world. That is shortsighted. It does not demonstrate a serious sense of responsibility for where we stand; which in some terrible way strikes me every day as more and more dangerous, as though we were sliding toward a precipice that none of us like to contemplate.

I think this is an essential step to halting that terrible slide. I hope the bill will pass.

● Mr. LENT. Mr. Chairman, on this historic occasion, I am proud to rise in strong support of H.R. 4035, the Special International Security Assistance Act, which is one of the most important pieces of legislation ever to come before the House. By a vote of 73 to 11 on May 14, the U.S. Senate overwhelmingly approved a similar bill which reaffirms the U.S. unyielding commitment to peace in the Middle East, and I urge my colleagues here today to do the same. By endorsing the President's commitment to Israel's and Egypt's first step on the road to lasting, regional peace, the Congress can both enhance U.S. security and provide a real alternative for war-weary nations to more bloodshed, poverty, Soviet-sanctioned terrorism, and carnage.

Furthermore, approval demonstrates to the world community that the United States is willing to reassert its world leadership role as a force for peace. Secondly, it demonstrates our commitment to the proposition that the benefits of peace far outweigh the costlier alternatives of continued hostility and war. Thirdly, it demonstrates that security and prosperity, not battlefields, are the solid foundations on which the future should rest. Finally, it demonstrates that we, as a nation, can be depended upon to support our staunch allies like Israel, which stands as the major stabilizing force in an area where there are continual threats to our vital oil supply lines.

Some critics claim that the costs of the U.S. commitment to the Israeli-Egyptian Treaty are too high. But, what are the costs of war? U.S. Secretary of State Cyrus Vance estimates the costs to the United States of the four Middle East wars at somewhere between $55 billion and $70 billion, not including the incalculable human costs of 30 years of hostility and intermittent bloody battles.

The $1.47 billion in new budget authority we are considering today pales in comparison. Moreover, it is important to note that the aid package is to be spread over a 3-year period, and nearly 80 percent of the assistance is in the form of foreign military sales credits and loans. In fact, the Congressional Budget Office estimates the total 3-year cost at $1.1 billion.

Some critics question where the U.S. interest most properly lies. I say to them that a strong, secure Israel is vital to this Nation's interest in the Middle East. Israeli withdrawal from the Sinai, including the dismantling and reconstructing of two of the world's most modern air bases—Etam and Etzion—poses a real danger to our courageous and valuable ally's economic health. Moving the bases could cost in the neighborhood of $10 billion. With a 66-percent tax rate and inflation running at a 50-percent rate, Israel is ill-equipped economically to handle this additional burden without the help we have promised. Also, Egypt is participating in the peace process, despite concerted Arab opposition and efforts to isolate her from her Arab neighbors.

If we fail to stand by our treaty commitments, we will more effectively thwart the peace effort than the Arab League which has that as its goal. The cause of peace in the Middle East is enhanced by an economically stable Egypt and Israel, and the aid package we are considering today will help counter the hostile Arab blackmail now being waged against nations in search of peace.

Therefore, I urge my colleagues in the strongest possible terms to support this special assistance program so that Israel and Egypt can continue on the road to a peaceful settlement in the Middle East.●

● Mr. BIAGGI. Mr. Chairman, just over 2 months ago, I was proud to attend one of the most historic events of the 20th century—the signing of the peace treaty between Israel and Egypt at the White House. It was a day of great significance not only for the nations involved but also for the world community who saw the treaty as a beacon of a new era of peace in the Middle East.

Today, the House is being asked to follow the Senate in approving the necessary aid to insure effective implementation of the treaty and more importantly—the achievement of the treaty's objective—to promote peace and stability in the Middle East.

The fact is—since the time of the establishment of the Jewish state of Israel in 1948—the Middle East has been the rockbed of unrest. The two superpowers viewed developments in this area with the most avid of interest and concern. The two major wars of 1967 and 1973 brought our two nations closer to direct conflict than at anytime in the Cold War era.

While the signing of the Israel-Egypt Treaty does not in and of itself spell the end of hostility in the Middle East—it does bring together for the first time two main adversaries—Egypt and Israel—in the pursuit of peace.

One fact related to the treaty must be underscored to help place this legislation, and our responsibility to pass it, in a clearer perspective. Prime Minister Begin, President Sadat, and President Carter all incurred substantial political and personal risks in the pursuit of this treaty. Since its signature, these same men—especially President Sadat—have continued to endure hostility from other nations. Egypt has been economically ostracized by many of her Arab neighbors and her military security is in some question. Israel continues to be threatened by Arab nations.

It is against this backdrop that we must evaluate the compelling nature of this legislation. I respect the concerns of those who see the price tag of this legislation. It is expensive. However, consider the only alternative—war. It is unacceptable.

I firmly support this legislation and feel my colleagues should as well. We must be willing to make a commitment to this treaty. We must demonstrate our support for the outstanding work which has already been accomplished. But above all, a vote today may mean peace tomorrow in the Middle East and the world. It may lead to a first generation of Israelis able to live in peace.●

● Mr. GOLDWATER. Mr. Chairman, I rise today to urge support and passage of H.R. 4035 which authorizes U.S. support of the Israeli-Egyptian Peace Treaty.

It is rare, indeed, that I find myself asking for support of a foreign aid bill, and the barometer with which I determine support is, "Does the expenditure serve our national interests." In this case, I believe there is little question that the answer is, "Yes."

I have no illusions about this peace agreement being anything but a beginning, and I am also fully cognizant that the situation in the Middle East is still fraught with danger and that there are many unanswered questions and unsolved problems. Nonetheless, I believe this first step is a momentous one, and with a continued commitment—if we grasp this moment in history—perhaps this acorn of hope will grow into the enduring oak of peace. After 30 years of hostility at a cost of untold billions of dollars and tens of thousands of lives, there is at last a breakthrough, a foundation upon which to build, and it is in our interest to support the stabilization of that area of the world and decrease Russian influence.

I do understand legitimate concerns over the cost of this treaty, but as a card-carrying fiscal conservative, I believe that to deny this particular expenditure would be pennywise and pound foolish. Comparatively speaking, the cost of peace is small, indeed, to the cost of war. It has been estimated that the cost to the United States for the last four Mideast wars was between $55 and $70 billion. Today, we are authorizing $1.47 billion, of which $370 million are for foreign military sales guarantees, and of the total moneys promised in the treaty ($4.8 billion), $3.7 billion are for loans to be paid back over 30 years at over 9 percent interest. In other words, we are talking about a little over $1 billion in outright grants, and in terms of possible benefits, I think it is worth it.

I have not forgotten the tense and frightening time when our Armed Forces were put on active alert during the 1973 War. The Middle East is volatile, and like it or not, the two superpowers are involved. Every time there is a flareup, the danger of superpower confrontation is real. In my judgment, lessening this danger goes hand in hand with U.S. defense—not to mention U.S. dependence on Middle East oil.

Finally, I would like to commend the committee for including in this bill a sense-of-the-Congress resolution that other countries should provide financial assistance to support peace in the Middle East. I cannot emphasize this point too strongly. The entire free world will benefit by this peace treaty, and it is right and fair that they share in the cost of peace. I shall be following the State Department's efforts to comply with the Congress wishes in this regard and I stand ready to join efforts to prod the administration into substantive efforts to attain shared responsibility for the cost.●

● Mr. WAXMAN. Mr. Chairman, this legislation underwrites the commitments made by the United States during the negotiations which led last March to the signing of the peace treaty between Egypt and Israel. This is a bill which deserves our overwhelming and wholehearted support. Egypt and Israel are dependent on enactment of this measure for their security and prosperity. Indeed, all who care so deeply about peace in the Middle East are gratified by the generous terms of this bill, which recognizes the critical role the United States has and will continue to play in the peace process.

The declared intention of the United States to assist both Egypt and Israel was essential for both nations to make the sacrifices and pledges so crucial to the success of the treaty. Again and again, the desire of the peoples of Egypt and Israel for peace, and the blessings which flow from it, have been demonstrated. But peace is a fragile commodity in a region which has been so hostile to it.

There are enormous costs of peace for both countries. Egypt has been isolated by the entire Arab world, its economic support cut off, its diplomatic ties severed, by those who oppose the treaty. Egypt is a country with overwhelming economic difficulties—challenges which can only be addressed by setting aside the war with Israel. But Egypt cannot meet them alone. Peace requires that the development of Egypt be supported.

For Israel, the costs are very pressing. By relinquishing the Sinai, which has served as such an effective buffer against aggression, Israel has diminished its security. The cost of relocating its two Sinai airbases will run $3.5 billion. The expense of resettling Israelis from the Gaza Strip will be large. Because of continued threats on all its other fronts, Israel's military preparedness must be maintained.

For Israel, any hope of an economic "peace dividend" is illusory. Peace, with its inflationary pressures, will impose a cruel burden on an already-ravaged Israeli economy. Next year, inflation in Israel could go over 100 percent for the year.

Many have argued that the price of peace is too high for the United States to bear. But the cost of war in the Middle East is much, much greater. The total amount appropriated in this bill is but $1.47 billion. In 1974, the United States sent $2.2 billion to Israel to replace its losses in the Yom Kippur War. The oil embargo alone—not counting inflation and secondary effects wrought by OPEC price rises—cost over $15 billion. The four wars in the Middle East have cost the United States over $60 billion.

Does anyone doubt that the costs of the next war would be truly awesome? The price of peace is small compared to the costs of war.

By virtue of its role in the peace negotiations, the United States has a special responsibility to both countries. Egypt and Israel, for all their courage, have many powerful enemies, and few dedicated friends. The Arab League is bent on destroying the peace treaty, and renewing the war with Israel.

The promise of peace will come to naught if we do not help these two countries bear the burdens they have assumed.

For all these reasons, it is essential

that this legislation be enacted. Stability in the Middle East is indispensable to our security. Peace in the Middle East must be given a chance to yield the prosperity it promises. We can do no less than to support this great effort.●

● Mr. O'NEILL. Mr. Chairman, I rise in strong support of the action taken by the Foreign Affairs Committee in support of the authorization level requested by President Carter in this special foreign assistance legislation to implement the treaty of peace between Egypt and Israel.

The principal purpose of this legislation is to provide supportive financial assistance, a total of $4.8 billion for Israel and Egypt in economic and military assistance. In adopting this legislation the House of Representatives recognizes the need to take the necessary and specific steps required to support the peace process.

For the first time in 30 years hostilities between Israel and Egypt have ceased; the borders between these two nations are freely open; and, diplomatic relations between two former adversaries have been established. The United States has always wanted the nations of the Middle East to live in peaceful coexistence as neighbors. Today, that goal is a reality, where yesterday, it was only an ideal, distant dream.

Through political courage, foresight and statesmanship, and a sincere desire for peace, President Carter guided and assisted Prime Minister Begin and President Sadat on that long journey toward peace. Phase I of that journey was concluded with the signing of the treaty between the Government of Israel and the Government of Egypt on March 26, 1979.

The peace process has begun and is continuing. We must take these next steps to assist Israel in maintaining, strengthening, and modernizing its security forces as it relocates its defense lines following withdrawals from the Sinai, and provide financing for Egypt to meet its requirement for modernization of its defense forces through a program of arms transfers from the United States. Support of this legislation will demonstrate to both Egypt and Israel that the United States will assist them in meeting their economic needs and security requirements as they pursue efforts to achieve a comprehensive peace settlement in the Middle East.

In signing the peace treaty on March 26, 1979, Egypt and Israel pledged a partnership with the United States to work together toward economic, military, and political security in the Middle East. As a nation we would be greatly remiss if we did not live up to our obligation and to the commitment to peace that we made 2 months ago.

This important legislation has received the full consideration it rightfully deserves. Through a careful and thorough deliberation of the issues involved, first by two foreign affairs' subcommitees under the leadership of two distinguished and able chairmen, CLEM ZABLOCKI and LEE HAMILTON, and finally by the full Foreign Affairs Committee, this special security assistance was reported favorably to the House by voice vote. Adoption of this bill as reported by the Foreign Affairs Committee correctly reflects the will of the American people, who want peace in the Middle East.

The 96th Congress is concerned about fiscal restraint, fiscal austerity. This assistance package to implement the Israeli-Egyptian Treaty with a total cost of $4.8 billion is far more prudent and far less costly than the real costs of the four most recent wars in the Middle East which carried an American price tag of nearly $20 billion.

This legislation makes clear the congressional intent to support the peace treaty—no more, no less. While it provides the financial arrangements in support of the treaty, it specifically states that enactment of this legislation does not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch. This bill further contains a sense of Congress statement implying that peace in the Middle East should not be viewed as the exclusive concern or responsibility of the United States and encouraging the President to consult with other countries to develop a common program of assistance to Egypt and Israel and to other nations of the Middle East who join in the peace agreements.

No President has put more effort, time and energy into achieving peace in the Middle East than President Carter. In this legislation the President has asked the Congress to provide the financial assistance to implement the treaty signed on March 26, 1979. I urge all of my colleagues to vote aye in support of the peace treaty and of our President's noble and sincere commitment to peace.●

● Mr. WEISS. Mr. Chairman, on March 26, 1979, a peace treaty was signed which officially terminated the state of war existing between Israel and Egypt. The treaty was the culmination of 18 months of arduous and intensive face-to-face discussion between these two great nations and was fostered through the skill and persistence of President Carter.

Those who have watched the development of the treaty realize that this great achievement is the cornerstone in the foundation of an overall peace in the Middle East. The treaty is really the beginning of a long process to a full and longstanding peace in this historically troubled region.

Over the next few months we will hopefully witness the successful completion of the second phase of this "peace building" process. Egypt and Israel—again with vital assistance from the Carter administration—will embark on negotiations to resolve the question of the Arabs who reside on the West Bank and Gaza.

To give these second set of negotiations the best possible chance of success, special reassurance and support in the form of economic and military aid to both Israel and Egypt are essential.

In order to provide this support and reassurance the President proposed and the House Foreign Affairs Committee has reported legislation providing supplemental economic and military aid to both nations.

I strongly support the passage of the Special International Security Assistance Act of 1979 (H.R. 4035). H.R. 4035 authorizes a total sum of $1.47 billion to support the Israeli-Egyptian peace treaty. This sum will permit a much greater dollar amount of aid.

The $1.47 billion will provide a $1.1 billion grant and loan program. The remaining $370 million will be utilized to generate and finance foreign military sales totaling an additional $3.7 billion. In total $4.8 billion will be divided between Egypt and Israel for much needed economic and military aid.

It is appropriate for the United States to advance this assistance in light of the great risks both Israel and Egypt assumed by initiating the peace process in the Middle East region. They are the first to have ended the violence and to join in good faith face-to-face negotiations in order to reach a peaceful settlement of their differences. In the face of hostile neighboring countries—whose emnity has appeared to intensify after the signing of the treaty—this has not been an easy course to follow. The courageous step of Prime Minister Begin and President Sadat in leading their countries to peace must be encouraged by the American people. It is both in the best interests of the United States and in the interest of all nations that the Middle East tensions be eliminated in a peaceful manner.

The State of Israel has been the target of hostility from the day it was established. For all those who struggled to forge a Jewish homeland and to defend Jewish culture in the Middle East it has been a long hard-fought path toward a lasting negotiated peace. The March 26 treaty is a tribute to their efforts and to the struggle of Israel over the last 31 years. H.R. 4035 signifies a fulfillment of that agreement.●

Mr. HAMILTON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 4035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Special International Security Assistance Act of 1979".

STATEMENT OF POLICY AND FINDINGS

SEC. 2. (a) It is the policy of the United States to support the peace treaty concluded between the Government of Egypt and the Government of Israel on March 26, 1979. It is a significant step toward a full and comprehensive peace in the Middle East. The Congress urges the President to continue to exert every effort to bring about a comprehensive peace and to seek an end by all parties to the violence which could jeopardize this peace. The peace treaty between Egypt and Israel having been ratified, the Congress finds that the national interests of the United States are served—

(1) by authorizing the President to construct air bases in Israel to replace the Israeli air bases on the Sinai peninsula that are to be evacuated;

(2) by authorizing additional funds to finance procurements by Egypt and Israel through the fiscal year 1982 of defense articles and defense services for their respective security requirements; and

(3) by authorizing additional funds for economic assistance for Egypt in order to promote the economic stability and development of that country and to support the peace process in the Middle East.

(b) The authorizations contained in section 4 do not constitute congressional approval of the sale of any particular weapons system to either Israel or Egypt. These sales will be reviewed under the normal procedures set forth under section 36(b) of the Arms Export Control Act.

(c) The authorities contained in this Act to implement certain arrangements in support of the peace treaty between Egypt and Israel do not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch.

CONSTRUCTION OF AIR BASES IN ISRAEL

SEC. 3. Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new chapter:

"CHAPTER 7—AIR BASE CONSTRUCTION IN ISRAEL

"SEC. 561. GENERAL AUTHORITY.—The President is authorized—

"(1) to construct such air bases in Israel for the Government of Israel as may be agreed upon between the Government of Israel and the Government of the United States to replace the Israeli air bases located at Etzion and Etam on the Sinai peninsula that are to be evacuated by the Government of Israel; and

"(2) for purposes of such construction, to furnish as a grant to the Government of Israel, on such terms and conditions as the President may determine, defense articles and defense services, which he may acquire from any source, of a value not to exceed the amount appropriated pursuant to section 562(a).

"SEC. 562. AUTHORIZATION AND UTILIZATION OF FUNDS.—(a) There is authorized to be appropriated to the President to carry out this chapter not to exceed $800,000,000, which may be made available until expended.

"(b) Upon agreement by the Government of Israel to provide to the Government of the United States funds equal to the difference between the amount required to complete the agreed construction work and the amount appropriated pursuant to subsection (a) of this section, and to make those funds available, in advance of the time when payments are due, in such amounts and at such times as may be required by the Government of the United States to meet these additional costs of construction, the President may incur obligations and enter into contracts to the extent necessary to complete the agreed construction work, except that this authority shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(c) Funds made available by the Government of Israel pursuant to subsection (b) of this section may be credited to the appropriation account established to carry out the purposes of this section for the payment of obligations incurred and for refund to the Government of Israel if they are unnecessary for this purpose, as determined by the President. Credits and the proceeds of guaranteed loans made available to the Government of Israel pursuant to the Arms Export Control Act, as well as any other sources of financing available to it, may be used by Israel to carry out its undertaking to provide such additional funds.

"SEC. 563. WAIVER AUTHORITIES.—(a) It is the sense of the Congress that the President should take all necessary measures consistent with law to insure the efficient and timely completion of the construction authorized by this chapter, including the exercise of authority vested in him by section 633(a) of this Act.

"(b) The provisions of paragraph (3) of section 636(a) of this Act shall be applicable to the use of funds available to carry out this chapter, except that no more than sixty persons may be engaged at any one time under that paragraph for purposes of this chapter.".

SUPPLEMENTAL AUTHORIZATION OF FOREIGN MILITARY SALES LOAN GUARANTIES FOR EGYPT AND ISRAEL

SEC. 4. (a) In addition to amounts authorized to be appropriated for the fiscal year 1979 by section 31(a) of the Arms Export Control Act, there is authorized to be appropriated to the President to carry out that Act $370,000,000 for the fiscal year 1979.

(b) Funds made available pursuant to subsection (a) of this section may be used only for guaranties for Egypt and Israel pursuant to section 24(a) of the Arms Export Control Act. The principal amount of loans guaranteed with such funds shall not exceed $3,700,000,000 of which amount $2,200,000,000 shall be available only for Israel and $1,500,000,000 shall be available only for Egypt. The principal amount of such guaranteed loans shall be in addition to the aggregate ceiling authorized for the fiscal year 1979 by section 31(b) of the Arms Export Control Act.

(c) Loans guaranteed with funds made available pursuant to subsection (a) of this section shall be on terms calling for repayment within a period of not less than thirty years, including an initial grace period of ten years on repayment of principal.

(d)(1) The Congress finds that the Governments of Israel and Egypt each have an enormous external debt burden which may be made more difficult by virtue of the financing authorized by this section. The Congress further finds that, as a consequence of the impact of the debt burdens incurred by Israel and Egypt under such financing, it may become necessary in future years to modify the terms of the loans guaranteed with funds made available pursuant to this section.

(2) In order to assist the Congress in determining whether any such modification is warranted, the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate, by January 15 of each year, an annual report regarding economic conditions prevailing in Israel and Egypt which may affect their respective ability to meet their obligations to make payments under the financing authorized by this section. In addition to such annual report, the President shall transmit a report containing such information within thirty days after receiving a request therefore from the chairman of the Committee on Foreign Relations of the Senate or from the chairman of the Committee on Foreign Affairs of the House of Representatives.

SUPPLEMENTAL AUTHORIZATION OF ECONOMIC SUPPORT FOR EGYPT

SEC. 5. There is authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $300,000,000 for the fiscal year 1979 for Egypt, in addition to amounts otherwise authorized to be appropriated for such chapter for the fiscal year 1979. The amounts appropriated pursuant to this section may be made available until expended.

TRANSFER OF FACILITIES OF THE SINAI FIELD MISSION TO EGYPT

SEC. 6. The President is authorized to transfer to Egypt, under such terms and conditions as he may determine, such of the facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the peace treaty between Egypt and Israel.

CONTRIBUTIONS BY OTHER COUNTRIES TO SUPPORT PEACE IN THE MIDDLE EAST

SEC. 7. It is the sense of the Congress that other countries should give favorable consideration to providing financial assistance to support peace in the Middle East. Therefore, it is the sense of the Congress that the President should consult with other countries to develop a common program of assistance to, and investments in, Israel and Egypt and other countries in the region should they join in Middle East peace agreements.

Mr. HAMILTON (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS: Page 8, line 12, insert "(a)" immediately after "Sec. 7."; and immediately after line 19, insert the following:

(b) It is the sense of the Congress that other countries should give favorable consideration to providing for support for the implementation of the peace treaty between Egypt and Israel. Therefore, the Congress requests that the President take all appropriate steps to negotiate with other countries an agreement for the establishment of a peace development fund whose purpose would be to underwrite the costs of implementing a Middle East peace.

(c) The President shall report to the Congress within one year after the enactment of this Act with regard to (1) the efforts made by the United States to consult with other countries in order to increase the economic assistance provided to Egypt and Israel and others in the region participating in the peace process by other donors, and (2) the impact on Egypt's economy of Arab sanctions against Egypt.

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Mr. Chairman, first of all I would like to commend the gentleman from Indiana (Mr. HAMILTON) and the gentleman from Illinois (Mr. FINDLEY) for their outstanding leadership in bringing this important legislation to the floor, and I rise in support of it.

Mr. Chairman, the Middle East Peace Treaty was a historic accomplishment. It represented the culmination of efforts in the search for peace of this and prior administrations. It is a remarkable accomplishment by President Carter. There can be no doubt that stability in the Middle East is in the best interest of the United States and of most other nations of the world as well. I sincerely hope that this treaty will prove to be the initiative which encourages subsequent agreements between Israel and its other Arab neighbors who, thus far, have chosen not to participate in this peace effort.

By authorizing funds to help support the Israeli-Egyptian Treaty implementation, our country achieves a major diplomatic and strategic triumph. The success of the treaty will mean an acceptance of the United States' approach to world affairs which emphasizes negotiation and stability, and repudiation of the Soviet tactics of conflict and instability.

We are also helping to bring peace to a region that has seen four bloody, costly wars in the past 30 years. The costs in terms of human life and suffering have been staggering. Since 1948, Middle East wars have resulted in more than 115,000 Arab and 40,000 Israeli military casualties.

The financial costs have also been high and these costs have extended well beyond the region itself. Our own country has already provided $10 billion in military grants to Middle East countries and the 1973 oil embargo probably cost the American people about $300 billion.

The full costs of implementing the treaty are not covered by this legislation. Indeed, the larger portion of the ultimate costs will be borne by Egypt and especially, Israel. This bill is only a contribution to the process which directly serves American interests.

Our costs have greatly exceeded the $1.4 billion authorization for grants and loan interest costs over 3 years that we are considering today. The American people know that without peace in the Middle East we will continue to be exposed to the danger of war and the ensuing horror and suffering that war brings. Who can estimate the costs of such a war? Who can measure the cost of human lives and of human suffering? We can count the costs in tanks and planes, in towns and buildings, but who can determine the cost of lives? What is the price of peace compared to the cost of war? And we may even be talking about a war which could spread to a worldwide nuclear conflict from which we would not be immune.

The American people also understand that the United States is by no means the only beneficiary of the stability which this treaty helps to insure. Peace in the Middle East will have a dramatic favorable impact on most of the nations of the world including all of our closest allies. All nations, but especially those which are most dependent on oil from this region, have a vital stake in this treaty and the potential it holds for further negotiations. We should not let our friends ignore this fact.

They must realize the significant impact that a worldwide commitment to peace can have on encouraging other Arab nations to join in the agreement. Leaders in Baghdad, Amman, Damascus, and other Arab capitals will be far more likely to rethink their position if an array of the world's nations demonstrate unified support for peace. Nations throughout the world will share in the benefits of this treaty. It seems only fair that they share in the costs of peace.

Therefore, I am proposing an amendment which would provide an opportunity for this sharing. My amendment requests that the President undertake negotiations with other countries to establish a peace development fund.

This amendment is similar in nature to one offered by our colleague, the gentleman from Pennsylvania (Mr. RITTER) during consideration of the International Development Cooperation Act. That amendment was accepted by voice vote. This amendment is substantially the same language which has already been accepted by the Senate in their version of this authorization.

My amendment simply recognizes that many of the world's nations will benefit from this treaty and creates a mechanism for them to help share in its costs. Specifically, the President is requested to negotiate with these countries to establish a fund which would underwrite the costs we are considering in this authorization.

My amendment is not designed to undo any of the work of the committee. I am seeking to augment that work by the creation of this special purpose fund. The committee's bill already contains language requesting that the President seek to encourage other countries to assist in the general economic development of Israel and Egypt and any other Middle East countries which join in the agreement. I believe this proposal also has great merit and I do not seek to eliminate it with my amendment. In fact, the second part of my proposal would expand upon this idea by requesting that the President report to Congress on the success of these negotiations. Lastly, the amendment also requests the President to report on the impact of Arab sanctions against Egypt's economy.

I urge my colleagues to support this amendment. While I sincerely believe that the American people understand the importance of peace and are willing to support the benefits that flow from peace, I am equally certain that they understand the equity of sharing these costs. Our country has been the world's leader in attempting to create vitally needed stability in this region. I see no reason why we cannot now lead other nations to the realization that their direct participation in this effort is also vital and proper. It is only fair that we initiate an effort to make this treaty a truly worldwide commitment to peace in the Middle East in sharing the cost as well as sharing the benefits.

Mr. Chairman, I support this legislation, because I believe it to be in the vital national interest of the American people. If we are unwilling to pay the price of peace, we will surely pay the cost of war. As the leader of the free world, our Nation has certain advantages, but we also, thereby, assume certain responsibilities. Today we discharge one of those responsibilities.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Indiana.

Mr. HAMILTON. Is this similar to the language that was adopted in the Senate bill?

Mr. LEVITAS. The language that is contained in my amendment is substantially identical to that which has been adopted by the other body.

Mr. HAMILTON. On this side we find this amendment quite acceptable. It supports an idea that I think has considerable merit, the establishment of a peace development fund. So, we accept the amendment.

Mr. LEVITAS. I thank the gentleman from Indiana.

I would also point out that similar language has already been adopted by the House as a result of an amendment which was offered in legislation considered earlier.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I want to commend the gentleman for his amendment. I went to Israel a few weeks ago, and was concerned about the fact that the settlement was placing an enormous economic burden on the American people, and I returned really concerned about the economic burden this places on the people of the State of Israel. They are undergoing a crushing burden in that country.

In fact, in connection with this legislation we investigated the possibility of them having some concessionary interest rates, because they have given up some $7 billion worth of infrastructures such as roads, waterways, telephone facilities, military bases in connection with the Egyptian-Sinai agreement.

They have a 60-percent rate of inflation; they have an extraordinary national debt that equals 1 year's gross national product, so anything that can be done to increase the assistance to that nation to ease the burden on those people, it seems to me, is well advised.

I commend the gentleman on his amendment.

Mr. LEVITAS. I thank the gentleman, and commend him for his comments.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I also want to compliment the gentleman for a most excellent amendment. I wonder if the gentleman would be amenable to a slight change in the amendment as far as the wording is concerned.

We have here the word "negotiate" in line 5. I wonder if we could change the word to "consult"? After all, the word "negotiate" conjures up the idea of difference between the two parties. We may not really have a difference here between the European countries and ourselves, because the European countries are already contributing to many of the Middle East countries.

I was wondering if line 5 could be changed to say, "* * * take all appropriate steps to consult with other countries and to promote agreement * * *"

Mr. LEVITAS. I thank the gentleman for his observations. I understand that Members of the other body who considered this amendment had also thought that that might be a more appropriate phraseology.

Therefore, I have no objection to the suggestions made by the gentleman from Wisconsin, and certainly would concur with them.

Mr. ROTH. Mr. Chairman, I ask unanimous consent that those two slight changes be made.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I want to state my support for the gentleman's amendment.

Mr. LEVITAS. I thank the gentleman from Illinois for his support, and commend him again on his leadership in bringing this bill to the floor.

Mr. RITTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as the author of the original legislation calling for establishment of a Middle East peace development fund to share the costs of the Egyptian-Israeli Peace Treaty, I am delighted that this concept is now before us once again as an amendment to H.R. 4035, having passed the Senate not long ago.

On March 22 of this year, I first introduced my proposal, House Concurrent Resolution 85. That resolution called for creation of a Middle East peace development fund, into which our industrialized allies, such as the Western European nations and Japan, would be encouraged to contribute, to help pay the cost of the Egyptian-Israeli Peace Treaty. My resolution urged the President to begin negotiations with our allies toward that end. Upon introducing my proposal, I pointed out that the United States had already done far more than any other nation to achieve the success of the Egyptian-Israeli treaty—yet that the United States is by no means the only nation that benefits from peace.

The response I received from my colleagues on both sides of the aisle was tremendous. It was clear that my legislation had touched upon a point that many Americans feel strongly about. In fact, my peace development fund bill soon had 105 cosponsors, covering all shades of the political spectrum.

On April 9, I offered my legislation as an amendment to H.R. 3324, the International Development Cooperation Act, and it passed the House on that date.

Subsequently, on May 14, the concept of a Middle East peace development fund was passed by the Senate in its version of the Middle East Peace Treaty authorization bill.

Today, my colleague from Georgia (Mr. LEVITAS) is offering the Middle East peace development fund concept as an amendment to H.R. 4035. I commend my colleague for doing so. He recognizes the global aspects of the Middle East Peace Treaty. He understands what I stated when I first offered my peace development fund measure—namely, that all nations, especially those which depend on oil from a stable Middle East, have a stake in the success of the peace treaty. Yet, of those nations, only one people—the American people—are being asked to bear the costly burden of peace.

I urge my colleagues to join with me today, by supporting this amendment, to urge the President to begin negotiations with other nations to do their part, and to stand with the United States in helping to assure the economic development and military security of the Middle East, and in sharing the weighty cost of peace.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. LEVITAS), as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN: Page 8, after line 19, insert the following new section:

PLANNING FOR TRILATERAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION BY EGYPT, ISRAEL, AND THE UNITED STATES

SEC. 8. (a) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should be prepared to participate, at an appropriate time, in trilateral cooperative projects of a scientific and technological nature involving Egypt, Israel, and the United States.

(b) Therefore, the President shall develop a plan to guide the participation of both United States Government agencies and private institutions in such projects. This plan shall identify—

(1) potential projects in a variety of areas appropriate for scientific and technological cooperation by the three countries, including agriculture, health, energy, the environment, education, and water resources;

(2) the resources which are available or which would be needed to implement such projects; and

(3) the means by which such projects would be implemented.

(c) The President shall transmit the plan developed pursuant to subsection (b) to the Congress within 12 months after the date of enactment of this Act.

☐ 1530

Mr. WAXMAN. Mr. Chairman, the amendment I am offering today represents the culmination of more than a year's work to bring greater attention by the administration to the prospect that in the near future, as part of the peace process, Egypt, Israel, and the United States might participate in cooperative projects designed to solve common problems.

This bill underwrites the commitments the United States has made pursuant to the Treaty of Peace between Egypt and Israel. We can be proud of the role we are playing in bringing to a close a 30-year cycle of war, tragedy, and destruction. The generosity and strength of the United States behind this agreement made possible the sacrifices and pledges both countries made to wage peace together.

The vision of peace is deep. The hopes it inspires can be enormous. And one of those hopes, part of that vision, is that some day both countries will want to work together to solve common problems.

The challenges facing the peoples of Egypt and Israel defy political boundaries. The human opportunities extend across the border which divides them—a border which just last Friday was opened by President Sadat and Prime Minister Begin.

In agriculture, water resources, health, energy, geology, the delivery of social services—in all these areas, among others, there exists the strongest possible basis for both countries to work together to meet human needs and promote regional prosperity.

The virtue of regional cooperation in the Middle East was recognized by the Congress last year when it authorized, as part of the International Security Assistance legislation, a $5 million fund to encourage cooperative projects in the interests of peace between the nations in the area.

In so doing, the Congress recognized that ties in the areas of science and technology enhance the political bonds which have been established, adding to the structure of peace in the Middle East.

The amendment I am offering today is designed to insure that the United States will be prepared to participate as effectively as possible with Egypt and Israel in trilateral projects in science and technology.

The amendment simply requires the President to develop a plan which will guide our participation in such projects. The plan is to identify: the potential areas of cooperation; the resources available to carry out such projects; and the possible means to implement them.

It is my hope and intent that the President will entrust primary responsibility for the preparation of this plan in his Office of Science and Technology Policy, which is well informed about and has informally monitored developments in this area, and the Department of State.

It is my intention that this plan be broad, that it explore potential projects in a variety of areas in both science and technology and the social sciences. Those conducting the study are encouraged to contact as many people as possible, inside and outside the Government, in developing this plan. Finally, the plan should review a variety of means by which the United States would participate in such projects, from encouragement to private entities to wholehearted Government involvement.

I would note further that nothing in this amendment requires the United States to participate in such projects. It only requires anticipatory planning on our part should these opportunities arise.

My interest in these questions grew out of an interagency meeting which I convened over a year ago. Officials representing nearly two dozen public and private agencies and groups met to discuss these possibilities. The overwhelming consensus which emerged was that a concerted effort to develop a plan to coordinate a comprehensive policy for trilateral cooperation in the Middle East should be undertaken. This amendment is a step toward implementing that consensus.

I am pleased to insert in the Record a report on that meeting which I sent to the President's science adviser:

House of Representatives,
Washington, D.C., March 22, 1978.

Dr. Frank Press,
Director, Office of Science and Technology Policy, Executive Office of the President, Washington, D.C.

Dear Dr. Press: I am pleased to inform you of the results of the interagency meeting held earlier today on the prospects for trilateral scientific cooperation between the United States, Egypt, and Israel. It was an extremely fruitful discussion, which explored several aspects—scientific, bureaucratic, and political—of this concept. I was especially impressed with the fact that almost all the participants had independently given serious consideration and reached certain common conclusions regarding the opportunities for such an endeavor presented by the prospects for peace in the Middle East. It reenforces my conviction that this concept deserves continuing attention at the highest levels of the government.

The consensus which developed at the meeting may be outlined as follows:

(1) There are numerous, if not unlimited, areas of potential cooperation between Egypt and Israel in research, applied science, and the social sciences. Every agency and institution represented suggested specific proposals which could be implemented. They range from agriculture and water use to solar energy to the delivery of health care and social services. Although some caution was expressed regarding ambitious, high capital projects, such as a Mediterranean-Dead Sea Canal or the siting of a powerplant serving both countries, there was no question that several projects of immediate value involving researchers, technicians, and the general population could be agreed upon with little difficulty.

(2) Although there are some areas in which the two countries enjoy relatively equal expertise such as in engineering, geology, water development, and some aspects of health care, there are many more in which there is an imbalance in human and technological resources. In many instances, such as in agriculture and pure scientific and biomedical research, Israel enjoys an advantage. In others, such as in the treatment of tropical diseases, Egypt is more advanced, even with respect to the United States. Care must therefore be taken, in devising cooperative projects, that they not be marked by a recipient-donor relationship, but rather be truly collaborative in which each side can participate on an equitable basis.

(3) There have been growing, but informal contacts with scientists in Egypt and Israel on these possibilities. Israelis are apparently eager to begin working immediately with their Egyptian colleagues. Egyptian scientists, on the other hand, have expressed two reservations: first, with respect to what was mentioned above, that they will be overwhelmed by Israeli expertise and resources to the detriment of their ability to establish themselves fully as partners; and second, that such an effort, in the absence of peace, is premature. Nevertheless, scientists from the two countries have enjoyed the opportunity to meet on an informal basis at conferences sponsored by third parties. This was seen as extremely helpful in encouraging the development of an ongoing interest in these matters, and should be facilitated, wherever possible, by both government agencies and private organizations.

(4) Caution was expressed over the dangers of intertwining too closely science and politics. It was felt that good science is good politics, but that efforts designed to achieve expressly political purposes may easily fail. The need to develop projects of the highest scientific value, with as few political conditions as possible placed on them, was essential to the success of this effort.

(5) All the agencies at the meeting are eager, because of the enormous rewards which are possible, to contribute to the further development of this concept. However, for this to occur, there needs to be an affirmative mandate from the Administration, and the provisions of adequate funds for projects and staff.

Most importantly, it was felt that the absence of a full peace between Egypt and Israel should not in any way preclude the Administration from beginning to plan, coordinate, and develop a comprehensive policy for such cooperation in anticipation of an appropriate opportunity to implement it.

Indeed, direction and guidance from the highest levels of the Administration is seen as indispensable in this regard. It is believed, further, that your office should assume a leadership role by virtue of its unique vantage, the prestige associated with it, its emphasis on science and technology, and its ability to provide the most objective source of guidance and planning.

New legislation, such as Senator Humphrey's comprehensive foreign assistance reorganization, and new authority under the Middle East Special Requirement Fund, may also be necessary.

It is my personal hope that you will be responsive to these suggestions and begin this process in the near future. I am prepared as well to sponsor any legislation which would assist this effort and believe that it would enjoy broad support in the Congress.

There were, obviously, many other concerns which were expressed which this letter does not address, but I hope this is helpful to you, and that it faithfully transmits the sense of genuine enthusiasm which has greeted these proposals. I would be pleased to meet with you at your convenience to discuss this further. Enclosed is a list of participants at today's meeting for your reference.

With good wishes, I am
Sincerely,

Henry A. Waxman,
Member of Congress.

Conference Participants

Mr. Al Chapman, Office of Environmental and Scientific Affairs, Department of State, Room 4327A, Washington, D.C.

Mr. T. W. Aedminster, Administrator for Federal Research, Science and Education Administration, United States Department of Agriculture, Room 302A, Washington, D.C.

Dr. Bodo Bartocha, Director, International Programs, Division of International Programs, National Science Foundation, Washington, D.C. 20550

Mr. Gerald Kamens, Agency for International Development, Department of State, AID/NE/EI, Room 5318, Washington, D.C.

Mr. James Slater, Department of Interior, Office of the Secretary, Room 5156, Washington, D.C. 20250

Mr. Nels Johnson, National Oceanographic and Atmospheric Administration, 6010 Executive Boulevard, Rockville, Maryland 20805

Mr. Steffen Peiser, U.S. Department of Commerce, National Bureau of Standards, Washington, D.C. 20234

Dr. David Tilson, Institute of Medicine, National Academy of Sciences, 2101 Constitution Avenue, NW, D.C. 20418

Dr. Henry Kelly, Office of Technology Assessment, U.S. Congress, Washington, D.C. 20515

Bob Evans, Health Education and Welfare, Office of International Health, 5200 Fishers Lane, Rockville, Maryland 20852

Mr. Ken Schmertz, Smithsonian Institution, Washington, D.C.

Mr. Lawrence Wyatt, Director, Office of International Affairs, Department of Health, Education, and Welfare, Washington, D.C. 20201

Mr. R. E. Robertson III, Department of Energy, Room 7213, 20 Massachusetts Avenue, NW, Washington, D.C. 20545

Linda Vogel, HEW, Room 18-90, 5600 Fishers Lane, Rockville, Maryland 20852

Mr. Jay Davenport, National Academy of Sciences, 2101 Constitution Avenue Northwest, Washington, D.C. 20418

Dr. George Hammond, National Academy of Sciences, 2101 Constitution Avenue, Washington, D.C. 20418

Dr. Donald Oakley, Environmental Protection Agency, A-106, Washington, D.C. 20460

Samuel E. Bunker, Deputy Head, Middle East and Africa Office, Ford Foundation, 320 E. 43rd Street, New York 10017

Dr. Kenneth Warren, Director of Health Services, Rockefeller Foundation, New York City

Dr. Jeremy Stone, Director, Federation of American Scientists, 307 Massachusetts Avenue, NE, Washington, D.C.

Mr. James Ehrman, IO/DHP, Department of State, 5327 New State, Washington, D.C. 20520

Dr. Forrest R. Frank, Subcommittee on International Security and Scientific Affairs, House of Representatives, 2170 Rayburn Building, Washington, D.C. 20515

Mrs. Betsy Stephens, Institute of Medicine, National Academy of Sciences, 2101 Constitution Avenue, NW, Washington, D.C. 20418

Mr. Chairman, I very much hope this amendment will be adopted. I want to express my profound gratitude to the chairman of the subcommittee, Mr. Hamilton, for his support, encouragement, and assistance, and to the distinguished chairman of the full committee, Mr. Zablocki, for his guidance and support.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Illinois.

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. Chairman, I have had a chance to examine the gentleman's amendment, and I support it.

Mr. WAXMAN. I thank the gentleman for his support.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, I thank the gentleman for yielding. We, too, have had an opportunity on this side to examine the amendment. The opportunity for scientific and technical cooperation is one more practical step to be taken in the Middle East. I commend the gentleman on his amendment, and we are prepared to accept it.

Mr. WAXMAN. I thank the gentleman for his kind words about the amendment.

I very much want to express my profound gratitude to the chairman of the subcommittee, the gentleman from Indiana (Mr. Hamilton) for his support, encouragement, and assistance, and to the distinguished chairman of the full committee, the gentleman from Wisconsin (Mr. Zablocki) for his guidance and support.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Waxman).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dannemeyer: Page 8, immediately after line 19, insert the following new section:

REPORT ON COSTS TO THE UNITED STATES OF IMPLEMENTING THE PEACE TREATY BETWEEN EGYPT AND ISRAEL

Sec. 9. Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a detailed and comprehensive report on the costs to the United States Government associated with implementation of the peace treaty between Egypt and Israel. The report shall include estimates of all costs of any kind to any department or agency of the United States Government which may result from United States activities in support of the peace treaty.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. Dannemeyer).

I am particularly concerned about an aspect of this legislation which I do not believe was thoroughly examined on the Senate side. Although we are now considering a $4.8 billion aid package for Israel and Egypt, will there not be additional requests from Israel, and particularly Egypt, in the near future over and above this $4.8 billion. I know that the witnesses from the executive branch who testified before the House Foreign Affairs Committee said that there were no new U.S. commitments, understandings, or assurances that had not already been made public and provided to the committee. But as I recall, during the consideration of the Panama Canal Treaty, there were to be no costs to the American taxpayer; and now we are considering implementing legislation which amounts to a considerable cost to the taxpayer.

My point is that there should be a full accounting of the costs of this agreement so that the American taxpayer will know what this agreement is really going to cost.

It looks as though the United States alone will have to help Egypt re-equip its 500,000-man armed forces due to the loss of potential Arab sources of aid. Egypt was supposed to begin receiving 50 F-5 aircraft, to be paid for by Saudi Arabia, in 1978, but delivery was postponed because the Saudis withheld payment pending the outcome of the treaty negotiations. President Sadat has said that he expects Saudi Arabia to withdraw its commitment on the planes and that he will have to ask the Americans for help. The amount for these planes ranges from $400 million, according to a Library of Congress study, to $525 million as quoted in the New York Times of May 22, 1979. Now it is possible that these funds for the planes are included in the $1.5 billion for military sales credits in the supplemental aid request we are presently considering. But that is not clear.

There are also some additional costs which may crop up in the future to maintain the peace between Egypt and Israel that have not been mentioned in conjunction with this supplemental aid package. According to the terms of the Middle East Peace Treaty, the United States will continue surveillance flights over the Sinai for the 3-year term of the treaty, and the cost of this is unknown. The United States will presumably provide about 25 percent of the funds to support the United Nations force and observers called for in the treaty. (The U.N. Emergency Forces now in the Sinai will cost about $78.5 million for 1979.) And due to the Arab League's economic boycott against Egypt, and the fact that many of the Arab nations have broken diplomatic relations with Egypt, the United States may feel compelled to offer even further assistance to Egypt in order to keep its economy from crumbling and the peace agreement from falling apart.

I think in the administration's efforts to forge a peace agreement between Egypt and Israel, they did not consider all of the costs of such an agreement. I want to see peace in the Middle East, as do most Americans and most Europeans, but let us be more aware of the costs which will be entailed and let the public know.

I am totally in support of Mr. Ritter's and Mr. Levitas' efforts to ask the European nations to share the costs of this agreement since they will be beneficaries of a peace agreement. But I urge my colleagues to ask for a more full accounting of these costs, with realistic projections of additional aid which may be needed in the future.

The Dannemeyer amendment merely asks for a better examination of the costs of the treaty in an effort to stop open-ended expenditures. It does not work against the peace effort or this supplemental authorization. I hope that my colleagues will support this attempt to provide the American taxpayer with an honest estimation of the costs of the treaty.

Mr. DANNEMEYER. Mr. Chairman, while no one would argue that the cost of war far exceeds the cost of peace and while everyone hopes that the Israel-Egyptian accords will, indeed, produce a lasting peace, I am concerned about what these accords will finally cost the American taxpayer.

While it is gratifying to read, in the Foreign Affairs Committee report, that the administration has assured us there are no commitments, understandings, or assurances that have not been made public, I painfully recall that, at the time of the Panama Canal Treaty debate, there were similar assurances, since rescinded, that there would be no costs to the taxpayers associated with implementing those treaties. And, while I am even more pleased that today's bill, H.R. 4035, contains provision specifically stating that enactment does not signify approval of any such commitments, understandings, or assurances, should they exist, I am wondering, in light of the current debate over legislation implementing the Panama Canal treaties, whether this provision alone is adequate.

Whether it be $4.8 billion or twice that amount, the American taxpayer deserves to know, before H.R. 4035 is finally enacted into law, whether it represents payment in full or, as in the case of Panama, just the tip of the iceberg.

Lest it be thought paranoia has set in, consider for a moment the following. In addition to the continuation of the U.S. Sinai field mission, for which $12.1 million is being requested for fiscal 1980, it is anticipated that the United States will continue to fly surveillance flights over the Sinai for the next 3 years. That will cost money; how much, we are not sure yet.

Then there is the matter of the F-5E aircraft that Saudi Arabia was supposed to pay for, and Egypt was supposed to receive, last year. The Saudis held up the payment, variously estimated at anywhere from $400 to $525 million, because of the treaty negotiations and, according to a May 22 story in the New York Times—"Egypt, Cut Off From Saudi Funds, Is Likely To Seek Increase in U.S. Arms Aid"—they are not expected to change their tune. If they do not, does that mean the United States picks up the tab for these planes, extends more credit, or what? I do not know, and perhaps other Members do not know, but I, for one, would at least like to have a better idea of the possibilities.

Similarly, what affect is the Saudi disinclination to continue various types of assistance to Egypt going to have on the amount of economic assistance we will have to provide Egypt. As Members will recall, the Arab League, in which Saudi Arabia plays an influential role, began an economic boycott of Egypt 2 months ago and that boycott could signal an end to the $2 billion a year in economic assistance that has gone to Egypt. Already, President Sadat has been talking about increased economic aid and private investment from the United States but, so far, the latter has not developed. What if such investment does not develop and the Arab economic boycott continues? Are we going to turn our backs on President Sadat and encourage him to turn to the Soviets or are we going to pick up the slack? If we are, to what extent? We ought to have at least some idea, otherwise this whole business could turn into a drain on the U.S. Treasury that, if begun without some mutually agreed upon limits, could become open-ended. Far better that we start looking at what those limits might be now rather than later be faced with choosing between financial penury and short circuiting an ongoing peace process.

An even worse possibility is, What happens if the current peace initiatives in the Middle East collapse? We all hope, of course, that such a collapse will not occur but, if it does, how dependent will Egypt and Israel be on us afterwards?

Which brings up a key point; Israel as well as Egypt may be making calls on the U.S. Treasury if things go badly. First of all, we have guaranteed Israel's oil supply and, while that only comes to about 2 percent of U.S. production—165,000 barrels a day—what with oil prices going up every day, how much does that amount to? And then there are the Memorandums of Agreement between the United States and Israel promising appropriate support in case Israeli security is endangered; there is no way of telling what that might cost if applicable circumstances arose, but we can not just assume there will be no cost at all. And then there is the matter of both military and economic assistance to Israel; will the deliveries of the F-15 and F-16 aircraft presently scheduled for 1981 have to be accelerated and, if so, will the cost be over and above the $2.2 billion provided for in H.R. 4035? Also, Israel is looking for both increased economic aid and private foreign investment; if the latter is not forthcoming, will the United States have to provide more of the former?

Finally, there is the matter of the U.N. Peacekeeping Forces in the Middle East. The treaty calls for such forces and the committee report says that a veto of these forces by a permanent member of the U.N. Security Council would be "viewed with alarm by Congress," but what if the Soviet Union, which would love to upset U.S. initiatives in the Middle East, decides to veto anyway? Previously, the United States has stated it will organize a multinational peacekeeping force in that event; if it does, one must also presume that, at the very least, the United States will have to pay for such a force. Another cost to the American taxpayer.

As I noted at the outset, all this bears a striking resemblance to the situation in which this House now finds itself vis-a-vis implementation of the Panama Canal treaties. Not only were there indications given, outside the treaties themselves, that the United States would provide a greater degree of economic assistance to Panama in that instance, but the hidden costs of implementing that treaty have only become apparent after closer and deeper investigation. Instead of no cost to the taxpayer, it looks like implementation of the Panama Canal treaties will cost the American taxpayers $2 billion and perhaps more. I hope my colleagues will agree that it is far better to get as complete a picture of potential costs as is possible now, rather than wait and discover that a Middle East Hansen amendment is necessary to protect the American taxpayers from unanticipated and/or unaffordable costs later.

In order that Congress may have that picture, I am offering an amendment to the legislation currently before us. Briefly stated, it provides that not later than 90 days after the implementation of the Israel-Egyptian accords the President is to provide the Congress with a detailed estimate of the costs to the taxpayer that might stem from our participation in these treaties. And, if Congress so wished, it would be able to express itself on the extent of expense it might be willing to undertake.

Mr. Chairman, two final points. First, Members, even if they wholeheartedly support the Israel-Egyptian agreements, can support this amendment. It is not an attempt to scuttle those agreements; anything but. Rather, it is simply intended to provide Congress and taxpayers information. And, second, it is thoroughly consistent with the spirit of H.R. 4035; not only does the bill provide in section 4(d)(2) for an annual report from the President on the ability of Egypt and Israel to meet their fiscal obligations but it underscores the committee's and hopefully, the Congress, concern that hidden understandings not be subscribed to.

Mr. Chairman, I urge its adoption.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Indiana.

Mr. HAMILTON. I thank the gentleman for yielding.

We have had an opportunity to examine the amendment. It calls for a report on the cost to the U.S. Government connected with the implementation of the peace treaty. We find that a reasonable amendment, and we support it. We accept the amendment.

Mr. DANNEMEYER. I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Illinois.

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. Chairman, I, too, have had a chance to examine the amendment, and I support it.

Mr. DANNEMEYER. I thank the gentleman.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from California.

Mr. ROUSSELOT. I think the gentleman is to be complimented for adding this amendment. I think it is a prudent and wise action on the part of the House to encourage the President to give prompt response and accountability as to how this program is progressing. I think it is a wise addition, and I compliment my colleague, the gentleman from California, for adding it.

Mr. DANNEMEYER. I thank the gentleman from California for his remarks.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANNEMEYER).

The amendment was agreed to.

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, two major themes emerged during the Foreign Affairs Committee's consideration of the Special International Security Assistance Act.

The first is the need, emphasized over and over again by President Carter, for the United States to aggressively "wage peace" in the Middle East. We must be willing to take actions which reward those nations making contributions to peace, while we must also be willing to penalize those actions which create obstacles to peace.

This aid package, the latest in a long series of U.S. taxpayer-financed efforts on behalf of nations in the Middle East, is justified as a reward for the courageous acts of President Sadat and Prime Minister Begin in behalf of peace, and I fully intend to vote in favor of it.

I think it both consistent and wise, however, for us also to take into account those policies which have been adopted which create obstacles to peace. In recent weeks, I have questioned both Assistant Secretary of State Saunders and Secretary of State Vance about Israel's decision to continue building settlements in the occupied territories, and particularly the West Bank. They have stated their view that Israel's settlements policy is in violation of international law, and that it creates a serious obstacle to progress toward peace. Israel disputes the claim that their settlements violate the letter of international law, but there can be no question that the introduction of new settlements at this time will make it far more difficult for Egypt and the United States to convince the Palestinians, the Jordanians, and the Saudi Arabians of Israel's intent to negotiate in good faith on West Bank and Gaza issues.

Earlier this month, in the Foreign Affairs Committee, I suggested the possibility that Israel's share of this aid package—a total of $3 billion—should be reduced by the amount they will spend this year on new settlements established for other than security reasons in the West Bank. My colleagues will be relieved to hear that I do not intend to offer that amendment at this time. I continue to believe, however, that if the U.S. taxpayer is going to remain willing to finance economic and particularly military assistance to the Middle East, he is going to expect the recipient countries to act in a manner which enhances—rather than detracts from—the prospects for creating a lasting peace.

The second theme which I believe has emerged sharply and clearly in recent weeks is somewhat related. I believe we need to make a major reassessment of our relationship with the nation which has probably contributed the least to peace in recent months—Saudi Arabia—and we need to do so now.

In recent years, administration spokesmen have argued that Saudi Arabia could be counted upon to play a surrogate's role for the United States in Middle East and Persian Gulf politics. The Saudis, they claimed, would hold down oil prices, act with moderation on Arab-Israeli issues, discourage the growth of Arab radicalism, and—in cooperation, hauntingly enough, with Iran—they would act as a pillar of pro-

Western military strength and stability in the region.

This picture has changed drastically during the past 6 months and we need desperately to alter our own thinking and our own policies to reflect these changes. I am aware that vast differences exist between the situation now in Saudi Arabia and the events which we have seen unfold in Iran during the past year. But I also believe that there are enough similarities, particularly with respect to the influence of our military policies and cultural attitudes on the societies involved, to merit some degree of comparison.

Anger at Westernization, anger at militarism, and anger at corruption, coupled with a desire for religious purity and unity all played a role in Iran's tragedy; all have a potential role to play in the future internal policies of Saudi Arabia, and it does not take much imagination to see the United States being cast as the primary villain once again.

We had friends in high places in Iran; we have friends in high places in Saudi Arabia. We can protect our friends from Communists, we cannot protect them from their own people.

Saudi Arabia is a conservative and highly traditional kingdom with a very modest history of military involvement. The United States has successfully peddled to the Saudis billions of dollars of the most sophisticated weapons in the world. The Army Corps of Engineers is today in the midst of a $20 billion—that is $20 billion—program of military construction, including the building of military cities in the middle of the desert, one of which at least will come complete with air conditioning, a gymnasium, a bakery, a swimming pool, indoor and outdoor firing ranges, riding stables, a stadium, and a race track. All this in a currently uninhabited area with an average rainfall of less than 3 inches per year, to provide protection against a foe, Iraq, which has nothing to gain by attacking Saudi Arabia and which has gross national product smaller than the Saudi contracts with the Army Corps of Engineers.

Someday, someone in Saudi Arabia is going to ask why and the answer will come back: The United States.

President Carter has challenged us to "wage peace" in the Middle East. In response, we ought now to take three steps. We should enact the special international security assistance proposal now before us; we ought to make clear to every nation—close ally or not—that our continued willingness to bankroll peace depends on their willingness to enhance the prospects for a lasting peace, and we ought to stop right now and ask ourselves which genuine interests—whether United States or Saudi Arabian—are truly being served by our current massive arms sales to that nation.

□ 1540

I would remind my colleagues that during the shah's reign in Iran United States policy toward Iran was justified on the grounds of our own national security interests. Yes, we were told it was a shame that we have to involve ourselves with a regime as repressive as that of the shah; yes, it is a shame that the shah has no understanding of or respect for human rights but, after all, U.S. national security interests override considerations like that.

I do not think it takes much reflection to realize that, whatever else has occurred in the last few months in Iran, the national security interests of the United States have not been well served and what has happened in Iran is not unrelated to American policy in the years preceding.

I yield back the balance of my time.

Mr. FINDLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know there is anxiety to finish this work but this very likely will be the closest thing to a general House debate on the Middle East that we can expect to have in the next year. And we have an immense responsibility as Members of this body, as a part of the legislative branch, in the advancement of the peace process.

I hope it will not inconvenience Members too much to tary yet just a moment.

There is a mood of rejoicing today over the Egyptian-Israeli Peace Treaty and I fear that this general jubilation overlooks the tensions that are growing despite the treaty and, in fact, because of the treaty itself.

Today, for example, one newspaper columnist reported threats against the life of President Sadat. We frequently read of Palestinian attacks against Israelis and of Israeli attacks against Palestinians and Lebanese. The Middle East remains a place of death, destruction, hatred and injustice.

In this treaty we may now have a ray of hope but we should not let that one ray of hope blind us to the harsh reality of the Middle East. Blind we have often been. Particularly we Members of this body have too often viewed events in the Middle East selectively or we have ignored altogether relevant facts.

It has become commonplace, for example, to vote against aid to Syria even though continuing U.S. links to Syria will be vital to the next stage of the peace process. Railing against King Hussein, an old friend, for his refusal to applaud the Egyptian-Israeli Treaty is also fashionable these days. But if we were really to examine Hussein's position in the Arab world, among his own people, and vis-a-vis the Palestinians, we would be better able to understand.

Then, of course, there is the question of the Palestinians. I know of no quicker way to make one of my colleagues flinch than to refer to "Palestinian rights." Yet, Camp David's framework signed by Israel and by Egypt speaks of the "legitimate rights" of the Palestinians.

The Israeli Labour Party spokesmen of the Knesset have issued a paper calling for Palestinian self-determination in the West Bank—self-determination. And Israeli Defense Minister Weizman has told the PLO, to "stop shooting and start talking." I daresay few in this body would issue such statements even though Israel and her leading spokesmen have made them.

I say it is high time for the Congress to speak out for self-determination, a hallowed ideal that we have nurtured all through our history.

We have forgotten that the Palestinians are human beings with needs and rights, legitimate rights. We have assumed that there is no way to define Palestinian rights without denying Israeli rights. We have turned our backs on traditional American ideals and basic human rights such as self-determination when it comes time to apply them to the Palestinians.

Abraham Lincoln once made a statement which I think has application here today. He said:

> The occasion is piled high with difficulties. We must disenthrall ourselves.

That is the need today, for us in this body to disenthrall ourselves, to free ourselves from the hangups, the prejudices of yesterday.

The U.S. commitment to Israel is strong, and rightfully so. We do not have to weaken that commitment to take a new look at the Palestinians and to view these people with a measure of compassion, to talk to them about their needs and to support their rights of self-determination just as we have supported the rights of other people, including the Israelis, for self-determination.

Talking to the Palestinians will, in fact, mean talking to the PLO. We cannot continue to try to wish away the PLO's existence and still expect to move forward toward an overall peace agreement in the Middle East. We cannot pretend that things are different than they really are in the Middle East or we will build a peace on sand that will shift faster than those of any desert dunes.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. FINDLEY was allowed to proceed for 2 additional minutes.)

Mr. FINDLEY. The role of the Congress in this process is a vital one. In fact, we stand as the principal problem to the opening of discussions with the PLO.

We can help most by, as I said, disenthralling ourselves from old hangups, by encouraging our administration to talk to the PLO. Just to talk to the PLO. To invite Palestinian leaders to come into this country for discussion. In other words, to apply to the Palestinians the same standards of decency, compassion, and justice that historically we have set for ourselves and all other peoples.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to my friend from New York.

Mr. ROSENTHAL. Mr. Chairman, how does the gentleman handle the issue of self-determination on Cyprus?

Mr. FINDLEY. I favor self-determination for peoples wherever they exist.

Mr. ROSENTHAL. Is it the gentleman's position that majority self-determination should prevail on Cyprus?

Mr. FINDLEY. I think we have to recognize there are two political entities on Cyprus—I would hope we could see the day come very soon when there will be self-determination——

Mr. ROSENTHAL. Is there a different form of self-determination when you have political entities that are negotiating?

Mr. FINDLEY. I am sorry, Mr. Chairman, I did not get the gentleman's question.

Mr. ROSENTHAL. Mr. Chairman, I am not so sure I understand the difference between majority self-determination in Cyprus and the situation to which the gentleman refers.

Mr. FINDLEY. Mr. Chairman, I am not sure I understand the gentleman's parallel between Cyprus and the West Bank, if that is what he is talking about.

Mr. ROSENTHAL. Mr. Chairman, the gentleman was talking about American principles of self-determination which are hallowed and honored and to which we all adhere. My perception of the gentleman's position for the last 5 years on Cyprus would be contrary to self-determination by a majority of the people.

Mr. FINDLEY. Mr. Chairman, I am glad to have a chance to correct the situation. I stand for self-determination for peoples everywhere.

Mr. ROSENTHAL. It is not a selective self-determination?

Mr. FINDLEY. No, indeed.

Mr. Chairman, I think some Members might be guilty of selective self-determination but I hope I am not one of those.

Mr. ROSENTHAL. Mr. Chairman, I am glad the record has been corrected.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words.

I would like to speak to this very important question that the gentleman has raised. Let us consider the analogy between Israel and the Palestinians and the troubles on Cyprus. I think we all know what we hope for on Cyprus, that a peaceful resolution on that beautiful and troubled island will come about. We can confidentially hope for this because each side recognizes the right of the other to exist. That is the essential for peace. You cannot make peace when one group says the other group shall be wiped off the face of the Earth and swept into the sea.

□ 1550

There would be no basis for negotiation if that were the position of either the Turkish minority or the Greek majority on Cyprus. We are seeing now the beginning of negotiation, conference and talk. We hope for a peaceful resolution. When the day comes that any organization of Palestinians is prepared to say, "We accept Resolution 242 of the United Nations, we are prepared to accept the fact that these people have a right to live here, in the land voted by the United Nations as their homeland," then certainly the United States should confer with that organization, concerning the rights of all people everywhere.

That is part of our tradition but I do not think there is any suggestion that we have always been in favor of terrorism. I do not think there is any suggestion that that is part of our tradition. I think, in fact, quite the opposite.

It seems to me, unfortunately, we are always clouding the issue with these extraneous and unrelated matters.

We have here the hope of peace. Certainly when the day comes that any organization of Palestinians is prepared to say we will sit down recognizing your right to exist as you do ours, we can hope for true peace in that troubled nation.

Mr. FINDLEY. Mr. Chairman, would the gentlewoman yield to me?

Mrs. FENWICK. Yes, indeed.

Mr. FINDLEY. Mr. Chairman, I know the gentlewoman is not pleased with the behavior of the PLO and certainly I am not, either; but I think the gentlewoman would want to take note of what I believe to be the enormous progress in the Palestinian position and the Arab position in recent months.

The Bagdad conference was consistent with a two-state settlement in the Middle East; that is, the existence of Israel, the existence of a Palestine. Even the most radical elements of the Rejectionist Front accepted a two-state solution and the existence of Israel.

Now, I think this glimmer of hope, this progress toward moderation ought to be encouraged and the best way to encourage it is through talking and discussion.

Mrs. FENWICK. Mr. Chairman, it is not only what they do. It is not only that we must strenuously say that they cannot continue to throw bombs at nurseries and schools and in the marketplaces; but it is also what the say and they have said quite clearly on the radio from Beirut and from other places that the Palestine Liberation Organization will not accept proposition 242. Mr. Arafat said, "Why should we, the victims, be required to have conditions before we talk? We will not talk about 242."

Mr. FINDLEY. Mr. Chairman, would the gentlewoman yield further?

Mrs. FENWICK. Yes, I yield.

Mr. FINDLEY. Mr. Chairman, still, if there is some sign of moderation, as indeed there is, then we ought to encourage it by direct discussion. What is to be lost by talking to them directly, even though they are hostile?

Mrs. FENWICK. Because the essential of a negotiation of two parties is that each agrees to the right of the existence of the other; when one party says, "No, we will not accept the 242 resolution that says you have a right to live there; no, we will not stop sending bombs into the schools and the nurseries and the marketplaces, because that is fighting, that is not terrorism."

How do you deal with people like that? There are plenty of Palestinians, I am sure, who do not share those sentiments. I spoke to one the other day who seemed to be most reasonable. I did not inquire whether or not he is a member of the PLO, but he seemed a reasonable man. I am sure there are thousands of Palestinians who would like to end this fighting and cruelty.

Mr. BINGHAM. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. Yes, indeed.

Mr. BINGHAM. Mr. Chairman, I would like to associate myself with the remarks of the gentlewoman about the PLO and to remark that it is very significant, I think, about the character of this organization. It has been revealed that the PLO played a major role in the tortures and the hideous atrocities committed by Idi Amin in Uganda. They were training his killers. This was PLO activity.

I do not know how to deal with that. I certainly would not expect that in any near term they are going to change their attitude about the position of allowing Israel to survive.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BEILENSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes, pursuant to House Resolution 287, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DOWNEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 347, nays 28, answered "present" 1, not voting 58, as follows:

[Roll No. 175]

YEAS—347

Addabbo
Albosta
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashley
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnard
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Boner
Bonior
Bouquard
Brademas
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Buchanan
Burgener
Burlison
Burton, John
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney

Chisholm
Clausen
Clay
Cleveland
Clinger
Coelho
Coleman
Collins, Ill.
Conable
Conte
Conyers
Corman
Coughlin
Courter
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derwinski
Devine
Dickinson
Dicks
Diggs
Dingell
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hance
Hanley
Harkin
Harris

Hawkins
Heckler
Hefner
Heftel
Hightower
Hillis
Holland
Hollenbeck
Holt
Holtzman
Hopkins
Horton
Howard
Huckaby
Hughes
Hutto
Ireland
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kelly
Kemp
Kildee
Kogovsek
Kostmayer
Kramer
LaFalce
Lagomarsino
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lee
Lehman
Lent
Levitas
Lloyd
Loeffler
Long, La.
Long, Md.
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCloskey
McDade
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marks
Marriott
Martin
Mathis
Matsui
Mattox
Mavroules
Mazzoli
Mica
Mikulski
Miller, Calif.
Mineta
Minish
Moakley
Moffett
Moorhead, Calif.
Moorhead, Pa.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nowak
Oberstar
Obey
Ottinger
Panetta
Patten
Pease
Pepper
Perkins
Peyser
Pickle
Preyer

Price
Pursell
Quayle
Quillen
Rahall
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rosenthal
Roth
Rousselot
Roybal
Royer
Rudd
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Seiberling
Shannon
Sharp
Shelby
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snowe
Snyder
Solarz
Spellman
Spence
St Germain
Stack
Stanton
Steed
Stenholm
Stewart
Stockman
Stokes
Stratton
Studds
Swift
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—28

Abdnor
Ashbrook
Collins, Tex.
Corcoran
Crane, Daniel

Erdahl
Hammerschmidt
Hansen
Ichord

Jacobs
Jeffries
Johnson, Colo.
Kastenmeier
Kindness

Latta
McDonald
Miller, Ohio
Mottl
Myers, Ind.

Oakar
Pashayan
Paul
Petri
Runnels

Sensenbrenner
Shumway
Stangeland
Symms

ANSWERED "PRESENT"—1

Mitchell, Md.

NOT VOTING—58

Akaka
Boggs
Bolling
Bonker
Bowen
Brown, Calif.
Brown, Ohio
Broyhill
Burton, Phillip
Cotter
Crane, Philip
Derrick
Dixon
Eckhardt
Flood
Florio
Forsythe
Garcia
Giaimo
Harsha

Hinson
Hubbard
Hyde
Kazen
Leland
Lewis
Livingston
Lott
McCormack
McEwen
Marlenee
Michel
Mikva
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Murphy, Ill.
Nolan
O'Brien

Patterson
Pritchard
Railsback
Roberts
Rostenkowski
Russo
Sebelius
Solomon
Staggers
Stark
Stump
Treen
Weaver
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wylie
Young, Alaska

☐ 1610

The Clerk announced the following pairs:

Mr. Akaka with Mr. Stump.
Mr. Giaimo with Mr. Brown of Ohio.
Mr. McCormack with Mr. O'Brien.
Mr. Eckhardt with Mr. Young of Alaska.
Mrs. Boggs with Mr. Hyde.
Mr. Phillip Burton with Mr. Harsha.
Mr. Dixon with Mr. Railsback.
Mr. Garcia with Mr. Wylie.
Mr. Murphy of Illinois with Mr. Bob Wilson.
Mr. Staggers with Mr. McEwen.
Mr. Florio with Mr. Marlenee.
Mr. Montgomery with Mr. Lott.
Mr. Leland with Mr. Mitchell of New York.
Mr. Rostenkowski with Mr. Sebelius.
Mr. Russo with Mr. Pritchard.
Mr. Kazen with Mr. Forsythe.
Mr. Brown of California with Mr. Hinson.
Mr. Cotter with Mr. Broyhill.
Mr. Flood with Mr. Treen.
Mr. Stark with Mr. Solomon.
Mr. Charles H. Wilson of California with Mr. Patterson.
Mr. Bowen with Mr. Philip M. Crane.
Mr. Derrick with Mr. Livingston.
Mr. Mikva with Mr. Michel.
Mr. Mollohan with Mr. Moore.
Mr. Roberts with Mr. Bonker.
Mr. Nolan with Mr. Charles Wilson of Texas.
Mr. Weaver with Mr. Hubbard.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. HAMILTON. Mr. Speaker, pursuant to House Resolution 287, I call up from the Speaker's table the Senate bill (S. 1007) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel and related agreements, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. HAMILTON

Mr. HAMILTON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HAMILTON moves to strike out all after the enacting clause of the Senate bill, S. 1007, and to insert in lieu thereof the provisions of the bill, H.R. 4035, as passed, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Special International Security Assistance Act of 1979".

STATEMENT OF POLICY AND FINDINGS

SEC. 2. (a) It is the policy of the United States to support the peace treaty concluded between the Government of Egypt and the Government of Israel on March 26, 1979. It is a significant step toward a full and comprehensive peace in the Middle East. The Congress urges the President to continue to exert every effort to bring about a comprehensive peace and to seek an end by all parties to the violence which could jeopardize this peace. The peace treaty between Egypt and Israel having been ratified, the Congress finds that the national interests of the United States are served—

(1) by authorizing the President to construct air bases in Israel to replace the Israeli air bases on the Sinai peninsula that are to be evacuated;

(2) by authorizing additional funds to finance procurements by Egypt and Israel through the fiscal year 1982 of defense articles and defense services for their respective security requirements; and

(3) by authorizing additional funds for economic assistance for Egypt in order to promote the economic stability and development of that country and to support the peace process in the Middle East.

(b) The authorizations contained in section 4 do not constitute congressional approval of the sale of any particular weapons system to either Israel or Egypt. These sales will be reviewed under the normal procedures set forth under section 36(b) of the Arms Export Control Act.

(c) The authorities contained in this Act to implement certain arrangements in support of the peace treaty between Egypt and Israel do not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch.

CONSTRUCTION OF AIR BASES IN ISRAEL

SEC. 3. Part II of the Foreign Assistance of 1961 is amended by adding at the end thereof the following new chapter:

"CHAPTER 7—AIR BASE CONSTRUCTION IN ISRAEL

"SEC. 561. GENERAL AUTHORITY.—The President is authorized—

"(1) to construct such air bases in Israel for the Government of Israel as may be agreed upon between the Government of Israel and the Government of the United States to replace the Israeli air bases located at Etzion and Etam on the Sinai peninsula that are to be evacuated by the Government of Israel; and

"(2) for purposes of such construction, to furnish as a grant to the Government of Israel, on such terms and conditions as the President may determine, defense articles and defense services, which he may acquire from any source, of a value not to exceed the amount appropriated pursuant to section 562(a).

"SEC. 562. AUTHORIZATION AND UTILIZATION OF FUNDS.—(a) There is authorized to be appropriated to the President to carry out this chapter not to exceed $800,000,000, which may be made available until expended.

"(b) Upon agreement by the Government of Israel to provide to the Government of the United States funds equal to the difference between the amount required to complete the agreed construction work and the amount appropriated pursuant ot subsection (a) of this section, and to make those funds available, in advance of the time when payments are due, in such amounts and at such times as may be required by the Government of the United States to meet these additional costs of construction, the President may incur obligations and enter into contracts to the extent necessary to complete the agreed construction work, except that this authority shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(c) Funds made available by the Government of Israel pursuant to subsection (b) of this section may be credited to the appropriation account established to carry out the purposes of this section for the payment of obligations incurred and for refund to the Government of Israel if they are unnecessary for this purpose, as determined by the President. Credits and the proceeds of guaranteed loans made available to the Government of Israel pursuant to the Arms Export Control Act, as well as any other source of financing available to it, may be used by Israel to carry out its undertaking to provide such additional funds.

"SEC. 563. WAIVER AUTHORITIES.—(a) It is the sense of the Congress that the President should take all necessary measures consistent with law to insure the efficiency and timely completition of the construction authorized by this chapter, including the exercise of authority vested in him by section 633(a) of this Act.

"(b) The provisions of paragraph (3) of section 636(a) of this Act shall be applicable to the use of funds available to carry out this chapter, except that no more than sixty persons may be engaged at any one time under that paragraph for purposes of this chapter.".

SUPPLEMENTAL AUTHORIZATION OF FOREIGN MILITARY SALES LOAN GUARTEES FOR EGYPT AND ISRAEL

SEC. 4. (a) In addition to amounts authorized to be appropriated for the fiscal year 1979 by section 31(a) of the Arms Export Control Act, there is authorized to be appropriated to the President to carry out that Act $370,000,000 for the fiscal year 1979.

(b) Funds made available pursuant to subsection (a) of this section may be used only for guaranties for Egypt and Israel pursuant to section 24(a) of the Arms Export Control Act. The principal amount of loans guaranteed with such funds shall not exceed $3,700,000,000 of which amount $2,200,000,000 shall be available only for Israel and $1,500,000,000 shall be available only for Egypt. The principal amount of such guaranteed loans shall be in addition to the aggregate ceiling authorized for the fiscal year 1979 by section 31(b) of the Arms Export Control Act.

(c) Loans guaranteed with funds made available pursuant to subsection (a) of this section shall be on terms calling for repayment within a period of not less than thirty years, including an initial grace period of ten years on repayment of principal.

(d)(1) The Congress finds that the Governments of Israel and Egypt each have an enormous external debt burden which may be made more difficult by virtue of the financing authorized by this section. The Congress further finds that, as a consequence of the impact of the debt burdens incurred by Israel and Egypt under such financing, it may become necessary in future years to modify the terms of the loans guaranteed with funds made available pursuant to this section.

(2) In order to assist the Congress in determining whether any such modification is warranted, the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate, by January 15 of each year, an annual report regarding economic conditions prevailing in Israel and Egypt which may affect their respective ability to meet their obligations to make payments under the financing authorized by this section. In addition to such annual report, the President shall transmit a report containing such information within thirty days after receiving a request therefor from the chairman of the Committee on Foreign Relations of the Senate or from the chairman of the Committee on Foreign Affairs of the House of Representatives.

SUPPLEMENTAL AUTHORIZATION OF ECONOMIC SUPPORT FOR EGYPT

SEC. 5. There is authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $300,000,000 for the fiscal year 1979 for Egypt, in addition to amounts otherwise authorized to be appropriated for such chapter for the fiscal year 1979. The amounts appropriated pursuant to this section may be made available until expended.

TRANSFER OF FACILITIES OF THE SINAI FIELD MISSION TO EGYPT

SEC. 6. The President is authorized to transfer to Egypt, under such terms and conditions as he may determine, such of the facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the peace treaty between Egypt and Israel.

CONTRIBUTIONS BY OTHER COUNTRIES TO SUPPORT PEACE IN THE MIDDLE EAST

SEC. 7. (a) It is the sense of the Congress that other countries should give favorable consideration to providing financial assistance to support peace in the Middle East. Therefore, it is the sense of the Congress that the President should consult with other countries to develop a common program of assistance to, and investments in, Israel and Egypt and other countries in the region should they join Middle East peace agreements.

(b) It is the sense of the Congress that other countries should give favorable consideration to providing for support for the implementation of the peace treaty between Egypt and Israel. Therefore, the Congress requests that the President take all appropriate steps to consult with other countries and to promote an agreement for the establishment of a peace development fund whose purpose would be to underwrite the costs of implementing a Middle East peace.

(c) The President shall report to the Congress within one year after the enactment of this Act with regard to (1) the efforts made by the United States to consult with other countries in order to increase the economic assistance provided to Egypt and Israel and others in the region participating in the peace process by other donors, and (2) the impact on Egypt's economy of Arab sanctions against Egypt.

PLANNING FOR TRILATERAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION BY EGYPT, ISRAEL, AND THE UNITED STATES

SEC. 8. (a) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should be prepared to participate, at an appropriate time, in trilateral cooperative projects of a scientific and technological nature involving Egypt, Israel, and the United States.

(b) Therefore, the President shall develop a plan to guide the participation of both United States Government agencies and private institutions in such projects. This plan shall identify—

(1) potential projects in a variety of areas appropriate for scientific and technological cooperation by the three countries, including agriculture, health, energy, the environment, education, and water resources;

(2) the resources which are available or which would be needed to implement such projects; and

(3) the means by which such projects would be implemented.

(c) The President shall transmit the plan developed pursuant to subsection (b) to the Congress within 12 months after the date of enactment of this Act.

REPORT ON COSTS TO THE UNITED STATES OF IMPLEMENTING THE PEACE TREATY BETWEEN EGYPT AND ISRAEL

SEC. 9. Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a detailed and comprehensive report on the costs to the United States Government associated with implementation of the peace treaty between Egypt and Israel. The report shall include estimates of all costs of any kind to any department or agency of the United States Government which may result from United States activities in support of the peace treaty.

Amend the title so as to read: "An Act to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "To authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4035) was laid on the table.

AUTHORIZING CLERK TO CORRECT SECTION NUMBERS, PUNCTUATION, AND CROSS REFERENCES IN ENGROSSMENT OF HOUSE AMENDMENTS TO S. 1007

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that, in the engrossment of the House amendments to the Senate bill, S. 1007, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 4035.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 1007

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill, S. 1007, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? The Chair hears none, and appoints the following conferees: Mr. ZABLOCKI and Mr. HAMILTON, Mrs. COLLINS of Illinois, Messrs. STUDDS, BARNES, GRAY, BROOMFIELD, FINDLEY, and Mrs. FENWICK.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation may be permitted to sit tomorrow during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. CLAUSEN. Mr. Speaker, reserving the right to object, has the request been cleared with the minority?

Mr. LEVITAS. If the gentleman will yield, I have discussed the matter with the ranking minority member on the subcommittee, and he agrees for this meeting to go forward.

Mr. CLAUSEN. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

□ 1210

MAYNARD JACKSON, JOSHUA NKOMO AND THE DISGRACE IN ATLANTA

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, since Jimmy Carter came to Washington a little over 2 years ago, the city of Atlanta has become the forum for the formulation of much policy. It is, after all, the capital of the State of Georgia and the site of the Governor's mansion, once occupied by the President of the United States. It is also the home of Mr. Carter's handpicked spokesman for righteousness, Andrew Young.

One would think that the antics of these two men would be quite enough for one fair city to stomach. Not so. The people of Atlanta have been embarrassed once again. Last week, that beleaguered city was the scene of a moral outrage which undoubtedly left Mr. Carter and Mr. Young stirring with glee. I am speaking of the hero's welcome given to visiting Marxist terrorist Joshua Nkomo.

It seems that the mayor of Atlanta, Maynard Jackson thought it time to jump on the bandwagon or maybe even ahead of the bandwagon. The follies of Mr. Young and Mr. Carter in the field of international diplomacy were an incentive to the mayor to reward the terrorists. What transpired was a grand tribute to a man who by his own admission has ordered the cold-blooded murder of innocent civilians in order to promote his own cause.

Mr. Jackson and Mr. Nkomo were indeed a sight to behold. After declaring May 20, Zimbabwe Day in Atlanta, the mayor proudly presented Nkomo with the tidy sum of $4,000, presumably to help finance more of the senseless terrorism that has become synonomous with the Nkomo name.

It is ironic that the money came in part from the proceeds of a raffle, with the lucky winner being sent on an expense-paid trip to Africa. Ironic, because Nkomo has a habit of blasting civilian airplanes out of the sky. I hope that the good mayor had the foresight to obtain a commitment from his friend Mr. Nkomo—a commitment so that the individual could fly safely, free of the terrorism that Nkomo has brought to that continent, because in his own words, he has stated that his band of Marxist guerrilas will shoot down all civilian aircraft in Zimbabwe.

The purpose of my remarks today is not to criticize Mayor Jackson's political views. Our Constitution guarantees the right of free speech and free association to all Americans, regardless of their political sentiments. I do not rise to call attention to the internal policies of Atlanta's Morehouse College, whose officials allowed the forum of their commencement exercises to be used for the promotion of terrorism in Africa, or as the Atlanta Journal has called it, the "endorsement of a bloodbath." That is certainly their right.

I do rise today to call to the attention of my colleagues what appears to be a direct violation of Federal law. I say it appears to be because I do not know how the Carter-Young double standard will be applied in this instance. If I may, I will cite the Code of Federal Register, 530.201, subsection 4, which prohibits "other transfers of property to or on behalf of or for the benefit of any person in Southern Rhodesia." Under the law such a transaction would be prohibited, except as authorized by the Secretary of the Treasury. I understand that no such authorization was asked for and no such authorization was given.

I have today called upon Secretary Blumenthal for a clarification on the Treasury Department's position on this matter and have asked Attorney General Bell to investigate the incident and to report to me his findings. I have always opposed economic sanctions on Rhodesia but like it or not, the laws are on the books. The double standard cannot go on. It is again ironic that those who steadfastly oppose the lifting of the sanctions are the ones who ignore it when it applies to them.

Mr. Speaker, I include in the RECORD, the Atlanta Journal editorial, "Endorsing a Bloodbath" and an article written by Bill Shipp which appeared in the Atlanta Constitution on May 22. I urge my colleagues to read the articles. If we, in the Congress, are to help in the elimination of international terrorism, we must be made aware of the facts.

The articles follow:

[From the Atlanta Journal, May 22, 1979]

ENDORSING A BLOODBATH

Rhodesian rebel leader Joshua Nkomo declared at Morehouse College that violence is the only answer to that nation's racial problems. When he finished, the crowd gave him a standing ovation.

We are quite taken aback to see educated American blacks gathered in the Martin Luther King Jr. Memorial Chapel endorsing a bloodbath in Southern Africa. And that is, inexorably, where the current conflict is leading.

What has in the past been a clear black vs. white issue in Rhodesia is changing. Nobody outside that country defends a government where 230,000 whites effectively dominate 6.7 million blacks, controlling the police, civil service, armed forces and judiciary.

Such arrangement is indefensible. Rhodesia has to be—and clearly is being—returned to its black majority. The question now is how? And how soon?

Under Ian Smith, prime minister since 1965, numerous opportunities for peaceful transition have been missed. And there is no guarantee that the latest plan, which included the election of Bishop Abel Muzorewa, a one-time associate of Nkomo, is not yet another effort by Smith to preserve white superiority. But despite Nkomo's pronouncements at Morehouse, Bishop Muzorewa was not regarded as an "Uncle Tom" and a Smith tool until he opted for a non-violent solution to Rhodesia's problems.

Those who summarily reject the negotiated transition in favor of a violent overthrow of the Smith regime fail to consider the tribal politics of Rhodesia.

Nkomo, leader of the Zimbabwe African People's Union (ZAPU), is a member of the minority Ndebele tribe, while his revolutionary counterpart, Robert Mugabe, is of the Shona tribe. While they are allied in the effort to oust Smith, they are traditional rivals. Both armies are trained by Cubans and armed by the Russians.

If they succeed in a violent overthrow of Smith, the next step is certain to be tribal warfare to determine which army is to rule Rhodesia. That will be a bloodbath for whites and blacks.

The negotiated settlement is the only hope to avoid wholesale slaughter in Rhodesia. Violence and guerrilla warfare should not be embraced as a solution by the United States or by those who gather at Morehouse College. Neither they, nor Atlanta Mayor Maynard Jackson, ought to be establishing a foreign policy for Atlanta blacks.

This nation should do all it can to promote the success of the compromise settlement now being tried in Rhodesia. And that includes an immediate lifting of economic sanctions imposed on that country.

[From the Atlanta Constitution, May 22, 1979]

MAYNARD JACKSON AND JOSHUA NKOMO

(By Bill Shipp)

Presumably, Mayor Maynard Jackson has made a conscious decision that he is not interested in furthering his own elective political career beyond the Atlanta city limits.

If hizzoner really had ambitions to go upward and onward at the ballot box, he might have avoided embracing and endorsing a blood soaked terrorist who came to town over the weekend.

Joshua Nkomo, president of the Zimbabwe African Peoples Union, was invited to address the commencement exercises at Morehouse College.

Nkomo is leader of a band of guerrillas that is trying to take over Rhodesia by force. He, along with Robert Mugabe's Zimbabwe African National Union, have the tacit support of the Carter administration. Both leaders have refused to participate in elections in Rhodesia. But we will not presume to settle the Rhodesia question here.

We wonder, however, just what Maynard Jackson had in mind when he supported Nkomo with a reception in a nightclub here in which Jackson, ironically, auctioned off a plane ticket to Africa to help raise several thousand dollars for Nkomo.

Ironic because Nkomo is a self-proclaimed killer of civilian air passengers in Africa.

In September 1978 a Soviet-made ground-to-air missile brought down an unarmed Air Rhodesia airliner. Thirty-eight persons were killed in the crash. Ten survivors of the crash were slaughtered by terrorist guerrillas on the ground. Joshua Nkomo proudly took credit for having the plane shot down.

A few months later another Air Rhodesia civilian airliner was shot down, killing 50 persons. Joshua Nkomo proudly took credit for having the plane shot down.

Maynard's decision to make a hero of and raise money for a boasting killer of unarmed civilians doesn't exactly make one feel comfortable about the judgment of a would-be candidate for the United States Senate.

No matter that Jackson counters that Rhodesia's former white prime minister Ian Smith, is a brutal killer of blacks.

That still does not justify his celebration of a terrorist who preys on civilian airliners. In the past two decades, terrorists who attack civilian airliners have become major problems. They have been branded international outlaws by governments of all ideologies and ethnic groups.

Even the Soviet Union's commercial pilots have joined with the other civilian pilots of the world in condemning Nkomo's murdering of civilian airline passengers and crew.

Some Atlanta-based commercial pilots protested Nkomo's presence here over the weekend. But there wasn't much else said about it.

You can bet hell would have been raised had, say, Emory sought to have Ian Smith address its student body.

We're a little sorry Maynard has decided to drop out of any statewide or regional elective race. He must realize that the majority of voters, even in this laid-back who-cares age, is a bit skeptical of representatives of a lawful government who raise money to aid a man who has promised to destroy more civilian airliners, murder more innocent civilians and spread sorrow and tragedy.

Mayor Jackson also must be aware that Joshua Nkomo's body count shows he does not discriminate, he kills whites and blacks with equal aplomb.

DEREGULATION—OIL

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, throughout America today a primary concern is energy. And as the country's shortage grows worse, Congress must face the fact that oil and gas deregulation is essential. Regulations caused the shortage—deregulation is the only solution. The oil and gas industry is the only commodity in the United States that is under price control which creates oil/gas as the only commodity in the United States with a shortage.

President Carter's plan for oil deregulation could see the United States moving toward full energy supply.

When Congress passed the oil price control bill 5 years ago, the United States was importing $3 billion in foreign oil. Last year the United States imported $42 billion in foreign oil.

It is essential that America reduce its foreign dependency. The American oil industry needs more capital to develop its tertiary reserves. Tertiary oil is the third time around after primary and secondary recovery of oil. Let me give you an idea of the tertiary potential. We had Hugh Liedtke who is the chief executive officer of Pennzoil come before our congressional hearings. Let us take Pennzoil's own oil production history. They have produced to date 0.6 billion barrels of oil. Pennzoil still has 0.1 billion barrels of proved reserves. Of the oil that they have discovered, they estimate a complete total of 2.3 billion barrels of oil. Of this they have produced 0.7 out of 2.3. This indicates that 70 percent of the original oil in place is not considered recoverable today. With the increase in world prices by Arab OPEC oil, Pennzoil, over the past 10 years, has made more and more extensive studies. Up in the Bradford Field in Pennsylvania they were able to recover 70 percent of the original oil in place. Hugh Liedtke, who is one of the world's greatest oil producers, tells me that this situation is very much at the upper end of the scale. But he believes it is entirely realistic that in addition to the 30 percent of oil originally recovered that they will be able to recover more than 30 percent in addition, which would give them a total of 60 percent recovered out of the field. Tertiary can yield as much oil as total American oil fields have produced to date.

Under price control American oil companies were limited to $5.50 a barrel. The OPEC price of oil today that we are importing is now $16 a barrel and rising fast.

Pennzoil's experience was $18 a barrel up in Pennsylvania. Most good Americans would agree that it is better to pay $18 a barrel for American oil than it is to pay $42 billion in exports for Arab OPEC oil. American oil means American jobs, American labor, American pipe, American transportation, and American machinery. By letting American oilmen have open production at current market prices, we can double American oil through tertiary.

REPEAL OF THE DAVIS-BACON ACT

(Mr. HAGEDORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HAGEDORN. Mr. Speaker, the first major piece of legislation before the 96th Congress which requires that a prevailing wage be paid on federally financed construction projects will be coming before the House for consideration next Monday and Tuesday. At that time, I will offer an amendment designed to strike this requirement from the various programs authorized under H.R. 3875, the Housing and Community Development Amendments of 1979.

The prevailing wage requirement comes from the Davis-Bacon Act and has caused the construction cost of Federal housing projects to be much higher than if they had been built by the free enterprise concept of lowest bid competition. Since the General Accounting Office came out with a report last December, scores of newspapers throughout the Nation have editorialized on the negative aspects of Davis-Bacon and the need to followthrough on the GAO recommendation for repeal of the act.

Because my colleagues in the House will be hearing more and more about this inflationary act in the 96th Congress, I would like to submit several editorials by major newspapers to be printed in the RECORD.

[From the Chicago Tribune, Dec. 23, 1978]

DAVIS-BACON'S TIME HAS COME

'Tis the season to be jolly, especially toward the General Accounting Office, which is Congress' fiscal watchdog and has just issued a report denouncing organized labor's cherished Davis-Bacon Act. This act is a legislative relic from the early depression days of 1931 and provides that workers on federal contracts must be paid at the same rate as private sector workers in the same locality.

We never did like Davis-Bacon because, like umpteen other federal regulatory laws, it hasn't done what it was supposed to do and has forced Uncle Sam to pay through the nose in the process. Well, the GAO has at last discovered this for itself. The report says that Davis-Bacon has cost the government about $715 million a year in unnecessary construction and administrative costs, and recommends that the act be discarded.

The purpose of Davis-Bacon was to prevent itinerant contractors from getting government contracts by importing cheap labor from other parts of the country and thus forcing down local wages. Instead, it has proved to be the greatest boon for construction unions since Santa Claus. The reason, as the GAO found, is that the Labor Department has tended to set the wage rate at union scale rather than at the typical or prevailing scale in the locality.

Wherever that happens, a contractor has little incentive to hire nonunion workers. Instead of preventing local wages from being dragged down, the law has in fact dragged them up. Local contractors often can't afford to pay the specified wages without pushing up wages on other local projects. And when that happens, outside contractors get work that would otherwise have gone to local contractors and local workers.

The net result is that local contractors often lose jobs and the government ends up spending more than it would have spent if local contractors and workers had been permitted to do the work. Because the government dishes out federal construction contracts to the tune of about $40 billion a year, the inflationary impact is hardly—if Mr. Carter will excuse the expression—peanuts.

The intriguing perversity of Davis-Bacon doesn't end there. The GAO also found that where the Labor Department's wage determinations actually dropped below the prevailing local wage levels, the work usually went to local contractors who paid their workers the prevailing rates anyhow. Thus, in the GAO's own words, "the act's intent—to maintain the local prevailing wage structure—is carried out only when the administration of the act has no effect."

And it's costing us $715 million a year to demonstrate this. Need more be said?

[From the New York Times, Dec. 27, 1978]

MAKING FEDERAL CONSTRUCTION EXPENSIVE

Even as Alfred Kahn, the White House inflation fighter, pleads for wage moderation from unions, Labor Department officials are policing the earnings of workers on Federal construction projects, lest unskilled laborers willing to accept $4.50 an hour get less than $9.50, or pipelayers happy to take home $8 are paid less than $10.

The source of this bizarre contradition is the Davis-Bacon Act, which requires Federal construction wages to match local "prevailing" rates. According to a new report by the General Accounting Office, the law costs the taxpayers about $715 million annually and serves no useful purpose.

The Davis-Bacon Act was passed at the nadir of the Depression to protect local construction workers from outside competitors willing to slave for peanuts. Whatever the merits of the act at the time, there is no justification for such interference with private markets today. In 1977, the Labor Department made "prevailing wage" determinations for more than 15,000 federally funded projects. According to the G.A.O.'s reckoning, the department guessed high on about 40 percent of the projects, increasing wages by $500 million and adding another $215 million in administration costs to the Federal Government's expenditures for construction.

The inflationary impact of the regulations may in fact have been much greater. By forcing contractors to pay premium wages on Federal jobs, the Government made it difficult for those same contractors to pay their crews less on private construction. Industry leaders guess that the law may raise costs in the $170-billion construction industry by more than 10 percent.

Since the only effect of the Davis-Bacon Act is to provide a bonus for some construction workers at the public's expense, the best possible reform would be to erase it from the books. That, unfortunately, would be extraordinarily difficult; not surprisingly, organized labor bitterly opposes repeal since the law reduces the incentive of contractors to hire nonunion workers.

An alternative is to amend the act and require the Labor Department to justify its estimates and provide a speedy appeals process. As the courts now interpret the statute, department decisions, however arbitrary, cannot be challenged. If all legislative initiatives fail, one remedy remains: the President can demand that Federal administrators bend over backward to reduce the inflationary impact of this harmful measure.

[From the Washington Star, Mar. 17, 1979]

AN OUTMODED WAGE LAW

If the Davis-Bacon Act ever served a useful purpose, the time has long since passed.

The 48-year-old law was enacted during the Great Depression when the government was trying to spur the economy with federal construction contracts. It requires the payment of "prevailing wages" on projects financed wholly or in part from federal funds and was aimed at preventing gypsy contractors from coming into an area with cheap labor and grossly underbidding local builders.

As administered by the Department of Labor, the "prevailing wage" has tended to coincide with the "union" wage. The result is that costs on projects covered by the act are frequently inflated because the wages required to be paid are above true prevailing wages.

The General Accounting Office said in a preliminary report distributed to administration officials last December that repeal of the act could save the government a half-billion dollars a year on construction costs, could save private contractors the estimated $200 million cost of complying with the act's red tape, and could save the federal government another $15 million in administrative costs.

Not only are taxpayers being gouged by excessive construction costs; the main purpose of the act—to protect local building industries—is being subverted. Said the GAO report: "The inflated wage costs may have had the most adverse impact on the local contractors and their workers—those the act intended to protect—by promoting the use of non-local contracts on federal projects. Local contractors frequently could not pay the determined wages without disrupting their normal and prevailing wage structure."

One of the Labor Department's more absurd rulings involves the construction of a nearby highway project—I-66 through Arlington. While the state of Virginia is the contracting agent, the project is largely federally funded and therefore Labor Department wage regulations apply to it. The department ruled that since the median strip of the highway will carry a Metrorail line, workers on that portion must be paid the same "prevailing wages" as for other subway projects, while workers on the highway portion could be paid lower prevailing rates.

The rates required by the Labor Department for laborers, heavy equipment operators and other technicians on the Metrorail section are nearly double the wages ordinarily paid by Virginia for similar work on highways in the state. Not only has the ruling inflated the cost of the project, Virginia officials claim it has caused an administrative nightmare and they have taken the matter to court.

There appears to be some sentiment among administration inflation fighters to offset the inflationary effects of the Davis-Bacon Act by "fine tuning" it through administrative action. Efforts also are being made in the Congress to repeal the law. Organized labor is, of course, strongly opposed to tampering with the law either administratively or legislatively.

The GAO report said the act "is no longer needed and should be repealed." That seems to us good advice. At a time when inflation is out of hand, a saving of nearly $1 billion a year is no small thing.

[From the New York Times, May 2, 1979]

MR. CARTER IN CONCRETE

The current inflation rate of one percent a month can hardly be blamed on the President, for it was caused by uncontrollable explosions of oil and food prices and an unexpected orgy of consumer buying. But some of Mr. Carter's policies do make us gloomy about prices over the long run, and one symbolic spot of gloom is the Administration's refusal to help Congress reduce Federal construction costs.

Speaking recently at a convention of construction union officials, Secretary of Labor Ray Marshall denounced efforts to repeal or ease the inflationary burden of the Davis-Bacon Act. This law, a relic of the Depression, requires private contractors to pay the regional "prevailing wage" to workers on any Federally funded construction project. Enforcement is left to the Labor Department, which often interprets the "prevailing wage" to be the union wage paid in large cities—even if local workers would settle for less.

The General Accounting Office estimates that such regulatory largesse costs the Government more than $700 million a year. Worse, Davis-Bacon forces private builders to raise pay faster to meet the Federal competition. One opponent of the law, Representative Thomas Hagedorn of Minnesota, figures these indirect costs add up to about 3 percent of the nation's $200-billion annual construction bill. He may be exaggerating, but there is no doubt that Davis-Bacon costs us dearly. Most of the 40 states that wrote "little Davis-Bacon acts" are having second thoughts; Florida has repealed its version and repeal is pending in 31 others.

Why, then, does the Secretary of Labor defend the Federal act and allow it to be interpreted so damagingly? Presumably because representing the interests of organized labor is part of his traditional role. But there is no good reason for the White House to do the same. Eliminating Davis-Bacon would not work miracles. But in opposing the repeal of such inflationary legislation, and refusing to alter its interpretation merely to appease the construction unions, the President is working against his own urgent appeals to fight inflation.

VEHICLE THEFT PROBLEM

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

● Mr. GONZALEZ. Mr. Speaker, I am very concerned about the problem of auto theft in our country. In the last few months I have heard from a number of law enforcement officials in my district who have become alarmed at the increase in this crime and have urged that Congress take some action to try and help stem this growth and turn this trend around.

Today I am proposing a bill that hopefully will be a step in the right direction. It is called the Motor Vehicle Theft Prevention Act of 1979. It basically calls for three things, to improve the physical security features of the motor vehicle and its parts, to increase the criminal penalties of persons dealing in stolen motor vehicles and parts and to curtail exportation of these stolen parts.

An untold number of our citizens have had the unfortunate and frustrating experience of going to the spot where they parked their car last, only to find that it is not there. In fact, the shocking statistics are that a theft of a motor vehicle takes place once every 33 seconds. The even sadder fact is that most of these vehicles are never recovered.

The State of California leads the country in States with 25,000 or more cars stolen a year and Texas is not far behind in fifth place. The statistics show that in 1977, 51,018 motor vehicles were stolen in Texas which is an increase of over 16 percent from the previous year.

Law enforcement officials in my area have indicated that the increase is due to two new avenues of disposal, the illegal parts racket and the easy access to Mexico.

With regard to the parts disposal problem, my bill calls for an identification numbering systems for certain key components of the motor vehicle. This type of identification system would, I believe, deal a real blow to what are known as "chop shops." This is a shop where experts bring stolen vehicles and then cut them up for certain parts. These parts are then sold, many back to the auto repair business. If a number was stamped on various parts of the car such as the frame, doors, trunk lid, hood, quarter panels or fenders, this would increase the difficulty of successfully retitling a stolen vehicle, as well as aid law enforcement officials in their attempts to locate stolen vehicles.

The standards for this identification system would be issued by the Secretary of Transportation who would be required to take into consideration the cost of implementing such a program as well as the effect.

With regard to criminal penalties, the bill strengthens the Federal criminal laws where they pertain to professional motor vehicle theft. There are several amendments to title 18, one of which would make it a Federal crime to alter or remove any motor vehicle part identification number required by the Secretary of Transportation. Another provision would make it a crime to buy or sell parts with the number removed, and a third amends the Racketeer Influenced and Corrupt Organizations Act to include as a racketeering activity trafficking in stolen motor vehicles and their parts. Hopefully this provision would act as a deterrent to businesses that engage in receiving and disposing stolen vehicles and their parts.

In order to attempt to control exportation of stolen vehicles, section 401 of my bill makes it a Federal crime for anyone to import, export or attempt to import any motor vehicle known to be stolen or any parts that have had their identification number removed or altered in any way. These provisions would be enforced by the U.S. Customs Service.

Mr. Speaker, based on the statistics that we have on motor vehicle theft as well as the comments from law enforcement officials around the country, it is imperative that Congress take immediate action to pass legislation that will bring a uniform system into being that can attack this serious problem.

I would hope that the committees that have jurisdiction in the areas contained in the bill I am proposing would hold hearings soon on the vehicle theft problem and I urge my colleagues to support such legislation. We must offer our citizens some protection from this crime and this protection is needed now.●

RON K. UNZ

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

● Mr. CORMAN. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the extraordinary educational achievement of Ron K. Unz, a senior from North Hollywood High School.

I would like to take this time to congratulate this outstanding student for winning the $12,000 first place scholarship in this year's Westinghouse Science Talent Search.

Ron has devised a mathematical formula that may contribute to a better understanding of why stars die and why matter in space vanishes into superdense objects called black holes.

Ron Unz's contribution and accomplishment in the effects of gravitational fields on electro-magnetic interactions may well be a model for future research and a stepping stone for this country's forthcoming scientists.

I extend to Ron my heartiest congratulations and wish him every success in the future.●

INTRODUCTION OF A RESOLUTION TO ESTABLISH A JOINT SELECT COMMITTEE TO INVESTIGATE OIL PRODUCTION AND PRICING

The SPEAKER. Under a previous order of the House, the gentleman from Indiana (Mr. BENJAMIN) is recognized for 5 minutes.

Mr. BENJAMIN. Mr. Speaker, the Congress of the United States has been criticized by the President for failing to properly meet the existing energy situation. The President has also accused the Congress of having its head buried in the sand for failing to adopt certain standby and contingency energy plans.

The citizens of the United States are even more critical of the Congress. Of course, these citizens are also critical of the entire Federal structure as well as the multinational oil companies because they firmly believe that the energy crisis, as we know it today, is contrived to drive prices up and allocate energy resources to a privileged few. The criticism is not limited to Government and oil producers. It blankets most private and public institutions as Americans, goaded by periodic media analyses, sometimes objective, sometimes not, search for a scapegoat. This search includes their fellow citizens.

Mr. Speaker, the on-again, off-again energy crisis has developed a syndrome of frustration and futility which can only be matched by America's distaste for its overwhelming inflation.

Frankly, Americans do not believe their Government. This lack of credibility is further provoked by the methodology employed by this institution in handling any subject matter with overlapping jurisdiction.

I am convinced that the Congress must act now to restore trust in our Government by investigating and determining the true facts behind the availability, production, marketing, and pricing of oil products. I do not believe that this can be done in our "business as usual manner." Nor do I believe that this can be deferred by thinking that the problem will go away. I am firmly convinced that we must act now in a manner that will assure the Nation that we have determined the truth and are willing to share it with everyone who wants to know the truth.

The Congress cannot continue to decide energy questions unless it is confident that it has the truth, whole truth and nothing but the truth.

The dissent existing today paralyzes this Congress—if not the country. The dissent exists because of the many and varied assertions of fact—all with equal and parallel contradiction—meaning that without a foundation of facts on which we can agree or nearly agree, we will never be able to achieve a needed solution by consensus.

Various remedies have been urged by national leaders. To date, none have promised an unlimited probe for the truth. None appear to assure a foundation of truth without equivocation. None invoke the conscience of our Nation nor dampen the ominous aura of futility and frustration. I believe that their shortcomings are obvious.

Today, I am introducing a resolution to establish a Joint Select Committee to Investigate Oil Production and Pricing.

The purpose of the Joint Select Committee is to alloy the doubt and confusion which exists in the minds of many Americans regarding the present energy shortage by determining the true extent of same. In addition, the committee is to investigate all aspects of the availability, production, and marketing of oil and oil products, internationally and domestically, to determine the accurate and true facts of the worldwide energy situation. Based on the results of its findings, the Joint Select Committee is to develop a viable and comprehensive national energy policy to alleviate the present crisis and to assure a future energy supply for the Nation.

This resolution provides the Joint Select Committee with subpena powers to allow it to closely scrutinize the actions of the oil companies and the Department of Energy.

This energy problem requires an aggressive congressional investigation if our country is to have the most accurate and current information on which to base its decisions on a national energy policy.

Apprehension and doubt among our citizens, as well as the Members of Congress, demand that factual data be provided without the total and usual reliance on those with vested economic interests in the resolution of this energy problem.

It is time we ascertain the facts and, more importantly, provide Americans with positive action.

I invite my colleagues to join with me in support of the establishment of a Joint Select Committee to Investigate Oil Production and Pricing.

It may not be a panacea. It may not be a total answer. It may not even work if the web of committee jurisdiction and legislative personalities and staff work to terminate it during gestation. And I must admit that it certainly has not struck a beat with our leadership to date.

On the other hand, if other Members of this body feel as I do—that we should not have the luxury of operating on facts that Americans feel are tainted—and that we, as the Congress of the United States, do have the ability and intellectual honesty to ascertain and present the facts of the energy situation—and that once uncovered, we have the fortitude to formulate an acceptable national solution—then I hope that they will join me in urging the formation of a joint select committee and then directing it to proceed with due deliberation to resolve the energy situation and crisis, if any.

The resolution reads as follows:

CONCURRENT RESOLUTION

To establish a Joint Select Committee to Investigate Oil and Gasoline Production and Pricing

Whereas many Americans doubt that an energy crisis currently exists; and

Whereas many Americans question the veracity of petroleum production or supply statistics provided them by multinational oil companies or the United States Government; and

Whereas there is considerable confusion regarding marketing, pricing, and applicable government regulations; and

Whereas many Americans do not believe that the United States government has a credible energy policy; and

Whereas this confusion and perception of inaccurate information is presently causing grave social, commercial, and economic problems; and

Whereas these grave problems are interrelated with American dependence upon foreign petroleum supplies; and

Whereas the foreign suppliers have formed a cartel for the world distribution of petroleum; and

Whereas the petroleum cartel has had a significant impact on the independence of the domestic and foreign policies of the United States government; and

Whereas the distrust of Americans in their own government or a miscalculation by the petroleum cartel could provide sufficient provocation for a conflict over energy resources; and

Whereas a clear, concise, comprehensive, and credible energy policy is desired by Americans and needed by the United States government for the economic well being and safety of the nation:

Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a joint select committee to be known as the Joint Select Committee to Investigate Oil and Gasoline Production and Pricing (hereinafter in this concurrent resolution referred to as the "joint select committee"). The joint select committee shall review the availability, production, marketing and pricing of oil and oil products to determine the extent of the oil and gasoline shortage and propose a national petroleum energy policy and its implementing legislation.

DUTIES

SEC. 2. (a) The joint select committee shall conduct a full and complete investigation of the national and international aspects of—

(1) the current oil supply, specifically with regard to availability, reserves, production, and refining capacity;

(2) procedures for obtaining (other than through reports of oil companies and associations) information on energy supplies;

(3) incentives for private oil companies and associations to invest in research and development in the United States with regard to future energy sources;

(4) the ability of the Department of Energy to conduct adequate oversight and enforcement of the laws regarding oil importation, refinement, production, and sale;

(5) the relationship between multinational oil companies and the nations which are members of the Organization of Petroleum Exporting Countries (OPEC);

(6) the impact of changes in economic and political relationships among nations on oil pricing policies in the United States;

(7) the relationship between oil producers and distributors with regard to the establishment of oil prices;

(8) procedures for determining allocation of oil and gasoline supplies throughout the United States; and

(9) the policy to be advocated by the United States and the International Energy Association to counteract the political and economic effects of the international oil cartel.

(b) The joint select committee shall coordinate its investigation with the energy review activities of the Congressional committees specified in paragraphs (2) and (3) of section 2(a).

APPOINTMENT AND MEMBERSHIP

SEC. 3 (a) The joint select committee shall be composed of twelve members of the House of Representatives and twelve Members of the Senate, to be appointed as follows:

(1) The Chairman of the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce of the House of Representatives shall serve as the chairman of the joint select commitee during the first session of the 96th Congress and as the vice chairman during the second session. The Chairman of the Committee on Energy and Natural Resources of the Senate shall serve as vice chairman of the joint select committee during the first session of the 96th Congress and chairman during the second session. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman.

(2) The remaining eleven Members from the House of Representatives will be appointed by the Speaker of the House, seven from the majority and four from the minority party, to include at least one member from each of the following standing committees of the House:

(A) Committee on Government Operations.

(B) Committee on Science and Technology.

(C) Commitee on Appropriations.

(D) Committee on Interstate and Foreign Commerce.

(E) Committee on Small Business.

(F) Committee on Ways and Means.

(G) Committee on Interior and Insular Affairs.

(H) Committee on Foreign Affairs.

(3) The remaining eleven Members from the Senate will be appointed by the President pro tempore of the Senate, seven from the majority party and four from the minority party, to include at least one Member from each of the following standing commitees of the Senate:

(A) Committee on Appropriations.

(B) Committee on Finance.

(C) Committee on Governmental Affairs.

(D) Committee on Foreign Relations.

(E) Committee on Energy and Natural Resources.

(F) Committee on Commerce, Science, and Transportation.

(b) Vacancies in the membership of the joint select committee shall not affect the power of the remaining members to execute the functions of the joint select committee and shall be filled in the same manner in which the original appointment was made.

(c) For purposes of this section, the term "Members from the House of Representatives" includes Delegates, or the Resident Commissioner, to the House of Representatives.

AUTHORITY AND PROCEDURES

SEC. 4. (a) For purposes of carrying out this resolution the joint select committee, or any subcommittee thereof authorized to hold hearings, is authorized—

(1) to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof (or elsewhere) whether the Congress is in session, has recessed, or has adjourned, and to hold such hearings,

(2) to require by subpoena or otherwise the attendance of such witnesses and the production of such books, records, correspondence, papers, and documents,

(3) administer such oaths and affirmations,

(4) take such testimony,

(5) procure such printing and binding, and

(6) make such expenditures, as it deems necessary.

(b) The joint select committee may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the joint select committee unless a majority of its members assents. Subpoenas may be issued over the signature of the chairman of the joint select committee or of any member designated by him or by the joint select committee, and may be served by such person or persons as may be designated by such chairman or member. The chairman of the joint select committee or any member thereof may administer oaths or affirmations to witnesses.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) In carrying out its functions under this resolution, the joint select committee is authorized—

(1) to appoint such staff as the joint select committee considers necessary;

(2) to prescribe the duties and responsibilities of such staff;

(3) to fix the compensation of such staff at a single per annum gross rate which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of Title 5, United States Code;

(4) to terminate the employment of any such staff as the joint select committee considers appropriate;

(5) to utilize the services, information, facilities, and personnel of the departments and establishments of the Federal Government; and

(6) to reimburse members of the joint select committee and of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties and responsibilities for the joint select committee, other than expenses in connection with any meeting of the joint select committee, or a subcommittee thereof, held in the District of Columbia.

(c) The joint select committee, upon approval of the chairman or vice chairman, may secure directly from any department or establishment of the Federal Government, such information as is necessary to enable it to carry out this concurrent resolution, and the head of such department or establishment shall furnish such information to the joint select committee upon request made pursuant to this subsection.

(d) The joint select committee and all authority granted in this concurrent resolution shall expire at noon on January 3, 1981.

REPORT AND RECORDS

SEC. 6. (a) The joint select committee shall report to the House and Senate as soon as practicable during the present Congress the results of its investigation, together with such recommendations (including implementing legislation) as it deems advisable.

(b) Any such report which is made when the House of Representatives or the Senate is not in session shall be filed with the Clerk of the House or with the Secretary of the Senate, respectively.

(c) Any such report shall also be filed with the committee or committees which have jurisdiction over the subject matter thereof.

FUNDING

SEC. 7. The expenses of the joint select committee under this concurrent resolution shall be paid one-half from the contingent fund of the Senate and one-half from the from the contingent fund of the House of Representatives, upon vouchers approved by the chairman or vice chairman, from funds appropriated for the joint select committee.

BIA AND DEPARTMENT OF EDUCATION

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. ULLMAN) is recognized for 5 minutes.

● Mr. ULLMAN. Mr. Speaker, in recent weeks I have received correspondence from a number of individuals and Indian tribes throughout Oregon and the West expressing concern about the proposed transfer of educational responsibilities of the Bureau of Indian Affairs to the new Department of Education.

While I am proud to be one of the 84 Members sponsoring legislation that would create this new Government Department, I share the concern of those opposing transfer of BIA responsibilities.

The Confederated Tribes of the Warm Springs Reservation in my congressional district, one of the most successful Indian groups in the Nation, recently approved a resolution stating its reasons for opposing the transfer. I would like to insert this resolution into the Congressional Record for review by my colleagues prior to further consideration of the Department of Education legislation in the weeks ahead:

Resolution No. 5490

Whereas, The Confederated Tribes of the Warm Springs Reservation of Oregon has knowledge of the legislative effort to establish a new Department of Education (S-210 and HR 2444) and,

Whereas, The Confederated Tribes of the Warm Springs Reservation of Oregon is aware of the House Governmental Operations Committee has voted to include the controversial Transfer of Indian Education Programs from the Department of the Interior, in contradiction to the wishes of a vast majority of Indian Tribes and to recent action taken by the Senate, and,

Whereas, The Confederated Tribes of the Warm Springs Reservation of Oregon, in concert with a vast majority of Indian Tribes, can support the establishment of a new Department of Education, however, strongly oppose any transfer of Indian Education Programs as demonstrated by action directed to S-991 and HR 13343; now, therefore,

Be it resolved that: The Confederated Tribes of Warm Springs Reservation of Oregon opposes the inclusion of the transfer of BIA Indian Education into the Department of Education as stated in H.R. 2444.

Be it further resolved that the Tribal Council of the Confederate Tribes of the Warm Springs Reservation of Oregon directs that all necessary action be taken to communicate this message to the appropriate congressional representatives and Indian organizations.

CERTIFICATION

The undersigned, as Secretary-Treasurer of the Confederated Tribes of the Warm Springs Reservation of Oregon, hereby certifies that the Tribal Council is composed of 11 members, of whom 7 constituting a quorum were present at a meeting thereof, duly and regularly called, noticed, convened and held this 21st day of May, 1979; that the foregoing resolution was passed by the affirmative vote of 6 members, the Chairman not voting; and that the said resolution has not been rescinded or amended in any way.

Kenneth Smith,
Secretary-Treasurer.●

CARTER G. WOODSON CENTER HAS LED THE WAY FOR 53 YEARS

☐ 1620

The SPEAKER. Under a previous order of the House, the gentleman from Nebraska (Mr. Cavanaugh) is recognized for 5 minutes.

● Mr. CAVANAUGH. Mr. Speaker, the Carter G. Woodson Center, a United Way Agency, in Omaha, Nebr., has served our community well for the past 53 years by assisting young people to develop important leadership skills and qualities. As a direct result of the work of the Woodson Center, many young people have achieved the social growth and development necessary to make them successful adults.

One of the many young people who have benefited from the work of the Woodson Center is Dr. J. Clay Smith, a native Omahan who presently serves as a Commissioner of the U.S. Equal Employment Opportunity Commission. Dr. Smith has often credited the Woodson Center with providing him with the leadership skills necessary to become the first black American ever elected "Governor" of Boys State while attending South High School in Omaha.

Over the years Dr. Smith has received many awards including the Omaha Black Heritage Excellence Award, the Carter G. Woodson Memorial Award, and just recently the Urban League of Nebraska's National Prominence Award.

Mr. Speaker, I am inserting into the Record for review by my colleagues, Dr. Smith's speech at the 53d annual meeting of the Carter G. Woodson Center on February 11, 1979. His speech is a great tribute to the fine work and valuable contribution that the Woodson Center has made to young people and to our city.

Dr. J. Clay Smith's speech follows:

My Beloved Carter G. Woodson Center

(By Dr. J. Clay Smith, Jr.)

The Woodson Center is named after the father of Afro-American history in the United States: Carter G. Woodson. It is fitting to acknowledge Carter G. Woodson in February as the nation celebrates Negro History Month. And, I am sure that the persons who named this United Way agency knew that they were sowing a seed in honor of one of the great scholars of America.

Carter G. Woodson was born on December 19, 1875, in Canton, Virginia, and died in Washington, D.C. on April 3 1950. He received his education at Berea College, the University of Chicago, Harvard and the Sorbonne in Paris. In 1921, Mr. Woodson organized Associated Publishers, Inc., in order to produce textbooks and other supplementary material on the Negro which, at the time, was not readily accepted by most commercial publishers. A year later, he retired from academic life in order to devote full time to research as Director of the Association for the Study of Negro Life and History, and as editor of the Journal of Negro History.

During Mr. Woodson's academic life he served as Dean of the School of Liberal Arts of Howard University, and travelled extensively in Europe, Asia and Egypt. He is the author of several books which became the key source for the integration of factual data about black Americans into segregated published books on American history. A few of his books include, *The Education of the Negro Prior to 1861* (1915); *A Century of Negro Migration* (1918); *The Negro in Our History* (1922); and *The Rural Negro* (1930).

I have taken this time to briefly review the life and significant contribution to America of Carter G. Woodson because it bears upon the South Omaha community and more particularly, the Woodson Center community.

I

My association with the Woodson Center goes back several years when there were two community centers referred to at that time as Red Feather Agencies. One was restricted to white students and the other was restricted to black students. I remember how Mexican Americans were treated—for they were neither white nor black; they were brown and spoke a different language. For a time they were "referred" to the Woodson Center where they were accepted without distinction of race or national origin. The Woodson Center never restricted any students on the account of race.

The Woodson Center became the home of many young people. It was a forum for social growth and development. It assisted families to remain cohesive; this Center saved many homes from social disaster—some brought on by race discrimination practices in this community.

The housing pattern segregated blacks east of West 24th Street, South of the Cudahy and Swift Packing Houses, East of 30th Street. I lived at 2601 Z Street, which we called "The Hill", a shorthand phrase for hillbilly. Black families populated homes to Harrison Street which is the street that separates Douglas County from Sarpy County. Several Mexican American families lived within the same geographical areas.

The Woodson Center became a vital community center because it brought many races, colors, creeds, and religious groups under its roof in group activity calculated to teach people how to live together, play together and to work together.

Under the dynamic leadership of Alyce Wilson, Director of the Woodson Center and Beatrice Mosely and Claudell Thomas, and later Ann Alston Gayles, long and faithful employees of the Center, and numerous other part-time group leaders, the Woodson Center created, as Carter G. Woodson created, a laboratory for the study of Afro-American life to aid black Americans in the struggle to survive in a hostile world.

No person can be credited with preserving more human lives in South Omaha than Alyce Wilson. She read books to me and other college students so that we could learn techniques of dealing with students at the Woodson Center. Half the time we didn't know what she was talking about; and, most of the time we were happy when she said, "You're excused"—but, it was through the Woodson Center that most of us in this community learned the tools of social adjustment which aided us when we left the protective umbrella of the Woodson Center.

When I played in the Woodson Center gym, I had dreams of becoming a lawyer. Dr. Northcross, whose office was directly across from the door of the Armour Packing House, above the corner saloon, was the only black doctor I knew in my tender childhood days. Because Mrs. Northcross ordered a book containing stories and pictures of Afro-American scholars—I knew that there was a tomorrow for me.

Hence, you can imagine the personal pride I felt when President Jimmy Carter nominated, and the Senate confirmed me to become a member of the Equal Employment Opportunity Commission. And, who do you think I called to ask for advice prior to President Carter's nomination—Alyce Wilson.

II

The native American remains in need of assistance and equal employment job opportunities, training, and love. And, I hope that funds are, or can be made available for the Woodson Center to share or attempt to share its knowledge and resources with native Americans who live in Omaha and who reside on the Macy and Winnebego Indian Reservations. As a child I saw the native American, especially native American women, suffer within our community. Their progeny suffered, too. Again, it was the Woodson Center which offered a home to the native American.

III

I must tell you young people that the barriers of discrimination still exist in our society. The housing pockets have expanded, but segregated housing and job categories remain evident. The challenges facing young minority citizens today are no different than those challenges that Bea Mosely and Alyce Wilson defined for me when I played and later was employed at the Center as a group leader while a student at Creighton University:

The challenge of worth

The Woodson Center's philosophy was the people are worth something; that people are more than people—they are your brothers.

The challenge to succeed

Success was a goal that you were guided towards, but never imposed as a condition for being accepted.

The challenge to learn

The Center offered you an opportunity to explore new ideas—in the crafts, photography and the most fun thing of all, cooking. Academic pursuit was urged, but learning to live in and with groups was stressed, also.

The challenge of the Woodson Center today is guided by the challenges of the Center twenty years ago. As a graduate of the Woodson Center, and as a Commissioner of the Equal Employment Opportunity Commission, I feel more comfortable in my present position knowing that organizations like the Woodson Center are still on the case. I say this because I believe that the concepts enbodied in Woodson Centerism merit implementation in many cities in America.

The Woodson Center and the collective community must tell the young to push on in the face of discrimination until victory is won; to lift every voice and sing that I am somebody and, that I can do. The poets, the oil painters, and the musicians of this community must be encouraged to write their poems, paint their pictures, and perform their music to break down social and ethnic barriers in the classical arts. You must continue to encourage young people to become your lawyers, your doctors and dentists, and your ministers. Send your lawyers to the Congress, to the State House of Nebraska, to write new songs and to cure social evils which continue to touch this community.

IV

To my knowledge, the City of Omaha has produced several black poets. However, there is one black woman poet of Omaha, Ms. J. W. Hammond, whose poems appear in Robert T. Kerten's book, *Negro Poets and Their Poems*, published in 1923 by Carter G. Woodson's publishing company. My wife, Olivia Smith, has requested that Ms. Hammond's poems, some of which were published in an Omaha newspaper called, *The Monitor*, be researched by scholars in the community so that they may be shared by all citizens of Nebraska, and especially black students seeking a model to emulate. (Two of Ms. Hammond's Poems, "The Optimist" and "To My Neighbor Boy", are attached.) See Kerten, Negro Poets and Their Poems 142–143 (Associated Publishers, Inc., Washington, D.C. 1923).

In addition to Ms. Hammond, I believe that you should be aware of another important historical fact about blacks in Omaha. In a book entitled, *The Afro-American Encyclopedia*, authorized by Haley and Florida, and published in Nashville, Tennessee in 1895; at page 225, the authors report that Jno. Albert Williams was the first black citizen of Omaha nominated to be a member of the Omaha School Board. Whether Mr. Williams was elected, and a list of his other contributions to Omaha, remain excellent research subjects for the colleges and universities of Omaha, and the State.

The Omaha Star newspaper has made a significant contribution to Omaha—for its several volumes are the main source for any history that may be written about blacks in Omaha, and perhaps, the State of Nebraska. But for Ms. Mildred Brown, the editor of the Omaha Star, and Lawrence McVoy, a former president of the Omaha Chapter of the National Association for the Advancement of Colored People, I would have had insufficient funds to respond to Governor Ralph G. Brook's request that I head the delegation to President Dwight D. Eisenhower's 1960 White House Conference on Children and Youth. They collected the money for me to attend that meeting by going to bars and churches, collecting money in wool socks. I have never publicly thanked Ms. Brown and Mr. McVoy for their efforts, and do so now.

My last historical reference relates to black owned newspapers in Omaha prior to 1895. The Omaha Star newspaper was preceded by at least three black owned newspapers prior to 1895. The Afro-American Encyclopedia identifies three such newspapers in Omaha; namely, Progress Weekly, Enterprise Weekly, and the Afro-American Sentinel. Haley and Florida, Afro-American Encyclopedia, 133 (Nashville, Tenn., 1895). This means that Afro-American citizens in Omaha should be able to trace a substantial portion of their history and their contribution to the great State of Nebraska by tracking down these newspapers in the state or national archives.

VI

In closing, I implore you to be vigilant and preserve your Woodson Center—for within these walls are the voices of all the forebearers who fought so that this community would have a center for its citizens—aged and young alike.

The Equal Employment Opportunity Commission depends on the Woodson Center to assist in channeling young minds in the direction where job opportunities are opening. The United States government needs your help, for the Woodson Center is on the front lines of the battlefield called humanity. This community and the Woodson Center are important and, you are to be commended for doing so much for this city, the State of Nebraska and the nation, with so few resources.

I am honored that you asked me to speak at your Annual Board Meeting. I shall always wear the badge of the packinghouse worker through all corridors of life and into all places of honor; and that includes the badge of my beloved Carter G. Woodson Center, also.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. AKAKA (at the request of Mr. WRIGHT), for May 30 and 31, and June 1, on account of official business.

Mr. PHILLIP BURTON (at the request of Mr. WRIGHT), for May 30 and 31, and June 1, on account of serving as chairman of the congressional delegation to the North Atlantic Assembly Spring Conference.

Mr. COTTER (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. DIXON (at the request of Mr. WRIGHT), for today, on account of a necessary absence.

Mr. FORSYTHE (at the request of Mr. RHODES), from May 16, on account of convalescence.

Mr. MURPHY of Illinois (at the request of Mr. WRIGHT), for May 30 and 31, and June 1, on account of official business of the Select Committee on Narcotics Abuse and Control.

Mr. YOUNG of Alaska (at the request of Mr. RHODES), for May 30, 31, and June 1, on account of official business.

Mr. LIVINGSTON (at the request of Mr. RHODES), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MATSUI) to revise and extend their remarks and include extraneous material:)

Mr. LUNDINE, for 5 minutes, today.
Mr. WEAVER, for 10 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. CORMAN, for 5 minutes, today.
Mr. BENJAMIN, for 5 minutes, today.
Mr. CAVANAUGH, for 5 minutes, today.
Mr. ULLMAN, for 5 minutes, today.
Mr. WYATT, for 5 minutes, on May 31.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. THOMAS) and to include extraneous matter:)

Mr. MCCLOSKEY in two instances.
Mr. ROYER.
Mr. BURGENER.
Mr. GILMAN in two instances.
Mr. MCKINNEY.
Mr. MCCLORY in two instances.
Mr. FRENZEL in three instances.
Mr. VANDER JAGT.
Mr. COLLINS of Texas in two instances.
Mr. DORNAN.
Mr. HORTON in two instances.
Mr. ASHBROOK in three instances.
Mr. GREEN in two instances.
Mr. CLINGER.
Mr. YOUNG of Florida in five instances.
Mr. LAGOMARSINO.
Mr. STANGELAND.
Mr. LOEFFLER.
Mr. SHUMWAY.
Mr. BUCHANAN.

(The following Members (at the request of Mr. MATSUI), and to include extraneous matter:)

Mr. FROST.
Mr. HAMILTON.
Mr. MATHIS.
Mr. COELHO.
Mr. DUNCAN of Oregon.
Mr. BEDELL.
Mr. ASPIN.
Mr. BOLAND.
Mr. GUARINI.
Mr. BOWEN.
Mr. REUSS.
Mr. VENTO.
Mr. ROSTENKOWSKI in five instances.
Ms. MIKULSKI in two instances.
Mr. ANDERSON of California in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Ms. HOLTZMAN in 10 instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. SHELBY.
Mr. BRINKLEY.
Mr. DRINAN.
Mr. EDWARDS of California.
Mr. MINETA.
Mr. WAXMAN.
Mr. FOUNTAIN.
Mr. SKELTON.
Mr. ROE.

Mr. HARRIS.
Mr. SOLARZ.
Mr. BAILEY.
Mr. YOUNG of Missouri.
Mr. RODINO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 199. An act to amend the Shipping Act, 1916, to strengthen the provisions prohibiting rebating practices in the U.S. foreign trades, to the Committee on Merchant Marine and Fisheries.

S. 261. An act to amend the Consolidated Farm and Rural Development Act to authorize loans for the construction and improvement of subterminal storage and transportation facilities for certain types of agricultural commodities, to provide for the development of State plans to improve such facilities within the States or within a group of States acting together on a regional basis, and for other purposes, to the Committee on Agriculture.

S. 387. An act to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States, to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. MATSUI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to, accordingly (at 4 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Thursday, May 31, 1979, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1683. A letter from the Comptroller General of the United States, transmitting a report on the release of certain budget authority, the recission of which was proposed by the President and not approved by the Congress, together with his review of the deferrals and revised deferral of budget authority contained in the message from the President dated April 30, 1979 (H. Doc. No. 96–106), pursuant to section 1014 (b) and (c) of Public Law 93–344 (H. Doc. No. 96–135); to the Committee on Appropriations and ordered to be printed.

1684. A letter from the Assistant Secretary of the Navy (Manpower, Reserve Affairs and Logistics), transmitting notice of the Navy's intention to transfer the obsolete submarine ex-*Clamagore* (ex SS–343) to the State of South Carolina, Patriots Point Development Authority, Charleston, S.C., pursuant to 10 U.S.C. 7308; to the Committee on Armed Services.

1685. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during April 1979 to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

1686. A letter from the Executive Director, Inter-American Development Bank, transmitting the 1978 annual report of the Bank; to the Committee on Banking, Finance and Urban Affairs.

1687. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Comprehensive Employment and Training Act to provide work and training opportunities to assist families to become economically self-sufficient, and for other purposes; to the Committee on Education and Labor.

1688. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting a proposed final rule governing the award of fiscal year 1979 grants to State educational agencies to help local educational agencies desegregate their schools voluntarily, pursuant to section 431 (d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1689. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of an export license for major defense equipment sold commercially to the Government of Indonesia (Transmittal No. MC–23–79), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1690. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1691. A letter from the Assistant Secretary of the Treasury (Legislative Affairs), transmitting various project performance audit reports prepared by the International Bank for Reconstruction and Development, pursuant to section 301(e)(3) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1692. A letter from the Secretary of Commerce, transmitting the first semiannual report of the Department's Inspector General, covering the period ended March 31, 1979, pursuant to section 5 of Public Law 95–452; to the Committee on Government Operations.

1693. A letter from the Secretary of Transportation, transmitting the first semiannual report of the Department's Inspector General, covering the period ended March 31, 1979, pursuant to section 5 of Public Law 95–452; to the Committee on Government Operations.

1694. A letter from the General Counsel, Council on Wage and Price Stability, Executive Office of the President, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1978, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1695. A letter from the Chairman, Federal Mine Safety and Health Review Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1978, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1696. A letter from the Acting Assistant Secretary of the Treasury (Administration); transmitting notice of proposed changes in an existing records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1697. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of proposed changes to two existing records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1698. A letter from the Assistant Secretary of Health, Education, and Welfare for Management and Budget, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1699. A letter from the Chairman, Securities Exchange Commission, transmitting a report on the Commission's activities under the Government in the Sunshine Act during calendar year 1978, pursuant to 5 U.S.C. 552b(j); to the Committee on Governmental Operations.

1700. A letter from the Acting Administrator of General Services, transmitting a report on a proposed Gerald R. Ford Library, pursuant to 44 U.S.C. 2108(a); to the Committee on Government Operations.

1701. A letter from the Secretary of the Interior, transmitting notice of the bidding systems to be used and the tracts to be offered in OCS Lease Sale No. 48, pursuant to section 8(a)(8) of the Outer Continental Shelf Lands Act, as amended (92 Stat. 640); to the Committee on Interior and Insular Affairs.

1702. A letter from the Secretary of the Interior, transmitting notice of the proposed refund of $45,775.09 in royalty payments to Exxon Co., U.S.A., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1703. A letter from the Deputy Assistant Secretary of the Interior, transmitting a proposed supplemental contract with the Midvale Irrigation District for work on the Riverton Unit, Pick-Sloan Missouri Basin program, Wyoming, pursuant to the act of June 13, 1956 (70 Stat. 274); to the Committee on Interior and Insular Affairs.

1704. A letter from the Chairman, Advisory Council on Historic Preservation; transmitting a draft of proposed legislation to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

1705. A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting the 1978 annual report of the corporation, pursuant to section 11, Public Law 92–578; to the Committee on Interior and Insular Affairs.

1706. A letter from the Secretary of Health. Education, and Welfare, transmitting the fifth annual report on the emergency medical services program, pursuant to section 1210 of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

1707. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on drug abuse in rural communities, pursuant to section 3 of Public Law 94–461; to the Committee on Intrestate and Foreign Commerce.

1708. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of February 1979, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1709. A letter from the Director, National Legislative Commission, The American Legion, transmitting audited financial statements of the organization as of December 31, 1978, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1710. A letter from the Executive Director, Military Chaplains Association of the U.S.A., transmitting the audited financial statements of the Association for calendar year 1978, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1711. A letter from the Chairman of the Board, United States Naval Sea Cadet Corps, transmitting the annual audit report for the fiscal year ended March 31, 1979, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1712. A letter from the Secretary of Commerce, transmitting the annual report of the Pacific Tuna Development Foundation for fiscal year 1978, pursuant to section 5 of Public Law 92–444, as amended; to the Committee on Merchant Marine and Fisheries.

1713. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a final environmental impact statement on the Corps of Engineers project at Freeport Harbor, Tex., pursuant to section 404(r) of the Federal Water Pollution Control Act, as amended (91 Stat. 1605); to the Committee on Public Works and Transportation.

1714. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a final environmental impact statement on the Corps of Engineers Gulf Intracoastal Waterway, Chocolate Bayou, Tex., project, pursuant to section 404(r) of the Federal Water Pollution Control Act, as amended (91 Stat. 1605); to the Committee on Public Works and Transportation.

1715. A letter from the Acting Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied in the Webb Building, 4040 Fairfax Drive, Arlington, Va., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

1716. A letter from the Comptroller General of the United States, transmitting a report on military child advocacy programs (HRD-79-75, May 23, 1979); jointly, to the Committees on Government Operations, Armed Services, and Education and Labor.

1717. A letter from the Comptroller of the United States, transmitting a report on safety and security in the transportation of nuclear materials (EMD-79-18, May 7, 1979); jointly, to the Committees on Government Operations, Interior and Insular Affairs, Interstate and Foreign Commerce, and Public Works and Transportation.

1718. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in the enforcement of crude oil reseller price controls (EMD-79-57, May 29, 1979); jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

1719. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness of the Coast Guard in carrying out its commercial vessel safety responsibilities; jointly, to the Committees on Government Operations, and Merchant Marine and Fisheries.

1720. A letter from the Comptroller General of the United States, transmitting a report on the development and use of the Standard Statistical Establishment List (GGD-79-17, May 25, 1979); jointly, to the Committees on Government Operations, Post Office and Civil Service, and Ways and Means.

1721. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 7 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7704) to extend authorizations for appropriations, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Science and Technology.

1722. A letter from the Secretary of Energy transmitting a draft of proposed legislation to provide for the transfer of certain additional energy functions to the Department of Energy, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Banking, Finance and Urban Affairs.

1723. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation to amend paragraph 5924(4)(B) of title 5, United States Code; jointly, to the Permanent Select Committee on Intelligence and the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YATES: Committee on Appropriations. House Resolution 239. Resolution disapproving a proposed deferral of budget authority numbered D79-54 (Rept. No. 96-224). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. House Joint Resolution 341. Resolution to require continuation of rail service by the Chicago, Milwaukee, Saint Paul, and Pacific Railroad for a period of 45 days; with amendment (Rept. No. 96-225). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X:

Referral of H.R. 2610. A bill to amend the Water Resources Planning Act; which was referred to the Committees on Agriculture, and Public Works and Transportation, extended for an additional period ending not later than June 29, 1979.

Referral of H.R. 3942. A bill to provide assistance to airport operators to prepare and carry out noise compatibility programs, to provide assistance to assure continued safety in aviation, and for other purposes; which was referred to the Committee on Interstate and Foreign Commerce, extended for an additional period ending not later than June 22, 1979.

Referral of H.R. 3995. A bill to authorize appropriations for the Noise Control Act of 1972 for the fiscal years 1980 and 1981; which was referred to the Committee on Public Works and Transportation, extended for an additional period ending not later than June 22, 1979.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BINGHAM:

H.R. 4243. A bill to amend section 6(e)(2) of the Land and Water Conservation Fund Act of 1965, as amended; to the Committee on Interior and Insular Affairs.

By Mr. JOHN L. BURTON:

H.R. 4244. A bill to extend the right to vote in primary and runoff elections for Federal office to citizens who will be 18 years of age or older on the date of the related general and special election; to the Committee on House Administration.

By Mr. CORMAN:

H.R. 4245. A bill to authorize the Secretary of Agriculture to guarantee loans for the construction and operation of alcohol fuel plants, to provide for the sale of agricultural commodities for the operation of such plants, to amend the Agricultural Act of 1949 with respect to the set-aside program for feed grains, and for other purposes; to the Committee on Agriculture.

By Mr. DERWINSKI:

H.R. 4246. A bill to amend title 44 of the United States Code to permit Members of Congress, the Resident Commissioner from Puerto Rico, the Delegate from the District of Columbia, the Delegate from Guam, and the Delegate from the Virgin Islands to transfer their copies of the Congressional Record to private, tax-exempt schools; to the Committee on House Administration.

By Mr. GONZALEZ:

H.R. 4247. A bill to improve the physical security features of the motor vehicle and its parts, increase the criminal penalties of persons trafficking in stolen motor vehicles and parts, and to curtail the exportation of stolen motor vehicles and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, and Ways and Means.

By Mr. HEFTEL:

H.R. 4248. A bill to amend section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to provide that when papayas produced in the United States are made subject to any regulation with respect to grade, size, quality, or maturity, imported papayas shall be made subject to the same regulation; to the Committee on Ways and Means.

By Mr. HOWARD (for himself and Mr. Johnson of California):

H.R. 4249. A bill to amend title 23 of the United States Code, the Surface Transportation Assistance Act of 1978, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JOHNSON of Colorado:

H.R. 4250. A bill to amend the National Trails System Act of 1968, as amended, to include the Goodnight and Goodnight-Loving Trails for study as National Historic Trails; to the Committee on Interior and Insular Affairs.

H.R. 4251. A bill to amend the National Trails System Act of 1968, as amended, to designate the Santa Fe National Historic Trail as a unit of the National Trails System; to the Committee on Interior and Insular Affairs.

H.R. 4252. A bill to amend the National Trails System Act of 1968, as amended, to designate the Chisholm, Shawnee, and Western Trails, as a unit of the National Trails System to be known as the Old Cattle National Historic Trails; to the Committee on Interior and Insular Affairs.

By Mr. KILDEE:

H.R. 4253. A bill to amend title 13, United States Code, relating to the collection and publication of statistics by the Secretary of Commerce with respect to deaf individuals; to the Committee on Post Office and Civil Service.

By Mr. MOTTL:

H.R. 4254. A bill to amend the Internal Revenue Code of 1954 to allow small businesses to treat for purposes of the deduction for depreciation $100,000 of property placed in service during each taxable year as having a useful life of 3 years; to the Committee on Ways and Means.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 4255. A bill to amend title 10, United States Code, to provide for more efficient and expeditious disposal of lost, abandoned, and unclaimed property in the custody of the military departments; to the Committee on Armed Services.

H.R. 4256. A bill to amend title 10, United States Code, to repeal the provisions of law prohibiting female members of the Navy and Air Force from being assigned to duty on vessels or in aircraft that are engaged in combat missions; to the Committee on Armed Services.

By Mr. RODINO (for himself and Mr. Drinan):

H.R. 4257. A bill to help States assist the innocent victims of crime; to the Committee on the Judiciary.

By Mr. WAXMAN:

H.R. 4258. A bill to revise and reform the Federal law applicable to drugs for human use and to establish a National Center for Clinical Pharmacology within the Department of Health, Education, and Welfare; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. Taylor, Mr. Lagomarsino, Mr. Alexander, Mr. Frenzel, Mr. Jacobs, Mr. Stanton, Mr. Atkinson, Mr. Whitehurst, Mr. Devine, Mr. Rosenthal, Mr. Pepper, Mr. Corcoran, Mr. Regula, Mr. Nowak, Mr. Hughes, Mr. Pease, Mr. Gradison, Mr. Bauman, Mr. Simon, Mr. D'Amours, Mr. Stangeland, Mr. Sensenbrenner, Mr. Fazio, Mr. Mineta, Mr. Baldus, Mr. Williams of Ohio, Mr. Flood, Mr. Ottinger, Mr. Cleveland, Mrs. Heckler, Mr. Yatron, Mr. Hall of Texas, Mr. Livingston, Mr. Downey, Mr. Lungren, Mr. Vento, Mr. Sharp, and Mr. Harris):

H.J. Res. 347. Joint resolution to encourage international cooperation in meeting the expenses of the Israeli-Egyptian Peace Treaty; to the Committee on Foreign Affairs.

By Mr. BENJAMIN:

H. Con. Res. 131. Concurrent resolution establishing a Joint Select Committee to Investigate Oil and Gasoline Production and Pricing; to the Committee on Rules.

By Mrs. SCHROEDER (for herself, Mr. Udall, and Mr. Drinan):

H. Res. 292. Resolution to implement clause 9 of rule XLIII and clause 6(a) (3) (A) of rule XI of the Rules of the House of Representatives, relating to employment practices; jointly, to the Committees on House Administration and Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

202. By the SPEAKER: A memorial of the Legislature of the State of Nebraska, relative to freedom of emigration for Soviet Jews; to the Committee on Foreign Affairs.

203. Also, memorial of the Legislature of the State of Oregon, relative to the statute of limitations on Nazi war crimes; to the Committee on Foreign Affairs.

204. Also, a memorial of the Legislature of the State of Montana, relative to the use of the waters in the Yellowstone River Basin; to the Committee on Interior and Insular Affairs.

205. Also, memorial of the Legislature of the State of Colorado, relative to allocating sufficient fuel for the agricultural sector of the economy; to the Committee on Interstate and Foreign Commerce.

206. Also, memorial of the Legislature of the State of Maine, relative to International Hunger Project Week; to the Committee on Post Office and Civil Service.

207. Also, memorial of the Assembly of the State of New York, relative to Federal funding for wastewater treatment projects; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 365: Mr. Ashbrook, Mr. Carter, Mr. Hance, Mr. Latta, Mr. McCloskey, Mr. Pursell, Mr. Runnels, Mr. Wampler, Mr. Charles Wilson of Texas, and Mr. Wydler.

H.R. 745: Mr. Drinan, Mr. Kildee, Mr. Mitchell of Maryland, and Mr. Vento.

H.R. 1068: Mr. Bevill.

H.R. 1297: Mr. Bennett, Mr. Addabbo, and Mr. Patterson.

H.R. 1542: Mr. Barnes, Mr. Bingham, Mr. Blanchard, Mr. Corrada, Mr. Daschle, Mr. Donnelly, Mr. Downey, Mr. Edwards of California, Ms. Ferraro, Mr. Grassley, Mr. Hance, Mr. Hughes, Mr. Kemp, Mr. Long of Louisiana, Mr. Lungren, Mr. Madigan, Mr. Montgomery, Mr. Pashayan, Mr. Scheuer, Mr. Simon, Mr. Stokes, Mr. Tauke, Mr. Bob Wilson, Mr. Wolff, and Mr. Wolpe.

H.R. 1612: Mr. Pursell and Mr. Fish.

H.R. 1613: Mr. Pursell and Mr. Fish.

H.R. 1970: Mr. McCloskey, Mr. Evans of the Virgin Islands, Mr. Corcoran, and Mr. Shumway.

H.R. 2129: Mr. Bennett, Mr. Weiss, Mr. Weaver, Mr. Waxman, Mr. Hawkins, Mr. Corman, Mr. Mitchell of Maryland, Mr. Clay, and Mr. Evans of the Virgin Islands.

H.R. 2313: Mr. Hyde, Mr. Lagomarsino, Mr. Lott, Mr. Dornan, and Mr. Whitehurst.

H.R. 2214: Mr. Collins of Texas, Mr. Whitehurst, Mr. Dornan, Mr. Hyde, and Mr. Lagomarsino.

H.R. 2582: Mr. Bauman, Mr. Mineta, Mr. Dornan, Mr. Ertel, Mr. Roe, Mrs. Byron, Mr. Petri, and Mr. Hagedorn.

H.R. 3010: Mr. Dornan, Mr. Lagomarsino, Mr. Mitchell of Maryland, Mr. Murphy of Pennsylvania, and Mr. Simon.

H.R. 3169: Mr. Oberstar.

H.R. 3216: Mr. Coughlin, Mr. Courter, Mr. Evans of Georgia, Mr. Hyde, Mr. Lloyd, Mr. Bob Wilson, Mr. Young of Florida, and Mr. McClory.

H.R. 3227: Mr. Mikva.

H.R. 3415: Mr. Stark.

H.R. 3424: Mr. Bedell, Mr. Bonior of Michigan, Mrs. Chisholm, Mr. Corrada, Mr. Drinan, Mr. Edgar, Mr. Garcia, Mr. Ginn, Mr. Luken, Mr. Lundine, Mr. Mitchell of Maryland, Ms. Oakar, Mr. Price, Mr. Scheuer, Mr. Stark, Mr. Stokes, Mr. Studds, Mr. Weaver, Mr. Whitehurst, Mr. Won Pat, and Mr. Young of Alaska.

H.R. 3425: Mr. Bedell, Mr. Bonior of Michigan, Mrs. Chisholm, Mr. Corrada, Mr. Drinan, Mr. Edgar, Mr. Erdahl, Mr. Garcia, Mr. Ginn, Mr. Luken, Mr. Lundine, Mr. Mitchell of Maryland, Mr. Neal, Ms. Oakar, Mr. Price, Mr. Rangel, Mr. Scheuer, Mr. Stark, Mr. Stokes, Mr. Studds, Mr. Weaver, Mr. Whitehurst, Mr. Won Pat, and Mr. Young of Alaska.

H.R. 3687: Mr. Chappell.

H.R. 3890: Mr. Kemp.

H.R. 4215: Mr. Daschle, and Mr. Bedell.

H.J. Res. 254: Mr. Bedell.

H.J. Res. 341: Mr. Stangeland.

H. Con. Res. 58: Mr. Daniel B. Crane, and Mr. Coughlin.

H. Res. 267: Mr. Rousselot.

H. Res. 291: Mr. Deckard, Mr. Derwinski, Mr. Symms, Mr. Evans of Delaware, Mr. Clinger, Mr. Whitehurst, Mr. Snyder, Mr. Emery, Mrs. Heckler, Mr. Bob Wilson, Mr. Courter, Mr. Erdahl, Mr. Goldwater, Mr. Bafalis, Mr. Philip M. Crane, Mr. Conte, Mr. Petri, Mr. Conable, Mr. Clausen, Mr. O'Brien, and Mr. Pashayan.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

127. By the SPEAKER: Petition of the New York State Society of the Cincinnati, Hancock, New Hampshire, relative to nuclear defense; to the Committee on Armed Services.

128. Also, petition of the city council, New York, N.Y., relative to human rights in Northern Ireland; to the Committee on Foreign Affairs.

Petition of the Palau Legislature, Koror, Palau, Western Caroline Islands, Trust Territory of the Pacific Islands, relative to procurement of a global communication system for Palau; to the Committee on Interior and Insular Affairs.

130. Also, petition of the Executive Committee, International Association of Chiefs of Police, Gaithersburg, Md., relative to marihuana; to the Committee on Interstate and Foreign Commerce.

131. Also petition of the Centro República de Colombia, Miami, Fla., relative to amnesty for all undocumented aliens; to the Committee on the Judiciary.

132. Also, petition of the Executive Committee, California- Nevada Section, American Water Works Association, Los Angeles, Calif., relative to Federal construction grant funding for wastewater reclamation projects; to the Committee on Public Works and Transportation.

133. Also, petition of the Board of Directors, Menlo Park Sanitary District, Calif., relative to construction grant funding for water reclamation projects; to the Committee on Public Works and Transportation.

134. Also, petition of the Board of Directors, South Coast Country Water District, South Laguna, Calif., relative to Federal construction grant funding for wastewater reclamation projects; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2444

By Mr. KILDEE:

—Page 75, beginning on line 14, strike out all of section 307 through line 14 on page 76, and on page 76, line 16, redesignate section 308 as section 307.

Page 52, in the table of contents of the bill as amended, strike out—

Sec. 307. Transfers from the Department of the Interior.

Sec. 308. Effect of transfers.

And insert in lieu thereof—

Sec. 307. Effect of transfers.

H.R. 2575

By Mr. BEDELL:

—Page 7, strike out lines 5 through 16 and insert in lieu thereof the following:

(b) The Secretary of Defense may not proceed with full scale engineering development of the missile basing mode known as the Multiple Protective Structures (MPS) system as the basing mode for the MX missile until the Secretary certifies to the Congress that deployment of such basing mode would be consistent with the national security interests of the United States. The Secretary shall include with such certification a report containing—

(1) a determination of the likely response by the Soviet Union to deployment of such basing mode;

(2) an assessment of the compatibility of deployment of such basing mode with present and future arms control agreements with the Soviet Union;

(3) an evaluation of the effectiveness of such basing mode in assuring the survivability of United States land-based strategic weapons; and

(4) an identification of and comparison with alternatives to such basing mode.

By Mrs. SCHROEDER:

—Page 4, line 14 strike out "$725,700,000" and insert in lieu thereof "$97,700,000".

By Mrs. SMITH of Nebraska:

—Page 7, after line 4, insert the following new subsection (and redesignate the following subsections accordingly):

(b) In addition, it is the sense of the Congress that the MX missile should be confined to the most unproductive land available that is operationally suitable.

H.R. 3875

By Mr. DUNCAN of Tennessee:

—Page 68, after line 18, insert the following:

TITLE VI—TREATMENT OF SOCIAL SECURITY BENEFIT INCREASES UNDER CERTAIN FEDERAL HOUSING LAWS

TREATMENT OF SOCIAL SECURITY BENEFIT INCREASES

SEC. 601. (a) Notwithstanding any other provision of law, social security benefit increases occurring after May 1979 shall not be considered as income or resources or otherwise taken into account for purposes of determining the eligibility for or amount of assistance which any individual or family is provided under the United States Housing Act of 1937, the National Housing Act, the Housing and Urban Development Act of 1965, or the Housing Act of 1949. For purposes of this subsection, the term "social security benefit increases occurring after May 1979" means any part of a monthly benefit payable to an individual under the insurance program established under title II of the Social Security Act which results from (and would not be payable but for) a cost-of-living increase in benefits under such program becoming effective after May 1979 pursuant to section 215(i) of such Act, or any other increase in benefits under such program, enacted after May 1979, which constitutes a general benefit increase within the meaning of section 215(i) (3) of such Act.

(b) Subsection (a) of this section shall be effective only with respect to assistance which is provided under the Acts referred to in the first sentence of such subsection for periods after September 30, 1979.

H.R. 4040

Mr. McCLOSKEY:

—Page 28, line 6, strike out "male".

Page 28, strike out line 8 through 14 and insert in lieu thereof the following:

(b) Section 3 of the Military Selective Service Act (50 U.S.C. App. 453), relating to registration, is amended by striking out "every male citizen" and all that follows through "twenty six" and inserting in lieu thereof "every citizen of the United States, and every other person residing in the United States, who becomes eighteen years of age after December 31, 1980".

Page 29, beginning on line 9, strike out "registration under such Act and to".

—Page 28, line 4, strike out "January 1, 1981" and insert in lieu thereof "January 1, 1980".

Page 28, line 7, strike out "December 31, 1980", and insert in lieu thereof "December 31, 1979".

Page 28, beginning on line 13, strike out "December 31, 1980" and insert in lieu thereof "December 31, 1979".

—Page 28, line 20, strike out the period and insert in lieu thereof "and for acceptance of volunteers for national service in civilian capacities."

Page 29, line 24, strike out the semicolon and insert in lieu thereof "and to be compatible with any system of voluntary national youth service that the Congress may hereafter enact;".

EXTENSIONS OF REMARKS

THE CASE OF PROF. EDWARD LOZANSKY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. HORTON. Mr. Speaker, I would like to bring to the attention of my colleagues, a legislative resolution passed by the New York State Assembly and Senate with regard to my constituent, Prof. Edward Lozansky.

This resolution memorializes President Jimmy Carter and Secretary of State Cyrus Vance to urge President Lenoid Brezhnev of the Union of Soviet Socialist Republics to allow Tatyana Lozansky and Tanya Lozansky to be reunited in the United States with their husband and father, Prof. Edward Lozansky.

In 1976, in order for Professor Lozansky to be able to emigrate, he and his wife, Tatyana, agreed to a divorce. After arriving in the United States, Professor Lozansky sent an official invitation for his wife and child to join him as Soviet emigration procedure requires. The authorities rejected it because of the divorce. Since that time, Mrs. Lozansky has made several applications to emigrate, however, in each instance permission to emigrate has been denied.

Because of my deep concern for those citizens of the world who are denied their basic human rights, I would like to share the resolution passed by the Assembly and Senate of the State of New York with my colleagues.

The resolution follows:

Whereas, This Legislative Body is profoundly concerned with the plight of Soviet citizens whose basic human rights are constantly being violated in a calculated policy which systematically weakens the fabric of their lives; and

Whereas, The Soviet authorities have continued to violate basic human rights by their adamant and unconscionable refusal to allow Tatyana Lozansky to join her husband Professor Edward Lozansky in the United States; and

Whereas, The Soviet authorities have also refused to allow Professor Lozansky's seven year old daughter Tanya, to join her father in the United States; and

Whereas, This outrageous treatment of human beings is an abomination that refuses all thoughtful and freedom-loving people of the world; and

Whereas, For humanitarian reasons Tatyana Lozansky and Tanya Lozansky should be allowed to emigrate to the United States where they can be reunited with Professor Edward Lozansky; now, therefore, be it

Resolved, That this Legislative Body memorializes Jimmy Carter, the President of the United States and Cyrus Vance, the Secretary of State of the United States to urge President Leonid Brezhnev of the Union of the Soviet Socialist Republics to allow Tatyana Lozansky and Tanya Lozansky to be reunited in the United States with their husband and father, Professor Edward Lozansky; and be it further

Resolved, That copies of this resolution, suitably engrossed, be forwarded to the Honorable Jimmy Carter, President of the United States and to the Honorable Cyrus Vance, Secretary of State of the United States.●

HONOR OUR VIETNAM VETERAN

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McCLORY. Mr. Speaker, this week we take time out to honor the Vietnam veteran. This recognition is long overdue.

Unlike veterans of World Wars I and II, the Vietnam veteran has just recently begun to receive the respect and honor that is due him. Films such as the "Deer Hunter" and "Coming Home" have focused attention on those who fought and survived this unpopular war and gave many a better understanding of what actually transpired.

Unlike veterans of previous wars, the Vietnam veteran came home to a society that had been pretty much opposed to the war, a society which was fighting its own war against inflation. Jobs were scarce and fewer jobs were available to veterans when they returned than when they had departed to serve our country.

A great many of these men have critical problems which far exceed those of the average citizen who did not take part in the Vietnam conflict. Tens of thousands of veterans cannot find jobs, 1 in 4 are battling with alcohol and drug abuse, 30,000 are today in prison, nearly 40 percent are divorced or separated and about as many feel the need for psychological counseling. And, most frightening of all is the fact that their suicide rate is about 23 percent above that of the general public.

There are nearly 9 million Vietnam veterans now in civilian life. We cannot solve all of their problems—especially those which relate to the larger problems of our society. But, one thing we can certainly do is resolve to treat the Vietnam veteran with the same respect and honor we have shown the veterans of previous wars. His sacrifice and courage were no less than theirs. Neither should his or her status in society be less. Such veterans should be made to feel proud of his or her service to our Nation—in the same manner as the veterans of our other wars.

Mr. Speaker, 46,616 soldiers died in combat in Vietnam; 612 persons are still listed as "missing in action." We owe it to those who died and who are missing as well as to those who returned to provide appropriate recognition to those who have survived—and to help them in their continuing efforts to adjust to civilian life. The designation of May 28 to June 3

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

as Vietnam Veterans Week is a good start.

I hope my colleagues in this body will join me in paying tribute to these brave individuals and in reassuring them that we have not abandoned them. This is only a small step—but a step in the right direction.●

NIGERIAN AMBASSADOR WARNS AGAINST LIFTING RHODESIA SANCTIONS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. REUSS. Mr. Speaker, the House will soon consider the Export Administration Act amendments, and I understand that some Members will propose that the House include in that bill an amendment expressing the sense of Congress that the President should lift American sanctions on exports to Rhodesia.

Some may be persuaded by the recent elections in Zimbabwe Rhodesia, and the fact that a new government was installed there yesterday, that this is the right course. But many of us disagree. In a May 11 letter to President Carter, signed by 34 Members of the House we pointed out that—

> No election can be truly fair and democratic in a country in which 85 percent of the area is under martial law and candidates possess their own private armies which "teach" people how to vote.

We also stated that—

> What the lifting of sanctions would accomplish is our being aligned with a government whose only ally is South Africa, a government illegal in the eyes of the international community.

The adverse international ramifications of our lifting sanctions were reiterated in a recent statement by the Nigerian Ambassador, Olujimi Jolaoso. I want to call my colleagues' attention to Ambassador Jolaoso's comments, as reprinted in yesterday's Washington Post:

NIGERIAN AMBASSADOR WARNS AGAINST LIFTING RHODESIA SANCTIONS

> What is now very important, in my view, is whether the U.S. government wishes to lift sanctions against Rhodesia on the basis of the greatest fraud that any so-called government has ever committed—of which the international community has become aware—and which the civilized world has condemned. . . .
>
> We will, of necessity, then review our bilateral relations, both political and economic, with the United States and other countries that do this to us. . . . It would, of course, be a difficult situation in which to find ourselves, particularly since the relations between the United States and Nigeria in the past two years have been very cordial indeed. You will also recall that this cordiality and the unprecedented cooperation between our two governments have been due in a large measure to a concurrence of our views on the southern African issues. At least so we believed. We had believed that for once a U.S. administration was ready to work with us on the questions of racism, apartheid and decolonization. This happy conjuncture we have publicly extolled as the basis of our new-found relationship. Are we seeing the end of that honeymoon?
>
> To lift the sanctions now and to ship arms and men to strengthen the hands of Ian Smith and his minority cohorts, can only escalate the determined resistance of the majority of the inhabitants of that unhappy land. For us Africans, it is a sad scenario to contemplate because it will certainly mean not only the involvement of outsiders in this struggle, but a situation in which it will be Africans killing Africans. . . . There will be those who will be fighting communism in Zimbabwe, there will be those who will be upholding human rights as they perceive them, there will be the missionaries and the mercenaries. But the sufferers will be the Zimbabweans.●

THE NONFUEL MINERAL POLICY REVIEW: A GAME OF HIDE AND SEEK

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. MATHIS. Mr. Speaker, I want my colleagues to read the statement below to get some idea of how difficult it has been for the Subcommittee on Mines and Mining to find out what is going on in the Cabinet-level Nonfuel Minerals Policy Review. The statement, made by Chairman JAMES SANTINI at the May 8 hearing, explains very well, I believe, the legitimate reasons for the hearing and the responsible interests of the subcommittee in learning more of the background thinking that has gone into the first phase of the review, the problem analysis.

Frankly, I am amazed that the Interior Department does not want to talk in public about the nine problem area reports prepared by 14 agencies that are the very foundation blocks of the problem analysis. If we fail to come up with a good grasp of the problems, how can we expect to have an honest approach to the second phase of the review, the policy analysis. What in the world are they attempting to hide? The problems have been discussed by many commissions, professional review groups, and experts for years. To my mind, the only reason for wanting to keep the problem reports from the public and from open discussion by Congress is that they do not want to recognize the problems. The sooner we get the window open on this review and have a frank exchange on the problems, the better I personally will feel.

The statement follows:

STATEMENT BY JAMES D. SANTINI

Madam Secretary, I don't believe that it is necessary for me to expound to any length on my personal conviction and those of my colleagues on the desperate need for a strong, workable Nonfuel Minerals Policy. As Assistant Secretary for Energy and Minerals in the Federal Department that has specific nonfuel mineral responsibilities, as well as the lead in the present Nonfuel Minerals Policy Review, I trust that you share our convictions.

Briefly recapping, the present Nonfuel Minerals Policy Review began with the February 7, 1977, letter from 43 members of the House of Representatives to the President advising him of their mutual concern for the country's deteriorating nonfuel minerals position and the desperate need for a balanced national policy for long term planning. After our June 6, 1977, meeting with the President, the study was launched by Stu Eizenstat's December 12, 1977, memorandum that announced the President's directive for a Cabinet-level Nonfuel Minerals Policy Coordinating Committee with the Secretary of the Interior as Chairman. The objectives spelled out by Mr. Eizenstat were specific: (1) to prepare for Presidential consideration a set of policy options, analysis, and recommendations on specific issues and problems related to nonfuel minerals; and (2) to develop, test, implement, and provide for continuing use a policy analysis framework, which Federal policymakers can use to update and expand the analysis in this study as needed in the future.

The Secretary, as Chairman of the Policy Coordinating Committee, appeared before this Subcommittee on April 9 and assured us (1) that significant progress had been made on the Phase I Problem Analysis, and that we could expect its completion in 6–8 weeks, (2) that continued public hearings as originally planned are essential and would be held; and (3) that it was his objective to complete a substantive Phase II Policy Analysis.

The Secretary, a number of times, has assured me personally that the Nonfuel Minerals Policy Review is to be a two-way street between the PCC and its staff and the Subcommittee and its staff. He made this clear back in June 1978 when he brought the Project Management Plan to the Full Committee hearing. He said then:

"While I appreciate this opportunity to appear here today, it is obvious that you and your staff should be actively involved in this review on a regular basis."

While he was referring to briefings by his staff, I believe that he sincerely recognized the need for interchange when he further elaborated, and I quote:

". . . we need your advice, your being aware of where we are and your suggestions."

With this in mind, I think that you can appreciate my utter disbelief when the Secretary informed me in his May 4 letter that you and your accompanying staff would confine your remarks here today only to the status of the review and the general nature of work accomplished. You are physicially here, but you are not here to assist us in the subject of this oversight hearing, the problem area reports that deal with Mineral Resource Potential of Federal lands; Financing, Capital Formation, and Tax Policies; and Conservation, Substitution, and Recycling.

I would like to refer back to Chairman Udall's January 10, 1979, letter to the Secretary requesting copies of these problem area reports:

"The purpose of this request is neither to second guess the conduct of the review or to interject ourselves into the day-to-day decision-making processes that have or will occur. Rather, it represents the most prudent means for satisfying your commitment to keep the Committee informed of the progress and direction of the Review, and my responsibility to preserve this Committee's perogative to reach independence and informed judgments as to the Review's progress and results."

I think that Chairman Udall's statement I just cited explains very well the purpose of this oversight hearing. We do not want to interject ourselves into the day-to-day decision-making process. But how, I must ask, can this Committee preserve its perogative to reach independent and informed judgments if you are unwilling to sit down and discuss with us this morning the preliminary findings of these three reports. How are we going to know why your experts reached certain conclusions if you do not explain the thinking that went into those conclusions? How are we going to stay abreast of the Nonfuel Minerals Policy Review in a manner commensurate with the oversight responsibilities of this Subcommittee if we cannot have discourse on the most basic element of the review, the problem area reports?

The Secretary's often stated objective for a sound, substantive Policy Analysis is the same as ours. That there is fear of discussing the problem issues involved—point by point if needed—fails me when these same issues have been reviewed by many commissions and study groups in the past.

We realize that the problem area reports and the Phase I report are drafts and as such we don't expect them to be refined and polished documents. It is not our intent to hold you to every detailed aspect of their content, because these documents are still under review. But now we hear that the 250-page preliminary draft, which has undergone three months of purgatory in the Domestic Policy Staff, apparently being exorcised of its sins, is going to be condensed to a 50-page mean a stifling or suppression of facts.

I must reiterate the concern that I have stated numerous times: This Subcommittee cannot wait until the Problem Analysis is cast into dogmatic concrete before we come together and develop a concensus of what the problems are, what their relative magnitudes are, and why they became problems. I am apprehensive that the Phase I report, which should be released in draft sometime in early June, will be considered the last word, and that recommendations of this Subcommittee or of experts in the private sector will not prevail against it. It bothers me that the preliminary draft of the Problem Analysis—an analysis of only the problems in the review—has been under review of the Domestic Policy Staff since early in February with no word of when it might be released for PCC and Departmental review. It bothers me that we may again fall behind our schedule despite the Secretary's assurring us five times on April 9 that the draft Problem Analysis will be completed in 8 weeks at the latest.

Madam Secretary, this Subcommittee wants to cooperate with you, but apparently you—I use "you" collectively here—do not want this. I cannot grasp the reasons for your reluctance to discuss the issues. I look on the Nonfuel Minerals Policy Review as a study by the Federal Government. The problems besetting the industry are in part because of the Federal Government. Everyone agrees that the Federal Government has a responsibility to do something if our industry is going to survive. The point I am trying to make is that this is a national problem that transends any petty turf battles. If we are going to provide help, let's not get caught up in detours that move us off course. I am sure you agree that solutions must be found, Madam Secretary, and I hope you will respond to the questions that follow.●

LIBERAL OR PROGRESSIVE?

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. DUNCAN of Oregon. Mr. Speaker, on May 10, the distinguished Republican whip, the gentleman from Illinois, Mr. MICHEL, discussed briefly the fact that the Vice President has apparently abandoned the use of the word "liberal" in favor of the word "progressive." The minority whip said:

> It is a sad commentary on our times when such a one-time proud and respected word as "liberal" should be cast aside for a newer, prettier face.

In my judgment, both the Vice President and Mr. MICHEL are correct. As we approach, or move deeper into, the period of "newspeak," forecast in George Orwell's 1984, words like liberal, democracy, peace, and so forth, which once had fairly well established meanings, have become distorted so that they mean little except, perhaps, to the mind of the one who speaks. Contrary to the Vice President's hope, "progressive," "populist," and so forth, have or soon will suffer the same fate.

I have faced the dilemma posed by the Vice President and Mr. MICHEL, and have said that, "I refuse to surrender to radicals and extremists the honorable title of liberal."

It is, as Mr. MICHEL has properly, though perhaps lately, come to realize, an honorable and dignified term that has to do with open-mindedness, individual liberty, human freedom (see Webster), and nothing to do with waste, profligacy and meaningless and symbolic do goodism.●

VIETNAM VETERANS WEEK

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. COELHO. Mr. Speaker, as we observe Vietnam Veterans Week, I hope my colleagues will join me in paying special tribute to those who served their country during that painful conflict in Southeast Asia.

Of the 8.8 million men and women who served during the Vietnam era, roughly one-third were sent to combat, 303,000 were wounded, 53,147 were killed and 612 are still listed as missing in action.

For those who returned, the physical and emotional toll was drastically increased by the unpopularity of the war and America's unresolved guilt about its role. They desperately needed the support of their countrymen to reconcile the questions in their own minds and to provide them with a feeling of honest service. Instead, they returned one-by-one, isolated and confronting a country that wanted to forget.

Year after year we spent huge sums of money to keep these people in Vietnam. We asked them to perform a service in our name—service that entailed death, traumatic and permanent injury, and disfigurement of mind and body, and an assortment of diseases and afflictions that continue 9 years after the truce declaration.

The time has come to remember the Vietnam veteran, to let him know how much we appreciate his service, and that we are grateful and proud of him.

If we know who to call upon in time of war, then we should remember who to thank in time of peace.

This week we have the opportunity to show these men and women that we do care—that we are grateful for their courage and sacrifice, and that we offer them our concern and understanding. Let us finally bring the Vietnam veteran home.

With your help, Vietnam Veterans Week will serve to encourage continuing concern and understanding as well as assistance for those who still suffer from their experiences in Southeast Asia.●

PASSING THE POLITICAL FOOTBALL

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. GREEN. Mr. Speaker, on May 4 of this year the Christian Science Monitor published an excellent editorial which I would like to share with my colleagues. The editorial stresses for us again the grim toll taken by handguns in the United States. Like the editors at the Monitor, I have been disappointed with President Carter's reluctance to follow through on his campaign pledge and assume leadership on this issue. However, inaction by the White House does not excuse this body of responsibility and I call upon my colleagues to pick up the football which has been tossed to us by the administration and to provide the legislative leadership needed in order to address the serious problem of handgun abuse.

The editorial follows:

GUN CONTROL: UP TO CONGRESS NOW

President Carter for all intents and purposes has withdrawn from the battle for national handgun controls. Unfortunately, there have been no similar withdrawal of accounts in the news media of the tragic consequences of handgun violence across the U.S. Since December, there have been 2,[illegible]55 fatalities from guns in the hands of criminals or, more often, according to statistics, of friends or acquaintances. In March alone, 685 gun victims were claimed, according to a running tally kept by Handgun Control, Inc., a citizens lobby seeking to focus attention on the continuing urgent need for more stringent controls on the same 50 million handguns now in circulation.

President Carter, a strong advocate of gun controls during his campaign, hinted at a press conference last month that political considerations were at the heart of his decision to back off from a promised strong campaign for tougher handgun restrictions. No doubt the pro-gun lobby's pumping of about a half a million dollars into the fall campaigns of 21 senators and 142 members elected to the House has added to the unfavorable climate for gun controls on Capitol Hill. Mr. Carter alluded to this "attitude of the Congress" in attempting to excuse his delay in pressing for new legislation.

In essence, the White House tossed the ball to Congress by intimating that the President still supports new firearms regulations but that he would leave the leadership for any new efforts in this line to Congress. It is too bad Mr. Carter did not display more of that same kind of vigorous determination reflected in his willingness to defend the public from the windfall profits of the big oil companies.

It is up to Congress now to step forward with the leadership and courage needed to take on the powerful pro-gun lobby, whose staunch resistance to controls is not representative of the views of the majority of Americans. Most public opinion polls show that from 68 to 78 percent of those questioned favor gun-control legislation.

The chairman of the Senate's Judiciary Committee, Senator Kennedy, appears ready to provide the congressional leadership. He is drafting strong and comprehensive legislation for controlling the sale and distribution of handguns. Congress need not wait for President Carter. How many more victims must be added to the "handgun body count" before lawmakers will be moved to bite the bullet on controls? ●

VA HOME LOAN PROGRAM AND VIETNAM ERA VETERANS

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. BRINKLEY. Mr. Speaker, the Congress and the President have set aside May 28 to June 3 as a week to honor those who served during the Vietnam era. As chairman of the House Committee on Veterans' Affairs Subcommittee on Housing, I think this is an appropriate time to review what the Congress has done to provide proper housing opportunities to those who served in our last war.

Recent VA estimates conclude that 70 percent of all veterans who have recently received loans guaranteed by the Veterans' Administration would not have been able to receive conventional financing. The VA has guaranteed more than 10 million home loans with a total face value of $155 billion since the loan guarantee program began almost 35 years ago. The VA housing program has been a great success in giving three generations of veterans and their families a helping hand to own property and establish roots.

The housing picture in the United States has changed drastically since the loan program was first established after the Second World War. The Congress has gone a long way to equalize loan benefits with changes in the economy and rising real estate costs.

Last year, the Congress raised the maximum loan guarantee from $17,500 to $25,000 and increased the maximum grant for specially adapted housing for the severely disabled from $25,000 to $30,000. Service eligibility requirements were reduced from 181 continuous days service to 90 days. This puts the Vietnam-era veteran on par with the eligibility requirements enjoyed by World War II and the Korean conflict veterans. The Congress revamped the mobile home loan program to put it more in line with financing for conventionally built homes. In addition, loan eligibility has been extended to condominiums as well as to provide for recent alternative housing concepts.

Nearly 20 percent (approximately 1.8 million) of all Vietnam-era veterans have received VA guaranteed loans, totaling more than $47 billion; 58 percent of all VA home loans last year went to those who had served during the Vietnam conflict; 19,000 direct loans, amounting to nearly $328 million, have been made to qualifying Vietnam-era veterans. In 1978, minority veterans, who comprise 11 percent of the total veteran population obtained more than 15 percent of VA loans.

Participation in the VA housing program has always been high, and, apart from having a positive impact on the housing industry in this country, the program is successful in meeting the ever-changing needs of all veterans, including the Vietnam veteran.●

THE GASOLINE SHORTAGE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 30, 1979, into the CONGRESSIONAL RECORD:

THE GASOLINE SHORTAGE

It is time for the federal government to clarify the circumstances surrounding the gasoline shortage, and then to propose remedies for the shortage.

In recent weeks, official statements on the gasoline shortage have been contradictory and confusing. It is no wonder that consumers are angry, and that their suspicions about the reality of the shortage are running high. With gasoline prices rising, oil company profits increasing, and long lines forming at service stations in some parts of the nation, Americans have turned to the government for guidance. They have received zig-zagging pronouncements instead, and even the most conscientious citizens are bewildered. One day President Carter says that the American people have not faced the inevitable prospect of an energy shortage. The next day, however, he assures us that things are getting better, and the Department of Energy releases a favorable report which states that supplies should soon edge up to their 1978 levels. But then, within another period of 24 hours, a White House aide cautions us not to be overly optimistic, and senior presidential advisors complain that Mr. Carter overstated the assurances. Meanwhile, the shortage persists.

The flip-flopping between harsh warnings of shortage and comforting assurances that things are improving is a sign of uncertain leadership. Public anxiety about the availability and price of gasoline intensifies with each inconsistent statement. In such an atmosphere, it is not surprising that people refuse to believe there is a shortage. Nor is it surprising that people believe there is a conspiracy to constrict the nation's energy supply. The most visible activity in Washington is a loud debate on whom to blame. The Department of Energy, the White House, the Congress, the oil companies, and other principals all contend that the shortage resulted from the misjudgments of someone else. The finger-pointing is not unusual, but neither is it helpful. There is surely enough blame to go around, and in any case action to minimize the effect of the shortage should have priority. The best first step would be for the President to put together, from private and governmental experts on oil sources and flow, the most accurate information possible so that the nation could get a clear and coherent idea of where it stands with respect to the shortage.

The immediate causes of the gasoline shortage are many. On the domestic side, they include the diversion of crude oil to produce more heating oil, the replenishment of depleted crude oil stocks, greater consumption, and panic buying. On the international side, they include the turmoil and lingering unrest in Iran, which stopped exports for a time and then held production of crude oil to less than two-thirds its previous level. Also included is the less than adequate production of crude oil in other Persian Gulf states.

Behind the immediate causes of the gasoline shortage are deeper energy problems which we have yet to solve. We have neglected domestic energy production and have become far too dependent on the whims of the petroleum-exporting cartel. We have not done enough to curb our excessive appetite for energy. We have not undertaken an all-out effort to convert the economy to alternative sources of energy. Worst of all, we have not seen the handwriting on the wall. The Arab oil embargo of 1973 seems to have had little effect on us. We are still not prepared to handle the shortfalls and interruptions in energy supply that are bound to occur. Since 1973, three Presidents have failed to communicate a sense of urgency to the American people, and four Congresses have been unable to agree on a comprehensive strategy to make the nation self-sufficient in energy. We have made progress but, as the shortage indicates, we have a long way to go.

My own view is that the gasoline shortage is not contrived. Its origins suggest to me that it is related to the larger problem of world oil supply. Less crude oil is being produced world-wide than nations want and need. Even with all our imports and domestic production on line, there will probably not be more gasoline available this summer than there was last summer, which leaves nothing to cover the normal growth of demand. Consequently, gasoline will be in short supply. The major question is "How short?" and the answer depends on several factors, such as the course of events in the Middle East, which are beyond the control of individual citizens. One factor that individual citizens can control, however, is their own consumption of gasoline. Efforts to conserve could prevent a problem from becoming a crisis.

The gasoline shortage is an inconvenience for many Americans. Some people have trouble getting to work, and others must cancel vacation trips and weekend outings. Nonetheless, the situation is not totally bleak. Barring a severe interruption in supply, there is no reason to expect that the shortage will get worse. The experts say that gasoline supplies are modestly below last year's supplies nation-wide, but they point to bright spots in the energy picture. Next year, North Sea crude oil production will jump and Mexican crude oil supplies will rise sharply. In addition, economic growth is slowing throughout the world, so demand for energy will slacken. If our economy also slows down, gasoline may become plentiful again.●

DRUG REGULATION REFORM ACT OF 1979

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. WAXMAN. Mr. Speaker, today I am introducing the administration's bill to revise and reform our Federal drug laws—the Drug Regulation Reform Act of 1979. It is the same bill the administration submitted to the House last year. The Subcommittee on Health and the Environment conducted 11 days of hearings and 8 days of markup on that legislation during June, July, and August of 1978.

It is time for Congress to carefully review our Federal drug laws. I believe this bill is the appropriate starting point. It is the product of the outstanding leadership of Commissioner Donald Kennedy, and is indicative of the careful and thoughtful analysis and direction which Dr. Kennedy has been responsible for during his tenure as Commissioner of the Food and Drug Administration.

I intend for the Subcommittee on Health and the Environment to use this bill to begin its consideration of this matter. It represents for our discussion and deliberation the many important issues which must be addressed in reviewing our drug laws.●

FEDERAL PAPERWORK CRUSHES LOCAL EDUCATORS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. ASHBROOK. Mr. Speaker, last year the Congress added a paperwork control section to the General Education Provisions Act in hopes of cutting back on some of the mind-numbing burden that the Federal bureaucracy imposes on State and local educators. It is too early to tell what success this new provision will have, but one good result is that HEW is now required to list all its education data collection activities in the Federal Register, together with an estimate of the annual man-hour burden on the agencies and institutions affected.

The list which follows appeared in the Federal Register on April 10. It represents only a part of the Federal paperwork burden on our schools and colleges. Even so, the time required to fill out these forms will come to a total of more than a quarter of a million man-hours in this school year.

As you read this list, imagine yourself in the position of a college dean or school principal. Every hour you and your faculty spend on these forms is an hour taken away from your students. Washington's insatiable appetite forces you to spend more time—and money—reporting on what you are doing and less actually doing it. You start to wonder if the Federal establishment wants to transform your operation into a replica of itself: All paper and no substance.

Congress could have spared thousands of educators these crushing material and psychological costs if we had adopted my substitute for the aid to education reauthorization last year. Under my substitute, most Federal aid for precollege education would have been transformed into simple cash grants to the States, in place of the current tangled web of more than 100 categorical programs. The only requirements would have been a prohibition of racial discrimination and a mandate for private-school participation. But as long as we allow policymakers in Washington to set specific educational priorities, the temptation to use local educators as information-collectors for the Federal bureaucracy will continue to be irresistable.

The list follows:

DATA COLLECTIONS, SCHOOL YEAR 1978-79—APPROVED BY FEDAC

Agency form No.	"Federal Register" announcement date	Title	Estimated number of hours required per respondent	Respondent	Respondent burden (annual man-hours)
NIE 109A–E	5/4/78	High School Survey Follow-Up	0.59	Teachers, Principal, Counselors	1,620
NCES 2300–2.1A and B	1/16/79	Degrees and Other Formal Awards Conferred Between July 1, 1978 and June 30, 1979.	3.8	Colleges and Universities	11,780
NCES 2300–2.3	1/31/79	Fall Enrollment in Institutions of Higher Education, 1979	1.	Colleges and Universities	3,130
NCES 2300–2.8	1/31/79	Residence and Migration of College Students, Fall 1979	1.5	Colleges and Universities	4,800
NCES 2408	8/16/78	Field Test 1979 Including Hispanic Supplement "High School and Beyond" A National Longitudinal Study.	1.	High School Students and Staff	5,202
NCES 2410	1/16/79	Higher Education General Information Survey Post Survey Validation.	3.	Colleges and Universities	360
OE 354; –1	6/23/78	Financial Status and Performance Reports, Indian Education	10.	LEA's, Indian Tribes and Organizations	12,000
OE 376	1/31/79	Financial Status and Performance Reports for Follow Through Programs.	2.5	LEA's, IHE's, SEA's	540
OE 623	2/9/79	Basic Opportunity Grant Validation Form	.33	Postsecondary Students	66,000
OE 642–1; –2	1/31/79	A Study of Parental Involvement in Four Federal Education Programs.	1.91	LEA's and Schools	2,680
OE 675	12/26/78	Application for Citizens Education for Cultural Understanding.	25.	SEA's, LEA's, Colleges and Universities, Private, Non-profit Organizations.	12,500
OE 660–1 through –4	1/16/79	Assessment of Vocationally Funded Industrial Arts Programs for Development of Quality Standards.	.614	Principals, Schools Administrators, and State Industrial Arts Supervisors.	4,640
OE 692	2/22/79	Application for Federal Assistance—Career Education Incentive Program.	40.	LEA's, SEA's, Colleges, Non-profit Organizations.	32,000
OE 4376; –1	2/15/79	Annual Survey of Children in Institutions Operated and Supported by a State Agency for Neglected or Delinquent Children.	1.	State Agencies Local Agencies	1,600
OE 9055	12/26/78	FY 1980 Annual Program Plan for Part B, P.L. 94–142 and P.L. 89–313, Education for All Handicapped Children.	45.	SEA's	2,610
IN PROCESS OF REVIEW, MODIFICATIONS MAY BE REQUIRED					
ASE 0004	10/23/78, 2/15/79	Application for the "Improving Opportunities for Youth" Program, FIPSE.	30.	Postsecondary Education	6,000
NCES 2300–4	2/15/79	Financial Statistics of Institutions of Higher Education	2.5	Colleges and Universities	7,825
NCES 2300–5	2/15/79	College and University Libraries Survey	2.5	Colleges and Universities	8,931
OE 116–2; 2–1; 2–2	2/15/79	Financial Status and Performance Reports, Equal Education Opportunities Program.	5.4	LEA's, Non-profit Organizations, Colleges and Universities.	46,128
OE 417	2/9/79, 2/15/79	General Application for all State Administered OE Programs	.5	SEA's	30
OE 365; –1	2/15/79	Financial Status and Performance Reports, Adult Education	90.	SEA's	5,130
OE 627–1 through –11	12/8/78	Evaluation of the Special Services for Disadvantaged Students Program.	1.08	Colleges, Postsecondary Employees, Students.	15,488
OE 628–1	12/26/78	Basic Grant Quality Control Mail Questionnaire	1.0	Financial Aid Officers	200
OE 634	2/9/78	State Plan—Educational Improvement, Resources, and Support.	55.	SEA's	3,190
OE 637–1	1/31/79	Study of Program Management Procedures in the Campus Based and Basic Grant Programs—Mail Questionnaire.	2.0	Financial Aid Officers	1,750
OE 695		Career Education Survey of Professional Members	.250	Teacher Members in Professional Organizations.	700
OE 1049–2	9/21/78	Monitoring and Evaluation Reports for SDIP	8.67	Colleges and Universities	5,200
FNS 42	2/15/79	Performance Report, Nutrition Education and Training Program.	3.6	State agencies	1,008
NSF	2/15/79	Survey of CAUSE Project Directors	.66	Project Directors	40
NSF	2/15/79	Questionnaire for the LOCI Program	.185	College Science Teachers, Students and Department Chairs.	746

DR. HERBERT SHORE DESCRIBES THE BURDEN OF GOVERNMENT OVERREGULATIONS ON HOMES FOR THE AGED

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. FROST. Mr. Speaker, the executive vice president of the Dallas Home for Jewish Aged, Dr. Herbert Shore, recently presented a speech before the board of the home. In this speech, Dr. Shore eloquently described some of the problems facing administrators of medical care institutions. He wrote his speech after trying, for 7 weeks, to receive a license to install a new intercom system in the home. I believe his speech is an all-too-true description of our overregulated society, and I believe it should be entered into the RECORD for public consumption:

ONCE UPON A TIME * * * A FABLE? A FACT? A DREAM? A REALITY?

(By Dr. Herbert Shore)

Twenty-five years ago, I had a visit from a family contemplating application to the Home? In the group were: Mr. Older Generation, the father, age 80; his son, Mr. Middle Generation, age 55; and his grandson, Mr. Younger Generation, age 30. They essentially were interested in how we would care for the elderly gentleman, what programs and services we would offer, what the physical amenities were, what the rules and regulations were, and what the limitations of institutional life were.

The visit, prior to entering into an intake process, was informal and concerned itself with a discussion of the philosophy of care, the ways in which a social agency met the health needs of older people, the social components of care that contributed to the quality of life.

We toured the facility attempting to emphasize a gestalt, the ways in which the services contributed to a totality of life: social, physical, emotional, spiritual. We pointed out that the resident's room was his castle, he was free to bring his treasured possessions—it was designed to provide the amenities and special safety features to enhance his comfort and security. The design of the building, the allocation of space for recreation, occupational therapy and crafts, the Chapel, the central dining room were all shown and discussed.

We then explored the issues of when to enter a Home, the relative advantages of communal dining, association with one's age group, co-religionists, planned programming, competent staff, preventive and health maintenance services, counselling and continued participation in community events.

The individual maintains his relationship with family and friends, but has the additional advantages of social casework services, psychiatric consultations, and every form of emergency care.

Since there were few, if any, government programs (categorical old age assistance based on a means test provided $50 per month for the indigent), there were virtually no governmental regulations or controls. Though for the first time the facility required a license, there were few standards governing staffing patterns and virtually no mandated services.

The decision to enter the Home was primarily a social service decision based on Mr. Older Generation's failing health and social circumstances. His admission was processed by the Admission Committee. When he entered the Home as a resident, our purpose was to satisfy him, to offer the best possible care, programs and services for the individual.

Last week, Mr. Middle Generation came to apply to the Home, and in doing so, confirmed one of our convictions that we not only serve the individual, but we also serve a family and, over a period of time, generations in a family. During the intervening twenty-five years, Mr. Middle Generation, now 80 years old, had become Mr. Older Generation; his son, Mr. Younger Generation, now 55 years old, had become Mr. Middle Generation; and his grandson, Mr. Rock Generation, was already a member of the establishment at age 25.

Many changes had transpired. Instead of the usual discussion about how we would take care of Mr. Older Generation, the tour began and ended at the nurses' station where we carefully explained how well we would care for the patient's chart!

We carefully pointed out that whereas in the past we received few third-party payments and had virtually no regulations and controls, at present we receive inadequate payments and have a great many regulations, controls, standards, survey inspections and audits. We pointed out that the facility attempts to provide for the rights and privacy of the individual except for those rights taken away by the State and Federal Government in their infinite wisdom of protecting the individual from himself.

We assured the family that we knew what we were doing because we (including the Medical Director) had much experience in taking care of the chart. In fact, our most skilled nursing personnel spend the vast majority of their time skillfully nursing the chart—so that they don't have to get involved in direct patient care.

I assured him that though Mr. Older Generation was not acutely ill (where his condition might require minute-to-minute surveillance and charting), we would daily chart the following:

How often he was bathed.

If he had an incontinent episode, that a partial bath was given (following each episode).

Bowel movements must be charted on each shift.

Meal intake (for each meal) and how well he ate, and if he didn't eat, a substitute was ordered.

If he was immobile, that he was turned every two hours.

That a snack was offered at bedtime, and if he refused, that a substitute was offered.

That every medication and treatment was charted.

I also pointed out that the Federal Regulations call for a Bill of Rights for patients, but that seven of the thirteen rights require documentation on the medical chart by the physician.

If the resident should leave the Home for a trip or a visit to his family, the chart should indicate that the physician approved. The physician must write an order for the resident to have foot care by a Podiatrist.

I assured the family that we take excellent care of the chart and that it includes a nursing care plan, a social plan and a review of mental status, and that all activity orders were specified by a doctor. They were very reassured when they learned that the medical director signs the Medicaid level-of-care form every sixty days.

I then informed them that the resident may have the following, and I cited governing documents for them:

REFRIGERATORS

Refrigerators may be allowed in the bedrooms if the following conditions are met:

(1) There must be adequate space for the refrigerator to be operated in the patient's room without producing a safety hazard.

(2) The refrigerator must have the Underwriters' Laboratory Seal of Approval. The manufacturer's precautionary instructions are to be followed.

(3) The interior must be kept clean and free from old and spoiled food; proper temperature must be maintained.

HEATING PADS AND ELECTRIC BLANKETS

Heating pads and electric blankets may be allowed if the following conditions are met:

(1) The attending physician of each patient/resident must produce a written statement for the necessity, and the physician's orders must be specific as to the duration of time during the twenty-four hour period that the heating pad and/or electric blanket is to be used.

(2) Controls must be placed in a position where they cannot be adjusted by the patient/resident and controls must be adjusted to produce a low temperature.

(3) The condition and temperature of the heating pad and/or electric blanket must be checked at least on a two-hour interval and documented.

(4) Heating pads and electric blankets must have the Underwriters' Laboratory Seal of Approval. The manufacturer's precautionary instructions are to be followed.

PORTABLE ELECTRIC HEATERS

Portable electric heaters may be allowed if the following conditions are met:

(1) The attending physician for each patient/resident involved must provide a written statement as to the necessity of the heater.

(2) The heater must be equipped with a safety grille on the front and a safety device which will turn off the heater in the event it is overturned.

(3) The heater must be placed away from combustible items at all times.

(4) The heater must have the Underwriters' Laboratory Seal of Approval. The manufacturer's precautionary instructions are to be followed.

FANS

Fans may be allowed if the following conditions are met:

(1) The attending physician for each patient/resident involved must provide a written statement as to the necessity of the fan.

(2) The fan must be mounted securely and in such a manner as to prevent the patient/resident from coming in contact with it.

(3) The fan must be equipped with a guard and have the Underwriters' Laboratory Seal of Approval. The manufacturer's precautionary instructions are to be followed.

MEDICATIONS

Emergency medications may be permitted in the possession of patients/residents upon special order of the physician.

I pointed out that they could really be comfortable because we now had laws governing fraud, patient abuse, etc. I reminded them that not only was the Home licensed; the beauty parlor, pharmacy, and administors were licensed too.

I assured them that the Home was regularly inspected, surveyed, and audited by the State Department of Health, the State Department of Human Resources, HEW, and the Fire Department. We had safety codes from OSHA, the Wage and Hour Division of the Labor Department, and the State Insurance Bureau. We had boiler, elevator, sprinkler, and other inspections.

The Home no longer had to concern itself with social components since social services were not mandated. Although activity programs are required, there are no standards for qualifications of activity directors. We now have requirements as to staffing and dietary consultation so that the Board of the Home had fewer decisions to make on quality and quantity. We had all the documentation required, the administrative manuals and the endless flow of forms, so that we needn't worry about the residents. I showed him a new form being tested that only had 18 pages per resident and that was a super paper audit.

I know I impressed him when I told him we were really experts—that I had once calculated that on any given day we make thousands of entries on charts (for which I added two RN's to monitor the documentation). Who said I don't know how to take care of a chart, I asked. I pointed out that should he enter the Home, we would try to satisfy the inspectors and surveyors and keep the chart in compliance.

Mr. Middle Generation stared incredulously and said, "My God—1984 is already here!"

If this be a fable—let each person find their own moral; if it be a fact—let each examine his own expectation; if it be a dream—let it soon be over; if it be a reality—it is time for a change.●

VIETNAM VETERANS WEEK

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. HORTON. Mr. Speaker, although the Vietnam war is now a part of the past, we in the United States must not forget the brave and honorable men who fought so loyally in that beleaguered part of the world. Yet, in the years that have passed since the United States ended America's direct involvement in the Vietnam war, the Vietnam veteran has not been accorded the respect and recognition he deserves. Designation of the week of May 28 through June 3 is an important step toward altering this situation.

While no war is ever popular, it is fair to say that the struggle in Southeast Asia was particularly distasteful to many Americans. Indeed, the 1960's and early 1970's were marked by frequent demonstrations against the Vietnam war by Americans who questioned our commitment. The dissension and bitterness generated a national sentiment which led not to the recognition of the bravery exhibited by our soldiers. Instead, returning veterans found themselves often ignored or openly criticized for their involvement in the war.

Regardless of how we as individuals felt about the war, the time has long since past for us to pay tribute to these young Americans. Equally important, however, we must recognize that many of these veterans have suffered emotionally as a result of their combat experiences. Still other veterans have found it difficult and in some instances impossible to find employment, complete their educations, or obtain needed health care.

Congressional and Presidential support for the adoption and subsequent proclamation of Vietnam Veterans Week marks an important departure from past failures to honor our veterans. For the first time since the war's end, America officially recognizes the sacrifices not only of those veterans who returned from the war, but the 56,000 Americans who lost their lives. Commemoration of Vietnam Veterans Week and congressional approval of legislation providing psychological aid for Vietnam veterans begins to repay the Nation's debt to these Americans.●

GRAVESEND TWIN COMMUNITIES' ANNIVERSARY DAY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. SOLARZ. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues a recent attempt to strengthen our recognition of our past and our historical ties with England. I am referring to the efforts of one of my constituents, Mr. Eric Ierardi, and his fellow members of the Gravesend Historical Society.

The town of Gravesend in Brooklyn was founded in 1643 by the English noblewoman, Lady Deborah Moody, who left England earlier from the British seaport community of Gravesend, which was located in the county of Kent off the Thames River. Lady Moody named the new settlement—the first English-speaking town in Brooklyn—after the English community, and it was intended to serve as a place where the right to practice the religion of one's choice was guaranteed. Its charter was the first ever granted to a woman in the New World, and contained the first authorization for the establishment of the town meeting style of government in America.

Gravesend flourished from the outset, and grew to encompass what today is Coney Island, Bensonhurst, Brighton Beach, Sheepshead Bay, Manhattan Beach, and Gerritsen Beach.

Gravesend, England, is now in the Borough of Gravesham. One of America's famous early historical figures—the Indian Princess Pocahontas—died there and is buried within the grounds of St. George's Church. In addition, one of England's most famous generals—Gen. Charles George Gordon—made his home in Gravesend.

In March of this year, the Council of Gravesend, England, passed an act of legislation legally "twinning" or linking their town to the community of Gravesend, Brooklyn, N.Y. On June 9, 1979, they will be holding a celebration in the British village in honor of this event.

As the Representative of Gravesend, I would like to congratulate Mr. Ierardi for his efforts in bringing these two communities back together again and strengthening our social and spiritual ties with our friends in England. I hope that my colleagues will join me in extending best wishes to the members of the Gravesend Historical Society and the citizens of Gravesend, England, on this happy and historic occasion.●

XM-1 TANK

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. ASPIN. Mr. Speaker, we have heard a good deal lately about the XM-1 tank. The House Armed Services Committee approved the administration's request to spend $576.9 million for 352 XM-1's—that is $1.6 million each—even though the Army admits there are serious problems with the tank's engine, turret and other components.

The failure of the Defense Department to correct these problems in due course, or to adjust the tank's procurement schedule accordingly, is merely one manifestation of a recent trend in the Pentagon that is bound to have broader and more far-reaching implications in the years to come.

A quiet but deadly game of Pentagon power politics, played out and hushed up last fall, will cause several billion dollars to be wasted over the next few years.

What was this game, and why will it have such consequence? The Pentagon has quietly dealt a death blow to the promise of independent analysis in the weapons procurement process. On the surface, this does not seem to involve much money or much in the way of anything serious. It may even seem arcane and trivial. However, the result may be not only several billion dollars wasted, but also a significant degredation in our defense posture.

Last October, Secretary of Defense Harold Brown approved a decision that removes from civilian professionals the task of analyzing operational tests of major weapon systems. It takes this authority out of his analytical branch in the Office of the Secretary of Defense (OSD)—called Program Analysis and Evaluation (P.A. & E.)—and transfers it to the Pentagon's Office of the Under Secretary for Research and Engineering—often called D.D.R. & E.

This means that those analyzing the weapons tests are the same people who helped conduct the test in the first place. They are the same people who, within the bureaucracy, advocate the procurement of the weapon system in question.

There is no way to obtain objective, independent analysis of weapons systems under these circumstances.

Upon entering office in 1977, Secretary of Defense Brown ordered a reorganization of the Defense Department. An important element of this reorganization was to be the establishment of a testing and evaluation division within the Office of the Secretary of Defense.

In his fiscal 1979 posture statement, Secretary Brown wrote that the Pentagon "needed a more independent evaluation of operational test results of new weapon systems prior to major production and acquisition decisions."

This new division would separate "the analysis of operational test results from the personnel responsible for research and engineering, thereby providing me with completely independent evaluation."

The decision to disband this division thrusts a dagger at the very heart of Secretary Brown's ideas about testing and analysis. It goes against the conclusions reached by a blue ribbon panel and a President's Procurement Commission. It violates the Office of Management and Budget's policy guidance on procurement, which calls for "strong checks and balances by insuring adequate system test and evaluation, independent, where practicable, of developer and user." It dismisses the language of a report by the Senate Government Operations Committee which concluded that "to be independent and impartial, test and evaluation components should be distinctly separate from the organization that sponsors or will use a major system."

This decision constitutes a step in the direction of what all these astute bodies explicitly warned against. The decision strikes me as irrational and unwise. It violates common sense, prudent defense procurement policy, and the determination of thoughtful people in the executive and legislative branches, whatever their views on how high or low the Defense budget should be.

When weapons are procured before they are adequately tested, their problems surface eventually. Sometimes they are repaired, at much higher cost than would have been the case had the matter been taken care of in the early stages. Often, however, many officials have staked their reputations and careers on these weapon systems, and so no problems are admitted, much less remedied.

Ironically, I learned of the dismantling of the testing and evaluation office while investigating how adequately tests on the Army's XM-1 tank had been evaluated. I thought that this office might know something, but when I looked up its number in the new Pentagon phone book, I noticed that the office was no longer listed.

My staff and I started asking questions and discovered that the office had been working for 3 months on an extensive report of the XM-1's testing failures, when it was suddenly disbanded in October 1978. Had the office survived, perhaps more questions would have been properly raised about this $9.9 billion tank program and brought directly to the attention of the highest officials.

The issue of testing and evaluation is very serious. A recent GAO report indicates that the armed services sometimes even resort to lying to Congress about their weapons' test results. GAO studied the data sheets provided to Congress on 15 major Navy and Air Force weapon systems. The auditors discovered omissions of poor test results, distortion of findings, misleading statements and other discrepancies in all 15 cases, most notably on the F-14 jet fighter—perhaps a classic case of a weapon system rushed into production before adequate operational testing could be conducted and analyzed.

Billions of dollars could often be saved—and our defense posture could be substantially improved—if only proper testing and analysis were conducted early on, and conducted independently of those with vested interests in the weapon's future.

The decision to disband the P.A. & E. testing and evaluation office wrecks the hopes and the chances for these savings and these improvements. We are back to "business as usual." The Defense Department will continue to purchase useless or deficient weapons—probably without the Defense Secretary's or the legislature's awareness that this is so.

It is instructive to examine the history of this office, why it was established and how it was killed. In 1970, then Secretary of Defense Melvin Laird appointed a blue ribbon panel on how to change the Defense acquisition process, in the same year, Congress established a President's Procurement Commission. Both concluded that an independent testing and evaluation office, reporting directly to the Secretary of Defense, was essential.

Retired General Starbird was assigned to the Office of the Secretary of Defense in 1971 for the sole purpose of setting up such an office. However, the Director of Defense Research and Engineering at that time, Malcolm Currie, sabotaged the enterprise, took administrative control of the fledgling office, and even controlled its presentations to the Secretary of Defense.

In 1976, Jimmy Carter was elected President, and his "transition team" decided that an independent testing and evaluation office should be a key element of his Defense reorganization plan. And in 1978, once again, it was gutted by high-ranking officials in D.D.R. & E. who are more interested in getting their pet projects fielded than in determining, first of all, whether they are suitable and effective on the modern battlefield.

Secretary Brown's announcement of a commitment to independent testing and evaluation riled the development testers in D.D.R. & E., who convinced the Secretary to bring the matter before the Defense science board. The board was to arbitrate how to split the people and money between D.D.R. & E. and this new testing and evaluation office in P.A. & E. The science board, comprised of many D.D.R. & E. proponents and veterans, first noted that the new office was a bad idea. They went on, however, to say that, if the decision was implemented, the P.A. & E. testing and evaluation office should get 22 professionals and the development testers in D.D.R. & E. should get eight.

The new office was established in December 1977, but with only 8 professionals, not 22. Secretary Brown promised them that, after the first of the year, more people would be appointed. Between December and that time, the Secretary began delegating authority for all administrative tasks—including this one—to his assistant, Charles Duncan.

Meanwhile, the new office was upsetting D.D.R. & E. The Defense Department had approved several weapon systems for procurement, pending successful follow-on testing. Follow-on tests either had not been conducted or had failed; yet procurement rumbled forward. The testing and evaluation office noted this fact and tried to halt production.

At this point, Dr. William Perry, Under Secretary of Defense for Research and Engineering, sprang into action. He convinced Assistant Secretary Duncan that the role of this new testing branch should be a limited one, merely a body to which the various services would report test results and their own evaluations. On this basis, Duncan decided that no more people would be allocated to the new office. Secretary Brown raised no objections.

Another factor in Assistant Secretary Duncan's decision not to hire more people was the congressional order for a 25 percent manpower reduction in OSD. Shortly after the first of the year, however, Duncan did add several people back to OSD, particularly to the foreign military sales division. He was not so favorably disposed toward testing and evaluation.

Following this failure to comply with the promise for more slots, Russell Murray, Assistant Secretary of Defense for Program Analysis and Evaluation, wrote a memo to Secretary Brown. Murray said that the testing and evaluation office could not possibly carry out its function with only eight slots, that it needed at least a dozen more. If it did not get them, it might as well be shut down. Assistant Secretary Duncan shut it down. Again, Secretary Brown voiced no protest.

And so it was that a combination of self-serving bureaucratic maneuvers and irresponsible acquiescence knelled and death tolls of independent testing and analysis.

Meanwhile, one continues to read and hear of numerous reports about unreliable weapon systems in the field, weapons that breakdown more frequently than the alloted amount of spare parts and maintenance personnel can service, weapons that cannot execute their primary missions under realistic combat conditions.

Proper evaluation of operational testing—and independent reporting directly to the Secretary of Defense—could go a long way toward rectifying this situation. The testing and evaluation office, properly staffed and supported, could have been a powerful vehicle for this task. In its short 10-month life, it was never given a chance.

As long as the Government spends $135 billion on defense, the taxpayers should be getting weapons that work. We should be getting what we are paying for. In many cases, right now we are not. And with the demise of the PACE testing and evaluation office, this deplorable shortchanging will likely continue.●

VIETNAM VETERANS WEEK

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. SHUMWAY. Mr. Speaker, May 28 was not only the day set aside for our traditional observance of Memorial

Day—it was also the commencement of a week of tribute to those who served in the Armed Forces during the Vietnam era. President Carter has proclaimed this to be Vietnam Veterans Week, and I for one applaud this decree.

As the President has pointed out, this decade is ending on a blessedly different note from that upon which it began. The year 1970 found us in the midst of the longest, most costly war in our history. The era known as Vietnam was not only tragic for the toll it took in human lives, but also because of the strife which tore our Nation internally concerning the "rightness" of the war. Those who heeded their Nation's call were hardly greeted with ticker tape parades upon their return. Instead they were scorned, criticized, and treated as an embarrassment by many of their fellow citizens.

Regardless of our personal beliefs concerning the morality and honorability of Vietnam, one point is undeniable: It is neither moral nor honorable for us to ignore the veterans of that period. It is certainly time for us to realize that American deaths on Southeast Asian soil were no less honorable than the sacrifices in more "popular" wars. Our assurance to the families and friends left behind that their loved ones did not die in vain is long overdue. No less is true concerning those who returned bearing physical or psychological scars; no less is due to those who returned whole, having risked all with courage and loyalty.

It has been 14 years since the first Americans entered combat in Southeast Asia. During almost 11 years of bitter war, Americans who were children at its outset bore children of their own, many of whom are now fatherless. Four years have passed since a Presidential proclamation ended the Vietnam era, and I believe that the Presidential proclamation I am discussing here should be heeded with equal emotion.

I trust that my colleagues, and my constituency, will join with me in paying tribute to those who served on any front in the cause of freedom, and in extending to the veterans of Vietnam the appropriate recognition they have so duly earned.●

LATROBE BOROUGH COUNCIL SUPPORTS IMPORT RESTRAINTS

HON. DON BAILEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. BAILEY. Mr. Speaker, as you know, June 13 is a very important day for the specialty steel industry because the import-restraints of 1976 will expire on that date unless President Carter grants an extension of these vital import quotas.

In support of the import-restraint program that is so important to the job security and prosperity of an essential industry, I would like to bring to the attention of my colleagues the following resolution which was passed by the Latrobe Borough Council and sent to the White House, asking for the continuation of import restraints.

RESOLUTION

Whereas, there is in effect import restraints on certain types of specialty steel which were imposed under appropriate proceedings of the Trade Act of 1974; and

Whereas, the import restraints will expire June 13, 1979 unless extended by action of the President of the United States; and

Whereas, hearings were held before the International Trade Commission and the Specialty Steel Industry presented its case for the extension of the import restraints for an additional three years and the request is now before the President of the United States; and

Whereas, within Latrobe Borough and in the Greater Latrobe Area two specialty steel companies, Latrobe Steel Company and Teledyne-Vasco, produce tool and high speed steels and are major employers in the area and the elimination of import restraints would have an adverse effect upon the companies' employees and the economic well being of the Latrobe Area;

Now, therefore, be it resolved by Latrobe Borough Council in regular meeting assembled, and it is hereby resolved by the authority of the same:

Section 1. That on behalf of all the residents of Latrobe Borough, the Greater Latrobe Area, the employees and the management of Latrobe Steel Company and Teledyne-Vasco, Latrobe Borough Council does hereby go on record as urging President Carter to grant the request of the Specialty Steel Industry and extend import restraints for an additional period of three years; in order to prevent the severe adverse economic effect upon the community which would result from increased imports of specialty steel if the restraints are permitted to expire.

Section 2. That the Specialty Steel Industry is a vital industry to the security of the United States and the President of the United States is hereby urged to take this positive step to assure adequate productive capacity for national security.

Section 3. That the President of Latrobe Borough Council, the Mayor and other appropriate officers be and they are hereby authorized to transmit this resolution to the President of the United States and to the senators representing the Commonwealth of Pennsylvania in the United States Senate and to the congressman representing Westmoreland County in which Latrobe Borough is located.

Resolved in council this 14th day of May, 1979.●

SAN JOSE ROTARY HONORING BRUCE POHLE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today to honor one of Santa Clara County's distinguished business leaders, Mr. Bruce J. Pohle. Mr. Pohle is the owner and manager of the highly successful family owned Southern Lumber Co. in San Jose. This year Southern Lumber is celebrating its 75th anniversary and in recognition of the occassion, the San Jose Rotary Club will be holding a luncheon on June 6, 1979, to honor Bruce Pohle.

Through the guidance and commitments of the Pohle family, Southern Lumber has actively participated and donated time and material to many organizations including the San Jose Historical Museum, Crippled Children's Society of Santa Clara County, the Children's Shelter, YMCA, Police Athletic League, Chamber of Commerce, Little League, and Youth Soccer.

In addition, Bruce has established complimentary clinics and workshops for the general public which stress do-it-yourself picture framemaking, wood carving, and hardwood floor installation.

Bruce Pohle and his family have been actively involved in Santa Clara County for over 75 years as business and community leaders. I would like to take this opportunity to ask my colleagues in the House of Representatives to join me in commending Bruce Pohle for his achievements and wish him success in his future endeavors.●

RECOGNITION OF HUMAN COURAGE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. LAGOMARSINO. Mr. Speaker, I wish to bring to your attention a recent story in which the swift reaction and courageous concern of three Southern California fishermen saved the lives of a family of four from Santa Maria, Calif. The following narrative is an account of that dramatic rescue:

With the engine gone and water pouring into their small open boat, the Corrigan family Saturday outing had turned into a nightmare. The earlier calm of Lake Cachuma, in Santa Barbara County, Calif., was now a white-capped death trap.

As the family struggled to put on their life jackets a wave toppled Mrs. Corrigan and 5-year-old Christine into the water. Mr. Corrigan dove after them but was not prepared for the choppiness, "the waves were slapping me in the face and pulling me under." He reached his wife but in their struggle to stay afloat, Christine slipped from their grasp and disappeared below the water. Mr. Corrigan dove repeatedly to find her, but finally had to give up.

All three were now some 40 yards from their boat which was sinking stern-first into the lake. To the boat clung their 7-year-old son, Robert. It was then, as Corrigan remembered:

> I looked up to see this aluminum boat and a blue jacket pulling my wife from the water. My first thought was I had lost my mind, this is what I wanted to see rather than what was actually happening.

Mrs. Corrigan saw the red beard of one of the fishermen and thought "it was God taking me up, I thought I was dead."

Seconds before pulling Mrs. Corrigan to safety, the phantom rescuers, as if they knew intuitively who was in the most trouble, had fished the semiconscious young child from below the lake's surface. Completing their heroic rescue, the three fishermen retrieved both Robert and Mr. Corrigan from the icy water and returned them all safely to the shore.

This story of human courage and heroic undertaking deserve our recognition. The actions of these three men, Ralph May, Denny Moss, of Anaheim, Calif., and Larry Prior, of Chino, Calif., embody the highest goals of the human spirit and serve to inspire all Americans to follow their courageous standard of excellence. These men sought no commendation whatsoever, but as Mr. Corrigan has related, no words or awards will ever truly be able to express his thanks. The honor these three men have earned will be long remembered.●

McKINNEY ASKS FOR PROPER RECOGNITION OF VIETNAM VETERANS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McKINNEY. Mr. Speaker, it is an honor for me to participate in this special order today marking Vietnam Veterans Week, 1979. From August 5, 1964 to May 7, 1975, we took nearly 9 million of our finest youth and sent them off to fight a confusing war in an unfamiliar land. For too long we have not paid enough attention to the special needs of these veterans, and I hope that this special observance will lead us to take further steps to improve their situation.

After World Wars I and II and the Korean conflict, we gave our returning soldiers the hero's welcome they deserved, and we provided them with the educational and financial benefits which they had so rightly earned in the defense of our Nation. Yet our Vietnam veterans returned home to find that Congress and the people had largely ignored their postwar needs. They were left unwelcome, uncared for, and confused—our forgotten heroes.

Today, as some of the horror of our Vietnam experience fades, we find ourselves beginning to address the concerns of these veterans. Although every war leaves emotional and physical scars on its combatants, the needs of Vietnam veterans are somewhat different because of the unusual nature of that war—our country's divided attitude, the accessibility to drugs, and the use of new toxic substances and herbicides.

One aspect of the Vietnam era that was overlooked for many years was the psychological effect of the war on our veterans, and the high rate of drug and alcohol abuse to which it led. Although Vietnam veterans constitute 13 percent of all patients in Veterans Administration medical centers, they account for 19 percent of all psychiatric and psychotic patients. In this light, I was pleased to join with my colleagues recently in approving a program for psychiatric counseling for these veterans and for treatment of drug and alcohol abuse. This is only the first step, however, of a program that needs to be expanded and improved in the years ahead.

Many of these same factors specific to the Vietnam era contributed to an extraordinarily high rate of less-than-honorable discharges for these veterans. I have supported President Carter's special discharge review program for Vietnam veterans, because I have seen how the lack of an honorable discharge can destroy a veteran's future. Without many of the educational and compensatory benefits available to other veterans, often unable to get a job, he or she is left without hope or the chance to improve. To this day, nearly 40,000 men and women have applied for review under the program. Nearly 2,000 have been upgraded from undesirable to honorable, 4,000 from general to honorable, and over 14,000 from undesirable to general. Obviously, we have got a long way to go.

We have also got a long way to go in terms of our health care and facilities for Vietnam veterans. They accounted for 3.5 million visits to Veterans Administration outpatient clinics in 1978, fully 20 percent of all such visits. Yet these clinics are often to far away or too overburdened. In my district, for example, veterans must now travel at least 40 miles to reach the nearest outpatient clinic. As a result, I have continually pushed for a combination convalescent home and outpatient clinic within the fourth district. It is my hope that our special designation of this week as Vietnam Veterans Week will draw recognition to this need for better health care, not only for Vietnam veterans, but for all who have served our country in battle.

One health concern unique to veterans of the Vietnam era is the danger of exposure to the defoliant Agent Orange. I have had a great deal of personal involvement in this difficult issue, and veterans organizations in my district have taken a leading role in the effort to bring national attention to this problem. Over 11 million gallons of this herbicide, made by combining the chemicals 2,4–D and 2,4,5,–T, were sprayed and dumped throughout Vietnam. Even more importantly, innumerable amounts of Agent Orange were contaminated by the lethal TCDD, or dioxin. We are just beginning to understand the health effects of these substances. In this regard, I urge my colleagues to read the thought-provoking three-part series on Agent Orange in the New York Times on May 27–29.

Largely because of inconclusive evidence on the defoliant's health effects that was compiled in studies by the National Academy of Sciences, the Air Force, and the Veterans Administration, only 1 of about 500 claims for service connected disability due to Agent Orange exposure has ever been approved. I have always maintained that further study on this chemical could and should be carried out, and I was heartened to see that a recent GAO report made just these recommendations. It should be pointed out that two important efforts are being carried out at the moment: The Air Force is compiling a list of all veterans who may have received high exposure to the chemical; and the Veterans' Administration is initiating a study into the long term effects of dioxin stored in the body. Recent statements by VA Administrator Max Cleland have indicated that these studies will now be enlarged and intensified. Now that the Environmental Protection Agency has just banned the use of 2,4,5–T because of its harmful effects, however, we owe it to our Vietnam veterans to determine once and for all, the dangers inherent in exposure to Agent Orange.

In short, Mr. Speaker, it is my hope that soon our everyday treatment of Vietnam veterans will reflect the proper attention to their special needs and the same help in adjusting to civilian life that our other worthy veterans receive. Perhaps then we will no longer need a special Vietnam Veterans Week to give them the recognition they deserve.●

THE AMERICAN GOVERNMENT QUIZ BOWL

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. CLINGER. Mr. Speaker, it is my privilege to acknowledge an innovative academic program held annually at the Park Forest Junior High School in State College, Pa., the home of Penn State University. Initiated last year by ninth-grade social studies teacher John Vincenti, the program is called the American Government Quiz Bowl.

Mr. Vincenti's idea has been remarkably successful. This year, 112 students at Park Forest Junior High had the distinction of participating in the quiz bowl. The purpose of the program is to rigorously test the students' knowledge of current events and American Government.

Mr. Speaker, I would like to take this opportunity to extend my congratulations to these outstanding young students and Mr. Vincenti, their teacher. Before too long, these young men and women will be shaping America's future. I am especially pleased to submit for the RECORD the names of the winners of the 2d Annual American Government Quiz Bowl at Park Forest Junior High School in State College, Pa.: William H. Patton, Eric L. Sweet, Morgan A. Clark, Mark E. Wickersham, Michael L. Crocken, Douglas N. Jackson, James H. Holt, Michael D. Knipe, Maria A. Grove, Michele A. Pelick, Stephanie D. Johnson, Catherine E. Graetzer, Amy Hulina, Jennie Leathers, Lisa M. Potter, Kelly A. Grove, Lisa M. Naugle, Donna L. Howes, Susan J. Brown, Becky S. Rhodes, Maria B. Leath, Mary E. Dunson, Lori M. Seguin, and Mary K. Paterno.

Mr. Speaker, these young men and women deserve much credit for their academic skills and knowledge of current events. I take great pride in calling them my constituents.●

FEDERAL LAW AMENDMENTS COULD REDUCE ILLEGAL TRAFFICKING IN HANDGUNS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McCLORY. Mr. Speaker, my friend, Robert Stuart, a member and former president of the Chicago Crime Commission, composed an article recently regarding the control of handguns.

The article emphasizes the need for improved Federal legislation to monitor the trafficking in handguns in order to reduce the ever-increasing number of crimes which result from proliferation of handguns and the inadequacy of Federal legislation.

While I do not agree with all of the views and proposals which are made by Robert Stuart, his recommendations coincide with many of the provisions which are set forth in legislation which I have proposed in the past, including: The outlawing of the "Saturday Night Special," the imposition of mandatory penalties against those who commit crimes with handguns, a prohibition against pawnbrokers being licensed to serve as dealers in handguns, and other improvements which could help strengthen the arm of the Federal Government against the misuse of handguns by those who commit crimes with such weapons.

Mr. Speaker, I am pleased to attach hereto Robert Stuart's article which appeared in the Thursday, May 24 issue of the New York Times.

The article follows:

[From the New York Times, May 24, 1979]

CONTROLLING HANDGUNS

(By Robert Stuart)

CHICAGO.—Every year 250,000 citizens face a handgun. For over 9,000, it is the last moment of their lives. This mayhem could be minimized if we applied businesslike procedures to the manufacture, sale and transfer of these concealable death weapons. Industry has learned to account for potentially dangerous products in the public interest, and in its own interests. For example, automobile manufacturers keep records of customers in case modification or recall is required. And the law requires legal transfer of automobile ownership. Why not equally sensible rules for handguns?

What can be done?

First, the public demand for handgun control should be converted into an action program. Pollsters have found that citizens want vigorous anticrime and handgun-control measures, including strict enforcement of existing laws and mandatory sentences for offenders carrying handguns. Handguns used by convicted felons, mentally deranged persons, drug users and mindless youth out for "kicks" have power of life and death over innocent bystanders. These are handguns that are easily obtained and for which no one is responsible or accountable. This madness is unique to America. The "body count" averages 24 per day. Not accidents. But murders.

We cannot end the nightmare quickly. There are 50 million handguns in circulation, with 2.5 million more pouring into society yearly. But we can minimize the slaughter and begin to get the whole system of handgun trafficking under control. Here are 10 recommendations:

1. The authority for handgun regulation should be transferred from the Secretary of the Treasury to the Attorney General.

2. The handgun industry and handgun owners should be made more responsible and accountable. Practical rules properly enforced would serve the manufacturer, dealer and owner.

3. Punitive references should be erased from the handgun-control debate: Hunters must be permitted to use long guns without further restriction. All talk of confiscation should be stopped, simply because the notion is unworkable as a practical matter, and unacceptable to a free people. The thrust should be on the monitoring of handguns only. All authorized possession and use of handguns—including by pistol clubs—should be clarified and strengthened.

4. "Saturday Night Specials" should be banned. We should regulate illegal traffic, impose stiff penalties on those who misuse handguns, and insist on enforcement of present laws.

5. New Federal regulations should provide incentives to the states to maintain adequate records and controls. Pawnbrokers should be removed from traffic in handguns. Licensed dealers should be compensated for the additional administrative chores necessary to limit sales to authorized buyers.

6. We should deal intelligently with the long-standing problem of importation and classification of handguns. Banning the importation of "Saturday Night Specials" but not their parts is foolishness. It makes no difference to the victim of a "Saturday Night Special" if it is assembled abroad or here.

7. Victims of handgun crime should be compensated. Those who survive attack and families of the dead and maimed have frequently been ignored when they tried to speak out for justice and understanding.

8. Preventive action should be taken. In New York City, business leaders responded quickly to a recent appeal to equip the police force with bulletproof vests. But business ought to attack the problem at the front end: Remove the handgun, to the degree we can, at the fastest pace we can, from the irresponsible, unauthorized owner.

9. Industry initiatives should be encouraged. Handgun manufacturers are getting a bum rap for the misuse of their products. They should be among the first to demand better management and accountability down the line.

10. Government intervention should be minimized. Industry is capable of monitoring the system. The guidelines should be prepared in collaboration with the industry to make sure they can work. Manufacturers and importers should be permitted to record their own transactions and receive reports directly from their authorized dealers. These records would be accessible for auditing and for inspection by law-enforcement officials.

The Congress would respond to industry leadership, and voluntary action would begin to reduce slaughter by handgun.●

VETERANS HEALTH CARE AMENDMENTS OF 1979

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. STANGELAND. Mr. Speaker, I regret my delayed return from the Seventh District of Minnesota prevented my being present during the first hour of today's session. Had I been present, I would have voted in favor of the conference report on S. 7, the Veterans Health Care Amendments of 1979.

Because the 95th Congress adjourned before final action could be taken on a similar measure, it is indeed encouraging to note the early action this important legislation has received in both Houses in this 96th Congress.

The health benefits provided in this measure are commendable, including dental care for veterans of World Wars I and II, the Korean and Vietnam conflicts and those veterans who are 100 percent disabled; establishment of a pilot program to provide treatment and rehabilitation services for veterans suffering from drug or alcohol dependence; and establishment of a pilot program of preventive health care services.

Having just commemorated Vietnam Veterans Week, it is fitting that the conference report on S. 7 has passed unanimously. Of particular significance are provisions in the bill which address the critical problems faced by over 1.7 million Vietnam era veterans in need of readjustment counseling. Congress has mandated the VA to provide outpatient counseling and mental health followup services to Vietnam veterans who seek such aid within 2 years of discharge or within 2 years of enactment of the legislation. This is an important step in responding to the psychological readjustment needs of our Vietnam veterans.

Last, but hardly least, the legislation permits the House and Senate Veterans Affairs Committees increased oversight of the Veterans' Administration hospital construction program. The bill expands existing oversight responsibility by including the committees in site selection, size, and construction plans for VA hospitals.

I trust the Senate will follow suit in approving unanimously the conference report on the Veterans Health Care Amendments of 1979 and that this vital legislation will soon become law.●

NATIONAL COMMITTEE FOR LABOR ISRAEL HONORS WILLIAM R. ROBERTSON

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. WAXMAN. Mr. Speaker, it is with great enthusiasm and sincerity that I call to the attention of my congressional colleagues and the public the honor soon to be bestowed upon my good friend, William R. Robertson. William Robertson, the executive secretary-treasurer of the Los Angeles County Federation of Labor, will, on June 2, receive the Distinguished Service Award of the National Committee for Labor Israel. The committee is sponsored by the American Trade Union Council for Histadrut—this group is composed of American trade unionists closely identified with their counterparts in the Israeli federation of labor known as Histadrut.

I have had the honor of working side-by-side with Bill Robertson for progressive causes for many years. I have seen, first hand, both in union struggles and electoral battles, Bill's deep commitment to social justice.

I know that Bill Robertson has long admired the Histadrut for its broad conception of the role of labor in an industrial society. Like the Histadrut leaders, Bill Robertson regards it as the mission of union leaders to seek not only material betterment for their members but also to work for a more compassionate and more free society.

In this context, I can only mention a few of Bill Robertson's numerous professional and civic contributions. In addition to heading the Los Angeles County Federation of Labor, Bill has, since 1976 served as vice president of the statewide California Labor Federation, AFL–CIO.

Despite the heavy demands of his union work, William R. Robertson has found time to serve on numerous commissions and boards of local government including the L.A. County Commission on Energy, and the L.A. city commissions on both environmental quality and library services. As president of the Los Angeles Memorial Coliseum Commission, Bill has played an important role in protecting the interests of millions of Los Angeles area sports fans.

Amazingly, despite Bill Robertson's immersion in both union work and Government, he has found the energy and time to play leadership roles in such varied community organizations as the Urban League, United Crusade Campaign Arthritis Foundation, St. Jude's Children's Research Hospital Foundation, and the Israel Histadrut Campaign.

I know all the Members of this House join me in congratulating William R. Robertson on his receiving the Distinguished Service Award from the National Committee for Labor Israel. I know that you also join me in saluting Bill Robertson for his impressive past achievements and wish him continued success in all his endeavors.•

DAY CARE: THE FEDERAL GOVERNMENT NEEDS TO DO MORE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

• Mr. DRINAN. Mr. Speaker, during the past decade, we have witnessed a marked increase in the number of women who have returned to the work force. Nearly one-half of the women in the United States are working and among these more than 18 million are mothers. For many of these mothers, working is a necessity which has been brought on by the spiraling inflation rate. Just as these mothers need to work so too must they find reliable and quality day-care services for their children. Each year, the percentage of working mothers with children under the age of 6 increases dramatically while day-care openings remain constant or decline.

I am a cosponsor of the "Child Welfare Act of 1979," which would appropriate money for grants to States to provide assistance to working families who are in need of child-care services. The States would have responsibility for assessing their child-care need and developing comprehensive plans for meeting these needs.

This bill, H.R. 1121, would provide a vital service to moderate-income families who are least able to afford, and least likely to find quality day care for their children. Historically, child-care subsidies have always been limited to welfare recipients or families living below the poverty line. Families of moderate to low income, whose income is too high for Federal subsidy, yet too low for tax credits, get no Federal support. All too often, we find that these families are forced to place their children in situations that are not best suited to their children's needs. They cannot afford to do otherwise, given the absence of day-care resources.

H.R. 1121 would, in my opinion, address this situation by allowing families to make informed choices on placement of their children in a day care setting without being totally restricted by financial resources or lack of adequate facilities in their area.

Much time and energy has already been devoted to the debate on child welfare and day care. It is time the Federal Government took a leadership role in insuring that day care services are available to those who need it. The working woman is here to stay and every attempt should be made to upgrade and increase day care services at a reasonable cost. To do so is consistent with existing Federal policies aimed at improving employment opportunities for women.

I recently read a most inspiring and worthwhile book on child care, which I am pleased to say was authored by a resident of Massachusetts, Mrs. Grace Mitchell. This book, "The Day Care Book," is a timely and informative volume which would be of great interest to any mother or father who is presently in the job market or who is contemplating starting a career. It offers many useful and knowledgeable suggestions on selecting a day care arrangement that is most stimulating and receptive to the needs of individual children. Mrs. Mitchell is an experienced educator and has spent many years researching and writing this volume. As a parent and educator, she lends much insight into what parents should look for in a well-organized day care facility. She also suggests ways in which a parent can become involved with their child's daily surroundings and experiences. I commend this enlightening book to my colleagues.

Thousands of parents, educators, and children have been waiting too long for the Federal Government to establish Federal policies in this area. Policies which would guarantee adequate and reasonable child care alternatives to the millions of working mothers and fathers of this country. I hope that, during this Congress, we can act favorably on H.R. 1121, a solution to this long-neglected problem.•

TRIBUTE TO HON. FRANK ROSE, RETIRING SAN MATEO COUNTY JUDGE

HON. BILL ROYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

• Mr. ROYER. Mr. Speaker, I want to add my voice to those honoring the Honorable Frank W. Rose, a constituent of my California 11th Congressional District, who has devoted 43 years in the legal profession serving his fellow man.

Frank Rose was born in 1909 in Ogden, Utah. He married Mary Champ Pickens in 1939. After receiving his B.A. from the University of Utah, he obtained his J.D. and LL.M. degrees from Georgetown University Law School, Washington, D.C., and was admitted to the District of Columbia Bar in 1936.

Frank Rose headed East in the footsteps of William O. Douglas to become a young energetic New Dealer. He served as the assistant to the General Counsel, Federal Emergency Public Housing Authority, Washington, D.C. He then became the Administration's Regional Counsel in San Francisco. Frank was admitted to the California Bar in 1945. He served as Counsel for the Housing Authority in San Mateo County, assistant city attorney, city of San Mateo and city attorney for Half Moon Bay, Calif. He was appointed to the San Mateo County Bench in 1960.

Like the jurist William O. Douglas, Frank Rose has a genuine love and affection for the great outdoors, especially the Rockies where he grew up. He is also an active skier. I know few men who are as active at his age.

The Honorable Frank Rose of the San Mateo County Superior Court will be honored at a retirement dinner in San Mateo on June 7, 1979.

Mr. Speaker, I am proud of the outstanding public service rendered by Judge Rose to the citizens of San Mateo County and our country.•

NAVAL AIR STATION, CORPUS CHRISTI, TEX., IS VITAL

HON. JOE WYATT, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. WYATT. Mr. Speaker, I would like to take this opportunity to make my colleagues aware of one of the finest military installations within the Department of Defense. The Corpus Christi Naval Air Station located at Corpus Christi, Tex., is unique in that it is a multimission installation. Navy has been conducting flight training there since the early forties. In subsequent years Army established an aviation depot overhaul facility, the Coast Guard established an air station and Navy built a medical center on the facility. The installation is very efficient in operation and extremely vital in support of our national defense.

The citizens of south Texas and our State legislature are equally proud of this facility. To emphasize the strong feeling of our State legislature they have just passed House Concurrent Resolution 79 which memorializes the Congress of the United States to maintain its operation.

Mr. Speaker, I insert this resolution in the RECORD:

HOUSE CONCURRENT RESOLUTION

Whereas, The Naval Air Station in Corpus Christi has had a long and distinguished history of providing excellent naval aviation training for U.S. naval cadets and commissioned officers, as well as flight students from other countries for many years; and

Whereas, The air station became a permanent installation in 1948 when the Naval Air Advanced Training Command transferred its headquarters from Jacksonville, Florida, to Corpus Christi; and

Whereas, The headquarters of the Chief of Naval Air Training was relocated from Pensacola, Florida, to the Naval Air Station in 1972 for better command and control of its training air wings; and

Whereas, A continued standard of excellence at the Naval Air Station is evidenced by the thousands of fully trained aviators of single- and multi-engined land and sea planes who have graduated from this air station; and

Whereas, The Naval Air Station has the best weather and the best facilities and availability of air space of any of the other Naval Air Training Command installations; and

Whereas, The invaluable training provided by the naval air station makes it an important tool in the preparedness of the Navy and an asset to the overall defense of the United States; and

Whereas, The air station is a multi-mission installation that serves as host for several organizations that are critical and vital to the defense and welfare of our nation, such as the Corpus Christi Army Depot, the Naval Regional Medical Center, the U.S. Coast Guard Air Station, and several reserve and support units; and

Whereas, The multi-mission nature of the air station generates considerable overhead efficiencies to the Department of Defense as opposed to an installation with a single mission, especially in times of austere budgets; and

Whereas, The Naval Air Station is the largest single employer of civilians in South Texas, of which approximately 50 percent are minorities; now, therefore, be it

Resolved by the House of Representatives, the Senate concurring, That the 66th Legislature of the State of Texas hereby memorialize the Congress of the United States to maintain the operation of the Naval Air Station in Corpus Christi; and, be it further

Resolved, That official copies of this resolution be prepared and forwarded to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, and to all members of the Texas delegation to the Congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

SWEDISH KING HONORS NEW YORK COUPLE

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

Mr. GREEN. Mr. Speaker, it is with great pride that I bring to the attention of my colleagues a special honor being bestowed upon two of my constituents. The King of Sweden is today honoring T. Edward and Alvalene P. Karlsson with the presentation of the Order of the North Star. Mr. and Mrs. Karlsson are the editors of the 106-year-old Swedish-American newspaper Nordstjernan Svea, which is the oldest ethnic newspaper in the United States. The medals are to be awarded by the Karlssons by Sweden's consul general at a reception at the consulate residence in New York.

These medals, which are awarded only to non-Swedish citizens, are given for special long-term efforts to maintain and further improve the close relationship between Sweden and the United States. The Karlssons have dedicated their last 10 years to highlighting the news of Sweden and its many outstanding American descendants. The Nordstjernan Svea has enjoyed a wide following among the immigrant Swedish population and recently has gained a new readership in young Americans of Swedish descent seeking to learn more of their heritage and ancestry.

The Manhattan office of the newspaper also houses the Swedish Book Nook, which offers one of the largest collections of books from and about Sweden in both English and Swedish.

The Karlssons represent the best of what has made America great. All of us are indebted to them and benefit by the spirit they possess—a spirit which takes appropriate pride in ones heritage and combines it with a dedication to build a better United States. I know that all my colleagues join me in congratulating Mr. and Mrs. Karlsson on this special occasion.

VIETNAM VETERANS WEEK

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. FOUNTAIN. Mr. Speaker, I am pleased to join my colleagues in the House, as well as countless other citizens across the wide expanse of America, in paying homage and tribute to our Vietnam heroes being honored during Vietnam Veterans Week.

This country owes a heavy debt of gratitude to the millions of American men and women who answered their country's call to service and fulfilled their obligations with valor, honor, and loyalty. They served and fought during a time unlike any other period in our country's history. Consequently, many returned to our shores not to the strains of spirited band music, parades, and other expressions of appreciation, but rather to lonely airports, to unemployment, to a deep feeling of being ignored and overlooked, and often to a feeling of despair.

Today, we find Vietnam veterans in all walks of life, representing all races and ethnic groups, and both sexes. Yet, too little has been done for these heroic people. Many have not been given the same opportunities as were extended to veterans of earlier wars and conflicts. As a result, for example, Vietnam era veterans have a higher rate of unemployment than does the general population.

In addition, there are often special medical and psychological needs of the Vietnam veteran. For many, the sting of loneliness—and, in some cases, unwarranted and underserved blame for the tragedy of Vietnam—has created problems which will remain on their hearts, and in their minds and bodies, far into the future.

Other areas which deserve added emphasis for Vietnam veterans include pensions and disability, medical care, educational and training assistance, and housing loan guarantees. Our country ought to show the same appreciation and consideration which we have rightly shown to past war heroes.

At the same time, while honoring the Vietnam era veterans who live and work among us day in and day out, we should not forget the families—the parents, widows, and orphans—of those who paid the ultimate price and died on the field of battle. No sacrifice could be greater.

Hopefully, our community leaders, veterans groups, church and civic organizations, government officials at every level, and others across the country will use this occasion of Vietnam Veterans Week to make some payments on the debt which we as a Nation owe to these patriots who gave unselfishly of themselves, believing that freedom and democracy might have a better chance of survival in these perilous times.

Mr. Speaker, I join my colleagues and my fellow Americans in saying simply to all of our Vietnam era veterans, "Welcome home and thank you for a job well done."●

COMPETITION AND CAMPAIGN FINANCE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. FRENZEL. Mr. Speaker, yesterday morning's Post carried an editorial entitled, "Competition and Campaign Finance" that contained both thoughtful analysis and sound advice.

The thoughtful analysis of the stunning defeat in a House Committee of Taxpayer Financing of Congressional Elections suggested the bill was beaten not by any single opposing force, but by "the sheer variety of the situations it threatened to disturb." What were formerly considered innovations, creative changes in fundamental election procedures are now being broadly perceived as either dangerous, foolish, or unnecessary, or as all three combined.

The sound advice "for those who want to improve campaigns" was to concentrate on straightening out the Federal Election Commission, which, according to the Post, certainly could not have managed a public financing bill. In my judgment, the FEC would indeed have had great difficulty with such a bill, and now should be the primary target for congressional oversight.

The FEC's problems are not all internal. If the Commission in inept, and there is consensus on this point, it is inept because its creator, the Congress, made it that, and, perhaps, likes it that way.

The FEC was created so that it could easily be stalemated. The Commission was split 3 to 3 so that no political party could overpower the other. That necessary protection for the minority also means that any three members can prevent a Commission action or decision. Under those circumstances, it is much easier for the Commission to do nothing, or to do something harmlessly, than to do anything that has a real effect on election procedures.

The FEC has also been kicked, prodded, and bullied by the Congress whenever it did try to carry out its apparent mandate. When it audited Members of Congress, as it was intended to do, the Congress rose up in indignation, not wholly righteous. When it designed unnecessarily complicated forms and procedures, it received plenty of abuse from Congress, but seldom, if ever, did it receive help, or counsel as to what Congress really wanted.

When Congress passed that Federal Election Campaign Acts of 1974 and 1976, it put itself under regulatory control of the FEC. But, Congress really did not want to be regulated very much. That is the basic problem with the FEC.

The FEC, of course, made the worst of this bad situation. Its auditors, in the beginning at least, did not know how to audit. Its employees, some of whom were foisted upon the Commission by congressional or White House friends, had, and still have, poor morale and an extraordinarily high rate of turnover.

It is hard enough to work for six bosses, but FEC employees are organized into two divisions with overlapping jurisdiction that complicates everyone's life. There is serious question as to whether the FEC, without changes, will be able to handle the Presidential campaign of 1980. Surely few government agencies need overhaul and improvement like this one does.

The House Administration and the Senate Rules and Administration Committees ought to devote whatever time and resources are needed to help the FEC to improve itself this year. Whatever, problems the FEC has are Congress problems, too.

The article follows:

COMPETITION AND CAMPAIGN FINANCE

It was fitting that the bill for public financing of House campaigns was beaten in committee the other day by a coalition of Democrats who wanted less competition and Republicans who wanted more. Some of the Democratic nay-sayers apparently feared that public financing would undercut their old-line organizations and fuel GOP challenges. Many of the panel's Republicans, who tend to regard public financing as a Democratic plot, concluded that most elements of the plan, especially its limits on campaign spending, would help incumbents and hurt challengers.

The contraditions here illustrate the clashing interests that the advocates of public financing have never managed to overcome. They have tried hard for several years to devise a plan with something for everyone—or at least a majority. The point of general appeal has been the possibility of relief from importuning interest groups and the grubbier aspects of campaign fund-raising. But most House members have also insisted on protecting their own political alliances and advantages. In response to various concerns, the bill kept being tinkered with. Finally it became as complex and assailable as the "system" it was meant to supplant.

In short, the bill was probably beaten less by any one opposing force, such as Republicans or corporate interests, than the sheer variety of the situations it threatened to disturb. That is appropriate, because public subsidies of House general elections, and spending limits, and the exceptions to those limits, and all the rest would alter politics in many districts in ways that would not be entirely predictable—and probably, in some respects, regrettable.

For all the weight of those uncertainties, there is a stronger argument against trying to advance a public-financing bill this year. That is the certainty that the Federal Election Commission could not manage it. The commission is going to be hard-pressed enough by the 1980 presidential campaigns. Piling on the responsibility for policing public subsidies and spending limits in several hundred congressional campaigns is a sure way to immobilize the agency, or the campaigns, or everybody in a hopeless snarl.

All in all, partly for the wrong reasons, the House committee came out in the right place. For now, those who want to improve campaigns should concentrate on straightening out the FEC. If that doesn't consume their energies, they could look for simpler ways to give some start-up aid to congressional challengers and reduce the leverage that political action committees can apply.●

TRIBUTE TO 1979 DISTINGUISHED HOPE COLLEGE ALUMNI

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. VANDER JAGT. Mr. Speaker, on Saturday, May 12, 1979, the Hope College Alumni Association held their annual alumni day dinner at Phelps Hall on the campus in Holland, Mich. During this dinner the 105 living alumni of the 149 member class of 1929 were honored with induction into the 50 Year Circle of the association. Many of those in the golden anniversary class reside in my Ninth Congressional District.

During the evening, both Hope's President Gordon J. Van Wylen and Dr. Victor W. Eimicke, the chairman of the board of trustees, spoke to more than 500 alumni. Presiding was the association president, Warren W. Kane, a staff member of the Senate Committee on Appropriations.

Of course, the highlight of the annual alumni day dinner is the presentation of distinguished alumni awards. I congratulate this year's recipients, Mr. and Mrs. Harvey Koop of Hamilton, Mich., who are residents of the Ninth District, as well as the family of the late Rev. Howard G. Teusink and Dr. Owen J. Koeppe, the chairman of the chemistry department at the University of Missouri.

Mr. Speaker, I offer these people my congratulations on this special occasion and express to them my appreciation for their unique and lasting contributions to Hope College.

I include excerpts from the alumni day dinner program with these remarks in the RECORD:

EXCERPTS

GOLDEN ANNIVERSARY CLASS

The Golden Anniversary Class of 1929 was honored today. The class numbered 149 in their graduation year; 105 received 50 Year certificates; that's 70%. They are: Everett Bekken, Harold F. Boer, Bertha Nienhuis Boot, Gertrude Bos, Leon A. Bosch, Evelyn Welmers Bott, Clarence Bremer, Dorothy Stroup Bremer, Roy Bremer, Frank Brokaw, Dora McCowan Browning, Esther VanderVen Bufe, Frieda Boone Buys, May Westveer Cody, Jeane Grooters Colvin, Hilda Hansen Curtis, Gary DeHaan, Roland DeMaster, J. Bernard DePree, Leon E. DePree, Walter DeVelder, Elida DenHerder DeVries, Joe DeVries, Mildred J. DeWolf, Howard S. DeYoung, Clarence M. Diephouse, Kathryn Schaafsma Fiscel, Marvin J. Folkert, Jacob Gulick, Junia Mulder Guthrie, Herman P. Harms, Martha Van Buren Harris, Myers H. Hatchman, Lily May Hawkins, Robert J. Hemkes, George R. Hoekzema, Ruth Kennel Hopkin, Mildred Dulmes Hougen, Kenneth J. Hyink, Walter J. B. Hyink, William Jansen, Russell Japinga, Russell J. Kamper, Bernard J. Kastein, Myron J. Kastein, George W. Killey, Clarence Klaasen, John L. Klay, Mary

Waldron Klebe, Stanley Kleinheksel, George E. Kloote, Margaret Grooters Kloote, Herman Knol, Clarence C. Knowles, Harry W. Kole.

John L. Kollen, Margaret Barlow Kollen, Harold Kraai, Grace Koeppe Krunen, Alice A. Lammers, Herman F. Laug, Josephine Lippenga Lenters, Ruth VanderLinden Maat, Ida Townsend Martin, James Dean Martin, Eva Tysse McGilvray, Dirk Mouw, Johan Mulder, Henry R. Nyhof, Esther Brink Nykamp, Sarah Klooster Olert, Ethel Heneveld Peelen, Jacob Charles Pelon, Jerine Koning Prakken, Nicholas J. Prakken, Ada Boone Raak, Gerrit Rezelman.

Henrietta Rodstrom, Charles E. Rozema, George Russcher, Lavern R. Sandy, Dorothy Blekkink Shupe, Helen Fehner Silber, Daniel Smies, Edward L. Swartout, Preston N. Tanis, Anne Carrigan Taylor, Seena Welling Thiel, Harm J. Timmer, Julia Ossewaarde Ure, Gladys VanAnrooy, John J. Van Dam, Clifford Lester VanderPoel, Alvin Vanderbush, Edith McGilva Vander Hart, Laverne J. VanderHill, Paul R. Van Ess, Raymond Van Raalte, Eva Van Schaack, Gertrude Van Vessem Van Tuinen, Andrew H. Vinstra, Millard Carlisle Westrate, Evangeline Grooters Williamson, Loraine Raak Worden, William Zonnebelt.

ALUMNI AWARDS CRITERIA

The tenth annual Distinguished Alumni Awards are being presented this evening. Established by the Alumni Board, the awards are made in recognition of contributions to society, interest in the College, and financial assistance to the College. Any member of the Alumni Association is eligible for the D.A.A. with the exception of current members of the Alumni Board, current members of the Board of Trustees, or alumni who have received honorary degrees from their Alma Mater.

CLASS OF '79 NUMBERS 424

The Class of 1979, numbering 424, will become alumni at Commencement tomorrow afternoon, May 13, in the Civic Center.

PROGRAM

Mr. Warren W. Kane '57, President, Alumni Association, presiding.

Prayer—The Reverend Laverne VanderHill '29.

Dinner and Welcome—Mr. Kane.

Recognition, Class of 1929—Mr. Kane.

Recognition, Class of 1979—Mr. Steve Prediger '79, Alumni Board Director.

An Endowment of Hope—Dr. Gordon J. Van Wylen, President of Hope College.

Remarks—Dr. Victor W. Elmicke, Chairman, Board of Trustees.

Presentation of 1979 Distinguished Alumni Awards:

Mr. Harvey '43 and Mrs. Mary Lou Hemmes '46 Koop; presented by Mrs. Elsie Parsons '46 Lamb, Past President, Alumni Association.

The Late Reverend Howard G. Teusink '36, accepted by Dr. Paul Teusink '64; presented by The Reverend Jack H. Hascup '53, Past President, Alumni Association.

Dr. Owen J. Koeppe '49, presented by Dr. Walter Boerman '49, Director, Alumni Association.

Recognition and Closing Remarks—Mr. Kane.

Alma Mater (Words and Music by Dr. Robert Cavanaugh):

> Hail to our Alma Mater!
> Hail to our Varsity!
> Steadfast as the anchor ever
> In our loyalty;
> Hail to the Orange and Blue!
> Firm may our motto be!
> "Spera in Deo."
> Hope! our Varsity.

TRIBUTE TO A. PHILIP RANDOLPH

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1979

● Mr. RODINO. Mr. Speaker, it is perhaps still too soon to place in clear perspective the social and political development of this Nation during the 20th century. But it is not too soon to know for certain that in the future when historians measure that development, the life and work of A. Philip Randolph will rank among the most significant forces.

A. Philip Randolph died last week in New York at the age of 90. He died on the eve of the 25th anniversary of Brown against the Board of Education, the Supreme Court's landmark desegregation decision of 1954. But for Randolph that decision represented but one achievement in a lifetime of achievements and more important, but one struggle in a long series of still continuing struggles for the dignity that comes with equal rights under the law.

Mr. Speaker, A. Philip Randolph was a giant in both of the two great American social movements of this century: The labor movement and the civil rights movement.

Vice President Mondale said of him last week:

> No American did more for the cause of social equality and economic justice.

And in a statement issued by the White House, the President referred to Randolph as one who "helped transform the face of the American nation * * * (He) helped sweep away longstanding barriers of discrimination and segregation in industry and labor unions, in our schools and armed services, in politics and Government * * * (He) was an inspiration and an example * * * (by) * * * his dignity and integrity, his eloquence, his devotion to nonviolence, and his unshakeable commitment to justice for all."

Perhaps most significantly, over the course of his lifetime A. Philip Randolph got things done. He believed in the American Constitution and he made it work. He believed in the American economic system and that, too, he made work.

He was the first black leader to apply economic power through the labor movement to improve the lot of blacks. He organized the Brotherhood of Sleeping Car Porters, the first major black union in the United States and the first to be granted an international charter by the AFL. He was instrumental, following the merger of the AFL and the CIO, in persuading that organization to fight racial discrimination in the trade union movement. And for 11 years, beginning in 1957, he served as the first black vice president of the AFL–CIO.

Politically, he was a major factor in persuading President Franklin Roosevelt to issue an Executive order opening the expanding production economy of World War II to black workers, and he was a force in the creation of Roosevelt's Fair Employment Practices Committee. He persuaded President Truman to issue an Executive order ending segregation in the Armed Forces and establishing an integrated, peacetime draft.

He was a major force in all of the national civil rights activities of the 1950's and 1960's and was an organizer of the crucial 1963 march on Washington. His work was in large part responsible for the 1964 Civil Rights Act and the 1965 Voting Rights Act.

Mr. Speaker, I was privileged to have met and to have worked with A. Philip Randolph. I believe we are all privileged to have lived in his time. We are in his debt for his great contributions.

His foresight, his strength of purpose, his determination to uplift society, was an inspiration, and was encouraging to many of us who joined him on the many issues of mutual concern.●

AMENDMENTS TO H.R. 4040

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McCLOSKEY. Mr. Speaker, when H.R. 4040, the Defense Department procurement bill reaches the floor, I will offer three amendments to make the proposed renewal of Selective Service registration compatible with the proposed National Youth Service plan (H.R. 2206) cosponsored by Dave Bonior, Democrat of Michigan; Paul Simon, Democrat of Illinois; Trent Lott, Republican of Mississippi; Jonathan Bingham, Democrat of New York; Millicent Fenwick, Republican of New Jersey; Pat Schroeder, Democrat of Colorado; Charles Wilson, Democrat of Texas; Joseph Addabbo, Democrat of New York; Tony Coelho, Democrat of California; Robin Beard, Republican of Tennessee; Berkley Bedell, Democrat of Iowa; Larry Coughlin, Republican of Pennsylvania; Robert McClory, Republican of Illinois; and James Scheuer, Democrat of New York.

The amendments are intended to accomplish the following:

First. Require registration of women as well as men;

Second. Advance the effective date of registration to January 1, 1980; and

Third. Direct that the study of Selective Service reform authorized in the bill be expanded to include feasibility of a national youth service alternative.

Their precise language is as follows:

AMENDMENTS TO H.R. 4040, AS REPORTED, OFFERED BY MR. McCLOSKEY

AMENDMENT NO. 1

Page 28, line 6, strike out "male".

Page 28, strike out line 8 through 14 and insert in lieu thereof the following:

(b) Section 3 of the Military Selective Service Act (50 U.S.C. App. 453), relating to registration, is amended by striking out "every male citizen" and all that follows through "twenty six" and inserting in lieu thereof "every citizen of the United States, and every other person residing in the United

States, who becomes eighteen years of age after December 31, 1980".

Page 29, beginning on line 9, strike out "registration under such Act and to".

AMENDMENT NO. 2

Page 28, line 4, strike out "January 1, 1981" and insert in lieu thereof "January 1, 1980".

Page 28, line 7, strike out "December 31, 1980", and insert in lieu thereof "December 31, 1979".

Page 28, beginning on line 13, strike out "December 31, 1980" and insert in lieu thereof "December 31, 1979".

AMENDMENT NO. 3

Page 28, line 20, strike out the period and insert in lieu thereof "and for acceptance of volunteers for national service in civilian capacities."

Page 29, line 24, strike out the semicolon and insert in lieu thereof "and to be compatible with any system of voluntary national youth service that the Congress may hereafter enact;".●

NKOMO AND MAYOR JACKSON OF ATLANTA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McDONALD. Mr. Speaker, the recent visit of terrorist leader Joshua Nkomo to this country was a national disgrace and those in the State Department who permitted it should be fired forthwith. The American people, via their elected Senators, have spoken out on the subject of the new Rhodesian Government loud and clear. Messrs. Nkomo and Mugabe were offered their opportunity to take part in those elections and chose not to.

Mr. Nkomo recently spoke at Morehouse College in Atlanta. When Morehouse College was asked why Mr. Nkomo had been invited, a spokesman lamely replied that they wanted their students to hear all sides of the issue. This same spokesman became vague as to who and when the other side of the question would ever be presented to the Morehouse students. But the strangest aspect of this visit was the fact that Mayor Maynard Jackson held a fund raiser for Nkomo and presented him with $4,000. That action was clearly a violation of the sanctions in force against Rhodesia, part of which Mr. Nkomo claims to represent. U.S. commercial firms have been fined for trading with Rhodesia. Now a Rhodesian leader has received U.S. funds directly. Mr. Jackson should be prosecuted for violating the law. Fair is fair.

Even the Atlanta Journal, with which I seldom agree, has looked askance at Mr. Nkomo's call for violence at Morehouse. So at this point I would like to include the Atlanta Journal story of his visit which appeared on Monday, May 21, 1979, and the editorial which followed as appeared the next day. The two items follow:

ENDORSING A BLOODBATH

Rhodesian Rebel leader Joshua Nkomo declared at Morehouse College that violence is the only answer to that nation's racial problems. When he finished, the crowd gave him a standing ovation.

We are quite taken aback to see educated American blacks gathered in the Martin Luther King Jr. Memorial Chapel endorsing a bloodbath in Southern Africa. And that is, inexorably, where the current conflict is leading.

What has in the past been a clear black vs. white issue in Rhodesia is changing. Nobody outside that country defends a government where 230,000 whites effectively dominate 6.7 million blacks, controlling the police, civil service, armed forces and judiciary.

Such arrangement is indefensible. Rhodesia has to be—and clearly is being—returned to its black majority. The question now is how? And how soon?

Under Ian Smith, prime minister since 1965, numerous opportunities for peaceful transition have been missed. And there is no guarantee that the latest plan, which included the election of Bishop Abel Muzorewa, a one-time associate of Nkomo, is not yet another effort by Smith to preserve white superiority. But despite Nkomo's pronouncements at Morehouse, Bishop Muzorewa was not regarded as an "Uncle Tom" and a Smith tool until he opted for a non-violent solution to Rhodesia's problems.

Those who summarily reject the negotiated transition in favor of a violent overthrow of the Smith Regime fail to consider the tribal politics of Rhodesia.

Nkomo, leader of the Zimbabwe African People's Union (ZAPU), is a member of the minority Ndebele tribe, while his revolutionary counterpart, Robert Mugabe, is of the Shona tribe. While they are allied in the effort to oust Smith, they are traditional rivals. Both armies are trained by Cubans and armed by the Russians.

If they succeed in a violent overthrow of Smith, the next step is certain to be tribal warfare to determine which army is to rule Rhodesia. That will be a bloodbath for whites and blacks.

The negotiated settlement is the only hope to avoid wholesale slaughter in Rhodesia. Violence and guerrilla warfare should not be embraced as a solution by the United States or by those who gather at Morehouse College Neither they, nor Atlanta Mayor Maynard Jackson, ought to be establishing a foreign policy for Atlanta blacks.

This nation should do all it can to promote the success of the compromise settlement now being tried in Rhodesia. And that includes an immediate lifting of economic sanctions imposed on that country.

RHODESIAN REBEL SPEAKS AT MOREHOUSE—VIOLENCE IS ONLY ANSWER, NKOMO SAYS

(By Joe E. Green)

Rhodesian rebel leader Joshua Nkomo said Sunday violence is the only means to solve that country's problems and predicted that the newly elected government—which he called a white puppet regime—would fall before the year is out.

The British and American governments cannot afford to recognize the Rhodesian government of Bishop Abel Muzorewa, Nkomo told a small gathering of Atlanta journalists Sunday night after a commencement address at Morehouse College.

He warned that "any government, as well as any company, that will act in a manner regarded by us as hostile to the interests of our people will be branded an enemy."

Nkomo, the president of the Zimbabewian African People's Union, said the consequences of American recognition of the recently elected Rhodesian government would be as severe as the American experience in Vietnam.

"Your country is still healing the wounds of Vietnam. It does not need other wounds," he said.

Nkomo said that the recent election was not democratic because voters were intimidated by the presence of armed troops and there was no voter registration. He said some people who voted for the Muzorewa government cast their ballots as many as seven times.

Nkomo said that the world was laughing at an election in which 28 seats in the 100-member Rhodesian parliament were reserved for whites who represent less than 3 percent of the total population. "The police, the army, the judiciary, the civil service are all in the hands of the whites. There has been no election friends, so keep cool. We are committed to fighting and we know that Zimbabwe will be free.

"I did not pick up arms because I like fighting," Nkomo said. "Fascists like Ian Smith take no notice of reason. The only language they understand is the language of the gun. The armed struggle means death, it means bloodshed, it means losing your people. We are in prison and the only thing we can do is to shoot our way out of prison."

Nkomo, who was detained or imprisoned for more than 10 years by the Rhodesian government, said that he was delighted by the response that he received earlier in the day at Morehouse. The 3,000 people in attendance interrupted him often with applause and gave him a standing ovation at the conclusion of his hour-long speech.

Airline copilot George McLendon led a dozen white protesters outside the Morehouse auditorium, carrying tombstone-shaped signs blaming Nkomo's organization for the deaths of civilians in two Rhodesian airplane crashes.

"We'd do the same thing if Yassir Arafat were here speaking. This man has committed acts of terrorism against innocent people," McLendon said. "Hijacking and terrorism, any acts of crime against innocent people, must be protested."

During his address at Morehouse commencement exercises, Nkomo referred sarcastically to the diminutive Muzorewa as "our confused little bishop, the Uncle Tom."

"I used to believe that you could talk to racists when I was young. My hair was pitch black then," the 61-year-old former union organizer said. "Now, we know that the only language they understand is the gun."

"People tell us the situation is very complicated," Nkomo said. "The only complication is that a handful of whites want to keep everything."

Speaking on behalf of the institution, Morehouse President Hugh Gloster said "if it was right for Benjamin Franklin to speak in Europe on behalf of the American colonies then it is right for Joshua Nkomo to speak in the United States on behalf of the Zimbabewian people."

Nkomo, with his presence, intellect and desire for change, captured the hearts of those who hosted him an Atlanta, said Eugene Duffy, an aide to Atlanta Mayor Maynard Jackson. Duffy presented the former educator with $4,000 that had been raised by groups supporting Zimbabwe and with a mayoral proclamation making Sunday "Zimbabwe Day" in the city.

Nkomo was also met by several religious leaders, among them C. T. Vivian and the Rev. Ralph David Abernathy of the Southern Christian Leadership Conference. During an emotional meeting Abernathy hugged Nkomo and said "your coming to Atlanta at this period in our history is a great blessing. I heard your profound message at Morehouse. We are with you 100 percent. I want to shake your hand as a fellow freedom fighter and as a fellow brother."

Nkomo said that his organization and ZANU, headed by Robert Mugabe, who also opposes the Muzorewa government, control about 85 percent of the land where the country's 4.5 million blacks and 250,000 whites live. He dispelled speculation that the two camps would split into warring factions.

"There is not cause for concern," he said. "We will live together as one." Nkomo said that the two organizations meet often and share a common working structure. "In fact, we were meeting less than two weeks ago. There is no conflict between us."

Nkomo said that his guerrilla forces were being trained by the Soviets and eastern European countries that were sympathetic.●

OVERCOMING A HANDICAP

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. VENTO. Mr. Speaker, this country recently observed National Architectural Barrier Awareness Week to focus on the problems and contributions of the handicapped in our society.

When I was in the Minnesota State House of Representatives, I had the privilege of working with a dedicated woman who also happened to have cerebral palsy.

Her name is LeAnn Nelson. She is an active lobbyist and advocate of rights for the handicapped in Minnesota and serves on the board of the United Cerebral Palsy workshop in St. Paul and is a member of the board's workshop committee. She has succeeded in becoming a force in getting much needed legislation dealing with the handicapped through the Minnesota Legislature. LeAnn Nelson was featured in a recent article in the Minneapolis Star written by George Monaghan. I am proud to call this determined, talented woman my friend. Her story can be an inspiration to all of us. I submit this article for the RECORD and to the attention of my colleagues:

SHE CONQUERED HER FEARS TO LOBBY FOR THE DISABLED

(By George Monaghan)

Years ago, LeAnne Nelson, disabled with cerebral palsy, rarely left her St. Paul house.

To leave was to risk ridicule, and her biggest venture in those days was a writing course.

Now no one can keep her in.

She is probably the most active lobbyist and advocate of rights for the handicapped in Minnesota.

In the past seven years she has, often on her own:

Lobbied successfully for postcard voter registration for people who can't leave home.

Pushed through laws allowing people who are so crippled they can't write to sign documents with rubber stamps.

Told legislators that if it's OK for Illinois to have life insurance for dogs, Minnesota should be able to make it possible for many of the handicapped to buy life insurance.

It did. Now insurance companies have to prove it's too risky before they deny life insurance to the handicapped or charge them higher rates.

Took the message of the handicapped—that they're basically like anyone else—to schools throughout the Twin Cities area.

She is now lobbying for legislation that would put more than "$55 worth of independence" a month in the hands of sheltered workers living in group homes. It should be raised at least $10, she says.

But her main campaign is an effort to persuade sheltered workshops to put a few of their handicapped workers on their boards. So far, workshop boards don't agree. They say it would be a conflict of interest.

But she says she's stubborn enough to keep on trying.

Nelson says some sheltered workshop directors are handicapped. She's one of them. She is on the board of the United Cerebral Palsy workshop in St. Paul, and a member of the board's workshop committee. But none of the handicapped directors is a sheltered worker.

Seven or eight years ago, no one could have gotten her near a board of directors.

It hurt her when people pointed or laughed at her or made remarks that to her indicated she was something less than human. So she stayed in the house.

That changed one summer seven years ago.

"I met a young man. He managed the greenhouse at Camp Courage in Maple Lake. He was more handicapped than me and he had more guts than me.

"He proposed. We were going to be married.

"Then he was driving one day and a 17-year-old kid fell asleep at the wheel of a truck and hit him head-on. Five days later, he died. His name was Larry Fischer.

"After that, I decided it was no use to sit home and brood. He wouldn't. I began to work very hard to fight for the rights of handicapped people."

Nelson just turned 40.

She used to fear going into restaurants.

"Now I go to restaurants and if the waitress asks the person I'm with what I would like to eat, because they think I can't read, it doesn't bother me anymore.

"It's her problem, not mine, if she doesn't know."●

LEONARD FREEDMAN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. DORNAN. Mr. Speaker, on occasion I have the pleasure of asking my colleagues to recognize an outstanding individual in the area I represent who has gained the respect of residents and community leaders. This person displays all of the characteristics of good citizenship: civic involvement, community planning, and public service. The gentleman who has demonstrated his ability in so many areas, above and beyond the call of duty, is Mr. Leonard Friedman, the outgoing president of the West Los Angeles Regional Chamber of Commerce. His record during his term as president is worth noting.

Leonard's commitment to the Westside has been nothing short of phenomenal. I say this because, as President of the WLARCC, he has taken an active and concerned interest in the affairs of the Westside by inaugurating a number of successful programs. Among these were his efforts to block the unsightly spread of billboards in Westwood Village. Under his direction, a cleanup campaign was instituted in the village. Sunday "no parking" restrictions on San Vicente Boulevard in the Brentwood business district were also removed.

During Leonard's term, the chamber initiated a series of "brown bag" luncheons with local lawmakers, leadership seminars, a highly successful retreat for long-range planning, an art and craft show presented on the streets of the village and a host of other successful programs. Of particular note was the President's desire to increase community awareness of the techniques of cardiopulminary resuscitation (CPR). These most beneficial programs were conducted with the Los Angeles paramedics under Mr. Friedman's excellent guidance.

Highly respected by the community he serves, equally esteemed by his fellow civic leaders with whom he has maintained a highly progressive working relationship, Leonard Friedman is one person worth a very special thank you, Mr. Speaker. He leaves a most impressive record as chamber president. I join with all of the good people of the Westside in saying, "Well done, Leonard."●

MEMORIAL DAY ADDRESS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. SKELTON. Mr. Speaker, my family and I attended the Memorial Day services at the Tomb of the Unknown Soldier and at the Arlington Cemetery Amphitheater. The principal Memorial Day address was given by Max Cleland, head of the Veterans' Administration. This was a most inspirational message, one that I wish to share with the Members of Congress and the American people.

Mr. Cleland's remarks are as follows:

MEMORIAL DAY 1979

(By Max Cleland)

President Sutman, distinguished guests, ladies and gentlemen. I heard with a great deal of interest, General Logan's orders establishing Memorial Day and being from Atlanta, I paid particular attention to the fact that he referred to the Civil War as the late rebellion. Down our way, we don't refer to it that way. Sometimes we refer to it as the war of Northern aggression. I think that Memorial Day, if anything else, symbolizes something that we all need to know in our heart. And that is that something decent can come from tragedy. Something good can come from war. The more I look back on my own experience as a Vietnam veteran, the more I can identify with the terrible aftermath of the Civil War. What a challenge it was for this country as a nation to put itself back together. And so it was in that atmosphere that a simple symbol of placing an American flag on a grave. Be it a soldier from the North or a soldier from the South, there came a symbol of unity and a symbol of healing.

In these times as we try to all recoup from another divisive period in our history we need to clutch a similar symbol, we need our faith rekindled. It was in that spirit that I came to Arlington today as the President's representative, and laid a wreath at the Tomb of the Unknown soldiers and a special wreath at a plaque dedicated here just months ago honoring Vietnam veterans.

Last November 11, the President articulated a special irony about recognition and Vietnam veterans. He said there is no unknown soldier from the war in Vietnam who is buried at Arlington. But in a sense, all who served in Vietnam were unknown soldiers. Because their service to our country has not been adequately recognized. They were welcomed back not as other heroes have been. Too often, instead of appreciation and support, they've been criticized and rebuffed.

Often our nation's response to their heroism hurt more than their wounds. They have paid a bitter price not as veterans of any other war in history. And we owe them a special debt. I hope that the repayment of that special debt can begin here as we celebrate Memorial Day, a day which came out of a period of divisiveness but a day which ended up symbolizing the hope that something good could come from war.

In thinking back in my own experience, my mind carried me back to thirteen years ago when I lay in a hotel room outside Ft Benning, Ga. on Memorial Day recuperating from bashing my leg in on a parachute jump, hoping that I could recoup during this one day enough to go ahead and finish jump school. And I heard the ceremony from here and I thought that if I ever got a chance to say to a national audience like this what Memorial Day meant to me, I would say it. To me, Memorial Day means that freedom is not free. It means that war has its price and we as a nation must never forget that price regardless of what war we send our troops to fight.

And I want you to know that I take heart from a day like this in seeing an audience like this and in seeing young men and women still continuing in uniform their willingness to pay a price for this country. As long as we have men and women like that—as long as we have men and women like that, our country will remain strong and good at its core, and that's what its all about because we can all identify with a country like that. That's what our flag symbolizes and when this flag goes on a grave whether it be North or South, whether that soldier fell in the Spanish American War, the Civil War or World War I, the Revolutionary War, World War II, Korean or Vietnam, we can all have respect, and as Lincoln said, "take increased devotion to that cause for which they gave the last full measure of devotion" so that this country can be all that we know that it can be and that we want it to be. And that's why I served in the military and that's why I think people continue to serve in the military and that's why people go to the ultimate end of their lives believing in this country.

One of the things that inspired me most as a young soldier were those who'd gone before, those who I'd seen honored in ceremonies such as this; it was an inspiration to me and I took heart from it then and I take heart from it now. One of the things we most need as Vietnam veterans is to have the feeling of this country genuinely and sincerely expressed, not in terms of dollars necessarily, or in terms of benefits, but in terms of simple respect. We hope this week can be that kind of week for all Vietnam veterans. Starting with the ceremonies here and hopefully concluding this weekend. If we can communicate that to Vietnam veterans in this country, I think it will do so much to heal their wounds. I suffered physical wounds as did many others but I feel all Vietnam veterans have a hole in their soul that can be filled by simple expression of gratitude and thanks and on behalf of the President, I say to all Vietnam veterans in this country, thank you and Welcome Home. God Bless You All! ●

VIETNAM VETERANS WEEK

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. HARRIS. Mr. Speaker, on May 7, 1975, the Vietnam era was officially ended by Presidential proclamation.

No one can deny the fact that the U.S. participation in the war in Southeast Asia incited domestic turbulence that resulted in a seriously divided Nation. The labels "hawk" and "dove," and the slogans "America—Love It Or Leave It" and "Hell No—We Won't Go," were only minor manifestations of that divisiveness. This was a war that was actually carried out in two fronts—in the jungles and swamps of South Vietnam and in the streets and on the campuses of Chicago and Kent State University.

The domestic ideological conflicts so dominated our thinking that we easily forgot those who obeyed the orders of the Commander in Chief and went overseas without question. The sacrifices made by these men and women should not be overshadowed by the debate on the merits or demerits of the Vietnam war. This, however, is exactly what has occurred—until this week.

President Carter has declared May 28 through June 3, 1979, Vietnam Veterans Week, 1979. I would like to take this occasion to publicly pay tribute to those who answered their Nation's call with a full measure of valor and loyalty. With the debacle of Vietnam behind us, it is now time to recognize there are still many veterans who have had great difficulty in returning to the mainstream of American life. Many have deep psychological scars from which they may never recover. For them, the nightmare still lives on.

In recognizing the problems of readjustment, the Congress should commit itself to helping those who were fortunate enough to return. We must not forget that these vets are brave Americans who deserve our support. Vietnam Veterans Week is certainly the appropriate time to pay tribute and to express that support. ●

SOUTHBRIDGE—AN ALL-AMERICA CITY

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. BOLAND. Mr. Speaker, on Saturday, May 26, I had the pleasure of participating with the citizens of Southbridge, Mass., in a celebration which marked the selection of Southbridge as an all-America city. This is a tremendous honor which has come to only 300 cities and towns in the United States since the National Municipal League established the award 30 years ago. The accomplishments which the citizens of Southbridge have achieved by working together are certainly worthy of this special recognition.

Mr. Speaker, I insert, at this point in the RECORD, the remarks I made at the "All-America City Day Parade in Southbridge":

Chairman Paul Mills, Town Manager Peter Boyer, Members of the Town Council, State Senator Louis Bertonazzi, State Representative James Whitney, Council Chairman Bernard Sherry, Jr., Grand Marshal H. Porter Morse, Town Officials, my fellow Americans: What an honor it is for a community to be designated as All-America! We all know how gratifying it is for a collegiate athlete to be named an All-American in any sport. Years of perserverance, discipline and dedication are necessary to achieve that status. In athletics, however, the All-America award is primarily an individual achievement. The All-America award that Southbridge earned also required perserverance, discipline and dedication but it certainly could not have been achieved through the efforts of a few individuals. The award is a tribute to the collective efforts that the citizens of Southbridge were willing to make on behalf of their community. It is an indication for all to see that you are proud of your town and that you are interested in its continued well being.

The competition for the All-America City award is understandably rigorous. In the 30 years that the National Municipal League has sponsored the All-America City program, more than 300 cities have been recognized for the special efforts of their citizens. In this year's competition, 500 nominations were received from cities large and small throughout the country. Of these entrants, only Southbridge and ten others were chosen to join the ranks of cities designated as All-America. When you think of the number of cities, towns and villages that exist in this nation, you begin to realize how select the group of All-America Cities really is.

This award takes on an even greater significance when you consider that the problems with which Southbridge was dealing—the lack of adequate cultural programs, the need for revitalization of the central business district and the search for effective government—are faced to some extent by all communities. I would even venture to say that deficiencies in these areas are commonly recognized in most communities. Unfortunately, recognition is often the only activity that takes place. What makes Southbridge so special is that here citizens saw what needed to be done and they did it.

It is far too easy for a community to restrict its response to problems to complaining about them or to hoping that outside forces will provide solutions for them. Such responses do not solve problems. They merely breed apathy, despair and hopelessness! If those attitudes ever existed in Southbridge. this award, which will be presented by Richard Treadway to Council Chairman Sherry, is certainly proof that they do not exist among the vast majority of its citizens today. You have only to walk down Main Street and sense the pride that wells up within you as you catch the Victorian splendor that flows from all sides. You have only to attend a performance by the Gateway Players Theater Group, or participate in an activity sponsored by the Quinebaug Valley Council for the Arts and Humanities and you will know that this is a community in which people care about their town and those who live in it.

As former State Representative Leo Cournoyer recently said, "The townspeople who have gone on before us, who struggled to make this town what it is today, can be pleased to know the job was well done. It is the people who live here today who reap the reward." The strength of Southbridge is in its people. They are the reason that many of those who are born here choose to remain here. They are also the reason why those who move here and visit here feel so at home here. The spirit of cooperation among the people of Southbridge has its roots in the way in which the different nationalities that make up this city have worked together. For here, you can feel the pulse of this land and the ties that bind it into a unity of states! Indeed, Southbridge has been, and in fact still is, a kind of crucible in which different nationalities have been molded into a community. The French, the Greeks, the Poles, the Italians, the Irish, the English, the Hispanics—all the nationalities that live here—have realized that in cooperation lay the path for success for Southbridge. It was this spirit that was galvanized into the activities which we honor today. It is this spirit that makes Southbridge an All-American City.

This is a great community. It is a good place to live, to work and to play. I salute all who made this award possible. I commend Ruth Wells, Larry Hyman and Paul Mills for their effective presentation that enabled the National Municipal League to discover Southbridge. I bring you the congratulations of the President of the United States and, for what is being done here, I express the gratitude of the United States of America. To commemorate this occasion, it is my pleasure to present to Councilman Sherry a flag which flew over the United States Capitol on April 5, 1979, the day that Southbridge was officially designated an All-American City.●

THE NATIONAL ENERGY SITUATION

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. YOUNG of Missouri. Mr. Speaker, in April and May of 1979 the American people have been subjected to another "energy crunch." Lines are forming at the gas pumps, stations are closing several days a week, and the prices of fuel are soaring. Gasoline prices in New York are over $1 a gallon, and in most of the country prices have risen 25 and 30 cents a gallon in the past month.

All of this has taken place just before the President's proposal to deregulate oil. Two years ago we had the same situation with natural gas, a biting shortage in the middle of a cruel winter, just prior to the President's deregulation of natural gas. After deregulation, and a huge price hike, there was plenty of natural gas, in fact, a glut of natural gas on the market. Figures today show that rather than encouraging more production, which obviously was not needed, the drilling for new gas has actually gone down. Can you blame the American people for their distrust of the big oil companies?

The people of my district are angry. They have lost their faith in the Government. They do not believe that a true shortage of oil exists, and they do not trust the information that is coming out of Washington. They are demanding some answers from the Federal Government.

There are many complicated questions involved in our national energy problems, but this is no excuse for the confusing and contradictory information we are getting. It is time that the Congress, and the American public was given a full accounting of our energy situation.

Exactly what are the Nation's known and potential reserves for fossil fuels? Why has domestic oil production exclusive of the Alaskan North Slope declined in recent years? Are the major oil companies holding back production in anticipation of higher profits under decontrol? Is oil that would normally be going to the United States being diverted to Europe to reap higher profits there?

I have written a letter to President Carter which was cosigned by several of my colleagues. We ask the President to bring out the whole truth about our national energy situation. We urge him to take a more aggressive stance on the development of our energy options. We ask him to proceed immediately with the construction of the Pactex pipeline to deliver oil to States in the Midwest and East, to negotiate with Mexico for an agreement to purchase their oil and gas exports, and to demand a firm commitment from the U.S. oil companies on their plans for exploring and developing new oil reserves.

These steps are, I believe, in the best interest of the U.S. Government. Our dependence on oil imports from OPEC nations has had a damaging effect on our balance of trade, our domestic inflation and even our national security. I am going to do everything I can to get the facts out on the table, and to work for legislation that will enable our country to regain its strength and independence. I urge the President to join me in this endeavor.●

MILES COLLEGE GRADUATE BENNETT M. STEWART ADDRESSES ALUMNI ASSOCIATION

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. BUCHANAN. Mr. Speaker, in the district it is my privilege to represent is an institution of higher education known as Miles College. Founded in 1905 and named after the first bishop of the CME Church, Miles College has played an important role in the development of black men and women into local and national leaders.

One outstanding graduate of Miles College is our colleague from Illinois, the Honorable BENNETT M. STEWART. He recently returned to Birmingham to address the Miles College Alumni Association. His remarks are worthy of thoughtful consideration, and I offer them for inclusion in the RECORD.

The remarks follow:

REMARKS BY BENNETT M. STEWART

I am coming home.

I am coming home to a city that has set the pace for human dignity through programs of fair play and through an ever-growing feeling that every citizen within its boundaries is entitled to a free choice of life in a society created for and by its people.

I am coming home to a city that has been and still is addressing itself to the needs of its citizens.

I am coming home to a city that has an atmosphere which accepts people as they are into a modern society rather than conditioning people to conform to a rigid, fixed, and old social order.

I am coming home to Miles College, the seat of a real beginning for more than 23,000 sons and daughters, and finding that inscription still standing on the wall imparting the truths to hundreds of young men and women—"that the world belongs to those who diligently seek it and are willing to pay the price."

I am coming home to a city that has kept pace with the political reality of the social, economic and cultural policies in a changed world and a city that has changed with that world. I am happy to know that Miles has played no small part in this change.

Not only in Birmingham, but also throughout the country, this nation has finally started putting some of its professed principles into law and into practice.

For more than two decades your political participation has helped to enact a historic body of civil rights legislation:

The 1957 Civil Rights Act, the first in nearly 100 years;

The monumental 1964 Civil Rights Act, passed after a three-month filibuster;

The Voting Rights Act of 1966; and

The Fair Housing Act of 1968, to name a few. These laws really constitute a modern day Bill of Rights for black and minority Americans.

We have made substantial progress in realizing our civil and political rights, but this is not enough. There is so much farther that we must go.

The challenges facing the civil rights movement today are largely a consequence of its success. The elimination of old radically discriminatory legislation and the introduction of new anti-discriminatory programs have substantially altered the requirements for achieving equality.

We cannot escape the truth that a ghetto looks no different from the front of the bus than it did from the back of the bus. We must not only have justice in law; we must have justice in life.

Today the central issue is not only the elimination of racial discrimination; it is also the elimination of economic inequality and the achievement of economic equality by all minority and disadvantaged Americans.

The economic issues that form the present agenda for racial progress are less dramatic than the struggle for the right to sit at a lunch counter or the struggle for the right of every citizen to vote.

The brutality is less visible when black teenagers cannot find work than the brutality when a civil rights marcher is set upon by dogs. Yet you and I know the damage is just as real.

The economic agenda requires a continuing and unrelenting policy for full employment in this country. I can report that I met with President Carter at the White House with members of the Congressional Black Caucus to discuss the budget and its impact on jobs and inflation.

I believe that the Humphrey-Hawkins Full Employment and Balanced Growth Act of 1978 is being overlooked. This Act mandates economic policies to maximize employment, production, and purchasing power through balanced economic growth. This is a good act on paper, but until it gets into the hearts of men, it will not work.

After the White House meeting I issued a statement to the press opposing the proposed budget reductions in programs which help the poor, the unemployed, and the underemployed. The fight against inflation must not be based on policies which will continue high unemployment.

The economic agenda requires a fair policy for equitable access to our share of oil, gasoline, and other energy resources.

In Congress we have just this month voted on two components of President Carter's energy policy—standby gasoline rationing authority and restrictions on thermostat settings.

The nation should not face a major shortage with no plan available to allocate gasoline in a fair manner. A gasoline shortage must be equitably shared. The alternative to rationing would undoubtedly be skyrocketing prices. With ample supplies for the wealthy, the poor would be unable to meet their basic needs for gasoline.

The energy crisis is here, and we must all make sacrifices. To alleviate the situation the President is proposing to deregulate the price of oil. Without a windfall profits tax the big oil companies will profit unjustly and at the expense of the poor.

I will not support deregulation unless there is a genuine windfall profits tax—without any loopholes—and unless there are significant adjustments for the poor. Everybody's sacrifice is necessary. There must be equity for everyone, both to suffer and to profit.

The burden to relieve the pressure of the energy crisis and the burden to balance the budget must not be born only on the backs of the poor.

In the Congress we have just completed a three week debate on the First Concurrent Budget Resolution. This sets the federal budget for 1980. This resolution is really a statement of the nation's priorities.

The debates were intense, and I joined vigorously. In the end I could not support the budget resolution.

First, the budget resolution increased military spending by nearly $10 billion over last year's military budget.

Second, more important to the needs of America's people, to our cities, and to our future are the budget reductions in programs for job training, employment, housing, and community development.

With nearly 6 million Americans out of work and with the overall black unemployment rate at nearly 12%, we cannot afford to curtail programs which help the poor and the cities.

I had no choice: I voted against that budget resolution.

Instead of using federal dollars to fuel the arms race, we need instead to use the federal budget first to feed the needs of the American poor.

Let me be specific about just one of the most urgent of these human needs. I believe that we need special jobs programs targeted to the young people of this country and particularly to the minority youth.

The youth are standing idle in Chicago, in Birmingham, and in the other cities of this country by the hundreds of thousands. Our nation's youth are standing idle week after week, month after month, and year after year.

This nation cannot afford those endless days on the street. We cannot abandon our youth and brand them as failures. Our young people make up two-fifths of our population, but they make up all of our future.

Because good jobs are scarce, because good jobs require education, more and more black youth are seeking the opportunity for a college education.

About 40% of black high school seniors now plan to go to college. These black seniors accounts for 12% of all seniors with college plans, which is proportional to our segment of the population.

The number of black college students has more than doubled since the beginning of this decade. Black enrollment in colleges has jumped nationally from half-a-million in 1960 to over one million today. The thirst for education is growing.

Miles College is continuing to take a full share of the motivated students in this city. It is helping them to overcome many obstacles to achievement and success, and it is preparing them for positions of responsibility and leadership in all phases of society and the economy.

Today in America we are in a time when determination, when perseverance, and when sacrifice have made an impact on eradicating wrongs. Your institution, Miles College, is playing no small part in making this impact.

Your determination, your perseverance, your sacrifice can make a difference in what Miles will contribute to our youth of tomorrow.

In the broad civil rights movement we will not have freedom, we will not eradicate discrimination, we will not eliminate second-class citizenship until our youth have educational passports to economic progress.

Your vigorous financial support is vital in sustaining Miles College and the opportunity for educational passports.

Miles College is a resource for all who are determined to take a full role in the movement toward economic and political equality. Its success in providing continued access to college education for youth depends on us.

Our full role in the movement for economic and political equality must include meeting our full financial responsibility to the College. Miles gave us the opportunity to get where we are today.

We must help Miles give to others the opportunity to get where they should be tomorrow.

Miles' effort today is still to give individuals who want it, new worth, new dignity, and new opportunities, just as it did for us yesterday.

Our financial contribution to Miles College enrolls us as full partners in this effort. In fact, our financial contribution right now will be matched by another remarkable partner—the Bush Foundation. The Bush Foundation has offered a challenge grant that will match our gifts to Miles. That should be incentive enough for all of us Miles alumni to do our very best and to meet this challenge.

By contributing now you and I and Miles College can together continue the ongoing movement for equality. And that's why we are here tonight—so that you and I and Miles College can continue as partners.

Yes, I am coming home.

I am coming home to hundreds of my friends, many who are here tonight; to my family, to my brother and his wife, to my relatives; and to my college.

I am coming home not as an orator, prophet, or great lecturer.

I am coming home tonight to say to you for all that you have done for me—thank you.●

THE FEDERAL BUDGET GAME

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McDONALD. Mr. Speaker, when the Congress passed the so-called Budget and Impoundment Control Act during the 93d Congress, nearly everyone praised the action and it passed by a large margin. Optimistic statements were made to the effect that the Congress would now really get a handle on the budget and a balanced budget might even be the result. Only a few voices were raised in dissent. One of these was former Representative Joe Waggonner of Louisiana who said during debate on the bill on December 5, 1973, as follows:

> I am constrained to say that this is not going to do anything to make this body responsible, in my personal opinion, because we are not controlling expenditures. We will be using all the devices we use now to keep spending.
>
> I hope I am wrong and that there will be some restraint in the Congress to cause Congress to reduce expenditures; but I cannot help believing with the track record of Congress having been what it is that we are going to do anything but go ahead and just keep increasing spending and the debt ceiling. That is where we are headed I believe and I hope I am wrong. This Congress does not have the courage to balance expenditures with revenues. That is our problem now.

And he was correct. We still do not have the budget under control and it is still unbalanced.

Later during the debate on the conference report of the bill June 18, 1974, former Congressman H. R. Gross asked if we were not creating another large expense in setting up these committees. Mr. Gross said:

> I thank the gentleman for yielding. Perhaps up to this point I have not been listening attentively enough. I have not heard anything about cost tag that can be put on this wonderful new piece of legislation. Has the gentleman any idea as to what this is going to cost?

On this point Mr. Gross was not wide of the mark. At last count the House Budget Committee had 83 employees and a budget of $266,000 for administrative expenses plus $2.3 million for salaries, thus a total of about $2.6 million.

The Cato Institute of San Francisco, Calif., recently analyzed the effect of this legislation and showed how futile it has been and how it has tended to perpetuate deficit spending and Keynesian economics. The article that follows is by Paul Craig Roberts and appeared in Policy Report, a publication of that institute in its March 1979 issue.

THE FEDERAL BUDGET GAME

(By Paul Craig Roberts)

In 1974 Congress passed legislation creating a congressional budget process. The act established House and Senate Budget Committees and a Congressional Budget Office (CBO) charged with providing Congress with detailed budget information and studies of the impact on the economy of alternative spending and revenue levels. The legislative core of the new process is the two Budget Resolutions, the first in the spring and the second in the autumn. The purpose of the Budget Resolutions is to set an expenditure ceiling and revenue floor for each fiscal year. The figures in the first resolution are regarded as targets to guide the appropriations and tax committees, whereas the figures in the second resolution are legally binding. Barring significant changes in the economy or economic outlook during the intervening months, there is not supposed to be much difference between the two resolutions.

With the Budget Act came a more tightly scheduled work year and the greater pressure that comes with tighter schedules. What gain did Congress expect as an offset to the added burden that it imposed on itself?

One possible answer is that Congress had no choice, that it simply had to get control over spending. Such a response implicitly assumes that Congress was concerned about the budget deficits and, in the public's interest, voluntarily imposed a spending discipline on itself in order to achieve a balanced budget.

There are various problems with this response, over and above the fact that the combined deficit for the three years immediately following the Budget Act are three times the size of the deficit for the three years immediately preceding the Budget Act.

One problem is that the Budget Act was supported by many members of Congress who are not opposed to budget deficits. The careers of many politicians are tied to "spending constituencies," and such politicians may feel that it is easier to finance the expansion of these constituencies through deficits than through legislating higher taxes. Also, many politicians believe that budget deficits are necessary to stimulate the economy and maintain full employment. These politicians would not have supported the Budget Act in order to eliminate deficits.

Another problem with this response is that it assumes there is an identifiable "public welfare" that politicians automatically place above their own interests. The behavior of politicians is not usually explained on so heroic an assumption.

Probably we would do best to try to understand the Budget Act the way we try to understand other pieces of legislation—in terms of politics. Much legislation is the result of compromises through which each side gets, in varying degrees, something of what it wants. The Budget Act, however, seems to be a product of different sides having different expectations about its consequences. Although the participants shared a common vocabulary about spending being out of control, they were employing two different definitions of budget control.

To fiscal conservatives, getting spending under control meant balancing the budget.[1] They saw the budget process as a way of putting their freespending opponents on the spot. The lavish spenders appeared to have it too easy, because they could indirectly legislate big deficits by voting in favor of many separate bills. Fiscal conservatives thought that if fiscal liberals had to vote on setting the size of the government's budget and the deficit itself before appropriating money for the individual programs, there would be stricter limits on spending.

Fiscal liberals, however, had a different goal in mind. They wanted to strip deficits of their political image by institutionalizing Keynesian fiscal policy as the definition of budget control. As Senator Edmund Muskie recently stated, "Economists of every respected school agree that increased federal spending or tax cuts producing a deficit may well be the only way to boost employment, generate investment, stimulate demand, accumulate capital, and prevent a downturn from deepening into a depression. A mandated balance would blunt our sharpest fiscal tool."[2]

To Muskie, getting spending under control means explicitly relating the taxing and spending actions of Congress to a fiscal policy that justified them. He and other fiscal liberals saw the Budget Act as a rationale, in terms of scientific economic policy, for the ongoing political process of building spending constituencies. With the Budget Act, deficits would originate in the economic policy proposals of the experts in the Congressional Budget Office and in the Senate and House Budget Committee, and would be evidence that spending was under control.

The politics of the Budget Act was that each side believed the budget process would redound to its political advantage. Fiscal conservatives hoped to use it to embarrass the chronic spenders, while the latter expected it to take the sting out of deficits by justifying them on economic policy grounds prior to the appropriations process.

Fiscal conservatives seemed to feel that liberals were getting away with something by being able to vote separately in favor of each spending program without having to legislate higher taxes or to accept any responsibility for budget deficits. They thought that liberals would be voted out of office if they had to vote in favor of a deficit (or higher taxes) before they could go on to fund all of their spending programs. Their reasoning overlooked the fact that being "liberal" is not just a matter of a person's state of mind; it is also a rational respone to political opportunities to build spending constituencies. People receiving handouts are more interested in the amount than in how the handouts are financed.

The new budget process would seem to have weakened the position of fiscal conservatives. Their resistance to deficits can now be portrayed as an attack on "full employment" policy and on the budget process itself. Prodigal spenders can always argue that a deficit is needed this year in order that the budget can be balanced next year. Without economic stimulus (credit expansion to finance a budget deficit), the argument goes, unemployment will rise, thus simultaneously causing the government's expenditures to go up and it tax revenues to go down. Balancing the budget this year, the spenders can say, will mean a bigger deficit next year.

This drive for ever greater deficit spending has continually led to the very problems it was allegedly designed to cure. As Nobel Laureate Friedrich A. Hayek and other "Austrian School" economists have shown, such policies are not only responsible for today's crippling inflation rate, but for the extensive and persistent unemployment problem as well.[3] The monetization of debt through the Federal Reserve System not only results in rising prices as the money supply increases, but also creates enormous distortions in the relative prices of goods and services throughout the economy. These distortions mislead businesses by encouraging investment in less efficient ventures. Since sufficient demand to sustain such ventures does not *actually* exist (without the artificially inflated prices), business failures and unemployment soon result. In addition, instead of any real economic stimulation, a major decline in productivity occurs as government revenues are drawn away from the private sector. Hence, Keynesian deficit spending serves only to fuel the inflationary boom *and* the consequent recession, as well as to cripple economic growth.

The problems of inflation and unemployment can be solved only by ending this debt monetization, cutting spending back to balance the budget, and eliminating the government's regulatory monopoly over money and credit (abolishing legal tender laws, banking regulations, etc.). Fortunately, the forthcoming Cato Institute Policy Study Proposal for a Balanced Budget Amendment (being prepared by *Policy Report* Editor Richard E. Wagner) would be a major step in this direction.

There is no doubt that Keynesian fiscal policy has been institutionalized in the congressional budget process. The Congressional Budget Office's forecasts, macroeconomic analyses, and policy alternatives are derived from the Keynesian view of economic relationships. Although fiscal conservatives were mistaken in their belief that the budget process would be used to balance the budget, there are nevertheless some stumbling blocks to the liberals' use of the process to institutionalize deficits as a way of expanding their spending programs.

The first stumbling block is the Keynesian theory itself, which says that deficits should not be incurred in good times. So far this has not prevented large deficits from occurring in good times. When people want to spend, they will find reasons to justify their expenditures. For example, although Congress had completed action on the fiscal 1977 budget before Carter's election in November 1976, immediately after the election liberal Democrats "discovered" a "spending shortfall" that was threatening the economic recovery. The Ford Administration was accused of having sat on money that Congress had appropriated to be spent. As a result, part of the stimulus to the economy that was needed for recovery was missing. To rectify the problem, Congress proposed and passed a third budget resolution for fiscal 1977, which increased the deficit to provide an assortment of handouts. Our news media, which is supposed to be clever and sophisticated, failed for the most part to note the election payoffs and went along with the charade of "the spending shortfall threat to the economy."

Another argument used is that the unemployment rate is misleading, because it doesn't include all the discouraged workers. This argument allows deficits to be justified in good times on the grounds that we don't really have full employment and that more stimulation is needed to draw the discouraged back into the labor force.

In general, the process seems to work as follows during the course of the business cycle: recessions justify deficits to get the economy moving again; recoveries justify deficits to keep the recoveries going; good times justify deficits to ward off the downturn that is predicted to be around the corner. Signs can be found upon which to predict a recession, just as spending shortfalls can be built into the budget (by overestimating unemployment compensation, for example) as a hedge against having to balance the next one. Looking back, the spending advocates can say that the reason the budget didn't balance on the upturn just before the downturn was that the deficit in the previous year had not been large enough to have us on a full employment budget.

Of course, it gets sticky when the economy is heated up and the inflation rate begins to rise. At such times, the thing to do is to let the President's budget in January be austere—and maybe also the first budget resolution in May. In the meantime, you rely on inflation to pressure the Fed into a tight money policy. Then you can forecast a recession as the consequence of high interest rates, hold hearings on the need to stimulate the economy to fight the recession, and come in with a big deficit in the second budget resolution in September.

So although it is theoretically possible that the spendthrifts could trip on this first stumbling block, in practice they step over it fairly easily.

A second stumbling block is that justifying deficits does not specify their form. The Keynesian theory makes it clear in principle that deficits can be produced by holding taxes constant and increasing government spending, or by holding government spending constant and cutting taxes. Thus, tax cuts are an alternative stimulative policy to increases in government spending.

One way of stepping over this sutmbling block is to decide that dollar-for-dollar tax cuts are less stimulative than increases in government spending. This lets you argue, as the Congressional Budget Office does, that "a permanent income tax cut is a relatively expensive way of reducing unemployment in terms of budget dollars per additional job."[4] Dollar for dollar, the Congressional Budget Office finds that government purchases have the greatest impact on GNP, while despite displacement assumptions of 50 percent, public employment is estimated to be more effective, per dollar, than tax cuts in stimulating jobs.

Thus, you eliminate tax cuts as an alternative by estimating them to be a relatively weak, and therefore expensive, way to stimulate the economy. This, of course, requires a certain amount of doing. You manage it by assuming that tax rate reductions affect the economy only by giving people more money to spend, thus increasing demand. You deny that they provide incentives to increase supply. You then say that since part of the tax cut is saved, you get less spending stimulus from a dollar of tax cut than you get from a dollar of government spending.

In 1978, Representative Marjorie Holt, a

Footnotes at end of article.

member of the House Budget Committee, twice offered amendments to the Budget Resolution. Representative Holt's amendment would have brought in a budget with lower spending and lower taxes but just as large a budget deficit. In the spring her amendment received a majority of the votes and would have passed had the Democratic leadership not forced some members of their party to change their votes. In the autumn, her amendment failed by only a few votes.

In 1979 the Democratic leadership came back after elections convinced that the Holt amendment would pass. Determined to spend rather than to reduce taxes, the Democratic leadership got rid of the Holt amendment by changing the Budget Act under the guise of changing some of the rules of the House of Representatives. The Speaker of the House forced through the new rules, and as a result the Holt amendment can be ruled out of order.

Now Representative Holt cannot propose an aggregate expenditure figure lower than the figure proposed by the Budget Committee unless she specifies how much less each spending program will receive if her figure is adopted. This is completely at odds with the 1974 Budget Act, which says that the Budget Resolution is supposed to set a total spending figure and leave it to the Appropriations Committee to allocate the money over the various spending programs. By cleverly changing the rules, the congressional spenders have fixed it so that Representative Holt cannot offer her amendment without infringing on the prerogatives of the Appropriations Committee.

The new rules also mean that any congressman who votes for the Holt amendment has his vote tied to cuts in specific spending programs, thus leaving him at the mercy of infuriated spending lobbies.

It is apparent that the big spenders in the House are willing to use as much power as necessary to guarantee that the Budget Act is not used to cut spending.

Their counterparts in the Senate have an easier time, because the Republicans on the Budget Committee do not offer alternatives to the committee's budget resolution. Senator Bellmon, the ranking Republican on the committee, works closely with the Democratic chairman, Senator Muskie, and so do their staffs. The spenders do not have to worry about Republicans causing trouble, especially after Senators Hayakawa and McClure, known for their tax- and budget-cutting efforts, were forced off the Budget Committee by their own party. The situation between Bellmon and Muskie is so cozy that Democrats even managed to arrange the dismissal of a Republican staff member who was causing them problems.

In the new Congress the Republican side of the committee consists of Bellmon and (mainly) inexperienced new members who will find it hard to detect the technical manipulation of the budget figures by the Congressional Budget Office and committee staff in order to ensure higher spending. One way this is being done is by beginning with figures that have already adjusted every spending program for inflation, whether or not required by law. The proposal by Senators Muskie and Bellmon of an "austerity measure" to eliminate the staff allowance for the other committee members would make it more difficult for other senators on the committee to catch on to the funny numbers.

In spite of the lengths to which big spenders have gone to ensure that the Budget Act cannot be used to cut spending, some senators believe that spending would be even greater if it were not for the Budget Act. It is not clear why they believe this. The Budget Act has not changed the incentive to spend. Neither has it added any constraint on Congress's ability to spend. If anything, it has made it easier for Congress to incur large deficits. Congress looked more irresponsible under the old system whereby the deficit resulted from voting yes on too many spending bills. There was simply no excuse for the deficit other than that Congress just wanted to spend. Under the new system, however, the deficit is justified on the grounds that it is necessary to provide economic stimulation, and this happens before there is any voting on spending bills. Under this new system, experts testify that the deficit is necessary, and so the Congress doesn't look as irresponsible as before.

In addition to justifying deficits, the new budget process is likely to increase the government's power over the economy in other ways as well. By running deficits over the entire business cycle, Congress intensifies inflation while at the same time crowding out private investment. Thus, "stagflation" becomes a more permanent fixture of the economic landscape. Stagflation is good for the government's power for a number of reasons. First, the relative shortage of jobs makes it easier for Congress to provide more public service employment, CETA jobs, and public works. Second, the greater difficulty of earning increases in real income through market activity and productivity gains causes more people to turn to income redistribution and transfer payments as ways of getting ahead. Third, private wealth diminishes, because stagflation forces people into higher tax brackets and reduces the return to capital. Fourth, as different groups try to maintain their position, the government has growing support for credit controls, exchange controls, and wage and price controls. As controls grow, less and less economic activity can take place legally without the government's permission, and government decisions more and more replace private decision-making. A person's relations with government become more important to his success than his market performance. Fifth, as people find it more difficult to save, they become more dependent on transfer payments, and they lose their financial independence.

In short, government hasn't much to gain from a stable, growing economy. In such an economy there is no need for all the government programs and controls that inflation and unemployment justify. When people are enjoying widespread individual success, they don't need the government.

As a result of the Budget Act, the situation on the tax front may get much worse. Advocates of spending may be able to use the budget process to eliminate various tax breaks. Under the Budget Act, tax breaks are defined as "tax expenditures" and are said to be equivalent to expenditures on spending programs. There is already an effort afoot to eliminate tax breaks and, instead, hand the money out through the government agencies. The investment tax credit, for example, would be handed out by the U.S. Department of Commerce as a grant or loan.

To sum up, the Budget Act of 1974 seems to be another case of Congress creating a problem that can then be used as an excuse for legislation enabling further increases in government power. By creating deficits, Congress succeeded in establishing a formal budget process that justifies deficits.

Of course, sometimes success can lead to its own undoing. The large deficits piled up year after year, in spite of protests and promises, have given momentum to the demand from the states for a constitutional amendment to require a balanced federal budget. Forty-three Democrats in the House of Representatives joined this movement in February 1979. Giving up on the congressional budget process, they introduced a Joint Resolution to amend the U.S. Constitution to require a balanced budget—another indication that the budget committees have played the budget game too well.

FOOTNOTES

[1] The term "fiscal conservatives" refers to those political figures adamantly opposed to government growth and deficit spending. Unfortunately, today the term is carelessly used to describe those Republican and Democratic members of Congress who prefer relatively "lower levels" to the massive deficits of the last decade.—Ed.

[2] From a speech to the National Press Club, Washington, D.C., February 13, 1979.

[3] See F. A. Hayek, *Unemployment and Monetary Policy: Government as Generator of the "Business Cycle,"* and *A Tiger by the Tail: The Keynesian Legacy of Inflation*, Cato Papers nos. 3 and 7 respectively (San Francisco: Cato Institute, 1979). See also, F. A. Hayek, *Prices and Production* (Clifton, N.J.: Kelley, 1967); M. N. Rothbard, *America's Great Depression* (Kansas City: Sheed and Ward, 1975), and *What Has Government Done to Our Money?* (Novato, Calif.: Libertarian Publishers, 1964); G. P. O'Driscoll, Jr., *Economics as a Coordination Problem: The Contributions of Friedrich A. Hayek* (Kansas City: Sheed Andrews and McMeel, 1977); L. von Mises, *Human Action: A Treatise on Economics*, 3rd rev. ed. (Chicago: Regnery, 1963).

[4] Congressional Budget Office, *Understanding Fiscal Policy* (Washington, D.C.: U.S. Government Printing Office, 1978), p. 38.●

FINANCIAL REPORT OF THE CONGRESSIONAL STEEL CAUCUS: QUARTERLY STATEMENT OF EXPENSES AND FUND BALANCE FOR PERIOD ENDING MARCH 31, 1979

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Ms. **MIKULSKI**. Mr. Speaker, in accordance with Executive Committee Order No. 1, I am respectfully submitting herewith the quarterly financial report of the Congressional Steel Caucus for insertion into the RECORD. The report is as follows:

Quarterly report: Fund balance statement, U.S. House of Representatives, Congressional Steel Caucus

Balance remaining (as of Dec. 31, 1978)	$1,749.07
Total revenues (clerk hire and membership dues)	15,153.20
Subtotal	16,902.27
Less expenses:	
January	3,241.34
February	3,337.51
March	3,586.35
Subtotal	10,165.20
Subtotal	6,737.07
Interest deposit	90.51
Total unexpended revenues as of Mar. 31, 1979	6,827.58

Quarterly report: Statement of expenses, U.S. House of Representatives, Congressional Steel Caucus

Salaries	$8,953.20
Travel	----------
Stationery	162.61
Postage	16.00
Telephone	227.37
Publications	49.00
Equipment	547.62
Printing	----------
Miscellaneous	209.40
Total expenses as of March 31, 1979	10,165.20

CONGRESSIONAL STEEL CAUCUS MEMBERS WHO HAVE PAID DUES AS OF MAY 25, 1979

Joseph Addabbo, Douglas Applegate, Eugene Atkinson, Don Bailey, Adam Benjamin, Tom Bevill, Clarence Brown, John Buchanan, William Clinger, E. Thomas Coleman, W. C. "Dan" Daniel, Robert Davis, John Dingell, Robert Duncan, David Evans.

Vic Fazio, Floyd Fithian, Daniel Flood, William Ford, Joseph Gaydos, Robert Giaimo, Benjamin Gilman, William Goodling, Tennyson Guyer, Sam Hall, Jr., James Hanley, Elwood Hillis, Richard Ichord, John Jenrette, Thomas Kindness.

Ray Kogovsek, Peter Kostmayer, Gary Lee, Jim Lloyd, Clarence Long, Thomas Luken, Stanley Lundine, Marc Marks, Dan Marriott, Charles Wilson (Tex), Gus Yatron, James Martin, Robert McClory, Robert McEwen, Gunn McKay.

Robert Michel, Barbara Mikulski, Clarence Miller, Donald Mitchell, Robert Mollohan, William Moorhead, Ronald Mottl, Austin Murphy, Morgan Murphy, John Murtha, Michael Myers, William Natcher, Bill Nichols, Henry Nowak, Mary Rose Oakar, James O'Brien, Thomas P. O'Neill, Edward Patten.

Donald Pease, Carl Pursell, Nick Joe Rahall, Ralph Regula, Robert Roe, Marty Russo, Richard Shelby, John Seiberling, Bud Shuster, Paul Simon, J. William Stanton, Louis Stokes, Samuel Stratton, Gene Taylor, Bruce Vento, Douglas Walgren, Robert Walker, Lyle Williams, Leo Zeferetti.●

DIESEL FUEL PRICES—A PRELIMINARY REPORT

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. BEDELL. Mr. Speaker, on May 17, hearings were held in the Small Business Committee, regarding diesel supply problems affecting agriculture and small businesses. The hearings were held jointly by the Subcommittee on Antitrust, which I chair, and the Subcommittee on Energy, chaired by Tom Luken.

There is considerable interest in the diesel situation and my staff has received many inquiries from other offices seeking information. As it will be several weeks at least before our formal report is ready for publication, I thought I would use this forum to share our findings with the Members of the House.

I wish to note at the outset that I have already made a brief report to the President on some of our findings, including my personal recommendation. The text of my letter to President Carter will be included in the Record at the end of my statement.

At our hearings we had witnesses from the Departments of Energy and Agriculture; a panel of jobbers who sell diesel to the local markets; representatives of independent oil refineries; and two major integrated oil companies, Amoco and Sunoco. Written testimony was received from a major pipeline company, Williams Brothers, and several national trade associations.

We found that the supply of diesel fuel is at a very low level throughout the country, but that the problem is especially acute in the Midwest and Great Plains States. There the late spring thaw, followed by rain, delayed spring planting and lead to an especially strong surge in demand for diesel by farmers right now.

According to testimony we heard from the jobbers and refiners, the supply of diesel at the local level was critically low in mid-April. If spring planting had begun then, as it sometimes does, then we would have seen shortages throughout our agricultural heartland. However, the late start of the planting season allowed some additional diesel supplies to reach the farmers and the situation is somewhat improved. Nonetheless, there remains the prospect of some small, localized shortages in the next week or two.

SHORT HISTORY

There was a significant disruption in crude oil supply to this country as a result of the political crisis in Iran this past winter. At the same time that output of refined petroleum products fell, there was a heavier than usual demand for middle distillate fuels as a result of the long winter.

The Department of Energy, beginning in February and continuing through April, encouraged refiners to rebuild their stockpiles of middle distillate—used for both home heating oil and diesel—in order to begin building up inventory for use next fall and winter. Despite this, in late April the middle distillate stockpile was at a near record low level, 16 percent below last year's supply at the same time.

In March and April jobbers of diesel were put on allocation. Depending on the area and the supplier, allocations amounted to anywhere from 75 to 90 percent of last year's supply. In Iowa, Nebraska, North and South Dakota, and several other agricultural States the average was around 80 percent. In those same States, agricultural demand for diesel is up, because of the steady shift to diesel-powered farm machinery. Further, the tight supply situation was aggravated by various disruptions in the distribution system, including gaps of up to 3 weeks between deliveries of diesel shipments to some Midwest terminals.

ACTION TAKEN

In April several Members of Congress, myself included, observed the problem and began calling upon the Department of Agriculture and the Department of Energy to take action to assure adequate supplies of diesel fuel to farmers in time for spring planting. On May 3 the President spoke in Des Moines, Iowa, assuring farmers that they would get the needed diesel supplies.

On May 11 the Department of Energy issued rule 9. That regulation requires suppliers to meet 100 percent of agricultural demand—including that needed for commercial fishing—before providing diesel to any other users of the product.

At our hearing on May 17 questions were raised as to whether the mechanism of rule 9 was too cumbersome and whether the needed suppies actually could be delivered to areas of spot shortages in time to be of use. Members of the subcommittees were highly critical of the fact that the diesel supply problem was not foreseen earlier and that rule 9 did not appear to anticipate the need for pre-positioning extra diesel stocks nearer to the end-users.

Yesterday we were advised that a special interagency task force has been established to help find and expedite diesel supplies needed to meet spot shortages in the agricultural market. Hopefully this will allow the farmers to make it through the spring planting without disruption. But it will be close.

LINGERING PROBLEM

There will be side effects, though. The diesel fuel being diverted to agriculture is being taken from other markets. This week, for instance, the Philips Petroleum Co. advised its nonagricultural customers that their diesel allocation was being reduced from 75 to 40 percent. Truck stop operators, mass transit system, and railroads around the country are reporting severe shortages of diesel fuel as the supply is shifted.

The amount of middle distillate in stockpile remains critically low, although the level appears to have stopped dropping now. The Department of Energy advises us that this week the production of middle distillate will equal anticipated consumption and that it will soon exceed current demand.

Throughout this summer production of diesel and home heating oil will have to remain at unusually high levels, in order to replenish the stockpile in time for harvest and the coming winter and to replace fuel that has been "borrowed" to meet the current situation. Unfortunately, the increased output of middle distillate will most likely be at the expense of gasoline refinery capacity. Also, imports of very expensive foreign-refined oil may have to increase.

The dilemma is that virtually all uses of middle distillate are priority uses—home heating, agriculture, transportation, et cetera. There is no practical alternative to diverting our fuel supplies to meet these needs. For the next several months at least this will continue to cause some discomforts and dislocations at other points in the market for refined petroleum products.

At this point, Mr. Speaker, I refer my colleagues to the letter I sent to President Carter on May 23. The text follows:

House of Representatives,
Washington, D.C., May 22, 1979.

Hon. Jimmy Carter,
President, The White House,
Washington, D.C.

Dear Mr. President: Last week I chaired hearings in the House Committee on Small Business, examining the current problems in diesel fuel supply. John O'Leary of the Department of Energy and Weldon Barton of the Department of Agriculture represented the administration at those hearings.

To be very frank, Mr. President, many who were present at the hearings were not convinced that the immediate energy needs of American agriculture will be fully satisfied. We were quite disturbed to note that both the Department of Energy and the Department of Agriculture appear to be somewhat out of touch with the reality of serious spot fuel shortages throughout the Midwest and Great Plains States at a time when spring planting is in progress.

In my own district in Northwest Iowa we did a telephone survey today of ten jobbers serving agricultural users of diesel. One is completely out of diesel and is unable to supply his customers. Two others are about to use up the last of their allocation for the month and are trying to get additional fuel from the state set-aside program in order to meet current demand. And two more report they are very low and may run out of diesel within the week. In other words, half the distributors surveyed are having trouble meeting agricultural demand for diesel right now.

At the hearings last Thursday it was pointed out that the mechanism established by Rule 9, to provide diesel fuel to agricultural users, may not work, because of the two to three week turn-around time between certification of need and delivery of supplemental fuel supplies from the refinery to the end user. Coming from a farm area, as you do, you must be aware that a farmer cannot interrupt planting or other operations for such a long time.

Aside from a concern about the adequacy of Rule 9, questions also were raised as to why it was not until early May when agricultural fuel problems received action from the Department of Energy. As recently as mid-April the Department was still urging immediate stockpiling of middle distillate, rather than accelerated distribution to users. Moreover, we were unable to obtain any explanation of why the Department of Agriculture's Office of Energy had not sounded an alarm earlier than it did.

It is evident that the nation faces a temporary crisis in diesel fuel supplies. As available fuel is drawn out of inventory and/or diverted from other markets to agricultural areas, other users such as truckers and mass transit may experience spot shortages. There is likely to be a series of temporary disruptions of the diesel market in the near future.

Increased production of middle distillers to meet current diesel demand and to rebuild depleted stockpiles of home heating oil necessarily will cause a reduction in production of gasoline. Obviously, this will cause further problems in the gasoline supply situation.

I urge you to stand by your pledge to assure agricultural users first priority for access to fuel and an adequate supply to meet production needs. Also, I suggest that your White House staff should examine the reasons why the diesel shortage in agricultural areas seems to have caught the Departments of Energy and Agriculture by surprise. Such an understanding is necessary in order to help avoid a recurrence of this problem in future years.

Sincerely,

BERKLEY BEDELL.●

LIME INDUSTRY

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. SHELBY. Mr. Speaker, I would like to call to the attention of my colleagues the problem faced by the lime industry due to regulatory standards promulgated by the Environmental Protection Agency.

The lime industry has been one of the leaders in complying with the clean air requirements under the initial State implementation plan prescribed originally by the EPA. The lime industry spent millions upon millions of dollars in order to achieve compliance and in the accomplishment thereof has sacrificed and closed over 15 lime-producing plants. As a consequence a shortage of lime has developed. Lime is vital to the country's economy, being essential to steel production, agriculture, the building industry, and road stabilization. Ironically, lime is indispensable to the antipollution programs for clean air, water, and waste treatment.

It is to be noted that the lime industry is not requesting exemption from the emission requirements or even any preferential treatment. It is only requesting that the EPA provide standards which would accomplish the desired results of the Clean Air Act and yet be technologically achievable. However, those in the EPA involved with the lime emission standards have dogmatically and inequitably provided standards which are not so achievable and have embarked on a program which will cause the industry to close plants with the consequent loss of employment and critical shortages of the product. This program cannot serve the welfare of the American people.

When emission standards were first being considered some time ago, the lime industry fully cooperated with the EPA technical staff, and while demonstrating the benefits of lime it also educated them in the production and attributes of lime. The industry also clearly presented the fact that there are extensive variations in emissions as a result of the inherent differences in the product and its processing in different locales throughout our country.

As you know, the purpose of the Clean Air Act is to protect the health of our people. Interestingly, lime is not a health hazard per se. It is instead a nontoxic substance and completely innocuous in the quantities with which we are concerned. Despite this fact, the EPA has promulgated standards for lime emissions which are unfairly far more stringent than kindred industries and are completely without technological foundation.

For example:

First. There is a 10-percent opacity requirement for lime whereas in cement, kraft pulp and other kindred industries the standard is 20 percent.

Second. The particulate emission standard has been set at a limit of 0.3 lbs./ton of stone feed despite the fact that this limit is completely unachievable on any reliably repetitive basis with available technology. It is astounding, in this connection, that while our country's energy difficulties require conversion from oil to coal as a source of energy, the EPA steadfastly refuses to permit coal to be considered as part of the feed or even consider the effect that the emissions from coal will have on the accomplishment of the nonachievable 0.3 lb./ton standard.

Third. The EPA has also required that there be continuous monitoring of the emissions despite the fact that, acknowledgedly, there is no reliable or dependable equipment available for such purposes. Amazingly, when recently confronted with this fact, the EPA representatives stated that they could not delete their requirement solely because they were already committed to it no matter whether dependable equipment was available or not. One can only speculate as to the real reason for a requirement to use undependable and unreliable equipment.

The support for the standards promulgated by the EPA are fraught with errors in the tests and the conclusions rendered therefrom. This fact was repeatedly called to the attention of the EPA but has been completely ignored. Further, the variables which are inherent in the product, its production and its emissions in different locales were also inequitably ignored.

It is also to be noted that the lime industry is in great part a family business. Many of the plants are old and modifications must be made to keep them in production. New kilns must be built to fill a growing demand. The EPA standards will apply to modified plants and new kilns. Current technology for meeting these standards is not available and the modifications will not be made and many new kilns will not be built.

The lime industry is, in no way, attempting to avoid what it considers to be its responsibilities in reaching the goals of the Clean Air Act. It has, in fact, at all times proposed limitations on lime emissions as follows:

First. Particulate emissions from its rotary kilns be limited to 1.6 pounds of stone feed which while impossible to achieve in some areas will be achievable, albeit with considerable difficulty and expense, in many operations. It is of interest to note that the lime industry has itself volunteered to provide an emission standard far more stringent than that which presently exists in most State standards which is 1.0 pound/ton of stone feed.

Second. That coal, if it is used for energy purposes in lime production, be included as part of the feed involved.

Third. That the lime industry be not subject to a segregated opacity requirement and that it be afforded the same 20 percent opacity standards as has been provided for other kindred industries.

Fourth. That continuous monitoring be not required until such time as dependable and reliable equipment is available.

The EPA has refused to consider these proposals which are practical, equitable and will achieve the goals of the Clean Air Act.

Industry members are genuinely concerned at the present time that they cannot afford to attempt to go forward with any type of expansion and still bear the burdensome cost of trying to comply with the proposed new EPA regulations as respects to existing equipment. As a result of the proposed unreasonable and stringent EPA regulations, costly and time-consuming construction delays are anticipated because of EPA approval. Some immediate action needs to be taken to prevent the closing of plants with the consequent adverse economic effects by direct contact with the EPA representatives to obtain a more practical, equitable and achievable standard for lime. It is imperative that this be done in the immediate future so as to prevent future deterioration and perhaps collapse of the lime industry.●

COKE COUNTY, TEX., ON HOSPITAL COST CONTAINMENT

HON. TOM LOEFFLER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. LOEFFLER. Mr. Speaker, the "Hospital Cost Containment Act of 1979" singles out the hospital industry for mandatory controls without addressing the underlying cause of rising hospital costs—double-digit inflation.

The commissioner's court of Coke County, Tex., recently adopted a resolution regarding this ill-conceived legislation. The resolution astutely points out the additional regulation and bureaucracy this bill will impose on an industry that already attributes 25 percent of its total costs to governmental regulation. The resolution further notes the close connection between hospital cost containment and national health insurance, a connection publically confirmed by Secretary Califano. Finally, the resolution brings out the successful voluntary effort on the part of hospitals in Texas and throughout the Nation in reducing the escalation of hospital costs—without Federal controls.

It is a dangerous and misguided effort by the President to treat the symptoms of double-digit inflation without attacking the sources. I ask unanimous consent that the text of the resolution by the commissioners court of Coke County be printed in the RECORD at this point.

The resolution follows:

COKE COUNTY RESOLUTION

Whereas, President Carter's Administration has caused to be introduced into the 96th Congress, First Session, legislation titled "Hospital Cost Containment Act of 1979"; and

Whereas, These companion bills being H.R. 2626 and S. 570 will impose mandatory price control on hospitals in Texas; and

Whereas, This legislation will create an inordinate amount of bureaucracy, regulation and additional cost to patients in Texas hospitals; and

Whereas, This proposed legislation gives to the Secretary of Health, Education, and Welfare power to control the health care delivery system in this Nation; and

Whereas, Such control could lead to the nationalization of the health care industry with rationing of health care; and

Whereas, Such rationing of health care would fall heaviest on the elderly, the poor, the disabled, the psychiatric patient and the alcohol and drug abuser patient; and

Whereas, The health care industry in Texas through the Texas Voluntary Effort have in place programs that are effectively reducing the rate of rise in health care and hospital cost in this state; and

Whereas, The President's Council on Wage and Price Stability has reviewed and approved the Texas Plan for voluntarily containing hospital costs; and

Whereas, The average cost per stay in a Texas hospital is $338.00 below the national average; and

Whereas, All industry should be encouraged to voluntarily fight inflation rather than having governmentally imposed and mandated controls; and

Whereas, Rural health care will be most adversely affected by this legislation; be it, therefore,

Resolved by the Commissioners Court of Coke County, Texas, that we hereby express praise and support for the Texas Voluntary Effort to control hospital cost and respectfully memorialize the Congress of the United States to not enact into law HR 2626 or S 570; and be it further

Resolved, That official copies of this resolution be prepared and forwarded to Representative Tom Loeffler that he may make our wishes known to the President of the United States; to the President of the Senate, to the Speaker of the House of Representatives; to the Chairman of the House Committee on Interstate and Foreign Commerce; to the Chairman of the House Committee on Ways and Means; to the Chairman of the Senate Committee on Finance; to the Chairman of the Senate Committee on Human Resources; and to all members of the Texas delegation to the Congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.●

SOVIET NAVAL POWER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. DORNAN. Mr. Speaker, many scholars and writers in the field of international politics have commented upon the apparently intimate connection between naval strength and geopolitical power. History bears witness to the truth of these observations. Reflect on the success of the Athenian League, the rise of Roman power in the Mediterranean basin, the conquering power of Spain in the 16th century, the rise of British naval power under Elizabeth I, and the expansion of American trade and commerce under the "freedom of the seas" maintained by the burgeoning naval might of our own young Republic. I might add that the failure of Imperial Japan and Nazi Germany to control the seas contributed to their defeat in the Second World War.

Inasmuch as we are dependent on the importation of raw materials to, literally, fuel our economy, we are necessarily a seafaring people. Largely self-sufficient in raw materials and bounded by traditional Eurasian continental interests, Soviet Russia is under no such oceanic burden for trade. But the Soviets—heirs to the frustrations of the Czars in being unable to anchor ships in "warm water" ports—have been driving relentlessly toward the goal of naval superiority. From a once land-locked continental power, the Soviets have emerged as a great naval power, capable of projecting their military forces in virtually every area of the globe. I know I share the anxieties of many when I think of the growth of Soviet naval power in the Indian Ocean, threatening the vital energy sea lanes of the Western world.

The architect of modern Soviet naval strength was Admiral Sergei Gorshkov, author of the definitive work on Soviet naval doctrine, the "Sea Power of the State." I would like to call the attention of my colleagues to a remarkable article published 2 years ago by Lt. Gen. Ira C. Eaker (USAF) in the Santa Monica Evening Outlook of August 8, 1976. That article is as true now as it was the very day it was written, so I again put it in the RECORD and commend it to my colleagues:

RUSS STRATEGY BASED ON "VICTORY AT SEA"

(By Lt. Gen. Ira C. Eaker)

Coming now, through the fog of detente, is the Russian "Mein Kampf" the Kremlin plan to destroy "Western Imperialism."

This Russian plan is contained in a recent book entitled, "The Sea Power of the State," by Adm. Sergei Gorshkov, Soviet navy chief for 21 years.

This book, revealing the Soviet plan for destroying the United States and its allies, would be headlined in every newspaper in the United States were we not now completely preoccupied with politics.

The Russian "Mein Kampf" called first for achieving strategic nuclear parity with the United States, thus avoiding any repetition of the Cuban missile crisis in 1962.

Thereafter, under a nuclear umbrella, and with great superiority of Soviet land and air forces to protect the Motherland, the Kremlin could launch its offensive plan to complete the communization of the world.

The details of that plan have now been revealed by Adm. Gorshkov. It is to be accomplished by the Russian navy and its essential ally, a vast Russian commercial fleet—in short, with Soviet seapower.

Since Russian seapower is the instrument which will be used in the final conquest of the West, it is essential that we examine in accurate detail the vital aspects of that weapon. Had we followed that prudent course when Hitler's "Mein Kampf" appeared, his blitzkreig would not have ravaged Europe during the bloodiest decade in history.

In Stalin's day, the Soviet navy was a coastal defense fleet. When Gorshkov took over, he quickly instituted the plan to create a bluewater navy for the purpose of, in his own words, "establishing the conditions for gaining sea control." He spelled out these conditions:

Adequate ships and weapons in constant readiness for combat.

Pre-positioning naval forces in prospective war theaters where they will have superiority of location.

Building an extensive base system for supporting this global navy.

Now after two decades of constant, undeviating effort, Gorshkov is able to assure the Politburo that the Soviet navy is capable of performing its mission, control of the oceans.

An examination of the Russian blue-water navy confirms that boast, as recent testimony before congressional committees attest. For example, Adm. Hyman Rickover testified that he would prefer the Soviet navy to the U.S. Navy for the jobs they each have to do.

The Russian navy has the much less difficult role of denying the sea lanes to Free World commerce. The U.S. fleet mission of keeping the world's oceans open to our commerce is a much more difficult role.

We suffer the further handicap that we, as an island nation, must import 87 of the 93 essential strategic materials we require, while Russia, a landmass, is largely self-sufficient in strategic materials.

Today, the U.S. Navy is struggling to perform multiple missions, project power ashore (as in Vietnam) and keeping the sea lanes open.

Presently, the temper of Congress suggests that the Navy will not be authorized to project power ashore (it was last denied in Angola). Since Vietnam, all projections of power ashore have been accomplished by air. Airlift saved Israel and airlift delivered the Cuban mercenaries to Angola.

In view of the severely limited appropriations available to our Navy today, should our fleet not be largely configured for its primary and vital mission, that of keeping the sea lanes open? ●

JUDGE DAVID L. BAZELON

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. EDWARDS of California. Mr. Speaker, Judge David L. Bazelon, U.S. Court of Appeals for the District of Columbia Circuit, has announced that he will assume senior status on the court. Fortunately for our country, this does not mean that he is ending his magnificent judicial career of more than 30 years. I am sure, Mr. Speaker, that certain key cases will continue to have the benefit of his immense talents as a senior appeals court judge.

Roger Wilkins' article in the New York Times of May 21, 1979, reviews the judge's illustrious career. I include it to be printed in the RECORD:

A FEDERAL JUDGE WHO IS AWARE OF SOCIETY'S ILLS

(By Roger Wilkins)

When President Harry S Truman appointed David L. Bazelon to the United States Court of Appeals for the District of Columbia Circuit, Gerald R. Ford was finishing the first month of his first term in the House of Representatives. Last week, Judge Bazelon wrote to President Carter announcing his intention to assume senior status on the court, on which, for 16 years of his 30-year tenure, he was Chief Judge.

URBAN AFFAIRS

Serving on one of the most urban of the Federal appellate courts, Judge Bazelon has a reputation as being among the most powerful and effective questioners of the status quo ever to serve on the bench. His announcement, which means that he will only take the cases he chooses, prompted Joseph L. Rauh, Jr., the Washington lawyer who once served as clerk to Justices Benjamin Cardozo and Felix Frankfurter, to send a note observing:

"I have worked for great judges and have known many more great judges, but I believe you have had the most socially useful judicial career in my lifetime."

WIDE INVOLVEMENT IN ISSUES

Mr. Rauh said in an interview that his judgment was based on Judge Bazelon's involvement on all the issues from criminal law to McCarthyism.

Judge Bazelon said in an interview that the intellectual interests that had marked his career had all arisen from the cases that had come to him—many from the streets of Washington—over the years. One of the earliest, he recalled, was a challenge to the laws requiring segregation in places of public accommodation in the capital. The case caused a great commotion at the time and was heard by the entire court, rather than a panel of three judges. He remembered that his son, who was not yet 10 years old, asked, "What do you need so many judges to decide that for?"

The view from the judge's chambers on a recent morning, out over Constitution Avenue, the great lawn to the Capitol itself, suggested a city that was a good deal more placid than the cases that had come to the Court of Appeals over the years would indicate. In an article published in the University of Southern California Law Review a few years ago, Judge Bazelon explored the question of criminal responsibility—one of the issues on which his reputation rests—in the context of cases he has judged. In the article, he asked:

"Whether a free choice to do wrong can be found in the acts of a poverty-stricken and otherwise deprived black youth from the central city who kills a marine who taunted him with a racial epithet, in the act of a 'modern Jean Valjean' who steals to feed his family, in the act of a narcotics addict who buys drugs for his own use, or in the act of a superpatriot steeped in cold war ideology who burglarizes in the name of 'national security'?"

THOUGHT QUESTION IMPERATIVE

While he does not suggest that the defendant should be absolved from criminal responsibility in all of those cases, Judge Bazelon thought it imperative to raise the question each time rather than to follow blindly precedents from a simpler time without using new information and techniques derived from modern physical and social sciences.

In that vein, in a 1954 case Judge Bazelon challenged and overthrew the old formula for determining mental capacity—whether the defendant knew right from wrong and whether he could understand the nature and quality of his act—and attempted to utilize the concept of modern psychiatry instead.

Although that decision has since been set aside by the District of Columbia Appellate Court, with Judge Bazelon's concurrence, because of his efforts, lawyers and the courts are addressing the right questions when they deal with the issue, according to J. Patrick Hickey, who has just resigned as director of the Legal Defender Service in the District of Columbia.

"I don't know when I first became aware of what I was trying to do," Judge Bazelon said, "or what it was exactly that shaped my judicial philosophy. But I surely knew before I came to the bench that life was unfair.

"And looking back on it, I can see that I was trying to raise the questions that people don't want to deal with; to make people aware. And it's not just the black-white problem, it's general unfairness. The funny thing is that most people aren't unaware. They just try to block things out. And they get upset when you put the hard questions to them without being able to provide all the answers. But without the right questions, you'll never get the facts that will lead you to better answers."

DIFFERED WITH BURGER

The judge, who wrote in the Southern California Law Review Article, "I believe that there can be no truly just criminal law in the absence of social justice," is not without his critics. Legal experts in the capital followed with great interest the sustained disagreements between Justice Warren F. Burger and Judge Bazelon when the two served together on the appeals court before President Nixon named Burger to succeed Chief Justice Earl Warren.

Another critic, Stephen J. Morse, an associate professor of law at the University of Southern California, has termed Judge Bazelon's views on criminal law "welfare criminology." Writing in response to the Judge in the Southern California Law Review, Mr. Morse asserted that Judge Bazelon's "Utopian solution would require a massive redistribution of wealth, a result that probably could be achieved only by means inconsistent with a capitalist and libertarian society."

But Washington lawyers such as Mr. Hickey and Fred Vinson, a former chief of the Justice Department's criminal division, call Judge Bazelon an innovator whose work has improved both the process and the substance of the criminal law.

And the judge said, "In this job, you have to ask the questions that tend toward greater fairness even when you don't have all the answers because it's clear that the thing is out of kilter now." ●

CONGRESSIONAL SALUTE TO THE HONORABLE JOHN J. DOUGHERTY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. ROE. Mr. Speaker, on Monday, June 4 the residents of Clifton, my congressional district and State of New Jersey will assemble at Clifton City Hall to honor and present the Freedoms Foundation Award to an outstanding citizen, esteemed businessman, community leader and good friend, the Honorable John J. Dougherty, president and founder of Associated Pile and Fitting Corp., Clifton, N.J. I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations and share the pride of his lifetime of accomplishments with his good wife, Catherine, their 3 children and 22 grandchildren as we celebrate this milestone of achievement in their family endeavors.

Mr. Speaker, Jack Dougherty was born in Brooklyn, N.Y. on October 14, 1897 and at the young age of 13 when his father, Francis Dougherty, passed away found himself the head of the household and chief breadwinner of the Dougherty family. He worked at various jobs to earn a livelihood. He was a messenger and freight agent for the railroad before joining the firm of Albert Pipe Co. of

Brooklyn. During his 35 years with the company, he advanced through the ranks to the position of general manager.

Jack's lifetime of dynamic and energetic endeavors is an inspiration to all of us and is particularly manifested in the fact that at the age of 58, instead of contemplating retirement, Jack left the employ of Albert Pipe Co. and moved to Cedar Grove, N.J. where he formed his own company, Associated Pile and Fitting Corp. Under his leadership the business expanded and he acquired the present site of his company in Clifton, N.J. Many improvements have been made at the Clifton location as the Associated Pile and Fitting Corp. grew and prospered under his skillful management and expertise. In the 82d year of his birth he continues to participate most actively in the management and industry of his business on a daily 6-day week basis.

Mr. Speaker, there is so much that can be said about Jack Dougherty's exemplary record of performance. The love of our country has been strongly intertwined within the story of his life which he captured in printed form during our Nation's bicentennial celebration when he had the Constitution of the United States of America printed in an attractive booklet for distribution among our people to bring public awareness and somber reflection on our Nation's greatness through the reading of the purpose, goals and principles—people-purpose-progress—established by our founding fathers over two centuries ago.

This interlude into our country's history was further amplified when he decided to research the biographies of the signers of the Declaration of Independence. He contacted Bruyn Glenn, a New Jersey student of history and a descendant of a soldier who lost the use of both feet from the cold in the winter at Valley Forge. Mr. Glenn, a resident of Butler, N.J., had spent many years researching the lives of the 56 men, both before and after signing the declaration, who pledged their lives, their fortunes and their honor for the people of our country.

Mr. Speaker, Mr. Dougherty was impressed by these biographies. In grateful appreciation of the risks taken and the sacrifices made by the signers of the declaration and in hopes of inspiring love of country and patriotism for this and future generations he assembled the biographies and arranged to publish individual biographies suitable for framing on each of these great American patriots. These historic renditions were printed and included in a folder entitled, "Proudly They Sign," and presented to every public library and school library in the State of New Jersey as well as many school children throughout our Nation.

Mr. Speaker, it is with deep personal pride and pleasure that I take this opportunity to call your attention to this year's Freedoms Foundation Award winner and seek this national recognition of Jack Dougherty whose standards of excellence throughout his lifetime have truly enriched our community, State, and Nation. We do indeed salute an outstanding citizen, esteemed businessman, community leader, good friend, and great American, the Honorable John J. Dougherty.●

PANAMA CANAL TREATY COSTS

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. BOWEN. Mr. Speaker, during the May 21 general debate on H.R. 111, "a bill to provide for the operation and maintenance of the Panama Canal and to provide for the exercise of the rights and performance of the duties of the United States provided in the Panama Canal Treaty of 1977," the issue of the cost of implementing the Panama Canal treaties was extensively discussed, with substantial disagreement expressed among several Members.

In an effort to clarify this issue, I have spent several days conferring with the Merchant Marine and Fisheries Committee, the General Accounting Office, the Panama Canal Company, the Department of Defense, the State Department, and Arthur Andersen & Co., the accountants and consultants for the Panama Canal Company.

I have found substantial agreement among these sources on the costs involved. The following chart takes the cost chart of the Merchant Marine and Fisheries Committee entered in the CONGRESSIONAL RECORD on May 21 (p. 11954) and breaks it out according to U.S. taxpayer cost, canal-user cost, and property transfers, with explanatory notes.

COSTS OF THE 1977 PANAMA CANAL TREATY, 1980–2000

[1979 dollars, except item 3, in thousands]

Merchant Marine and Fisheries estimates		U.S. taxpayers	Canal users	Property transfers
1. Panama Canal:				
2. General:				
3. Payments to Panama	$2,157,110		[1] $2,157,110	
4. Relocation of facilities	14,279		14,279	
5. Transition costs	1,455		1,455	
6. Inventory loss	2,716			$2,716
7. Loss of net revenue commercial activities transferred to Panama	122,060		122,060	
8. Disinterment and reinterment	3,200	$3,200		
9. Book value of property transferred	648,000			[2] 648,000
10. Subtotal general	2,948,820			
11. Employee related:				
12. Early retirement	314,000		314,000	
13. Severance pay	4,600		4,600	
14. Commuted leave and repatriation of separated employees	9,284		9,284	
15. Cost of living allowances	154,161		154,161	
16. Elimination of tax factor in pay of noncitizens	11,856		11,856	
17. Transfer of funds to Panama Social Security	4,000		4,000	
18. Expanded training programs	7,500		7,500	
19. Rotation of employees	5,000		5,000	
20. Subtotal employee related	510,401			
21. Subtotal Panama Canal	3,459,221			
22. Department of Defense:				
23. Base operations, military construction, etc	757,000	757,000		
24. Retirement nonappropriated fund employees	2,000	2,000		
25. Subtotal Department of Defense	759,000			
26. Department of State:				
27. Consular services	3,700	3,700		
28. Joint Committee expenses	3,800	3,800		
29. Foreign Military sales reserve	5,000	[3] 5,000		
30. Subtotal Department of State	12,500			
31. Battle Monuments Commission	900	900		
32. U.S. Treasury:				
33. Loss of depreciation Canal Zone Government assets	54,860	[4] 54,860		
34. Total costs	4,286,481	830,460	2,805,305	650,716
Less savings to the U.S. Treasury:				
1955 treaty annuity for Panama		[5] −36,000		
Air traffic control to Panama		[6] −75,000		
Net costs of Panama Canal Treaty		719,460	2,805,305	650,716

Footnotes at end of article.

Mr. Speaker, the U.S. taxpayer costs are, as you can see, largely for outlays to our military forces in Panama. No U.S. tax revenues will be paid to Panama. Only $77.3 million of this military outlay can be considered to be incurred by physical movements of our military installations pursuant to the treaties. All other military costs are from assumption by the Department of Defense of services previously provided at no U.S. Treasury cost by the Panama Canal Company (paid for by canal users). These new costs are, therefore, to place our military forces in Panama on the same cost basis as our other military installations around the world.

These costs may be regarded as maximum outlays since they presume a full American military presence through the last day of 1999, which is unlikely. Some gradual phase-out cost assumptions indicate a reduction in Treasury outlays of as much as $400 million to $500 million in this category. This accounts for many of the variations in taxpayer cost estimates. In this regard and for the specific increases requested by DOD for our forces in Panama, the congressional appropriations process will, of course, exercise the same discretion and authority as over all other U.S. military outlays.

Canal user costs incurred by H.R. 111 will require an approximately 30-percent increase in tolls. U.S.-flag merchant shipping companies and unions consider this increase to be reasonable and are supporting H.R. 111.

The cost of Alaskan oil which must be shipped through the Panama Canal to the east and gulf coasts because of the absence of west coast refinery capacity would go up in gasoline-at-the-pump prices, as a consequence of H.R. 111, by only one-fifteenth of a cent. On the other hand, canal closure and consequent oil shipment via Cape Horn wouild add approximately 3 cents per gallon at the pump.

A $5,000 Japanese car shipped to the east and gulf coasts would go up in price only $3 as a result of a 30-percent increase, but by $200 if it had to be shipped around South America.

Only one-fourth of the cargo transiting the Panama Canal is bound for U.S. ports, and many tolls increases, such as the small amounts in the examples above, are simply absorbed in the export-import process and are never passed on to consumers. The 30 percent increase implied by H.R. 111 would cost American consumers only $15 million a year, which would have a negligible impact on the $2 trillion U.S. economy.

"Property transfers" cites the net book value of all treaty obligated transfers of land and facilities in the Canal Zone made during the 20-year life of the treaty. Many items are transferred on October 1, 1979, such as the Panama Railroad, ports, and retail stores, theaters, and commissaries located outside the new Panama Canal operating area. Other property inside the area will go over at the end of 1999.

This $650 million total represents the depreciated value of all U.S. property in the Canal Zone, including the $40 million paid to France for the canal concession, $10 million to Panama in 1903 for use rights to the Canal Zone, $387 million to construct the canal, and many purchases of property from individual landowners in the Canal Zone.

This property was paid for both by Panama Canal Company revenues (Canal users) and also by U.S. taxpayers. The funds are commingled and accountants state that it is now impossible in most cases to identify which property was financed from which source, and therefore, what the depreciated value is today in terms of U.S. Treasury investments. Based on a study of several months by the U.S. Treasury Department, the net nonmilitary outlays from the U.S. Treasury for the Panama Canal since its inception now total $138 million. This is, of course, not depreciated value but includes all U.S. nonmilitary outlays less revenues to the U.S. Treasury from the canal.

For these reasons, the value of the property transferred can in no way be regarded as a "taxpayer cost," and, for another reason, because it will not have to be paid for again by U.S. tax revenues. Certainly, part of it was once paid for by U.S. taxpayers, as I have indicated, but we have used the canal, for example, for 65 years, and it is not an item which can be repatriated to the United States, nor is there a world market for Panama Canals in which we could sell it. There is a monopoly buyer, or monopsony, as the economists call it, and that is the Republic of Panama.

The marketplace in which we negotiated the price of the property transferred to Panama was the treaty negotiation. Whether or not the concessions we received as a result of this negotiation, such as the right to administer the canal for the next 20 years, to maintain American forces there during that period, and after the year 2000 to "assure that the Panama Canal shall remain open, neutral, secure, and accessible," represented a good bargain or a bad deal are not relevant to the responsibilities of congress in 1979. The treaties are now set in concrete and no action we can take will nullify, repeal, or revoke them.

The treaty states that "the United States of America transfers without charge to the Republic of Panama all right, title, and interest the United States of America may have with respect to all real property, including nonremovable improvements thereon, as set forth below," and that property is designated. In addition, the treaty also states that the Panama Canal "shall be turned over in operating condition and free of liens and debts, except as the two parties may otherwise agree."

Obviously, any attempt to require Panama to pay for this property or to pay for our military forces in Panama would be in clear and obvious violation of the treaty and would place the United States in default of our treaty obligations. The implications of such a repudiation of the new treaty would be abandonment of the canal to Panama after October 1 of this year—since we would no longer have any treaty right to remain in Panama, the old treaties having expired on October 1, 1979—loss of the skilled labor force to run it, temporary or long-term closure of the canal, and severe jeopardy to the national security and economic survival of the United States.

Mr. Speaker, I am confident that the House will show the wisdom and foresight to reject such destructive amendments and to adopt H.R. 111.

FOOTNOTES

[1] Includes 6 percent inflation factor over twenty years. Constant 1979 dollars cost is $1.6 billion, based on current traffic levels.

[2] Net book value of property transferred to Panama by Treaty. Original investments comprised of commingled funds from Canal user revenues and U.S. Treasury, which cannot now be identified by source.

[3] Only Congressional appropriation needed is for Foreign Military Sales reserve, which is 10 percent of FMS guarantee authority. This is part of an economic and military cooperation program which is outside the treaties and only calls for the U.S. to "consider applications from Panama" for housing investment guarantees, Export-Import Bank credits, Overseas Private Investment Corporation loan guarantees, and FMS guarantees. (Total value of these guarantees to Panama and to American investors in Panama is $345 million, but this is not a Treasury outlay.)

[4] Most accountants believe that this twenty-year estimate of payments generated to the U.S. Treasury by depreciation of Canal Zone Government assets should be classified under property transfers, since this money would flow back out of the Treasury to the Canal Zone Government for reinvestment if there were no new treaties. It is included here to insure that our figures are on the high side rather than the low side.

[5] Present annuity to Panama of $2.3 million under Treaty of 1955 obligating $1.8 million per annum from U.S. Treasury (remainder from Canal user tolls) is terminated by the 1977 Treaty on October 1 and replaced by a new agreement on payments to Panama contained in that Treaty (item No. 3 on chart), which will be covered by Canal user fees rather than U.S. taxpayers.

[6] Annual $5 million cost of Federal Aviation Administration air traffic control responsibilities for Panama discontinued after five years and assumed by Panama, consequent fifteen-year savings amount to $75 million.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 31, 1979, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 1

10:00 a.m.
Joint Economic
To hold hearings on the employment-unemployment situation for May.
5110 Dirksen Building

JUNE 4

9:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1980 for the National Highway Administration, Department of Energy, and the Environmental Protection Agency.
1318 Dirksen Building

9:30 a.m.

Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on S. 15, to prohibit discrimination on the basis of geography in the issuance and use of credit cards.
5302 Dirksen Building

Judiciary
To resume hearings on S. 679, to modify Federal diversity jurisdiction and abolish the amount in controversy requirement for Federal question cases.
2228 Dirksen Building

Select on Ethics
To resume hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1202 Dirksen Building

10:00 a.m.

Appropriations
State, Justice, Commerce, the Judiciary Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1980 for the Departments of State, Justice, Commerce, and the Judiciary.
S–146, Capitol

Judiciary
Antitrust, Monopoly and Business Rights Subcommittee
To hold hearings on S. 598, to preserve the manufacture, bottling, and distribution of trademarked soft drinks by local companies operating under territorial licenses.
457 Russell Building

2:00 p.m.

Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1980 for the National Highway Administration, Department of Energy, and the Environmental Protection Agency; to be followed by special hearings on the cost factors involved in the production of electric vehicles.
1318 Dirksen Building

2:30 p.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on H.R. 1786, authorizing funds for fiscal year 1980 for the National Aeronautics and Space Administration.
S–146, Capitol

JUNE 5

9:00 a.m.

Commerce, Science, and Transportation
Business meeting, to mark up H.R. 1786, authorizing funds for fiscal year 1980 for the National Aeronautics and Space Administration
235 Russell Building

9:30 a.m.

Judiciary
Business meeting, to mark up S. 25, to designate the birthday of Martin Luther King, Jr., a legal public holiday, S. 400, to relieve the liability of six Pennsylvania libraries for the repayment of certain erroneously made contributions by the Federal Government, and to consider the nominations of Frank M. Johnson, Jr., of Alabama, to be U.S. Circuit Judge for the Fifth Circuit Court of Appeals, and Delores K. Sloviter, of Pennsylvania, to be U.S. Circuit Judge for the Third Circuit.
2228 Dirksen Building

Judiciary
Constitution Subcommittee
To resume hearings on S. 506, to provide the Department of Housing and Urban Development with new enforcement powers to insure compliance with statutes guaranteeing equal access to housing in the United States.
1318 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1202 Dirksen Building

10:00 a.m.

Armed Services
Military Construction and Stockpiles Subcommittee
Business meeting, to mark up S. 856, authorizing funds for fiscal year 1980 for certain construction at military installations.
212 Russell Building

Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on S. 15, to prohibit discrimination on the basis of geography in the issuance and use of credit cards.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast commercial uses of the electromagnetic frequency spectrum.
6226 Dirksen Building

Energy and Natural Resources
To hold closed hearings on the storage of nuclear waste.
S–406, Capitol

Judiciary
To continue hearings on S. 679, to modify Federal diversity jurisdiction and abolish the amount in controversy requirement for Federal question cases.
2228 Dirksen Building

JUNE 6

9:00 a.m.

Labor and Human Resources
To hold hearings to explore the impact higher education will have on youth in business for the coming decade.
4232 Dirksen Building

Veterans' Affairs
To hold hearings on S. 870, proposed GI Bill Amendments Act, S. 830, to eliminate the State's required payment in the educational assistance allowance program provided for veterans, and S. 881, to provide for the protection of certain officers and employees of the VA assigned to perform investigative or law enforcement functions.
6226 Dirksen Building

9:30 a.m.

Judiciary
Constitution Subcommittee
To hold hearings on S. 414, to allow universities, nonprofit organizations, and small businesses to obtain limited patent protection on discoveries they have made under Government-supported research.
2228 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1202 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
Economic Stabilization Subcommittee
To resume oversight hearings on the economic impact of gasoline shortages.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.
1318 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on S. 796, proposed Railroad Deregulation Act.
235 Russell Building

Energy and Natural Resources
Business meeting, on pending calendar business.
3110 Dirksen Building

Foreign Relations
To hold hearings on the status of the international tax treaties.
4221 Dirksen Building

Rules and Administration
To hold hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.
301 Russell Building

JUNE 7

9:00 a.m.

Labor and Human Resources
To continue hearings to explore the impact higher education will have on youth in business for the coming decade.
4232 Dirksen Building

Labor and Human Resources
Health and Scientific Research Subcommittee
To hold oversight hearings on the implementation of the national blood policy program.
318 Russell Building

9:30 a.m.

Energy and Natural Resources
Energy Regulation Subcommittee
To hold hearings on the Department of Energy's report on the status of the petroleum situation.
3110 Dirksen Building

Select on Ethics
To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.
1202 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
Business meeting to mark up proposed legislation authorizing funds for public works and economic development programs of the Economic Development Administration.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee

To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

6226 Dirksen Building

Commerce, Science and Transportation
Surface Transportation Subcommittee

To continue hearings on S. 796, proposed Railroad Deregulation Act.

235 Russell Building

Rules and Administration

To continue hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.

301 Russell Building

2:00 a.m.

Judiciary

To hold hearings on the following nominations, Valdemar A. Cordova, of Arizona, to be U.S. District Judge for the District of Arizona; Jon O. Newman, of Connecticut, to be U.S. Circuit Judge for the Second Circuit; and Amalya L. Kearse, of New York, to be U.S. Circuit Judge for the Second Circuit.

2228 Dirksen Building

JUNE 8

9:00 a.m.

*Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee

To hold hearings to examine the effectiveness of warning labels on alcoholic beverages.

6226 Dirksen Building

9:30 a.m.

Judiciary
Antitrust, Monopoly and Business Rights Subcommittee

To hold hearings on a proposed amendment to S. 390, to expedite and reduce the cost of enforcing existing antitrust laws.

5110 Dirksen Building

Labor and Human Resources
Education, Arts, and the Humanities Subcommittee

To resume oversight hearings to explore the areas of basic learning skills used in elementary and secondary schools.

4232 Dirksen Building

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

235 Russell Building

JUNE 11

9:30 a.m.

Select on Ethics

To resume hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
International Finance Subcommittee

To hold hearings on S. 339, to facilitate U.S. exports relative to credit to Communist countries.

5302 Dirksen Building

Labor and Human Resources
Health and Scientific Research Subcommittee

To hold hearings to investigate the environmental effects of low level radiation.

4232 Dirksen Building

JUNE 12

9:00 a.m.

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee

To hold oversight hearings on housing issues relating to tax-exempt mortgage revenue bonds.

5302 Dirksen Building

* Veterans' Affairs

To hold hearings on S. 689, proposed Veterans' Disability Compensation and Survivors Benefits Act.

6226 Dirksen Building

9:30 a.m.

Select on Ethics

To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

10:00 a.m.

Energy and Natural Resources
Energy Conservation and Supply Subcommittee

To hold hearings on S. 950, proposed Omnibus Solar Energy Commercialization Act.

3110 Dirksen Building

Rules and Administration

To resume hearings on S. 623, proposed Senate Election Reform Act, to be followed by consideration of legislative and administrative business.

301 Russell Building

JUNE 13

9:30 a.m.

Select on Ethics

To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

6226 Dirksen Building

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

235 Russell Building

Energy and Natural Resources
Energy Conservation and Supply Subcommittee

To continue hearings on S. 950, proposed Omnibus Solar Energy Commercialization Act.

3110 Dirksen Building

2:00 p.m.

Labor and Human Resources

Business meeting, to mark up S. 570, to control increases in hospital revenues (Hospital Cost Containment).

4232 Dirksen Building

JUNE 14

9:30 a.m.

Select on Ethics

To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To continue hearings on S. 611, and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

235 Russell Building

Energy and Natural Resources

Business meeting on pending calendar business.

3110 Dirksen Building

Energy and Natural Resources
Energy Regulation Subcommittee

To receive testimony from the Energy Information Administration on the current energy supply situation.

3110 Dirksen Building

Select on Indian Affairs

To hold hearings on S. 668, to allow the Cow Creek Band of the Umpqua Indians of Oregon to file a claim with the U.S. Court of Claims for alleged failure of the United States to fulfill treaty obligations.

6226 Dirksen Building

10:30 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings on the activities of financial institutions relative to the sale of insurance.

5302 Dirksen Building

JUNE 15

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

235 Russell Building

JUNE 18

10:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To resume hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcasting uses of the electromagnetic frequency spectrum.

235 Russell Building

Banking, Housing, and Urban Affairs
International Finance Subcommittee

To hold hearings on S. 864, to establish an office within the Department of Commerce, which would promote and encourage the formation and utilization of export trade associations.

5302 Dirksen Building

JUNE 19

9:30 a.m.

Commerce, Science, and Transportation

To resume oversight hearings on the trucking industry's economic regulation by the Federal Government, focusing on household moving and the problems confronting both the household goods carriers and the consumers they serve.

235 Russell Building

* Energy and Natural Resources

To hold oversight hearings on the activities of programs administered by the Surface Mining Control and Reclamation Act of 1977.

3110 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs

International Finance Subcommittee

To continue hearings on S. 864, to establish an office within the Department of Commerce, which would promote and encourage the formation and utilization of export trade associations.

5302 Dirksen Building

Commerce, Science, and Transportation

Communications Subcommittee

To continue hearings on S. 611 and 622, bills providing for the development of domestic, international, and rural broadcasting stations, focusing on the implementation of cable television, the National Commission on Spectrum Management, and public resource fee schedules for nonbroadcast uses of the electromagnetic frequency spectrum.

1202 Dirksen Building

JUNE 20

9:00 a.m.

* Veterans' Affairs

To hold hearings on S. 759, to provide for the right of the United States to recover the costs of hospital nursing home or outpatient medical care furnished by the Veterans' Administration to veterans for non-service-connected disabilities to the extent that they have health insurance or similar contracts.

6226 Dirksen Building

9:30 a.m.

Labor and Human Resources

To hold hearings on S. 446, proposed Equal Employment Opportunity for the Handicapped Act.

4232 Dirksen Building

10:00 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume hearings on S. 796, proposed Railroad Deregulation Act.

235 Russell Building

Energy and Natural Resources

Business meeting on pending calendar business.

3110 Dirksen Building

Labor and Human Reserves

* Health and Scientific Research Subcommittee

To hold hearings on S. 568, to provide for the potential contribution and advancement of women in scientific, professional, and technical careers, and on proposed national health insurance programs.

457 Russell Building

JUNE 21

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation to develop techniques for analyzing and stimulating technological and industrial innovation by the Federal Government.

6226 Dirksen Building

* Energy and Natural Resources

To resume oversight hearings on the activities of programs administered by the Surface Mining Control and Reclamation Act of 1977.

3110 Dirksen Building

Labor and Human Resources

To continue hearings on S. 446, proposed Equal Employment Opportunity for the Handicapped Act.

4232 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs

Financial Institutions Subcommittee

To hold hearings on proposed legislation to establish financial reform programs.

5302 Dirksen Building

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To continue hearings on S. 796, proposed Railroad Deregulation Act.

235 Russell Building

* Labor and Human Resources

Health and Scientific Research Subcommittee

To continue hearings on S. 568, to provide for the potential contribution and advancement of women in scientific, professional, and technical careers, and on proposed national health insurance programs.

457 Russell Building

JUNE 25

9:30 a.m.

Finance

Taxation and Debt Management Subcommittee

To hold hearings on S. 192 and 208, bills to provide for the tax treatment of foreign investors for property located in the United States.

2221 Dirksen Building

10:00 a.m.

Labor and Human Resources

Health and Scientific Research Subcommittee

To resume hearings on S. 1177, to establish a partnership between the Federal Government and the States in the planning and provision of mental health services.

4232 Dirksen Building

JUNE 26

9:00 a.m.

Labor and Human Resources

To hold hearings on S. 1076, proposed Multiemployer Pension Plan Amendments Act.

4232 Dirksen Building

9:30 a.m.

Commerce, Science, and Transportation

To resume oversight hearings on the trucking industry's economic regulation by the Federal Government.

235 Russell Building

10:00 a.m.

Energy and Natural Resources

Energy Conservation and Supply Subcommittee

To hold hearings on S. 734, proposed Federal Power Marketing Revolving Fund Act.

3110 Dirksen Building

Labor and Human Resources

Education, Arts, and the Humanities Subcommittee.

To hold hearings on proposed authorizations through fiscal year 1964 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

1114 Dirksen Building

JUNE 27

9:00 a.m.

Labor and Human Resources

To continue hearings on S. 1076, proposed Multiemployer Pension Plan Amendments Act.

4232 Dirksen Building

9:30 a.m.

Commerce, Science, and Transportation

To continue oversight hearings on the trucking industry's economic regulation by the Federal Government.

235 Russell Building

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To resume hearings on proposed legislation to develop techniques for analyzing and stimulating technological and industrial innovation by the Federal Government.

6226 Dirksen Building

10:00 a.m.

Energy and Natural Resources

Business meeting on pending calendar business.

3110 Dirksen Building

Labor and Human Resources

Education, Arts, and the Humanities Subcommittee

To continue hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

1318 Dirksen Building

JUNE 28

10:00 a.m.

Energy and Natural Resources

Energy Conservation and Supply Subcommittee

To resume hearings on S. 734, proposed Federal Power Marketing Revolving Fund Act.

3110 Dirksen Building

Labor and Human Resources

Education, Arts, and the Humanities Subcommittee

To continue hearings on proposed authorizations through fiscal year 1984 for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

4232 Dirksen Building

JULY 10

10:00 a.m.

Energy and Natural Resources

Energy Resources and Materials Production Subcommittee

To hold oversight hearings on the implementation of the Outer Continental Shelf Leasing program.

3110 Dirksen Building

JULY 11

9:30 a.m.

Labor and Human Resources

To resume hearings to explore the impact higher education will have on youth in business for the coming decade.

4232 Dirksen Building

JULY 12

9:30 a.m.

Labor and Human Resources

To continue hearings to explore the impact higher education will have on youth in business for the coming decade.

4232 Dirksen Building

•Veterans' Affairs

To hold oversight hearings on the efforts made by the Veterans' Administration to provide information on benefits due incarcerated veterans.

6226 Dirksen Building

10:00 a.m.

Energy and Natural Resources

Energy Resources and Materials Production Subcommittee

To resume oversight hearings on the implementation of the Outer Continental Shelf Leasing program.

3110 Dirksen Building

JULY 24

9:30 a.m.

Labor and Human Resources

To resume hearings on S. 446, proposed Equal Employment Opportunity for the Handicapped Act.

4232 Dirksen Building

CANCELLATIONS

JUNE 6

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold joint hearings with the House Subcommittee on Science, Research and Technology of the Committee on Science and Technology, to examine U.S. policies and initiatives of the U.S. Conference on Science and Technology for Development.

5110 Dirksen Building

JUNE 8

9:30 a.m.

Select on Ethics

To continue hearings in conjunction with the investigation of Senator Talmadge's alleged abuse of certain financial reporting rules of the Senate.

1202 Dirksen Building

HOUSE OF REPRESENTATIVES—*Thursday, May 31, 1979*

The House met at 10 a.m.

Rev. George J. Kramer, former pastor, St. Pius X Catholic Church, Moberly, Mo., offered the following prayer:

Continue to bless us abundantly, gracious Heavenly Father, who in overflowing love has given this Nation blessings surpassing all other nations, to bring this people to love You; yet we have often responded selfishly, demanding personal fulfillment, and often responded waywardly and disinterestedly to Your love and call; but Your benevolence is not for ourselves, but for sharing, so that Your holy name may be praised.

I beseech You, loving Father, amid the many crises among our people, to grant to our leaders special graces of enlightenment of mind, benevolence of spirit, and stalwartness of heart for decisions of righteousness.

Grant to these men and women, whom we ourselves have chosen, guidance into Your holy ways and purposes so that Your holy will may be fulfilled and that all citizens may become perfect ministers of Your love and graciousness to all.

I ask this in Jesus' name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

FATHER GEORGE KRAMER

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I am pleased to introduce the guest chaplain for today. He is Father George Kramer who is presently working toward his doctorate of ministry at Catholic University. His most recent position was parish priest of the St. Pius X Church in Moberly, Mo.

Father Kramer is a true Missourian having been born in Bonnots Mill, Mo. He received his education at the Kenrick Seminary in St. Louis, Mo., between 1954 and 1962. He was ordained on April 7, 1962, in Jefferson City, Mo.

His spiritual services have benefited many throughout the Ninth Congressional District. Father Kramer has served in parishes such as Holy Rosary in Monroe City, Blessed Sacrament in Hannibal, Immaculate Conception in Macon, and St. Pius X in Moberly.

After finishing his doctorate work at Catholic University, Father Kramer will return to the Jefferson City Diocese and will work in parish facilitation for change, lay ministry, and family counseling. It is a pleasure to welcome Father Kramer here today and receive his inspirational message.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL MAKING SUPPLEMENTAL APPROPRIATIONS, 1979

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making supplemental appropriations for the year ending September 30, 1979, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMANENT HOUSE ENERGY COMMITTEE

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, the energy crisis continues to wreak havoc in this petroleum-dependent Nation. The dilemma faced by our 220 million citizens is a real one. The Nation must now decide between a possible gasoline and home heating oil shortage, a massive conservation program, or a rapidly increasing rate of inflation caused by higher spot market prices. The choice must be made now.

In an attempt to streamline the legislative process, and consolidate under one umbrella energy issues that have thus far been considered by 5 full committees and 14 subcommittees, I am today offering a resolution that will do just that.

This measure will create a permanent, standing House Energy Committee that will consider the energy matters that are so vital to the survival of this great country.

The need for such a committee is apparent to all Members; the House has become too fractionalized to act in concert. We must forge ahead as a unit. The one standing Energy Committee will offer some unity to this body.

THE DANGER OF POWER DIVORCED FROM RESPONSIBILITY

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, when power is divorced from responsibility, the danger of misuse is always there. That is why the media is to be complimented—for the most part—in exercising its enormous power within a framework of self-imposed responsibility.

When responsibility is divorced from power, as in the Nixon and Ford administrations, when the White House got most of the blame for the actions or omissions of a hostile Congress, that too is a frustrating situation.

However, when an administration and the Congress are possessed of overwhelming power and responsibility as this Democratic administration is, then the inept and ineffective exercise of this power and responsibility deserves all the criticism a free society can muster.

The financial pages this morning tell us our foreign trade deficit surged again in April to staggering proportions, the market suffered sharp losses, and we seem further from developing a workable energy policy than ever.

The dollar is down, inflation is up, and as a nation we have lost confidence in ourselves.

It is painfully clear that leading this country is beyond the capacity of the majority party. We can only pray that

☐ This symbol represents the time of day during the House Proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

there will be something left of our country to salvage after the 1980 elections.

PRINT 3 MILLION AND TAKE 1 MILLION FOR YOURSELF

(Mr. PAUL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, David Ottaway, in writing about Idi Amin's economic atrocities, discussed a saleman for a British banknote firm who personally negotiated a contract with the former dictator of Uganda for printing up 2 million Ugandan shillings worth of 100 shilling notes. "At the close of their conversation," said Mr. Ottaway, the saleman "gingerly asked how he was to be paid."

"'Print 3 million and take 1 million for yourself,' Amin angrily retorted."

Inflation, the expansion of the money supply, helped destroy Uganda's economy, along with other forms of government regulation and interference. Amin doubled the money supply in his last 2 years as dictator, flooding the country with paper money. Prices naturally skyrocketed.

Idi Amin is no longer oppressing the people of Uganda, but his monetary policies live on, in more moderate form, at the U.S. Federal Reserve Board.

We will never have stable prices until we stop flooding our country with paper dollars, and solving—or trying to solve—our problems by printing more money. It will not work for us, any more than it did for Idi Amin.

☐ 1010

DOD SUPPLEMENTAL AUTHORIZATIONS ACT OF 1979

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 271 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 271

Resolved, That upon the adoption of this resolution it shall be in order to move, sections 401(a) and 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2575) to authorize appropriations for fiscal year 1979, in addition to amounts previously authorized, for procurement of aircraft, missiles, and naval vessels and for research, development, test, and evaluation for the Armed Forces, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and said substitute shall be read for amendment by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 2575, the House shall proceed, sections 401(a) and 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, to the consideration of the bill S. 429, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 2575 as passed by the House.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from Texas (Mr. FROST) is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN). Pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 271 is an open rule providing for 1 hour of general debate on the bill H.R. 2575, the Department of Defense supplemental appropriations authorization for fiscal year 1979. The time is to be equally divided and controlled by the chairman and ranking minority member of the House Committee on Armed Services.

Since H.R. 2575 is a supplemental authorization for fiscal year 1979, the rule provides for an emergency waiver of points of order against the bill for failure to comply with section 402(a) of the Congressional Budget Act. Section 402(a) bars the consideration of any bill which authorizes new budget authority unless that bill has been reported on or before May 15 preceding the beginning of such fiscal year. The Budget Committee supports this waiver.

House Resolution 271 also provides for technical waivers of points of order against the bill as introduced for failure to comply with section 401(a) of the Congressional Budget Act. Section 401(a) provides that it shall not be in order to consider a measure containing new contract authority unless the authority is limited to such extent or in such amounts as provided in appropriation acts. Although the ball as introduced is in violation of section 401(a), a committee amendment has cured the Budget Act problem, and the Budget Committee has no objection to this waiver so that the bill and the committee amendment may be considered by the House.

The resolution also makes in order consideration of an amendment in the nature of a substitute recommended by the Armed Services Committee, now printed in the bill, for purposes of amendment under the 5-minute rule. The substitute is to be read for amendment by titles instead of by sections and upon conclusion of consideration of the bill, a motion to recommit with or without instructions would be in order.

Should the House pass H.R. 2575, the resolution will allow the House to consider S. 429, the other body's fiscal year 1979 Department of Defense supplemental. Here again, points of order for failure to comply with sections 401(a) and 402(a) of the Congressional Budget Act are waived, and the resolution will allow the House to strike all after the enacting clause of the Senate bill and to substitute the language of the House passed bill.

Mr. Speaker, the first budget resolution has provided $628 million for the acquisition of two *Spruance* class destroyers that are authorized in H.R. 2575. The Armed Services Committee has asked that although the budget resolution does not provide full funding for the supplemental authorization, the full amount in the authorization should be approved by the House so that priority decisions as to which programs can be funded in fiscal year 1979 can be made in a timely fashion by the Department of Defense at the direction of the Congress.

In view of the important national security needs contained in H.R. 2575, I would urge my colleagues to adopt this rule and proceed to consideration of the bill.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

The able gentleman from Texas (Mr. FROST) has explained the provisions of the rule and has gone in depth into the measure itself.

Mr. Speaker, I think we should have a defense posture second to none. This Nation must always be militarily strong.

☐ 1020

At the same time, we all should be concerned about the massive buildup of the Russian fleet in the Pacific Ocean, in the Indian Ocean, and in the Persian Gulf. Word has reached me that this is a very significant buildup and that unless something happens in the way of strengthening on our side, then something really terrible could happen by cutting off our oil supply. It would be a terrific dilemma. It would be a great crisis, one which we would have to face should that event occur; so I have always supported a program that this Nation should be militarily strong, second to none.

This defense supplemental appropriation for 1979 is most reasonable. It does not go far enough, but at the same time we face it today as it is before us.

Mr. Speaker, I recommend that the rule be adopted and the measure be adopted by the House by a tremendous majority.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PRICE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2575) to authorize appropriations for fiscal year 1979, in addition to amounts previously authorized, for procurement of aircraft, missiles, and naval vessels and for research, development, test, and evaluation for the Armed Forces, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. PRICE).

The motion was agreed to.

The SPEAKER pro tempore. The Chair designates the gentleman from Illinois (Mr. ROSTENKOWSKI) as chairman of the Committee of the Whole and requests the gentleman from Pennsylvania (Mr. MYERS) to assume the chair temporarily.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2575, with Mr. MYERS of Pennsylvania (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois (Mr. PRICE) will be recognized for 30 minutes, and the gentleman from Alabama (Mr. DICKINSON) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Illinois (Mr. PRICE).

Mr. PRICE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on behalf of the Armed Services Committee, I bring to the floor of the House today H.R. 2575, the Department of Defense supplemental authorization for fiscal year 1979.

The bill as reported by our committee is $543.8 million below the amount requested by the President.

The bill provides a total supplemental authorization of $1.458 billion.

The authorization includes $1.524 million for procurement, and $406 million for research, development, test, and evaluation.

To understand this supplemental it is necessary to understand a little background.

The original fiscal year 1979 authorization bill was vetoed by the President. As a result, a $2 billion aircraft carrier, not requested by the President, was removed. The President requested inclusion of $2 billion for other defense items. Because of the press of time last session, Congress merely passed an authorization without the aircraft carrier, and signaled that a supplemental could be considered later.

So this supplemental was allowed for in the continuing budget process.

On January 29, 1979, a supplemental was submitted. In February, as a result of the political crisis, the Government of Iran informed the United States that it was canceling the purchase of various weapon systems.

On February 28, 1979, the administration submitted a revision which called for the deletion of various programs from the original supplemental and substitution of weapons which became available as a result of the Iranian cancellations. The dollar total of the supplemental, $2.2 billion, did not change. The revised supplemental request was introduced as H.R. 2575.

So even with this supplemental, the President is not getting some of the defense items he believes need to be furnished in fiscal year 1979.

The committee did not simply approve the President's supplemental request. The committee reduced it by more than 25 percent. It includes only items of two kinds:

First. Items made available from Iran that our forces need and that can be obtained at a significant reduction in cost. Failure to buy these items would not be an example of fiscal restraint.

For example, the two ships in this bill are more than 50 percent complete. Almost of all the U.S. Government furnished equipment has been delivered. We can buy them at a saving of $200 million per ship.

The distinguished gentleman from Florida (Mr. BENNETT) will discuss these Iranian ships and their potential value to the U.S. Navy.

Second. Programs for which the funding is required in fiscal year 1979.

In the R. & D. category are important items that should not be delayed. This includes strategic programs related to our strategic deterrence that the Secretary of Defense called the top priority matter in the bill. An examination of the committee report will show that in the cases where any of these R. & D. items could be delayed, the committee has deferred them. In all, the committee deferred some $120 million in R. & D. projects and added only one R. & D. item.

The distinguished gentleman from Missouri (Mr. ICHORD) will address these matters in the course of this debate.

I would like now to devote much of my own time to a discussion of one matter that I think is as important as anything in the defense area this year.

That is the authorization requested by the President to complete consideration of alternatives for the basing mode for the M-X missile and to begin full scale engineering development (FSED) of the missile. Language inserted by the committee is designed to require that a decision on the basing mode be made at the time the missile goes into FSED.

Continuing the land-based leg of our strategic triad in a survivable mode is crucial to our national security in the years ahead. The language that the committee has provided in the bill requires the President to continue with full scale engineering development of the multiple protective structure (MPS) system at the same time as full scale engineering development starts on the missile itself, unless the Secretary of Defense informs us that another system is militarily or technologically superior and more cost effective, or unless the President tells us that the system is not in the national interest.

At the time of the committee hearings, there were two systems being considered; the MPS system and the so-called air mobile system where missiles would be carried in aircraft dispersed at airfields in various locations. There are advantages to a land-based system, that is, the silo-based system, that are simply not attainable with an aircraft system. These include freedom from tactical warning; endurance—that is, the ability to ride out an attack indefinitely and still strike back at the enemy; time-urgent hard target kill capability; and relatively lower cost and easier maintenance.

It is estimated that an air mobile system would cost at least $9 billion more than the MPS system and would be at least twice as expensive to maintain. Subsequent to committee markup, it appears the Defense Department has concluded the air mobile system is not viable, in part because of the high cost. But the administration is considering other alternatives, and the President has not made a final decision.

The leaders of the Air Force who have made the technical studies, and the majority of distinguished outside witnesses that we have heard—and we have heard them from all spectrums of opinion—prefer the MPS system.

Nevertheless, if the President wishes to tell us that in the national interest he wants another system, he may do so. But he should tell us now, as Congress prepares to act on the SALT treaty.

If a SALT treaty is approved, it should be approved in the context of knowing what our strategic capabilities vis-a-vis the Soviets will be after that treaty is in effect.

If we fail to shore up the survivability of the land-based leg of our strategic forces in a timely manner, all the treaties in the world are not going to protect our country's security.

The President has a right to recommend any system that he wants. The Secretary of Defense has a right to state his judgment on military or technological superiority.

But we have a right to demand that those judgments and those decisions be made and be submitted to Congress in a timely manner.

The ultimate decision is going to be made by Congress.

I would say to you two things more on this issue—and again, I think it is as important an issue as you will vote on in this Congress.

First, that what is important to the survival of this system is the basing mode. I tell you unhesitatingly to build a whole new big MX missile without a new basing mode would be a waste of money. The Secretary of Defense stated under questioning that the survivability of the system depends on the basing mode more than the missile. So to say that you are going to go ahead with the missile and not the basing mode is foolish. A decision on how that missile is to be based is what determines whether or not it has any survivability and therefore whether or not it has deterrent capability.

The second thing I would say is that I think it will come to be understood that with this language we are doing the President a favor. I say that simply because a firm understanding that we are going to continue to develop the strategic systems improves the climate for the SALT treaty in this Congress.

I would now like to briefly note various reductions made in the President's request:

The supplemental request included $460 million for 55 F-16 aircraft. The committee found that the Air Force does not have an urgent requirement for 55 additional aircraft in fiscal year 1979 and that the aircraft could be sold to Israel in line with the recent Middle East peace agreement. Accordingly, the committee deleted the entire amount requested. The supplemental request erroneously included $21 million for the Civil Reserve Air Fleet (CRAF) modifications. Since $28.5 million was authorized to be appropriated in the fiscal year 1979 Department of Defense Appropriation Authorization Act (Public Law 95-485) and only $7.5 million has been appropriated, $21 million in authorization is still available for appropriation. The committee deleted the entire request.

Another deletion was in the Army missiles spares and repair parts account in the amount of $25 million. Army witnesses testified that this request was not an emergency and could be handled through a reprograming action. The committee deleted the entire amount.

The committee made one addition to title I and that was for ALQ-131 electronic countermeasures (ECM) pods, which can be used on most Air Force aircraft. Testimony indicated that this ECM program was one of the Air Force's highest priorities. Including the program in the fiscal 1979 supplemental will avoid an increase in the cost of the pods.

Mr. Chairman, I wish to thank the distinguished chairman of our Seapower Subcommittee, Mr. BENNETT, and his ranking member, Mr. SPENCE; the distinguished chairman of the R. & D. Subcommittee, Mr. ICHORD, and his ranking member, Mr. DICKINSON; and our distinguished full committee ranking member who is also the ranking member of my Subcommittee on Procurement, Mr. BOB WILSON, for the careful and knowledgeable way that they have approached this bill. I also wish to thank all members of the committee for their diligent work on this legislation.

I present this bill to you today because there are requirements in the area of national defense which are necessary for us to deal with in a supplemental. When unforeseen events happen, we have to make judgments as to our needs and sometimes we have to change priorities. To ignore the need for this supplemental would, in the long run, I believe, mean a waste of the taxpayers' money.

I urge all of you to support this legislation.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

☐ 1030

Mr. Chairman, I rise in support of H.R. 2575, the Department of Defense supplemental authorization bill for fiscal year 1979. H.R. 2575 addresses requirements for defense which cannot wait until next year.

The programs authorized in this bill would total $1,458,400,000 for fiscal year 1979. This is $543.8 million less than the $2,002,000,000 requested by the President. The committee carefully examined the President's supplemental request during its defense posture hearings this year, and retained only the most important programs in this bill.

I feel the committee was particularly mindful of the budgetary pressures placed on Congress at this economically critical time. While over a half a billion dollars in reductions were made, only two relatively small additions were made to the bill. These were:

Forty million dollars for procurement of ALQ-131 electronic countermeasures (ECM) pods, one of the Air Force's highest priorities which provides self-protection capability for the A-10, A-7, F-4, RF-4, F-16, and F-111 aircraft; and

Sixty-one and one-half million dollars to develop the Precision Emitter Locator System (PELS), a standoff tactical strike system. We have since determined that authorization for this system could be deferred to the fiscal year 1980 budget and Mr. ICHORD will have an amendment to delete these funds.

The committee made a number of reductions in the bill, totaling $645.3 million. Most of these reductions were made because of a lack of justification as to their urgency, such as the procurement of 55 F-16 aircraft and accompanying spares and repair parts for $460 million.

The bill contains some very important programs for national security. These include authorization for:

Funds for research and development of the MX missile and its basing mode, an effort of utmost importance in view of the potential vulnerability of our land-based strategic forces. Included in the bill is language drafted by the committee which expresses the sense of Congress that maintaining a survivable land-based intercontinental ballistic missile system is vital to the security of the United States, that development of a new basing mode for that land-based ICBM is necessary to insure the survivability of the system, and that the development of the MX missile, together with a new basing mode, should proceed so as to achieve initial operational capability (IOC) for both the missile and the basing mode at the earliest practicable date.

I might add, Mr. Chairman, that this is a crucial item that we must get on with. While we included some $75 million to go forward with the study for the air mobile version of this, it is our understanding now that the Air Force and the Department of Defense have abandoned this concept or are not insisting on it, and I believe an amendment will be made by the chairman of the committee or by our Subcommittee on Research and Development to delete this amount of money which goes into the air basing or air mobile mode of the MX missile.

The bill also contains $201.6 million for procurement of Navy missiles and $628 million for procurement of two DDG-993 *Spruance*-class destroyers made available as a result of the cancellation of these weapons orders by the Government of Iran. Procurement of these will enable the United States to make substantial savings on missile systems it had already planned to procure, as well as to redress naval ship inventory deficiencies at an early date.

There is also in the bill $85.1 million for the U.S. share of the agreed-upon contribution by NATO members to the NATO AWACS program. This is a result of over 4 years of negotiations with NATO allies to structure a cooperative program for the acquisition of an airborne early warning and control system. Eleven NATO members signed a multilateral memorandum of understanding in December 1978, establishing this program. The signing of the memorandum established the necessary allied structure, which had not been previously available, to conduct the program. Since this could not be assured when the Congress approved the fiscal year 1979 budget earlier in 1978, additional authorization had to be requested in the supplemental.

May I add parenthetically, Mr. Chairman, that we have been negotiating for some 4 years with the NATO members to secure their agreement to procure the AWACS aircraft as part of the total NATO defense. They have done so. We entered into an agreement with them, and this is a part of the agreement.

In addition to the programs already mentioned, the bill would authorize several critical programs in research and development from the Subcommittee on Research and Development, on which I serve as ranking minority member. These include the following:

Improvements to the TOW antitank weapon;

Improvements to the Minimum Essential Emergency Communications Network (MEECN); and

Engineering development of the extended range version of the Pershing II missile system.

Let me underscore the importance of this supplemental by reminding you that the Congress has been particularly concerned over the erosion in funding the defense program and the decline in the defense effort. Although the President has talked much about real growth in defense, after funding delays and debates over which programs are of highest priority the budget is trimmed and trimmed until it is very difficult to show any real growth at all, and it becomes very difficult to devote the needed defense required to counter the massive Soviet military buildup.

I believe this situation is critical, as has been indicated by Defense witnesses in testimony before the Armed Services Committee on U.S. military posture.

The Chairman of the Joint Chiefs of Staff, in his military posture statement early this session, stated that he considered the fiscal year 1979 Defense supplemental together with the fiscal year 1980 program to be "the lowest level the Nation should risk in light of the difference in momentum (between U.S. and Soviet military trends) and the steps we must take to maintain the military balance."

This authorization bill is relatively small, but extremely important not only for the specific programs detailed in our report, but for the total fiscal year 1979 defense effort as well.

Let me add that this authorization is not in conflict with the budget resolution for fiscal year 1979. This bill provides authorization for programs and not budget authority. Budget authority is provided in an appropriation bill. The conference report on the budget resolution provided enough leeway for fiscal year 1979 to cover an appropriation equal to the amount of this authorization, $1.4 billion, so there is no problem in terms of budget limitations. Now it happens that the Senate version of the bill is higher than the House and somewhat higher than the total allowed for in the budget resolution. There will be no problem, of course, if the Senate accepts our bill. Knowing the other body as I do, however, I suspect a conference will be necessary to work out our differences.

In summary, the defense supplemental will address a number of deficiencies in the fiscal year 1979 defense program, meet immediate and critical defense needs, and allow us to proceed with the fiscal year 1980 program without having to compensate for not having funded last year's programs.

I urge your support of this bill.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, the gentleman from Alabama (Mr. DICKINSON) is a distinguished member of the Subcommittee on Research and Development of the Committee on Armed Services. I wonder if the gentleman has been advised of an item that appeared in the Washington Post this morning that very conveniently suggests that the CIA has reviewed the figures on the megatonnage of Soviet ICBM warheads and has come to the startling conclusion that it was being much too pessimistic, and that actually the Soviet SS18, for example, now has warheads that yield only 600 kilotons instead of 1.2 megatons as originally believed.

I wonder whether that information, which, of course, comes at a very convenient time as far as the SALT treaty problem is concerned, was ever presented to the gentleman's subcommittee and whether the gentleman would have any comment on it.

Mr. DICKINSON. Mr. Chairman, let me respond by saying, first, no, this information was not presented to our committee.

Second, this is exactly counter to what we had been briefed in executive sessions, and later most of the information we were given was declassified so we could use it.

But let me say that while I do not plan to go into it at this time, I have a series of charts which I intend to use—and I am sure my committee chairman does, too—during consideration of the 1980 defense authorization bill which will show a comparison of the megatonnage and the throw weight and the numbers of missiles which were presented to us this year prior to our markup, reflecting a unanimous conclusion of our entire intelligence community. They show just the opposite of what was reported in this morning's paper.

While I did briefly scan the article this morning, I did not go into it in depth. But this revelation, if it is in fact true, comes about 1 month after we had been given entirely opposite testimony by the highest ranking members of our intelligence community.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield further, it seems to me that this is another example of the CIA coming up with intelligence information which very conveniently suits policy considerations rather than something that is based solely on fact.

I note that the article also indicates—and this apparently is also from the CIA—that U.S. warheads of the new Mark 12A variety are going to carry an explosive power of 375 kilotons and are more accurate than the Soviet SS18.

Is it not true that the Mark 12A is not even deployed as yet, whereas the SS18 is not only as accurate as ours but is also actually deployed?

Mr. DICKINSON. Mr. Chairman, I would say to the gentleman that from the information I have, that is correct. The "Big Bertha" or the SS18 is indeed a formidable weapon. It has been flight tested and is being deployed, and it is a matter of very real concern.

□ 1040

If you start talking about CIA intelligence reports, it might be of interest for the people of this country to know. As I say, I will develop this more fully when we bring up the 1980 defense authorization bill. But the intelligence community has come in and have told us this spring that they have underestimated the level of effort by the Soviets both in research and in total procurement by about 50 percent. We were also told that the reassessment of the level of effort in North Korea of the threat facing South Korea had been underestimated by about 50 percent, and it was, in effect, twice the threat that we were told when the announcement was made about withdrawing our forces from South Korea. That sort of made General Singlaub look pretty good.

Mr. STRATTON. If the gentleman will yield, this disturbs me, as I am sure it disturbs the gentleman in the well. It looks as though our intelligence is being used for political purposes. It is just as though you ran a fever, but threw away the thermometer and got one that suggested that your fever was nonexistent and your temperature was back to normal. I think we are playing a dangerous game.

Mr. DICKINSON. I cannot affirm or deny what was reported in this morning's Washington Post because this is all new information to me and, I am sure, to the members of the committee. It is contrary to the facts given to us in executive session by the intelligence community.

Mr. PRICE. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Speaker, I rise in support of H.R. 2575 to authorize the appropriation of funds for development and procurement of needed weapons systems for the Department of Defense.

Last fall, the President vetoed the fiscal year 1979 defense authorization bill because it contained a nuclear-powered aircraft carrier. At that time, he stated a supplemental bill would, indeed, be submitted to restore the $1.9 billion loss from the Defense budget resulting from this veto.

To maintain the necessary defense expenditure to keep our country in the defense position it should be, H.R. 2575 answers that commitment and clearly represents the intent of the Congress to achieve the level of defense spending which the Congress sought to implement for fiscal year 1979.

The Secretary of the Navy, in his testimony on March 9, 1979, stated that probably the most urgent item the Navy was requesting in the supplemental authorization bill is the $97.7 million for the final settlement of outstanding claims with Newport News Shipbuilding & Drydock Co. Previously $74 million in claims were paid to Newport News from prior appropriations. The balance will be paid by this supplemental authorization. This settlement cleans up the shipbuilding claims problems and its prompt funding is critical.

The settlement deadline was March 31, 1979. Since the supplemental authorization bill was not passed by March 31, 1979, the Navy used 1979 cost growth appropriations to pay for these claims. The funds in this supplemental will be used to restore those moneys. With this final claims payment, no new settlements are currently anticipated.

A significant portion of the funds authorized in this bill, some $628 million, provides for the acquisition of two DDG-993 class destroyers currently under construction. These very capable destroyers will be delivered to the Navy in fiscal year 1981 at cost savings of some $200 million per ship should they be purchased in today's inflated dollars. There is no argument that the Navy continues to fall short of surface ships. These valuable assets at such cost savings cannot be ignored. Furthermore, these ships can be acquired much more rapidly than if we were to authorize new ships.

In addition to the $200 million savings per ship the United States can achieve by acquiring these two destroyers, it is estimated that, should we cancel the contract, the termination costs are on the order of $50 million per ship. Over 98 percent of the material for these ships such as steel, gas turbines, gears, machinery, et cetera, has already been ordered. This material takes years to build and deliver. Should we now cancel this contract, the vendors of this equipment have legal recourse to cover their actual expenses and obligation to their subcontractors. Therefore, on each one of these ships there would be a savings of about a quarter of a billion dollars if we acquire them in the method suggested in this bill.

In short, by not acquiring these ships, the United States forego the opportunity to obtain savings of $200 million per ship and then must pay termination costs of approximately $50 million per ship.

Unfortunately, over the past few weeks of debate on the budget resolution, our colleagues may have received the impression that these destroyers are not the first class naval vessels they are. I must set the record straight on that point. These destroyers are identical to our proven *Spruance* class destroyers but, in addition, have a much improved air-defense system. This air-defense system is essentially the same as that on the *Virginia* class of nuclear guided missile cruisers. These ships are first rate, highly capable destroyers sorely needed by the Navy.

Another impression that may be of confusion to our colleagues is that by acquiring these destroyers we are essentially bailing out the new Government of Iran. This impression could not be further from the real facts. The legal contract to build these ships is between the U.S. Government and the private shipbuilder. Should this contract not be fulfilled, the penalties associated with contract termination will be borne by the U.S. Government. However, by fulfilling the contract as currently stated, we will be able to purchase these ships at tremendous cost savings.

The President has requested that the two destroyers be included in his supplemental budget request for defense. The Congress should support him in his effort.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Missouri.

Mr. SKELTON. I thank the gentleman for yielding.

Mr. Chairman, I do have some cautions regarding these ships the gentleman mentioned a moment ago. To clarify in my mind, there are four such ships originally contracted; is that correct?

Mr. BENNETT. That is correct.

Mr. SKELTON. And the Senate has proposed the United States acquire all four of these ships; is that correct?

Mr. BENNETT. That is what we should do.

Mr. SKELTON. They are all of what class again, please?

Mr. BENNETT. The same ship, the 993.

Mr. SKELTON. What does that mean?

The CHAIRMAN. The time of the gentleman from Florida (Mr. Bennett) has expired.

Mr. PRICE. Mr. Chairman, I yield 1 additional minute to the gentleman from Florida (Mr. Bennett).

Mr. SKELTON. If the gentleman will yield further, what class ship are they, please? What tonnage?

Mr. BENNETT. 993, the same ship. They are improved over the others.

Mr. SKELTON. Are these ships much different than what we would have originally contracted for had the United States initially ordered them from the shipbuilders?

Mr. BENNETT. They would not be any different at all.

Mr. SKELTON. In other words, we do not have to refurbish them or add to them? They would be able to go on line just as if they had been initially contracted?

Mr. BENNETT. That is correct. There are some improvements that we plan to make on a few of the new ships of this class yet to be authorized like adding the *Aegis*, but it is not clear that Congress would be willing to pay that kind of money at this particular time. They might be added, on another follow-on ship. We only have 35 of the ships of this class now and we need 72 ultimately.

Mr. SKELTON. So actually four would not be too many?

Mr. BENNETT. No; it would fall far short. That would bring us only to 39, and we have a 72 requirement.

Mr. SKELTON. But the gentleman's committee recommended two; is that correct?

Mr. BENNETT. We only recommend two because at the time of our action only two were released by Iran, now two more are available.

The CHAIRMAN. The time of the gentleman from Florida (Mr. Bennett) has again expired.

Mr. DICKINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina (Mr. Spence).

Mr. SPENCE. Mr. Chairman, if I might, I would like to devote my few minutes to a discussion of the shipbuilding portion of this supplemental request. At the risk of repeating what has already been said, I would still like to refresh the memory of the Members present as to what happened last year.

When the President vetoed the nuclear aircraft carrier, which would have cost about $2 billion, the main reason given for that veto was that the Navy needed more ships, and with these $2 billion we could buy more ships—all kinds of numbers were mentioned—maybe four or five more ships. Many Members in this body, knowing the Navy needed more ships, went along with that reasoning, that we could maybe get four or five more ships for the Navy, much needed ships for the Navy, if we went along with the President's veto of the nuclear carrier.

☐ 1050

Right away, the Navy put together a preferred shopping list of what they would like to have for that $2 billion. It included a DD-963 destroyer, an FFG-7 frigate, an SSN-688 submarine, a DDG-993 guided missile destroyer with the improved standard missile, SM-2.

This amounted to a total cost of $1.6 billion, still much less than the $2 billion we were going to have to spend on ships.

And then when the first supplemental was presented to us in January of this year, instead of this preferred shopping list the Navy had put together, the request was for only two ships, a frigate, the FFG-7, and a DDG-993 guided missile destroyer, plus funds to cover the Navy claims which had been referred to earlier.

The total amount of this request was $843.7 million, less than one-half what the Navy had expected to spend on ships.

The question I ask is, did the Members who went along with the argument that we would be able to buy more ships if we sustained the President's veto of the carrier, only expect to get two ships in return for that one big, large, very needed aircraft carrier? I do not think so.

Then in February of 1979, events in Iran, with which we are all familiar, made available to us, as you have heard earlier, two guided missile destroyers that were being built in this country for Iran. As a matter of fact, four of these types of ships were being built for Iran.

The new supplemental came to us, asking that we buy two of these Iranian guided missile destroyers, plus the funds for ship claims, the total this time amounted to $725.7 million, there again, less than half of what we expected to get in the way of ships.

Then questions have been asked about the Iranian ships. The Navy did not even ask for them. Was the Navy forced to take these ships to bail out the contractors, and other questions of these types. I would like to answer those questions.

First of all, the Navy did not know about the Iranian ships at the time they submitted the first supplemental. They did not know about the bargain price we would be dealing with. They could not afford to ask for these types of ships at the regular price. The supplemental budget would not afford it.

So this is why the new supplemental came out asking for these two Iranian ships. From the standpoint of the bailout of the contractor, the shipbuilder, they do not lose much, because they receive termination liability costs. If we do not buy these ships, they will be scrapped and would not do anybody any good.

We really should be buying the other two Iranian ships also, because we save about $200 million on each one of these ships.

These ships are already contracted for, and we could be saving money right now if we bought all four of them instead of just these two.

The Navy needs more ships. The Navy needs many more ships. We do not have enough ships, with the ones we are retiring, to meet our commitments throughout the world. The Navy needs more ships.

The current 5-year shipbuilding program is only one-half as large as the Navy needs to keep current from the standpoint of our commitments. We need to build 160 ships during the next 5 years, and this request has been cut to 67 ships.

In addition, when we cut back on the shipbuilding program of our Navy, we throw our shipbuilding capacity into havoc.

Jobs are lost. Shipbuilding skills are lost and it takes time and effort and money to ever rebuild this capability.

This supplemental that we are considering today is the first short step in trying to get back on the right track of building more ships for the Navy.

I ask for the support of this supplemental.

Mr. PRICE. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. Ichord).

Mr. ICHORD. Mr. Chairman, I thank the distinguished chairman of the Armed Services Committee for yielding this time to me.

I rise to ask the Members of the Committee for their support for title II of H.R. 2575, which comes under the jurisdiction of the Subcommittee on Research, Development, Test, and Evaluation.

The budget request for R.D.T. & E. totaled $456.5 million.

The committee recommends an authorization of $406 million or a reduction of $59.5 million.

Perhaps the most important committee recommendation in this bill is the addition of legislative language to title II stating that it is the sense of Congress that the Department of Defense proceed immediately with the development of an intercontinental ballistic missile (ICBM) system that will assure system survivability against a preemptive Soviet nuclear attack.

The need to insure the survivability of the ICBM leg of our strategic triad is certainly a mission whose time has come. The Members may recall that it was then-Secretary of Defense James Schlesinger who, in 1975, brought the vulnerability of our Minuteman silos to the forefront because of improved Soviet accuracy in their missile systems. Subsequently, practically every strategic systems expert within and outside of Government who has testified before the Committee on Armed Services has acknowledged the fact that Soviet advances in strategic guidance and control technology and systems indeed threaten the survivability of our Minuteman forces. As a result of the committee's hearings, the following observations can be made:

The threat to our Minuteman forces is undisputed.

The major question in the strategic community is not whether our ICBM forces will become vulnerable, but when. The most pessimistic assessment is within 1 or 2 years, while the more optimistic nuclear strategists postulate 4 years.

The survivability of the system is dependent more on the basing mode than on the development of a new missile.

Since it is the responsibility of this Congress to provide for the defense of this country, it is imperative that we direct the Department of Defense to proceed with the development of a survivable ICBM system. The Defense Department has been studying this problem for nearly a decade. The people at the Pentagon have investigated options that included launching ICBM's from railroad cars, from large aircraft, from vertical shelters, and from trenches. The studies to assess the feasibility of launching an ICBM from an aircraft date back to 1962. About 6 years ago the Department of Defense initiated studies of the multiple aim point, or MAP, system which we now refer to as the multiple protective structure (MPS) system. This scheme, in effect, denies the Soviets an aim point, since there is a matrix of silos, of which only one silo contains an actual missile. The committee has substantial testimony from strategic experts stating that the MPS is the most cost and performance effective approach to preserving from the ICBM leg of our triad. The Defense Science Board, a team of well-known experts in the scientific and military community, strongly endorses the MPS approach in its more recent study.

I know that in recent weeks many people have started to question whether or not MPS is consistent with the pending SALT II treaty. According to the Secretary of Defense, our negotiators provided a clear statement to the Soviets earlier this year stating the U.S. position that the development of a survivable basing mode for the ICBM system—such as the MPS—is not inconsistent with SALT II. Since that time, the committee has repeatedly been advised that the MPS is indeed in consonance with the provisions of the proposed SALT II treaty.

Mr. Chairman, I believe that the action recommended by the committee on title II of H.R. 2575 fulfills our objective to provide for the defense of our country at the least possible cost. The committee has denied authorization for those programs requested by the administration that are not urgent or could not be sufficiently justified. The committee, for example, recommended deletion of the Navy's request for $3 million to initiate the development of a small waterplane area twin hull ship (SWATH)—a system that would be a candidate for Navy missions in the 2000 to 2015 timeframe. What the committee does recommend, however, is full support for those systems that are essential to the future defense of NATO, such as the Pershing II system, and those systems that will enhance our strategic deterrent posture, such as the air-launched cruise missile and the corresponding modifications that are necessary to convert the B-52 aircraft for their cruise-missile-carrying role.

Mr. Chairman, I believe that the committee's recommendations for title II are responsive to our defense needs, and I urge the support of the Members here today.

I would state at this time that when we read the bill for amendment, it is my intention to offer an amendment reducing the recommended authorization by $136.5 million.

Now, this will be in the form of two amendments. One will be $61.5 million for the elimination of PELS. The other amendment will be $75 million for the elimination of study money for alternate MX basing schemes.

The reason for these two amendments is that time and decisions that have been made have passed by the two money provisions.

In the 1980 request, there is $61.5 million for the continuing research and development of the PELS system, which is the precision emitter locator system. So we do not need the $61.5 million in this supplemental bill.

As far as the $75 million is concerned, I would state that the gentleman from Alabama (Mr. DICKINSON), offered an amendment to delete $65 million of the $75 million for alternate MX basing.

I opposed the amendment in subcommittee and in the full committee, not necessarily for the reason that I thought that the gentleman from Alabama did not have a good point. He did have a good point. The administration made a very poor case for the $75 million because the money was requested for researching and studying the airmobile concept of dumping an ICBM from a C-5A or a DC-10 or a 747.

There is no question about it. We can dump an ICBM from a 747 or C-5A. In fact, we have done it. I believe we have dumped it from a C-5A. There is no problem technically with doing that, but the concept of putting your ICBM in the air is so absurd that it is difficult for any person even minutely acquainted with the problem to understand why the concept could ever be seriously considered.

☐ 1100

But anyway, time has passed us by. I observed that the gentlewoman from Colorado and the gentleman from Michigan stated in their dissenting views that the air mobile ICBM, reportedly favored by the White House, is heavily opposed by the committee on the grounds that it will cost $40 to $45 billion, as opposed to $20 billion for MPS.

The CHAIRMAN pro tempore. The time of the gentleman from Missouri has expired.

Mr. DICKINSON. Mr. Chairman, I yield two additional minutes to the gentleman from Missouri.

Mr. ICHORD. It is my understanding if the White House ever favored the air mobile system, they are certainly not favoring it now. They finally saw the light, and this $75 million was for studying the air mobile version.

Because of the language we put in the bill in regard to MPS it was my position we should not get in a position where we could be accused of foreclosing the administration from studying any alternate MX basing system. But now that the air mobile system is out, apparently even by the White House, as indicated by the gentlewoman from Colorado and the gentleman from Michigan, certainly we can eliminate and save the $75 million. So I will offer an amendment in that regard.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Alabama.

Mr. DICKINSON. Well, it is not my usual way to say I told you so, but I am very glad that the gentleman saw it my way, and we are deleting the money we tried to take out in subcommittee and in full committee, because actually the gentleman has stated the case correctly. The Air Force itself was not enthusiastic about it. As a matter of fact, one of the project officers, when we asked him about the comparison after studying all modes, what his attitude toward the air launch was, he said "it's dumb." It will cost twice as much and will be more vulnerable.

So, I think the Air Force and the Department of Defense is correct now. They have more or less abandoned this. This money is not needed, and when the gentleman offers his amendment I certainly will support it.

Mr. ICHORD. Let me say to the gentleman from Alabama that I agree with his characterization of its being dumb.

Mr. DICKINSON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, wearing another hat as ranking minority member of the Subcommittee on Research and Development, I would like to join my colleagues and subcommittee chairman in asking for support for the committee's recommendations on title II of H.R. 2575, the fiscal year 1979 Department of Defense supplemental budget request for research, development, test and evaluation.

I personally know of no strategic analyst who questions the growing vulnerability of our land based missile force to a Soviet first strike. And, as the gentleman from Missouri has noted, it is urgent that we move forward in fielding a survivable land based ICBM system.

I know there are some who believe a SALT II agreement might obviate the need to deploy a new ICBM system. I must be candid and tell you, however, that having recently served on a special SALT II panel of the Armed Services Committee, I see very little in SALT II that will in any way lessen the susceptibility of our current silo-based Minuteman force to the possibility of a devastating Soviet first strike. The simple facts are that since the signing of SALT I in 1972, Soviet strategic weapons developments have gone nearly unabated and we see an ever increasing disparity between our capability and theirs.

Only a few short years ago Secretary of Defense Melvin Laird gave a rosy forecast in his "Final Report to the Congress" in January 1973:

> The historic ABM Treaty and interim agreement on strategic offensive arms (SALT I) concluded in Moscow last May are the first steps toward mutually agreed restraint and arms limitation between the nuclear superpowers. Through them the United States and the U.S.S.R. have enhanced strategic stability, reduced world tension, precluded a significant upturn in the strategic arms race in the near term, and laid the foundation for the follow-on negotiations which began last November. In terms of United States objectives, SALT I improved our deterrent posture, braked the rapid build-up of Soviet strategic forces, and permitted us to continue those programs that are essential to maintaining the sufficiency of our long-term strategic nuclear deterrent.

In contrast to that rather glowing projection, today the current Secretary of Defense, Harold Brown, states:

> Unfortunately, longer-term stability is not fully assured, and the future competition in strategic capabilities is likely to become more dynamic than need be the case. As I pointed out last year, the main impulse for this dynamism comes from the Soviet Union in the form of a large ICBM force with an expanding hard target kill capability, a much-publicized civil defense effort, and the likelihood of significantly upgraded air defense capabilities.

It is clear that the SALT process has done little to date to brake the Soviet strategic momentum and, even with a SALT II agreement, there is much we must do to maintain our deterrent posture. In my view, the MX program is one of those "musts."

Since the gentleman from Missouri did not dwell on it in his remarks, I want to emphasize the thoroughness with which the committee examined the supplemental research and development request. The committee deleted $121 million from the request and recommends support for only 6 of the 12 programs for which funds were requested.

Several programs were deleted because the committee did not believe there was sufficient urgency to justify their inclusion in the supplemental. Others were deleted because of insufficient justification.

As an example, the Navy has yet to define a firm requirement for a Trident II missile. Further, the total Trident II program cost is estimated at nearly $8 billion. This represents an affordability problem that the Navy has not been able to adequately address. The committee does not believe it is prudent to initiate this program at present and, accordingly, recommends the $20 million requested in the supplemental for Trident II be denied.

Secretary Brown has indicated that the administration's top priority in this supplemental request is the area of strategic programs followed next by NATO readiness items and then by the Iranian equipment. The committee concurs with this set of priorities. Those programs recommended for support have been carefully reviewed based on their individual merits with particular emphasis placed on the need for near-term funding. Those programs that did not measure up to this test were recommended for deletion from the supplemental.

Mr. Chairman, I solicit full support for the committee's actions on title II of H.R. 2575.

Mr. Chairman, I reserve the balance of my time.

Mr. PRICE. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. DELLUMS).

□ 1110

Mr. DELLUMS. I thank the gentleman for yielding. Mr. Chairman, I have a different view from that of many of my colleagues who have spoken earlier in the well, and I would like to take these few moments to make that point of view known to all the Members.

Mr. Chairman, we are in a period of fiscal constraint apparently—that is, except for the Pentagon.

The defense budget for fiscal year 1979 and the budget proposed by the President for 1980 continues a pattern of real spending increases for defense begun in 1976.

Given the limit on the Federal budget, increases in defense expenditures are coming directly at the cost of needed and necessary domestic programs. Despite belt tightening in other areas of Government, the Pentagon continues to pursue extraordinarily expensive goals. I tell you, unequivocally, that this country cannot afford, and the military does not need, most of what is in this supplemental authorization.

Defense budget increases do not necessarily produce increases in real military capability. The effectiveness of military spending depends on how the resources are allocated. The most significant problem in the military budget today is not levels of expenditure, but rather clarification of our foreign policy needs and the resultant defense objectives. We in the Congress must make some hard decisions.

I join most Americans who want their country to have a strong defense. But I expect, and I think most Americans join me in expecting wise and effective expenditures. Unneeded and wasteful Pentagon spending cannot be tolerated.

The instability of nations and governments has caused concern about our place in the world. But, we must understand, this highest of peace time budgets cannot guarantee peace, cannot protect us from nuclear attack, cannot insure victory in another Vietnam, cannot insure favorable regimes in volatile nations and certainly will not assist the domestic economy. Certainly, we cannot and should not attempt to be the policeman of the world. The realities of today dictate the need for a military, but its strength should be measured as to the real needs of America.

The area that raises the biggest concern to many is the potential military challenge of the Soviet Union. Unfortunately, we do not reflect sufficiently on the fact that 20 million Soviet citizens lost their lives in World War II. They know first hand and personally the horrors of war. There is nothing in the last 34 years of Soviet history that supports any interpretation that they are inclined to an all-out nuclear war. In fact, no one, including those who point with alarm to Soviet increases, really gives much credence to the possibility of a Soviet attack.

The alarmist raise instead the increase in numbers of Soviet arms and the notion of "perceptions" and possible political consequences.

When analyzing military balances, we must go beyond simplistic tallys. As Secretary Brown has said, such comparisons can be "extraordinarily misleading." Yet the increases in the budget are based on misleading numerical comparisons—military spending, missile numbers, numbers of heavy missiles and factors in NATO against the Warsaw Pact.

The essential question is—after the Soviets do whatever they could—what could we do? The fact is clear, we have the capability for a broad variety of controlled retaliatory attacks, including a substantial capability to destroy Soviet silos. We are not limited to retaliating against Soviet cities. But, if we choose to—we have an awesome capacity.

The United States has in excess of 9,000 strategic nuclear weapons—contrasted to only 4,000 plus for the Soviets. The 9,000 strategic weapons are in addition to some 22,000 tactical nuclear weapons. Five thousand of these 9,000 strategic weapons are based on submarines and can be launched from submerged locations so that they are virtually invulnerable to attack. About half, or 2,500 of the sea launched ballistic weapons are always at sea.

The destructive capacity of these invulnerable submarines is shuddering to contemplate. Approximately 30 percent of the Soviet population and 75 percent of Soviet industry are located in the 200 largest Russian cities. The capacity to destroy all those cities exists several times over in the invulnerable subs at sea.

How much is enough?

Despite this awesome capacity, this supplemental appropriation pushes an escalation of new weapons—particularly the MX and the Pershing II.

The MX missile is a quantum jump in the arms race. The missile is being built supposedly because of alarms about the future vulnerability of U.S. ICBM's to preemptive Soviet attack. But, the MX is not just a mobile replacement for the Minuteman missile. It is a more accurate, more powerful, more dangerous weapon. The combination of these factors make it a silo killer—a war-fighting or first strike weapon. And, we might reflect that silo killers are not needed for empty silos.

There are questions about the actual vulnerability of our ICBM's. But there is no question that the Soviet Union has a more serious vulnerability problem than we do. Over two-thirds of Soviet strategic warheads are carried by ICBM's compared to 23 percent for U.S. ICBM's. I would raise this rather obvious question—if we cannot tolerate a threat to the relatively small number of warheads on our ICBM's, how could they tolerate the jeopardy of so much of their forces?

The MX force will threaten a disarming first strike against Soviet land missiles. This will require the Soviets to expand their forces, go mobile or fire on warning—thus either negating our MX force or raising the risk of war. The MX is destabilizing to world peace. This is true also for the Pershing II, the theater nuclear missile, that will give us the capacity to strike Russia from Europe.

Much of the rest of this budget supplement is to buy the Shah's unwanted baubles, two ill-designed destroyers that are not constructed to our needs.

How much is enough? In this period of fiscal restraint, I urge your vote against the supplemental appropriation. It is unnecessary, but worse, it is dangerous.

Mr. PRICE. Mr. Chairman, I yield 5 minutes to the gentlewoman from Colorado (Mrs. Schroeder).

Mrs. SCHROEDER. Mr. Chairman, my basic position on this supplemental, as I stated in my dissenting views, is that we need this supplemental almost as much as a bull needs feathers. I think that if we really look at the whole history of this supplemental, we begin to see what is going on.

The President sent us his first supplemental. It had 40 items in it that were designated of "immediate and vital importance" that needed to be acted upon right away, that disappeared in the President's second supplemental. Forty "immediate and vital" items were lost or became less important between supplemental 1 and supplemental 2. Then we look at what is in this supplemental we are discussing today, and we find out that we have a large amount for ship building, we have a large amount for building claims. I commend the gentleman from Florida, chair of the Seapower Committee. He has had the patience of a saint and done intensive oversight on shipbuilding claims. Some days I think we will never get rid of shipbuilding claims, but they are not that of such immediate urgency that we have to act on them right away in a supplemental. We have the Iranian destroyers that are in here, but they are not going to be finished between now and October 1 when we go into the new fiscal year. So why do we have to take action on them in this supplemental? In fact, I think the committee has agreed with an awful lot of what I am saying about this whole supplemental not being needed because the committee did a very good job on cutting $2 billion worth of items out of the supplemental and getting it down now to $1.4 billion.

As the Members know, the whip has scheduled next Friday for our next year's weapon's procurement bill. So if next week on June 8 we are going to be taking up the whole fiscal year 1980 budget; my question is, why, a week ahead of time, do we have to rush through this supplemental? I hate to say it, but I suspect it is a chance to get a few more cookies out of the jar before the lid is put on for this year. I just have real trouble seeing that any of these things have such immediate importance that we have to do it this week rather than next week. The maximum amount of time really is a matter of months, because we have to keep remembering the fiscal year is now no longer January 1 but is October 1. I have real problems with why we are dealing with this supplemental. I think it should be a part of the whole fiscal year 1980 budget. No case for urgency has been made. Rather it appears to just be a way to get a little more money in the pipeline before the spicket shuts off this year.

I will be offering amendments on the Iranian destroyers and to strike $628 million that are to purchase those Iranian destroyers. I will speak to those amendments at the time that I offer that amendment and there is another amendment that will be offered that I will not be offering but would like to speak to. That is the Bedell amendment on the MPS system.

Regarding the whole MPS system—and once again we like to use jargon that nobody quite understands, for it makes it sound more mystical—there was a group of us who today toyed with trying to figure out how to graphically show Members what the MPS system is. We seriously toyed with buying 4,000 doughnuts and getting 200 pencils so we could move the pencils around from doughnut-hole to doughnut-hole and set this up outside to give members some idea of what this MPS system is all about. Thank goodness we did not do it because it is raining. MPS stands for 4,000 holes and 200 missiles. Granted, part of the reason we did not do this was because it would cost us $400 to buy 4,000 doughnuts, and the space big enough to display them was the west front of the Capitol.

MPS is not necessarily new technology. We have known how to make holes since we have had squirrels. These are just hardened holes. We are going to have 4,000 holes and we are going to move 200 missiles around from hole to hole. Where are we going to put the holes? Many advocate the MPS system because it will make the Midwest a kind of sponge to soak up all the Soviet strategic weapons. The west coast and the east coast will be free. This is terrific if you live on the west coast or the east coast, but those of us who live in the designated sponge are not too keen on this whole system. It looks like the system will take up as much as 10,000 square miles. We have got to transport these things from hole to hole and if we do not do it on military bases, we will have to do it on roads and rails. I thought of offering an amendment to have each congressional district get 10 holes so we can share the honor of being a sponge for Soviet missiles. There are a lot of questions that need to be answered. I will be supporting amendments speaking to the MPS system.

The supplemental is locking us into the MPS system. I think we need to take a much harder look at other options before we buy it. Once again I am disclosing my prejudice because I live in a portion of the country being designated as the sponge.

The CHAIRMAN pro tempore. The time of the gentlewoman has expired.

Mr. DICKINSON. Mr. Chairman, I yield, reluctantly, 2 minutes to the gentleman from New York (Mr. Downey).

Mr. DOWNEY. I thank the gentleman for yielding. I have a number of questions that possibly someone on the committee can answer for me. One deals with the AWACS. I notice that we are talking about eventually providing for a $1.8 billion program for AWACS and that the U.S.-NATO share for this airplane, the plane in search of a mission, will be 41 percent. What concerns me is that the traditional share of the U.S. percentage for NATO equipment is usually 21 or 22 percent. I would like to know why we are providing 41 percent for the AWACS.

Mr. DAN DANIEL. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. I thank the gentleman for yielding.

The gentleman will recall, that we have been negotiating with our allies for about 4 years on AWACS. There was some difficulty in convincing our NATO partners to assume their proportionate share of the burden. Another point I think that should be made is that the British are contributing Nimrod which has a lesser capability, and if we consider Nimrod as a part of this overall program, we find that our proportionate share drops to 33 percent, which in my judgment, while it is not completely equitable, is much better than we had several years ago.

Mr. DOWNEY. Can I ask the gentleman, who I know chaired the NATO subcommittee and in my opinion did a superb job in that committee, are we not really saying that in order to provide the capability that AWACS gives us in NATO, that we are going to have to give more money because our European allies just do not want to spend the money? Is that not what it comes down to?

□ 1120

Mr. DAN DANIEL. Let me respond to the gentleman this way. If you had asked me that question a year ago my answer would have been "Yes." My judgment is that we have turned the corner and that our European allies do now believe the threat is greater than they originally thought. I have the feeling that from now on we are going to see an entirely different attitude on the part of our NATO allies.

Mr. PRICE. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. BEDELL) in support of his amendment.

Mr. BEDELL. Mr. Chairman, the amendment that I am proposing today is directed at title II of the bill as reported by the Armed Services Committee. The present language virtually "locks in" the committee's choice for a new basing mode for U.S. land-based missiles in a way that virtually assures its ultimate adoption. My amendment would simply say that this basing mode—the MPS, or multiple protective structures system—would first have to meet certain basic requirements of a replacement basing mode system, such as assuring the survivability of our land-based ICBM's more effectively than any other alternative, before full scale engineering development of MPS could begin.

The MPS system, as I am sure everyone is aware, would add more than 200 ICBM's to our land-based strategic force, but instead of fixed site deployment these missiles would be covertly shuttled among 4,000 or more silos—a "giant shell game" that would supposedly deter a Soviet first-strike attack. A variety of experts have raised serious reservations about the efficacy of the MPS system, however, and it is clear that this system, with a price tag ranging from $25 to $40 billion, should not go into full scale engineering development until several critical questions are answered satisfactorily.

Undoubtedly we all support the objective of assuring the survivability of our land-based ICBM force; I certainly do. However, I have strong objections to the way H.R. 2575 forces us into a premature commitment to a basing mode that from all appearances is a less-than-optimum approach to achieving that survivability objective.

Section 202 of H.R. 2575 as reported by the committee proclaims it to be the sense of Congress that—

> the development of the MX missile, together with a new basing mode for such missile, would proceed so as to achieve initial operational capability (IOC) for both—at the earliest practicable date.

The section further directs the Secretary of Defense to—

> proceed immediately with full scale engineering development of the missile basing mode known as the multiple protective structure (MPS) system *concurrently with* full scale development of the MX missile, *unless* and *until* the Secretary of Defense certifies to the Congress that an alternative basing mode is militarily or technologically superior to, and is more cost effective than, the MPS system or the President informs the Congress that in his view the multiple protective structure (MPS) system is not consistent with United States national security interests. (Emphasis added.)

Mr. Chairman, this language is deceptive. While it may appear to be a relatively balanced directive to the President to move toward identification, development and deployment of a new basing mode and missile, it is in effect a total commitment to one basing mode—MPS—and one missile—MX.

Consider the conditions that must be met before the concurrent full scale engineering development of the MPS system with the MX missile can be interrupted. First, MPS development could be suspended if the Secretary of Defense were to certify to Congress "that an alternative basing mode is militarily or technologically superior to, and is more cost effective than, the MPS system." However, the committee has acted in a way that restricts R.D.T. & E. funding to only two basing mode options—MPS and the air mobile mode. It would be extremely difficult, if not impossible, for the Secretary to certify to Congress that the air mobile system is "militarily or technologically superior to" MPS. Testimony has indicated that the air mobile approach is vulnerable to many of the same criticisms that have been made against the existing air leg of the Triad.

Similarly, there is no reason to believe that the Secretary could certify to Congress that the air mobile system "is more cost effective" than the MPS system. In fact, the committee report states that—

> An Air Mobile system has been studied by the Air Force and indications to date are that its cost would be 50 to 100 percent greater than the cost of the MPS system.

And further, Aerospace Daily quotes my distinguished colleague, Mr. ICHORD, chairman of the Research and Development Subcommittee, as interpreting the Air Force report to be saying essentially that "the air-mobile system is out of the question."

The second condition for interruption of full-scale development of the MPS system stipulated in title II is that the President must inform Congress "that in his view the multiple protective structure (MPS) system is not consistent with U.S. national security interests." Political considerations make it unlikely that this will ever happen. Everyone is aware of the President's commitment to a new SALT Treaty. Recently, disclosures of verification difficulties have dimmed the prospects of Senate ratification of the SALT II agreement. The language contained in H.R. 2575, and language similar to it in the Senate, will put almost unbearable pressure on the President to abstain from a confrontation on the MPS mode in order to avoid alienating uncommitted Senators who are concerned about possible Soviet advantage.

In sum, title II would virtually preclude the selection of a basing mode other than the MPS approach.

Mr. Chairman, I believe that, at this juncture, such a commitment to MPS is ill-advised. Its endorsement ignores the potential of other alternatives and downplays the key question of whether the system itself would make a positive contribution to our national security.

Serious objections have been raised to MPS including its dubious strategic value, high cost, incompatibility with arms control and verification objectives, adverse impact on the environment, and susceptibility to premature obsolescence. I believe that before the American people are asked to commit billions of dollars to, and put their dependence for strategic protection on, a particular strategic weapons policy, we in the Congress should be prepared to certify that it is the best known option. I am convinced that the MPS system does not meet such a test.

To begin with, MPS offers little assurance of providing the strategic security it is designed for. While MPS' stated objective is to lessen the chances of a Soviet counterforce attack by forcing them to target thousands of dispersed silos—thus expending the bulk of their warheads—there are a variety of realistic scenarios that point to the potential for total collapse of such a deterrent. My good friend BOB CARR, a member of the Armed Services Committee has done an excellent job of pointing out one of the major vulnerabilities of MPS: Essentially, it would be easier for the Soviets to proliferate more warheads to target our silos than it would be for us to build more dummy silos. If such a spiral were to reach its logical conclusion, the continental United States could look like a giant prairie dog town and we would be even less secure than before since the Soviets would have added thousands of more warheads to their arsenal. This argument points out the absolute necessity of ratifying a SALT Treaty if the United States were to adopt the MPS approach: Without the SALT prohibition against fractionating, or adding increased numbers of warheads to each side's missiles, the Soviets would be free to negate the MPS system by simply proliferating more warheads.

MPS has a variety of other strategic difficulties: if the Soviets were to follow suit by building their own MPS system—as they almost certainly would do—the "breakout" potential—that is, the likelihood that, in the event of a crisis, the Soviets would fill up the empty silos with weapons that were in storage—would increase enormously; MPS would be vulnerable to "pindown," which is a postulated Soviet ability to delay the response launching of U.S. land-based ICBM's for a period of hours simply by putting up a "barrage blanket" of warheads over the launching area; and, MPS would be very susceptible to premature obsolescence, since the Soviets could easily engineer a surveillance breakthrough that would allow them to distinguish between real and dummy missile.

A second major drawback associated with MPS is its cost. Estimates have ranged from $19 to $30 billion, and we all know that even the upper figure is probably conservative. In fact, it would appear that these cost estimates are significantly understated, since some elements of the MPS system such as the need for reinforced roads, and the de-both countries. I might add that this is one of only three which are established by law in our country.

The first meeting was held in Guadalajara, Mexico, in 1961, and since then the annual meetings have alternated between the two countries.

The purpose of the conference, as expressed in U.S. law, is—and I quote—"for discussion of common problems in the interest of relations between the United States and Mexico."

The Members of the Senate participating, Mr. Speaker, were led by Senator Lloyd Bentsen as chairman, and the delegation consisted of Senator Jacob Javits, Senator Bennett Johnston, Senator Dennis DeConcini, Senator David L. Boren, Senator Max Baucus, Senator David Pryor, Senator Strom Thurmond, and Senator Henry Bellmon.

The Members of the House who attended, accompanied by "yours truly" as cochairmen, were led by our distinguished majority leader, Jim Wright. Our colleague from Pennsylvania, Gus Yatron, was vice chairman, and then also attending were Congressmen Van Deerlin, Kazen, George Miller of California, Coelho, Kogovsek, Rousselot, Lagomarsino, Rudd, and Gilman of New York.

The Mexican delegation, Mr. Speaker, was led by the head of the majority in their House of Representatives, Deputy Rodolfo Gonzalez Guevara, and the Senate was lead by Senator Jesus Cabrera Munoz Ledo.

I will supply for the Record the other participants on the Mexican side. The list of participants is as follows:

SENATORS

Jesus Cabrera Muñoz Ledo.
Gilberto Ruiz Almada.
Antonio Ocampo Ramirez.
Javier Rondero Zubieta.
Rosa Ma. Martinez Denegri.
Rodolfo Alavez Flores.
Daniel Espinoza Galindo.
Nicolas Reynes Berezaluce.
Silverio R. Alvarado.
Adolfo de la Huerta Oriol.
Silverio R. Alvarado.
Hector Hugo Olivares Ventura.
Telesforo Trejo Uribe.
Joaquin E. Repetto Ocampo.
Celestino Salcedo Monteon.

CONGRESSMEN

Rodoleo Gonzalez Guevara.
Antonio Rivt Palacio.
Enrique Alvarez Del Castillo.
Armando Labra Manjarrez.
Hugo Castro Aranda.
Pericles Namorado Urrutia.
Gloria Carrillo Salinas.
Alfredo Carrillo Juarez.
Patricio Robles Robles.
Pastor Murgia Gonzalez.
Sergio Lujambio Rafols.
Marcela Lombardo de Gutierrez.
Pedro Gonzalez Azcoaga.

Senator Joaquin Bamboa Pascoe, majority leader of the Mexican Senate delegated his duties to Senator Jesus Cobrera Munoz Ledo.

I might add, Mr. Speaker, aside from the meetings and the agenda which had been previously agreed to, we participated in a brief moment at least in the making of Mexican history. As the head of the House of Representatives, Deputy Rodolfo Gonzalez Guevara, while we were there, was appointed by the President or named by the President to be Undersecretary of Gobernacion, which is a very important cabinet position in Mexico. He was then succeeded by Deputy Antonio Riva Palacio, who replaced him. All this happened during our deliberations.

Mr. Speaker, at this point I include the agenda for the parliamentary meeting between the United States and Mexico, as follows:

AGENDA FOR THE XIX PARLIAMENTARY MEETING BETWEEN MEXICO AND THE UNITED STATES

I—POLITICAL AND SOCIAL COMMITTEE

(Sen. Lloyd M. Bentsen—Diputado Enrique Alvares del Castillo.)

1. Relations between United States and Mexico.
2. Documented and Undocumented Workers and Human Rights.
3. Cultural Exchange (Report by Mexican Delegation) and Scientific and Technological Cooperation.
4. Cooperation to Control the Traffic and Consumption of Drugs.
5. Law of the Sea.
6. Pollution (Tijuana, Ciudad Juarez, N. Laredo) (Border Region).

II—ECONOMIC COMMITTEE

(Sen. Jesús Cabrera Muñoz Ledo—Rep. E. de la Garza.)

1. Commercial Relations.
   (a) Bilateral and Multilateral Trade Agreements.
   (b) Systems of Preferences.
   (c) Conventions, Agreements and Measures concerning:
      (1) Textile and Synthetic Fibers.
      (2) Tomatoes.
      (3) Fruits.
      (4) Steel.
      (5) Others.
2. Economy of the Frontier.
3. Agricultural Cooperation.
   (a) Mediterranean fruit fly.
   (b) Coffee Rolla.
   (c) Hoof and Mouth Disease.
   (d) Citrus black fly.
   (e) Screw worm fly.
4. Tourism.
5. Fishing Agreements.
6. Energy.

Mr. Speaker, I will supply for the Record as well a joint communique which was agreed to by both countries in the final session. That communique is as follows:

JOINT COMMUNIQUE OF THE NINETEENTH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE

The Nineteenth Mexico-United States Interparliamentary Conference was held in Mexico City on May 25–26, 1979.

As on previous occasions, this year's interparliamentary meeting served to broaden understanding of the economic, political, and social relations between the two countries and produced suggested solutions, subject to their respective constitutional processes which will unquestionably be a factor in improving relations between Mexico and the United States.

From the beginning, these interparliamentary meetings have focussed on trade relations, investment, migratory problems, and border transactions—topics which are of the utmost importance, requiring a systematic analysis by the legislators and reflecting the disparity between the development levels of the two countries. These meetings have contributed to the resolution of problems such as the Chamizal dispute; the conflict over the salinity of the Colorado River; and the considerable progress being made in combatting drug traffic. Following the conference held last year, the United States increased the customs exemptions for purchases acquired in Mexico by U.S. tourists from 100 to 300 dollars.

On energy, we agreed it would be a serious mistake for anyone to infer that Mexico is somehow the answer to all of the United States energy problems. It was recognized that Mexico has its own high priority domestic needs and, as its economy grows and expands, Mexico must look first to its own requirements. It is understood that the Government of Mexico will determine how and at what pace its energy resources will be developed and that is the decision of Mexico alone. For the United States part, it would expect to compete with the rest of the world on an equal basis for any excess Mexican energy.

On the topic of undocumented workers, it was agreed that the human rights of all people, regardless of their legal status, are inviolate and neither the United States nor Mexico will tolerate abuse of their citizens. We welcome the willingness of our respective governments as reflected in the February 16 Joint Presidential Communique, to cooperate in the resolution of the problem. It was further agreed that the issue of undocumented workers seeking to enter the United States will cease to be an issue only when there is less disparity of economic opportunity between our two nations.

The Mexican Delegation fully recognized the interest shown by the United States Congress in the study of this problem in the appropriate committees. Both parties agreed to study the legal problems concerning material witnesses in pending legal proceedings, and the analysis of immigration quotas in practice.

Both delegations recognize the long-term importance of increasing Mexico's access to U.S. markets and note the progress which has been achieved in the past decade, when the value of Mexican goods entering the United States duty-free increased from $272 million to over $1.5 billion and the total value of Mexican exports to the United States increased from $600 million to $6 billion, with a high proportion in manufactured goods. It was agreed that the increase in bilateral trade and the diversification of Mexican products marketed in the United States is a welcome development and a goal to be pursued by both countries.

On the subject of cultural and technological exchanges there was a general consensus the results achieved to date left some room for improvement. The delegations consequently expressed the hope that progress would continue to be made in the direction of increasingly close cooperation. The participants also coincided in their views on the need to increase the tourist flow in both directions by removing all obstacles to such activity. In addition they agreed to increase their efforts to combat environmental pollution and to provide ecological protection to the common border area.

Both delegations noted the progress achieved in the struggle against the cultivation and trafficking of drugs and commended Mexico's drug control and eradication program, while recognizing the valuable cooperation of the United States. The delegations noted that it was urgently important for such cooperation to continue on a similar level and for the United States to make a vigorous effort, by means of education and health programs, to eliminate the demand for drugs, especially among young people.

It was also decided that the two delegations would intensify the exchange of information and continue the work of the parliamentary group referred to in the Declaration of Hermosillo. This would promote the activities of the Subcommittee with regard to the Consultative Mechanism formulated by the Presidents of Mexico and the United States in 1977.

The diverse programs for cooperation in the field of agriculture were also examined and both delegations expressed their satisfaction with the results achieved.

In regard to fishing, the delegates approved the policy of the Government of Mexico concerning agreement on joint investment to support the development of the fishing industry.

The United States delegation expressed its gratitude to the Mexican Congress for the support it had provided in holding this Conference.

In addition both delegations expressed their satisfaction with the progress achieved toward common goals during the visit of President Carter last February and reiterated their hopes that both Presidents would pursue these objectives to an even greater extent during their next meeting.

Both delegations agreed that the debates had been carried out in an atmosphere of close friendship and with a desire to collaborate under just and equitable conditions, in order to improve the relations between Mexico and the United States. They also reaffirmed points of agreement, while defining their differences with the understanding that honest scrutiny would produce greater benefits for both countries in the future.

I might add, Mr. Speaker, that the meeting, as it concerned both countries, was on the highest order. As always, we were received in Mexico with a high degree of respect and cordiality. The meetings were very frank, and they were very fruitful. We were impressed by the frankness of Members in discussing items such as energy and items such as the undocumented workers and trade relations between the two countries.

We were honored to be received by the President of Mexico, the Honorable Jose Lopez Portillo, who expressed the sentiments so often heard from him at all times, that we are neighbors, that we are friends, and that all differences, if any occur—and there are some—can be resolved in the spirit of friendship and in the spirit of conviviality between the two countries.

I think perhaps this was one of the best, if not the best meeting, that I have attended, Mr. Speaker, and I would like to pay special tribute to my colleagues from the House particularly, for the preparation and for the work which went into their participation in the debate and for the invaluable assistance they gave me as the chairman. I pay tribute to them for their participation in these most vital discussions affecting our two countries. I also wish to thank our Ambassador Patrick Lacey for his assistance, and that of the Embassy during our stay. I think this was one of the best meetings we have ever had.

I came back from Mexico, Mr. Speaker, with the feeling that not everything is well between our two countries, as is the case with every other country in the world, but that every problem is being heard at the highest level of consultation and being treated in a frank and direct yet cordial manner. We remain the best of friends.

The Members have, and especially those of us who live on the border, have had relations with the government and with the government officials in Mexico and are satisfied that the interests and the dedication of the Mexican Government, and in this case of the Members of their Congress, are such that they want very much to express to us their sentiments, their personal sentiments of friendship and those of their government.

I think that keeping that discussion on the level that we experienced will assure us that we will be able to, as we have in the past, resolve some of the thorny issues in our history, and that we will be able to resolve and will be capable of resolving any other problems in the future.

Mr. Speaker, I will later ask other Members of the delegation to engage with me in another special order, but I have taken this special order today in order to facilitate the preparation of our report to the Speaker and to the House of Representatives.

Mr. GILMAN. Mr. Speaker, I rise to commend the gentleman from Texas (Mr. DE LA GARZA) and Senator LLOYD BENTSEN of Texas for their distinguished leadership as chairmen of the delegation from the Congress to the XIX Mexico-United States Interparliamentary Conference in Mexico City on May 24–29, 1979.

As a delegate to this conference, I found our discussions with our Mexican colleagues to be frank and fruitful as we reviewed our mutual problems involving energy, undocumented workers, trade, cultural and technological exchanges, agricultural cooperation, and tourism.

I was particularly concerned with our discussions on narcotics cultivation and trafficking and the Law of the Sea negotiations. I was pleased that our Mexican colleagues were in agreement to continue their cooperation and successful efforts in eradicating the Mexican opium crops, the reaffirmation of the Declaration of Hermosillo, and their promotion of the implementation of a joint parliamentary consultative mechanism on narcotics.

With regard to the Law of the Sea negotiations, both delegations shared optimism for the eventual culmination of an international treaty regulating the common heritage of the seas.

The discussions of this 19th parliamentary conference have added to the further understanding between Mexico and the United States. And it is hoped there will be many additional exchanges of this nature in the future.

Mr. Speaker, in order to share my views with my colleagues at this point in the RECORD, I request that the text of my remarks on narcotics and on the Law of the Sea Treaty, delivered at the 19th Mexico-United States Interparliamentary Conference, be printed in full:

PROGRESS TOWARD A LAW OF THE SEA TREATY

I welcome this opportunity to talk with my parliamentary colleagues about the third UN Conference on the Law of the Sea. This Conference is perhaps the most important multilateral negotiation of our time. Our government has a great interest in these negotiations. We are committed to achieving an international agreement on rules that can govern the use of over 70% of the earth's surface. While serving my third term as a Congressional Advisor to the U.S. delegation to the Conference, I recently spent several days in Geneva participating in the meetings of the Eighth Session. Permit me to share with you several observations about that session.

First, I believe that some real progress was made in Geneva on provisions dealing with the protection of the marine environment, on the rights of land-locked states, and on portions of the seabeds regime. I appreciate the highly constructive role that the Mexican delegation has played particularly in the work of Committees II and III of the Conference. I was delighted to hear that your very able and highly esteemed Ambassador to the Conference, Mr. Castaneda, has recently been appointed the Foreign Minister of Mexico. This is a very important and demanding position. I hope that Mr. Castaneda will still be able to contribute his considerable expertise to the on-going negotiations on the Law of the Sea.

Second, as a result of the work in Geneva, there now seems to be a real possibility of reaching an agreement on a treaty; but several major issues have yet to be resolved—the outer limits of the continental shelf, marine science and various provisions on the seabed text. We should try to resolve these issues as soon as possible. As a member of Congress where seabed mining legislation has been reintroduced I consider it essential to settle the seabeds matter with due dispatch. The legislation I refer to would provide companies in the United States with an interim legal framework to mine nodules on the seafloor pending the coming into force of an international treaty. Last year the House passed a seabed mining bill and the Senate almost passed the legislation. This year's bill is similar to last year's bill and the Senate and House Committees of jurisdiction have already begun to act. As I talk with you today, the Committees on Merchant Marine and Fisheries and on Interior and Insular Affairs of the House of Representatives are holding hearings. They plan to report their views on the legislation early in June. Two weeks ago, the Senate Energy Committee unanimously approved the seabed bill. I expect the entire Congress will enact legislation this year and send it to the President for his signature.

I am aware that the Mexican Government and the Government of the United States hold different views on this legislation. The United States continues to maintain that seabed mining is an exercise of freedom of the high seas under the 1958 Geneva Convention on the High Seas. We also maintain that the Declaration of Principles, adopted by resolution of the General Assembly in 1970 is not legally binding nor has the force of law. This is consistent with our position that United Nations resolutions are not legally binding. Your Government and others believe that the 1970 Declaration of Principles is legally binding and that seabed mining legislation, if enacted, would contravene those Principles. I earnestly hope that the seabeds issue can be resolved in New York this summer when the 9th session resumes negotiations.

Let me say a word about another important issue of the Law of Seas Conference—dispute settlement. International machinery for dispute settlement is essential to the fair application of various provisions of a Law of the Sea Treaty and I am gratified to learn about the recent progress that has been made in this area of the negotiations. I understand that both Mexico and the United States have certain reservations about the Statute of the International Court of Justice. That is, we do not automatically accept the compulsory jurisdiction of the Court. Yet the arrangements for settling disputes between ourselves are somewhat limited in scope. The International Joint Commission is the major mechanism available for discussing differences. We need to think about improving this machinery so that we can deal with other problems of mutual concern to our countries, such as fisheries disputes, business practices of U.S. firms in

Mexico, and the treatment of Mexican workers in the U.S.

I would like to make a proposal for the consideration of my colleagues—that we create a working group of U.S.-Mexican Parliamentarians to study the possibility of establishing international dispute settlement machinery to resolve disagreements in the area I have mentioned. Such a working group could be made up of members of the Mexican and American Bar Associations.

In fact, there is a precedent for such a group; the Canadian and American Bar Associations having respectively appointed members to a joint working group on dispute settlements. Such a working group could be appointed from among interested American and Mexican parliamentarians. I would welcome your views on this matter.

DRUG CONTROL

Mr. Chairman, distinguished legislators from Mexico and the United States, I welcome this opportunity to once again participate in these annual bilateral conferences and to join our colleagues from Mexico in the deliberations of the 19th Mexico-United States Interparliamentary Conference, and to discuss with this committee the critical issue of narcotics trafficking.

Two years ago, when this bilateral conference met in Hermosillo, Sonora, Mexico, I presented a paper that comprehensively discussed the joint efforts of our two nations to interdict narcotics trafficking and to eradicate the illicit production of drugs at its source. Through the efforts of my Mexican colleagues, the distinguished Deputies Enrique Ramirez y Ramirez and Victor Manzanilla Schaffer and my colleague from Texas, the distinguished Chairman of the House delegation to this interparliamentary conference, Mr. de la Garza, the delegations from both our nations enthusiastically responded by adopting the Declaration of Hermosillo on Narcotics Trafficking at the International level.

The Hermosillo Declaration "condemns without reservations of any kind, the illegal cultivation of all plants that may be used to obtain substances which, when employed in narcotics, cause grave and often irreparable damage to the people's health."

The declaration further states that—

"It is the responsibility of the public institutions and competent authorities of our nations to become deeply involved, reinforce and extend to the utmost the fight against cultivation, traffic, use and abuse of drugs, and to this end adopt all the legislative, judicial, political and economic measures that will lead to the eradication of this far-reaching problem."

Encouraged by my colleagues from Mexico and the United States, I introduced House Concurrent Resolution 265, which was cosponsored by the House delegation attending the Hermosillo Conference, including members of this year's delegation, the distinguished Majority Leader, Mr. Wright, Mr. de la Garza, and my distinguished colleagues from California, Mr. Rousselot and Mr. Lagomarsino.

H. Con. Res. 265, unanimously passed by the House of Representatives on October 31st, 1977, and the Senate on July 18, 1978, called upon the Congress of the United States to endorse the Hermosillo Declaration and encouraged other nations to adopt this Declaration. It urged the President of the United States to encourage other nations to cooperate in an international effort to eradicate narcotics trafficking and to eliminate the illicit production of opium.

Last month, as a member of the U.S. Congressional delegation that attended the 15th interparliamentary meeting between Members of Congress and Members of the European Parliament, I had the opportunity to address my European colleagues regarding the problems of drug abuse prevention and control and to urge the European Community to wage a concerted "war" on narcotics. While attending that meeting, I was delighted to learn that my good friend and colleague, Victor Manzanilla Schaffer, President of the Latin American Parliament and cochairman of the Fourth European Parliament/Latin American Parliament Interparliamentary Conference that was held in Rome in February of this year, prepared a set of conclusions pertaining to drug abuse and drug trafficking that was approved by the conference and incorporated into its Final Act.

Under his leadership, the conference agreed to call upon the Parliaments of the countries represented to:

(1) "Lend their utmost support to all the measures taken by the governments of their respective countries to restrain the illegal production, distribution and consumption of narcotics and drugs which induce harmful dependence;

(2) "Cooperate closely with the administrative authorities of their respective countries with a view to eradicating this great evil through joint action in the field of education and social and penal legislation;

(3) "Promote a large-scale information campaign to awaken public opinion to the dangers of drug abuse;

(4) "Urge the countries of Latin America and Europe to make a greater contribution to the actions undertaken by the United Nations and its specialized agencies, while drawing attention however, to the danger of a harmful proliferation of organizations for combatting drug abuse and drug traffic;

(5) "Set up a joint working party to study this serious problem, using in particular the documents presented during the sitting by the delegations from Colombia, Cost Rica and Mexico, and to report to the next Interparliamentary Conference on the laws in force in each Member State, on the measures which governments are taking to control the traffic and abuse of drugs on the underlying causes, particularly economic and social causes of these disastrous phenomena; with this aim the Conference will furnish the necessary instructions to the Secretaries of the European Parliament and the Latin American Parliament;

(6) "Report to the Parliaments and Governments of the countries represented at the Conference on these agreements;

(7) "Forward a copy of this declaration to the Secretary-General of the United Nations Organization, the Secretary-General of the Organization of American States, the Director of the World Health Organization and to the Council and the Commission of the European Communities."

Mr. Chairman, the Hermosillo Declaration, House Concurrent Resolution 265, and the conclusions adopted by the Fourth European-Latin American Interparliamentary Conference are important policy objectives, but we, as legislators and policy makers in our respective congresses, must do more than issue well-intentioned declarations and resolutions. We must translate these lofty declarations and resolutions into constructive action.

Mr. Chairman, two myths constantly cloud the relations between our great nations. First, that the United States is perceived by some of our Latin American neighbors as the "Colossus of the North" and second, that there is a distinction between heroin producer nations and heroin user nations.

Politically, economically, socially, militarily, nations live in an interdependent world, and this is particularly true for our two nations that share a common 2,000-mile border that meshes the health and well-being of our citizens in this area into a common culture and interdependent economy. The so-called "Colossus of the North," an anachronism from another era, no longer exists. We certainly do not perceive ourselves in this manner and hopefully our Mexican colleagues do not perceive us in this manner. We also hope that we are no longer perceived as the "gringo," but as friends and neighbors who must help one another. We not only share a common border but also common problems. Many of our citizens speak the same language and possess the same cultural heritage. We, in the United States, must be more sensitive to your needs and aspirations. We also need your assistance in overcoming our shared problems. We must help one another in reducing the unacceptably high levels of inflation, unemployment and poverty, in curbing population explosions, in resolving problems pertaining to undocumented aliens, oil and natural gas exploration, marketing and sales obstacles, trade and tariff problems, in interdicting narcotics trafficking and in eradicating the illicit supply of drug production at its source, in treating and rehabilitating the victims of drug abuse, and in curbing the smuggled contraband and the illicit financial transactions across our joint border.

Each year an estimated one billion dollars worth of American goods are smuggled into Mexico, thereby depriving the Mexican economy of millions of dollars in uncollected taxes and contributing to the disruption of certain Mexican industries and to unacceptably high levels of unemployment in that nation. In this regard, Mexico's National Chamber of Electronics Manufacturers estimates that 40 percent of Mexico's electronic goods come from contraband. Falsified papers pass customs inspection and corruption of officials contribute to these smuggling operations. Ignacio Madrazo, Mexico's National Director of Customs, has reportedly stated:

"It is obviously in the interest of both countries. The more contraband that comes in, the less jobs there are in Mexico and the more Mexicans will go illegally to the U.S. The problems are completely intertwined. It doesn't take an expert or a political sophisticate to figure that out."

Rather than being insensitive to your needs and to your accomplishments, both our great nations should view one another as we really are: compadres, helping one another to resolve difficult political, economic and social problems that affect the health and welfare of our citizens. We need to promote the abrazo in our relationship, rather than the stiff, diplomatic handshake.

The second myth that clouds our relationship is the view expressed in some quarters that heroin producer nations can point an accusatory finger at the heroin user nation as the cause for the existing drug problems that plague our nations.

Drug addiction and drug dependency have reached epidemic proportions throughout the world. The United Nations International Narcotics Control Board has reported:

"Seizures and government estimates of the size of addict populations in Burma, Thailand, Hong Kong, Malaysia, and Singapore show that the area is a major consumer of its own illegal opium products. Nevertheless sufficient opiates are produced to support a world-wide traffic with an increased impact."

Thailand, a major heroin producer nation, reports a drug addiction population estimated between 300.000 and 600.000. In Burma, another key nation in the production of illicit opium from the Golden Triangle, 20,000 individuals are registered in narcotics treatment centers, which international health officials state is many times higher than the registered figures. Iran reports an estimated 400,000 addicts, and I understand that Mexico has approximately 50,000 drug abusers.

Egyptian law enforcement authorities have informed me that that nation's 500,000 drug abusers consume an estimated 3 to 6 tons of opium annually and that the cultivation of poppy fields in that nation has reached such grave proportions that "there is a possibility that Egypt might become an illicit opium producing nation." In the United States approximately 450,000 heroin addicts . . . a decline from approximately 700,000 that were estimated several years ago . . . reportedly spend $6 billion annually to support their habit.

Mr. Chairman, this data is only the tip of the iceberg. It does not account for the unknown number of individuals who are not reported as drug addicts. It does not include those who are not registered in drug treatment centers or who are psychologically and physically dependent upon amphetamines, barbiturates, tranquilizers or who are cross-addicted by pills and alcohol. The data does, however, indicate what we all know: namely, that illicit drug trafficking is a multibillion dollar industry controlled by international criminal syndicates and independent merchants . . . an industry whose annual sales just in the United States alone are estimated to exceed $45 billion. This places this sordid business third in annual sales after General Motors ($54.9 billion) and Exxon ($54.1 billion) but ahead of the Ford Motor Company ($37.8 billion).

Obviously, global trafficking in illicit drugs far exceeds $45 billion. Canadian law enforcement authorities state that heroin trafficking alone represents the fifth largest industry in British Columbia, grossing at least $255 million a year and requiring over 365 pounds of smuggled heroin to supply Vancouver's addict population. From the Golden Triangle of Thailand, Burma and Laos, to Iran and Egypt, from Afghanistan and Pakistan to West Europe, from Colombia, Mexico and the Caribbean to the narcotics distribution centers of Berlin, Frankfurt. Brussels, Stockholm, Hong Kong, Hawaii. Nassau, Miami, New York, Chicago and Vancouver, nation after nation are reporting increased usage and illicit trafficking of marihuana, cocaine, hashish, heroin and other dangerous drugs among its citizens. The international drug syndicates are highly organized, well-financed and have sophisticated operations. Their corrupt tentacles reach into every facet of a nation's society corrupting public officials and private citizens, undermining the administration of justice and eventually destroying the decency, moral values and very roots of that society. Professional people, law enforcement officials and businessmen have also been involved in the illicit manufacture, distribution and dispensing of illicit drugs.

Mr. Chairman, we all recognize that we live in an interdependent world. Drug abuse prevention and control affect citizens throughout the world, regardless of the nation's political, economic or social system. Drug abuse problems transcend international boundaries. Citizens afflicted with drug addiction and the international narcotics traffickers, who reap unknown billions of dollars from this human misery, do not distinguish between heroin producer nations and heroin user nations. With regard to drug abuse prevention and control, the laws of supply and demand are inexorably intertwined. As we stated in the Hermosillo Declaration: "Heroin and other harmful drugs do not respect boundaries and attack or threaten to a greater or lesser degree every nation and especially the youth of all countries."

Mr. Chairman, last November, as a member of the House Select Committee on Narcotics Abuse and Control and as a member of the U.S.-Mexico Consultative Mechanism, along with my colleague from New York, Mr. Wolff, the distinguished Chairman of the Narcotics Select Committee and a member of the Consultative Mechanism, I visited Mexico, where we had the opportunity to participate in helicopter spraying operations in remote mountainous regions northeast of Culiacan. I was deeply impressed by the skill, dedication, and expertise of the pilots and the troops we spoke to at the military front-line posts. We also had the opportunity to discuss the complex problem of narcotics trafficking with Attorney General Oscar Flores Sanchez, the Secretary of Foreign Relations, Santiago Roel Garcia, the President of the Grand Commission of the Chamber of Deputies, Rudolfo Gonzalez Guevara, the President of the Grand Commission of the Chamber of Senators, Senator Joaquin Gamboa Pascoe, and their distinguished colleagues. Last month, the distinguished Deputy Antonio Riva Palacio, Secretary of the Grand Commission of the Chamber of Deputies and President of the Subcommittee on Narcotics, took time from his busy schedule to visit me and Congressman Wolff when he was in Washington, where we had the opportunity to discuss the Consultative Mechanism and other important issues relating to drug abuse prevention and control.

The cooperation between our two nations in interdicting narcotics trafficking and in eradicating the illicit production of opium at its source has paid off in substantial dividends. Two years ago approximately 80 percent of the heroin being sold on the streets of the United States originated from Mexico. Today that figure has been reduced to approximately 60 percent.

Last year, Mexican law enforcement officials destroyed 3,915 acres of opium producing poppies, which if harvested would have produced 3,400 pounds of pure heroin at an estimated street value exceeding 2.5 billion dollars (at a 100 percent purity level). Through joint, cooperative efforts between the Mexican federal police, together with their colleagues from our Drug Enforcement Administration, the Federales seized 203 pounds of cocaine, 428,508 pounds of marihuana, 203 pounds of heroin, 8,240 pounds of hashish, which, if sold in the United States, would have amounted to approximately $60 million in cocaine, $155 million in marihuana, $201 million in heroin, and $36 million in hashish.

Marihuana trafficking from Colombia has surpassed Mexico as the prime supplier of this drug to the United States, thereby illustrating the changing patterns of narcotics trafficking by organized crime and demonstrating the progress that has been achieved by Mexico and the United States in helping each other to interdict marihuana and to eradicate it at its source.

But the "war" on drug abuse and drug trafficking is far from over. Much work in intensifying the cooperation between our two nations remains.

Since January of 1976, Congressman Wolff and I have urged the implementation of a joint anti-narcotics commission . . . a commission that was approved by Presidents Echeverria, Lopez-Portillo, Ford and Carter, and is part of the United States-Mexico Consultative Mechanism. When President Carter visited President Lopez-Portillo last February, the joint communique issued at the conclusion of President Carter's visit stated that both Presidents "decided to strengthen the mechanism and provide it with more dynamism, cohesion and flexibility for its more effective operation."

The Consultative Mechanism has been operationalized. Some of the subgroups of that mechanism have met. Yet after much urging by Congressman Wolff and myself, the Anti-narcotics Subgroup has yet to hold its first meeting, let alone perform its vitally important task in a "dynamic, cohesive, flexible and effective" manner that was stated in the Lopez-Portillo-Carter joint communique.

I recently learned that the Consultative Mechanism that was established in February 1979, following the conversations between Presidents Lopez-Portillo and Carter, does not include a consultative mechanism on narcotics between parliamentarians and that the anti-narcotics consultations have been folded into a segment of the mechanism pertaining to law enforcement at the executive level, all of which leads to a void in the implementation of the efforts by our two governments to develop a mechanism in which legislators and executive officials can jointly focus attention on a problem that vitally affects the health and well-being of all our citizens. In discussing the status of the consultative mechanism with our parliamentarian colleagues from Mexico and with high ranking members of the Lopez-Portillo Administration, we have been assured of their cooperation and that we are on the right track, and yet somewhere along the way the Anti-narcotics Consultative Mechanism has been sidetracked. If we are going to win the "war" on drug abuse, then we must certainly act with greater dispatch in putting together a joint committee.

We must do more than pass well-intentioned declarations and resolutions. The time to act is upon us. We must cut through the bureaucracy of our respective nations to continue our anti-narcotics efforts by implementing the letter and the spirit of the Hermosillo Declaration and the conclusions established by the Fourth European-Latin American Interparilamentary Conference. We must also establish and operationalize the Anti-narcotics Consultative Mechanism and continue our joint efforts at eradicating the illicit production of drugs at its source. We must maintain a constant vigil over the illicit production of opium, marihuana and other dangerous drugs by eradicating these substances at their source and by interdicting illicit drug trafficking. Mexico is fast becoming a transshipment state for cocaine trafficking, thereby requiring our nations to intensify our joint, cooperative efforts to prevent this illicit traffic pattern from reaching epidemic proportions.

I would also urge the Government of Mexico to help the United Nations Fund for Drug Abuse Control (UNFDAC) by contributing to the Fund and by using its immense prestige to encourage other nations in the Western Hemisphere to contribute to UNFDAC. Last year, only 4 Latin American nations (Argentina, Brazil, Chile and Venezuela) contributed a meager $17,000 to the Fund, whose budget depends upon voluntary public and private contributions. This $17,000 represented less than 3 percent of the Fund's $7.2 million budget for 1978. Surely, our Latin America neighbors can do better than this in the "global war" against drug abuse . . . a plague that adversely affects all our citizens.

The "war" on drug abuse and the international narcotics traffickers is a never-ending task . . . it is a herculean problem. Through the joint, cooperative efforts of our two great nations, we are succeeding in winning this "war" by raising the consciousness of the public regarding the dangers of drug abuse and by forcing the international drug peddlers to shift their drug trafficking patterns.

Mr. Chairman, on behalf of my colleagues in the drug abuse field, I want to thank the people of Mexico and its distinguished President for their cooperation in assisting us in trying to stem the tide against the corrupt influence of organized crime and the narcotics peddlers of human destruction that affect both our nations. I also want to thank you, Mr. Chairman, for providing me this opportunity to share with you and this distinguished committee my thoughts concerning this vitally impotrant issue.

□ 1740

INTRODUCTION OF DIESEL SUPPLY SAFEGUARD ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. DASCHLE) is recognized for 5 minutes.

● Mr. DASCHLE. Mr. Speaker, the shortage of diesel fuel threatening agricultural production is not a parochial problem only affecting the Nation's farmers, it is a national problem affecting every American directly or indirectly. Higher food prices, depleted city supermarket shelves, and a larger balance-of-payments deficit aggravating inflation are among the national consequences of a shortage of diesel fuel for agriculture.

Severely compounding the current shortage of diesel fuel is the decision of major oil companies to withdraw from a long-established marketing area. The abandonment of local diesel fuel dealers and their customers by the major oil companies and the disruption in supply of essential diesel fuel which abandonment causes has not received adequate attention.

Local diesel fuel dealers in South Dakota who have been noitified they are being abandoned by their fuel supplier report they are unable to find a comparable source of supply. These local businessmen have said they need protection from oil company abandonment for their customers whose ability to make a living depends on being able to obtain diesel fuel. They believe the disruption of essential diesel fuel supplies in South Dakota and elsewhere will increase if oil company plans to abandon local diesel fuel dealers go unchecked.

An oil company decision to abandon a local diesel fuel dealer and the dealer's customers can be made and proceed without any regard or consideration of the local consequences. This serious imbalance needs to be corrected.

I am today introducing legislation to correct this imbalance. The legislation I am introducing, the Diesel Supply Safeguard Act, provides a needed measure of protection for local diesel fuel dealers and their customers. Under the Diesel Supply Safeguard Act an oil company decision to abandon a local diesel fuel dealer could be postponed until the local dealer could secure another source of supply under terms and conditions no less favorable. In addition, the decision to seek a postponement of a planned oil company abandonment would be made locally, not by a Federal or State government official.

Mr. Speaker, I insert the text of the Diesel Supply Safeguard Act in the RECORD.

H.R. 4263

A bill to amend the Petroleum Marketing Practices Act to prevent the termination of franchises for the retail distribution of diesel fuel in certain cases in which a substantial portion of the diesel fuel is sold for agricultural or other essential uses

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Diesel Supply Safeguard Act."

SEC 2. Section 102(b)(2)(E) and (3)(D) of the Petroleum Marketing Practices Act (15 U.S.C. 2802(b)(2)(E) and (3)(D)), relating to grounds for termination or nonrenewal of gasoline dealer franchises, are each amended—

(1) by striking out "and" at the end of clause (ii);

(2) by striking out the period at the end of clause (iii); and

(3) by adding at the end thereof the following new clause:

"(iv) in the case of any franchise under which the franchisor is required to supply diesel fuel to a franchisee who, in the regular course of business, engages in the sale, consignment, or distribution of that diesel fuel for agricultural or any other essential use—

"(I) the franchisee is able, upon the exercise of reasonable good faith efforts, to obtain diesel fuel and gasoline motor fuel from another source or sources under terms and conditions no less favorable than would be available if the franchise relationship involved continued; or

"(II) the franchisor is unable to meet the motor fuel supply requirements involved due to circumstances beyond the control of the franchisor, or any affiliate of the franchisor.".

SEC. 3. Section 105(e)(2) of such Act (15 U.S.C. 2805(e)), relating to limitation on judicially ordered continuations and renewals of franchise relationships, is amended by adding at the end thereof the following new sentence: "The provisions of paragraph (1) shall not apply in the case of any franchise under which the franchisor is required to supply diesel fuel to a franchisee who sells, consigns, or distributes that diesel fuel in significant quantities for agricultural, commercial, or any other essential use, unless—

"(A) the franchisee is able, upon the exercise of reasonable good faith efforts, to obtain diesel fuel and gasoline motor fuel from another source or sources under terms and conditions no less favorable than would be available if the franchise relationship involved continued; or

"(B) the franchisor is unable to meet the motor fuel supply requirements involved due to circumstances beyond the control of the franchisor, or any affiliate of the franchisor.".●

SUBCOMMITTEE ON CRIME TO HOLD HEARINGS ON PROPOSED AMENDMENTS TO THE SPEEDY TRIAL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS), is recognized for 5 minutes.

● Mr. CONYERS. Mr. Speaker, the Subcommittee on Crime of the House Committee on the Judiciary has scheduled hearings for June 6 and 11, 1979. The hearings will begin on June 6 at 9:30 a.m., in room 2226, Rayburn House Office Building, and at 10 a.m. on June 11, in room 2237, Rayburn House Office Building.

Among the bills to be considered at these hearings are H.R. 4051, reflecting proposals for amendment submitted by the Judicial Conference of the United States, and H.R. 3630, containing the recommendations for amendment prepared by the Department of Justice. Persons invited to present testimony on this legislation include Hon. John Feikens, U.S. district court judge from Detroit, Mich.; Hon. Robert Fiske, Jr., U.S. attorney for the southern district of New York; U.S. Attorney General Griffin Bell; and Prof. Richard S. Frase, University of Minnesota Law School.

Individuals wishing to testify or submit a statement for the record should address their requests to the Subcommittee on Crime, House Committee on the Judiciary, 207E Cannon House Office Building, Washington, D.C. 20515.●

MILWAUKEE RAILROAD IN SERIOUS JEOPARDY OF GOING BANKRUPT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. WILLIAMS) is recognized for 5 minutes.

Mr. WILLIAMS of Montana. Mr. Speaker, a major railroad in America is in serious jeopardy of going bankrupt. As many Members of this House are aware, that line is the Milwaukee Road.

Within a few days, legislation will be before this House which will help to save the Pacific coast extension of that railroad. That legislation will delay abandonment of the line for 45 days, plus require the Secretary of Energy to immediately assess the impact upon America's energy problems which would occur if the Milwaukee were to abandon the extension which serves the area containing one-half of America's strippable coal.

Montanans and people throughout the Pacific Northwest are obviously very concerned with this matter. That, of course, includes Milwaukee employees as well as shippers who rely on the Milwaukee to transport their products.

I am submitting for the RECORD telegrams which have been received from shippers throughout Montana encouraging the continuation of the Milwaukee Road:

BUTTE, MONT., *May 17, 1979.*

Hon. RUSSELL B. LONG,
U.S. Senate,
Washington, D.C.:

Re Milwaukee Railroad Western Energy Company and Montana Power Company believe that a workable plan involving employee and shipper ownership of the Milwaukee Railroad can be developed. We are interested in pursuing such a plan. We believe that the plan will result in the continued operation of the Milwaukee Railroad, which is essential to the economy of our area and for transportation of coal to serve the energy objectives of this Nation.

W. P. SCHMECHEL,
President, Western Energy Co., and President, the Montana Power Co.

MADISON, WIS.

Hon. RUSSELL B. LONG,
U.S. Senate,
Washington, D.C.:

Wisconsin Power and Light Company, a large user of the Milwaukee Road, is interested in exploring possibilities of the employee/shipper ownership of that railroad. It is our understanding your office will communicate our message and that of other Milwaukee Road shippers to the Federal court so that body can consider this development as it prepares to rule on an embargo.

JAMES R. UNDERKOFLER,
President, Wisconsin Power and Light Co.

BELLEVUE, WASH.

Senator RUSSELL B. LONG,
Washington, D.C.:

We believe that a plan for continued operation of the Milwaukee Road with employees and shippers should be pursued. Loss of the Milwaukee western facilities could result in significant effects on regional energy transport.

JOHN W. ELLIS,
President, Puget Sound Power and Light.

HURON, S. DAK.

Senator RUSSELL B. LONG,
U.S. Senate,
Washington, D.C.:

We urge that Congress explore ways in which to provide short term grants and long term low interest loans to help keep in operation the vital transportation service provided to this nation by the Milwaukee Railroad.

We are interested in having pursued all plans possible for continuing operation of the Milwaukee Railroad including ownership of the line by employees of the railroad.

Continued service by the Milwaukee Railroad is important to the citizens and economy of the entire nation as well as the State of South Dakota.

A. D. SCHMIDT,
President, Northwestern Public Service Co., Northwestern National Bank Bldg.

BISMARCK, N.D.

Hon. RUSSELL B. LONG,
Washington, D.C.

It is very important for Montana-Dakota utilities Co. and our customers in a 4-state area that the Milwaukee railroad continue operation. We are interested in an employee-shipper ownership plan if that will keep the railroad going.

DAVID M. HESKETT,
Chairman of the Board and Chief Executive Officer.

RAPID CITY, S.D.

Senator RUSSELL B. LONG,
Washington, D.C.:

We strongly support the concept of pursuing a plan whereby employee and shipper ownership could be developed to continue the Chicago Milwaukee rail service particularly as it affects deliveries within the state of South Dakota. It is our understanding that this plan is under consideration and it bears your most serious consideration.

Sincerely,

LARRY M. OWEN,
Vice President, Administration,
Black Hills Power and Light Co.

RAYTOWN, MO.

Senator LONG,
Washington, D.C.

90 days for the Milwaukee road employee ownership.

KREMLIN, MONT.

Senator RUSSELL LONG:

We need the Milwaukee Railroad in Montana and very interested in employee owned and shipper owned rail line in Montana.

BOB KOUTNIK,
Manager Farmers Union GTA Elevator.

GREAT FALLS, MONT.

Senator RUSSELL LONG,
Senate Office Bldg.,
Washington, D.C.:

If the present Milwaukee Railroad management cannot or will not continue to operate their lines west to the coast I would strongly urge that the Senate support the alternate plan for a purchase and operation of the lines by the employee shipper group. If the Milwaukee western operation is abandoned Montana will be without rail competition and many important grain shipping points will be without rail service.

WALTER V. HICKS,
Manager, Great Falls Shipping Assn.

TOWNSEND, MONT.

Senator RUSSELL LONG,
U.S. Senate,
Washington, D.C.:

We the Broadwater County Farm Bureau in Townsend, Montana urge you to support the effort by the employers and the shippers to purchase the Milwaukee Railroad.

PEGGY FLYNN,
Secretary.

GREAT FALLS, MONT.

Senator RUSSELL LONG,
U.S. Senate,
Washington, D.C.

We are interested in an employee-shipper owned railroad from Minneapolis to Portland, Oregon to take over the Milwaukee tracks.

DUANE A. OLSON,
Montana Traffic Manager.

INVERNESS, MONT.

Senator RUSSELL LONG,
Senate Office Building,
Washington, D.C.

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

JIM SCHAEFER,
Farmers Union GTA.

HUNTLEY, MONT.

Senator RUSSELL LONG,
Senate Office Building,
Washington, D.C.

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

FARMERS UNION GTA ELEVATOR.

GUILFORD, MONT.

Senator RUSSELL LONG,
Washington, D.C.

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

KENNY D. THUNE,
Manager, GTA Elevator.

FAIRFIELD, MONT.,
May 18, 1979.

Senator RUSSELL LONG,
U.S. SENATE,
Washington, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in a employee-owned and shipper-owned rail line in Montana.

A. H. BERG.
Manager, GTA Elevator.

CHESTER, MONT.,
May 18, 1979.

Senator RUSSELL LONG:

We need the Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

GTA ELEVATOR.

RUDYARD, MONT.,
May 18, 1979.

Senator RUSSELL LONG,
Capitol 1, D.C.:

We need Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

FARMERS UNION GRAIN TERMINAL ASSOCIATION.

WINIFRED, MONT.,
May 18, 1979.

Senator RUSSELL LONG:

We need the Milwaukee Railroad in Montana and we are very interested in an employee-owned and shipper-owned rail line in Montana.

PAUL SIELSTAD,
Manager, GTA Elevator.

LEWISTON, MONT.,
May 18, 1979.

Senator RUSSELL LONG,
Senate Office,
Washington, D.C.:

We need the Milwaukee railroad in Montana and are very much interested in an employee-owned and a shipper-owned rail line in Montana.

HENRY MCDUNN,
Manager, GTA Terminal.

BILLINGS, MONT.,
May 18, 1979.

Senator RUSSELL LONG:

We need Milwaukee railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

FARMERS UNION GTA LINE ELEVATOR.

SQUARE BUTTE, MONT.,
May 18, 1979.

Senator RUSSELL LONG,
Washington, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

FARMERS UNION GTA.

THREE FORKS, MONT.,
May 18, 1979.

Senator RUSSELL LONG,
Capitol One, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

FARMERS UNION GTA ELEVATOR.

SHELBY, MONT.,
May 18, 1979.

Senator RUSSELL LONG,
Capitol One, D.C.:

We need the Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

FARMERS UNION GRAIN TERMINAL ASSOCIATION.

POWDERVILLE, MONT.,
May 19, 1979.

Senator RUSSELL LONG,
U.S. Senate,
Washington, D.C.

We support shippers and employees as owners of the Milwaukee Railroad.

PETE and MARY HILL,
Shippers.

FAIRFIELD, MONT.,
May 24, 1979.

Senator RUSSELL LONG,
Chairman of the Subcommittee of Surface,
Washington, D.C.

Northwest area wife ask your support J.S.R. 81. Detrimental to Montana agriculture economy to lose Milwaukee.

JO BRUNNER,
Northwest Area Spokeswoman.

HINGHAM, MONT.,
May 21, 1979.

Senator RUSSELL LONG:

We need the Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned rail line in Montana.

GRAIN TERMINAL ASSOCIATION.

FORSYTH, MONT.,
May 21, 1979.

Senator RUSSELL LONG:

We support the efforts of employees and shippers to purchase the Milwaukee Railroad.

GEORGE T. ASAY.

BIG SANDY, MONT.,
May 18, 1979.

Senator RUSSELL LONG:
Washington, D.C.

We need a Milwaukee Railroad in Montana and are very interested in an employee-owned and shipper-owned line in Montana.

TOM WORSLEY.

MOORE, MONT.,
May 18, 1979.

Senator RUSSELL LONG:

We need the Milwaukee Railroad in Montana very interested in an employee owned and shipper owned rail line in Montana.

Respectfully,

RAY KING MOORE.

CUT BANK, MONT.,
May 18, 1979.

Senator RUSSELL LONG:

We need the Milwaukee Railroad in Montana and are very interested in an employee owned and shipper owned rail line in Montana.

NORMAN O. JOHNSON.

EXPORT TASK FORCE ARTICLE NO. 9: TRADE DEFICIT IN APRIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

● Mr. ALEXANDER. Mr. Speaker, today's Washington Post held some grim news for the economy of the United States. After recording the lowest trade deficit in 2 years for the month of March, the April trade balance ballooned to a $2.15 billion deficit.

This high deficit apparently stems from two factors. The first is higher oil prices coupled with increased purchases of foreign made automobiles, and secondly, the Teamsters Union strike in April delayed many U.S. exports.

The April trade deficit again points out the fact that America desperately needs a comprehensive export policy. To delay in the development of such a policy, increases the likelihood of many more monthly trade deficits in the future.

The article written by Art Pine appeared in the May 31 edition of the Washington Post follows:

AUTO, OIL IMPORTS HELP TRADE DEFICIT HIT $2.15 BILLION

(By Art Pine)

The nation's foreign trade deficit surged again in April as continuing increases in prices for imported crude oil—and a rush by Americans to buy more fuel-efficient imported cars—wiped out gains of the two previous months.

Commerce Department statistics showed the deficit swelled to $2.15 billion in April from $821.3 million in March and $1.3 billion in February. The March deficit had been the smallest in almost two years.

Analysts said the worsening deficit stemmed from two factors:

The sharply higher oil prices and increased U.S. purchases of foreign-made automobiles pushed imports up a sharp 5 percent. American purchases of petroleum and related products soared 9 percent to a seasonally adjusted $4.05 billion.

At the same time, exports declined by 3.9 percent, in part because many shippers were unable to get their goods to the docks during the Teamsters' union strike in April. Economists said exports would bounce back in May.

Analysts said it was too early to tell how much of the trade setback would prove to be long term. Although exports may rebound in May, imports are likely to remain high because of the sharp rise in oil prices.

Continued improvement in the trade deficit late in 1978 and earlier this year had led some analysts to hope for a major reduction in the red-ink figure during 1979. However, oil price increases have altered this outlook.

William A. Cox, the Commerce Department's deputy chief economist, said yesterday it still was "hard to say" how the trade deficit might turn out by the end of this year.

However, Cox noted that even if the deficit were to continue at April's level, overall it still would come in well below last year's record $28.5 billion total.

The increase in U.S. purchases of imported cars accounted for just under half the rise in import levels last month. The bulk of the purchases were from Japan, with some rise in shipments from West Germany as well.

Another 44 percent of the rise in imports was attributed to increased oil purchases. Both the volume and the price of U.S. purchases of foreign oil rose substantially in April.

The April figures brought the cost of overall imports to $16 billion, up $763 million from March's level, while the cost of exports totaled $13.9 billion, down some $569 million from the previous month.

The figures showed the U.S. imported 266.8 million barrels of oil in April compared with 254.3 million in March, at a cost of $4.04 billion, up from $3.7 billion during March.

By comparison, U.S. oil imports a year ago totaled 246.3 million barrels at a cost of $3.3 billion. Crude oil prices have been rising sharply since last January, in part because of the recent turmoil in Iran.

The $2.15 billion deficit for April was recorded on the department's traditional basis. On another measure, used more widely by other countries, the deficit was $3.17 billion, up from $1.8 billion in March.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. SYNAR) is recognized for 5 minutes.

● Mr. SYNAR. Mr. Speaker, on Thursday, May 24, 1979, I was in my district in Oklahoma, and necessarily absent during votes taken that day by the full House of Representatives.

Four rollcall votes were held on May 24. Had I been present and voting on that date, I would have cast my votes in the following manner:

Rollcall vote No. 170: House Concurrent Resolution 107, "yea."

Rollcall vote No. 171: House Resolution 281, "yea."

Rollcall vote No. 172: S. 869 (Eckhardt amendment), "nay."

Rollcall vote No. 173: S. 869 (final passage), "yea." ●

LOOK AT YOUR GAS PUMP FIGURES—DO NOT GET SCARED; GET MAD

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PERKINS. Mr. Speaker, I urge the Members to visit their neighborhood gas pumps and take a long, nostalgic look at the figures on the face.

A few months ahead we may be recalling these 80 and 90 cents a gallon prices as being the "good old days"—the stuff of which memories are made.

We have it on good authority that the prices are going up—and then on up some more.

Now, if you like high gasoline prices, that is fine. But I do not, and I have not run across any of my neighbors in the Seventh Kentucky District who do, either.

They feel like they are being held up at the gas pump by foreign suppliers who keep jacking up the prices.

We sell an awful lot of foodstuffs to the countries who gouge us on oil—but I cannot remember ever hearing anyone accuse us of profiteering on them.

I submit that the time has come for us to start playing it smart, and telling some of these oil producing countries that we can play their game, too.

They have us in a vulnerable position, and they know it. To me, the amazing thing is that we seem to lack the will to do anything about it.

No one wants to stand up and say, "Stop this foolishness. We've had enough. It is time we got out of this dependent position."

The South Africans are doing it—working day and night to complete a massive industrial complex to convert even more of their coal into energy fuels. They have been at it for several years.

The West Germans are doing it—and I understand they are well advanced in plans to construct a number of plants to rid themselves of dependence upon outside sources of oil. Many of us remember only too well how the German nation used its coal to produce liquid fuels to maintain its World War II fighting machine 35 years ago.

And Mr. Speaker, we can do it. We have the technology to do it. Numerous witnesses have appeared recently before the Subcommittee on Employment Opportunities to describe our capability of turning our abundant coal into liquid fuels and gases. We do not have to be dependent, and it should make every American angry when he sees us doing nothing about the problem.

Again, Mr. Speaker, I urge the Members to look at those figures on their gasoline pumps today. And I have this advice for them: Do not get scared. Get mad.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STUMP for May 30, 31, and June 1, 1979, on account of official business in the District.

Mr. ERDAHL, at the request of Mr. RHODES, after 12 p.m. today and the balance of the week on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TAUKE) to revise and extend their remarks and include extraneous material:)

Mr. MADIGAN, for 5 minutes, today.
Mr. ASHBROOK, for 15 minutes, today.
Mr. CONABLE, for 10 minutes, today.
Mr. CORCORAN, for 15 minutes, today.

(The following Members (at the request of Mr. HALL of Ohio), to revise and extend their remarks and include extraneous material:)

Mr. WEAVER, for 10 minutes, today.
Mr. COTTER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. CORRADA, for 5 minutes, today.
Mr. LUNDINE, for 5 minutes, today.
Mr. HALL of Ohio, for 15 minutes, today.
Mr. MIKVA, for 5 minutes, today.
Mr. VAN DEERLIN, for 5 minutes, today.
Mr. ST GERMAIN, for 5 minutes, today.
Mr. SMITH of Iowa, for 5 minutes, today.
Mr. DE LA GARZA, for 30 minutes, today.
Mr. DASCHLE, for 5 minutes, today.
Mr. CONYERS, for 5 minutes, today.
Mr. WILLIAMS of Montana, for 5 minutes, today.
Mr. ALEXANDER, for 5 minutes, today.
Mr. BARNES, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SYMMS, immediately preceding the vote on the Bedell amendment, on H.R. 2575, in the Committee of the Whole today.

Mr. SEIBERLING, to revise and extend his remarks and to include extraneous material on H.R. 2575, the defense authorization supplemental bill.

Mr. GILMAN, immediately following the special order of Mr. DE LA GARZA, today.

(The following Members (at the request of Mr. TAUKE) and to include extraneous material:)

Mr. DERWINSKI.
Mr. DORNAN in two instances.
Mr. PAUL in five instances.
Mr. ERDAHL.
Mr. EMERY.
Mr. ROTH.
Mr. COLLINS of Texas in two instances.
Mr. BURGENER.
Mr. MOORE.
Mr. ANDERSON of Illinois in two instances.
Mr. LEE.
Mr. LEACH of Iowa.
Mr. ASHBROOK in two instances.
Mr. BADHAM.
Mr. MICHEL.
Mr. FRENZEL in three instances.
Mr. EVANS of Delaware.
Mr. STANGELAND.
Mr. GILMAN in two instances.
Mr. GRISHAM.
Mr. LIVINGSTON.
Mr. LUNGREN.
Mr. HAGEDORN.
Mr. CARNEY.

(The following Members (at the request of Mr. HALL of Ohio) and to include extraneous matter:)

Mr. EDGAR in two instances.
Mr. KILDEE.
Mr. DRINAN.
Mr. OBERSTAR.
Mr. SIMON.
Mr. CLAY.
Mr. CORRADA.
Mr. BLANCHARD in two instances.
Mr. O'NEILL.
Mr. STOKES.
Mr. ADDABBO.
Mr. GEPHARDT.
Mr. SANTINI.
Mr. UDALL.
Mr. GUARINI.
Mr. BRADEMAS in five instances.
Mr. SWIFT.
Mr. DASCHLE in two instances.
Mr. SKELTON.
Mr. HARRIS.
Ms. FERRARO.
Mr. OTTINGER in five instances.
Mr. BEDELL.
Mrs. SCHROEDER in two instances.
Mr. MCDONALD in five instances.
Mr. WEISS.
Mr. HEFNER.
Mr. EDWARDS of California.
Mr. RODINO.

(The following Members (at the request of Mr. WILLIAMS of Montana) and to include extraneous matter:)

Mr. MCKAY.
Mr. BONIOR of Michigan.
Mr. FITHIAN.
Mr. BEVILL.
Mr. APPLEGATE.
Mr. CONYERS.
Mr. KOSTMAYER.
Mr. FLIPPO.
Mr. FLORIO.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3404. An act to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes.

ADJOURNMENT

Mr. WILLIAMS of Montana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 5 o'clock and 43 minutes p.m.), under its previous order, the House adjourned until Monday, June 4, 1979, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1724. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense services to Saudi Arabia (transmittal No. 79-37), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1725. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense services to Saudi Arabia (transmittal No. 79-38), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1726. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense services to Saudi Arabia (transmittal No. 79-39), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1727. A letter from the Administrator of Veterans' Affairs, transmitting the first semiannual report of the Inspector General of the Veterans' Administration, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

1728. A letter from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures for the period January 1 through March 31, 1979, pursuant to section 105(a) of Public Law 88-454, as amended (H. Doc. No. 96-136); to the Committee on House Administration and ordered to be printed.

1729. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to extend the appropriations authorization for reporting of weather modification activities; to the Committee on Science and Technology.

1730. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a draft of proposed legislation to add clarifying amendments to the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSCN: Committee on House Administration. House Resolution 198. Resolution dismissing the election contest against Parren J. Mitchell (Rept. No. 96-226). Referred to the House Calendar.

Mr. WHITTEN: Committee on Appropriations. H.R. 4289. A bill making supplemental appropriations for the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 96-227). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 4259. A bill authorizing the President of the United States to present a gold medal to the American Red Cross; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEDELL:

H.R. 4260. A bill to prohibit the use of water from certain Federal reclamation projects for the irrigation of surplus crops within 10 years of the completion date of such projects; to the Committee on Interior and Insular Affairs.

By Mr. JOHN L. BURTON:

H.R. 4261. A bill designating the daisy and all its varieties as the national flower of the United States; to the Committee on Post Office and Civil Service.

By Mr. COTTER (for himself, Mr. Lederer, Mr. Shannon, Mr. Stark, and Mr. Brodhead):

H.R. 4262. A bill to impose a windfall profit tax on domestic crude oil; to the Committee on Ways and Means.

By Mr. DASCHLE:

H.R. 4263. A bill to amend the Petroleum Marketing Practices Act to prevent the termination of franchises for the retail distribution of diesel fuel in certain cases in which a substantial portion of the diesel fuel is sold for agricultural or other essential uses; to the Committee on Interstate and Foreign Commerce.

By Mr. DONNELLY:

H.R. 4264. A bill to amend the Copyright Law to provide that certain performances and displays of profitmaking educational institutions are not infringements of the exclusive rights of copyright owners; to the Committee on the Judiciary.

H.R. 4265. A bill to amend the Internal Revenue Code of 1954 to provide individuals a credit against income tax for amounts paid or incurred by the taxpayer for alterations to his principal residence in order to make such residence more suitable for handicapped family members; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 4266. A bill to protect certain small businesses; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL:

H.R. 4267. A bill to amend title XVIII of the Social Security Act for the purpose of authorizing the President to enter into agreements establishing reciprocal arrangements between the medicare program and similar programs of any foreign country; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. GOODLING:

H.R. 4268. A bill to amend the Internal Revenue Code of 1954 to allow a refundable tax credit for amounts paid for increases in electricity under automatic fuel adjustment clauses as a result of the shutdown of the nuclear plant at Three Mile Island near Middletown, Pa.; to the Committee on Ways and Means.

By Mr. HALL of Ohio:

H.R. 4269. A bill to promote the observance of the Universal Declaration of Human Rights in the conduct of the foreign policy of the United States, to provide for congressional approval of any bilateral assistance to countries which violate human rights, to require U.S. human rights policies in international financial institutions to be consistent with such policies with respect to U.S. bilateral assistance, and for other purposes; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. HUBBARD:

H.R. 4270. A bill to amend the Truth in Lending Act to facilitate compliance by simplifying the requirements imposed under that act, to facilitate administrative enforcement of that act, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. JEFFORDS:

H.R. 4271. A bill to amend the Library Services and Construction Act to allow the States to reduce the amount expended for State institutional library services; to the Committee on Education and Labor.

By Mr. KASTENMEIER:

H.R. 4272. A bill to limit the service of civil process by U.S. marshals; to the Committee on the Judiciary.

H.R. 4273. A bill to amend section 17 of the act of July 5, 1946, as amended, entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes; to the Committee on the Judiciary.

By Mr. KOGOVSEK:

H.R. 4274. A bill to amend title 10, United States Code, to reduce the minimum unit size requirement for units of the Junior Reserve Officers' Training Corps; to the Committee on Armed Services.

By Ms. MIKULSKI:

H.R. 4275. A bill to designate the aquarium to be built on the site on Pratt Street, pier 3, Baltimore Inner Harbor, Baltimore, Md., as the "National Aquarium"; to the Committee on Public Works and Transportation.

By Mr. MINETA:

H.R. 4276. A bill directing the Secretary of the Interior to conduct a study with a view to determining the feasibility of establishing the Juan Bautista de Anza National Historic Trail; to the Committee on Interior and Insular Affairs.

By Mr. RINALDO:

H.R. 4277. A bill to amend the Tariff Schedules of the United States by repealing item 807.00 relating to certain articles assembled abroad from fabricated components which are products of the United States; to the Committee on Ways and Means.

By Mr. RODINO (for himself and Mr. Hyde):

H.R. 4278. A bill to amend title 18 of the United States Code to revise and improve the laws controlling false identification crimes; to the Committee on the Judiciary.

By Mr. SKELTON (for himself, Mr. Schulze, and Mr. Watkins):

H.R. 4279. A bill to establish a commission to study the feasibility of constructing a monument dedicated to the duties and responsibilities of citizens of the United States; to the Committee on House Administration.

By Mr. SNYDER (by request):

H.R. 4280. A bill to amend the Internal Revenue Code of 1954 to allow any individual who sold his principal residence after December 31, 1977, and before July 27, 1978, and who attained age 65 before the date of such sale a special election to exclude up to $100,000 of gain on the sale of such residence; to the Committee on Ways and Means.

By Mrs. SPELLMAN:

H.R. 4281. A bill to amend title 5, United States Code, to provide that the Federal employee service and indemnity health benefits plans require second opinions in the case of elective surgery covered under those plans; to the Committee on Post Office and Civil Service.

By Mr. WYATT:

H.R. 4282. A bill to repeal section 19 of Public Law 95–142; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. MOFFETT (for himself, Mr. McHugh, Mr. Maguire, Mr. Ottinger, Mr. Miller of California, Mr. Downey, Mr. Wirth, Mr. Gore, Mr. Panetta, and Mr. Wolpe):

H.R. 4283. A bill to amend the National Energy Conservation Policy Act to establish an emergency program for the conservation of gasoline and diesel oil; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITTEN:

H.R. 4289. A bill making supplemental appropriations for the fiscal year ending September 30, 1979, and for other purposes.

By Mr. CARTER:

H.J. Res. 348. Joint resolution to provide that it be the sense of Congress that a White House Conference on Long-Term Care be called by the President of the United States in 1979, to be planned and conducted by the Secretary of Health, Education, and Welfare; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H. Con. Res. 132. Concurrent resolution expressing the sense of the Congress that Radio Free Europe/Radio Liberty should reinstate Uighur language broadcasts to the Soviet Union; to the Committee on Foreign Affairs.

By Mr. STANGELAND:

H. Con. Res. 133. Concurrent resolution to express the sense of the Congress that the President should immediately establish and appoint a National Energy Council; to the Committee on Interstate and Foreign Commerce.

By Mr. CONTE:

H. Res. 293. Resolution amending the Rules of the House of Representatives to establish a standing committee on energy; to the Committee on Rules.

By Mr. SOLARZ:

H. Res. 294. Resolution to designate June 9, 1979, as "Gravesend, Brooklyn-New York and Gravesend, England Twin Communities' Anniversary Day"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

208. By the SPEAKER: Memorial of the Legislature of the State of California, relative to the fuel shortage; to the Committee on Interstate and Foreign Commerce.

209. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to Vietnam Veterans Week; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GLICKMAN:

H.R. 4284. A bill for the relief of tenants of Scully Lands in Marion County, Kans.; to the Committee on the Judiciary.

By Mr. HARRIS:

H.R. 4285. A bill for the relief of Morris and Lenke Gelb; to the Committee on the Judiciary.

By Mr. JACOBS:

H.R. 4286. A bill for the relief of Ralph W. Clayton; to the Committee on the Judiciary.

H.R. 4287. A bill for the relief of Cheryl Cracknell Greenen; to the Committee on the Judiciary.

By Mr. STANGELAND:

H.R. 4288. A bill for the relief of Pio Oco; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H. Res. 295. Resolution to refer the bill H.R. 4162 for the relief of the estate of Maj. John E. Doyle to the Chief Commissioner of the U.S. Court of Claims; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1825: Mr. Hammerschmidt.

H.R. 2382: Mr. Biaggi, Mr. Burgener, Mrs. Bouquard, Mr. John L. Burton, Mr. Coelho, Mr. Downey, Mr. Edgar, Mr. Edwards of California, Mr. Evans of the Virgin Islands, Mr. Flood, Mr. Gilman, Mr. Green, Mr. Kemp, Mr. Lederer, Mr. Livingston, Mr. McHugh, Mr. Mavroules, Mr. Ottinger, Mr. Rangel, Mr. Richmond, Mr. Rosenthal, Mr. Stark, Mr. Weiss, Mr. Charles H. Wilson of California, Mr. Wolff, and Mr. Zeferetti.

H.R. 2445: Mr. Bethune, Mr. Edgar, Mr. Beard of Rhode Island, Mr. Cavanaugh, Mr. Florio, Mr. Forsythe, Mr. Bedell, Mr. Patten, Mr. Markey, Mr. Derwinski, Mr. Rinaldo, Mr. Mollohan, Mr. Coelho, Mr. Coughlin, Mr. Kindness, Mr. Hammerschmidt, Mr. Dannemeyer, Mr. Patterson, and Mr. Walgren.

H.R. 2551: Mrs. Fenwick, Mr. Beilenson, Mr. Sabo, Mr. Vento, Mr. Roe, Mr. Bonior of Michigan, Mr. Edgar, Mr. Downey, Mr. Evans of Georgia, Mr. Bedell, Mr. Emery, Mr. Howard, Mr. Carr, Mr. Patten, Mr. AuCoin, Mr. Rinaldo, Mr. Flood, Mr. Lee, Mr. Williams of Montana, and Mr. Wolpe.

H.R. 2647: Mr. Gibbons, Mr. Coleman, Mr. Thompson, Mr. Hollenbeck, and Mr. Rinaldo.

H.R. 2648: Mr. Gibbons, Mr. Coleman, Mr. Thompson, and Mr. Hollenbeck.

H.R. 2777: Mr. LaFalce, Mr. Derwinski, Mr. McDonald, Mr. Collins of Texas, Mr. Whitehurst, Mr. Simon, Mr. Lott, Mr. Dornan, Mr. Carter, Mr. Maguire, Mr. Mitchell of Maryland, and Mr. Cleveland.

H.R. 3283: Mr. Murphy of Pennsylvania, Mr. Walgren, Mr. Mitchell of Maryland, Mr. Goodling, Mr. Hanley, Mr. Bailey, Mr. Markey, Mr. Stokes, Mr. Wolpe, Mr. Jenrette, Mr. Garcia, Mr. Edgar, Mr. Bedell, Mr. Daschle, Mr. Weiss, and Mr. Howard.

H.R. 3293: Mr. Seiberling, Mr. Bedell, Mr. Dougherty, Mr. Leach of Iowa, and Mr. Tauke.

H.R. 3294: Mr. Seiberling, Mr. Bedell, Mr. Dougherty, Mr. Leach of Iowa and Mr. Tauke.

H.R. 3295: Mr. Seiberling, Mr. Bedell, Mr. Dougherty, Mr. Leach of Iowa, and Mr. Tauke.

H.R. 3403: Mr. Hammerschmidt.

H.R. 3613: Mr. Coelho, Mr. Gudger, Mr. Seiberling, Mr. Gingrich, and Mr. Corcoran.

H.R. 3687: Mr. Breaux.

H.R. 3719: Mr. Gilman and Mr. Cleveland.

H.R. 3769: Mr. Hollenbeck.

H.R. 3912: Mr. Neal, Mr. Patten, Mr. Lujan, Mr. Mineta, Mr. Lagomarsino, Mr. Erlenborn, Mr. Horton, Mr. Addabbo, Mr. Goldwater, Mrs. Byron, Mr. Ertel, Mr. Evans of the Virgin Islands, Mr. LaFalce, Mr. McKinney, Mr. Cheney, Mr. Ottinger, Mr. Grisham, Mr. Fish, and Mr. Gudger.

H.R. 4027: Mr. Andrews of North Dakota, Mr. Bethune, Mr. Bevill, Mr. Cavanaugh, Mr. Donnelly, Mr. Jenrette, Mr. Lott, Mr. Mottl, Mr. Pease, Mr. Sensenbrenner, Mr. Symms, Mr. Williams of Ohio, and Mr. Young of Missouri.

H.R. 4067: Mr. Breaux.

H.R. 4224: Mrs. Snowe.

H.J. Res. 69: Mr. Addabbo, Mr. Bowen, Mr. Cotter, Mr. Martin, Mr. Wolpe, and Mr. Yatron.

H.J. Res. 272: Mr. Winn, Mr. Howard, Mr. Stenholm, and Mr. Jones of North Carolina.

H. Con. Res. 87: Mr. Moakley.

H. Con. Res. 121: Mr. Drinan, Mr. Wolpe, Mr. Glickman, Mr. Weiss, Mr. Downey, Mr. Flood, Mr. Mica, Mr. Coelho, Mr. Blanchard, and Mr. Dougherty.

H. Res. 186: Mr. Seiberling, Mr. Bedell, Mr. Dougherty, Mr. Leach of Iowa, and Mr. Tauke.

EXTENSIONS OF REMARKS

TRANSPORTATION CONSIDERATIONS ADDRESSED BY STRONG ALASKA BILL

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. EDGAR. Mr. Speaker, the Alaska National Interest Lands Conservation Act has the potential of being the greatest conservation law in our Nation's history. In my remarks on May 15 last year, I expressed my view that the Udall-Seiberling bill, H.R. 39, was an act of foresight, creating national parks and wildlife refuges in Alaska that will provide their greatest benefits to future generations, just as Yosemite and Yellowstone are benefiting our generation more than they did the people of the 19th century. Unfortunately, a strong Alaska bill failed to pass the Senate last year, and this year we again were faced with the responsibility of passing a bill to preserve the natural treasures of Alaska.

Far more than last year, legislation emerging from the Interior and Merchant Marine Committees was damaged by an overzealous response to the mining, timber, and oil industries. I think it is time to respond more clearly to the concern of the public, hence my support for the Udall-Anderson substitute to H.R. 39.

"Can't we save something that is still the way it has been for tens of thousands of years without first desecrating it with roads, mines, pipelines and other man-made scars?" a March 15, 1979, article in the Pittsburgh Press asked. I am gratified that the House's answer to that question has been yes. We cannot afford to let these wilderness and wildlife lands be whittled away. The loss would not be just ours, but our children's.

Built upon last year's H.R. 39 (and the legislation introduced this year and cosponsored by one-third of all House Members including myself), the Udall-Anderson substitute is a carefully refined and balanced bill. As a member of the Subcommittee on Surface Transportation, I have been particularly interested in the transportation aspects of the Alaska legislation. One of the obstacles to efficient surface transportation in the lower 48 States has been the great difficulty of planning routes that do not conflict with existing land uses. Anywhere you want to build a highway, a rail line, a pipeline, or a power transmission line, you run into conflict with people's houses, farms, industrial areas, or parks. It always boils down to a question of who gets the short end of the stick.

On the public lands in Alaska, the situation is so different that it seems like another world. Most of the land is still in public ownership, and has not been committed to specific uses. There are several major transportation routes, such as the Alaska Highway, the Alaska Railroad, and the corridor that embraces the Alaska oil pipeline and its associated highway. But most of Alaska's surface transportation network remains to be built.

Transportation was a major factor in the development of H.R. 39 and the Udall-Anderson substitute. Long before legislation was introduced, the transportation needs of Alaska were being studied by State and Federal agencies. The Alaska Department of Highways in 1973 proposed a system of transportation corridors crisscrossing the State. In 1974, the Interior Department's Bureau of Land Management prepared a primary corridor system plan, chiefly intended for transportation of energy resources. The joint State-Federal Land Use Planning Commission for Alaska made its own study of the transportation outlook and held hearings across the State, but declined to identify specific corridors. Again during the field hearings of the House Interior Committee's Subcommittee on General Oversight and Alaska Lands, many people gave their ideas on Alaska's future transportation needs.

As an outgrowth of years of study by the agencies, and hearings by the subcommittee, the boundaries of the conservation areas in H.R. 39, and subsequently the Udall-Anderson substitute, were adjusted to avoid conflict with essential transportation needs by leaving the needed corridors outside the conservation areas.

The unforeseeable needs are addressed by title X of the Udall-Anderson substitute, entitled "Transportation and Utility Systems on Conservation System Units." First, this title states that all existing laws allowing transportation rights-of-way across areas of the National Park System, National Wild and Scenic Rivers System, National Wildlife Refuge System, and National Wilderness Preservation System shall apply to the areas established by the Udall-Anderson substitute.

Then it goes on to set up a procedure for roads, pipelines, and utility lines that are not allowed by those existing authorities. This title X procedure would seldom be needed, because the Secretary of the Interior already has ample authority for most transportation rights-of-way in the conservation systems. The new procedure would be used chiefly for transportation routes across the designated wilderness areas.

Access to mining claims and State or private property is expressly guaranteed, no matter where this property is located.

There is some concern that title X may be too generous to those who would build transportation routes across the national interest lands. The Interior Department has cautioned that this title may actually promote the use of these conservation lands for transportation purposes by providing expedited Federal action that is not available for right-of-way applications on other Federal lands.

My conclusion is that transportation needs have been thoroughly and satisfactorily taken into account in the Udall-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Anderson substitute. In this bill we are protecting a large and still unimpaired share of wild America for public use. At the same time we are providing for the future transportation needs of Alaska.●

CURBING OPEC'S POWER

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. GEPHARDT. Mr. Speaker, it is increasingly obvious that our policy or lack of policy regarding OPEC is as important, if not more important, than any action we take regarding domestic oil production and policy. I fear our present policy regarding OPEC needs immediate study and reconsideration in light of recent events.

An article by Hobart Rowen in today's Washington Post well states the problem and suggests some approaches we might consider. No issue deserves more immediate consideration by Congress and the administration. A full reprint of Mr. Rowen's article is as follows:

Curbing OPEC's Power

(By Hobart Rowen)

OPEC has now raised oil prices 28 percent since the beginning of this year—and the cartel isn't finished with its plans for sticking it to the consuming nations, rich and poor. We'll soon look back on $1-a-gallon gas as cheap.

The grim fact that OPEC has become the main engine of worldwide inflation has now been recognized in a series of statements by senior administration officials.

The new burst of rhetoric began with testimony on Capitol Hill by Treasury Secretary W. Michael Blumenthal and Under Secretary of State Richard Cooper, who said that worldwide inflation had reached "a dangerous point" as a result of the oil price increases.

For the past four months, inflation here has been rising at an annual rate of 14 percent. Hopes that inflation might recede later this year have been dashed by the steady upward ratcheting of oil prices.

The U.S. oil import bill, last year $42 billion, is expected to run $52 billion to $55 billion in 1979. Unchecked, we are heading to the incredible oil import level of $100 billion in the mid-1980s. What happens to the dollar in such a situation?

It was left to presidential aide Stuart E. Eizenstat to bring the new worry into sharpest focus. The mild economic slowdown desired by the Carter administration to curb inflation "would turn into a recession," Eizenstat told a TV audience, if OPEC raises prices further.

"They are going to badly damage the world economy," Eizenstat said. And he pointed out that among those injured would be the poor nations "with whom they [OPEC] profess to have a great deal of sympathy."

The administration comes a little late to a public acknowledgment of the oil cartel's power. For so long, officials argued, the best policy was to turn the other cheek, and depend on OPEC's need to buy goods and services from the West, while reinvesting the cartel's surplus funds. "Recycling" was the magic watchword.

But it is now estimated that after all investments, purchases and extravagances of Arab royalty, OPEC surpluses will be $30 billion or more in this calendar year. That's about the same level as the aggregate balance of payment deficits of the debt-burdened poor nations.

A sense of desperation runs through the Blumenthal-Cooper-Eizenstat statements. They propose no moves the United States should take to retaliate against OPEC, alone or in concert with others.

Yet, they see clearly the handwriting on the wall in terms of future OPEC pricing policy. The cartel managers learned a great lesson from the Iranian revolution: Less means more.

"Everybody always said that the cartel could make more money by keeping it in the ground. But they never really did it until the Iranian mess showed that it was practical. The Iranians discovered they could make as much money from 4 million barrels a day as from 6 million. Now, the rest of them, including our friends the Saudis, are following suit," one official says.

Meanwhile, the cartel's success in creating a shortage of supply has panicked buyers into bidding for "oil at any price." It is authoritatively reported that Ecuador sold 600,000 barrels last week for an incredible $36 a barrel, more than double the current official price. With spot prices going through the roof, OPEC will boost the official price again in Geneva on June 26.

What can be done? Obviously, the first answer is to boost other sources of supply. That includes not only coal and all alternatives to oil, but something better than the ham-handed approaches that have been made to Mexico to acquire a share of its oil and gas.

Second, conservation has to be directed by government order, not left to voluntary compliance. That means, among other things, getting Congress off its duff to vote for rationing authority.

Third, any number of ideas for curbing OPEC's power, rated as impractical, strange or nutty by the establishment need to be examined carefully. For example, a number of congressmen have introduced H.R. 3604, which would establish a federal nonprofit corporation as the sole importing agent for oil. Economists John Kenneth Galbraith says: "The creation of this bargaining instrument is the completely logical, completely plausible answer . . . to the bargaining power of the other side." Surely, it's at least one answer to be considered.

For too long, officials like Emile Van Lennep, head of the industrial nations grouped in the OECD, have been saying, as he did on May 21, that "nothing . . . can be done" about the OPEC price increases themselves. Lennep accepts everything OPEC has done, and limits himself to recommending offsetting policies persuading wage-earners to "accept the cut in real incomes resulting from the rise in oil prices."

It is time to put an end to this defeatist, attitude. Two days after the OPEC summit meeting in Geneva, there will be an economic summit in Tokyo among the seven major world powers. If this is to be more than a charade, the issue of how to deal directly with OPEC—an issue politely buried at earlier summits—needs to be explored on a forthright basis. There is no more pressing problem for the head of state.●

OBSTACLES TO BLACK ECONOMIC PROGRESS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. PAUL. Mr. Speaker, Dr. Walter E. Williams, associate professor of economics at Temple University, is one of our country's most eloquent spokesmen for economic opportunity for blacks.

Dr. Williams, who is black himself, analyzes all the well-intentioned social programs and the perhaps not-so-well-intentioned labor laws, and concludes that they are obstacles to black economic progress.

Black Americans need the free market, and I would like to bring Dr. Williams' excellent article from today's Wall Street Journal on this subject to my colleagues' attention.

The article follows:

Political "Saviors" Don't Deliver What Blacks Need

(By Walter E. Williams)

With the approach of the 1980 presidential elections, the murmurings are that the real savior of black people is Sen. Edward Kennedy. These murmurings emanate from the same people who successfully convinced black people that President Carter was the real savior. Mr. Carter's proposed budget cuts and reductions in social programs are viewed as a betrayal of his campaign pledge to help the poor.

This leaves Mr. Carter in the position of being able to confront blacks with the proposition: If you don't help me get reelected you won't even get peanuts.

But this leaves an important question unanswered: Why do blacks need a political savior? Why do they need government largess and paternalism while disadvantaged groups of the past did not? The most unique feature of the U.S. is that we are a nation of minorities. No minority was welcomed to our shores with open arms. All were persecuted in varying degrees. These minorities (Jews, Orientals, Irish, Italians and so on) made it into the mainstream of American society without "social commitment" and often in the face of open hostility. Are blacks mentally incompetent and hence in need of paternal support?

Of course not. Witness the progress of blacks up from slavery in the space of only 100 years. Then what is the problem? Much of the success of earlier disadvantaged minorities—and much of the difference between blacks and earlier minorities—is that when they came to our cities they faced a relatively open economic system.

There were sweatshops, peddlers and all kinds of domestic jobs. There was no minimum wage law; workers could be paid by the piece rate; there were few licensed occupations and businesses. What all of this means was that one could be unskilled and still get a job and ultimately learn skills. Today's laws that require either federal or union-dictated minimum wages and the numerous occupational licensure laws effectively bar employment to the lowest skilled people.

Justifications for these laws are many: inhumane work, unsafe jobs, exploitative wages and so forth. Whatever the justification for these laws, their effect is to cut off the lower rungs of the economic ladder. The very people who went through these "inhumane" conditions are solidly in the mainstream of American society and the people who are "protected" from these conditions are having the difficulties.

What disadvantaged black people need is not a savior and not leaders; they need the opportunity to be able to compete in the market. Neither the President nor black political representatives show a desire to change laws that restrict competition in ways very costly to blacks. In fact, congressional blacks in discharging their responsibilities to labor unions vote for and support legislation that makes many of the people who voted for them worse off.

The minimum wage law is one such law

that receives the unanimous support of black Congressmen. This support comes in spite of the abundance of economic evidence that shows the minimum wage law discriminates against the most disadvantaged worker. The evidence of this is seen in the unprecedented high rates of unemployment among younger blacks. The unemployment rate for young blacks exceeds, by multiples, that experienced during the most hostile times of overt discrimination but when there was no mimimum wage law.

The Davis-Bacon Act is a law which requires the payment of "prevailing" wages on federally funded or assisted construction projects. Often this means the government pays the going union rate and hires union labor, rather than employing nonunion construction workers. But most black construction workers are in the nonunion sector. Therefore the Davis-Bacon Act discriminates against black workers and contractors in an indirect fashion. It also directly raises the cost of federally funded or assisted low income housing.

In fact part of the original intent of the Davis-Bacon Act was to get blacks out of federal construction jobs. This is evidenced in much of the floor debate cited in the Congressional Record in 1931. As Congressman Allgood said flatly at one point: "That contractor has cheap colored labor that he transports, and he puts them in cabins, and it is labor of that sort that is in competition with white labor throughout the country."

There are numerous other laws which effectively remove the bottom steps on the economic ladder. None of these laws are more vividly seen than the taxi law in New York City. In 1925 a poor, illiterate, however industrious immigrant could buy a used car and write the word "TAXI" on it and he was thus in business providing a livelihood for his family. Today's poor New Yorker seeking a similar path to upward mobility needs more than industry and a used car. He needs a hack license costing about $60,000.

Basically, then, blacks don't need massive social spending. They need legislative changes that improve economic opportunity, especially in the labor market. Nor do they need politicians who tell them that the enemy is General Motors, U.S. Steel or IBM. For black upward mobility, open entry further down the economic ladder is a bigger problem and a bigger opportunity.

But black political leaders and white "liberals," for reasons of electoral convenience, have formed alliances with the very people in whose interest it is to restrict job entry. Carpenters, plumbers, electricians and the like are far more threatened by those at the bottom of the economic heap than GM or IBM, and it is the liberals who have been quickest to exploit these fears.

No doubt appeals to resurrect the American ideal of open markets will fall on deaf ears. There are a number of people black and white who have a stake in costly social programs and the continued existence of poor and dependent people. These are the same people who cry loudest about limitations on government spending. They are the people who advocate feeding the horses in order to feed the sparrows. Of course, if one is a horse it is the desired means of feeding the sparrows.●

IN MEMORIAM: MARY MURTAGH

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. UDALL. Mr. Speaker, as chairman of the Congressional Office of Technology Assessment, I was served ably and well by a young woman who was the congressional liaison—Ms. Mary Murtagh. Mary died Monday, and the loss felt by myself and everyone fortunate enough to have known her is only beginning to take hold. In her official capacity she was known for an unwavering sense of duty to the Board, and an uncanny sense of diplomacy. Many can vouch for the skill with which she enabled me to avoid the pitfalls of chairing the TAB. The continuity brought to her office from the previous Congress, under the chairmanship of Senator EDWARD KENNEDY, allowed me to profit from her accumulated experience. We feel a sense of drift from her absence that she herself, always the pro, would disapprove.

But it is not in her official capacity that she will be most remembered. Simply put, it was Mary's deep, unambiguous humanity that endeared us. Her morality had a fine edge; her sense of right and wrong allowed no cavil. I am sorry that I can no longer work with her; but I am more sorry that we all may not longer profit from her terrific character. She was a beauty.●

VIETNAM VETERANS WEEK

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. EMERY. Mr. Speaker, throughout this week, the entire Nation is paying special tribute to those brave men who answered their Nation's call to arms to serve in the Republic of Vietnam. These brave young men made a great sacrifice to their Nation and deserve our sincerest gratitude.

I would like to take this opportunity to share with my colleagues two editorials which I feel express the sentiments of many Americans with respect to those who gave their blood, sweat, tears and lives in a distant place known as South Vietnam. The first article appeared in the Army magazine; the second appeared in Morning Sentinel which is published in Waterville, Maine.

The articles follow:

[From Army Magazine]

AT LAST AN OVERDUE "WELCOME HOME"

The daring folks in Max Cleland's office have come up with a really kinky idea. They want all of us to give some recognition to Vietnam era veterans during Memorial Day week this year—and get this: the vast majority of the objects of our hoped-for attention never deserted a day in their lives, never refused an order to fight, never fled to Canada or Sweden to avoid service, and never got cited in a newspaper crime story as a "Vietnam veteran."

No, what President Carter, Mr. Cleland, his administrator of veterans affairs, and Congress want the nation to do is to pay tribute to the nearly 9,000,000 veterans of that period who did what was asked of them and then returned home—in a plane seat, on a stretcher or in a casket.

It's about time.

In a period about which America has much to regret, there was a no more shameful episode than the treatment afforded those who wore the uniform. Veterans of previous wars came home to bands and the smiles of a grateful nation; those from Vietnam got scowls, verbal abuse in public places and an unemployment record that was a national disgrace. And then we topped all this off by officially dignifying the sneers of their detractors by extending amnesty to those who sat up in Canada and derided them as fools.

Mr. Cleland, himself a veteran of the Vietnam conflict, told a group of editors recently that those who served still suffer from deep psychological scars:

"They served with bravery fully equal to that of Americans who served in other wars. Yet, they are a different group of veterans—one beset by lingering problems and by an uncertainty that their service was just."

Mr. Cleland called this group the "silent veterans—you just don't hear much about them unless it's negative." They are among the business, professional and everyday people whose contributions to the community make up the news columns, but chances are one is never identified as a Vietnam veteran until he robs a store or shoots someone. The result, says Mr. Cleland, is perpetuation of the "myths that Vietnam veterans are 'walking time bombs' we cannot trust."

Who is the Vietnam era veteran? He or she is among 8,811,000 Americans who served in the armed forces between 5 August, 1964, and 7 May, 1975. Thirty percent of those who are now civilians saw service in Vietnam. Ninety percent are white, 9.3 percent black and .7 percent of other racial origins. There are 178,000 women, 81 percent are high school graduates, and 96 percent were discharged under honorable conditions.

They left behind 46,616 comrades who were killed in action and some 10,000 others whose deaths were war-related. Another 612 are still listed as missing in action.

As a group, their median family income is a third higher than their nonveteran peers, but the unemployment rate for those between 25 and 29 years of age is 8.6 percent, compared to 5.1 percent for nonveterans in the same age group. For blacks, the difference is 13.17 to 8.7 percent. In the years right after the war the disparities were much worse.

Still-vocal antimilitarists point to the high incidence of psychological problems among Vietnam veterans as further evidence of the inherent "evilness" of the war they fought. Nonsense—the typical Vietnam veteran is no different from those who served in any other war: he has a job, loves his kids and is no more inclined to violent behavior than those who never wore a uniform—and certainly less than the self-proclaimed pacifists who regularly trashed our cities in the late 1960s and early 1970s.

If the Vietnam veteran's readjustment problems have been more widespread than his predecessors' (a Veterans Administration survey shows that nearly half of those disabled in the Vietnam era have had such problems), then our society must take a large part of the blame. Our soldiers, sailors, marines and airmen served their nation as well as any fighting force in history. They didn't start the war and they had better reasons to despise it than those at home.

Whether they believed in their cause—and many did—is beside the point; they did what their country expected of them.

For that, they, not the draft dodgers, deserters and Hanoi sympathizers among us, are the era's pariahs.

One of the reasons the President gave for extending amnesty to selective service evaders was that such a gesture would "bind up the nation's [war] wounds." Mr. Carter's proclamation setting 28 May to 3 June as Vietnam Veterans Week was moving, eloquent and sincere, but it did not contain this phrase and the assumption must be made that amnesty supporters did indeed consider that those wounds were healed when the evaders were forgiven.

If so, they are wrong. That will not happen until the country rights the wrongs its people have done to those who wore the uniform in one of history's most bitter conflicts.

They couldn't be blamed if they told us all to go to hell.

But they won't, not if the nation truly turns out to stage a shamefully overdue "welcome home."

[From the Morning (Maine) Sentinel]

VIETS VETS DESERVE BETTER

Vietnam went away for awhile. The anti-war people had condemned it as immoral, and finally Richard Nixon got the message and stopped the war. Being America's first military defeat in history—and at that by a small third-rate Asian country—it was a war most Americans wanted to forget.

In fact, the men who went to Vietnam to fight and bleed and die were pretty much forgotten while they were there, except by their families. Lyndon Johnson's America was too busy enjoying guns and butter and the good life to spend too much time and thought on a nasty, undeclared war that was going on half a world away. And when that undeclared war was over, the men who fought it and survived came home to a non-hero's welcome. There were no bands, no cheering crowds—just relieved families grateful to have their sons, husbands, and fathers home.

But the performing arts picked up where the anti-war people left off, and we have had a spate of movies, TV films, and books about American aggression in Vietnam. The movie "Coming Home" carries the message that because Vietnam was an unjust war, any veteran should be ashamed to have fought in it. The recent TV movie "Friendly Fire" was an emotionally grinding account of two parents' search for the cause of their son's death in Vietnam—a particularly needless death from "non-hostile fire." The military was portrayed as peopled by heartless PR men, doing their best to put a good face on a shabby system designed to cover up incompetence and bungling by American officers in the field.

But the men who went to Vietnam deserve much more than a guilt complex from their countrymen. The vast majority of them went, not willingly, but because their country called. And when they got there, the vast majority performed the same acts of valor and bravery that American soldiers have in every other war.

Robert Di Niro's film "The Deer Hunter" pays overdue tribute to those qualities. It is a welcome relief from the post-Vietnam guilt complex foisted on American veterans by too many people who have never known the pain and hell of war. It reminds us that an awful lot of young men chose not to win draft deferment by going to college, chose not to run away to Canada.

Certainly, the protesters served a valuable role in halting a war we never should have entered. But if those who did go to fight that war are cast as pariahs who must continue to pay permanent penance, we spurn the very qualities of patriotism and sacrifice that built a country in which protest can exist. And we are faced with the uneasy question: How will young Americans respond to the call to arms in any future "just" war? ●

FIFTH DISTRICT TENNESSEANS ASK THE TRUTH ABOUT ENERGY

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BONER of Tennessee. Mr. Speaker, the citizens of the Fifth District of Tennessee are doing a lot of thinking about energy these days. As I read my congressional mail and speak personally with the residents of Davidson, Cheatham, and Robertson Counties, I find there is great concern if our Nation does, in fact, have an energy shortage.

Angry and resentful people are blaming the one institution that not only grows richer every time there is an oil squeeze, but is as close at hand as the nearest service station: The $360 billion a year U.S. oil industry. Sixty-nine percent of the public still believe that gasoline prices are rising, not because there is an energy crisis but merely because the oil companies want to make more money.

I have read a series of reports from the petroleum industry which show that combined profits from January through March 1979, ran 57 percent above these of the same companies in the first quarter of 1978. It appears that every time there is a report of an oil shortage, the oil companies tend to grow richer. As the demand for gasoline mounts, the retail price moves to the new, higher ceiling. In the last 6 months alone, the average retail price of gasoline has risen from 67 cents to 77 cents at the pump. Reports indicate that oil prices may rise above the $1 mark this summer. Accordingly, over the past year, Gulf's profits increased 61 percent; Texaco's 81 percent; Marathon Oil rose 108 percent; and Standard Oil of Ohio increased 303 percent. The biggest oil multinational of them all, Exxon Corp., reported a gain of 37.4 percent, to $995 million, by far the most impressive 3-month earnings period in the company's history.

The question arises, Mr. Speaker, whether the oil barons are manipulating the market and/or creating a self-imposed shortage. I believe the oil companies have created an extreme amount of mistrust in the American public. Many of these powerful oil companies have huge investments in all four aspects of the business: Drilling, transporting, refining, and marketing. They act as producer, middleman, and seller. This control over the stream of commerce in the oil industry should be examined to determine if changes are necessary in this monopolistic practice.

There are many questions that remain to be answered: Is there an oil shortage? What can be done to avoid a shortage of oil in the near future? Will energy prices keep going up? What will solar power do to help our energy problems? Why do we not use more coal? What role can alcohol fuels play? How can we prevent the oil companies from making excessive profits?

To protect the American consumer, Congress should enact an effective windfall profits tax in order that the oil companies cannot continue to "cash in" on the reports of an oil shortage. If there is in fact an oil shortage, we must not allow the oil companies to capitalize on this crisis. The windfall profits tax should reflect the attitude of the American people by discouraging these companies from increasing their profits. Congress should take a hard line in this area by passing a windfall profits tax that will protect the consumer. I do not believe Congress will adequately express the views of the American public unless a stern and promising windfall profits tax is passed.

In documenting my concerns, Mr. Speaker, just today, the Department of Energy has detailed that seven major oil companies will illegally overcharge consumers $1.7 billion for crude oil. The oil companies improperly reclassified low-priced oil so that it sold for more than twice the amount permitted by Government price controls. The DOE's list of overcharges include: Texaco $888.3 million; Gulf Oil $577.9 million; Standard Oil Co. of California $101.6 million; Atlantic Richfield $42 million; Marathon Oil $29 million; Standard Oil of Indiana $24.1 million; and Standard Oil of Ohio $16 million.

Mr. Speaker, the people of Tennessee ask for an end to excessive oil company profits. In voicing the views of the citizens of the Fifth District of Tennessee, I urge Congress to enact legislation which would protect our Nation's consumers. In addition, Mr. Speaker, I believe we in the Congress must insist on two major objectives relating to the oil situation. First, and foremost, we must assure that there is sufficient gas available to Americans so as not to hurt our national economy and drastically change individual American lifestyles. Second, and a more difficult priority, is to assure each and every citizen that oil is available, and available at a rate as cheap as possible. Inexpensive oil for motorists, homeowners, businessmen, and other areas of our society and economy should be a top priority for this Congress and the American people.●

ENERGY CONSERVATION

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

⊙ Mr. EDGAR. Mr. Speaker, America's energy problem is quickly becoming the most serious problem we face. Yet there is a lack of information about the problem and a lack of creative ideas about how we can begin to cope with it. I came across an interesting editorial in the May 30 Philadelphia Inquirer which I would like to share with my colleagues.

The editorial follows:

A CHEAP SOURCE OF ENERGY: CONSERVATION

(By Daniel Yergin)

By this time last year, energy had become one of America's most tired subjects. Not anymore. Iran and rising prices, the nuclear accident at Three Mile Island, and the lengthening gasoline lines in different parts of the country—all these have driven the abstraction of the energy problem very directly into people's immediate lives—and pocketbooks.

One result is that energy conservation has been lifted out of the ranks of retired platitudes. It is back on the national agenda, and in a big way.

Not that many people are particularly in favor of conservation. At best, it is regarded as an unpleasant and painful medicine—sacrifice, denial.

To be sure, that is one kind of conservation—the conservation of curtailment that is imposed by gas lines and "no gas" signs. But that is definitely not the only kind of conservation.

There is an altogether different type of conservation—energy efficiency, energy productivity—that will enable us to avoid the sacrifice and pain of gas lines and shortages and ever-rising prices. To clarify the matter, this kind of conservation can be thought of as an alternative source of energy.

Such was the case made in 1974, when President Ford met with his advisers at Camp David to discuss what to do in the aftermath of the first energy shock. One of those present, Roger Sant, then an assistant Federal Energy Administrator, argued that energy conservation—saving energy—should be regarded as an energy source.

In other words, compare how many units of energy you get by investing in new production with how many you get from investing in energy saving. Conservation, Sant insisted, would prove to be a good buy.

President Gerald Ford did not buy Sant's argument. Instead, he announced that the United States would, between 1975 and 1985, build 200 new nuclear power plants, 150 major coal-fired plants, 30 major new oil refineries, and 20 major new synthetic fuel plants.

A half decade and another energy shock later, it has become clear that not much of Ford's program will come to pass.

Today, Sant, now director of an industrial energy use program for Carnegie-Mellon University, argues that it may be economical to invest as much as $220 billion in energy-saving, rather than conventional energy production. It's that good a source, he says.

Still, there has been a growing evidence for the idea that substantial energy savings—a reduction of 30 to 40 percent—would be possible in the United States without undercutting the standard of living. The way specialists put the matter is that energy consumption and economic growth can be "decoupled." The productivity of energy can be increased so that each unit of energy does more than it has in the past.

There has been a definite evolution of views in this direction. "There is no empirical evidence to indicate that the coupling of energy to economic growth can be decoupled," warned an economist at one of the major oil companies a few years ago.

However, last year, the chief economist for Shell Oil Co. predicted that energy consumption in the United States could grow more slowly than economic growth in the years ahead. "We have found," he said, "that we could decouple the two."

The general evidence for decoupling comes from a recognition of the erratic relationship between energy use and economic activity in the United States. Also, West Germany, another advanced nation, uses only three quarters as much energy for each unit of gross national product as the United States, and France, only half.

An increasing body of case studies lends support to the general observation. Dow Chemical, which happens to be one of the three largest industrial users of energy, has reduced its energy consumption by 40 percent per pound of product over the last decade. And this was accomplished with relatively little capital investment.

Similar evidence is mounting for homes and apartments, where many studies across the country indicate that 30 to 40 percent reductions in energy use are possible with relatively little investment. The most intensive study to date is one carried out by Princeton University researchers at Twin Rivers, N.J.

These researchers found that 67 percent reduction in annual energy consumption for space heating in homes was possible with a relatively simple package—interior window insulation, basement and attic insulation, and plugging of air leaks.

"Among the ways of conserving household energy, there are no spectacular technical fixes," Robert Socolow, the chief researchers, concluded in a new book, "Saving Energy in the Home." "There is only a catalog of small fixes, many of them drab and unimpressive in isolation . . . But the catalog is fat, and many of its entries are cheap."

While the possibilities for relatively painless conservation seem large in the United States, the potential is far from realized. Even gasoline consumption is much higher than the introduction of the more efficient new automobiles would have led one to predict a couple of years ago. This growth is one of the main reasons for the wrong kind of conservation—conservation by curtailment—which we are seeing in today's gas lines.

"We have learned that the requirements for energy use are extraordinarily flexible," observed Lee Schipper of the Lawrence Berkeley Radiation Laboratory at the University of California. Schipper is one of the best-known conservation researchers in the United States.

"But the message about energy flexibility has not gotten through," he says. "People either look at the wrong indicators or they want results too quickly. And people still don't believe energy is scarce. They are led to believe, mistakenly, that such alternatives to OPEC oil as coal and nuclear are cheap.

"Conservation is our only weapon against rising energy prices. All other supplies cost more. And it is possible that growth in energy consumption could grow only half as fast as overall economic growth."

While other energy sources have organized supporters, in the form of the various industries conservation does not. "We have nothing to compare to the energy procedures in terms of marketing, distribution and lobbying," observed Sant. "The oil companies and utilities are busy talking up how much they need to produce. But no one's out there wholesaling conservation by the ton and barrel."

Even those who most vigorously advocate conservation step back from some of the means to that end. Sen. Edward Kennedy, for instance, has been one of the strongest supporters of conservation in the Congress. Yet he has fought hard against letting energy prices rise. But, without rising prices, people cannot be expected to take conservation seriously. And without bigger tax incentives, it is difficult to see how large numbers of people will be convinced to take the actions that do save energy.

But it is awfully hard for a liberal politician to say that we need moderate, manageable price rises now to avoid very sharp price rises later.

On the other hand, conservative politicians tend to refuse to even take conservation seriously as a major energy option.

Ironically, it seems that higher energy prices are necessary to get people to focus on conservation. The current increases in oil prices seem to be having that effect again, after several years of inattention.

Still, the United States, which uses a third of all energy used in the world every day, has yet to accept conservation, in its own right, as a serious energy source.●

SALT VERIFICATION AND UNITED STATES-TURKEY RELATIONS

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BLANCHARD. Mr. Speaker, as the Senate begins its consideration of the Strategic Arms Limitation Treaty (SALT), several key issues will have to be reviewed very carefully. One of the major issues is the question of verification.

With the loss of U.S. verification facilities in Iran, the ability of the United States to verify Soviet compliance with the treaty has become an even more difficult question. One effect of the loss of Iran has been for the State Department to seek an arrangement with Turkey to provide the United States with increased verification capabilities.

In this regard, I wanted to bring an article from a recent edition of the New York Times to the attention of my colleagues. I think this article not only bears on the question of U.S. verification capabilities under SALT, but also raises some questions about the degree to which Turkey is willing to reciprocate for American cooperation in extending military and economic aid.

The article follows:

[From the New York Times, May 24, 1979]

ECEVIT CALLED IRATE ON SPY-FLIGHT PLEA

(By Nicholas Gage)

ANKARA, TURKEY.—Prime Minister Bulent Ecevit is furious at what he feels are efforts by Washington to put pressure on him to accept U-2 flights over Turkey to monitor missile tests in the Soviet Union, according to high Turkish officials.

Mr. Ecevit also remains at odds with the United States, the officials said, over his insistence that Moscow first give its consent to the U-2 flights. The Turkish Foreign Ministry disclosed recently that Turkey would allow the reconnaissance planes to fly over Turkey territory only if the Russians did not object.

American diplomats here say that some kind of tacit consent may come from the Russians because they are as eager for the new treaty limiting strategic arms to win Senate approval as the Carter Administration. But they feel that if Mr. Ecevit insists on formal Soviet consent he will not get it.

Asked what kind of an understanding he would like Moscow and Washington to reach on the flights, Deputy Prime Minister Hikmet Cetin said today that he wanted one that made it clear to the Turkish public that the Soviet Union did not object.

AFFECTS THE WHOLE COUNTRY

Mr. Cetin said that even if the Soviet Union gave its consent, there was no guarantee that Turkey would approve the U-2 flights, which the United States says are needed to compensate for the loss of electronic listening posts in Iran. "The Government as a whole will have to support it," he said, "the Security Council, perhaps even Parliament. This affects the whole country."

American diplomats here believe that while the new arms agreement between the United States and the Soviet Union does not directly involve Turkey, relations between Washington and Ankara will suffer if the U-2 flights are not allowed.

Turkish approval for the flights was formally asked by Deputy Secretary of State Warren M. Christopher at a meeting with Mr. Ecevit on May 8.

Mr. Ecevit reportedly replied that he could allow them only if Moscow gave its consent because he did not want to strain relations with the Soviet Union, which he has been carefully trying to improve since coming to power 18 months ago.

Mr. Christopher said that while the U-2 issue was an independent matter, it might affect Congressional attitudes toward economic aid to Turkey, according to aides of Mr. Ecevit and American diplomats.

ECEVIT ERUPTED IN ANGER

At that point Mr. Ecevit is said to have erupted in anger, charging that Washington was trying to link permission for the flights with promised economic aid and saying that his Government would not tolerate such pressure. An American diplomat present at the meeting described Mr. Ecevit as "the angriest I've seen him since he became Premier."

The sources said Mr. Christopher assured the Prime Minister that he had not intended any linkage but was merely describing political realities in the United States. Mr. Ecevit's anger subsided.

Yesterday, the United States Senate approved a $50 million grant to supply arms and military equipment to Turkey.

Mr. Ecevit's aides say the Prime Minister needs at least tacit approval from Moscow to justify permitting the flights because he has opposed the use of Turkish airspace for spy planes throughout his political career.

UNDER PRESSURE FROM OPPOSITION

Mr. Ecevit is also under pressure from the opposition Justice Party, whose leader, Suleyman Demirel, has come out strongly against the flights. "Our position is final and clear," Mr. Demirel said during a speaking tour of the eastern provinces last week. "These flights are against Turkish interests." He reminded his listeners that he stopped U-2 flights into Soviet territory from Turkey when he was Prime Minister in 1965.

While the proposed flights would originate outside Turkey and would not penetrate Soviet airspace, Mr. Demirel charged that allowing them "will put us back where we started." Flights of U-2 planes from Turkey over the Soviet Union caused an international incident in 1960 when one of them was shot down. Its pilot, Francis Gary Powers, was captured and convicted of espionage by the Russians, who later released him in a prisoner exchange.

Mr. Ecevit's aides say that large segments of the Turkish public oppose U-2 flights of any kind over Turkey and that the Prime Minister, whose Government's popularity has declined as the country's economy has deteriorated, cannot afford to approve them without a sound explanation. Moscow's consent would provide him with that explanation.●

FORGING NEW ALLIANCES

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. OTTINGER. Mr. Speaker, for a long time, opponents of both the civil rights and environmental movements have sought to harm both by dividing them. Now, at long last, in a brilliant exposition, Vernon E. Jordan, Jr. (President of the National Urban League) has made clear how closely our futures are linked.

Mr. Jordan's arguments were contained in a most important article which appeared in the New York Times this past Sunday, May 27. In the article he points out that "the urban environment means more than air or water quality. It means economic and housing opportunities." But he also points out that black people have not been sufficiently concerned with the physical environment, stating: "Because of our poverty, because of our social and economic disadvantage, we suffer disproportionately from the degraded physical environment."

I fully agree with Vernon Jordan that a "positive, caring alliance between the environmental movement and the civil rights movement" is essential to our Nation's future.

I urge all my colleagues to read this important article:

FORGING NEW ALLIANCES

(By Vernon E. Jordan Jr.)

A positive, caring alliance between the environmental movement and the civil rights movement is not only possible, but necessary. Black people have suffered environmental damage ever since we were brought to these shores. The economic environment has placed us on the margins of society, locked into poverty and deprivation.

Today, the civil rights movement is first and foremost about the business of combating the polluted economic environment that affects black people.

We are also concerned with the social environment, an environment pervaded by discrimination, lack of access to housing, health care and educational opportunities.

Of necessity then, we have not been as concerned with the physical environment. We should be. Because of our poverty, because of our social and economic disadvantage, we suffer disproportionately from the degraded physical environment.

Black cancer rates are rising faster than those for whites. For some cancers, black rates are 50 percent more than for whites. It is no accident that cancer rates rise as blacks perform the dirtiest jobs in our society and are locked into the most polluted neighborhoods.

Black health figures document the effects of pollution and stress caused by the physical environment. Blacks suffer hypertension, heart and lung diseases and other physical and mental disorders directly traceable not only to the social and economic environment but also to the physical. We all must be concerned with the effects of airborne lead on learning disabilities affecting poor children in inner cities. And concern for saving wildlife must be matched by concern for eradicating urban wildlife like rats and vermin that plague the ghettos.

The urban environment means more than air or water quality. It means economic and housing opportunities. The cities have been victimized by public and private policies that undermine their viability.

The real urban crisis never was a fiscal crisis, it was a people crisis. Now, despite all the news reports of cities being revitalized or "gentrified," cities are still experiencing a people crisis.

Walk down Twelfth Street [in Washington, D.C.] and ask the proverbial man on the street what he thinks about the snail darter and you are likely to get the blankest look you've ever experienced. Ask him what he thinks the basic urban environment problem is, and he'll tell you jobs. I don't intend to raise the simple-minded equation of snail darters and jobs, but that does symbolize an implicit divergence of interests between some segments of the environmental movement and the bulk of black and urban people.

For black people, the problems of the economic environment are the most pressing.

This places a burden on our partners from government and from the private and nonprofit sectors. A burden, in the sense that they will find in the black community absolute hostility to anything smacking of no-growth or limits-to-growth. Some people have been too cavalier in proposing policies to preserve the physical environment for themselves while other, poorer people pay the costs.

Advocates of solar and other renewable energy resources have spelled out in policy statements and in actual pilot programs how development of those energy sources would create jobs for unemployed, less-skilled workers.

We need more of that kind of approach.

We need to know what the employment impact would be for specific environmental-protection policies. We need to know who pays, and how much.

We need to know what the benefits will be.

And we will need to know why a specific policy has to be implemented now at the cost of jobs, rather than later, with fewer negative results.

The 1970's have been a time of gross political pollution, a time not just of Watergate, but of national withdrawal from social reform and social justice. This new negativism is evidenced by the poisonous attacks on affirmative action, on Federal social spending.

All are smeared—civil rights groups, environmentalists, labor and Government. And business perhaps suffers most from mindless condemnation. Investment is equated with exploitation, profits with greed, and efficiency with brutality.

Such attacks reflect ignorance of the working of our economy. They are the mirror image of charges that black seek dominance, government, unjustified power, and environmentalists, irrational control over our lives.

I think we have finally reached a point where all groups understand their futures are linked.

Black citizens understand we need to forge alliances with our colleagues in business, labor and the environmental movement, among others.

Government understands the need to reach out to those it is pledged to serve.

Business and labor understand their interdependence.

And environmentalists understand their concerns must be with the total human environment, and not narrow aspects of it.●

THE MORAL EQUIVALENT OF INSANITY

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BADHAM. Mr. Speaker, the Carter administration embarked upon a crusade to convince the world that spent fuel elements from nuclear power reactors should be buried, unprocessed, supposedly to prevent the proliferation of nuclear weapons. Has this program of burying energy, a program I consider to be the moral equivalent of insanity, been successful? I would like to quote from a short article from the April 1979 issue of Nuclear Engineering International. I will include the article and a copy of the additional views I inserted in the fiscal year 1980 authorization report on the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1980.

Here are the key sentences:

Many of the problems connected with plutonium are well understood. Nevertheless the EEC Commission wants to increase the knowledge about plutonium as increasing quantities of the element will be recycled in the community, *reaching 20–30te (metric tons) annually by 1990*. (Emphasis added)

There it is. The European Economic Community—our trading partners and NATO allies—is going to use its reactor plutonium wisely to generate electricity. I hope that before 1990 the national leaders of this country understand the real world around them. The article and additional views follow:

[From the Nuclear Engineering International, April 1979]

EEC LOOKS AT SAFER PLUTONIUM

BRUSSELS.—Two new five-year research programmes in important areas of nuclear technology have been agreed by the EEC Commission and forwarded to the Council of Ministers for approval.

One programme aims to increase safety in the use of plutonium as a nuclear fuel. Work on this began in 1975 and the preliminary results show that foreseeable radiation effects on workers and local inhabitants may well stay within the limits already in force.

Many of the problems connected with plutonium are well understood. Nevertheless the EEC Commission wants to increase the knowledge about plutonium as increasing quantities of the element will be recycled in the community, reaching 20–30te annually by 1990.

The second programme is connected with the management and storage of radioactive waste—"the most important multinational work currently taking place in the world" was how EEC Energy Commissioner Guido Brunner described it at a Brussels press conference in February. The research work will include pilot projects carried out as far as possible under real conditions.

Total cost of the two programmes is nearly $110 million reflecting the urgency the EEC attaches to them.

ADDITIONAL VIEWS OF HON. ROBERT E. BADHAM

The Administration's budget request contained a line item request for project 77–13–f, the Waste Isolation Pilot Plant, Delaware Basin located in southeast New Mexico. An authorization and appropriation of $55 million was requested for fiscal year 1980. The committee wisely reduced the amount requested to zero and, in addition, the committee reduced the amount previously authorized but not appropriated by $30 million.

When first conceived and presented to the Congress in connection with the fiscal year 1977 budget, the Waste Isolation Pilot Plant (WIPP) may have been a good idea. The concept of the project at that time was to demonstrate through research and development that radioactive waste generated by defense programs could be safely disposed of in underground salt beds. As a research and development facility for defense wastes, much could have been learned which would be applicable to the disposal of wastes from civilian power reactors after the reprocessing of nuclear fuels. Also, a wealth of information could have been gained which would be useful to the Nuclear Regulatory Commission (NRC) in the licensing of similar waste disposal activities in the future.

Unfortunately, basic decisions at the highest levels in the Executive Branch and in the Department of Energy (DOE) since April of 1977 have placed the WIPP and, in my opinion, the energy prospects of the United States in jeopardy. These policy decisions are:

That the United States will not reprocess the spent fuel from its commercial power reactors to recover the unspent uranium and plutonium contained in that fuel;

The United States has unsuccessfully urged all other countries to refuse to process spent fuels;

The United States has offered to accept spent fuel, which it defines as "waste" from other countries which will be stored in some secure location under U.S. control;

As a result of these decisions, not a single reprocessing plant for reprocessing power reactor fuel is in operation in the U.S.

In connection with the fiscal year 1978 review of the Department of Energy budget request, the Department revealed plans to have this project licensed by the Nuclear Regulatory Commission even though such action is not required by the law, and despite the consensus of all knowledgeable people that a licensed activity would be no more safe and no more acceptable to the opponents of nuclear power or of nuclear weapons than unlicensed government facilities.

It was also revealed that the Department had plans to dispose of up to 1,000 spent fuel assemblies in the WIPP facility. The DOE has no intention of ever recovering these spent fuel assemblies for reprocessing. In fact, after the assemblies are suitable packaged for burial, shipped thousands of miles and emplaced in salt, the economics of recovery for reprocessing would be such that the costs would exceed the value of the recovered fuels.

For a country facing an energy crisis which amounts to "the moral equivalent of war" a policy dictating the burial of recoverable energy resources contained within spent power reactor fuel amounts to the moral equivalent of insanity. It has been estimated that the energy resources represented by spent reactor fuels within the United States by the turn of the century will, be equivalent to all of the oil reserves of Saudia Arabia—the equivalent of 240 billion barrels of oil.

The United States has been reprocessing fuel elements in connection with the nuclear weapons program for some 30 years. There is nothing mysterious about the technology, nor are there technological impediments to the processing of the waste products which result from reprocessing.

The policy of the United States toward the nuclear fuel cycle must change. The people, in my opinion, will soon begin to ask: "Why, if we are expected to live in cold and dark houses, suffering unemployment and inflation, because of an energy crisis, is our government burying enormous amounts of energy?" The crowd protesting such a policy should fill the Mall and Ellipse.

While the committee found other good reasons for refusing to authorize further appropriations for the WIPP, I believe that the refusal to contribute further to the absurdity of burying energy would have been enough.

ROBERT E. BADHAM.●

SHATTER THE SILENCE, VIGIL 1979

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. CORRADA. Mr. Speaker, I rise today as a participant in a project sponsored by our distinguished colleague, JIM HOWARD, called "Shatter the Silence, Vigil 1979." This project is a continuation of previous efforts aimed at improving emigration for Soviet Jews. Their plight has moved all of us to do as much as we can to seek ways in which their hope of emigrating from the Soviet Union will be realized.

Today I want to bring to your attention the name of Evgenia Lutskaya. Mrs. Lutskaya is a 56-year-old engineer from Leningrad who wishes to emigrate to Israel to be with her daughter. She first applied for an exit visa 6 years ago and has been refused one for "security reasons." Mrs. Lutskaya, however, states that none of her work had been marked confidential and that, in any event, whatever projects she had worked on had been superseded by subsequent refinements and advancements in the area.

Mr. Speaker, I urge you and all our colleagues to read Mrs. Lutskaya's own words in presenting her plight: "I express my hope that your interference will restore legality and justice, and I will be given permission to be reunited with my daughter."

It is my hope that Mrs. Lutskaya and other families in similar circumstances will be allowed to emigrate and I ask all my colleagues to join in prayer for them to attain this goal.●

POPULATION PLANNING: WHAT OTHERS HAVE SAID AND THE UNITED STATES HAS NOT DONE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. OTTINGER. Mr. Speaker, when it comes to nuclear plant accidents and the flash of media attention, the Congress and administration can become quick studies in the politics of crisis. But we are slow in learning to appreciate the need to plan for long-term domestic population changes that will affect the lives and well-being of millions of Americans.

More than 40 years ago the handwriting was on the political blackboard. President Franklin Roosevelt's National Resources Committee in 1938 recommended legislative and administrative actions "to shape the broad national policies regarding population problems." Since then, we have witnessed the rapid population growth and school shortages of the 1950's and early 1960's; the surge in the labor force and unemployment in the 1970's; mounting illegal immigration throughout the period and prospects for a larger proportion of older citizens in the future.

What we have not experienced is any progress in committing ourselves to planning ahead for population changes. This year the House Select Committee on Population has found:

> The United States has no explicit policy outlining goals relating to the overall size, growth, and distribution of the population; and the benefits and disadvantages of those policies and programs that do affect the U.S. population are not assessed in terms of their impact on population.

There have been plenty of policy reminders in recent years. The 1972 Presidential Commission on Population Growth and the American Future recommended "that the Nation welcome and plan for a stabilized population." In 1974, the United States added its voice to the 1974 World Population Conference's call for all nations—

> to consider adopting population policies, within the framework of socio-economic development, which are consistent with basic human rights and national goals and values.

Two years later, recognizing the need for a coordinated plan for U.S. response to global population growth, the President's National Security Council approved the first annual report on "U.S. International Population Policy." Throughout the decade, the U.S. Agency for International Development has assisted less developed countries to establish national policies aimed at reducing population growth.

Less developed countries have, indeed, followed our advice rather than our example. Back in 1960, only two nations—India and Pakistan—had government policies aimed at reducing population growth. Today, the governments of 35 less developed countries have established policies to plan for reduced population growth. Approximately 72 percent of the world's people live in less developed nations; of them, 78 percent live in countries with population growth reducing policies. They span the continents of Africa, Latin America, and Asia.

Such policies and their goals are not ends in themselves. As the 1974 World Population Conference states:

> The promotion of development and the quality of life require coordination of action in all major socio-economic fields, including population which is the inexhaustible source of creativity and a determining factor of progress. . . . Policies whose aim is to affect population trends must not be considered substitutes for socio-economic development policies but integrated with those policies to facilitate the solution of certain problems facing developing and developed countries.

Planning for population changes is as important for the United States as it is in countries with more rapid rates of population growth. It is their impact on human and natural resources, not just people's numbers that counts. We in the United States lead the world in resource consumption—it magnifies tremendously the changes in our numbers, distribution, and age structure.

The U.S. population continues to grow, by about 2 million people annually. And our population is experiencing tremendous changes in its location throughout the country and in its age. Yet, we not only have no plan for these changes, we do not even have the wherewithal to begin to plan. According to the Select Committee on Population, the Federal Government does not even have the "capacity to plan systematically for population change; yet changes in the size, age composition, and geographical distribution of the population can, and often do, have profound effects on Federal policies."

"Development" is a relative thing. Less developed countries may be decades behind the United States in their industrial and economic development; but they are way ahead of us in planning for the future of their people through population policies. Congress can change that by debating and establishing a national population policy with the means to coordinate Federal efforts to plan for population changes. That is why I will be introducing legislation to declare a national population policy of stabilization and a White House Office of Population Policy.●

IN MEMORIAM—JOSEPH KASELAK

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. STOKES. Mr. Speaker, I have the sad duty of notifying both you and my colleagues of the death of one of this Nation's most dedicated public servants—Mr. Joseph Kaselak. Mr. Kaselak died Sunday, May 27, 1979, in Cleveland.

For many years, Mr. Kaselak served as the executive secretary to Congressman Charles Vanik, of Ohio, from the 22d Congressional District in Cleveland. He was a bulwark in Cleveland politics.

Many of us remember Joseph Kaselak as a very vibrant personable individual who was also a dedicated and conscientious employee. Needless to say, he was a role model for his colleagues and associates.

However, he was much more than just a dedicated employee. He was a man with an unfaltering commitment to the well-being of the entire Cleveland community. He cared about people and loved Cleveland. Everyone who knew him would say that he was one of Cleveland's greatest assets.

The entire Cleveland community will miss Joseph Kaselak's vibrance, commitment, and foresight. He is a man who can never be replaced. We share the loss with his family.

Therefore, at this time, Mr. Speaker, I would like to submit to the Record an article which appeared in the Cleveland Plain Dealer on May 29, 1979, about the demise of Joseph Kaselak:

Joseph Kaselak, TV's Convention Crasher, Is Dead

(By Carol L. Jordan)

Just about every four years since 1960, Joseph E. Kaselak was on national television, whether the networks wanted him or not.

While politicians plotted vote-getting strategy, Kaselak plotted strategy to get on the convention floor and then on to television.

Kaselak, 60, executive secretary for U.S. Rep. Charles A. Vanik, D–22, died Sunday evening at Fairview General Hospital.

Kaselak, of Lyndhurst, and his wife, Martha G., were visiting the Cleveland home of their daughter, Shirley A. Tancak, when he collapsed about 5:30 p.m. He was taken to Fairview General Hospital at 6 p.m. and died 18 minutes later.

An aide to Vanik since 1961, Kaselak ran the congressman's Cleveland office.

On convention floors throughout the years, Kaselak worked his way through the delegates to stand behind politicians and television reporters when the cameras were on.

During the 1964 convention in Atlantic City, President Lyndon B. Johnson handed out credentials to anyone who contributed $1,000 or more. Kaselak borrowed a big-giver's pass.

In a 1976 Plain Dealer interview, Kaselak recalled that the giver told him, "'I'm just lending this to you, Joe. I'd like to see you tomorrow.' He didn't see me until two years later."

During that same convention, when the late Frank McGee stood in front of the Ohio delegation to give a TV report, Kaselak stood behind him, moving his lips occasionally. One delegate inquired, "What's Frank McGee doing interviewing Joe Kaselak?"

During 1968, Kaselak soared above the chaos of rebellion in the streets of Chicago.

On the first night, he appeared on national TV six times. By the second night, he had become picky about his exposure.

"I only appear on the NBC network," he was quoted as saying to a reporter. "I like to get on, standing right next to Frank McGee. He's a pleasant man."

At the 1972 convention in Miami Beach, Kaselak wore a badge that said, "Photographer's Assistant." When someone said, "I didn't know you were a photographer," Kaselak said "I'm not. I assist."

Kaselak was considered such an outgoing man that he had a prominent part in Richard Reeves' book, "Convention," about the 1976 Democratic convention.

Even when he wasn't in front of the cameras, Kaselak was often on the scene of a political event.

In 1963, he was both a friend and supporter of Johnson when the vice president visited Cleveland for a Democratic steer roast.

Kaselak was the advance contact for Johnson's administrative assistant, Clifford Carter, got badges made and whipped together the auto-wagon train that greeted Johnson at the airport.

It was Kaselak who was trusted to tote around Johnson's own special collapsible chair and his vice presidential seal. And it was Kaselak that Johnson took along as his guide from the Hotel Sheraton-Cleveland to Euclid Beach, and back to the airport.

This didn't mean that he wasn't a faithful John F. Kennedy man. He had 132 photographs of the late president visting here. One was of Kennedy shaking hands with Kaselak and Kaselak had it blown up to a 4- by 5-foot mural for display in his living room.

Kaselak grew up in the Buckeye area on Cleveland's East Side, according to his son, Dennis J., a Cleveland lawyer.

From 1950-57, he worked as a boilermaker, and from 1957–61 was chief inspector for the Ohio Bureau of Motor Vehicles.

He entered politics full time in 1961.

But, his son said, "He's always been involved in politics in some way.

"He was ward leader in the 30th Ward club in 1958, he was usually in charge of the motorcades for presidents that visited here, and he worked as a volunteer on some of Vanik's campaigns."

Vanik last night said Kaselak has been a "very loyal and devoted member of my staff as well as a very good friend.

"He appeared where I couldn't. He made it his point to know people in the news media and in political circles. He was a person who reached out to meet other people."

Service will be Thursday at the Rybicki & Son funeral home, 4640 Turney Rd., Garfield Hts.

In addition to his wife, daughter, and son, he is survived by his parents, Paul and Elizabeth Kaselak; two brothers and three grandchildren.●

A TRIBUTE TO PAUL KELLERBLOCK

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. SANTINI. Mr. Speaker, it is with a deep sense of sorrow that I share with you the recent loss of a good friend and loyal Nevadan—Paul Kellerblock of Las Vegas.

During his 79 years, Paul involved himself in numerous business, community, social, and church activities. But his strongest dedication was to serving Jesus Christ.

He was most proud of his involvement in the building of the Twin Harbor Baptist Church in Westport, Wash., and also of his work within the University Presbyterian Church in Seattle, Wash.

The existence of the Twin Harbor Church is almost entirely due to Paul's initiative and hard work. Known as the "Miracle Church of the Northwest," it was completed at a cost of only $23,000 in the late 1950's. Its assessed value at the time of completion was $96,000. Paul bought the materials, hauled them in his own truck from Seattle to Westport, and supervised the building of the church.

His deep down interest in the Lord's work continued when he moved to Las Vegas. He actively supported the Child Evangelism Fellowship and the Navigators.

Paul Kellerblock died in a Las Vegas hospital last month, after a short illness. But his spirit lives on in the memories of his family and friends.●

TRIBUTE TO DR. WEBSTER PENDERGRASS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. JONES of Tennessee. Mr. Speaker, on June 30, 1979, Dr. Webster Pendergrass will retire as vice president of the University of Tennessee after a long and distinguished career. Over the years, Dr. Pendergrass has made outstanding contributions to Tennessee as an educator and as an agriculturist. Our State will sorely miss his strong leadership and dedication.

Ag Institute News, the publication of the University of Tennessee Institute of Agriculture, announced his retirement in its March-April 1979 issue. I insert this article at this point in the RECORD:

DR. WEBSTER PENDERGRASS TO RETIRE—YEARS OF SERVICE TO THE INSTITUTE

Webster Pendergrass, longtime leader and friend of agriculture in Tennessee, will retire as Vice President effective June 30, 1979.

Dr. Pendergrass first came to the University of Tennessee in 1931 as a student and remembers when the entire faculty of the Institute was housed in Morgan Hall and the enrollment at Knoxville was less than 3000 students. Through the years he has served as assistant county agent, county agent, Instructor of Agronomy, Extension Agronomist, Dean of Agriculture, Vice Chancellor, and Vico President.

He said he feels fortunate to have been involved in agriculture during a period of time when so much progress has been made. He has seen such developments as hybrid corn, high analysis fertilizers, great increases in milk production per cow, changes in beef cattle type, and the replacement of mules with mechanized equipment. Dr. Pendergrass was directly involved in the first major soil conservation program initiated in Tennessee.

In spite of the great changes he has seen, Dr. Pendergrass says many of the original teaching methods used by the Extension Service are a valid part of today's programs.

As assistant and county agent, Dr. Pendergrass' expertise and accomplishments in erosion control and crop production caught the attention of agricultural leaders as well as farmers. He provided leadership in establishing both structural and vegetative erosion control measures.

He continued to provide outstanding leadership as an Extension Agronomist. In this position, he was responsible for expanding the Soil Testing Laboratory which analyzes soil samples and makes fertilizer recommendations for farmers throughout the state. He initiated the "Keep Tennessee Green" program, worked with groups and agencies serving Tennessee agriculture to adopt uniform seeding recommendations, and set up a pasture and forage production program to provide high quality feed throughout the year. These activities resulted in an increase in quality of pastures and forages which was followed by a great upsurge in beef cattle production. His background and leadership in grassland farming influenced the selection of Tennessee for the second National Grassland Field Day and Conference.

The Institute of Agriculture has made marked advances under Dr. Pendergrass' leadership; the undergraduate and graduate curricula has been expanded and upgraded, doctoral programs have been established, and the departments of Food Technology and Science, Forestry, Wildlife, and Fisheries, and Agricultural Biology have been added. Three new buildings have been constructed on the agriculture campus, and another will be under construction in the summer of 1979.

In order to fill a growing need for veterinarians in the state and to provide expanded opportunities for students, Dr. Pendergrass worked to establish the College of Veterinary Medicine on the Institute campus.

Concerned about the declining number of students entering the UT College of Agriculture, he created the office of assistant dean (now Assistant Vice President), with student recruitment and scholarship fund-raising as the main responsibilities. This step quickly produced results with an increase in the enrollment from a low of about 400 in 1964 to near 2000 in 1977–78. During this period more than 3000 scholarships were awarded.

After becoming Dean, Dr. Pendergrass established a business office for the Institute to provide budgeting and financial control and took the lead in procuring additional funds to upgrade salaries of extension, research, and teaching personnel to attract and keep highly qualified staff members.

The Institute of Agriculture has undergone considerable reorganization and revision under Pendergrass' leadership. Departments have been realigned, a new college fitted into the organization structure, provisions to insure closer coordination between teaching, research, and extension fostered. Extension district supervisory force enlarged and a county office hierarchy established. Accompanying these changes have been selection and development of a staff with an increased level of training and higher degree of competence.

4–H Club Training Centers have been greatly improved with major new facilities built at three of the four centers. The other center is being completely rebuilt at this time.

Numerous and rapid developments have taken place in the research programs and facilities of the UT Agricultural Experiment Station. The Milan Field Station was established, the Plant Science farm, the USDA cotton farm, and Holston farm were added to the Knoxville Station, a 2,000 acre forest and Arboretum developed at Oak Ridge, a Forestry Field Station obtained at Tullahoma, and the joint UT-Atomic Energy Commission Research program at Oak Ridge strengthened. The farm at Martin became a unit of the Agricultural Experiment Station and a number of the agriculture faculty became staff members of the station. Two swine testing stations and a bull testing station were added to provide swine breeders and beef breeders with top quality foundation animals.

In summing up the accomplishments and advances that have been made in the Institute during his years as an administrator, Dr. Pendergrass acknowledged the leadership and cooperation of President Holt, President Boling, the Board of Trustees, the Governor, the Tennessee Higher Education Commission, and a group of dedicated and capable administrators, faculty and staff.

In appreciation for his outstanding work with the Institute of Agriculture, Dr. Pendergrass has received many honors, including the Progressive Farmer Man of the Year Award, Citation For Outstanding Service to 4–H Award, County Agents Distinguished Service Award, and the Omega Chapter of Epsilon Sigma Phi Distinguished Service Award.

After retiring from his work with the Institute, Dr. Pendergrass said he plans to remain in Knoxville. He said he will travel, hunt, fish, play golf, and become more involved in the operation of his farm in Pickett County. He will complete his assignment on the Rotary International Health, Hunger, and Humanity Committee and continue his responsibility as a Director of the International Fertilizer Development Center.●

HIGH SCHOOL COACH HONORED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. FLORIO. Mr. Speaker, I would like to pay tribute to an outstanding gentleman from my district, Mr. Clarence Turner, a coach at Camden High School in Camden, N.J.

On Friday, May 25, 1979, relatives, friends and associates honored Clarence for his outstanding achievements.

Clarence Turner, son of Marie and John Turner, is a native of Dunn, N.C. He completed his secondary education in Wadesboro, N.C., attended Johnson C. Smith University in Charlotte on a football and basketball scholarship and played all 4 years on varsity teams.

He played basketball under the tutelage of Cal Irvin, one of the great black coaches of America, whose record ranked high among coaches of both black and white colleges.

While attending Johnson C. Smith University, Clarence played professional baseball with the Negro American League's Indianapolis Clowns, who were world champions for 4 consecutive years. His teammates were such great players as Hank Aaron and Satchel Paige. He played against great players like Junior Gilliam, Ernie Banks, and Francisco Herrera.

Clarence graduated from Johnson C. Smith with a Bachelor of Science degree in physical education.

In the fall of 1953, while playing with Indianapolis, Clarence had the opportunity to play with Jackie Robinson's All Star Team which barnstormed through the South and Mexico, playing with such late greats as Jackie Robinson, Gil Hodges, and Luke Easter. Other players were Bobby Young, Ralph Branca and a young man destined to become famous—Maury Wills.

Clarence was later signed by the then Brooklyn Dodgers and played in their farm system for 5 years as a pitcher. An injured arm forced him to give up playing baseball.

Clarence spent 2 years—1954–1955—in the U.S. Army as a medic at the Valley Forge Army Hospital working in physical therapy.

In 1956 he came to Camden and commenced work as a substitute teacher and postal clerk. Later he was contracted to teach on a regular basis. He has taught at Cooper-Grant, Camden Junior, Sumner, H. B. Wilson, Parkside and Lanning Square schools. He came to Camden High School in 1966 as head baseball coach and assistant basketball coach. He was named head basketball coach in 1968 after 2 years as an assistant.

Coach Turner now serves as department chairman of the men's division—physical education and head basketball coach at Camden High School.

In his nine seasons as head basketball coach, Clarence has compiled a 209 to 34 record. This enviable record is the best of any active coach in south Jersey. We here acclaim Clarence Turner to be the best in the State.

Clarence is married to the former Sharon Foreman of Chicago, Ill., who also graduated from his alma mater. The Turner's have a 6-year-old son named Eric.●

MODEL CONGRESS

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ADDABBO. Mr. Speaker, recently I had the opportunity to observe 200 young, dedicated students, along with their school counselors, demonstrate convincingly that interest in government and how it works is very much alive. I attended part of a 2-day model congress held the weekend of May 26 at Jamaica High School in Queens, coordinated by Arnold Feinblatt.

I watched these young people organize themselves into caucuses and committees, debate the merits of potential legislation, and amend it. I have to say in all candor that the speed and dispatch of this student congress made me slightly envious. Those of us who serve in the real thing deliberate at a much slower pace, I am afraid.

But what was most impressive is that these youngsters participated in this event not on schooltime but during the weekend when they could have been out doing other things. They were there then not because it was part of a school function but because they wanted to be there. They wanted to participate and to learn and to be a part of the governmental process, even if it was just pretend.

It is exactly that sort of enthusiasm and interest in government that we need to keep this Nation free and independent. It is exactly when the people of this Nation take a firm and committed interest in their government that it works best. What we need to do as a nation, it seems to me, is to find a way of transfusing that youthful enthusiasm to the rest of our citizens, including that 50 percent or so of eligible voters who tend not to exercise their rights.

These high school students were not just going through a meaningless exercise. They were involved; they were prepared to discuss the major questions of the day and they conducted themselves with dignity as they moved through their model congress.

I would hope that this custom started by Jamaica High School would spread around the Nation. It is one of those activities that requires special effort by everyone involved, and it is one of those activities that is totally worth all the effort.●

VIETNAM VETERANS WEEK TRIBUTE

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. LUNGREN. Mr. Speaker, the Vietnam war has been over for 6 years now, but we are still feeling the pain of its scars.

One of the most unfair side effects of that conflict's agony is that the Vietnam veterans—those who fought in good faith and completed their service honorably—have yet to be recognized and honored by our society for their sacrifices.

Never before have our soldiers returned home from a war and been treated to such shame and humiliation. Some would like us to believe that only those who were too stupid or too poor to avoid or evade the draft went to Vietnam.

This stereotype is not only unfair, but untrue.

A young Vietnam veteran wrote the Washington Post in 1977:

> In candor, I never knew what to think of the war either; never knew, even while I was there . . . I believed explicitly only in this: The Government should be able to raise and deploy troops in accordance with decisions properly made in the national interest.

In other words, this soldier went to Vietnam because it was his proper duty, simply that.

This attitude characterized the majority of those who served in Vietnam.

Of the 8.5 million veterans of the Vietnam conflict—only about 20 percent were drafted. The rest, 6.7 million, were volunteers.

And the overwhelming majority served honorably in circumstances far more difficult than most Americans realize.

The Vietnam-era soldier put in longer service than those in other wars. The average soldier in World War II served 30 months away from his home and family. The average Vietnam soldier served 34 months.

The ferocity of the Vietnam War has also gone unrecognized.

There were 20,000 more American Marine Corps casualties in Vietnam than in all of World War II.

Some Marine units, in fact, faced casualty rates of 150 percent.

And two-thirds of those wounded or killed in Vietnam were volunteers.

There is another side of the heroism of Vietnam veterans to which not enough attention has been paid—the courage of those captured and imprisoned during the war.

A recent book, "A History of Prisoners of War From 1964 to 1973," tells with great poignancy the valor of American POWs held in Vietnam.

These men, imprisoned under terrible conditions and deprivations for years, gave each other comfort, held fast to their convictions and withstood terrible punishments. Yet, they never renounced their country and throughout their ordeal maintained ingenious methods of communicating with each other in order to give their comrades emotional support.

Few of our fighting men have ever been called upon to endure such terrible ordeals.

Yet what was the fate of these men when they came home?

While military service was the norm for young men in World War II, it was the exception for young men in the sixties.

So those who did fight in Vietnam came home feeling more isolated than returning soldiers ever felt before.

Moreover, studies have shown that it was those combat veterans who had good records and high expectations who suffered the worst from negative stereotyping which greeted them upon their return.

These men thought they did a good job and expected to be treated accordingly.

I think they have yet to receive the tribute due them.

Last year, Congress made a start in this direction when it authorized a special bronze plaque honoring the Vietnam war soldiers to be placed at the Tomb of the Unknowns in Arlington Cemetery.

And this year, the President and the Congress have declared May 28–June 3, Vietnam Veterans Week.

These small tributes do not represent employment opportunities, educational benefits or health care for our veterans—but they do represent something virtually important.

They symbolize the willingness of the Congress and the National Government to finally own up to their responsibility to accept, honor and respect the Vietnam veteran.

It is long overdue.●

BANK ILLIQUIDITY

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. PAUL. Mr. Speaker, I would like to call the attention of every Member of the Congress, especially the members of the Senate and House Banking Committees, to an article by Elgin Groseclose that recently appeared in Gold Newsletter.

Based upon a speech given by Mr. William M. Isaac, a Director of the Federal Deposit Insurance Corporation, Dr. Groseclose's article is very frightening and deserves investigation. If the statistics used by Mr. Isaac are correct, then we are in for some very bad times. Meanwhile the subcommittees charged with oversight of the banking system sit and do nothing. Perhaps, after reading this article, they will hold some oversight hearings on our fractional reserve banking system before the whole house of cards comes crashing down around our ears.

The article follows:

BANK ILLIQUIDITY: ANOTHER CRASH AHEAD?

(By Elgin Groseclose, Ph. D.)

From time to time we have discussed the deterioration of the official money and standard of value, the provision of which is a Constitutional function of Congress—how the money system that once consisted almost entirely of gold and silver coins, now is nothing more than irredeemable paper notes and debased metal shinplasters. We now invite attention to the deterioration of the other principal form of money in use; that is, "check book money," which has become the common medium of payments and store of value.

THE STATUS OF CHECK BOOK MONEY

Checking accounts are the deposit liabilities—the IOU's—of commercial banks. The ability of the banks to meet their deposit liabilities is therefore of prime importance to the economic health of the country. Yet no set of facts is more generally overlooked, or ignored than the deterioration of bank equities which support the liquidity of bank liabilities.

The deposits of bank customers are secured by the assets of the banks. These consist mainly of other IOU's (debt obligations of others, including the U.S. government and the Federal Reserve banks), some cash, and the bankers' own capital. (Protection against loss to depositors is also guaranteed to limited extent by the Federal Deposit Insurance Corporation.)

The purpose of the bankers' capital is to guarantee that the assets will always be equal to the deposit liabilities by absorbing any losses from bad loans or decline in their market value. Banks supposedly protect their assets by lending only where the risks are minimal, and to the extent that they take on greater risks the need for a larger capital cushion arises.

SOME ALARMING STATISTICS

A paradox of the banking business is that while banks would hardly lend to a borrower whose balance sheet showed demand liabilities several times quick assets, or total debt several times proprietor's capitol, such ratios are accepted with equanimity in banking. But not entirely.

In an address to the 85th annual convention of the Florida Bankers Association on March 16, 1979, Mr. William M. Isaac, a director of the Federal Deposit Insurance Corporation, cites some figures which are alarming as they stand, but more so if from an historical prespective one projects these trends only a little way into the future.

In 1945, Mr. Isaac points out, the risk assets of the banking system—meaning by risk, total assets less so-called riskless assets like U.S. government obligations, cash and deposits with the Federal Reserve banks—were only 22 per cent of total assets, but by 1965 were 68 per cent and 80 per cent in 1978.

After pointing out the added effect upon the soundness of assets coming from the rising inflation rate, Mr. Isaac commented, "One would think that with banks assuming a greater degree of risk, and the economy becoming more volatile, capital ratios would be increasing. In fact, just the opposite occurred. The ratio of equity capital to risk was approximately 30 per cent at the turn of the century . . . After World War II the ratio steadily declined to 14½ per cent in 1960, 11.3 per cent in 1970, and approximately 8 per cent last year."

The thinning was most evident in largest banks, those with assets of over $5 billion, for which the ratio was 6 per cent as against 10 per cent for banks with assets of less than $100 million.

CASHING THE CHIPS

Added to the equity cushion, of course, is the guarantee provided by the FDIC, which currently holds assets of some $9 billion, or about 1.15 percent of insured deposits—not a great protection against a general bank run.

As any visitor to Las Vegas is aware, the batteries of roulette and blackjack tables would find few players if there were not a banker to redeem the chips in good cash. Good cash? What is that? Should your bank fail and the FDIC pay off your deposit from its insurance fund, what would you receive? Unfortunately, more chips. That is, Federal Reserve notes which are but pieces of paper redeemable in other like pieces of paper. While they are good to the extent that they are legal tender in payment of taxes and debts, that legal tender ends at the water line.

What are the chances of all the players going to the cashier with their chips? How many banks would have to fail before a general panic overtook the country and everyone rushed to convert their deposits into cash? Obviously, the $9 billion reserve held by the FDIC would pay off only 1.15 cents on the dollar for insured deposits, and all deposits are not insured. More to the point, foreigners hold in U.S. banks some $50 billion in claims (net of banks' foreign assets) and in a bank run they would like something more than Federal Reserve notes—gold, in short.

Mr. Isaac cites the uncomfortable fact of the continuing tension upon the officials and agencies responsible for the proper conduct of banking, drawn between the "differing perspectives and conflicting goals of shareholders, depositors, management and regulators."

THE HISTORIC PARALLEL

The gravity of the problem can be highlighted by the number of bank failures. "During the past 5 years," Mr. Isaac reports, "we have witnessed the eleven largest bank failures in the history of the FDIC. At present the FDIC is administering some $2 billion in assets of failed banks." Even more disturbing is a comparison with data for the years leading to the Crash of 1929 and the severest depression in U.S. history. In the 14 years from 1914 to 1931, net deposit liabilities of Federal Reserve member banks increased from $7½ billion to $32 billion, or more than 30 percent. Meantime, as a result of official actions to reduce reserve requirements, the reserves held by the banks in 1931 were only $2.9 billion instead of the minimum of $4.4 billion that would have been required under the old national bank act.

CORPORATE LIQUIDITY ALSO STRAINED

But the evidence of a debt ridden, mortgaged economy does not stop with the banking system. Standard measures of corporate liquidity reflect increasing strain. At 1978 yearend the cash ratio of all non-financial corporations, according to the compilations of the First Pennsylvania Corporation, stood at 27 percent compared with 34 percent in 1976. By "cash ratio" is meant the ratio of all cash and equivalents to current liabilities. By other balance sheet measures, U.S. corporations are less liquid than in 1974. For all non-financial corporations the current ratio—current assets divided by current liabilities—is now down to 1.59 compared to 1.63 in 1974 and 1.69 in 1976.

The First Pennsylvania economists point out with the current low levels of liquidity even a mild recession could bring about a "step up in the level of bankruptcies, which will more likely appear in 1980 than in 1979".●

TWO SUCCESSFUL BLACK CLEVELAND COMPANIES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. STOKES. Mr. Speaker, it is with a great sense of pride that I take this opportunity to announce that two Cleveland businesses have been listed among the top 100 black companies in this country by Black Enterprise magazine. The aforementioned successful firms are S.T.R., Inc., and Royal Ridge Management Co., Inc., respectively.

This achievement should not be minimized. Even though the Federal Government has instituted numerous programs to stimulate minority businesses in this country, few are thriving and enjoying any significant level of prosperity. Additionally, with the increasing attention drawn to minority front operations, it is especially gratifying to know that black-owned and operated firms possess the management skills and capabilities to succeed.

Collectively, S.T.R., Inc., owned by Mr. Steve Rogers, and Royal Ridge Management Co., Inc., headed by Mr. Narlie Roberts, grossed in excess of $15 million last year. These highly reputable businesses are exemplary of the potential of minority firms as well as serve as a credit to the city of Cleveland.

Both myelf and the Cleveland area community commend these two businesses on their achievement.

Therefore, at this time I would like to submit an article about the success of these two firms which appeared in the May 30, 1979, issue of the Cleveland Plain Dealer into the RECORD.

The article follows:

Two Cleveland Firms Get on List of Top Black Companies

(By John Leo Koshar)

Two Cleveland companies are among seven Ohio firms listed among the nation's top black businesses in the June issue of Black Enterprise magazine.

The Cleveland firms are S.T.R. Inc., a supermarket company headed by Steve Rogers, which had 1978 revenues of $11.02 million, and Royal Ridge Management Co. Inc., headed by Narlie Roberts, which grossed $4.3 million in the fast-food business.

Founded in 1965, S.T.R. operates four supermarkets in Cleveland with a total of 167 employes. But Rogers said his payroll will be increasing soon because he is taking over operation of two former A&P supermarkets which were closed here recently.

Headquartered at 17315 Miles Ave., S.T.R. was 26th on the national list of top black enterprises.

Royal Ridge, founded in 1970, operates a string of six McDonald's restaurants in Cleveland, East Cleveland and in Cleveland Heights and has two under construction—one in Cleveland Heights and one at Playhouse Square. It employs a total of 385. The company, headquartered in the Leader Building, was 98th on the magazine's list.

The other Ohio companies on the list include: Raleigh Guice Oldsmobile-Cadillac Inc., Fairfield, $9.8 million, 29th; Tynes Chevrolet-Cadillac Inc., Delaware, $9.7 million, 31st; Starnes Chevrolet Inc., Lima, $7.6 million, 50th; Civic Ford Inc., Canton, $6.6 million, 62; B&T Metals Co., Columbus, $5 million, 88th.

Starnes and Civic were newcomers to the top 100 listing.

The magazine also reported that, for the first time last year, the nation's 49 black banks, up from a total of 47 a year earlier, had combined assets in excess of $1 billion.

The banks included two Ohio financial institutions, First Bank NA, Cleveland, ranked 9th among black banks in the nation, and Unity State Bank, Dayton, listed 39th.

First Bank ended the year with assets totaling $40.8 million. Unity State Bank had total assets of $8 million.●

MIDEAST PEACE

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BLANCHARD. Mr. Speaker, yesterday's favorable passage of the Special International Security Assistance Act of 1979, providing assistance to Israel and Egypt in order to implement their historic peace agreement, is a good time to pause and assess the prospects for peace in that troubled part of the world.

With the peace treaty signing, the first real steps toward achieving peace in the Middle East have been taken. We in the United States should be proud of our role in this process and that of our President. All of us and, I am sure, peaceloving people throughout the world look upon this occasion with great joy.

The initial peace treaty certainly must be considered a remarkable accomplishment. And so long as there exists an honest and determined resolve to uphold its provisions, it is an accord of historic proportions. Prime Minister Begin and President Sadat merit the highest praise for their valiant efforts in striving to bring about this first step toward peace. And obviously, President Carter is to be commended for his unrelenting determination to bring the parties together in an agreement.

It must always be remembered, however, that the Mideast is a very fragile area, which has historically been fraught with upheaval and change. The recent fall of the pro-Western, pro-Israeli Government in Iran, and its replacement by what is currently an unstable regime that has embraced the terrorist Palestine Liberation Organization and tolerated barbaric notions of justice, is an example of just how quickly and dramatically a given situation can change.

While we should welcome the increasingly friendly ties with the peace-seeking nation of Egypt, we must also remember that Israel remains our oldest, closest, and most trusted ally in the Middle East. In the past, so-called legal agreements have not been enough to insure the security of the Jewish State from the threats of hostile neighbors.

Egypt's efforts for peace unfortunately cannot be held up as an example of the way that all Arabs feel toward the Jewish people today. Indeed, while it is not often publicly talked about, or reported in the news headlines about the Mideast, Jews in Syria today continue to suffer from persecution. This kind of persecution has always been a terrible fact of life for Jews in the Middle East, and the United States must strive to end it. because of this problem, and also because of Syria's overt efforts to hurt the progress of the peace process, a number of my colleagues and I voted against sending any U.S. foreign aid to Syria.

Therefore, while I feel that we should continue to encourage the peace process to move forward, we must remain cautious and vigilant in our approach.

A peace treaty between Israel and Egypt gives the United States a stronger strategic position in the region. This treaty can serve as the basis for developing a new coalition in the area between U.S. backed pro-Western nations. The United States should work to promote and better stabilize this new coalition as a stronghold against Soviet aggression—which should be recognized as the single greatest threat to the region.

I am hopeful that Saudi Arabia and Jordan will now become more constructively involved in furthering the peace process. We have certainly gone to great pains to make it clear to them that the United States is interested in maintaining a close and supportive relationship. Yet, very little has resulted from our efforts. The Saudis and Jordanians must understand that our relationship with them is a two-way street. I think it is time that both countries demonstrate their willingness to reciprocate by actively joining the peace initiative.

Finally, I am concerned by the effect on the peace process of what I would call "media diplomacy." We can never be sure how to evaluate the course of events that have been shaped by the clever use of the media, or, as is often the case, by the media itself. For that reason, I believe it is misleading and, in fact, could be detrimental, for people to place too much stock in the day-to-day characterization of Mideast events by the media. I, frankly, grew weary of hearing one day that peace was at hand, and the next, that peace was lost. These reports translate into a roller coaster of public perception that only places an additional unnecessary pressure on all of the parties involved in the peace process. As a result we find Sadat and Begin in a position of vying for public opinion, rather than searching for ways to come to an agreement. I believe that President Carter also became engulfed in media diplomacy to the extent that he became involved in notions of popularity, or in pointing his finger at either side. Let us hope that these less substantive matters are not too great an influence on future peace efforts.

I am hopeful about the new prospects for a meaningful peace. The dark cloud that has covered this region of the world for so many years may have finally been pierced by a ray of sunlight. We should continue to strive toward the day when all of the Middle East will bask in the sunshine of peace. Yet, we must approach this great task with both determination and an ever watchful eye, to insure that the peace we seek will be a lasting one.●

REGISTRATION AND THE DRAFT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. PAUL. Mr. Speaker, our colleagues, the Honorable BOB CARR and the Honorable PAT SCHROEDER, attached some eloquent views on registration and the draft to the report of the Committee on Armed Services on the fiscal year 1980 Department of Defense Authorization Act.

These views deserve sober consideration from every Member of this House, and I would like to bring excerpts from them to the attention of our colleagues.

The excerpts follow:

The Draft

(By BOB CARR and PAT SCHROEDER)

The committee's proposal for registration of 18-year-old males strikes us as one of the less well adjusted policy decisions we have made in quite some time. We have overstepped our bounds; we have exceeded the jurisdiction of this bill. We are here to authorize funds to buy weapons systems and set force levels, not to blight the future of this country's young men. A decision of this magnitude should be taken up by this committee in a separate piece of legislation, sequentially referred and considered, after all the proposals are laid before us and a healthy public debate has voiced the views of the people * * *

However, even if we do treat the essential issue of selective service as an afterthought to the authorization process, we have other qualms over this solution to the problems of the all-volunteer force. Proponents of "only registration" are pulling the wool over the eyes of the American youth. The argument was made that registration of 18-year-olds would fill the "gaping holes in our deterrent" left by shortcomings in the All-Volunteer Force. Given that a list of names amounts to not much more than an easily blown over stack of papers, the next plea we're going to hear from Mr. White's subcommittee is that these rosters need to be transformed into potentially ready forces. And then we're right back where we were with the previous Selective Service structure—laden with inadequacies, inefficiencies, and inequities. The American people should not be lulled to sleep by this talk of "only registration"—it's the Selective Service trap.

The case for stepping into the trap is unpersuasive at best. Even advocates of the draft admit the voluntary system is working well for the regular forces. The problem, they tell us, is the lack of a club with which to drive young men to enlist in the Reserves and National Guard. Consider now that we did not use the Reserves or Guard in Korea, and we did not use them in Vietnam. Where, then, is the evidence suggesting we will ever use them? Where is this evidence so persuasive that it justifies a major alteration of the fabric of our free society?

Consider also the two most probable military contingencies we face:

First, there is the "flashpoint war", arising quickly and escalating sharply into a massive conflict with rapid depletion of consumables and high loss of life, leading either to nuclear conflagration or to an exhausted cease-fire within a few weeks of initiation. No draft system can produce combat-capable forces with sufficient speed to influence the outcome of this type of conflict.

Second, there is the "slow boil" war, arising out of prolonged and ever-heightening international tension, with a year or more elapsing between the first significant storm clouds and the initiation of large-scale conflict. In this case, Congress can respond instantly by establishing a draft, using Social Security and Internal Revenue Service records as the basis for registration. We have shown our capability for instant response before, in such major crises as the National Football League television blackouts.

It is certainly possible to conjecture other scenarios in which registration would be of marginal utility, but the foregoing second scenario is already at the outer edge of probability; other scenarios, while possible, are even less probable * * *.

Finally, on the more substantive issue of the language of the proposal itself; evidence of the poorly prepared nature of the amendment is its ambiguities. After having studied the text, it is still unclear what it is that we are asking Congress to consider. The limits of this "registration scheme" are undefined. Conceivably, these vagaries could lead not only to subjecting 18-year-olds to physicals, but to classification as well, involving time lost from work and other penalties even for those not chosen. Moreover, we have not authorized any money for this task of registration; we have handed the Appropriations Committee a blank check to institute this plan with whatever financial authority they choose, even though the funding and facilities to carry out physicals and classification will be substantial. We have, in effect, not served our primary task—to give monetary direction, on a line item basis, to our companion committees. We are encouraging a gross misuse and misallocation of taxpayers' funds.

THE OLD AND THE YOUNG

The committee proposal would register every American male who passes his 18th birthday after the next election, would keep him registered for life, and would exempt from registration all those who slip past their 18th birthday before the election.

Thus, the committee proposal is the ultimate, ninety-nine to the ninety-ninth power percent pure example of one group of people dumping a major burden upon the lives of a second group while exempting itself entirely from the consequences of this burden and denying the second group any control over what is done to it. In short, the committee is saying, "Let's you and him fight."

This is immoral, unwarranted, and inexcusable. While these three adjectives may fairly be applied to many government actions, let us also note that it is not justified by national security concerns.

Only a small minority of positions in a modern defense establishment require physical vigor. A 35-year-old Congressman, a 39-year-old Congresswoman, and even a 70-year-old committee chairman can fill a supply clerk or cook's helper position every bit as well as can an 18-year-old recruit. The only conceivable reasons for confining the burden of registration to the young are (a) it would be too inconvenient for us older folks and (b) we geezers have the power and the kids don't.

If we are unsuccessful at killing the whole operation, we intend to give every Member the opportunity to let his constituents and future constituents know where he stands on this issue.●

THE ENERGY DEPARTMENT: A BAD IDEA GONE HAYWIRE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

o Mr. OTTINGER. Mr. Speaker, I want to call to the attention of my colleagues an article which appeared in the Washington Post Magazine on Sunday, May 20, entitled: "The Creation of Energy."

This article, authored by Garrett Epps insightfully points out why the Department of Energy is such a disaster, or, as the article is subtitled: "Why Our Newest Cabinet Department Is Without Form and Void."

This article is a sobering recitation of the DOE's several critical failures: failures in organization, failures in administration, failures in concept and policy, and most especially, failures in leadership.

Mr. Speaker, it has long been clear to me that the first essential step in changing this gloomy litany of DOE's failures must be new leadership at the very top. It has long been clear that Secretary Schlesinger must be replaced. That act alone will not solve DOE's problems, but until he is replaced it is clear that DOE will remain the disaster area it has been from the day of its creation.

The text of the article follows:

THE CREATION OF ENERGY

WHY OUR NEWEST CABINET DEPARTMENT IS WITHOUT FORM AND VOID

(By Garrett Epps)

In the beginning was the Federal Power Commission. Then came the atom bomb, which begat the Atomic Energy Commission, which begat the Energy Research and Development Administration. And the Arabs embargoed their oil, which begat the Federal Energy Office, which begat the Federal Energy Administration.

Then Jimmy Carter took these elements and begat the Department of Energy. "No agency, anywhere in the federal government, has the broad authority needed to deal with our energy problems in a comprehensive way," said Carter in his message to Congress proposing the new department. "The legislation I am submitting today will bring immediate order to this fragmented system."

The Energy Department, child of this confusion, firstborn of Carter's pledge to reorganize the federal government from top to bottom, came into being Oct. 1, 1977. More than a year and a half later, the promised order is nowhere to be seen. The Department of Energy is without form and void.

There is unquestionably a secretary of energy, the formidable James Schlesinger—former head of the Atomic Energy Commission, Central Intelligenec Agency and Department of Defense, veteran of the Nixon, Ford and Carter administrations, perhaps Washington's most remarkable bureaucratic survivor.

There is also, in broad outlines, a Carter-Schlesinger energy policy, which can be roughly stated as follows: the world is rapidly running out of oil. New discoveries, such as Alaskan and Mexican fields, do not alter this fact. America needs more energy every year to maintain its economic position and standard of living. In the long run, technologies like fusion and solar power will fill the gap. But in the next 25 years, America must rely less and less on oil; oil prices will and should rise more each year. Until the new technologies are ready, the country must depend on nuclear power and various uses of coal.

The combination of spokesman and policy has proved sweepingly unpopular in the country. Schlesinger's unemotional, pipe-smoking style has made him the most visible—and probably the most widely disliked—member of the Carter Cabinet; and the policy, which Carter recently stated as "use less oil and pay more for it," has outraged voters and liberal congressmen, who bomb Schlesinger at almost every opportunity. White House sources insist that Carter has faith in Schlesinger and believes that his unpopularity stems from popular resistance to facing hard facts about energy. But a secretary and a policy—popular or not—do not constitute a functioning agency; and as a cabinet department, rather than an uneasy melding of three bureaucratic entities, the Department of Energy hardly exists. It has a budget of about $11 billion for fiscal 1979; it has nearly 20,000 full-time employees—plus about 100,000 people who don't show up in the personnel figures but who work full-time under contract on its research and development programs and special projects. But after 18 months of operation, it does not have a complete table of organization, and the staff has not finished writing Civil Service classifications for its employees. Its internal communications are so poor that Schlesinger's top assistants have sometimes not been told that their boss would appear on national television.

The department's standby gasoline rationing plan, due on Capitol Hill in 1976, was not sent up until March 1, 1979; congressmen were acerbic about the timing—during the middle of the Iran oil scare. The department's largest single project, the mammoth Strategic Petroleum Reserve, or SPRO in department slang, is at least a year behind schedule and far over original budget estimates. During the Iranian oil cutoff the nation discovered that the oil already stored by SPRO could not be used if needed; the department had neglected to install pumps to get it out.

In a series of recent interviews, Schlesinger and other top Energy officials insisted that they have done the best they could under difficult circumstances. "The world at large is alarmed at the little progress we have made in the last 18 months," says Deputy Secretary of Energy John O'Leary. "I am constantly amazed at the progress we've made in the past 18 months."

But others don't agree. A department-sponsored "management audit" by independent consultants released last month found that Energy's top management was poorly organized, its policy planning spotty, and its field structure was not integrated into the headquarters staff. "The public complaint that we haven't seen results is well-taken," said one source who helped prepare the report. "It is not the finest managed department in the world."

And at the department's lower level, there is confusion and a sense of leaderlessness. "DOE is about as well organized today as the Titanic was in its 11th hour," said one employe who asked not to be named, "and internal communications are about the same as in a cloistered monastery."

The Carter-Schlesinger energy policy may be the correct one; or—as dozens of critics insist—it may be neglecting the importance of solar energy, conservation, gasohol, or energy from biomass. But the travails of the Energy Department can teach us a great deal about the Carter administration's passion for reorganization—for drawing clean flow-charts and tidy boxes, and then trying to cram the government into them. The decision to create a Department of Energy was possibly ill-conceived and probably ill-timed; it has produced a department which is certainly ill-designed and unquestionably ill-managed. It has drawn the efforts of hundreds of well-meaning, well-paid, hard-working officials into tasks that have nothing to do with the energy crisis—clearing nominations with Congress, fighting over desk space, moving from one office to another, drawing and redrawing tables of organization, complying with Civil Service regulations.

Lincoln E. Moses, the gravely humorous former Stanford professor who now heads DOE's Energy Information Administration, tells an anecdote when asked what he has accomplished in his job. He recalls meeting another statistician and saying to him, "When I was head of the Stanford statistics department, I got hot water installed in the faculty washroom. What did you accomplish?" Replied the friend, "When I was head of my department, I got soundproofing installed in the ceiling of the faculty office." Adds Moses, "I tell you this fable because it reminds me of working for the federal government."

Listening to Energy officials explain their efforts to bring order out of chaos, it is impossible not to conclude that, far from hastening a national attack on the energy problem, the creation of the Department of Energy has postponed it by three to five years. Although Carter seemed to promise bold surgery on the energy problem in his campaign speeches, he has in effect hired a somewhat dotty private nurse and told her to make the patient as comfortable as possible.

To begin with, the department does not have a cohesive, rational structure. Each of its prime bureaucratic components has had a distinctly checkered past. The Federal Energy Administration was begun as a temporary regulatory agency in response to the embargo; in five years of life it had two names and four chief officers. The Atomic Energy Commission had been a hardline nuclear cheerleader, so much so that Congress decided in 1975 to take regulation of the reactor industry away from it by creating the Nuclear Regulatory Commission; as the Energy Research and Development Administration, it had begun to add solar energy research and other alternate sources to its research program. The Federal Power Commission was empowered to license new electric utility plants, set interstate electric rates, and regulate natural gas; it had acquired a reputation as a kind of never-never land, where legalistic procedures were able to protract simple questions into matters of almost infinite duration.

The theory behind the Department of Energy bill was that by combining regulation with research into all aspects of energy, the new department would enable the government to make coherent, centralized decisions about energy. The secretary of energy was to have broad, sweeping powers to make rules, set rates, apportion R&D funds and use a mixture of rewards and incentives to steer the nation away from costly or wasteful fuel technologies into cleaner, more rational paths.

But the concept of the secretary of energy as a true energy czar ran into problems on Capitol Hill. Said Rep. John Dingell (D-Mich.), chairman of the House Energy and Power subcommittee, "The age of the kings expired with the French revolution. I plead with this body, do not set up a new king here in Washington." The House of Representatives heeded, and by the time it had finished whittling the "king" down to size, he had less power than he started out with. Instead of abolishing FPC, Congress cloned the old body inside the new Energy Department, under the name Federal Energy Regulatory Commission (FERC)—a five-member body appointed by the president and not responsible to the secretary of energy or anybody else. Not only did FERC retain all of FPC's old powers—and its venerable slow-motion procedures—but it acquired broad authority to overrule the secretary on oil regulations and other matters. Indeed, because of FERC's quasi-judicial character, the secretary must be extremely careful in his communications with FERC and its members, and often must use his lawyers to communicate with the commission. So in the reorganizer's own terms, the final bill represented a big step away from centralized, rationalized energy planning.

Other parts of the department's design also seem questionable from a clean flowchart point of view. For example, $2.6 billion in fiscal 1979—about one-quarter of Energy's annual budget—goes to making bombs and nuclear fuel for the Pentagon. The defense programs section of the Energy Department is only tangentially related to the department's overall mission of managing our national energy supply. It had been a part of AEC since the agency was set up, however, chiefly because Congress did not want to give the Defense Department control over its bomb program. When AEC became ERDA, and later DOE, the defense programs came along for the ride.

Again, a key part of regulating the nation's energy supply—the Nuclear Regulatory Commission—was deliberately left outside of DOE from the beginning, largely because public confidence in atomic safety was low.

What emerged from the administration's political calculations—and Congress revision of them—was thus less a rational governmental structure than an unwieldy agglomeration of functions under the loose control of a constitutional monarch. ERDA's research functions survived in the research and application programs; most of FEA's petroleum regulatory authority was centralized in an Economic Regulatory Authority (ERA); and FPC survived, with new commissioners, as FERC.

Once given its flawed charter, the new department faced some unavoidable problems of combining three large organizations. Because of its "high-technology" mission, ERDA had been exempt from Civil Service. When it became part of DOE, every ERDA employe had to be given a Civil Service classification. Independent contractors were hired just to write job descriptions, while DOE borrowed or hired "classifiers" from all over the government to translate these descriptions into classifications acceptable to the Civil Service Commission. As a result of this Herculean effort, Energy's director of administration William Heffelfinger says proudly, "Everybody is on a job sheet of some kind." Though classification was to be complete by April 30, it is only 70 percent done. "We saved the harder ones for last," Heffelfinger says forebodingly.

There was also the problem of moving into the Forrestal Building. President Carter gave this modern, sightly building on the Mall to the department as a symbol of the administration's commitment to energy issues; but by April, only 1,508 of a projected 5,000 Energy Department employes had moved in. "We are slowly but very steadily moving in, like the waves that come with the tide," says Frank Pagnotta, the burly former CIA official who is in charge of the operation. "We established our beachhead April 1 [1978] and we have been occupying new lands as they develop."

The problem is that there aren't very many new lands and nobody wants to move out to create them. Defense Department employees already in the Forrestal didn't want to go, and they got Congress to investigate whether they should; residents of the neighborhood where many of them were to be transferred didn't want a large new federal presence, and they filed suit to stop it.

One casualty of the space warfare is the old ERDA headquarters at 20 Massachusetts Ave. NW, which had been renovated for ERDA just a few years before; because the Corps of Engineers would be displaced by the move into the Forrestal, DOE traded them to the old ERDA headquarters. Currently, DOE is gathering employes there to get them ready for the move to the Forrestal; for some, it will be their third move since "immediate order" was created in the energy field.

In addition to the built-in shocks of moving, getting new (and sometimes lower) job classifications, getting used to new bosses and learning new procedures, DOE's research and development side—the remnants of ERDA—were undergoing another jolt as Schlesinger redesigned its organization to fit the latest management theories. ERDA had been organized by fuel type—with a coal program, a nuclear program, a solar program, and so on. Under DOE, research and development has been shifted to an approach called "stage of application." Under this theory, basic research is shifted down the organizational line into an applications area as it becomes ready for commercial use. Various parts of the old solar office, for example, might find themselves under the assistant secretary for energy technology or the assistant secretary for conservation and solar applications, depending on how close to commercial usefulness they are judged to be. Because DOE is not in business to produce energy itself, but only to show private industry better ways to save and produce it, there is a special deputy undersecretary for commercialization, whose job is to market various techniques and inventions to private industry as they come down the line.

DOE officials insist this change was necessary to make sure administrators did not become lobbyists for their type of fuel—and that new ideas are released for commercial use when they are ready. On the flow chart, it looks good; it may even work the way it's designed to some day. But in the department's early days, it has unquestionably contributed to confusion and bureaucratic struggles. "Six months ago, I spent all my time on turf struggles—'Is it ready or not?'" admits Deputy Secretary O'Leary. But he boldly predicts that "two years from now it will work automatically."

Beyond the natural shocks arising from reorganization, DOE has also had to put up with sloppy management. As Schlesinger sees it, his job is to be Carter's chief spokesman and adviser on energy. "The main business of this department," he said in a recent interview, "continues to be the development of national energy policies and the national consensus behind them—to the extent that is possible."

So Schlesinger has spent his time almost totally outside the department—lobbying on the Hill, speaking to industry groups and advising the President. Between January and April of this year, by DOE's count Schlesinger appeared on Capitol Hill 17 times, made 12 major speeches, held three press conferences and appeared on three televised interview shows. This workload, Schlesinger's defenders point out, is down from the days just after DOE began, when the bitter fighting over the Carter energy bill kept Schlesinger up on Capitol Hill almost fulltime.

Many Cabinet officers play a similar public role; but they usually turn over the running of their agencies to a strong "executive officer," who can sort our bureaucratic disputes and make sure the fine words announced in public bear some relation to what is being done at the agency. This leadership role is particularly important at a new organization, where attitudes and authority are fluid. But Schlesinger did not designate anyone to fill it.

When the DOE bill was proposed, it included one deputy secretary—theoretically the spot for the "executive officer"—and two undersecretaries; Congress eliminated one of the undersecretaries. Schlesinger's response was simply to treat the deputy and the undersecretary as equals, giving each charge of half the department's operation and leaving the "executive officer" job empty.

As deputy secretary, he named John O'Leary, a veteran energy bureaucrat who had been fired by Nixon as head of the Bureau of Mines but returned with the change of administration as Carter's choice to head FEA. Under Schlesinger's management, O'Leary was given charge of regulatory matters, policy planning and information systems. The undersecretary he named was Dale D. Myers. A former NASA official, Myers was given charge of programs which spent money—energy research and application, defense programs, and the Strategic Petroleum Reserve.

"It might have worked with three people who had worked closely before," said a former DOE official. "But these were three busy men—and they were practically strangers."

The result has been a confusing administrative jumble, in which, for example, the official responsible for assigning personnel slots reports to the deputy secretary, while the controller, who must approve salary payments, reports to the undersecretary.

The department's field structure, for another example, now plugs into headquarters almost at random. Asked who was in charge of the field structure, Schlesinger said he would have to check the organizational chart. In fact, no one is. Interviews with O'Leary, Myers and John M. Deutch, director of energy research, revealed a structure in which the DOE's regulators report to O'Leary, while the labs report simultaneously to various assistant secretaries, Deutch and Myers. It is worth remembering that these labs do much of DOE's most important—and costly—work. During the Three Mile Island nuclear crisis, for example, a DOE lab in Idaho Falls helped supply information that allowed technicians to disperse a dangerous hydrogen bubble in the reactor vessel without an explosion or catastrophic meltdown.

One casualty of Schlesinger's casual approach to internal organization has been morale inside the department. The secretary is respected by those around him for his abstract intelligence and verbal agility; but subordinates say he has made little effort to befriend those beneath him, and he projects a chilly, authoritarian style which they find intimidating. In addition, he has staffed the higher echelons of DOE with large numbers of former military officers, Defense Department officials, or old CIA hands; Pentagon whistle-blower Ernest Fitzgerald once remarked that DOE had become "the great Pentagon in the sky." The result has been a management structure which is strong on hierarchy and short on group feeling. One lower-level employe told the story of a man who claimed to have invented a miraculous machine that would solve the energy problem. The inventor had sent the plans to his congressman, who had forwarded it to the Energy Department. Rather than turn it over to a low-level employe, an assistant secretary answered it himself, for fear of offending the congressman. "Schlesinger has everybody so terrified that nobody wants to be caught off base," the employe explained. "So they're all form and no substance. And the sad thing is, it takes time to answer a letter like that."

But there are other, more substantive, casualties of Energy's chaotic first 18 months. None is more revealing than the paralysis of the Strategic Petroleum Reserve, which accounts for more than a quarter of the department's 1979 budget. By any objective measure, SPRO is a vital part of DOE's mission.

The objective is to store 750 million barrels of oil in underground salt caverns in Louisiana and Texas, to be drawn out and used in an emergency. In time of oil embargo, or war, the oil in the domes—roughly equal to one month's domestic production—might conceivably make the difference between paralysis and survival. Storing it is an immensely complicated technical task, and represents a huge financial expenditure. A year ago the department projected the cost at $14.4 billion; that figure is certain to increase.

But SPRO, which was at one time scheduled to have more than 250 million barrels of oil stored by now, has only 82 million. Schlesinger admits that the program is "about a year" behind schedule, for which he blames the restraints put on him by local authorities and the Environmental Protection Agency. "Rarely in the past has a major national effort of this kind been undertaken without a decision to go to wartime methods," he said. "In World War II you might have run roughshod over (environmental constraints) and that might have been the preferable way in this instance."

But many of SPRO's problems actually arose because it was neglected while the tasks of reorganization drew Schlesinger's attention elsewhere. The departmental flowchart originally placed SPRO two layers beneath the assistant secretary for resource applications. So the huge program remained under acting leadership for 10 months, until an assistant secretary was recruited and confirmed and then was able to recruit his own director.

In the meantime, problems built up in SPRO until a report by the office of the department's inspector general two months ago concluded that millions of dollars had been wasted because of poor inventory control, bad procurement and contract administration, misuse of equipment and poor planning. SPRO's management had not even bothered to get exemptions from local sales taxes—routine for federal projects—and, as a result, had paid $150,000 in sales tax for a single contract.

After an audit by the inspector general, SPRO applied for an exemption and a refund; but in other areas, the report said, "We are not satisfied that corrective action is taking place as rapidly as it should. . . ."

In addition, of course, SPRO's management made the now-famous decision not to install pumps to bring the oil out until 1980 or so. During the Iranian oil crisis, this decision received massive criticism; interim pumps are scheduled to be in place this month.

Last September a fire broke out at one SPRO salt dome in which one worker died and another was injured; 30,000 barrels of crude oil were lost. As a result of this debacle, the SPRO program was belatedly moved up to report directly to Myers. But by the time the program began to get its construction and safety programs under control, the collapse of the shah's government sent oil prices soaring, and the Energy Department decided to stop buying oil for storage for fear of sending spot prices even higher.

"We're now in the position where we have lots of capacity but no oil in the ground," Myers admits. Still, he says, SPRO was intended as a cushion against price instability; by not buying oil, it is reducing world demand. Thus, he argues gamely, "in one sense, we're kind of doing what SPRO's secondary mission was."

The SPRO disaster is enormous but not unique. Everywhere in the Energy Department are deadlines missed, slots unfilled, organizational charts incomplete, lines leading nowhere. For example, FERC's new management has tried to simplify its procedures and shorten its waiting periods; but the press of new applications—and the new 27-tier natural gas pricing system—has resulted in a larger backlog of cases than it inherited from FPC, while the difficult issues of procedural reform have not yet been tackled. On another level, many of DOE's civil-service employes say they feel they are trapped in an organization that does not work, and that nobody cares.

One man reported that in his division the confusion over financial procedure had resulted in unpaid travel vouchers of as high as $800 for a period of five months. Another pointed to the offices around his and said, "Ever since I've been here, I've never heard any admonition about conservation. The heat in the building is too hot. During the winter, people left their radiators on all night. Or in the summer they left their fans on. It would never occur to Schlesinger that we ought to be first in conservation." "We found too many anecdotes of lost or delayed correspondence, delay in coordination, lack of early warning and poor dissemination of policies and decisions," said the management audit.

Schlesinger loyalists insist that confusion is inevitable in assembling a large, complex new agency and that it is unfair to judge the department a failure or a success after only 18 months. They further say that during much of the agency's life its top leadership has been embroiled in the bitter house-to-house legislative fighting that surrounded Carter's first energy plan, which took nearly two years to be enacted.

"It takes you at least three or four years to make a department operational," says Schlesinger soothingly. Adds Myers, "I think any new agency has some growing pains. I went through the merger of two major corporations and it took some time to get our act together." Says George McIsaac, assistant secretary for resource applications, "In some respects, even though we all knew what we were getting into, the American people perhaps expect too much. DOE, after 18 months, is expected to perform with the finesse of the Department of Defense. . . . We're doing just fine."

There's something to that argument. The task of organizing the Energy Department is a huge one; many of those who have undertaken it are manifestly compentent, energetic and sincere in their devotion to its mission. Despite its reputation, the department is far from a nest of bureaucratic duff-sitters or civil-service clock-watchers. But the DOE was sold to the people as a means of introducing "immediate order" and as a way of coping with a serious, immediate crisis, one Carter later termed "the moral equivalent of war."

Now the soothing bureaucratic noises—the words saying: relax, give us a few years, let us get our act together—unavoidably raise the question of whether this trip was really necessary, whether creating a cabinet department is the proper response to the perception that we are in a "crisis"—about energy or anything else.

As a crisis-solving agency—a Pentagon to conduct the moral equivalent of war—DOE is a clear failure. One does not fight a war by reorganizing the government. Schlesinger, a master of blaming his troubles on outside conditions, once remarked "how grateful we should be that the Japanese chose to attack Pearl Harbor prior to passage of the National Environmental Policy Act." But one could argue as forcefully that, had the nation responded to Pearl Harbor by reorganizing the Department of War, we would have probably had to fight the enemy on the outskirts of Kansas City.

Viewing the situation in wartime terms, the proper response to an energy crisis would probably have been either to throw huge amounts of money into research to find new supplies of energy and to organize government-run facilities to produce synthetic gas and oil, gasohol or solar power, or to impose rationing and mandatory conservation measures, thus ending our dependence on foreign oil. Either plan would have huge drawbacks—research funding would lead to some waste and boondoggle; rationing would bring inequities and profiteering. But they might get results quickly, and, in wartime, one has not the luxury of constructing a clean flow-chart before giving battle.

By choosing to view the energy problem as one calling for reorganization, the administration, wittingly or not, seems to have decided that the energy problem would be a feature of our national life for quite a while to come—a nagging, intractable, but not threatening obstacle to sound planning and smooth economic growth, one that could wait three or four or five years for a concerted attack.

One side effect of reorganization is that it gives huge masses of people a vital career stake in the problem at hand. For a brief time during its debates on the Energy Department bill, Congress considered writing in a "sunset" provision that would have abolished it after five years. It's a shame the provision was removed. However, there was an amendment to provide a congressional review in 1982. That seems like a good time to take another look at the idea of an Energy Department.

For right now, however, one thing seems clear: the current reorganization has shaken our federal energy machinery almost to the breaking point. The one thing that is not needed right now is another hefty dose of "immediate order." The machine we have—bad as it seems—should be cleaned up, given sound management, and allowed to run for a few years. Schlesinger says he has heeded the message of the critical management audit.

Late last month, he issued the first of a series of orders designed to correct the flaws it criticized. From now on, O'Leary is to be the department's "executive officer," and Myers has been effectively demoted to a role supervising conservation programs and SPRO.

Three years from now, Congress will have a chance to decide if he—or his successor—has succeeded, if the organization needs changing and if we need an Energy Department at all. If they don't do a thorough job, after that DOE will sail serenely into the stream of American bureaucracy, untouchable and unstoppable, whether it's needed or not.

"In five years, the world is going to change," says one department official. "A lot of the things we're doing in energy are going to be done—and we'll still be here. We're a latter-half-of-the-20th-century Agriculture Department." ●

PERSONAL EXPLANATION

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Ms. FERRARO. Mr. Speaker, yesterday, May 30, is the traditional day for Memorial Day observance in New York. Because I participated in Memorial Day ceremonies in my district, I was unable to be on the floor of the House for part of yesterday's session. Had I been present during the consideration of the conference report to accompany S. 7, the Veterans Health Care amendments, I would have voted "aye." ●

PROBLEMS OF VIETNAM-ERA VETERANS

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. DASCHLE. Mr. Speaker, I would like to have the following statement of Larry Bouska included in the RECORD. Larry is currently the national service officer for the Disabled American Veterans in Sioux Falls, S. Dak. Recently he gave testimony at a special Veterans Affairs' Subcommittee hearing that I chaired in Sioux Falls in connection with Vietnam Veterans Week. I feel his statement is indicative of the current problems and situation that Vietnam-era veterans are facing across the country and should be included in the RECORD for the benefit of my colleagues.

STATEMENT OF LAWRENCE BOUSKA

My name is Lawrence Bouska. I grew up in Yankton. My father is a combat veteran of WWII.

After having received a draft notice, I enlisted in the Navy in 1967. I am a combat disabled veteran, having served in Vietnam between June 1968 through October 1970. I currently work as a National Service Officer for the Disabled American Veterans.

I do not really know where to begin my story. However, I suppose enlisting is where to begin.

My generation as a majority grew up with deep and patriotic roots. Our fathers served in a popular war—either WWII or Korea. Many of us lost fathers or uncles. Their talk of war reflected pride in how they responded to the needs of America.

However, those of us of the Vietnam era were constantly exposed to the negative feelings of Vietnam, yet we were torn between that and our inborn pride in serving our country in time of war. We were torn between what we had heard about Vietnam and the inborn need to have our families accept us as veterans.

For me, it would have been a let down to not have served our country exactly as my father. Therefore, after on active duty, I volunteered for duty with the "Seabees"—just as my father had. I knew full well that this would get me to Vietnam.

One has great apprehension going to Vietnam. Negative press and mixed emotions. However, during training the word "kill" takes on meaning. Can I do it? Patriotism is at its highest prior to landing in Da Nang. But what do we encounter initially? As we deplane, the fellows taking our seats tell us how screwed up this place is.

It did not take me long to understand. Within a week I had been awarded the combat action ribbon. Not a pleasant experience. I soon learned what incoming was—for the guy next to me it was a final lesson. Bodies mangled—some were medevacked—I picked others up in plastic bags. I discovered what fear was. Night after night I laid awake—afraid to sleep for fear of dying.

I can remember five of us pinned down in a massive barrage of mortar fire relearning how to pray. I actually prayed that I would die and have this all ended. I feared being wounded and not dying. On occasion, beer became the only way to get sleep and to forget.

Yes, perhaps I saw what some call atrocities. But, in our guerrilla war the front was not defined nor the enemy definable. Does that farmer have a grenade or pistol? Does that mother and her baby have weapons concealed? Does that little girl have explosives in the frame work of her bicycle or Honda? Yes, I saw all these things.

I read the papers and just got more confused. What did those people mean?—We couldn't win. All of us know that we could have won—had we been allowed to. I hope that for any future conflict, politicians do not run the war.

For 30 months I was physically lucky. But with 5 days to go, I ended up being medevacked myself. Even though I couldn't walk, I started thinking that now I had went the complete cycle. Perhaps my guilt was washed away. Now I would be going home as a combat disabled veteran. I thought I would be received by my family and friends. Even with those feelings, I felt it necessary to bring presents home with me for my family as an extra assurance that they would accept me.

But, even on the way home, I couldn't understand why I had been discharged with stitches still in my legs and a draining infection. But, I was out.

Once home, it seemed as if no one even cared to talk about what I'd been through. My little brother was only interested in whether or not I had killed any women or children. I guess that was natural since what he saw on TV was My Lai. My friends could have cared less. I was not welcomed as the veteran I wanted to be.

Within a month of civilian life, it was necessary to contact the VA—after all, I had been told the VA could take care of me. The infection and pain in my leg was so bad—I had to get that cleared up. I would like to state that the excellent care I received was beyond belief.

Even though I had a good construction background, I couldn't get a job. In the hospital, a DAV national service officer counseled me, advising me of benefits and filing the necessary paperwork. I felt that those guys cared. I guess I am lucky because people probably look at me and say that Larry Bouska has adjusted—he's got no problem. I graduated from college then went to work for the DAV. I don't know why I choose the DAV, but maybe I was trying to sort my head out; if I can help another disabled veteran maybe I won't have the time to think of myself as a veteran.

Since I have been in this work, I've come across hundreds of Vietnam veterans who've got problems, employment, schooling, marriages and the law. It seems as though these problems are getting worse now rather than better. However, it now appears that someone has recognized this phenomena and tabbed it the "delayed-stress syndrome". I am sure that you have heard about "delayed-stress". I would refer you to the "forgotten warrior project" which was sponsored by the DAV. The results of this study are alarming in the problems surfacing in veterans around 10 years after having left Vietnam.

The DAV has launched an outreach program for the victim of delayed stress. I would be willing to discuss in detail the nature of our program. However, I would ask the question "why hasn't the Government seen fit to go forth with this program? Who's responsibility is the Vietnam veteran?"

But perhaps the Government can not deal with "delay-stress". After all, most of us have been turned off by the Government. I have seen VA doctors in the past and almost every time I tell, or try to tell, the doctors I can not sleep at night. Yet, the last doctor I saw said there is nothing he could do. He didn't give me a chance to talk. Yet, how can they with their schedules? I wonder if I am a veteran or a number that can be put on a report.

Earlier I had stated that the care I received by the VA in 1970 was excellent. However, I can not make that statement now. The last time I saw a VA doctor in December I was told that he wouldn't do anything until I saw a neurologist. Well, I saw a neurologist in January. As of today, I have not received an appointment to see the orthopedic physician. Is this the priority that all service connected veterans get? Is this care second to none or next to nothing?

Recent surveys conducted outside of the VA show that there are long waits to see doctors with scheduled appointments, medications are either labeled wrong or delayed, people are not informed as to travel reimbursements, in cases VA personnel are not perceived by the veteran to be courteous, many veterans are turned away from the VA and are subsequently admitted to private hospitals. Some of us are being turned off to VA medical care.

Even more alarming to me is the use of physicians assistants by the VA. I have in my possession considerable documentation as to the use of PA's who are not under the direct supervision of doctors. I would be willing to discuss this further.

Although I am grateful that our problems are being recognized, I am disappointed with the way in which we are being depicted to the American public. We are not "time or human bombs" ready to explode, ranking with the winos or deranged.

We just want to be accepted as veterans.●

EXEMPTING VEHICLES WHICH ARE LEASED TO THE POSTAL SERVICE FROM STATE TAXES AND FEES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. CLAY. Mr. Speaker, on May 14, 1979, I introduced H.R. 4064, a bill to provide that owners of motor vehicles leased by the U.S. Postal Service solely and exclusively for its use shall be exempt from the payment of State and local taxes and fees.

It has come to my attention that some 15 to 20 percent of the price which the Postal Service pays for such vehicles is to cover the cost of licenses, tags, fees, and inspections. There are a number of States which already waive these fees for owners of such leased vehicles. My bill would make this practice uniform across the Nation.

The General Accounting Office has already reported that it is more economical for the Postal Service to lease vehicles than to purchase such vehicles. Leased vehicles are also better energy savers than the Postal Service's right-hand jeep, which gives very few miles to the gallon.

It has also been estimated that exemption of leased vehicles from State and local taxes and fees would result in a savings to the Postal Service of about $1.6 million annually. This amount, shared among States and localities across the Nation, would result in a negligible shortfall in their revenue income.

At a time of fiscal restraint and the acute energy crisis, my bill will allow the Postal Service greater flexibility in cost savings. It will provide the Nation's leased vehicles an opportunity to provide an important public service.

I want to emphasize that this bill provides an exemption only for those vehicles which are leased to the U.S. Postal Service solely and exclusively for their use. Once the vehicle is removed from service, it would then be subject to all applicable State and local taxes and fees.●

SALUTE TO VETERANS

HON. ARLEN ERDAHL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ERDAHL. Mr. Speaker, I wish to recognize the people who have served this country by giving their time, efforts, and all too often, their lives for the sake of duty. We have lost about 1,200,800 military personnel during the course of our history—people who died for us. That sad figure deserves our thought. It is fitting that we stop and remember them.

It is painfully easy to imagine the death of one person. But when that person is multiplied by more than 1 million the mere number deadens one's senses.

Walking through Arlington National Cemetery on Memorial Day weekend brought out a gloomy respect for the dead as I surveyed the neat white rows of gravestones, by which someone unknown had placed fluttering American flags. I respect those men who thought enough of their country to fight, but it was with sadness I watched the silence of their graves.

We lost about 4,000 military in the American Revolution, 2,000 in the War of 1812, 13,000 in the Mexican War, 495,000 in the Civil War, 11,000 in the Spanish-American War, 116,000 in World War I, 406,000 in World War II, 55,000 in the Korean conflict, and 86,000 during the Vietnam era.

I have talked about the losses. Now it is time to recall the many millions more who have served their country and lived, or are still living. They all deserve commendation, and this week, in which Memorial Day fell, we should all take time out to recognize the service put forth by these people. They served that we might be free.

It is also Vietnam Veterans Week, a time for us all to recognize the duty veterans from the Vietnam era have fulfilled.

There is no reason for Vietnam veterans to apologize for their service to this country. But instead of coming home to marching bands and waving flags, these young men returned to their homeland often to find unemployment, a society that ignored them, and even animosity.

The Vietnam war was unpopular. But the image that has been colored of Vietnam veterans in television, movie and other media dramas over the years is unjustified by the facts.

Most Vietnam veterans are ordinary citizens who served their country. Most of them have made a satisfactory readjustment to civilian life, but a substantial number still have problems—medical, economic, psychological, and educational.

The administration seems to have backed off the commitment our Government has long maintained concerning veterans. They need equal opportunity for jobs. They need opportunity for adequate training and health care.

"Let us . . . care for him who shall have borne the battle, and for his widow, and his orphan . . ." Abe Lincoln wrote during the Civil War. Let's not abandon our veterans, but give them the respect and opportunity they deserve.●

POPULATION PLANNING: THE CASE FOR STABILIZATION

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. OTTINGER. Mr. Speaker, in its founding, the United States became synonymous with the pursuit of individual liberty—of rights and opportunities for its citizens. The pursuit continues. We have made progress not by avoiding the need for limits in our lives and actions; instead, it has been the achievement of our respect for personal, social, and legal limits. "Liberty is meaningless save in terms of the law," a political scientist once said.

As an environmentalist and a Member of Congress, I have learned the value of wisely chosen limits. I have also seen the consequences of their absence—especially in unlimited and unplanned population growth. I believe the American tradition of guaranteeing liberties and opportunities through personal and public limits is what planning for population changes and voluntary stabilization is all about. By planning, personally to limit our family size and collectively to limit our national population growth, we can aim for a freer society for ourselves and our children, one which is in harmony with nature and fills purposes other than merely quantitative growth.

Planning for voluntary population stabilization—for the time when the number of people in the country does not increase from one generation to the next—is a means to the goal of a freer society, personally, politically, and environmentally. Planning will help to guide us through demographic changes that eventually may give us a balance between immigration and births with emigration and death over time. Planning will also help us to take advantage of the opportunities those changes will create.

The need for limits and planning exists now, to address continued U.S. population growth—close to 2 million people annually—and to deal with other new demographic changes. People are living longer; they are having smaller families; the proportion of older citizens in society is increasing; more and more people are migrating into the country illegally. In the last 8 years, the population grew more than during any other 8-year period before World War II—more than 13 million people. In the next 8 years, it may add another 12 million to 23 million people, according to Census Bureau projections.

Although many of us, including President Carter, are just beginning to realize how changes in the age structure and migration will dramatically reshape the Nation's future, many more have been talking for years about the problems associated with continued population growth itself. In 1971, a national public opinion survey sponsored by the President's Commission on Population Growth and the American Future found 69 percent of Americans perceived national population growth as a serious problem; 85 percent felt the same about world population growth. Five years later, a Gallup/Kettering Global Survey found that 87 percent of Americans would not like to see the country's population grow; more than 90 percent viewed world population growth as a major problem.

Ending population growth is not a guarantee for a better future, but planning for population changes and stabilization promises opportunities for a better future through resource conservation, personal economic improvement, better political representation, and healthier families. We need better planning both to influence future population changes and to take advantage of them.

NATURAL RESOURCES

In a country as big and varied as ours, some regions are more abundant in resources than others; some have much faster growing populations than others. These differences often do not mesh. While the country overall has plenty of water, shortages are developing in dry regions, including the Southwest, where population growth is especially fast. Although the crunch of oil prices tightens with no relief in sight, we are experiencing a nationwide shift in population growth to counties outside of metropolitan areas where people depend more, not less, on automobile driving and oil consumption.

Pollution is a sign of resources wasted: Fuels used inefficiently, environments fouled, human health impaired. Population growth can defeat pollution control efforts.

Take air pollution, for example. The Office of Technology Assessment expects air quality to be little better in another 20 years, despite emission controls. More cars and congested traffic are the reason. If there had been no population growth between 1946 and 1968, poisonous lead emissions from car exhausts would have doubled. But because the population was growing too—and driving—emissions increased fourfold.

The resources we waste are lost not only to future generations of Americans but also to the current generations of other nations. We number only about 5 percent of the world's people, but we account for about a third of the consumption of the world's nonrenewable resources each year. In food alone, one out of every three acres of land in agricultural production already is targeted for export.

ECONOMIC WELL-BEING

It is not just the numbers of people but also the resources they consume that count when you assess the impact of population growth. The same can be said for economic growth. It is not just the gross national product but also personal prosperity that matters for most individuals.

Many economists expect slower population growth would bring greater material well-being for the individual. We would be able to invest money to improve education and productivity instead of merely keeping up with more people. With less competition for resources and less depletion of them, natural resource costs would be lower than otherwise. Pollution control would cost less, and there would be less environmental degradation. A larger proportion of the population would be in the work force. There would be more opportunity to reduce inequality of income.

In 1972, the President's Commission on Population Growth said:

> We have looked for, and have not found, any convincing economic argument for continued national population growth.

In 1977, a study published by the Joint Economic Committee of Congress made the same point:

> U.S. businessmen individually will be better off under low growth . . . There appear to be no economic difficulties inherent in z.p.g.

POLITICAL REPRESENTATION

The membership of the U.S. House of Representatives stopped growing back in 1911. The House recognized the need to limit its own growth and the political consequences for its work if it did not. The country, of course, has not stopped growing. Today, each Member of Congress attempts to "represent" more than 450,000 citizens in our district; the Nation's population is almost three times as big as it was when a ceiling was put on House membership. Our districts could grow by another 50,000 to 100,000 each in the next several decades. There are political limits inherent in population growth.

FAMILY WELL-BEING

All of us know large families and small families—some well and happy, some not. Numbers do not guarantee their well-being. Personal devotion and resources can make a difference. Smaller families of which we already are beginning to see more and more in this country, go hand in hand with slower population growth. They promise more parent time, more resources to devote to each child, which is no small consideration when you consider the average middle income family can expect to spend an estimated $64,000 or more to raise a child through age 18.

It is not just a question of money. Whether richer or poorer, children of smaller families have been found to have better chances for good health and development, studies tell us.

Zero population growth means smaller families, on the average, but it does not threaten the survival of the family as the basic institution of life. After a decade of smaller families, most people still marry—95 percent—and most of those expect to have at least one child. The small family—with one or two children—is an increasingly viable choice for people.

Slower growth and other demographic changes are already realities. Planning for these changes and for eventual population stabilization is a commitment to new opportunities and freedoms we still have not made as a Nation. Considering and debating a national population policy to plan for population stabilization will prepare us for that commitment.●

THE OMNIBUS SOLAR ENERGY COMMERCIALIZATION ACT OF 1979

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. MOAKLEY. Mr. Speaker, recently I introduced the Omnibus Solar Energy Commercialization Act of 1979 which seeks to promote commercialization of solar energy technologies toward a national goal of 20 quads of energy from renewable resources in the year 2000.

This legislation, which has been introduced in the Senate by John Durkin, is a multifaceted effort that includes establishing a more efficient information dissemination system, a long-interest, long term loan program, and several programs to promote the use of renewable resources by Federal agencies.

The goal of 20 quads of energy is an ambitious but attainable goal (equivalent to one-half million barrels of petroleum per day). The President's Council on Environmental Quality has stated, with aggressive private and governmental support, solar energy can contribute 20 to 30 quads per year of our energy by the year 2000. A quad is a quadrillion Btu's and it is estimated by the CEQ that total U.S. energy demand for the year 2000 will be from 80 to 120 quads.

To achieve this goal, the bill first formally establishes, with the Department of Energy, the Solar Heating and Cooling Information Center. It mandates the Center to develop information services and outreach programs including the development of materials specifically designed to assist architects, builders, manufacturers, and others involved in solar commercialization.

The general public has a lot to learn about solar energy. Public education in the next few years will be crucial in paving the way for solar energy's acceptance as a part of everyday life. By having the Department of Energy coordinate the flow of information through national and regional entities, we can better insure timely, comprehensive material being available.

Second, this legislation provides for a program of low-interest loans easing the large, initial capital investments solar systems require. These loans would be available at a subsidized interest rate fixed 6 points below the FHA mortgage lending rate for a period not to exceed 30 years. The amount of each loan shall not exceed $10,000 per unit in the case of any single-family residential structure, $5,000 per unit in the case of any residential structure with two or more dwelling units (not to exceed $500,000 per loan), and $200,000 in the case of any commercial structure.

Private lenders making solar loans are reimbursed the difference between the subsidized interest rate and the market rate in a lump sum payment by a solar energy development corporation, which is to be established within the Department of Energy. The corporation will have the same corporate powers as the Government National Mortgage Association.

The purpose of the solar corporation is: First, to provide reasonable credit terms for the purchase and installation of solar energy systems; second, to provide a source of financial liquidity for private sector financial institutions; and third, to reduce the risk to private sector financial institutions of loans on solar energy systems.

To guarantee the integrity of these loans, each solar energy system purchased and installed with aid of a Federal loan, must be covered by a warranty that at least provides: First, the installer or manufacturer, or both, will remedy any defect in the system or component (including if necessary, repair or replacement at the site) without charge and within a reasonable time, in instances of defects in materials, workmanship, or installation which become evident within 1 year of the date of installation. Second, the installer will provide, without charge and within 15 days before expiration of the warranty, an onsite inspection of the system and components for the purpose of discovering and remedying any defects which may be present.

The third provision of this bill is to require that any new civilian Federal building include, when deemed cost effective, over the building's life-cycle, passive solar energy systems and active solar energy systems. Also it requires the sale of gasohol in all Federal fueling stations which will help that industry expand and decrease the Nation's burden on imported oil.

This act also provides for the Federal power marketing administrations with the authority to purchase and to guarantee the purchase of power from generating facilities utilizing renewable energy resources. These administrations, such as Bonneville Power and Southwestern Power, may even build such a facility if no utility or other person offers to build the facility.

The final section of this legislation authorizes $50 million in fiscal year 1980 funding to carry out the provisions of this act with a budget outlay of approximately $100 million per year beginning in fiscal year 1981. These figures are high but I feel they represent a necessary investment for our future energy economy.

Over 100 of my colleagues recently signed a letter to President Carter urging him to set a high national goal for solar energy implementation. By joining me in support of this legislation, we have the opportunity to translate our rhetoric into action that will truly lead our Nation toward a solar future.

A text of the bill follows:

H.R. 4211

A bill to establish a national goal for the use of renewable energy resources, to establish information and financial initiatives to promote the use of renewable energy resources, and to authorize the use of certain renewable energy resources by the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Omnibus Solar Energy Commercialization Act of 1979".

FINDINGS

SEC. 2. The Congress finds and declares that—

(a) the United States faces an energy shortage arising from decreasing supplies of domestic fossil fuels an insufficient development of renewable energy resources;

(b) unless effective measures are promptly taken by the Federal Government and other users of energy to increase the rate of use of renewable energy resources, the United States will become increasingly dependent on the world oil market, increasingly vulnerable to interruptions of foreign oil supplies, and unable to provide the energy to meet future needs;

(c) the Nation is handicapped by the absence of an established national goal for the achievement of rapid commercialization of solar energy systems;

(d) one of the major impediments to rapid commercialization is the absence of an effective financial institution dedicated to the promotion of solar energy and able to facilitate the widespread commercialization of residential, commercial, and industrial solar energy systems;

(e) the Federal Government can promote the commercialization of the direct solar energy systems by installing solar energy systems in the new Federal buildings;

(f) dwindling petroleum supplies can be directly supplemented through the addition of biomass-derived-alcohol to motor gasoline;

(g) the formal establishment of a coordinated network for the dissemination of information to the public is a prerequisite to the development of an improved public understanding of the potential of solar energy systems; and

(h) it is the Nation's interest to provide opportunities for the increased production of electricity from renewable sources.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) the term "Secretary" means the Secretary of the Department of Energy;

(2) the term "renewable energy resource" means any energy resource which has recently originated in the Sun, including direct and indirect solar radiation and intermediate solar energy forms such as wind, ocean thermal gradients, ocean currents and waves, hydropower, products of photosynthetic processes, organic wastes, and others;

(3) the term "solar energy system" has the meaning provided by Public Law 95-619, section 241, which amends the National Housing Act;

(4) the terms "Federal building" and "Federal agency" have the meaning provided by Public Law 94-385, section 303;

(5) the term "entity" means any "person" or "municipality" as those terms are defined in the Federal Power Act;

(6) the term "passive solar energy system" means space heating and cooling systems that make most efficient use of, or enhance the use of, natural forces—including solar insolation, winds, night time coolness, and opportunity to lose heat by radiation to the night sky—to heat or cool living space by the use of conductive, convective, or radiant energy transfer. Passive solar systems include—

(i) direct gain glazing systems—the term "direct gain glazing systems" means the use of south-facing (plus or minus 45 degrees of true south) panels of insulated glass, fiberglass, or other similar transparent substances that admit the Sun's rays into the living space where the heat is retained. Glazing is either doubled-paned, or single-paned equipped with movable insulation.

(ii) indirect gain systems—the term "indirect gain systems" means the use of panels of insulated glass, fiberglass, or other transparent substances that direct the Sun's rays onto specially constructed thermal walls, ceilings, rockbeds, or containers of water or other fluids where heat is stored and radiated;

(iii) solaria/sunspace systems—the term "solaria/sunspace systems" means a structure of glass, fiberglass, or similar transparent material which is attached to the south-facing (plus or minus 45 degrees of true south) wall of a structure which allows for air circulation to bring heat into the residence, and which are able to be close off from the residential structure during periods of low solar insolation; and

(iv) thermal pond system—the term "thermal pond systems" means containers, such as tanks or water bags, filled with water or other fluids which when placed on rooftop, capture the Sun's rays and radiates stored heat directly into the residence and makes use of movable insulation to regulate heat absorption and radiation;

(7) the term "Administrator" means an Administrator of a Power Marketing Administration;

(8) the term "just rate" means a rate based on the marginal cost of the production of electricity from a new conventional peaking power electric generator.

NATIONAL GOAL

SEC. 4. A national goal is hereby established that, as part of our Nation's total energy supply in the year 2000, a minimum of twenty quadrillion British thermal units of energy shall be supplied from renewable energy resources.

INFORMATION DISSEMINATION

SEC. 5. (a) With respect to the information, training, education, and other outreach services referred to in this section, it shall be the policy of the Secretary to utilize to the maximum extent feasible State and local government organizations, the Energy Extention Services, the regional Solar Energy Research Centers, and other such regional entities that are responsible for solar energy activities.

(b) The Secretary shall establish the Solar Heating and Cooling Information Center (hereafter referred to as the Center) for the purpose of providing information services to the public and to the regional entities referred to in section 5(a).

(c) The information services provided by the Center shall include, but not limited to—

(1) retrieval and dissemination of materials relating to the development and commercialization of solar energy system to—

(A) Federal, State, and local government organizations,

(B) universities, colleges, and other nonprofit organizations, and

(C) private persons, upon request, in appropriate cases;

(2) development of materials specifically designed to assist—

(A) architects,

(B) builders,
(C) contractors,
(D) installers,
(E) officers of financial institutions,
(F) building appraisers, and inspectors,
(G) State and local officials,
(H) manufacturers, and
(I) other persons who are involved in the development and commercialization of solar energy systems, and

(3) development and implementation (where appropriate) of training, education, and other outreach programs specifically designed to assist in the development and commercialization of solar energy systems.

(d) The Secretary shall coordinate the activities of the Center, the Energy Extension Services, the Solar Energy Research Institute, the regional Solar Energy Research Centers, and other regional entities involved in providing the services referred to in this section.

IN-HOUSE FEDERAL ENERGY INITIATIVES

SEC. 6. (a) Effective one hundred and eighty days after the date of the enactment of this Act, the head(s) of each Federal agency(s) responsible for the construction of any new civilian Federal building shall require that any such Federal building shall include passive solar energy systems, and active solar energy systems unless the head of such Federal agency determines that such active solar energy systems are not cost-effective.

(b) For the purposes of this section, an active solar energy system shall be considered cost-effective if the original investment cost differential can be recovered over the expected life of the Federal building, using a cost criteria based on undiscounted constant dollars, maintenance costs of no more than 1.5 per centum of the active solar energy system cost per year, and regional fuel cost escalation rates as determined by the Department of Energy, under title VIII of the Department of Energy Organization Act of 1977.

(c) Parts (a) and (b) of this subsection shall not apply to those buildings which are designed to operate without heating, cooling, or hot water systems.

(d) For purposes of this section, a Federal building is considered a "new Federal building" if the final design of that building is completed after the date prescribed in subsection (a).

FEDERAL FLEET GASOHOL INITIATIVE

SEC. 7. (a) Effective one hundred and eighty days after the date of enactment of this Act, the head of each Federal agency operating a fueling station for Federal civilian gasoline motor vehicles located in the United States shall require where available that such fueling station shall dispense only gasoline incorporating 10 per centum alcohol by volume.

(b) Effective one hundred and eighty days after the date of enactment of this Act, the head of each Federal agency operating a retail gasoline supply outlet shall require that gasoline incorporating 10 per centum alcohol by volume be made available for retail sale.

(c) Alcohol purchased or produced to comply with the provisions of this section shall be derived from sources primarily other than fossil-fuels.

(d) The head of said agency shall procure quantities of alcohol as required by this section in such a manner as to promote the development of those sources which provide the least potential for environmental degradation.

FEDERAL POWER MARKETING ADMINISTRATION INITIATIVES

SEC. 8. (a) The Administrators of the Alaska Power Administration, the Bonneville Power Administration, the Southeastern Power Administration, the Southwestern Power Administration, and the Western Area Power Administration are authorized to enter into agreements to purchase and to guarantee the purchase of power from generating facilities utilizing renewable energy resources proposed for construction by non-Federal entities.

(b) The said Administrators are authorized to construct and operate generating facilities, other than hydroelectric facilities: *Provided, however*, That no such facility may be constructed unless the Administrator (1) has made a public offer to purchase or to guarantee the purchase of the power from a comparable facility at a just rate if such facility is constructed by a non-Federal entity, and (2) the Administrator has received no offer from a non-Federal entity to construct such generating facility within one hundred and eighty days after the date of the public offer required by this subsection.

FINANCIAL INITIATIVES

SEC. 9. (a) The Secretary is authorized to establish within the Department of Energy a Solar Energy Development Corporation (hereafter referred to as the "Solar Corporation") with the same corporate powers given the Government National Mortgage Association in section 309(a) of the National Housing Act.

(b) The purpose of the Solar Corporation is—

(1) to provide reasonable credit terms for the purchase and installation of solar energy systems;

(2) to provide a source of financial liquidity for private sector financial institutions; and

(3) to reduce the risk to private sector financial institutions of loans on solar energy systems.

(c) Within one year of the enactment of this Act, the Secretary shall establish the Solar Corporation. The Secretary shall appoint a President of the Solar Corporation and other officers and employees as the Secretary deems necessary to carry out the functions of the Corporation. Appointments shall be made pursuant to the provisions of title 5, United States Code, governing appointments in the competitive service.

(d) The Solar Corporation is authorized to make payments to financial institutions for the purpose of subsidizing long-term, low-interest loans which are made by such institutions to owners or builders of commercial and residential structures for the purchase and installation of solar energy systems in such structures and which meet the requirements of this section.

(e)(1) The amount of any such payment made with respect to any such loan may be in a lump-sum payment and shall be equal to an amount necessary to compensate the financial institution for making such loan at an interest rate which is 6 percentage points below the current maximum interest rate permitted on a mortgage insured under section 203(b) of the National Housing Act, rather than at the market rate, as determined by the Solar Corporation.

(2) The Solar Corporation may, with respect to any loan with respect to which a subsidy payment is made under this section, require the financial institution to repay the Solar Corporation any amount to which the Solar Corporation is entitled as a result of the borrower's repaying the loan at an earlier date than was scheduled under the original agreement.

(f) A payment may be made under this section with respect to a loan only if—

(1) the term of repayment does not exceed thirty years, except that there shall be no penalty imposed on the borrower if he or she repays such loan or advance of credit at any time before the term of repayment expires;

(2) the amount of such loan does not exceed $10,000 per unit in the case of any single family residential structure, $5,000 per unit in the case of any residential structure with two or more dwelling units (not to exceed $500,000 per loan), and $200,000 in the case of any commercial structure;

(3) the solar energy system purchased and installed with such loan is covered by an agreement which contains at least the following warranties—

(A) that the installer or manufacturer, or both, will remedy any defect in the system or component (including if necessary, repair or replacement at the site) without charge and within a reasonable time, in instances of defects in materials, workmanship, or installation which become evident within one year of the date of installation or such longer period as the Secretary determines is reasonable; and

(B) that the installer will provide, without charge and within fifteen days before the expiration of the warranty, an onsite inspection of the system and components for the purpose of discovering and remedying any defects which may be present;

(4) the security for such loan is acceptable to the Secretary; and

(5) the solar energy system financed by such loan is purchased and installed after the date of enactment of this Act.

(g) The "Energy Conservation in Existing Buildings Act of 1976" (Public Law 94-385, as amended by Public Law 95-619) is amended by adding a new paragraph after section 412(9)(F) as follows—

"(G) materials associated with passive and active solar energy systems; and", and relabeling section 412(9)(G) as section 412(9)(H).

(h) There are authorized to be appropriated to the Secretary not to exceed $2,000,000 for the fiscal year ending September 30, 1980, for administrative expenses associated with the establishment of the Solar Energy Development Corporation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are authorized to be appropriated to the Secretary not to exceed $48,000,000 for fiscal year ending September 30, 1980, to fund programs authorized in section 2 through section 8.●

DON MITCHELL: PATRIOT OF THE YEAR

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. MICHEL. Mr. Speaker, the members of the Department of New York, Reserve Officers Association of the United States, recently awarded our friend and colleague, DON MITCHELL, with the Civilian Patriot award.

This award was given not only because of DON MITCHELL's distinguished career as a Councilman, Mayor, State Assemblyman and Congressman, but for his support of a strong national defense policy. As ranking minority member of the Military Compensation Subcommittee of the House Armed Services Committee and chairman of the Task Force on Military Installations for the Northeast-Midwest Economic Advancement Coalition, DON MITCHELL deserves this prestigious award for his dedication to the continued strength of our Nation.

My congratulations go to DON and also to the Reserve Officers Association for choosing such an excellent recipient.●

IRRIGATION WATER POLICY

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BEDELL. Mr. Speaker, today I am introducing legislation that would, if enacted, inject a measure of consistency into Federal agriculture and resource development policies. In brief, this legislation would allow water available for irrigation purposes from federally financed water projects to be used only for those agricultural commodities not designated as surplus crops.

I am proposing this measure today in order to counter what I believe has been the unwise policy of the Federal Government to encourage the production of surplus crops in some areas of the country, while in other areas providing incentives to curb the production of these same crops or making available price supports to their producers.

We are all well aware, Mr. Speaker, that a number of public water projects have been authorized and funded over the years that provided often questionable benefits to the public at significant cost to the taxpayer. Frequently the benefits that were cited as likely to accrue from these projects were in the form of increased agricultural productivity. This increased productivity, in turn, consisted many times of an increase in production of an agricultural commodity which was in surplus and whose production the government was trying to curb through its costly agricultural programs.

One project which serves as a prime example of the glaring inconsistency between our agriculture and natural resource policies is the O'Neill unit irrigation project in north central Nebraska. This project involves the construction of a dam on the Niobrara River and a 28-mile diversion canal to deliver water to 77,000 acres of land. The dam would inundate a significant stretch of the magnificent Niobrara River valley, which provides a unique blend of habitats for eastern, western, northern, and southern wildlife species. Because of the river's outstanding scenery, wildlife and recreation potential conservationists have asked that it be made a part of the National Wild and Scenic Rivers System.

Construction of the O'Neill unit will require the taking of 30,000 acres to irrigate 77,000 acres. Only 12 percent of the possible irrigated acreage is class I farmland—land with minimum hazards to irrigation. Nearly one-third is class III land which contains soil that has no power to hold water, meaning that irrigation water may pass right through the soil, carrying contaminants to the groundwater below. The estimated cost of the project is $200 million, which would result in a taxpayer outlay averaging more than $1,600,000 for each farm benefiting from the project.

Mr. Speaker my proposal would, quite simply, prohibit the use of water from any Federal reclamation project, 10 percent of which is not completed by September 30, 1979, for the irrigation of surplus crops within 10 years of the completion date of such project. Many of the projects which would be affected by this stipulation had included in the language of the acts which authorized their construction a similar prohibition that extended 10 years from the date of enactment of the various acts, rather than 10 years from the completion date of the projects. However, because projects often take more than 10 years from their date of authorization to complete, I believe that it is important to alter this authorizing language in order to preserve the intent of the Congress not to have water from federally financed projects used to irrigate surplus crops.

Mr. Speaker, I urge my colleagues' support of this legislation, and I am hopeful that the bill will win prompt consideration.

The text of the bill is as follows:

H.R. —

A bill to prohibit the use of water from certain Federal reclamation projects for the irrigation of surplus crops within ten years of the completion date of such projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, no water from any Federal reclamation project, the construction of which is less than ten percent completed as of September 30, 1979, as determined by the Secretary of the Interior, shall be delivered within ten years from the date of completion of such project to any water user for the irrigation of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (7 U.S.C. 1428(c)), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply, as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)(10)), as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.●

A SIGHT TO BEHOLD—FOR 50 YEARS

HON. WAYNE GRISHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. GRISHAM. Mr. Speaker, I have a confession to make.

I represent the 33d Congressional District in California and my home is in a beautiful suburban community called La Mirada which I love.

I have another love—and a second home.

It is Santa Catalina Island—a tranquil place of beauty only 22 miles off the coast of busy Southern California. As you approach Avalon, the only city on the island, whether it be by boat or by plane the first thing you always see is a huge mediterranean style building called the Casino. It is a beautiful sight whether you see it only once or whether you see it scores of times as I have.

The Catalina Casino had a birthday on May 28—its 50th. The late William Wrigley, Jr., supervised the completion of the Casino in 1929. The magnificent red-tiled structure houses what was once billed as the world's largest dance floor. Thousands have enjoyed dancing to the strains of the big bands through the years. On another level is an acoustically perfect theatre which seats 1,200 people and houses a pipe organ which cost $40,000 in 1927. Still another level contains an art gallery for local artists and a museum of Catalina Island History.

I would like my colleagues to join me in a salute to an architectural marvel which has given pleasure to so many from within and from without for these 50 years. Congratulations and best wishes to the beautiful city of Avalon and its gorgeous Casino.●

SENIOR CITIZENS MONTH

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. DASCHLE. Mr. Speaker, I would like to take this opportunity to help honor those senior citizens in our Nation who have contributed so much to making our Nation as great as it now is. As I am sure you are aware, May has been designated as Senior Citizens Month, and so it is particularly appropriate at this time to speak on behalf of our older Americans.

Who can doubt that we owe most of what we now have to citizens of the generations prior to ours. The senior citizens of today were the soldiers, scientists, humanitarians, and most importantly, the parents and families of yesterday. These people raised us, fed us, and gave us the loving care necessary for our present well-being.

Now it is time that we turn our attention to repaying these invaluable members of our society for the many years they have spent making our world a good one. From this month on, we should make the proper care and attention of today's senior citizens one of our highest goals. We should provide adequate income for food, shelter, and health care. We should provide jobs for those senior citizens who wish to work. We should provide opportunities for senior citizens to be involved in volunteer programs so that they may continue to contribute to the society they built. And perhaps most importantly, we should insure that those senior citizens who can no longer care for themselves, are cared for in clean, healthy, honest, and loving institutions.

There are many problems now facing the elderly of our Nation. Inflation is making the present social security system ineffective. If things are not corrected, the social security system will run out of money in the not so distant future. We must be sure that this does not occur.

The medicare system is infested with corruption and inefficiency. We could provide much better care for many more elderly citizens than at the present time, if only we could drastically reduce medicare abuses. Nursing homes are much too expensive for the average senior citizen. The average cost of nursing home care in the United States is $490 per month. The average social security benefit for a retired person is $257 per month. With this discrepancy, one would expect that medicaid would pick up most of the bill for nursing home care. Yet only 51 percent of nursing home patients receive assistance from medicaid, the Federal-State health care program, or programs for medically indigent persons. There are also alternatives to institutionalized care. Adult day care, foster care where senior citizens are cared for by a volunteer family, and home health care are viable alternatives to institutionalization of many elderly citizens. These areas must be more extensively explored.

Perhaps if everyone will look forward to the day when he or she may be unable to care for himself, people will realize the importance of caring for the senior citizens who have contributed so much to our country. The solutions are not easy ones, yet if Congress and others in Government set their minds to it, there is no question that our senior citizens would begin to receive the treatment they deserve. We can provide food for our elderly. We can provide affordable, yet liveable housing for senior citizens. America is a nation which is based on concepts of freedom, and this includes the freedom to live a comfortable life, throughout one's entire life. The proper care of our senior citizens should be a top priority in the minds of those with a social conscience. After all, who deserves our support more than those who raised us from the crib to the honored positions we now hold.

Thank you very much.●

FLINT FOLLOW THROUGH PROGRAM TO OBSERVE 10TH ANNIVERSARY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. KILDEE. Mr. Speaker, it is with pride that I point out the upcoming 10th anniversary of a highly successful and innovative education program in Flint, Mich., known as the Flint Follow Through program. It is one of the first of the Follow Through programs established, and one of only 21 that have received national accreditation through the U.S. Office of Education. It is the only accredited Follow Through program in Michigan.

Established in 1969, the Flint Follow Through program serves Dort and Manley community schools in Flint. Under the program, children who are identified through Head Start or a preschool program as being potential low achievers in school, or are from low-income families, are given special assistance from kindergarten through the third grade to insure that they receive the help they need to attain the national norm in the crucial early years of their education. A significant change in instruction was the introduction and implementation of the direct instruction method of teaching reading, language, and arithmetic, which was field tested in the Flint Follow Through program.

Results of the program after 10 years have been improved dental and health care of the students, increased parent education, improved self-concepts for the children, a highly successful parent-volunteer program, involvement of community residents in the program, a more highly skilled instructional staff, and, most importantly, the selected students being able to attain the national norm by the end of third grade as measured by standardized achievement tests.

The original parents and educators, who conceived the program in conjunction with national Follow Through, and all succeeding parents and educators who have sustained the project, deserve special plaudits.

The significant success of the Flint project led to national validation in 1977, followed by Federal funding to establish a resource center. The center is entering its second year of operation, and its purpose is to share the instructional model developed in the Flint Follow Through program with school districts throughout the United States, and to assist in staff training. Flint's resource center so far has helped to develop Follow Through programs elsewhere in Michigan as well as in Kentucky, West Virginia, and Alaska, thus helping to bring the success of the concept to many other school districts.●

VIETNAM VETERANS WEEK

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. FRENZEL. Mr. Speaker, our involvement in Vietnam ended 5 years ago and America's wounds from that experience are still healing slowly. Because the Vietnam war was so divisive and confusing, many Americans found that the best way to cope with it was to forget it as quickly as possible. Unfortunately, for those who fought the war, forgetting was not always so easy.

As in other wars, our youth carried the burden of the country's call to duty. However, unlike previous wars, there was no victorious homecoming for these veterans. Feelings of contempt, resentment, and bitterness over the war were sometimes transferred to those who fought it, making them the scapegoats for misdirected guilt and frustration with the war itself.

Despite this, the majority of Vietnam veterans managed to pick up the pieces and move forward. However, a significant number were not so lucky. Even today some veterans are struggling to readjust and overcome emotional and physical scars and economic difficulties.

Although many VA services are available to Vietnam veterans, a national attitude of indifference and an economy racked with inflation have prevented us from doing as much for them as we might have. Indeed, just last week—15 years after our initial involvement in Vietnam—Congress finally approved legislation providing psychological readjustment counseling and drug and alcohol programs for Vietnam veterans. While significant, probably more important and helpful than such legislation would be a change in public attitudes toward these veterans.

It seems that the time is now right for us as a nation to separate our personal feelings about the war from those who fought it. Acknowledging the service and sacrifice of those who fought is a necessary first step toward a national reconciliation. Instead of viewing these veterans as painful reminders of the Vietnam era, we should recognize our debt to these individuals.

I think the Presidentially proclaimed Vietnam Veterans Week can help serve this purpose well. Expressions of appreciation, acceptance, and recognition of this group of veterans can result in giving them a much needed sense of pride, and also serve as their long overdue homecoming. It is my hope that this week will mark the true beginning of emotional and material support for our Vietnam veterans.●

THE MURDER OF "MAXIMUM JOHN"

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. GILMAN. Mr. Speaker, this week our Nation was shocked to learn that U.S. District Court Judge John H. Wood, Jr., was struck down by an assassin's bullet as he stood at the door of his automobile in front of his house in San Antonio, Tex.

Judge Wood, who presided over numerous narcotics trafficking cases, and was alleged to have one of the heaviest narcotics caseloads in the Nation, was known for the stiff sentences he imposed upon convicted narcotics traffickers—earning him the title of "Maximum John." The murder of Judge Wood is deplorable and tragic. A dedicated jurist has been taken from us. The numerous threats that had been made on his life did not deter him from fulfilling the duties of judicial office. He diligently sought to place convicted drug peddlers where they belong * * * in jail.

Although the murder of District Court Judge Wood is apparently the first-known slaying of a Federal judge, several assistant U.S. attorneys, who have been involved in the prosecution of narcotics traffickers, have been injured while performing their duties. Last November, Assistant U.S. Attorney James Kerr, who prosecuted many narcotic trafficking cases before Judge Wood, was injured when two gunmen fired 15 rounds into his automobile one morning on his way to work.

Last December, Assistant U.S. Attorney Barry L. Leibowitz, who was leading an investigation into a Washington-based international heroin smuggling ring, was seriously wounded by gunmen who shot him while he was entering the Federal court house here in the Nation's capital.

Mr. Speaker, as a member of the Select Committee on Narcotics Abuse and Control that has investigated narcotics trafficking in New York, Chicago, Miami, in Latin America, Western Europe and Southeast Asia, along our 2,000 mile-long border with Mexico, and in other areas both here and abroad, I can attest to the deadly dangerous tasks that our law enforcement officials continuously face. The gangland-style attacks on those dedicated officials vividly indicate the risks that the international criminal syndicates are willing to take to sustain their sordid narcotics trafficking * * * a business that yields an estimated $45 billion just in the United States alone.

If the murder of Judge Wood and the attacks upon Federal prosecutors Kerr and Leibowitz mean anything, then it clearly underscores the urgency for our Nation and for nations of the international community to intensify their efforts to interdict narcotics trafficking, to enact stiff mandatory prison sentences for convicted narcotics violators (such as my proposed H.R. 3674), and for the public to realize the dangers of drug abuse and that the consumption of marihuana, cocaine, heroin and other dangerous drugs only feed billions of dollars into the coffers of organized crime, thereby perpetuating their criminal activity.

Mr. Speaker, I applaud Attorney General Griffin Bell and FBI Director William Webster for quickly dispatching additional agents to the San Antonio area to help investigate the murder of Judge Wood and to help bring the perpetrators of this dastardly crime to trial.

Mr. Speaker, although I did not know Judge Wood personally, I wish to express my deep sorrow and condolences to his family. May his dedication to the pursuit of justice inspire us all to act to stamp out this scourge on our society so that his death will not have been in vain.●

NEW MATH REVIEW

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mrs. SCHROEDER. Mr. Speaker, I would like to share the "New Math Review," which appeared in the May 23 issue of the Rocky Mountain Journal, with my colleagues. Besides being worth a chuckle or two, the review provides a little food for thought.

The "New Math Review" follows:

1. Energy math:

(Q). If you could buy 100 gallons of gas for 50c per gallon, but only 50 gallons at 75c per gallon, how many gallons could you buy for $1.00 per gallon?

(a) 25 gallons.
(b) 5 gallons.
(c) Unlimited.

2. Congressional math:

(Q). A Congressperson discloses the following assets:

Salary	$ 66,000
Honorariums	100,000
Real Estate	1,000,000
Stocks/Bonds	1,000,000
Trusts	1,000,000
Liabilities	100,000

What is his or her reported worth?

(a) $3,266,000.
(b) $3,066,000.
(c) $50,000–$3,000,000 (more or less).

3. Calculator math:

(Q). In the event your pocket calculator breaks down on a Sunday, could you add the following problem in your head?

2 + 2 = ——.

(a) 2.
(b) 4.
(c) Wait until store opens Monday and buy new one.

ANSWERS

If you answer "C" to all the questions, you have totally adapted to our times.

If you missed one or more, maybe there is hope for us yet.●

TRIBUTE TO ROBERT S. BOOTHROYD

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. LEE. Mr. Speaker, I take this occasion today to call to my colleagues' attention the activities planned by alumni of Ithaca College for the evening of June 7. On that evening, they will join with local business, college, and industrial officers from throughout central New York in honoring Mr. Robert S. Boothroyd for his long years of service.

My interest in bringing this to the attention of this House is to note that Mr. Boothroyd's service to his home community exemplified many of our Nation's most cherished ideals. In 1932, during some of this country's hardest times, Bob Boothroyd started with nothing to build one of central New York's most respected insurance businesses, today ranging in service to its neighbors from very personal, individual protection, to municipal, school, and industrial plans. In doing so, Bob has pursued each new day as if it was the one on which his entire reputation would depend.

His service through community organizations such as the Kiwanis, Rotary, and United Way have contributed significantly to the betterment of his friends and neighbors and to the Ithaca region. And his long, diligent years of fundraising on behalf of Ithaca College where he serves on the board of trustees has been nothing short of remarkable.

These efforts have helped make it possible for Ithaca College to take its place among this country's best equipped, best staffed, and most highly regarded colleges of its size.

Today, Mr. Boothroyd at 78 years of age continues to occupy his office, sometimes 7 days a week, with the excitement and vigor found only in men half his age. He is truly representative of this Nation's finest professionals. This tribute to Bob is most befitting and welcomed by those of us who know him and admire his work.

I thank you, Mr. Speaker, for providing me this opportunity to share Bob Boothroyd's contributions with this House.●

HELPING CHILDREN WITH LEARNING DISABILITIES

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. MAGUIRE. Mr. Speaker, the subcommittee on Health and the Environment heard testimony recently during a child health oversight hearing from Mary MacCracken, an author with special expertise in mental health and learning disabilities. She pointed out the necessity of preventive and early intervention for "at risk" children with developmental disabilities and/or emotional problems and learning disabilities and stressed the need to integrate health and educational programs. She strongly supported the statement by the President's Commission on Mental Health stating that payment for services should be based upon the need for care, not exclusively on medical diagnosis. She stated that—

> Legislation such as the Child Health Assurance Program (CHAP) could provide a first step to ensure that developmentally disabled and mentally ill children do not suffer from discriminatory provisions or fragmented services.

Mr. Speaker, Mary McCracken's insights deserve the careful consideration of all members. I include her exceptionally informed and moving statement to the subcommittee in the RECORD.

TESTIMONY FOR THE CHILD HEALTH OVERSIGHT HEARING

(Presented by Mary MacCracken on behalf of:)

American Association of Children's Residential Centers.

American Association of Psychiatric Services for Children.

American Psychological Association.

American Society for Adolescent Psychiatry.

Epilepsy Foundation of America.

Mental Health Association.

National Association for Retarded Citizens.

National Association of State Mental Retardation Program Directors, Inc.

National Council of Community Mental Health Centers.

National Congress of Parents and Teachers.

National Easter Seal Society for Crippled Children and Adults.

National Society for Autistic Children.

Mental Health Association, 1800 North Kent Street, Arlington, Virginia 22209, (703) 528-6405.

Epilepsy Foundation of America, 1828 L

Street, NW, Suite 406, Washington, D.C. 20007, (202) 293-2930.

Mr. Chairman and Members of the Subcommittee, thank you for inviting me. My name is Mary MacCracken from Englewood, New Jersey. My involvement with children is in mental health and as a teacher and educational therapist, learning disabilities specialist, family consultant, writer—lots of titles, but titles mean little. What matters are the children, and the children I work with are children with various learning or emotional problems. I am honored today to represent the many agencies listed on the cover sheet. They all have contributed to the written report which I would like to be included as part of the record.

We are pleased that the Subcommittee is conducting this critical oversight hearing on the health needs of this nation's children. In this International Year of the Child, it is particularly fitting that we reassess the adequacy of our Federal health care programs to meet the needs of our children and, in particular, our children with special developmental or emotional problems, for without appropriate preventive services and, if needed, early intervention, we neglect, and thus abuse, our nation's children.

Today, there are over 100 Federal programs directed toward the needs of children—over twenty directed toward child and maternal health in particular. Yet, in spite of, or perhaps because of this panoply of programs, many children continue to suffer from preventable, treatable health problems. They have "fallen through the cracks" of the very programs designed to help them.

Part of the problem is that the health needs of children differ from those of adults. Yet programs serving them are not directed specifically toward their needs. Rather, children are now being provided services only as extensions of general programs. As an example, we need only look at the Administration's draft of the Community Mental Health Systems Act. The "Most in Need" program for seriously emotionally disturbed children, one initiative within this Act which had the potential of focusing directly on this special population, has been, under that proposal, absorbed in Title I (Chronically Mentally Ill) by the simple addition of the words "and children." A valuable program thus has become just a barely visible appendage.

Even programs that are specifically designed to meet a handicapped child's needs in a comprehensive manner often fail to address the child's physical and emotional health problems. Perhaps the best illustration of this problem is encapsulated in the Education for All Handicapped Children Act, P.L. 94–142. The drafters of that legislation acknowledged the need for an integrated educational program which included health services, but at the same time recognized that such services were not the responsibility of the education system. Unfortunately, regulations did not say where the responsibility for providing such health services would lie; as a result, various state agencies now play "pass the buck" and children go unserved. For example, children with spina bifida can, in most cases, be educated in a regular classroom. However, they have been excluded in some states because they need to be catherized two or three times a day. Schools regard this as a "medical service" and thus do not provide it. Similarly, children with mental illness, either placed in special classes, or integrated within the regular class structure, receive no special mental health care; and this care is vitally needed if the intent of the law is to be realized.

The problem is serious, but is particularly exacerbated for children with special needs. I am referring to children who suffer from a developmental disability or an emotional disorder, and I appear today on their behalf as well as on behalf of the organizations representing them and those who meet their medical and other health treatment needs. I am speaking of approximately 600,000 children who have severe developmental disabilities and 9.6 million of our nation's more than 64 million children under 18 who suffer from some form of mental illness. The latter figure is based on the findings of the President's Commission on Mental Health.

First, I would like to turn to the developmentally disabled child. By definition, developmental disabilities, which include autism, cerebral palsy, epilepsy, and mental retardation, occur early in life; hence, the child does not have a normal maturational experience. Such disabilities are severe in nature, interfering with normal life in several major areas. And, they are not "curable," although early intervention can, in many cases, reduce their debilitating effects.

Let me give you some examples. A child with cerebral palsy may have difficulty walking, using his or her hands, and speaking clearly. So may a child who has been severely injured in an automobile accident. However, the second child may recover with no permanent effects of his or her injuries and so would not be considered developmentally disabled, while the child with cerebral palsy will remain disabled all his or her life. A great many children wear glasses; their impairment is hardly more than an inconvenience. Yet, the same level of visual impairment, if accompanied by a hearing loss and even a moderate or mild degree of retardation, could render a child developmentally disabled because the combination would result in a substantial interference with normal development. It is important to remember that while these developmentally disabled youngsters have the same health needs as normal children, they may not be receiving treatment because practitioners are unavailable to deliver services to them. The reasons for this unavailability of health care is two fold. First, it is often difficult to treat a developmentally disabled child. Imagine, for example, trying to fill, or even clean the teeth of a hyperactive autistic child or of a child whose cerebral palsy makes it impossible for him to control his head movements. Second, and perhaps worse, under Medicaid, the key program under which the low income developmentally disabled or mentally ill child might be treated, the reimbursement rate for treatment in general is so low that there is no incentive to treat the Medicaid child in the first place, and certainly no incentive to treat the emotionally disturbed or developmentally disabled Medicaid child. Moreover, medical services essential for developmentally disabled children, such as prescription drugs for a child with epilepsy or physical therapy for a child with cerebral palsy, may not be eligible for reimbursement under states Medicaid program. In addition, the medical services under Medicaid vary considerably from state to state. For example, a child receiving speech therapy in one state may find that this service is not available to him or her under another state's Medicaid program. This disparity in service availability clearly demonstrates the need for a uniform package of Federally mandated services responsive to the needs of the developmentally disabled children.

Even if help is available, the developmentally disabled child may still be denied benefits because he or she is perceived as harder or more expensive to treat. For example, a youngster who is both mentally retarded and emotionally disturbed may be excluded from programs because such programs are narrowly designed to treat either one, but not both, of his problems. Categorical programs have consistently posed roadblocks to multiply handicapped children.

I would like to turn for a moment to the special problems of the emotionally disturbed—the mentally ill—child. As I have noted, as many as 9.6 million children may suffer from mental illness. As is the case for the developmentally disabled, our Federal system of health care to meet the needs of these children has been far from exemplary.

The term "mental illness" has different meanings at different times of life. The mental health needs of children differ from those of adults. The diagnostic methods, the training of clinicians, the treatment techniques, the nature of institutional arrangements, and the degree of and quality of family involvement necessary for work with children all vary in considerable degree from those treatment patterns appropriate for adults.

The range of mental health disability may be categorized as follows:

Vulnerable children or children "at risk" do not have obvious psychologic-dysfunction. They have other disabilities often of a chronic character, or they are in family or social settings that require intervention to prevent the development of psychiatric disorder. These children comprise a very large population group and often require intensive and ongoing social interventions to preserve healthy growth and development and to diminish the need for direct psychiatric services later. Some examples of such "at risk" children are the many youngsters with chronic physical disabilities such as blindness, deafness, congenital abnormalities, and the like; children reared in conditions of severe deprivation; children caught up in major natural disasters; children involved in serious parental problems such as alcoholism or bitter custody battles, or loss of a parent through death, desertion or chronic illness and so forth.

Children with minor and transient evidence of difficulty involving social and emotional elements. These youngsters can usually be managed without psychiatric/psychological diagnosis or treatment. They require help from agencies or other social institutions such as schools, counselors, ministers, Big Brothers, visiting nurses, and the like. Mental health consultation to these agencies and institutions is a valuable source of mental health expertise.

Children with evident symptoms of mental or emotional disorder require psychiatric/physchological diagnosis and treatment. The large majority of such children will be adequately served by outpatient treatment. Some will need diagnostic study and evaluation and follow-up interviews. Some may require further regular treatment for 3–6 months. Others may require intensive outpatient treatment from 3 to 4 times a week for a period of several years. Special educational study and neurological examination may also be necessary. The modalities of the required outpatient treatments will vary depending on the individual patient: they may include group, individual and/or family psychotherapy, drug treatment, therapeutic schooling, and others.

A smaller group of children with established psychiatric/psychological diagnoses of mental or emotional disorder will require additional mental health intervention in the form of day hospitalization or day care, therapeutic group homes, therapeutic day nurseries or day schools, specialized half-way houses, or professional foster care placement.

The most disturbed group of children with obvious severe emotional/behavioral disorders of long-standing duration will require highly structured, long-term intensive treatment in the most appropriate inpatient environment. Depending on the individual patient, either a hospital or residential treatment setting will be necessary for adequate care and treatment.

A small number of adolescent patients may require brief hospitalization, residential placement, or day care to help them in dealing with an episode of transient severe mental difficulty, such as attempted suicide, the rate of which among adolescents has nearly tripled in the past 10 years. Following discharge, a further period of outpatient treatment will be required.

Whatever the degree of severity, whatever the modes of treatment, what we are painfully aware of is the fact that without intervention, these children will not be able to grow up to become productive members of society. They may become one of those thousands of individuals who populate the back wards or back alleys, or perhaps, the criminal justice system. As many as 47 percent of incarcerated juvenile offenders have either a learning disability or a serious neurological disorder. We cannot begin to estimate the numbers of such children who might have been diverted from the criminal justice system if they had been able to receive early diagnosis and timely care.

NIMH has estimated that only 10 percent of our nation's children who need mental health care actually receive such care. The U.S. Commission on Civil Rights noted in its Age Discrimination Study that children are receiving mental health services at ⅓ the rate of the 24–44 age group.

I am describing a rather bleak situation. However, we do have the resources to intervene, and in some cases, to prevent the disruption of human life. And let me stress that as in the case of developmentally disabled children, prevention or early diagnosis is a far less costly treatment modality than later remediation through custodial care which we often impose upon those whom we have ignored until it is too late.

The President's Commission on Mental Health Task Panel on Child Health Services noted that the most important principle of child advocacy is that one cannot separate mental health from physical health. The interdependence of physical health, general development and mental health in early childhood creates a particular need for close collaboration among health, mental health, and social systems. And yet, the chasm between these systems is wide and deep.

We have several programs in existence to identify and treat health problems in children. It is regrettable that they are so riddled with restrictions that more children fall through the cracks than are helped. Crippled Children's Services are an example. Evaluation is mandatory for any child referred, but treatment is not. States decide which conditions they will treat and what services they will provide. The chasm noted above widens with each new program which sets such broad parameters, for, unmentioned, the developmentally disabled or mentally ill child is untended, forgotten.

The Early and Periodic Screening, Diagnosis and Treatment Program is another case in point. Non-Medicaid poor children are not eligible; of the 13 million eligible children, only a fraction are actively participating; of that fraction, a significant number receive only screening services. Again, states vary in what services they will provide—frequently, those discussed earlier and, particularly, mental health services are not covered or inadequately covered.

It has often been thought that the Community Mental Health Center system would be able to provide to the mentally ill child the specialized care needed. However, this has not been the case. Although an accurate accounting of the number of children currently being seen in CMHC's is not available, in 1975, only 300,000 children were reported as being seen in the CMHC system. The lack of appropriately trained mental health professionals and problems attracting such specialists to work in public programs have hampered the Centers' efforts to serve children. Lack of funding at both Federal and state levels and insufficient facilities have also contributed to the problem. The Task Panel Report on "Mental Health and American Families," which accompanied the Report of the President's Commission on Mental Health, states that children and adolescents with serious mental health problems are being inadequately serviced in CMHC's. Indeed, Part F of the Community Mental Health Centers Act wihch began to provide discrete services for children has been dismantled, and while all Centers are now required specifically to operate specialized services for children, the depth and quality of these programs varies enormously.

Mr. Chairman, we are really discussing a series of problems today. We have already addressed the lack of health services being delivered to our mentally ill and developmentally disabled children. We will now address the need to end discrimination in the delivery of those services available and the great necessity of providing qualified, trained health and mental health professionals and other specialized personnel to meet the needs of these children.

As we have already indicated, existing Federal programs discriminate against mentally ill and developmentally disabled children. Some of this discrimination is de facto: there are not sufficient numbers of professionals trained to meet the special needs of these special populations; so such children go untreated by default. To correct this injustice, more professionals must be properly trained to meet the needs of these youngsters. Yet, some of the discrimination is de jure: mental illnesses are deliberately excluded from certain service or reimbursement programs, based upon the argument that a disease of the mind is not the same as a broken arm. Many regard the treatment of mental illness as a luxury, perhaps because they are uncomfortable with coming to grips with slaying the mythical dragon of "Bedlam" and "the snake pit." But, that dragon must be slain if millions of our nation's children are going to be given a fair and equal opportunity to partake in the conduct of everyday life.

We know that such discrimination is unlawful under the Rehabilitation Act. But more than unlawful, such discrimination is expensive—both in economic and human terms.

It has been demonstrated that treatment for mental illness can actually reduce other physical health care costs by as much as 50 percent. A study conducted by Blue Cross of Western Pennsylvania shows that even when the cost of the additional treatment for mental illness was factored in, the overall cost to the insurer for all health care was reduced by 31 percent when mental illness treatment was reimbursed. Moreover, in a study detailed at the April 1978 Southwestern Psychological Association Meeting, it was found that among children specifically, the presence of reimbursable mental health care reduced the mean number of physician visits for other purposes by 36 percent. Indeed, a matched control group, for whom such mental health services were not made available, suffered an increase of 30 percent in the mean number of other physician visits during the same period. Thus, each study indicates that appropriate treatment for mental illness actually provides a cost savings for other medical care services.

Conversely, failure to provide treatment for the child diagnosed as mentally ill, or developmentally disabled, while saving dollars initially, will clearly cost the Federal government more in the long-run, whether in future, higher health care costs or in social service or juvenile justice system dollars.

Early intervention can prevent the development of some forms of developmental disability (such as mental retardation and birth defects caused by poor prenatal care); can dramatically reduce the severity of the disability (as in seizure disorders, which if untreated will increase in frequency and intensity); can compensate for disability-produced impairments (as in the case of children with cerebral palsy who, with appropriate therapy, can be helped to reduce or ameliorate communication and motor difficulties); and can reverse symptoms (as in the case of those autistic children whose cognitive and behavioral functioning have improved significantly as a result of neurological intervention). Each of these can and does save medical costs.

It should be realized that early and appropriate intervention can preclude the subsequent development of a chronic mental illness. The prevalence of learning disabilities and subsequent academic difficulties are heightened with the presence of untreated mental illness among children. Without early treatment, such children often do not succeed academically, often drop out of school, and often become a burden upon either the social service or juvenile justice system.

Your Subcommittee will be considering several pieces of legislation in the coming weeks and months which address many of the problems I have described regarding the need for appropriate treatment of, and appropriate access to services for, mental illnesses and developmental disabilities. The children who so suffer have all too often been relegated to second class citizenship in programs for children which themselves are afterthoughts, appended to larger health programs. Legislation such as the Child Health Assurance Program (CHAP) could provide a first step to ensure that developmentally disabled and mentally ill children do not suffer from discriminatory provisions.

We also encourage an examination by this subcommittee of Crippled Children's Services to make them more equitable, particularly for children who are recipients of Supplemental Security Income.

As you consider the subject of National Health Insurance, we ask you to assure that mentally ill and developmentally disabled children will be given equal consideration.

The Community Mental Health Systems Act, to implement major recommendations of the President's Commission on Mental Health, will be referred to this Subcommittee. We thus ask that you assure that in this legislation, children are not, once again, an afterthought.

Your oversight this year and reauthorization next year of the health manpower program can assure, through appropriate amendments, that the CHAP and Systems Acts can have appropriately and highly trained mental health care providers available to meet the special needs of mentally ill and developmentally disabled children. We believe it critical not only to assure services to such children, but also to assure that there are the trained personnel available to provide the services about which we have been speaking this morning.

We urge you to bear in mind, as we do daily, the need for Congressional concern about our special children. As the President's Commission on Mental Health stated: "What we need is a more comprehensive and coordinated public and private strategy for financing mental health care services where payment is based upon the need for care, not diagnosis." We urge you to remember the needs of developmentally disabled and mentally ill children as you draft child health legislation, both today and in the coming years. We urge you to make children not an afterthought, but foremost in your minds as you consider the health needs of the American people, for without our children—our healthy children—we are indeed a poorer nation.●

VIETNAM VETERANS WEEK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. BIAGGI. Mr. Speaker, this week the Congress and the entire Nation is honoring Vietnam veterans. I am proud to join in recognizing the outstanding service of veterans who served during the Vietnam era.

Two and a half million veterans served in Vietnam, and another 6 million served elsewhere during the Vietnam era. Many of these men and women are justifiably embittered by the seeming abandonment of their well-being by the very same Nation for which they so courageously jeopardized their lives.

Certainly, we can understand their frustration when we look at some telling facts. The most recent Census Bureau figures show that in a single year 1 million Vietnam veterans were unable to find jobs that kept them employed for a full year. Many failed to earn an adequate wage, with 855,000 earning less than $4,000. Unemployment among minority veterans remains extremely high at 14.1 percent.

Educational aid has also been lacking. In 1966, when the Vietnam era had produced over 1 million veterans, the GI bill paid only $100 a month for tuition and living costs. The early veterans of this war were unable to attend the more prestigious institutions while maintaining family obligations. Further, the law's requirement that veterans can only use these funds within the first 10 years after discharge, has restricted the educational opportunities of many.

Weaknesses in the GI bill also provide no consideration for those veterans who wish to attend educational institutions in high cost living areas, such as New York City. This is an issue to which I am giving special attention and I am hopeful that the Congress will work effectively to correct this problem, which faces the many veterans who are attending, or would like to attend, urban colleges.

In the area of health care, veterans have been extremely shortchanged. Already in this fiscal year, more than 3,000 beds and 1,500 full-time personnel in VA hospitals have been eliminated. President Carter's fiscal year 1980 budget only serves to further decrease our ability to adequately provide for our Nation's veterans. It calls for a reduction of 2,100 beds and 1,884 personnel.

The effects would be especially hard on New York. The Bronx VA Hospital would lose 98 beds and 99 personnel. The Brooklyn VA Hospital faces a loss of 60 beds and 81 personnel. In the New York City VA Hospital, 66 beds and 83 personnel would be lost. Other major cuts are proposed for VA hospitals in upstate New York.

Following the Vietnam war, the need for quality veterans health care has increased, while the funds available for providing these valuable services have decreased. Certainly, prompt and effective action is necessary to correct this problem. In this regard, I recently supported legislation to restore this lost money for veterans programs.

While these lack of adequate services in the areas of employment, education, and health have certainly hindered the Vietnam veteran's ability to return to the mainstream of American life, their major obstacle is an unjust perception of their contribution to our Nation. Due to the unpopularity of the Vietnam war, these veterans have been cast in a negative image that continues to burden them.

At a time when our Nation would rather forget our involvement in Vietnam, it is imperative that we never forget the loyal and courageous service of those veterans who served during that time. I am hopeful that Vietnam Veterans Week will help to encourage a greater awareness of the need for improved services and increased respect and appreciation for those veterans who have suffered both physically and emotionally as a result of their service in the Vietnam war.

While it is essential that we recognize the needs of those Vietnam veterans who have returned, we should also remember those that did not. Some bravely gave their lives for their country, and still others remain missing.

It is unconscionable to think that after 6 years since the official end of our involvement in Vietnam, nearly 2,500 Americans are still prisoners of war (POW) or missing in action (MIA) in Southeast Asia. I have consistently advocated that our Government demand a full accounting of all POW's and MIA's before we take any steps to normalize relations with Vietnam. Past efforts to obtain this information from the Socialist Governments of Vietnam, Laos, and Cambodia have not been successful.

During the prior Congress I strongly supported a resolution, which became Public Law 95–349, to designate July 18, 1979, as "National POW-MIA Recognition Day." I am hopeful that this action will help to rekindle the memory of the sacrifices made by the POW's and MIA's, and create a greater national concern about the fate of those Americans who are still missing in action.

Mr. Speaker, I would like to join my fellow colleagues and all other Americans in saluting the Vietnam veterans and the outstanding service they provided this country. They must not be forgotten.●

ISRAELI-ARAB TREATY FUNDING

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. PAUL. Mr. Speaker, yesterday the House passed, 347 to 28, the Special International Security Act of 1979. This bill sends billions of American tax dollars overseas in pursuit of a peace that may be all too temporary.

We all want a lasting peace in the Middle East, but can we purchase such a peace?

What kind of peace treaty requires vastly increased arms shipments to both sides?

Is it right, when Americans are oppressed by high taxes and inflation, to spend more on foreign aid?

Is $4.8 billion the whole cost? More sober estimates range from $15 to $20 billion.

How stable is the Egyptian Government, given Sadat's poor health?

Do Americans want an apparently open-ended commitment to provide oil for Israel and money for Egypt?

What about the treaty addendums that imply we will get directly involved in another Middle Eastern war? Will Israel really benefit? Is America capable militarily and financially to continue support for very long?

What about the State Department trial balloons about our sending American troops to police the treaty in the Sinai?

I thought we were through with foreign military adventures.

Our colleagues said yesterday that the price of the treaty was cheap, compared with funding another war.

But why does everyone assume we should pay for both sides of another war? Or even one side?

Americans are sick of being the world's policeman and the world's patsy. I predict the 28 who voted against this giveaway will be remembered in the future with gratitude by American taxpayers.●

JOHN WAYNE GOLD MEDAL

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. RHODES. Mr. Speaker, it is not often that the Members of this diverse and often divided body are able to stand sincerely united on any question. Yet, we have come together in this expression, on behalf of ourselves and our constituents, of our affection, regard, and admiration for John Wayne.

I have been examining the statements that have poured in on his behalf. They are truly heartfelt expressions of affection and respect for a great American. I am proud that my colleagues have passed legislation that authorizes the President to present a gold medal to this distinguished film actor, citizen, and human being.

There are those who like to describe this period of the late seventies as the "era of the antihero," a time of cynicism and questioning of values. But, the fact is that every age, every nation has its heroes—men and women—who exemplify the goals and dreams of their people.

So it is with John Wayne. He embodies the American dream. He truly is a hero, a legend in his lifetime, offscreen as well as on, as his countless friends have attested. As screen-star Maureen O'Hara so eloquently testified when this measure was in committee:

> To the people of the world . . . John Wayne is the United States of America. He is what they believe it to be. He is what they hope it will be, and he is what they hope it will always be.

On screen he is the tough, rugged but humane solver of problems who overcomes villainy and adversity, sometimes at great cost, but always while following a firm code of loyalty, honor, and integrity. Offscreen, he is the same, as we have seen in his courageous and indomitable battle against cancer.

Nor is John Wayne the simplistic man of action he so often portrays in films. He is a thoughtful, educated citizen who understands well, and is deeply concerned about, the issues our Nation faces today. I am proud to associate myself with the action this House has taken to honor John Wayne.●

IN SUPPORT OF REFUSENIK

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. EDWARDS of California. Mr. Speaker, on this occasion I would like to join many of my colleagues who have participated in the "Shatter the Silence Vigil, 1979." Recent developments in the Soviet Union have provided me with strong encouragement to participate in the vigil. In March of this year, more Jews were permitted to emigrate from the Soviet Union than in any previous month. American officials predict that a record total of 50,000 Jews might be allowed to leave the Soviet Union this year. Previously, the maximum number of Jewish emigrants in 1 year was recorded in 1973, when 34,733 were finally granted their wish to leave the Soviet Union. This is certainly encouraging, especially considering developments since March. The release of five Soviet Jews serving 10-year sentences for their roles in an alleged hijacking attempt in 1970 coincided with the arrival of several of my colleagues in the Soviet Union in April and has provided impetus to our hopes. The recent disclosure that Anatoly Scharansky and 11 other prominent political prisoners might soon be freed is even more encouraging.

With the impending meeting between the leaders of our two nations, I feel we can expect significant concessions from the Soviet Union in the form of increased emigration opportunities for Soviet Jews. The Union of Council for Soviet Jews has characterized the aforementioned improvements in emigration as "inadequate, but constructive," an accurate description. It is my fond hope that these events are only indicative of a trend which will result in the emigration of greater numbers of Soviet Jews and the observance of the Helsinki Final Act by Soviet Officials.

But I do not address my colleagues today to remind them of the plight of the Soviet "refuseniks" of which we are all well aware. Rather I wish to call your attention to one individual who is a leading "refusenik" and has been the victim of Soviet evasion of the Helsinki Final Act. I want to inform you of the predicament of Vladimir Prestin. Vladimir, an electrical engineer, was born in December 1934. He is married to Elena and has one son, Mikhail who is 13. The family originally applied for emigration in November 1970 and were refused permission in February of 1971. This was their first rejection. There have been many since.

Before applying for emigration, Vladimir worked in closed institutions in various capacities, from senior engineer to chief of laboratory. He wrote several articles and has three patents. Since 1969, he has not worked on any projects that could be considered as being of a "secret nature." Yet, this was the reason provided for his denial of emigration. Shortly after applying for emigration Vladimir was forced to resign from his position. He now works doing menial work in a factory.

Since 1970, he has been active and outspoken on the issue of human rights in the Soviet Union. He has been especially vocal on the issue of the rights of Soviet Jews to their own culture and their own self-expression. As a leading "refusenik," Prestin has had his phone disconnected and has been subjected to constant harassment and frequent arrests. However, this persecution has not intimidated Prestin, and in this regard he exemplifies the "refuseniks."

It is my earnest hope that the "Shatter the Silence Vigil, 1979" will help to end the plight of Vladimir Prestin. Only through the release of this man and other Soviet prisoners of conscience can we be convinced of Soviet sincerity on this crucial issue of human rights.●

VIETNAM VETERANS WEEK

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. EVANS of Delaware. Mr. Speaker, I am pleased to learn that President Carter has proclaimed the week of May 28 through June 3 as Vietnam Veterans Week. The sacrifices of those Americans who served in Southeast Asia must never be diminished by a nation painfully ambivalent about the causes and result of the Vietnam war. This recognition of our Vietnam veterans is long overdue and I commend the President for his proclamation.

In Delaware, we are particularly honored to recognize 10 individuals who not only achieved an outstanding record of military service, but have continued to make significant contributions upon their return to civilian life.

Several of these individuals have overcome severe physical handicaps resulting from wartime injuries. Several others have distinguished themselves in public service while others have made significant contributions to voluntary charitable and service organizations within their communities.

I hope my colleagues will join me in recognizing these 10 individuals who will receive the Presidential Certificate for Outstanding Community Achievement of Vietnam-Era Veterans; including Jay A. Collars, Sr., Richard D. Howard, Thomas L. Lewis, Nicholas J. Lombardo, Jr., Michael J. Malkiewicz, William F. Manley, Joseph D. Schafer, Thomas Spies, Charles Stirk, and Frederick Van Sant.

Delaware is deeply proud of these individuals and is grateful for the contributions they have made to our State.●

REPRESENTATIVES McHUGH, GILMAN COMMENDED FOR WHEAT RESERVE BILL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. SIMON. Mr. Speaker, I would like to express my support for the Food Security Act proposed by MATTHEW McHUGH and BEN GILMAN, who have taken the lead in an area of great importance. I have been concerned with the issue of world hunger for many years, and I am convinced that one step that must be taken to combat it is the establishment of adequate reserves to meet the food crises that are inevitable in some parts of the world. Mr. McHUGH and Mr. GILMAN should be commended for their leadership in the effort to create such a reserve. I hope this indicates a growing sensitivity to world hunger. It is consistent with the humane foundations of our Nation.

We live in a country that is rich in natural and human resources while most of the countries in the world cannot meet the most basic needs of their citizens. We are in the enviable position of being able to assist these countries in beginning to meet food needs. We must take advantage of grain surpluses when they exist so that these less fortunate countries, as well as the United States, are not caught with limited supplies at times when our grain is most needed.

The Food Security Act of 1979 would authorize the President to set up a Government-held wheat reserve of up to 4 million metric tons. The reserve would be used only to meet the emergency food needs of developing countries and would guarantee the United States an adequate supply of food aid when the world supply is tight and commodity prices high. In that sense, the measure is also anti-inflationary, not putting pressures on prices at a time of low supply.

This reserve, which would backstop our Public Law 480 program, could save thousands of lives when a developing country has suffered a major drought or flood.

Statistics provided by the Agency for International Development indicate that one of every six people in the world suffers from chronic hunger, a condition so foreign to us that many of us cannot begin to imagine what it means. A disproportionate number of these people are women and children. While mothers in the United States wonder what their young children will be when they grow up, mothers in Africa and Latin America often wonder if their children will grow up at all. One-third of the children in some of those areas do not reach the age of 5.

Since the World Food Conference in 1974, developing nations have depended more and more on grain imports, mainly to meet the widening gap between their production and consumption. The U.N. Food and Agricultural Organization says that these nations' share of total world grain imports has risen from 38 percent to 49 percent in the last 3 years. Both the International Food Policy Research Institute and FAO predict radically increased deficits in the future. FAO estimates that by 1985 grain imports by developing nations may exceed 90 million tons.

Right now, we have more than 305 million bushels of wheat—or more than 8 million metric tons—in our domestic reserve, so much that the Agriculture, Stabilization, and Conservation Service has reached its target and will not accept additional wheat for the reserve. By taking advantage of the current surplus, we can prevent a recurrence of a situation which plagued our food aid program between fiscal year 1972 and fiscal year 1974. During that period, our food aid shipments of grain and grain products dropped from 7.9 to 2.5 million metric tons despite a dramatic increase in the need for food aid. Because supplies were tight, further government purchases of grain for food aid would have encouraged higher prices and greater inflation.

If we were to buy wheat now, we would not only be preparing to help other people, we also would be helping our farmers. The purchase would have a modestly beneficial effect on the prices that wheat farmers receive. These grain stocks would be isolated from the market and therefore would not serve to hold down domestic prices.

I am proud to be associated with the measure proposed by Mr. McHugh and Mr. Gilman. This bill is similar to one approved during the 95th Congress by the Agriculture and Foreign Affairs Committees but which the House did not have time to act on before we adjourned. This year, we have the time, and I urge the passage of the Food Security Act of 1979.●

MRS. REGINA BRODZIK NAMED MOTHER OF THE YEAR

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. FLORIO. Mr. Speaker, I wish to pay tribute to an outstanding woman from my district, Mrs. Regina Brodzik of Camden, N.J.

Mrs. Brodzik will be honored as the "Mother of the Year" at a testimonial dinner on Sunday, June 3, 1979, by relatives and friends. The function is being sponsored by the Union of Polish Women in America, group 5.

A lifelong resident of Camden, Mrs. Brodzik was an infant when her parents moved there from Philadelphia. A member of the Polish-American Heritage Society, Inc., the Polish-American Women's Citizens' Club, St. Joseph's Annex Auxiliary and the Union of Polish Women in America, she has been an active member of the business community since 1953.

Mrs. Brodzik, who resides with her husband, John M., is the proud mother of two children, a son, John M., Jr.; and a daughter, Loretta Blum. She has three lovely grandchildren, Mark Brodzik, Monti, and Tyler Blum.

The testimonial dinner will be preceded by an 11 o'clock High Mass taking place at St. Joseph's Church in their hometown.

Chairing this memorable occasion are Stella Martin, president of the sponsoring organization; cochairpersons Helen Zimolong and Martha Kozloski, who have extended a warm invitation to all members and to Mrs. Brodzik's friends to this noteworthy event.●

JUNE 2, 1946, A GREAT DAY IN ITALIAN HISTORY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ANNUNZIO. Mr. Speaker, June 2 marks a stirring event in the rich history of Italy. For on that day in 1946, the great Italian people gave a resounding vote of confidence for political democracy.

The beautiful land of Italy, washed by the blue waves of the Mediterranean and cradled within the Alps, has boasted of an advanced civilization for thousands upon thousands of years. It may be truly said that Italy constitutes a mosaic of human history. She is a major source of Western culture—her legal system is a model for the West, her language is the tongue of music, and her Renaissance stands as one of mankind's greatest achievements. Yet throughout her glorious history, few more stirring events have occurred than the day, 33 years ago, when the Italian people chose a republican form of government.

Let us recall those early postwar years. In the devastation and destruction of World War II, Italy had suffered more heavily than most other Western nations. During the war, her civilian population had endured privations and suffering even more severe than the German citizens, and in addition, they had suffered more than two decades of oppressive fascist rule.

In the immediate aftermath of war, the most urgent political problem facing Italy was the need to establish a framework for effective democratic government. The task was a difficult one because of the multiplicity of political parties and because of disagreement over whether the monarchy would be abandoned or retained.

In a nationwide referendum, held on June 2, 1946, the Italian people elected delegates to a constituent assembly to draw up a new constitution. In the same referendum the Italians were called upon to decide whether to keep the monarchy or turn to a republic with a president. By a margin of 2 million votes the Italian people voted for a republican form of government, which was an outstanding victory for political democracy.

Eleven days after the referendum, King Umberto II left Italy. With the aid of the Marshall plan, the determined and ingenious Italian people launched upon a great period of economic, political, and social progress. In addition to outstanding postwar achievements on the domestic scene, Italy also placed herself in the vanguard of European integration. Moreover, in the North Atlantic Treaty Organization, Italy has been and continues to be a stalwart and loyal Western Ally.

Mr. Speaker, national parliamentary elections are scheduled in Italy beginning Sunday, June 3, and again the Italian people face the choice between democracy and some form of totalitarianism. Earlier this year, Italy's Premier Giulio Andreotti decided on holding new elections in order to strengthen his coalition in Parliament, and the news reports from Italy indicate that the Christian Democrats and their allies could well take the lead, thus making a more stable government possible.

Last year, I was privileged to be a part of the American delegation representing the President of the United States at the memorial service in Rome for Aldo Moro, the former Prime Minister who was slain by vicious renegades. We came away from this brief visit both strengthened and inspired, for we witnessed firsthand the dignity of the Italian people and their leaders who are standing firm in their determination to defend and preserve the values of democracy for which Aldo Moro struggled during more than three decades of dedicated public service. Italy has always been a part of the Western tradition of faith and belief in the nobility of the individual human spirit, and it is this tradition that will remain of tremendous importance in the continuing struggle against advocates of oppressive state control of individual freedoms dependent on brute force.

As we commemorate June 2, 1946, a proud day in Italian history, I extend warmest best wishes to the people of that great Republic on the eve of their national elections, and to our many friends of Italian descent in my own 11th District of Illinois, throughout the United States, and all over the world. May the people of Italy continue their important contributions to the culture and freedom of the West, to the vitality of democracy, and to democracy's precious ideals.●

NORTHEAST CORRIDOR IMPROVEMENT PROJECT

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. FLORIO. Mr. Speaker, I would like to take a moment to praise my colleague, John Burton, for the outstanding work his subcommittee has done. During the 95th Congress, his Government Operations Subcommittee on Government Activities and Transportation held a series of hearings on the Northeast Corridor improvement project (NECIP). Those hearings, and an excellent report by the subcommittee, revealed several problems in the progress of the NECIP—problems which had not previously received adequate attention.

Recently, the General Accounting Office released a report on the Northeast Corridor improvement project which supports the findings of Mr. Burton's subcommittee. Both reports, for example, indicated that past construction and planning problems would make the statutory trip time and cost goals impossible to achieve by 1981. Mr. Burton's subcommittee report concluded that, among other changes, structural reorganization was needed.

Mr. Burton's hearings and report undoubtedly contributed to the Department of Transportation's (DOT) reexamination of the performance of the NECIP. The NECIP redirection study, issued by the DOT in January of this year, adopts most of the recommendations of the subcommittee. The Department has acknowledged the problems encountered by NECIP in the past and recommended specific corrective action for the future. They have reorganized the management of the project and instituted changes to eliminate the management and planning problems which have plagued the project.

Our continuing energy problems make such projects as the Northeast Corridor even more important to the Nation. It is necessary to make the needed Federal investment now to insure the availability of viable transportation alternatives to the automobile. Without such alternatives, we cannot begin to reduce our oil consumption.

The Northeast is but one of many corridors throughout the country which have the potential for frequent, high-speed rail service. We must also begin to look at service in other corridors which have the population and air and auto saturation problems of the Northeast. The NECIP is our opportunity to demonstrate that high-speed service can work at a cost the taxpayer is willing to pay.

Strict Federal control and management, and efficient planning and implementation are essential for any successful program. As Mr. Burton pointed out, these elements have been lacking in the Northeast Corridor improvement project. The Department of Transportation has responded to this inadequacy with a new organization structure, a new timetable, and new goals.

As chairman of the Subcommittee on Transportation and Commerce, which must deal legislatively with the request for additional funding for the project, I am grateful for Mr. Burton's leadership in overseeing NECIP. He has demonstrated clearly how the congressional oversight function should work.

I look forward to working with Mr. Burton and his subcommittee to insure that the Northeast Corridor improvement project is properly managed and that the proposed goals are met according to schedule.●

A TRIBUTE TO CHRIS FERRAGAMO

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ANDERSON of California. Mr. Speaker, excellence achieved in any endeavor can be a source of great personal satisfaction, and at times an individual's well-earned honors can spread a strong feeling of pride throughout an entire community. These are words fit to describe Chris Ferragamo and what his successful career as a football coach has meant to the students of Banning High School and the people of Wilmington, Calif. On June 8, 1979, the friends and associates of Coach Ferragamo will gather to honor him for the leadership he has provided in team sports and in the local community. Highlights of this man's career and service to the South Bay area illustrate why he has won the respect and admiration of all who know him.

Chris Ferragamo grew up in Wilmington and attended the same Banning High School where he now teaches and coaches team sports. While attending high school he played varsity football for 2 years. He graduated in 1958.

His education continued as he attended the nearby Los Angeles Harbor Community College for 2 years. There, he played football and won honors as junior college all-America. His formal education culminated in his graduation from Long Beach State College.

After graduation, Chris returned to Banning High School to teach biology and coach its football team. Judging from the excellent students he has turned out, and the string of winning football teams we have had at Banning, he has been successful in both these endeavors. And considering the intensive competitiveness of high school football in southern California, this man's achievements as head football coach are truly remarkable.

He has led his football teams to three city championships, one Marine League championship, and has been named Coach of the Year on three separate occasions. Four of his players have made the city of Los Angeles Most Valuable Player teams.

In addition to his football duties, Chris coached the high school swimming team for 12 years and coached the Shrine All Star and South Bay Lions games. In his spare time he promotes youth programs. His efforts made possible the founding of the Wilmington Boys Athletic Association. Pop Warner Football and the South Bay Junior All-American Youth Conference have also benefited from his volunteer services.

My wife, Lee, joins me in congratulating Chris Ferragamo for his brilliant career as football coach and as community leader. We know that the testimonial dinner to be held in his honor on June 8 is well-deserved. To Chris, his wife, Marlene, and their children Chris Jr., Mark, and Deanna, we send our best wishes for a bright and happy future.●

WILL ITALY BE DEMOCRATIC AFTER JUNE 3?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BIAGGI. Mr. Speaker, on Sunday, June 3, a vitally important election will be conducted in Italy. Voters will again go to the polls but as so often in the past, they are voting for far more than just candidates for office—they will be determining their future destiny as a nation. How they choose will bear not only on Italy's future but that of the entire world community.

The choice is between the ruling Christian Democrat Party and the Italian Communist Party. The Christian Democrats which dispite being the predominant ruling party during the past 30 years, have seen their popularity and support ebb and flow like the tide of the Mediterranean Sea. Rarely has their power been challenged as persistently and effectively as during this decade by the Italian Communist Party. The Communists achieved the apex of their power during the 1976 general elections when they garnerd 34.4 prcent of the vote as compared to the 38.8 percent eked out by the Christian Democrats.

The results stunned the Italian populace and the world at large. The future of democracy for the first time since the Fascist regimes of the 1930's and 1940's was seriously challenged. The Communists were able to exploit weaknesses in the rule of the Christian Democrats. Observers felt then that the true test of Communist strength would come in the next election. The future is now—that election is being held on Sunday.

Yet for the voters of Italy—the issues in this election go beyond evaluating the ideological differences between the Communists and Christian Democrats. The fact is terrorism has emerged as a major issue in the campaign. The Boston Globe in a story dated May 23 summed it up with the headline—"Terror, the Issue for Italian Voters."

The brutal murder of Christian Democrat leader Aldo Moro still hovers in the mind of millions of Italians. It is the most graphic manifestation of the terrorist problem in Italy. Its impact singularly was immense in Italy but this act combined with the recent rash of terrorist acts throughout Italy have placed the nation in a state of fear. Just in the months of January through April there were some 76 different terrorist attacks in the city of Padua in the Veneto region. These included acts of arson—bombings, beatings, and car burnings. Politicians campaigning on the Christian Democrat line have been subjected to attacks and many officials live in constant fear of assassination.

The combined fear of communism and terrorism makes for an even greater fear in Italy—anarchy. Terrorism in Italy is as real a problem as anywhere in the world. The Red Brigades are as sophisticated a terrorist group as there is—they are part of an overall terrorist network which is growing at an alarming rate. Violence as a means of achieving objectives is wrong in Italy as it is anywhere it is practiced.

The terrorist issue is inexorably woven into the campaign between the Christian Democrats and the Communists. The two main themes of the Christian Democrats are anticommunism and antiterrorism. The Democrats have been much more outspoken in their condemnations of violence while the Communists have displayed a curious silence on the issue. Ultimately the election may turn on how closely the element of terrorism is linked to the Communist Party.

The Communist Party of 1978 is far different than in 1976. It is less moderate—more militant—truly more dangerous. The degree to which they are perceived this way by the Italian electorate may clearly determine the outcome.

I was most gratified by the visit last week by Secretary of State Cyrus Vance to Italy. It came at a critically important time in the election campaign. The Secretary's message was crystal clear—the United States firmly endorses the continuation of democracy in Italy. This Nation so clearly recognizes the grave security risks if a nation like Italy were to fall under Communist rule. In addition to being a close ally of this Nation, Italy is a vital member of NATO and occupies a vitally strategic position in the Mediterranean. Without a friendly Italy, vital supply lines to Israel, Turkey, and Greece could be jeopardized. Of special significance—Italy is the home base of our 6th Fleet.

Democracy must be maintained in Italy. If Italy were to succumb to communism—the domino theory would return but on a much higher scale. The security of Europe would be in the most serious jeopardy since the Second World War.

I know I speak for the concerns of millions of Italian Americans who so fervently hope that democracy will be reaffirmed in the election. The memory of Fascism is not that far removed from the current populace of Italy. Any recreation of this oppressive state should be repelled.

June 3 is truly a crossroads day for the people of Italy. Democracy or communism a stark choice—a decision which only the voters can make.●

MISTRUST OF ENERGY SHORTAGE

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. STANGELAND. Mr. Speaker, one of the major problems in establishing an effective national energy program has been the lack of confidence and distrust the American public has demonstrated with the Government and what the oil companies are telling them regarding our current energy shortage. In fact, many Americans do not believe that there is an energy shortage and that as soon as the price is high enough, the oil companies will suddenly "find" more oil. This lack of trust in Government and industry is due largely to the ever-changing figures we see regarding energy forecasting and the amount of domestic crude oil that is, or will be, available. Inconsistent statements issued by various officials within the Department of Energy, the agency responsible for administering our national energy policy, compound the problem and emphasize the need for credible information on our energy situation. The American public is rightfully demanding that they be told the truth about our energy needs and whether there is an energy shortage.

For these reasons, I have introduced a concurrent resolution expressing the sense of the Congress that the President should immediately establish a National Energy Council. This Council would be charged with the dual responsibilities of restoring credibility to energy data and forecasting and, second, the publishing of an annual national energy audit to inform the Nation of our energy problems and the progress that we have made in solving these problems.

As provided for in this concurrent resolution, the National Energy Council would be chaired by the Vice President and comprised of 15 members selected from outside of Government. Since this Council must demonstrate a high degree of objectivity, it must reflect a cross-section of views from leaders of consumer groups, environmental groups, academic and research groups, labor organizations, and the energy industry.

Therefore, I urge all Members to support this resolution so that we can restore confidence in our Government's ability to accurately assess the energy situation. We as a nation can wait no longer to reach a consensus on our energy problems. In order to assure that our future energy needs are met, we must act now to dispel the existing doubts and answer the questions pertaining to our energy problems.

Following is the text of the concurrent resolution:

H. Con. Res.—

Whereas the United States appears to be faced with a national energy problem;

Whereas the American people have not been adequately informed of the nature and extent of our energy shortage;

Whereas the lack of reliable information concerning the gasoline shortage and the lack of direction in the development of alternative sources of energy add to the confusion and distrust of energy policy; and

Whereas the United States needs a national energy policy worthy of the support of the American people: Now therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President immediately establish and appoint a National Energy Council, headed by the Vice-President, and composed of fifteen members of the general public to (1) study and consider the energy shortage and its demographic impact, and the credibility of energy data and forecasts, (2) present a written report to the President and to the Congress recommending measures to enhance the credibility of data, and (3) compile and publish a national energy audit, which would be generally available to the public as a current assessment of present and future national energy policy.

Sec. 2. The Clerk of the House is directed to transmit a copy of this resolution to the President.●

A PRIVATE BILL FOR THE RELIEF OF MORRIS AND LENKE GELB

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. HARRIS. Mr. Speaker, today I have introduced a private bill for the relief of Morris and Lenke Gelb to waive certain time limitations and allow the Foreign Claims Settlement Commission to consider and pay a claim if valid to Morris and Lenke Gelb for loss of property during World War II as a result of military operations.

In 1939, the Gelbs fled to the United States from Czechoslovakia upon hearing of the systematic persecution of the Jewish people by the Nazis in Germany. They left their farm and flour mill to be managed by Mrs. Gelb's family. The Nazis subsequently seized the property and sent the family to concentration camps.

In the United States, Morris and Lenke Gelb did not know the language, culture, or way of life which added to their anxiety of living in a foreign country. They struggled for many years. Morris Gelb worked as a laborer for $12 a week and Lenke Gelb washed clothes and scrubbed floors. Mrs. Gelb now suffers from arthritis and ill health as a result of her labors during this difficult period.

After the war ended, the Gelbs learned that their farm and mill were destroyed and that the Soviet Union had annexed part of Czechoslovakia. Members of their family had perished in concentration camps. As a result, they decided to remain in the United States.

Because of the shock over the loss of family and property, the Gelbs did not file a claim under the time limit imposed by the War Claims Act of 1948. This shock resulted in deep depression and repression of all matters concerning these losses. The failure to file a claim was not due to simple neglect, but as a result of mental incapacity for many years following the traumatic events that took place during the war. I urge the favorable consideration of this bill.●

VIETNAM VETERANS EDUCATION, TRAINING AND EMPLOYMENT

HON. W. G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. HEFNER. Mr. Speaker, the Congress and the President have called on the American people this week to honor the service and accomplishments of the Vietnam-era veteran. The vast majority of those who served in the Armed Forces from 1964 to 1975 have established a good record for themselves in civilian life. The median annual income of Vietnam-era veterans and their families is one-third higher than that of nonveterans and their families in the same age group. On the average, Vietnam veterans were younger, but served longer, a median of 35.6 months, in the Armed Forces than those who fought in wars before them. Even so, they left the service with a higher degree of education than those who served in World War II or the Korean conflict. They continue to make an increasing contribution to community service, business, and government affairs in this country.

While we applaud the accomplishments of the Vietnam-era veteran, I think it is appropriate to review what the Congress has achieved in providing education, training, and employment benefits to the almost 9-million veterans of our last war. Federal expenditures for Vietnam-era veterans have totaled more than $40 billion. GI bill education and training assistance, the only major program within the Veterans' Administration specifically designed to readjust younger veterans, consumed $25 billion or well over half of that figure.

Vietnam-era veterans have made the current education and training program, established in 1966, the most successful in the 34-year history of the GI bill. As of February 1979, applications have been received from 7.9 million Vietnam-era veterans and 67 percent of the 8.8 million total have entered training. This percentage is far greater than the 50.5 percent and 43.4 percent participation rate for World War II and Korean conflict veterans respectively. As of October 1978, nearly 4.2 million Vietnam-era veterans and service personnel had trained at the college level which is almost double the total for World War II and nearly 3½ times the participation rate for the Korean conflict GI bill. This participation rate is an indication that the current GI bill is adequate and meeting the needs of the veterans it was intended to serve.

In 1977, the Congress passed the GI Bill Assistance Act which raised education allowances to meet the higher education costs as well as to bring GI bill education and training benefits up to an equitable level with those enjoyed by veterans from World War II and Korea. This measure increased allowances by 6.6 percent raising the basic monthly allowance for veterans taking full time training from $292 to $311 per month. The married veteran with one child now has more than $30,000 to complete 5 years of education. This amounts to a total of $18,990 in monthly assistance checks and a maximum of $12,500 in loans. This assistance is scaled up or down for single veterans and those with more than two dependents. A veteran with as little as 18 months service is eligible for 45 months of education training.

In addition, most veterans who have suffered a service-connected disability, and therefore paid a higher price because of their service, are entitled, under the vocational rehabilitation program, to the full cost of tuition, books and fees for education and training, plus subsistence payments based on the number of their dependents.

Education assistance programs, especially in the field of higher education, have been successful largely due to the increased pressure for a college degree in today's society. However, legislation in this Congress will place greater emphasis on the need for alternative education programs. A bill pending before our committee introduced at the request of the Veterans' Administration entitled, The Disabled Veterans Rehabilitation Act of 1979, requests $11 million to extend vocational rehabilitation, education, and job training programs to eligible service-connected disabled veterans. If approved by the Congress it would raise allowances, extend the maximum education and training time for the service-connected disabled veteran from 48 to 64 months, and authorize an unlimited time period for vocational rehabilitation of the disabled, and other provisions. The budget resolution for fiscal year 1980, approved by the House and Senate has earmarked $40 million for enhancing the vocational rehabilitation program. My subcommittee is considering legislation which contemplates finding and placing a veteran in suitable and satisfactory employment following the veteran's rehabilitation, and a number of other significant changes in the program.

In February 1975, average unemployment rates for Vietnam-era veterans reached a maximum of 11 percent. The February 1979 rate was 6.5 percent for veterans age 20 to 34 and 5.6 percent for those 25 to 34. While these figures show a favorable overall picture, there are still problems to be faced especially in the area of minority employment. For instance, the unemployment rate for black Vietnam veterans was 11.2 percent or over twice the rate for their white veteran peers in the third quarter of 1978.

The Congress has put increased emphasis on the need for on-the-job training under the current GI bill. Nearly 540,000 Vietnam-era veterans have profited under this program. In addition, the Department of Labor has increased job opportunities available to the economically disadvantaged Vietnam veteran through the CETA and HIRE programs. The Congress also passed legislation offering tax credits to employers who hire disadvantaged veterans, and continues to emphasize the need for veterans preference in Government employment.

Congress has approved a comprehensive program of veterans' rights and benefits to which all Vietnam-era veterans are entitled, the most generous veterans program of any nation in the world. However, the Vietnam-era veteran is unique in many ways. His age, his war experience, his disabilities, his readjustment problems, his education needs and employment needs are all tempered by the times in which we live. The members of the House Committee on Veterans' Affairs and the Congress are extending their best efforts in behalf of the needs of the Vietnam-era veteran, while at the same time assuring an equitable balance of the rights and assistance of all veterans. By giving the Vietnam veteran a hand, we invest in the future of America.●

STATUE TO DUTIES AND RESPONSIBILITIES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. SKELTON. Mr. Speaker, today, together with the gentleman from Pennsylvania (Mr. SCHULZE) and the gentleman from Oklahoma (Mr. WATKINS), I have introduced a bill that follows the recommendation of the Most Reverend Bishop Fulton J. Sheen, archbishop from Newport, R.I., calling for a feasibility study of building a monument to the duties and responsibilities of American citizens. Archbishop Sheen made his remarks at the recent annual National Prayer Breakfast here in Washington in February.

In his message, the archbishop asks:

> On the East Coast, we have the lady of liberty holding out the torch of rights and liberties. Why not put on the West Coast a statue to duty and responsibility, in which that light is thrust outward to neighbor, in which the hand is open to feed the poor, and in which we will acknowledge as a nation that no one has a right unless he has a duty to God, to country, and to neighbor.

The message of this legislation is that in order to fully enjoy the rights which our Constitution advocates, each American citizen must accept certain responsibilities—to our God, to our country, and to each other. Every single citizen in this country is an integral part of one of the greatest governmental experiments ever to take place. However, a democratic system is not an easy one to maintain. It takes diligence and work on the part of every individual. For the strength of a democracy, just by definition, lies totally in the strength of the individuals who make up this Nation.

The legislation introduced today calls for the establishment of a six-member bipartisan commission which would evaluate the degree of public interest in constructing the monument. Funds for building the proposed statue would be donated by the public, in other words, no tax dollars would go into the actual construction of the proposed monument.●

APPLEGATE CALLS FOR "DECONTROL" OF COAL

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. APPLEGATE. Mr. Speaker, I am going to say what I have to say straight out and to the point, and will not pull any punches, for the time has come when we cannot afford to be anything less than honest and forthright.

I want to be supportive of President Carter and help him to administer the affairs of state through the legislative process because his is an awesome job and he must have congressional support to accomplish his goals. But, Mr. Speaker, the administration has broken many of the promises that have been made to the American people, and has done so because of the ineptness and lack of awareness of President Carter's immediate advisers toward the concerns of America's citizens. He is paying too much attention to their views and not nearly enough to those of the people of this Nation.

But to be more specific, 2 years ago in his energy speech, the President announced his intentions to double coal production to 1.2 billion tons by 1985, while at the same time enforcing additional environmental controls. To add insult to injury, he now intends to decontrol domestic oil even in light of the Democratic Caucus' recent action last week which urged continued price controls.

As I see it, the President has conflicting interests. On one hand, he emphasizes the need to mine and burn coal to meet America's energy needs, while on the other hand and at the same time, philosophizes that the environment must be clean at all costs. Well, Mr. Speaker, you cannot have your cake and eat it too. You cannot increase production by retarding growth. You cannot have a prosperous America by restrictions that close industries.

If the President sincerely wants to shift the energy reliance from oil to coal, he must act in two ways. First, if there is to be any retardation of growth let it be in the Federal bureaucracy, not in American business and industry.

Second, it will be necessary to get rid of some of the advisers and bureaucratic chieftains who do not have the whole interests of the American people in mind. Secretary of Energy, James Schlesinger, is a very good example. He is misplaced as Secretary of Energy as he is not responsive to the American people and lacks sufficient understanding of the definite relationship between the economy, the environment, and the energy.

The administration cannot continue to accept the word of the oil companies as law as to what the oil supply and demand in this country is. It is like the proverbial fox guarding the chicken coop. It is quite obvious that the oil companies do not necessarily have American interests at heart.

On Wednesday, May 23, 1979, the Washington Post ran a story by Mr. Ronald Koven, which quoted Secretary Schlesinger as saying that there was "substantial evidence" that petroleum products that normally would be going to the United States have been diverted to Europe by oil companies looking for higher profits. This should have been common knowledge to the Secretary sooner. I therefore wholeheartedly endorse Texas Senator LLOYD BENTSEN'S call for an independent audit of the oil reserves and demand requirements in the United States.

The southeast region of Ohio is blessed with the finest grade of coal in the United States, but because of the fact that our goal is above average in sulfur content and does not comply with overly stringent Environmental Protection Agency air standards, the region is being economically punished. At this point, it appears that come hell or high water the administration is going to achieve these clean air goals even if it has to close every mine in Ohio and put tens of thousands of families out of work in the process, which is occurring at this time. Let me point out, too, that with increased unemployment in the coal fields comes a ripple effect of increased unemployment in all types of businesses and with it less tax moneys for schools and local governments. Let us also keep in mind that this Nation loses between $16 and $20 billion of revenue for every 1 percent of unemployment.

What disturbs me the most about this situation is that these problems are senseless and certainly can be solved with compromise and common sense, the latter of which seems to have disappeared from the American scene in recent years.

Mr. Speaker, I now appeal to President Carter and ask that he look at this problem. I also challenge the House to take definitive and positive action to allow American coal to be burned. to relax but not destroy clean air standards, and to relax overly stringent rules and regulations that have been arbitrarily established by such agencies as the EPA and the Office of Surface Mining.

Both of these bureaucracies have exceeded congressional intent and I call on President Carter to change this situation which I believe to be within his authority to do. If he does not take this necessary action, it will leave no alternative than for Congress to do it. And if that be the case, I am prepared to introduce legislation that would achieve these goals. I would hope, Mr. Speaker, that this would not be necessary as I am sure it would be very time consuming and time is of the essence.

At a time when it is obvious that coal is the only readily available answer to our energy needs, it is imperative that the thoughts I have expressed here today be given every consideration. The immediate future of our Nation rests on the actions of this administration. We must begin to use to the fullest extent possible our own natural resources, and this is most definitely a step in the right direction.●

WHO KNOWS WHETHER DECONTROL WILL LEAD TO EXPANDED OIL PRODUCTION OR TO EXPANDED CONGLOMERATION?

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. CONYERS. Mr. Speaker, we have been told that decontrol of domestic crude oil will create a greater incentive to explore and develop domestic crude oil. How? By providing greater income and profits to the U.S. multinational oil firms, whose profits are already bulging.

Yet there is no mandate or directive that assures that this windfall skimmed from the consuming public will be, in fact, utilized for greater exploration and development. We have witnessed the multinationals buy up U.S. coal and uranium mines, publishing companies, data communication entities, merchandising and container businesses, real estate operations, and so on. Under the thinly veiled guise of the need to speed development and application of an energy-conserving concept in electric motors, Exxon has offered $1.16 billion for Reliance Electric Co. Reliance has raised questions on the takeover. Yet Exxon's "sweet" offer may soften the blow.

The following May 22, 1979, Wall Street Journal article states:

> Despite Exxon's statement about wishing to acquire Reliance to use Exxon's electric-motor technology, Reliance's track record and prospects make it appear to be an attractive diversification move for the big energy company.

It appears that decontrol may only speed up the transition of the multinational oil company and cartel into a multinational conglomerate cartel encompassing a good portion of U.S. industry and business. I commend to my colleagues the following article:

RELIANCE ELECTRIC SAYS IT HASN'T RECEIVED EXXON BID, RAISES QUESTIONS ON TAKEOVER

(By Ralph E. Winter)

CLEVELAND.—Reliance Electric Co. said it hasn't received a definitive offer from Exxon Corp., and raised questions about the likelihood of a takeover by the oil giant. But Reliance's management didn't flatly reject a possible merger.

"There can be no assurance that an offer will be made, and if so, whether it will be adequate," said B. Charles Ames, president and chief executive officer. "Should Exxon seek a combination with Reliance, difficult legal questions have to be considered," he said. "Reliance has retained legal and investment-banking counsel to assist it in evaluating any proposal."

Exxon announced last Friday that it is seeking to buy Reliance to speed development and application of an energy-conserving concept in electric motors.

There is a certain irony in Exxon's stated intention to take over Reliance because of Reliance's market position and manufacturing expertise in the electric-motor field. For about a dozen years, Reliance has been moving to reduce its dependence on electric motors.

Until 1967, electric motors constituted 75% or so of Reliance's total sales. Currently, production of motors accounts for only 10% or 11% of revenue.

Reliance doesn't break down sales by individual products. In fiscal 1978, ended last Oct. 31, the electrical-products group, which includes production of motors, drives, controls and generators, as well as repairs and service for this equipment, had sales of $368.6 million.

Reliance is either the third or fourth largest motor producer, behind General Electric Co. and Westinghouse Electric Corp., and somewhere near the same size as Emerson Electric Co.

VULNERABILITY WAS HIGH

Reliance found that total dependence on electric motors and drives made it highly vulnerable to the capital-goods-buying cycle, because most motors were sold to producers of other machinery ranging from metal-cutting machine tools to mining equipment.

Under the leadership of Hugh D. Luke, currently chairman, Reliance began aggressively diversifying into other areas that were less closely tied to the extreme swings of capital spending.

Major product lines acquired since 1968 include: mechanical-drive parts, scales and weighing systems, specialized equipment for the telephone industry, electric generators and electronic-control systems.

In March, Reliance bought Federal Pacific Electric Co. from UV Industries Inc. for $345 million. Federal Pacific produces products for the transmission and distribution of electricity. Reliance sold its Haughton elevator division in April to a Swiss company for $46 million.

In addition to expanding into new product areas, Reliance has worked hard to increase its repair and service business, which is less cyclical than sales of new equipment. During fiscal 1978, service "generated some $165 million of highly profitable revenues," according to the annual report.

Currently, Reliance is operating at a sales rate of about $1.5 billion a year, although fiscal 1979 sales probably will be in the area of $1.3 billion because Federal Pacific will be included for only seven months. In fiscal 1978, sales were $966.3 million; five years ago they totaled $624.9 million.

STRONG EARNINGS POTENTIAL

Most industry analysts credit Mr. Luke and Mr. Ames with doing a good management job in building a strong earnings potential along with the sales gain.

Fiscal 1978 net income was $64.6 million, or $3.96 a share, fully diluted, up from $31.7 million, or $2.07 a share, in fiscal 1974. In fiscal 1978, Reliance earned a profit of 6.7% on sales and had a 21.4% return on shareholder equity, well above average for manufacturing companies.

Despite Exxon's statement about wishing to acquire Reliance to use Exxon's electric-motor technology, Reliance's track record and prospects make it appear to be an attractive diversification move for the big energy company.

Reliance common opened yesterday on the New York Stock Exchange just 20 minutes before trading ended for the day. It closed in composite trading at $47, up $10.50 from the last trade Friday before the halt for the Exxon announcement. The stock had risen $2 Friday to $36.50 a share.

On a fully diluted basis, Reliance has about 16.5 million shares outstanding. If Exxon were to offer $60 a share for Reliance, the purchase price would be about $990 million. It's impossible to predict what Exxon would offer, of course, but one study of recent takeovers of major companies indicates an average premium of about 80% over the market price before the announcement.●

THE PEOPLE'S RIGHT TO KNOW

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. KOSTMAYER. Mr. Speaker, Charles Shaw began his newspaper career in 1932 as a reporter for the McKeesport, Pa. Daily News. Later, he worked as a reporter and rewrite man on the Pittsburgh Press, then returned to McKeesport as editor of the Daily News. He next became news director of radio station KTSA, San Antonio, Tex.

Mr. Shaw met Edward R. Murrow when Murrow was on a lecture tour of the United States early in World War II, and he was then hired to become a member of Murrow's CBS reporting team that included Eric Sevareid, Charles Collingwood, Larry Lesueur, Richard C. Hottelet, Bill Downs, Howard K. Smith, and William L. Shirer. After the war Mr. Shaw stayed on as head of the London Bureau of CBS for a year and covered the First Assembly of the United Nations.

Returning to the United States, he became news director of WCAU radio and later WCAU–TV in Philadelphia. He left broadcasting to become editor of the New Hope Gazette in Bucks County, Pa., not far from my home. He returned to Philadelphia as an assistant city editor of the Bulletin and retired in 1971. But he came out of retirement in 1976 to reassume editorship of the New Hope Gazette, where he remains today.

His commitment to a free press is as strong as ever and in the following article he outlines some of his views on the subject after nearly half a century as a distinguished and courageous journalist.

[From the New Hope Gazette, Apr. 26, 1979]

AFTER NEARLY 50 YEARS IN JOURNALISM A COUNTY EDITOR REFLECTS ON FREEDOMS

(By Charles Shaw)

I have been working as a journalist for almost a half century—47 years this coming June.

I have worked many places, and I have seen many things. I have worked in freedom, and I have worked under the strictest of censorship—that of all-out war. I have worked in countries where there was no freedom of press or speech whatsoever.

As one who has worked for very large and very small newspapers, as well as those in between, as one who has worked as a broadcast journalist for very large and very small stations, as well as two networks, I feel obligated—perhaps even qualified—to write a testament, a credo, about the role of the press (an all-inclusive term for print and electronic journalism) and the public.

Let it be said at the outset that neither I nor any other conscientious journalist claims any special privilege for the press. The First Amendment, prohibiting abridgement of "the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances," was not intended to confer any special privilege on the press.

The intention of the framers of the Constitution was not to benefit the press but rather to guarantee the PEOPLE'S RIGHT TO KNOW. And the only way the people's right to know can be guaranteed, the only way the people can be assured access to information they MUST have in order to remain free, is by ordaining that the press will always be free to report that information.

THE PUBLIC IS PROTECTED BY LAWS AGAINST LIBEL

The framers of the Constitution recognized that not all journalists are moral, ethical, responsible to the public, devoted to the truth; so they did nothing to prohibit Congress or the State Legislatures from enacting laws to protect those who might be injured by untruthful reporting. The result was a myriad of laws protecting people against libel and slander; and journalists support such laws basically perhaps more enthusiastically than any other group. These laws don't eliminate the scandal-mongers, any more than bar association canons eliminate the shysters, but they reduce their number and give journalism a better name than it would have otherwise.

In my wanderings about this globe, I have found it to be almost axiomatic that freedom of press is almost exactly in inverse proportion to the villainy or venality of those in power—not only government officials but the civilian power brokers. When a would-be tyrant destroys a democratic government and seizes power, or when he merely takes the place of another tyrant, his first act is to seize control of the information media.

In 1957, I was in the mountains of Eastern Cuba with the Fidel Castro rebels against the dictatorial rule of President Fulgencio Batista. After the fidelistas toppled Batista, I went to Cuba at least once a month the first year, only slightly less frequently after that, and I was overjoyed at first by the amount of freedom given to the Cuban people.

Fidel Castro once said to me. "We are willing to engage in open competition with those who disagree with our philosophy."

But the fidelistas began to whittle away at human rights. Today, there is no freedom of press in Cuba, and those who once ecstacized over the promise of Fidel Castro now are disenchanted.

THE FADED PROMISE OF CUBA'S REVOLUTION

Last Fall, I received a call from a man named Hugo Yedra, an assistant secretary of the Cuba Mission to the United Nations, asking if I would contribute any of my Cuban memorabilia to the newly established "Museum of the Revolution" in what had been the splendid Presidential Palace in Havana. My son Kip and I went to the Cuban Mission in New York to talk with Yedra, and Kip quizzed him about press freedom.

Yedra freely admitted that the only press in Cuba is the government and Communist party press. What we call a free press, he said, makes only mischief. A free press, he declared, does not tell the truth (by which he meant information which the government would want considered as the truth). Some letters of disagreement with government policy may be published from time to time in the controlled press, but he made it clear that such letters were carefully screened.

We left the Mission with a heavy heart—and a decision not to provide anything for the Museum of the Revolution. Kip and I both had been in Cuba during the early months of the Revolution, when—except for the summary trials and executions of Batista war criminals who undoubtedly deserved severe punishment but whose disposition did taint the Revolution even though the summary action probably averted a terrible blood bath—there was an air of Camelot. We had hoped that Cuba would be an example to people ruled by tyrants throughout Latin America. But Fidel finally denied the Cuban people their most precious freedom—the right to know.

Governments of the United States have been chipping away at freedom of the press since World War II. And it is no coincidence that corruption in government has been increasing in almost direct proportion to restraints on journalists.

Harry Truman's cronies took payoffs for favors. That knight in shining armor, Dwight D. Eisenhower, had crooked helpers, and now it's revealed that Eisenhower insisted that the truth about radiation effects of the Nevada atom-bomb tests in the 1950s be withheld from the public so that the tests could be completed. John Kennedy had a pretty good record, but he wasn't in office very long. While he was in office, he let it be known that a good reporter in his book was a reporter who did his bidding, he bullyragged journalists in efforts to gain confidential information from them, and he manipulated the news masterfully.

THE TONKIN GULF LIE AND ITS TRAGIC RESULT

Kennedy's successor, Lyndon Johnson, who stole a Senate election that paved his way to the Vice Presidency and then the Presidency, had cronies who would have been all-time champs in corruption had Richard Nixon not come along.

Johnson did outdo Nixon in one lie, however: his absolutely false report that North Vietnamese warships had attacked United States shipping in the Gulf of Tonkin—a report that mobilized considerable public opinion behind our intervention in the Vietnamese civil war with the loss of thousands of lives. That lie—this tragic denial of the public's right to know—was a much more impeachable offense than Nixon's cover-up of Watergate, reprehensible though the cover-up was.

And who exposed the Watergate cover-up? Not the politicians, not the lawyers who decry freedom of press, but newspaper reporters from The Washington Post, The New York Times and other journals.

In desperation, voters turned against Nixon's successor—the apparently honest Gerald Ford—to elect a born-again Christian who promised that "I will never lie to you"—James Earle Carter, officially Jimmy, who is so obviously confused and often unable to translate orders from his bosses in the Trilateral Commission that one never knows whether he's lying or telling the truth. The record shows, however, that he has not kept his promise never to lie, any more than he has kept other promises that might well have been made to win him votes as a populist but not to have been kept.

THE POWERS-THAT-BE JOIN TO LIMIT FREEDOM

And the worse things get, the more the powers-that-be—the Executive Department, the Congress, the Courts and the leaders of business, industry and organized labor—combine to limit the ability of the press to tell it as it is.

They are nibbling at the edges, as some New Hope visitors nibble at ice cream cones, and some of the worst blows to freedom of the press are struck by the courts in matters unrelated to government. A New York Times reporter spends more than a month in jail because he refused to help either the prosecution or the defense in a murder trial; the Supreme Court rules that a reporter must reveal his state of mind when he writes a story that later becomes the basis of a libel suit (although the justices do not reveal the state of their minds when they render decisions). The powers-that-be are saying to the press: "Don't take the First Amendment seriously."

Critics of the press cite the fact that Three Mile Island reports in The New York Times and The Philadelphia Inquirer, to mention just two papers, were different. And that's true—because different officials were telling different stories to different reporters. But the officials don't get the blame for the confusion; the reporters do.

It never ceases to amaze me that ordinary citizens will join in warfare against the press when the press actually is serving those ordinary citizens. It must be repeated again and again, repeated without ceasing, that the press has no special status: the issue is not the right of the press but the right of the people to know. We're on your side, folks; bad as we may be at times, we're the only means you have of guaranteeing that you'll continue to learn the truth.

We are most imperfect; we sometimes are a little slow in getting the truth to you . . . sometimes we're a little too fast.

We report good news and bad news. I, for one, derive much more pleasure out of reporting an Easter egg hunt, a soccer victory, an art show, a good play, spring fashions than I do out of reporting dissension in Council. Believe me, that's true. I would have preferred a much more pleasant lead to Julie Fratrik's Solebury Supervisors' story last week than Joyce Overpeck's angry demand, which was at first refused and finally granted, that the people who elect officials, the people who pay taxes, the people who are sovereign be allowed to speak at Supervisors' meetings. But don't blame Joyce Overpeck, don't blame The Gazette for that unhappy news. Blame the reason and support all efforts to eliminate those reasons.

Some Borough officials decided (!) last year that there would be a blackout of news about the police dispute. We immediately proclaimed there would be no news blackout, and some members of Council agreed with our proposition, and you continued to receive the news.

What purpose would secrecy have served? Secrecy never serves any purpose except that of injustice. In cases where unsubstantiated charges are made against an official—against anybody—it is to everybody's interest that those charges not be publicized unless or until proved. We don't carry letters charging that some restaurant's food is lousy, that so-and-so was seen drunk on Main Street, that so-and-so tried to commit suicide. But we do carry everything we can learn about matters of public interest.

There is an old story, you know, about a king who killed the messenger bearing bad news. That is what people do when they, actively or passively, seek to abridge freedom of the press and, hence, their right to know.

In almost 50 years of journalism I have been involved, but not named, in only one libel suit, and that suit was not prosecuted. I have done everything possible to avoid libeling anybody, no matter how reprehensible some news-makers have been. I have been threatend with libel suits many times; and, believe me, the threat of a libel suit can be very chilling. A verdict against a small paper like The Gazette under its former individual owners could have put it out of business. But not one of The Gazette's owners has ever asked me to suppress any information. Of course, I would resign before I obeyed such an order . . . but I never would have worked in the first place for anybody whose philosophy would lead him to issue such an order.

Libel suits sometimes are justified, and those who commit libel ought to be punished. Threats of libel suits sometimes, quite often, are made to intimidate editors, and such threats succeed in some cases.

REPUTATION OF UNTRUTH WOULD DESTROY A PAPER

Those who don't like the truth accuse us of publishing certain stories "just to sell papers." That's a favorite phrase of Philadelphia's Mayor Rizzo when he denies police brutality. Of course, we want to sell papers, just as lawyers want to win cases, merchants want to sell their goods.

But, cynical critics to the contrary, our first aim is to provide our readers with the news they need to know as well as news which is just plain entertaining. We don't dare publish stories we know to be untrue, because such a practice would kill us. A paper which establishes a reputation of unreliability runs out of readers: no readers, no advertisers . . . no advertisers, no revenue . . . no revenue, no paper.

I'm not pleading for the press; I don't have that much longer to go as a working journalist. I'm pleading for the people to support freedom of the press only because it's their only guarantee that they'll retain their right to know. Without freedom of press, there can be no freedom of worship, no freedom to assemble, no freedom to petition the government for redress of grievances. On this hang all the law and the prophets.

One of our troubles is that we are too far removed in time from the abuses which led the Framers of the Constitution to include the Bill of Rights. Our Revolutionaries were fighting against not only taxation without representation but for rights far more than those permitted even to Englishmen at home. They were fighting against such abuses as those which occurred in a trial of William Penn, when the jurors who brought in a verdict of acquittal for Penn were themselves prosecuted because of the verdict. They were rebelling against "Star Chamber" trials—secret trials in which the defendant had no rights. They were fighting against requirements that a defendant be required to testify against himself. They were fighting against censorship of the press, as exemplified by the trial of John Peter Zenger, who by no means was the only editor so censored.

More than 200 years have passed since our ancestors spilled blood to, as they later said in the preamble to the Constitution, "secure the blessings of liberty to ourselves and our posterity." We are their posterity, and if we permit erosion of these blessings, we truly are cowardly descendants of the Founders.●

MIDDLE EAST PEACE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. DERWINSKI. Mr. Speaker, yesterday, the House passed H.R. 4035, which will help advance the Middle East peace and assist in the implementing of major elements of the Israeli-Egyptian peace treaty. I was certainly impressed by the overwhelming vote.

Editorial support for the Middle East peace efforts was featured in the Sunday, May 27 Chicago Sun-Times, which I wish to insert at this point:

FIRST STEPS IN THE MIDEAST

The first tangible dividend of the Camp David peace accords was paid to Egypt Friday as Israel gave up the Sinai city of El Arish, which it had occupied for 12 years.

And on Sunday President Anwar Sadat, Prime Minister Menachem Begin and Sec. of State Cyrus R. Vance were to meet in the Israeli city of Beersheba, where negotiations have already begun on granting self-rule to the Arabs living under Israeli rule on the West Bank and the Gaza Strip.

The events are historic, challenging, promising, foreboding—all at the same time.

The Star of David was hauled down for the first time in this chain of events from flagstaffs on Egyptian territory, in the face of violent opposition from Isareli settlers who were giving up farmland they had redeemed from the desert.

Their personal sacrifices should be honored. The settlers—unwilling as they were—did surrender what they had sweated over and laid their hopes on in the higher cause of peace.

Two years ago the event would have been inconceivable. Thus the promise: If irreconcilables can be brought this far, then perhaps momentum can bring them to far more conclusive ends.

But although hope is justified, self-delusion is not. The talks that have begun in Biblical Beersheba are bound to be painful and prolonged. Begin is hard-lining for retention of Israeli sovereignty over Arab territory. Sadat, economically quarantined by his Arab brethren, needs results to retain his mandate for peace. President Carter's players, committed to the mediator's role, require wisdom and patience.

Nothing will be fast or easy.●

ALBERT RAINS SPEECH CONTEST

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BEVILL. Mr. Speaker, again this year I would like to have the first- and second-place speeches in the annual Albert Rains Speech Contest of Snead State Junior College in Boaz, Ala., inserted in the RECORD.

For several years, it has been my pleasure to present the top entries of this oratorical contest, named for one of our distinguished former colleagues.

Albert Rains was a Member of this body from Alabama during the period, 1945–65. He retired after providing 20 years of outstanding service to the people of Alabama.

During his years in the House, Albert was regarded as one of its best orators. It is for that unique talent that the Snead State Contest is so aptly named.

First-place winner in this year's contest was Mr. Lane Watts of Boaz. Second-place recipient was Ms. Susan Williams, also of Boaz.

Entrants were required to use the common theme, "How to Dispose of Nuclear Waste." I think you will agree the winning entries reflect many hours of research and preparation on this timely and controversial subject:

THE DISPOSAL OF NUCLEAR WASTES

(By Lane Watts)

Picture a catastrophic meltdown in a nuclear reactor spilling nuclear waste. This waste would contaminate the soil or hit a water pocket and send up gushers of radioactive steam and contaminants. If this happened, there could be hundreds of deaths, and even thousands of deaths years later. Does this sound like a science fiction movie or only a horrible dream? Not so, say most nuclear critics. They feel this a constant and realistic threat.

Throughout history, man has had to search for solutions to meet his basic needs. The search for these solutions has sometimes led to difficult decisions. This difficult decision-making surrounds the present day nuclear energy program.

Whether an individual is for or against nuclear energy, the fact is, that nuclear energy is a vital force in the United States. According to the April 1979 issue of National Geographic, nuclear energy is already providing roughly one-eighth of all the electric power generated in this country. With increasing energy demands and the scarcity of reliable fuels, the significance of nuclear energy cannot be ignored.

Although concerned about reactor accidents, nuclear critics have focused much of their campaigns on the question of the disposal of nuclear wastes. The question of how to handle this extremely dangerous material and isolate it in such a way that it will not harm either present or future generations was neglected for years and only recently has been given serious consideration.

There are high-level wastes of two kinds: (1) Spent fuel, of which the typical large reactor produces about 30 to 40 tons a year, and (2) by-products of the Government weapons program. High-level wastes generate high heat and high penetrating radiation for centuries.

The defense waste is enormous and it is stashed temporarily in tanks and burial pits, mostly on three Government reservations in Washington, South Carolina, and Idaho, awaiting Government action on permanent disposal.

To this huge accumulation, nuclear plants have added tons of spent fuel, virtually all of it cooling in pools adjoining the reactors. Yet the fear of radioactivity has focused largely on power plants. It is also true that powerplant waste contains more radioactivity and is increasing more rapidly than defense waste.

One of the main areas of the nuclear energy program that has come under scrutiny is the transportation of the toxic wastes. With the ever-present threat of human error and the possibility of derailments or crashes of the transporting vehicles, several states and communities have banned or restricted shipment of radioactive materials through their jurisdiction.

The problem is not confined to the United States, of course. Forty three countries abroad now have some kind of nuclear energy program. In each case, waste must be disposed of in some fashion. Moreover, all nations that have nuclear weapons—the Soviet Union, Britain, France, and China, as well as the United States—must worry about waste from weapons production.

Nations have tried a variety of methods for disposing of nuclear wastes. The British have been piping low-level waste products into the Irish Sea. The United States Atomic Energy Commission, from 1946 to 1970, dumped tens of thousands of canisters of low-level nuclear trash into the Atlantic Ocean 120 miles east of the Maryland-Delaware coast, and into the Pacific 35 miles west of San Francisco. The Soviets are now pumping intermediate-level liquid wastes into sandstone 2,000 meters deep beneath layers of clay.

These are examples of what individual countries are doing with nuclear waste, but public outcry and increased political opposition have forced public officials and nuclear experts to try to find new and safer ways to dispose of nuclear waste.

In an interview with WAAY–TV, Huntsville, NASA officials at the Marshall Spaceflight Center expressed hope for a plan that involves the U.S. Space Program. These officials stated that there have been plans discussed about the real possibility that a space shuttle could transport spent fuel into outer space. Specifically, this involves shooting the fuel into the sun's orbit where the sun's orbital pull would keep it safely away from the earth's atomsphere. Although not as widely discussed, NASA officials have also expressed the idea of shooting nuclear waste into some of the moon's craters. These seemingly outlandish ideas have been seriously considered because of their relative safety. NASA officials expressed some pessimism, however, because of the incredible costs and the need for the development of foolproof rocket launches.

There have also been suggestions of burying nuclear wastes in non-populated regions such as Antarctica. This has been considered but since this could cause serious international disagreements, it has been discarded.

It is evident that there are no clear-cut approaches to take with the disposal of toxic nuclear waste. At the present, experts feel that deep burial is the most likely solution that the United States and other countries will take. This involves solidifying radioactive waste and encasing it in canisters for burial thousands of feet deep in suitable geological formations. Experts are seeking which formations are the most stable and which would best prevent leakage.

The time has ended where limitless amounts of resources are available for energy consumption. The United States and other global nations are having to explore in other directions for alternatives for their energy needs. The nuclear energy program is certainly an integral part of the present and whether it will be in the future remains to be seen. Critics and proponents alike agree that a satisfactory solution to the disposal question is necessary if there is to be any future for nuclear power in the United States. With energy efficiency as one of the main goals of the nation and the world, a solution to this problem is necessary. With innovation and exploration, hopefully, it will be solved and solved quickly!

HUMAN BEINGS—AN ENDANGERED SPECIES

(By Susan Williams)

Whose responsibility is nuclear waste and its impact on future generations? The responsibility is Ours! The question of nuclear power waste is a moral and a health issue. The "Nuclear Age" became of public interest after the dropping of the atomic bomb on Hiroshima. The health effects of nuclear radiation is still being debated, but there is evidence that radioactive substances remain dangerous for countless generations. One thing that many people don't realize is that radiation affects all living things—not just humans, but also livestock and the crops we eat. The destiny of human life cannot be placed totally in the hands of amoral corporations and scientists.

According to Dr. John Gofman 20 tons of deadly nuclear wastes are generated by an average sized nuclear plant per year. Across the country, nuclear plants are becoming constipated with their own waste. The utilities that produce this waste say it is not their problem to dispose of it. Apparently, the government agrees that it is a problem, but does not know what to do about it. We must realize the seriousness of the problem. It involves not only our lives, but the lives of future generations. Therefore, it is our duty, not only as American citizens, but as humans who live on this earth to participate in finding solutions.

The sad reality is that all energy problems are extremely complex and possible solutions will be just as complex. We must realize that most solutions have drawbacks, and that we should choose the positive elements from each suggestion to create a workable solution. Remember our decisions will affect future lives.

At the present time, burial in concrete tanks is the storage method used. But these tanks last only decades before leakage takes place. At the present time, tanks have begun to leak at the Savannah River Plant. Nuclear waste can be thought of as Pandora's box for future generations unless we act now.

Small quantities of liquid nuclear waste are being diluted and emptied into the rivers but our water can not be continuously contaminated. Other ways of disposal must be found. Many solutions suggested are far too expensive at the present time to be feasible such as the solution of shooting the nuclear waste into outer space.

Philip Hammond, an American scientist, who has worked with radioactive materials for 30 years has a solution which he says can be put into working in 2 years. His plan is to place the waste in canisters which can be monitored and controlled. First place the waste in sealed stainless steel canisters and place them in another container of a durable metal. Then between the two containers have a compressed gas that would be able to detect and signal the development of leaks. The containers are to be buried in tunnels. According to Hammond, the U.S. already has a tunnel system that could be used at the Nevada Test Site. This area has already been accepted and isolated for nuclear residue.

The transportation of nuclear waste to storage areas is another problem. In the transportation 1000's of lives are endangered. Many states like New York already prevent the transportation of waste through big cities. Senator Howell Helfin from Alabama stated that many vehicles carrying nuclear waste are frequently on Alabama's highways. The Senator wants to set up emergency plans to cope with an accident dealing with nuclear waste spillage.

Just last week on April 24, 1979, the Alabama legislature voted 90–2 against the proposal by TVA to locate a nuclear waste center in Alabama. If the proposal had been passed, Alabama would have been the victim of other states' waste. This doesn't seem fair.

Nuclear power is a health as well as a moral issue. We must work together to protect the lives of the future. Because of the controversy over nuclear power, the public interest has been aroused. Yet officials have produced nothing but studies of the problem. Therefore, it is up to us. The decisions we make or fail to make will affect the lives of future human beings.●

VIETNAM VETERANS WEEK

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. RITTER. Mr. Speaker, today I would like to recognize and praise a group of U.S. military veterans who for too long have gone without the respect they deserve. I am speaking of the veterans of the Vietnam war who served their country proudly and bravely during a deeply troubled time in our history.

The American people's feelings about that war are at this very time in a state of flux. As we witness the performance of the victors—the genocide in Cambodia, the virtual enslavement of the South Vietnamese nation, the plight of the boat people, and the warring amongst the respective tyrannies—we gain a new respect for the individuals who served in Southeast Asia. It is most appropriate that these veterans be specially honored this week, National Vietnam Veterans Week.

While veterans of other wars of U.S. involvement returned home to a hero's welcome, most Vietnam veterans were greeted, at best, with apathy by a public anxious to forget the war. At times they were treated with hostility by that public. But the personal sacrifices of our Vietnam veterans were just as real as those made by other veterans. Our country's thanks should be just as real. To do otherwise would be a gross disservice to all patriotic Americans who have served their country.

During Vietnam Veterans Week, I join the citizens of the Lehigh Valley and the rest of the country in acknowledging and thanking all Vietnam veterans for their service to our country. During bitter and controversial times, theirs was a difficult mission. They, like all veterans that have served our country, deserve our deepest respect.●

ENERGY SHORTAGE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ANDERSON of Illinois. Mr. Speaker, a recent edition of the Chimes, the student newspaper of Biola College, contained an excellent editorial on our current energy problem. It is a very well written statement, explaining that no one group is solely to blame for our present situation. Unlike many editorials it presents a strong, reasoned conclusion: That the Nation must face up to the fact that we will no longer have abundant, cheap energy. I commend the editorial to my colleagues:

PLACING THE BLAME

The events of the past two weeks have turned California motorists into gasoline junkies, desperately prowling the streets in search of another fix of gasoline. Sales of bicycles, siphon hoses, locking gas caps and gas cans have boomed, and public transportation facilities have been overrun with commuters trying to save the precious substance.

The news media have leveled charges and counter-charges as to who is responsible for the mess we are in. The oil companies, the Congress, the Department of Energy, President Carter, consumers and even the Ayotollah Khomeini (who, according to humorist Art Buckwald, started the whole crisis, and doesn't even own a car) have all been blamed for the long lines we sit and fume in.

As our anger over the situation turns to resignation, we confess we are very frustrated about the lack of straight answers we are getting. The lines are still long and there are serious doubts there will be enough gas to last through the summer months.

Our frustration grows as we hear rumors, mostly unfounded, that the oil companies are either withholding crude oil from production or are storing vast quantities of gas in abandoned gas stations or in huge tanks in the desert until the price reaches a dollar a gallon or more.

We also wonder why California has so far borne the brunt of the long lines and endless waits. Reports from across the country indicate most states have been spared the long lines, but indications now are the rest of the country is beginning to catch up with us.

We cannot place the blame for the gas crisis of '79 on any one party. The industry, government and we the consumers must all shoulder some of the blame. The odd-even plan and the executive order signed by Gov. Brown Tuesday ordering larger gas stations to remain open either Saturday or Sunday may help alleviate some of the long lines.

President Carter said Tuesday, "It's almost heartbreaking to have an issue, which festers like a cancer, carrying on from one month to another, sapping away the basic strength of our nation. The American people still refuse to face the inevitable prospect of an energy shortage." American motorists still drive as if gas was 27 cents a gallon. By eliminating all unnecessary driving and switching to alternate forms of transportation whenever possible, most drivers could reduce their fuel consumption by at least 10 percent, the amount at least one major refiner (Standard Oil of California-Chevron) plans to cut its dealers' June allocation.

We have said it before, and we will say it again: it is time for us to realize the era of cheap energy has come to an end. The choice is ours, we can either make moderate changes in our lifestyle now to deal with the realities of the world energy situations, or continue blindly down the road to ruin as a country by continuing our wasteful habits.●

HANDGUN VIOLENCE CLAIMS 601 LIVES IN APRIL

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. DRINAN. Mr. Speaker, for the last 3 months I have introduced into the RECORD a list of all the persons who have been reported by the media as having been killed by handguns. This grisly statistic should serve as evidence to all that the time is now to enact intelligent legislation designed to end the spiral of violent deaths resulting from the unchecked proliferation of handguns.

Since January 1 of this year, Mr. Speaker, 2,475 persons have died because of handgun violence. For the third month in a row, more than 600 persons have been killed by handguns across America.

Several bills to this end have been introduced in this Congress. Until we have a sensible Federal gun-control law, I will continue to publish this macabre list of handgun victims compiled monthly by Handgun Control, Inc. Their report for the month of April follows:

601 AMERICANS DIE FROM HANDGUN FIRE

Handgun fire killed at least 601 Americans in April. Those reported dead included 13 children, age 12 or under and 31 senior citizens age 60 or over. Since January 1, 1979 at least 2,475 Americans were killed by handguns.

Among those who lost their lives because of handgun violence:

Temple, Tex.—23-year-old Mary Lou Tristain was shot to death by her 5-year-old daughter. They were in a friend's car when her daughter discovered a handgun under the seat. Thinking it was a toy, she pointed it at her mother and fired.

Wichita, Kans.—53-year-old Fred Gilmore was shot to death after an argument over a game of dominoes.

Cincinnati, Ohio.—64-year-old Dr. S. Gregory Miceli was shot to death by a former patient who may have been distraught over an incurable disease.

New Orleans, La.—Ronald Banks, 45, a professor at the University of Maine died on his way to a historical conference after being shot in the face during a robbery attempt.

Dekalb, Ga.—4-year-old Shadrack Nellums was accidentally shot and killed while playing with a pistol found in his father's car.

ROLL OF HANDGUN DEAD

Alabama (20)

Nora Banks, Huntsville; Harold Brewster, Jr., Huntsville; Jeffrey Brown, Birmingham;

Joe Brown, Birmingham; David Burtram, Birmingham; Clyde Davis, Montgomery; Robert L. Davis, Birmingham; Scott Deroo, Huntsville; Bobby Dover, Fort Payne; Gerry Harris, Decatur; Joseph Law, Mobile; Pinkard Lockett, Jr., Mobile; Henry Nelson, Birmingham; Rothal Reed, Jr., Huntsville; Richard Stovall, Birmingham; Sadie Thomas, Jasper; Henry Vanderbilt, Birmingham; Ronald White, Birmingham; Ernest Williams Birmingham; Barbara Young, Mobile.

Alaska (3)

Rick Adair, Juneau; Jimmie Kennedy, Juneau; Louis Sorenson, Juneau.

Arizona (2)

John Kusian, Tucson; Walter Norberey, Jr.. Flagstaff.

Arkansas (10)

James Andrews, Little Rock; James Broadway, Benton; Ricardo Dixon, Blytheville; Henry McCoy, West Memphis; Aljuray Sission, Pine Bluff; Irma Wright, West Memphis; Alfonso Wyatt, Newport; Alfonso Wyatt, Jr., Newport; Markich Wyatt, Newport; Tammy Wyatt, Newport.

California (98)

George Allen, Sacramento; Michael Anaya, San Diego; Irma Arredondo, Lemoore; Guillermo Arellano, San Francisco; Marcia Ballenger, Manteca; William Ballenger, Manteco; Francisco Barragan, Alhambra; George Barthel, Los Angeles; Edward Bedford, Los Angeles; Marcel Bejare, South Lake Tohoe; Cyndee Marie Bordeau, Orland; Richard Brown, North Shore; Felix Campos, Burbank; Eloyu Cavazaos, Dinuba; Rosita Celaya, Indio; J. B. Colbert, Oakland; George Colen, Forestville; Darrell Crist, Fresno; Alfred Cruz, El Centro; Vera Daniels, Los Angeles.

Kevin Davis, Oakland; Christius Demone. Joshua Tree; Paul Duncan, Oroville; J. C. English, Fresno; Henry Joseph Evon, Long Beach; Jack Fero, Los Angeles; Whitney Ford, San Rafael; Mark Frishman, Los Angeles Eugene Garcia, Anaheim; Thomas Gittings. Oxnard; Charlene Glover, Fresno; Jesus Gonzalez, Santa Fe Springs; Hurley Graffius, Los Angeles; Billy Graves, Torrance; Robert Greene, Martinez; Freddie Guerrero, Fresno; Gunther Herrmann, San Jose; Melvin Hudson, Sacramento; Connie Holtz, Long Beach; Armando Hovey, Angelino Hts.

Frederick Howe, Jr., San Jose; Ora Jackson, Pasadena; Helen Jeffers, Scotts Valley; Kris Johnson, San Francisco; Mildred Johnson, Richmond; Larry Jung, Oakland; Alfred Kelley, Stockton; Kevin Koontz, Anaheim; Gary G. Lilly, Los Angeles; Felimon Lopes, Hanford; Michael Lopez, Oakland; Victor Lopez, La Palma; Lucy Macias, San Diego; Exell Marshall, Jr., Stockton; Eloise Marinelli, Salinas; James N. McCormick, Woodland; Carol McLeod, Pittsburgh; Earl McMillan, Sacramento; Lotupo Moafunua, San Mateo; Martin Moreno, San Diego.

Gregory Morgan, Castro Valley; Able Navarrete, Torrence; Thomas Nelson, San Francisco; Newman Osebor, San Diego; Glenda Pearson, San Bernadino; Carlos Raguindin, Long Beach; Raguindin child, first name not known, Long Beach; Raguindin child, first name not known, Long Beach; Audrey Ramirez, Delano; Gilbert Rangel, Gardena; Clarence Richmond, Fairfield; Jose Rivera, Santa Maria; John Robinson, Lancaster; Larry Rutherford, San Bruno; Irma Santana, Long Beach; Fred Saudeda, San Jose; Edward Scott, Norco.

William Simpson, Hacienda Hts.; Vernon Stewart, Long Beach; Michael Stubbs, Inglewood; Albert Taylor, East Campton; Arthur Ugarte, Watsonville: Manuel Valdez, Long Beach; Joe Venegas, Los Angeles; Aaron Walker, Mission Viejo; Burgess Warren, Lemoore; Martha West, Oakland; William Wheeling, Los Angeles; Hans Willems, San Francisco; Eugene Woods, Englewood; Julian W. Young, Monterey; unidentified female, San Jose; unidentified male, Fresno; unidentified male, Kings Beach; unidentified male, Sacramento; unidentified male, San Jose; unidentified male, Watsonville.

Colorado (13)

Bruce Abbott, Golden; Gino Atencio, Denver; Jo Anne Baugh, Grand Junction; Charles Bosher, Jr., Loveland; Jeanette Jones, Aurora; Tennie Moore, Denver; Becky Kuhns, Denver; William O'Leary, Florence; Rita Sargent, Lakewood; Dale Stienle, Colorado Springs; Martha Strohecker, Vail; Daniel Upson, Denver; unidentified male, Colorado Springs.

Connecticut (3)

Leslie Clark, Waterbury; Edward Cody, Waterbury; William West, Waterbury.

District of Columbia (2)

Kimberley Acquard; Alfred Green.

Florida (22)

Oscar Alvarez, Miami; Joanne Bartleson, West Melbourne; Debbie Burns, Fort Lauderdale; Mildred Frazier, Sarasota; Agusta Gill, Fort Myers; Robert Gray, Ocala; William Gray, Ocala; Dwight Hall, Fort Myers; Veronica Hicks, Mary Esther, Willie Johnson, Clewiston; Thomas Little, Orlando; Carol Pettis, St. Petersburg.

Eugene South, Homeland; Billy Turk, Gainsville; Edgar Vandall, Cape Coral; Domingo Veiguela-Vior, Miami; James Westberry, Clewiston; Thomas Williams, Mary Esther Edgar Witt, Titusville; unidentified female, West Melbourne; unidentified male, Daytona Beach; unidentified male, Homestead; unidentified male, Orlando.

Georgia (15)

Robert Banks, Commerce; James Bowers, Columbus; David Carter, Logan; Ron Carter, Atlanta; Edward Effel, Stateboro; John Ghant, Augusta; Charles Herrington, Savannah; James Lawrence, Summerville; Richard Leonard, Augusta; Michael Morrison, Gainsville; Leland Moore, Toccoa; Shadrack Nellums, Decatur; Freddy Rozier, Wrightsville; Earl Snellgrove, Milledgeville; Eloise Snellgrove, Milledgeville.

Hawaii (1)

Kaneohe Marine, Honolulu.

Idaho (3)

Daniel Kennedy, Paul; Laura Lacey, Ashton; David Leonard, Moscow.

Illinois (17)

Cindy Cannon, Chicago; Frank D'Alessandro, Chicago; Ramon Cruz, Chicago; Dwight Frick, Chicago; Steven Forys, Chicago; Carl Gaimari, Chicago; Joseph Garcia, Chicago; Donald Irvin, Chicago; Charles Johnson, Chicago; Cleveland Lampkin, Paxton; Davis Lampkin, Paxton; Isaac Negron, Chicago; Ralph Negron, Chicago; Enrique Sierra, Chicago; Mantel Surall, Chicago; Jerry Sykes, Chicago; Donald Vice, Paxton.

Indiana (3)

Renard Britt, Indianapolis; Eugene Graves, Shipshewana; and Dwight Jackson, Richmond.

Iowa (6)

Brian Bauman, Iowa City; Daryl Chapman, Cedar Falls; Mildred Cuecker, Nevada; Ady Jensen, West Branch; Leonard Uken, Lemars; and Susan Wheellock, Mt. Pleasant.

Kansas (11)

Darrell Bell, Leavenworth; Roscoe Clarkson, Baxter Springs; Judith Douthett, Wichita; Charles Enders, Pittsburg; L. B. Galbreath, Kansas City; Fred Gilmore, Wichita; James McReynolds, Kansas City; Phyllis Muse, Hill City; Matthew Reaser, Topeka; James Rogers, Kansas City; and Jim Wilcox, Derby.

Kentucky (17)

Paul Arnett, Mason; Delores Bailey, Louisville; Gerald Brewer, Louisville; Dave Decker, Somerset; Carlos Holder, Monticello; Homer Jackson, Nicholasville; Vicki Jacobs, Owenton; Max Johnston, Henderson; Cecil Lawill, Mt. Sterling; George Lovelace, Lexington; Harry Madison, Georgetown; Jerry Napier, Manchester; Aileen Prater, Lexington; Betty Slusher, Middlesboro; James Totten, Lexington; Davis Vanhorn, Louisville; and William Wilson, Middleboro.

Louisiana (28)

Joseph Alfred, Broussard; Ronald Banks. New Orleans; Peter Bridevaux, Mandeville; Kenneth Cimino, New Iberia; James Cole, Baton Rouge; Samuel Englerth, Natchez; Mark Faciane, Slidell; William Fraering, New Orleans; Steve Graham, Slidell; Wilfred Harris, Broussard; Benjamin Haynes, Baton Rouge; Larry Jones, New Orleans; Wilbert Jones, Carenco; and Wilfred Jones, New Orleans.

Maurice Lebreton, Jr., New Orleans; Debra Martin, New Orleans; Mike Ordoyne, Thibidaux; Joseph Pino, Port Allen; Gerald Poole, Slidell; Lionel Reed, New Orleans; William Rogers, Slidell; Vincent Spizale, New Orleans; Douglas Taylor, Livingston; Melvin Taylor, Shreveport; Robert Thornhill, Albany; Floyd Verdine, West Lake; William Vest, Lake Charles; and unidentified male, Minden.

Maine (1)

Paul Murphy, Bucksport.

Maryland (13)

Edwin Balis, Baltimore; Jerry Barr, Baltimore; John Beane, Gaithersburg; Maurice Clark, Baltimore; Leo Eikenberg, Baltimore; Carvel Faulkner, Elkridge; Sarah Faulkner, Elkridge; Robert Gorham, Baltimore; Elizabeth Hakala, Columbia; Robert Hazel, College Park; Gladys Nigh, Baltimore; Terry Scott, Baltimore; Wilmer Scott, Baltimore.

Massachusetts (8)

Daniel Connolly, Boston; John Donaldson, Cambridge; Louis Guerriero, East Boston; Joseph Horgan, Quincy; John Killoran, Jr., Carver; Aaron Seligman, Lynn; James Sturgeon, New Bedford; Michael Sturgeon, New Bedford.

Michigan (3)

Tommy Burns, Laurium; Jane Hulburt, Laurium; Maynard Hulburt, Laurium.

Minnesota (5)

Donald Fleischman, Brainerd; Dwight Hall, Minneapolis; Dean Hensel, Watertown; Jerise Mahan, Minneapolis; Rudolph Saucedo, St. Paul.

Mississippi (8)

James Botts, Tupelo; Ivory Davis, Greenville; Rawley Flora, Ocean Springs; Cleo Fox, Grenada; Bertha Hudson, Hattiesburg; Wade McPeters, Ripley; Ulysses Smith, Yazoo City; unidentified female, Corinth.

Missouri (16)

Willie Bass, St. Louis; Deborah Brown, St. Louis; James Brown, St. Louis; Kevin Burkhardt, St. Louis; Eula Darrow, Ava; Melvin Dickens, Springfield; Teresa Gordon, Jefferson City; Ronald Gusewelle, St. Louis; Buck Han, Kansas City; Sherry Kruggel, St. Joseph; Dawn Mason, Springfield; Kenneth McInnes, Independence; Sammy Nersesian, St. Louis; Samuel Solomon, Brookfield; Don Turner, Anderson; Ruth Walton, Kansas City.

Nebraska (4)

Eusebio Balderramu, Omaha; Odell Dunn, Omaha; Ronnie Hoelscher, North Platte; Randy Houston, Box Butte County.

Nevada (7)

Rebecca Bynum, Reno; Joseph Eaton, Midvale; Elaine Grimes, Henderson; Nannie Grimes, Henderson; Sandra Ray, Las Vegas; unidentified female, Henderson, by husband; unidentified female, Henderson, by father-in-law.

New Jersey (11)

Charles Allen, Newark; Joyce Boxley, East Orange; Leon Crawford, Newark; Samuel Esteyes, Newark; George Hamilton, North Bergen; Juanita Hampton, Jersey City; Michael Igus, Newark; Grintal Jackson, Newark; Harry Jackson, Newark; William Nisbet, Newark; Gerard Sica, Newark.

New Mexico (9)

Lorenzo Alverex, Las Cruces; Reginald Aragon, Albuquerque; Toby Baca, Albuquerque; Leroy Bryant, Clovis; Ray Clark, Carrizozo; Richard Griego, Albuquerque; Anthony Gutierrez, Clovis; Rickie Hatley, Clovis; Bennie Montano, Espanola.

New York (7)

Florence Alden, Yonkers; Linda Darrigo, Newburgh; Edward Jones, Newburgh; Kerry Lynch, Buffalo; Charlie Walker, Yonkers; Jennifer Wardour, Lyndon; Robert Woods, Buffalo.

North Carolina (11)

Tommy Brooks, Charlotte; James Dowd, Charlotte; Clarence Flowers, Charlotte; Marshall Heath, Fayetteville; Dwight Hoyle, Charlotte; B. J. Jones, Charlotte; Ellen Langford, Charlotte; Ray McKay, Charlotte; Donna Minton, Banner Elk; Johnny Minton, Banner Elk; Vanessa Riddle, Dallas.

Ohio (22)

Jesus Canales, Toledo; Robert Clos, Cincinnati; John Feisley, Cleveland; Terry Fisher, Columbus; Robert Furey, Campbell; Willie Hughs, Toledo; Page Isom, Columbus; Earl Jones, Cleveland; Eunice Jones, Columbus; Richard Kee, Cleveland; Tom Kelly, Cleveland.

George Kuchenbrod, Cleveland; Chester Labedz, Toledo; Gregory Miceli, Cincinnati; Walter Rose, Cincinnati; Phillip Smith, Columbus; Christopher Swidas, Cleveland; Frances Thomas, Columbus; John Vaughen, Columbus; Robert White, Cleveland; Thomas Wheeler, Cleveland; unidentified male, Cleveland.

Oklahoma (8)

James Bristol, Sapulpa; Clifton Bryant, Sapulpa; Toby Cummings, Tulsa; Tollie Grant, Konawa; Charles Keith, Oklahoma City; Henry Tenton, El Reno; unidentified female, Ardmore; unidentified male, Yukon.

Oregon (1)

Nels Bailey, Springfield.

Pennsylvania (22)

Lawrence Brown, Philadelphia; Alfred Clark, Philadelphia; Ernest Easley, Pittsburgh; Stephen Green, West Chester; William Green, Philadelphia; James Harrell, Philadelphia; Ernest Johnson, Philadelphia; Johnny Kerwood, Philadelphia; Bruce MacMillan, Philadelphia; Peter Morales, Philadelphia; Dennis Nabried, Philadelphia; Artist Parrish, Philadelphia; Benjamin Phillips, Philadelphia; Ulrich Richardson, Philadelphia; Al Shelly, Philadelphia; Gilbert Smith, Philadelphia; Lemuel Stephens, Philadelphia; Mark Straub, Pittsburgh; Cynthia Wells, Mt. Airy; Cindy Wilson, Chambersburg; unidentified male, Scranton.

Puerto Rico (1)

Melvin Wyrick, Jr.

South Carolina (7)

Michael Crowley, Beuford; Timothy Crowley, Beuford; Homer Davis, Greenville; William Farr, Columbia; Donald Sewell, Columbia; John Taylor, Columbia; Mary Waring, Santee.

Tennessee (23)

Franklin Acuff, Sweetwater; Robert Amos, Tallahoma; Earl Bowden, Dresden; Karen Burkhart, Nashville; Ada Chandler, Erwin; Darrell Chapman, Nashville; William Driver, Gallatin; Clyde Furr, Memphis; Gerald Gaffner, Chattanooga; Clarence Gardner, Nashville; Herman Geisman, Chattanooga; Artie Goolliher, Crossville; Damon Golliher, Crossville; Larry Love, Memphis; Doyle Moore, Crossville; Edith Nidiffer, Elizabethton; Columbus Degrest, Memphis; Billy Sloan, Nashville; Willie Smith, Murfreesboro; Jorja Walter, Manson Pike; Harvey Whitaker, Memphis; Ricky Williams, Nashville: Erma Wright, Memphis.

Texas (102)

Ben Ambler, Dallas; David Arnest, Houston; Ira Attebury, San Antonio; Zachary Baker, Austin; Mildred Ballard, Dallas; Albert Banks, Port Arthur; Jacky Beesley, Fort Worth; Charles Bedford, Houston; Ralph Bennett, Austin; Christine Berger, Dallas; Paul Blacketer, Eagle Mtn. Lake; William Blanks, Houston; Janice Box, Sherman; Paul Brite, Lavaca; Debbie Carmona, Houston; Frank Carmona, Kileen; Clifford Crawford, Del Rio; Hung Jia Chang, Dallas; Jung Mi Chang, Dallas; Ricardo Cruz, Houston.

Charles Davis, San Antonio; Dennis Donovan, Austin; Michael Eakin, Austin; Willie Earl, Fort Worth; David Edgar, Irving; Peggy Edgar, Irving; Bobby Ellison, Houston; Armando Esparza, El Paso; Jose Fernandez, Fort Worth; Darryl Ford, Austin; Elisa Garza, Houston; Mary Ann Gatlin, Dallas; Georgette Gibson, Houston; Pablo Gonzales, Dallas; Rocky Gordon, Fort Worth; Jim Haney, Seminole; Elmore Hardaway, Dallas; Cole Hays, Jr., Emory; William Henely, Houston; Gary Hilliard, Cedar Hill.

Larry Hutzler, San Antonio; Bridie Jackson, Dallas; Claude Jackson, Dallas; Franklin Johnson, Dallas; Roger Johnson, Houston; Vance Judd, Pantego; Jesse King, Jr., Houston; Anthony Kirven, Santa Anna; Ralph Laca III, El Paso; Paul Lascaze, Irving; Steven Magruder, Big Springs; Pedro Mancera, Angleton; John Mason, El Paso; Robert Mayo, Houston; John McFadin, Houston; Facundo Mindoza, Jr., Dallas; Leonard Metoyer, Houston; Kenneth Mims, Houston; Sharon Mitchell, Dallas; James Moser, Arcadia.

Commodoro Naranjo, Houston; A. Nash, Beaumont; Mary Northern, Houston; Ercilea Padron, San Angelo; Lafayette Patterson, Dallas; Curtis Pegues, Lubbock; Thomas Peralta, San Antonio; Hiram Perez, Fort Worth; Ruben Perez, Harlingen; Jerome Plentl, Houston; Norris Prophet, Houston; Charles Randel, San Antonio; Ann Reeves, Big Spring; Tracy Reeves, Big Spring; Timothy Robertson, Marshall; Roy Rotramel, Mineral Wells; Beulah Russ, Fort Worth; Richard Sanchez, Houston; B. J. Sanders, Austin; Delores Ann Simmons, Dallas.

Aaron Smith, Dallas; Aubrey Smith, Ennis; James Smock, Fort Worth; David Stripling, Stephenville; Sixto Tovar, Dallas; Antonio Trevino, Matamors; Mary Tristain, Cameron; James Turner, Dallas; Gilberto Vanegas, El-Paso; Mike Villalobos, San Antonio; Louis Ward, Houston; Bill Watson, Dallas.

Michael Wheeler, Forth Worth; La Charles Wilborn, Hearne; Effie Williams, Dallas; Wanda Williams, Houston; Wesley Williams, Austin; Joseph Woodberry, Houston; unidentified female, Wichita Falls; unidentified Hispanic male, Houston; unidentified white male, Houston; unidentified male, Liverpoole; unidentified male, Witchita Falls.

Utah (2)

Patricia Carbajal, Ogden; David Lopez, Salt Lake City.

Virginia (21)

David Andrews, Petersburg; Gail Andrews, Petersburg; Carl Davis, Salem; Donna Depugh, Arlington; Carolee Gary, Portsmouth; Jerome Gary, Portsmouth; John Hill, Virginia Beach; Rudy Kelley, Petersburg; Billy Lamb, Alexandria; William Land, Jonesville; Roland Marable, Alexandria; Ralph McFarlane, Arion; Mary Newby, Newport News; Sudie Jo Newman, Lambsburg; Jonnie Owens, Danville; Thomas Richards, Staunton, Ralph Rodeffer, Harrisonburg; Maywood Shackelford, Newport News, Juanita Stallings, News Ferry; Albert Wilson, Rowe.

Washington (7)

Jessie Barber, Seattle; Mary Bjornson, Tacoma; Ivy Brown, Seattle; Jessie Gardman, Tacoma; John Haarsager, Everett; Gerald Jefferson, Everett; Aaron Kronbeck, Seattle.

West Virginia (2)

Sandra Brizadene, Charleston; Clye Woods, Logan.

Wisconsin (5)

John Brutcher, Milwaukee; Eugene Donaldson, Chippewa Falls; John Murphy, Chippawa Falls; Donald Schmid, Milwaukee; Roger Weeks, Milwaukee.

Wyoming (1)

William Brown, Torrington.

Late additions:

Frank Flores, San Jose, Calif.; Bernard McIntyre, Norfolk, Va.

GOVERNMENT PLAYING WITH NATION'S MOTORISTS

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. FITHIAN. Mr. Speaker, a lack of accurate and timely information by policymakers in Government and the general public has contributed greatly to the current gasoline shortage plaguing the Nation's motorists. In hope of correcting this situation, I am submitting for the benefit of my colleagues in the House excerpts from Time Magazine's excellent article, "Playing Politics With Gas," taken from Time's edition of May 28, 1979.

It is my most sincere hope that a better understanding of this complex and difficult problem will lead to rational and effective Government policies to deal with the current crisis and to avoid future crises of this type:

> Gasoline prices had already soared to what most consumers felt were astronomical heights, up to $1.01 per gal. in Manhattan. Many drivers thought they were being charged too much. The enforcement office of the DOE's Economic Regulatory Administration was receiving 500 complaints a week of price gouging. But after auditing 2,000 stations' books, federal officials concluded that most of the nation's 171,000 gas station owners had not raised prices beyond the profit-margin limits imposed by the Government in 1973.
>
> Nor was there anything to substantiate the suspicions of dealers and their customers that the gas shortage had been contrived by the oil companies. Nonetheless, a probe was being pursued by the Federal Trade Commission because statistics showed that gasoline production may have fallen more sharply than warranted. Said Alfred Dougherty Jr., the FTC's Bureau of Competition director: "If this cutback in the production of refined products was not justified by a scarcity of crude oil or other legitimate business reasons, the current gasoline shortage may be contrived." Admitted FTC Investigator Ronald Rowe: "Right now, we have a lot more questions than we have answers."
>
> The answers will not be simple. Oilmen disclaim any wrongdoing and insist that the problem is mainly the result of OPEC mem-

bers' decision to prop up high oil prices by reducing exports. Because oil shipments from Iran take about two months to reach the U.S. market, the loss caused by the shutdown during the revolution—about 700,000 bbl. per day—did not affect American consumers until March.

The American Petroleum Institute estimates that the U.S. now is short as much as 1 million bbl. of imported oil per day. Iran resumed exports in March, but this oil will not show up in American petroleum markets until late this month, which is why Carter and Schlesinger believe the gasoline crunch will be eased in June. But shortages will continue because OPEC nations that temporarily helped offset the lost Iranian production have reduced exports to keep supplies tight.

At the same time that imports were reduced, oilmen say several other factors worsened the situation. Among them:

(1) To hold down domestic prices, the Department of Energy urged oil companies not to buy crude on the spot market, where prices are up to $12 higher than the world average of $18 per bbl. There is some debate among oilmen over the degree to which this policy affected supplies. In any event, because of a change in DOE policy last week, the companies are now free to buy on the spot market, though several of them are reluctant to do so until the Government assures them that they can pass the extra costs on to consumers.

(2) With the stock of heating oil and diesel fuel at the extremely low level of about 117 million bbl., the Energy Department pushed the 34 largest refiners to boost production so that supplies would hit 240 million bbl. by Oct. 1. This would be considerably above the 198 million bbl. that the DOE considers to be the "minimum acceptable level" for that time of year. Energy officials are now telling the refineries that they can have until the end of October to get stocks of heating oil and diesel fuel up to the requested levels, thereby allowing them to produce more gasoline.

(3) As gasoline production has waned, consumption has risen much faster than can be accounted for by population growth, which is only about 8 percent a year. For the first four months of 1979, consumption jumped 2.6 percent. One reason is the booming popularity of pickup trucks and vans, which get lower gas mileage than many cars. Another is the growing number of two- and three-car families; according to an oil-company estimate, the number of cars on the road (about one for every two Americans) climbs about 10 percent a year. A poll by Amoco found that the average household drove 20,400 miles last year, up 11 percent since 1974, and that 22 percent of that driving could have been eliminated without "any great personal sacrifice." Moreover, drivers increasingly are ignoring the 55 m.p.h. speed limit; each additional 5 m.p.h. requires 1 percent more gasoline. The gas supply situation is aggravated in the Southern and Western states because on top of all the other factors, their populations have soared (up 1.9 percent in California alone last year), and their cities generally have inadequate mass transit.

There now is some evidence that Americans are beginning to cut down on gas consumption. Beginning in mid-April, sales of gasoline fell about 5 percent below last year's levels. At the same time, crude oil stocks began to rise; the latest figure was 322 million bbl., up from 300 million bbl. in January, when refineries began cutting back on gasoline production. By the end of May, predict federal energy experts, gasoline supplies for California and the rest of the nation could hit 99 percent of 1978 stocks. Still, unless tank topping stops and American drivers practice a little conservation, the great gasoline crisis of 1979 will continue.●

A TRIBUTE TO JOHN WAYNE

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1979

● Mr. WYLIE. Mr. Speaker, I am pleased to be a cosponsor of H.R. 3767 and to join with Congressman ANNUNZIO and others in this fitting tribute to one of the truly outstanding and most amazing people who ever lived.

John Wayne—no two words characterize the term "American Hero" more fully. John Wayne's life, his work, and his patriotism have added richly to America. He has transcended the medium by which he gained his fame and become much more than a movie actor. He represents the culmination of talent, courage, integrity, and warmth—all virtues redolent of the American spirit. In so many ways, John Wayne is a living symbol of the United States.

It seems only yesterday that the "Duke" was awarded his first movie lead role by Raoul Walsh in the 1930 western, "The Big Trail." He made many films throughout the 1930's. Most agree that his first really big opportunity came when that great director, John Ford, selected him to play the Ringo Kid in the landmark western, "Stagecoach." From that time, he was identified as the archetypal western movie cowboy. His vivid portrayal of the ruthless cattle baron in Howard Hawks' classic, "Red River," reinforced that image.

Yet, John Wayne's acting skill has not been restricted to westerns. One of the "Duke's" favorite movies was another John Ford film, "The Quiet Man." In this movie, he portrayed a retired Irish prize fighter who returns to his homeland and there courts a beautiful colleen. Another nonwestern brought him his first Academy Award nomination. He played the rough Marine Sgt. John Stryker in the 1949 film, "The Sands of Iwo Jima."

Nonetheless, a western served as the vehicle for the "Duke" to earn his Oscar for best actor. In a role that seemed written for him, he played Sheriff Rooster Cogburn in "True Grit." His authentic portrayal brought the praise even of critics who for years had disparaged his performances.

Of course, John Wayne's contribution to America extends well beyond the screen. Although many people have disagreed with his views, no one can deny his passion for his country and his willingness to enter the political fray to further his ideals. He has always worked for and with our men in uniform, in peace, and in war. His activities with the American Cancer Society testify to his deep concern for others suffering from the disease that has so afflicted him.

John Wayne has asked that his epitaph read simply:

> He was ugly, was strong, and had dignity.

I beg to differ with the "Duke." He certainly is not ugly. But this declaration should be taken a step further. Through his work, and his life, and by giving of himself, he has offered strength and dignity to each of us as individuals and as citizens of a great nation. It is this legacy, even more than his films, that is the monument of John Wayne. It is what all of us and our posterity will cherish for generations to come.●

WAGNER COLLEGE, STATEN ISLAND, N.Y., HONORS HOUSE CHAPLAIN JAMES D. FORD

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. MURPHY of New York. Mr. Speaker, this is the time of the year when commencement exercises at colleges and universities across the Nation send forth their graduates to make their way in an increasingly complex world. The oldest college in Staten Island, N.Y., is Wagner College, begun in 1883 in affiliation with the Lutheran Church, and now privately operated with a student body of 2,300 on the site of the original Cunard estate.

This year's commencement was presided over by Wagner College's 15th president, Dr. John Satterfield, and heard the commencement address by my friend, Mr. Bradford Corbett, chairman of the Board of Robintech, Inc., and a Wagner graduate from the class of 1960. I was particularly pleased to participate in this year's graduation ceremonies with the presentation of a special citation and honorary doctor of divinity degree to Dr. James D. Ford, the chaplain of the U.S. House of Representatives.

The gentleman honored by Wagner College, although relatively new to the House of Representatives, is not a new face to me. Prior to his election as Chaplain to the House of Representatives, he served for 14 years as the senior chaplain at my alma mater, West Point, where he was appointed by Lyndon Johnson at age 33, and was then reappointed three times. Although a Lutheran, Chaplain Ford's responsibilities include service to Members of the House and their staff who encompass all major religions.

His religious background is strongly rooted in family tradition, as he is the son and grandson of Lutheran clergymen from South Dakota. His wife is also a daughter of the cloth, making a total of five generations of service to the church represented by this remarkable man and his family.

Chaplain Ford came from a rather parochial background, having graduated from Gustavus Adolphus College in St. Peter, Minn., and the Augustana Theological Seminary in Rock Island, Ill. He was a leader in virtually everything—his college class, the student senate, his college fraternity, seminary class, and alumni organization, as well as scholastic awards and sports.

In the field of sports, he has achieved a number of outstanding goals which are, to say the least, unusual. In the spring of 1976, he captained a 31-foot sailboat, the *Yankee Doodle* and with two crewmen, sailed from Plymouth, England to West Point—a Bicentennial adventure which lasted 51 days at sea and covered 5,900 miles—including a quick trip past Staten Island on his way up the river. Far removed from sailboating is skiing, a field in which Chaplain Ford is a master of ski jumping and trick skiing.

He is a man with a smalltown background, who had the persistence to fund his entire seminary education through part-time work, which, as most of us with college-age children are fully aware, is the hard way. He did graduate work at Heidelberg University in Germany, where he traveled to 17 nations, including the Soviet Union, to broaden his horizons and increase his knowledge of world affairs.

His is the kind of dedication which is so rare in these days of too-superficial education in a complex world. And it is for that very reason that the House of Representatives has made a very wise selection in its choice of a new Chaplain. And for the same reasons, Wagner College has the honor of welcoming to its ranks an outstanding man whose contributions to our society have proven to be most worthy of the degree conferred upon him.

It is also heartening to have such men as Bradford Corbett return to Wagner College, where they received their foundation for their entry into the world of business, to share their thoughts with those who have just begun. I have included the text of his remarks to the graduating students of Wagner College, in the knowledge that his thoughts might benefit some others among the thousands of graduates nationwide:

REMARK. OF BRADFORD CORBETT, CHAIRMAN OF THE BOARD, ROBINTECH, INC.

Dr. Satterfield, fellow guests and alumni of Wagner College, faculty members, and the Class of 1979, thank you for the privilege of sharing this moment with you.

When Dr. Satterfield first asked me to be this year's commencement speaker, I could not help but reflect on the men and women who have stood in this place before me—captains of industry, astronauts, noted politicians and theologians, only to mention a few.

When one is asked to speak before any group, I think there is a natural tendency to look to the remarks of your predecessors for guidance.

But then I remembered I was probably different from most of those who have been in this position, in that I once sat where you are now—as a C student from the class of 1960.

In recalling these facts, I knew my job was to bridge the gap between your seat and this stage, by trying to answer the questions I had 19 years ago at commencement, and the same questions I believe many of you have today—can a person really hope to achieve success in this day and time, and if so, how?

I say the answer is yes to achieving success—if you are willing to strive for excellence in whatever you choose to do or become. You will find that each career has its own measure of success. However, it is important, I think, to realize that these measures must be compatible with your personal criteria for success. If the two do not match, you may never feel, inside, the success you may have achieved many times in the eyes of your peers.

Class of 79, I envy you! Why? Because you are about to embark on a great adventure—the adventure of life in working America, an adventure as rich as the education you have received at Wagner, as spellbinding as your favorite professor often was, as harried as any final exam, and as memorable as this day will be.

How you perceive the adventure is all important; for I believe your state of mind or attitude, as you move through your working life, will be the key determinant of how fulfilling and meaningful this experience is to you.

Today, I want to share with you some of my thoughts on how to develop the state of mind, which has helped me a great deal in this adventure.

There are four truths which form the foundation of my personal and business philosophy, and, consequently, contribute substantially to my state of mind—a state I would describe as positive and optimistic.

The first truth is that you must believe in yourself. It has been my experience that others will not provide you with the opportunities to succeed unless they themselves are confident that you will succeed. This confidence in your ability can ultimately come from only one source—you.

If you believe in yourself that what you want to achieve can be achieved—the power to convince others that their trust is warranted will be yours.

The second truth I suggest is to follow your heart as well as your mind. Your education at Wagner has sharpened your intellectual skills, and disciplined your mind. As revered as these qualities are in our society, I have known men and women who have failed to achieve their goals, because their rational mind would not let their instincts prevail.

I believe our rational thoughts must be tempered with the emotions and memories of our experiences, if we are to act as whole men and women.

Do not be afraid to dare, to risk—to attempt the unthinkable when your heart says it can be done.

The third truth I would like to discuss is not to be afraid of failure. Failure teaches, and learning from failure only increases your capacity to succeed. You seldom hear or read of the past failures of those men and women, who are now called great by our society. Something in the American consciousness does not permit the open discussion of our personal or business failures, even though the end result of such failures often points to the beginning of success.

The fourth truth is related to the third, but is often more difficult to comprehend: that truth is not being afraid to succeed. With each success in your personal and business life comes more responsibility, and pressure, both self-imposed and from others, to succeed again. Unfortunately, the exceptional often becomes the expected norm. However, I believe these outcomes are far outweighed by the rewards of success, and the feeling of self-fulfillment which naturally follows.

Your successes, like your failures, will strengthen you, but in a different way. I believe success makes you more cognizant of the importance of those around you, who aid and share in your accomplishments. Each success also broadens the view of what is possible, and achieveable.

Despite the conflicting views of our nation's economists on the future of the free enterprise system, I, for one, know the system will survive and flourish regardless of the number and ferocity of the assaults made against it.

Do not be discouraged by those who prophesy a general economic slow down, and possible recession. The problems and conditions which prompt such fear, in reality, present unique opportunities to you . . . opportunities to resolve those problems, and strengthen our economic system.

More than ever before, business and government leaders throughout the country are searching for talented young men and women who are not afraid to risk, to fail, and to succeed.

But, please remember, you must help to make the opportunities I speak of. Others may provide the means to achieve your goals, but ultimately, the responsibility of seizing the moment must be yours.

The environment required for you to make opportunities, and to allow the four truths I have discussed to operate, can only be described as one in which personal and business freedom prevails.

If you are offered to exchange this freedom for security, you will be deceived. Despite our human desire for security, and the efforts of government and other institutions to provide it, the urge to acquiese—to substitute freedom for security—must be resisted. For I believe freedom cannot survive where security is paramount—and without freedom, real security in your personal and professional life is not possible. The freedom that underpins the foundation of this nation, and permitted the dream of building Wagner College to become a reality, is the same freedom that will allow you to achieve whatever success you may strive for.

Remember the four truths—believe in yourself—follow your heart as well as your mind—do not be afraid to fail—and do not fear success. Stay free.

Thank you and God speed!●

VIETNAM VETERANS WEEK

HON. EUGENE V. ATKINSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1979

● Mr. ATKINSON. Mr. Speaker, I am grateful for the opportunity to speak a few words about Vietnam veterans during Vietnam Veterans Week. Too long forgotten by a public that unfortunately wants to forget history's lessons, Vietnam veterans deserve this week of remembrance and commemoration.

However, in line with what Abraham Lincoln said about veterans of another era—at Gettysburg, 116 years ago—we should realize that our comments and commemoration here today fade in comparison with the sacrifices made by our veterans in the hills, fields, and waterways of Vietnam. Truly, the brave soldiers, sailors, airmen, and marines who struggled there created a legacy "far above our poor power to add or detract."

We need to shift our focus to the future. We need not only Vietnam Veterans Week, but Vietnam veterans weeks, months, and years. We need to stop forgetting and spend time remembering, thanking, and helping our Vietnam veterans. In the coming months and years, we need understanding of the Vietnam experience and patience to deal with Vietnam era problems that will not evaporate overnight. Above all, we need practical assistance—jobs, counseling, training, friendship—from individuals and Government directed toward Vietnam vets.

During Vietnam Veterans Week, I salute our Vietnam vets who join the proud line of citizens who have fought for our country in World War I, World War II, Korea, and on other battlefields of the past. And I urge that we rededicate ourselves to bringing them the honor and practical assistance they need.●

NOTED ECONOMISTS ATTACK THE DAVIS-BACON ACT

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. HAGEDORN. Mr. Speaker, construction plays a very important and significant role in the health of the American economy. When the Federal Government causes labor costs to rise unnecessarily, the result can be inflationary pressures that are harmful to the American taxpayer and consumer. This is exactly what happens because of the requirement that prevailing wages be paid on Federal construction projects as provided by the Davis-Bacon Act.

The impact is increased when a particular program designed to help furnish adequate housing for thousands of Americans is hampered by this prevailing wage requirement. Citizens receive less in the way of projects and unnecessary tax dollars are spent on the higher wages—and this is money that could be used in other ways than subsidizing rates usually determined by collectively bargained wages. Therefore, when the House considers the housing and community development amendments legislation, H.R. 3875, next week, I intend to offer a comprehensive amendment to strike the application of the Davis-Bacon Act with regard to all programs contained in the bill.

Many noted economists have made public statements regarding their views about the Davis-Bacon Act. I would like to take this opportunity to share with my colleagues the comments that some of these economists have shared with me. I make special mention of the letter sent to me by the chairman of the Federal Reserve System, William Miller, as well as the letters of two of America's most respected economists, Dr. Arthur Burns and Milton Friedman. Other letters are from professors from major universities as well as senior staff personnel at the Brookings Institute and the American Enterprise Institute for Public Policy Research.

The letters follow:

BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., February 6, 1979.
Hon. THOMAS HAGEDORN,
House of Representatives,
Washington, D.C.

DEAR MR. HAGEDORN: Thanks for your recent letter requesting my comments on your proposal to repeal the Davis-Bacon Act.

The purpose of the Davis-Bacon Act, when it was passed in 1931, was to discourage contractors in a depressed economy from successfully bidding on Federal Government projects by paying lower than prevailing wages. The law required contractors engaged in Federal Government construction projects to pay "prevailing" local wages as determined by the U.S. Department of Labor. Today, provisions of the Act apply to 80 related statutes that involve Federally-assisted construction projects, and 41 States have passed laws with provisions similar to those of the Davis-Bacon Act.

Since the Act was passed, however, economic conditions have changed considerably. In the early 1930's, more than half of all construction activity was Government-financed and the unemployment rate approached 25 per cent. Competition for contracts and jobs was intense and there were no minimum wage or unemployment compensation laws to protect workers. As a result, contractors were in an exceptionally strong bargaining position with labor and were able to use this power to depress wage rates.

Today, the ability of Government contractors to set wage rates is generally constrained by competition for construction workers from many private-sector projects and by institutional wage-setting practices. In my view, these forces would tend to maintain local wage structures in the absence of the Davis-Bacon Act. A recent study by the General Accounting Office supports this view. Their investigation indicates that contractors tend to pay prevailing wage rates even when a determination under the Davis-Bacon Act would allow them to pay less. This suggests that market forces already ensure that the legislative intent—not disturbing local wage norms—is being met.

Not only does it appear the Act is no longer serving its original purpose, but it also adds substantial costs to Government. The administration of the Act continues to pose difficult problems in terms of surveying wages, defining appropriate local labor market areas and collecting data from contractors voluntarily. To the extent that these problems cause minimum rates to be set higher than market-determined wages prevailing in the project area, the result is an unnecessary increase in costs. In addition, the costs of Government-assisted projects are inflated by the administrative costs to firms of complying with the reporting requirements. While estimates of the cost impact of Davis-Bacon may be imprecise, the available evidence does suggest that it adds significantly to construction expenditures.

One of the most challenging and important tasks of Government today is the reduction of inflationary pressures including those emanating from Federal laws and regulations. To this end, a careful review of the current usefulness of the Davis-Bacon Act—both benefits and costs—is warranted.

Thank you for giving me the opportunity to offer these comments.

Sincerely,

BILL.

AMERICAN ENTERPRISE INSTITUTE
FOR PUBLIC POLICY RESEARCH,
Washington, D.C., February 9, 1979.
Hon. TOM HAGEDORN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAGEDORN: I am pleased to learn from your letter of January 26 that you have introduced legislation in the new session of Congress to repeal the Davis-Bacon Act.

Like a number of other laws, the Davis-Bacon Act is a measure that has outlived whatever usefulness it may once have had. The Act escalates costs in the construction industry, it swells Federal expenditures, and it increases the burden on taxpayers—all for no perceivable public purpose. It is regrettable that the Act has been permitted to remain in force for nearly half a century. At a time when our nation is struggling to contain the worst inflation in our history, it would damage public confidence in our government if the Congress permitted this Act to remain in force.

Sincerely yours,

ARTHUR BURNS.

HOOVER INSTITUTION,
ON WAR, REVOLUTION AND PEACE,
Stanford, Calif., February 2, 1979.
Hon. TOM HAGEDORN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAGEDORN: I am delighted to learn that you are seeking to repeal the Davis-Bacon Act. I am more than glad to provide you with an on-the-record comment on the Davis-Bacon Act.

In my opinion the Davis-Bacon Act has had undesirable effects from the very beginning. It has in effect served as a major hindrance to the opening up of construction jobs to all qualified applicants. It is not an accident that the industry which has been most affected by the Davis-Bacon Act, namely the construction industry, is also the industry in which trade unions have the worst record for discriminating against minorities. The effect of the Davis-Bacon Act was essentially to provide governmental enforcement of trade union wage agreements. This has encouraged wages higher than the market would have justified which in turn has meant that the number of jobs available at such wages was less than the number of persons who were more than willing to accept such jobs. Some arbitrary method for rationing jobs among applicants had to be used. Whenever that situation arises, one of the arbitrary methods is to impose the prejudices and biases of the people who are in charge of the rationing.

The effect of the Davis-Bacon Act has been to give trade unions special privileges available to no other groups in the society. It has served to make costs of construction higher than they otherwise would be, not only to deny jobs to potential construction workers but also to deny housing and factory building to people or enterprises that might otherwise have been able to finance them. In every respect it has been a counterproductive measure.

I believe it is unwise to use bad arguments for good causes. The measure should be repealed whether we have inflation or do not have inflation. It does make our total output less than it otherwise would be, and in that way does make the price level slightly higher than it would be, but it is not in and of itself an inflationary measure and its repeal would not be a significant contribution to the reduction of inflation. Inflation is produced by excessive government spending and excessive government creation of money; that is where the essential effort should be directed toward the reduction of inflation. Repeal of the Davis-Bacon Act is justified on much more fundamental grounds. It is a mistake to try to justify it on the ground of a very minor contribution that it could make toward the fight against inflation.

May I wish you every success with your effort.

Sincerely yours,

MILTON FRIEDMAN,
Senior Research Fellow.

THE UNIVERSITY OF MICHIGAN,
Ann Arbor, Mich., February 6, 1979.
Representative TOM HAGEDORN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAGEDORN: This is in response to your letter of January 26, asking my views about your proposal to repeal the Davis-Bacon Act.

I have long been on the record with the view that the Davis-Bacon Act serves no useful purpose, and that, in practice, it contributes to the high cost not only of government but, indirectly, of private construction.

I strongly support your initiative to repeal it.

Sincerely yours,
GARDNER ACKLEY,
Professor of Political Economy.

THE JOHNS HOPKINS UNIVERSITY,
Baltimore, Md., February 14, 1979.
Hon. TOM HAGEDORN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAGEDORN: Thank you for your letter about your proposal to repeal the Davis-Bacon Act. You have made an excellent proposal.

The chief provision of this Act, as you know, is the requirement that laborer on Federal construction contracts must be paid at least as much as the "prevailing wage" for that type of work in that area. The Secretary of Labor has to specify what the prevailing wage is in each case.

In those cases where the Secretary specifies a prevailing wage that is at or below the lowest wage for which any qualified laborer is willing to work, the Act has no effect: Federal contractors will pay whatever wage is required to hire the labor they need, unaffected by the Secretary's specification.

In those other cases where the Secretary specifies a prevailing wage that is above the lowest wage for which qualified laborer is willing to work, the effect of the Act is to exclude from Federal construction the qualified laborer that is willing to do the job most economically. Those who demand high wages are protected by the Act from the fair competition of those who would like to do the work for less. This raises the cost of Federal construction. Furthermore, it reduces the amount of employment available for laborers in the construction industry, because we cannot (or do not) afford as much Federal construction as we could (or would) if costs were more reasonable.

In short, where the Davis-Bacon Act has an effect at all, it is the undesirable effect of fixing wages above where fair competition would set them, raising the cost of Federal construction, and limiting the amount of employment available in construction.

The repeal of the Davis-Bacon Act would result in an improvement in the efficiency and equity of our economy.

I am sure you understand that these views are my own, and do not indicate anything about the position of The Johns Hopkins University on this matter.

Thank you for bringing your bill to my attention.

Sincerely yours,
CARL F. CHRIST,
Professor of Political Economy.

AMERICAN ENTERPRISE INSTITUTE
FOR PUBLIC POLICY RESEARCH,
Washington, D.C., January 31, 1979.
Hon. TOM HAGEDORN,
House of Representatives,
Washington, D.C.

DEAR HAGEDORN: Thank you for your letter of January 26th and for informing me of the steps you have taken to convince Congress of the desirability of repealing the Davis-Bacon Act.

I am very glad you took this initiative and I wish you full success in your effort. Quite aside from other considerations, provisions such as those incorporated in the Davis-Bacon Act unnecessarily prolong the period it would take for the required overall monetary and fiscal restraint to result in a significant lowering and gradual elimination of our inflation rate.

With repeated best wishes for success of the action you have initiated, I remain

Sincerely yours,
WILLIAM FELLNER.

THE BROOKINGS INSTITUTION,
Washington, D.C., February 1, 1979.
Congressman TOM HAGEDORN,
Washington, D.C.

DEAR CONGRESSMAN HAGEDORN: I agree with the analysis and conclusions of the GAO report recommending repeal of the Davis-Bacon Act. The act unnecessarily restricts competition and artificially inflates the cost of construction projects in which the government is directly or indirectly involved.

The government now is trying to slow inflation and both fiscal and monetary policy are geared to restraining the economy to help achieve that slowing. Any step, such as repeal of Davis-Bacon, that contributes directly to holding down costs and prices, will help minimize the slowdown in economic output and employment that will result from these policies of monetary and fiscal restraint.

Sincerely yours,
GEORGE L. PERRY,
Senior Fellow.●

TRIBUTE TO E. C. "TOOK" GATHINGS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. O'NEILL. Mr. Speaker, it is with deep sadness that I join my colleagues in mourning the passing of one of the finest former Members of the House of Representatives, the late E. C. "Took" Gathings.

"Took" Gathings served his constituency and his Nation well. As the Representative from the First District of Arkansas for 30 years, "Took" understood the agricultural concerns of his native State and worked diligently as a member of the Agriculture Committee to resolve those problems. An excellent legislator and a superb human being, "Took" Gathings was admired and respected by Members on both sides of the aisle. He always worked first for the interests of his beloved State and devoted most of his public life toward sponsoring and steering through the Congress legislation that had a profound effect upon the agricultural development of eastern Arkansas.

Unassuming, and possessing great personal warmth, "Took" Gathings was a most persuasive proponent of the virtues of rural America.

He is best known by his colleagues for his role in the sponsorship and passage of three major acts affecting cotton and rice allotments, for bringing natural gas to eastern Arkansas, and for development and construction projects across the Mississippi and Arkansas Rivers.

In the passing of "Took" Gathings, Arkansas has lost a fine public servant, and the Nation, a distinguished, patriotic American. My wife, Millie joins me in extending our deep condolences to "Took's" lovely wife, Tolise, and his children.●

THE SEAWAY, 20 YEARS LATER

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. OBERSTAR. Mr. Speaker, the opening of the St. Lawrence Seaway, 20 years ago this spring, offered the prospect of a rebirth of the once great ports of the Great Lakes. The Seaway was a dream for over 40 years. Under the vigorous and visionary leadership of Congressman John A. Blatnik, the Seaway became a reality in the 6-year period, 1953–59.

The Seaway symbolized the enormous good will between the partners in that spectacular construction project—the United States and Canada.

President Eisenhower and Queen Elizabeth II met at the Seaway to launch a new era for the ports of each nation's heartland.

Twenty years later, the Seaway has some critics who argue that because the Seaway has not fulfilled the most expensive dreams of its early supporters, it has been a failure.

For those of us who have seen the growth of Great Lakes ports in the past 20 years, and for our constituents who sail the Lakes and handle Seaway cargo, the charge is so unfounded as to border on the irresponsible.

While the ports of the Great Lakes do not yet rival the tidewater ports, nevertheless Great Lakes ports have grown substantially in the last two decades, created thousands of new jobs, and the Seaway locks themselves, though limited in size, are rapidly reaching their capacity. Furthermore, without the Seaway we could not have achieved fourth seacoast status as provided in the Merchant Marine Act of 1970.

The Seaway is unique among our U.S. waterways. Each year the tolls levied on Seaway users pay all operating and maintenance costs and retire a portion of the Seaway's capital construction costs. Last year, these tolls retired $2.5 million of the Seaway's $115.5 million outstanding debt.

This year, the Seaway marks its 20th anniversary. On Sunday, May 20, the much-overlooked Seaway was the subject of an article in the Business and Finance section of the New York Times. That article provides a good, general overview of the Seaway's origins, its impact on the ports, its problems and its future.

I am including that article in my statement and commend it to my colleagues in this House.

The Seaway is important to all of us. In 1978, 142.8 million tons of cargo from all nations passed through the Panama Canal. Last year, 62.8 million tons of cargo, bound for or from the United States or Canada, passed through the Seaway, and I would remind my colleagues, that is over only an 8-month period, since the Seaway is closed during the 4 winter months. On an annualized basis, then, the Seaway is approaching

the capacity of the Panama Canal, and is a significant factor in our national economic picture.

A constituent and a friend, Capt. Tony Rico of Duluth, expressed very well in the Times article what the Seaway has meant to those who sail the lakes: "The Seaway has had a terrific impact on the north central United States. If we did not have the Seaway, this part of the nation would cave in."

[From the New York Times, May 20, 1979]

THE SEAWAY, 20 YEARS LATER

(By Andrew Malcolm)

WELLAND, ONT.—There was Queen Elizabeth II of England and President Eisenhower of the United States amid colorful bands of sailors, trumpeters and bagpipers, backed up by choirs, pennants and the red coats of the Royal Canadian Mounted Police. Ships of the world lined the waters nearby as the leaders of the two great nations met to officially open the St. Lawrence Seaway, an unprecedented joint five-year, billion-dollar navigation and hydroelectric project designed to harness one of the world's major rivers and for the first time to open the North American heartland to direct international maritime commerce.

This spring, without a Queen or President, the St. Lawrence Seaway marks the 20th anniversary of its first ship passage. In this limited time the seaway has been a limited success. It has become less than its planners said it would be and more than its critics claim it is.

The Seaway has created a fourth American seacoast—sort of. It has brought new jobs—to some places. Its annual cargo tonnages do increase—some years. And it has united Canada and the United States—except when it has divided them over toll increases or year-round navigation plans.

With costly energy playing an increasingly prominent role in transportation decisions, the seaway and its ships remain an efficient, cheap transit system that gets, by some calculations, 600 ton-miles per gallon of fuel versus 200 for trains, 58 for trucks and four for aircraft.

But ingrained by habit, perhaps pressured by seaway competitors and discouraged by the seaway's four-month shutdown each winter, many shippers have stuck to traditional land-based transport.

The ports have been slow to take advantage of the seaway and now see efficient container ships, too large for the St. Lawrence locks, threatening business. Some ports, notably Buffalo, watched helplessly as the seaway's altered transport patterns erased its importance and longtime business.

Throughout the seaway's history, and even before it began, there have been differing views by the two national partners over the importance of the waterway, its priorities and the role of governments in them.

There have been unforeseen environmental problems; ships are not the only visitors from the ocean who can use the locks. Its initial supporters oversold the immediate impact of this "ditch between friends" and underestimated the difficulty in altering traditional shipping patterns.

And now there is the political uncertainty of Quebec, the French-Canadian province that straddles the seaway and is seeking some form of separation from Canada.

The 2,342-mile-long seaway is actually a watery ladder of locks, lakes and rivers that carries ships down the 602-foot drop between the Upper Great Lakes and the Atlantic Ocean. Half the seaway's traffic travels the full route; the rest has destinations somewhere within the lake-river system.

Although the entire system includes 16 locks, three rivers, the five Great Lakes plus three smaller lakes in the St. Lawrence, the seaway project itself involved the seven locks between Montreal and Lake Ontario plus the eight locks in Welland. These ease the ships down the steepest incline, the 326-foot drop which takes but a few seconds at Niagara Falls but about 10 hours to do safely.

Historically, this water transport system was of major value in opening up central North America for settlement. French explorers had wandered its shores naming the largest river for St. Lawrence, the Third Century Christian martyr. The Erie Canal, which opened in 1825, linked New York City with Lake Erie via the Hudson and Mohawk Rivers. Also competing for the Midwestern trade, Canada too developed canals around the St. Lawrence rapids. Until the Depression it was the United States that pushed for joint development of the St. Lawrence. This enthusiasm, however, ran aground on Senate opposition about the time interest in Canada was growing.

The Canadian Government, faced with developing and even just holding together this vast, sparsely settled land, has used transportation as a vital instrument of national economic policy. It actively subsidized railroad construction, arranged freight rates to help balance regional economic disparities, underwrote canals and today, even regulates local harbors. Except for land grants the American transport system was privately financed. Government subsidies were frowned on, so even though inland waterways were traditionally free, the idea of seaway tolls was adopted to help defuse opposition.

It wasn't until the early 1950's that the two nations, spurred also by the pressing need for hydroelectric developments, agreed on the seaway. Costs (and tolls) for the project, which involved moving four towns and flooding vast areas, were split on a 71-to-29 ratio by Canada and the United States.

The seaway, it was said, would at last bring cheap international transportation right to the doorstep of the vital Midwest, which produces most of the nation's agricultural exports, half its manufactured goods and 70 percent of its steel.

But reality hasn't matched the vision, a look at the seaway's impact on various areas shows.

BUFFALO

"Today," said David A. Smith, a State University of New York geographer, "Buffalo is on a side street or dead-end as far as the seaway is concerned." Once America's Main Street for transportation and the eastern terminus of Great Lakes shipping, Buffalo today watches the lake and oceangoing ships leave the Welland Canal near here and head straight for the numerous ports of the Upper Lakes. That saves a costly day's sailing.

Containerization of ocean cargoes like liquor, canned goods or machinery has seen more ships dump their loads at the more efficient New York metropolitan area container ports for the overnight truck haul to Buffalo.

Twenty years ago seaway boosters predicted that ocean freighters would haul millions of pounds of flour overseas from Buffalo's mills. What actually happened was that new, more efficient mills were built elsewhere. Why stop at Buffalo?

Before the seaway, more than 200 million bushels of grain arrived in Buffalo in a good year. Afterward, the declining total never topped 100 million. Before the seaway, up to 60 million bushels a year were unloaded in Buffalo, milled and shipped on for export. Today that figure is virtually nil. Some pre-seaway years, 67 ships, left idle by ice, were used for storing the mills' winter supply requirements, while scores of shipworkers swarmed the decks making repairs and overhauls. They're all gone now.

Officials created a free trade zone, increased warehousing, upgraded dock equipment and organized a Port Users Council to help attract new business, to little avail so far.

DETROIT

Overseas shipping of an estimated 2.5 million tons provided jobs for 1,500 workers and direct economic benefits of $50 million last year, according to David E. Clark of the Port Commission. In 1958 the tonnage figure was 87,661.

Michigan farmers, for instance, can utilize containers now to export 100,000 tons a year of navy beans direct to Europe.

But experts believe the port has yet to realize its full potential of four million or more tons annually for a variety of factors. "The private firms have not developed the port facilities," said John L. Hazard, once a seaway economist and now with Michigan State University.

CHICAGO

This city, traditionally the nation's main transport hub from wagons to railroads to jets, finds itself in stiff competition with nearby Burns Harbor, Ind. Mainly a bulk cargo port for exporting the grains of the heartland (1.2 million tons last year), Chicago too is being threatened by containers. Last year the Midwest shipped out 200,000 containers; only 9,555 went through Chicago. And overseas vessel sailings fell from 370 to 351.

So the state and city finally are developing a modern container facility to attract more of the $43 in economic benefits that officials figure come with each container handled. "Great Lakes ports are finally waking up," said Vera Paktor, former director of the Chicago Maritime Council, "they've got to provide service to the carriers and be aggressive."

"The resource of the Great Lakes," adds Robert Palaima of Illinois' Department of Economic Development, "is ludicrously underutilized."

DULUTH

Last year 968 ocean vessels entered Lake Superior. Fully half were bound for Duluth to haul away a record 8.7 million short tons of grains, along with machinery and bag goods, the major exports. "It's good business for tugs and pilots and services," said Alan Johnson of the Duluth-Superior Port Authority, "we figure every ton of grain produces $15 in direct benefits."

"The seaway has had a terrific impact on the north central U.S.," added Capt. Anthony Rico of the Great Lakes Pilot Association. "If we didn't have the seaway, this part of the nation would cave in."

MASSENA, N.Y.

As the headquarters for the United States Seaway Development Corporation, this upstate city gained 200 full-time jobs and a $4 million annual payroll plus spinoff benefits that include jobs for teachers, suppliers and the arrival of a Reynolds Aluminum plant, attracted by water transportation and cheaper hydroelectricity.

Additionally, areas near the lock sites in Quebec, New York, Sault Ste. Marie and here have seen a steady influx of tourists (and motels and gas stations and campgrounds) drawn like curious moths to the incongruous sight of an ocean ship rising out of the ground, as the locks fill with water, and then moving off slowly through the woods.

ERIE, PA.

Twenty years ago, said Joseph Rosenthal, port authority manager, Port Erie's future looked "pretty bleak." No more. In 1959 cargoes totaled 27,000 tons; last year it was more than 285,000, 80 percent of it imports, mostly steel slabs, speciality ores and coke. Major export items include General Electric locomotives, Bucyrus-Erie cranes and hardwood lumber.

One success story involves the American Lumber International Company, a Hammer-mill subsidiary. Preseaway it was not an exporter; the overland transport was too costly. Today, its exports are a $20 million-a-year business.

"But the current rail rates favor East Coast ports," notes Mr. Rosenthal, "if they were equitable, you'd see a much faster seaway growth."

Others see the seaway as merely a tool to be used—or not used in many cases—by each locality according to its imagination. For years after the seaway opened, many ports were still not dredged to the seaway's 27-foot depth. This was crucial for large ships where a half-inch can mean another 600-plus tons of cargo. Many ports were old, ill-equipped and run, as one official put it, not by the greatest thinking bodies in the world. Foreign shippers, it seemed, often knew more about the seaway than local businessmen.

A LAGGARD CONGRESS

It wasn't until 1970 that Congress finally declared the Great Lakes a sea-coast eligible for a variety of subsidies that had been aiding their competitors for decades. By then, the shipping revolution called containerization was underway, placing a premium on fewer port calls and fast turn-around times.

Then there were the parasitic lamphrey eels and the bothersome hordes of alewives, both of which can now enter the Great Lakes to feed on local gamefish, clog up water intake pipes and cover some beaches with their decaying bodies.

Although an original seaway selling point in the United States had been an anticipated explosion in general cargoes, this did not materialize. Nor have American-flag vessels benefited.

"We lost thousands of seamen's jobs," said Jack Bluitt of the Seafarers Union, "99 percent of the seaway ships are foreign." Many are from Canada, which does subsidize its laker fleets, and a growing number are from the Communist bloc—Soviet, Polish and Yugoslavian. "They are not subject to the fiscal restraints of a market economy," notes Harold Mayer of Milwaukee's Center for Great Lakes Studies, "and, of course, you ship the cheapest rate."

William Kennedy, associate seaway administrator, admits, "The seaway was probably oversold at the start." But, he says, it has been "a tremendous economic success despite the criticisms of our opponents' lobbyists." Designed to handle 50 million tons, St. Lawrence Seaway last year saw 6,625 ships haul a record 62.8 million tons during the 279-day season, down slightly from 1977. He foresees a growth to 92 million tons through this Welland section by the 1990's.

A YEAR-ROUND SEASON

But this will require a range of improvements to boost the locks' capacity without vast capital expenditures. These include an experimental ship-shunter here that steers the steel giants safely in and out of the narrow locks faster, and the possibility of extending the season even further.

The goal, says Mr. Kennedy, is a year-round seaway season to improve competitiveness against year-round land routes and make maximum use of costly facilities. The United States, the prime pusher and, with the most ports, the prime beneficiary of a longer season, has run a successful pilot year-round program in the upper lakes. But Canada's lukewarm, at best, stance combined with opposition by environmentalists and power plants has stalled the proposal.

There are also divisions over toll increases, which will have doubled fees by 1980. Both governments, under the growing influences of a "user pays" philosophy, believe that the increases, the first ever, will not affect traffic. Shipping lines and some other experts disagree.

"Yes, the seaway will still be cheap water transport for some," notes Professor Mayer, "but I think the marginal shipping will go elsewhere."

At least in the first few weeks of operations on the Welland Canal this spring, traffic is up. Growing numbers of Japanese tourists pour off their buses to photograph the ships rising and falling as 20 million gallons of water thunder through the gratings in nine minutes. Nearby, Frado's Restaurant is finally opening a dining room addition that looks out on the seaway coming of age. "Twenty years?" says a waitress, "has it been that long already?" ●

DENVER PUBLIC SCHOOLS GET A PAT ON THE BACK

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mrs. SCHROEDER. Mr. Speaker, 25 years ago the U.S. Supreme Court, in Brown against Board of Education, outlawed intentional segregation in public schools. The Nation was beginning to realize its responsibility in education: To provide equal opportunity for all students. The Brown decision was the first of a series of cases to make profound changes in American public education.

At the time the Brown case was making news, Denever, Colo., already had its segregated residential patterns and was well on its way toward an entrenched segregated school system. It took the Brown case and a Supreme Court case of its own for Denver to do away with its dual school system and make strides toward a desegregated system.

Fortunately, Denver came to accept and learn from that historic decision and has shown noteworthy progress. A February 1979 study done by the U.S. Civil Rights Commission points to Denver as a city where desegregation is working. It shows the Denver public schools is ahead of the pack of 47 other school districts across the country in success and compliance with desegregation. The study concludes that communities, like Denver, which have been divided over the issue are stronger now, as leaders, from all walks of life have had to work out constructive solutions to difficult educational problems. In addition, more children are being provided the oportunity for a better education.

This picture of the Denver school system is not as rosy, however, as the study concludes. It still has far to go to achieve a truly integrated system. Schools are now integrated but classes remain basically one color. Children are being provided the opportunity for a better education, but some are still failing to receive that education. These are problems that require as much sweat and headaches to solve as was required to get the schools where they are today.

To its credit, the school system knows this and is working on it. The administration is concentrating on what happens when a child gets into the school and no longer just on the transportation. The Denver public school system deserves a pat on the back for the progress it has made on desegregation. Now it needs a little harder pressure applied to get it to take the next step—providing topnotch education for the public school students of Denver.●

POLITICAL REPRESSION ON TAIWAN

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. LEACH of Iowa. Mr. Speaker, one of the unfortunate repercussions of U.S. recognition of the People's Republic of China has been the apparent trend, in recent months, toward greater political repression in Taiwan.

Last December, in the wake of the United States-People's Republic of China normalization announcement, the Nationalist Kuomingtang (KMT) authorities in Taiwan postponed indefinitely local elections which almost certainly would have resulted in the strengthening of opposition points of view on the island. Unfortunately, the postponement of these elections marked but the first of a series of events suggesting a questionable future for a free and democratic Taiwan. To date, the ill-fated December elections have not been rescheduled. Martial law, which has been in force on the island since the Nationalists fled to Taiwan from China in 1949, has been noticeably intensified. Two non-KMT journals, the China Tide and This Generation have been banned. A widely respected and elderly non-KMT local politician, Mr. Yu Teng-fa was arrested along with his son, and tried in military court proceedings before being sentenced in April to 8 years in prison. Another respected country magistrate, Mr. Hsu Hsing-liang, protested the actions taken against the elderly Mr. Yu and as a result became, himself, the target of impeachment proceedings.

These accelerated efforts by the KMT authorities to suppress legitimate political dissent and to deny to the majority of the population the opportunity to participate in their own political system deserve careful note from this Congress. These ominous developments stand in stark contrast to the State Department's 1978 human rights report on Taiwan which begins with the statement that "Taiwan is evolving toward a more open society."

The United States and Taiwan share a common philosophical heritage. The courage and conviction of great men such as Thomas Jefferson and Dr. Sun Yat-sen transcend national borders. A common respect and identity of interest exists between the American and Taiwanese peoples. In the absence of formal diplomatic relations, it is extremely important that informal ties between our two societies are not only maintained, but enhanced. While it is understandable that the precipitous manner in which the Carter administration recognized the Peking Government should occasion increased anxiety on Taiwan, the movement, suggested by recent events toward a more repressive society in Taiwan can only serve to impair the possibility of a strengthened new relationship between our peoples.

In international politics, Taiwan is considered by some to be an independent nation-state, by others a province of the People's Republic of China, by itself, and a very few others, as the seat of the Government of all of China. But in essence, it is none of these. Taiwan cannot realistically be considered a nation-state if its own Government refuses to accept this status. It cannot be considered a province of the People's Republic of China as long as the people and Government of the island refuse to embrace Peking's claim to hegemony. Nor can the authorities on Taiwan continue their pretender role as the Government of all of China when neither the Chinese people nor the vast majority of the peoples of the world sanction their claim. Taiwan is an international pariah—a people without a country; a government without a basis of legitimacy.

Over the past three decades, the Nationalist Government has been denied legitimization based on its historical claim to represent all of China, including Taiwan. I am personally convinced that internal stability and international security are gravely jeopardized if Nationalist authorities continue to refuse to accept the reality of Peking's political control over the mainland on the one hand, and the legitimate democratic aspirations of the vast majority of native Taiwanese on the other. The time has come to establish a new basis for legitimacy—that of "consent of the governed." In the words of Dr. Sun Yet-sen:

> Such a government will be the most complete and the finest in the world and a State with such a government will indeed be of the people, by the people, and for the people.●

PERSONAL EXPLANATION

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. LIVINGSTON. Mr. Speaker, during yesterday's vote on the Special International Security Assistance Act to aid Egypt and Israel, I was unavoidably absent on district business. I wish to note for the RECORD that I would have voted for these funds to help establish this critically important peace in the Middle East. Also, I would have supported the amendments agreed to by the House: First, to request the President to consult with other nations to promote a fund to underwrite the costs of implementing the peace; and second, to require the President to submit a report to Congress within 90 days after enactment of this bill on the costs to the United States of implementing the peace treaty.

Along with other Members of Congress, I have been concerned about the large cost of this aid package. My final decision to support it, however, was made with these considerations in mind: The $4.8 billion cost of this bill represents an actual budget outlay of $1.47 billion, much of which will be spent on U.S. goods and services, with the remaining $3.3 billion representing loans to be repaid. This is a small price to pay when compared to the cost of another war. Finally, this peace treaty could bring the peace which has long been sought for a region of the world whose stability is vitally necessary to assure a steady source of oil for the United States.●

FULL FUNDING FOR CONSUMER COOPERATIVE BANK ACT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. WEISS. Mr. Speaker, I would like today to call for support for full funding of the Consumer Cooperative Bank Act (Public Law 351), which was signed into law by President Carter on August 20, 1978, and is currently pending in the Appropriations Committee.

The Consumer Coop Bank will provide financial and technical assistance to nonprofit cooperatives. This assistance will be in two forms: First, loans at market interest rates, and second, a self-help development fund and technical assistance capability to assist low-income coops with special needs.

To be eligible for assistance, a coop must operate on a nonprofit basis and must furnish goods, services, or facilities primarily for the benefit of its members. It must also be a legally chartered entity owned and controlled as a cooperative. In addition, borrowers will be required to own certain amounts of common stock in the Bank.

Loans from the Bank may be used in various ways. They may, for example, be provided to a housing cooperative in order to install solar energy systems or to implement energy conservation measures in the coop.

Although initially the Bank's support will be through the Government's purchase of $300 million in bank stock, eventually the Bank will function as a working cooperative itself, solely owned by the member cooperatives or stockholders.

I supported this important legislation when it was before the Congress and have worked for greater involvement of low-income cooperatives. This involvement would be as members of the Bank's National Board of Directors and in the form of assurances that 35 percent of all loans will be made to low-income coops or coops serving essentially low-income persons. Cooperatives (whether they be in housing, supermarkets, or other collectives) provide important consumer benefits to their members by reducing costs through eliminating profit. They serve to offer people greater control over, and participation in, many essential areas of their lives. The Consumer Cooperative Bank will supplement this service.

I respectfully urge our colleagues in the Appropriations Committee for a favorable response to this most important concept by recommending full funding for the Consumer Cooperative Bank Act.●

TRIBUTE TO MSGR. MICHAEL W. HORNAK

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. GUARINI. Mr. Speaker, on June 10, 1979, a testimonial dinner honoring Msgr. Michael W. Hornak will be held in my district to mark the 50th anniversary of his ordination to the Roman Catholic priesthood.

Thousands of people who have been touched by this great priest will join in celebration at a Mass of thanksgiving in the Church of the Assumption of the Blessed Virgin Mary in Jersey City where Monsignor Hornak has served as pastor for more than 40 years.

I am sure, Mr. Speaker, that you and all our colleagues will join with me in extending our heartiest greetings and felicitations on this great day.

Monsignor Hornak's deep commitment to Almighty God and to the people he serves has won him the respect and admiration of all those fortunate enough to know him.

The contributions of Monsignor Hornak are perhaps best summed up in a biography prepared by his parishioners entitled "Thou Art a Priest Forever" which I am submitting today for reprinting in the RECORD:

THOU ART A PRIEST FOREVER

The Reverend Monsignor Michael W. Hornak was born in Bayonne, New Jersey. He is a son of Michael Hornak and Veronica (nee Hlebik) Hornak, now deceased. He is a twin brother of the late John Hornak and brother of the late Reverend William A. Hornak, who was Pastor of St. John's Parish, Guttenberg, New Jersey. He has one other brother, Theodore Hornak, who resides in Bayonne, New Jersey.

Monsignor Hornak received his early education at St. Joseph's Parochial School, Bayonne, New Jersey. He studied at St. Peter's Prep., Jersey City, New Jersey and later at Seton Hall Prep., and Seton Hall College, South Orange, New Jersey. While at Seton Hall he distinguished himself as an athlete, particularly on the baseball field. No doubt he could have made a successful career in baseball, but chose instead to study for the priesthood, for which he prepared and studied at the Immaculate Conception Seminary, Darlington, New Jersey.

Monsignor Hornak was ordained to the Holy Priesthood on May 25, 1929, in St. Patrick's pro-Cathedral, Newark, New Jersey. He celebrated his first solemn Holy Mass in his home parish, St. Joseph's, Bayonne, New Jersey. His first assignment was to Holy Rosary Parish, Elizabeth, New Jersey, as Assistant Pastor. Later, for a short period, he was assigned to St. Ann's Parish, Newark, New Jersey and his last assignment before coming to the parish of the Assumption of the Blessed Virgin Mary, Jersey City, New Jersey was at

St. Leo's Parish, Irvington, New Jersey. After serving for a time as Administrator of the parish of the Assumption of the Blessed Virgin Mary, Jersey City, he was named Pastor of the parish December 16, 1937.

Shortly after assuming his duties as Pastor, he re-built the convent for the Nuns. His first major accomplishment was the erection of a beautiful Shrine to Our Blessed Mother, at the corner of Pacific Avenue and Lafayette Street, which Shrine was solemnly dedicated May 14, 1939. He calls it the "Monument of Love." Here, every year for the past 35 years, he has held Mother's Day Ceremonies in honor of Our Blessed Mother, with whom he must find favor, for even though prior to the Ceremonies in some years the skies were dark, or rain was falling, when the hour for the ceremonies arrived, the skies would clear and the sun would shine. His next major accomplishment was the erection of a beautiful church and rectory, which were dedicated December 14, 1952, and which are a credit to his planning.

Rev. Michael W. Hornak worked tirelessly, zealously for the good of his people. His true devotion to the Blessed Mother inspired us all and she has shown her love through the blessings which her Son has bestowed upon his hard labors in this parish.

In recognition of his devotion and accomplishments, he was elevated to the rank of Monsignor on November 14, 1964, and his investiture took place December 20, 1964, at the Sacred Heart Cathedral, Newark, New Jersey.

For over forty years, Monsignor has worked for the honor and glory of God among the Slovak people of Jersey City. As of June 30, 1976, he became Pastor Emeritus. He still continues his priestly work among the parishioners.

Monsignor Hornak has also been for many years the New Jersey Chaplain of the Anchor Club of America.

AD MULTOS ANNOS.●

REPEAL THE CREDIT CONTROL ACT OF 1969

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. PAUL. Mr. Speaker, last week former Chairman of the Federal Reserve Board Arthur Burns sent a letter to Senator WILLIAM PROXMIRE of the Senate Banking Committee on the subject of repealing the Credit Control Act of 1969. Since I have introduced a bill to repeal that act, H.R. 3883, and since no hearings have yet been scheduled on my bill in the House, I would like to include Chairman Burns' letter in the RECORD at this point, for the information of both this body and the other.

The letter follows:

AMERICAN ENTERPRISE INSTITUTE
FOR PUBLIC POLICY RESEARCH,
Washington, D.C., May 10, 1979.

Hon. WILLIAM PROXMIRE,
Senate Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR: I understand that your Committee may soon be taking under advisement the Credit Control Act of 1969.

As I read the Act, the Federal Reserve could have virtually unlimited authority over private credit transactions under it. If, therefore, this or a later President chose to invoke the Act, the Federal Reserve could exercise dictatorial power over the economy. I know of no agency that would be less likely to abuse its authority than the Federal Reserve. Even so, I doubt the wisdom of permitting the Credit Control Act to remain on the statute books.

Since the Federal Reserve is entirely capable of exercising a healthy influence over monetary and credit developments without this legislation, my advice to your Committee would be to rescind it, or, if there is a strong interest in some stand-by legislation, to recast the Act so as to limit the Federal Reserve's authority over private credit transactions.

Sincerely yours,

ARTHUR BURNS.●

LOUIS MACKENZIE—ACCOUNTANT AND COMMUNICATOR

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. FLIPPO. Mr. Speaker, as an accountant it is my pleasure to take this opportunity to join in the recognition of the contributions which have been made by Louis MacKenzie. He is a prominent and respected figure in the accounting profession. In a profession which is noted for anonymity, Louis MacKenzie has made his mark.

It was Louis MacKenzie's idea and his dedication that made possible a weekly newsletter devoted to clear and concise communication of information relating to the practice of accounting. Louis MacKenzie was the founder and editor of the Week in Review. The summary of Federal regulations published each week is useful to accountants, their clients and to many Members of Congress who receive this outstanding publication.

The standards of the Week in Review set by Louis MacKenzie are indeed high. His work has earned him the high praise of his colleagues.

Louis MacKenzie is retiring after 38 years of service to the firm of Deloitte, Haskins, and Sells, of which he is the managing partner of the Washington National Affairs Office and a member of the firm's policy committee.

It is only fitting that a tribute to the value of his work appears in the June 1 issue of the Week in Review which I would like to insert in the CONGRESSIONAL RECORD to bring it to the attention of my colleagues in the House of Representatives:

A TRIBUTE TO THE FOUNDER AND THE EDITOR

On June 2, Lou reaches the Firm's mandatory retirement age. He leaves his mark in many ways on the organization and on those who have had the opportunity to work with him.

Managing Partner *Charlie Steele* commented: "We are grateful to Lou for his dedication in developing and producing this high quality publication while meeting a weekly deadline—no small task in view of his significant client and administrative responsibilities. We are committed to and will continue the high standards of *The Week In Review*."

The idea for *The Week In Review* came to *Lou MacKenzie* in early 1972 while riding to the office in Detroit where he was the partner in charge. He realized how much material our people have to go through in order to get the essentials of what they need to know. So he decided to get the really important material together and distribute it to our staff under one cover.

When he presented this idea to others, he was told such a weekly newsletter could not be done. His reply was, "it not only can be done, it will be done." That was the beginning of *The Week In Review*. The success of *TWIR* is indicated by the distribution which has increased from the 150 copies per week to over 40,000 copies per week today.

Lou's high standards, dedication and enthusiasm are the main reasons for the growing demand for *TWIR*. He approves the contents of each issue before it goes to press, whether he is in Washington, Detroit, New York, overseas or wherever his broad Firm responsibilities carry him.

Lou joined our New York office in 1941 after graduating magna cum laude from the University of Notre Dame. His career was diverted in 1942 when he served in the United States Army finance department, finishing his active duty as captain in charge of Contract Termination Accounting at New York Ordnance.

Early in 1946 he returned to our New York office as a senior assistant accountant. He became a partner in 1956. Lou became widely known as a specialist in bank auditing while also serving a broad range of clients in other industries. In serving clients, he is concerned about the business reasons behind accounting entries. His first question is always, "does it make sense from a business standpoint? In short, he is a businessman's accountant.

Among the listing of clients he has served would be found such familiar names as: Airco, the Bank of New York, Canada Dry, COMSAT, Dow Chemical, the Hearst Corporation, Manufacturers Hanover Trust Company, Morgan Guaranty Trust Company, the New York Times Co., Presidential Realty Co., the Rockefeller Foundation, Uniroyal, and Yale University.

In 1966 Lou was appointed operating partner on the General Motors engagement in Detroit, a three-year assignment. In 1969, he was named partner in charge of the Detroit office, where he served for six years.

In the Washington office since 1975 as partner in charge of national affairs, Lou has concentrated on developing the Firm's relations with the federal government. In addition, he is Executive Office partner responsible responsible for the Firm's services to General Motors. But he has a fund of energy that impels him to take an interest in dozens of other things.

Peppery, restless, innovative, outspoken, highly disciplined—all of these adjectives apply to Lou MacKenzie. The qualities of mind and behavior that they stand for have combined to make him one of the most constructive, colorful and accomplished members of our Firm.

Lou is a perfectionist with awesome dedication and drive. His basic philosophy, however, may best be described by one of his favorite "Thoughts For The Week."

"What a man is before God, that he is and no more."

—St. Francis of Assisi.●

ONE-MAN ONE-VOTE ELECTIONS IN ZIMBABWE RHODESIA

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. CARNEY. Mr. Speaker, the recent one-man one-vote elections in Zimbabwe Rhodesia were a truly momentous event. For the first time ever, all Rhodesians—black and white, male and female—have voted to elect a government based on democratic, majority rule principles. Reports coming back from observers who monitored the elections indicate that these elections were fair, and were well and honestly administered. The most striking aspect of this process, I think, is that nearly two-thirds of the eligible population—63.9 percent—turned out to vote, in the face of the massive intimidation and threats by the guerilla forces of the Popular Front.

This large turnout puts our own record in the United States to shame. It is a clear mandate for change, and a forthright statement by the Rhodesian people that they accept and support the new black government which has been created, and they reject the forces of war and destruction that have been ravaging their nation for years. This is a judgment which we, as outsiders have no night to second guess.

Much of the criticism of these elections has focused not on the elections themselves, but on the constitution under which the new government will function. Again I would say, to pronounce the constitution acceptable or unacceptable is not and should not be our function as Americans. To sit in judgment on Rhodesia might have been justifiable 3 months ago, 6 months or a year ago. Today, following on these elections, there can be no justification for the substitution of our own judgment for that of the Rhodesian people. They themselves have spoken. They have taken their own fate in their own hands, and that is where it belongs. It is now our moral duty to accept their decision.

Recently, while the vote was taking place in Zimbabwe/Rhodesia, Bishop Abel Muzorewa addressed a gathering of international observers and press. Then only a candidate, Bishop Muzorewa has recently become the first Prime Minister of his country. In his remarks on that day he addressed some of the key concerns that have been expressed about the Zimbabwe-Rhodesian elections, and explained very clearly the philosophy behind the internal settlement and the elections that grew out of it. If we can just for a moment suspend our own prejudices and judgments as outsiders about the new Zimbabwe-Rhodesian system, it is both important to listen to what the leaders of that country themselves have to say about the political choice they have just made. For this reason I am asking that the bishop's remarks be reprinted in the Record and I would urge all Members who take an interest in Zimbabwe Rhodesia to read them:

Bishop Muzopewa's Statement to International Observers and Press

Mr. Chairman, Ladies and Gentlemen, I believe we are all familiar from wherever we come from, first of all I want to welcome all of you. I am sure those who have come before me, the Chairman and Mr. Gaylard must have already welcomed all of you but I thought it would not hurt if I also add my very sincere welcome to all of you to our land, our country, and to appreciate the spirit which has moved you from your own countries to come here and witness this great event which is taking place in our country this week.

Now I believe that it is common knowledge that in ever society once in a while you find some families that do quarrel and even fight. It is also very common that if they are all normal that they would sometimes sit down and resolve their differences, and I believe it is also common practice that if their neighbours are sober, and if they are of high integrity that they will accept that this family which was quarrelling now they have solved their problems and their business is to appreciate and to encourage those people to get along.

Now this is exactly what has happened here. For some time in this country over 88 years the family of this country, both black and white, did quarrel and did not get along and now, as of last year, with the March 3rd Agreement they decided that they would want to settle their difference and that is what we did, and that is what the March 3rd Agreement is all about. A settlement of a family of one country that quarrelled and even fought.

Now I would hope that the world, to start with our neighbours, would accept that this family, this Zimbabwe-Rhodesia family, which quarrelled and fought, that they have now come to a point where they have agreed to settle their differences, and that they would want to see that is encouraged rather than discouraged.

I believe all of you by now know that, maybe you don't, but I want to emphasize that all the political parties that ever came to this country had only one and one slogan only, and that slogan was the demand for the power of franchise. Everyone who stood on a political platform would wave his hand and say "one-man-one-vote" is what we want. The time when we can elect our own government and our own leadership and all that.

Now, Ladies and Gentlemen, you have come this week to witness that very thing that we have been waiting for for over 88 years. We feel that it has been achieved. So the struggle you will be witnessing this week is between the vast majority of the people of this land who are saying the day we have been waiting for has come, and they want to come and they want to cast their votes. I believe some of you who have been in the townships today will have seen that it seemed like people were intoxicated with joy as they were going to the polling booths. Really demonstrating that this is the thing they have been waiting for. And I was so touched today as I went to about 10 of them today and see people all dancing and undulating and rejoicing that the day has come. So you have on one hand the people of this land with their will to claim their overdue democratic right and we have a few people on the other side encouraged by our neighbours to say now don't go and claim your vote. This is the struggle, Ladies and Gentlemen, that you are observing this week. And I hope that you will have noticed that if there are any people, if there are our policemen, the whole of our security forces, are there because there are some individuals who are saying—don't go to claim that which you have been dying for, and crying for, for over 88 years. This is the trouble, but I am satisfied that from what I have heard, from what I have seen, that the will of the people, the people of this land is going to be triumphant.

Now I want to go further on and say that there are some things that I have heard people ask since I have been meeting with some of you and that is, we claim our democratic right to vote and you have been told the processes before us are establishing the new government of this country. I have heard that there are a lot of you who are very critical of a number of things and I know that there are not many and I will try to put my hands on those that I have heard a lot of you especially those of you who are objective ones, who look at this thing very objectively. I think you will pardon me I won't worry about those who have made up their minds 15 years ago that they don't care for Rhodesia at all, but I am quite convinced that there are a lot of you who have come here with open minds and I want to try to tell them exactly what we think about some of those things.

The question of why did we allow so many seats in our Constitution, white seats, 28 seats. I would like to say something about that. First of all I want you to know that the principle of reserved seats was even in the Anglo-American proposals was there and they proposed that the whites in this country will be given 20 reserved seats. But you know, Ladies and Gentlemen, when you go for negotiations if you are really doing the art of negotiation you don't go there and say I'm going to get this and if not there is nothing more. That is what happened here Ladies and Gentlemen, the Africans wanted 20 seats only given to the whites. The whites wanted 34. So in the exercise for give and take we came to a compromise of 28. Having reached that compromise we do have good reason to say this is something we want and will honour and we like it as it is. The reasons being (1), the first one is from human rights point of view. Just don't forget, Ladies and Gentlemen, that the whites in this country are not visitors or tourists. They are men and women who were born and breed in this country and some of them going to four or five generations, who call this country their own just as I call this country my country. I think if you remember that you will find that a lot of you are concerned about why white this, why white that, will be half solved before I go any further. They belong here and from a point of view as I say of human rights we have got to regard them as all of us. I wish we had more people from the United States especially my black brothers there because when I was studying in America during the Civil Rights Movement one thing I hated, I hated, was to hear the whites in America, if I may qualify them the white races in America, saying to their black brothers in America—'go home to Africa, tell the niggers to go to Africa.' It used to bother me, in fact made me mad. Because from a human rights point of view although they were black having been three or four, whatever, generations there, definitely they could not come and just be in Nigeria or Rhodesia and say—this is home. Culturally, no. They would be just as strangers as any white American would be and therefore I hated it. But today when I hear my black brothers for instance in America who I understand have been the most stumbling blocks to our settlement here, I just want to remind them that they are telling us when they say—why did you do that with the whites, get them out, get them off,—I just want to remind them they are doing exactly what the white races were saying about them. Because if I told some of these men here—'go home'—some of the whites here, and say—'now go home.' If they want to ask me, they'll say—'Muzorewa where is home?' Then I will be stupid enough to say—'oh, England.' And they will say—'poor you.' They are just as strangers in England as I would be a stranger there. So, Ladies and Gentlemen, from a human rights point of view we have agreed that the whites here are not strangers, they are a part of the family. The only problem is that we have been quarrelling as a family and now we have settled our differences.

Now this leads me to the other point, before I go to the second one. Still on this very point. There is another reason why we want it that way and that is we happen to be one of the last countries to be independent in Africa and we have been observing what others have done with their independence when they behaved emotionally about their independence and they started kicking the whites who were in those countries as if they were not people and whether we like it or not most of those countries where they have done that I don't think I would like to live in them, in those countries. I think their independence is meaningless because they were too emotional about their independence and we have made up our minds we are not going to repeat that nonsense here. We are going to be calm, we are going to be sober, and if you don't mind we are going to accept whatever names you call us as long as we know what we are doing is the line of pragmatism and realism and that whatever we do is going to lead us to prosperity and not to reduce us from where we are to poverty and suffering. We are seeing it next door to us in Mocambique where after 4 years people are literally dying of starvation. We are not going to allow it here. And we know why they did it. We know that many times, many years people in Mocambique had a lot of exports in foodstuff, not now—why? Because they were too emotional about their independence and they started kicking out the whites and treating them like nothing. And I don't think I would like to belong there and say, now we are independent and go about because it is just an independence of just waving flags and we have said we are not going to do it here.

Ladies and Gentlemen, I want to tell you something about why we dwell upon this point because it is very important. I have seen in Africa, some of you have read about this, but I want to say here, some of you know that this emotionalism about independence and when people become independent they say—now we are here what do you want the whites for? We have seen it, a lot of us, there is one little country that has approached their problems of independence with calmness and that is Malawi. And most of you by now know that Malawi is treated like an outcast. The President of Malawi is called all sorts of names by the members of OAU, stooge of the white races, countries, and all the rest; a puppet of southern Africa and all that, but the man was calm and sober and levelheaded. He realized (1) that he had a very small country, a very small country indeed, very poor indeed and he had to be pragmatic, calm in spite of all the noises surrounding him. And the result, in short, Ladies and Gentlemen, is that the surrounding countries that had been making a lot of noise, those gigantic—geographically speaking—those gigantic countries like Mozambique, Zambia, Tanzania are now going to that little small Malawi to look for food because they have plenty of food and enough to export. That is the realism that we are going to follow here. If you talk about their balance sheets in Africa, they will be among the top, so this is the reason why a lot of people are concerned about why we did that and why we don't regret that we have allowed that many whites, it is because we are going to be calm and we want to be pragmatic, and we want to have a meaningful independence. Our objective is to have independence that will feed the stomachs of our people. We want to have our people go to bed with full stomachs rather than the other way.

Then I understand that a lot of people who say they are worried about, now your army is realistic? your army is white. Is that not a problem? It is not a problem, Ladies and Gentlemen. You have to answer the question—who composes the army? The majority of them blacks and then the rest whites and Asians and Coloureds—Rhodesian born and bred. Now what is wrong with the army composed of citizens of this country? What is wrong with the head of the State who is going to be, to say now for this time I want Mr. So-and-so, that is the best man for the job, I want him to be the head of that army and the task of that army is to create and to defend the people of this land, all of them, all of it, now what is wrong with it? If the Head of State says now I want an Asian to be the head of that army. They are all Zimbabwe-Rhodesians, their task is to defend this land, give protection for everybody. What's wrong for him to say next time, I want a Coloured to be the head; I want a white man to do it, and the rest? So I don't know why it should be a problem, I don't know why it should be a problem and I hope that with that explanation that it won't be a problem any more to a lot of you.

Now I have been hearing a lot of people saying we must reach a very high percentage poll. We go now first of all to the problem now of recognition which we are hoping we will have and the lifting of sanctions. First of all, Ladies and Gentlemen, I want again to appeal to you because I still hear some people talking about the possibility of keeping sanctions on, imposing sanctions on the country for I don't know for how long—why? why? I hear people talk about—I'm very sorry I have heard even some of my own people in this country being so pessimistic about recognition, talking about 12 months, 18 months this kind of business—why? I think we have to ask the question first of all—why were sanctions imposed against this country? why? Because there was a minority government here and the problem was in the nationalised when UDI came to this country. Now that has been corrected. Right now we are in the process of erasing UDI by election, establishing a majority rule government. When I was outside this country was condemned about two or three things (1) they always said, you always said and I also condemned it, racialistic laws. Now Ladies and Gentlemen, that has been repealed. We no longer have that. Minority rule—we have already started the process of eradicating it —well it started on March 3rd but now by act of election we are establishing a majority rule government. Now my question to you, Ladies and Gentlemen of the international community is—what else is left that you want us to do? You imposed sanctions because you wanted to tell Mr. Smith stop your UDI and he has conceded to Majority rule. Why more sanctions? We are talking about recognition—majority rule government properly elected as you have seen people making their way to the polls to elect their government. Then after that what will be the cause for lack of recognition? I don't know what it is. If we want to be honest with ourselves, Ladies and Gentlemen, if we want to approach this question with integrity I don't know what is left, especially when I hear people recognising invaders in a matter of hours in Uganda. They are recognized already. Invaders—where did they have elections? Not to talk about the percentage poll and low, high or low, where did they have elections? And some people have already made known their recognition of that. I would hope, Ladies and Gentlemen, that sanity is going to prevail and that some people are going to say let us face it we no longer have a case against this country. I appeal to sanity because no more case if we here as we are now as you have seen and will be seeing in the next few days blacks, whites, Asians and Coloureds are going to say—hear, hear, this is our elected government, do you know what we would expect of you, as I say we expect soberness, reasonableness, and we expect you to say—now these people have elected their government no more minority rule, no more racism or the rest, let's lift sanctions, let's recognize them. That is what we expect of you and I don't think it is an unreasonable expectation.

The percentage poll, O.K., I knew some countries here, I'm not going to name them, in very free atmosphere who have elected their administrations with less than even 40% in a free atmosphere with sophisticated voters, people can vote whether they want to go at 2 o'clock a.m. or whatever, there is freedom and people don't go to the polls and they get less than 40%, they accept that is the percentage the government comes to power. So I am not one of these people who say we must have a high percentage poll because then that will make us recognized, because I think that is unfair. Whatever percentage poll we get must be recognized, must be recognized, because it will be the will of those who have tried their best to go and express their will in the midst of a few who have lost their heads who are saying—don't go and express your will. Otherwise we could have 100%, so whatever it is, Ladies and Gentlemen, I appeal again, whatever it is, it must be recognized if sanity is to prevail.●

BLANCHARD ON VIETNAM VETERANS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BONIOR of Michigan. Mr. Speaker, this week of May 28 marks the observance of Vietnam Veterans Week. A number of us in Congress are cosponsoring the Vietnam Veterans Act as a response to the needs of the Vietnam veteran, needs that have far too long been overlooked. In this regard I would like to call to the attention of my colleagues the remarks on this subject made by my friend and colleague from Michigan (Mr. BLANCHARD) in Ferndale, Mich., on Memorial Day:

LET US HONOR THE FORGOTTEN SOLDIER

(By Congressman JAMES J. BLANCHARD)

We gather here in Ferndale and others congregate throughout our land to honor those who gave their lives in defense of America. The survival of our democracy depends on our willingness to die, if necessary, to defend it. Thus, today we are paying tribute to those citizens of Ferndale and elsewhere who made that supreme sacrifice.

It should also be said that Memorial Day is a time to remember our obligations to the survivors as well as to pay our respects to the dead. The Veterans here today whether they served in the Army, the Navy, the Marines or the Air Force, committed themselves to risk their lives for their country if called upon. We owe a great debt to these veterans who survived America's wars. That includes those who survived unpopular wars, as well as popular wars. And that brings us to the final chapter of America's most recent conflict—the war in Vietnam.

Some of you may know that today, May 28th, marks the first day of Vietnam Veterans Week, a commemoration established by Congress on October 25, 1978.

This resolution comes at least 5 years too late. Perhaps, as the resolution says, it's because "an adverse image has often been unfairly attached to the Vietnam veteran as an individual because of the controversial nature of the Vietnam conflict."

Put more bluntly, some have described the Vietnam Veteran as a loser because he fought in an unpopular war in which there was no clear defeat or victory. For us to accept that characterization, however, is to do a grave disservice to those who made a genuine sacrifice for their country. It holds innocent young men accountable for policies and events totally beyond their control, and it demeans our democracy to ignore our servicemen because they did not return home to a hero's welcome.

As a nation, we were confused about our involvement in Vietnam. That confusion persists today, and has kept Vietnam veterans from getting the recognition and respect they deserve. The fact is, our soldiers in Vietnam fought bravely, and served their country in good faith. It is our hope that Vietnam Veterans Week will serve as a gesture of national respect to the soldiers who fought in that war.

However, this gesture will have meaning only if it is followed by some concrete action. Our Vietnam veterans need more than a tribute of words.

Vietnam veterans face unusually high unemployment rates, and too many are working at low-paying, meaningless jobs. Too many Vietnam veterans are unable to use their educational benefits because of the way the program is structured—and many Vietnam veterans continue to have readjustment problems—drug and alcohol abuse persist among Vietnam veterans at levels too high to ignore. I believe that this last problem in particular can be traced to the frustrating, controversial nature of the war.

Clearly, we need to do something. I think a good start is the Vietnam Veterans Act, which a number of us are sponsoring and which has been introduced in Congress by Vietnam Veteran and now Michigan Congressman, my friend, David Bonior. This measure would:

Reform veterans educational and housing programs to give Vietnam veterans the same level of benefits available to other veterans;

It would create tax incentives for businessmen to hire Vietnam veterans; and

It would set up a good rehabilitation program to help those Vietnam veterans with readjustment problems.

The Vietnam Veterans Act is not a "giveaway" or "welfare" program. Like the G.I. Bill of Rights, it would be our nation's way of paying its debt to Vietnam Veterans—who, like all American veterans, left their families and their careers to fight for their country.

Free men must honor their soldiers in good times and bad . . . or run the risk of having no soldiers for freedom at all.

Here on Memorial Day, during Vietnam Veterans Week, let us renew our commitment to honor the Vietnam Veteran—the forgotten soldier.

In so doing, we honor the deserving . . . we honor our country . . . and we bring honor to ourselves.

Most of all, we honor our war dead by helping their countrymen and brothers who survived.●

LISA AND ELISA

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. McKAY. Mr. Speaker, Utahans and well-wishers around the country have been anxiously monitoring the progress of two infants who yesterday underwent a very complicated but very promising surgical procedure at the University of Utah Medical Center in Salt Lake City.

Never before have surgeons been able to successfully separate Siamese twins joined in this fashion at the crown of the head. The two teams of specialists—one for each girl—which were assembled at the medical center were the very best for the task, and they designed a procedure for this surgery which has never before been used.

I know the loving parents of these two lovely 19-month-old girls, named Lisa and Elisa, and I am certain all parents everywhere can begin to appreciate the conflicting sets of emotions which have tugged at their hearts during this time of hope and fear.

We can rejoice that the surgery has been completed without incident. Both girls have survived the operation. Both are in critical but stable condition. However, the next days and weeks are likely to present many challenges to their survival and complete recovery.

At this critical time I would invite the prayers of their well-wishers around the country in their behalf.●

CHARLES V. "CHUCK" FERREE—CIVIC ACTIVIST

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BURGENER. Mr. Speaker, most communities turn toward several of their devoted citizens to lead the way toward local progress balanced by achievement of a "liveable environment" for local citizens.

El Cajon, Calif., in the 43d Congressional District, is no exception, and the community this week will honor as its Citizen of the Year one of its keystones of community involvement over the past 25 years, Mr. Charles "Chuck" Ferree.

Chuck Ferree retired recently as the manager of the El Cajon Chamber of Commerce, but his nearly 20 years of service were marked by a sense of activism in behalf of his community's betterment.

Chuck Ferree took over the direction of the El Cajon Chamber in July of 1959 and was instrumental in spearheading the development of El Cajon's commercial and industrial areas, the city's acquisition of Gillespie Field, and the redevelopment of downtown El Cajon.

His exemplary leadership helped guide the city through some trying years of expansion and growth, and while his business was to see that local business prospered, he also made it his business to see that his community was not denigrated in the name of growth.

It has been my pleasure to work and be associated with Chuck Ferree for most of these past 20 years, and I would just like to add my own "salute" to a man whose sense of community involvement helped one small city meet the difficult and shifting challenges of the past two decades. Chuck Ferree is indeed El Cajon's Citizen of the Year.●

TEXT OF THE INTERNATIONAL HUMAN RIGHTS POLICY ACT OF 1979

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. HALL of Ohio. Mr. Speaker, today I am introducing the International Human Rights Policy Act of 1979.

For the benefit of my colleagues, the text of this bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "International Human Rights Policy Act of 1979".

DEVELOPMENT ASSISTANCE PROGRAMS

SEC. 2. (a) Subsections (a) and (b) of section 116 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n (a) and (b)) are amended to read as follows: "(a) No assistance may be provided under this part to the government of any country which engages in a consistent pattern of gross violations of those human rights set forth in the Universal Declaration of Human Rights, including those rights relating to freedom from governmental violation of the integrity of the person, to the fulfillment of basic human needs, and to civil and political liberties, unless such assistance will directly benefit the needy people in such country.

"(b) No assistance may be furnished under the exception, relating to needy people, set forth in subsection (a) unless—

"(1) the Administrator primarily responsible for administering part I of this Act submits to the Congress a certification that such needy people in the country involved and an explanation of how such assistance will directly benefit the needy people in that country; and

"(2) the Congress adopts a concurrent resolution approving such certification.".

(b) Paragraph (1) of subsection (c) of such section is amended to read as follows:

"(1) the extent of cooperation of such government in permitting an unimpeded investigation of alleged violations of human rights described in subsection (a) by appropriate international organizations, including the International Committee of the Red Cross, Amnesty International, and appropriate groups or persons acting under the authority of the United Nations or of the Organization of American States; and".

SECURITY ASSISTANCE

SEC. 3. (a) (1) Paragraph (2) of subsection (a) of section 502B of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a) (2)) is amended to read as follows:

"(2) No security assistance may be provided to any country the government of which engages in a consistent pattern of gross violations of human rights, unless—

"(A) the President certifies to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that extraordinary circumstances exist warranting provision of such assistance; and

"(B) the Congress adopts a concurrent resolution approving the President's certification.".

(2) Paragraph (3) of such subsection is amended by striking out "internationally recognized".

(b) Subsection (b) of such section is amended—

(1) by striking out "internationally recognized"; and

(2) in paragraph (1) by striking out "nongovernmental organizations, such as the International Committee of the Red Cross" and inserting in lieu thereof "the International Committee of the Red Cross, Amnesty International, and other appropriate nongovernmental organizations".

(c) Subsection (c)(1) of such section is amended—

(1) in the first sentence—

(A) by striking out "Secretary of State" and inserting in lieu thereof "President"; and

(B) inserting "the Secretary of State and" after "assistance of"; and

(2) in subparagraph (C) by striking out "Secretary of State" and inserting in lieu thereof "President".

(d) Subsection (d) of such section is amended to read as follows:

"(d) For purposes of this section—

"(1) the term 'human rights' means those human rights set forth in the Universal Declaration of Human Rights, including those rights relating to freedom from governmental violation of the integrity of the person, to the fulfillment of basic human needs, and to civil and political liberties; and

"(2) the term 'security assistance' means—

"(A) assistance under chapter 2 (military assistance), chapter 3 (foreign military sales), chapter 4 (economic support fund), chapter 5 (military education and training), or chapter 6 (peacekeeping operations) of this part;

"(B) sales of defense articles or services, extension of credits (including participations in credits), and guaranties of loans under the Arms Export Control Act; and

"(C) any license with respect to the export of defense articles or defense services to or for the armed forces, police, intelligence, or other internal security forces of a foreign country under section 38 of the Arms Export Control Act.".

(e) The amendments made by this section shall apply to licenses described in section 502B(d)(2)(C) of the Foreign Assistance Act of 1961 which are in effect on the date of enactment of this Act.

AGRICULTURAL TRADE AND DEVELOPMENT ASSISTANCE

SEC. 4. (a) Subsection (a) of section 112 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1712(a)) is amended in the first sentence by striking out "internationally recognized human rights" and all that follows through "security of person" and inserting in lieu thereof "those human rights set forth in the Universal Declaration of Human Rights, including those rights relating to freedom from governmental violation of the integrity of the person, to the fulfillment of basic human needs, and to civil and political liberties".

(b) Subsection (b) of such section is amended to read as follows:

"(b) No agreement under this title may be entered into under the exception, relating to needy people, set forth in subsection (a) unless—

"(1) the President submits in writing information demonstrating that the agreement will directly benefit the needy people in the country involved; and

"(2) the Congress adopts a concurrent resolution approving the President's submission.".

(c) Subsection (c) of such section is amended—

(1) by striking out "internationally recognized human rights" and inserting in lieu thereof "human rights described in subsection (a)"; and

(2) by striking out "or" immediately after "Red Cross," and inserting in lieu thereof "Amnesty International, and appropriate".

EXPORT-IMPORT BANK

SEC. 5. Section 2(b)(1)(B) of the Export-Import Bank Act (12 U.S.C. 635(b)(1)(B)) is amended in the last sentence by inserting immediately after "human rights" the following: "(as set forth in the Universal Declaration of Human Rights, including those rights relating to freedom from governmental violation of the integrity of the person, to the fulfillment of basic human needs, and to civil and political liberties)".

OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 6. Section 239(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2199(1)) is amended in the last sentence—

(1) by inserting "President determines that the" after "if the"; and

(2) by inserting immediately before the period the following: ", if the President submits that determination to the Congress, and if the Congress adopts a concurrent resolution approving the President's determination".

INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 6. Section 701 of the Act of October 3, 1977 (P.L. 95–118; 22 U.S.C. 262g) is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"(1) a consistent pattern of gross violations of those human rights set forth in the Universal Declaration of Human Rights, including those rights relating to freedom from governmental violation of the integrity of the person, to the fulfillment of basic human needs, and to civil and political liberties; or";

(2) in subsection (b) by striking out paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively; and

(3) in subsection (f)—

(A) by inserting "(1)" after "(f)"; and

(B) by adding at the end thereof the following:

"(2) The United States Executive Directors of the institutions listed in subsection (a) shall oppose any loan, any extension of financial assistance, or any technical assistance to any country to which foreign assistance has been terminated, prohibited, or refused by reason of an action by the President, any Federal department or agency, or both Houses of the Congress, on account of violations of human rights by the government of such country. For purposes of this paragraph, 'foreign assistance' means any assistance under part I of the Foreign Assistance Act of 1961 (including insurance, reinsurance, and guaranties issued and loans made for projects in a country under title IV of chapter 2 of such part), any security assistance as defined in section 502B(d) of that Act, or any agreement to finance the sale of agricultural commodities which is entered into under title I of the Agricultural Trade Development and Assistance Act of 1954.".

ACTIVITIES OF ASSISTANT SECRETARY OF STATE FOR HUMANITARIAN AFFAIRS

SEC. 7. Section 624(f)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2384(f)(2)) is amended—

(1) in subparagraphs (A) and (D) by striking out "internationally recognized"; and

(2) by adding at the end thereof the following:

"(3) For purposes of this subsection, the term 'human rights' means those human rights set forth in the Universal Declaration of Human Rights, including those rights relating to freedom from governmental violation of the integrity of the person, to the fulfillment of basic human needs, and to civil and political liberties.".●

IN MEMORIAM: MAURICE COHEN

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. GONZALEZ. Mr. Speaker, I am among those few in this world who had the privilege of knowing Maurice Cohen.

It is accurate to say that Maurice Cohen was a unique man. He was that rarity in this cautious and inhibited world, a free spirit. He was a taker of risks, a most successful man in a most risky enterprise. This reflected his strength and freedom. It takes a man with strong conviction to endure the risks that Maurice Cohen took in his long business life. It takes a man of strong conviction to live as a free man. This was such a man.

Maurice Cohen had complete integrity. He did not choose his friends on the basis of their acceptability to others; he chose them for his own pleasure. He did not care for fashions that change with time and season; he cared for what he liked. He did not stint in his friendship; he would press food and conversation on his friends. Beneath a gruff exterior he hid a heart that was warm and full of love, that cherished friends and believed in the strongest bonds of friendship.

Maurice Cohen was a singular man in a time and place noted for unique people. He was willing to accept his friends for what they were, provided only that they accepted him on equal terms.

He was a man without malice or guile. He was a good man, one not widely known, but then he had no need for being widely known. It was enough to him that he had a successful life, good friends, and an uninhibited heart.

Few are fortunate as this man was. Few were fortunate enough to know him.

Maurice Cohen was my friend. He understood me and encouraged me. He stood by me during the hardest of times. I am grateful for that. But I will miss him not only because of that unfailing friendship. I will miss him because I know that he treated all his friends the same way, giving much, asking little. A good and true man, Maurice.

Now he is gone and there will never be another. Let the words of his rabbi be included in his memory. But no words can measure his spirit nor capture his meaning to those who knew and loved him, love him still:

MAURICE COHEN FUNERAL—MAY 25, 1979

(By Rabbi David Jacobson)

A few days ago, I greeted an old friend, an honored and respected member of the community, and we mentioned what was uppermost on our minds, the death of Maurice Cohen. Almost at once, this usually imperturbable gentleman choked up, and his eyes filled with tears, a spontaneous tribute to one of the dearest, most lovable of God's children.

Maurice would have been embarrassed by any show of special recognition, although I think he would have deeply appreciated it. Maurice was accustomed to give rather than receive, and his special pleasure was in helping and seeing others enjoy fame or acclaim, fellowship and good conversation, the opportunity for following their individual interests, and food and drink. He took such joy in urging and serving heaping portions of succulent beef, Mexican tasties, a variety of vegetables, and unimaginably spicy condiments to the table of select friends, acquaintances, and friends of friends who met any day of the week for lunch with and by Maurice as his guests.

Maurice pressed food on people, to his and their delight. Yet he never pressed his opinions or persuasions. He practiced and encouraged freedom—to be what one chooses, to think and say what one believes—or believes at the moment. God, it is said, looks more carefully at the heart of a person than at any other aspect of being. This was true of Maurice as well. He understood people—their occasional weaknesses, but primarily their over-riding nobility and strengths. So his list of select friends was long and enduring. It included the elite of officialdom, presidents, governors, Congressmen, judges, mayors, district attorneys, postmasters, the whole roster of officers and workers in government at all levels. It included outstanding members of the community in many fields of endeavor, as well as individuals little known.

He saw through the gobbledegock and meaninglessness of party differences, of status and income differences, of vocational or interest differences, of ethnic and religious differences; and his heart was generous enough, and his intellect discerning enough, to embrace them all, like a proud mother all her children, encouraging them the while to "Eat, eat!" and "Live, live!"

The one word that might be picked to describe Maurice Cohen would be "character"—he was a character, and he had character.

Maurice was different. He followed his own star—whether in manner, speech, dress, habits, crotchets, hobbies, interests, or business practices. Yet he never said or did or wore anything unseemly or wrong. That would have been out of character. For his whole life—his upbringing, the teachings of his parents, the traditions of his grandparents and forebears, the counsel and example of his cherished wife and helpmate in all things, Edith, his own strict code of ethics and standards, marked his every action and reaction.

He could precisely be called a man of character—a title of rare distinction—for it should cover many aspects of goodness, consistently and without deviation. He was honest in all matters; his word was his bond, whatever the cost. He took advantage of no one, regardless of their status. He was unfailingly kind, gentle, generous and compassionate, and would go to great lengths to make others happy or comfortable. He was a truly humble person, without pretense or ostentation. He greatly appreciated any kindness to him, to any member of his family or his friends. I never heard him condemn anyone.

Maurice had real courage and venturesomeness. In his business undertakings, he assumed great risks as a matter of course. His decisions, however, were not thoughtless gambles. They were based on specialized knowledge, on a keen eye and a quick mind, with far-ranging considerations of many factors and possibilities.

In his earlier years, he was recognized as one of the most expert cattlemen in the country, who for decades bought, raised and sold vast numbers of livestock. He continued in this business and in allied enterprises until his fatal stroke last week.

He had, of course, many associates in this work. It is another test of his character that they remained good friends so many years, and he never forgot their helpfulness to him in tough times. Thus he was closely attached to the late Mr. Jesse Oppenheimer and to his lifelong colleagues and comrades, Dan Oppenheimer and Joe Straus, Sr., to name only a few.

Maurice had this curious contradiction in makeup. In the depths of his being, he was a single individual, almost a loner, if not lonely. On the other hand, he craved to have people around him, as often as possible. He was strengthened by their presence, and was even dependent on that presence. Among the friends who have been stalwarts are Julio Vasquez, Rosita Jimenez, and Robert Garcia.

Maurice did not come often to synagogue, but I know he was profoundly a person of faith. Prayers offered on behalf of others, for his wife, Edie, for his late brother Bill, and for himself were not just words and phrases. They were ladders to heaven, a way of communicating with the Divine. He prayed as well, particularly for his dear departed—and of course, he thereby acknowledged that life continues beyond life. How else could it be when quality was his mark! He was devoted to the persistence of quality in all things, in thought, in action, in human relationships, in life here and forever. Amen: so may it be.●

THE DANGEROUS FALLACIES OF A BALANCED BUDGET CONVENTION

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. BRADEMAS. Mr. Speaker, several misconceptions are being used in support of the call among some of the States for a constitutional convention to mandate a balanced Federal budget.

In view of the potential consequences of such a constitutional convention, it would serve us all well to examine the arguments for such a convention carefully before the Nation is led into a potentially disastrous undertaking.

In the April 1979 issue of the AFL–CIO American Federationist, there is a thoughtful discussion of "the dangerous fallacies" involved in such a convention, written by Gus Tyler, assistant president of the International Ladies' Garment Workers' Union, author of several books, and a columnist.

I insert a condensed version of his article at this point in the RECORD:

[From the AFL–CIO American Federationist, April 1979]

THE DANGEROUS FALLACIES OF A BALANCED-BUDGET CONVENTION

(By Gus Tyler)

The present push for a constitutional convention to balance the federal budget raises two questions: the desirability of constitutionally mandating a balanced budget and the desirability of convening a convention to enact such an amendment.

The mood of the country on reducing or holding down taxes is understandable. People who work for wages feel over-taxed—and they are. Those who live on "earned" income report virtually all of their earnings and pay on what they report because they don't have any loopholes. People who live on "unearned" income—stocks, bonds, properties—report about half their income and pay on only part of what they report because they enjoy many loopholes.

The problem is not that taxes are too high, but that they are too high for some because they are too low for others. A proper cure for this disorder would be tax reform that lifts some of the burden from America's middle class of wage and salaried people and imposes more of the burden on the rich who live on "unearned" income.

Fearing precisely such an eventuality, the wealthy have mounted a campaign to convince the nation that taxes in general are too high for everyone. This myth was the basis for Proposition 13 in California and is the basis for the present proposal to have a constitutional convention for a balanced budget.

Although the emotional urge for a balanced budget is the desire to keep taxes down, the constitutional amendment will not guarantee that taxes will be reduced or kept at present levels. Indeed, the mandated balance may actually increase taxes.

A budget can be balanced in one of two ways: either by reduced spending or by increased taxes. If at some future time, the President and Congress are not allowed to borrow they will have to raise taxes to make ends meet. Hence, a balanced budget can mean higher as well as lower taxes.

Although some favor the idea on the mistaken notion that it will automatically hold down taxes, others favor it as a way to check inflation. The logic is embedded in the argument that government deficits lead, in one way or another, to more dollars chasing too few goods, and thereby forcing up prices.

For such monetary theorists, the expanded money supply is offered as the sole reason for inflation. They do not blame high interest rates; they do not blame monopolies and oligopolies; they do not blame government fixing of prices, as in the case of numerous agricultural products; they don't even blame high wages. They are single-minded: the culprit is the government that tries to pay for deficits by "printing money."

Their statistical evidence is that in years when the federal deficit is high, inflation runs high. Actually, this seemingly irrefutable proof is no proof at all, because a tracing of U.S. budget deficits shows they are more likely the result of wars and recessions. Inflation may cause a deficit, but not vice versa. In a period of inflation, the government must pay more for many things. Hence, a neatly balanced budget, drawn at the beginning of the year, may well end up as a deficit at the end of a year when prices rise either because of crop failures, an act of OPEC, monopoly action, or a jump in interest rates imposed by the Federal Reserve Board.

THE REALITIES OF DEBT

Most monetarists reveal their anti-government bias when they single out federal budget deficits as the sole or the primary source of an expanded money supply. There are many, many other factors at work expanding the money supply, traditionally defined as the total of all currency plus all demand deposits. Effective money supply is determined by at least two other factors: the amount of credit and the velocity with which money circulates. At present the "supply" of money generated by credit is staggering, with multibillions of dollars outstanding on any one day on credit cards alone—just to cite one small instance. Likewise, the velocity with which money moves is decisive: one dollar spent 10 times in one day has the same impact as 10 dollars spent once. And neither the amount of credit outstanding nor the velocity with which money moves can be traced solely or mainly to government deficits.

In sum, although the monetarist theories about how deficits make for inflation are encased in seemingly sophisticated research and reason, the arguments are shockingly unsophisticated.

Equally fallacious is the argument that the national debt is growing at a dangerous rate and that, unless we stop this piling of debt on debt, the unbearable burden will break the government's back.

In 1966, when the Gross National Product (the sum of all goods and services produced here in one year) was $753 billion, the debt was 43.6 percent of the GNP. But in 1976, when the GNP was at $1,706 billion (rushing toward the $2 trillion mark) the debt had fallen to 37 percent of the GNP. In 10 years our debt shrunk as a portion of our total output.

This "shrinking" of the national debt is not some freakish occurrence peculiar to the years from 1966 to 1976. There has been a downward trend ever since the end of World War II; in 1946, the debt was 132.8 percent of GNP; by 1962, it was 55 percent; by 1965, 48 percent; by 1976, it was down to 37 percent; and by 1979, the debt is a mere 28.4 percent of GNP. Judged by ability to carry the burden, the debt is getting steadily lighter.

An irksome irony about the call for budget balancing is that those who cry loudest and longest about debt are the worst offenders: the states, the corporations and the individual consumers. They are all in debt and more deeply in debt than the government that, at the end of 1978, was only responsible for 19 percent of total indebtedness in America. From 1940 to 1976, the federal debt grew at a slower pace than all other kinds of debt. State and local, corporate and private consumer debt grew far more rapidly.

In 1940, the federal debt was $44.8 billion; by 1976, it stood at $515 billion—a twelvefold increase in 36 years. State and local debt for the same years rose from $16 billion to $236 billion—a fifteenfold increase.

Corporate debt rose (same years) from $75 billion to $1,414 billion—a nineteenfold increase.

The biggest sinners of all—if debt is considered a sin—are Richard Roe and Jane Doe. The debt incurred by consumers rose (same years) from $8 billion to $217 billion—a twenty-sevenfold increase.

The truth of the matter is that debt is a way of life not only in America but in every free enterprise (capitalist) country in the world. The reasons are pragmatically obvious and theoretically understandable.

Most homeowners in America would own no home if they had to pay in cash for the purchase. A mortgage is a loan that incurs a debt. Mortgage indebtedness rose (same years) 24 times over, which is about twice as fast as the federal debt.

It would be useless to put money in a bank, unless it is done purely for safekeeping. The bank could pay no interest—unless there were borrowers, ready to incur debt, who would pay interest to the bank so the bank could pay interest to the depositor.

No corporation of any size could operate without going deeply into debt—as they do. They float bonds and borrow directly and invent a variety of debt instruments to finance their undertakings. Debt is the lubricant for the business machine without which the gears would grind to a halt.

You add to the debt when you take out a small loan, when you buy something on the installment plan, when you make a purchase on a credit card, when you ask your local retail store to charge it, when you borrow against your insurance policy, when you work out a financing arrangement for your car. In the one month of January 1979, installment indebtedness rose by more than $3.5 billion.

Viewed in an overall theoretical way, debt is the foundation of a "free enterprise," modern capitalist society.

KEYNESIAN ECONOMICS

For those who think that deficit financing began with President Franklin D. Roosevelt, Senator Edward S. Muskie (D-Maine) advises in a recent speech that the 'distinction belongs to General Washington—first in war, first in peace, and first in federal deficit." Actually, Washington was following a pattern set on Dec. 15, 1692, in the British House of Commons, when the Committee on Ways and Means proposed to raise $1 million by way of a loan, at the rate of 10 percent up to year 1700 and 7 percent thereafter.

From that point on, the debt began to grow. "At every state in the growth," records Thomas Macauley in The History of England, it has been seriously asserted by wise men that bankruptcy and ruin were at hand. Yet still the debt went on growing; and still bankruptcy was as remote as ever."

For centuries nations had been using debt as a way to pay the way for governments. It was not until the first quarter of the present century, however, that government indebtedness was seen not simply as a way for the state to meet its bills but as a way to guide the total economy. This concept—the use of public debt to regulate economic growth—was the brain child of John Maynard Keynes and, unbeknownst to most Americans, became the theoretical base for the anti-recession policies of the New Deal and of every Administration that followed.

As a practical man, FDR had to resolve a practical, yet seemingly nonsensical puzzle: why wasn't the American economy running during the 1930s when all the factors for a viable economy were present—in superabundance? There was plenty of capital, labor, raw material and entrepreneurial know-how. But they were all idle, rotting, festering. Why?

What was lacking in our market economy was the market which, in plain language, is buying power. Buying power was lacking because the big buyers—working people—were out of work. So long as they did not earn, the market would sag and sag and sag.

The private economy would not put these people to work because it could not. No business pays people to make things for which there is no market. So, to prime the pump, the government had to put people to work, so they would have buying power to put others to work.

The government could get the necessary funds to do so either by taxation or by borrowing. Taxation would not have yielded much in those depressed days; moreover, whatever taxation would yield had to come out of consumers or investors, thereby undercutting the primary purpose of increasing employment. So, the government borrowed.

In a pragmatic way, the United States had backed into its own brand of Keynesian economics. When the private economy failed to generate the necessary market—buying power to sustain the economy, the government stepped in by deficit financing, by—as the monetarists would have it—expanding the money supply. And the formula worked.

WHAT OF CRISES?

Since the New Deal, there have been recessions, but we have not had a single major depression in this country. Crises have been warded off with the weapon of deficit financing.

The big deficits of the Roosevelt period were not rolled up during the peacetime years but in wartime. In 1940, the deficit was only $5 billion. In the war years of 1943–45, the deficits ran between $47 and $50 billion a year. But whether it was to combat recession or to combat a foreign enemy, the money borrowed was used to serve national purpose and, in no case, did the deficit impoverish the people.

If a constitutional amendment had prohibited deficit spending in the Great Depression or during World War II, where would the money have come from? In 1933, Roosevelt would have had to raise taxes to get the funds to "prime the pump." Such taxation would have worsened the crisis by further depleting buying power and capital sources. Where would the government have gotten the funds to fight World War II? Between 1941 and 1942, federal expenditures doubled, from $35 billion to $70 billion. It would have been necessary to double taxes—an intolerable, undesirable and unnecessary move.

What happens in the future—assuming a budget-balancing amendment is on the books—if we are hit by some new crisis: another depression, another war, an internal insurrection, a massive earthquake from the Appalachians to the Rockies? Neither the President nor Congress could act swiftly because the funds would not be there and no new funds could be appropriated without going through the protracted process of once more amending the Constitution.

A mandated balance of the budget assumes that the budget makers know, at the beginning of the year, what their income and their expenditures will be. But they have no way of knowing; they can only guess.

They do not know what their expenditures are for three simple reasons: First, they do not know what crises will arise. Second, they do not know what inflation will do to their costs in the course of the 12 months. Third, they do not know what they will have to pay out under a variety of government "entitlement" programs. Under the last, for instance, the government has an obligation under law to someone who is disabled, or is the head of a family under aid for dependent children, or is newly retired, or is eligible for a veteran benefit. Whoever meets certain criteria set down by law is "entitled" to certain government funds—and there just is no way that the government can know in advance just how big these payments will be.

The government knows even less about what its income will be. How much comes in depends on how much people earn, how corporate profits run, how sales stack up. Income through taxes is a mathematical function of the Gross National Product whose size nobody knows when the year begins or even when the year has passed its halfway mark. For 1980, the President forecasts a growth rate in the GNP of 3.2 percent; the Congressional Budget Office sets it at a 3.9 percent; Wharton Econometrics sets it at a low 1.3 percent; and Chase Econometrics sets it at an optimistic 4.1 percent. The difference between the low and high estimate makes a difference of about $10 billion in taxes to the government.

THE RISK TO STATES

Being less than omniscient then, Congress and the President would unwittingly and unwillingly find themselves in violation of the amendment. Who will prosecute, try and sentence them for their transgressions?

The easiest way to cut federal taxes would be to stop federal aid to the states, which currently runs about $80 billion per year. If an Administration chose to cut grants to the states, you would hear a different tune from state politicians now so eagerly calling for a constitutional convention to balance the federal budget.

But this reduction in the federal budget would not necessarily mean a reduction in taxes for the taxpayer. Even if the government reduces taxes by virtue of the savings in grants to the states, and it is doubtful such a cut would be possible, the states would have to increase their taxes to make up for the funds they no longer get from the federal government. The end result would be higher taxes for the taxpayer.

The other alternative for the federal government would be to raise taxes to cover present and future costs. And it would have to raise taxes beyond a reasonable level because it would have to allow for that margin of safety so as to live within the mandate of the amendment.

A RUNAWAY BODY?

The Constitution provides two ways to amend the Constitution: the traditional way has been through congressional action requiring two-thirds of both houses and ratification by three-fourths of the states; the unused way is through a constitutional convention to be assembled on the call of the legislatures of two-thirds of the states with ratification still requiring three-fourths of the states.

There is no precedent, since 1789, for initiation of an amendment through a convention.

Because there has been some fear in the Congress that a constitutional convention could turn into a runaway body, several efforts have been made in recent years to write legislation to define what a constitutional convention may or may not do and how it may do it. But no bill has yet passed both houses. So, if a convention is called, nobody really knows who shall convene the convention, what shall be the scope of its agenda (one issue or the whole works), how delegates shall be apportioned among the states, who would elect the delegates. Even if Congress should address itself to these questions, there is only questionable authority for the federal legislature to curb or contour or control a convention that was convened precisely because Congress did not wish to initiate the disputed amendment.

The constitutional route to amendment has been proposed by both progressive and conservative forces. In more recent decades, however, the push has come from the right: to limit federal taxes, to undo one-man, one-vote, to set up a special court to overrule the Supreme Court, to prohibit "forced busing," to disallow abortions.

Should a constitutional convention be held it is likely that the several ideas held by conservatives will find expression at the gathering. The delegates may convene to discuss budgets but are likely to end by proposing a variety of pet proposals presently circulating among those who are unhappy with the behavior of Congress and who would like to bypass the legislature. In effect, the constitutional convention route would mean that the states with their state-minded concentration would replace the Congress of the United States with its prime focus on national goals.

The final irony of the balanced budget amendment is that its greatest support comes from those politicians who have, for the last couple of decades, been presenting themselves as the true defenders of the Constitution. Should they ever add their amendment to the Constitution, they will have violated the basic spirit of our supreme law.

The Founding Fathers had three great purposes in composing the Constitution. They wanted a government that was strong, flexible and respectful of the rights of the individual.

Because they wanted a state that was strong they set up a central government to replace the feeble Articles of Confederation. Because they wanted a flexible government they wrote a brief declaration that distributed powers without prescribing what those powers should do in dealing with the special and specific problems of the changing times. To show their regard for the individual, they added the first 10 amendments—the Bill of Rights—to the Constitution as an integral part of the document at the time of original ratification.

In the subsequent amendments, of which there are 16, the prime purpose has been to expand the power of the individual citizen to influence public policy. In short, the thrust of the amendments has been to give the citizen a greater voice in government.

A balanced budget amendment would run contrary to this spirit of the Founding Fathers in all three respects. First, the amendment would narrow the scope of government, a purpose that is the underlying motive of most of the proponents. Second, the amendment would impose a straitjacket on government, turning fitting flexibility into brittle rigidity. Third, the amendment would deprive the individual citizen of a regular say over government in the most decisive area of legislation; namely, the budget.●

DOING THE SALT SHUFFLE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ASHBROOK. Mr. Speaker, every day the media events in Vienna for the SALT II Treaty draws closer and every day a new barrage of "facts" comes out of the administration. The latest round of news releases and speeches shows that we are not seeing a SALT debate as much as a shuffle of whatever the President and the media think is going to coopt or dupe enough people into ratifying the SALT II Treaty.

On May 31, the Washington Post reported that the estimates of the explosive power of the Soviet SS18 ICBM have been drastically reduced. The reduction, from 1.2 megatons to 600 kilotons per warhead, was based on a guess drawn from the weight of the overall delivery vehicle. The Post went on to say that the new guess was based on "a review of past data rather than receipt of any new data from recent Soviet testing."

The first question that needs to be asked about this statement is why is one guess any better than another if the same information is used? The article goes on to quote one official as saying, "Understanding comes gradually, and uncertainties hang on for a long time." This is a pretty lame excuse for something as important as how many megatons of explosives are going to rain down on our missile silos.

Why must our intelligence experts rely on old data and "guesstimates" to figure out the potential threat of the new Soviet missiles?

The answer to why our experts are guessing instead of knowing comes from a Washington Post article on May 30. It seems that the Soviets are still testing the SS18 but are encoding the radio signals from the missiles. The result is that we did not even know what was happening in those tests except that the tests were going on. This blind spot in our intelligence has not upset the Carter administration. In fact they are upset that knowledge of this blind spot was made public. The official word from the open White House was that reports of the encoding were "irresponsible leaking."

The administration then went on to state that the encoding of the SS18 data was irrelevant because the SS18 was an "old system." The Soviets could test the SS18 with encoding for "the next 10 years" and the United States need not worry, said one official. The reason we should not worry is that the Soviets, under SALT, will tell us if they change anything on the SS18 or any other missle and that, if there is a change, they will not encode the data for that specific missile test. "The Russians accept our position on new and modified missiles" one official said, "That's what matters."

Into the SS18 debate comes Defense Secretary Brown. In an address before the graduating class of the U.S. Naval Academy at Annapolis, Secretary Brown warned that, since 1962 the Soviets have been embarked on "a policy of building forces for preemptive attack against U.S. intercontinental ballistic missiles." He went on to say that, by the early 1980's, two new missiles, the SS18 and the SS19, would give the Soviet Union the means of destroying, "with high assurance" most of the 1,000 American land-based Minuteman missiles.

Later in his speech he again referred to the SS18 as a new missile that, with 10 warheads, had the accuracy to destroy most of the American Minuteman missiles in their underground silos. He concluded on point by saying "the Soviets continue with a policy of building forces that could be used in a preemptive, counterforce mode."

What is going on here? The Brown speech was reported in the New York Times, but buried deep in the front section on May 31. The Washington Post did not cover the speech at all. There seems to be some problems with the Carter administration over whether or not the SS18 is an old system or a new system. I guess we should all be glad the Soviets agreed to a SALT Treaty because they can always be depended upon to sort out our dilemmas on new and old missiles.

If the next SS18 or SS19 that is launched has encoded radio signals then it must be an old missile with no modifications. If the missile signals are open and clear then we all will know there is something different about the missile and we should all sit up and take notice.

I am proud to know that our intelligence community and the military wizards in the Arms Control and Disarmament Agency have come up with such a simple solution to our verification dilemma. The guessing game on megatonnage becomes superfluous. As one agency bureaucrat reported, "We have always said their advantage in megatonnage overall makes no difference." This is a shuffle of rhetoric that reminds me of a new dance * * * the hustle.●

OUR CRUDE OIL SITUATION

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. ROTH. Mr. Speaker, last week House Minority Leader RHODES introduced a resolution, calling on President Carter to furnish the House and the American public with "all of the information it has on hand pertaining to our crude oil situation."

I support this effort because the American people are getting conflicting information on this and other energy questions from the Department of Energy and the oil companies.

I have found in the Eighth District of Wisconsin that the people believe neither the President nor the oil companies.

For example, earlier this year one of my constituents, Mr. Gene Oatman of Ocono Falls, Wis., sent me petitions with almost 2,000 signatures, that asked four pertinent questions about the price of natural gas and oil.

Those questions were:

First. We were told we were "out of gas" in the spring of 1973. After all this time, how come gasoline and other petroleum products are more plentiful than ever?

Second. Who is getting the 5 cents per gallon increase in gasoline prices over the past several months?

Third. The price of natural gas in 1971 was 20 cents per thousand cubic feet. The bill just passed by Congress set the current price at $2—1,000 percent more than 1971. By 1985, the price will be $4—2,000 percent more than 1971. How in the world do you intend to control inflation if you give the oil companies a 2,000-percent raise?

Fourth. The Arabs (OPEC) increased their price $10 per barrel since the "crisis" began. A barrel contained 42 gallons. This comes to about 24 cents a gallon. The average price of gasoline before the "crisis" was 30 cents. Therefore, the Arab price is 54 cents per gallon. About 1 out of every 2 gallons is imported. The average price of gasoline nationwide is about 63 cents. Now, if two gallons are purchased for 63 cents, the total will be $1.26. Since we know the Arab gallon costs 54 cents, the American gallon of gas had to cost 72 cents—18 cents more. Why are the American oil companies charging so much more than the Arabs?

Mr. Speaker, the response from the Department of Energy, to whom I referred the petitions, follows.

I think it is important for my constituents who signed the petition to read the response, and it will be of interest to my colleagues, as well.

DEPARTMENT OF ENERGY,
Washington, D.C., May 17, 1979.

Hon. TOBY ROTH,
House of Representatives,
Washington, D.C.

DEAR MR. ROTH: Secretary Schlesinger has asked me to respond to your recent letter and enclosed petition expressing your constituents' concern regarding increases in natural gas prices permitted by the Natural Gas Policy Act of 1978 as well as gasoline price increases.

The basic underlying factors which necessitate price increases of natural gas are simply supply and demand. Our domestic supplies of inexpensive gas are declining. At the same time the cost of alternatives to gas, such as imported oil, have grown substantially, increasing the demand for gas over and above what might have been expected from the normal growth in our economy. Oil and gas compete very directly as a source of heat for industrial processes, and for space heating purposes. More domestic gas is available, but it simply costs more to produce. In order to get this gas we must pay a higher price.

As you know, the interstate natural gas market and, in particular, interstate gas prices have been regulated for many years, first by the Federal Power Commission, (FPC) and more recently by its successor agency, the Federal Energy Regulatory Commission (FERC). Until this decade this regulatory system dealt with a market which had access to large quantities of gas which was very inexpensive to produce. The Natural Gas Policy Act (NGPA) represents an attempt to adjust the regulatory system to substantially changed conditions on both the supply side and demand side.

On the supply side prices have been allowed to increase in a controlled manner. The price ceiling on old, inexpensive interstate gas is allowed to rise at the rate of inflation. Thus, until it is exhausted, this old gas remains inexpensive. However, the quantity available is far short of our needs. In order to provide an incentive for producers to develop expensive wells, newly discovered gas may be sold at significantly higher prices ($1.75/MCF plus an inflation adjustment plus 3.5% per year after April 1977).

The Congress in enacting the NGPA believed that this price correctly reflects the cost of developing new sources.

On the demand side, the incremental pricing provisions of the NGPA require that the cost of these more expensive supplies be borne first by customers who use gas as a boiler fuel, a low-priority end-use. The costs of gas above $1.48/MCF (plus an adjustment for inflation) will be borne directly by these customers. In general consumers gain by permitting these industrial firms to use gas, because:

1. Lower industrial fuel costs should keep product prices lower than would otherwise be the case, and

2. These customers pay a significant share of the large, fixed cost of the gas transmission and distribution system.

In effect the NGPA has to a great extent preserved the lower cost supplies of gas for use by residential and commercial customers, and other high priority users, while making more expensive gas available to industrials users. This will keep gas prices for residential customers lower than would otherwise be the case. However, their price will surely increase because we are using up the inexpensive gas.

With respect to increased gasoline prices, current prices of gasoline as compared to levels experienced in 1973 are substantially higher for several reasons. Both world prices and domestic prices for crude oil have risen in real terms over the past six years. In addition, inflation has added significantly to the "nominal" price of gasoline at the pump. Gasoline is more expensive to produce through crude oil refining than production of other petroleum products such as diesel fuel and residual (heavy industrial) oil and thus adds to the retail cost.

The calculations contained in the petition regarding OPEC and domestic crude components of gasoline prices fail to take into account certain factors. These include the cost of refining crude oil into gasoline, the cost of transporting and marketing gasoline from refiner to retailer, and various Federal and State taxes placed directly on gasoline sales.

I hope I have been helpful in answering your inquiries.

Sincerely,
STEPHEN E. MCGREGOR,
Director, Office of Oil and Gas Policy.●

PERSONAL EXPLANATION

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. MOORE. Mr. Speaker, I was necessarily absent due to appointments in Louisiana yesterday and, in doing so, I missed two rollcall votes.

Had I been here, I would have voted for the conference report to accompany S. 7, the Veterans Health Care Amendments of 1979, consistent with my initial vote for the bill as H.R. 1608 on May 21 of this year.

I would have also voted for H.R. 4035 as it provided a balanced and constructive approach toward lasting peace and cooperation between Israel and Egypt. Given the reality of past costs the United States has paid for the price of war in the Middle East, and the expectation of a far greater price should there be future ones, I have to support it.●

ANNOUNCEMENT OF HEARINGS ON MANDATED BALANCED FEDERAL BUDGETS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1979

● Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary will hold 2 days of public hearings on Friday, June 8, and on Friday, June 15, to consider proposed constitutional amendments to require a balanced Federal budget and amendments to limit Federal Government spending.

The hearings will be held in room 2141, Rayburn House Office Building, and will commence at 9 a.m.

Testimony on these proposals will be received from Members of Congress who wish to appear. Those Members interested in doing so should contact the subcommittee no later than the Wednesday before each hearing date.●

LEONARD FRIEDMAN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. DORNAN. Mr. Speaker, on occasion I have the pleasure of asking my colleagues to recognize an outstanding individual in the area I represent who has gained the respect of residents and community leaders. This person displays all of the characteristics of good citizenship: civic involvement, community planning, and public service. The gentleman who has demonstrated his ability in so many areas, above and beyond the call of duty, is Mr. Leonard Friedman, the outgoing president of the West Los Angeles Regional Chamber of Commerce. His record during his term as president is worth noting.

Leonard's commitment to the Westside has been nothing short of phenomenal. I say this because, as President of the WLARCC, he has taken an active and concerned interest in the affairs of the Westside by inaugurating a number of successful programs. Among these were his efforts to block the unsightly spread of billboards in Westwood Village. Under his direction, a cleanup campaign was instituted in the village. Sunday "no parking" restrictions on San Vicente Boulevard in the Brentwood business district were also removed.

During Leonard's term, the chamber initiated a series of "brown bag" luncheons with local lawmakers, leadership seminars, a highly successful retreat for long-range planning, an art and craft show presented on the streets of the village and a host of other successful programs. Of particular note was the President's desire to increase community awareness of the techniques of cardiopulminary resuscitation (CPR). These most beneficial programs were conducted with the Los Angeles paramedics under Mr. Friedman's excellent guidance.

Highly respected by the community he serves, equally esteemed by his fellow civic leaders with whom he has maintained a highly progressive working relationship, Leonard Friedman is one person worth a very special thank you, Mr. Speaker. He leaves a most impressive record as chamber president. I join with all of the good people of the Westside in saying, "Well done, Leonard." ●

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